



## REPORT N° PRO2019-016

<b>Date</b>	17/06/2019
<b>Submitted by</b>	Brian Wilson
<b>Subject</b>	Lease Agreement– Bourget Paramedic Station
<b>File N°</b>	

1) **NATURE/GOAL :**

To obtain Council approval for the Director of Protective Services to proceed with getting a lease agreement signed for the new Bourget Paramedic Station, at the rate and terms agreed to in the approved Memorandum of Understanding (MOU), to commence July 15, 2019.

2) **DIRECTIVE/PREVIOUS POLICY :**

On December 4, 2017, Council approved resolution 2017-269, which authorized the Mayor and Clerk to sign a Memorandum of Understanding (MOU) to enter into a lease agreement with the United Counties of Prescott and Russell. This was formalized in Bylaw No. 2017-156.

In accordance with that MOU, both the City and UCPR agreed to proceed in good faith, and that a lease agreement would be negotiated and signed based on the UCPR's stated requirement of 1,742 square feet of space in Bourget, including parking space for one (1) ambulance. The Bourget Paramedic Base also required four (4) parking spaces for UCPR EMS staff, and an additional one (1) visitor parking space at the front of the building.

The MOU agreed upon an initial annual base rent of \$24.50 per square foot, paid monthly. This lease rate will increase in accordance with the annual change in the Consumer Price Index (CPI), without decreasing should the CPI ever be a negative. The lease term was agreed upon as twenty (20) years, with additional five (5) year renewal options.

In accordance with the MOU, UCPR will be responsible for all utilities serving their side of the facility, along with all maintenance, repair and cleaning costs related to the interior. The City agreed to be responsible for all building and structural maintenance and repair, snow removal, landscaping maintenance, and cleaning of windows (on the exterior).

The City agreed to pay for and maintain insurance on the buildings, with UCPR maintaining responsibility for the contents and associated liability insurance for their portion of the space used.

3) **DEPARTMENT'S RECOMMENDATION :**

**BE IT RESOLVED THAT** Council authorize the Director of Protective Services to engage a lawyer to prepare the lease agreement for the Bourget Paramedic Base in accordance with the terms of the Memorandum of Understanding approved by Council on December 4, 2017; and

**BE IT FURTHER RESOLVED THAT** Council directs that the Lease Agreement shall be effective July 15, 2019, providing that substantial completion has been obtained and occupancy permits have been issued; and

**BE IT FURTHER RESOLVED THAT** Council adopts By-law No. 2019-64, being a by-law to authorize the Director of Protective Services to execute the lease agreement on behalf of the City; and

**BE IT FINALLY RESOLVED THAT** Council direct the Director of Protective Services to work with representative(s) from the United Counties of Prescott and Russell, such that they can take possession of their leased portion of the new Bourget Paramedic Base, effective July 15, 2019.

**QU'IL SOIT RÉSOLU QUE** le conseil autorise le directeur des Services de protection à retenir les services d'un avocat afin de préparer le contrat de location de la base paramédicale de Bourget conformément aux termes du protocole d'accord approuvé par le conseil du 4 décembre 2017; et

**QU'IL SOIT AUSSI RÉSOLU QUE** le conseil ordonne que le contrat de location entre en vigueur le 15 juillet 2019, pourvu que les travaux de finition soient terminés et que les permis d'occupation aient été délivrés; et

**QU'IL SOIT AUSSI RÉSOLU QUE** le conseil adopte le règlement no. 2019-64, visant à autoriser le directeur des Services de protection à signer le bail de location au nom de la Cité; et

**QU'IL SOIT FINALEMENT RÉSOLU QUE** le conseil mandate le directeur des Services de protection de collaborer avec le ou les représentants des Comtés unis de Prescott et Russell, afin qu'ils puissent prendre possession de la partie louée de la nouvelle base paramédicale de Bourget à compter du 15 juillet 2019.

4) **BACKGROUND :**

The City entered into a Memorandum of Understanding with UCPR prior to awarding the contract for the construction of the new Paramedic Bases. The intention of the Memorandum of Understanding was to ensure that UCPR would enter into a Lease Agreement with the

City, which would cover the costs of construction (plus debt borrowing costs and expenses) over a period of twenty (20) years.

The former Director of Finance, along with the Mayor and Chief Administrative Officer worked with senior executives from the United Counties of Prescott and Russell in order to reach an agreement in principle, which was formalized into this Memorandum of Understanding.

5) **DISCUSSION :**

With substantial completion of the Bourget Fire/EMS Facility planned for the end of this Month, the Department is recommending that the City now proceed with negotiating and signing the Lease Agreement for this facility, giving a bit of leeway on the anticipated occupancy date to allow for any last minute delays.

Therefore, the Department is recommending that a lease agreement be signed with UCPR to be effective July 15, 2019, in accordance with the terms negotiated in the Memorandum of Understanding.

Because there are no Council meetings scheduled for July 2019, it is therefore recommended that Council delegate authority to get the lease agreement prepared and signed, to the Director of Protective Services.

6) **CONSULTATION:**

The MOU was prepared by the City's contract lawyer, and was agreed upon by Council.

7) **RECOMMENDATIONS OR COMMENTS FROM COMMITTEE/ OTHER DEPARTMENTS :**

None.

8) **FINANCIAL IMPACT (expenses/material/etc.):**

The intended effect of the lease agreement is to cover the debt servicing costs and principle, along with expenses, related to the new Paramedic Bases. Preparing and signing this lease agreement will ensure that the financial predictions put into place for the funding of these new protective services buildings are realized.

These projections have already been accounted for in forecasts for these buildings.

The legal expense will be covered by the 2019 operating legal fees budget.

9) **LEGAL IMPLICATIONS :**

In accordance with the Memorandum of Understanding, it is necessary that the City negotiate a lease with UCPR for these new buildings. It is proposed that this be undertaken in order to ensure that the lease agreement is signed and in-place prior to the occupancy of the building.

10) **RISK MANAGEMENT :**

The City will ensure that adequate insurance on the buildings and premises is in place prior to receiving occupancy permits.

11) **STRATEGIC IMPLICATIONS :**

Completion of these buildings improves the delivery of protective services, namely the provision of paramedic and fire services to the Bourget and Rockland communities. This was an identified priority within the 2017 Master Fire Plan, adopted by Council.

12) **SUPPORTING DOCUMENTS:**

By-law 2019-## - To Authorize the Signing of a Lease Agreement  
By-Law 2017-156 -To Authorize the Signature of an MOU with UCPR  
Memorandum of Understanding between the City and UCPR