



June 11, 2013

City Council Committee Report

TO: Mayor and Council

FR: John Nabb, City Facilities Supervisor

RE: Lease of Municipal Property- 243 Rabbit Lake Road

Recommendation:

That Council hereby provides three readings to the following By-law:

A By-law to authorize the extension of a lease agreement between the City of Kenora and William W. Creighton Youth Services to March 31, 2018 for land described as 243 Rabbit Lake Road, Kenora Ontario and legally described as Part of Plan KR-810, being part of Part 1 of Parcel 25003.

Background:

On June 27th, 2005 Council directed that a "request for proposals" for leasing of 243 Rabbit Lake Road (Former Jaffray Melick Town Hall/ Public Works Yard) be advertised. Four proposals were received, on October 24th, 2005, By-law 136-2005, the City of Kenora entered into a lease agreement with William W. Creighton Youth Service for the period November 1, 2005 to October 31, 2008. This lease was further extended from April 1, 2008- March 31, 2013.

The Lessee has once again indicated their wish to continue a lease agreement for the term commencing on the 1st day of April 2013- ending on the 31st day of March 2018. I have received a signed extension agreement from the lessee, acknowledging the following annual rent, plus applicable taxes shall be payable to the Landlord for the Lease of the above noted property (Reflecting an escalation fee of 1% in years 4 and 5, and inclusive of Realty Tax):

Annually- April 1 2013- 26,663.30 (\$2,221.94 monthly) plus applicable taxes
Annually- April 1 2014- \$26,663.30 (\$2,221.94 monthly) plus applicable taxes
Annually- April 1 2015- \$26,663.30 (\$2,221.94 monthly) plus applicable taxes
Annually- April 1 2016- \$26,929.93 (\$2,244.16 monthly) plus applicable taxes
Annually- April 1 2017- \$27,199.23 (\$2,266.60 monthly) plus applicable taxes

Budget: N/A

Communication Plan/Notice By-law Requirements:

By-Law required for entering into lease with occupant. Notice by agenda of Operations Committee, Council, City Clerk, Finance, and Facilities Department.