



City of
Peterborough

To: Members of the General Committee

**From: Cynthia Fletcher
Commissioner of Infrastructure and Planning Services**

Date: January 21, 2019

**Subject: Report IPSEC19-001
Authorization to Lease 140 Stewart Street as Staging Area for
the Bethune Street Project**

Purpose

A report to authorize the Mayor and Clerk to execute a lease with General Electric Canada Property Inc. for 140 Stewart Street which will be used as a staging area during the Bethune Street Project.

Recommendations

That Council approve the recommendations outlined in Report IPSEC19-001 dated January 21, 2019, of the Commissioner of Infrastructure and Planning Services, as follows:

- a) That the Mayor and Clerk be authorized to enter into a lease from General Electric Canada Property Inc. for 140 Stewart Street to the City of Peterborough on terms and conditions acceptable to the City Solicitor, and
- b) That the CAO and City Clerk be authorized to execute an Access Agreement from General Electric Canada Property Inc. for 140 Stewart Street to the City of Peterborough on terms and conditions acceptable to the City Solicitor.

Budget and Financial Implications

The lease rate is equal to the amount of the Property's municipal taxes which are approximately \$5,960 per year (2018). Preparation of the site will cost approximately

\$160,000. The lease costs and Property preparation costs can be accommodated within the approved budget for the Bethune Street Project.

Background

The Bethune Street Project is a flood mitigation project/storm-water diversion project designed to protect downtown Peterborough from the effects of a significant storm water event like the one the City experienced in 2004. The Bethune Street Project is a major, multi-year construction project of a magnitude that a long-term staging area is required to facilitate the efficient completion of the work.

As a staging area, 140 Stewart Street is vacant and is ideally located. In broad terms, General Electric Canada Property Inc. (GE) is willing to lease 140 Stewart Street (the "Property") to the City, subject to the City paving the Property and agreeing to indemnify GE for any contamination of the Property by the City. Paving the Property will help mitigate any risk of contamination to the Property. It will also make the Property more useable during periods of inclement weather. The City's consulting engineers have estimated the cost of paving the Property to be \$160,000.

The lease rate is equal to the amount of the Property's municipal taxes, which is currently \$5960/year. GE is prepared to lease the Property to the City for 2-½ years, with an option for the City to extend the lease if necessary. Before the City takes occupancy of 140 Stewart Street, the Access Agreement will permit the City to perform geo-physical sampling and geo-physical investigations to confirm the property's suitability for the City's intended purpose.

The City will offer 140 Stewart Street as a staging area when the second phase of the Bethune Street project is tendered. Before the property is paved, staff will know whether the City's general contractor wants to use the property as a staging area. If the general contractor does not want to use the property, the City can terminate its lease with GE on 30 days notice. If the successful contractor wishes to use 140 Stewart Street, a sub-lease will be entered into.

Submitted by,

Cynthia Fletcher
Commissioner of Infrastructure Services

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