THE CORPORATION OF THE TOWN OF SOUTH BRUCE PENINSULA

BY-LAW NUMBER 16-2013

Being a By-Law to Authorize the Mayor and Clerk to Sign a Lease Extension Agreement with Her Majesty the Queen in Right of Ontario as Represented by the Minister of Public Infrastructure Renewal

WHEREAS Section 8 of the Municipal Act, 2001, Chapter 25, as amended, provides that Section 8 shall be interpreted broadly so as to confer broad authority on the municipality to enable the municipality to govern its affairs as it considers appropriate and to enhance the municipality’s ability to respond to municipal issues;

AND WHEREAS Section 9 of the Municipal Act, 2001, Chapter 25, as amended, provides that a municipality has the capacity, rights, powers and privileges of a natural person for the purpose of exercising its authority under this or any other Act;

AND WHEREAS the former Township of Amabel did enter into a lease agreement with Her Majesty the Queen in Right of Ontario as represented by the Minister of Public Infrastructure Renewal for the lands more particularly described as a part of the main floor of the building located at 21 Sauble Falls Parkway, Sauble Beach, Ontario comprising of 111.48 square metres of space as shown on Schedule “A” attached to the original agreement;

AND WHEREAS a Lease Extension Agreement entered into by the Town of South Bruce Peninsula dated March 10, 2008 extended the term to the end of April 30, 2013;

AND WHEREAS the Town of South Bruce Peninsula has deemed it expedient to enter into a further five year lease extension agreement commencing on May 1, 2013 and ending on April 30, 2018;

NOW THEREFORE THE COUNCIL OF THE CORPORATION OF THE TOWN OF SOUTH BRUCE PENINSULA ENACTS AS FOLLOWS:

1) THAT the Mayor and Clerk are hereby authorized to sign the lease extension with Her Majesty the Queen in right of Ontario as represented by the Chair of the Management Board of Cabinet.

2) THAT the lease agreement as referred to herein shall be attached hereto and form part of this by-law.

3) THAT any by-law inconsistent with this by-law shall be hereby repealed.

4) THAT the agreement shall come into force and effect upon passing by Council and upon execution thereof by all parties.
READ a FIRST and SECOND time this 19th day of February, 2013.

[Signature]
MAYOR

[Signature]
CLERK

READ a THIRD time and FINALLY PASSED this 19th day of February, 2013.

[Signature]
MAYOR

[Signature]
CLERK
FIFTH LEASE EXTENSION AND AMENDING AGREEMENT

THIS AGREEMENT made in quadruplicate as of April 1, 2013.

BETWEEN:

THE CORPORATION OF THE TOWN OF SOUTH BRUCE PENINSULA

(the “Landlord”)

OF THE FIRST PART

- and -

HER MAJESTY THE QUEEN IN RIGHT OF ONTARIO AS REPRESENTED BY THE MINISTER OF INFRASTRUCTURE

(the “Tenant”)

OF THE SECOND PART

WHEREAS:

A. By a lease dated May 1, 1981 (the “Original Lease”), The Corporation of the Township of Amabel (the “Original Landlord”) leased to Her Majesty the Queen in right of Ontario as represented by the Minister of Government Services (“MGS”) the premises more particularly described as a portion of the main floor, comprising a rentable area of approximately one thousand, two hundred (1,200) square feet (the “Rentable Area of the Premises”), in the building municipally known as 21 Sauble Falls Parkway (the “Building”), in the City of Sauble Beach, in the Province of Ontario, as more particularly described in Schedule “B” thereto (the “Premises”) for a term of five (5) years, commencing on May 1, 1981 and expiring on April 30, 1986 (the “Original Term”), in addition to other terms and conditions as set out therein.

B. By a lease renewal agreement dated May 1, 1986 (the “First Lease Extension and Amending Agreement”), the Original Landlord and MGS agreed to extend the Original Term for an addition term of five (5) years, commencing on May 1, 1986 and expiring on April 30, 1991 (the “First Extension Term”), in addition to other terms and conditions as set out therein.

C. By a lease renewal agreement dated May 1, 1991 (the “Second Lease Extension and Amending Agreement”), the Original Landlord and MGS agreed to extend the Original Term for an additional term of five (5) years, commencing on May 1, 1991 and expiring on April 30, 1996 (the “Second Extension Term”), in addition to other terms and conditions as set out therein.

D. By Order-in-Council No. OC356/93, approved and ordered February 3, 1993, all of the powers and duties assigned by law to the Minister of Government Services were assigned and transferred to the Chair of the Management Board of Cabinet (the “Chair”).

E. By a lease extension agreement dated May 1, 1996 (the “Third Lease Extension and Amending Agreement”), the Original Landlord and the Chair agreed to extend the Original Term for an additional term of five (5) years, commencing on May 1, 1996 and expiring on April 30, 2001 (the “Third Extension Term”), in addition to other terms and conditions as set out therein.

F. By an order made under the Municipal Act R.S.O. 1990 C.m.48 Subsection 2(2) dated January 30, 1998, the Original Landlord changed its name to become the Landlord.
G. The Chair occupied the Premises for the period from May 1, 2001 until April 30, 2003 on
an overhold basis as a month-to-month tenant. It is agreed and understood that the Chair
has satisfied all of its covenants and responsibilities during this period.

H. By a lease amending and extension agreement dated September 18, 2003 (the “Fourth
Lease Extension and Amending Agreement”), the Landlord and the Chair agreed to
extend the Original Term for an additional term of five (5) years, commencing on May 1,
2003 and expiring on April 30, 2008 (the “Fourth Extension Term”), in addition to other
terms and conditions as set out therein.

I. By Order-in-Council No. 1487/2005, approved and ordered September 21, 2005, all of
the powers and duties of the Chair relating to real property matters of the Government of
Ontario pursuant to the Ministry of Government Services Act, R.S.O. 1990, c.M.25, as
amended, were transferred and assigned to the Minister of Public Infrastructure Renewal
(the “MPIR”).

J. By a lease extension and amending agreement dated March 1, 2008 (the “Fifth Lease
Extension and Amending Agreement), the Landlord and the MPIR agreed to extend the
Original Term for an additional term of five (5) years, commencing on May 1, 2008 and
expiring on April 30, 2013, in addition to other terms and conditions as set out therein.

K. By Order-in-Council No. 1617/2008, approved and ordered September 17, 2008, all the
powers and duties of the MPIR relating to real property matters of the Government of
Ontario pursuant to the Ministry of Government Services Act, R.S.O. 1990, c.M.25, as
amended, were transferred and assigned to the Minister of Energy and Infrastructure
(“MEI”).

L. By Order-in-Council No. 1320/2010, approved and ordered September 15, 2010, all the
powers and duties of MEI relating to real property matters of the Government of Ontario
pursuant to the Ministry of Government Services Act, R.S.O. 1990, c.M.25, as amended,
were transferred and assigned to the Minister of Infrastructure (the “Minister”).

M. Ontario Infrastructure and Lands Corporation (“OILC”) has been delegated the Minister’s
authorities and responsibilities with respect to real property in the name of the Minister
subject to certain conditions by Delegation of Authority of Ontario Infrastructure and
Lands Corporation under the Ministry of Infrastructure Act, 2011 dated June 6, 2011.

N. The Landlord and the Tenant have now agreed to extend the Original Term for an
additional term of five (5) years, commencing on May 1, 2013 and expiring on April 30,
2018 (the “Sixth Extension Term”).

O. The Landlord and the Tenant have agreed on the amount of the Gross Rent for the Sixth
Extension Term.

P. The Original Lease, the First Lease Extension and Amending Agreement, the Second
Lease Extension and Amending Agreement, the Third Lease Extension and Amending
Agreement, the Fourth Lease Extension and Amending Agreement, the Fifth Lease
Extension and Amending Agreement and this Sixth Lease Extension and Amending
Agreement are hereinafter collectively referred to as the “Lease”, except as specifically
set out herein.

NOW THEREFORE THIS AGREEMENT WITNESSES that in consideration of the mutual
promises hereinafter set forth and other good valuable consideration, the receipt and sufficiency
of which is hereby acknowledged by the parties hereto, the parties hereto agree as follows:

1. CONFIRMATION OF RECITALS

The parties hereto confirm that the foregoing recitals are true in substance and in fact.

2. EXTENSION OF LEASE

The parties hereto agree that:

(a) The Lease is hereby extended for the Sixth Extension Term.
(b) The Sixth Extension Term shall commence on May 1, 2013 and expire on April 30, 2018.

(c) The Tenant shall continue to have the right to cancel the Lease with such date of cancellation to be effective at any time by giving the Landlord no less than six (6) months’ prior written notice of cancellation.

3. RENT FOR THE SIXTH EXTENSION TERM

(a) The Annual Rent payable for the period from May 1, 2013 up to and including April 30, 2014 shall be Fourteen Thousand, Four Hundred Dollars ($14,400.00) per annum (based on a rate of Twelve Dollars ($12.00) per square foot of the Rentable Area of the Premises per annum), payable in equal monthly instalments of One Thousand, Two Hundred Dollars ($1,200.00) each on the first day of each month during the said period, the first of such monthly instalments to be due and payable on May 1, 2013.

(b) The Annual Rent payable for the period from May 1, 2014 up to and including April 30, 2015 shall be Fifteen Thousand, Six Hundred Dollars ($15,600.00) per annum (based on a rate of Thirteen Dollars ($13.00) per square foot of the Rentable Area of the Premises per annum), payable in equal monthly instalments of One Thousand, Three Hundred Dollars ($1,300.00) each on the first day of each month during the said period, the first of such monthly instalments to be due and payable on May 1, 2014.

(c) The Annual Rent payable for the period from May 1, 2015 up to and including April 30, 2016 shall be Sixteen Thousand, Eight Hundred Dollars ($16,800.00) per annum (based on a rate of Fourteen Dollars ($14.00) per square foot of the Rentable Area of the Premises per annum), payable in equal monthly instalments of One Thousand, Four Hundred Dollars ($1,400.00) each on the first day of each month during the said period, the first of such monthly instalments to be due and payable on May 1, 2015.

(d) The Annual Rent payable for the period from May 1, 2016 up to and including April 30, 2017 shall be Eighteen Thousand Dollars ($18,000.00) per annum (based on a rate of Fifteen Dollars ($15.00) per square foot of the Rentable Area of the Premises per annum), payable in equal monthly instalments of One Thousand, Five Hundred Dollars ($1,500.00) each on the first day of each month during the said period, the first of such monthly instalments to be due and payable on May 1, 2016.

(e) The Annual Rent payable for the period from May 1, 2017 up to and including April 30, 2018 shall be Nineteen Thousand, Two Hundred Dollars ($19,200.00) per annum (based on a rate of Sixteen Dollars ($16.00) per square foot of the Rentable Area of the Premises per annum), payable in equal monthly instalments of One Thousand, Six Hundred Dollars ($1,600.00) each on the first day of each month during the said period, the first of such monthly instalments to be due and payable on May 1, 2017.

(f) AMENDMENT OF LEASE

The extension contemplated in Section 2 of this Sixth Lease Extension and Amending Agreement is subject to all the covenants and conditions contained in the Original Lease, as amended, renewed and extended from time to time, save and except that:

(a) The Tenant shall pay to the Landlord all applicable Sales Taxes assessed on the Rent payable by the Tenant to the Landlord under this Lease. The Sales Taxes shall not be deemed to be Additional Rent under this Lease, but may be recovered by the Landlord as though they were Additional Rent.

For the purposes of this Section 4(a), “Sales Taxes” shall be defined as follows:

"Sales Taxes" means all business transfer, multi-usage sales, sales, goods and services, harmonized sales, use, consumption, value-added or other similar taxes imposed by the Government of Canada and/or Ontario upon the Landlord, or the Tenant, or in respect of
this Lease, or the payments made by the Tenant hereunder or the goods and services provided by the Landlord hereunder including, without limitation, the rental of the Premises and the provision of administrative services to the Tenant hereunder.”

(b) The Landlord and the Tenant agree that the Tenant shall be granted two (2) further options to extend the term of the Lease for five (5) years each (each a “Further Extension Term”). Each Further Extension Term shall be upon the same terms and conditions of the Original Lease, as extended, renewed or amended, as the case may be, except that there shall be no further right of extension beyond the last Further Extension Term and except for the Annual Rent, which shall for each Further Extension Term be based upon: (1) the Rentable Area of the Premises, and (2) the Market Rental as of the date which is six (6) months prior to the commencement of the respective Further Extension Term. The Annual Rent for each Further Extension Term shall be determined by mutual agreement as of the date which is six (6) months prior to the expiry of the Extension Term or the respective Further Extension Term, as the case may be, or failing such agreement, by arbitration in accordance with Section 19 of the Provisos of the Lease.

The Tenant shall give written notice to the Landlord of its extension of the Lease at least six (6) months prior to the end of the Extension Term or the respective Further Extension Term, as the case may be.

(c) The Original Lease is amended as follows:

(i) Section 21 of the Provisos, Notices, shall be deleted in its entirety and replaced with the following:

“Any notice required or contemplated by any provision of this Lease shall be given in writing addressed to either the Landlord or to the Tenant to their respective addresses set out below, and delivered personally or by facsimile or mailed by either registered or signature mail and postage prepaid enclosed in a sealed envelope. The time of giving of notice by either registered or signature mail shall be conclusively deemed to be the fifth Business Day after the day of such mailing. Such notice, if personally delivered or if delivered by facsimile, shall be conclusively deemed to have been given and received at the time of such delivery. The parties hereto acknowledge and agree that notwithstanding anything to the contrary in the Electronic Commerce Act, 2000, S.O. 2000, c.17, as amended from time to time, any notice, statement, demand, request or other instrument which may be or is required to be given under this Lease or at law may not be validly delivered by way of electronic communication, save as specifically provided in this Section 21.

Either party may at any time during the Term by giving notice to the other party (in the manner provided above) change the address of the party giving such notice, and thereafter the address as set out in this Section 21 shall be deemed to be the address so changed.

To the Landlord:

The Corporation of the Town of South Bruce Peninsula
315 George Street
P.O. Box 310
Wiarton, Ontario
Attention: Manager of Emergency Services
Fax: (519) 534-4976

To the Tenant:

Ontario Infrastructure and Lands Corporation
One Stone Road West, 4th Floor
Guelph, Ontario N1G 4Y2
Attention: Vice President, Asset Management
Fax: (519) 826-3330

With a copy to:
5. **GENERAL**

(a) The Landlord and the Tenant hereby mutually covenant and agree that during the Sixth Extension Term they shall perform and observe all of the covenants, provisos and obligations on their respective parts to be performed pursuant to the terms of the Original Lease, as amended and extended hereby.

(b) The Lease shall be binding upon and enure to the benefit of the parties hereto and their respective heirs, executors, administrators, successors and assigns, subject to the express restrictions contained therein.

(c) Capitalized expressions used herein, unless separately defined herein, have the same meaning as defined in the Original Lease, as amended and extended.

(d) The provisions of this Sixth Lease Extension and Amending Agreement shall be interpreted and governed by the laws of the Province of Ontario.

THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK
(e) The Landlord acknowledges and agrees that the commercial and financial information in this Sixth Lease Extension and Amending Agreement is subject to the Freedom of Information and Protection of Privacy Act, R.S.O. 1990, c.F.31, as amended.

EXECUTED by each of the parties hereto under seal on the date written below.

SIGNED, SEALED AND DELIVERED

Dated this 19th day of February, 2013

THE CORPORATION OF THE TOWN OF SOUTH BRUCE PENINSULA

Per:  
Name: John Close  
Title: Mayor  
Authorized Signing Officer

Dated this ______ day of ______, 20____.

HER MAJESTY THE QUEEN IN RIGHT OF ONTARIO AS REPRESENTED BY THE MINISTER OF INFRASTRUCTURE, AS REPRESENTED BY ONTARIO INFRASTRUCTURE AND LANDS CORPORATION

Per:  
Name:  
Title:  
Authorized Signing Officer