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Town of Aurora
Council Closed Session Report
No. PDS25-056

Subject: Property Matter – 89 Mosley Street

Prepared by: Andrew Poray, Manager, Economic Development

Department: Planning and Development Services

Date: May 13, 2025

This report is being considered by Council in Closed Session as the subject matter involves:

- a position, plan, procedure, criteria or instruction to be applied to any negotiations carried on or to be carried on by or on behalf of the municipality or local board as per Section 239(2)(k) of the Municipal Act, 2001.

Closed Session Recommendation

1. That Council Closed Session Report No. PDS25-056 be received; and
2. That staff be authorized to negotiate with **s. 14** and enter into a lease and operational agreement with the Slabtown group for the operation of 89 Mosley Street, as set out in this report, subject to the approval of the Director of Planning and Development Services and the CAO.

Open Session Recommendation

1. That Council Closed Session Report No. PDS25-056 be received; and,
2. That the confidential direction to staff be confirmed.

Executive Summary

The Town issued a request for expression of interest (REOI) in accordance with the Town's Procurement process, seeking proposals to lease the space at 89 Mosley St., the Armoury (the "Armoury"). Five qualified responses were received and evaluated by a

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multi-departmental committee. This report seeks Council's authority to negotiate and enter into a lease agreement with the recommended proponent as described herein.

- The Armoury is a unique heritage asset in the heart of Town that can be leveraged for community connection and tourism attraction.
- The objective of the REOI was to solicit interest in leasing the Armoury to generate an economically sustainable model for its operation.
- Six responses to the REOI were received and evaluated in accordance with the terms of reference.
- Following a competitive evaluation process for the operation of the Armoury, there is a preferred proponent.
- Market value lease rate for the property is in the range of \$20/sq.ft. - \$25/sq.ft. excluding Taxes, Maintenance and Insurance (TMI).

Background

The Armoury is a unique heritage asset in the heart of Town that can be leveraged for community connection and tourism attraction.

As part of Aurora's Downtown area, the Aurora Armoury is a key part of the Town's downtown revitalization, complementing Aurora's small-town charm with unique amenities. Rooted in Aurora's history and created with an inclusive and sustainable focus, the Armoury is a key asset in the community and is part of the new Community Tourism Plan, advancing the Town as a destination within the GTA.

The Aurora Armoury was designed by Walter Moberly in 1874 as a drill shed for the 12th Battalion of the Infantry of York Rangers and has played a significant role in both Canadian and Auroran history. The site is in Aurora Town Park within the Downtown core and has historically served as a gathering place and community hub for residents. At the time of its closure as a National Defense Facility in 2012, it was the longest-serving active armoury in Canada.

The Armoury has also traditionally been linked with events in the Town Park such as political rallies and speeches, festivals and sporting events and as such has been designated as a heritage building under the Ontario Heritage Act. The Armoury was the

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backdrop for Edward Blake's the famous "Aurora Speech" on October 3, 1874, when speaking to a crowd of 2,000 in the Armoury, he outlined his nationalist 'Canada First' views and argued that Canadians should take more control over their political affairs from Britain and was a catalyst for a series of important Canadian political reform.

The Town invested in the revitalization of this historic asset and worked with Niagara College to launch this amazing attraction. The Armoury served as a state-of-the-art event space with an extensive Chef's Kitchen ideal for training and Chef's table events, with the capacity to serve 200 guest events. The REOI was designed to find a suitable steward of this amazing space in partnership with the Town to leverage community connection and tourism attraction.

Figure 1 – Property Photo



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Analysis

The objective of the REOI was to solicit interest in leasing the Armoury to generate an economically sustainable model for its operation.

The Armoury is a key feature of Town Park where many community events take place. Through a request for an expression of interest (REOI), the Town emphasized its consideration of a partnership that includes public and private uses and support for events in Town Park.

Leasing the space also aims to maximize community benefit by prioritizing activity in the Aurora Downtown area, fostering active, engaged and inclusive communities where possible. The REOI suggested that a lease would require that the new tenant be responsible for all utilities and day-to-day maintenance. The Town would only be responsible for capital asset management rehabilitation (building and equipment), as required, and no day-to-day maintenance or services.

The Respondents were asked to propose a comprehensive business model for leasing the Armoury with an anticipated 3-year term, with options to extend. Costs associated with negotiated leasehold improvements, maintenance, and changes in the tax classification will further determine the value of the lease rates and TMI.

Respondents were asked to ensure that clear benefits can be demonstrated to both the Town and the taxpaying community.

Six responses to the REOI were received and evaluated in accordance with the terms of reference.

A Request for Expressions of Interest was facilitated through the Town's procurement process with the following schedule:

- Issue Date of REOI February 21, 2025
- Site Visits (Optional) February 28, 2025 – March 6, 2025
- Deadline for Questions 4:00 p.m. on March 10, 2025
- Deadline for issuing Addenda 10:00 a.m. on March 12, 2025
- Closing Time & Date 10:00 a.m. on March 14, 2025
- Respondent Presentations April 10, 2025

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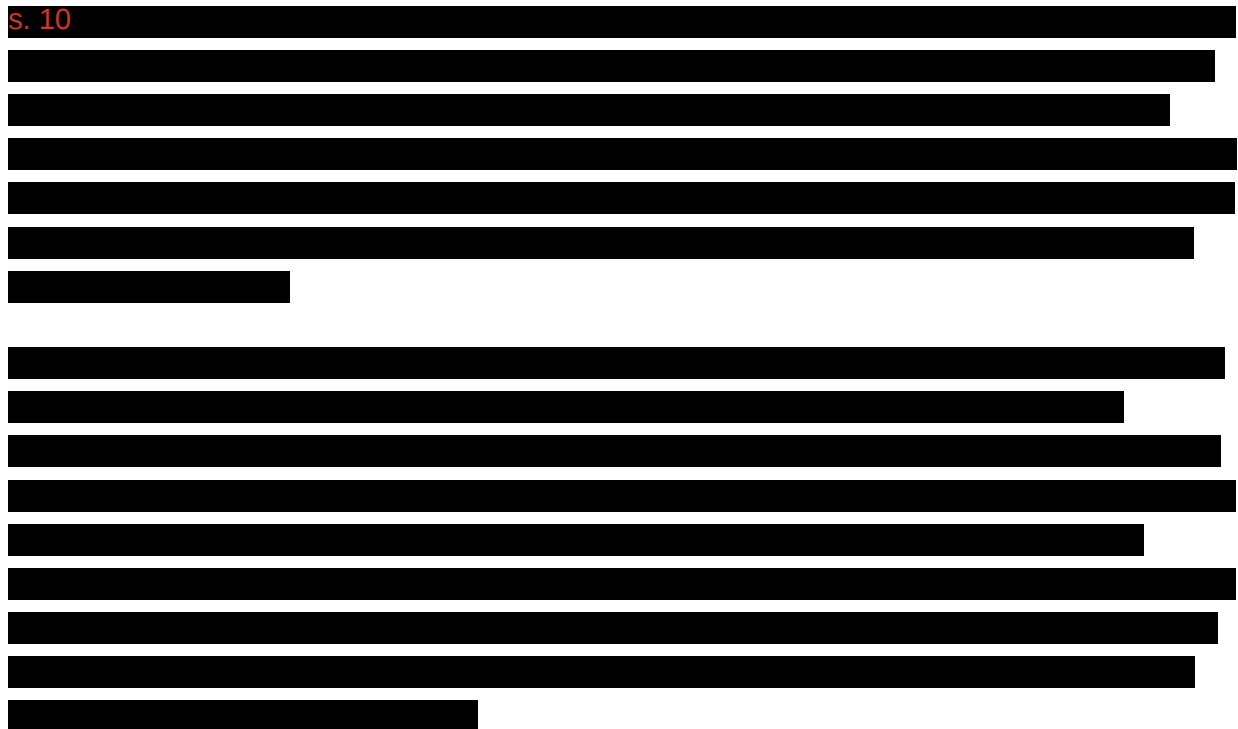
The REOI was posted on Bids and Tenders, the Town's website, and was sent directly to any known party of interest by email. Six submissions were received for the Armoury opportunity with five proponents fulfilling the requirements of the REOI to enable further consideration.

The respondents were asked for a presentation to further detail their vision. The presentation was to include:

- The vision/concept for the facility.
- Further details on operating model including community use of space, and community interaction related to Town Park or otherwise.
- Proposed menu and pricing options and defined target market.
- Proposed lease rates and term.
- Any expectations of the Town.
- Proposed timelines for becoming operational.

Respondents Overview:

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Marigolds & Onions + Zest Up Your Life: Marigolds & Onions (M&O) - is a Toronto-based catering company with over three decades of expertise in event catering, corporate dining, and hospitality management. Known for its excellence in service, culinary execution, and operational efficiency, M&O has managed high-profile events for organizations such as the RBC Canadian Open and Princess Margaret Cancer Foundation. Under the leadership of hospitality veteran Peter Higley, M&O offers the structure, systems, and creativity required for seamless food service operations.

Zest Up Your Life - founded in 2021 by Chef Michael Edgar and Kris Yeo, specializes in personalized and immersive catering experiences. With a strong focus on handcrafted menus, locally sourced ingredients, and community engagement, Zest brings modern flair and adaptability to events. Having previously catered at the Armoury, Zest offers a deep understanding of the space and clientele, making it a fitting partner for community-focused culinary initiatives.

Fishbone: is a multi-location hospitality group with nearly two decades of experience in Aurora and surrounding communities. Owned and operated by Pedro and Liliana Pereira, the company delivers upscale dining experiences and catering services with a commitment to quality and consistency. Current operations include:

- Fishbone Kitchen & Bar – Aurora
- Fishbone Kitchen & Wine Bar – Friday Harbour, Innisfil
- Fishbone By The Lake – Musselman's Lake, Stouffville
- Lolli & Pops Snack Shack – Opening April 2025
- Fishbone Catering & Events

Each location offers a unique take on coastal-inspired cuisine while maintaining a unified commitment to culinary excellence and guest satisfaction.

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[REDACTED]

Following a competitive evaluation process for the operation of the Armoury, there is a preferred proponent.

Following a competitive evaluation process for the operation of the Armoury, staff are pleased to present the recommendation of the preferred proponent. While all submissions showcased thoughtful concepts and strong presentations, the evaluation panel unanimously agreed that Slabtown Cider Co. offered the most compelling vision aligned with the Town's goals and community interests.

Slabtown's proposal stood out for its innovative partnership model with the community, well-defined organizational structure, readiness to activate the space in a timely manner, and a rental framework based on current market rates. The panel expressed a high level of confidence in Slabtown's ability to deliver on their proposal, citing their clear understanding of the space's potential. Staff would like to extend appreciation to all respondents for their time, effort, and valuable contributions to the process

The following summarizes the Slabtown Cider Co. proposal as related to the Goals and Objectives outline in the REOI and subsequent follow up presentation.

Vision and Concept:

Slabtown Cidery proposes to revitalize the historic Armoury into a welcoming, community-focused hospitality and culinary destination. The space will preserve the building's heritage while delivering an upscale rustic experience, blending food, culture, and community. The venue is designed to support both everyday use and special events, creating a gathering place that enhances the vibrancy of Town Park and downtown Aurora.

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Alignment with Town Priorities:

The proposed use aligns closely with the Town of Aurora's goals of enhancing tourism, fostering local economic development, and strengthening community connections. The vision supports a diverse range of public-facing activities, partnerships with local organizations and schools, and ongoing integration with the Town's cultural and event calendar. Through its inclusive programming and heritage-focused design, the project promotes both community pride and economic vitality.

Facility Design and Use:

The interior will feature a reception and retail area highlighting Slabtown's locally crafted cider and beer, as well as artisanal goods and tourism information. The main event space will be flexible, accommodating regular dining as well as culinary workshops, chef-led experiences, and private functions. A dedicated kitchen and event area will be used for food preparation and educational programming. Outdoors, a patio will provide seating for guests and offer a front-row experience to Town Park activities. When appropriate, live music will be offered in coordination with community events.

Programming and Community Integration:

Slabtown will offer a robust calendar of events, from food festivals and pop-up markets to artist showcases and book launches. It will work closely with the Aurora Farmers' Market, providing space for vendors during colder months and co-hosting events throughout the year. Additional programming will include youth and senior cooking workshops, hands-on training with local schools and culinary institutions, and family-friendly events. Food trucks may be brought in to support larger festivals, and shared spaces such as harvest-style tables will remain accessible to the public whenever possible.

Hours of Operation:

Monday to Wednesday (11:00 a.m. – 8:00 p.m.): Community programming, workshops, and public access events.

Thursday to Sunday (11:00 a.m. – 9:00 p.m.): Regular eatery service, weddings, and private functions.

Employment and Economic Impact:

The operation is expected to create over 25 jobs and will actively support Aurora's food, arts, and tourism economies through partnerships with local suppliers and vendors.

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Target Market

The primary audience includes adults aged 25 to 65. The experience is designed to appeal particularly to those seeking high-quality, locally focused food and beverage offerings. The menu will be inclusive and adaptable to families, ensuring accessibility for a broad range of community members and visitors.

Timeline

The proponent has requested 60 days grace period from the date execution of the lease agreement to complete the necessary leasehold improvements to open.

Market value lease rate for the property is in the range of \$20/sq.ft. - \$25/sq.ft. excluding Taxes, Maintenance and Insurance (TMI).

Staff are proposing that the tenant be responsible for all utilities and maintenance, while the Town would only be responsible for capital asset management rehabilitation and no day-to-day maintenance or services. Slabtown has stated that no leasehold improvements are necessary to accommodate their proposal. However, any additional costs incurred by the Town, including expenses related to leasehold improvements, negotiated maintenance, or changes in tax classification, will be incorporated into the lease rate and TMI calculations. As identified in the REOI, Slabtown has proposed a 3-year term, with two further optional 2-year extensions.

Advisory Committee Review

None

Legal Considerations

Authority of staff with respect to dealing with lease agreements is limited to short-term occupation. Therefore, Council direction is required to enter into any long-term lease agreement. If the proposed staff recommendation is approved, staff will be authorized to negotiate and enter into a new lease and operational agreement for the operation of the Armoury, as described in this report and subject to the approval of the Director of Planning and Development Services and the CAO.

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[REDACTED]
[REDACTED]. The corporate structure for the operator

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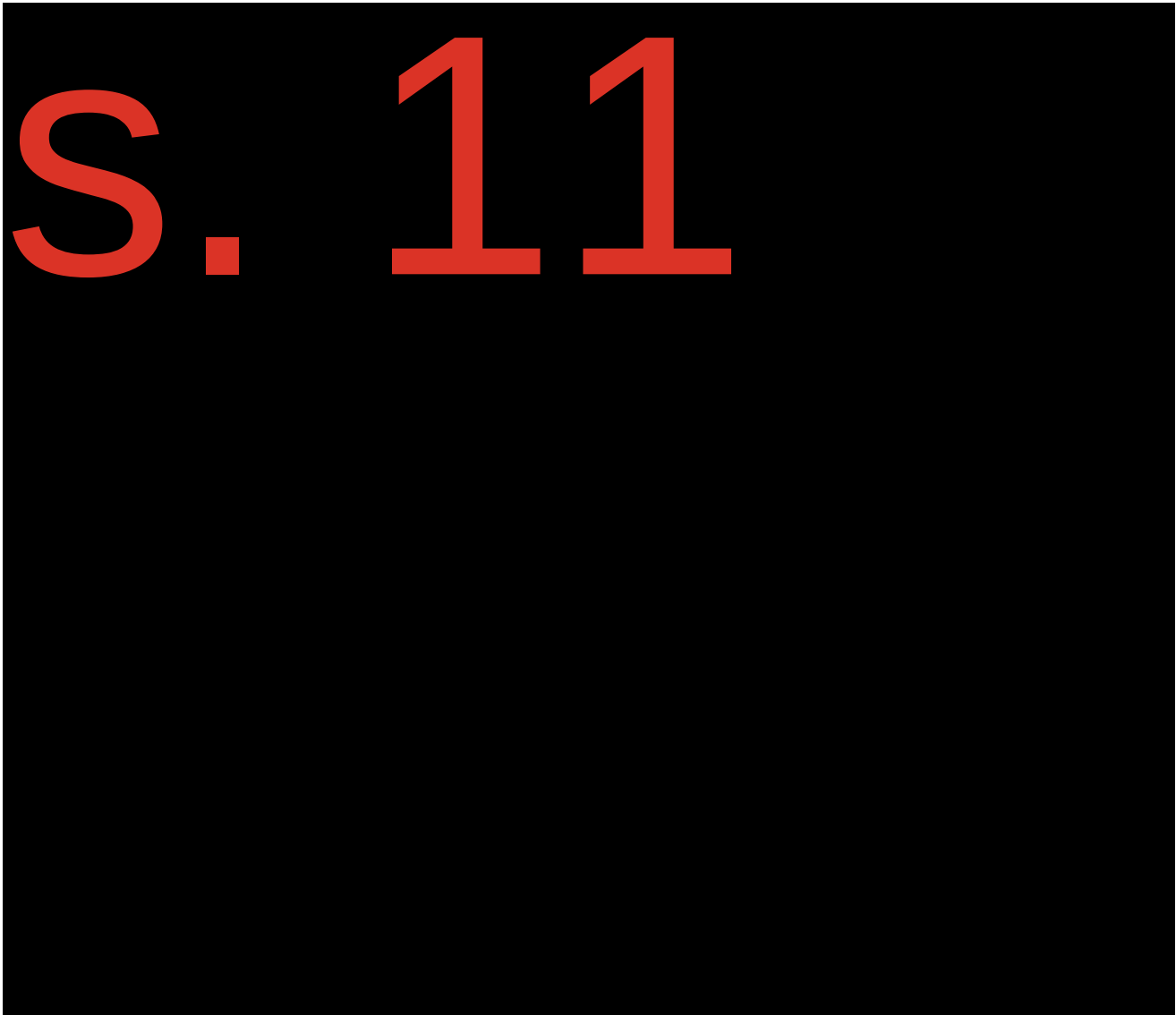
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of the Armoury will be further considered by the parties and reviewed by Town staff, and the agreement entered into with the appropriate business entity. By using a corporate entity, it will shield the proponent from personal liability, with any risk and liabilities to be borne by the corporation that enters into the agreement with the Town. In case of bankruptcy, the Town's remedies would be limited to dealing with the business entity, which may have limited assets to pursue.

Financial Implications

To enable this potential lease agreement opportunity, no investment will be required from the Town.



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Communications Considerations

Staff can work with new operator to support marketing initiatives that promote the new Operations.

Climate Change Considerations

None

Link to Strategic Plan

Enabling a Creative, Diverse and Resilient Economy - actively promote and support the plan to revitalize the downtown.

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Supporting small business and encouraging a more sustainable business environment -

Work with community partners to promote local employment practices/opportunities for local businesses and residents.

Promoting service accountability, excellence and innovation - Continue to pursue partnerships/initiatives to drive efficiency and potential cost savings.

Alternative(s) to the Recommendation

1. That Council provide direction.

Conclusions

Slabtown presented a compelling, community-driven and economically sustainable proposal for the Aurora Armoury. It presented an innovative partnership model, well-defined organizational structure, readiness to activate the space in a timely manner, and a lease framework that offers a predictable market rate revenue stream. The Slabtown proposal indicates the ability to support area events for the 2025 summer season. Therefore, it is recommended that Slabtown be approved as the successful proponent of the REOI for the Armoury, and that staff be authorized to negotiate and enter into a lease agreement as set out in this report.

Attachments

None.

Previous Reports

None.

Pre-submission Review

Closed Session report reviewed by Director of Planning and Development, Legal, Finance, Communications and the Chief Administrative Officer.

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Approvals

Approved by Marco Ramunno, Director, Planning and Development Services

Approved by Doug Nadorozny, Chief Administrative Officer