



DATE: January 20, 2020
TO: Paul Gipps, CAO
FROM: Steve Neil, Land Agent
RE: Renewal of Seniors Centre Lease Agreement

RECOMMENDED MOTION:

THAT Council approve the Lease Agreement dated September 26th, 2019 to the Westside Senior Citizens Service Association for use of the Seniors Centre for a five year term commencing January 1st, 2020, and terminating on December 31st, 2024.

RATIONALE:

The existing agreement with the Westside Senior Citizens Service Association (WSCSA) expired on December 31st, 2019, and the WSCSA is operating on a month to month basis in the interim, until a new lease agreement is entered into. The new lease agreement has been prepared, it has been signed by the WSCSA, and approval from Council is required in order to finalize the agreement.

LEGISLATIVE REQUIREMENTS:

In accordance with section 26 and 94 of the *Community Charter*, the City has published notices of the proposed lease for 2 consecutive weeks in the *Westside Weekly*, giving notice to residents that the City intends to give assistance to the WSCSA by leasing the premises at less than market value. There have been no comments received from residents.

BACKGROUND:

The Seniors Centre has been leased to the WSCSA since the mid 1980's. Prior to the City's incorporation, the Regional District of the Central Okanagan leased the area to the WSCSA. The agreement was transferred to the City after its incorporation. The most recent agreement was for a five year term commencing January 1st, 2014, and it expired on December 31st, 2019.

The City also holds a Crown Grant for the land which was granted in 1985. The Crown grant restricts the use of the land for senior citizen recreation purposes only.

Staff began discussions with WSCSA in the fall of 2019 for the new lease agreement. Those discussions have now concluded, and WSCSA has ratified the new lease agreement. The renewal lease contains the same terms and conditions as the former lease agreement. It is for a five year term commencing on January 1st, 2020, and expires on December 31st, 2024. The rent for the term continues to be based upon the number of members in the WSCSA, and is established at \$10 per member. The WSCSA presently has a membership of 506, and the current WSCSA membership fee is \$20 per year. Total revenue is \$10,120 with 50% of this amount (\$5,060) being paid to the City, with the remaining \$5,060 being available to the WSCSA to fund the operation of the Centre. The WSCSA typically report their membership count at the end of April, and are invoiced accordingly for payment to the City at that time.

The City's recreation staff have reviewed the relationships between seniors organizations and local governments in the operation of Seniors Centres in other jurisdictions, and have found that the terms and conditions (including the Seniors Centre membership fee and rent), are reasonable.

FINANCIAL IMPLICATIONS:

Revenue has been established within the 2020 – 2024 Financial Plan at the rental rate within the proposed agreement.

ALTERNATE MOTION:

- **THAT** Council not support the Lease Agreement dated September 26th, 2019 to the Westside Senior Citizens Service Association for use of the Seniors Centre and request staff to return with further information.

REVIEWED AND APPROVED BY:

Tracey Batten, Deputy CAO/Corporate Officer
Paul Gipps, CAO

Powerpoint: Yes No

Attachments:

Attachment 1 – Proposed Renewal Lease Agreement with Westside Seniors Citizens Service Association

Attachment 2 – Copy of Crown Grant