Minutes – Executive Policy Committee – April 16, 2024

Report – Standing Policy Committee on Property and Development – April 11, 2024

Item No. 3 Proposed Lease Agreement between Transcona Golf Club (1982) Inc. and the City of Winnipeg at 2120 Dugald Road (Transcona Ward)

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

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

1. That, subject to the approval of two-thirds of all Council members (pursuant to subsection 205(2) of The City of Winnipeg Charter), the proposed Terms and Conditions for a Lease Agreement in favour of Transcona Golf Club (1982) Inc. for the proposed lease of 2120 Dugald Road, as identified as "Transcona Golf Club" on Misc. Plan No. 15097 and attached hereto as Schedule A, be approved.

2. That the City enter into, execute, and deliver a Lease Agreement with Transcona Golf Club (1982) Inc. and such other agreements as determined necessary by the Director of Legal Services and City Solicitor to implement the intent of the foregoing (the "Ancillary Agreements").

3. 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 – April 11, 2024

DECISION MAKING HISTORY:

Moved by Councillor Browaty,

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 four business days preceding the committee meeting, be considered by Committee.

Carried

Moved by Councillor Rollins,

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

Carried

STANDING COMMITTEE RECOMMENDATION:

On April 11, 2024, the Standing Policy Committee on Property and 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 between Transcona Golf Club (1982) Inc. and the City of Winnipeg at 2120 Dugald Road

Critical Path: Standing Policy Committee on Property and Development – Executive Policy Committee - Council

AUTHORIZATION

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

EXECUTIVE SUMMARY

The Public Service has negotiated the terms for a lease with Transcona Golf Club (1982) Inc. ("the Golf Club"). The Golf Club will operate, manage, and maintain the City property located at 2120 Dugald Road. The golf course area and boundaries are shown in Schedule A.

The current Lease Agreement with the Golf Club expired on December 31, 2023. The Public Service has proposed a new 25-year lease which includes the previous condition that the course be publicly accessible.

In addition to an annual rent, the Golf Club will be responsible for all expenses related to operating and maintaining the Leased Area.

The Ward Councillor has been notified of the proposed lease and did not identify any concerns.

RECOMMENDATIONS

1. That, subject to the approval of two-thirds of all Council members (pursuant to subsection 205(2) of The City of Winnipeg Charter), the proposed Terms and Conditions for a Lease Agreement in favour of Transcona Golf Club (1982) Inc. for the proposed lease of 2120 Dugald Road, as identified as "Transcona Golf Club" on Misc. Plan No. 15097 and attached hereto as Schedule A, be approved.

2. That the City enter into, execute, and deliver a Lease Agreement with Transcona Golf Club (1982) Inc. 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 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 subsection 205(2) of The City of Winnipeg Charter, no land acquired and used by the City for parks purposes on the day the Charter came into force can be disposed of without two-thirds approval from all members of Council.

IMPLICATIONS OF THE RECOMMENDATIONS

The proposed Lease Agreement has an initial term of 25 years and can be terminated with two years' written notice by either party.

Transcona Golf Club (1982) Inc. will assume responsibility for all expenses related to the operation and maintenance of the Leased Area.

HISTORY/DISCUSSION

The Transcona Golf Course was established in 1931 as a nine-hole course southwest of Regent Avenue and Plessis Road. It moved to its current address in 1949 on land previously acquired by the Town of Transcona. The golf course is eighteen holes and operates on a semi-private basis (publicly accessible). The current tenant is the Transcona Golf Club (1982) Inc., which is a non-profit organization registered in Manitoba.

On July 28, 1981, the Committee on Finance and Administration approved a lease for the Transcona Golf Course to the Transcona Mixed Golf League Inc., now known as Transcona Golf Club (1982) Inc., for a term of 20 years from November 1, 1981, to October 31, 2001.

On January 1, 1999, the tenant entered into a new lease for a 25-year term which expired on December 31, 2023.

Transcona Golf Club (1982) Inc. requested another 25-year lease term to amortize future capital improvements on the course. The Public Service recommends entering a new lease as the City maintains a successful relationship with the existing tenant.

The proposed lease was circulated to City departments and no objections were received. It should be noted that some portions of the golf course may be required for future transportation improvements, such as twinning Plessis Road or the construction of collector roads. Since the timing of construction is unclear, a new lease has been proposed with appropriate safeguards – the City has the right to amend the lease to provide for future road projects. Consultations with the community and tenant will be required should Council approve any transportation projects.

Golf Services was consulted during the lease negotiations and support the terms and conditions. Golf Services has developed a fee structure (annual rent) for the semi-private courses which is outlined in Schedule B of this report. Anticipated revenue in 2024 is projected to be $7,500 based on 30,000 rounds of golf.

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.

No appraisal was conducted for the subject property as golf courses are rarely leased, and golf courses do not represent the highest and best use of a site. The City produces an annual valuation of developable land through the Development Agreement Parameters, with the current value set at $165,000 per acre. Applying this rate to the subject property generates a value over $20,000,000 and far exceeds golf course land rent. The annual land value is comparable to development sites which have recently sold in South Transcona.

This report seeks approval of the proposed lease Terms and Conditions as negotiated. The lease agreement will retroactively commence as negotiated effective January 1, 2024.

The proposed lease is considered to represent the best value for the City, as it generates revenue for Golf Services and provides a recreation option for residents.

The Ward Councillor has been notified of the intentions of the Public Service and did not identify any concerns.

FINANCIAL IMPACT

Financial Impact Statement

Date: February 16, 2024

Project Name:

First Year of Program 2024

Proposed Lease Agreement between Transcona Golf Club (1982) Inc. and the City of Winnipeg at 2120 Dugald Road

	2024	2025	2026	2027	2028 to 2048
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	44,348	40,334	48,819	57,334	1,883,883
Net Cost/(Benefit)	$ (44,348)	$ (40,334)	$ (48,819)	$ (57,334)	$ (1,883,883)
Less: Existing Budget Amounts	(44,348)	(40,334)	(48,819)	(57,334)	(1,883,883)
Net Budget Adjustment Required	$ -	$ -	$ -	$ -	$ -

Additional Comments: Revenues in 2024 consist of the one-time documentation fee of $4,970, municipal realty taxes of $31,878 & rent of $7,500 While from 2024 to 2048, they consist of taxes and rent only. Taxes are based on 2023 increased by an assumed inflation rate of 3%/annum while rent is based on assumed rounds played remaining constant at 30,000/annum and the rates per round outlined in Schedule B.

Mike McGinn Feb. 16, 2024

Mike McGinn, CPA, CA
Manager of Finance

CONSULTATION

This Report has been prepared in consultation with:

- Legal Services (as to legal issues)
- Public Works - Parks and Open Space Division
- Golf Services
- Corporate Finance - Risk Management Division (as to insurance matters)

OURWINNIPEG POLICY ALIGNMENT

Our Winnipeg 2045 Development Plan:

Goal: Good Health and Well-Being

Objective: 1. Enable access to basic needs for good physical and mental health.

Policy: 4.11 Equitable Service Access
Prioritize equitable access to recreation and parks systems, services, and infrastructure, in order to: enable active living; connect people and nature; create supportive environments; build community capacity; and achieve desired health outcomes, with a focus on children and youth.

Goal: Economic Prosperity

Objective: 4. Make strategic use of community and regional assets to optimize local economic competitiveness.

Policy: 3.16 Optimize Facility Access
Maximize the use of existing municipal assets to promote recreation, community development, and social interaction, while optimizing equitable access, infrastructure reinvestments, service delivery methods and resource management.

WINNIPEG CLIMATE ACTION PLAN ALIGNMENT

This report is in accordance with the Winnipeg Climate Action Plan as adopted by Council on September 20, 2018.

Key Direction 7.3: Preserve and Manage Parks and Natural Areas to Support Climate Change Mitigation.

WINNIPEG POVERTY REDUCTION STRATEGY ALIGNMENT

Consideration was given as to whether this report connects to the Winnipeg Poverty Reduction Strategy (PRS) and its Goals and Objectives, and it was determined that the PRS is not applicable to this specific report.

SUBMITTED BY

Department: Planning, Property and Development
Division: Real Estate and Land Development
Prepared by: Nike Owolabi, Senior Negotiator
Date: February 23, 2024
File No: 5480/6 – V3

Attachments:
Schedule A – Proposed Terms and Conditions
Schedule B – Rent schedule
Schedule C – Maintenance Schedule Requirements
Schedule D – Winterization Requirements

SCHEDULE A
PROPOSED TERMS AND CONDITIONS FOR LEASE OF 2120 DUGALD ROAD

Landlord:	1. The City of Winnipeg (hereinafter called the "City").
Lessee:	2. Transcona Golf Club (1982) Inc. (hereinafter called the "Lessee").
Location:	3. 2120 Dugald Road Winnipeg, Manitoba (hereinafter called the "City Property").
Leased Premises:	4. Shown, shaded and identified as "Transcona Golf Club – 135.0± acres" on a drawing on file in the City's Planning, Property and Development Department as Misc. Plan No. 15097 (hereinafter called the "Leased Premises").
Primary Use:	5. For the sole purpose of operating, managing and maintaining a golf course, restaurant, and concession areas and for events related to same, and not for any other purpose except with the prior written consent of the City of Winnipeg's Director of Planning, Property & Development (hereinafter called the "Director").
Initial Term:	6. Twenty- five (25) year term commencing on the first day of January 1, 2024 (hereinafter called the "Term").
Rent:	7. Rent payable shall be based on the rounds played annually and in accordance with the "Rent Schedule" (attached herein as Schedule "B") and payable on or before December 1st in each year of the Term.
Document Preparation Fee: Municipal Taxes etc.:	8. A one-time document preparation fee in the amount of $4,970.00 plus GST payable within 30 days of the approval of these terms and conditions 9. The Lessee shall pay to the local taxing authority all municipal taxes, realty taxes, school taxes, local improvements taxes, etc. of which may be charged in respect of the use and occupation of the Leased Premises and which shall be billed directly to the Lessee. 10. The Lessee is entitled to make an application to the City pursuant to the provisions of The Municipal Assessment Act, C.C.S.M. c. M226 and the City's Community Groups Occupying City-Owned Facilities By-law No. 89/2005. If the application is successful, and the resulting amendment to the By-law is approved, the Leased Premises will be exempt from real property taxes and school taxes as of the date of such By-law approval. If the application is not successful or if the Lessee loses its exemption, the Lessee shall, in accordance with the provisions of the above paragraph, pay all applicable real property tax and/or school tax.

Operating Costs & Utilities:	11. Unless otherwise specified herein, the Lessee 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 Premises; the cost of cleaning, maintaining and servicing the Leased Premises, including snow removal, garbage and waste collection and disposal; and the cost of security, policing and supervising the Leased Premises.
Other Fees, Licenses, Taxes etc.:	12. The Lessee shall be responsible for all license fees, realty and business tax, levies etc. which may be charged in respect of the use and occupation of the Leased Premises. 13. The Lessee shall be responsible for applying for and obtaining all permits, licenses or permissions (including but not limited to occupancy permits), required for the use, improvement, and occupation of the Leased Premises, at its sole cost, effort and expense. 14. All fees may be reviewed by the City at any time and may be subject to change as directed by Council or its Delegated Authority.
Insurance Requirements:	15. The Lessee shall provide and maintain the following insurance coverage at all times during the Term of the Lease/License Agreement: (a) Commercial general liability policy including, but not limited to, the following provisions: i. The City to 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, liquor liability, contractual liability, employees as additional insured, products and completed operations liability, non-owned automobile liability, tenant's legal liability for a limit commensurate with the space occupied in the inclusive amount of at least five million dollars ($5,000,000) per occurrence with a minimum of five million dollars ($5,000,000) general aggregate; iv. The liability policy must be specifically endorsed to provide misapplication and drift coverage with respect to chemical and herbicide application in the amount of at least twenty-five thousand dollars ($25,000.00); and 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, mobile equipment, and tenant improvements.

	The City shall be shown as a loss payable, as their interest may appear; (c) An equipment breakdown insurance policy, for the full replacement cost of the Leased Premises, 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 Lessee and such policy shall include the City as a Loss payable, as their interest may appear; (d) Business interruption insurance in such amounts as will reimburse the Lessee for direct or indirect loss of earnings attributable to all perils commonly insured against by prudent Lessees or attributable to prevention of access to the Leased Premises as a result of such perils; and (e) If required, automobile liability insurance, for owned and non-owned automobiles used for or in connection with the Lease Agreement in the amount of at least two million dollars ($2,000,000.00) to remain in place at all times during the Term, such insurance may be met through the commercial general liability coverage where applicable. 16. Subject to approval by the Director, if the Lessee performs any repair, maintenance, renovation, or construction work in/to/on/under the Leased Premises, the Lessee shall: (a) 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; (b) 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 Proposed Leased/Licensed Premises. 17. All deductibles shall be entirely borne by the Lessee/Licensee.

	18. The Lessee shall ensure that all property policies and commercial general liability policies written on behalf of the Lessee contain a waiver of any subrogation right which the Lessee 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. The Lessee shall take all policies out with insurers licensed in the Province of Manitoba. 20. The Lessee shall not cancel, materially alter, or cause any such policy or policies to lapse without a minimum of thirty (30) days' prior written notice to the City. 21. The Lessee shall provide written notice to the City of any material changes to their policies within thirty (30) days of the change taking effect. 22. 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 Agreement or any subsequent extensions thereof, provided that the City shall give the Lessee 12 months notice and shall request reasonable change. 23. The Lessee shall file with the City an annual Certificate of Insurance 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, Winnipeg, Manitoba, R3B 1J1 Attention: Supervisor of Insurance Fax: 204-986-6132 Email: insurance@winnipeg.ca
<u>Termination</u>:	24. The Lease Agreement may be terminated: a. Upon Two (2) years' written notice by either party; or b. Should the Lessee be in default of any of the terms and conditions of the Agreement, the City shall provide the Lessee with fifteen (15) days' written notice to remedy the default along with a description of the nature of the default (or such longer period as may be reasonably required to cure such default considering the nature thereof and as agreed to by the City). Should the Lessee not remedy the default to the satisfaction of the City, the City, at its sole discretion, may

	terminate this Agreement immediately upon the expiration of the fifteen (15) days' notice period. 25. Upon termination or cancellation of the Lease Agreement, the Lessee shall leave the leased premises in a condition satisfactory to the Director. Should the Lessee default in so doing, the City may: a) Restore the Leased Premises at the sole risk and expense of the Lessee; and b) Remove and/or dispose of the Lessee's property (including fixtures and chattels) at the City's sole discretion without the Lessee's consent and at the risk and expense of the Lessee. The City shall not be required to provide any compensation to the Lessee for such removal and/or disposal. 26. Notwithstanding the forfeiture or termination of the Lease Agreement in any manner herein provided for, the Lessee shall be and remain liable to the City for all payments due and obligations and liabilities incurred hereunder up to the date of such forfeitures or termination and for the fulfillment of all obligations on the part of the Lessee to be observed and performed upon after the said termination.
<u>Development</u>:	27. Unless otherwise specified herein, all improvements, development, construction and maintenance of the Leased Premises will be performed at the sole cost, expense and effort of the Lessee, including, but not limited to, obtaining all permits required to develop, occupy and utilize the Leased Premises for its intended use. All improvements, development and construction are subject to the prior written approval of the Director. 28. The Lessee shall bear the cost for caveats and plans of easement for any structure or improvements requiring utility servicing. 29. Any and all renovation or alteration or improvements to any portion of the building or exterior environment which are requested by the Lessee and authorized by the City must comply with the City of Winnipeg Accessibility Design Standard (“WADS”). As per the Design Standard, where it is deemed to be infeasible to achieve compliance, an equivalent facilitation may be considered and must be vetted with the Universal Design office of the City 30. The Lessee shall not suffer or permit any claim, lien, or charge under the Builders' Liens Act, C.C.S.M.c.B91, or any like statute to be made, filed, or registered against the City or against the Leased Premises or any fixtures or improvements thereto by reason of Work, labor, services or materials supplied or claimed to have been supplied to the Lessee.

Repairs and Maintenance:	31. The Lessee will not erect or permit the erection of any building or structure whatsoever on the Leased Premises, nor do any excavation therein or improvement thereon, without the prior written consent and authority of the Director, except for those structures set out in Section 61 herein. 32. The Lessee is advised that no permanent structures are permitted above public utilities. 33. Unless otherwise specified herein, title to all buildings and structures currently existing, as well as those hereafters 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 Premises at the termination, cancellation or expiration of the Lease Agreement. 34. The Lessee 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 Premises by the installation and removal, provided, however, that in the event that the Lessee fails to make good any such damage as aforesaid, the City may so repair the Leased Premises and the Lessee 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. 35. The Lessee shall, at its sole cost, effort and expense, a. Maintain and repair the Leased Premises in a safe, clean and tidy condition to the satisfaction of the Director, including, but not limited to: maintenance, repair and replacement of heating, plumbing, fire safety equipment, roof, floors/floor coverings, pest control, janitorial services, operating equipment, snow and ice removal, security, lighting, refuse removal, other utility systems, landscaping, site improvements and electrical systems; b. Ensure that access to, use of, and occupancy of the Leased Premises is conducted in a careful manner, in accordance with good industry standards and in compliance with the provisions of any and all applicable environmental, health or safety statutes, regulations, orders or directives of any government or governmental agency having jurisdiction over such matters; c. Ensure that required repairs and maintenance to irrigation equipment and related infrastructure including but not limited to sprinkler heads, piping, and pumps (hereinafter referred to as the “Irrigation System”) are identified and carried out forthwith to the satisfaction of the Director. Should the Tenant fail to carry out such repairs or

	maintenance forthwith, the City shall be permitted to enter the Leased Area and carry out such repairs or maintenance at the Tenant's sole expense. The cost of such repairs will be charged to the Tenant as additional rent. d. Be responsible for structural maintenance, repairs and replacement to any building located on the Leased Premises. Structural repairs include, but are not limited to, repairs to structural elements such as structural flooring, structural walls, beams, and columns. e. Assume responsibility for any and all damage done to the Leased Premises by reason of, or arising out of, forcible entry into any structures located on the Leased Premises by any person for an unlawful purpose such as, but not limited to, theft, attempted theft, burglary, or attempted burglary; and f. Comply with any written notice from the City to repair the Leased Premises at the Lessee's sole cost, expense and effort within thirty (30) days of receiving such notice. 36. The Lessee shall reimburse the City for any and all costs incurred by the City in making good any loss or damage to the Leased Premises, City's property and/or utilities caused as a result of the Lessee's use and occupancy of the Leased Premises or, without limiting the generality of the foregoing, caused as a result of any negligent or willful act of the Lessee, its contractors, agents, servants or employees. 37. All maintenance and repair costs associated with the use and operation of the Leased Premises during the Term shall be the sole responsibility of the Lessee;
<u>Signage:</u>	38. The Lessee shall not paint, display, inscribe, place or affix any sign, symbol, notice, advertisement or lettering of any kind, including affixing items in the form of resources to the walls, without the prior written approval of the City as to design, size and location, which approval the City may in its absolute, sole and uncontrolled discretion withhold.
<u>Assignment or Sub-let</u>	39. The Lessee is not to assign or sub-lease or part with possession of all or any part of the Leased Premises without the Lessee first obtaining the Director's prior written consent. In such event, the City in its sole discretion may cancel the Lease Agreement and enter into a new Lease Agreement; 40. Upon its making application for such consent by the City, the Lessee shall pay to the City a non-refundable administrative fee of Six

Conditions:	Hundred and forty dollars ($640.00), plus G.S.T, or such amount as may from time to time be determined by the City in its sole discretion. 41. Any consent by the City to an assignment shall not relieve the Lessee of its obligation for the payment of rents hereby reserved and the performance of the terms and conditions herein contained. 42. The Lessee takes the Leased Premises on an “as is” basis. 43. The Lessee shall not release into the environment, or deposit, discharge, place, or dispose of, at, on, or near the Leased Premises and/or adjoining City land, any dangerous goods as that term is defined in The Dangerous Goods Handling and Transportation Act, CCSM c. D12, as amended, replaced, or substituted from time to time. 44. The Lessee shall not affect the Leased Premises in any undesirable environmental manner. If the Lessee causes the Leased Premises to become contaminated, as determined by the City, the City may require the Lessee to immediately restore the land to its original condition at the Lessee’s sole cost and expense. The City shall not be responsible for contamination caused by the Lessee and the Lessee shall indemnify the City from and against same. 45. The City shall have the right, but not the duty, to enter upon the Leased Premises from time-to-time to inspect the Leased Premises for environmental contamination and in the course thereof to conduct soil and ground water testing. The City may enter the Leased Premises during regular business hours of the Lessee without prior notice, and may enter the Leased Premises during periods other than regular business hours either with prior written consent of the Lessee or without if the City reasonably believes that an emergency exists on the Leased Premises. The City shall conduct any such inspections or testing so as to minimize interference with the Lessee’s business operations. The City’s entry on to the Leased Premises shall not relieve the Lessee’s obligation to pay rent under the Lease. 46. The Lessee shall not at any time use, exercise or carry on or permit or suffer to be used, exercised or carried on, in or upon the Leased Premises or any part thereof, any noxious, noisome or offensive art, trade, business, occupation or calling and the Lessee shall not do, omit or suffer or permit to be done or omitted in, on or upon the Leased Premises or any part thereof, anything whatsoever which shall or may be or grow to the annoyance, nuisance, damage or disturbance of the City or the owners or occupiers of neighbouring properties. 47. The Lessee agrees that its operation shall not negatively impact the adjoining areas, and any such impact shall constitute a breach of the Agreement.

48. The Lessee agrees that any misuse of the Leased Premises may result in termination of the lease agreement.

49. The Lessee agrees that if at any time during the Term of this Agreement the City's use or requirements for the Leased Premises reasonably necessitate the relocation and/or modification and/or removal of the Lessee's property from the Leased Premises, the Lessee shall be responsible for doing all things necessary to relocate and/or modify and/or remove its property as required by the City and shall pay all costs and expenses associated therewith.

50. The Lessee shall not file any caveat or other encumbrance against the title(s) of the Leased Premises without first having obtained written consent of the Director, which may be withheld in the Director's sole and absolute discretion and for any reason. For further clarity, the Lessee shall not enter into any easement agreements with public utilities with respect to the Leased Premises.

51. The Lessee shall provide, on an annual basis on the anniversary of the lease, copies of all relevant inspections/reports/etc. (i.e. boiler/ elevator/furnace inspection certificates, financial statements that have been reviewed in accordance with CPA Canada's Canadian Standard on Review Engagements – CSRE 2400).

52. The Lessee shall maintain books and records regarding the proper financial management of the Leased Premises which includes but is not limited to a record of all revenues and their application and a record of all expenditures together with supporting documentation (i.e. invoices, payroll records and bank records including canceled cheques).

53. The Lessee is to comply with all laws, by-laws and regulations of any federal, provincial or municipal or other applicable authority, pertaining to the use, development and occupancy of the Leased Premises, and shall obtain all necessary permits and variance orders in that regard at its sole cost and expense.

54. The Lessee 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 Premises for any use or purpose, nor as to any environmental conditions which may exist.

55. The Lessee 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 Lessee's use and enjoyment of the Leased Premises where such nuisance, disruption to or interference is caused by the construction by the City or others of

	improvements, alterations, additions or repairs to the Leased Lands. The Lessee further agrees not to make any claim against the City for such nuisance, disruption to or interference with the use of the Leased Premises. 56. The Lessee shall release and indemnify and save the City harmless from and against any and all claims for damages or injuries, including death, which may arise from the use of the Leased Premises by the Lessee. This provision shall survive any termination or expiration of this Agreement. 57. Notwithstanding anything to the contrary contained in the Lease Agreement, if either party hereto is bona fide delayed or hindered in or prevented from the performance of any term, covenant or act required hereunder by reason of a force majeure event including, but not limited to: strikes; walkouts; labor troubles; industrial disturbances; inability to procure materials or services; failures, fluctuations governmental laws, regulations or controls; riots; civil commotions; insurrections; sabotage; terrorism; invasion; rebellion; military or usurped power; war or warlike operations; blockades; epidemics; pandemics; washouts; nuclear and radiation activity or fallout; explosions; natural disasters; acts of God; or other reason whether of a similar nature or not which is not the fault of the party delayed in performing Work or doing acts required under the terms of the Lease Agreement, then performance of such term, covenant or act shall be excused for the period of the delay and the party so delayed shall be entitled to perform such term, covenant or act within the appropriate time period after the expiration of the period of such delay. This provision shall not operate to excuse Lessee from the payment of Rent/Fees in the amounts and at the times specified in the Lease Agreement nor shall they apply so as to extend the period of time for the Lessee to complete Lessee's work or to extend the fixturing period, if any, nor shall they entitle the Lessee to compensation for any inconvenience, nuisance or discomfort thereby occasioned. 58. The Lessee shall make the facility available to the City for the hosting of international, national and local sporting events upon the receipt of 180 days' written notice. During such special events, the Lessee will be unable to use the Leased Premises and will not be compensated for this loss of use, nor will the lease term be extended in any way. The City will be responsible for any repairs or damages caused by such use. The City will act in good faith to accommodate the Lessee's scheduled events with the understanding that the City will incur no additional costs to do so. 59. The Lessee shall be responsible for the evacuation of its volunteers, staff, and invitees during an emergency and must follow guidelines provided by the City of Winnipeg.

	60. The Lessee acknowledges and agrees that it has reviewed the Lights Out Winnipeg Bird-friendly Policy, bird-friendly web resources on the City of Winnipeg website and is aware of the Bird Friendly Design Standard. The Lessee agrees to turn off lights at night in accordance with the Lights Out Winnipeg Bird-friendly Policy. 61. The Lessee may erect and fix in or upon the Leased Premises any stiles, bridges, flag posts, fences, posts, parking lot or lots, movable rain shelters, movable sheds and movable pavilions, electrical lighting and light poles to be used exclusively for the purposes of the Golf course's operation. 62. The Lessee shall meet, the City of Winnipeg Golf Services guidelines and standards for approved improvements. 63. Should the City require portions of the Leased Premises for future transportation infrastructure and road expansion, the Leased Premises shall, at the sole discretion of the City, be amended identifying a new lease area. The terms and conditions of the amendment shall be subject to the council's project decision and approval. 64. The Lessee shall make the golf course available for play to all residents of the City of Winnipeg who are not members of the Lessee's Club for a minimum of twenty-five (25) hours per week between dawn and 6:00p.m daily and for the purpose of this requirement, a reasonable number of club events and tournaments may be scheduled during such twenty-five (25) hour period. 65. The Tenant shall permit non-members who register for golf to have access to the Tenant's lounge facilities, such access to be subject only to the availability of space, Club rules, and any limitations imposed by the provisions of the Liquor Control Act. 66. 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. 67. The Lessee agrees to maintain the Leased Area in good and operating condition in accordance with Schedules "C" and "D" and any leasehold improvements located thereon for public golf course purposes in good and operating condition to a standard at least equal to that which has existed in recent years. Should the Lessee fail to meet such standards as deemed acceptable by the Director in his/her sole discretion, then, subject to thirty

(30) days written notice and specifics being provided of the Lessee '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 Lessee 's expense. Such work will be charged to the Lessee as additional rent.

68. When making payments, the Lessee shall provide annual reports to the General Manager of Golf Services detailing all rounds played, which shall include, but not be limited to, paid rounds outlined in Schedule "B" on or before December 1st in each year of the term.

69. Further to the clause above, and Schedule "B" a "round" shall be defined as follows:
    a) 18-hole rounds consisting of:
        - Member: 18-hole rounds - all membership categories
        - Public: 18-hole rounds – including daily fee and tournament rounds
        - Twilight rounds
    b) 9-hole rounds consisting of: (one (1) 9-hole round will be counted as 0.5 rounds):
        - Member 9-hole rounds - all membership categories
        - Public 9-hole rounds – including daily fee and tournament rounds
        - Member league 10-hole rounds

70. Lessee shall provide on an annual basis on the anniversary of the Lease, financial statements reviewed by an independent chartered professional accountant in accordance with CPA Canada's Canadian Standard for Review Engagements (CSRE 2400) including, but not limited to, the following:

Revenue:
a) Green fee revenue;
b) Total rounds played;
c) Total rounds played in all member and public green fee categories;
d) Membership revenue;
e) Pro shop sales;
f) Rentals; and
g) Food and beverage.

Expenses:
a) Total expenses;
b) Cost of goods sold; and
c) Maintenance costs.

City's Rights and Responsibilities	71. In addition, the Lessee shall provide, on an annual basis, on or before December 1st in each year of the Term, an interim financial statement providing details of the Total rounds played and Total rounds played in all member and public green fee categories. 72. The City covenants that if and so long as the Lessee pays the Rent and any additional Rent as herein provided, and performs the covenants hereof, the Lessee shall peacefully and quietly have, hold, and enjoy the Leased Premises for the Term hereof mentioned subject to the provisions of this lease. 73. The City shall have the right of access to the Leased Premises at any time (24 hours a day, seven days a week) by its employees or other persons acting with authorization, with or without equipment for any purpose whatsoever, including, but not limited to, those purposes related to viewing the state of repair, safety, protection, preservation or improvement of the Leased Premises, and for doing any work to maintain, operate, repair, inspect or rehabilitate its existing water mains, sewer lines, and appurtenances, in or near to the Leased Premises, without being responsible for any damage occasioned thereby. 74. In the event of a sale, transfer or lease by the City of the Leased Premises or a portion thereof or the assignment by the City of the Lease or any interest of the City hereunder, the City shall without further written agreement, to the extent that such purchaser, transferee or Lessee has become bound by the covenants and obligations of the City hereunder, be freed, released and relieved of all liability or obligations under the Lease. The Lessee shall form time-to-time at the request of the City, promptly provide the City or any purchaser, transferee, Lessee, assignee or mortgagee, a certificate of acknowledgement as to the then status and validity of the Lease and the state of the City's and the Lessee's accounts hereunder. 75. If at any time during the term of the Lease the Leased Premises are condemned, expropriated or taken for any public or quasi-public purpose, the Lessee shall have no claim against the City for the value of the unexpired portion of the term or for damages or for any other matter whatsoever, and the Lessee and the City shall each be entitled to advance their claims to the appropriate authority for compensation for the loss of their respective interests in the Leased Premises. 76. The City reserves the right for BellMTS Inc. and The Manitoba Hydro-Electric Board and Water and Waste Department or other public utilities (hereinafter referred to as "Public Utilities") to enter upon the Leased Premises at any time without notice to the Lessee for maintenance, repair or installation of their utilities without the City and/or the Public Utilities being responsible for any damage

Other:	occasioned thereby. Any removal or relocation of existing facilities as a result of the proposed Lease will be at the expense of the Lessee. 77. The Lessee shall notify the Utility Companies, Manitoba Hydro, Bell MTS, and Water and Waste Department of any proposed improvements and constructions on the Leased Premises to verify any existing plant or facilities for the utility companies located within the Leased Premises. 78. The Lessee shall submit re-development plans for the review by the Water and Waste Department. In the event that a land drainage sewer is required to adequately service the site re-development on the Leased Premises, the Lessee will undertake at their sole cost and expense the installation of the required works to the satisfaction of Water and Waste Department. The Lessee shall submit a servicing report for approval before commencing any Land Drainage works. 79. The Lessee shall enter into a formal agreement with the City embodying the foregoing Proposed Terms and Conditions and such other Terms and Conditions as the Director of Legal Services deems necessary and, in a form, satisfactory to the Director of Legal Services within six (6) months from the date following approval from the City's Standing Committees and Council, or its delegated authority, or such other date as mutually agreed upon and approved by the City's Director of Planning, Property & Development. All terms and conditions contained herein, are subject to the approval of the City's Standing Committees and Council, or its delegated authority, and are not binding until such time as that approval is obtained.

Transcona Golf Club (1982) Inc. Hereby agree(s) to enter into a Lease Agreement with the City of Winnipeg for the use of the property identified as "**Transcona Golf Club – 135.0± acres"** on the attached Misc. Plan No. 15097 and in accordance with the terms and conditions as outlined herein.

Per: Name: Brian Zadro

Title: President

I am authorized to bind the Corporation

November 16, 2023

Date

Please provide the following Lessee contact information:

Contact Person:

Daytime: Darlene LaFave Phone No.: (204) 222-6171

After Hours: _____ Phone No.:_____

Fax No.: _____204 -222-5927_____

E-mail Address: ____accounting@transconagolf.ca___

MISC PLAN


TRANSCONA GOLF CLUB - 135.0± acres
Date: 2016-SEP-07
District: EKT
File: Not Available
Scale: 1:5500
Requested by: AS
Drawn by: IP
Reference Dwg No.: As requested
AERIAL METRIC
N
W
E
S
CITY OF WINNIPEG
PLANNING, PROPERTY AND DEVELOPMENT DEPARTMENT
LAND INFORMATION SYSTEMS
MISC. PLAN NO. 15097

SCHEDULE B – Rent Schedule

Agreement year	Year		Rent/Round
	1	2024	$0.25
	2	2025	$0.25
	3	2026	$0.50
	4	2027	$0.75
	5	2028	$1.00
	6	2029	$1.00
	7	2030	$1.00
	8	2031	$1.00
	9	2032	$1.00
	10	2033	$1.00
	11	2034	$1.25
	12	2035	$1.25
	13	2036	$1.25
	14	2037	$1.25
	15	2038	$1.25
	16	2039	$1.50
	17	2040	$1.50
	18	2041	$1.50
	19	2042	$1.50
	20	2043	$1.50
	21	2044	$1.75
	22	2045	$1.75
	23	2046	$1.75
	24	2047	$1.75
	25	2048	$1.75

SCHEDULE C – Maintenance Schedule Requirements

Activity	Minimum Requirements
1. Mowing Cycles:	
a) Greens	Daily
b) Tees	3 times per week
c) Fairways	3 times per week
d) Primary Rough	Twice per week
e) Secondary Rough	Twice per week
f) Trimmer Mowing	Twice per week
2. Tee Maintenance:	
a) Changing Tee Markers	Daily
b) Collect Garbage	As required
c) Fill Ball Washers	Weekly
d) Aeration	Seasonally
e) Topdressing	As required
f) Seeding	Bi-weekly
g) Fertilizing	Monthly
3. Green Maintenance	
a) Changing holes	Daily
b) Aeration	Seasonally
c) Topdressing	As required
d) Seeding	Monthly
e) Fertilizing	Bi-weekly
f) Fungicide Application	As required
4. Fairway, Grounds Maintenance	
a) Seeding	Monthly or as required
b) Fertilizing	Monthly or as required
c) Litter pick up	Weekly or as required
5. Watering Cycles	
a) Greens	Min. of 2`` per week or as required
b) Tees	Min. of 1 ½`` per week or as required
c) Fairways	Min of 1 ½ `` per week or as required

SCHEDULE D – Winterization Requirements

The following activities are performed at the end of the golf season in preparation for winter:

i) Winterization of the Irrigation System for the Golf Course

Winterization of the irrigation system normally occurs in mid-October before frost appears regularly. This will involve using an air compressor to force pressurized air through the system to remove all possible water in the lines. This includes the securing of the pump. The pump should be stored in a secure facility for thewinter months and should be serviced as required.

ii) Application of Winter Chemicals

The spreading of a dry chemical mix of fertilizers and fungicides on the greens is an important work activity which normally requires two applications immediately before snowfall. Once the greens are treated, no golfer should be allowed on the greens for the balance of the season.

iii) Green Cover

Greens covers are preferred, but at a minimum, snow fencing should be placed around each green and/or tree branches or brush should be placed on each green to trap and retain an insulation blanket of snow.