



Recreation, Culture and Wellness Department

Wednesday, March 22, 2023

Subject: Fonthill Platform Tennis Club Inc. Lease Agreement
Renewal

Recommendation:

**BE IT RESOLVED THAT Council receive Report #2023-0075
Recreation – Fonthill Platform Tennis Club Inc. Lease Agreement
Renewal, for approval;**

**AND THAT Council authorizes and directs staff to negotiate a lease
agreement with Fonthill Platform Tennis Club Inc.;**

**AND THAT Council approve funding in the amount of \$25,000 (plus
applicable taxes) for the installation a sanitary sewer and water
service from the Platform Tennis Club facility funded from the Water
and Wastewater Reserves. Staff will review the two options available
and choose one of the following options: (1) either providing
services from Welland Road or (2) to service it from the new
development.**

Background:

The Fonthill Platform Tennis Club is a long-standing Pelham organization that has been serving the community for the past 50 years. The Club will be celebrating its 50th Anniversary this May.

In the 1970s Fonthill Platform Tennis Club was founded by Denis Evans and Tim McGee. Courts were originally erected on quarry lands, corner of Highway 20 and Centre Street, now known as Peninsula Lakes Golf Club.

In 1987 the Club requested assistance from the Town of Pelham to find a suitable location on Town property for the courts to be moved, as the quarry lands were going to be developed into a golf course, now known as Peninsula Lakes Golf Club. The courts were temporarily moved down the road to North Pelham Park on Cream Street. A public meeting was held with the North Pelham community, and it was decided location was not suitable and the facility was sustaining substantial vandalism.

In 1988, courts were relocated to the Pelham Arena grounds, 1120 Haist Street, Fonthill, which is the existing site. On November 21, 1988, the Town of Pelham and Fonthill Platform Tennis Club entered into a lease agreement for Town-owned land on which the Club would construct a building and up to four platform tennis courts. The lease provided that the Club was responsible for all utilities and realty taxes for structures on the leased property. The lease was for a period of 10 years, for \$1.00 per year, with an option to renew the lease for a further 5-year period.

In 1989, the Club requested a subsidy of \$4,400.00 for the installation of sanitary sewers, water, and hydro, to the Club's facilities. Utilities were provided from the adjacent Pelham Arena on site. On October 15, 1990, the lease was amended to increase the annual amount payable by the Club to \$550.00 for the remaining eight years of the existing lease term and to return to \$1.00 per year if the lease was renewed. All other provisions of the original lease remained in effect.

In 1990 the then existing lease agreement was amended to include a repayment of \$4,400.00 for the services. The Club was to pay the Town \$550.00 per year for the remainder of the 10-year agreement, being 8 years.

In 1991 the Club was issued its first tax bill in the amount of \$1,443.12. The Club requested the Town to consider taking over ownership of the clubhouse facility and leasing it back to the Club for \$1.00. This would avoid paying property tax as the Club is nonprofit and trying to provide a service to the community on municipal land. Council was sympathetic although it wanted the Club to appeal the tax notice. In 1993 the Assessment Review Board ruled the tennis courts should be treated like an above ground pool therefore the courts were not assessed although the clubhouse and the land were assessed at \$2,080.00 taxes.

In 1995, an Assessment Commissioner appealed the review board decision to the Ontario Municipal Board. The Board allowed the appeal and fixed the assessment including the courts commencing January 1 at \$3,755.00. Once again, the Club requested the Town to assume all assets of the Club, as the facility would become tax exempt if it was the property of the Town.

On November 21, 1995, a new agreement was signed in which the Club conveyed ownership of the clubhouse to the Town. The Town leased the clubhouse back to the Club for \$1.00 per year, in addition to the \$550.00 annual payment for the land. The agreement provided that the Club had the right to re-purchase title to the clubhouse at no cost; however, there is no indication that it exercised this option at any time. Consequently, the Town presently owns the land and the clubhouse. The agreement provided that the Club would pay municipal taxes assessed against the land and the clubhouse. The agreement was to expire on November 21, 1998, with an opportunity to extend for an additional 5 years.

In 2003 the Club requested another extension to the agreement. Due to the unknown future of the Pelham Arena and surrounding lands, Council was not in a position to enter into a lease extension at that time. It was unknown what was going to happen to the arena and lands surrounding. Many recreation facility reviews and needs assessment reports were conducted along with multiple community committees formed during this 10-year period to determine the future of the Pelham Arena and possible community centre.

The design of the new community centre was finalized, and the Town started construction on the new community centre in late 2016. In 2017 the Town undertook a community design process to determine the future land uses of the former arena lands. That process determined how much land would be retained for community recreational purposes and how much land could be repurposed for developed purposes and what type of development. Retaining the platform tennis facility in its current location was determined to be appropriate. In June 2018 Council approved an Official Plan and Zoning By-law amendment that provided for the future land uses of the arena lands that would be subject to future development applications. The Meridian Community Centre opened July 2018 and the former arena facility was decommissioned. The arena lands were sold in 2020. Since the expiry of the Lease Agreement with the Fonthill Platform Tennis, the Club has continued to be a community partner and worked with staff to continue to operate. The Club is once again paying property taxes.

When the Pelham Arena lands were sold the parkland/greenspace and lands the platform tennis courts are located upon were retained as municipal lands to accommodate the platform tennis courts and neighbourhood play. When the Pelham Arena was demolished by the developer the water and sewer services to Platform Tennis Courts were disconnected at that time. The Town has since installed a porta potty to accommodate the Platform Tennis Club until water and sewer services are connected.

The Platform Tennis Club has installed their own hydro service to the facility and cover the cost of hydro themselves.

Analysis:

The Fonthill Platform Tennis Club has always been self-sustaining: the membership fees charged off-set facility maintenance and utilities. The Club has recently applied for funding through the Ontario Trillium Foundation (OTF) twice for facility improvements, both times being unsuccessful. Since the last application they have met with OTF and have been told their applications were strong although they require at least a 5-year lease with the Town of Pelham to be successful. It is their intention to apply again in May and would like to have a lease agreement in place.

The Fonthill Platform Tennis Club was previously serviced with a municipal water line and a force sewer main utilizing a sewage ejector pump. The existing water and wastewater infrastructure that once serviced the club through the Pelham Arena lands have been decommissioned and are no longer viable to provide municipal services. There are three locations from which the club may be serviced:

1. Welland Road,
2. Rhodes Court,
3. Meadowvale Drive.

All locations would require the installation of a force sewer main. The installation of both water and sewer services would be completed through trenchless directional boring to reduce damage to the municipal park land and trees as conventional trenching methods would disturb the use of the park for an extended period of time, increase restoration costs and damage trees through the municipal property to Welland Road.

Providing services from both Rhodes Court and Meadowvale Drive would require trenching through new asphalt road surface and disturbing a concrete driveway on Rhodes Court. Servicing from Meadowvale Drive would require the installation of a gravity sewer lateral from the sewer main to the municipal property line which increases costs substantially.

Staff recommend providing services from Welland Road. Although it is a slightly longer servicing run it does not require the installation of a sanitary sewer lateral as a maintenance hole is available on Welland Road within the road allowance fronting municipal property for direct installation of the force sewer main. The watermain is located on the boulevard fronting municipal property which serves to decrease the amount of asphalt and concrete restoration required.

The total cost of providing services from Welland Road is estimated at \$25,000. The cost breakdown is as follows:

1. Pipe and Materials - \$8,000
2. Sewage Ejector Pump and associated plumbing - \$2,500
3. Trenchless Directional Bore Services - \$9,500
4. Restoration - \$5,000

It is anticipated that the new owner of the Emerald Trails subdivision will begin construction on the installation of the services in April 2023. One further option to service the platform tennis facility is to service it from this new development.

Staff recommend entering into a new lease agreement with the Club for a period of no more than five (5) years, with an option to renew or renegotiate the lease at the end of the term. The lease agreement should encompass both the lands and the clubhouse facility. Staff propose to negotiate the terms of the lease with the Club and to return to Council with a draft agreement that has been agreed to by the parties, subject to Council approval.

Financial Considerations:

The estimated cost to install a sanitary sewer and water main service to the Platform Tennis Club facility is \$25,000 (plus applicable taxes).

Alternatives Reviewed:

Various alternatives were reviewed for providing sanitary and water services to the Platform Tennis Club. Based on the increased cost of restoration services and disruption to parkland and local residents the recommended option is to service the facility by directional boring the services on the west side of development site (Town owned lands) with a connection on Welland Road.

Strategic Plan Relationship: Build Strong Communities and Cultural Assets

The Platform Tennis Club has a long history in this community and hundreds of members. Providing a lease and direct municipal services should allow this community organization to remain viable, thus creating a stronger and healthier community.

Consultation:

Terry Molkoski, President, Fonthill Platform Tennis Club
Jason Marr, Director of Public Works
Jennifer Stirton, Town Solicitor
Barbara Wiens, Director of Planning & By-law Services

Other Pertinent Reports/Attachments:

None

Prepared and Recommended by:

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Prepared and Submitted by:

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