

**Subject:** Agreement with Artel Inc. for 112 Broadway Parking

**Department:** Community Services

**Division:** Facilities/Parks

**Report #:** CMS-2020-002

**Meeting Date:** 2020-11-23

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### **Recommendations**

**That report CMS-2020-002, Agreement with Artel Inc. for 112 Broadway Parking be received;**

**And that council approve the four-year lease agreement between Artel Inc. and the Town of Orangeville for the period of January 1, 2021 to December 31, 2024;**

**And that Council pass a by-law to enter into an agreement and to authorize the Mayor and Clerk to execute the agreement and any other documents required to complete the transaction.**

### **Background and Analysis**

On January 11, 2016, Council approved the two-year agreement for the period of January 1, 2016 to December 31, 2017 with 1086581 Ontario Limited / operating as Artel Inc. to lease 30 parking spaces at 112 Broadway. On January 15, 2018 Council approved an additional three-year lease agreement from January 1, 2018 to December 31, 2020. The Town currently pays \$24,040.00 plus HST annually to lease the 30 parking spaces.

The new lease agreement with Artel Inc. for the 30 parking spaces at 112 Broadway will be for the term of January 1, 2021 to December 31, 2024 under all the same terms as the previous agreement.

The Town will use the leased property for the purposes of a municipal parking lot and maintain public liability and property insurance protecting and indemnifying the Tenants and the Landlord at a limit of not less than Five Million per occurrence.

The agreement offers a termination clause allowing the Town to terminate the agreement with two months written notice.

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## Strategic Alignment

### Orangeville Forward – Strategic Plan

**Priority Area:** Economic Vitality

**Objective:** Attract, and retain and expand businesses, stimulate tourism and economic vitality in the downtown core with accessible parking.

### Sustainable Neighbourhood Action Plan

**Theme:** Economic Development and Culture

**Strategy:** Preserve Orangeville's small-town appeal, while bolstering robust businesses and tourism opportunities that support a healthy economy. Connect tourist to the Town as an urban hub with the County.

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## Notice Provisions

N/A

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## Financial Impact

The rent is calculated on the basis of the current rate of Twenty-Four Thousand and Forty Dollars (\$24,040) plus HST per year and increases at a rate of 2% in the years 2021 and 2022 and at a 3% increase for 2023 and 2024.

<b>2020 - Current</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
	2%	2%	3%	3%
Annual Rate	Increase	Increase	Increase	Increase
\$24,040.00	\$24,520.80	\$25,011.22	\$25,761.55	\$26,534.40

Rent is payable in quarterly installments on January 1, April 1, July 1, and October 1 of each year for the duration of the agreement.

Should the landlord sell the property and terminate the lease, the Town will only be responsible to pay a percentage of the total per annum cost agreed to based on the months of use.

Respectfully submitted

Ray Osmond  
General Manager, Community Services

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**Attachment(s):** 1. Map or Parking Lot Location