



Report for Action

Antenna Lease Renewal - 2180 Yonge Street

Date: March 20, 2018
To: TTC Board
From: Chief Capital Officer

Summary

The purpose of this report is to seek the Board's approval to extend the term of the License Agreement (License) for the communications antennas located at 2180 Yonge Street, Toronto. The antennas support TTC radio communications between the Transit Control Centre and surface vehicles and emergency response agencies.

Recommendations

It is recommended that the Board:

1. Authorize staff to execute an agreement to extend the License between The Ontario Educational Communications Authority (TVO) and the TTC for communications antennas located at 2180 Yonge Street, Toronto for a term of 5 years, with an additional 5 year extension option, on the terms and conditions outlined in this report, satisfactory to TTC's General Counsel.

Implementation Points

In accordance with Corporate Policy 6.5.1 Authorizations for Expenditures and Other Commitments, Paragraph 3.7.9, leasing contracts having a term greater than 10 years require Board approval.

Financial Summary

The cost for the initial 5 year term will be approximately \$77,500 including HST and utility costs.

Sufficient funds, net of HST rebate of approximately \$13,500 are included in the 2018 Operating Budget as approved by the City Council on February 12, 2018, and will be included in future budget requests.

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

Equity/Accessibility Matters

The extension of the license agreement does not involve any physical changes to TTC space and as a result, there are no accessibility or equity matters arising from this report.

Decision History

It was noted in the approved October 16, 2017 Board report titled, "TTC Radio Antenna Lease Renewal", under the Issues Background that, "TTC has 18 antenna locations in total, of which five are in leased locations, one of which is presently being negotiated with the owner and will be before the Board shortly". This reference was to the antenna location at 2180 Yonge Street, which is the subject of this report.

[https://www.ttc.ca/About the TTC/Commission reports and information/Commission meetings/2017/October 16/Reports/21 TTC Radio Antenna Lease Renewals.pdf](https://www.ttc.ca/About%20the%20TTC/Commission%20reports%20and%20information/Commission%20meetings/2017/October%2016/Reports/21%20TTC%20Radio%20Antenna%20Lease%20Renewals.pdf)

Issue Background

Radio communication using antennas is provided by TTC 24 hours a day, 7 days a week for several systems. This includes communication for TTC vehicles and the Transit Control Centre, and also emergency response agencies during emergencies.

The building at 2180 Yonge Street is TTC's secondary site for legacy analog radio and paging services. The location of this site is important because it is one of the most dominant broadcast sites aside from the CN Tower, located along the Yonge Street corridor. To relocate to a different location would require significant work and investment as TTC would need to locate a site with similar elevation/broadcast characteristics, physically move or install new equipment, and connect back to the system via leased fibre. In addition, the TTC could be subject to higher rental rate prices. Since TVO is already connected with the necessary infrastructure and broadcast licenses already in place, it would be much more economical to continue this lease for the duration of the paging system lifecycle.

As this is an antenna lease, the City's Real Estate Services group has no interest.

Comments

The following terms and conditions have been negotiated with the landlord for the extension of the license agreement:

Summary of Terms and Conditions	
Term	5 years commencing on November 1, 2016
Rent (including HST)	\$14,000 per annum plus an annual escalation of 3% or CPI increase: Yr. 1 - \$14,000 Yr. 2 - \$14,420 Yr. 3 - \$14,852 Yr. 4 - \$15,298 Yr. 5 - \$15,757 Total Rent - \$74,327
Utilities	\$500 per annum for hydro
Options to Extend	One option to extend for 5 years
Termination	Notice of 6 months in the event that reception or signal is compromised and cannot be remedied

Amending the existing antenna license agreement to extend the term for 5 years plus one additional term up to 5 years with the same terms and conditions and a mutually agreeable rent, is the most cost effective way for the TTC to maintain uninterrupted, above-ground radio communication services.

The existing license was entered into on September 1, 2000 and expired on October 31, 2016. The negotiation and review of the terms and conditions, while unchanged from the previous, have been underway since that time.

Based on the information provided in this report, it is recommended that the Board authorize staff to execute an agreement to extend the license between TVO and TTC for a communications antennas located at 2180 Yonge Street based on the terms and conditions described above, satisfactory to TTC's General Counsel.

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Signature

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