



Report for Action with Confidential Attachment

455 Gordon Baker Road

Date: January 18, 2018
To: TTC Board
From: Head of Legal & General Counsel

Reason for Confidential Information

This report contains advice that is subject to solicitor-client privilege and litigation privilege, including communications necessary for that purpose.

Summary

At its meeting of December 15, 2010, the Board approved leasing 455 Gordon Baker Road for use by the Revenue Operations department. Costs related to the design and construction of the tenant improvements required to accommodate Revenue Operations at 455 Gordon Baker Road caused staff to reconsider its options and the use was later amended for Materials & Procurement's inventory storage and control. Although an agreement to lease was executed by the parties, the terms of the lease could not be agreed upon. In April 2013, TTC notified the landlord that it was terminating the agreement to lease as the parties were unable to agree on the terms of the formal lease agreement. The landlord subsequently initiated an action against the TTC.

Recommendations

It is recommended that the Board:

1. Approve the recommendation as set out in the Confidential Attachment 1.
2. Authorize that the information provided in the Confidential Attachment 1 to remain confidential in its entirety as it contains advice which is subject to client-solicitor privilege.

Financial Summary

Sufficient funds have been reserved in respect of this matter as set out in the Confidential Attachment.

The Chief Financial Officer has reviewed this report and agrees with the financial summary information.

Equity/Accessibility Matters

There are no accessibility or equity issues associated with this report.

Decision History

A summary of the matters at issue were provided on July 12, 2017 in the Confidential Attachment to Report #4 (Large Litigation Matters). See attached link to the public portion of the report:

[http://www.ttc.ca/About the TTC/Commission reports and information/Commission meetings/2017/July 12/Reports/4 Large Litigation Matters.pdf](http://www.ttc.ca/About%20the%20TTC/Commission%20reports%20and%20information/Commission%20meetings/2017/July%2012/Reports/4%20Large%20Litigation%20Matters.pdf)

Issue Background

At its meeting of December 15, 2010, the Board approved leasing 455 Gordon Baker Road for use by the Revenue Operations department. However, costs related to the design and construction of the tenant improvements required to accommodate Revenue Operations at 455 Gordon Baker Road caused staff to reconsider its options. At its meeting of November 21, 2012, the Board authorized a change in use for 455 Gordon Baker for Materials and Procurements use as an inventory storage and control facility.

An agreement to lease was signed by both the TTC and landlord, but the parties were unable to agree on the formal lease terms. In April 2013, TTC notified the landlord that it was terminating the agreement to lease as the parties were unable to agree on the terms of the formal lease agreement. The landlord subsequently initiated an action against the TTC.

Contact

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Signature

Brian M. Leck
Head of Legal & General Counsel

Attachments

Confidential Attachment 1