

**DATE:** 8/30/2024

**SUBJECT:** Royal Canadian Legion Branch 645 – Fernbrook Hall Lease

**CONTACT:** Gerry Marshall, Deputy CAO/Director of Special Projects

**REPORT NUMBER:** 2024/09/12-04

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**RECOMMENDATION:**

1. **THAT** the report titled: Royal Canadian Legion Branch 645-Fernbrook Hall Lease, to the Council meeting of September 12, 2024, be received; and
2. **THAT** the Mayor and Clerk be authorized to execute a Lease Agreement with the Royal Canadian Legion Branch 645 for rental of the Fernbrook Hall for a three (3) year term with an option to renew under the terms outlined in Appendix A.

**BACKGROUND:**

On January 25, 2024, Mark Seguin of the Royal Canadian Legion Branch 645 made a deputation to Council requesting Council pass the following motions:

1. That the delegation from Marc Seguin pertaining to the creation of a Legion in Wasaga Beach be received; and
2. That Council support the creation of a Royal Canadian Legion in the Town of Wasaga Beach; and
3. That Council refer the request for a temporary location for a Legion to Staff to return with a report on viable location options

Staff have met with Mr. Seguin and have assessed all possible locations to house the new Legion Branch and are asking Council for approval to execute a lease with Royal Canadian Legion Branch 645 for the lease of Fernbrook Hall located at 1888 Klondike Park Road.

**DISCUSSION:**

Fernbrook Hall, located in the Klondike Sports Park is a 2275 square foot facility, which can accommodate up to 200 people, has a full concession stand and kitchen, outdoor access, outdoor patio, washrooms, and a large parking area. This facility is located in the middle of Town and not only meets the criteria of the Legion Branch but also provides both the Branch and the Town with

a promising financial opportunity. Staff are recommending that the Town execute a lease agreement with Legion Branch 645 for the use of this facility and the concession stand.

Fernbrook Hall is underutilized by the public with only a single private booking this past summer (June 1<sup>st</sup>). The Recreation department will be running summer camps from Fernbrook Hall during the day for an 11-week period from June 17<sup>th</sup> to August 30<sup>th</sup>. The lease agreement allows for the summer camps to continue to operate in this same manner.

During the summer months, the Town has historically operated the concession stand located in Fernbrook Hall with summer students 7 days a week (Monday-Friday 4:30-9:30pm; Saturday-Sunday 9:00am-9:00pm). Under the new lease agreement, the Legion will take on the operation of the concession stand. The Legion will also be responsible to hold their own liquor license and adhere to all related legislation and guidelines.

Fernbrook Hall is maintained by the Town's Parks Department who would continue to maintain the washrooms, which are open to the public (though there is a dedicated door from the hall to the washrooms for after hours use), however maintenance of the interior of the facility including the concession will fall to the tenant.

The Klondike Sports Park is not only a daily destination for families who are looking to use the playground and fields for play and picnics, but also for large scale sporting tournaments, kayak and canoe excursions, sky diving, and horseshoe tournaments. The Legion will have the opportunity to provide food and beverages to these groups and to generate a sustainable income that could help support the Branch with its ultimate endeavour of building or purchasing a separate and dedicated building.

Staff are proposing a lease with Legion Branch 645 with the following terms:

- A 3-year lease for dedicated use of the hall (including the ability to sublet for occasions), with an option in year 3 for a 2-year renewal.
- Lease payment to be outlined as follows:
  - Year 1: 12 installments of \$330.00 OR 5% of gross monthly revenue, whichever is higher.
  - Years 2: 12 Installments of \$415.00 OR 6% of gross monthly revenue, whichever is higher.
  - Year 3 - 12 Installments of \$500.00 OR 7% of gross monthly revenue, whichever is higher.

## **CORPORATE IMPLICATIONS:**

### Financial Implications:

The agreement is anticipated to offset decreased facility rental revenue due to no longer being available for the public to rent. Moreover, the Town will no longer be responsible for operating the

concession stand eliminating a budgeted deficit, further enhancing the agreement's financial viability.

Term of Council Priorities:

This partnership was not identified as part of TOCPs, however, an argument could be made that the support of the Legion branch aligns with Council's priority for complete communities, supporting an organization that promotes social cohesion and inclusivity through the provision of dedicated space for community gatherings and activities.

**CONCLUSION:**

The proposed lease agreement between the Town of Wasaga Beach and Royal Canadian Legion Branch 645 for the use of Fernbrook Hall presents a strategic opportunity for both parties. After careful consideration of available locations and discussions with Legion representatives, Fernbrook Hall emerged as the most suitable option meeting the Legion's requirements while aligning with the Town's interests.

Fernbrook Hall offers ample space, culinary facilities, outdoor access, and parking, making it an ideal venue for the Legion's activities. Furthermore, its central location within the Klondike Sports Park presents a unique opportunity for the Legion to engage with the community and generate revenue through concession operations.

The proposed lease terms, including rental payments and use of existing facilities, are structured to ensure a fair and mutually beneficial arrangement. By allowing the Legion to retain profits from special occasion rentals and concession operations, the Town supports the Legion's financial sustainability while offsetting the cost of managing the facility.

Overall, entering into this lease agreement with Royal Canadian Legion Branch 645 for Fernbrook Hall represents a prudent decision that not only meets the needs of the Legion but also benefits the community at large. It fosters collaboration between the Town and a valued community organization while maximizing the use of public facilities for the benefit of all residents.

Authored by:

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**Appendices:** Draft Lease Agreement between the Town and Royal Canadian Legion Branch 645