

THE CORPORATION OF THE TOWNSHIP OF NORTH HURON

BY-LAW NO. 29-2016

Being a by-law to authorize the Reeve and Clerk to sign, on behalf of Council, a License Extension and Amending Agreement #2 under Lease ID M72546 between Her Majesty The Queen In Right of Ontario as Represented by the Minister of Economic Development, Employment and Infrastructure and The Corporation of the Township of North Huron.

WHEREAS the Municipal Act, 2001, as amended permits the Councils of all municipalities to enter into certain agreements;

AND WHEREAS Council is desirous of executing a License Extension and Amending Agreement #2 under Lease ID M72546 between Her Majesty The Queen In Right of Ontario as Represented by the Minister of Economic Development, Employment and The Corporation of the Township of North Huron;

AND WHEREAS Council deems it expedient to enter into said agreement;

NOW THEREFORE, the Council of the Corporation of the Township of North Huron ENACTS the following:

1. The Reeve and Clerk are hereby authorized to sign and execute on behalf of Council, a License Extension and Amending Agreement #2 under Lease ID M72546 between Her Majesty The Queen In Right of Ontario as Represented by the Minister of Economic Development, Employment and The Corporation of the Township of North Huron.
2. A copy of the said License Extension and Amending Agreement #2 under Lease ID M72546 is attached hereto and designated as Schedule A to this By-law.
3. That this By-law shall come into force and takes effect on the day of the final passing thereof.

READ A FIRST AND SECOND TIME THIS 21ST DAY OF MARCH, 2016.

READ A THIRD TIME AND PASSED THIS 21ST DAY OF MARCH, 2016.

CORPORATE SEAL

Neil G. Vincent, Reeve

Kathy Adams, Director of
Corporate Services/Clerk

Rental Unit: A81019
Property Code: N71468
File ID: G&G-49

Lease ID: M72546
Region: Land
Land ID: P71472

LICENSE EXTENSION AND AMENDING AGREEMENT #2

THIS AGREEMENT made in quintuplicate as of January 27, 2016.

B E T W E E N:

**HER MAJESTY THE QUEEN IN RIGHT OF ONTARIO AS
REPRESENTED BY THE MINISTER OF ECONOMIC
DEVELOPMENT, EMPLOYMENT AND
INFRASTRUCTURE**

(the "Licensor")

OF THE FIRST PART

– and –

**THE CORPORATION OF THE TOWNSHIP OF NORTH
HURON**

(the "Licensee")

OF THE SECOND PART

WHEREAS:

By Order-in-Council No. 1617/2008, approved and ordered September 17, 2008, all the powers and duties of the Minister of Public Infrastructure Renewal ("MPIR") relating to real property matters of the Government of Ontario pursuant to the *Ministry of Government Services Act*, R.S.O. 1990, c.M.25, as amended, were transferred and assigned to the Minister of Energy and Infrastructure ("MEI").

By Order-in-Council No. 1320/2010, approved and ordered September 15, 2010, all the powers and duties of MEI relating to real property matters of the Government of Ontario pursuant to the *Ministry of Government Services Act*, R.S.O. 1990, c.M.25, as amended, are transferred and assigned to the Minister of Infrastructure ("MOI").

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 dated June 6, 2011.

By Order-in-Council No. 1376/2011, approved and ordered July 19, 2011, MOI shall exercise the powers and duties assigned by law to MOI or that may otherwise be assigned to or undertaken by MOI in respect of infrastructure and any other matters related to MOI's portfolio.

By Order-in-Council No. 219/2015, approved and ordered February 18, 2015, all the powers and duties of MOI under Order-in-Council No. 1376/2011 relating to infrastructure and real property matters of the Government of Ontario are assigned and transferred to the Minister of Economic Development, Employment and Infrastructure.

- A. By a License of Land (Temporary Use and Access) fully executed on January 25, 2006 (the "Original License"), the Licensor, Her Majesty the Queen in right of Ontario as represented by the Minister of Public Infrastructure Renewal, did license unto the Licensee for a term of five (5) years commencing on April 1, 2004 and ending on March 31, 2009, (the "Original Term"), lands located in the Township of North Huron, in the Village of Blyth, described as Part of Lots 50 & 51 at mileage 95.03 abandoned Guelph to Goderich

right of way in the Province of Ontario (the "Lands"), as more particularly described in Schedule "A" attached hereto.

- B. The Licensors and the Licensee agreed to extend the Original Term by a License Extension and Amending Agreement #1 dated April 22, 2009 (the "First License Extension Agreement") with an extension term commencing on April 1, 2009 and expiring on March 31, 2014 (the "Extension Term").
- C. The Licensors and the Licensee have agreed to extend the Original Term in accordance with the terms of the Original License with an extension term commencing on April 1, 2014 and expiring on March 31, 2021 (the "Second Extension Term").
- D. The Licensors and the Licensee have agreed to amend the Original License as hereinafter provided.
- E. The Original License, License Extension and Amending Agreement #1 and this second license extension and amending agreement (the "License Extension and Amending Agreement #2") are hereinafter collectively referred to as the "License", except as specifically set out herein.

NOW THEREFORE THIS AGREEMENT WITNESSES that in consideration of the mutual promises hereinafter set forth and other good valuable consideration, the receipt and sufficiency of which is hereby acknowledged by the parties hereto, 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 LICENSE

The parties hereto agree that:

- (a) The License is hereby extended for "Second Extension Term".
- (b) The Second Extension Term shall commence on April 1, 2014 and expire on March 31, 2021.

3. LICENSE FEE FOR SECOND EXTENSION TERM

The Licensee hereby covenants to pay to the Licensors as a license fee for the Second Extension Term, the sum of Five Hundred and Twenty Five Dollars (\$525.00) (the "License Fee"), plus all applicable Sales Taxes.

"Sales Taxes" means collectively and individually, all business transfer, multi-usage sales, sales, goods and services, harmonized sales, use, consumption, value-added or other similar taxes imposed by any governmental authority upon the Licensors, or the Licensee, or in respect of this License Extension and Amending Agreement, or the payments made by the Licensee hereunder or the goods and services provided by the Licensors hereunder including, without limitation, the license of the Licensed Premises and the provision of administrative services to the Licensee hereunder.

If the Licensee defaults in the payment of the License Fee and/or any other amounts payable hereunder, the unpaid amounts shall bear interest from the due date to the date of payment at an interest rate equal to the prime rate as charged by the Royal Bank of Canada to its best commercial customers from time to time, plus five percent (5%). Acceptance of any overdue payment or interest shall not constitute a waiver of any rights or remedies that the Licensors may have hereunder or at law.

The Licensee shall send all License Fee payments to the following address:

Ontario Infrastructure and Lands Corporation
c/o DEL Management Solutions Inc.
310 Highway 7, Green River
Locust Hill, Ontario L0H 1J0
Attention: OILC PLMS Accounts Receivable

4. AMENDMENT OF LICENSE

The extension contemplated in this License Extension and Amending Agreement is subject to all the covenants and conditions contained in the Original License, as amended, renewed and extended from time to time, save and except that:

- (a) The Licensee shall pay to the Licensors all applicable Sales Taxes assessed on the License Fee payable by the Licensee to the Licensors under this License.
- (b) The Licensors and Licensee acknowledge that there shall be no further right to extend the Term of the License beyond the Second Extension Term as set out in Section 2(b) of this License Extension and Amending Agreement #2.
- (c) The definition of "Environmental Contaminant" contained in Section 1(b) of the Original License is hereby deleted and replaced with the following:

"Environmental Contaminant(s)" means (a) any substance which, when it exists in the Premises or the water supplied to or in the Premises, or when it is released into the Premises or any part thereof, or into the water or the natural environment, is likely to cause, at any time, material harm or degradation to the Premises or any part thereof, or to the natural environment or material risk to human health, and includes, without limitation, any flammables, explosives, radioactive materials, asbestos, lead paint, PCBs, fungal contaminants (including, without limitation, and by way of example, stachybotrys chartarum and other moulds), mercury and its compounds, dioxins and furans, chlordane (DDT), polychlorinated biphenyls, chlorofluorocarbons (CFCs), hydrochlorofluorocarbons (HCFCs), volatile organic compounds (VOCs), urea formaldehyde foam insulation, radon gas, chemicals known to cause cancer or reproductive toxicity, pollutants, contaminants, hazardous wastes, toxic or noxious substances or related materials, petroleum and petroleum products, or (b) any substance declared to be hazardous or toxic under any Environmental Laws now or hereafter enacted or promulgated by any Authorities, or (c) both (a) and (b).

"Environmental Laws" means any federal, provincial or local law, statute, ordinance, regulation, policy, guideline or order and all amendments thereto pertaining to health, industrial hygiene, environmental conditions or Environmental Contaminants, including, without limitation, the Environmental Protection Act, R.S.O. 1990, c.E.19 (the "EPA"), the Environmental Assessment Act, R.S.O. 1990, c. E.18, the Ontario Water Resources Act, R.S.O. 1990, c. O.40, the Occupational Health and Safety Act, R.S.O. 1990, c.O.1, the Safe Drinking Water Act, 2002, S.O. c.32, Ontario Regulation 153/04 – "Records of Site Condition – Part XV.1 of the Act" made under the EPA and applicable air quality guidelines (including, without limitation, Ontario Regulation 127/01-"Airborne Contaminant Discharge-Monitoring and Reporting" made under the EPA), as such statutes, regulations and guidelines may be amended from time to time.

- (d) Section 15 of the Original License is deleted in its entirety and replaced with the following:

The Licensee shall at its own expense, arrange and maintain a liability insurance policy satisfactory to the Licensors in the minimum amount of Five Million Dollars (\$5,000,000.00) in order to indemnify the Licensors. The Licensee shall pay any and all deductibles with respect to any claim arising thereunder. Such insurance shall (1) name Her Majesty the Queen in Right of Ontario as represented by the Ministry of Economic Development, Employment and Infrastructure as represented by Ontario Infrastructure and Lands Corporation, as additional insured (2) contain a cross liability clause, and (3) specify that it is primary coverage and not contributory with or in excess of any insurance

maintained by the Licensor. A certified copy of such policy or satisfactory certificate in lieu thereof shall be delivered to the Licensor prior to the starting date.

- (e) Section 30 of the Original License is deleted in its entirety and replaced with the following address for the Licensor for the purposes of delivering notices in accordance with Section 30 of the Original License:

Ontario Infrastructure and Lands Corporation
One Stone Road West, 4th Floor
Guelph, Ontario N1G 4Y2
Attention: Vice President, Asset Management
Fax: (519) 826-3330

With a copy to:

Ontario Infrastructure and Lands Corporation
777 Bay Street, Suite 900
Toronto, Ontario M5G 2C8
Attention: Director, Legal Services (Real Estate and Leasing)
Fax: (416) 326-2854

And an additional copy to:

CBRE Limited
Global Corporate Services
18 King Street East, Suite 1100
Toronto, Ontario M5C 1C4
Attention: Director, License Administration – Ontario Infrastructure and Lands Corporation
Fax: (416) 775-3989

And an additional copy to:

DEL Management Solutions Inc.
310 Highway 7, Green River
Locust Hill, Ontario L0H 1J0
Attention: Senior Property Manager - Leasing
Fax: (905) 472-2784

- (f) A new section to the Original License shall be added as follows:

Section 37: Lease to the County

The Licensee acknowledges that the Licensor is currently in negotiation with the County of Huron (the “County”) to consolidate all agreements for the former Guelph to Goderich Rail right of way within the County of Huron into one consolidated agreement with the County as the Tenant. In accordance with this negotiation, the Licensor shall have the right to terminate this License, in favor of the County. The County will be permitted to enter into new agreements and will then manage all associated agreements under a centralized stewardship, governed by the terms of the County’s Lease with the Landlord.

5. GENERAL

- (a) The Licensor and the Licensee hereby mutually covenant and agree that during the Second 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 License.
- (b) The License shall be binding upon and enure to the benefit of the parties 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 Original License, as amended and extended.
- (d) The provisions of this License Extension and Amending Agreement #2 shall be interpreted and governed by the laws of the Province of Ontario.

THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK

- (e) The Licensee acknowledges and agrees that License Extension and Amending Agreement, including all commercial and financial information herein, is subject to the Freedom of Information and Protection of Privacy Act, R.S.O. 1990, c.F.31, as amended.

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

**SIGNED, SEALED AND
DELIVERED**

Dated this ____ day of _____, 2016.

**HER MAJESTY THE QUEEN IN RIGHT OF
ONTARIO AS REPRESENTED BY THE
MINISTER OF ECONOMIC
DEVELOPMENT, EMPLOYMENT AND
INFRASTRUCTURE, AS REPRESENTED
BY ONTARIO INFRASTRUCTURE AND
LANDS CORPORATION**

Per: _____
Name:
Title:

Authorized Signing Officer

Dated this ____ day of _____, 2016.

**THE CORPORATION OF THE TOWNSHIP
OF NORTH HURON**

Per: _____
Name:
Title:

Per: _____
Name:
Title:

Authorized Signing Officer(s)

SCHEDULE "A"

