



October 16<sup>th</sup>, 2006

## **REPORT TO GENERAL COMMITTEE**

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**SUBJECT:** Update on negotiation with Angus Glen Golf Club for Markham Green Golf Course lease agreement

**CONTACT/AUTHOR:** Glen Taylor, Manager Community Centre Operations

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### **RECOMMENDATION:**

**THAT** the report entitled "Update on negotiation with Angus Glen Golf Club ("Angus Glen") for Markham Green Golf Course lease agreement" be received;

**AND THAT** the Commissioner of Community and Fire Services be authorized to enter into a Memorandum of Understanding (MOU) with Angus Glen in a form satisfactory to the Chief Administrative Officer and Town Solicitor, providing for early access to the golf course and ensuring winterization of the golf course;

**AND THAT** the Mayor and Town Clerk be authorized to execute the final lease agreement with Angus Glen in a form satisfactory to the Town Solicitor, Town Treasurer and Commissioner, Community and Fire Services.

### **FINANCIAL CONSIDERATIONS:**

The forecasted annual revenue of \$135,000 from this contract will be allocated against the Town's Revenue Strategy target.

Future costs related to major repairs/maintenance and replacement of Town infrastructure, such as vehicles, recreational facilities, fire stations are calculated annually to determine the adequacy of the Town's Life Cycle Replacement and Infrastructure Reserve fund. In the next update of the Town's Life Cycle Reserve, the Markham Green Golf Course will be included.

### **PURPOSE:**

The purpose of this report is to authorize staff to sign a MOU with Angus Glen to assume the day to day operations of Markham Green Golf Course.

### **BACKGROUND:**

The current agreement between the Town of Markham and Markham Green Inc. (IBM) expires on December 31<sup>st</sup>, 2006.

In order to ensure the winterization of the golf course is undertaken by Markham Green Inc. (IBM) in a manner that is conducive to maintaining the same excellent course condition in 2007, the Town and Angus Glen need to formalize a plan and oversee the closing of the golf course.

### **OPTIONS/ DISCUSSION:**

The details of the proposed lease include provisions for:

- An annual payment of \$135,000.00 for the lease agreement with Angus Glen Golf Club, payable:
  - July 1<sup>st</sup> \$67,500.00
  - Dec 1<sup>st</sup> \$67,500.00
- Additional revenue through profit sharing according to the following formula:
  - 33% of any profit in excess of \$270,000 shall be paid to the Town;

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- All revenue from this lease will be attributed to the Town's Revenue Strategy Target;
  - Costs projected for future major repairs and maintenance at the Markham Green Golf Course will be included in the next update of the Life Cycle Reserve Study;
  - Angus Glen Golf Club will pay for all golf course and food service leasehold improvements;
  - Angus Glen will take over and utilize the existing kitchen facility. In doing so, they intend to change the existing dining format from packaged sandwiches to a proper dining facility with a full menu. Their intent is to make the facility more available to the community, whether golfing or just stopping by with the family for a meal.
  - Angus Glen will offer full catering to the Rouge River Community Centre. That said, patrons will still have the opportunity of choosing their own caterers.

Both initiatives should not only create an improved venue for the community but increase revenues to be shared by the Town.

**ENVIRONMENTAL CONSIDERATIONS:**

Angus Glen Golf Club is committed to maintaining superior environmental standards, and has been recognized with four Toronto and Region Conservation Honour Roll Awards.

**ACCESSIBILITY CONSIDERATIONS:**

Not applicable

**ENGAGE 21<sup>ST</sup> CONSIDERATIONS:**

Not applicable

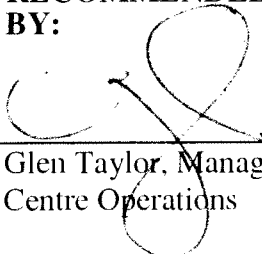
**BUSINESS UNITS CONSULTED AND AFFECTED:**

Not Applicable.

**ATTACHMENTS:**

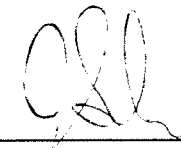
Angus Glen Golf Club expression of interest proposal.

**RECOMMENDED  
BY:**



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Glen Taylor, Manager of Community  
Centre Operations



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Jim Sales, Commissioner of  
Community and Fire Services