

Staff Report

Report To: City Council
Report From: Pamela Coulter, Director of Community Services
Meeting Date: November 7, 2022
Report Code: CS-22-128
Subject: Lease Agreement renewal with Transport Canada for West Side Boat Launch – C01008102

Recommendations:

THAT in consideration of Staff Report CS-22-128 respecting Lease Agreement Renewal with Transport Canada for the West Side Boat Launch, City Council directs staff to bring forward a by-law to authorize the Mayor and Clerk to execute the amending agreement, ending June 30, 2025.

Highlights:

- The City has several agreements with Transport Canada for Waterfront Properties along the East and West Harbour. These leases are key in ensuring continued public access and use of the waterfront;
- An updated lease is provided from Transport Canada for lands that comprise a portion of the West Side Boat Launch.

Strategic Plan Alignment:

[Strategic Plan](#) Priority: This report supports the delivery of Core Service.

Previous Report/Authority:

The City has executed previous lease agreements since 2001 for the Transport Canada portion of lands at the City's West Side Boat Launch (C0108102)

Staff Report CS-22-128: Lease Agreement renewal with Transport Canada for West Side Boat Launch – C01008102

Background:

The City has several leases with Transport Canada (TC) for lands along the inner and outer harbour. The City has had a lease with TC for the West Side Boat Launch since 2001. There have been several renewals of this agreement since that time.

The lands at the West Side Boat Launch include both lands leased from TC, consisting primarily of the greenspace on the east side of the maintenance and launch buildings as well as the dock area and ramp. The City owns the area which includes the parking lot and fish cleaning station between the leased lands and 1st Avenue East.

Email correspondence from Transport Canada has provided an Amending Agreement for the lease. This update includes a recognition that the City has a third-party operator of the boat launch and the increase in fee reflects the revenue the City receives under that operating agreement.

In 2022, Council approved the following with respect to the Boat Launch lease with Experience Grey Bruce:

R-220509-007

"THAT in consideration of Staff Report CS-22-058 respecting the operating agreement for the Boat Launches, City Council:

- 1. Directs staff to bring forward a by-law to amend the existing agreement with Experience Grey Bruce to provide permission for a Food Truck on the leased lands and permit a licensed patio generally in accordance with Schedule B attached to this report subject to the following:*
 - a. Insurance in the amount of \$5,000,000;*
 - b. Timing and hours of operation of the proposed patio;*
 - c. That the patio includes a fenced enclosure to the satisfaction of the City's Director of Community Services and the Alcohol Gaming Commission of Ontario (AGCO);*
 - d. That the patio area, including any tables, stands, booths, structures, shall be kept in a neat and clean condition at all times by the operator;*

- 4. Directs staff to bring forward a report regarding the updated lease for a portion of the West Side Boat Launch with Transport Canada.”***

This report provides the updated TC lease as directed by the resolution.

The amendment to the TC lease includes:

- The lease acknowledges the agreement between the city and the operator of the “subtenant”, Experience Grey Bruce. Any updates to the Agreement between the City and Experience Grey Bruce must be sent to TC.

The agreement does require a current Certificate of Insurance. This will be provided through the City's Finance Department.

Council is requested to authorize by-laws to allow the Mayor and Clerk to sign the agreement.

Financial Implications:

The lease for this waterfront portion of the West Side Boat Launch is \$1375 per annum increasing to \$2179 in year 5, 2025.

The cost of the lease increase is offset by revenue received by the City from Experience Grey Bruce. Total fees collected in 2022 for the operation of the boat launch were \$27,439. The City retains the remaining 40% to a maximum of \$1,200 monthly. The net revenue earned by the City on the operation of the boat launch to the end of September is \$8,286.

Communication Strategy:

The City issued a public RFP for the operation of the Boat Launch.

This report respecting update to Lease with TC.

Consultation:

Manager of Parks and Open Space and Manager of Planning & Heritage were consulted with respect to the agreement with Experience Grey Bruce.

Attachments:

1. Email from TC staff

Recommended by:

Pamela Coulter, Director of Community Services

Submission approved by:

Tim Simmonds, City Manager

For more information on this report, please contact Pamela Coulter, Director of Community Services at pcoulter@owensound.ca or 519-376-4440 x 1252.