
HALDIMAND COUNTY

Report GVL-02-2021 Renewal of Lease Agreement with Haldimand Norfolk
Community Senior Support Services Inc.



For Consideration by Council in Committee on March 30, 2021

OBJECTIVE:

To renew a lease agreement between Haldimand County and Haldimand Norfolk Senior Support Services Inc. for use of a portion of Grandview Lodge.

RECOMMENDATIONS:

1. THAT Report GVL-02-2021 Renewal of Lease Agreement with Haldimand Norfolk Community Senior Support Services Inc. be received;
2. AND THAT the renewal of the lease agreement between Haldimand County and Haldimand Norfolk Community Senior Support Services Inc. for use of a portion of Grandview Lodge under the terms and conditions outlined in Report GVL-02-2021, be authorized;
3. AND that the rental rate for the lease shall be increased annually on the anniversary date, by the percentage change, year over year, during the preceding year as recorded in Statistics Canada Table 18-10-0004-13 Consumer Price Index for Ontario;
4. AND THAT the Mayor and Clerk be authorized to execute all necessary documents;
5. AND THAT a by-law be presented to authorize the lease.

Prepared by: Jennifer Jacob, Administrator, Grandview Lodge

Respectfully submitted: Cathy Case, General Manager of Corporate & Social Services

Approved: Craig Manley, MCIP, RPP, Chief Administrative Officer

EXECUTIVE SUMMARY:

Report GVL-02-2021 Renewal of Lease Agreement with Haldimand Norfolk Community Senior Support Services Inc. has been prepared to propose the renewal of a lease agreement for the use of space within Grandview Lodge by Haldimand Norfolk Community Senior Support Services Inc.

BACKGROUND:

In January 1989, the Ministry of Community and Social Services approved funding for an "umbrella" agency to plan, develop and coordinate the delivery of home support services for the frail elderly seniors in Haldimand and Norfolk. The strong origins of this organization were in the communities of Delhi, Simcoe, Caledonia and Dunnville. The Dunnville Day Away Program has been housed at Grandview Lodge for several years and is operated by Haldimand Norfolk Community Senior Support Services Inc. The lease agreement for this program is due for renewal. The Day Away Program, in addition to serving residents who live in the community, also provides some integrated activities with Grandview Lodge residents.

The Day Away Program also utilizes office space for their administration staff. Having Day Away staff located at the same venue as the program is a significant benefit to Senior Support Services and the program recipients. Some of the programs offered by the organization include: a meal delivery service, transportation, hospice and palliative care, safety at home and caregiver support, to name a few.

ANALYSIS:

The Day Away Program is seen as an essential program to provide services for people who reside in the community, especially those with Alzheimer's/Dementia. Having the program housed at Grandview Lodge is a benefit as it connects our home to the community, often providing an opportunity for connections with families and potential residents of Grandview Lodge.

The term of the agreement is recommended for five years commencing April 1, 2021 and terminating March 31, 2026 for an option to renew the lease for another five year term, under the same terms and conditions, with the exception of the price per square foot which would be re-negotiated at renewal. Termination clauses have been inserted into the lease agreement for both parties to allow opting out of the agreement at any time. The tenant or the landlord shall have the right to terminate this agreement with ninety (90) days written notice without cause. With respect to the leased premises and the tenant's use of common facilities, Commercial General Liability insurance requirements for public liability is requested at \$2,000,000. The Executive Director of the Haldimand County Day Away Program has reviewed and approved the draft lease agreement.

It is proposed that the operators of the Day Away program continue to occupy the space currently used, with total space being 2,195 square feet. The current annual rent received to rent the Day Away space is \$28,535, which represents 13.00/square foot.

At the onset of renewal negotiations with Haldimand Norfolk Senior Support Services Inc., \$14.00/square foot was viewed as a reasonable rate, taking into consideration current vacancy levels and the overall market conditions in the Dunnville area. The new rate equates to annual revenue in the amount of \$30,730. Staff believe these rates reasonably reflect the market value for this type of operation and service.

FINANCIAL/LEGAL IMPLICATIONS:

The proposed new lease agreement provides for a continuation of the existing space under the same terms and conditions as the previous lease, except for an annual lease fee of \$14.00/square foot and a shortened notice period for termination. The initial rate shall be adjusted annually on the anniversary date, by the percentage change, year over year, during the preceding year as recorded in Statistics Canada Table 18-10-0004-13 Consumer Price Index for Ontario. The proposed new lease agreement will be for a five-year term commencing April 1, 2021 to March 31, 2026 with an option to renew for an additional five years.

The lease agreement, provided as Attachment #1 to this report, is a standard lease document, which has been used by the County in other circumstances. Haldimand Norfolk Community Senior Support Services Inc. will be providing the County with a certificate of insurance outlining the required coverage.

STAKEHOLDER IMPACTS:

Not applicable.

REPORT IMPACTS:

Agreement: Yes

By-law: Yes

Budget Amendment: Yes

Policy: No

ATTACHMENTS:

1. Proposed Lease Agreement with Haldimand Norfolk Community Senior Support Services Inc.