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October 18, 2001

To: The Board of Governors of Exhibition Place

From: Dianne Young
General Manager & CEO

Subject: Proposed Lease of Parking Lot at 800 Fleet Street

Recommendation(s):

It is recommended that the Board:

- 1) enter into a three (3) year License 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 City Solicitor; and,**
- 2) direct staff to negotiate with parties interested in using this parking facility**

Background:

One of the 2001 goals and objectives of Parking Services was to investigate new opportunities to generate additional parking revenues for the Board.

Discussion:

One opportunity to generate additional parking revenue is to sell monthly parking permits to employees in the area surrounding Exhibition Place. In fact, Parking Services has been in discussions with St. Joseph's Hospital and also with the operator of a parking facility in one of the office buildings on King Street West. Both parties have an existing waiting list of employees who are looking for monthly parking facilities.

The difficulty in addressing this need within the existing parking inventory at Exhibition Place is that the demand for parking exceeds the supply during many of the large consumer shows. It would be very difficult to defend to major shows managers that the parking inventory was going to be reduced to accommodate monthly parking permits. Also, there are many times of the year that the grounds are not convenient to access or are not accessible at all because of the events on site.

The marshaling of vehicles that are used to move materials in and out of the NTC and other buildings on the grounds for shows and events is now being staged from the Gore Lot, as Lot "J" at the western end of the grounds is in full use for Liberty Grand and Medieval Times. The Gore

Lot might have been suitable for monthly parking if it were not needed for this marshaling purpose on a frequent basis during the trade show season.

With the above in mind, staff contacted City of Toronto Corporate Services and Real Estate to inquire about the status of a lot of land located just north of the Gore Lot and on the east side of Strachan Avenue. This land, which is owned by the City is underutilized – in fact it is only used during the period of the annual CNE when it is operated by the Toronto Parking Authority.

Staff has been in discussions with the City about the ability to lease and operate this lot and recommend that the Board adopt the business terms of a Licence with the City which are as follows:

- (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 as early as November 1, 2001, 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 annually by December 31st of each year of the term to the City. 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, 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.

Once the License is approved and executed, staff will commence immediately to market the Licensed Area to the businesses and employees of the area surrounding Exhibition Place. 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 a fee of \$45.00 per month.

While one of the conditions in this report requires that the Board return the Licensed Area to the Toronto Parking Authority to operate as a parking lot during the annual Canadian National Exhibition, staff has already received permission from City Corporate Services to contact and negotiate with the Parking Authority so that the Board may continue to operate the License Area during the period of the annual CNE.

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:

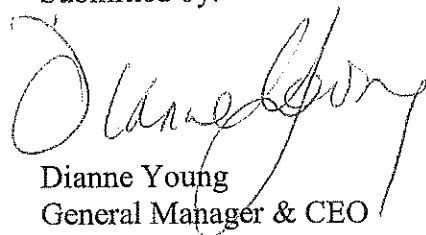
Kathryn Reed-Garrett, Director of Business Development

Tel: 416-263-3606

Fax: 416-263-3690

Email: kreed-garrett@explace.on.ca

Submitted by:



Dianne Young
General Manager & CEO

