



ECONOMIC AND FINANCE STANDING POLICY COMMITTEE REPORT

Title Servus Sport Centre Lease

Meeting Date March 14, 2024

Submitted By Mayor Hyggen, Chair – Economic & Finance Standing Policy Committee

Recommendation from Economic & Finance Standing Policy Committee:

BE IT RESOLVED THAT City Council approve the lease agreement with Lethbridge Soccer Association (LSA) for the Servus Sport Centre, as presented in the confidential attachment, for 2024-28, with the opportunity to allow Administration to extend the lease twice for five years each occurrence.

Vote:

In Favour: 8-0 (Unanimous)

Absent: 1

Absent: 1

Public Speakers at the Meeting: 1

Public Submissions: 1

Submitted By Travis Grindle, Recreation Services Manager

Summary

This is to renew the lease agreement with the Lethbridge Soccer Association (LSA) for the Servus Sport Centre (Soccer Centre) for 2024-28, with the opportunity to extend the lease for two additional 5-year terms.

Recommendation(s)

That the Economic and Finance Standing Policy Committee recommends that Council:

1. Approve the lease agreement with Lethbridge Soccer Association (LSA) for the Servus Sport Centre, as presented in the confidential attachment, for 2024-28, with the opportunity to extend the lease twice for five years each occurrence.

Financial

As a Lease, there is no direct financial considerations, and this is a continuation of the existing partnership since 1997.

The Lease fee is in line with other City of Lethbridge Recreation Facility leases. The LSA is responsible for the general maintenance and operational costs of the building. The City is responsible for the maintenance of the building structure only. Additionally, the original capital contribution of the organization provides LSA additional considerations.

Background and Prior Decisions

- The lease agreement is to operate and provide maintenance to the Servus Sport Centre. Council approval is required by Policy CC-45, this lease requires Council approval due to the facility size and length of term for the lease.
 - Presently, City Administration is planning to amend CC-45, providing Administration the full authority to approve all building leases associated with recreation facilities.
- The LSA has managed the Sport Centre building operations since the building's opening in 1997.
- The Lethbridge Soccer Association contributed \$320,000 to the capital construction of the facility.
- The lease would continue through to 2029, with opportunities to extend the agreement through to the end of 2038.

Engagement

The Lethbridge Soccer Association has reviewed the draft Lease Agreement and agreed to the terms and conditions within.

Recommendation and Option(s) Analysis

1. Option 1 - As recommended above;
 - Continuation of current service delivery for the sport of soccer
2. Option 2 - Refuse the Lease agreement as attached and ask Administration to continue to work with LSA to develop acceptable outcome for all parties.
 - Current occupancy continues on 'holding over' clause of expired Lease agreement.

Attachment(s)

1. Confidential Attachment 1 - Servus Sport Centre Lease Agreement 2024-28

Approvals
Department Director: Carly Kleisinger
City Manager: Lloyd Brierley