### RECOMMENDATION

THAT Council receives Report RCP 19-34 Alternative Service Agreement;

AND THAT a By-Law to authorize the 10-year Lease Agreement with E & E McLaughlin Ltd. for Summer Place be brought forward for Council consideration.

### EXECUTIVE SUMMARY

At their meeting on June 24, 2019, Council authorized staff to enter negotiations for an alternative service delivery agreement for Summer Place. The attached lease agreement is the result of those negotiations. Staff recommends that Council enter into a 10-year lease agreement with E&E McLaughlin Ltd. for them to operate Summer Place as a not-for-profit community facility.

### BACKGROUND

Staff has negotiated the attached lease with E&E McLaughlin Ltd. for the company to lease & operate the Summer Place facility for an initial 10-year period, with two (2) mutually agreeable 5-year extensions. There is an exit clause based on 1-year notice.

The lease allows the facility to continue to be used as it has in the past, with the overall restoration and renovation cost being taken on by the alternative service partner, E&E McLaughlin Ltd. E&E has committed that the facility will be operated with the community benefit in mind and any revenues generated by rent of the facility will be used towards the cost of renovating and improving the building.

The lease agreement has been reviewed by the Town’s legal advisors.
FINANCIAL IMPACT/FUNDING SOURCE

The 2019 budget includes an allocation of $60,400 for demolition of Summer Place, part of which has been used for mould abatement and testing. The unused portion of that allocation (currently $53,633) would be provided to E&E McLaughlin towards the renovation costs of the facility.

Operating costs for the building (utilities & property maintenance) will continue to be supported by the Town as part of the lease agreement.

An annual rent of $5,000 for the use of the public washrooms and the upper level for summer camp programming will be incorporated into the RCP operational budgets for 2020-2029.

COMMUNITY STRATEGIC PLAN (CSP) IMPACT

1. Excellence in Local Government
   ☒ Demonstrate strong leadership in Town initiatives
   ☐ Streamline communication and effectively collaborate within local government
   ☒ Demonstrate accountability

2. Demographic Balance
   ☒ Make Tillsonburg an attractive place to live for youth and young professionals
   ☒ Provide opportunities for families to thrive
   ☐ Support the aging population and an active senior citizenship

3. Culture and Community
   ☒ Promote Tillsonburg as a unique and welcoming community
   ☒ Provide a variety of leisure and cultural opportunities to suit all interests
   ☒ Improve mobility and promote environmentally sustainable living
### Report Approval Details

<table>
<thead>
<tr>
<th>Document Title:</th>
<th>RCP 19-34 - Summer Place Alternative Service Agreement.docx</th>
</tr>
</thead>
<tbody>
<tr>
<td>Attachments:</td>
<td>- RCP 19-34 - ATT 01 - Summer Place lease agreement.pdf</td>
</tr>
<tr>
<td>Final Approval Date:</td>
<td>Aug 7, 2019</td>
</tr>
</tbody>
</table>

This report and all of its attachments were approved and signed as outlined below:

![Signature]

**David Calder - Aug 7, 2019 - 2:01 PM**