

# **The Corporation of the City of Kawartha Lakes**

## **Council Report**

**Report Number RS2018-026**

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**Date:** September 25, 2018

**Time:** 2:00 p.m.

**Place:** Council Chambers

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**Ward Community Identifier: 7**

**Subject:** Proposed Lease Agreement between the City of Kawartha Lakes and Ontario Clean Water Agency, Bobcaygeon Service Centre – 123 East St., Bobcaygeon

**Author Name and Title:** Christine Oliver, Law Clerk

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### **Recommendations:**

**RESOLVED THAT** Report RS2018-026, Proposed Lease Agreement between the City of Kawartha Lakes and Ontario Clean Water Agency, Bobcaygeon Service Centre – 123 East St., Bobcaygeon be received; and

**THAT** the Mayor and Clerk be authorized to execute the Lease Agreement attached as Appendix A on behalf of the City of Kawartha Lakes, being a Lease Agreement with Ontario Clean Water Agency for the purpose of leasing space for the district administration office for a one year term.

**Department Head:**\_\_\_\_\_

**Financial/Legal/HR/Other:**\_\_\_\_\_

**Chief Administrative Officer:**\_\_\_\_\_

## **Background:**

Ontario Clean Water Agency has been leasing space at 123 East St., Bobcaygeon (the Bobcaygeon Service Centre), from the City of Kawartha Lakes for the past year and would like to extend for an additional year (proposed lease attached as Appendix A). The current Agreement expires on December 31, 2018 (attached as Appendix B).

Community Services utilizes a portion of the building for Service Centre operations. Public Works utilizes a portion of the building for Roads Operation and Waste Management office space. All occupants enjoy common meeting and storage areas. A location map is attached at Appendix C and a photo of the front of 123 East St., Bobcaygeon is attached as Appendix D.

The gross revenue pertaining to this lease is \$33,711.96 for 2018 and will be increased by the Cost of Living Index for 2019 rates.

Ontario Clean Water Agency currently occupies approximately 41% of the total available space at 123 East St., Bobcaygeon. The annual operating expense for the building is estimated in 2018 as \$53,781.00. Ontario Clean Water Agency's occupied space contributes to approximately \$22,050.21 of the estimated operating expenses of the building in 2018.

The proposed Lease Agreement was not reviewed at Land Management Committee as it was discussed earlier this year. Community Services confirmed this space will not be repurposed in 2019.

Community Services is looking at potentially expanding the library at this location into the space currently occupied by OCWA. The expansion – if it occurs – will happen no sooner than 2020. Accordingly, a one year term with no renewal period is recommended.

The purpose of this report is to provide Council with an opportunity to consider the terms of the proposed Lease Agreement and for Council to provide direction required to execute this Agreement. The proposed Lease Agreement is attached at Appendix A.

## **Rationale:**

The annual lease compensation of the proposed lease is to be increased based on the Consumer Price Index, which will be reflected in January.

## **Other Alternatives Considered:**

Council could direct that the Lease Agreement not be renewed. This is not recommended in this circumstance as Ontario Clean Water Agency is currently continuing to utilize the space at a fair market basis and the City currently has no need for the space.

## **Financial Impacts:**

The cost of the lease for Ontario Clean Water Agency will remain the same subject to increase by the Consumer Price Index.

## **Relationship of Recommendations to the 2016-2019 Strategic Plan:**

The recommendation in this report aligns with the strategic goal of a vibrant and growing economy and with the strategic enabler of efficient infrastructure and asset management.

## **Consultations:**

Manager, Building and Properties  
Director of Community Services

## **Attachments:**

Appendix A – Proposed Lease Agreement for Ontario Clean Water Agency at 123 East St., Bobcaygeon



Appendix A -  
Proposed Lease Agree

Appendix B – Existing Lease for Ontario Clean Water Agency at 123 East St., Bobcaygeon, dated February 1, 2018



Appendix B - Current  
Lease Agreement.pdf

Appendix C – Map



Appendix C - Map.pdf

Appendix D – Photos of 123 East St., Bobcaygeon



Photos of 123 East  
St., Bobcaygeon.pdf

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**Department Head: Robyn Carlson**