

# The Corporation of the Township of King Report to Council

From: Community Services

Report Number: COM-2025-001

Date: Monday, June 16, 2025

Title: Nobleton Community Hall Update

#### Recommendation

1. That Council receive Report COM-2025-001 for information.

- That Council direct staff to enter into negotiations with 1001243756 Ontario Incorporated regarding a long term lease agreement, as described within this report.
- 3. That Council delegates authority to the Director of Community Services to authorize the lease agreement based on reaching satisfactory terms with the proponent.
- 4. That Council direct staff to undertake a Zoning By-Law Amendment process for the purpose of permitting 19 Old King Road (Nobleton Community Hall) to be used as described within this report.
- 5. That Council direct staff to apply for any necessary heritage permits required for the alteration works to the hall as described within this report, in consultation with the Heritage Advisory Committee (HAC) and Township's Heritage Planner.

# 1. Report Highlights

- The Township has been presented with an opportunity to lease the Nobleton Community Hall.
- The proposal details a project for an adaptive re-use of a municipal heritage facility as a restaurant and pub.
- The proposal creates an opportunity for the Township to maintain ownership of the facility and financially sustainable management of the building.

## 2. Purpose

The purpose of the report is to gain direction to proceed with the processes required to advance the proposal received for a long-term lease of the Nobleton Community Hall.

# 3. Background

As previously reported to Council, most recently in Report <u>JR-2024-001</u> the Nobleton Community Hall has been noted as an underutilized municipal facility that requires significant rehabilitation and improvements if it is to remain as a municipal asset including basic asset

management needs as well as facility improvements related to accessibility and energy management. Staff estimated these costs to be in the area of \$1.5 million to complete.

At the time of the report Council deferred a decision on the hall while the Neighbourhood Block Plan exercise underway by Growth Management Services was completed. At present that process is still underway.

Since the time of the noted report, staff have been engaged by several proponents including the possibility of housing the King Township Foodbank (the "Foodbank") at this location, a possible doctor's office/clinic and several restaurant-based entities. Council had previously directed staff to explore the opportunities with the Foodbank for re-locating to the Hall and met with the organization on several occasions with the ultimate understanding that this facility would require significant improvements and may not be suitable for the organization's needs in the long term.

As identified, staff have been approached by other interested parties with discussions with one organization moving forward to a point that staff require direction at this time based on proceeding as described within this report.

## 4. Analysis

The proposal presented to the Township is based on a private entity obtaining a long-term lease of the facility to operate a restaurant and pub out of the Nobleton Community Hall.

As identified in the recommendations of this report, staff are seeking authority to enter into negotiations with the proponent to develop a unique agreement whereas the Township may receive less cashflow contributions (i.e. rent) from the proponent in lieu of significant financial and physical investments within the facility in order to upgrade the building to the needs of the organization for future operations.

While final figures are still being determined by both parties, it is expected that the financial investment will exceed \$1.1 million which is consistent with previous staff analysis for ensuring all asset management and accessibility work is completed.

It is likely any agreement will be required to be a minimum of ten (10) years to allow for adequate return on investment meaning that, as this is an exclusive use agreement, there will be no municipally led community use of the facility. That being said, as noted community use from a municipal perspective has been limited. This proposal allows for an alternate form of community use that will create investment in an existing heritage building that is currently under utilized and a focal point in the future core area development of the Village of Nobleton. A community gathering point such as a restaurant or pub would become an anchor in the core area, working within initial concepts of the Nobleton Neighbourhood Plans previously presented to Council.

## Zoning

The lands are designated Village Core on Schedule D2 of the Our King Official Plan. This designation permits a range of uses, including but not limited to, mixed use buildings,

institutional uses, and commercial uses such as restaurants, retail, services and similar uses, excluding drive-throughs. As such, the use of the building for a restaurant conforms to the permitted uses of the Official Plan.

The lands are currently zoned Institutional (I) by under the Nobleton Urban Area Zoning By-law 2016-71. The Institutional zone permits a range of institutional uses, including but not limited to, places of assemble, recreational uses, and schools; however, the zoning does not currently permit a restaurant. To permit a restaurant within the existing building, a Zoning By-law Amendment is required.

#### **Next steps**

Subject to approval of the recommendations of this report, staff will proceed with the works associated with the land-use planning process, applicable permits and the lease negotiations concurrently with the objective of reporting back to Council on any matters requiring approval in fall 2025.

#### 5. Financial Considerations

To realize this project, additional staff resources will be required to update the zoning requirements and heritage permits required for the site. Given this is a municipal facility, there will be no application fees to offset these costs.

This agreement provides significant long-term financial benefit to the municipality through the investment in a heritage municipal facility, annual financial contributions to the Township through a negotiated lease payment, and deferral of municipal asset management requirements for the facility. The benefits will provide additional revenue to the Township to help future offset future operating budgets pressures.

# 6. Alignment to Strategic Plan

The 2023-2026 Corporate Strategic Plan (CSP) was adopted by Council on June 12, 2023. The CSP reflects the priorities of upmost importance to the community and defines the obligations and commitments of the Township of King to its citizens and to the public. The CSP is aligned with the Townships long-term vision defined in the "Our King" Official Plan. The CSP also aims to ensure that staff initiatives focus on and work towards supporting King's Vision, Mission and Values.

This report is in alignment with the CSP's Priority Area(s), and/or associated Objective(s) and/or Key Results(s):

Priority Area: Sustainable Asset Management

Objective: Enrich community well-being and make King the ideal place to live, work and play.

Key Result: Choose a Key Result (if applicable).

### 7. Conclusion

The proposal presented by the proponent represents an opportunity for the municipality to advance key initiatives such as the Neighbourhood Plans, the asset management plan funding strategy while maintaining a community asset long term with a third-party investment and operating the building on behalf of the municipality.

## 8. Attachments

Not applicable.

Prepared by: **Chris Fasciano**Director of Community Services

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Approved for submission by: **Daniel Kostopoulos**Chief Administrative Officer