



Corporation of the Municipality of Temagami

Memo No.
2024-M-076

Memorandum to Council

Subject:	Temagami Train Station Lease
Agenda Date:	April 11, 2024
Attachments:	General Ledger Report 2020 to 2023

RECOMMENDATION

BE IT RESOLVED THAT Council of the Municipality of Temagami receives memo 2024-M-076;

AND FURTHER THAT Council direct staff to plan negotiations with the organizations in May to draft a revised lease agreement for Councils consideration in June.

INFORMATION

In light of the upcoming expiration of the lease agreements with the Temagami Chamber of Commerce and Living Temagami, it is imperative to address the matter of continued operation of these organizations within the Temagami Train Station. This report outlines the background, financial considerations, and proposed action regarding the lease agreements.

Since the Municipality resumed control of the Temagami Train Station in 2013, various options for its use have been explored. Following a public consultation process in 2015, it was determined that the building should not be sold, but residents were unwilling to bear the financial burden associated with its maintenance. Subsequently, expressions of interest for business development were sought, leading to the establishment of short-term lease agreements with the Temagami Chamber of Commerce and Living Temagami in 2017.

In December 2018, three-year lease agreements were executed with both organizations, setting the rental rate at \$500.00 per month, inclusive of utility costs. Throughout the COVID-19 pandemic, rent relief was provided as requested and approved by Council. As of the lease expiry in December 2021, Council resolved to extend the agreements for two additional years, expiring in December 2023.

Recent discussions with the Ontario Northland Railway (ONR) revealed plans to construct a passenger enclosure beside the Temagami Train Station, indicating no immediate need for the interior space. However, utility and operational costs associated with the station have remained the responsibility of the Municipality.

Given the financial constraints faced by both the Temagami Chamber of Commerce and Living Temagami, an increase in rental costs would pose a significant challenge to their operations. Both organizations have expressed their inability to absorb additional expenses.

Therefore, I propose that the Municipality of Temagami extend the current lease agreements with the Temagami Chamber of Commerce and Living Temagami until the beginning of June 2024, maintaining the rental rate at \$500.00 per month, inclusive of utility costs. This extension will allow Living Temagami's new board members adequate time to acclimate to their positions and ensure a seamless transition. Additionally, it will provide both organizations and the Municipal staff with an opportunity to reassess their financial capabilities and explore potential adjustments to the agreements in a collaborative manner.

Respectfully Submitted
Sabrina Pandolfo