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YORK REGION EMS AURORA STATION LEASE EXTENSION AGREEMENT

The Finance and Administration Committee recommends the adoption of the recommendations contained in the following report dated September 4, 2009, from the Commissioner of Corporate Services.

1. RECOMMENDATIONS

It is recommended that:

1. The Region be authorized to enter into a lease extension agreement for a five-year lease term with The Corporation of the Town of Aurora for Emergency Medical Services (EMS) Paramedic Response Station, located at 220 Edward Street, in Aurora, consisting of 2,037 square feet, for a total lease obligation of \$102,577.52.
2. The Regional Chair and Regional Clerk be authorized to sign the necessary agreement with The Corporation of the Town of Aurora (Town), subject to review by Legal Services.
3. The Commissioner of Corporate Services be authorized to sign a lease extension for a further term of five (5) years, if required, subject to an annual 3% increase, and subject to the approval of Legal Services.

2. PURPOSE

This report requests authorization to extend the lease for a five-year lease term for the EMS Paramedic Response Station, in order to continue the operation of this facility in the Town of Aurora.

3. BACKGROUND

EMS has been operating a Paramedic Response Station in the Town of Aurora since January 2000

EMS has been co-locating their Paramedic Response operation with the Town's Fire and Emergency Services, consisting of 2,037 square feet, since January 2000. This location continues to serve the community effectively.

4. ANALYSIS AND OPTIONS

Property Services staff have reached a tentative agreement with the Town, for a five (5) year lease extension for a gross annual rent in the first year of the term of \$19,320.94, subject to a 3% increase in each year, with an option to renew the lease for a further five (5) year term subject to a 3% increase each year.

The Town has requested for an exclusive termination right to be exercised anytime during the term of this lease, including any renewal period if the Central York Fire Service requires the use of the premises. This termination right is subject to the Town providing the Region with three (3) years written notice in accordance with the lease.

5. FINANCIAL IMPLICATIONS

The following chart outlines the lease cost:

Table 1
Lease Cost Analysis

Annual Rent		Terms and conditions
Existing Rent	\$18,758.19	
Proposed Rent Obligation		
Lease Year 1	\$19,320.94	Commencing on January 1, 2010, for a term of five (5) years, with a five (5) year renewal option at an annual increase of three (3%) percent.
Lease Year 2	\$19,900.57	
Lease Year 3	\$20,497.59	
Lease Year 4	\$21,112.52	
Lease Year 5	\$21,745.90	
Total Proposed Lease Obligation	\$102,577.52	

This proposed lease complies with the Region's recently amended Capital Financing and Debt Policy relating to financing leases, such amendment being approved by Council on September 18, 2008, (Clause 8 of Report No. 7 of the Finance and Administration Committee held September 18, 2008).

All costs associated with this new lease and relocation costs have been included in the proposed 2010 EMS Budget.

6. LOCAL MUNICIPAL IMPACT

A lease extension will allow for the continued presence of an emergency response station in the Town of Aurora.

7. CONCLUSION

EMS requires the existing lease to be continued at this location to ensure the ability to accommodate equipment, personnel and supplies, in order to meet the emergency response and reliability needs of the residents in this part of the Region.

For more information on this report, please contact Paul Roberts, Manager Realty Services, Property Services Branch at Ext. 1424.

The Senior Management Group has reviewed this report.