

The Corporation of the City of Kawartha Lakes
Council Report

Report Number RS2020-007

Meeting Date: July 28, 2020
Title: Disposition of Mariposa Community Hall – Update
Description: Update Regarding the Disposition of Mariposa Community Hall to the Oakwood Lions Club
Ward Number: 4
Author and Title: Laura Carnochan, Law Clerk – Realty Services

Recommendations:

That Report RS2020-007, **Disposition of Mariposa Community Hall – Update**, be received; and

That the actions directed in Council Resolution CR2017-298 be fully completed no later than May 31, 2021 or Council Resolution CR2017-298 is at an end, the Mariposa Community Hall will be returned to the City’s asset inventory.

Department Head: _____

Financial/Legal/HR/Other: _____

Chief Administrative Officer: _____

Background:

At the Council Meeting of October 24, 2017, Council adopted the following resolution:

CR2017-928

Moved By Councillor Veale

Seconded By Councillor Miller

RESOLVED THAT Report 2017-014, **Surplus Declaration of Mariposa Community Hall (building only) and Proposed Land Lease of 1010 Eldon Road, Oakwood, Legally Described as Pt Blk A to Pt Blk D Plan 80, in the former Geographic Township of Mariposa, City of Kawartha Lakes**, be received;

THAT the City-owned property known as Mariposa Community Hall (building only), located at 1010 Eldon Road, Oakwood, be declared surplus to municipal needs;

THAT the subject building be disposed of in accordance with the City of Kawartha Lakes Disposal of Real Property Policy No. C-204-DEV-001 and By-law 2010-118, as amended;

THAT notice be given in accordance with By-laws 2008-065 and 2010-118, as amended;

THAT on completion of the public notice, Council shall consider any deputation or public input in opposition of the sale, if any, and if appropriate, pass a by-law (with any amendments deemed necessary) to authorize the disposition;

THAT the conveyance of the subject building for nominal consideration to a not-for-profit organization (the Oakwood and District Lions Club) be supported;

THAT The Mayor and Clerk be authorized to sign all documents to facilitate the conveyance of the building; and

THAT The Mayor and Clerk be authorized to execute the agreement, in the form substantially as attached as Appendix A, on behalf of the Corporation of the City of Kawartha Lakes.

CARRIED

This report addresses that direction.

Following Council's direction, the City Solicitor proceeded to provide the Oakwood and District Lions Club with a copy of the Agreement of Sale (Asset; Building) And Land Lease for their review and signature.

Since that time, the City Solicitor has been involved in negotiations with the solicitor for the Oakwood and District Lions Club in order to finalize the Agreement. Most recently, the City received correspondence, dated April 6, 2020, from the Lions Club advising that it wishes to finalize the sale of the building in May 2021.

The proposed closing date of May 2021 has been reviewed with the Director of Community Services and he has agreed to same.

When the Mariposa Community Hall building was declared surplus in 2017, it was effectively removed from the City's inventory for the purposes of any future capital expenditures. Further, it has ceased to be used as a rental facility for any group, save and except the Lions Club. The Lions Club has been paying a rental fee for their use of the building for their monthly meetings since its closure as a public facility. The Lions Club also uses the building for storage, free of charge.

The building requires significant repairs, estimated at \$73,000.00 in the Facility Condition Assessment completed by Altus Group Limited in 2016. These repairs have not been budgeted for by the City, as it was intended that all repairs and maintenance would be the responsibility of the Oakwood and District Lions Club upon their purchase of the building.

Rationale:

This transaction is taking a much longer time to close than anticipated. The longer it takes for the transaction to close, the less likely the financial model supporting the closure is applicable. Without an end date on the transfer, the City could lose sight of the fact that it remains responsible for the capital upgrades, and could fail to plan, accordingly. If the City does capital upgrades on the building, Council may wish to revisit the transfer, or terms thereof. Staff recommend placing a reasonable end date on the direction given by Council over two years ago.

If this transaction closes, the Oakwood and District Lions Club will be fully responsible for all costs associated with the maintenance and repair of the Mariposa Community Hall.

However, if the transaction is not completed within a reasonable time, the City will need to look at options for the building. The options would include, but not be limited to:

1. Complete all necessary repairs and re-open the building as a community facility available for daily rental;
2. Complete all necessary repairs and keep the building closed to the public, in the event that it is required in the future (for example, if the Community Hall at the arena is closed); and
3. Demolish the building and continue to accommodate rentals in the Oakwood Community Centre (located on the same property).

Other Alternatives Considered:

None.

Financial Impacts:

None, if the transaction is completed and the Lions Club proceeds with acquiring the Mariposa Community Hall, as the Lions Club will be responsible for all costs associated with the building.

If the transaction falls through and the Lions Club does not acquire the building, the City will be required to either outlay the necessary funds to repair the building, or fund the demolition of the building.

Relationship of Recommendation to The 2020-2023 Strategic Plan:

The recommendations set out in this Report aligns with the following strategic priority:

- Good Government
 - Effective management of the municipal building and land portfolio

Consultations:

Land Management Committee
Manager – Parks, Recreation, and Culture

Attachments:

None

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Department Head: Robyn Carlson

Department File: L17-17-RS014