

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

REPORT  
RAPPORT

Our File/N/Réf. (12) 09-98-50032-000  
Your File/V/Réf.

DATE 26 June 1998

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

FROM/EXP. Planning and Development Approvals Commissioner

SUBJECT/OBJET **LEASE EXTENSION - 880 WELLINGTON ST**

### **DEPARTMENTAL RECOMMENDATION**

**That the Corporate Services and Economic Development Committee approve the extension of the lease for 10,600 ft<sup>2</sup> of office space at 880 Wellington Street, with Equity Management International Ltd. for fourteen months from August 1, 1998 to September 30, 1999, at a cost of \$218,466.**

### **BACKGROUND**

The Social Services Department currently occupies 11,837 ft<sup>2</sup> of office space at 880 Wellington Street. The lease will expire on July 31, 1998 and this report deals with the authorization to enter into a 14 month extension for part of that space. Social Services has occupied space at this location since 1988.

At the present time, Social Services occupies a total leaseable area of 11,837 ft<sup>2</sup>. on three floors. The current rent is \$7.50/ft<sup>2</sup> per annum plus operating costs of \$ 11.01/ft<sup>2</sup>.

Other options were considered. Relocating was not considered a viable option at this time due to the September 1999 expiry of the lease for the West District Office at 1590 Scott Street.

The proposed lease extension will result in Social Services vacating the 5<sup>th</sup> floor while continuing to occupy the 3<sup>rd</sup> and 4<sup>th</sup> floor space. The rentable area will be reduced to 10,600 ft<sup>2</sup>. The landlord has agreed to a rent of \$ 5.50/ft<sup>2</sup> plus \$11.01/ ft<sup>2</sup> with the same terms and conditions as the original lease. Based on a reduced rentable area of 10,600 ft<sup>2</sup>, the total cost will be \$204,174 over the 14 month term of the lease renewal.

PUBLIC CONSULTATION

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

EXPENDITURE JUSTIFICATION

The lease for the reduced space will expire on September 30, 1999. The timing will coincide with the lease expiry for the West District office. This will provide flexibility to explore options for both premises at that time. In addition, the landlord has agreed to a \$ 2.00/ft<sup>2</sup> reduction in rent for the reduced area.

FINANCIAL STATEMENT

	\$
Approved Budget to Date	3,715,597
Total Paid & Committed	<u>(1,884,478)</u>
Balance Available	1,831,118
This Request (including GST)	<u>( 78,024)</u>
Balance remaining	1,643,862

Funds have been provided in the 1998 Operating Budget, Account No. 012-12146-2610. This represents a pre-commitment for future budgets.

*Approved by Nick Tunnacliffe, RPP, MCIP*

FINANCIAL DEPARTMENT COMMENT

Funds are available for the 1998 portion; the balance is a pre-commitment against the 1999 operating budget.

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