



Date: February 10, 2025

To: Mayor and Council

Author: Angela Toole, Acting Manager of Municipal Governance and Clerk

RE: Lions Club and Kingsville Community Food Bank Lease Agreements for Lions Hall

RECOMMENDED ACTION I

That Council **RECONSIDER** Resolution 189-08142023, in part, wherein Council approved the actions recommended by the Committee of the Whole on July 17, 2023, which included direction that:

1. Administration develop an agreement with Lions Club for use of an alternative facility, as possible;
2. That Lions Hall be demolished after all tenants have been given reasonable time to relocate; and,
3. That Administration construct an accessible washroom for Lions Park, subject to capital budget.

RECOMMENDED ACTION II

That Council **DIRECTS** Administration to rehabilitate Lions Hall located at 21 Mill Street West, Kingsville, subject to capital budget, as opposed to demolishing it, as previously directed;

And that Council **DIRECTS** Administration to indefinitely suspend plans to construct an accessible washroom at Lions Park, as previously directed;

And further that Council **AUTHORIZES** Administration to enter into the following Agreements for the use and lease of Lions Hall:

1. An Agreement with The Lions Club of Kingsville, for non-exclusive use of the West Hall, at no cost, for a period of ten (10) years; and,
2. A Lease Agreement with the Kingsville Community Food Bank, for exclusive use of the South Unit, for ten (10) years.

BACKGROUND

In 2003, The Lions Club of Kingsville (the “Lions Club”) donated the property commonly known as “Lions Hall”, located at 21 Mill Street West, to the Town of Kingsville in exchange for their continued use of the “West Hall” portion of the building. The West Hall, which includes a kitchen, represents nearly 30% of the total square footage of the building. As part of this agreement, the Town assumed responsibility for the ongoing maintenance and capital cost associated with the overall facility. The remainder of the building was rented to a local non-profit organization, which is currently operating as Access County Community Support Services (“ACCESS”).

In 2023, the Town conducted a “Facilities Review” wherein all municipally owned buildings underwent assessments to determine their conditional status, utilization, and whether the Town should maintain or dispose of the property. The facilities review identified Lions Hall as having fallen into a costly state of disrepair. Based on the level of investment required to rehabilitate the building, and its current utilization, Council provided direction at its August 14, 2023, Regular Meeting of Council to demolish Lions Hall, upon providing all tenants with reasonable time to relocate. Council further directed the Administration to develop an agreement with the Lions Club for the use of an alternative facility.

Following this decision, Administration was approached by two local non-profit organizations who expressed interest in leasing units within this building. These discussions have resulted in the opportunity to create a more viable financial model for the future of Lions Hall, while still serving the needs of the community.

DISCUSSION

Lions Club of Kingsville

For over 90 years, the Lions Club of Kingsville has been making impactful contributions to the Town by taking an active interest in the civil, cultural, social, and moral welfare of the community. The Lions Club has proudly served the community by supporting a wide variety of local initiatives through volunteerism and charitable contributions. For example, in 2023, the Lions Club raised over \$85,000 for the new accessible play structure at Lions Park.

The Lions Club is in agreement with Administration that Lions Hall is in need of significant repair and rehabilitation. The most pressing issues include a new roof and HVAC systems. For the Town to justify this level of investment, the Lions were agreeable to making the West Hall, which was previously reserved for their exclusive use, available for broader community use. The Town and Lions Club were able to come to a new use agreement which;

- Affirms that the Town is the sole legal and beneficial owner of the Lions Hall and assumes responsibility for maintenance, repairs, and capital expenses;

- Provides the Lions Club with non-exclusive use of the West Hall, at no cost, subject to booking through the Town;
- Provides additional use privileges to the Lions Club for the use of The Grovedale Arts and Culture Centre or Lakeside Pavilion for events or fundraisers, for two (2) days per year, at no cost;
- Remains in force for ten (10) years with a one (1) time option for renewal of the Agreement for a five (5) year term
- Prevents the Lions Club from sub-leasing the West Hall to other users;
- Provides the Town with the option to sell or demolish Lions Hall upon termination of the agreement or after 10 years

The Lions Club acknowledges the Town will assume full responsibility for cleaning and booking the West Hall to 3rd parties, at established rates, or use the space for other municipal purposes.

Kingsville Community Food Bank

The Kingsville Community Food Bank (the “Food Bank”) has supported Kingsville residents in need with judgement-free access to food and other necessities, for many years. The Food Bank, which currently operates out of 18 Division Street North, has been actively looking to relocate to a more functional space for some time. Their current location lacks parking and presents other operational challenges.

Administration was able to reach a tentative Lease Agreement with the Food Bank for the lease of the southern portion of the building (identified as the “South Unit” on Appendix A), consisting of approximately 1,882 square feet. Key terms of this Lease Agreement include;

- Ten (10) years of fixed, sub-market rental rates, in recognition of the Food Bank’s service to community
- A two and a half (2 ½) month rent-free fixturing period
- Foodbank to assume responsibility for any interior renovation costs and utilities
- Ability to book the West Hall, at no additional costs, for up to two days per month subject to booking through the Town;

Further to the tentative Agreements with the Lions Club and Kingsville Community Food Bank, Administration is currently in negotiations with 2nd local non-profit organization for the lease of a remaining 2,320 sq. ft. unit. Further details will be provided to Council once a tentative lease agreement has been reached.

FINANCIAL CONSIDERATIONS

The 2025 Budget included \$350,000 for renovations to Lions Hall which is expected to address the immediate roof and HVAC issues.

The Town expects to generate approximately \$55,000 a year in lease revenue from the two (2) non-profit long-term lease agreements.

Further, the Town will generate some additional revenue from the rental of the West Hall to 3rd parties.

This revenue is not expected to significantly exceed the capital or additional operating costs associated with the Town assuming additional cleaning and maintenance responsibilities.

Administration recommends indefinitely suspending the construction of a stand-alone accessible washroom in the park until staff are able to determine if the washroom needs can be address through the existing facility.

ENVIRONMENTAL CONSIDERATIONS

None.

CONSULTATIONS

John Norton, CAO

William Good, Manager of Legal Services

PREPARED BY:



Angela Toole, B.A.[Hons], B. Ed.
Acting Manager of Municipal Governance/Clerk

REVIEWED BY:



Ryan McLeod, CPA, CA
Director of Finance and Corporate Services

REVIEWED BY:



Richard J.H. Wyma CSLA
Director of Planning and Development