

Township of Southgate

Administration Office

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Staff Report CAO2022-066

Title of Report: Flato Developers Inc. Sponsorship and Naming Rights Agreement with the Township of Southgate for the Dundalk Olde Town Hall to Support the Cultural Building Use in Dundalk

Department: Administration

Council Date: September 21, 2022

Council Recommendation:

Be it resolved that Council receive staff report CAO2022-066 as information; and **That** Council approve the Flato Developers Inc. Sponsorship and Naming Rights Agreement with the Township of the Southgate for the Dundalk Olde Town Hall to Support the Cultural Building Use in Dundalk over a 20-year period; and **That** Council consider approval of the Flato Developers Inc. Sponsorship and Naming Rights Agreement to Support the Cultural Building Use in Dundalk at the September 21st, 2022 meeting by Municipal By-law 2022-136.

Background:

The history of the Dundalk Olde Town Hall is it has served as a place for social events, political meetings, concerts, and theatre as a meeting place for the community since it was built at 80 Main Street East in 1905. At the turn of the 20th century the building also served as a local jail (jail cells can still be found in the basement) and housed the local firefighting equipment until 1963.

Over the years the Town Hall building has gone through many changes from the addition of opera seats in the late 1920's. In 1979 work began to restore the Town Hall with Federal Government grant of \$20,000 to help fund this project. Building access improvement were made with the installation of an accessibility chair lift in the early 2000's. After being open for over 80 years, Village of Dundalk By-law #1040 designated the Town Hall as a heritage building on May 21st, 1987. This designation protects the exterior architecture of the building, unless repairs and general maintenance are needed.

The building is currently owned and operated by the Township of Southgate and has been sold to Wellington Investment Corp. to make occupancy and structural upgrades to the building. There is presently rented office space located on the main level, as well as a 220-seat theatre with balcony seating on the second floor. One of

the tenants the Waterloo-Wellington Community Care Access Centre (CCAC) will be moving out in the next 30 days. The community group, JunCtian Community Initiatives currently occupy the office space on the east side of the building that we are working with as a community partner and going forward as a community cultural volunteer organization to hold events and assist in managing the buildings leased space. Team Town Hall are also a community volunteer partner to organize and plan cultural events in the building.

At the present time Wellington Investments Corp. have completed their initial assessment of the building and submitted their plans with a building permit application to the Southgate Building Department for review. We believe that the Building Permit will be issued in the next 30 days or less and the property sale will close by the end of this calendar year. We believe at the present time, subject to project upgrade delays, the Dundalk Olde Town Hall will be ready for public access and leasing of the Community Cultural space about July 1st of 2023.

Staff Comments

Southgate staff have been working with Flato Developments President Shakir Rehmatullah in supporting financially, the use of parts of the Dundalk Olde Town Hall building, as a Community Cultural facility. The details of the gift conditions are included in the agreement with the highlights being:

- The facility naming rights of the building being the "FLATO-SOUTHGATE Theatre & Cultural Centre" in perpetuity of this location; and
- The right to have a director position on the Dundalk Olde Town Hall Board of Management; and
- That the agreement is conditional on the sale of the Dundalk Olde Town Hall building and property to Wellington Investment Corp.; and
- That the Township maintain comprehensive insurance that will indemnify and save harmless Flato Developments Inc. as a financial donor; and
- That the agreement is conditional that use of the Dundalk Olde Town Hall Community Cultural spaces continue hold and host cultural activities and events in the facility for the life of the agreement.

The agreement is included in this Council agenda with the By-law 2022-136.

Financial Impact or Long Term Implications

There is no financial impact to the municipality as a result of this report to the 2022 budget. The Flato gift and naming rights agreement is \$36,000.00 per year starting in 2023, for a period of 20 years to cover the annual leasing of the building cultural space.

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. That Council receive this staff report as information; and
2. That Council approve the Flato Gift Agreement with Southgate as presented to provide support the operation of Dundalk Olde Town Hall as a Community Cultural Facility; and
3. That Council consider approval of this agreement by Municipal By-law 2022-136 at the September 21, 2022 meeting.

Respectfully Submitted,

CAO approval: Original Signed By

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