



**CITY OF HAMILTON**  
**PUBLIC WORKS DEPARTMENT**  
**Corporate Assets and Strategic Planning Division**

<b>TO:</b>	Mayor and Members General Issues Committee
<b>COMMITTEE DATE:</b>	May 20, 2015
<b>SUBJECT/REPORT NO:</b>	License Extension & Amending Agreement - Minister of Economic Development, Employment and Infrastructure - 330 Wentworth Street North, Hamilton (PW15038) (Ward 3)
<b>WARD(S) AFFECTED:</b>	Ward 3
<b>PREPARED BY:</b>	Delfina Duarte Superintendent Business Services & Technology (905) 546-2424, Extension 6627 Rom D'Angelo Director, Facility Management & Capital Programs (905) 546-2424, Extension 3729
<b>SUBMITTED BY:</b>	Gary Moore, P.Eng. Acting General Manager Public Works Department
<b>SIGNATURE:</b>	

**RECOMMENDATION**

- (a) That the City of Hamilton enters into a second license extension and lease amending agreement and subsequent renewals with Her Majesty the Queen in Right of Ontario as represented by the Minister of Economic Development, Employment and Infrastructure for the property known as 330 Wentworth Street North, subject to the following terms:
- (i) Property: Approximately fifty (50) square feet, consisting of an office cubical for one inspector located on the 2<sup>nd</sup> floor of 330 Wentworth Street North. The space will be licensed on an “as is” basis.
  - (ii) Term: Three (3) years commencing February 1, 2015 and terminating on January 31, 2018.
  - (iii) Renewal Options: The Licensee shall be entitled to extend the License for two (2) further terms of three (3) years each at market rates.
  - (iv) Early Termination: The Licensee shall have the right to terminate the License with sixty days prior written notice of termination without penalty.
  - (v) Rental Rate:  
Year 1 to 3: \$25.00/sq. ft. gross (\$104.17 /month or \$1,250.00 /annum)
- (b) That all rent be credited to account 45268 - 791226.

- (c) That the Mayor, General Manager of Public Works and City Clerk be authorized and directed to execute the License Extension & Amending Agreement, as well as, subsequent renewals in a form satisfactory to the City Solicitor.

## **EXECUTIVE SUMMARY**

This report seeks Council's approval to enter into a second license extension & amending agreement and subsequent renewals with Her Majesty the Queen in Right of Ontario as represented by the Minister of Economic Development, Employment and Infrastructure for the property known as 330 Wentworth Street North for fifty (50) square feet of office space used by an inspector of the Ministry of Agriculture and Food.

This License has been in effect since January 1, 2009 and the Ministry wishes to continue the license agreement for a further three years.

### ***Alternatives for Consideration - Not Applicable***

## **FINANCIAL - STAFFING - LEGAL IMPLICATIONS**

Financial: There has been a 25% increase in the License rate from the past renewal rate.

Staffing: There are no increases to staff levels associated with the recommendations in this report.

Legal: Legal Services were involved in the development of the License extension and amending agreement.

## **HISTORICAL BACKGROUND**

The Tenant has occupied the space on the same terms and conditions since 2009.

## **POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS**

The report recommendations are consistent with the City's Real Estate Portfolio Management Strategy Plan as approved by City Council on November 24, 2004, and Procedural By-Law No. 04-299. City Council, in approving the Consolidation of Routine Real Estate Matters, authorized the delegation of authority to approve the acquisition, disposition or lease as follows:

- General Manager or designate for a lease value not exceeding \$150,000 annual rental; and,
- City Manager or designate for a lease value not exceeding \$250,000 annual rental.

As the lease is a new agreement, Council approval is required to approve the recommendations contained in this Report.

## **RELEVANT CONSULTATION**

### *Internal Consultation*

- Facility Management and Capital Programs - Staff from Facilities have been involved in the preparation of the license agreement
- City Manager's Office, Legal Services - Staff from the City Manager's Office have assisted in preparing the lease agreement.
- Corporate Services, Risk Management reviewed the agreement for risk assessment

### *External Consultation*

- CBRE Limited, Real Estate Brokerage represented the Minister of Economic Development, Employment and Infrastructure

## **ANALYSIS AND RATIONALE FOR RECOMMENDATION**

To date, this Licensor/Licensee relationship has been mutually beneficial. With the approval of the License Extension and License Amendment, the City of Hamilton will continue to receive the financial benefit of rental income and utilize this space as effectively as possible.

## **ALTERNATIVES FOR CONSIDERATION**

N/A

## **ALIGNMENT TO THE 2012 - 2015 STRATEGIC PLAN**

### **Strategic Priority #1**

A Prosperous & Healthy Community

*WE enhance our image, economy and well-being by demonstrating that Hamilton is a great place to live, work, play and learn.*

### **Strategic Objective**

- 1.1 Continue to grow the non-residential tax base.
- 1.3 Promote economic opportunities with a focus on Hamilton's downtown core, all downtown areas and waterfronts.
- 1.5 Support the development and implementation of neighbourhood and City wide strategies that will improve the health and well-being of residents.
- 1.6 Enhance Overall Sustainability (financial, economic, social and environmental).

### **Strategic Priority #2**

Valued & Sustainable Services

*WE deliver high quality services that meet citizen needs and expectations, in a cost effective and responsible manner.*

**Strategic Objective**

- 2.1 Implement processes to improve services, leverage technology and validate cost effectiveness and efficiencies across the Corporation.
- 2.3 Enhance customer service satisfaction.

**APPENDICES AND SCHEDULES ATTACHED**

None