

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

REPORT
RAPPORT

Our File/N/Réf. (12) 10-97-2022
Your File/V/Réf.

DATE 03 March 1997

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

FROM/EXP. Planning and Development Approvals Commissioner

SUBJECT/OBJET **OFFICE ACCOMMODATION
SOCIAL SERVICES DISTRICT OFFICE
2505 ST. LAURENT BOULEVARD**

DEPARTMENTAL RECOMMENDATION

That the Corporate Services and Economic Development Committee and Council approve a five-year lease agreement with Equus Group 12 Inc/Equus Group 14 Inc. for 24,878 square feet of office accommodation located at 2505 St. Laurent Blvd., in the City of Ottawa at an annual cost of approximately \$510,000, including GST.

BACKGROUND

At the present time, the southeast area is serviced by Social Services District Office "D" at the above location. The lease for this space is due to expire on June 30, 1997. In order to continue to deliver the requirements of the General Welfare Assistance Program and the new Supplemental Aid Program in this geographic location, Property Services undertook a space search within the clients' specified geographic boundaries. In addition to this search, advertisements requesting proposals were placed in the three local newspapers. These activities revealed several available sites which staff evaluated based on their potential to meet the requirements of a District Office in the areas of location, floor plan, parking, access to public transit and barrier-free layout.

LEASE PROPOSAL

The proposed lease is for 24,878 square feet at 2505 St. Laurent Blvd. The space has been designed to accommodate the service-delivery needs of the General Welfare Assistance Program and the Child Care Services Program, and includes the re-designed service delivery requirements associated with improving the client services initiative.

The basic rent is \$9.82 per square foot. Operating costs are \$9.34 per square foot for 1997. The lease agreement is for 60 months, commencing July 1, 1997. The foregoing equates to approximately \$510,000 (including GST) per annum, or an annual rate of \$19.16 per square foot (the current lease calls for an annual rate of \$19.65 per square foot).

CONSULTATION

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

EXPENDITURE JUSTIFICATION

This lease provides the most effective option for the provision of office space within the geographic boundaries to meet the Department's ongoing operational requirements.

The option to purchase a property instead of entering into a five-year lease was not pursued at this time, given fluctuations in caseload and associated uncertainty of District Office space requirements.

FINANCIAL STATEMENT

1997 Budget (as submitted)	\$4,171,245
Total Paid & Committed	<u>495,336</u>
Balance Available	\$3,675,909
THIS REQUEST	510,000
Balance Remaining	\$3,165,909

Funds have been provided for in the 1997 Operating Budget, Account No. 012-12146-2610.

CONCLUSION

The Property Services Division feels the Lease Agreement is fair and reasonable and recommends it for acceptance.

*Approved by R.W.T. Ennor
on behalf of N. Tunnacliffe, MCIP, RPP*

KT/ka

FINANCE DEPARTMENT COMMENT

Funds are available in account 012-12146-2610 as indicated above.

*Approved by T. Fedec
on behalf of the Finance Commissioner*