



Committee Report

To: Warden Chris Peabody and
Members of the Corporate Services Committee

From: Edward Henley
Director of Corporate Services

Date: January 26, 2023

Re: 215 Cayley Street Crown Building Lease Renewal

Staff Recommendation:

That a by-law be introduced authorizing the Warden and Clerk to execute a 5-year lease agreement for 215 Cayley Street “Crown Building” between the Corporation of the County of Bruce and His Majesty the King in Right of Ontario as represented by the Minister of Infrastructure.

Background:

The current lease of 215 Cayley Street to the Ministry of the Attorney General (M A G) and its predecessors has been in place since 2000 and has been extended four times. The fourth extension was approved at a Corporate Services Committee meeting on September 7, 2017 for the period April 1, 2018 until March 31, 2023. The lease ownership has been shifted from M A G to the Ministry of Infrastructure (M O I). The Minister of Infrastructure desires to extend the lease for a fifth time. (see attached)

Updated renewal rates have been determined after discussions with the Ministry’s agent, C B R E, on behalf of the M O I. No lease improvements are being requested at the time of this renewal.

Ontario Infrastructure and Lands Corporation (O I L C) applies a real estate fee of \$1.50 per square foot of the rentable area of the premises plus applicable sales taxes to the brokerage (C B R E). This real estate fee is common across the Province and is repaid during the term of the lease although the landlord is required to pay the brokerage fees in year one. This fee remains the same amount from 2018 and is recovered in the first year of the lease. The 6-month termination clause remains.

Financial/Staffing/Legal/IT Considerations:

There are no staffing, legal or IT considerations associated with this report.

Table 1: General Lease information

Lease #	L-10714
Location	215 Cayley Street, Walkerton
Expiry Date	March 31, 2023
Description	Land Registry Office

Table 2: Lease Financial Information

Lease Financial Information	2018 Renewal	2023 Renewal
Base rate per square foot	\$10.75	\$11.25
Real Estate Fees per square foot - one-year	\$1.50	\$1.50
Operating cost per square foot	\$10.95	\$12.84
Annual rent excluding real estate fee	\$69,765.50	\$77,449.35
Extraordinary costs top up	To be billed	To be billed

Interdepartmental Consultation:

None.

Link to Strategic Goals and Elements:

None identified.

Approved for Submission:

Derrick Thomson
Chief Administrative Officer