

Clause 14 in Report No. 15 of Committee of the Whole was adopted, without amendment, by the Council of The Regional Municipality of York at its meeting held on October 20, 2016.

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Lease Extension at 24262 Woodbine Avenue, Georgina

Committee of the Whole recommends adoption of the following recommendation contained in the report dated September 22, 2016 from the Commissioner of Corporate Services:

- 1. Council authorize a lease extension commencing October 1, 2016, for existing space located at 24262 Woodbine Avenue, for a ten year lease term.
- The Commissioner of Corporate Services be authorized to execute a Lease Amending and Extending Agreement with A. & M. Giancola Holdings Inc., subject to review by Legal Services.
- 3. The Commissioner of Corporate Services be authorized to exercise any occupancy agreement extensions with respect to all or part of the premises, subject to review by Legal Services.

Report dated September 22, 2016 from the Commissioner of Corporate Services now follows:

1. Recommendations

It is recommended that:

- 1. Council authorize a lease extension commencing October 1, 2016, for existing space located at 24262 Woodbine Avenue, for a ten year lease term.
- 2. The Commissioner of Corporate Services be authorized to execute a Lease Amending and Extending Agreement with A. & M. Giancola Holdings Inc., subject to review by Legal Services.
- 3. The Commissioner of Corporate Services be authorized to exercise any occupancy agreement extensions with respect to all or part of the premises, subject to review by Legal Services.

2. Purpose

This report seeks Council approval for the proposed extension of the Region's lease at 24262 Woodbine Avenue. The extension will provide continuity of Regional services at this location.

Private Attachment 1 to this report is private because it relates to the proposed acquisition of land by the municipality.

3. Background and Previous Council Direction

Community and Health Services has occupied 24262 Woodbine Avenue, since 2001

In July 2000, Regional Council approved the relocation of Community and Health Services to a new design-build site located at 24262 Woodbine Avenue, Georgina (<u>Georgina Office Lease for Space</u>). The one-story building consists of 16,286 square feet of office space that was outfitted to meet the specific business needs of Community and Health Services. The building is located near the south west corner of Woodbine Avenue and Morton Avenue in Keswick.

The Region initially signed a 15-year agreement for the facility which expires on September 30, 2016. Community and Health Services wishes to remain at this location as it continues to meet their program requirements. Extending this lease will allow public programs to continue without disruption within the Georgina area. The location map for 24262 Woodbine Avenue is included as *Attachment 1*.

Occupancy Agreement with Markham Stouffville Hospital

Since 1998, York Region has partnered with Markham Stouffville Hospital to deliver community-based speech and language programs to pre-school children throughout the Region. In 2005, an occupancy agreement was signed with Markham Stouffville Hospital that provides approximately 300 square feet of office space at 24262 Woodbine Avenue. This occupancy agreement will expire on September 30, 2016. Both Community and Health Services and Markham Stouffville Hospital would like to continue this partnership.

4. Analysis and Implications

Community and Health Services has expressed their interest in remaining at 24262 Woodbine Avenue

In the spring of 2016, the Community and Health Services department advised of their interest in retaining the existing leased space at 24262 Woodbine Avenue. It is accessible, provides much needed public services to area residents and will not be one of the consolidated services relocating to the Annex. Regional staff negotiated with the landlord, and reached a tentative agreement to renew the lease for a 10-year term beginning October 1, 2016 and expiring on September 30, 2026.

The building is designed according to Regional standards and meets program needs

The office space was constructed and designed according to Regional office standards as part of the initial build to make the space functional for Community and Health Services program needs. These improvements would be lost if the Region left this location in favour of another leased facility. Due to the time and cost associated with moving and constructing leasehold improvements necessary to relocate, it is not financially prudent to lease space at an alternative location. This site offers accessibility and convenience for the delivery of direct services to the public in this area.

Remaining at 24262 Woodbine Avenue offers good value for the Region

Regional staff conducted a market search for leased and owned properties that would accommodate a comparable number of staff as 24262 Woodbine Avenue. There were very few options available within the desired area and what was available would require significant leasehold improvements to meet Regional standards. Good value has been achieved from the initial leasehold improvements on site and the initial investment will go further if the lease is extended. Regional staff has reviewed the market comparables and the competitive lease rates at 24262 Woodbine Avenue are more favourable than relocation at this time.

The lease extension at 24262 Woodbine Avenue supports the goals and principles of Vision 2051

The leased space at 24262 Woodbine Avenue supports the Vision 2051 principle of being accessible and making programs and services available to all. The Woodbine Avenue property supports residents in Northern York Region in an accessible, safe and convenient location. Residents are able to access the services they need within an integrated network of community support. The lease

Lease Extension at 24262 Woodbine Avenue, Georgina

also supports open and responsive government since collaboration and third-party partnerships are used to deliver service excellence while keeping fiscal responsibility in mind.

5. Financial Considerations

The funding required to complete this lease extension is included in the Property Services budget. Detailed financial information can be found in Private Attachment 1.

6. Local Municipal Impact

Maintaining a presence at 24262 Woodbine Avenue will ensure that access to Regional services is not interrupted and costs involved with relocating facilities are not incurred. Extending this lease will provide the Region with a suitable solution for service delivery for Community and Health Services in the northern area of the Region.

7. Conclusion

Entering into a 10-year Lease Extension at 24262 Woodbine Avenue will allow the Region to continue operating from this location and provide residents in this area with the much needed services that Community and Health Services Department provides. The property is located in an area with many amenities and leasing the space supports the Region's short and long-term accommodation planning.

For more information on this report, please contact Michael Shatil, Director, Property Services Branch at ext. 71684.

The Senior Management Group has reviewed this report.

September 22, 2016

Attachments (1)

Private Attachments (2)

YORK-#7042825

Accessible formats or communication supports are available upon request

Attachment 1

