



Town of Niagara-on-the-Lake

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REPORT #: OPS-25-013

COMMITTEE DATE: N/A
DUE IN COUNCIL: 2025-03-25

REPORT TO: Council

SUBJECT: Licence of Occupancy Agreement with Parks Canada

1. RECOMMENDATION

It is respectfully recommended that:

- 1.1 Council approves the Licence of Occupancy agreement with Parks Canada for use of the Fort George Tour Bus Parking Lot for a term of 5 years commencing April 1, 2025, attached hereto as **Appendix I**; and
- 1.2 Council approves the Licence of Occupancy agreement with Parks Canada for the use of 34 pay parking spaces adjacent to Town lands at 176 Wellington Street (the former NOTL Hospital Site) for a term of 5 years commencing April 1, 2025, attached hereto as **Appendix II**; and
- 1.3 Council authorizes and instructs the Lord Mayor and CAO to execute said agreements.

2. EXECUTIVE SUMMARY

- This report covers the Renewal of two (2) Occupancy Licences with Parks Canada at the Fort George Bus Parking Lot, and 176 Wellington Street.
- The Licences allow the Town to use Parks Canada Land to operate parking lots on both lands.
- The Town and Parks Canada have shared this arrangement since 2000 at Fort George, with revenue sharing beginning in 2019, based on one-year renewable term agreements. The Town acquired the former hospital lands in late 2018, with the existing parking lot at 176 Wellington encroaching onto Parks Canada Land.
- The proposed agreements for both lots will now work on a 5-year term.
- The percentage of revenue sharing is proposed to increase for the Fort George Parking Lot from 25% to 35%, while the 176 Wellington Street lot remains the same at 40%.
- Based on these changes, the Fort George Lot would see an increase in revenue sharing of approximately \$20,478 based on 2024 actuals and no change in the 176 Wellington Street Lot.
- These arrangements have allowed the Town to expand its parking inventory and collect parking revenues. If the arrangements are not renewed, parking operations at these locations would be expected to cease.

3. PURPOSE

The purpose of this report is to seek Council approval to enter into a Licence of Occupancy (LOO) Agreement for the usage of Parks Canada Lands at the Fort George Tour Bus Parking Lot and for 34 pay parking spaces at 176 Wellington Street (former NOTL Hospital Site).

4. BACKGROUND

Since 2000, the Town and Parks Canada have worked collaboratively through a LOO Agreement to allow for visiting Tour Buses to park on Parks Canada Lands at Fort George.

During this time, the Town has also provided a facility to allow for the bus drivers to utilize while parked on the property. This has reduced the impact to having large vehicles on our Old Town Streets idling while waiting to pick up the visitors.

In 2019, the Town was required to enter into a second LOO for the 34 pay parking spots at 176 Wellington Street as the former agreements with the Region had expired, and the Town was the new owner. This agreement has enabled the Town to generate revenue from these additional parking spaces within our inventory. Both of these agreements were on one-year renewable terms that have now expired and required updating.

5. DISCUSSION / ANALYSIS

In 2023, Parks Canada approached the Town to discuss the extension of both agreements, as they had not been updated since 2019. During those discussions, it was noted that the new direction from Parks Canada Real Estate would be to have 5-year agreements, and the fee for usage of the lands would increase. As discussions continued, it was agreed that everything would remain status quo for 2023 and then again in 2024.

In March 2025, Town Staff met with Parks Canada Staff to discuss updating our LOO agreements. New agreements would need to be in place prior to the usage of any Parks Canada property for the 2025 season. After a productive meeting, an agreement was reached, and new LOO agreements were provided to the Town for signature.

These new agreements provide the Town with cost certainty for the usage of the lands and assurances of space for at least the next 5 years. The change in finances will be discussed below.

6. STRATEGIC PLAN

The content of this report supports the following Strategic Plan initiatives:

Pillar

1. Vibrant & Complete Community

Priority

1.2 Economic Development & Community Partnerships

Action

1.2 b) Community Partnership

Pillar

2. Good Governance

Priority

2.2 Shared Services

Action

2.1 b) Revenue Generation

7. OPTIONS

- 7.1 **Option 1:** That Council approve the attached LOO Agreements with Parks Canada for a term of 5 years commencing April 1, 2025, for the Fort George Tour Bus Parking Lot and for the 34 pay parking spaces adjacent to Town lands at 176 Wellington Street (the former NOTL Hospital Site) **(Recommended)**
- 7.2 **Option 2:** That Council not approve the attached LOO Agreements which would result in the Town no longer being allowed to utilize Parks Canada Lands for Tour Bus parking or charge for parking in the 34 current spaces at 176 Wellington *(Not Recommended)*

8. FINANCIAL IMPLICATIONS

Payment under the Licence of Occupation for the Fort George Lot is presented as the greater of a base fee of \$30,000 or 35% of the annual gross revenues, with the base fee due at the beginning of the year. The bus lot charges \$55 per bus, inclusive of HST. For 2024, the lot made gross revenues, net of HST, of \$204,773. If 2025 follows similar trends, this would result in a payment of \$30,000 upfront and a balance of \$41,671 to be remitted at the end of the year. ($\$204,773 \times 35\% = \$71,671$, less \$30,000 paid at the beginning of the year). Compared to 2024, the total figure is \$20,478 more than the 25% figure in the previous agreement.

Payment under the LOO for the 176 Wellington Street Lot is presented as the greater of a base fee of \$500 or 40% of the annual gross revenues, with the base fee due at the beginning of the year. The percentage allocated to this lot remains unchanged at 40%. For 2024, the lot made \$59,214.37, net of HST, with 40% being \$23,685. This would remain at the same levels if the same trends took place in 2025. All outstanding balances are remitted at the end of the year.

9. ENVIRONMENTAL IMPLICATIONS

Having a location for tour bus traffic to park and wait for passengers allows them to be active and reduces exhaust and greenhouse gas emissions.

10. COMMUNICATIONS

Should Council approve the recommendations and the agreements be signed, staff will provide the executed documents to Parks Canada for signature.

11. CONCLUSION

Entering into the updated attached LOO agreements with Parks Canada will secure the necessary parking and be mutually beneficial to both organizations.




12. PREVIOUS REPORTS

- Licence of Occupancy Agreements with Parks Canada for use of the Fort George Tour Bus Parking Lot and Parking Meters at the Former Hospital Site - OPS-19-006

13. APPENDICES

- Appendix I – Licence of Occupancy Fort George - Draft
- Appendix II – Licence of Occupancy 176 Wellington Street - Draft

Respectfully submitted:

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Submitted by:  Jay Plato Chief Administrative Officer (Acting)	