

Staff Report

Report To: City Council
Report From: Kristen Van Alphen, Manager of Legislative Services
Meeting Date: July 25, 2022
Report Code: CR-22-075
Subject: Land Lease – 432 14th Street West

Recommendations:

THAT in consideration of Staff Report CR-22-075 respecting a land lease for 432 14th Street West, City Council directs staff to bring forward a by-law to execute a land lease for City property located at 432 14th Street West as outlined in the report.

Highlights:

- Lease is for a portion of property at the rear of 432 14th Street West.
- The land has been leased to the owners of 432 14th Street West since 1981.
- The lease includes an easement in favour of the City to access public utilities.

Strategic Plan Alignment:

This report supports the delivery of Core Service.

Previous Report/Authority:

By-law Nos. 1981-051, 2005-157, 2009-098 are the by-laws which authorized the execution of past leases for the subject property.

Background:

Beginning in 1981, the City has entered into successive leases respecting a portion of City property located at the rear of 432 14th Street West and shown as Part 2, Reference Plan 16R-1892 attached.

The subject property was formerly a road allowance that the City stopped up and closed. The City also has public utilities running under the land.

Analysis:

The most recent lease has expired and the private property at 432 14th Street West is being sold to new owners. For this reason, a new lease is being requested and recommended.

The prior leases were for twenty (20) year terms with a further twenty (20) year renewal clause. The current lease is also proposed to be for twenty (20) years and there is a renewal clause for a further twenty (20) years, provided that all terms of the lease have been complied with.

The Manager of Engineering has reviewed the matter and continues to support the request.

The lease includes obligations for the lessor to:

- maintain the property;
- use the property in a manner consistent with residential property and in compliance with all City by-laws;
- provide entry for the City to construct, maintain, inspect, alter and repair the public utilities;
- pay taxes; and
- refrain from subletting without leave.

Financial Implications:

All costs associated with the lease will be paid by the lessor. The lessor will pay the taxes associated with the property.

Communication Strategy:

The lease will be registered on title to the lands.

Consultation:

Manager of Engineering

Attachments:

1. Map showing Part 2 on Reference Plan 16R-1892 (the land to be leased).

Recommended by:

Kristen Van Alphen, Manager of Legislative Services

Briana Bloomfield, City Clerk

Kate Allan, Director of Corporate Services

Submission approved by:

Tim Simmonds, City Manager

For more information on this report, please contact Kristen Van Alphen, Manager of Legislative Services at kvanalphen@owensound.ca or 519-376-4440 ext. 1228.