

Report To: COW- Admin, Corp and Finance, SI, Comm. Services

Meeting Date: April 7, 2025 Report Number: CS.25.012

Title: Thornbury Harbour Lease Agreement Extension **Prepared by:** Ryan Gibbons, Director of Community Services

A. Recommendations

THAT Council receive Staff Report CS.25.012, entitled "Thornbury Harbour Lease Agreement Extension";

AND THAT Council authorize the Mayor and Clerk to execute agreement #OP-4844-H-2507 with His Majesty the King, in right of Canada, represented by the Minister of Fisheries and Oceans.

B. Overview

The Thornbury Municipal Harbour is owned by the DFO (Department of Fisheries and Oceans Canada, Small Craft Harbours Branch) and is managed by The Town of The Blue Mountains through a standard lease agreement for terms of 5 years. This report is requesting execution of the lease agreement to continue management operations.

C. Background

The former Town of Thornbury secured a renewable lease with the Federal Government in July of 1985 to operate the Thornbury Municipal Harbour as a recreational harbour. The lease requires the Town to pay \$500.00 (five hundred dollars) per annum plus tax or 20% gross revenue plus tax, whichever amount is greater.

The current Harbour Management Agreement is based on a five (5) year term that expires July 12, 2025.

The Small Craft Harbours program has 126 recreational harbours across Canada and 88 in Ontario. The Thornbury Municipal Harbour operates within the terms of the lease agreement and the Small Craft Harbours program as a user fee program and local economic contributor.

D. Analysis

Executing the agreement will allow the municipality to continue management of the Thornbury Harbour through July 11, 2030.

If the agreement is not executed, management operations may continue as described in the previous agreement.

E. Strategic Priorities

1. Communication and Engagement

We will enhance communications and engagement between Town Staff, Town residents and stakeholders

2. Organizational Excellence

We will continually seek out ways to improve the internal organization of Town Staff and the management of Town assets.

3. Community

We will protect and enhance the community feel and the character of the Town, while ensuring the responsible use of resources and restoration of nature.

4. Quality of Life

We will foster a high quality of life for full-time and part-time residents of all ages and stages, while welcoming visitors.

F. Environmental Impacts

Although this report doesn't reflect any direct environmental impacts, harbours provide benefit to the environment by focusing vessels in one area that can be controlled through licenses or agreements, reducing the need for shoreline docks, lifts or protection for those devices. It also allows control over fueling by providing trained staff which reduces and manage spills through policy and training.

The Town is a member of Boating Ontario and voluntarily participates in the Clean Marine program. In 2023 the Town achieved the highest rating possible in this program, Diamond Elite status.

G. Financial Impacts

The Harbour operates as a user fee program and does not impact taxation. Positive impacts on local businesses are provided by both seasonal slip holders as well as transient customers. More details on this impact will be brought forward through the harbour business plan update this year.

2022 Lease Payment - \$94,067

2023 Lease Payment - \$99,945

2024 Lease Payment - \$103,315

H. In Consultation With

Monica Quinlan, Director of Corporate and Financial Services

I. Public Engagement

The topic of this Staff Report has not been the subject of a Public Meeting and/or a Public Information Centre as neither a Public Meeting nor a Public Information Centre are required. However, any comments regarding this report should be submitted to Ryan Gibbons, Director of Community Services <u>directorcs@thebluemountains.ca</u>.

J. Attached

1. 2025 – 2030 Lease Agreement

Respectfully submitted,

Ryan Gibbons
Director of Community Services

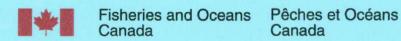
For more information, please contact: Ryan Gibbons, Director of Community Services <u>directorcs@thebluemountains.ca</u> 519-599-3131 extension 281

Report Approval Details

Document Title:	CS.25.012 Thornbury Harbour Lease Agreement Extension.docx	
Attachments:	- Att-1-2025-2030-Lease-Agreement.pdf	
Final Approval Date:	Mar 28, 2025	

This report and all of its attachments were approved and signed as outlined below:

Ryan Gibbons - Mar 28, 2025 - 2:50 PM



Canada



OP-4844-H-2507

LEASE BAIL

SMALL CRAFT HARBOURS BRANCH AND

DIRECTION DES PORTS POUR PETITS BATEAUX

THE CORPORATION OF THE TOWN OF THE BLUE MOUNTAINS

Autorisation	
DATE OF DOCUMENT Document datê du	January 3, 2025
BEGINNING OF TERM La période de location commence	e le _July 12, 2025
END OF TERM La période de location se termino	ele _July 11, 2030
RENT PAYABLE Loyer payable \$500.00 ((FIVE HUNDRED DOLLARS) PLUS TAXES PER ANNUM OR 20% OF
GROSS I	REVENUE PLUS TAXES
the waters of Nottawasaga B	ALL AND SINGULAR that certain parcels or tract of land and land covered by ay of Georgian Bay in the Town of Thornbury now the Town of the Blue
Mountains, County of Grey, located thereon;	Province of Ontario, TOGETHER WITH the Government marine facilities
Secondly: ALL AND SING Nottawasaga Bay of Georgia	ULAR those certain parcels or tracts of land and land covered by Water in Bay in the Town of Thornbury now the Town of the Blue Mountains,
	Ontario, designated as Parts 1 and 2 on Plan 16R-3490 and Parts 1 and 2 on R WITH the Government Breakwater located thereon.
	The continue of the continue o
FILE No. No de dossier 5882 Thorn	bury

THIS AGREEMENT made this 3rd day of January, 2025;

BETWEEN -

HIS MAJESTY THE KING, in right of Canada, represented herein by the Minister of Fisheries and Oceans (hereinafter called "the Minister")

OF THE FIRST PART;

-and-

THE CORPORATION OF THE TOWN OF THE BLUE MOUNTAINS, incorporated as a corporation under the laws of the Province of Ontario (hereinafter called "the Lessee")

OF THE SECOND PART;

WITNESSETH that the Minister, in consideration of the rents, covenants, provisos, and conditions hereinafter contained, hereby leases unto the Lessee:-

Description

Firstly: ALL AND SINGULAR those certain parcels or tracts of land and land covered by water in Nottawasaga Bay of Georgian Bay, being Lot 1, Registered Plan No. 465, Lot 92 and Part of Lot 93, Registrar's Compiled Plan No. 1023, and being Part of the Bed of Georgian Bay in Front of Lot 1, Registered Plan No. 465 and Lot 93, Registrar's Compiled Plan No. 1023, in the Town of Thornbury, now Town of the Blue Mountains, County of Grey and Province of Ontario, comprising a total area of Five and seventy-two one-hundredths (5.72) hectares, more or less, **TOGETHER WITH** the Government marine facilities located thereon (hereinafter referred to as "the said premises"), being more particularly shown outlined in red on the Plan hereto annexed and designated Schedule "A";

Secondly: ALL AND SINGULAR those certain parcels or tracts of land covered by water, more particularly described as Parts of Water Lots in Nottawasaga Bay of Georgian Bay, in Front of Block Letter A on the Margin of Georgian Bay and in front of the Mill Reserve lying between Georgian Bay and Mill Site Block patented to the Hon. W.B. Robinson, Town of Thornbury, now Town of the Blue Mountains, County of Grey, Province of Ontario, designated as Parts 1 and 2 on Plan 16R-3490, also the water lots in front of Bruce Street and Elma Street, being Location DT177, Townplot of Thornbury, now Town of the Blue Mountains, Geographic Township of Collingwood, County of Grey, Province of Ontario, designated as Parts 1 and 2 on Plan 16R-3697, TOGETHER WITH the Government Breakwater located thereon (hereinafter referred to as "the said premises"), being more particularly shown outlined in red on Plan 16R-3697 hereto annexed and designated Schedule "B";

Habendum

TO HAVE TO HOLD the said premises unto the Lessee for a term of five (5) years from and including July 12, 2025 to July 11, 2030 and then fully to be complete and ended.

Reddendum

YIELDING AND PAYING therefor, during the currency of this Agreement, unto the Minister, to the Receiver General for Canada, in lawful money of Canada the following rent or sum, namely:-

- (a) FIVE HUNDRED DOLLARS (\$500.00) PLUS TAXES per annum, payable each year in advance, or
- (b) TWENTY PER CENT (20%) PLUS TAXES of all gross revenue derived by the Lessee from the management and operation of the said premises, whichever is the greater amount, and the difference between the \$500.00 paid in advance and 20% gross revenue is payable within sixty days of the end of each agreement-year.

Interpretation

IN THIS AGREEMENT;

- (i) "Minister" means the Minister of Fisheries and Oceans and any person he has delegated to act on his behalf.
- (ii) "Regional Director" means the Regional Director of Small Craft Harbours Branch of the Department of Fisheries and Oceans and any person he has delegated to act on his behalf.

It is agreed by and between the said parties hereto that these Presents are made and executed upon and subject to the covenants, provisos, conditions and reservations hereinafter set forth and contained, namely:

Purpose

- 1. a) The Lessee shall use and occupy the said premises and carry out the management and operation of the said premises in accordance with the Fishing and Recreational Harbours Act and the Fishing and Recreational Harbours Regulations as amended from time to time, or any other applicable act or regulations enacted or made during the currency of this Agreement.
- b) Nothing in Clause No. 1a) hereof, shall relieve the Minister from discharging any of his duties under the said Fishing and Recreational Harbours Act and the said Fishing and Recreational Harbours Regulations.
- c) That the Minister shall supply to the Lessee, one copy of the said Act and Regulations, as amended from time to time.

To Pay Rent

2. That the Lessee will pay all annual rental fees herein reserved at the time and in the manner in these Presents set forth, without any abatement or deduction whatever.

Taxes

3. That the Lessee will pay or cause to be paid all rates, taxes and assessments, of whatsoever description, that may at any time during the existence of these Presents be imposed, or become due and payable upon, or in respect of the said premises.

Compliance with Law

4. The Lessee shall in all respects abide by and comply with all rules, regulations and by-laws of municipalities and other governing bodies, in any manner affecting the said premises.

Public Use

5. Subject to Clause No. 19 hereof, the Lessee shall not interfere with the public use of the said premises during the currency of this Agreement; it being expressly understood and agreed, however, that the Lessee may refuse the use of the said premises to any vessel on which tolls and dues are outstanding and the Lessee may take all lawful action through Small Debts Court or otherwise to obtain payment of outstanding or overdue accounts.

Access

- **6.** a) That the Minister, his servants or agents shall, at all times and for the purpose of inspecting the said premises, have full and free access to any and every part of the said premises.
- b) The Minister shall, upon reasonable notice to the Lessee, except in the case of emergency, have full and free access to the said premises for the purposes of repairing and maintaining the said premises.

Assignment

7. That the Lessee shall not make any assignment of these Presents, nor any transfer or sub-lease of any of the premises, rights or privileges demised or leased hereunder, without obtaining the prior consent in writing of the Minister to such assignment, transfer or sub-lease. The Lessee shall pay to the Minister a reasonable charge for the preparation of any consent thereto expressed in writing, and shall be responsible for any costs incurred by the Minister in addressing the request for consent, provided that such costs are reasonable.

Repair and Maintenance

8. That the Lessee shall not, during the currency of this Agreement, do, suffer or permit to be done any act or thing which may impair, damage or injure the said premises beyond the damage occasioned by reasonable use, and shall inspect, maintain, and effect minor repairs of the said premises which may at any time become damaged, whether due to the negligence of the Lessee or otherwise. Nothing in this provision shall obligate the Lessee to be responsible to effect repairs of any major or structural kind but, in the event that such repairs are needed, it shall be the responsibility of the Lessee to provide notice to the Minister of the need for major or structural repairs, and to take whatever steps are appropriate to deal with continued use of the premises while such repairs are pending. When such repairs are warranted, the parties hereto shall consider, and together decide how and when to effect such repairs.

Care of Property

9. That the Lessee shall, at its own cost and expense, at all times during the currency of this Agreement, keep the said premises in a neat and tidy condition, removing or causing to be removed therefrom all papers, refuse, litter, waste or rubbish arising out of the operations of the Lessee under this Agreement, all to the satisfaction of the Regional Director.

Improvements

10. That any improvements made to the said premises by the Lessee at any time during the term of this Agreement, to make the said premises suitable for the purpose referred to in Clause No. 1 hereof, shall be at the risk, cost and expense of the Lessee and to the satisfaction of the Regional Director.

Construction of Buildings or Structures

11. That the Lessee shall not construct or erect any buildings or other structures on the said premises without obtaining the approval of the Regional Director, of plans showing the design and nature of construction of such buildings or structures and their proposed locations.

Annoyance Nuisance and Disturbance

12. That the Lessee shall not, at any time during the currency of this Agreement do, cause or permit to be done, any act or thing in or upon the said premises which shall, or may be, or might become, an annoyance, nuisance or disturbance to the occupiers of any lands or premises adjoining or in the vicinity of the said premises.

<u>Title</u>

13. That is hereby declared, and this Agreement is accepted by the Lessee, upon the express condition that the Lessee shall have no recourse against the Minister, should the minister's title to the said premises be found to be defective, or should these Presents prove ineffectual by reason of any defect in such title.

Claims and Damages

14. That the Lessee shall not have any claims or demand against the Minister for loss, damage or injury of any nature whatsoever, or howsoever caused to the said premises or to any person or property, at any time brought, placed, made or being on the said premises unless such damage or injury is due to the negligence of any officer, servant, agent, contractor or sub-contractor of His Majesty the King in right of Canada while acting within the scope of his duties or employment.

Indemnification

15. That the Lessee shall at all times indemnify and save harmless His Majesty the King in respect of any action, claim, cause of action, suit, debt, loss, damage, cost, expense or demand whatsoever, at law or in equity, arising by way of any breach by the Lessee, its employees, servants, agents, sub-lessees or persons for whom it is by law responsible, of any provisions of this Agreement or arising by way of the Lessee and His Majesty's ownership, occupation and control of the premises, except claims for damages resulting from the negligence of any officer, servant, agent, contractor or sub-contractor of His Majesty the King while acting within the scope of his duties. This indemnity shall survive termination of expiry of this Agreement.

Termination

- **16.** That this Agreement may be terminated at any time:
- (a) By the Lessee upon sixty (60) days' notice in writing, such notice to be signed by the Lessee and delivered to or mailed addressed to the Regional Director, Small Craft Harbours Branch, Department of Fisheries and Oceans, 867 Lakeshore Road, Burlington, Ontario, L7S 1A1, or
- (b) By the Minister upon sixty (60) days' notice in writing, signed by the Minister, and either delivered to the Lessee or any officer of the Lessee, or mailed addressed to the last known place of business or office of the Lessee, and thereupon, after the expiration of such period of notification, these Presents shall be determined and ended, and the Lessee shall thereupon, and also in the event of the determination of this Agreement in any other manner, except re-entry under Clause No. 17 hereof, forthwith remove from the said premises all things at any time brought or placed thereon by the Lessee and shall also to the satisfaction of the Regional Director repair all and every damage and injury occasioned to the said premises by reason of such removal or in the performance thereof, but the Lessee shall not, by reason of any action taken or things performed or required under this Clause, be entitled to any compensation whatsoever, provided that, unless required by the Minister, no goods, chattels, materials, effects or things shall be removed from the said premises until all rent due or to become due under this Agreement, is fully paid.

Default

17. That, notwithstanding anything in this Agreement contained, if the rent above reserved or any part thereof, shall be in arrears or unpaid, whether or not the same shall have been in any manner demanded, or in the case of default, breach or non-observance to be made or suffered by the Lessee at any time or times, in, or in respect of any of the covenants, provisos, conditions, and reservations herein contained, which on the part of the Lessee ought to be observed and performed, then, and in every such case, provided such non-payment of rent, default, breach or non-observance is not cured within thirty (30) days from the date of notice thereof in writing from the Minister to the Lessee, the Minister may terminate this Agreement by giving to the Lessee a notice in writing, signed by the Minister, and either delivered to the Lessee or any officer of the Lessee, mailed addressed to the last known place of business or office of the Lessee, and thereupon after delivery or mailing of such written notification, this Agreement shall be determined and ended, and in that event, it shall be lawful for the Minister, his servants or agents, to re-enter and thereafter to have, possess and enjoy the said premises and all improvements thereon.

And no acceptance of rent subsequent to any breach or default, other than non-payment of rent, nor any condoning, excusing or overlooking by the Minister on previous occasions of breaches or defaults similar to that for which re-entry is made shall be taken to operate as a waiver of this condition nor in any way defeat or affect the rights of the Minister hereunder.

The Lessee shall pay in addition to any other provisions hereof the reasonable fees and disbursements of counsel to the Minister in connection with the enforcement of this Agreement, or in the event of default hereunder.

Hold Over

18. Provided always and that it is hereby agreed by and between the parties hereto that if the said Lessee shall hold over after the expiration of the term hereby granted, and if the Minister shall accept rent, the new tenancy thereby created shall be a tenancy at will and not a tenancy from year to year, and the Lessee shall pay as rent during the time of such occupancy a rental to be determined at the discretion of the Minister, and shall be subject to the covenants and conditions herein contained so far as the same are applicable to tenancy at will.

Tolls, Dues & Charges

19. That the Lessee shall, during the currency of this Agreement, charge tolls or dues established under the authority of the Fishing and Recreational Harbours Act or by Regulations approved from time to time by the Governor in Council respecting the said premises. The Lessee may collect additional reasonable charges for services such as electrical power outlets, water outlets, watchman services, etc., provided at the Lessee's expense for the benefit and use of the boating public using said premises.

Accounting Records

20. That during the currency of this Agreement, the Lessee shall cause to be kept records of its operation hereunder, such records to be kept according to accepted principles of accounting, and the Lessee shall supply to the Regional Director, a certified statement for each accounting period during the currency of this Agreement.

Audit Inspection

21. That the books of the Lessee concerning the operation and management of the said premises, shall be open for audit and inspection at all times during business hours, by the accredited officers of the Minister.

Pollution

22. That the Lessee shall not place or deposit, or cause or permit to be placed or deposited, any fill, sand, gravel, detritus, waste, debris or other materials, articles or things on the said premises which may form a deposit thereon or therein without the prior consent, in writing, of the Regional Director.

Environmental Protection

- 23. (i) The Lessee agrees to abide by and comply with all federal environmental legislation, including the relevant provisions of the <u>Canadian Environmental Protection Act</u>, affecting the said premises, as well as with the regulations and guidelines made and established under it, and all applicable Provincial, Territorial and municipal environmental legislation, regulations, rules or guidelines affecting the said premises.
- (ii) The Lessee shall not process, use, deposit or store on the said premises or in its subsoil any toxic substances, as defined in the <u>Canadian Environmental Protection</u> <u>Act</u>, nor any other substance that constitutes or may constitute a danger to the environment or to human life or health.
- (iii) The Lessee agrees to clean up, at its expense, to then current federal and provincial standards, any part or all of the said premises contaminated during the term of this Lease or any renewal of it immediately upon becoming aware of the contamination.

Service Reservation

24. That this Agreement is granted strictly subject to the right of the Minister and Lessees and Licensees of the Minister to maintain and operate services installed on the said premises at the date of this Agreement, and to the right of the Minister to grant leases or licences, as the case may be, at any time during the currency of this Agreement, covering the right and privilege or permission to install, lay, maintain and use services on, over or across the said premises and the Lessee shall not, at any time during the currency hereof, do anything or cause or permit anything to be done which will in any way interfere with the rights and privileges or permissions thereby granted, provided however, that such leases or licences will be granted subject to this Agreement and provided that the Lessees or Licensees thereunder shall not commence to exercise the rights and privileges or permissions thereby granted unless and until the consent in writing is first obtained from the Lessee, and which consent shall not be unreasonably withheld.

Concession

25. That no application for permission to establish concessions of any kind shall be granted without the prior approval in writing of the Regional Director.

Fire Prevention

26. That the Lessee shall take all necessary precautions against fire occurring in or on the said premises.

Navigation Protection Act

27. That the Lessee shall fulfill in all respects the requirements of "Works" Section of the Navigation Protection Act, Chapter N-22 of the Revised Statutes of Canada 1985.

Members of Parliament

28. No member of the House of Commons shall be admitted to any share or part of this Agreement or to any benefit to arise therefrom.

Discrimination

29. That the Lessee and any Sub-lessee shall not discriminate against any person by reason of race, colour or creed, in any manner whatsoever, pertaining to the operation of the said premises.

Sale or Transfer

- **30.** (i) Notwithstanding any other provision of this Agreement, in the event that the Minister disposes of its interest in the leased premises, or any part thereof, by way of sale, transfer or other conveyance, including a transfer of administration and control to His Majesty the King in right of the Province of Ontario, the Minister shall be entitled at their sole option to assign this Agreement, or such portion thereof, to the transferee, or to terminate this Agreement, and the Agreement shall upon notice thereof be terminated forthwith.
- (ii) In the event of notice of termination being given by the Minister to the Lessee, the Lessee agrees that it shall forthwith vacate the said premises, and remove any chattels from the said premises in accordance with the provisions of this Agreement. The Lessee further agrees and acknowledges that it shall have no cause of action against the Crown arising out of early termination of the Agreement, and hereby releases the Minister from any liability or otherwise that may be said to flow from the aforesaid early termination of this Agreement.

Financial Administration Act

31. If the Lessee defaults in the payment of any amount due under this Agreement, the Lessee shall be responsible for and pay interest on such defaulted payment (to the extent permitted by the Financial Administration Act R.S.C. 1985, Chapter F-11 and the Interest and Administration Charges Regulations SOR/96-188 (the Regulations) or any amendments thereto) up to the date payment is received by or on behalf of His Majesty. For greater certainty and until such time as the Regulations are amended, in the case of default in respect of any monetary amount due, interest on the amount in default shall be calculated and compounded monthly at the average bank rate plus three per cent and accrue from the due date of the payment, until paid. Furthermore, in the event that any instrument is tendered in payment or settlement of any amount due to His Majesty hereunder which for any reason is dishonoured, the Lessee shall be responsible and pay an administrative charge of \$15.00 to His Majesty, or any amount prescribed therefor by the Regulations will be applicable and in addition to the outstanding amount due.

Insurance

32. That the Lessee shall, in addition to the payment of yearly rental hereunder, at its own cost, insure concurrently with the execution of this Agreement, and thereafter during the currency of this Agreement, maintain in force, a policy of liability insurance for the ownership, possession and control of the said premises with coverage of at least Five Million Dollars (\$5,000,000.00) per occurrence and including His Majesty named as an additional insured party in that policy. Without limiting the generality of the foregoing, such public liability insurance shall contain provision for cross-liability, severability of interest, and no cancellations or alterations without the prior written consent of the Minister. The Parties agree that the Minister may increase the limits of the insurance policy from time to time. The Lessee, on the anniversary of this Agreement, in each and every year, shall submit to the Regional Director, proof of such insurance.

Gender

- 33. (i) Wherever the singular or masculine form are used in this Agreement, they shall be construed as meaning the plural or feminine or body corporate or politic where the context or the parties hereto so require.
 - (ii) The form of this Agreement shall not be construed against the drafter.

Counterparts

34. This Agreement may be signed digitally by the Minister resulting in counterparts, each of which shall constitute an original and all of which, when taken together, shall constitute an original Agreement.

IN WITNESS WHEREOF the duly authorized officials or officers of the parties have executed this Agreement.

EXECUTED BY THE LESSEE)	THE CORPORATION OF THE TOWN OF THE BLUE MOUNTAINS	
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