



## STAFF REPORT

THE CORPORATION OF THE TOWN OF COBOURG

# Corporate Finance, and Legislative Standing Committee

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Report to: Mayor, Deputy Mayor, and Councillors  
From: Adam Giddings, Treasurer/Director of Corporate Services  
Standing Committee Date: October 9, 2025  
Report Number: COR-2025-023  
Council Meeting Date: October 29, 2025  
Subject: **Northam Industrial Park – Parkland Corporation**

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### 1. Recommendation:

WHEREAS the Committee adopt the following recommendation and refer to Regular Council for final approval.

NOW THEREFORE BE IT RESOLVED THAT Council authorize staff to execute an amended lease.

### 2. Executive Summary:

This agreement outlines the renewal and amendment of an existing lease with the revised term of five years. This agreement renews and amends the lease for the existing 8,000 square feet of space, effective December 1, 2024, for a new five-year term. It is structured as a gross lease, inclusive of utilities and additional charges.

### 3. Background

Originally, Ultramar leased Building #20, Unit 3, along with the fuel storage tanks located on-site. They have been a key supplier of fuel to the region, with various

fuel trucks using the site to load and distribute home heating fuel and diesel throughout the area.

In prior years, Ultramar chose not to renew their lease on Building #20. This decision was likely influenced by the consolidation of their services and the relocation of their offices to the Belleville area. However, they have continued to operate and maintain the fuel tanks, which remain active to this day. These tanks were originally part of Northam Park's central heating infrastructure.

When the Northam Industrial Park heating system was converted to infrared heating in 1995, the steam plant became obsolete, and the tanks remained unused for a period of time.

Ultramar later approached the site with a request to lease the tanks. Since then, they have invested significantly in upgrades and maintenance of both the tanks and the surrounding area. They have plans to repaint the tanks again, although no specific timeline has been provided yet.

#### **4. Discussion:**

This agreement renews and amends an existing lease, with a new five-year term replacing the previous five-year term. Further, the lease covers the existing lease space of 8,000 square feet. The lease is a net lease, the tenant is responsible for hydro and utility charges.

#### **5. Financial Impact and Budget**

The lease agreement is held by Northam Industrial Park, an independent entity whose financials are separate from those of the Town of Cobourg. As a result, there is no budgetary or financial impact on the municipality. The costs and revenues associated with the lease with Parkland are managed entirely by Northam, without requiring any financial contribution from the Town. This ensures that municipal funds remain unaffected, and taxpayers do not bear any financial responsibility related to this agreement.

#### **6. Relationship to Council's Strategic Plan Priorities 2023 to 2027 and beyond:**

Thriving Community

Service Excellence

Renewing the lease for the additional funds to be repaid ensures that essential services can continue to be delivered effectively without relocation or interruption.

This stability supports employees, service users, and stakeholders who rely on the facility.

By maintaining an updated lease agreement that reflects fair market pricing and appropriate square footage use, the organization is demonstrating responsible financial management. This supports long-term fiscal sustainability.

Sustainability

**7. Public Engagement:**

Public engagement is not considered necessary as the lease renewal does not introduce new costs that would affect taxpayers or require an adjustment to the tax levy. Since it's a continuation of an existing lease, there is no additional financial burden on the public.

**8. Attachments:**

None