

## EXHIBITION PLACE

November 19, 2001

To: The Board of Governors of Exhibition Place

From: Dianne Young  
General Manager & CEO

Subject: Lease with Concordis for Stanley Barracks

### Recommendation(s):

**It is recommended that the Board enter into a lease with Concordis for one (1) year on the terms and conditions as contained in this report and any other terms and conditions as may be required by the City Solicitor.**

### Background:

By-Law No. 2 requires approval of the Board of any agreement over one (1) year.

### Discussion:

Concordis is a non-governmental, not-for-profit organization that works on international peace and conflict resolution. The mission of the organization is to bring people together from around the world to forge a mutual understanding that is the foundation of a sustainable and just peace. To meet this mission and goal, Concordis brings together expatriate communities resident in Canada and draws from opposite sides of foreign conflicts and brokers a collaborative dialogue between these communities to develop solutions to international hostilities. One of its most recent initiatives was a forum organized in Ottawa which brought together Arab-Canadian and Jewish-Canadian communities to work on the Israeli-Palestinian conflict. The intent of Concordis would be to locate its head office in Stanley Barracks and to also relocate its forums and seminars to Stanley Barracks which have the potential of bringing international attention to this organization and the Exhibition Place grounds.

Stanley Barracks has been unoccupied since the Marine Museum vacated the premises in 1998. While the Board has attempted to licence the building for catered events, the condition of the building, particularly the washroom facilities, has made it impossible to find licencees willing to pay even the minimal licence fee set for this building. The Board heats the building at minimal levels and performs required maintenance on an annual basis at a cost of approximately \$24,000.

Leasing Stanley Barracks to Concordis will have the benefits of (i) having the building occupied full-time; (ii) generating income to the Board of \$24,000 per annum; and (iii) benefiting the Board with respect to any leasehold improvements carried out by Concordis. At the same time, the lease terms as proposed allows the Board to maintain flexibility with respect to future use of Stanley Barracks as part of the hotel development project or any other long-term tenant.

Therefore, staff recommends that the Board enter into a one-year lease with Concordis on the following terms and conditions, and any other terms and conditions as may be required by the City Solicitor:

- (a) Use: Office space to be the head office of Concordis and its personnel and to carry on general office activities associated with a non-governmental organization whose purpose is to promote peace and international conflict resolution including the holding of public seminars, forums, meetings and conferences.
- (b) Premises: Permanent Premises to be located in five (5) offices (rooms) on the first floor of Stanley Barracks with exclusive use of the staff washroom facilities at the west end of the Barracks in the basement level; and Additional Premises for the use of seminars, forums and conferences in the additional eight (8) rooms located on the first floor of the Barracks and the washrooms located in the basement at the east end of the Barracks.
- (c) Leasable Area: Permanent Premises approximately 1,086 sf; Additional Premises approximately 3,170 sf.
- (d) Term: One year from Possession Date.
- (e) Right to Terminate: The Board has the right to terminate the Lease on ninety (90) days written notice any time after June 30, 2002.
- (f) Possession Date: January 1, 2002, and in no event later than January 31, 2002 with a pre-construction/construction commencing December 12, 2001 and to be completed on/before January 31, 2002.
- (g) Minimum Rent: \$1.00 per annum
- (h) Additional Rent: Concordis acknowledges that this agreement to lease is fully net to the Board, and that Concordis shall pay all taxes, and all rates and levies associated with its occupation of the premises including but not limited to services, maintenance, and insurance for the Premises but excluding the cost of utilities (hydro, gas, water) and base building maintenance which will be at the cost of the Board. Additional rent of \$24,000 per annum will be due and payable during the Term in monthly equal installments, but excluding the pre-construction/construction period.
- (i) Other: Concordis accepts the Premises on an "as is" basis, and all leasehold improvements shall be completed at Concordis' sole expense; Concordis recognize that from time to time Exhibition Place may be totally closed to the public on a temporary basis and/or admission fee may be charged to enter Exhibition Place; Concordis must recognize and comply with all collective agreements between the Board and Labour/Trade Unions; Concordis must execute a standard long form lease document prior to possession of the premises; Concordis acknowledges that the Board retains sole and exclusive claim to all sponsorship rights, including naming rights and signage; Concordis shall not use the Premises for any other purpose than as stated above nor for the following uses, as determined by the Board in its sole discretion: a themed dinner theatre, trade and consumer shows and any activity related to trade and consumer shows, professional sporting events and a casino.
- (j) Parking: Concordis acknowledges that the Board retains all rights to the parking facilities. The Board will provide up to a maximum of twelve (12) parking passes for Concordis' permanent full-time staff to access designated parking facilities at Exhibition Place which

shall be valid throughout the term of the Lease save and except for the period of the Molson INDY and the Canadian National Exhibition when parking passes may be restricted and/or a fee may be assessed.

- (k) World Youth Days: Concordis shall not have access to the Additional Premises during the period July 18, 2002 – July 30, 2002.
- (l) Sharing of Stanley Barracks: Concordis' rights with respect to the Premises may include entrances and hallways in common with all others.
- (m) Rights to Assign or Sublet: Concordis shall not have the right to assign the Lease or sublet all or any part of the Premises, without the approval of the Board, which approval may be unreasonably withheld.
- (n) First Rights of Refusal: In the event that the Board receives an expression of interest to permanently lease the second floor, or other areas of Stanley Barracks, for purposes other than a hotel development, it shall first grant Concordis a First Right of Refusal to lease this area for a Term coextensive to this present agreement.

Conclusion:

This report recommends that the Board enter into a one-year lease with Concordis on the terms and conditions as contained in this report, and any terms and conditions as may be required by the City Solicitor

Contact:

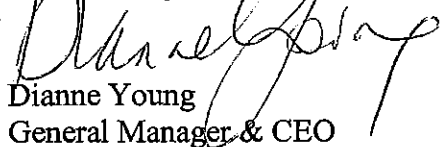
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Submitted by:

  
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