Minutes – Executive Policy Committee – May 18, 2022

Report – Standing Policy Committee on Property and Development, Heritage and Downtown Development – May 9, 2022

Item No. 4 Proposed Lease Agreement with Manitoba Tennis Association (Tennis Manitoba) Inc. for City-owned property at 2050 Ness Avenue (commonly known as Deer Lodge Tennis) (St. James Ward)

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 "Leasing and Licensing of Property" policy be amended, attached as Schedule A, by adding 2050 Ness Avenue to Appendix A – the list of Non-Profit Building Locations.

2. That subject to the approval of Recommendation 1, the proposed terms and conditions for a Lease Agreement, attached hereto as Schedule B, in favor of Manitoba Tennis Association (Tennis Manitoba) Inc. located at 2050 Ness Avenue (identified as "Leased Area" on the attached Misc. Plan No. 12258/4), be approved.

3. That the City enter into, execute, and deliver a Lease Agreement with Manitoba Tennis Association (Tennis Manitoba) Inc. and other such agreements as determined necessary by the City Solicitor/Director of Legal Services to implement the intent of the foregoing (the "Ancillary Agreements").

4. That authority be delegated to the Chief Administrative Officer to negotiate and approve the terms and conditions of 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.

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 – May 9, 2022

DECISION MAKING HISTORY:

Moved by Councillor Gilroy,

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

Yea:	Bowman, Allard, Browaty, Chambers, Gilroy, Rollins	6
Nay:		0

Carried

STANDING COMMITTEE RECOMMENDATION:

On May 9, 2022, 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 Lease Agreement with Manitoba Tennis Association (Tennis Manitoba) Inc. for City-owned property at 2050 Ness Avenue (commonly known as Deer Lodge Tennis)

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

AUTHORIZATION

Author	Department Head	CFO	CAO
G. Chappell (Acting)	M. Pittet (Acting)	C. Kloepfer	M. Jack

EXECUTIVE SUMMARY

The Public Service has negotiated Terms and Conditions for a Lease Agreement in favour of Manitoba Tennis Association (Tennis Manitoba) Inc. (“Tennis Manitoba”) for those portions of City-owned lands located at 2050 Ness Avenue shown as “Leased Area” on Misc. Plan No. 12258/4, a copy of which is attached in Schedule B to this report.

Tennis Manitoba is a not-for-profit entity which qualifies for a below-market lease in accordance with the City's "Leasing and Licensing of Property" policy. The Public Service recommends that the “Leasing and Licensing of Property” policy be amended by adding 2050 Ness Avenue to the list of Non-Profit Building Locations and a $1.00 annual rent be approved for Tennis Manitoba to operate, manage and maintain a non-profit tennis facility.

In addition to an annual $1.00 base rent, Tennis Manitoba will pay a percentage rent equal to 10% of revenues over and above operating costs in each year of the term, including extensions. Tennis Manitoba will be responsible for all costs associated with operation and maintenance of the Leased Area and property taxes (if applicable).

The Ward Councillor was notified of the proposed lease and had no concerns.

RECOMMENDATIONS

1. That the “Leasing and Licensing of Property” policy be amended, attached as Schedule A, by adding 2050 Ness Avenue to Appendix A - the list of Non-Profit Building Locations.

2. That, subject to the approval of Recommendation 1, the proposed terms and conditions for a Lease Agreement, attached hereto as Schedule B, in favor of Manitoba Tennis Association (Tennis Manitoba) Inc. located at 2050 Ness Avenue (identified as “Leased Area” on the attached Misc. Plan No. 12258/4), be approved.

3. That the City enter into, execute, and deliver a Lease Agreement with Manitoba Tennis Association (Tennis Manitoba) Inc. and other such agreements as determined necessary by the City Solicitor/Director of Legal Services to implement the intent of the foregoing (the “Ancillary Agreements”).

4. That authority be delegated to the Chief Administrative Officer to negotiate and approve the terms and conditions of 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.

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

On September 21, 2021, Council approved the “Leasing and Licensing of Property” policy which allows for consideration of less than market rent where six (6) criteria are met. As the proposed lease meets all of the eligibility criteria, the Standing Policy Committee on Property and Development, Heritage and Downtown Development has the delegated authority to approve the lease.

All new non-profit building locations must be approved by Council and incorporated into Appendix A of the “Leasing and Licensing of Property” policy.

IMPLICATIONS OF THE RECOMMENDATIONS

The proposed lease is for an initial term of three (3) years with an option to renew for a further seven (7) year term. The Lease Agreement may be terminated upon one hundred eighty (180) days written notice.

Tennis Manitoba will be responsible for all costs associated with the operation and maintenance of the Leased Area. There will be no expenses incurred by the City as a result of this agreement.

HISTORY/DISCUSSION

The subject property is located in the Deer Lodge neighborhood in the west end area of the City of Winnipeg. The Leased Area consists of 4 tennis courts and a 2,000+ square foot one-storey clubhouse, which the City has operated as the Deer Lodge Tennis Club for use by the public for the past 50 years. Community Services ceased managing the facility at the end of the 2020 season and the Parks and Open Spaces Division agreed to take over its operation. Parks requested the Real Estate Branch to market the Deer Lodge Tennis Club as a leasing opportunity to the general public.

The Public Service marketed the property for lease in the spring of 2021 and received three offers. All three offers proposed a rent of $1.00/year, with two submissions from tennis groups and one offer from a pickleball group. Tennis Manitoba Association (Tennis Manitoba) Inc. (“Tennis Manitoba”) was deemed the successful proponent after an evaluation of the offers.

Subsequently, the Public Service entered into a short-term use agreement with Tennis Manitoba in order to allow the tenant to commence operations in 2021. The short-term use agreement expires on May 31, 2022.

The proposed Lease was circulated to applicable City departments and no objections were received. The Public Works Department - Parks and Open Space Division supports this Agreement.

The Risk Management Division of Corporate Finance reviewed the insurance requirements for this proposed Lease, and their comments have been incorporated into the terms and conditions.

The proposed base rental rate for the Lease is $1.00 per annum, the terms and conditions are consistent with the City's non-profit lease criteria outlined in the “Leasing and Licensing of Property” policy. Subject to approval of Recommendation 1 of this report, the Lessee has met the six (6) non-monetary grant criteria attached herein; as Schedule C.

In accordance with the Real Estate Transaction Management Framework, the Public Service completed an appraisal to determine the opportunity cost of the Lease. The appraisal indicated a market value of between $900,000 to $1,000,000, which translates into an annual rental rate of $54,000 to $60,000 per annum. The highest and best use of the appraisal determined that the Leased Area could be subdivided and used for residential single-family dwellings under its current zoning.

The Public Service recommends approval of the proposed Lease Agreement as negotiated in the terms and conditions. If the proposed Lease Agreement is approved, the Agreement will commence in the first month after Committee approval (June 1, 2022).

It is important to note two key aspects of the proposed lease.

- The Public Service has successfully marketed a building which has a proposed non-profit use.
- Although the proposed tenant’s base rent is $1.00, the City will receive revenue (percentage rent) if the facility’s operation results in revenue exceeding operating costs.

FINANCIAL IMPACT

Financial Impact Statement

Date: March 18, 2022

Project Name:

First Year of Program 2022

Proposed Lease Agreement with Manitoba Tennis Association (Tennis Manitoba) Inc. for City-owned property at 2050 Ness Avenue (commonly known as Deer Lodge Tennis)

	2022	2023	2024	2025	2026 to 2031
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)	(1,506)
Net Cost/(Benefit)	$ 251	$ 251	$ 251	$ 251	$ 1,506
Less: Existing Budget Amounts	251	251	251	251	1,506
Net Budget Adjustment Required	$ -	$ -	$ -	$ -	$ -

Additional Comments: Revenues in each year from 2022 to 2031 consist of the $1 rent & $250 admin fee. This assumes that the 7-year extension will be exercised and total revenues will be $2,510. While a potential return of 10% of revenues in excess of operating costs each year is possible, to be conservative, for the purposes of this analysis it is assumed that revenue will be equal to or less than operating costs during the term of this lease. Based on the appraisal of an annual rental rate of $57,000, mid-point of the $54,000 to $60,000 range, for the highest and best use of the site being for residential single-family dwellings and assuming a market exists, there is an opportunity cost of $570,000 associated with the potential 10-year lease agreement.

Mike McGinn Mar. 18, 2022

Mike McGinn, CPA, CA
Manager of Finance

CONSULTATION

This Report has been prepared in consultation with:

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

OURWINNIPEG POLICY ALIGNMENT

Section 01-5- Recreation
Direction 1: Promote and enable opportunities for all age groups to be active as part of their daily lives
Direction 2: Work with community partners to provide services that are responsive to the community's recreation and leisure needs

WINNIPEG CLIMATE ACTION PLAN ALIGNMENT

4.4 Support Redevelopment of Former Commercial and Industrial Lands into Active Use.

WINNIPEG POVERTY REDUCTION STRATEGY ALIGNMENT

N/A

SUBMITTED BY

Department: Planning, Property and Development Department
Division: Real Estate and Land Development
Prepared by: Bridget Peterson, Property Administrator
Date: March 25, 2022
File No: 32/6770

Attachments:
Schedule A – Leasing and Licensing of Property Policy Amendment
Schedule B – Proposed terms and conditions and Misc. Plan No. 12258/4
Schedule C – Eligibility Criteria for Non-Monetary Real Estate Grants to Non-Profit Organizations

SCHEDULE B

PROPOSED TERMS AND CONDITIONS FOR A LEASE AT 2050 NESS AVENUE

Landlord:	1. The City of Winnipeg ("City").
Tenant:	2. Manitoba Tennis Association (Tennis Manitoba) Inc. (the "Tenant").
Leased Area:	3. As identified as "Leased Area" on the attached Misc. Plan No. 12258/4 (hereinafter called the "Leased Area").
Primary Use:	4. For the purpose of operating, managing and maintaining a non-profit Tennis facility and other tennis related activities and not for any other purpose without prior written consent of the Director of Planning, Property and Development (hereinafter referred to as the "Director") or his delegate.
Non-Profit Lease:	5. The Tenant has provided eligibility information required to apply for a Non-Monetary Real Estate Grant to Non-Profit Organizations, attached as Schedule "B", and hereby declares that the information is true and accurate to the best of the Tenant's knowledge.
Term:	6. A Three (3) year term commencing on the first day of the month following approval from the City's Standing Committees and Council, or such other date as mutually agreed upon and approved by the Director (hereinafter called the "Term").
Rent:	7. $1.00 per annum plus GST payable on the commencement date and the anniversary of the commencement date in each year of the Term thereafter in the event that the Tenant meets the criteria set out in the Non-Monetary Grant criteria details attached as Schedule "C". The Tenant also agrees to pay a percentage rent equal to 10% of revenues over and above annual operating costs, and payable on or by December 1st in each year of the Term and any extension thereafter.
	8. In the event that the Tenant does not meet the criteria set out in the Non-Monetary Grant criteria details attached as Schedule "C", a market value rent rate shall be charged.
Option to Extend:	9. One (1) seven (7) year option to extend on the same terms and conditions.
Admin Fee:	10. Annual fee of $250.00 plus GST payable on the commencement date and subsequent anniversary of the commencement date in each year of the term thereafter. This fee may be reviewed by the City of Winnipeg at any time, and may be subject to change as directed by Council or its delegated authority.
Document Preparation Fee:	11. A one-time document preparation fee in the amount of $4,730.00 plus GST payable prior to the commencement date and only payable in the event that the Tenant does not meet the criteria

set out in the Non-Monetary Grant criteria details attached as Schedule "C".

Realty Taxes, etc.:

12. Tenant is responsible for all realty taxes, municipal taxes, school taxes, local improvements, license fees, business tax, etc. which may be charged in respect of the use and occupation of the Leased Area.

13. The Tenant is entitled to make application to the City pursuant to the provisions of The Municipal Assessment Act of Manitoba and City of Winnipeg Community Groups Occupying City-Owned Facilities Bylaw No. 89/2005, and if they meet the criteria set forth in the By-law and such application is granted and the resulting proposed amendment to the herein mentioned Bylaw is approved, the Leased Area will be exempt from real property taxes and school taxes levied by the City as of the date of such By-law approval.

Operating Costs & Utilities:

14. Unless otherwise specified herein, the Tenant is to pay all operating costs, including but not limited to identification and direction signage; the cost of any utilities, including but not limited to electricity, water and gas consumed in the Leased Area; the cost of cleaning, maintaining and servicing the Leased area, including garbage and waste collection and disposal; and the cost of security, policing and supervising the Leased Area.

Other Fees, Licenses, Taxes, etc.:

15. The Tenant is responsible for all license fees, realty and business tax, etc. which may be charged in respect of the use and occupation of the Leased Area.

Cancellation:

16. 180 days written notice by either party, or immediately upon the Tenant being in default of the Lease Agreement.

Insurance:

17. The Tenant shall provide and maintain the following insurance coverage at all times for the duration of the contract:

    a) Commercial General Liability insurance including but not limited to, the following provisions:

        i) The City shall be included as an additional insured;

        ii) The policy to contain a cross-liability clause or severability of interest clause;

        iii) Protection for claims of bodily injury and property damage, personal and advertising injury liability, contractual liability, injury to participants, products and completed operations liability, tenant's legal liability for a limit commensurate with the space in the inclusive amount of at least two million dollars

($2,000,000.00) per occurrence with a minimum of ($2,000,000) general aggregate;

iv) Should any events involve the sale or service of alcohol in/on the Leased Area the Tenant shall be required to provide evidence of liquor liability in the amount of five million dollars ($5,000,000) per occurrence;

v) Shall not contain any special limitations on the scope of coverage afforded the City, its officers, officials, employees, agents or volunteers.

b) A broad form property insurance policy, for the full replacement cost insuring all buildings, contents, equipment and tenants improvements. Such policy to include the City as a loss payable as their interest may appear;

c) An equipment breakdown insurance policy, for the full replacement cost of the building(s) and contents including all boilers, pressure vessels (fired and unfired), air conditioning equipment, mechanical and electrical equipment, transformers, electrical switch gears, motors, compressors, refrigeration equipment and miscellaneous electrical apparatus owned or operated by the City, and such policy shall include the City as a loss payable as their interest may appear;

d) If required, automobile liability insurance for owned and non-owned automobiles used for or in connection with the Lease in the amount of at least two million dollars ($2,000,000.00) to remain in place at all times during the full term of the Lease Agreement; such insurance may be met through the commercial general liability cover where applicable; and

e) Subject to approval by the Director, if the Tenant performs any repair, maintenance, renovation, or construction work in/to/on/under the proposed Leased Area, the Tenant shall:

i. Provide and maintain (or ensure that the contractor provides and maintains) minimum commercial general liability and automobile liability insurance coverage in the amount of at least two million dollars ($2,000,000.00) and worker's compensation to the satisfaction of the City's Supervisor of Insurance based on the works that are taking place (and can include, but is not limited to builder's risk insurance and wrap up liability) for all contractors or sub-contractors hired to perform such repair work, maintenance, renovation or construction work. Such

insurance to remain in place at all times during the performance of the work until total performance;

ii. File with the City a certificate of insurance in a form satisfactory to the City's Supervisor of Insurance at least five (5) business days prior to the commencement of any work on the Leased Area;

18. All property and liability policies written on behalf of the Tenant shall contain a waiver of any subrogation right which the Tenant's insurers may have against the City and against those for whom the City is, in law, responsible, whether any such damage is caused by the act, omission or fault of the City or by those for whom the City is, in law, responsible.

19. All policies shall be taken out with insurers licensed to and carrying on business in the Province of Manitoba;

20. All deductibles shall be entirely borne by the Tenant;

21. The Tenant shall not cancel, or cause any such policy or policies to lapse without a minimum thirty (30) days prior written notice to the City;

22. The Tenant shall provide written notice to the City of any material changes to their policies within thirty (30) days of the change taking effect;

23. The Tenant shall file with the City a certificate of insurance upon occupancy and annually thereafter during the term of the agreement, in a form satisfactory to the City's Supervisor of Insurance All certificates of insurance are to be sent to:

    The City of Winnipeg
    Risk Management Division
    3rd Floor – 185 King Street, Wpg, MB R3B 1J1
    Attention: Supervisor of Insurance
    Fax # 204-986-6132
    Email: insurance@winnipeg.ca;

24. The City shall have the right to alter the limits and/or coverages as reasonably required from time to time during the continuance of the Lease and for any subsequent renewals thereof, provided that the City shall give the Tenant reasonable notice and shall request reasonable change.

Assignment or Sub-let:

25. The Tenant is not to assign or sub-let or part with possession of all or any part of the Leased Area without the Tenant first obtaining the prior written consent of the Director. In such event, the City in its sole discretion may cancel this agreement and enter into a new agreement.

26. And further the Tenant acknowledges and agrees that:

a) Upon its making application for such consent by the City the Tenant shall pay to the City a non-refundable administrative fee of Six Hundred Thirty ($630.00), plus applicable Goods and Services Tax, or such amount as may from time to time be determined by the City in its sole discretion acting reasonably;

b) Any consent by the City to an assignment shall not relieve the Tenant of its obligation for the payment of rents hereby reserved and the performance of the terms and conditions herein contained.

Development and Maintenance:

27. Unless otherwise specified herein, all improvements, development, construction and maintenance of the Leased Area will be performed at the sole cost, expense and effort of the Tenant, including, but not limited to, obtaining all permits required to develop, occupy and utilize the Leased Area for its intended use. All improvements, development and construction are subject to the prior written approval of the Director.

28. Unless otherwise specified herein, title to all buildings and structures currently existing, as well as those hereafter erected, shall vest in the City upon termination, cancellation or expiration of the Lease Agreement, subject to the option of the City to demand removal of the buildings or structures from the Leased Area at the termination, cancellation or expiration of the Lease Agreement.

29. The Tenant shall, in case of every installation and removal of improvements, either during or at the end of the Term, make good any damage caused to the Leased Area by the installation and removal, provided, however, that in the event that the Tenant fails to make good any such damage as aforesaid, the City may so repair the Leased Area and the Tenant shall, immediately upon demand of the City, reimburse the City for all expenses incurred with respect to such repair. Such a claim by the City shall survive the termination of the Lease Agreement.

30. The Tenant shall maintain at its own expense the Leased Area in a safe, clean and tidy condition to the satisfaction of the City.

Repairs:

31. Tenant agrees to maintain the Leased Area and any leasehold improvements located thereon in good and operating condition to a standard at least equal to that which has existed in recent years. Should the Tenant fail to meet such standards, then, subject to thirty (30) days written notice and specifics being provided of the Tenant's failure to meet such standards, the City shall be permitted to enter the Leased Area and complete the work that is required at the Tenant's expense. Such work will be charged to the Tenant as additional rent.

32. Tenant shall be responsible for all structural repairs to buildings within the Leased Area.

City's Access:

33. The City shall have the right of access to the Leased Area at any time (24 hours a day, seven days a week) by its employees or other persons acting with authorization, with or without equipment:

    a) To view the state of repair of the Leased Area, and the Tenant shall repair according to notice in writing given by the City. If the Tenant fails to repair according to the notice, the City may do such work at the sole cost and expense of the Tenant; or

    b) For the purpose of maintaining or repairing its utilities in or near to the Leased Area at any time with or without equipment, for the purpose of renewing, altering or repairing its facilities including the right to exclude all others for as long as may be necessary to carry out such work;

34. The City reserves the right for Bell MTS Inc. and The Manitoba Hydro-Electric Board or other public utilities (hereinafter referred to as "Public Utilities") to enter upon the Leased Area for the placement, maintenance and/or repair of their equipment without the City and/or the Public Utilities being responsible for any damage occasioned thereby. For clarity, only the City may enter into easement agreements with the Public Utilities. The Tenant has no authority to enter into such agreements. The City shall be entitled to any rent or revenue from the placement of any equipment by the Public Utilities on the Leased Area.

Conditions:

35. The Tenant takes the Leased Area on an "as is" basis.

36. The Tenant shall be responsible for the evacuation of all volunteers, staff and invitees during an emergency.

37. The Tenant is to comply with all laws, by-laws and regulations of any federal, provincial or municipal or other applicable authority.

38. The Tenant shall not place any signage unrelated to the operation of a tennis facility without prior written approval of the Director as to design, size and location.

    In the event that the Tenant wishes to pursue sponsorship opportunities, including naming rights, for the Leased Area, any improvements or proposed improvements thereon or in any other way related to the Leased Lands, the Tenant is required to comply with the City's Sponsorship Policy.

39. The Tenant shall provide, on an annual basis on the anniversary of the Lease and any Extension thereafter, copies of all relevant inspections / reports/etc. (i.e. boiler / elevator/furnace inspection certificates, financial statements prepared by an independent chartered professional accountant, etc.).

40. Tenant shall provide, on or before December 1st in each year of the Term and any extension thereof, a financial statement for the previous year, prepared by an independent chartered professional.

41. Before May 1st of every season for the duration of the lease and any extensions thereafter, the Tenant shall provide, if requested, a schedule of proposed activities, programs and events subject to approval of the Superintendent of Park Services.

42. The Tenant shall post the hours of operation, rules and code of conduct in a highly visible area on the Leased Area.

43. Tenant shall not file any caveat or other encumbrance against the Leased Area.

44. The Tenant acknowledges and agrees that the City has made no representation, warranties or guarantees of any nature or kind whatsoever as to the quality, conditions or suitability of the Leased Area for any use or purpose, nor as to any environmental conditions which may exist.

45. If in the future the City determines that the Leased Area is surplus to its needs and available for sale, the Tenant will be so advised.

46. The Tenant shall release, indemnify and save the City harmless from and against any and all claims for damages or injuries, including death that may arise from the use of the Leased Area by the Tenant or its invitees. This provision shall survive any termination, cancellation or expiration of this Agreement.

47. The Tenant acknowledges and agrees that it will not be entitled to an abatement or reduction in Rent as a result of any nuisance, disruption to or interference with the Tenant's use and enjoyment of the Leased Area where such nuisance, disruption to or interference is caused by the construction by the City or others of improvements, alterations, additional or repairs to the Leased Area. The Tenant further agrees not to make any claim against the City for such nuisance, disruption to or interference with the use of the Lease Area.

48. Tenant shall not release into the environment, or deposit, discharge, place or dispose of, at on, or near the Leased Area and/or adjoining City land, any dangerous goods as that term is defined in *The Dangerous Goods Handling and Transportation Act*, C.C.S.M. c. D12, as amended, replaced or substituted from time to time.

49. The Tenant shall not discriminate against or deny admission to any person seeking admission to the Tenant's facilities within the terms hereinbefore defined by reason only of the race, nationality, religion, colour, sex, age, marital status, family

status, physical or mental handicap, or ethnic or national origin of any such person.

Other

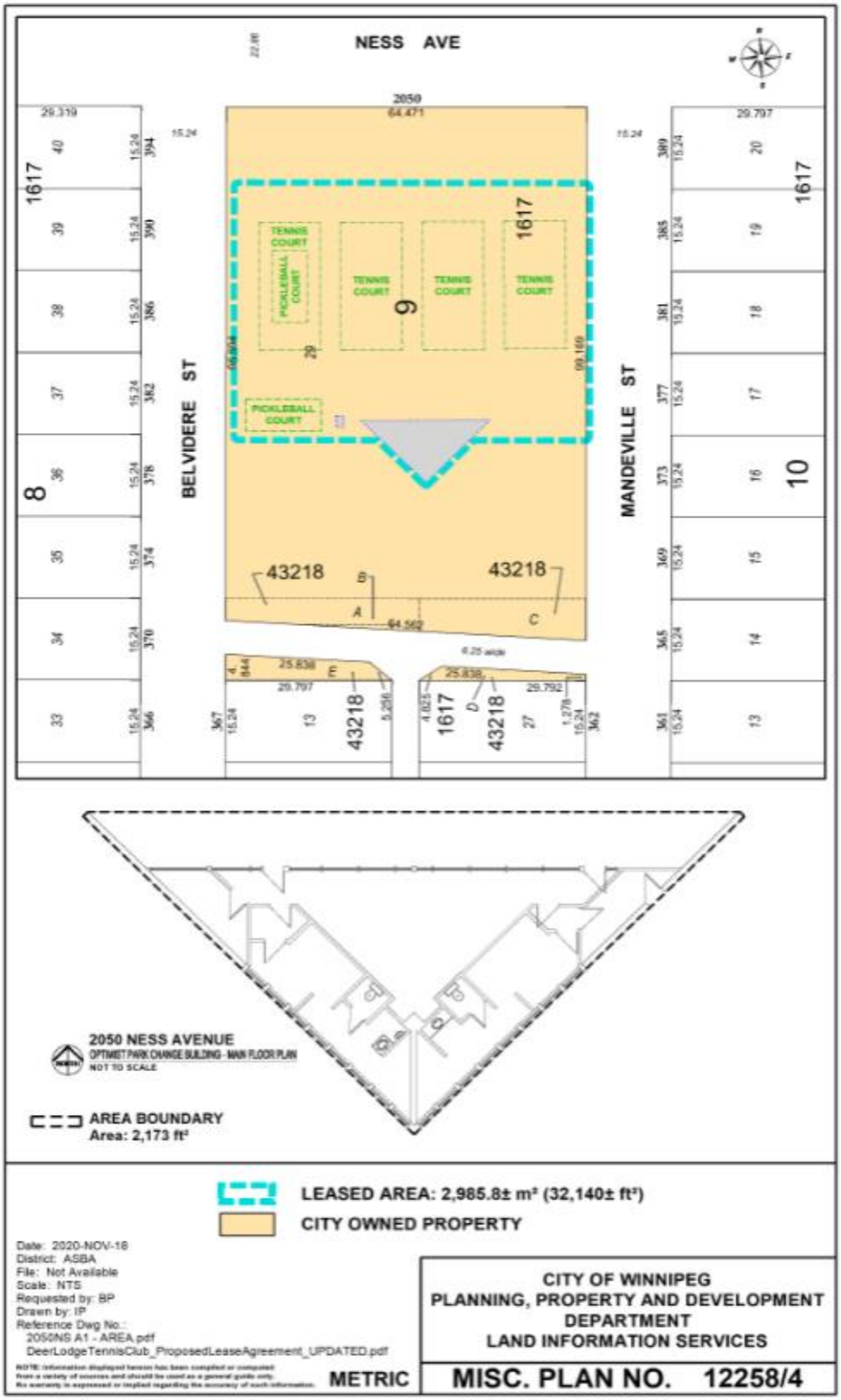
50. The Tenant shall enter into a formal agreement with the City embodying the foregoing Proposed Terms and Conditions and such other terms and conditions as the City Solicitor/Director of Legal Services deems necessary and in a form satisfactory to the City Solicitor/Director of Legal Services.

51. **All terms and conditions contained herein, are subject to the approval of Council, or its delegated authority, and are not binding until such time as those approvals are obtained.**

Manitoba Tennis Association (Tennis Manitoba) Inc. hereby agrees to enter into a lease agreement with The City of Winnipeg for the use of the property identified as "Leased Area" on the attached Misc. Plan No. 12258/4 and in accordance with the proposed terms and conditions as outlined herein.
Signed in the City of Winnipeg, in the Province of Manitoba, this 16th Day of March, 2022

Original documents signed by the Tenant
Per: _____
Name: Mark Arndt, Executive Director

MISCELLANEOUS PLAN



SCHEDULE C

Eligibility Criteria for Non-Monetary Real Estate Grants to Non-Profit Organizations

	Criteria	Meets Criteria	Notes
1	The Organization is a registered Non-Profit Organization.	√	Tennis Manitoba is a registered not-for-profit organization.
2	The Organization provides activities/programs that are compatible with the City's provision of services/programs, or addresses an identified gap in service to the community as determined by Stakeholders.	√	Tennis Manitoba will continue to provide tennis and fitness services that have been serving the local community for over 50 years in this location.
3	The Organization provides a service for which there is a current and projected need in that location, as determined by Stakeholders, operating for a minimum prescribed number of operating hours.	√	The facility will be open during prescribed hours to all for use. Programming options/activities will be available for kids, adults, seniors and persons with disabilities. Pricing for programming will be scaled to provide options for all economic backgrounds.
4	If the Organization requires a building, the Lease or Licence must be for a Designated Non-Profit Building.	√	Conditional upon Council approval.
5	The Organization agrees to pay proportionate Operating costs associated with the Lease or Licence (a requirement for improved and unimproved City property).	√	Tennis Manitoba's Board of Directors have allocated funding to get the facility operational and the organization will charge a nominal amount for pay per play to cover operating costs. Tennis Manitoba's business model allows for sustainable, self-sufficient yearly operations. Excess funds will be placed in reserves for future use.
6	The Organization agrees to provide their annual financial statements to the City prior to June 1 in each calendar year for the duration of the Lease or Licence.	√	Tennis Manitoba has committed to providing their financial statements at the end of their season.

Written by: **Bridget Peterson** **Date:** **March 11, 2022**