

### Section I – Items for Board of Directors Action

**TO:** Chair and Members of the Executive Committee  
Friday, May 10, 2024 Meeting

**FROM:** Alexander Schuler, Associate Director, Property and Asset Management

**RE:** **FRENCHMAN'S BAY YACHT CLUB INCORPORATED LEASE  
RENEWAL**  
635 Breezy Drive, City of Pickering, Regional Municipality of Durham,  
Frenchman's Bay Watershed (CFN 23031)

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#### KEY ISSUE

Seek approval to renew Frenchman's Bay Yacht Club (FBYC) lease to operate a recreational boat club on Toronto and Region Conservation Authority (TRCA) land, municipally known as 635 Breezy Drive, in the City of Pickering, Regional Municipality of Durham (Frenchman's Bay Watershed).

#### RECOMMENDATION:

**WHEREAS** TRCA is in receipt of Frenchman's Bay Yacht Club's (FBYC) request to renew their recreational boat club lease on TRCA land located at 635 Breezy Drive, in the City of Pickering, Regional Municipality of Durham (Frenchman's Bay Watershed);

**AND WHEREAS** renewing FBYC's lease furthers TRCA objectives, as set out in Section 20 of the Conservation Authorities Act, by cooperating with stakeholders to provide programs and services where use is compatible with and furthers conservation and management of natural resources;

**THEREFORE, LET IT BE RESOLVED THAT** TRCA and FBYC enter into a lease for the use of 0.775 hectares (1.914 acres), more or less, said land being Part of Block S Plan M19, municipally known as 635 Breezy Drive, City of Pickering, Regional Municipality of Durham;

**THAT** the lease with FBYC be subject to the following terms and conditions:

- i. That the term of the lease is for one-year, together with an annual renewal option for the next four years at the sole option of TRCA;
- ii. That consideration is \$8,623, plus HST, for the first year of the term, and rent will be increased in accordance with the Consumer Price Index for each additional four annual-renewals, plus HST;
- iii. That FBYC is responsible for all approvals, and costs required for construction, maintenance, and the operation of their yacht club for recreational boating purposes, inclusive of applicable utilities and taxes;
- iv. That FBYC will provide five million in commercial general liability insurance;

## Item 8.2

- v. That FBYC is responsible at the end of the lease term, for all costs of site restoration associated with their yacht club, and to the satisfaction of TRCA;
- vi. Any other terms and conditions deemed appropriate by TRCA staff and solicitor;

**AND FURTHER THAT authorized TRCA officials be directed to take the necessary action to finalize the transaction, including obtaining any necessary approvals and the signing and execution of documents.**

### **BACKGROUND**

At Executive Committee Meeting held on November 5, 2021, Resolution #B107/21 was adopted in part as follows:

“THAT TRCA and FBYC enter into a one-year lease agreement for the use of 0.775 hectares (1.914 acres), more or less, of land that is Part of Lot 25, Range 3, municipally known as 635 Breezy Drive, City of Pickering, Regional Municipality of Durham;

That consideration is \$7,992 for the one-year term...”

TRCA is in receipt of a request from Frenchman’s Bay Yacht Club Incorporated (FBYC) to renew their lease agreement for the operation of their yacht club for recreational boating purposes located south of Bayly Street and east of West Shore Boulevard, municipally known as 635 Breezy Drive, in the City of Pickering, Regional Municipality of Durham, Frenchman’s Bay Watershed.

On January 1, 1981, TRCA entered into a twenty-year lease agreement with FBYC on the west side of Frenchman’s Bay, and since its expiry in 2000, has continued to renew the agreement for terms not exceeding five years.

During FBYC’s tenure, their annual rental rate has increased from \$1,590 in 1981, to a rate of \$8,223, plus HST, for the 2022 lease period. In 2023, TRCA commissioned a fair market value appraisal to provide credible valuation to guide the decision-making process for the upcoming lease renewal. The appraisal returned a recommended rate of \$8,300, plus HST, for the 2023 lease period.

With this lease renewal, the annual rental rate would be increased in accordance with the Consumer Price Index (CPI), and in alignment with the City of Toronto’s yacht club formula, which is base rent plus Consumer Price Index (CPI) adjustment. Further, FBYC would continue to assume all responsibility for the lands under lease, which would include but not be limited to all costs pertaining to any renovations, repairs, maintenance, utilities, taxes, and at the time of lease termination, any site restoration expenses that may be required, and to the satisfaction of TRCA.

## Item 8.2

The area subject to this lease consists of approximately 0.775 hectares (1.914 acres) total, consisting of 0.2975 hectares of land and 0.4775 hectares of water. Attachment 1 is a site plan illustrating the location of the subject lands. Attachment 2 is an orthophoto illustrating the location of the subject lands.

### **RATIONALE**

Renewing the lease agreement with FBYC would be in the best interest of TRCA in furthering its objectives as set out in Section 20 of the Conservation Authorities Act, allowing for continued revenue generation, supporting financial sustainability of TRCA's commercial leasing portfolio.

### **Relationship to TRCA's 2023-2034 Strategic Plan**

This report supports the following Pillar and Outcome set forth in TRCA's 2023-2034 Strategic Plan:

#### **Pillar 4 Service Excellence:**

4.4 Transparent decision making and accountable results

### **FINANCIAL DETAILS**

Rental revenue generated from this lease will be used for TRCA purposes.

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**Date: March 29, 2024**

**Attachments: 2**

Attachment 1: Site Plan 635 Breezy Drive, City of Pickering

Attachment 2: Orthophoto 635 Breezy Drive, City of Pickering