

**FOURTH LEASE EXTENSION AND AMENDING AGREEMENT**

**THIS AGREEMENT** made in duplicate as of December 1, 2020.

**B E T W E E N:**

**THE CORPORATION OF THE TOWN OF FORT FRANCES**

(the “**Landlord**”)

- and -

**HER MAJESTY THE QUEEN IN RIGHT OF ONTARIO AS REPRESENTED BY THE  
MINISTER OF GOVERNMENT AND CONSUMER SERVICES**

(the “**Tenant**”)

**WHEREAS:**

- A. By a lease dated June 5, 2001 (the “**Original Lease**”), the Landlord leased to Her Majesty the Queen in right of Ontario as represented by the Chair of the Management Board of Cabinet (the “**Chair**”) the premises more particularly described as the entire ground floor and a portion of the basement, comprising a rentable area of approximately nine thousand, one hundred and ninety-three point nine eight (9,193.98) square feet (the “**Rentable Area of the Premises**”), comprised of seven thousand, two hundred and fifty-five point two eight (7,255.28) square feet on the ground floor and one thousand, nine hundred and thirty-eight point seven (1,938.7) square feet on the basement level, in the building municipally known as 320 Portage Avenue (the “**Building**”), in the Town of Fort Frances, in the Province of Ontario, as more particularly described in Schedule “A” attached thereto and hatched on the plan attached to the Original Lease as Schedule “B” thereto (the “**Premises**”) for a term of five (5) years, commencing on June 5, 2001 and expiring on June 4, 2006 (the “**Original Term**”), in addition to other terms and conditions as set out therein.
- B. By Order in Council No. 1487/2005, approved and ordered September 21, 2005, all of the powers and duties assigned by law to the Chair in respect of the acquisition and disposition of real property, or interests therein, by any means and the holding and management of real property, or interests therein, were assigned to the Minister of Public Infrastructure Renewal (“**MPIR**”).
- C. The Landlord and the MPIR agreed to extend the Original Term by a lease extension and amending agreement dated April 13, 2006 (the “**First Lease Extension and Amending Agreement**”) with an extension term commencing on June 5, 2006 and expiring on May 31, 2011 (the “**First Extension Term**”), in addition to other terms and conditions as set out therein.
- D. Pursuant to the terms of the First Lease Extension and Amending Agreement, the MPIR was entitled to extend the First Extension Term for one (1) additional term of five (5) years.
- E. By Order in Council No. 1617/2008, approved and ordered September 17, 2008, all of the powers and duties assigned by law to the MPIR in respect of infrastructure and any other matters were transferred and assigned to Minister of Energy and Infrastructure (“**MEI**”).
- F. By Order in Council No. 1320/2010, approved and ordered September 15, 2010, all of the powers and duties assigned by law to the MEI under Order in Council No. 1617/2008 in respect of infrastructure matters, including but not limited to the powers, duties, functions and responsibilities of the MEI in respect of the *Ministry of Government Services Act*, R.S.O. 1990, c.M.25 in respect of real property matters, were transferred and assigned to the Minister of Infrastructure (“**MOI**”).
- G. The MOI exercised its right to extend the First Extension Term by a second lease extension and amending agreement (the “**Second Lease Extension and Amending Agreement**”)

with an extension term commencing on June 1, 2011 and expiring on May 31, 2016 (the “**Second Extension Term**”), in addition to other terms and conditions as set out therein.

- H. Pursuant to the terms of the Second Lease Extension and Amending Agreement, the MOI was entitled to extend the Second Extension Term for one (1) additional term of five (5) years.
- I. By Order in Council No. 1617/2008, approved and ordered September 17, 2008, all of the powers and duties assigned by law to the MPIR in respect of infrastructure and any other matters were transferred and assigned to Minister of Energy and Infrastructure (“**MEI**”).
- J. By Order in Council No. 1320/2010, approved and ordered September 15, 2010, all of the powers and duties assigned by law to the MEI under Order in Council No. 1617/2008 in respect of infrastructure matters, including but not limited to the powers, duties, functions and responsibilities of the MEI in respect of the *Ministry of Government Services Act*, R.S.O. 1990, c.M.25 in respect of real property matters, were transferred and assigned to the Minister of Infrastructure (“**MOI**”).
- K. Ontario Infrastructure and Lands Corporation (“OILC”) has been delegated MOI’s authorities and responsibilities with respect to real property in the name of MOI subject to certain conditions by Delegation of Authority of Ontario Infrastructure and Lands Corporation under the *Ministry of Infrastructure Act*, 2011, S.O. 2011, c. 9, Sched. 27.
- L. By Order in Council No. 1376/2011, approved and ordered July 19, 2011, the MOI shall exercise the powers and duties assigned by law to the MOI or that may otherwise be assigned to or undertaken by the MOI in respect of infrastructure and any other matters related to the MOI’s portfolio.
- M. By Order in Council No. 219/2015, approved and ordered February 18, 2015, all of the powers and duties previously assigned and transferred to the MOI under Order in Council No. 1376/2011, save and except as set out in Order in Council No. 219/2015, were assigned and transferred to the Minister of Economic Development, Employment and Infrastructure (“**MEDEI**”).
- N. The MEDEI exercised its right to extend the Second Extension Term by a third lease extension and amending agreement (the “**Third Lease Extension and Amending Agreement**”) with an extension term commencing on June 1, 2016 and expiring on May 31, 2021 (the “**Third Extension Term**”), in addition to other terms and conditions as set out therein.
- O. Pursuant to the terms of the Third Lease Extension and Amending Agreement, the MEDEI was entitled to extend the Third Extension Term for two (2) additional term of five (5) years each.
- P. By Order in Council No. 1342/2016, approved and ordered September 14, 2016, all of the powers and duties previously assigned and transferred to the MEDEI under Order in Council No. 219/2015 in respect of infrastructure and other matters are assigned and transferred to the MOI.
- Q. By Order in Council No. 1152/2018, approved and ordered October 22, 2018, certain responsibilities in respect of government property under the *Ministry of Infrastructure Act*, 2011, S.O. 2011, c. 9, Sched. 27 and other responsibilities were assigned and transferred from the MOI to the Minister of Government and Consumer Services.
- R. The Tenant has now exercised its first right to extend the Third Extension Term in accordance with the terms of the Third Lease Extension and Amending Agreement with a fourth extension term; however, notwithstanding the terms of the Third Lease Extension and Amending Agreement, the Landlord and the Tenant have agreed that the fourth extension term shall commence on December 1, 2020 and expire on May 31, 2026 (the “**Fourth Extension Term**”), in addition to other terms and conditions as set out herein.

- S. The Third Lease Extension and Amending Agreement provides that any extensions shall be upon the same terms and conditions of the Original Lease, as amended and extended, except for the amount of the Annual Rent, which shall be determined by mutual agreement.
- T. The Landlord and the Tenant have agreed on the amount of the Annual Rent for the Fourth Extension Term.
- U. The Original Lease, the First Lease Extension and Amending Agreement, the Second Lease Extension and Amending Agreement, the Third Lease Extension and Amending Agreement and this fourth lease extension and amending agreement (the “**Fourth 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 and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by 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 Fourth Extension Term.
- (b) The Fourth Extension Term shall commence on December 1, 2020 and expire on May 31, 2026.

### **3. RENT FOR THE FOURTH EXTENSION TERM**

- (a) For the period commencing on December 1, 2020 up to and including May 31, 2021, the Tenant shall not be responsible for the payment of Base Rent for the Premises but shall be responsible for its Proportionate Share of Base Operating Costs and its Proportionate Share of Base Tax, calculated in accordance with the Lease.
- (b) The Annual Rent payable for the Fourth Extension Term shall be One Hundred and Sixty-Seven Thousand, Four Hundred and Twenty-Two Dollars and Thirty-Eight Cents (\$167,422.38) per annum, payable in equal monthly installments of Thirteen Thousand, Nine Hundred and Fifty-One Dollars and Eighty-Seven Cents (\$13,951.87), each on the first day of each month during the Fourth Extension Term, based on an annual rate of Eighteen Dollars and Twenty-One Cents (\$18.21) per square foot of the Rentable Area of the Premises, which sum is comprised of the aggregate of Twelve Dollars (\$12.00) for each square foot for the Base Rent, Four Dollars and Thirty-Five Cents (\$4.35) for each square foot for the estimated Base Operating Costs, and One Dollar and Eighty-Six Cents (\$1.86) for each square foot for the estimated Base Tax, the first of such monthly installments to be due and payable on June 1, 2021.

### **4. AMENDMENT OF LEASE**

The extension contemplated in Section 2 of this Fourth 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) Effective December 1, 2020, the Tenant’s Provincial Share (as defined in the Original Lease) shall no longer be applicable, and the Lease shall be amended to reflect same.

Accordingly, from and after December 1, 2020, the Tenant shall be responsible for paying:

- (i) Base Rent for the entire Rentable Area of the Premises, as set out in Section 3(b) and subject to Section 3(a) of this Fourth Lease Extension and Amending Agreement,

- (ii) the Tenant's Proportionate Share of Base Operating Costs as estimated in Section 3(b) of this Fourth Lease Extension and Amending Agreement and subject to adjustment in accordance with the Lease,
  - (iii) the Tenant's Proportionate Share of Base Tax as estimated in Section 3(b) of this Fourth Lease Extension and Amending Agreement and subject to adjustment in accordance with the Lease, and
  - (iv) any other amounts of Additional Rent payable by the Tenant pursuant to the Lease.

(b) The Landlord and the Tenant agree that the Tenant shall be granted the following options to extend:

- (i) one (1) option to extend the term of the Lease for five (5) years; and
- (ii) two (2) options to extend the term of the Lease for up to five (5) years

(each a "**Further Extension Term**" and collectively the "**Further Extension Terms**").

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: (i) the Rentable Area of the Premises, and (ii) 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 Fourth Extension Term or the respective Further Extension Term, as the case may be, or failing such agreement, by arbitration in accordance with Section 6.14 of the Original 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 Fourth Extension Term or the respective Further Extension Term, as the case may be.

The Landlord and Tenant acknowledge and agree that the extension rights granted in subsection 4(b) of this Fourth Lease Extension and Amending Agreement shall supersede the one (1) remaining extension right contained in the Third Lease Extension and Amending Agreement and the one (1) remaining extension rights contained in the Third Lease Extension and Amending Agreement shall be of no further force and effect.

- (c) Pursuant to Article 2 of the Original Lease, either party shall have the continuing right to cancel the Lease at any time, with such date of cancellation to be effective at any time, by providing the other party with no less than one (1) year's prior written notice.
- (d) The Original Lease is amended as follows:

- (i) Paragraph (f) of the Summary, as amended, is deleted in its entirety and replaced with the following address for the Landlord for the purposes of delivering notices in accordance with Section 6.17 of the Original Lease:

The Corporation of the Town of Fort Frances  
320 Portage Avenue  
Fort Frances, Ontario P9A 3M5  
Attention: Municipal Clerk  
Fax: (807) 274-8479

- (ii) Paragraph (g) of the Summary, as amended, is deleted in its entirety and replaced with the following address for the Tenant for the purposes of delivering notices in accordance with Section 6.17 of the Original Lease:

Ontario Infrastructure and Lands Corporation  
3767 Highway 69 South, Suite 9  
Sudbury, Ontario P3G 0A7  
Attention: Vice President, Asset Management  
Fax: (705) 564-7570

With a copy to:

Ontario Infrastructure and Lands Corporation  
1 Dundas Street West, Suite 2000  
Toronto, Ontario M5G 1Z3  
Attention: Director, Legal (Leasing and Contract Management)  
Fax: (416) 327-3376

And an additional copy to:

CBRE Limited  
18 King Street East, Suite 1100  
Toronto, Ontario M5C 1C4  
Attention: Global Workplace Solutions – Director, Lease Administration – OILC  
Fax: (416) 775-3989

- (iii) In the Definitions section of the Original Lease, the definition of “Open Data” shall be inserted:

“**“Open Data”** means data that is required to be released to the public pursuant to the Open Data Directive.”

- (iv) In the Definitions section of the Original Lease, the definition of “Open Data Directive” shall be inserted:

“**“Open Data Directive”** means the Management Board of Cabinet’s Open Data Directive, updated on April 29, 2016, as amended from time to time.”

- (v) Section 5.3(j), Housekeeping Services, and Schedule “P”, Housekeeping Services Specifications, are deleted in their entirety.

- (vi) Section 6.29, Further Assurances, shall be inserted as follows:

**“Section 6.29  
Further Assurances**

The parties hereto shall execute and deliver all such other instruments and take all such other actions as any party may reasonably request from time to time in order to effect the terms and conditions of this Lease. The parties shall cooperate with each other and their respective counsel and accountants in connection with any actions to be taken as a part of their respective obligations under this Lease.”

- (vii) Section 6.30, Counterparts, shall be inserted as follows:

**“Section 6.30  
Counterparts**

The parties agree that this Lease may be executed in counterparts, each of which shall be deemed an original and all of which shall be construed together as a single binding instrument. Such counterparts may be delivered by facsimile or other electronic means, including by electronic mail in portable document format (PDF). The electronic signature of any party hereto shall constitute a valid and binding signature with the same effect as an original signature endorsed hereon. Any party delivering an executed counterpart of this Lease by facsimile or by electronic transmission shall, if requested, also deliver an originally executed counterpart

within seven (7) days of the facsimile or electronic transmission. Failure to deliver an originally executed copy shall not affect the validity, enforceability or binding effect of this Lease.”

## 5. TENANT’S WORK

The Landlord hereby permits the Tenant to perform the following work:

- (a) Renovating a portion of the Premises to accommodate the expansion of the Tenant’s administration office, located in the adjacent building having the municipal address of 310 Nelson Street (the “**Adjacent Building**”), which may include:
  - (i) Installing a new demising wall;
  - (ii) Replacing, modifying or upgrading bathroom fixtures and associated plumbing systems within and servicing the existing holding cells; and
  - (iii) Replacing any other Improvements as the Tenant deems necessary;
- (b) Constructing a covered walkway between the Building and the Adjacent Building (the “**Walkway**”), with the exact location of the Walkway to be mutually agreed upon by the parties; and
- (c) Expanding the portion of the Lands known as the jail yard, as shown outlined in heavy blue on the plan attached hereto as Schedule “A”, with the exact dimensions to be mutually agreed upon by the parties (the “**Expanded Jail Yard**”)

(collectively, the “**Tenant’s Work**”).

The Tenant’s Work will be subject to the following terms and conditions:

- (1) The Tenant shall have exclusive use of the Walkway;
- (2) The Tenant’s Work shall be at the Tenant’s cost and expense;
- (3) The Tenant will not construct any new holding cells in the Premises, but shall use the temporary existing holding cells in the Premises;
- (4) The Tenant will ensure that the Tenant’s Work is performed and completed in compliance with all applicable laws, in accordance with Section 4.11 of the Original Lease;
- (5) The Landlord shall not charge and the Tenant shall not be responsible for the payment of any Rent for the Walkway or Expanded Jail Yard; and
- (6) The Landlord shall not be responsible for the maintenance or repair of the Walkway.

## 6. GENERAL

- (a) The Landlord and the Tenant hereby mutually covenant and agree that during the Fourth 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 Lease, as amended and extended hereby.
- (b) The Lease shall be binding upon and enure to the benefit of the parties and 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 Lease, as amended and extended.
- (d) The provisions of this Fourth Lease Extension and Amending Agreement shall be interpreted and governed by the laws of the Province of Ontario.

- (e) The Landlord acknowledges that the Lease and any information contained herein, may be required to be released pursuant to the provisions of the Freedom of Information and Protection of Privacy Act, R.S.O. 1990, c.F.31 and the Open Data Directive as amended. This acknowledgement shall not be construed as a waiver of any right to object to the release of the Lease or of any information or documents.

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

**SIGNED, SEALED AND DELIVERED**

Dated this \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

**THE CORPORATION OF THE TOWN  
OF FORT FRANCES**

By: \_\_\_\_\_  
Name:  
Title:

Authorized Signing Officer

By: \_\_\_\_\_  
Name:  
Title:

Authorized Signing Officer

Dated this \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

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

By: \_\_\_\_\_  
Name:  
Title:

Authorized Signing Officer

### Schedule “A”

## Plan of the Expanded Jail Yard

