



**CITY OF HAMILTON**  
**PLANNING AND ECONOMIC DEVELOPMENT DEPARTMENT**  
**Economic Development Division**

<b>TO:</b>	Mayor and Members General Issues Committee
<b>COMMITTEE DATE:</b>	March 2, 2016
<b>SUBJECT/REPORT NO:</b>	Lease with Outdoor Ball Hockey League Ltd., 300 Van Wagner's Beach Road, Hamilton (PED16052) (Ward 5)
<b>WARD(S) AFFECTED:</b>	Ward 5
<b>PREPARED BY:</b>	Frank Albrecht (905) 546-2424 Ext. 2656
<b>SUBMITTED BY:</b>	Jason Thorne General Manager Planning and Economic Development Department
<b>SIGNATURE:</b>	

Discussion of this Confidential Report in closed session is subject to the following requirement(s) of the City of Hamilton's Procedural By-law and the *Ontario Municipal Act, 2001*:

- ◆ A proposed or pending acquisition or disposition of land for City purposes;

**RECOMMENDATIONS**

- (a) That a land lease ("Lease") with Outdoor Ball Hockey League Ltd. the ("Tenant") at 300 Van Wagner's Beach Road, Hamilton, as shown in Appendix "A" attached to Report PED16052, substantially based on the terms and conditions contained in Appendix "B" attached to Report PED16052, and such other terms and conditions deemed appropriate by the General Manager, Planning and Economic Development, be approved;
- (b) That the General Manager, Planning and Economic Development or designate, acting as landlord, be authorized to provide any consents, approvals, notices and notices of termination related to the Lease outlined in Report PED16052;
- (c) That the Lease revenue be credited to Confederation Park Account 411-4242-02-0565 P42-OP-REV-ODBH administered by Hamilton Conservation Authority (HCA) on behalf of the City under a Management Agreement, and the Real Estate and Legal fees of \$5,571 be credited to Account No. 45408-3560150200 net of the rental revenue;
- (d) That Appendices "B" and "C" to Report PED16052 remain confidential, and not be released as a public document;

- (e) That the Mayor and City Clerk be authorized and directed to execute all necessary documents, in a form satisfactory to the City Solicitor.

### **EXECUTIVE SUMMARY**

Outdoor Ball Hockey League Ltd. (OBHL) wishes to establish an outdoor ball hockey league within Confederation Park and has executed a Lease to establish one outdoor rink and a portable office within Confederation Park. City Staff is seeking Council approval for this Lease.

***Alternatives for Consideration – See Page 3***

### **FINANCIAL – STAFFING – LEGAL IMPLICATIONS**

Financial: Lease payments are paid monthly commencing on May 1, 2016. All operating expenses and any capital costs are to be paid by the tenant. A fee of \$5,571, credited to Account No. 45408-3560150200 (Property Purchases and Sales) for Real Estate and Legal Services fees will be invoiced by the City.

Staffing: N/A

Legal: Legal Services will provide assistance with the preparation of the agreement.

### **HISTORICAL BACKGROUND**

OBHL is an organization that provides year-round specialized outdoor ball hockey facilities, and programmed use thereof, in which children from the age of three to men and women of any age and skill level can play in recreational and competitive leagues.

OBHL has been operating an outdoor ball hockey rink at Fifty Point Conservation Area since 2009. This year-round business has been so successful, having grown from six adult and six youth teams to more than 200 adult teams and over 700 youth registrants. Having reached its capacity at Fifty Point, OBHL wishes to expand to a second location within Confederation Park.

### **POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS**

The City's Portfolio Management Strategy mandates the lease of city-owned property at or above market rates.

The P3 zone use provision within Confederation Park permits athletic and amusement facilities involving the active participation of the public in sports and related activities.

## **RELEVANT CONSULTATION**

- Ward Councillor;
- Legal Services Division, City Manager's Office;
- Hamilton Conservation Authority;
- Corporate Assets and Strategic Planning Division, Policy and Programs, Public Works Department; and,
- Planning Division, Planning and Economic Development Department.

## **ANALYSIS AND RATIONALE FOR RECOMMENDATION**

The proposed Lease to OBHL would involve setting up a rink to be sited within the parking lot that is west of Wet and Wild. Locating OBHL within Confederation Park would broaden recreational opportunities and make it the only year-round recreational facility within the Park. In addition to the ball hockey leagues, OBHL offers rentals for private birthday parties, dry land training, corporate events and private rentals. The rink facility will also offer spectator seating, dressing rooms and a small concession serving non-alcoholic pre-packaged beverages and snacks as well as hockey equipment.

The proposed location of the new facility is ideally suited, as it will be situated on an underutilized area of the parking lot next to the outdoor beach volleyball operation known as the Sandbox, and a prime location along the beachfront at Confederation Park.

The Lease is to commence on May 1, 2016, with a term of five years and ten months, expiring on February 28, 2022, with a five-year renewal option. During the Lease term the tenant will be responsible for all operating and capital costs.

OBHL sought a long term commitment from the City in order to arrange financing for the capital improvements of the rink and portable office. This new 70 month Lease plus a five-year renewal option provides OBHL with security and the City with a long term income stream.

Real Estate staff considers the terms and conditions of the Lease to be fair, reasonable and at market rates.

## **ALTERNATIVES FOR CONSIDERATION**

The current alternative for the demised leased land is the status quo as an underutilized parking area. The City would not realize any return on these lands; nor would the City realize increased vibrancy and activity at the park, along with additional recreational opportunities for residents.

## **ALIGNMENT TO THE 2012 – 2015 STRATEGIC PLAN**

### **Strategic Priority #1**

A Prosperous & Healthy Community

*WE enhance our image, economy and well-being by demonstrating that Hamilton is a great place to live, work, play and learn.*

#### **Strategic Objective**

- 1.1 Continue to grow the non-residential tax base.
- 1.6 Enhance Overall Sustainability (financial, economic, social and environmental).

### **Strategic Priority #2**

Valued & Sustainable Services

*WE deliver high quality services that meet citizen needs and expectations, in a cost effective and responsible manner.*

#### **Strategic Objective**

- 2.3 Enhance customer service satisfaction.

### **Strategic Priority #3**

Leadership & Governance

*WE work together to ensure we are a government that is respectful towards each other and that the community has confidence and trust in.*

#### **Strategic Objective**

- 3.4 Enhance opportunities for administrative and operational efficiencies.

## **APPENDICES AND SCHEDULES ATTACHED**

Appendix "A" to Report PED16052 - Location Map  
Appendix "B" to Report PED16052 - Major Terms and Conditions  
Appendix "C" to Report PED16052 - Aerial Map  
Appendix "D" to Report PED16052 - Aerial Map

FA/sd