

The Regional Municipality of York

Police Services Board

Public Board Meeting
March 20, 2023

Report of the Chief of Police

Lease Extension

1. Recommendations

1. That the Board authorize an extension of the lease between the Board and Newmarket Property Corporation for office space located at the Yonge/Mulock Centre, 16775 Yonge Street, Newmarket, for Units 6 and 7 consisting of 5,245 square feet ("Units 6 and 7") for a period of up to three (3) months commencing on May 1, 2023 and expiring on July 31, 2023 at a cost of \$35,128 plus HST inclusive of utilities; and
2. That the Board authorize an extension of the lease between the Board and Newmarket Property Corporation for office space located at the Yonge/Mulock Centre, 16775 Yonge Street, Newmarket, for Units 403, 405 and 407 consisting collectively of 2,885 square feet ("Units 403, 405 and 407") for a period of up to three (3) months commencing on May 1, 2023 and expiring on July 31, 2023 at a cost of \$20,887 plus HST and applicable taxes maintenance and insurance, and
3. That the Chief of Police be authorized to execute lease extension agreements for Units 6 and 7 and for Units 403, 405 and 407 for an additional term of three (3) months; and
4. That pending approval of the above recommendations, the Board provide notice of the lease extension agreements to the Region's Commissioner of Finance and Treasurer for reporting purposes under the Region's Capital Financing and Debt Policy.

2. Summary

The Board authorized York Regional Police (YRP) to enter into a lease extension between the Board and Newmarket Property Corporation for the lease of Units 6 and 7 and Units 403, 405, 407 while construction is underway at 240 Prospect Street, Newmarket. The leases at Yonge/Mulock expire on April 30, 2023. A number of YRP units currently working from these premises will be moving out of these offices into 240 Prospect Street, however due to construction delays, an extension of the existing leases is required to fulfill the needs of the organization.

The recommendations presented, although for the same location and term, have different rates, therefore two separate recommendations are presented.

3. Background

Since March 2004, the Board entered into the leases for Units 6, 7, 403, 405 and 407 for use by various YRP units. The 240 Prospect Street location, formerly 1 District, is in the process of being renovated to accommodate YRP units that are currently working from the leased premises at Yonge/Mulock Centre.

Due to continued global procurement supply chain issues mechanical units that are required for building occupancy has been further delayed and therefore an extension to the existing leases is required. The Board had granted a lease extension at its April 27, 2022 meeting for a period of seven months from October 1, 2022 to April 30, 2023.

4. Analysis

The landlord has agreed to extend the existing leases on the same terms and conditions as set out in the existing leases.

REPORTING REQUIREMENTS

Each of the leases has an annual payment obligation of less than \$250,000 and, accordingly, each is considered a non-material lease under the Region's Commissioner of Finance and Treasurer for reporting purposes under the above mentioned policy.

5. Financial

Funds in the amount of \$1,092,729 are included in the 2023 Operating Budget for rents, including \$74,500 for leases with Newmarket Property Corporation. Units 6 and 7 comprised of 5,245 square feet includes rent of \$16.00, taxes, maintenance and insurance of \$10.40, and heating, ventilation and air conditioning of \$0.39, for a total of \$26.79 per square foot totalling a cost for the three (3) month extension of \$35,128 plus applicable taxes.

Units 403, 405 and 407 comprised of 2,885 square feet includes rent of \$15.50, taxes, maintenance and insurance of \$13.07, and heating, ventilation and air conditioning of \$0.39, for a total of \$28.96 per square foot totalling a cost for the three (3) month extension of \$20,887 plus applicable taxes.

6. Conclusion

With the delay in the construction of renovations at 240 Prospect Street, Newmarket it is recommended that the leases be extended.

Accessible formats or communication supports are available upon request

Jim MacSween, M.O.M., B.A.A.
Chief of Police

JMS/bs