



RPT 21-179

TITLE: Lease Agreement - Bioreactor Site Buildings

DATE: April 16, 2021

TO: City Council

PUBLIC: X

INCAMERA:

RECOMMENDATION:

1. That the Lease Agreement between the City of Prince Albert and Garden River Contracting Ltd. for two buildings located at the former Bioreactor Site legally described as SE ¼ 29-25-W2nd, in the RM of Buckland, be approved for a five (5) year term, commencing June 1, 2021 to May 31, 2026; and,
2. That the lease rate be \$17,718.24 plus GST commencing on June 1, 2021 and an upward adjustment of 2% per annum be applicable, on each anniversary date commencing on June 1, 2022; and,
3. That the Mayor and City Clerk be authorized to execute the Lease Agreement on behalf of the City once. Prepared.

TOPIC & PURPOSE:

The purpose of this report is for the approval of a Lease Agreement for the buildings at the former Bioreactor Site in the RM of Prince Albert, between the City of Prince Albert and Garden River Contracting Ltd.

BACKGROUND:

Garden River Contracting Ltd. has been a valued tenant leasing the buildings at the former Bioreactor Site since 2009. Additional repairs and upgrades have been at the cost of the tenant.

The company utilizes the buildings for the repair and maintenance of their vehicles, and an area for staff kitchen and lounge.

PROPOSED APPROACH AND RATIONALE:

The two buildings on the former Bioreactor Site located in the RM of Buckland legal description SE ¼ 29-25-W2nd, have been leased since 2009 by Garden River Contracting Ltd. The City of Prince Albert enjoys the maintenance and security of the buildings as the tenant is active in business and traffic on site.

The Lessee has kept the buildings in good repair, in addition to the rent all costs of heat, water, power, and other utilities in connection with the use and occupation of the leased property, have been the responsibility of Garden River Contracting Ltd.

The former Bio Reactor Site is classified as a Brownfield, with ongoing monitoring of the contaminants, there are no issues or concerns with leasing the buildings.

Garden River Contracting Ltd. is a registered corporation within the Province of Saskatchewan. Their main area of business and expertise is in the repair and maintenance of heavy duty equipment. Two buildings are leased: one is for the shop where the mechanical repairs and maintenance are conducted for the heavy equipment and machinery. The second building is utilized by staff for a kitchen, lounge, office and smaller shop for minor mechanical works.

CONSULTATIONS:

The lease is through Public Works and in consultation with Planning and Development Services, there are no issues or concerns at this time.

COMMUNICATION AND/OR ANNOUNCEMENT PLAN:

A copy of the executed agreement will be sent to the Lessee.

FINANCIAL IMPLICATIONS:

Revenue will be realized through the lease agreement of \$17,718.24 for one year commencing on June 1, 2021. There will be an upward adjustment of 2% per annum on each anniversary date, for four years, commencing on June 1, 2022.

OTHER CONSIDERATIONS/IMPLICATIONS:

There are no other options to the recommendation, privacy implications, policy implications or other considerations.

STRATEGIC PLAN:

This report addresses the "Economic Development" Strategic Strategy, specifically the Planning and Implementation Goal. It also addresses "Sustainable Growth" specific to review of vacant land inventory and develop strategies and guidelines to determine the best use of vacant land.

OFFICIAL COMMUNITY PLAN:

Section 15.8 Planning and Development Services

3. Land Assembly and development: The city has a portfolio of surplus land that could be considered for development under a number of policy scenarios.
 1. Inventory and categorize existing land into zoning, size, serviceability and marketability.

PUBLIC NOTICE:

Public Notice pursuant to the Public Notice Bylaw No. 24 of 2015 is not required.

PRESENTATION:

none

ATTACHMENTS:

1. Location Plan
2. Lease Agreement

Written by: Leanne Fyrk, Property Coordinator II

Approved by: Director of Planning and Development Services & City Manager