

EXHIBITION PLACE

September 13, 2004

To: The Board of Governors of Exhibition Place

From: Dianne Young
General Manager & CEO

Subject: **Renewal of License Agreement with the City for Fleet Street Parking Lot**

Recommendation(s):

It is recommended that the Board:

- 1) Enter into a three (3) year License Agreement with the City of Toronto for the use of the lands known as 800 Fleet Street for the purpose of operating these lands as an additional parking area, on the terms and conditions as detailed in this report and any other terms as may be required by the General Manager and the City Solicitor; and,**
- 2) Direct staff to negotiate with parties interested in using this parking facility**

Background:

In October 2001, the Board approved the terms for a three-year license agreement with the City for the parking lot located at 800 Fleet Street. This agreement expires December 31, 2004.

Discussion:

The Lot at 800 Fleet Street, which is owned by the City, has historically been underutilized. Parking Services began operating the lot in January 2002 for both monthly permit parking and as overflow parking for major events. Since that time, it has attracted an average of 50 monthly parking clients from offices located on King Street West. Annual (gross) income in 2002 was \$38,780.00, of which \$13,000.00 was earned from monthly parking permits and \$16,513.00 was remitted to the City. In 2003, annual (gross) income increased to \$48,678.00, of which \$21,282.00 was earned from monthly parking permits and \$21,260.00 was remitted to the City. This revenue represents new revenue to both the City and to the Board, as previous to January 2002 this lot was operated only during the period of the CNE and then by the Toronto Parking Authority.

The lot at 800 Fleet Street provides an additional 250 parking spaces that are regularly used as overflow parking during high-attendance events at the National Trade Centre and RICOH Coliseum. Access to this additional parking inventory will also be required during the construction of the Hotel and Conference Centre.

Accordingly, staff recommends that the Board enter into a three (3) year license agreement with the City on the terms and conditions below and any other terms as may be required by the General Manager or the City Solicitor:

- (a) Licensed Area: Approximately 87,300 square feet of land located on the north side of Fleet Street between Strachan Avenue and Garrison Road, commonly referred to as "800 Fleet Street".
- (b) Term: Three years, commencing January 2005, but excluding the period of operation of the Annual Canadian National Exhibition, during which period the Licensed Area will continue to be occupied and used by the Toronto Parking Authority (see note below).
- (c) Rent: 50% of total Net Revenue generated plus GST, due and payable to the City annually of each year of the term. The Board shall collect all revenue derived from the Licensed Area during each year of the term of the License ("Gross Rent") and shall be allowed to deduct all capital and operating costs incurred with respect to the Licensed Area during each year of the term of the License to arrive at the determination of Net Revenues
- (d) Use: The Licensed Area shall be used for parking purposes only and, under no circumstances, shall reduced parking rates be charged, nor shall the License Area be used for free parking (save and accept for the personnel of Fort York Armory), nor shall the Licensed Area be used for the storage of vehicles, trailers, equipment or materials without the consent of the Commissioner of Corporate Services
- (e) Conditions:
 - (i) The Board shall be responsible at its sole cost for the maintenance and repair of the License Area and shall maintain all existing equipment such as fences and curb stones and shall keep the Licensed Area in a clean and tidy condition;
 - (ii) The Board shall protect all and shall not remove any trees, shrubs or landscaping on the Licensed Area;
 - (iii) The Board shall not erect any fences, signs, fixtures or permanent structures on the Leased Area without the consent of the Commissioner;
 - (iv) The Board shall at all times keep the Licensed Area free and clear of all obstructions, snow and ice;
 - (v) The Board shall accept the Licensed Area on an "as is" basis and will ensure that it operates the Licensed Area in accordance with all current municipal Provincial and Federal laws and by-laws, building and fire codes and all other applicable rules & regulations; and,
 - (vi) The Board will satisfy the City's requirements with respect to comprehensive general liability insurance and indemnification.
- (f) Termination: The License shall be subject to termination by either of the parties upon sixty (60) days' advance written notice.

Staff has conducted a survey of the few parking lots that allow monthly permit parkers and have found that monthly rates range from \$45.00 to \$55.00 per month. Given the location of the Licensed Area, staff would recommend continuing the fee of \$45.00 per month for existing parking clients and new clients will be levied \$50.00 per month.

Conclusion:

This report recommends that the Board enter into a three year License on the terms and conditions set out in this report with the City for the use of the lands known as 800 Fleet Street to be operated as an additional parking area.

Contact:

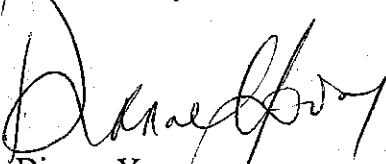
Kathryn Reed-Garrett, Director of Business Development

Tel: 416-263-3606

Fax: 416-263-3690

Email: kreed-garrett@explace.on.ca

Submitted by:



Dianne Young
General Manager & CEO

