STANDING POLICY COMMITTEE ON PROPERTY AND DEVELOPMENT

On motion of Councillor O'Shaughnessy, the Report of the former Committee on Finance and Administration dated July 15, 1997 was considered.

Proposed Lease of the Former Winnipeg Canoe Club Golf Course - The City of Winnipeg to the Germanic Cultural Centre of Manitoba Inc. File PR-2.4.1 (Vol. 2)

459 - 1. On April 19, 1995, Council adopted the following recommendation contained in a report from the Committee on Finance and Administration:

I. That a Management Agreement for the operation of the Winnipeg Canoe Club be approved with the Germanic Cultural Centre of Manitoba Inc., in a form satisfactory to the City Solicitor/Manager of Legal Services as outlined in Appendix "A," subject to the following:

(a) the Germanic Cultural Centre of Manitoba Inc. remaining a non-profit organization;
(b) the parking lot remaining available for use in conjunction with the golf course use.

II. That the proper officers of the City be authorized to do all things necessary to implicate the foregoing, including the execution of any documents related thereto.

The Management Agreement referred only to the Clubhouse, tennis courts and parking lot. The golf course was identified as being subject to a separate lease agreement with the Germanic Cultural Centre of Manitoba Inc.

On April 3, 1995, the Committee on Finance and Administration approved a recommendation that the Director of Land and Development Services be delegated the authority to enter into a five (5) year lease with the Germanic Cultural Centre of Manitoba Inc. for the operation of the Winnipeg Canoe Club golf course, subject to the approval of the City Solicitor/Manager of Legal Services; and further that the Director of Land and Development Services be instructed to permit the proposed tenant to operate the golf course on an interim basis subject to terms authorized by him.

The Land and Development Services Department has negotiated a proposed lease with the Germanic Cultural Centre of Manitoba Inc. in basic accordance with the terms and conditions of the proposed lease that formed part of the original Call For Proposals. Since the matter of the golf course lease has never been formally dealt with by Council, final approval of the proposed terms and conditions by at least two thirds majority of Council is necessary, pursuant to Section 156(2) of The City of Winnipeg Act.

A summary of the proposed terms and conditions are as follows:

Rent:	- One dollar annually
Term:	- Five years - April 1, 1995 to March 31, 2000
Tenant's Responsibility:	- Pay all operating costs
	- Pay all taxes including real property taxes and business taxes
	- Maintain the lands and leasehold improvements
	- Perform seasonal maintenance requirements
	- Perform annual winterization requirements
	- Property general liability and business interruption insurance
Cancellation:	- Upon default by Tenant

The Germanic Cultural Centre of Manitoba Inc. has advised that it accepts the proposed terms and conditions.

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The urgency in dealing with this matter also relates to the liquor license in the clubhouse portion of the property. The current liquor license is in the name of The City of Winnipeg and will only be placed in the name of the Germanic Cultural Centre of Manitoba Inc. when it has a signed lease with the City on the golf course portion of the property. A hearing has been set for Monday, July 21, 1997, by the Licensing Board of the Manitoba Liquor Control Commission to review the suitability of the Germanic Cultural Centre of Manitoba Inc. to hold a dining room, cocktail lounge and sports facility liquor license as it does not presently comply with the Liquor Control Act.

Approval of the terms and conditions as outlined on Schedule "A" will regularize the management of the golf course by the Germanic Cultural Centre of Manitoba Inc. and provide it with the ability to secure a liquor license in its name.

The Committee on Finance and Administration recommends:

I. That a lease with the Germanic Cultural Centre of Manitoba Inc. for the operation of the Winnipeg Canoe Club golf course be approved in accordance with the terms and conditions as outlined on Schedule "A".

II. That the Proper Officers of the City be authorized to do all things necessary to implement the foregoing, including the execution of any documents related thereto.

Pursuant to Section 156(2) of The City of Winnipeg Act, the approval of at least two-thirds majority of Council is required on the lease (or in this case a Management Agreement) of property designated or acquired for park purposes.

Copy of Schedule "A" is on file in the office of the City Clerk.

On November 12, 1997, the Executive Policy Committee recommended that the following recommendations II. and III. be inserted, and that recommendation II. be renumbered to IV.:

II. That starting in 1998, $1.00 from each round of golf be incorporated into the life of the lease agreement, to be used for a golf course reserve fund.

III. That the City of Winnipeg have full operational audit rights for the agreements with the Germanic Cultural Centre.

Council on November 19, 1997, referred back Clause 1 and the proposed amendment from the Executive Policy Committee.

On March 16, 1998, the Standing Policy Committee on Property and Development reaffirmed the July 15, 1997, recommendation of the former Committee on Finance and Administration, namely:

I. That a lease with the Germanic Cultural Centre of Manitoba Inc. for the operation of the Winnipeg Canoe Club golf course be approved in accordance with the terms and conditions as outlined on Schedule "A".

II. That the Proper Officers of the City be authorized to do all things necessary to implement the foregoing, including the execution of any documents related thereto;

and recommended that the amendment proposed by Executive Policy Committee on November 12, 1997, not be concurred in, namely, starting in 1998, $1.00 from each round of golf be incorporated into the life of the lease agreement, to be used for a golf course reserve fund,

On March 18, 1998, the Executive Policy Committee further considered the matter and concurred in the recommendation of the Standing Policy Committee on Property and Development including the deletion of the recommendation pertaining the $1.00 from each round of golf being incorporated in the life of the lease agreement, to be used for a golf course reserve fund; and that Recommendation III. namely, that the City of Winnipeg have full operational audit rights for the agreements with the Germanic Cultural Centre; be reiterated.

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Moved by Councillor O'Shaughnessy,
Adoption of the clause.

In amendment,

Moved by Councillor Angus,
That the recommendation of the Executive Policy Committee be adopted.

Carried.

The motion for the adoption of the clause, as amended, was put and declared carried.