

**Subject:** Lease Agreement with Fonthill Platform Tennis Club

**Recommendation:**

**BE IT RESOLVED THAT Council receive Report #2023-0105 – Lease Agreement with Fonthill Platform Tennis Club, for information;**

**AND THAT Council approve the proposed lease agreement between the Town of Pelham and Fonthill Platform Tennis Club;**

**AND THAT Council approve the by-law authorizing the Town of Pelham to enter into the said lease agreement and further authorizing the Mayor and the Town Clerk to sign the lease agreement.**

**Background:**

On March 22, 2023, Council provided direction to staff to negotiate a lease agreement with Fonthill Platform Tennis Club for the lands and clubhouse facility at 1120 Haist Street. The Town Solicitor has coordinated with the President of the Club to prepare the attached draft agreement agreed to by the parties, subject to Council approval.

**Analysis:**

Fonthill Platform Tennis Club is a longstanding community organization that provides a valuable recreational opportunity in the Town. It has been located at 1120 Haist Street since 1988. There was previously a written lease agreement between the Town and the Club, which was not renewed or replaced when it expired; however, the Club has continued to operate on Town property at 1120 Haist Street. It is in the best interests of both the Club and the Town to formalize their arrangements through a written lease. In addition, the Club intends to apply to the Ontario Trillium Foundation for funding to make improvements to the facility and has been advised that there must be a lease of at least five years between the Club and the Town for this application to be successful. The Club requested a longer lease term and Council was supportive of a term of more than five years. Consequently, the attached draft lease contemplates an initial term of seven years with an option to renew for a further three years upon mutual agreement. This will allow the Club to pursue Ontario Trillium Foundation funding in the short term and provide flexibility to modify the lease in the long term if required.

**Financial Considerations:**

The Town will lease the premises to the Club for the nominal amount of \$1.00 per year and thus will not derive a direct financial benefit from entering into the proposed lease agreement. However, the proposed lease will facilitate the Club's application for facility improvement funding from the Ontario Trillium Foundation which, if successful, will benefit the Town as the facility owner.

**Alternatives Reviewed:**

Council could provide direction not to enter into a lease agreement with the Club. Staff do not recommend this option as the certainty of a formal written lease agreement is in the best interests of both the Club and the Town.

Council could also provide direction to make changes to the proposed lease agreement. Staff do not recommend this option as (i) the draft lease has been agreed to by the Club; and (ii) the lease must be signed as soon as possible to facilitate the Club's application to the Ontario Trillium Foundation.

**Strategic Plan Relationship: Community Development and Growth**

Fonthill Platform Tennis Club offers an outdoor recreational activity that supports a high quality of life for Town residents. The Club operates on Town property and intends to make improvements to facilities on the premises. The proposed lease promotes the strategic use of Town lands for the next seven to ten years by supporting the Club's current operations and future plans.

**Consultation:**

Terry Molkoski, President, Fonthill Platform Tennis Club

Town of Pelham Senior Leadership Team

**Other Pertinent Reports/Attachments:**

Draft Lease Agreement

**Prepared and Recommended by:**

Jennifer Stirton, BSc(Hons), LL.B.  
Town Solicitor

**Approved and Submitted by:**

David Cribbs, BA, MA, JD, MPA  
Chief Administrative Officer