



Corporation of the Municipality of Temagami

Memo No.
2023-M-268

Memorandum to Council

Subject:	Temagami Train Station Lease Agreement
Agenda Date:	December 14, 2023
Attachments:	Lease Agreements / survey results

RECOMMENDATION

BE IT RESOLVED THAT Council receive Memo 2023-M-268 regarding the Temagami Train Station Lease Agreements.

AND FURTHER THAT Council approve the request to maintain the rental rates at \$500 and renew the lease agreements for 1 year, ending in December of 2024, at which point the rates and agreements will be reviewed further.

INFORMATION

In 2013 the Municipality resumed control of the Temagami Train Station and the question was raised whether or not to list the Train Station building for sale or what it should be used for.

On August 6, 2015 Council passed resolution 15-427 committing to a public consultation process for the future of the Temagami Train Station. A community survey was completed from which it was determined that the majority of the residents did not want the building to be sold, however they did not want to be responsible for covering the costs of the building. (survey results attached for reference)

In February of 2017 staff were directed to seek expressions of interest for business development in the Temagami Train Station. There were four expressions of interest received. 1. Art Gallery from Temagami Artistic Collective. 2. A request from a realtor to marketing the space in Southern Ontario. 3. A request from a private artist for sculpture displays 4. A request from the chamber of commerce. Shortly after another expression from Living Temagami was received.

Council, at their meeting held on April 6, 2017, considered and passed Resolution 17-239, which established the rent for the Train Station at \$1,600 per month plus utilities.

On June 27, 2017, Council considered and passed Resolution 17-439, supporting in principle, Living Temagami in the North end of the building and the Information Centre/Chamber of commerce in the south end of the station, based on a short-term temporary lease. Resolution 17-239, setting the rental rate at \$1,600, was rescinded and the rental fees were significantly discounted for a trial period.

On December 1, 2018 a three-year lease was executed with both the Temagami Chamber of Commerce and Living Temagami. The rental rate was set at \$500.00 per month (inclusive of utility costs) for each organization. Resulting in \$12,000 per year. Throughout COVID rent relief was provided to the organizations at times, as requested and as approved by Council.

In December of 2021 (lease agreement expiry) Council passed a resolution to extend each lease for a period of two additional years, expiring in December of 2023.

It is also important to note that, as announced by the Ontario Northland Railway (ONR), the passenger train will be coming back to Northern Ontario. With this, it has been determined that Temagami will be one of the stops along route and the ONR has expressed an interest in the Temagami Train Station as one of their terminals.

After a few discussions with the ONR, we have learned that they are proposing to construct an enclosure beside the Temagami Train Station for waiting passengers and are not anticipating a need to use the Interior of the Station.

The utility and other operational/maintenance costs over the years have totaled the amounts below. Please keep in mind that this does not encompass labour costs that have been required by the Public Works Department and this does not segregate the maintenance costs, which are a responsibility of the Municipality as noted in the respective agreements.

- 2022 - \$17,945.79
- 2021 - \$11,317.77
- 2022 - \$12369.79

The additional costs in 2022 are due to a significant increase in the natural gas bill, which are currently being investigated.

Staff have recently had discussion with both the Temagami Chamber of Commerce and Living Temagami about how a potential increase in rental costs may affect them.

Both organizations stated that they were not in a financial position to take on additional costs and requested that the rates remain the same in previous years.

The Chamber of Commerce noted that they not only operate the Chamber of Commerce, but also the Temagami Information Centre (which has typically been a Municipal initiative). In the past the Chamber of Commerce received rent relief or significantly reduced rental rates in exchange of operating the Tourist information Centre.

Living Temagami noted that they provide an integral part of the Quality of Life in the Community. They provide a multitude of no cost programs to the public and enhance our community in many ways that the municipality does not have the capacity to provide.

Respectfully Submitted:
Sabrina Pandolfo
Deputy Treasurer