

Overview:

Staff have been approached by a local resident regarding the boat launch and the dock located adjacent to Warsaw United Church at 925 Water Street. This resident has placed an offer to purchase on the church. As part of the sale the resident would like to work with the Township to ensure that the public can still use the dock and the boat launch once the sale is complete

Conclusion:

The Church Board and the Township have operated on a hand shake deal for as long as anyone can remember to allow the public to use the area for access to the river. The Township build the existing dock and it is unclear who installed the existing boat ramp. The Township has completed occasional maintenance along with waste collection and providing a port-a-potty for public use at the site. The new owner would like to allow the public to continue to have access but they are rightfully concerned about liability and their ability to insure the property. In this regard they are requesting that the Township enter into a lease agreement with them for the lands and that the Township would cover the liability for the lands accessible to the public through the Township insurance policy.

Staff have reach out to our legal team regarding this prospective arrangement. In response our legal team are able to drafted a lease agreement that would protect the Township, allow the public to use the lands and provide liability coverage to the future owner. The future owner would like the Township to pay a lease fee to help offset the taxes that will be collected on the property once it is transfer out of the Church's name along with the higher than normal insurance costs that the owner will carry for the future because of the proposed public access. The future owner has suggested that the yearly lease cost be \$6000.00 a year for the first five years of the agreement. The lease will also need to address items such as first right of refusal should the future owner wish to sell the Township would have first right of refusal on the property. It would also outline timelines for renewal, maintenance expectations and a site plan of the exact lands in question.

Staff have also reach out to our insurance provider to inquire as to the possibility of adding the lands to our general liability policy. They state the following "There would be no additional premium for taking this on, the only impact would be if your loss ratio increases as this would impact your premiums in the future". As the Township would have a firm agreement with the future owner instead of the existing handshake deal, we would be able to add this property and it's infrastructure (the dock and boat launch) into our maintenance schedule and budget for ongoing operations. This would also assist the Township with liability issues as maintenance would be regular and deliberate instead of piecemeal as it is today.

Recommendation:

That the C.A.O.-2020-48 report, dated September 4, 2020 regarding the boat launch and dock adjacent to the Warsaw United Church be received and that Council provide direction to staff on whether to negotiate a lease agreement with the prospective purchaser and bring it back to Council for approval as soon the lease is ready.

Financial Impact:

There is the one-time cost of having the lease drafted at approximately \$1500.00 and it would also need to be registered on title which is approximately \$400.00. The ongoing cost should this agreement be put into place would be \$6000.00 a year in lease fees and the allocating of an annual budget for maintenance. The cost of the waste pick-up by staff and the port-a-potty are already part of the Township's operating budget.

Strategic Plan Applicability:

Sustainability Plan Applicability: