

## TENANCY AGREEMENT

This Tenancy Agreement made in duplicate this        day of        , 2021

### BETWEEN:

**THE CORPORATION OF THE CITY OF NORTH BAY**

**(hereinafter the “Landlord”)**

-and-

**DISTRICT OF NIPISSING SOCIAL SERVICES ADMINISTRATION BOARD**

**(hereinafter the “Tenant”)**

### 1. DEFINITIONS

1.1 In this Tenancy Agreement and all appendices forming part thereof, the following capitalized terms shall have the following respective meanings:

“**Additional Rent**” shall refer to operating costs as further defined in section 6 of this Lease;

“**Building**” means the North Bay City Hall Building, located at 200 McIntyre Street East, North Bay;

“**Business Day**” means any working day, Monday to Friday inclusive, excluding statutory and other holidays, namely; New Year’s day; Family Day; Good Friday; Easter Monday; Victoria day; Canada Day; Civic Holiday; Labour Day; National Day for Truth and Reconciliation Thanksgiving Day; Remembrance Day; Christmas Day; Boxing Day and any other day on which the Landlord has elected to close the Building for business;

“**Business Hours**” means any Business Day between 8:30am and 4:30pm;

“**Landlord**” means The Corporation of the City of North Bay;

“**Lease**” means this Tenancy Agreement as it may be amended, supplemented or restated from time to time, including any documents or instruments incorporated by reference in this Lease;

“**Party**” means the Tenant or the Landlord as the context may require;

“**Parties**” means the Tenant and the Landlord;

“**Premises**” means that the Third Floor, Fourth Floor and parts of the First Floor as illustrated on Schedule “A”, of the Building having a total area of twenty-one thousand, one hundred and fifty three square feet (21,153 square feet) in total;

“**Tenant**” means the District of Nipissing Social Services Administration Board;

“**Term**” means the term of this Lease as provided in section 3 of this Lease;

## **2. RENTED PREMISES**

- 2.1 The Landlord leases the Premises to the Tenant:
- 2.1.1 for the Term set forth in Section 3;
  - 2.1.2 at the Rent set forth in Section 5;
  - 2.1.3 subject to the term and conditions and in accordance with the covenants, obligations and agreements herein.

## **3. TERM**

- 3.1 The term of this Lease shall be for ten (10) years commencing on April 1, 2020 and expiring on the 31<sup>st</sup> day of March, 2030 (the "Term").
- (a) In the event that the Tenant is not in default under the terms of the within Lease, the Tenant will have the option to extend the said Lease for two (2) further terms, each five (5) year periods, running from April 1, 2030 to March 31, 2035 ("First Extension Term" and April 1, 2035 to March 31, 2040 ("Second Extension Term") with all terms and conditions to remain the same save and except the rent which shall be negotiated between the Parties and there shall be no further option to extend the said Lease.
  - (b) Should the Tenant wish to exercise the terms of the Option to Extend, twelve (12) months written notice prior to the end to the Term or the First Extension Term as the case maybe, shall be provided to the Landlord failing which the Option to Extend is null and void.
- 3.2 Subject to the Landlord's rights under this Lease, and as long as the Lease is in good standing the Landlord covenants that the Tenant shall have quiet enjoyment of the Premises during the Term, the First Extension Term and the Second Extension Term, as the case may be, of this Lease without any interruption or disturbance from the Landlord or any other person or persons lawfully claiming through the Landlord.

## **4. TERMINATION**

- 4.1 The Term, the First Extension Term or the Second Extension Term may be terminated by either Party upon three hundred and sixty-five (365) days written notice to the other Party.
- 4.2 Except to the extent that the Term and the First Extension Term hereof have each been extended, the Tenant agrees to permit the Landlord during the last three (3) months of the Term, the First Extension Term or the Second Extension Term, as the case maybe, of this Lease to show the Premises to prospective new tenants and to permit anyone having written authority of the Landlord to view the Premises at reasonable hours.
- 4.3 If the Tenant remains in possession of the Premises after termination of this Lease as aforesaid and if the Landlord then accepts rent for the Premises from the Tenant, it is agreed that such overholding by the Tenant and acceptance of rent by the Landlord shall create a monthly tenancy only but the tenancy shall

remain subject to all the terms and conditions of this Lease except those regarding the Term, the First Extension Term or the Second Extension Term.

- 4.4 Provided the Tenant has paid all rent and is not otherwise in default hereunder, at the expiry or earlier termination of the Term, the First Extension Term or the Second Extension Term, as the case maybe, the Tenant shall remove its trade fixtures and repair all damage resulting from the installation or removal of such trade fixtures or any of its other property on the Premises by the last day of the Term, the First Extension Term or the Second Extension Term, as the case may be, or the final date given in the notice of termination. Any trade fixtures or property remaining on the Premises following the last day of the Term, the First Extension Term or Second Extension Term, as the case may be, or the final date given in the notice of termination, shall become the absolute property of the Landlord without any compensation to the Tenant unless alternate arrangements have been made with the Landlord in advance of such date.

## 5. RENT

- 5.1 The Tenant covenants to pay rent to the Landlord, during the Term of the Lease as follows:

- 5.1.1 During the first year of the ten (10) year term from April 1, 2020 to March 31, 2021, the sum of \$306,719 per annum, calculated by multiplying 21,153 square feet per section 1.1 (the Premises) by the rate of \$14.50 per square foot, payable in equal installments of \$25,559.92 on the first day of each and every month commencing on the 1st day of April, 2020.
- 5.1.2 During the second year of the ten (10) year term from April 1, 2021 to March 31, 2022, the sum of \$311,372 per annum, calculated by multiplying 21,153 square feet per section 1.1 (the Premises) by the rate of \$14.72 per square foot, payable, in equal installments of \$25,947.67 on the first day of each and every month commencing on the 1st day of April, 2021.
- 5.1.3 During the third year of the ten (10) year term from April 1, 2022 to March 31, 2023, the sum of \$316,026 per annum, calculated by multiplying 21,153 square feet per section 1.1 (the Premises) by the rate of \$14.94 per square foot, payable, in equal installments of \$26,335.50 on the first day of each and every month commencing on the 1st day of April, 2022.
- 5.1.4 During the fourth year of the ten (10) year term from April 1, 2023 to March 31, 2024, the sum of \$320,679 per annum, calculated by multiplying 21,153 square feet per section 1.1 (the Premises) by the rate of \$15.16 per square foot, payable, in equal installments of \$26,723.25 on the first day of each and every month commencing on the 1st day of April, 2023.
- 5.1.5 During the fifth year of the ten (10) year term from April 1, 2024 to March 31, 2025, the sum of \$325,545 per annum, calculated by multiplying 21,153 square feet per section 1.1 (the Premises) by the rate of \$15.39 per square foot, payable, in equal installments of

\$27,128.75 on the first day of each and every month commencing on the 1st day of April, 2024.

- 5.1.6 During the sixth year of the ten (10) year term from April 1, 2025 to March 31, 2026, the sum of \$330,410 per annum, calculated by multiplying 21,153 square feet per section 1.1 (the Premises) by the rate of \$15.62 per square foot, payable, in equal installments of \$27,534.17 on the first day of each and every month commencing on the 1st day of April, 2025.
- 5.1.7 During the seventh year of the ten (10) year term from April 1, 2026 to March 31, 2027, the sum of \$335,275 per annum, calculated by multiplying 21,153 square feet per section 1.1 (the Premises) by the rate of \$15.85 per square foot, payable, in equal installments of \$27,939.58 on the first day of each and every month commencing on the 1st day of April, 2026.
- 5.1.8 During the eighth year of the ten (10) year term from April 1, 2027 to March 31, 2028, the sum of \$340,352 per annum, calculated by multiplying 21,153 square feet per section 1.1 (the Premises) by the rate of \$16.09 per square foot, payable, in equal installments of \$28,362.67 on the first day of each and every month commencing on the 1st day of April, 2027.
- 5.1.9 During the ninth year of the ten (10) year term from April 1, 2028 to March 31, 2029, the sum of \$345,428 per annum, calculated by multiplying 21,153 square feet per section 1.1 (the Premises) by the rate of \$16.33 per square foot, payable, in equal installments of \$28,785.67 on the first day of each and every month commencing on the 1st day of April, 2028.
- 5.1.10 During the tenth year of the ten (10) year term from April 1, 2029 to March 31, 2030, the sum of \$350,505 per annum, calculated by multiplying 21,153 square feet per section 1.1 (the Premises) by the rate of \$16.57 per square foot, payable, in equal installments of \$29,208.75 on the first day of each and every month commencing on the 1st day of April, 2029.

5.2 In the event the Parties agree to renew this Lease, the rent shall be as follows:

- 5.2.1 In the first year of the First Extension Term the rent payable shall be the rent paid in section 5.1.10 which shall be increased by 1.5% and increased by 1.5% every year thereafter.
- 5.2.2 In the first year of the Second Extension Term the rent payable shall be the rent paid in the last year of the First Extension Term which shall be increased by 1.5% and increased by 1.5% every year thereafter.

## 6. ADDITIONAL RENT

- 6.1 The Tenant further covenants to pay to the Landlord all other sums required by this Lease to be paid by it and agrees that all accounts payable by the Tenant

to the Landlord or to any other party pursuant to the provisions of this Lease shall be deemed to be additional rent ("Additional Rent") whether or not specifically designated in this Lease. Prior to the commencement of each lease year, the Landlord shall notify the Tenant of its reasonable and bona fide estimate of Additional Rent for that lease year. The Tenant shall pay such estimated amount in equal monthly installments in advance on the same dates stipulated for payment of Rent in Section 5.1. From time to time during a lease year the Landlord may, acting reasonably, re-estimate the amount of the Additional Rent and shall fix monthly installments for the then remaining balance of the lease year so that the Landlord's estimate, original or revised, of additional Rent will have been entirely paid during that lease year.

6.2 Within one hundred and twenty (120) days after the expiration of each lease year, the Landlord shall reconcile and make a final determination of the Landlord's operating costs based on the actual costs incurred therefor by the Landlord and the Landlord shall notify the Tenant of such determination. The Landlord shall provide reasonable details and, if requested by the Tenant, copies of invoices as to the breakdown and calculation of the operating costs incurred by the Landlord.

(i) If there has been a shortfall in the amounts payable by the Tenant for operating costs for such period, the Tenant shall pay such shortfall to the Landlord within sixty (60) days after delivery of the Landlord's notice.

(ii) If there has been an overpayment in the amounts payable by the Tenant for operating costs for such period, the Landlord shall pay to the Tenant, without interest, the difference between the total amount paid by the Tenant to the Landlord for operating costs for such period and the actual operating costs incurred by the Landlord.

(iii) The Tenant agrees to pay Additional Rent to the Landlord for twenty-five percent (25.0%) of the Landlord's actual cost for the whole building unless otherwise specified below. The amount of this Additional Rent is estimated as follows:

(a) Cleaning

The Tenant shall carry out or arrange for its own cleaning. The Tenant acknowledges that the Landlord does not have any additional space available for storage of cleaning equipment.

The Tenant shall pay twenty-five percent (25.0%) of the cost of cleaning of the common area of the First Floor based on actual cost of the Landlord and twenty-five percent (25.0%) of cleaning and supplies of the Second Floor public washrooms.

(b) Garbage and Recycling

The Tenant shall pay twenty-five percent (25.0%) of the cost the time spent to dispose of any garbage and recycling materials.

(iv) In addition to 6.2(iii) above, the following operating costs shall be paid by the Tenant to the Landlord as Additional Rent as follows:

a. Elevator Maintenance

The Tenant shall pay the Landlord monthly as invoiced for any maintenance or repairs carried out to the elevators based on 2/7<sup>th</sup> of the actual cost to the Landlord for the work in accordance with the terms hereof.

b. Telephone Lines/Equipment

The Tenant shall pay to the Landlord, on a monthly basis, for telephone lines and equipment, including data lines, maintenance contract and services, based on the Tenant's proportion of total number of telephone lines serving the Building.

c. Maintenance

The Tenant shall pay the Landlord monthly as invoiced for any maintenance or repairs carried out on the Tenant's floors, based upon the actual cost to the Landlord for the work in accordance with the terms hereof.

- (v) All payments to be made by the Tenant pursuant to this Lease shall be made by cheque or direct bank deposit delivered to the Landlord at the Landlord's address for service as set out in section 14 (Notice), or to the Landlord's bank account, or to such other place as the Landlord may from time to time direct in writing.

## 7. USE OF SPACE

- 7.1 During the Term of this Lease, and any renewal of it, the Premises shall not be used for any purpose, other than administrative and social service delivery offices and local government services, without the express consent of the Landlord given in writing.
- 7.2 The Tenant shall not do or permit to be done at the Premises anything which may:
- a. constitute a nuisance;
  - b. cause damage to the Premises;
  - c. cause injury or annoyance to occupants of neighbouring premises;
  - d. make void or avoidable any insurance upon the Premises or the building in which the Premises is located; or
  - e. constitute a breach of any by-law, statute, order or regulation of any municipal, provincial or other competent authority relating to the Premises.

The Landlord acknowledges that the normal business activities of the Tenant do not constitute a nuisance.

- 7.3 The Landlord shall, throughout the Term and any extension thereof, operate and regulate those portions of the heating, ventilating and air conditioning equipment

within and serving the Premises in such a manner that is reasonably necessary for the use and occupancy of the Premises for normal office purposes during Business Days from 8:00 a.m. through 5:00 p.m. The Tenant shall have access to the existing wall mounted thermostats in the Premises to adjust temperatures during Business Days from 8:00 a.m. through 5:00 p.m.

- 7.4 The Tenant and its employees may have use of one (1) management parking space and up to one hundred (100) staff parking spaces. The location shall be available at the Landlord's usual public rates within 500 metres of the Premises. Accessible staff parking will be allocated by the Landlord to the Tenant on an as-needed basis at a rate equal to the rate charged for the Landlord's Lot 10 and Lot 14 parking lots.

## **8. CARE OF PREMISES**

- 8.1 The Tenant covenants that during the Term of this Lease and any renewal thereof that the Tenant shall keep in good condition the Premises including all alterations and additions made thereto and shall, with or without notice, promptly make all the needed repairs and necessary replacements as would a prudent owner. Without limiting the generality of the foregoing or any term or condition of this Lease, the Tenant shall be responsible for the cost of repair of the Premises if such damage is caused through the negligence, carelessness or misuse by the Tenant, its servants, agents, employees, clients or anyone permitted by the Tenant to be in the Premises. The expense of any repair, replacement or alteration completed by the Landlord shall be paid by the Tenant to the Landlord forthwith upon demand.
- 8.2 The Tenant shall not be liable to effect repairs attributable to reasonable wear and tear, those repairs shall be deemed to be the Landlord's responsibility as the owner of the property as further specified in section 8.7.
- 8.3 The Tenant shall permit the Landlord or a person authorized by the Landlord to enter the Premises to examine the condition thereof and to view the state of repair at reasonable times on a Business Day during Business Hours, and:
- 8.3.1 If upon such examination repairs are found to be necessary, written notice of the repairs shall be given to the Tenant by or on behalf of the Landlord and the Tenant shall make the necessary repairs within the time specified in the notice.
- 8.3.2 If the Tenant refuses or neglects to keep the Premises in good repair the Landlord may, but shall not be obliged to, make any necessary repairs and shall be permitted to enter the Premises by itself or its servants or agents for the purpose of effecting the repairs without being liable to the Tenant for any loss, damage or inconvenience to the Tenant in connection with the Landlord's entry and repairs. If the Landlord makes repairs of a kind as would a prudent owner then the Tenant shall pay the cost of such repairs immediately upon receipt of an invoice and supporting documentation including receipts as Additional Rent.

- 8.4 Upon expiry of the Term or upon the expiry of any renewal of the Term, or upon any other termination of this Lease, the Tenant agrees to peaceably surrender the Premises including any alteration or additions made thereto save and except personal property to the Landlord in a state of good repair, reasonable wear and tear excepted.
- 8.5 In the case of an emergency, the Landlord may enter any part of the Premises without prior notice to the Tenant.
- 8.6 The Tenant shall immediately give written notice to the Landlord of any substantial damage that occurs to the Premises from any cause.
- 8.7 The Landlord covenants with the Tenant that subject to the terms of this Lease to the contrary, that the Premises are now in a good state of repair and tenable condition and that the Landlord will, except for reasonable wear and tear, keep the Building and common areas and any building systems serving the Premises that are not the responsibility of the Tenant under this Lease in good and tenable condition at all times during the Term and any extension(s) thereof. For greater certainty, the Landlord's obligations shall not extend to any matters that are the responsibility of the Tenant herein.
- 8.8 The Tenant shall permit the Landlord or a person authorized by the Landlord to enter the Premises to examine the condition thereof and to view the state of repair at reasonable times on a Business Day during Business Hours. If, upon such examination, it is determined that maintenance, repairs or replacement of any building systems or Premises are found to be necessary, written notice of such maintenance, repairs or replacements shall be delivered to the Tenant by or on behalf of the Landlord and the Landlord shall make the necessary repairs within the time specified in the notice. If such maintenance, repairs or replacements to the of any building systems or Premises are such to render the Premises either wholly or partially incapable of being occupied by the Tenant to enable the Tenant to carry on its business, then Base Rent and all Additional Rent shall abate in proportion to the area of the Premises incapable of being occupied by the Tenant, for the duration of such maintenance, repairs or replacements. Upon completion of such maintenance, repairs or replacements, Base Rent and Additional Rent contemplated by this Lease shall recommence on the day next following the day upon which the Chief Building Official of the City of North Bay issues a certificate of compliance in respect to such maintenance, repairs or replacements, and in the event a certificate of compliance is not required in respect to such maintenance, repairs or replacements, then Base Rent and Additional Rent shall recommence upon delivery of satisfactory proof to the Tenant that the Premises are fit for occupancy.

## **9. ASSIGNMENT AND TYPE OF BUSINESS**

- 9.1 The Tenant will not assign or sublet the whole or any part of the Premises without the consent of the Landlord in writing.
- 9.2 Notwithstanding the above, the Tenant shall be permitted to share the Premises with community partners and agencies and may conduct meetings, training sessions and/or loan part of the Premises to community partners and agencies without prior written permission of the Landlord. The Tenant shall be responsible for ensuring proper insurance is in place for anyone the Tenant



has invited to use the Premises who is not accompanied by a staff member of the Tenant. Such invitees shall procure and maintain the following insurance at a minimum:

- (a) comprehensive general liability insurance on an occurrence basis with respect to any use and occupancy of or things in the Premises, and with respect to the use and occupancy of any part of the Premises by the invitee, any of its servants, agents, employees, invitees, licensees, subtenants, contractors or persons for whom the invitee is in law responsible, with coverage for any occurrence of not less than five million dollars (\$5,000,000.00) or such higher amount as the Landlord may reasonably require.
- (b) each such insurance policies shall contain:
  - (i) a waiver by the insurer of any rights of subrogation to which such insurer might otherwise be entitled against the Landlord or any person for whom the Landlord is in law responsible;
  - (ii) an undertaking by the insurer that no material change adverse to the Landlord or the invitee will be made and the policy will not lapse or be terminated except after not less than thirty (30) days' written notice to the Landlord; and
  - (iii) a severability of interests clause, a cross-liability clause and a stated amount for a co-insurance endorsement.
- (c) The invitee shall ensure that the Landlord shall at all times be in possession of evidence of such insurance policies executed by the underwriting insurance company which are in good standing and in compliance with the invitee's obligations hereunder.

## **10. FIXTURES AND PARTITION ALTERATIONS**

10.1 No fixtures, goods or chattels of any kind will, except in the ordinary course of business, be removed from the Premises during the Term, the First Extension Term or the Second Extension Term or at any time thereafter without the written consent of the Landlord.

10.2 If the Tenant, during the Term, the First Extension Term or the Second Extension Term, desire to affix or erect partitions, counters or fixtures in any part of the walls, floors or ceilings of the Premises, or change the location or style of any partitions or fixtures, it may do so at its own expenses at any time and from time to time provided that the Tenant's rights to make such alterations to the Premises shall be subject to the following conditions:

10.2.1 That before undertaking such alterations, the Tenant shall submit to the Landlord a plan showing the proposed alterations or additions and seek written permission, either in a formal letter or via email,

from the Landlord to proceed with the alterations as specified and the Landlord shall not unreasonably or arbitrarily withhold consent;

- 10.2.2 That all such alterations shall conform to all building code standards building by-laws and applicable laws;
  - 10.2.3 The Tenant shall be responsible for and pay the cost of any alterations, additions, installations or improvements that any governing authority, municipal, provincial or otherwise, may require to be made in, on or to the Premises;
  - 10.2.4 The Tenant agrees, at its own expense and by whatever means may be necessary, immediately to obtain the release or discharge of any encumbrance that may be registered against the Landlord's property in connection with any additions or alterations to the Premises made by the Tenant or in connection with any other activity of the Tenant;
  - 10.2.5 The Tenant shall not bring onto the Premises or any part of the Premises any machinery, equipment or any other thing that might in the opinion of the Landlord, by reason of its weight, size or use, damage the Premises or overload the floors of the Premises, and if the Premises are damaged or overloaded the Tenant shall restore the Premises immediately or pay to the Landlord the cost of restoring the Premises;
  - 10.2.6 That such alterations will not be of a kind or extent as to weaken the structure of the building in any manner after the alterations are completed or reduce the value of the building; and
  - 10.2.7 The Tenant shall not erect signage on the exterior of the building in which the Premises is located or on the grounds on which the said building is located advertising the Tenant's name without the prior written approval of the Landlord.
- 10.3 The Tenant's employees, in common with others permitted by the Landlord, shall have use of the gender-neutral washroom located in the basement of the Building. The said washroom, basins and other apparatus shall be used for the purpose for which they were constructed. No sweepings, rubbish, rags, ashes or other substances, such as chemicals, solvents, noxious liquids or pollutants shall be stored or left therein. Any damage resulting from misuse by the Tenant's employees shall be borne by the Tenant. The Landlord shall maintain the washroom in a sanitary condition. The Tenant's employees will cooperate in observing the simple rules of cleanliness.

## **11. RULES AND REGULATIONS**

- 11.1 The Tenant will at all times during the occupancy of the Premises observe and conform to such reasonable rules and regulations as established by the Landlord from time to time including the following:

- 11.1.1 The sidewalks, entrances, stairways and corridors of the building shall not be obstructed by the Tenant, its agents, servants, contractors, invitees or employees for any purpose other than access to and from the Premises;
- 11.1.2 The windows that reflect or admit light into passageways or into any place in the building shall not be covered or obstructed by the Tenant, and no awnings shall be put over any window.
- 11.1.3 The toilets, sinks, drains, washrooms and other water apparatus shall not be used for any purpose other than those for which they were constructed, and no sweepings, rubbish, rags, ashes or other substances, such as chemicals, solvents, noxious liquids or pollutants shall be thrown therein, and any damage resulting from misuse shall be borne by the Tenant by whom or by whose employees, agents, servants, contractors or invitees the damage was caused.
- 11.1.4 No animals or birds shall be brought into the building or kept on the Premises save and except service animals in accordance with the *Accessibility for Ontarians with Disabilities Act*.
- 11.1.5 No wires, pipes or conduits shall be installed in the Premises without prior written approval of the Landlord.
- 11.1.6 No one shall use the Premises for sleeping apartments or residential purposes, for the storage of personal effects or articles other than those required for business purposes, or for any illegal purpose.
- 11.1.7 In the event that the Landlord provides and installs a Public Directory Board inside the building, the Tenant's name shall be placed on the said Board at the expense of the Tenant.
- 11.1.8 The Tenant shall not use or permit the use of any objectionable advertising medium such as, without limitation, loudspeakers, public address systems, sound amplifiers, radio, broadcast or television apparatus within the building which is in any manner audible or visible outside of the Premises.
- 11.1.9 No inflammable oils or other inflammable, toxic, dangerous or explosive materials shall be kept or permitted to be kept in or on the Premises.
- 11.1.10 No bicycles or other vehicles shall be brought within the Premises and all bicycles shall be parked and secured in designated bicycle parking spots.
- 11.1.11 Nothing shall be placed on the outside of windows or projections of the Premises. No air-conditioning equipment shall be placed at the windows of the Premises without the consent in writing of the Landlord.
- 11.1.12 The moving of all heavy equipment shall be moved through the Premises and common areas only upon appropriate moving

equipment. No deliveries requiring the use of an elevator for freight purposes will be received into the building or carried in the elevators, except during hours approved by the Landlord.

- 11.1.13 Canvassing, soliciting and peddling in the building is prohibited.
- 11.1.14 The Tenant shall first obtain in writing the consent of the Landlord to the placement by the Tenant of any garbage containers or receptacles outside the Premises or building.
- 11.1.15 The Tenant shall not install or erect on or about the Premises television antennae, communications towers, satellite dishes or other such apparatus.
- 11.1.16 The Tenant must observe strict care not to allow windows or doors to remain open so as to admit rain or snow, or so as to interfere with the heating of the building. The Tenant neglecting this rule will be responsible for any damage caused to the property of the Landlord, by such carelessness. The Tenant, when closing the Premises, shall close all windows and lock all doors.
- 11.1.17 The Tenant shall not without the express written consent of the Landlord, place any additional locks upon any doors of the Premises and shall not permit any duplicate keys to be made therefor, but shall use only additional keys obtained from the Landlord and shall surrender to the Landlord on the termination of the lease all keys of the Premises.
- 11.1.18 All janitorial services will be provided by the Tenant, including garbage, cleaning and washroom supplies, however the Landlord shall be responsible for overhead lightbulb replacement, annual duct cleaning and outside garbage and recycling receptacles.
- 11.1.19 The Tenant shall be responsible and liable for the conduct of its employees, agents, servants, contractors, invitees, clients.
- 11.1.20 The Landlord shall have the right to make such other and further reasonable rules and regulations and to alter, amend or cancel all rules and regulations as in its judgment may from time to time be needed for the safety, care and cleanliness of the building and for the preservation of good order therein and the same shall be kept and observed by the Tenant, his employees, agents, servants, contractors or invitees, provided that such rules and regulations do not increase the Tenant's financial obligations hereunder. The Landlord may from time to time waive any such rules and regulations as applied to particular tenants and is not liable to the Tenant for breaches thereof by other tenants.

## **12. INSURANCE & INDEMNITY**

### **12.1 Tenant's Insurance**

- (a) The Tenant shall, during and throughout the Term, or any renewal of it, at its sole cost and expense, take out and keep in full force and effect the following insurance with the Landlord added as an additional insured as its interest may appear:
- (i) comprehensive general liability insurance on an occurrence basis with respect to any use and occupancy of or things in the Premises, and with respect to the use and occupancy of any part of the Premises by the Tenant or any of its servants, agents, employees, invitees, licensees, subtenants, contractors or persons for whom the Tenant is in law responsible, with coverage for any occurrence of not less than five million dollars (\$5,000,000.00) or such higher amount as the Landlord may reasonably require; and
  - (ii) any other form of insurance as the Landlord acting reasonably, requires from time to time in the form, amounts and for insurance risks against which a prudent tenant would insure.
- (b) Each of the Tenant's insurance policies shall contain:
- (i) a waiver by the insurer of any rights of subrogation to which such insurer might otherwise be entitled against the Landlord or any person for whom the Landlord is in law responsible;
  - (ii) an undertaking by the insurer that no material change adverse to the Landlord or the Tenant will be made and the policy will not lapse or be terminated except after not less than thirty (30) days' written notice to the Landlord; and
  - (iii) a severability of interests clause, a cross-liability clause and a stated amount for a co-insurance endorsement.
- (c) The Tenant shall ensure that the Landlord shall at all times be in possession of evidence of the Tenant's insurance policies executed by the underwriting insurance company which are in good standing and in compliance with the Tenant's obligations hereunder.
- (d) The Tenant shall carry insurance in its own name to provide coverage with respect the risk of business interruption to the extent sufficient to allow the Tenant to meet its ongoing obligations to the Landlord and to protect the Tenant against loss of revenues.
- (e) The Tenant shall carry insurance in its own name insuring against the risk of damage to the Tenant's property within the Premises caused by fire or other perils and the policy shall provide for coverage on a replacement cost basis to protect the Tenant's stock-in-trade, equipment, trade fixtures, decorations and improvements.
- (f) The Tenant shall carry, at its own cost, such other insurance as would a prudent tenant.

(g) If the Tenant fails to maintain in force, or pay any premiums for, any insurance required to be maintained by the Tenant hereunder, or if the Tenant fails from time to time to deliver to the Landlord satisfactory proof of the good standing of any such insurance or the payment of premiums therefor, then the Landlord, without prejudice to any of its other rights and remedies hereunder, shall have the right, but not the obligation, to effect such insurance on behalf of the Tenant and the cost thereof and all other reasonable expenses incurred by the Landlord in that regard shall be paid by the Tenant to the Landlord as Additional Rent forthwith upon demand.

## **12.2 Landlord's Non-Liability**

The Tenant agrees that the Landlord shall not be responsible in any way for any injury to or death of any person or for any loss or damage to any property, at any time on or about the Premises, no matter how the same shall be caused unless resulting from or contributed to by the willful or grossly negligent act or omission of the Landlord, its servants, agents, employees, contractors or persons for whom the Landlord is in law responsible. Without limiting the generality of the foregoing, the Landlord shall not be liable or responsible for any such injury, death, loss or damage to any persons or property caused or contributed to by fire, explosion, steam, water, rain, snow, dampness, leakage, electricity, gas or any other peril, and the Landlord shall in no event be liable for any indirect or consequential damages suffered by the Tenant.

## **12.3 Indemnification of the Landlord**

The Tenant shall indemnify and save harmless the Landlord, its Mayor, Councillors, officers, agents, employees, contractors and appointees and those for whom the Landlord is in law responsible from and against any and all losses, claims, actions, damages, liabilities and expenses in connection with loss of life, personal injury, damage to property or any other loss, damage or injury whatsoever arising from or out of this Lease, or any breach, violation or non-observance by the Tenant of any of its covenants and obligations under this Lease, or any occurrence in the Premises, or the occupancy or use by the Tenant of the Premises, or any part thereof. If the Landlord shall be made a party to any litigation commenced by or against the Tenant, then the Tenant shall protect, indemnify and hold the Landlord harmless and shall pay all costs, expenses and legal fees incurred or paid by the Landlord in connection with such litigation. The Tenant shall also pay all costs, expenses and legal fees (on a substantial indemnity basis) that may be incurred or paid by the Landlord in enforcing the terms and covenants and conditions of this Lease.

## **12.4 Indemnification of the Tenant**

The Landlord shall indemnify and save harmless the Tenant, its officers, agents, employees, contractors and appointees and those for whom the Landlord is in law responsible from and against any and all losses, claims, actions, damages, liabilities and expenses in connection with loss of life, personal injury, damage to property or any other loss, damage or injury whatsoever arising from or out of this Lease, or any breach, violation or non-observance by the Tenant of any of its covenants and obligations under this Lease, or any occurrence in the Premises, or the occupancy or use by the Tenant of the Premises, or any part thereof. If

the Tenant shall be made a party to any litigation commenced by or against the Landlord, then the Landlord shall protect, indemnify and hold the Tenant harmless and shall pay all costs, expenses and legal fees incurred or paid by the Tenant in connection with such litigation. The Landlord shall also pay all costs, expenses and legal fees (on a substantial indemnity basis) that may be incurred or paid by the Tenant in enforcing the terms and covenants and conditions of this Lease.

- 12.5 The Landlord shall, at all times throughout the Term and any extensions thereof, carry (a) all risks property insurance on the Building and Premises and comprehensive boiler and machinery insurance on the equipment contained therein and owned by the Landlord, all in such reasonable amounts and with such reasonable deductions as would be carried by a prudent owner of a similar building having regard to size, age and location; (b) public liability and property damage insurance with respect to the Landlord's operations in the Building in such reasonable amounts and with such reasonable deductions as would be carried by a prudent owner of a similar building, having regard to size, age and location and (c) such other form or forms of insurance as the Landlord reasonably considers advisable.

### **13. DAMAGE TO THE PREMISES**

- 13.1 (1) If the Premises or the building in which the Premises are located, are damaged or destroyed, in whole or in part, by fire or other peril, then the following provisions shall apply:
- (a) If the damage or destruction renders the Premises unfit for occupancy and impossible to repair or rebuild using reasonable diligence within 120 days from the happening of such damage or destruction, then the Term, or any renewal term, hereby granted shall cease from the date the damage or destruction occurred, and the Tenant shall immediately surrender the remainder of the Term and given possession of the Premises to the Landlord, and the rent and Additional Rent from the time of the surrender shall abate.
  - (b) If the Premises can with reasonable diligence be repaired and rendered fit for occupancy within 120 days from the happening of the damage or destruction, but the damage renders the Premises wholly unfit for occupancy, then the rent hereby reserved and Additional Rent shall abate from the date of such damage until the date the Landlord's repair work is completed in the opinion of the Landlord's architect. The Landlord shall repair the Premises with all reasonable speed, and the Tenant's obligation to pay rent shall resume immediately after the necessary repairs have been completed;
  - (c) If the Premises can be repaired within 120 days as aforesaid, but the damage is such that the leased Premises are capable of being partially used, then until such damage has been repaired, the

Tenant shall continue in possession and the rent and Additional Rent shall abate proportionately.

- (2) If the Landlord shall be required to make repairs or modifications to the Premises, and such Premises are rendered unuseable by the Tenant only in part, rent shall be abated proportionately to the portion of the Premises rendered unuseable until such time as the Landlord has completed the Landlord's repairs or modifications.

The Landlord acknowledges that the Building's roof is damaged resulting in water leakage into a portion of the Premises on the First Floor of the Building and that as such 121 square feet of the Premises of the First Floor of the Building is unfit for occupancy. The Rent hereby reserved and Additional Rent shall abate proportionately from the date of this Lease until the date of the Landlord's repair work is completed in the opinion of the Landlord's architect. The Tenant's obligation to pay such rent shall resume immediately after the necessary repairs have been completed.

- (3) Any question as to the degree of damage or destruction or the period of time required to repair or rebuild shall be determined by an architect retained by the Landlord.

#### **14. NOTICE**

- 14.1 Any demand, notice, direction or other communication to be made or given hereunder (in each case, "Communication") shall be in writing and may be made or given by personal delivery, by courier, electronic email (email), or other similar means of electronic communications, or sent by registered mail, charges prepaid, addressed to the respective parties as follows:

i. **Landlord**

The Corporation of the City of North Bay  
200 McIntyre Street East  
North Bay, Ontario P1B 8V6  
Attention: City Clerk

ii. **Tenant:**

District of Nipissing Social Services Administration Board  
200 McIntyre Street East  
North Bay, Ontario P1B 8V6  
Attention: Contract & Purchasing Specialist

- 14.2 Any Communication made by personal delivery or by courier shall be conclusively deemed to have been given and received on the day of actual delivery thereof, or, if made or given by telecopy or other electronic means of communication, on the first Business Day following the transmittal thereof. Any Communication that is mailed shall be conclusively deemed to have been given and received on the fifth Business Day following the date of mailing but if, at the time of mailing or within five Business Days thereafter, there is or occurs a labor dispute or other event that might reasonably be expected to disrupt delivery of documents by mail, then any Communication shall be delivered or transmitted by



means of courier or recorded electronic communication as provided for in this section and as the circumstances may dictate.

## **15. NO PARTNERSHIP OR AGENCY**

15.1 Nothing contained in this Lease shall create any relationship between the Parties to this Lease other than that of Tenant and Landlord and it is acknowledged and agreed that the Tenant shall not in any way or for any purpose become a partner of the Landlord in the conduct of its business or otherwise, or a joint venture or a member of joint enterprise with the Tenant, nor shall the relationship of principal and agent be created.

## **16. ACTS OF DEFAULT AND LANDLORD'S REMEDIES**

16.1 An Act of Default has occurred when:

- a) the Tenant has failed to pay rent for a period of 15 consecutive days, regardless of whether demand for payment has been made or not;
- b) the Tenant has breached his covenants or failed to perform any of his obligations under this Lease; and
  - (i) the Landlord has given notice specifying the nature of the default and the steps required to correct it; and
  - (ii) the Tenant has failed to correct the default as required by the notice;
- c) the Tenant has:
  - (iii) been terminated by legislation;
  - (iv) become bankrupt or insolvent or has made an assignment for the benefit of Creditors;
  - (v) had his property seized or attached in satisfaction of a judgment;
  - (vi) had a receiver appointed;
  - (vii) committed any act or neglected to do anything with the result that a Construction Lien or other encumbrance is registered against the Landlord's property.
- d) Any insurance policy is cancelled or not renewed by reason of the use or occupation of the Premises, or by reason of non-payment of premiums.
- e) the Premises:
  - (i) become vacant or remain unoccupied for a period of 30 consecutive days; or
  - (ii) are not open for business on more than thirty (30) Business days in any twelve (12) month period or on any twelve (12) consecutive Business Days;
  - (iii) are used by any other person or persons, or for any other purpose than as provided for in this Lease without the written consent of the Landlord.

16.2 When an Act of Default on the part of the Tenant has occurred:

- (a) the current month's rent together with the next three (3) months' rent shall become due and payable immediately; and
- (b) the Landlord shall have the right to terminate this Lease and to re-enter the Premises and deal with them as he may choose.

16.3 In the event an Act of Default has occurred, the Landlord exercises his rights to terminate this Lease and re-enter the Premises prior to the end of the Term (or

First Extension Term or Second Extension Term as the case may be), the Tenant shall nevertheless be liable for the payment of rent and all other amounts payable by the Tenant in accordance with the provisions of this Lease until the Landlord has re-let the Premises or otherwise dealt with the Premises in such manner that the cessation of payments by the Tenant will not result in loss to the Landlord, and the Tenant agrees to be liable to the Landlord, until the end of the Term (or the First Extension Term or Second Extension Term as the case may be) of this Lease for payment of any difference between the amount of rent hereby agreed to be paid for the Term (or the First Extension Term or Second Extension Term) hereby granted and the rent any new tenant pays to the Landlord.

- 16.4 If, when an Act of Default has occurred, the Landlord chooses not to terminate the Lease and re-enter the Premises, the Landlord shall have the right to take any and all necessary steps to rectify any or all Acts of Default of the Tenant and to charge the costs of such rectification to the Tenant and to recover the costs as rent.
- 16.5 If, when an Act of Default has occurred, the Landlord chooses to waive his right to exercise the remedies available to him under this Lease or at law the waiver shall not constitute condonation of the Act of Default, nor shall the waiver be pleaded as an estoppel against the Landlord to prevent his exercising his remedies with respect to a subsequent Act of Default. No covenant, term or condition of this Lease shall be deemed to have been waived by the Landlord unless the waiver is in writing and signed by the Landlord.

## **17. GENERAL TERMS**

### **17.1 Entire Agreement**

This Lease constitutes the entire agreement and understanding of the Parties relating to the subject matter of this Lease and supersedes all prior understandings, discussions, negotiations, commitments, warranties and agreements, written or oral, express or implied between them.

### **17.2 Dispute Resolution**

#### **Dispute**

Subject to the section 16 and the Landlord's rights thereunder, any dispute, controversy or claim arising out of or in connection with this Lease (a "Dispute") shall be dealt with in accordance with this section 17.2.1.

#### **17.2.1 Escalation Levels**

- (a) **First Level Escalation** – In the event of any Dispute, the Dispute shall first be referred to the Landlord's Facilities Manager and the Tenant's Contracting and Purchasing Specialist ("First Level").
- (b) **Second Level Escalation** – Should the Dispute not be resolved within five (5) Business Days at its First Level, the Dispute shall be escalated to the Landlord's City Engineer or the Chief Financial Officer as applicable and the Tenant's Director of Corporate Services ("Second Level").

- (c) **Third Level Escalation** – Should the Dispute not be resolved within ten (10) Business Days of its referral to the Second Level, the Dispute shall be escalated to the Landlord’s Chief Administrative Officer and the Tenant’s Chief Administrative Officer (“Third Level”).
- (d) **If No Resolution** – Should the Dispute not be resolved within fifteen (15) Business Days of its referral to the Third Level, either party may exercise its rights available at law.
  - a. **Admissibility** – All negotiations and settlement discussions to resolve a Dispute shall be treated as compromise and settlement negotiations between the parties and shall not be subject to disclosure through discovery or any other process and shall not be admissible into evidence in any proceeding.
- (e) **Continued Performance** – Except where clearly prevented by the nature of the Dispute, the Landlord and the Tenant agree to continue performing their respective obligations under this Lease while a Dispute is subject to the terms of this subsection.

### 17.3 **Amendment**

Any change, alteration or amendment to this Lease, including all appendices as applicable, shall be made in writing and signed by the Landlord and Tenant.

### 17.4 **Jurisdiction**

This Lease shall be governed by, and construed and enforced in accordance with, the laws of the Province of Ontario and the federal laws of Canada applicable therein. Each Party hereby irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts of such province and all courts competent to hear appeals therefrom.

### 17.5 **Confidentiality**

The Tenant and Landlord are bound by the *Municipal Freedom of Information and Protection of Privacy Act*, R.S.O. 1990 c.M.56, as amended, and acknowledge that this Lease and any information provided to either the Tenant or Landlord in connection with it, is subject to disclosure in accordance with the requirements of that Act. This acknowledgement shall not be construed as a waiver of any right to object to the release of this Lease or any information provided in connection with it.

### 17.6 **Severability**

If any term or other provision of this Lease is invalid, illegal or incapable of being enforced by any applicable law or public policy, all other conditions and provisions of this Lease shall nevertheless remain in full force and effect so long as the economic or legal substance of the transactions contemplated hereby are not affected in any manner materially adverse to any Party.

**17.7 Agreement Language**

The words imparting the singular number only shall include the plural, and vice versa, and words importing the masculine gender shall include the feminine gender, and words imparting persons shall include firms and corporations and vice versa.

**17.8 Registration**

The Tenant shall not at any time register notice of or a copy of this Lease on title to the property of which the Premises form part without the consent of the Landlord.

**17.9 Schedules**

The following schedules are attached to this Lease and form an integral part of this Lease:

Schedule "A": Illustration of First Floor Premises

**IN WITNESS WHEREOF the Parties hereto have executed this Lease.**

**SIGNED, SEALED AND DELIVERED as of the date first written above.**

**LANDLORD – THE CORPORATION OF THE CITY OF NORTH BAY**

**Per:**

\_\_\_\_\_  
**Name:**  
**Position:**

\_\_\_\_\_  
**Name:**  
**Position:**

*We have the authority to bind the corporation*

**TENANT – DISTRICT OF NIPISSING SOCIAL SERVICES ADMINISTRATION BOARD**

**Per:**

\_\_\_\_\_  
**Name:**  
**Position:**

\_\_\_\_\_  
**Name:**  
**Position:**

*We have the authority to bind the corporation*

**SCHEDULE A**



DRAFT