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THE CORPORATION OF THE MUNICIPALITY OF SOUTH HURON

BY-LAW #73-2014

Being a By-Law to authorize the Mayor and Clerk to Execute a Land Lease Agreement between The Corporation of the Municipality of South Huron and South Huron Automotive

WHEREAS Section 9 of the *Municipal Act, 2001* grants municipalities the capacity, rights, powers and privileges of a natural person for the purpose of exercising its authority under the Act; and

WHEREAS signing agreements is considered to be a natural person capacity, right, power or privilege; and

WHEREAS the Council of The Corporation of the Municipality of South Huron deems it advisable and expedient to sign a Land Lease Agreement with South Huron Automotive for the leasing of lands in the Municipality of South Huron;

THEREFORE, Council of the Corporation of the Municipality of South Huron ENACTS as follows:

1. THAT the Mayor and Clerk are hereby authorized and directed to execute a Land Lease Agreement with South Huron Automotive for the Leasing of Lands in the Municipality of South Huron.
2. THAT the Land Lease Agreement, identified as Schedule "A", attached hereto, forms an integral part of this By-Law.
3. THAT the Mayor's and Clerk's authority and direction to execute the above-noted Agreement extends to any renewal agreements or administrative amendments to the Agreement.
4. THAT this By-Law shall come into force and take effect on the date of its final passing.

Read a first and second time this 6th day of October, 2014.

Read a third time and finally passed this 6th day of October, 2014.

A handwritten signature in black ink, appearing to read "George Robertson".

George Robertson, Mayor

A handwritten signature in black ink, appearing to read "Genevieve Scharback".

Genevieve Scharback, Clerk

LEASE AGREEMENT

Between

South Huron Automotive

(herein referred to as the "Lessee")

of the FIRST PART

and

THE CORPORATION OF THE MUNICIPALITY OF SOUTH HURON

(herein referred to as the "Municipality")

of the SECOND PART:

This is to confirm the Agreement between South Huron Automotive and the Corporation of the Municipality of South Huron regarding the terms and conditions on which the Municipality agrees to permit the Lessee to rent municipal lands (hereinafter referred to as the "Parking Lot") within the site located at the Francis Street extension off of Alexander in Exeter. The Francis Street extension located between 99 Alexander Street and 71 Alexander Street.

1.0 The Lessee's Covenants:

1.1 The Lessee agrees to Lease from the Municipality those lands and/or premises of the Municipality as outline in red on Schedule 'A' attached hereto (the "Site")

1.2 The Lessee agrees to lease the Site per the following schedule: for 5 years at \$1,200 per year.

2014/2015 (24 OCT 2014)
2015/2016 (27 FEB 2015)
2016/2017 (19 JAN 2016)
2017/2018 (15 MAR 2017)
2018 (29 MAR 2018)

- 1.3 The Lessee agrees to maintain the Parking Lot during the term of this Agreement.
- 1.4 In performing its responsibilities, the Lessee shall take care not to damage or destroy the lands, premises or personal property of the Municipality or within the vicinity. Should any damage occur, the Lessee shall, at its expense, repair or replace any of the Municipality's property damaged or destroyed by the Lessee.
- 1.5 The Lessee agrees to insure against damage or destruction and shall maintain appropriate public liability and property damage insurance covering the Lessee's operation on Site.
- 1.6 The Lessee agrees to indemnify and hold the Municipality harmless from and against all liability that the Municipality maybe incur as a result of damage or destruction to property and injury or death to persons in any way caused by the installation of the Lessee located on the Site, or due to the negligence of the Lessee or its contractors.
- 1.7 The Lessee shall be responsible for any and all costs for the restoration of the property to its original condition upon termination of this lease.
- 1.8 The Lessee agrees to use the Parking Lot during normal business hours.

2.0 Municipality's Covenants:

- 2.1 The Municipality grants the Lessee permission to install and maintain the Parking Lot at the location agreed upon referred to in this lease as the "Site".
- 2.2 During the term of the Agreement, the Municipality agrees to permit the Lessee and its contractors to enter upon the Site, at all reasonable times, for the purpose of operation and maintaining the Parking Lot.
- 2.3 The Lessee grants the Municipality permission to cross over the Site for access to adjacent lands.

3.0 Mutual Covenants:

- 3.1 This Agreement shall ensure to the benefit of and is binding upon each of the party's respective heirs, executors, administrators, successors and assigns.

4.0 Renewals:

4.1 The Municipality grants the Lessee the option to extend the Term of this Agreement for one successive five year period, unless the Municipality of Lessee gives written notice of cancellation to the other not less than 180 days prior to the expiration of this Agreement. The renewal shall be upon the same terms and conditions herein or as otherwise agreed to by the Municipality and the Lessee.

4.2 Continuation of the Agreement will maintain the annual lease rate increase to the Consumer Price Index for Ontario for 60 days prior January 1st of that year. This is due every second year of subsequent agreements unless altered by the Council of the Municipality of South Huron.

5.0 Taxes:

5.1 In the event that the site is or becomes liable for municipal taxes as a result of the Lessee's use of the Premises, the Lessee shall pay any and all municipal taxes, including local improvements, realty taxes and business taxes assessed against the Site at any time during the Term and any Extended Term.

6.0 Notice:

6.1 Any notice or other communications provided shall be sufficiently given if personally served or sent by mail, electronic mail or facsimile and addressed to the Party to which it is intended as indicated below. Any Party may change its address or particulars for the purposes of receipt of any communications by giving 10 days prior written notice of such change to the other Party. Any notice of communication to be given hereunder, if delivered personally or by electronic mail or by facsimile shall be assumed to be given the same day.

6.2 The addresses of the Parties for purposes of service hereunder are as follows:

For South Huron Automotive:
South Huron Automotive
106 Alexander Street West
Exeter, ON N0M 1S3
Attention: Joe Stephens

For the Corporation of the Municipality of South Huron:
322 Main Street South
P.O. Box 759
Exeter, ON N0M 1S6
Attention: Corporate Services Manager/Clerk

7.0 Breach of Agreement:

- 7.1 Upon evidence of a breach in agreement conditions by the Lessee, the Lessee shall be given appropriate notice and allowed 30 days to rectify the breach. Upon failing to do so, the Agreement will be considered terminated by both parties and the Lessee agrees to be responsible for all costs incurred to restore the property to its original condition.

8.0 Termination of the Agreement:

- 8.1 Either party may terminate the Agreement by providing 90 days written notice to the other party. Upon termination of the Agreement under this provision, the Lessee will be allowed a period of 90 days to return the property to its original condition.

IN WITNESS WHEREOF the Parties of this Agreement have hereunto set their hands and seals this 6th day of October, 2014

SOUTH HURON AUTOMOTIVE

Per:

Name:

Position:

Date

I have authority to bind the Corporation.

**THE CORPORATION OF THE
MUNICIPALITY OF SOUTH HURON**

Per:


George Robertson, Mayor


Date Oct 6 / 2014


Genevieve Scharback, Clerk


Date: Oct 6 / 2014

We have authority to bind the Corporation.

