

Township of Southgate

Administration Office

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Staff Report CAO2022-014

Title of Report: Dundalk Olde Town Hall Sale, Lease and Partner Agreement Report

Department: Administration

Council Date: April 6, 2022

Council Recommendation:

Be it resolved that Council receive Staff Report CAO2022-014 as information; and
That Council receive this staff report as an update related to delays in the process with legal review of agreements, title search issues and insurance company review of risk clauses; and

That Council consider approving Wellington Investment Corp. Purchase and Sale agreement to sell the Dundalk Olde Town Hall by agreement and to lease back part of the building for cultural uses by By-law at the April 20th, 2022 meeting; and

That Council consider approving the JunCtian Community Initiatives Agreement by By-law at the April 20th, 2022 meeting; and

That Council consider approving the Team Town Hall Agreement by By-law at the April 20th, 2022 meeting.

Background:

Staff presented staff report CAO2022-011 at the March 16, 2022 Council meeting titled, Dundalk Olde Town Hall Sale, Lease and Partner Agreement Report with Council approving the following resolution:

Moved By Councillor Shipston; **Seconded By** Councillor Sherson;

Be it resolved that Council receive Staff Report CAO2022-011 as information; and

That Council approve the Wellington Investment Corp. Purchase and Sale agreement to sell the Dundalk Olde Town Hall and within the agreement to lease back part of the building for cultural uses and to participate in some of the building capital projects related to the cultural use space, subject to legal review prior to By-law approval; and

That Council consider approving Wellington Investment Corp. Purchase and Sale agreement by By-law at the April 6th, 2022 meeting; and

That Council approve the partnership agreement with JunCtian Community Initiatives as presented; and

That Council consider approving the JunCtian Community Initiatives Agreement by By-law at the April 6th, 2022 meeting; and

That Council approve the partnership agreement with Team Town Hall as presented; and

That Council consider approving the Team Town Hall Agreement by By-law at the April 6th, 2022 meeting.

Mayor Woodbury requested a recorded vote on the main motion.

Yay (5): Mayor Woodbury, Deputy Mayor Milne, Councillor Dobreen, Councillor Sherson, and Councillor Shipston
Nay (2): Councillor Rice, and Councillor Frew
Carried (5 to 2) No. 2022-146

Staff Comments:

Wellington Investment Corp. Agreement:

The Wellington Investment Corp. agreement has been reviewed by our lawyer and is presently in the hands of the purchaser and we are expecting their responses soon for Southgate's lawyer to finalize for Council approval.

JunCtian Community Initiatives

The JunCtian Community Initiatives (JCI) agreement has been reviewed by our lawyer and has been accepted by JCI.

Team Town Hall

The Team Town Hall (TTH) agreement has been reviewed by their lawyer. We received the document back on March 31st, 2022. The amended TTH agreement has been sent to our lawyer for final review.

Township of Southgate – Dundalk Olde Town Hall Property

Township staff had a discussion with our lawyer about the concern of any possible easements on the lands and if a survey is needed for the property. What our lawyer found was 2 items registered on title. The first was a 1980 agreement that was registered on title, related to past permission use of the driveway. Our lawyer will be seeking to have the agreement removed from title as it was not transferable and the agreement holder has passed away. The second item on title was a 1987 Village of Dundalk By-law (Attachment #1), that designated the Olde Town Hall as a heritage building.

Staff Action Summary

1. Finalize agreements and insurance review.
2. Seek Council final approval at the April 20th, 2022 Council meeting for all 3 agreements by By-law.

Financial Impact or Long-Term Implications

The financial impact to the 2022 Budget to the municipality will be the costs for legal review of the agreement and possibly a survey of the property.

The future financial impact is likely to begin in the 2023 budget year costing \$3,000.00 per month (\$36,000.00 per year) plus COLA each year for the cultural space lease payment, less the Flato commitment to execute a Naming Sponsorship Agreement for \$35,000.00 per year for 20 years for the Olde Town Hall Theatre and Cultural Space.

Southgate's other financial commitment in the agreement is a one-time payment of \$175,000.00 due 90 days (anticipated due March 31, 2023) following the start of the lease (anticipated due January 1, 2023) to support capital project work investment in the Dundalk Olde Town Hall.

Communications & Community Action Plan Impact:

This report has been written and presented to Council to communicate accurate information to the public.

Goal 4 - Adequate and Efficient Public Facilities

Action 4:

The residents and businesses of Southgate expect the Township to plan and adequately provide for public facilities for gatherings, recreation and doing business with the Township, while recognizing at the same time that facility needs can change with age and a changing population.

Strategic Initiatives 4-B (2019-2023):

The Township will have made a decision on the future viability or uses of the Olde Town Hall, and taken action accordingly.

Concluding Comments

1. Council receive staff report CAO2022-014 as information.
2. Council consider approving by By-law the final agreements with Wellington Investment Corp., JunCtian Community Initiatives and Team Town Hall at the April 20th, 2022 meeting.

Respectfully Submitted,

CAO approval: Original Signed By

Dave Milliner – CAO dmilliner@southgate.ca 923-2110 x210

Attachments:

- Attachment 1 – Dundalk Olde Town Hall Heritage Designation Registration and Village of Dundalk By-law