



## Regina Windy Flyers Lease – Kings Park

<b>Date</b>	February 23, 2022
<b>To</b>	Executive Committee
<b>From</b>	Financial Strategy & Sustainability
<b>Service Area</b>	Land, Real Estate & Facilities
<b>Item No.</b>	EX22-18

### RECOMMENDATION

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The Executive Committee recommends that City Council:

1. Approve the City of Regina entering into an agreement for the lease of the portion of City-owned property located at SE 13-19-19-W2M at Kings Park (identified on the attached Appendix A) to Regina Windy Flyers, consistent with the terms and conditions stated in this report.
2. Delegate authority to the Executive Director, Financial Strategy & Sustainability or their designate, to negotiate any other commercially relevant terms and conditions, as well as any amendments to the agreement that do not substantially change what is described in this report and any ancillary agreements or documents required to give effect to the agreement.
3. Authorize the City Clerk to execute the agreement upon review and approval by the City Solicitor.
4. Approve these recommendations at its meeting on March 2, 2022 following the required public notice.

### ISSUE

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The Regina Windy Flyers are a non-profit group that have leased the subject lands, being a portion of property located at Kings Park (identified on the attached Appendix A), from the City of Regina

(City) since 1994. Their previous lease expired on December 31, 2021. The group has requested a new lease.

When considering the lease of City-owned property, standard procedure for Administration is to ensure that the property is made publicly available and leased at market value. In this lease, the land is being provided without a public offering, which requires City Council approval. It is recommended that City Council approve the City entering into a lease agreement with the Regina Windy Flyers for this space.

## **IMPACTS**

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### **Financial Impacts**

The lease area contains infrastructure built and installed by the Regina Windy Flyers that is specific to their use. This land is not currently developable, therefore, has limited revenue opportunities. It could be utilized for hay or grazing land, with revenues from those activities estimated to be less than the proposed annual lease rate of \$1,000. The proposed agreement of \$1,000 annually is an increase of \$325 from the Windy Flyers' previous lease rate. The lessee would also be responsible for insurance, as well as the maintenance and operations of the property including any property tax assessed by and payable to the RM.

### **Environmental Impacts**

City Council set a community goal for the City of achieving net zero emissions and sourcing of net zero renewable energy by 2050. In support of this goal, City Council asked Administration to provide energy and greenhouse gas implications of recommendations so that City Council can evaluate the climate impacts of its decisions. The recommendations in this report have limited direct impacts on energy consumption and greenhouse gas emissions.

## **OTHER OPTIONS**

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The City could choose to not lease the property and or lease the land for hay or grazing. This is not recommended as the Regina Windy Flyers have occupied the area since 1994 and completed numerous improvements to the land that are specific to the operation of their club including the installation of a small runway to be used exclusively by radio-controlled model airplanes.

## **COMMUNICATIONS**

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Public notice is required for City Council to approve the lease of City-owned property without public

offering. Notice regarding this proposal has been advertised in accordance with *The Public Notice Policy Bylaw, 2020*.

The Regina Windy Flyers will be informed of any decisions of the Executive Committee and City Council.

## **DISCUSSION**

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The Kings Park area is home to a number of non-profit organizations including The Regina Auto Racing Club, The Regina And Area Motocross Club, The South Sask Kart Club and The Regina Windy Flyers, which have benefited from the use of City owned land located in the RM. The Regina Windy Flyers is a non-profit corporation that promotes the use of radio-controlled model airplanes. They have leased the lands from the City since 1994 and have made multiple improvements to the land to make it suitable for their use. The City has not received concerns with the operation of the property under its current use.

The Windy Flyers' most recent lease was approved by City Council in 2011 for 10 years. In 2017, a subsequent amendment was approved by City Council to expand their lease area from 30 acres to the current 35 acres in order to provide for a better flight path for the club. The proposed agreement may be cancelled by either party upon 30 days written notice to the other party.

The subject area is approximately 35 acres in size and the proposed lease is for 10 years. The proposed lease rate is \$1,000 plus GST annually which is considered market value for this property. The lessee will also be responsible for all property tax assessed on the property by the RM, as well as the ongoing operation and maintenance of the lands.

Administration is recommending approval of the lease.

## **DECISION HISTORY**

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In January 2001, City Council considered and approved a new lease of the lands for a five-year term with one option to renew for an additional five years.

In September 2011, City Council considered and approved the current lease of the lands on a ten-year term that is set to expire on December 31, 2021.

In October 2017, City Council considered and approved the addendum to the current lease adding the additional 5.1 acres.

Respectfully submitted,

Respectfully submitted,



Shaun Bzdel, Director, Land, Real Estate & Facilities

1/19/2022



Barry Lacey, Exec. Director, Financial Strategy & Sustainability

1/25/2022

Prepared by: Sherri Hegyi, Real Estate Officer

**ATTACHMENTS**

Appendix A - Lease Area Map