

The Corporation of the Municipality of West Grey
By-law Number 13 - 2016

Being, a By-law to authorize the execution of a Lease Agreement for the rental of lands described as Church Hall owned by St. John's Lutheran Church, Elmwood, for the purpose of establishing a Resource Centre in the community of Elmwood;

Whereas, the Council of The Corporation of the Municipality of West Grey deems it advisable to enter into a Lease Agreement with St. John's Lutheran Church, for the lease of the property described as St. John's Lutheran Church Hall;

And whereas, it is necessary to execute a leasing document confirming the rental agreement of such premises.

Now therefore the Council of The Corporation of the Municipality of West Grey hereby enacts as follows:

1. That the Mayor and CAO/Deputy Clerk are hereby authorized to execute the Lease Agreement between The Corporation of the Municipality of West Grey and St. John's Lutheran Church, under such terms and conditions as are described herein.
2. That the said Lease Agreement, attached hereto as Schedule "A" is hereby declared to form part of this By-law.
3. That this by-law shall come into full force and effect on the date of passing.

Read a first and second time this 15th day of February, 2016.

Read a third time and finally passed this 15th day of February, 2016.

(Signed)
Kevin Eccles, Mayor

(Signed)
Larry C. Adams, CAO/Deputy Clerk

Schedule "A" to By-law Number 13 - 2016

Lease Agreement

Made this 15th day of February, 2016.

Between:

Trustees of St. John's Lutheran Church
(The "Landlord")

- and -

The Corporation of The Municipality of West Grey
(The "Tenant")

In consideration of the rents, covenants and obligations stipulated herein the Landlord and the Tenant have agreed to enter into a Lease of the premises known municipally as the St. John's Lutheran Church Hall (The "Premises").

1. Grant of Lease

The Landlord leases the Premises to the Tenant on the terms and conditions herein set forth.

2. Rent

- (1) The Tenant covenants to pay the Landlord, during the Term as follows:
 - a) During the term of this Lease, the sum of \$ 500 per month payable on the 1st day of each month.
 - b) All rent in arrears shall bear interest from the date payment was due at a rate of two (2) per cent per month.
 - c) Following June 30, 2016, the Landlord and Tenant will meet to review the actual costs of the lease and the monthly rent may be modified to ensure an equitable monthly rent is being provided.

- (2) The Landlord and Tenant agree that the Landlord shall be responsible to pay the following expenses related to the Premises, however this does not in any way oblige the Landlord to provide any services, unless otherwise agreed in this Lease:
 - (a) All heating and hydro costs; and
 - (b) Property taxes, if applicable, on the commercial portion only; and
 - (c) Telephone/fax/internet services; and
 - (d) Cleaning and maintenance including snow removal; and
 - (e) Adequate tables and chairs for the Tenant to operate a resource centre; and
 - (f) Access to a land line telephone **for emergency usage only**. (Note: the Tenant shall provide a mobile phone to staff for routine usage).

- (3) If any of the foregoing charges are invoiced directly to the Tenant, the Tenant shall pay same as and when they become due but, in such event, the Tenant may deduct same from the following month's rent, or, if it is the last month of the tenancy, the Landlord shall reimburse the Tenant for such charges.

- (4) The Tenant hereby agrees to indemnify and protect the Landlord from any liability accruing to the Landlord in respect of the usage of the Premises by the Tenant as provided for herein.

3. Term and Possession

- 1) The Tenant shall have possession of the Premises for a one year period commencing on the 1st day of February, 2016, and ending on the 31st day of January, 2017. (The "Term").
- 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 of this Lease without interruption or disturbance from the Landlord or any other persons lawfully claiming through the Landlord.
- 3) The Tenant's possession shall be restricted to the hours of 2:00 P.M. to 7:00 P.M. on each Tuesday and from 3:00 P.M. to 7:00 P.M. on each Thursday during the Term.
- 4) The Tenant acknowledges that the Landlord, may, from time to time during the Term, notify the Tenant that the Premises are being used for any church function, in which case, the Tenant will not have access to the Premises on that particular day. The Landlord agrees that if such restriction shall occur more than once in any month of the Term, then the rent shall abate the following month by the sum of \$62.50 for each day that has been so restricted.

4. Assignment

The Tenant intends to use the Premises as a Resource Centre to be operated by the West Grey Library Service under the care and control of its CEO, Kim Storz.

5. Use

- 1) During the Term of this Lease, the Premises shall not be used for any purpose other than for a Resource Centre. The Tenant and patrons of the Resource Centre shall be permitted to park in the parking lot of the Premises.
- 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 voidable any insurance upon the Premises. The Landlord shall supply the Tenant with a copy of their insurance to ensure that the Tenant does not inadvertently breach the terms of the Landlord's policy;
 - e) Constitute a breach of any by-law, statute, order or regulation of any municipal, provincial or other competent authority relating to the Premises.

6. Repair and Maintenance

- 1) The Tenant covenants that during the Term of this Lease and any renewal thereof, the Tenant shall keep in good condition the Premises.
- 2) The Tenant shall not be liable to effect repairs attributable to reasonable wear and tear, or to damage caused by fire, lightning or storm or damage caused by negligence of the Landlord or those for whom the Landlord is in law responsible, damage due to faulty construction or structural defects or weaknesses or any repairs or replacement to the structure of the Premises including, without limitation, the footings, foundations, exterior wall assemblies, sub-floors, roof, bearing walls, structure columns, down pipes, drains, electrical, plumbing and drainage works in or about the Premises. Notwithstanding anything to the contrary contained anywhere in this Lease, the Landlord shall be responsible to carry out such repairs and the Landlord shall be solely responsible for the cost of same.

7. Alterations and Additions

- 1) If the Tenant, during the Term of this Lease or any renewal of it, desires to make any alterations or additions to the Premises including but not limited to erecting partitions, attaching equipment, and installing necessary furnishings or additional equipment of the Tenant's business, the Tenant may do so at their own expense at any time and from time to time, if the following conditions are met:
 - a) Before undertaking any alteration or addition, the Tenant shall submit to the Landlord a plan showing the proposed alterations or additions and the Tenant shall not proceed to make any alteration or addition unless the Landlord has approved the plan in writing, and the Landlord shall not unreasonably or arbitrarily withhold approval, and items included in the plan which are regarded by the Tenant as "Trade Fixtures" shall be designated as such on the plan.
 - b) Any and all alterations or additions to the Premises made by the Tenant must comply with all applicable building code standards and by-laws of the municipality in which the Premises are located.
- 2) All alterations and additions to the Premises made by or on behalf of the Tenant, other than the Tenant's Trade Fixtures, shall immediately become the property of the Landlord without compensation to the Tenant.
- 3) If the Tenant has complied with obligations according to the provisions of this Lease, the Tenant may remove the Trade Fixtures at the end of the Term or other termination of this Lease and the Tenant covenants to make good and repair or replace as necessary any damage caused to the Premises by the removal of the Tenant's Trade Fixtures.

8. Insurance

- 1) During the Term of this Lease and any renewal thereof, the Landlord shall maintain with respect to the Premises, insurance coverage against:
 - a) Loss or damage by fire, lightning, storm and other perils that may cause damage to the Premises or the property of the Landlord in which the Premises are located;
 - b) Liability for bodily injury, death or property damage sustained by third parties up to such limits as the Landlord in his sole discretion deems advisable.
- 2) The Tenant covenants to keep the Landlord indemnified against all claims and demands whatsoever by any person, whether in respect of damage to person or property, arising out of or occasioned by the use or occupancy of the Premises, and the Tenant further covenants to indemnify the Landlord with respect to any encumbrance on or damage to the Premises occasioned by or arising from the act, default, or negligence of the Tenant, its officers, agents, servants, employees, contractors, customers, invitees or licensees. The Tenant agrees that the foregoing indemnity shall survive the termination of this Lease notwithstanding any provisions of this Lease to the contrary.
- 3) The Tenant shall carry insurance in their 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.
- 4) The Tenant shall carry public liability and property damage insurance in which the policy the Landlord would be an additional insured.

9. Damage to Premises

- 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 90 clear days from the happening of such damage or destruction, then the 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 give possession of the Premises to the Landlord, and the 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 90 days from the happening of the damage or destruction but the damage renders the Premises wholly unfit for occupancy, then the rent hereby reserved shall not accrue after the day that such damage occurred or while the process of repair is going on, and the Landlord shall repair the Premise with all reasonable speed, and the Tenant's obligations to pay rent shall resume immediately after the necessary repairs have been completed.

- c) If the leased Premises can be repaired within 90 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 event shall abate proportionately.
- 2) 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.

10. Acts of Default and Landlord's Remedies

- 1) An Act of Default has occurred when:
 - a) The Tenant has failed to pay Rent for a period of two consecutive months, 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 the Landlord has given notice specifying the nature of the default and the steps required to correct it, and the Tenant has failed to correct the default as required by the notice;
 - c) 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;
 - d) The Premises become vacant or remain unoccupied for a period of 30 consecutive days or are used by any other person or persons, or for any other purposes than as provided for in this Lease without the written consent of the Landlord.
- 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 month's 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 it may choose.

11. Termination Upon Notice And At End Of Term

- 1) Either party may terminate this Lease upon giving of two (2) months written notice to the other party.
- 2) Provided that neither party has given notice to terminate the lease, this lease shall automatically renew for a further period of one (1) year from the termination date provided herein, or the termination date of any renewal. The renewal shall be on the same terms and conditions as provided in this lease, unless otherwise agreed by the Landlord and the Tenant.
- 3) Notwithstanding the foregoing, this Lease may be terminated at any time agreed upon by mutual written consent by both the Tenant and Landlord.

12. Notice

- 1) Any notice required or permitted to be given by one party to the other pursuant to the terms of this Lease may be given:

To the Landlord at: St. John's Lutheran Church,
12 Dirstein Street South
Elmwood, Ontario. N0G 1S0
Attn: Pastor Rev. Hannes Aasa
Phone: 519-369-3230

To the Tenant at: Municipality of West Grey
402813 Grey Rd. 4,
RR 2, Durham, Ontario, N0G 1R0
Attn: Mark Turner, Clerk
Phone: 519-369-2200

- 2) The above addresses may be changed at any time by giving Fifteen (15) days written notice.
- 3) Any notice given by one party to the other in accordance with the provision of this Lease shall be deemed conclusively to have been received on the date delivered if the notice is served personally, or seventy-two (72) hours after mailing if the notice is mailed.

In Witness of the foregoing covenants the Landlord and the Tenant have executed this Lease.

Witness

The Corporation of the
Municipality of West Grey

Kevin Eccles, Mayor

Larry C. Adams, CAO

Witness

Trustees of St. John's
Lutheran Church

Don Ahrens, Council Chair

Joanne Klein, Secretary