



## The Corporation of the Town of Tecumseh

Legislative & Clerk Services

**To:** Mayor and Members of Council

**From:** Robert Auger, Director Legislative Services & Clerk

**Date to Council:** March 14, 2023

**Report Number:** LCS-2023-07

**Subject:** Maidstone Recreation Centre Transfer and Facility Agreement

---

### Recommendations

It is recommended:

**That Council approve and accept** the transfer to the Town of the land and premises identified as the Maidstone Recreation Centre located at 10720 Talbot Road (County Road 34) Town of Tecumseh, Ontario (the “MRC Property”), pursuant to the terms of a certain Agreement of Purchase and Sale attached to proposed By-law 2023-039;

**And that Council approve and accept** the entering into of a Municipal Facilities Agreement between the Town and the non-profit corporation known as Maidstone Recreation Centre (“MRC Corporation”) as lessee for the purposes of the occupancy and use of the entire MRC Property as a “*Municipal community centre*” within the meaning of subsection 2(1), of Ontario Regulation 603/06 passed under the *Municipal Act, 2001*, S.O. 2001, c. 25, such agreement to be effective immediately upon the completion of the transfer of the property to the Town and such agreement to be in substantially the same form and manner as that attached to proposed By-law 2023-033;

**And further that** the lands and premises municipally known as 10720 County Road 34 and legally described as PT LT 295 Con. NTR Sandwich East as in R1519626; Tecumseh (PIN 75232-0124) are hereby designated or declared to be municipal capital facilities exempt from taxation for municipal and school Board purposes effective as of April 3, 2023 or as of such date that the Town becomes the legal registered owner of the subject lands and premises with such exemption to continue for so long as the

properties are used as municipal capital facilities in accordance with Subsection 110 (6) of the Municipal Act, 2001, S.O. 2001, c.25 as amended (the “Act”) and Ontario Regulation 603/06 as amended;

**And furthermore that** By-law No. 2023-039 authorizing the Mayor and Clerk to enter into an Agreement of Purchase and Sale for the transfer to the Town of the Maidstone Recreation Centre land and premises **be considered** for first, second, third reading and adoption;

**And furthermore that** By-law No. 2023-033 authorizing the Mayor and Clerk to provide for a Municipal Capital Facility and authorize the execution of a Municipal Facilities Agreement between the Corporation of the Town of Tecumseh and the non-profit corporation known as Maidstone Recreation Centre **be considered** for first, second, third reading and adoption; and

**And further moreover that** the Mayor and Clerk **be hereby authorized** to execute and deliver all such further instruments and documents and take all such further actions as may be necessary to carry out the transactions contemplated herein.

## **Executive Summary**

The purpose of this report is to present to Council for formal approval the proposed transfer of the Maidstone Recreation Centre property to the Town for the continuance and expansion of social, athletic and recreational programming and activities for the benefit of the Town of Tecumseh. This transfer is expected to be finalized on or about April 3, 2023. This valued recreational facility is highly accessible to the residents of Wards 4 and 5 and will address growing recreational needs in this area.

## **Background**

The Maidstone Recreation Centre property (“MRC property”) is located on 10720 Talbot Road (County Road 34) Hamlet of Maidstone (in Ward 5) and is legally described as follows: Con. North Talbot Road Sandwich East, Part Lot 295, as in R1519626, Town of Tecumseh, Ontario.

The site is comprised of nearly four (4) acres of property on which there are: three (3) buildings; four (4) outdoor sand volleyball courts, and a pavilion. The MRC property has been owned and operated by a non-profit corporation (“MRC Corporation”) operated entirely by volunteers. The MRC property is in good condition and is maintained well by the corporation.

In July 2019 the President of the MRC Corporation provided correspondence to the Town indicating an interest to explore a mutually beneficial relationship with the Town. Additional correspondence in January 2021 advised the Town that the MRC Board and

members had unanimously approved the “gifting” and transference of the Maidstone Recreation Centre Property to the Town.

On April 8, 2021 Council provided direction to Administration to negotiate an agreement with the MRC Corporation for the transfer of the Maidstone Recreation Centre Property to the Town as well as an agreement for facility and programming arrangements so as to ensure the continuance of this Property as a municipal community centre.

Those agreements have been negotiated and are now presented to Council for consideration of approval.

## Comments

The following is a summary of the Agreements that are before Council:

### Agreement of Purchase and Sale:

- Purchase price: \$1.00
- Expected Transfer Date: April 3, 2023
- Agreement is conditional on the parties executing a Municipal Facilities Agreement for the purpose of the occupancy and use of the entire MRC Property as a “*Municipal community centre*”
- The parties shall use all reasonable efforts and take all reasonable steps to maintain the property as a municipal community centre that offers social, athletic and recreational activities for the benefit of Maidstone and surrounding area.
- The Purchaser (Town) shall not sell or transfer the MRC Property for a period of 50 years from the completion date unless, despite having taken every reasonable effort to maintain the MRC Property as a municipal community centre, the MRC Property is required for other purposes so as to more effectively provide public service to the Maidstone hamlet. In such case, the Purchaser will relocate the recreation centre, at their expense, within the Maidstone hamlet subject to the terms of a subsequent municipal facilities agreement to be mutually agreed upon at such time in respect of such relocation.
- The Purchaser agrees and covenants to pay Vendor’s reasonable legal fees in respect thereto.

## **Municipal Capital Facilities Agreement**

- Initial five-year term with automatic subsequent renewal terms of five years each unless and until one of the parties provides 30 days notice prior to the expiration of the then current term.
- Both the Town and the MRC Corporation to provide the appropriate insurance as required.
- Town to provide all property and building maintenance inclusive of winter control.
- Any proposed capital improvements to the property (in consultation with the MRC Corporation or otherwise) are subject to Council approval and budgetary constraints. Any such capital improvements carried out shall remain the property of the Town.
- The MRC Corporation shall receive all revenues generated from their operations provided its status remains as a non-profit corporation.
- The Town will have the right to book the facility and shall be responsible for such events booked at the facility, shall receive the income from those booked events and shall indemnify the MRC Corporation from liability relating to Town's use of the facility.
- The Town, in consultation with the MRC Corporation, shall be responsible for the design, installation and maintenance of a historical storyboard for the facility.
- The MRC Corporation shall operate and deliver and continue to operate and deliver those social, athletic and recreational activities at the facility so as to continue operations.
- The MRC Corporation shall be responsible for all utilities and all other operational costs not expressly assumed by the Town.
- The Town shall declare and obtain a Municipal Capital Facility designation for the site within the meaning of subsection 110(6) of the Municipal Act. Pursuant to subsection 110(6) of the Municipal Act the Council of a municipality may exempt from taxation for municipal and school purposes land or a portion of it on which municipal capital facilities are or will be located. Further, and pursuant to subsection 110(20) of the Municipal Act and Ontario Regulation 603/06, facilities related to the provision of municipal facilities used for municipal community centres, recreational purposes, and parking facilities ancillary thereto are eligible municipal capital facilities for the purpose of a tax exemption under subsection 110(6) of the Act;

- The MRC Corporation will be solely responsible for the sale of alcohol at any of its events and will provide to the Town any further insurance and indemnifications required by the Town/its insurer.
- The MRC Corporation will be responsible for the supply, install, maintenance, and replacement of any and all appliances, equipment and such other chattels and accessories thereto required for the normal and reasonable operation of the MRC Property.
- Any cleaning and maintenance resulting from its use shall be the responsibility of the MRC Corporation.
- MRC Corporation to provide the insurance required of it and provide the appropriate indemnifications of the Town associated or resulting from its use of the facility.

Execution and implementation of both the Agreement of Purchase and Sale and the Municipal Capital Facilities Agreement will proceed to completion upon Council approval. Upon completion the Town will be assured of a long term sustainable community facility that will address the current and growing recreational needs in this area.

## **Consultations**

Chief Administrative Officer and People & Culture  
Community & Recreation Services

## **Financial Implications**

The MRC Property is expected to be transferred for the nominal amount of \$1. Throughout the term of the proposed Municipal Facilities Agreement and any renewals thereof the MRC property will be operated by the MRC Corporation after which responsibility for the operations thereof will revert to the Town.

In anticipation of a potential transfer, Council has already approved the following items as anticipated capital improvements associated with the Maidstone Recreation Centre for inclusion in the Municipal Buildings Capital Projects (CRS-2-22-19):

2023 – Outdoor Washrooms \$500,000  
2024 – Parking Lot and Pickleball Facility - \$1,300,000  
2025 – Building Renovations \$200,000

## Link to Strategic Priorities

Applicable	2019-22 Strategic Priorities
<input checked="" type="checkbox"/>	Make the Town of Tecumseh an even better place to live, work and invest through a shared vision for our residents and newcomers.
<input type="checkbox"/>	Ensure that Tecumseh’s current and future growth is built upon the principles of sustainability and strategic decision-making.
<input checked="" type="checkbox"/>	Integrate the principles of health and wellness into all of Tecumseh’s plans and priorities.
<input checked="" type="checkbox"/>	Steward the Town’s “continuous improvement” approach to municipal service delivery to residents and businesses.
<input checked="" type="checkbox"/>	Demonstrate the Town’s leadership role in the community by promoting good governance and community engagement, by bringing together organizations serving the Town and the region to pursue common goals.

## Communications

Not applicable

Website

Social Media

News Release

Local Newspaper

This report has been reviewed by Senior Administration as indicated below and recommended for submission by the Chief Administrative Officer.

Prepared by:

Robert Auger, LL.B.  
Director Legislative Services & Clerk

Reviewed by:

Beth Gignac, BA Hons  
Director Community & Recreation Services

Reviewed by:

Margaret Misek-Evans, MCIP, RPP  
Chief Administrative Officer

Recommended by:

Margaret Misek-Evans, MCIP, RPP  
Chief Administrative Officer

<b>Attachment Number</b>	<b>Attachment Name</b>
None	None