

May 10, 2010

COUNCIL REPORT

To: Mayor & Council

**CC: Bill Preisenz CAO
Karen Brown Finance & Admin Manager
Rick Perchuk, Operations Manager**

From: John Nabb Facilities Coordinator

RE: Harbourfront Property Lease Renewal

Background: After review of the current property lease agreement, the lease provides for an extension of 5 years. Lake Navigation has in writing, confirmed their intent to exercise the 5 year option of the lease agreement. The lease also provides for financial adjustments with the extension, as such a 3% increase per year compounded was added to the lease agreement and accepted Lake Navigation.

Finance/Source Funding:

Lease amendments: Dock on the Harbourfront of the City of Kenora as per schedule A.

Base Year lease increase 3% annually plus applicable taxes

2010 - \$1339.00 2011 - \$1379.00

2012 - \$1420.00 2013 - \$1462.00

2014 - \$1505.00

Lease amendments: Land and ticket/storage building south west corner of the Harbourfront as per schedule A.

Base Year lease increase 3% annually plus applicable taxes

2010 - \$103.00 2011 - \$106.00

2012 - \$109.00 2013 - \$112.00

2014 - \$115.00

Recommendation:

That Mayor & Council approve amended lease extension for the Harbourfront Property with Lake Navigation (Kenora) LTD as per schedule A of the lease.