

**LEASE RENEWAL AND AMENDMENT AGREEMENT**

THIS ADDENDUM dated for reference the 15<sup>th</sup> day of September, 2022 is

BETWEEN:

**THE CORPORATION OF THE CITY OF COURTENAY**, a municipal corporation incorporated pursuant to the *Community Charter* and having its offices at 830 Cliffe Avenue, Courtenay, B.C., V9N 2J7

(the "City")

AND:

**COMOX VALLEY TRANSITION SOCIETY (INC. NO. S0022797)**, a non-profit society under the *Society Act* (British Columbia) and having offices at 625 England Avenue, Courtenay, BC, V9N 2N5

(the "Tenant")

WHEREAS:

- A. The City is the registered owner of lands and premises located at 685 Cliffe Avenue in the City of Courtenay, British Columbia, and legally described as:

PID: 006-102-930, LOT 3, SECTION 61 COMOX DISTRICT PLAN VIP3817

(the "Lands");

- B. The parties entered into a lease agreement dated for reference November 1, 2021 (the "**Lease**"), an excerpt of which is attached as Schedule A, whereby the Tenant leased a part of the Building on the Lands, marked with red lines on the aerial photograph attached as Schedule A to the Lease (the "**Lease Area**");
- C. The current Term of the Lease expires on October 31, 2022 and the Tenant has given notice in accordance with section 2.1(e) of the Lease that it wishes to exercise its option to renew the Lease on the same terms and conditions, with the exception of the right of renewal, and that it wishes to expand its operations to the entire Building on the Lands; and
- D. Council of the City has consented to a one-year lease extension and the expansion of the Tenant's operations in the entire Building on the Lands, along with corresponding expansion of the Tenant's responsibilities in relation to the Lands.

NOW THEREFORE THIS ADDENDUM is evidence that in consideration of the mutual promises contained in this Lease and other good and valuable consideration paid by each of the parties to the other (the receipt and sufficiency of which each party acknowledges), the parties covenant and agree as follows:

1. Except as defined herein or amended hereby, capitalized terms used in this Addendum and not otherwise defined shall have the meanings defined in the Lease.
2. The parties agree to extend the Lease effective November 1, 2022 on the same terms and conditions as the existing Lease, subject to the amendments set out in this Agreement.
3. The following definitions in Section 1.1 of the Lease are amended as:

“(p) **“Lease Area”** as of the date of this Addendum, means the Lands used by the Tenant under this Lease, which for certainty shall include the entire Building on the Lands and all parts of the Lands;”

and

“(r) **“Perimeter”** means those parts of the Lands not occupied by the Building;”

4. Section 1.5 of the Lease is amended to provide as follows:

**“Schedules** – The following schedule is attached to and forms part of this Lease:

- (a) Schedule A – Intentionally Deleted
- (b) Schedule B – Intentionally Deleted
- (c) Schedule C – Intentionally Deleted
- (d) Schedule D – Log Book”

5. Section 2.1 of the Lease is amended to provide as follows:

**“Demise and Term** –The City hereby demises and leases to the Tenant the Lease Area for a term commencing November 1, 2022 (the **“Commencement Date”**) until and including October 31, 2023, or such earlier or later date as may be determined in accordance with this Lease (the **“Termination Date”**), to have and to hold for the Term as the Tenant, and the Tenant does hereby accept the demise and lease of the Lease Area, all subject to the covenants, conditions and agreements herein contained and subject to the following:

- (a) Subject to section 8.4, the parties acknowledge and agree that this Lease may be terminated prior to the end of the Term by:
  - (i) Either party providing written notice to the other party of termination of this Lease with the date of termination to be not less than 60 days after the date that notice is provided; or
  - (ii) Alternatively, at any time by the mutual written agreement of the parties.

- (b) If the Tenant is not in default under this Lease and subject to the approval of the City's municipal council, the Tenant shall have the option to renew this Lease on the same terms and conditions contained herein (except for the amount of Rent payable and except for this right of renewal, which is amended accordingly) for up to three additional one-year terms (the "**Renewal Term**"), such renewal effective on the day immediately following the Termination Date. This option must be exercised by the Tenant giving notice in writing to the City in the manner provided herein not less than 180 days and not more than 365 days prior to the expiry of the Term; and
- (c) If this Lease is renewed under subsection 2.1(b), the rental rate that will apply during the Renewal Term shall be that rent agreed to by the parties and failing agreement, shall be determined by application of the dispute resolution provisions under section 8.9.
- (d) Notwithstanding the Commencement Date, the Tenant shall be entitled possession of the entire Lease Area, expanded as a result of the Addendum dated September 15, 2022 (the "**Expanded Lease Area**"), as of September 15, 2022 ("**Interim Possession Period**")."

6. Section 3.1 of the Lease is amended to provide as follows:

**"Rent** – The Tenant shall pay to the City the following amounts (the "**Rent**"):

- (a) \$0.00 as additional Rent for possession of the Expanded Lease Area during that portion of the Interim Possession Period from September 15, 2022 to September 30, 2022, provided that the Tenant has paid rent in the amount \$1,000 on September 1, 2022, as it was due under the terms of the Lease;
- (b) Rent in the amount of \$1,500 for possession of the Expanded Lease Area during that portion of the Interim Possession Period from October 1, 2022 to October 31, 2022; and thereafter
- (c) Equal monthly installments of \$2,000.00 during the Renewal Term, with the first payment occurring on the Commencement Date, and subsequent payments occurring on the first day of every month of the Renewal Term;
- (d) Such other amounts in accordance with the terms and conditions of this Lease."

7. Section 3.6 of the Lease is amended to provide as follows:

**"Net Lease** – It is the intention of the parties that this is a "Net Lease" and at all expenses, costs and payments incurred in respect of the Lands and any other improvement to the Lands or anything affecting the Lands shall be borne by the Tenant."

8. Section 5.4 of the Lease is amended to provide as follows:

**“Construction** – In addition to the Tenant’s obligation to repair and maintain the Lease Area under section 5.12, the Tenant may undertake improvements, construction or renovations of the Building at the Tenant’s sole expense (**“Improvements”**) as follows:

- (a) Such Improvements are subject to the Tenant:
  - (i) not being in default under this Lease;
  - (ii) having obtained the prior written consent of the City; and
  - (iii) having achieved all necessary permits and approvals for the use on the Lands, including, without limitation, compliance with the Building Code under section 5.3
- (b) In giving its consent to the Improvements, the City may impose any conditions, including, without limitation, location requirements, use restrictions, financial restrictions, insurance requirements and security obligations.
- (c) The Tenant acknowledges and agrees that any Improvements made by it do not constitute a partnership or other form of relationship between itself and the City, other than as landlord and tenant, and that any capital investment in the Lands by the Tenant does not create an obligation or expectation of future lease renewals.
- (d) The Tenant acknowledges and agrees that all Improvements become the property of the City upon affixation to the Lease Area, without any obligation by the City to pay for such Improvements.
- (e) The Tenant acknowledges that all Improvements, past and present, are to remain affixed to the Land.”

9. Section 5.12 of the Lease is amended to provide as follows:

**“Repairs and Maintenance** – Throughout the Renewal Term and during the Interim Possession Period, at its own expense, the Tenant shall repair and maintain and keep the Building in a state of good repair as a prudent owner would do. The City will not be obliged to repair, maintain, replace or alter the Building at any time. Subject to section 5.13, the Tenant hereby assumes the full and sole responsibility of the condition, operation, maintenance, repair, replacement and management of the Building during the Term. All repairs will be in all respects to a standard equal to or greater than the original work and material as of the Commencement Date, and will be done in conformance with the lawful requirement of all statutory authorities.”

- 10. Schedule A is amended by deleting the aerial photograph and inserting in its place "Intentionally Deleted".
- 11. Schedule B is amended by deleting the aerial photograph showing the perimeter area and inserting in its place "Intentionally Deleted".
- 12. Schedule C is amended by deleting the table showing the table assigning responsibility for operation and maintenance costs and inserting in its place "Intentionally Deleted".
- 13. Time shall continue to be of the essence.
- 14. The parties confirm the Lease in all other respects.
- 15. This Addendum shall enure to the benefit of and be binding upon the respective successors and permitted assigns of the parties hereto.
- 16. The parties will execute and deliver such further documents and instruments and do all such acts and things as may be reasonably necessary or requisite to carry out the full intent and meaning of this Addendum and to effect the transactions contemplated by this Addendum.
- 17. This Addendum may be executed in counterparts, all such executed counterparts shall constitute the same agreement and the signature of any party to any counterpart shall be deemed a signature to, and may be appended to, any other counterpart. Counterparts may be executed either in original or faxed form and the parties adopt any signatures received by a receiving fax machine or by email as original signatures of the parties; provided, however, that a party providing its signature in such manner shall promptly forward to the other party an original of the signed copy of this Addendum which was so faxed or emailed.

IN WITNESS WHEREOF this Addendum has been executed and delivered on the respective dates written below.

**CITY OF COURTENAY**

by its authorized signatories:

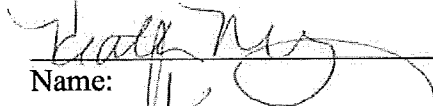
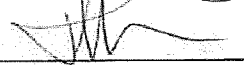
**Kate O'Connell**  
**Director of Corporate Support Services**

Name: 

Name:  
Sept. 20 / 22  
Date

**COMOX VALLEY TRANSITION SOCIETY**

by its authorized signatories:

  
Name: 

Name:  
Sept 25 / 22  
Date

**SCHEDULE A  
LEASE EXCERPT**

**LEASE AGREEMENT**

THIS LEASE dated for reference the 1st day of November, 2021 is

**BETWEEN**

**CITY OF COURTENAY**, a municipal corporation incorporated under the *Local Government Act* (British Columbia) and having offices at 830 Cliff Avenue, Courtenay, BC, V9N 2J7

(the "City")

**AND**

**COMOX VALLEY TRANSITION SOCIETY (INC. NO. S0012797)**, a non-profit society under the *Society Act* (British Columbia) and having offices at 625 England Avenue, Courtenay, BC, V9N 2N5

(the "Tenant")

**WHEREAS:**

- A. The City is the registered owner in fee simple of the lands and premises located at 685 Cliffe Avenue in the City of Courtenay, British Columbia, and legally described as: PID: 006-102-930, LOT 3, SECTION 61 COMOX DISTRICT PLAN VIP3817 (the "Lands");
- B. The City and the Tenant entered into a License of Occupation Agreement (the "Licence") on January 6, 2020 for the operation of a Warming Centre on the Lands, and this Licence has been extended through multiple addendums to the Licence;
- C. The Tenant now wishes to lease the Lands from the City for the continued operation of the Connect warming shelter;
- D. The City agrees to lease the Lands to the Tenant on the terms and subject to the conditions set out herein;

NOW THEREFORE THIS AGREEMENT is evidence that in consideration of the mutual promises contained in this Lease and other good and valuable consideration paid by each of the parties to the other (the receipt and sufficiency of which each party acknowledges), the parties covenant and agree as follows:

**ARTICLE 1 – DEFINITIONS AND INTERPRETATION**

1.1 In this Lease, words and phrases shall be defined as follows:

- (a) "Building" means the building located on the Lease Area;