

9. OSU FIELDHOUSE, GEORGE NELMS SPORTS PARK (5650 MITCH OWENS ROAD)
PAVILLON DE L'OSU, PARC SPORTIF GEORGE-NELMS (5650, CHEMIN MITCH OWENS)

COMMITTEE RECOMMENDATIONS

That Council:

- 1) Approve and direct the General Manager of Recreation, Cultural and Facility Services to execute the attached Memorandum of Understanding between the City of Ottawa and Ottawa South United Soccer Association (OSU) (Document 1); and
- 2) Waive clause 2.3 of the Disposal of Real Property Policy requiring the City to provide public notice and solicit offers for the proposed disposal through a long-term lease of a portion of George Nelms Park; and
- 3) Delegate authority to the Director, Corporate Real Estate Office to negotiate, conclude, execute and amend on behalf of the City, the land lease agreement, within the contractual and financial parameters outlined in this report; and
- 4) Delegate authority to General Manager of Recreation, Cultural and Facility Services to renegotiate and execute a renewed Sports Field Agreement with OSU that reflects the term of the land lease.

RECOMMANDATIONS DU COMITÉ

Que le Conseil :

- 1) donne son approbation et de demander au directeur général des Loisirs, de la Culture et des Installations de signer le protocole d'entente conclu entre la Ville d'Ottawa et l'Ottawa South United

Soccer Association (OSU) (document 1); et

- 2) **déroge à la disposition 2.3 de la Politique sur l'aliénation des biens immobiliers, qui exige de la Ville qu'elle donne avis public de l'aliénation proposée sous la forme d'une location à long terme d'une partie du parc George-Nelms, et qu'elle sollicite des offres; et**
- 3) **délègue au directeur du Bureau des biens immobiliers municipaux le pouvoir de négocier, de conclure, de signer et de modifier, au nom de la Ville, l'accord de location des terrains, dans les limites des paramètres contractuels et financiers exposés dans le présent rapport; et**
- 4) **délègue au directeur général des Loisirs, de la Culture et des Installations le pouvoir de renégocier et de signer avec l'OSU une entente renouvelée relativement aux terrains de sport cadrant avec le libellé de l'accord de location.**

For the Information of Council

The Committee also approved the following Motion:

Motion No FEDC 2021 1/27

That the Finance and Economic Development Committee approve:

1. An amendment to the text of the financial implications section to remove, "The current budget of \$475,000 for the George Nelms Park Fieldhouse Major Capital project will be returned to the RCFS Major Capital Partnership funding program. The balance of funds, \$92,704, received from the OSU will be returned."
2. The substitution in the financial implications section of the revised text, "The current budget of \$396,352 for the George Nelms Park Fieldhouse Major Capital project will be returned to the RCFS Major Capital Partnership funding program. The balance of funds, \$171,352, received from the OSU will be returned."

Pour la gouverne du Conseil :

Le comité a approuvé en outre la motion suivante :

Motion No CFDE 2021 1/27

Que le Comité des finances et du développement économique approuve :

1. la modification du texte des répercussions financières, soit le retrait de ce qui suit : « Le montant actuel de 475 000 \$ alloué au projet d'immobilisations majeur de pavillon au parc sportif George Nelms sera restitué au programme de partenariat de financement pour les projets d'immobilisation majeurs de la DGLCI. Le solde des fonds reçu de la part de l'OSU, qui s'élève à 92 704 \$, sera restitué. »;
2. le remplacement de ce texte dans la section sur les répercussions financières par ce qui suit : « Le montant actuel de 396 352 \$ alloué au projet d'immobilisations majeur de pavillon au parc sportif George-Nelms sera restitué au programme de partenariat de financement pour les projets d'immobilisation majeurs de la DGLCI. Le solde des fonds reçu de la part de l'OSU, qui s'élève à 171 352 \$, sera restitué. »

DOCUMENTATION/DOCUMENTATION

1. General Manager's report, Recreation, Cultural and Facility Services Department, dated June 14, 2021 (ACS2021-RCF-GEN-0007)

Rapport de la Directrice générale, Services sociaux et communautaires, daté le 14 juin 2021, (ACS2021-RCF-GEN-0007)

2. Extract of draft Minutes, Finance and Economic Development Committee, 6 July 2021.

Extrait de l'ébauche du procès-verbal, Comité des finances et du développement économique, le 6 juillet 2021.

**Report to
Rapport au:**

**Finance and Economic Development Committee
Comité des finances et du développement économique
6 July 2021 / 6 juillet 2021**

**and Council
et au Conseil
21 July 2021 / 21 juillet 2021**

**Submitted on June 14, 2021
Soumis le 14 juin 2021**

**Submitted by
Soumis par:**

**Dan Chenier, General Manager / Directeur général, Recreation, Cultural and
Facility Services Department / Direction général des loisirs, de la culture et des
installations**

**Contact Person
Personne ressource:**

**Kevin Wherry, Manager, Parks and Facilities Planning / Gestionnaire, Planification
des installations et des parcs, Recreation, Cultural and Facility Services /
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Ward: OSGOODE (20)

File Number: ACS2021-RCF-GEN-0007

**SUBJECT: OSU Fieldhouse, George Nelms Sports Park
(5650 Mitch Owens Road)**

**OBJET: Pavillon de l'OSU, parc sportif George-Nelms
(5650, chemin Mitch Owens)**

REPORT RECOMMENDATIONS

That the Finance and Economic Development Committee recommend Council:

- 5) Approve and direct the General Manager of Recreation, Cultural and Facility Services to execute the attached Memorandum of Understanding between the City of Ottawa and Ottawa South United Soccer Association (OSU) (Document 1); and
- 6) Waive clause 2.3 of the Disposal of Real Property Policy requiring the City to provide public notice and solicit offers for the proposed disposal through a long-term lease of a portion of George Nelms Park; and
- 7) Delegate authority to the Director, Corporate Real Estate Office to negotiate, conclude, execute and amend on behalf of the City, the land lease agreement, within the contractual and financial parameters outlined in this report; and
- 8) Delegate authority to General Manager of Recreation, Cultural and Facility Services to renegotiate and execute a renewed Sports Field Agreement with OSU that reflects the term of the land lease.

RECOMMANDATIONS DU RAPPORT

Que le Comité des finances et du développement économique recommande au Conseil ce qui suit :

- 5) de donner son approbation et de demander au directeur général des Loisirs, de la Culture et des Installations de signer le protocole d'entente conclu entre la Ville d'Ottawa et l'Ottawa South United Soccer Association (OSU) (document 1); et
- 6) de déroger à la disposition 2.3 de la Politique sur l'aliénation des biens immobiliers, qui exige de la Ville qu'elle donne avis public de l'aliénation proposée sous la forme d'une location à long terme d'une partie du parc George-Nelms, et qu'elle sollicite des offres; et
- 7) de déléguer au directeur du Bureau des biens immobiliers municipaux le pouvoir de négocier, de conclure, de signer et de modifier, au nom de la Ville, l'accord de location des terrains, dans les limites des paramètres contractuels et financiers exposés dans le présent rapport; et
- 8) de déléguer au directeur général des Loisirs, de la Culture et des Installations le pouvoir de renégocier et de signer avec l'OSU une entente

renouvelée relativement aux terrains de sport cadrant avec le libellé de l'accord de location.

BACKGROUND

In January 2004, City Council approved a Sports Field Strategy ([ACS2004-PEO-COM-004](#)) that included a multi-pronged approach to increase the number of sports fields required to meet user needs and demand in a cost-effective manner. Council subsequently approved the acquisition and development ([ACS2008-CMR-REP-0038](#)) of the lands that became known as George Nelms Sports Park at 5650 Mitch Owens Drive.

On July 14, 2010 ([ACS2010-COS-PRC-0011](#)) the Partnership Major Capital Program Summary of Funding Allocations 2010 report was approved by Council, which approved in principal a funding partnership with Ottawa South United Soccer Association (OSU) for the development and operation of George Nelms Sports Park. The OSU proposal included the conceptual design and construction of a fieldhouse within George Nelms Sports Park. Despite approval of City funding in principle for the fieldhouse project, the municipal contribution was held in abeyance pending OSU fundraising for their share and initiation of the project.

In October 2010, OSU and the City of Ottawa entered into a Sports Field Agreement, as amended, for the use and operation of George Nelms Sports Park.

In the past three months, OSU has signaled a renewed interest in moving ahead with the construction of a building at the park, but with a different funding model than what was intended in 2010. Through preliminary discussions, a basic framework has been discussed for moving this project forward and resulting in the development of a non-binding Memorandum of Understanding recommending a long term lease agreement to allow for the construction of an OSU funded fieldhouse in George Nelms Sports Park, with resulting community benefits for all site users.

DISCUSSION

The history of Ottawa South United Soccer Club began in 2003 with the amalgamation of soccer associations based in the south area of the City. The new club, to be known as Ottawa South United (OSU), formed a new association of over 5000 members, with the goal to be recognized as one of the premier soccer clubs in Ontario and Canada. The Club is now one of the most significant community sports groups delivering all

levels of soccer in the City and a dominant provider of soccer in the south end of Ottawa.

The City and OSU began discussions for the possible design and development of a support building/fieldhouse facility at George Nelms Sports Park in 2010. Since that time, OSU has contributed approximately \$2M in funding improvements for George Nelms Sports Park, including the expansion of the parking area, conversion of Field 1 from grass to synthetic turf, sports field lighting, and installation of supporting infrastructure for the irrigation of the grass turf fields.

In support of the construction of a fieldhouse, RCFS and Corporate Real Estate Office (CREO) are recommending that Council waive clause 2.3 of the City's Real Property Disposal Policy to allow for the sole source lease of the park area required to build the fieldhouse to OSU. Clause 2.3 requires CREO to solicit offers from the public regarding any disposal of real property, which includes the long-term lease of land. With OSU's well established role as a provider of community soccer in the area, and with the progressive development of this park, staff do not believe it to be necessary or appropriate to seek competitive bids for an alternative operator of the sports field or a fieldhouse at George Nelms Park.

The nature of this lease supports and expands upon the existing sports field agreement and OSU investments in the park, with the construction of a fieldhouse. Pending Council approval of this report, the existing sports field agreement will be renegotiated to reflect the length of the long-term lease agreement. The proposed fieldhouse will be independently funded, operated and maintained by OSU and will include universally accessible washroom facilities that will be open and available for general public use in prime-time hours. Both parties recognize the community benefit of a publicly accessible washroom at this relatively remote site; and the value of this community benefit will comprise part of the lease negotiations, including the investigation of opportunities for additional community access.

Discussions to date have determined that no City funding will be provided for the design or construction of the building. The 2010 City Community Partnership Major Capital funding allocation will be returned to the general Program account and OSU funds held-in-trust by the City under the Major Capital Partnership program will be returned to OSU.

The proposed Memorandum of Understanding (MOU) (Document 1), between the City and OSU, outlines the draft terms for negotiating a long-term land lease agreement, renewal of lease conditions, as well as high-level details regarding design, construction and operation of a proposed fieldhouse facility. The MOU requires OSU to pay market rent for the use of the park area where the fieldhouse will be built, as well as outlines the plan for a universally accessible washroom facility, available for public use during prime-time hours, to be included in the design and construction of the fieldhouse.

Additionally, the MOU acknowledges that further City permissions may be required to complete the planned project. It is OSU's responsibility to obtain all planning approvals, permits, hiring of consultants and contractors, as well as to ensure an open and transparent procurement process, including undertaking public consultation, as required.

City staff are recommending that City Council approve the attached MOU and direct the General Manager of Recreation, Cultural and Facility Services to execute said document. City staff will continue to engage with Ottawa South United Soccer Association for the land lease, design and construction of a fieldhouse at George Nelms Sports Park, as well as ongoing discussions with respect to community needs.

RURAL IMPLICATIONS

This report supports the expansion of rural sport infrastructure.

CONSULTATION

Initial consultations were undertaken as part of the initial Sportsfield Strategy. Further consultations will be explored should the fieldhouse require future expansion.

COMMENTS BY THE WARD COUNCILLOR(S)

Ward Councillor Darouze concurs with the recommendations in this report and is supportive of this proposal for a number of reasons. The long-term lease agreement will allow for the construction of an OSU funded fieldhouse in George Nelms Sports Park, with resulting community benefits for all site users. The nature of this lease also supports and expands upon the existing sports field agreement and OSU investment in the park, with the construction of a field house. Furthermore, the proposed fieldhouse will be independently funded, operated and maintained by OSU, with no City funding being provided for the design or construction of the building. Finally, the fieldhouse will

include universally accessible washroom facilities that will be open and available for general public use in prime-time hours.

LEGAL IMPLICATIONS

There are no legal impediments to approving the recommendations in this report.

RISK MANAGEMENT IMPLICATIONS

There are no significant risks associated with the recommendations within this report.

ASSET MANAGEMENT IMPLICATIONS

The recommendations documented in this report are consistent with the City's [Comprehensive Asset Management \(CAM\) Program](#) objectives. The implementation of the Comprehensive Asset Management program enables the City to effectively manage existing and new infrastructure to maximize benefits, reduce risk, and provide safe and reliable levels of service to community users. This is done in a socially, culturally, environmentally, and economically conscious manner.

The proposed fieldhouse will be independently funded, operated and maintained by OSU and will include universally accessible washroom facilities that will be open and available for general public use in prime-time hours. Both parties recognize the community benefit of a publicly accessible washroom at this relatively remote site; and the value of this community benefit will comprise part of the lease negotiations, including the investigation of opportunities for additional community access.

FINANCIAL IMPLICATIONS

REVISED - The current budget of \$396,352 for the George Nelms Park Fieldhouse Major Capital project will be returned to the RCFS Major Capital Partnership funding program. The balance of funds, \$171,352, received from the OSU will be returned.

ACCESSIBILITY IMPACTS

Accessibility impacts have been taken into consideration within the design of the fieldhouse.

TERM OF COUNCIL PRIORITIES

This report is reflective of the Term of Council Priority *Thriving Communities - Invest in recreation infrastructure and improve selected parks and facilities across all City wards* and will assist in providing access to recreation facilities and programs, and attractive signature public spaces.

SUPPORTING DOCUMENTATION

Document 1 - Memorandum of Understanding between the City and OSU.

DISPOSITION

The Recreation, Cultural and Facility Services Department and the Corporate Real Estate Office will execute the recommendations, as outlined in the report, upon approval by Committee and Council.