

# Memo



**Date:** March 10, 2010  
**File:** 0870-20  
**To:** City Manager  
**From:** Manager, Property Management  
**Subject:** Okanagan Gymnastics Club Lease Amendment

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## **Recommendation:**

THAT City Council approves an amendment to the Okanagan Gymnastics Club Lease as per the attached terms and conditions;

AND THAT all additional rent be used to pay the Municipal Finance Authority Loan Issue #102 authorized by Bylaw No. 9663;

AND FURTHER THAT the Mayor and City Clerk be authorized to sign the lease based on the attached terms.

## **Background:**

The Okanagan Gymnastics Club approached the City for a loan to fund the construction of an addition onto the Gymnastics Club located at 375 Hartman Road. The addition would allow the club to grow and provide additional revenue which would then be put towards paying off the loan. Council approved the request and the loan was funded through borrowing from the Municipal Finance Authority in the amount of \$800,000. The addition has been completed and is operational.

The attached lease amendment changes the term to December 31, 2027, and amends the lease payments as reflected in Appendix 2 which will fully pay off this loan by this date.

## **Internal Circulation:**

Director, Financial Services

## **Considerations not applicable to this report:**

Financial/Budgetary Considerations:  
Legal/Statutory Procedural Requirements:  
Legal/Statutory Authority:  
Existing Policy:  
Personnel Implications:  
Technical Requirements:  
External Agency/Public Comments:  
Communications Considerations:

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In light of the above, the Real Estate & Building Services department requests Council's support of this matter.

Submitted by:

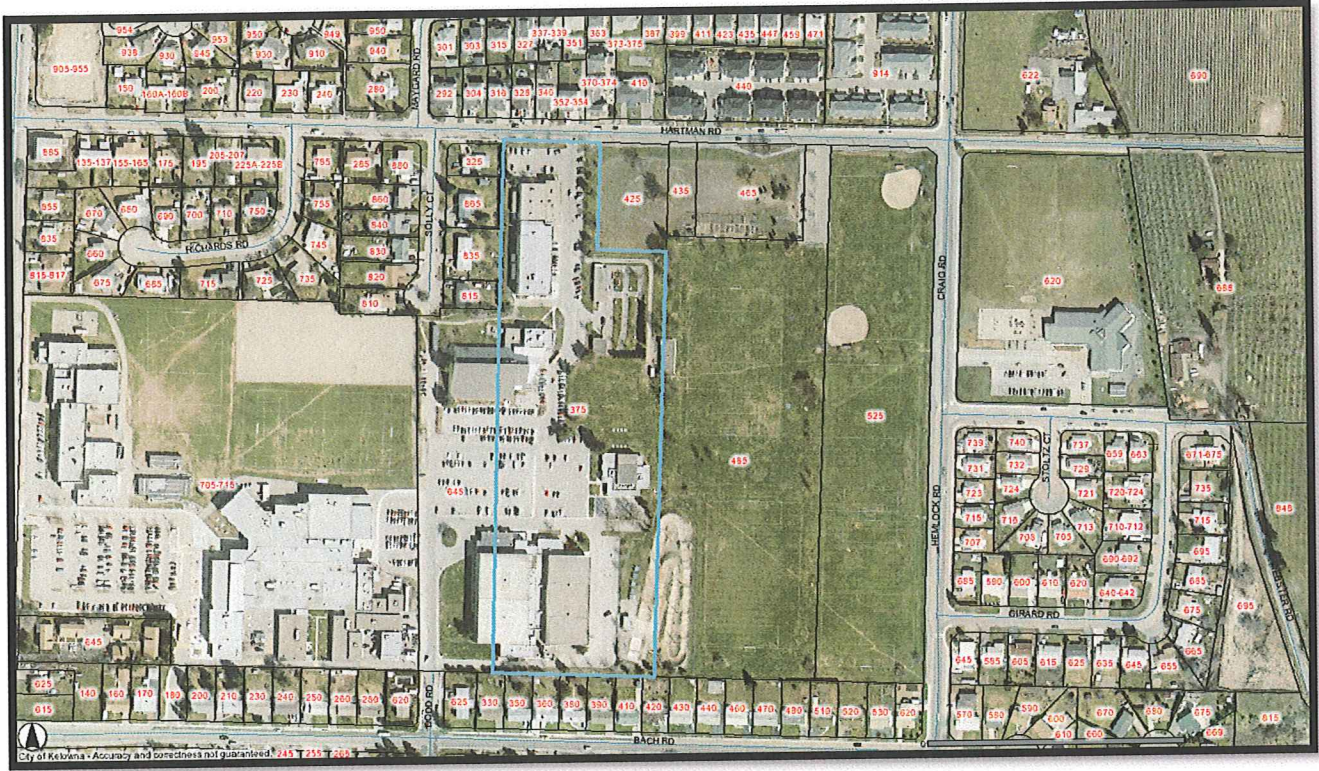
*Ron Forbes*

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Ron Forbes  
Manager, Property Management

Approved for inclusion:



Doug Gilchrist, Director, Real Estate & Building Services



DOCUMENT APPROVAL			
Facility Lease – Amendment			
Cir.	Dept.	Date	Int.
✓	R,P & CS	2014/05/16	RZ
	Risk Mgmt.		
	City Clerk		

BETWEEN:

The City of Kelowna, a municipal corporation having  
 Offices at 1435 Water Street, Kelowna, B.C. V1Y 1J4

(the "Landlord")

OF THE FIRST PART

personal

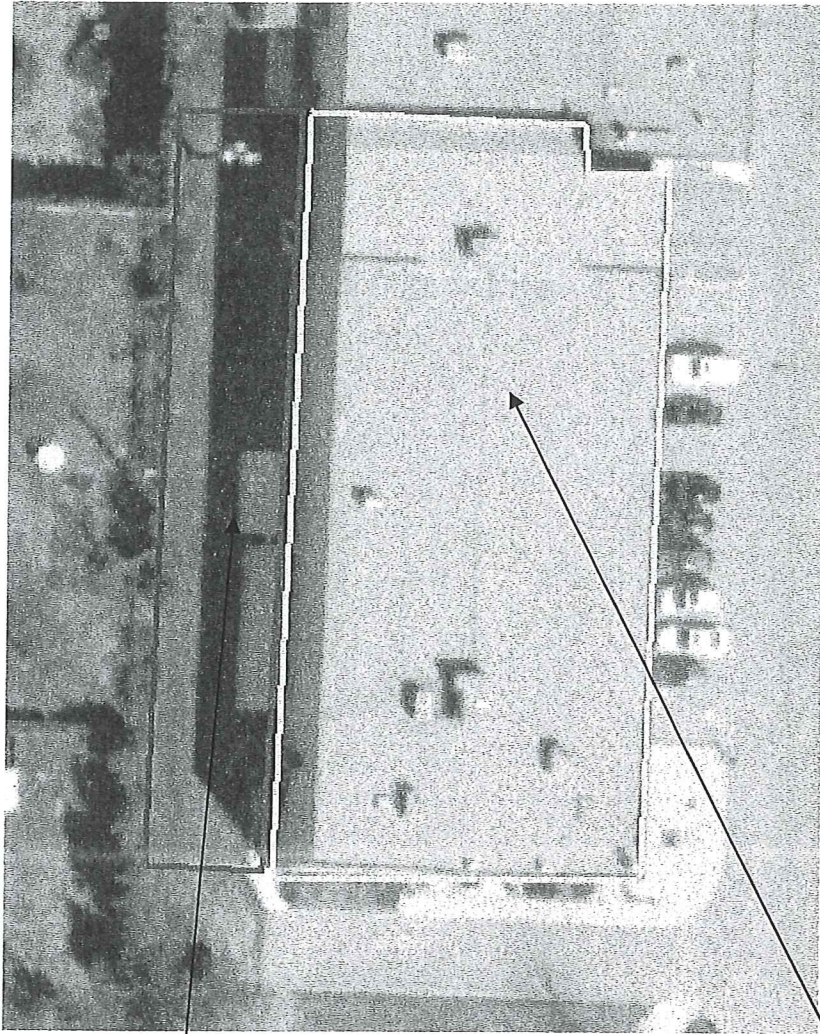
AND: Okanagan Gymnastics Centre  
 (formerly known as the Okanagan Kokanees Gymnastics Club)  
 375 Hartman Road  
 Kelowna BC, V1X 2M9

(the "Tenant")

OF THE SECOND PART



PLAN OF THE LEASED PREMISE [AND LICENSE AREA]



Licensed Area

Premises

## APPENDIX 2

Year	Original Lease	Additional Payments Due to Amended Lease	Reserve Funding	Total Annual Payments	Total Monthly Payments
2010	47,695.32	70,920.60	4,200.00	122,815.92	10,234.66
2011	47,695.32	70,920.60	4,200.00	122,815.92	10,234.66
2012	47,695.32	70,920.60	4,200.00	122,815.92	10,234.66
2013	47,695.32	70,920.60	4,200.00	122,815.92	10,234.66
2014	47,695.32	70,920.60	4,200.00	122,815.92	10,234.66
2015	47,695.32	70,920.60	4,200.00	122,815.92	10,234.66
2016	47,695.32	70,920.60	4,200.00	122,815.92	10,234.66
2017	47,695.32	70,920.60	4,200.00	122,815.92	10,234.66
2018	47,695.32	70,920.60	4,200.00	122,815.92	10,234.66
2019	47,695.32	70,920.60	4,200.00	122,815.92	10,234.66
2020	47,695.32	70,920.60	4,200.00	122,815.92	10,234.66
2021	47,695.32	70,920.60	4,200.00	122,815.92	10,234.66
2022		70,920.60	4,200.00	75,120.60	6,260.05
2023		70,920.60	4,200.00	75,120.60	6,260.05
2024		70,920.60	4,200.00	75,120.60	6,260.05
2025		70,920.60	4,200.00	75,120.60	6,260.05
2026		70,920.60	4,200.00	75,120.60	6,260.05
2027		70,920.60	4,200.00	75,120.60	6,260.05

(a) Annual Base Rent

Annual Base Rent in the amount per annum set out in Appendix 2 for each respective Lease Year.

The foregoing Basic Terms are approved by the parties. Each reference in this Lease to any of the Basic Terms shall be construed to include the provisions set forth above as well as all of the additional terms and conditions of the applicable sections of this Lease where such Basic Terms are more fully set forth.

Appendix

All Appendices to this Lease amendment are incorporated into and form an integral part of this Lease and are as follows:

APPENDIX	SUBJECT
1	Site Plan of the Premises and License Area
2	Annual Base Rent

IN WITNESS WHEREOF the parties have executed this Lease.

SIGNED, SEALED AND DELIVERED by the Landlord in the presence of:

The City of Kelowna, by its Authorized Signatories: )  
 )  
 )  
 \_\_\_\_\_ )  
 Mayor )  
 )  
 \_\_\_\_\_ )  
 City Clerk )  
 )

\_\_\_\_\_  
 Witness  
 \_\_\_\_\_  
 Address  
 \_\_\_\_\_  
 Occupation

Okanagan Gymnastics Centre, by its Authorized Signatories: )  
 )  
 )  
*R. Chapman* )  
 \_\_\_\_\_ )  
 )  
 \_\_\_\_\_ )  
 )  
 )

*Anita Ott* )  
 \_\_\_\_\_ )  
 Witness )  
 )  
*1192 Sanborn Court* )  
 \_\_\_\_\_ )  
 Address )  
 )  
*Manager of OGC* )  
 \_\_\_\_\_ )  
 Occupation )