

TO:	CHAIR AND MEMBERS CORPORATE SERVICES COMMITTEE MEETING ON FEBRUARY 4, 2014
FROM:	MARTIN HAYWARD MANAGING DIRECTOR, CORPORATE SERVICES AND CITY TREASURER, CHIEF FINANCIAL OFFICER
SUBJECT:	LICENCE AGREEMENT RENEWAL MANAGEMENT OF GROSVENOR LODGE – 1017 WESTERN ROAD

RECOMMENDATION

That, on the recommendation of the Managing Director, Corporate Services and City Treasurer, Chief Financial Officer, on the advice of the Manager of Realty Services, with respect to the City owned property at 1017 Western Road, the following actions be taken:

- a) **APPROVE** the Licence Agreement between the City and the Heritage London Foundation (HLF), attached as (Appendix “A”); and
- b) the attached proposed By-law (Appendix “B”) **BE INTRODUCED** at the Municipal Council meeting to be held on February 11, 2014 to approve the Licence Agreement and **TO AUTHORIZE** the Mayor and the City Clerk to execute the Agreement.

PREVIOUS REPORTS PERTINENT TO THIS MATTER

Community and Protective Services Committee - May 7, 1992 - Grosvenor Lodge

Community Protective Services – October 31, 1997 – Renewal of Agreement with Heritage London Foundation –Operating of Elsie Perrin Williams Estate

Board of Control – January 31, 2007 – Renewal of Licencing Agreements for the Management of the Elsie Perrin Williams Estate and Grosvenor Lodge

BACKGROUND

The Heritage London Foundation (HLF) has been in a contractual relationship with the City for a number of years with respect to the management of this municipally owned heritage structure. In 1992 HLF assumed the management of the Grosvenor Lodge at 1017 Western Road under an agreement with the City. This agreement was renewed on several occasions, with the most recent agreement expiring in December 2010. Since 2010, renewal of the agreements has been anticipated and the former agreement has been deemed to be “overholding” until a new agreement between the City and the Heritage London Foundation is signed. In past years this agreement has been renewed for a three year term.

The Heritage London Foundation is a non-profit organization, and any revenues in excess of expenses are used for various upgrades to the Grosvenor Lodge. Building and grounds maintenance have been provided through the City of London Divisions (Facilities Services and Planning).

Grosvenor Lodge and it's Coach House have been managed by the Heritage London Foundation since 1992. It was seen as a “central, publicly accessible heritage site” for active community organizations with interests in heritage, architecture and the environment working independently to serve London and region. The Heritage London Foundation's goals in administering Grosvenor Lodge as a cooperative community endeavour promoting Heritage and Environmental activities include:

- The preservation and maintenance of Grosvenor Lodge as a significant heritage site.
- The promotion of the awareness of Grosvenor Lodge and other significant historical, architectural and natural sites.
- The facilitation of an integrated rationalized approach to heritage and environmental issues.
- The provision of sound management of a publicly owned estate.

At the present time, Grosvenor Lodge provides rental, storage and office support services to a number of public organizations.

Much of the activity at Grosvenor Lodge is in support of the member organizations. In recent years, HLF management staff have established a number of programs and events to increase revenues. Two such events are the operation of a very successful summer day camp program promoting environmental awareness and an equally successful annual Halloween Haunted House. As well, through the ongoing efforts of HLF staff the use of Grosvenor Lodge for weddings and private parties is increasing.

It should also be noted that Grosvenor Lodge has been a participant building in every Doors Open event since its inception in 2002. Each year the site has proven to be popular one helping make the public more aware of the facility.

Most recently HLF has entered into an agreement with the Society of Learning in Retirement for a two year period during which the Society's education activities will be conducted at Grosvenor Lodge.

In managing this property, surplus revenues are used to provide upgrades to the facility.

Capital improvements and repairs are carried out under the supervision of Facility Services and the Planning. Funding for such projects is provided from the City's Heritage Properties accounts.

City staff periodically attend meetings of the HLF Board and receive information about the management of the property at the meeting.

Interest

There has been no other formal expression of interest in managing this City owned facility.

Policy & Procedure

Consultation was undertaken with both the City Solicitor's Office and the Procurement service area in the context of the applicability of the City's business practices to a Licencee. At present there are no inclusions in the agreement that would allow the City to extend its business practice, policy and procedure to that of the Licencee. The Licencee is bound by the terms of the Licence Agreement as drafted which includes specific provisions for the property rights associated with the City owned facility.

Conclusion

In the opinion of the staff, in regular contact with HLF management, the relationship between the City and HLF with respect to the management of the property has worked well since the original agreements were arranged. HLF staff has proven adept at working with City staff to maintain the facility and promoting it to the community. In doing so, the arrangement has eased the demand on city resources and allowed for the retention of highly important heritage assets. It is recommended that the licencing agreements between the City and the Heritage London Foundation, as amended, be renewed for the period January 1, 2014 through December 31, 2016. It should be noted that there is a termination clause in the agreement that either party may, upon not less than one hundred and eighty (180) days written notice terminate this agreement for any reason.

The form of agreement has been approved by the City Solicitor's Office.

A location map is attached for the Committee's information.

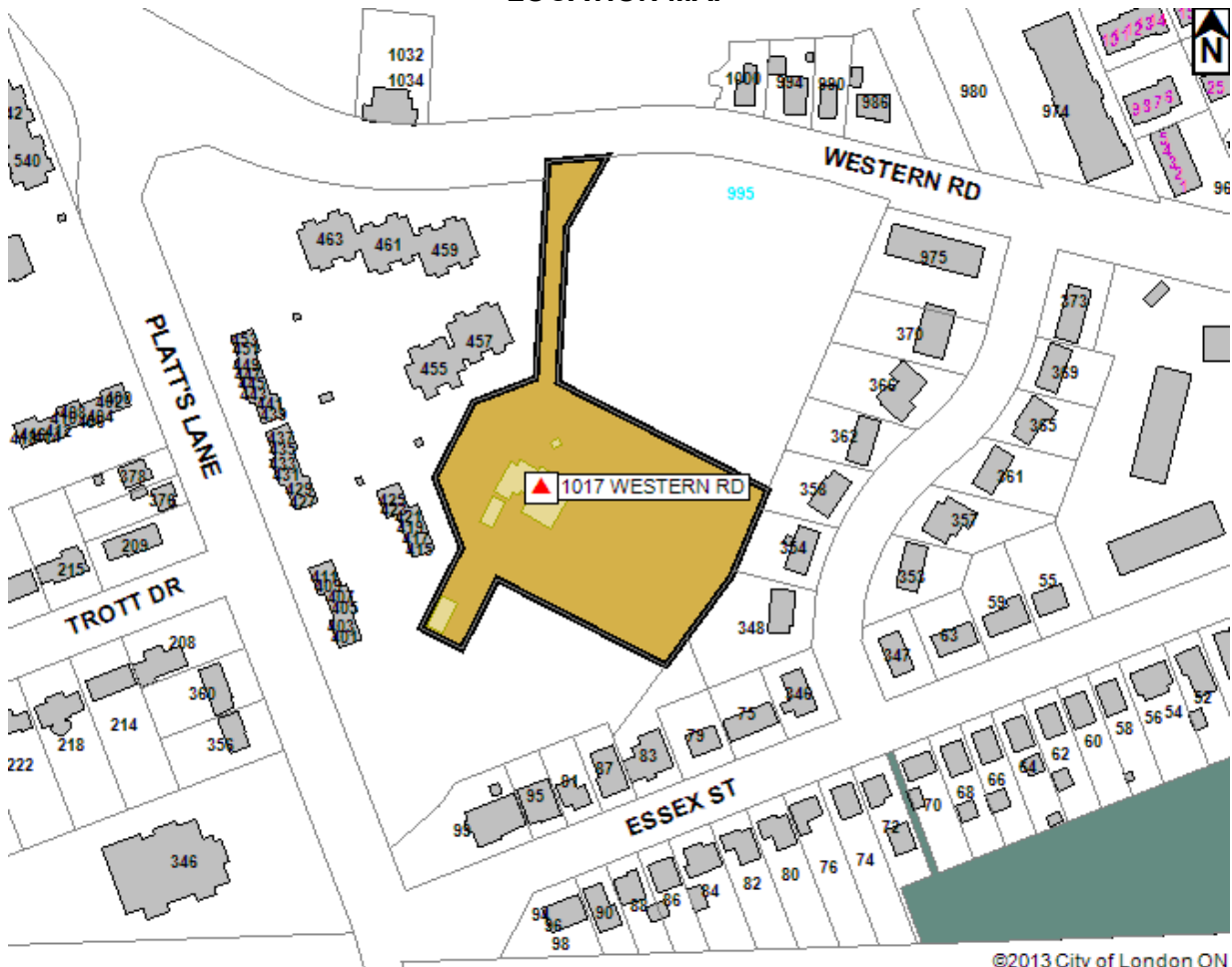
PREPARED BY:	SUBMITTED BY:
BRYAN BAAR MANAGER REALTY OPERATIONS	BILL WARNER MANAGER REALTY SERVICES
REVIEWED AND CONCURRED BY:	REVIEWED AND CONCURRED BY:
DON MENARD HERITAGE PLANNER	ROBIN ARMISTEAD MANAGER, CULTURE & MUNICIPAL POLICY
RECOMMENDED BY:	
MARTIN HAYWARD MANAGING DIRECTOR, CORPORATE SERVICES AND CITY TREASURER, CHIEF FINANCIAL OFFICER	

January 21, 2014

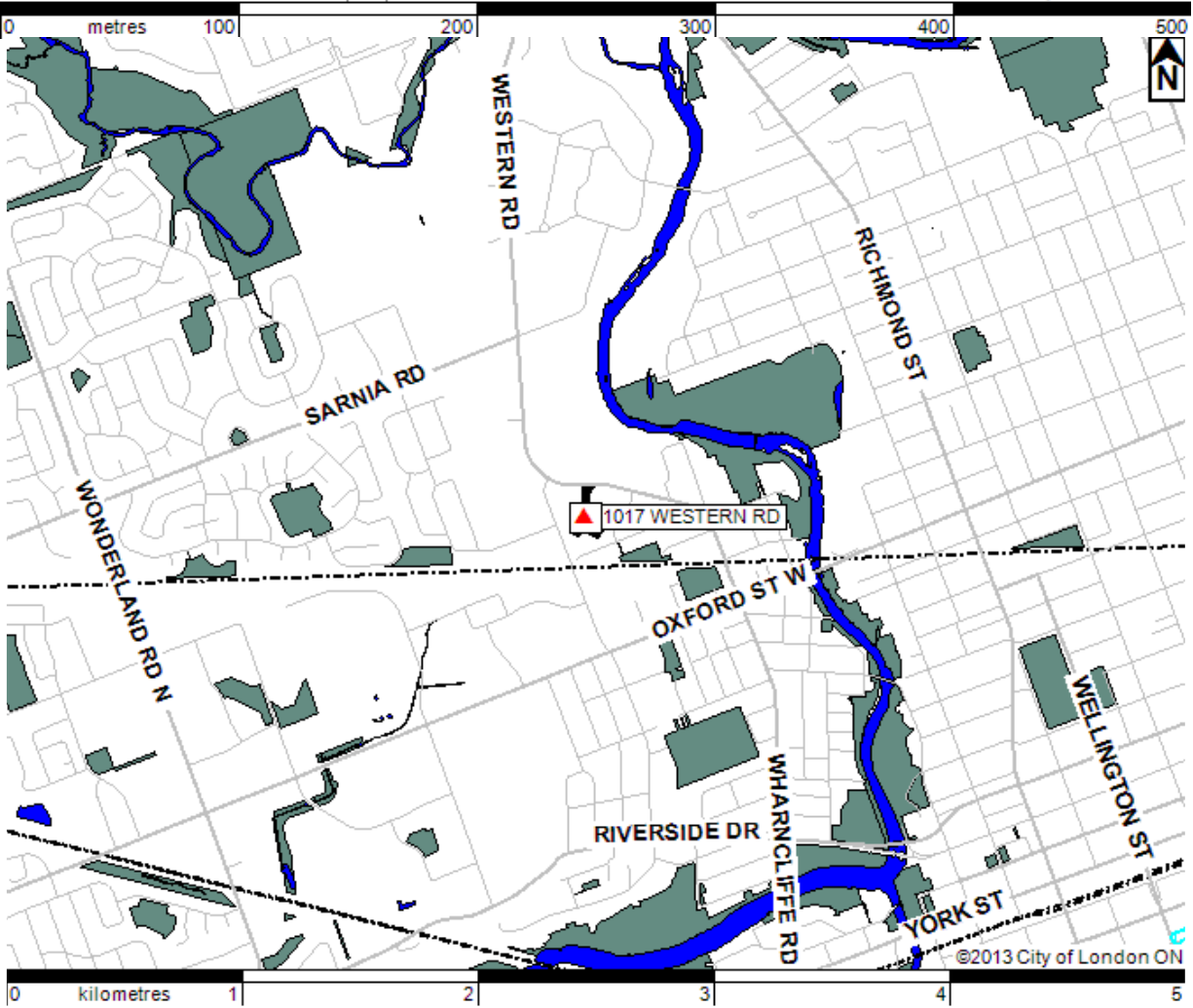
File No. P-1426

cc: David G. Mounteer, Solicitor

LOCATION MAP



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APPENDIX “A” – LICENCE AGREEMENT

APPENDIX “B”

Bill No.

By-law No.

A By-law to approve the Licence Agreement between The Corporation of the City of London and The Heritage London Foundation, for use of the property located at 1017 Western Road, known as the Grosvenor Lodge, and to authorize the Mayor and City Clerk to execute the Licence Agreement.

WHEREAS section 5(3) of the *Municipal Act, 2001* S.O. 2001, c.25, as amended, provides that a municipal power shall be exercised by by-law;

AND WHEREAS section 9 of the *Municipal Act, 2001* provides that a municipality has the capacity, rights, powers and privileges of a natural person for the purpose of exercising its authority under this or any other Act;

AND WHEREAS it is deemed expedient for The Corporation of the City of London (the “City”) to enter into the Licence Agreement with The Heritage London Foundation (the “Agreement”);

AND WHEREAS it is appropriate to authorize the Mayor and the City Clerk to execute the Agreement on behalf of the City;

NOW THEREFORE the Municipal Council of The Corporation of the City of London enacts as follows:

1. The Agreement attached as Appendix “A” to this by-law, being Licence Agreement between the City and The Heritage London Foundation is hereby AUTHORIZED AND APPROVED.
2. The Mayor and the City Clerk are authorized to execute the Agreement authorized and approved under Section 1 of this by-law.
3. This by-law shall come into force and effect on the day it is passed.

PASSED in Open Council

Joe Fontana
Mayor

Catharine Saunders
City Clerk

First reading -
Second reading -
Third reading -