

REGIONAL MUNICIPALITY OF OTTAWA-CARLETON
MUNICIPALITÉ RÉGIONALE D'OTTAWA-CARLETON

REPORT
RAPPORT

Our File/N/Réf. (12) 09-98-50028
Your File/V/Réf.

DATE 27 May 1998

TO/DEST. Co-ordinator
Corporate Services and Economic Development Committee

FROM/EXP. Planning and Development Approvals Commissioner

SUBJECT/OBJET **LEASE RENEWAL**
1400 ST. LAURENT - EMPLOYMENT RESOURCE CENTRE

DEPARTMENTAL RECOMMENDATION

That the Corporate Services and Economic Development Committee approve a 31 month lease extension agreement with Devan Properties Ltd. commencing on December 1, 1998 and expiring on June 30, 2001, for 6,486 sq.ft. located at 1400 St. Laurent Blvd., in the City of Ottawa, for the purposes of an Employment Resource Centre, at an annual cost of approximately \$ 162,540 (rent and operating expenses excluding GST).

BACKGROUND

The Social Services Department occupies a 6,486 sq.ft. of space at 1400 St. Laurent Blvd.. The lease expires on November 30, 1998 and this report deals with the authorization to enter into a 31 month extension. This area has been utilized as a Employment Resource Centre since 1995.

The lease proposal is based on a rental rate of \$ 14.00/sq.ft. plus operating costs estimated at \$11.06/sq.ft. This represents a total annual cost of approximately \$162,540. Minor fit-up work is to be completed at an estimated cost of \$ 10,000 which is to be paid by the landlord.

PUBLIC CONSULTATION

As this is an internal administrative matter, public consultation on this lease was not considered necessary.

FINANCIAL IMPLICATIONS

The current lease has a six month option for renewing the lease. Social Services is exercising this option now to coincide with the Northeast District Office lease which terminates on June 30, 2001. This will provide flexibility in exploring options for office space at that time. The annual cost of the lease with Devan Properties Ltd. represents an increase of approximately \$26,920 for base rent. This rental increase is considered to be reasonable based on an independent rental survey.

FINANCIAL STATEMENT

	\$
1998 Budget (submitted)	3,715,597
Total Paid & Committed	<u>1,622,038</u>
Balance Available	2,093,559
This Request (excluding GST)	<u>173,918</u>
Balance Remaining	<u>1,919,641</u>

Funds have been provided in the 1998 Operating Budget, Account No. 012-12146-2610. This report represents a pre-commitment for future budgets.

CONCLUSION

The Property Services Division considers the Lease Extension as reasonable and recommends acceptance.

Approved by Nick Tunnacliffe MCIP, RPA

FINANCE DEPARTMENT COMMENT

Funds are available as indicated.

*Approved by C. Colaiacovo
on behalf of the Finance Commissioner*