

The Corporation of the City of Kawartha Lakes

Committee of the Whole Report

Report Number RS2020-003

Meeting Date: March 10, 2020

Title: 180 Kent Street Lease – Innovation Cluster

Description: 11 month tenancy with Innovation Cluster tenant to pay no costs excepting leasehold improvements and City landlord to pay utilities

Ward Number: 5

Author and Title: Robyn Carlson – City Solicitor

Recommendations:

That Report RS2020-003 180 Kent Street Lease – Innovation Cluster, be received;

That the Mayor and Clerk be authorized to execute the Lease Agreement attached as Appendix A on behalf of the Corporation of the City of Kawartha Lakes, being a Lease Agreement with the Innovation Cluster, Peterborough and the Kawarthas; and

That these recommendations be forwarded to the agenda for the next Council meeting for adoption.

Department Head:_____

Chief Administrative Officer:_____

Background:

The Innovation Cluster – Peterborough and the Kawarthas, has an office in Peterborough. The purpose of this entity is to support small business expansion by providing counselling services. The City has currently approved funding to the Innovation Cluster to an upset limit of \$50,000.00, to support a presence for the Innovation Cluster in the Kawartha Lakes and to have the Cluster support businesses within the Kawartha Lakes. This project is called the “Kawartha Lakes Innovation Cluster Pilot Project”. See Staff Report ED2019-020 and Council Resolution CR2019-390.

In or around Fall 2019, the Municipal Law Enforcement Office vacated its space at 180 Kent Street West, Lindsay (and has moved to 37 Lindsay Street, South). The Economic Development, Building and Property and Realty Services Divisions met with the Innovation Cluster, which was still looking for physical office space for its initiative in the Kawartha Lakes. The Innovation Cluster determined that the space vacated by the Municipal Law Enforcement Office was appropriate for its needs.

City Staff and the Innovation Cluster agreed to provide the space at no cost to the Innovation Cluster, excluding any leasehold improvements, for the term of the project itself. The current project is a pilot project, ending December 31, 2020. If the City decides to further fund the project past the pilot period, a further resolution will need to be passed by Council to allow an extension of the current lease terms.

The Innovation Cluster has signed to the terms of the agreement at Appendix A. City Staff do not have delegated authority to sign this agreement, and therefore Council must make a resolution to authorize the signing of this agreement.

Rationale:

The space to be leased by the Innovation Cluster consists of 845 square feet of exclusive use and a further 211 square feet of shared use on the main floor of the building, and further shared access to City washrooms, boardrooms and kitchen. City Staff will also co-locate in the space to provide business start-up counselling services.

The Innovation Cluster will not pay anything for rent. The Innovation Cluster will pay for its own Internet and telephone, but will not pay for its water, sewer, heat and electricity, or any costs for maintenance or cleaning. The lease has been valued at \$15 per square foot of exclusive use space, to a total of \$11,616 over the 11-month period.

Building and Property is currently reviewing its space needs for City Staff at 180 Kent Street.

The Innovation Cluster moved in to the space in or around February 11, 2020 and has completed leasehold improvements.

Other Alternatives Considered:

None.

Financial/Operation Impacts:

The current occupancy reduces the available space for staff expansion at 180 Kent Street West, however, without a complete space needs analysis, it is difficult to conclude when or if the City will require this space for its own operations.

Relationship of Recommendations to the 2020-2023 Strategic Plan:

This report and recommended resolutions aligns with the Guiding Principle of “Partner and Collaborate”. Moreover, this report and recommendations support the strategic priority of “A Vibrant and Growing Economy”.

Review of Accessibility Implications of Any Development or Policy:

N/A

Consultations:

Manager of Building and Property
Director of Community Services
Manager of Economic Development
Director of Development Services
Manager of Realty Services

Attachments:

Appendix A – City of Kawartha Lakes and Innovation Cluster Lease – 180 Kent Street West



Innovation Cluster
Lease Agreement - 180 Kent Street West

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Department Head: Robyn Carlson