



The Corporation of the Municipality of Arran-Elderslie

Staff Report

Council Meeting Date: November 25, 2024

Subject: SRCLK.2024.16 – Medical Clinic Lease Agreements.

Report from: Christine Fraser-McDonald, Clerk

Appendices: DRAFT Lease Agreements for Chesley and Paisley Medical Clinics

Recommendation

Be It Resolved that Council hereby,

1. Receive Report SRCLK.2024.16 for information - Medical Clinic Lease Agreements.
 2. That Council approve the attached lease agreements for the Brockton and Area Family Health Team – Chesley Medical Clinic and Paisley Medical Clinic.
 3. That Council authorizes the Mayor and Clerk to execute the agreements on behalf of the Municipality.
 4. That a By-law be brought to the next available Council meeting to enter into these agreements.
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Report Summary

Approval of the extension of long-term leases with the Brockton Family Health Team for the Chesley and Paisley Medical Clinics.

Background

The Municipality has existing lease agreements with the Brockton and Area Family Health Team for the Chesley and Paisley Medical Clinics that have expired.

Analysis

With the significant strain on health care in the province, the availability to provide health care in our communities is of significant value to our residents.

Paisley Medical Clinic:

The Paisley Medical Clinic lease agreement was established on November 1, 2018, and expired on October 31, 2023.

On October 19, 2023, staff provided a letter to the Health Team indicating that the agreement would be in overholding and would continue with the same terms and conditions until a new lease agreement was in effect.

On November 7, 2024, staff discussed the agreement with the Family Health Team extending the agreement and proposing the following amendments:

- Section 2 Rent:
 - The Municipality is proposing a modest increase of 3% to \$18.00 per ft² for a total of \$18,072 per year, payable monthly in installments of \$1,506.00 from January 2025 to December 2029, plus HST.
 - The Municipality also proposed an opportunity for the Health Team to rent the meeting room space at a cost of \$16.95 per hour (subject to increases as per the Municipality's Fee and Charges) when the room is not booked by a local service group.

Chesley Medical Clinic:

The Chesley Medical Clinic lease agreement was established on July 1, 2017, and expired on June 30, 2022.

On November 7, 2024, staff discussed the agreement with the Family Health Team extending the agreement and proposing the following amendments:

- Section 2 Rent
 - The Municipality is proposing a modest increase of 3% to \$18.00 per ft² for a total of \$33,030.00 per annum, monthly in installments of \$2,752.50 from January 2025 to December 2029, plus HST.

Link to Strategic/Master Plan

6.5 Engaging People and Partnerships

Financial Impacts/Source of Funding/Link to Procurement Policy

With the 3% increase in rent, this will provide a small amount of surplus for the Municipality. This is in line with our expected increase in costs.

Approved by: Emily Dance, Chief Administrative Officer