

## **Memorandum of Understanding**

This Memorandum of Understanding (the “MOU”) made as of the 12<sup>th</sup> date of April, 2017 between:

The Corporation of the City of Peterborough (the “City”)

and

The Peterborough Agricultural Society (the “Society”)

### **1. Preamble**

The parties entered into an Interim Agreement, dated April 27, 2015 to replace the Transfer Agreement, dated August 15, 1983 which set out various rights and obligations of both parties with respect to the lands and buildings known as Morrow Park (the “Property”). Under the Interim Agreement, the parties agreed in principle to enter into a new agreement to govern their respective rights and obligations with respect to the Property in the future and agreed upon a process to negotiate the specific terms of that New Agreement.

This MOU summarizes the negotiated rights and obligations between the parties, that will be formalized into a legal agreement. In determining the rights and obligations of the parties, they have considered the intent of the Transfer Agreement; the Interim Agreement; the first phase of the Morrow Park Master Plan; the Agricultural Society’s Strategic Plan and future planning relating to the Memorial Centre and a Major Sport and Entertainment Facility and community recreation needs.

### **2. Multi-year Term**

The City will consider a term of up to seven years with intent to renew, pending a progress review of the Society’s Strategic Plan implementation and the City’s capital construction program by both parties in the sixth year of the agreement; with mutual escape clauses. If renewal is determined then the term will renew in perpetuity in five year increments. If the City wishes to terminate, without a renewal then the Society will receive a \$500,000.00 one-time payment to assist with relocation.

### **3. Annual Service Grant**

The City will provide an annual service grant of \$75,000.00, subject to receipt of financial statements prepared by an accountant and an annual meeting with City staff with inflationary increases which may be awarded by Council during the annual budget process, from time to time.

### **4. City Support of Annual Exhibition**

The City will maintain the current level of support to the annual exhibition (including five days before/ four days during/ two days after) until such time as two existing barns have been replaced and two new barns built including: free use of parking lots, Morrow and Gymnastics buildings and grounds; three tents encompassing approximately 14,000 square feet, portable grandstanding seating up to 1,000, portable washrooms and access to electrical service. This includes full use of the existing grounds unless a decision is made to construct a new Major Sport and Entertainment facility on the eastern half of the grounds, in which case the Society's use will be restricted to the western half of the grounds.

If it is decided that the new facility be located outside of Morrow Park, the Society shall retain the full use of the existing grounds for its activities as contemplated in this agreement. Should the City contemplate any new parks or recreation facility development in this area, then the development should be negotiated to the mutual benefit and agreement of both parties.

### **5. City Support of new Society Events**

The City will provide free use of the Morrow Building solely for use of the Society and subject to City policies, for up to two additional livestock related events of up to seven days duration annually, during the period May 1<sup>st</sup> to October 31<sup>st</sup>; free use of the Morrow Building for up to six single day events; and free use of the grounds and parking lots in support of additional events related to achieving the Society's strategic objectives as outlined in its Strategic Plan, pending availability of space.

The Society cannot sublet these uses. The Society cannot offer the use of the facilities and/or grounds for an event organized by a third party regardless of whether or not the Society receives money or services in exchange. For greater certainty, this will not prohibit the Society from collaborating or partnering with other agriculture organizations, independent of who is perceived as the primary event operator.

With a minimum of six months notice, and pending the availability of space (considering use of the grounds/ playing fields, parking, Farmer's Market, and potentially conflicting events in the Memorial Centre, the Morrow Building, or the Bicentennial Building/ Gymnastics Club) the City will not unreasonably withhold the Society's opportunity for

free use of the grounds for additional one or two day events, as contemplated in the Society's Strategic Plan.

## **6. Society Use of the Peterborough Memorial Centre**

The City will provide up to four nights and up to four and a half days (from noon Wednesday to midnight Sunday) for entertainment and/or trade show during the Ex. It will waive rental fees but not standard operating fees; and is willing to consider co-production of one entertainment event. Standard operating fees are listed in Schedule A and are subject to change annually with sixty (60) days notice.

## **7. Insurance Requirements**

The Society will secure Insurance Certificates as required by the City no later than 25 business days before the annual Exhibition or other special events as contemplated above.

## **8. Replacement/ New Barns**

After providing notice to the Society, the City will invite the Society to participate in the City's consultations with its architect in the fall of 2017 in the development of an overall conceptual design to replace the two existing horse barns, to construct two new barns in the same alignment as identified in the Morrow Park Master Plan, and to place a new track/sand ring in front of the new/ replacement barns, with the final size, location, and orientation to be negotiated. The construction of these contemplated changes will be phased in over the length of the term, pending available funding.

The proposed buildings would be of similar footprint, concrete slab on grade, with appropriate overhead doors to accommodate both programming and storage needs. One or more of the buildings may be designed to include a second floor to accommodate a broader range of storage options and perhaps external seating.

As the first phase, the City proposes to design and construct a new building east of the existing horse barns. The City will use 50% of the space for its storage needs but will make the space available to the Society during the annual Exhibition. The remaining space will include a minimum of 1,000 sq feet of new office space for the Society replacing the existing office building (which would be demolished), public washrooms to support outdoor events, and program or storage space as may be mutually determined.

The City will develop a comprehensive capital construction plan over the term of the agreement to build the facilities, with the majority of the funding from the City. The Society would be expected to also contribute financially through fund-raising,

sponsorships and grants. The City will issue income tax receipts and also help identify/secure sponsorship and grant opportunities.

The Society will, subject to an agreement, have exclusive use of three of the new City-owned buildings rent-free, but shall be responsible for utilities. The Society may use its building for storage or for events as per the terms and conditions outlined in Article 5. It may also rent the buildings or portions thereof to third parties for storage purposes, subject to City policies and practices, including but not limited to providing proof of adequate insurance. The City will have use of one of the buildings for storage but will vacate during the times needed for the Ex and other Society organized special events as outlined above, pending availability. The City will be responsible for maintenance and snow removal for all proposed buildings.

The City will construct at its expense a replacement track/ sand ring in front of the new/ replacement barns, with the final size, location and orientation to be negotiated. In consultation with the Society, it will be designed to meet program needs for non-motorized events such as livestock displays and other agricultural events as per above.

The City will work with the Society to design and install an appropriate vehicle to celebrate the Exhibition/ agricultural heritage activities in Morrow Park such as a commemorative monument, decorative garden, public art installation, or interpretive panels. This installation shall be completed within the initial term of this agreement, subject to available funding.

#### **9. Future of the Memorial Centre, Morrow Building, and Bicentennial/ Gymnastics Building**

The proposed Major Sport/ Entertainment Facility Study (the “Study”) will also be used to determine the fate of the Memorial Centre building once the new facility is operating. All options, such as continued operations, adaptive re-use, de-commissioning and demolition will be considered. The Society will be invited to participate in these deliberations.

The City does not contemplate significant changes to the footprint, condition, or use of the Morrow Building or the Bicentennial/ Gymnastics building during the initial term of this agreement. If the tenants or existing use changes, the Society will be advised accordingly. The City will continue to honour its commitment as outlined above, to ensure that the buildings remain available for Society use during the annual Exhibition.

#### **10. Morrow Park Master Plan**

The City will not proceed with the implementation of the Morrow Park Master Plan until the Study is completed. The Study, which the City intends to initiate in mid 2017 and to

complete in early 2018 will assess the need and preferred location for a Major Sport / Entertainment facility, as well as the future of the Peterborough Memorial Centre.

After the Study is adopted and decisions/ timeline established regarding the future of the Memorial Centre and the location of a Major Sport/ Entertainment Facility, the City will proceed, as funds and priorities permit, with construction of Phase One of the Morrow Park Master Plan including: the construction of a modest parking lot inside the park along Park Street; installation of treed berm and walking/ running trails along perimeter of property along Park and George Streets, west of arena parking lots on the west side of Roger Nielsen Way, and along the south boundary of the property, behind the proposed replacement and new barns. The City will relocate the existing ball diamonds as construction of existing/ new buildings and track as required.

## **11. Perimeter Fencing**

The City will not remove the perimeter fencing along the west and north sides of the park until after a comprehensive Major Sport/ Entertainment Facility Study is adopted and decisions/ timeline established regarding the future of the Memorial Centre and the Major Sport and Entertainment Facility.

The detailed design of Phase One of the Morrow Park Master Plan as outlined above should consider moving the current perimeter fence from the park boundaries to the inside of the proposed perimeter berm and track areas.

During the Ex and other special events where required, the City will provide at its cost any temporary event fencing required to replace any existing permanent fencing that has been removed in order to ensure that admission to the entire Exhibition area can be access controlled.

## **12. Farmer's Market**

The City intends to maintain the Farmer's Market as a tenant year round in both the Memorial Centre lot and the Morrow building, with all rent monies paid to the City.

## **13. On-going Communication and Consultation**

Both parties agree to meet at least four times per year to discuss plans, policies, and developments affecting the Exhibition, other Society events, City or third party events approved by the City, the Morrow building, the Memorial Centre, and/or Morrow Park.

The City shall assign a staff representative from the Arenas Division as a City Liaison to attend Agricultural Society Board meetings in a non-voting capacity.

**14. Grant Writing**

The City will assist the Society with the writing of Agriculture related grants.

**15. Force and Effect**

This MOU is not legally or contractually binding upon the parties, nor does it confer a contractual obligation to perform on the parties. Neither party shall be subject to any legal liability arising from non-performance under this MOU.

The parties, acting in good faith, agree that applicable legal agreements will be entered into that will formalize the terms set out in this MOU.

**In Witness Whereof** the parties have executed this Memorandum of Understanding

Signed, Sealed and Delivered in the presence of

The Corporation of the City of Peterborough

\_\_\_\_\_  
Chief Administrative Officer

\_\_\_\_\_  
Clerk

The Peterborough Agricultural Society

Per:\_\_\_\_\_

Per:\_\_\_\_\_