Agenda – Council – November 15, 2017

Report – Standing Policy Committee on Property and Development, Heritage and Downtown Development – November 7, 2017

Item No. 8 Extension of Lease Agreement – City-Owned Lands at 900 Waverley Street
(River Heights – Fort Garry Ward)

STANDING COMMITTEE RECOMMENDATION:

On November 8, 2017, 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 as Schedule "A" to amend the Lease Agreement between Winnipeg Soccer Federation Inc. (hereinafter referred to as the 'Tenant') and the City of Winnipeg (hereinafter referred to as the 'City') dated November 1, 2006 in favour of Winnipeg Soccer Federation Inc. for the purpose of granting the Tenant the right to extend the lease an additional five (5) years, with an expiry date of October 31, 2025, be approved.

2. That the City enter into, execute and deliver a Lease Amendment Agreement with Winnipeg Soccer Federation Inc. and such other ancillary agreements as determined necessary by the City Solicitor/Director of Legal Services to implement Recommendation 1.

3. That the Chief Administrative Officer ("CAO") be delegated the authority to negotiate and approve the terms and conditions of the Lease Amendment Agreement and any 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 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 – November 7, 2017

DECISION MAKING HISTORY:

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On November 8, 2017, the Executive Policy Committee concurred in the recommendation of the Standing Policy Committee on Property and Development, Heritage and Downtown Development and submitted the matter to Council.

STANDING COMMITTEE RECOMMENDATION:

On November 7, 2017, the Standing Policy Committee on Property and Development, Heritage and Downtown Development concurred in the recommendation of the Winnipeg Public Service and submitted the matter to the Executive Policy Committee and Council.

ADMINISTRATIVE REPORT

Title: **Proposed Extension of Lease Agreement of City-Owned Lands at 900 Waverley Street**

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 approval to amend the existing lease agreement between the City of Winnipeg and Winnipeg Soccer Federation Inc. by granting the Winnipeg Soccer Federation Inc. the right to extend the lease an additional five (5) years from its current lease term, which is set to expire October 31st, 2020, to October 31st, 2025.

RECOMMENDATIONS

1. That Council approve the proposed terms and conditions attached as Schedule "A" to amend the Lease Agreement between Winnipeg Soccer Federation Inc. (hereinafter referred to as the 'Tenant') and the City of Winnipeg (hereinafter referred to as the 'City') dated November 1, 2006 in favour of Winnipeg Soccer Federation Inc. for the purpose of granting the Tenant the right to extend the lease an additional five (5) years, with an expiry date of October 31st, 2025.

2. That the City enter into, execute and deliver a Lease Amendment Agreement with Winnipeg Soccer Federation Inc. and such other ancillary agreements as determined necessary by the City Solicitor/Director of Legal Services to implement Recommendation 1.

3. That the Chief Administrative Officer ("CAO") be delegated the authority to negotiate and approve the terms and conditions of the Lease Amendment Agreement and any 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 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, Heritage and Downtown Development shall authorize the leasing or rental of City properties for which the Director of the Planning, Property and Development Department has no authority.

Council approval is required for this lease amendment because if the Winnipeg Soccer Federation Inc. is granted the right to extend the existing lease and it exercises such right, it will continue to lease the property for $1.00 and Council approval is required for an amendment to a lease that will continue at a rental rate of $1.00.

IMPLICATIONS OF THE RECOMMENDATIONS

The Department has determined that there is no general policy, regulatory, environmental or human resource implications to amending the lease agreement.

HISTORY/DISCUSSION

On November 1, 2006, the City entered into a lease agreement with the Tenant for lands at 900 Waverley Street, commonly known as the Ralph Cantafio Soccer Complex (formerly known as the Winnipeg Soccer Complex), for the purpose of operating and maintaining a soccer facility. The lease is non-profit in nature and the original expiration date was October 31, 2016.

On August 18th, 2010, the Tenant signed an amendment agreement with the City that extended the lease term four (4) additional years, with an expiration date of October 31st, 2020.

In the Spring of 2015, the Tenant approached the City regarding a further extension of the lease term for an additional 5 years. They sought this because the Federation Internationale de Football Association (FIFA) was offering funding to upgrade the field turf of Field A in lieu of the Women's World Cup, as events were slated to be hosted at 900 Waverley Street. As field turf has a lifespan of roughly ten years, the Tenant was seeking to ensure that the investment of the improvement could be fully realized.

The Planning, Property and Development Department has negotiated proposed Terms and Conditions of an amendment agreement in favour of the Winnipeg Soccer Federation Inc. granting the Winnipeg Soccer Federation Inc. the right to extend the lease agreement with a new expiration date of October 31st, 2025.

The Water and Waste Department, which has jurisdiction over the site, has no objections to the proposed amendment.

This report seeks approval of the Lease Amending Agreement as negotiated.

FINANCIAL IMPACT

Financial Impact Statement

Date: October 4, 2017

Project Name:

Proposed Extension of Lease Agreement of City-Owned Lands at 900 Waverley Street

COMMENTS:

There are no incremental financial implications associated with the recommendations contained in this report.

"Original Signed By"
Mike McGinn, CPA, CA
Manager of Finance

CONSULTATION

This Report has been prepared in consultation with:

Legal Services Department (as to legal issues)

OURWINNIPEG POLICY ALIGNMENT

OurWinnipeg Reference:

- **Section 01-5- Direction 5- Provide or Facilitate Community Development and Recreation Opportunities for Vulnerable Youth**
- **Section 1-5- Direction 3: Directly Provide, or Facilitate Through Partnerships, Equitable Access to a Base Level of Recreation, Culture and Leisure Services for All Winnipeggers**
- **Section 01-5- Direction 1- Promote and Enable Opportunities for All Age Groups to be Active as Part of Their Daily Lives**

SUBMITTED BY

Department	Planning, Property and Development
Division	Municipal Accommodations
Prepared by:	Nolan Winters, Property Administrator
Date:	October 11, 2017
File No.:	MA2017-207

Attachments: Schedule A (with Misc. Plan No. 13128/6)

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SCHEDULE A

PROPOSED TERMS AND CONDITIONS TO AMEND THE LEASE AGREEMENT BETWEEN THE CITY AND WINNIPEG SOCCER FEDERATION INC. FOR LANDS LOCATED AT 900 WAVERLEY STREET

Shown outlined as "Winnipeg Soccer Complex" on attached Misc. Plan No. 10561/3

Landlord:	City of Winnipeg
Tenant:	Winnipeg Soccer Federation Inc.
Purpose:	To amend the original Lease Agreement between the City of Winnipeg and Winnipeg Soccer Federation Inc. that commenced on November 1, 2006 (the "Lease Agreement")
Special Conditions:	To amend the Lease Agreement to include the following:

To add that if the Tenant is not in default of any of the obligations contained in the Lease Agreement or amending agreement dated August 18th, 2010 (the "Amending Agreement"), the Tenant shall have the right to renew the Lease Agreement for a further term of five (5) years as and from the expiration of the "Second Renewal Term" as defined in the Amending Agreement, being October 31st, 2020;

The Lease Agreement would therefore expire on October 31st, 2025 if the Tenant exercised its right to further renew the Lease Agreement;

All other terms and conditions to remain unchanged.

The proposed terms and conditions of the Lease Amending Agreement are subject to the final approval of the City's Standing Policy Committees and Council, or its delegated authority and the City Solicitor as to form and content.

Winnipeg Soccer Federation Inc. hereby agrees to enter into a Lease Agreement Amendment with the City of Winnipeg for the use of the property identified as "Winnipeg Soccer Complex" on Misc. Plan 10561/3 and in accordance with the terms and conditions as outlined herein.

WINNIPEG SOCCER FEDERATION INC.

PER: DEVON KASHON / PRESIDENT
NAME TITLE

July 5/2017
Date

Per: _____
Name: Matthew Duffy
Title: Chairman

July 5/2017
Date

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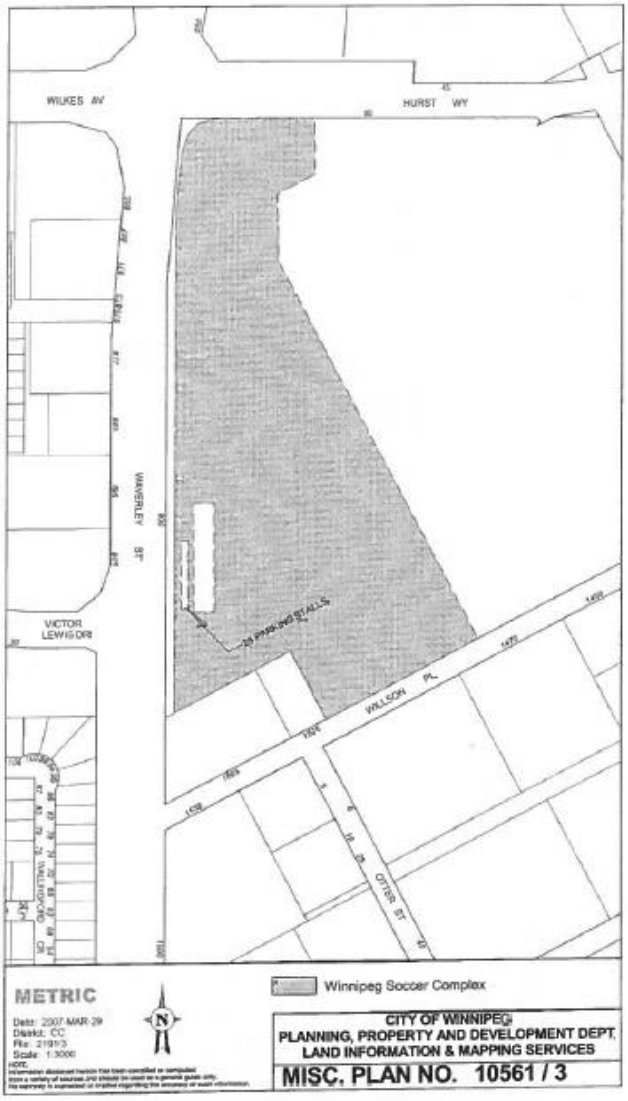
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HURST WY
WAVERLEY ST
VICTOR LEWIS DR
WILLSON PL
OTTER ST
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Scale: 1:3000
Winnipeg Soccer Complex
CITY OF WINNIPEG
PLANNING, PROPERTY AND DEVELOPMENT DEPT.
LAND INFORMATION & MAPPING SERVICES
MISC. PLAN NO. 10561 / 3