
Our File/N/Réf. (12) 10-95-2021
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DATE 1 May 1996

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

FROM/EXP. Planning and Property Commissioner

SUBJECT/OBJET **OFFICE ACCOMMODATION LEASE
SOCIAL SERVICE DISTRICT OFFICE
161 GREENBANK ROAD, NEPEAN**

DEPARTMENTAL RECOMMENDATION

That the Corporate Services and Economic Development Committee and Council approve a five-year renewal lease agreement with Metcalfe Realty Company Limited for 17,033 square feet of office accommodation located at 161 Greenbank Road in the City of Nepean at an annual cost of approximately \$328,201 including GST.

BACKGROUND

At the present time, the Southwest area of the region is served by the subject district office, 161 Greenbank Road, Nepean. Prior to entering into negotiations with Metcalfe Realty for the required accommodations, Property Services undertook a space search within the client's specified geographic boundaries. In addition to this search advertisements requesting proposals were placed in the local newspapers. These activities revealed no other suitable sites as the catchment area is predominantly residential in nature with few commercial sites having acceptable access to public transit.

LEASE PROPOSAL

The proposed lease is for 17,033 square feet on two floors at 161 Greenbank Road. The space has been designed to accommodate the service delivery needs of the General Welfare Assistance Program and the Supplementary Aid Program, and includes the re-designed service delivery requirements associated with improving the Client Services Initiative (ICS).

The basic rent will be \$8.00 per square foot. Operating costs are \$10.72 per square foot for 1996. The lease agreement is for a term of 60 months commencing August 1, 1996.

As the Southwest district office is currently located within this facility, there will be a saving to the Region in relocation costs.

CONSULTATION

Public consultation on this lease was not considered necessary. However, in order to ensure that the Social Services Department was provided with the most beneficial lease, Property Services publicly advertised for lease proposals from landlords within the boundaries of the office.

EXPENDITURE JUSTIFICATION

This lease provides the most cost-effective option for the provision of office space to meet the department's ongoing operational requirements.

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

FINANCIAL STATEMENT

	\$
Approved Budget to Date	327,035
Total Paid & Committed	<u>190,058</u>
Balance Available	136,977
THIS REQUEST	<u>136,749</u>
Balance Remaining	228

Funds have been provided in the 1996 Operating Budget, Account No. 012-57194-2610.

CONCLUSION

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

*Approved by Nick Tunnacliffe
Commissioner
Planning and Property Department*

/kt

FINANCE DEPARTMENT

Approval represents a pre-commitment of the 1997-2000 budgets.
Subject to Council approval.

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