



**City of Kingston
Information Report to Council
Report Number 21-202**

To: Mayor and Members of Council

From: Peter Huigenbos, Commissioner, Business, Environment & Projects

Resource Staff: Brandon Forrest, Director, Business, Real Estate & Environment

Date of Meeting: August 10, 2021

Subject: Report on Real Estate Transactions Completed from January 1, 2021 to June 30, 2021 Under By-Law Number 2016-189

Council Strategic Plan Alignment:

Theme: Corporate business

Goal: See above

Executive Summary:

This information report provides Council with a list of real estate transactions completed under delegated authority from January 1, 2021 to June 30, 2021.

In August 2014, Council approved By-Law Number 2014-141 to delegate authority for the approval of low value and short-term real estate transactions to the Commissioner having responsibility for real estate services. This by-law was subsequently included in By-Law Number 2016-189 'A By-Law to Consolidate the Delegation of Powers and Duties'.

Recommendation:

This report is for information purposes only.

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Authorizing Signatures:

ORIGINAL SIGNED BY COMMISSIONER

**Peter Huigenbos, Commissioner,
Business, Environment &
Projects**

ORIGINAL SIGNED BY CHIEF
ADMINISTRATIVE OFFICER

**Lanie Hurdle, Chief
Administrative Officer**

Consultation with the following Members of the Corporate Management Team:

Paige Agnew, Commissioner, Community Services	Not required
Brad Joyce, Commissioner, Corporate Services	Not required
Jim Keech, President & CEO, Utilities Kingston	Not required
Desirée Kennedy, Chief Financial Officer & City Treasurer	Not required
Sheila Kidd, Commissioner, Transportation & Public Works	Not required

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Options/Discussion:

In 2014, Council approved By-Law Number 2014-141 to delegate authority for approval of low value real estate transactions and short-term low value leasing and licencing agreements to the Commissioner having responsibility for real estate services. To further improve efficiencies in corporate accountability and transparency, Council approved By-Law Number 2016-189 'A By-Law to Consolidate the Delegation of Powers and Duties' which included approval for real estate transactions previously delegated under By-Law Number 2014-141.

The by-law requires the Commissioner with authority for real estate transactions to report to Council no less than twice per year on the exercise of the delegation of authority.

Exhibit A lists the 21 land transactions completed from January 1, 2021 to June 30, 2021 by delegated authority. Transactions summarized by category include:

- Acquisition of Property Interests - 6
- Acquisition Leases and Licenses (City as Tenant) - 3
- Disposition of Property Interests - 2
- Revenue Leases and Licenses (City as Landlord) - 10

COVID-19 Rent Reductions for Commercial Leases

In addition to a summary of various transactions list above, this report provides a summary of the assistance provided to the City's commercial tenants as a result of the COVID-19 pandemic. In accordance with the authority delegated to the Commissioner of Business, Environment & Projects through [Report Number 20-168](#) 'COVID-19 Response and Recovery – Year End Projections', staff worked closely with City tenants to negotiate 2020 rent reduction agreements up to a collective limit of \$200,000. The City, as landlord, was not eligible to apply for the first round of federal commercial rent relief known as the Canada Emergency Commercial Rent Assistance (CECRA) program for the period between April and September 2020. The CECRA program provided eligible commercial tenants across Canada with up to a 75% reduction in their rent; unfortunately, the City's tenants were not eligible. As per Council's direction, staff considered rent reductions based on the following principles:

- The period of time that the tenant's operation was closed and the impact of the closure on revenues;
- The City will be seeking full recovery of fixed operating costs such as taxes and utilities for the premises; and
- The availability to the tenant of other COVID-19 funding programs to sustain business in the interim, such as the 75% wage subsidy and business loans.

Exhibit B lists the tenants who signed a rent reduction agreement and the amount provided to each. All participating tenants were in good standing with the City at the outset of the pandemic and were able to pay the balance of their rents in full after the rent reduction was applied. Since October 2020, the City's tenants have been eligible to apply directly to the revamped federal commercial rent relief program known as Canada Emergency Rent Subsidy (CERS). CERS

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does not require landlord eligibility/participation and provides up to 65% to 90% rent reduction for eligible tenants. The higher amount was eligible during lockdown periods. The funds are provided directly to the tenant who otherwise, pays their full rent to the City as usual. CERS is currently scheduled to be phased out by September 2021.

Existing Policy/By-Law:

By-Law Number 2016-189 'A By-Law to Consolidate the Delegation of Powers and Duties'

Notice Provisions:

None

Accessibility Considerations:

None

Financial Considerations:

The \$200,000 in COVID-19 Rent Reductions for Commercial Leases was funded from the 2020 Safe Restart Funds - Municipal Operating Stream that the City received from the Province.

Contacts:

Brandon Forrest, Director, Business, Real Estate & Environment 613-546-4291 extension 2205

Other City of Kingston Staff Consulted:

Steve Biro, Property Specialist, Business, Real Estate & Environment

Kathy Gray, Property Specialist, Business, Real Estate & Environment

Exhibits Attached:

Exhibit A Real Estate Transactions Completed Under Delegated Authority By-Law Number 2016-189 for the Period January 1 – June 30, 2021

Exhibit B COVID-19 Rent Reductions for Commercial Leases

Real Estate Transactions Completed Under Delegated Authority By-Law Number 2016-189

January 1, 2021 to June 30, 2021

Type of Real Estate Transaction	Property Affected	Individual/Organization	Amount	Reason for the Agreement
Acquisition of property less than \$100,000	Demers Avenue at Taylor Kidd Boulevard	Taggart Construction	\$1.00	Acquired land to connect Demers to Taylor Kidd
Acquisition of property less than \$100,000	Richardson Beach	Transport Canada	\$9,400.00	Acquired land from TC for shoreline improvements at Richardson Beach
Acquisition of property less than \$100,000	Harpell Road	Ministry of Transportation	\$1.00	Acquired road widening lands in exchange for unopened road allowance for 401 upgrades
Acquisition of Property less than \$100,000	795 Division Street	Amey's Taxi	\$3,125.00	Acquired a portion of Amey's Taxi lands for road widening at 795 Division Street
Acquisition of Easement less than \$100,000	St. Lawrence Business Park	Hydro One	\$1.00	Easement required granted by Hydro One to the City
Acquisition of Easement less than \$100,000	795 Division Street	Amey's Taxi	\$6,000.00	Acquired an easement for purposes of ingress and egress to City Lands, via the signalized intersection at Kirkpatrick Street and Division Street
Acquisition of license less than \$150,000 and 10 years	King Street Walkway to Anglin Bay	Transport Canada	\$397.85/year	License of King Street walkway to Anglin Bay
Acquisition of lease less than \$150,000 and 10 years	Anglin Parking Lot	Transport Canada	\$6,133.50/year	Lease of lands in Anglin Parking Lot
Acquisition of license less than \$150,000 and 10 years	4 Rudd Street	Residential Owner	\$1.00	Permission to enter to regrade property after removal of tree stump in the Right of Way

Exhibit A
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Type of Real Estate Transaction	Property Affected	Individual/Organization	Amount	Reason for the Agreement
Disposition of Easement and Limiting Distance Agreements less than \$100,000	809 Development Drive	Cliffside Holdings Limited	\$1.00	Sewer easement and Limiting Distance Agreements
Disposition of property less than \$100,000	795 Division Street	Amey's Taxi	\$80,500.00	Transferred a portion of parking and pathway lands immediately adjacent to 795 Division Street per Report Number 20-087 .
Revenue license less than \$150,000 and 10 years	INVISTA Centre	KAMHA	\$750.00/month	License Extension of dressing room "A" at the INVISTA Centre
Revenue license less than \$150,000 and 10 years	Cataraqui Estates Business Park	Empire Parks Development Ltd.	\$1.00	License of lands to clear trees for future development
Revenue license less than \$150,000 and 10 years	11 Princess Street	Limestone Investments	\$6,007.00/year	License for a portion of land at 11 Princess Street for parking
Revenue license less than \$150,000 and 10 years	297 Gore Road	Habitat for Humanity	\$1.00	Permission to enter for construction staging and storage on City Lands
Revenue license less than \$150,000 and 10 years	211 Gore Road	5026557 Ontario Limited	\$360.00/month	License for 2 parking spots at Gore Road Fire Hall for temporary storage of HVAC equipment
Revenue license less than \$150,000 and 10 years	INVISTA Centre	RELM Sports	\$850.00/month	License Extension of dressing room "B" at the INVISTA Centre
Revenue lease less than \$150,000 and 10 years	414 Regent Street	Frontenac County School Museum	\$9,600.00/year	Exercise of renewal option for another 5 years

Exhibit A
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Type of Real Estate Transaction	Property Affected	Individual/Organization	Amount	Reason for the Agreement
Revenue lease less than \$150,000 and 10 years	INVISTA Centre	KFL&A Public Health	\$1.00	<p>Lease of facility to KFL&A Public Health for temporary vaccination clinic</p> <p>KFL&A Public Health pays all incremental operating costs incurred by the City as a result of its use of the Premises.</p>
Revenue lease less than \$150,000 and 10 years	Memorial Centre	KFL&A Public Health	\$1.00	<p>Lease of facility to KFL&A Public Health for temporary vaccination clinic</p> <p>KFL&A Public Health pays all incremental operating costs incurred by the City as a result of its use of the Premises.</p>
Revenue lease less than \$150,000 and 10 years	Portsmouth Olympic Harbour	KFL&A Public Health	\$1.00	<p>Lease of facility to KFL&A Public Health for temporary vaccination clinic</p> <p>KFL&A Public Health pays all incremental operating costs incurred by the City as a result of its use of the Premises.</p>

**COVID-19 Rent Reductions for Commercial Leases Completed Under
Delegated Authority By-Law Number 2016-189**

Tenant	Amount
Central Airways	\$7,166
Garda Security Screening Inc.	\$4,287
Royal Canadian Air Force Association #416	\$1,119
1623369 Ontario Ltd o/a Kingston Keg	\$41,995
Lone Star Texas Grill	\$30,630
Kingston & The Island Boat Lines	\$22,582
1425545 Ontario Inc o/a Workplace Magazine	\$1,082
Harbour Restaurant (indoor banquet & event space at POH)	\$64,976
Sail Canada/Voile Canada	\$10,015
CORK	\$6,534
Brigantine Inc.	\$2,062
Allen-Detweiler Nursery School	\$1,950
Total Rent Reductions	\$ 194,398