



STAFF REPORT

Title: Lease Agreement Renewal LA19-002 - Chamber of Commerce

Meeting Date: February 25, 2020

Executive Summary:

Approval of lease agreement with the Chamber of Commerce for the Information Centre building (Lot 4, Block 7, Plan 122 0549) for a five (5) year term with the option to renew for an additional five (5) years.

Background:

At its October 8, 2019 meeting, Council had authorized Administration to negotiate a three (3)-year lease agreement with the Cold Lake Regional Chamber of Commerce (Council Resolution #CRM20191008.1015) for the Information Centre building (Lot 4, Block 7, Plan 122 0549). Per Council's direction, a new 3-year lease was drafted and provided to the Chamber for review by their board. After review, the Chamber provided a letter, dated January 9, 2020 requesting that the lease term be extended to five (5) years with the option to renew for an additional five (5) years.

At its January 28, 2020 meeting, Council had directed Administration to prepare a new lease with a term of five (5) years with the option to renew for an additional five (5) years. The new lease agreement is attached for Council's review and has been prepared on the same terms as the previous lease. As drafted, the new agreement would be effective as of January 1 of this year and would expire January 1, 2025, with the option to renew for an additional 5-year term until January 1, 2030.

Per the agreement, rent is \$1.00 per year with the balance deemed as an in-kind grant in lieu of the Chamber operating the Visitor Information Centre and RV Park on the City's behalf. Additionally, the Chamber is responsible for all costs associated with the operation and upkeep of the building.

Alternatives:

Council may consider the following alternatives:

1. Pass a motion to approve the lease agreement as presented and direct Administration to forward the lease agreement to the Chamber for execution.
2. Defeat a motion to approve the lease agreement as presented and direct Administration to forward the lease agreement to the Chamber for execution.
3. Accept as information only.



Recommended Action:

Administration recommends that Council pass a motion to approve the lease agreement as presented and direct Administration to forward the lease agreement to the Chamber for execution.

Budget Implications (Yes or No):

No

Submitted by:

Kevin Nagoya, Chief Administrative Officer