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Date: December 29, 2020

To: Mayor and Council

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RE: Lease Renewal – Kingsville-Gosfield Heritage Society

Report No.: FS-2021-02

AIM

To renew the Town's lease with the Kingsville-Gosfield Heritage Society.

BACKGROUND

In 2010, the Town entered a 10-year lease agreement with the Kingsville-Gosfield Heritage Society (KGHS) for the use of a 970 sq ft meeting space located on the main floor of the Kingsville Public Library, and an additional 580 sq ft. space on the second floor for storage. The purpose of this space is to host Community Public Archives. This lease expired on December 31, 2010 and the President of KGHS, Elizabeth Sabara, has indicated the Society would like to renew for another 10 year period.

DISCUSSION

According to Ms. Sabara, Kingsville-Gosfield Heritage Society has an active membership of approximately 80 residents. The community archives are frequently used by the Kingsville Municipal Heritage Advisory Committee and other Town committees, such as the Highland Games. During non-Covid times, KGHS holds regular office hours in which they are open to the public. The location of Community Public Archives at a library is a logical location and consistent with many other municipalities.

Under the current lease agreement, there is no rent amount due, however, tenant is responsible for their share of the utilities. It appears the Town charged them an allocation for utilities in 2011 but has not charged anything since. It is possible there was some disagreement over the allocation of utilities, since the Town uses a portion of the leased storage space to store its own historical documents. Based on square footage of the building, KGHS share of utilities would be less than \$2,000 in any given year.

KGHS has a modest budget of approx. \$14,000 per year, which includes small grants from the Town (ex. In 2020 KGHS received a \$1,100 grant for 50% of a new laptop) and approx. \$4,000 per year from the Canada Summer Jobs program. Other sources of revenue include membership fees, sale of historical calendars and historical books. KGHS pays their own telephone, insurance and meeting expenses.

In recognition of KGHS valuable contribution to the preservation of the Town's history, Administration recommends renewing the lease for a 5 year period and removing the requirement for the Tenant to pay utilities.

Administration is recommending a 5 year renewal, rather than the 10 year renewal as requested, in the event the Library or future Councils indicate an interest in this space.

LINK TO STRATEGIC PLAN

Promote the betterment, self-image and attitude of the community.

FINANCIAL CONSIDERATIONS

The market value of this space is unknown at this time, but is unlikely to be financially significant to the Municipality. If the Tenant were to assume responsibility for their utilities, the Town would recover approximately \$2,000 per year in expenses. KGHS would likely have to fundraise or increase membership fees to accommodate this expense.

CONSULTATIONS

Senior Management Team

RECOMMENDATION

That Council direct Administration to enter a new 5-year lease agreement with the Kingsville-Gosfield Heritage Society at the Kingsville Public Library, with no rent or utilities payable for the duration of the term.

Ryan McLeod _____

Ryan McLeod, CPA, CA
Director of Financial and IT Services