

August 14, 2010

ACTION REQUIRED

To: The Board of Governors of Exhibition Place

From: Dianne Young, Chief Executive Officer

Subject: **Mounted Police Head Quarters Lease Renewal, Horse Palace**

Summary:

This report recommends that the Board approve a five (5) year renewal lease with the Toronto Police Services Board (“TPSB”) commencing January 1, 2010 and expiring December 31, 2014 for the premises within the Horse Palace presently occupied by the Toronto Police Mounted Unit Head Quarters, substantively on the terms and conditions of the existing lease and the additional terms outlined in this report.

Recommendation(s):

It is recommended that the Board approve a five (5) year renewal lease with the Toronto Police Service Board (“TPSB”) for premises located within the Horse Palace occupied by the Toronto Mounted Police Unit on the same terms and conditions except for the amendments noted below.

Financial Impact:

There are no financial implications resulting from the adoption of this report. As with other City operations, the lease rent is nominal, but the Mounted Unit must pay for the full cost of all services delivered to it by Exhibition Place staff which cost includes a mark-up of 12% on the service cost. The Mounted Unit also pays for the cost of maintaining the horse ring and dirt in the Horse Palace which cost they share with the Exhibition Place Riding Academy.

Decision History:

At its meeting of June 25, 1999, the Board approved the terms of a lease for an area within the Horse Palace to be built and occupied by the Mounted Police Headquarters for an initial term of five (5) years, expiring on December 31, 2004, with an option, subject to the approval of the Board in each case, to renew for three (3) further periods of five (5) years each. City Council subsequently approved of the lease term and renewal terms at its meeting of October 3, 4 and 5, 2000 and its special meeting of October 6, 10 and 11, 2000 by Clause No. 49 of Report No. 19 of the Administration Committee. At its meeting of September 24, 2004, the Board approved a renewal term of 5 years that expired on December 31, 2009.

Issue Background:

Given the previous approval of City Council, City Legal has confirmed that only approval of the Board, not City Council, is required for this 5-year renewal.

Comments:

Following approval of the initial lease with the TPSB extensive renovations and leasehold improvements valued at approximately \$1.0M were completed to an area approximately 18,000

sq. ft. located in the northwest corner of the Horse Palace. All renovations and leasehold improvement costs were paid by the TPSB and the Mounted Police Unit moved their Headquarters (previously located on Bayview Ave) into this facility in January 2000.

The tenancy of the Mounted Unit at Horse Palace has been very positive for Exhibition Place. The Mounted Unit has upgraded and added value to the Horse Palace building and has also participated or attracted events to the grounds: Doors Open and Toronto Horse Day. Accordingly, staff recommends that the Board approve a renewal term of five (5) years to expire on December 31, 2014 on the same terms and conditions of the present lease.

Contact:

Jeff Gay, Director Event Management Services

Tel: 416-263-3060

Fax: 416-263-3107

Email: jgay@explace.on.ca