Minutes – Executive Policy Committee – September 20, 2017

Report – Standing Policy Committee on Property and Development, Heritage and Downtown Development – September 19, 2017

Item No. 15 Lease Agreement between the Pembina Trails School Division and the City of Winnipeg for City-Owned Lands at 6363 Rannock Avenue for the Purpose of a Sports Field

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

The Executive Policy Committee concurred in the recommendation of the Standing Policy Committee on Property and Development, Heritage and Downtown Development and submitted the following to Council:

1. That the Proposed Terms and Conditions, attached hereto as Schedule "A", for a lease agreement in favour of the Pembina Trails School Division for the purpose of operating a sports field on City-owned lands located at 6363 Rannock Avenue and identified as "Proposed Leased Area" (hereinafter referred to as the "Leased Area") on the attached Misc. Plan No. 14977/4, be approved, subject to the following amendment:

    A. That the term of the lease identified in Schedule A, be replaced with a five (5) year term, commencing on September 20, 2017.

2. That the City enter into, execute and deliver a lease agreement with the Pembina Trails School Division and such other agreements as determined necessary by the City Solicitor / Director of Legal Services to implement the intent of the foregoing (the "Ancillary Agreements").

3. That the authority be delegated to the Chief Administrative Officer to negotiate and approve the terms and conditions of the lease agreement and the Ancillary Agreements, in accordance with this report and such other terms and conditions deemed necessary by the City Solicitor/Director of Legal Services to protect the interests of the City.

4. That an amendment of the Joint Use Agreement between the City of Winnipeg and Assiniboine South School Division No. 3 (now the Pembina Trails School Division) dated January 25th, 1978 to remove the Leased Area from the applicability of the Joint Use Agreement be approved.

Report – Standing Policy Committee on Property and Development, Heritage and Downtown Development – September 19, 2017

5. That the Proper Officers of the City be authorized to do all things necessary to implement the intent of the foregoing.

Report – Standing Policy Committee on Property and Development, Heritage and Downtown Development – September 19, 2017

DECISION MAKING HISTORY:

Moved by Councillor Morantz,

That Rule 10(3) of The Procedure By-law No. 50/2007 be suspended in order that the following item, which was received less than 96 hours preceding the committee meeting, be considered by Committee.

Carried

Moved by Councillor Orlikow,

That the recommendation of the Standing Policy Committee on Property and Development, Heritage and Downtown Development be concurred in and forwarded to Council.

Carried

STANDING COMMITTEE RECOMMENDATION:

On September 19, 2017, the Standing Policy Committee on Property and Development, Heritage and Downtown Development concurred in the recommendation of the Winnipeg Public Service, with the following amendment:

- Add the following to recommendation 1 after "be approved":

  ", subject to the following amendment:

  A. That the term of the lease identified in Schedule A, be replaced with a five (5) year term, commencing on September 20, 2017."

and submitted the matter to the Executive Policy Committee and Council.

ADMINISTRATIVE REPORT

Title: Lease Agreement Between the Pembina Trails School Division and the City of Winnipeg for City-Owned Lands at 6363 Rannock Avenue for the Purpose of a Sports Field

Critical Path: Standing Policy Committee on Property and Development, Heritage, and Downtown Development - Executive Policy Committee - Council

AUTHORIZATION

Author	Department Head	CFO	CAO
B. Erickson	J. Kiernan	M. Ruta	D. McNeil

EXECUTIVE SUMMARY

This report requests a Lease Agreement in favour of the Pembina Trails School Division for use of City-owned land located at 6363 Rannock Avenue for the purpose of operating a sports field and requests approval to amend a Joint Use Agreement between the City and Pembina Trails School Division.

RECOMMENDATIONS

1. That the Proposed Terms and Conditions, attached hereto as Schedule “A”, for a lease agreement in favour of the Pembina Trails School Division for the purpose of operating a sports field on City-owned lands located at 6363 Rannock Avenue and identified as “Proposed Leased Area” (hereinafter referred to as the “Leased Area”) on the attached Misc. Plan No. 14977/4, be approved.

2. That the City enter into, execute and deliver a lease agreement with the Pembina Trails School Division and such other agreements as determined necessary by the City Solicitor / Director of Legal Services to implement the intent of the foregoing (the “Ancillary Agreements”).

3. That the authority be delegated to the Chief Administrative Officer to negotiate and approve the terms and conditions of the lease agreement and the Ancillary Agreements, in accordance with this report and such other terms and conditions deemed necessary by the City Solicitor/Director of Legal Services to protect the interests of the City.

4. That an amendment of the Joint Use Agreement between the City of Winnipeg and Assiniboine South School Division No. 3 (now the Pembina Trails School Division) dated January 25th, 1978 to remove the Leased Area from the applicability of the Joint Use Agreement be approved.

5. That the proper officers of the City be authorized to do all things necessary to implement the intent of the foregoing.

REASON FOR THE REPORT

In accordance with the Council Order of July 18, 1979, the Standing Policy Committee on Property and Development (now the Standing Policy Committee on Property and Development, Heritage and Downtown Development) shall authorize the leasing or rental of City property and right-of-way for which the Director of Planning, Property and Development has no authority.

On October 31, 1990, Council approved a policy on the lease of City-owned lands for non-profit use, and for which Non-Profit Organizations must meet all six (6) criteria to be eligible for a non-monetary grant. The proposed grant/lease will require the Standing Policy Committee on Property and Development, Heritage and Downtown Development to approve such Non-Monetary Grant.

In this regard, the Planning, Property and Development Department has negotiated the Proposed Terms and Conditions of a lease agreement as set out in attached Schedule "A" in favour of the Pembina Trails School Division for the use of City-owned lands located at 6363 Rannock Avenue and identified as "Proposed Leased Area" on attached Misc. Plan No. 14977/4.

In regards to amendments of the Joint Use Agreement, only Council can approve amendments of the Joint Use Agreement.

IMPLICATIONS OF THE RECOMMENDATIONS

1. The Planning, Property and Development Department has determined that there are no general, policy, regulatory, environmental or human resource implications to entering into a Lease Agreement as set out in the attached Proposed Terms and Conditions attached as Schedule "A".

2. The Lease Agreement will pass all maintenance responsibilities for the field in the Leased Area from Parks and Open Spaces to the Pembina Trails School Division. This will in turn require the amendment of the Joint Use Agreement to modify current responsibilities for the maintenance of the field in the Leased Area.

HISTORY/DISCUSSION

The Leased Area is governed by a Joint Use Agreement that was signed between the Assiniboine South School Division No. 3 and the City on January 25th, 1978.

In 2002 the Assiniboine South School Division No. 3 became part of the newly created Pembina Trails School Division.

The Leased Area was primarily used by the neighboring Oak Park High School for various sporting activities, in addition to providing a home field for the school's football team.

As of 2013 the field was deemed unsafe and unsuitable for use as a football field due to poor drainage, unacceptable grading and the posts being at uneven heights.

Efforts were initiated by Oak Park alumni to recrown and rehabilitate the field. Money was procured through land dedication grants from ward councilors totaling $130,000 with the remainder being contributed by fundraising in the community. The labour used to construct the field was also donated at an estimated cost of $100,000.

In 2015 it was decided that a new lease agreement should be negotiated between Pembina Trails School Division and the City to provide clarity as to the responsibilities of each party regarding the operation of the field.

The agreement does not give Pembina Trails exclusive use of the field, as a process exists for community clubs to request access.

The Planning, Property and Development Department has negotiated proposed terms and conditions of a lease agreement in favour of the Pembina Trails School Division.

The Joint Use Agreement must be amended to omit the Leased Area from the agreement as the lease agreement will now determine factors (i.e. maintenance, usage, insurance) previously under provided under the Joint Use Agreement.

This report seeks approval of the Lease Agreement as negotiated and approval of the amendment of the Joint Use Agreement to remove the Leased Area from the applicability of the Joint Use Agreement.

A lease term with cancellation provision will allow for the Pembina Trails School Division to operate their sports field. Should the City of Winnipeg require any of the Leased Area for future purposes, the one-hundred eighty (180) day cancellation provision will permit for this.

FINANCIAL IMPACT

Financial Impact Statement

Date: August 21, 2017

Project Name:

First Year of Program **2017**

Lease Agreement Between the Pembina Trails School Division and the City of Winnipeg for City-Owned Lands at 6363 Rannock Avenue for the Purpose of a Sports Field

	2017	2018	2019	2020	2021
Capital					
Capital Expenditures Required	$ -	$ -	$ -	$ -	$ -
Less: Existing Budgeted Costs	-	-	-	-	-
Additional Capital Budget Required	$ -	$ -	$ -	$ -	$ -
Funding Sources:					
Debt - Internal	$ -	$ -	$ -	$ -	$ -
Debt - External	-	-	-	-	-
Grants (Enter Description Here)	-	-	-	-	-
Reserves, Equity, Surplus	-	-	-	-	-
Other - Enter Description Here	-	-	-	-	-
Total Funding	$ -	$ -	$ -	$ -	$ -
Total Additional Capital Budget Required	$ -				
Total Additional Debt Required	$ -				
Current Expenditures/Revenues					
Direct Costs	$ -	$ -	$ -	$ -	$ -
Less: Incremental Revenue/Recovery	251	251	251	251	251
Net Cost/(Benefit)	$ (251)	$ (251)	$ (251)	$ (251)	$ (251)
Less: Existing Budget Amounts	(251)	(251)	(251)	(251)	(251)
Net Budget Adjustment Required	$ -	$ -	$ -	$ -	$ -

Additional Comments: Revenues consist of the nominal $1/annum rent + an annual $250 lease administration fee. In addition, the tenant is responsible for all operating costs including payment of municipal taxes.

"Original signed by"
Mike McGinn, CPA, CA
Manager of Finance

CONSULTATION

This Report has been prepared in consultation with:

Legal Services (as to legal issues)
Risk Management (as to insurance requirements)
Parks and Open Space Division

OURWINNIPEG POLICY ALIGNMENT

01-5 – Recreation - Direction 2- Work with Community Partners to Provide Services That are Responsive to the Community`s Recreation and Leisure Needs

01-5 – Recreation - Direction 3: Directly Provide, or Facilitate Through Partnerships, Equitable Access to a Base Level of Recreation, Culture and Leisure Services for All Winnipeggers.

03-1 – Opportunity – Direction 2: Provide Equitable Access to Municipal Programs, Services and Facilities.

SUBMITTED BY

Department: Planning, Property and Development Department
Division: Municipal Accommodations
Prepared by: Nolan Winters
Date: September 8, 2017
File No: MA2017-168

O:\Reports Directive\Municipal Accommodations\Leases\2017\ MA2017-168 - Lease Agreement Btwn the Pembina Trails School Div & the City of Winnipeg for City-Owned Lands at 6363 Rannock Ave for the Purpose of a Sports Field.docx