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## **Township of Brock Interoffice Memorandum**

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To: Mayor and Member of Council  
From: Fernando Lamanna, Clerk/Deputy CAO  
Subject: Sale of Boathouses – 18 & 20 Harbour Park Cres.  
Date: Monday, September 26, 2022

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The purpose of this memorandum is to outline the process regarding the sale of two boathouses located within the Beaverton Harbour and the related lease agreements for each.

There are 16 boathouses within the Beaverton Harbour which are situated on Township owned lands and the building/structure is privately owned by individuals which results in the requirement to enter into a lease agreement between the Township and the boathouse owners.

These leases have existed for some time and most recently the leases were renewed as of August 1, 2014 for a 20-year period, ending August 1, 2034. During the term of the lease, boathouses have been sold which has triggered the need to have Council authorize a 'Lease Transfer Agreement' from the existing owners to the new buyers.

Staff were made aware of two Purchase and Sale Agreements for 18 Harbour Park Cres., (closing September 29, 2022) and for 20 Harbour Park Cres., (closing October 14, 2022). Given that the Council meeting on September 26<sup>th</sup> is the last meeting of this term of Council, the requirement to deal with both sales is needed to meet both closing dates.

Upon reviewing past practice, staff along with advice from Durham Region Legal, identified opportunity to update the language of the historic lease template to amend and add certain covenants to the lease in order to protect the interest of the municipality. Additionally, staff are recommending to forego the previous 'Lease Transfer Agreement' in favour of a Council resolution that authorizes the execution of a new lease agreement with the new buyers in order to ensure the new buyers are fully aware of the requirements of the lease.

The new lease agreement generally includes the following changes:

- Definitions are included to provide clearer interpretation.
- Use of the boathouse is limited to residential tenancy and restricts Short Term Rentals.
- Rent has not increased but has been updated in terms of the method of collecting outstanding arrears.
- Property tax has been added with clear direction as to payment responsibility and the method of collecting outstanding arrears.

- General insurance liability in the amount of \$5,000,000, coinsuring the municipality and ensuring continued coverage for the duration of the term, is a new requirement.
- Parking where applicable.
- 'Default of Lease' clause added.
- 'Successors and Assigns' clause added.

The new leases have been shared with legal counsel representing the sellers and buyers for both sales and are attached as Appendix "A" and Appendix "B" respectfully for Council's review.

In order to authorize the execution of each lease, staff are recommending the following resolutions:

For 18 Harbour Park Crescent:

**WHEREAS** the Corporation of the Township of Brock has entered into a Lease Agreement dated the 1<sup>st</sup> day of August 2014 with respect to the premises described as Lot 16, Plan 519, municipally known as 18 Harbour Park Cres., in the Township of Brock, in the Regional Municipality of Durham; and

**WHEREAS** the existing lease holder(s) (the sellers) Andrew Paul Thompson and Erika Gisela Thompson, have sold the building (boathouse) situated on the premises, and wishes to assign and transfer the Leasehold Agreement (effective September 29, 2022) to Richard Todd Egan (the buyer).

**NOW THEREFORE BE IT RESOLVED THAT** the Council of the Corporation of the Township of Brock hereby enacts as follows:

1. THAT Council acknowledges the Purchase and Sale Agreement between the sellers and buyer of the building located on the premises described as Lot 16, Plan 519, municipally known as 18 Harbour Park Cres., in the Township of Brock, in the Regional Municipality of Durham; and
2. THAT Council authorizes the Mayor and Clerk/Deputy CAO to enter into a new Leasehold Agreement with the buyer for the remainder of the Term, prior to the closing date (September 29, 2022); and
3. THAT the buyers register on title with the Land Registry Office the executed Leasehold Agreement, at their costs, providing the Township with a copy of the registration; and
4. THAT Council delegate to the Clerk/Deputy CAO the authority to affect any additional amendments, if and as required, prior to the closing date (September 29, 2022); and
5. THAT a fee of \$850+HST be required to affect the assignment and transfer of the said Lease and be paid prior to the execution of the Leasehold Agreement; and
6. THAT Council hereby releases (the sellers) Andrew Paul Thompson and Erika Gisela Thompson from any obligations or covenants as the parties to previous Leasehold

Agreement registered on title.

For 20 Harbour Park Crescent:

**WHEREAS** the Corporation of the Township of Brock has entered into a Lease Agreement dated the 1<sup>st</sup> day of August 2014 with respect to the premises described as Lot 15, Plan 519, municipally known as 20 Harbour Park Cres., in the Township of Brock, in the Regional Municipality of Durham; and

**WHEREAS** the existing lease holder(s) (the sellers) Jean-Francois Barclay and Samantha Barclay, have sold the building (boathouse) situated on the premises, and wishes to assign and transfer the Leasehold Agreement (effective October 14, 2022) to 2473924 Ontario Inc. (the buyer).

**NOW THEREFORE BE IT RESOLVED THAT** the Council of the Corporation of the Township of Brock hereby enacts as follows:

1. THAT Council acknowledges the Purchase and Sale Agreement between the sellers and buyer of the building located on the premises described as Lot 15, Plan 519, municipally known as 20 Harbour Park Cres., in the Township of Brock, in the Regional Municipality of Durham; and
2. THAT Council authorizes the Mayor and Clerk/Deputy CAO to enter into a new Leasehold Agreement with the buyer for the remainder of the Term, prior to the closing date (October 14, 2022); and
3. THAT the buyers register on title with the Land Registry Office the executed Leasehold Agreement, at their costs, providing the Township with a copy of the registration; and
4. THAT Council delegate to the Clerk/Deputy CAO the authority to affect any additional amendments, if and as required, prior to the closing date (October 14, 2022); and
5. THAT a fee of \$850+HST be required to affect the assignment and transfer of the said Lease and be paid prior to the execution of the Leasehold Agreement; and
6. THAT Council hereby releases (the sellers) Jean-Francois Barclay and Samantha Barclay from any obligations or covenants as the parties to previous Leasehold Agreement registered on title.