

TO: Mayor Savage and Members of Halifax Regional Council

Original Signed by 

SUBMITTED BY: Jane Fraser, Acting Chief Administrative Officer

DATE: June 14, 2018

SUBJECT: Soccer Nova Scotia

ORIGIN

- May 5, 2009 Regional Council motion
MOVED by Councillor Walker, seconded by Councillor Hum that Halifax Regional Council approve the terms of the Agreement between Soccer Nova Scotia and the Halifax Regional Municipality as attached to the report dated March 12, 2009.
MOTION PUT AND PASSED.
- This report originates with notice from Soccer Nova Scotia transferring ownership of the BMO Soccer Centre from Soccer Nova Scotia Training Centre Inc. to Soccer Nova Scotia for the premises at 210 Thomas Raddall Dr., Halifax, NS

LEGISLATIVE AUTHORITY

- *Halifax Regional Municipality Charter*

Section 61 (3): "The property vested in the Municipality, absolutely or in trust, is under the exclusive management and control of the Council, unless an Act of the Legislature provides otherwise."

Section 63 (1): "The Municipality may sell or lease property at a price less than market value to a non-profit organization that the Council considers to be carrying on an activity that is beneficial to the Municipality."

Section 63 (2): A resolution to sell or lease property referred to in subsection (1) at less than market value shall be passed by at least two thirds majority of the Council present and voting.

- Administrative Order 58 – Delegation of Certain Authorities

11. All renters of a facility or municipal land must pay market value rent.

14. Notwithstanding section 11, Council hereby authorizes less than market value rent to be charged to a non-profit organization who is carrying on an activity that is beneficial to the Municipality pursuant to clause 13(c) of this Administrative Order.

13. Council hereby considers a non-profit organization to be carrying on an activity that is beneficial to the Municipality, if in the opinion of the delegate:

- (a) the entity is a non-profit organization;
- (b) the non-profit organization is using, in whole or in part, a facility or municipal lands;
- and
- (c) the non-profit is holding a sporting event, community event, recreational event, entertainment event, or cultural event including artistic performances.

- Transaction Policy, Table 1(B) Property Leases

Pursuant to Table 1(B), where the length of the term of the lease is greater than five years, Council is the approval authority and the Mayor and Municipal Clerk are the signing officers.

- Administrative Order 2016-005-ADM Section 25(3) (m)
“A Sole Source Purchase may occur: (m) for the procurement of Goods, Services, Construction or Facilities from a public body or a not-for-profit corporation.”

The table set forth in section 36(1) provides for the authority to award sole source contracts of over \$100,000 to Council.

The table set forth in section 37(2) provides the CAO with authority for the execution of contracts awarded in accordance with Section 36(1).

RECOMMENDATION

It is recommended that Halifax Regional Council:

1. Authorize the termination of the 1998 Land Lease between Halifax Regional Municipality and Soccer Nova Scotia Training Centre Inc. and Soccer Nova Scotia and authorize the Chief Administrative Officer to execute a termination agreement between the parties;
2. Authorize the Mayor and Municipal Clerk to enter a new Less than Market Value Land Lease with Soccer Nova Scotia as per the terms and conditions outlined in Table 1 of this report;
3. Approve expenditures from HRM capital funds for washroom upgrades in the Soccer Nova Scotia owned indoor turf facility known as the BMO Soccer centre as outlined in the Financial Implications section of this report;
4. Authorize the Chief Administrative Officer to enter a Management Agreement with Soccer Nova Scotia as per the terms and conditions outlined in Table 2 of this report; and
5. Award a sole source contract (Attachment 4) to Soccer Nova Scotia for turf monitoring services at the Mainland Common All-Weather Fields for a period of five (5) years at a cost of \$ 411,327.33.

BACKGROUND

In May 1996, Regional Council approved a lease with Soccer Nova Scotia (SNS) for a portion of the land on the Mainland Common for an indoor soccer facility. To obtain mortgage financing for their facility, SNS formed a limited company to hold the leasehold interest on the property. Subsequently, in 1998, HRM entered into a 35 year less-than-market value Land Lease with that limited company, Soccer Nova Scotia Training Centre Inc.(SNSTC). SNS was a third party to the lease as the Guarantor.

The SNSTC indoor facility opened in 1999. In September 2003, HRM opened two new outdoor all-weather turf fields next to the SNSTC facility.

In 2008, Regional Council approved the Community Facility Master Plan (CFMP) which recommended that HRM further support SNS and their effort to create an additional three pitch indoor soccer facility adjacent

to the existing Mainland Common facility. The CFMP also stated that should HRM provide grant funding for the project, there would be an expectation of availability and access for other turf sport users.

Subsequently, in May 2009, Regional Council approved proposed terms of a SNS and HRM partnership to expand Soccer Nova Scotia Training Centre's indoor turf facility. This allowed the parties to work together to advance the plans to design, fund and construct the facility expansion. No agreements were executed at that time, however, there was an understanding that the terms were agreed to in principle and would be the basis of future agreements. Separate agreements around the land lease, facility use and property tax considerations would require Regional Council approval and were expected to be implemented in the future.

Therefore, in June 2010, Regional Council approved an amendment to the existing original 1998 Land Lease with SNSTC. The Land Lease was amended to add approximately 2.5 acres to the existing lease area, to allow the expansion. The new expanded facility opened in the 2011.

In addition to the less-than-market value Land Lease and full property tax exemption, HRM provided capital grant funding to the project in exchange for public access considerations. HRM's funding was also intended to enhance spaces to support HRM's existing outdoor all-weather turf fields located adjacent to the SNSTC facility. Although the parties have worked together to serve the turf sport community, no formal agreement outlining each side's responsibilities was ever executed.

In March 2014, Regional Council repealed By-Law T-200, the Tax Exemption By-Law, and replaced it with Administrative Order 2014-001-ADM as a mechanism for tax relief for non-profit organizations. The SNSTC was included and SNSTC's balanced operating budget was based on receiving full property tax relief. Without the property tax exemption, this additional cost would have put the facility at risk. Further review in 2016 concluded that the lessee SNSTC, as a limited company, is not eligible for property tax relief under Administrative Order 2014-001-ADM.

Since that time, HRM and SNS have been in discussions to determine how best to align agreements and facilities to reflect today's operating realities. As a result of those discussions, in October 2017, HRM received written notification that SNSTC is conveying ownership of the indoor turf facility to SNS to enable consideration of property tax exemption and requiring the negotiation of a new land lease agreement (Attachment 2).

DISCUSSION

There are a number of components related to the relationship between SNS and HRM which this report will clarify and require Regional Council's approval. They are summarized below.

Land Lease

Both SNS and HRM agree the 1998 Land Lease with SNSTC should be terminated and replaced with a new Land Lease between HRM and the non-profit SNS. This will address existing property tax and less than market value lease compliance concerns due to the current limited company status. SNS has indicated that the operation of the indoor turf facility will be at risk if the facility is ineligible for property tax relief, as that was a key aspect in the determination to proceed with the original construction of the facility. As well, a new land lease will enable the inclusion of modern clauses to cover defaults and remedies, insurance requirements, environmental laws, and subletting. Outdated clauses will be removed while the overall intent of a partnership will be maintained with SNS carrying on the same activities that benefited the municipality under the previous agreement with SNSTC.

In addition, there are some clauses which will be changed to better reflect current recreation needs. For example, the 1998 Land Lease required SNSTC to remove the original building at the end of the lease term if HRM determined the building was not to be retained. However, the new expanded three turf facility is an important asset for the field sport community and is a key component of creation campus on the Mainland

Common. Therefore, the new Land Lease will not include a removal clause, but addresses what happens to the facility if the Lease is not renewed, or is terminated early.

The original Land Lease required HRM to pay SNSTC fair market value for the building if HRM decided to terminate the lease and retain the original building. However, as HRM and other levels of government have invested in the new expanded facility, SNS should only be compensated for their investment. Therefore, HRM would be able to terminate the Land Lease and take ownership of the facility with thirty-six (36) months' notice but SNS would be compensated their Net Capital Costs up to seventy-five (75%) of the appraised fair market value of the buildings at the date of such termination. Net Capital costs are defined in the lease and include the original construction costs and the recapitalization over the term of the lease. The provision to limit Net Capital pay out to 75% of market value protects HRM from paying more than the value of the facility.

HRM will not be required to pay any compensation to SNS should SNS: terminate the lease, cause the lease to be terminated by Default, or choose to not renew the Land Lease. However, HRM recognizes that without property tax relief, the operation of the indoor turf facility may not be economically feasible. If SNS was to experience any unforeseen operating challenges, HRM would enter discussions to facilitate the continued operation of the facility to maintain public access.

Another aspect which has been changed in the new agreement relates to mortgages. Under the new land lease, HRM will no longer be guaranteeing mortgages of SNS. In the 1998 Land Lease, HRM was required to pay out the lender or release the restriction limiting the use of the land to recreation purposes if SNSTC defaulted on their mortgage. That original mortgage has been retired and is no longer relevant, however, SNS secured leasehold mortgage financing for the expansion in 2011. HRM is required to consent to the assignment of the existing mortgage from SNSTC to SNS which has been outlined in the new land lease and will also permit SNS to mortgage interests in the leased lands up to \$3.5 Million. However, SNS is not permitted to obtain a higher value mortgage without written consent from HRM.

Other clauses are consistent with the original Land Lease including the requirement to pay property tax for any space that is not granted tax relief pursuant to Administrative Order 2014-001-ADM.

The new land lease agreement has been agreed to by SNS and is included as Attachment 2. An overview of the key terms and conditions are outlined in Table 1:

Table 1 - SUMMARY OF KEY TERMS AND CONDITIONS OF LAND LEASE	
Property	Parcel 100A (PID 40808743)
Civic Address	210 Thomas Raddall Drive, Halifax, NS
Owner / Landlord	Halifax Regional Municipality
Tenant	Soccer Nova Scotia
Term	20 years, with one renewal of up to 5 years
Commencement Date	July 1, 2018

Key Conditions	<ul style="list-style-type: none"> • Permitted Use is the operation of an indoor turf facility, including office space for soccer organizations and a cafeteria operation • Rent is \$100 per year plus provision of services as outlined in the Management Agreement between HRM and SNS • All Indoor facility operating costs are responsibility of SNS • HRM shall be responsible for all maintenance costs associated with the parking lots year-round, including snow removal, but excluding power which SNS agrees to pay • SNS is responsible for property taxes levied on the property • SNS agrees to make washrooms available to the public and users of HRM All-Weather fields • HRM approval is required for sublets to for profit businesses or non- profits outside the approved permitted uses • HRM approval is required for any new mortgages involving the leased lands that exceed Three Million Five Hundred Thousand dollars (\$3,500,000.00) • SNS agrees to maintain insurance coverage as specified in lease • SNS may terminate agreement with eighteen (18) months notice, whereas HRM must provide SNS thirty-six (36) months notice • SNS shall be compensated its Net Capital Costs up to maximum of seventy-five percent (75%) of buildings appraised fair market value if HRM terminates agreement • SNS forfeits all rights to compensation for the facility if SNS terminates, fails to renew or defaults on the agreement as per conditions listed in lease.
-----------------------	--

Capital Works

The 2011 indoor turf facility expansion included spaces to support the HRM operated all-weather turf fields, including change rooms, public washrooms, an office, a field staff room and storage. Regional Council approved up to \$1.9 million contribution from HRM to the project as a commitment to work collaboratively on the expansion project and support the provision of the indoor turf fields. As part of the work, HRM contributed approximately \$1.4 million dollars to the project as built, primarily focussed on the field of play asset.

The current configuration of support spaces for HRM located in the SNS facility has not served the all-weather field users adequately. The washrooms are located far from the all-weather field entrance so temporary trailers have been located on the site at the field entrance to serve as public washrooms. Those washroom trailers are not accessible and detract from the overall quality and visual appearance of the all-weather field facility. Further, HRM incurs rental fees for the trailers exceeding \$10,000 annually. HRM's requirements would be better served if washrooms and a field monitor staff/storage area were located closer to the main entrance to the fields. Therefore, as part of the discussions on the negotiation of a new agreement with SNS, options and opportunities within the SNS facility were explored rather than constructing a costlier, new stand-alone facility, which had been previously considered with some funding allocated in both HRM capital budget and Councillor district capital funds.

SNS has provided permission for HRM to renovate space in the old SNS building located beside the field entrance to accommodate public washrooms. The design of the new space would increase the number of permanent washrooms for field users from the existing two to six and provide the opportunity to create accessible washrooms. Overall, there would be fewer washrooms on site than currently provided with the rented trailers but sufficient to serve the needs for most bookings. The site would still be able to accommodate additional temporary washrooms for large scale bookings.

In exchange, HRM would release its exclusive access to the allocated space in the new facility which is not being used currently. HRM no longer has permanent office staff on site and therefore does not require exclusive office space. The change rooms have not been used by many field users but remain available to be booked through SNS, subject to availability.

Additionally, HRM has capital funds budgeted to improve the entrance to the all-weather fields. Currently, it is unsightly and unsafe with pedestrians and vehicles using the same area. This exterior project has been delayed in order to ensure coordination with the washroom relocation project. As well, the temporary washroom trailers currently block the entrance to the all-weather fields and cannot be removed until a permanent solution is put in place. Completing the washroom and entrance renovations around the parking lot is estimated to cost \$175,000 and will improve the overall user experience and align with the standard of HRM regional recreation facilities. The work will also be completed in time for the 2020 Canadian Soccer Championships. The entire investment is on HRM property with funding available from existing budgets.

Management Agreement

HRM and SNS have a common interest in providing the best value and experience to the users of both the indoor and outdoor facilities. The details of the partnership, beyond the terms of a HRM land lease, need to be formalized into a Management Agreement.

Regional Council's 2009 approval to lease the additional land to SNS and provide grant funding for the expansion had conditions around the future use of the facility, including youth priority times and that 15% of use had to be non-soccer activity. Most of these practices have been put in place over the years but formal reporting and monitoring has not occurred. A Management Agreement to outline the relationship between HRM and SNS will enable the maximum public benefit and access to the facilities including maintaining HRM access for programming.

This is also an opportunity to align operating practices for the shared spaces at the facility, such as the public washrooms. Once the new washrooms are constructed and the trailers are removed, the Management Agreement outlines that SNS would be responsible to ensure all washrooms are available to the public when the all-weather fields are in use, and be responsible for all janitorial responsibilities. Currently, a third party performs these duties as part of a separate agreement to monitor the HRM facilities.

The Management Agreement has been agreed to by SNS and is included as Attachment 3. An overview of the key terms and conditions are outlined in Table 2:

Table 2 - SUMMARY OF KEY TERMS AND CONDITIONS OF MANAGEMENT AGREEMENT	
Property	Parcel 100A (PID 40808743)
Civic Address	210 Thomas Raddall Dr., Halifax, NS
Owner	Soccer Nova Scotia
Partner	Halifax Regional Municipality
Term	20 years - aligned with Land Lease
Commencement Date	July 1, 2018

Key Conditions	<ul style="list-style-type: none"> • HRM receives two hundred (200) indoor turf hours annually, at no charge, for use by HRM Parks and Recreation. • Youth users have priority booking from 5:00 to 9:00 pm daily. • A minimum of fifteen (15) percent of hours shall be available for sports other than soccer. • SNS agrees to permit All-Weather field users and spectators access to the SNS washroom facilities (once such facilities are constructed in the original building near the field entrance). • All-Weather field users can access SNS facility change rooms in summer season at no cost. • HRM shall be responsible for damage to the SNS facility washroom area caused by All-Weather field users and spectators. • SNS shall be responsible for all other operating costs of the SNS facility areas accessed by the public, including cleaning supplies • HRM and SNS agree to meet regularly to evaluate the agreement, address issues and seek improvement opportunities. • SNS agrees to providing an annual report outlining facility usage. • HRM may terminate the agreement with 30 days notice.
-----------------------	--

Monitoring Service Agreement

The use of the SNS facility washrooms means SNS staff will be involved in the operation of the all-weather fields. As well, the temporary trailers on site will be removed and eliminated from the turf monitors responsibilities. The monitoring of the all-weather fields is currently being performed by Niko Investments and the contract is set to expire on November 30, 2018. Having two service providers onsite complicates the overall management of field operations.

As a result, the proposed monitoring service agreement outlines that SNS staff onsite take over the all-weather field monitoring responsibilities in addition to maintaining the washrooms. SNS has performed these duties in the past and qualify under HRM's Procurement Policy to be a sole sourced vendor as a non-profit organization.

Having a single operator for facilities which are clustered causes less confusion, improves customer service, and reduces administrative duplication. Normally, this would be addressed utilizing a procurement strategy to align operating tasks but this is a challenge at this location because one of the facilities is owned and operated by SNS. Therefore, in this situation, it is best to leverage the existing relationship with SNS through a sole source relationship. SNS's oversight of the all-weather fields will provide opportunities to be more responsive to opening and closing the fields, accessing change rooms, or opening the indoor facility in severe weather conditions, since their staff are located on site.

The all-weather field Monitoring Service Agreement would begin in April 2019 with an initial 5-year term and options to renew for 5-year intervals. SNS would be compensated \$79,040 for this work in the first year which is less than the 2019 option with the current provider. In the proposed Monitoring Service Agreement, the annual fee for monitoring services increases by 2% each year for a total of \$411,327 for the 5 years. HRM realizes additional savings as SNS will take over the supply of all cleaning supplies currently purchased by HRM. HRM will review and evaluate the performance of the monitoring duties annually and may terminate the agreement at its sole discretion with 30 days' notice to SNS, and HRM reserves the right to assign the field monitoring to any service provider.

The Monitoring Service Agreement has been agreed to by SNS and is included as Attachment 4. An overview of the key terms and conditions are outlined in Table 3:

Table 3 - SUMMARY OF KEY TERMS AND CONDITIONS OF SERVICE AGREEMENT	
Property	Parcel 100A (PID 40808743) and (PID 41108937)
Civic Address	210 Thomas Raddall Dr., Halifax, NS
Supplier	Soccer Nova Scotia
Purchaser	Halifax Regional Municipality
Term	5 Years, 5-year renewal options
Commencement Date	April 1, 2019
Key Conditions	<ul style="list-style-type: none"> • Monitoring Services are for up to 4,000 hours (April to November). • SNS shall be compensated \$79, 040 in year one for Monitoring Services with a 2% increase annually, for a five-year period. • HRM and SNS have agreed on Turf Monitors duties which can be amended if agreed upon by both parties. • SNS agrees to financial penalty fee structure for various incidents where agreed upon service levels and standards are not achieved. • SNS shall be responsible for all monitoring staff / equipment costs. • HRM and SNS agree to meet regularly to evaluate the agreement, address issues and seek improvement opportunities. • HRM may terminate the agreement with 30 days notice.

FINANCIAL IMPLICATIONS

Recommendations #1 and #2 around the Land Lease replacement will not have any financial implications. It remains a less than market value land lease for the same land area and continues to exclude the parking lot areas. HRM currently covers parking lot repairs and snow removal at the site.

Recommendation #3 requires HRM investment in the washroom upgrade and relocation project. Funds for this work have been reserved in the Multi-District Facilities Upgrade Capital budget, as well as two prior year commitments from Councillor’s District Project Funds as outlined below.

As stated, the washroom work will be combined with the exterior Entrance improvement project which has \$100,000 budgeted in the approved 2017/18 capital budget from account #CP180003 Sports Fields/Courts – State of Good Repair.

Capital Budget Summary:

CCV02110 District 10 Project Funds

Cumulative Unspent Budget	\$221,882
Less: Recommendation #3	\$ 40,000*
Balance	\$181,882

CCV02112 District 12 Project Funds

Cumulative Unspent Budget	\$104,577
Less: Recommendation #3	\$ 18,577*
Balance	\$ 86,000

CB180001 Multi District Facility Upgrades

Cumulative Unspent Budget	\$1,235,828
Less: Recommendation #3	\$ 35,801*
Balance	\$1,200,027

CP180003 Sport Fields/Courts – State of Good Repair

Cumulative Unspent Budget	\$2,963,424
Less: Recommendation #3	\$ 100,000*
Balance	\$2,863,424

*Total Funding Available \$ 194,378

Estimated Funding required \$ 175,000
Balance Remaining \$ 19,378

Therefore, the project's entire estimated \$175,000 budget is covered from existing approved budgets. This approach eliminates the need to consider a stand-alone washroom facility which is estimated at more than \$500,000. This project will also result in operational savings of approximately \$10,000 annually as washroom and staff trailers will no longer be rented at this site.

Recommendations #4 will have minimal financial impact as it formalizes existing practices around facility use and cost sharing arrangements currently in place.

Recommendation #5 will save approximately \$2,000 annually in cleaning supplies under the proposed arrangement. HRM Cost Centre W187 currently includes a budget for the all-weather field monitors contract which is an annual expense. The proposed fee structure is starting at less than currently paid for this service. The cost in the 2019/2020 fiscal year for monitoring service will be \$79,040 with funding from cost centre W187. This annual fee will increase by 2% each year for a total of \$411,327 for 5 years.

Total Operating Budget (W187) Annual Savings: \$12,000 – Trailer rentals and cleaning supplies

RISK CONSIDERATION

There are no significant risks associated with the recommendations in this report. The risks considered rate low. To reach this conclusion, consideration was given to financial, service delivery and overall governance impacts.

An updated Land Lease alleviates HRM risk to governance compliance issues with Less Than Market Rent legislation and the Property Tax Relief Administrative Order. It also protects HRM from potential future financial commitments around a non- HRM owned facility.

COMMUNITY ENGAGEMENT

The HRM CFMP Plans (1 and 2) were developed considering stakeholder feedback, public meetings and surveys. The report recommendations are consistent with the goals and recommendations of the master plans including; support SNS's provision of indoor turf fields, improve accessibility to programs and facilities, leverage partnerships, and improve existing facilities.

ENVIRONMENTAL IMPLICATIONS

No environmental implications.

ALTERNATIVES

- Alternative 1: Regional Council could alter the terms of the proposed new Land Lease. Depending on the changes, this could require additional negotiation with SNS and supplementary report.
- Alternative 2: Regional Council could choose to direct staff to not renovate the SNS facility and washrooms and retain the temporary trailers on site or build a new stand-alone facility.
- Alternative 3: Regional Council could direct staff to retain the current process of tendering for field monitoring services periodically.

ATTACHMENTS

- Attachment 1: Letter from Soccer Nova Scotia dated October 18, 2017
- Attachment 2: Proposed new Land Lease between HRM and SNS
- Attachment 3: Proposed Indoor Turf Facility Management Agreement between HRM and SNS
- Attachment 4: Proposed All Weather Field Monitoring Service Agreement

A copy of this report can be obtained online at halifax.ca or by contacting the Office of the Municipal Clerk at 902.490.4210.

Report Prepared by: Andy Conrad, Facility Service Delivery Coordinator, Parks & Recreation, 902.490.8443



Attachment 1

SOCCER

NOVA SCOTIA

Executive Director
210 Thomas Raddall Dr.
Halifax, NS, B3S 1K3
F. 902.445.0258 P. [REDACTED]

Andy Conrad

Halifax Regional Municipality

Andy, I wanted to provide you with an update in relation to the recent changes we have made within our organization to fit within the Administrative order for tax relief.

The Board of Directors of Soccer NS passed a motion on September 24th, 2017 that approved immediate transfer of BMO Soccer Centre from Soccer Nova Scotia Training Centre Inc to Soccer Nova Scotia.

We have received approval from our bank and will make this officially happen when the mortgage renewal takes place in January.

Please let me know if you have any questions or concerns.

[REDACTED]
Brad Lawlor
Executive Director
Soccer Nova Scotia

[REDACTED]



Attachment 2 -Lease Agreement

Between:

Halifax Regional Municipality

and

Soccer Nova Scotia

For:

**PID NO. 40808743
210 Thomas Raddall Drive
Halifax, Nova Scotia.**

Prepared by:

Halifax Regional Municipality
Corporate Real Estate
Finance and Asset Management
PO Box 1749
Halifax, Nova Scotia, B3J 3A5
t. 902.490.5477
f. 902.490.6030
www.halifax.ca

This draft lease is subject to the approval of Regional Council of the Halifax Regional Municipality

This **Lease** made as of this _____ day of _____ 2018.

BETWEEN:

HALIFAX REGIONAL MUNICIPALITY

a municipal body corporate,
(Hereinafter called the "Landlord")

OF THE FIRST PART

- and -

SOCCER NOVA SCOTIA

a society incorporated under the *Societies Act*
(Hereinafter called the "Tenant")

OF THE OTHER PART

WHEREAS:

- A. By Resolution of Halifax Regional Council dated May 14, 1996, Halifax Regional Council authorized a thirty-five (35) year land lease (the "1998 Land Lease") of a 1.3-acre section of the Mainland Common situate at 210 Thomas Raddall Drive, Halifax, Nova Scotia owned by the Halifax Regional Municipality, to Soccer Nova Scotia ("SNS") and Soccer Nova Scotia Training Centre Incorporated ("SNSTC") for the construction and operation of an indoor soccer facility. The lease was executed by the Landlord, SNSTC as tenant, and SNS as Guarantor, on November 27, 1998, for the below market rent of \$100 per annum;
- B. Pursuant to an authorizing Resolution of Halifax Regional Council dated June 15, 2010, the parties amended the lease by a lease amendment agreement dated September 29, 2010 which expanded the area of land on the Mainland Commons identified as PID 40808743 (the "Leased Lands") to be leased by SNSTC, for the construction of a larger building for additional indoor turf facilities;
- C. The Tenant and SNSTC subsequently constructed the new building and indoor turf facilities on the Leased Lands with funding provided by non-repayable grants from the Government of Canada One Million Dollars (\$1,000,000.00), the Province of Nova Scotia (Three Million Thirty Thousand Dollars (\$3,030,000.00) and the Landlord (One Million Four Hundred Thousand Dollars (\$1,400,000.00)). Contributions from SNS, SNSTC and financing provided by the Bank of Montreal paid the balance of the construction costs;
- D. The 1998 Land Lease, as amended, is now outdated and due to the policy requirements of the Halifax Regional Municipality which only allows non-profit societies to qualify for a property tax exemption program, it is necessary to terminate the 1998 Land Lease and enter into this Lease.
- E. By Resolution of Halifax Regional Council dated XXXXX, 2018, Halifax Regional Council authorized the termination of the 1998 Land Lease, as amended and the execution of this Lease.

- F. SNSTC has agreed to the termination of the 1998 Land Lease and has released and assigned all its claims to the leasehold interest thereunder to the Tenant and has consented to this Lease as set out in the Consent and Release set out in Schedule "C" attached hereto.

NOW THEREFORE, in consideration of the mutual covenants herein contained, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereby mutually agree to terminate the 1998 Land Lease, as amended, effective as of the date of this Lease Agreement and to enter this new land lease agreement ("this Lease") in replacement thereof, on the terms set out herein as follows:

Definitions:

1. In this Lease, unless the context otherwise requires, the following words shall have the following meanings:
 - (a) "**Betterments**" means the cost incurred to enhance the service potential of a tangible capital asset. Service potential may be enhanced when there is an increase in the previously assessed service capacity, associated operating costs are lowered, the useful life is extended, or the quality of output is improved. Betterments include additions to a capital asset or substitution of a better component for one currently used.
 - (b) "**Buildings**" mean, collectively, the two buildings located on the Leased Lands in which the Indoor Turf Facilities are located as shown on the plan attached hereto as Schedule "A";
 - (c) "**Capital Costs**" means the amount of consideration given up to acquire, construct, develop, or better a tangible capital asset and includes all costs directly attributable to the acquisition, construction, development or betterment of the capital asset including installing it at the location and in the condition necessary for its intended use. For a contributed tangible capital asset, cost is considered to be fair value at the date of contribution. The cost of a tangible capital asset includes the purchase price and other acquisition costs such as installation costs, design and engineering fees, legal fees, survey costs, site preparation costs, freight charges, transportation insurance costs and duties. The term "Capital Costs" does not include replacements, which is the substitution of a similar component. Replacements are treated as operating expenses.
 - (d) "**Event of Default**" mean any of the events described in clause 27;
 - (e) "**Indoor Turf Facilities**" means the artificial turf indoor playing fields installed in the Buildings;
 - (f) "**Landlord**" means the Halifax Regional Municipality;
 - (g) "**Lease**" means this Lease agreement and the attached schedules forming part of this lease:

Schedule "A" Plan

Schedule "B" Legal Description of Leased Lands

Schedule "C" Consent and Release of Soccer Nova Scotia Training Centre Inc.

- (h) "**Leased Lands**" means the lands owned by the Landlord, currently identified as PID No. 40808743, located at 210 Thomas Raddall Drive, Halifax Regional Municipality, Nova Scotia which are more particularly described in Schedule "B" attached hereto;
- (i) "**Leasehold Improvements**" means the Tenant's proportionate share of its contributions to the Buildings, the Indoor Turf Facilities and other installations, alterations and additions, from time to time paid for, made, erected or installed by or on behalf of the Tenant and SNSTC.
- (j) "**Permitted Use**" means the operation of indoor turf facilities on the Leased Lands by the Tenant at the Tenant's cost, which for greater clarity includes the Tenant's use of the facility for its administrative offices and meeting spaces, the rental of the turf, the subletting of office space to member soccer organizations and the Landlord, and the subletting of space (or operation by the Tenant) for a cafeteria for users of the facility;
- (k) "**Rent**" means:
- i. The provision by the Tenant of services and access for the Landlord to the Indoor Turf Facilities and Buildings on the Leased Lands in accordance with the Service Agreement;
 - ii. The annual payment of one hundred dollars (\$100.00) plus Harmonized Sales Tax, payable on the first day of the Term, and on each anniversary during the term, which the Tenant acknowledges is below market rates;
 - iii. The payment of the following costs incurred and attributable to the Leased Lands whether payable to the Landlord or to third parties:
 - (a) the cost of insurance as provided herein;
 - (b) all realty taxes payable pursuant to this Lease levied, rated, charged, or assessed on or in relation to the Leased Lands;
 - (c) All charges, costs, accounts and any other sums payable to the suppliers for the supply of utilities and services to the Leased Lands; and
 - (d) All other sums, amounts, costs, and charges specified in this Lease to be payable by the Tenants, whether to the Landlord or otherwise.
- (l) "**Service Agreement**" means the Service Agreement and all amendments thereto, between the Landlord and Tenant pursuant to which the Landlord is allowed access to the Leased Lands, including the Buildings and the Indoor Turf Facilities, for public recreation and events and under which the Tenant has agreed to provide certain services to the Landlord;
- (m) "**Tenant**" means Soccer Nova Scotia, a society incorporated under the *Societies Act*, R.S.N.S., 1989, c. 435;
- (n) "**Tenant's Net Capital Costs**" means the Tenant's Capital Costs, net of government or third-party funding received towards Capital Costs, incurred by the Tenant in contributing to the construction of the Buildings and Indoor Turf Facilities, calculated in accordance with the definitions of Betterments and Capital Costs set out in this Lease and which are

to be substantiated by the Tenant's full accounting records and to be subject to verification by the Landlord.

- (o) "**Term**" means a term of Twenty (20) years commencing as of the 1st day of July 2018 and terminating on the 30th day of June 2039, and, where the context requires, any renewal, extension or overholding thereof, unless terminated earlier pursuant to the provisions of this Lease;
- (p) "**Transfer**" means, an assignment of this Lease in whole or in part, a sublease of all or any part of the Leased Lands, (other than the rental or subletting of certain areas for Permitted Uses as set out in clause 13), an amalgamation of the Tenant, any transaction whereby the rights of the Tenant under this Lease or to the Leased Lands are transferred to another person or entity, any transaction by which any right or use or occupancy of all or any part of the Leased Lands is shared with or conferred upon any person or mortgagee; any charge or encumbrance of this Lease or the Leased Lands or any part thereof, or any transaction or occurrence whatsoever which has changed or will change the identity of the entity having lawful use or occupancy of any part of the Lands; and shall also include any transfer or issue by sale, assignment, operation of law, or other disposition, or by subscription of any part or all the corporate structure of the Tenant or any other corporation, which would result in any change in the effective direct or indirect control of the Tenant,
- (q) "**Transferee**" means any person or entity to whom a Transfer has, is or is to be made.

DEMISE:

2. In consideration of the rents, covenants and agreements hereinafter reserved and contained on the part of the Tenant to be paid, observed and performed, the Landlord hereby demises and leases to the Tenant, and the Tenant hereby rents from the Landlord the Leased Lands for the Term.
3. The Tenant accepts the Leased Lands on an "as is" basis.
4. The Tenant shall have quiet enjoyment and possession of the Leased Lands during the Term, subject to the terms and conditions of this Lease.

Term:

5. Extension of Term: The Term may, in the sole discretion of the Landlord, be extended for one additional term of five (5) years or less upon the request of the Tenant, subject to such terms and conditions as may be determined by the Landlord in its sole discretion.

Net Lease:

6. It is the intention of the parties and this Lease that all expenses, costs, payments and outgoings of every nature and kind relating to or in respect of the Leased Lands will be the responsibility of and shall be borne by the Tenant, and the Tenant therefore agrees to pay all such expenses, costs, payments and outgoings, including real property taxes payable under this Lease, during the Term except as may otherwise be expressly stipulated herein to the contrary.

Tenant's Covenants:

7. The Tenant hereby covenants and agrees with the Landlord as follows:

Rent

- (a) to allow the Landlord use of the Leased Premises and to provide services to the Landlord as set out in the Service Agreement;
- (b) to pay Rent to the Landlord at such place as the Landlord may from time to time designate promptly without prior demand therefore and without any deduction, set off or abatement whatsoever; and
- (c) to pay all other sums which under any provision of this Lease may be chargeable against or payable by the Tenant whether to the Landlord or otherwise.

Use

- (d) To use the Leased Lands only for the Permitted Use and for no other purpose.
- (e) To not suffer or permit any waste upon the Leased Lands and to not carry on any business or activity or permit anything to be done or kept on the Leased Lands which is, in the opinion of the Landlord, or at law, a nuisance or disturbance, or which is contrary to any law or statute or any by-law, rule or ordinance of any governmental authority having jurisdiction, or by reason of which the insurance on the Leased Lands shall be made void or voidable or increased in cost, including, but not limited to, any environmental damage, air quality pollution, or hazardous practices caused or created by the Tenant.

Maintenance and Repairs

- (f) The Tenant agrees to maintain and operate the Leased Lands including the Buildings entirely at its own expense, in a good and reasonable state of repair consistent with general standards applicable to buildings of a similar nature. The Tenant agrees to carry out regular cleaning, repair and maintenance of the Buildings and to dispose of garbage, waste, and recycling on a timely basis and to upkeep the grounds and landscaping of the Leased Lands at the Tenant's own expense. The Landlord shall not be responsible for any maintenance, repairs or improvements to the Buildings or the Leased Lands.
- (g) It shall be lawful for the Landlord, its servants, officers, employees, directors, agents, and contractors at all reasonable times and on at least 24 hours' notice, (except in emergencies when no notice is required, and except on termination or expiration of this Lease,) to enter the Leased Lands and the Buildings to view the condition thereof. If upon such examination, the Landlord should find that in its opinion the Leased Lands or the Buildings are not in good condition and repair in any respect, it shall provide the Tenant with a written notice of the same. If the Tenant agrees, the Tenant will repair the Buildings within thirty (30) days thereafter, or such other period as is reasonably required. If the Tenant disagrees with the Landlord's opinion, the Landlord may put the issue to arbitration as provided in this Lease. If the arbitrator upholds the Landlord's opinion and if the Tenant fails or neglects to take such action as reasonably required to complete the repairs within a reasonable time, the Landlord, its servants

and agents, may enter the Leased Lands and the Buildings and at the Tenant's expense, perform and carry out such actions and the Landlord in so doing shall not be liable for any inconvenience, disturbance, loss of business or other damage resulting therefrom. All payments and costs incurred by the Landlord thereby shall be recoverable by the Landlord as Additional Rent reserved and in arrears under this Lease.

- (h) The Tenant agrees to perform ice and snow removal and to ensure that maintenance is carried out as would prudently be required to the walkways, sidewalks, and entrance and exits to the Buildings.

Utilities

- (i) The Tenant shall promptly pay, when due, all charges, costs and accounts and other sums payable for the supply of fuel, utilities and services to the Leased Lands and Buildings. The Tenant shall contract with and pay all its suppliers directly.
- (j) The cost of maintaining the exterior lights on the Buildings shall be the responsibility of the Tenant. The cost of all electrical power consumed on all exterior lights on the Buildings and on the parking lot light poles shall be at the Tenant's sole expense and shall be paid directly to Nova Scotia Power Corporation.

Taxes

- (k) The Tenant shall pay all taxes, rates and charges charged, assessed or levied in respect of the Leased Lands as real property taxes or otherwise, and in respect of the Permitted Use carried on upon the Leased Lands, and in respect of the Tenant's fixtures and equipment, and shall indemnify and reimburse the Landlord upon demand, for any such taxes, rates or charges which may be assessed (and if not paid, the same shall be recoverable by the Landlord as additional rent reserved and in arrears under this Lease), subject to any tax exemptions granted by the Landlord pursuant to the Landlord's policies, by-laws and administrative orders. The Tenant acknowledges that it must apply for tax exemption relief on an annual basis, and that there is no assurance that any such tax exemptions will be granted by the Landlord in every year of the Term.

Signs

- (l) The Tenant shall not exhibit, paint, display, inscribe, place or affix any sign, picture, advertisement, notice, lettering or direction on any part of the exterior of the Buildings or on any part of the grounds around the Buildings on Leased Lands without the prior consent of the Landlord, which shall not to be unreasonably withheld. The Tenant shall comply with any applicable HRM signage by-laws, Administrative Orders and policies respecting signage and naming rights on municipal property and parks, if applicable. The Landlord confirms its approval of the BMO signage currently on the exterior of the Buildings and its replacement with similar signage.

Public Washrooms

- (m) The Tenant shall continue to provide, at its expense, access to washrooms in the Buildings for use by the public and users of the outdoor turf facilities operated by the Landlord, with provision for the disabled, and accessible directly from the outside of

the Buildings. The Tenant shall provide cleaning and maintenance of all washrooms in accordance with the Service Agreement. The Tenant shall provide access to the Leased Lands at reasonable times on reasonable notice to enable the Landlord to construct, at its expense, additional washrooms or upgrades as the Landlord may authorize.

Compliance with Laws:

8. The Tenant is responsible to ensure that the Leased Lands and the Buildings shall be used and occupied in a safe, careful and proper manner. The Tenant shall at its own expense, comply with all lawful rules of the Landlord and with all laws, by-laws, codes, statutes, regulations, directives, and statutory orders of public authorities having jurisdiction affecting the Leased Lands or the use or occupation thereof including, without limitation, police, fire, health, safety, and environmental regulations and the requirements of the fire insurance underwriters, which in any way affect the Buildings, the Leased Lands and the activities and operations of the Tenant thereon.

Assignment of Lease and Subletting:

9. The Tenant shall not make any Transfer without the prior written consent of the Landlord which consent may be withheld at the sole discretion of the Landlord.
10. Requests by the Tenant for the Landlord's consent to a Transfer shall be in writing and shall be accompanied by the name, address, telephone numbers, business experience, credit and financial information and banking references of the Transferee and shall include a true copy of the document evidencing the proposed Transfer, and any agreement relating thereto. The Tenant shall also provide such additional information pertaining to the Transferee as the Landlord may reasonably require. Among other considerations, if the Landlord consents to the Transfer, the Landlord's consent shall be conditional on the following:
 - (a) the Tenant remaining fully liable to pay Rent and to perform all the covenants, terms and conditions herein contained;
 - (b) the Landlord being satisfied, acting reasonably, with the financial ability and good credit rating and corporate status of the Transferee and the ability of the Transferee to carry on the Permitted Use and operate the Indoor Turf Facilities;
 - (c) the Tenant having regularly and duly paid Rent and performed all the covenants contained in this Lease;
 - (d) the Transferee having entered an agreement with the Landlord agreeing to be bound by all the terms, covenants and conditions of the Service Agreement and of this Lease or of an amended lease containing such terms and conditions as the Landlord in its sole discretion deems appropriate, which may include, without limitation, requirements that the Transferee be a not for profit society, and/or, requiring that the Transferee pay market rent and taxes, and such other expenses and costs as the Landlord may determine;

- (e) the Tenant paying to the Landlord, prior to receiving such consent, an administrative fee and all reasonable legal fees and disbursements incurred by the Landlord in connection with the Transfer; and
 - (f) the Tenant paying to the Landlord, as Additional Rent, all excess rent and other profit earned by the Tenant in respect of the Transfer.
11. The Landlord shall, within one hundred twenty (120) days after receipt of such Transfer request, notify the Tenant in writing either that: (a) the Landlord consents or does not consent, to the Transfer; or (b) the Landlord elects to terminate this Lease if the request is to Transfer the Lease or if the request is to sublet all of the Leased Lands or, (c) if the request is to sublet or otherwise transfer a portion of the Leased Lands only, to terminate this Lease with respect to such portion. If the Landlord elects to terminate this Lease as aforesaid and so advises the Tenant in writing, the Tenant shall then notify the Landlord in writing within sixty (60) days thereafter of the Tenant's intention either to refrain from such Transfer or to accept the termination of the Lease (in whole or in part, as the case may be). Failure of the Tenant to deliver notice to the Landlord within such sixty (60) day period shall be deemed to be an acceptance by the Tenant of the Landlord's termination of this Lease (in whole or in part, as the case may be). Any termination of this Lease pursuant to this clause shall be effective on either the date originally proposed by the Tenant as being the effective date of the Transfer or the last day of the month sixty (60) days following the date of the Landlord's notice to terminate this Lease, whichever is later.
 12. No consent to any Transfer, including any sublease, shall relieve, release or discharge the Tenant from its obligation to pay Rent and to perform all the covenants, terms and conditions herein contained. The rental rates charged for any subletting shall be disclosed to the Landlord upon request. In the event of a Transfer, including a sublease to a non-profit organization for a Permitted use, the Landlord may collect Rent and other sums due for Rent from the Transferee and apply the net amount collected to the Rent payable hereunder, but no such Transfer or collection, or acceptance of the Transferee as tenant, shall be deemed to be a waiver of the Tenant's obligations under this lease. If any such consent is granted by the Landlord, it shall not be deemed or implied as a consent to any further or subsequent assignment or subletting. If, with the approval of the Landlord, this Lease is assigned or all or a portion of the Leased Lands is sublet, the Tenant shall pay all expenses involved in any such assignment or subletting, including the Landlord's legal costs in connection therewith.
 13. Notwithstanding the conditions to Transfers set forth in clause 9, 10, 11, and 12, subject to the requirements of the Landlord's administrative policies, the Tenant is permitted to sublet the areas of the Leased Lands currently sublet to Kicks Café to another food proprietor, and sublease office spaces to soccer clubs and leagues, provided: (i) the businesses to be conducted by the sublessees are Permitted Uses; (ii) the term and all renewals of such subleases do not extend beyond the Term; and, (iii) the Tenant gives written notice and full particulars of any such sublease to the Landlord at least thirty (30) days prior to the commencement of such sublease. The Tenant acknowledges and agrees that any assignee, Transferee or subtenant may not qualify for, or be granted, tax relief or sub-market leasing rates and that, in such a case, real property taxes may be payable by the Tenant for the subleased portion of the Leased Lands.

Change of Control

14. The Tenant shall make available to the Landlord or its lawful representatives such books and records for inspection, at all reasonable times, to ascertain whether there has, in effect, been a change in control or Transfer.

Judgments, Encumbrances and Liens

15. a). The Tenant, save as provided herein, will not permit, nor cause anything to be done to the Leased Lands which would allow any lien, *lis pendens*, judgment or certificate of any Court charge or encumbrance of any nature whatsoever to be imposed upon or registered against the Leased Lands without the express written consent of the Landlord. If any builder's lien or order for payment of money is filed against the Leased Lands by reason or arising out of any labour or materials furnished to the Tenant or to anyone claiming through the Tenant, the Tenant shall defend all suits to enforce liens or orders against the Tenant at the Tenant's sole expense and shall at its own expense immediately cause the same to be discharged. The Tenant hereby indemnifies the Landlord against any expense or damage incurred by such liens or orders. If the encumbrance is not discharged within five (5) business days after notice is given by the Landlord, the Landlord may discharge such encumbrance and recover as Rent, all amounts expended (including legal costs on a solicitor and client basis) by the Landlord in obtaining such discharge. The Landlord's right to reimbursement shall not be affected or impaired if the Tenant shall then or subsequently establish or claim that any lien or encumbrance so discharged was without merit or excessive or subject to any abatement, set-off or defence.

b) The Tenant shall not mortgage this Lease for an amount higher than Three Million Five Hundred Thousand Dollars (\$3,500,000.00) without the prior written consent of the Landlord. The Landlord shall not under any circumstances be liable for payment of any mortgage, or other debt financing or other obligations of the Tenant. The Landlord's fee simple interest in the Leased Lands shall not be compromised or encumbered by any mortgage entered into by the Tenant, which shall be subordinate to all rights and interests of the Landlord. The term of the mortgage shall not exceed the term of the Lease. The proceeds of any such mortgage financing can only be used for purposes of improving the Leased Lands and Buildings thereon or another property leased or conveyed by the Landlord to Soccer Nova Scotia. The Tenant shall provide any financial information and documents regarding its mortgage financing and the disposition of the proceeds thereof forthwith upon the request of the Landlord.

Tenant Indemnity and Insurance

16. The Landlord will not be liable for any injury to the Tenant, its employees, members, agents, officers, directors or invitees, or for any loss or damage to the Leased Lands, or to any property of the Tenant or of any other party.

Indemnification of Landlord by Tenant

17. The Tenant will indemnify the Landlord and save it harmless from and against any and all losses or claims, actions, demands, liabilities and expenses in connection with environmental damage, loss of life, personal injury and/or damage to or loss of property: (a) arising out of any occurrence in or about the Leased Lands during the Term; (b) occasioned or caused wholly or in part by any act or omission of the Tenant or anyone for whom it is in law

responsible; or (c) arising from any breach by the Tenant of any provisions of this Lease or any law. This indemnity shall survive the expiration or sooner termination of this Lease.

Tenant's Insurance

18. (a) The Tenant will take out and maintain at its sole cost and expense and keep in full force and effect throughout the Term the following insurance:
- i. Business Interruption and Extra Expense Insurance in and for such risks as would be carried by prudent tenants, including insurance in such sufficient amount as to pay for the expenses of the Permitted Use in so far as possible, and to cover the Rent and utility and maintenance costs for a term of 18 months.
 - ii. Commercial General Liability insurance, in a form at least as broad as the current Insurance Bureau of Canada Commercial General Liability Insurance or its equivalent, tenants' legal liability non-owned automobile liability, and owners' and contractors' protective insurance coverage which coverage shall include the business operations conducted by the Tenant and any other person on the Lands. The policy shall include coverage against all losses, claims, incidents, expenses or costs for personal injury, death or property damage occurring in, on, or about the Leased Lands. Such policies shall be written on a comprehensive basis with coverage for any one occurrence or claim of not less than Ten Million Dollars (\$10,000,000.00) or such higher limits as the Landlord may reasonably require from time to time. The commercial general liability policy will also contain a limited pollution cover with a minimum Five Million Dollars (\$5,000,000.) in coverage.
 - iii. "All Risks" property insurance (including, but not limited to water damage and sewer back up insurance), covering the Buildings and all leasehold improvements made to or installed in the Leased Lands by or on behalf of the Tenant and the contents, equipment and property of every description and kind on the Leased Lands whether owned by the Tenant or for which the Tenant is responsible. Such insurance shall be in an amount that is not less than the full replacement cost thereof from time to time. The Landlord is to be added as loss payee to all property covers, including, but not limited to Boiler and Machinery, Contractor's Equipment, etc.
 - iv. Environmental impairment and tank liability coverage of at least Two Million Dollars (\$2,000,000.00) or higher as may be deemed appropriate to cover any fuel tanks and generators on, at or under the Buildings or the Leased Premises.
 - v. Directors' and officers' liability insurance with a limit of not less than Two Million Dollars (\$2,000,00.00) or higher as may be deemed appropriate, covering the directors and officers of the Tenant with respect to its total business operations.
 - vi. The Tenant will obtain and keep in force, such other forms of insurance in such amounts as the Landlord or the Mortgagee, acting reasonably, requires the Tenant to obtain from time to time.
- (b) All the foregoing property policies shall contain a waiver of any right of subrogation or recourse by the Tenant's insurers against the Landlord, its contractors, agents and employees, whether any loss is caused by the act, omission or negligence of the

Landlord, and its contractors, agents or employees. The Tenant shall obtain from the insurers under such policies undertakings to notify the Landlord in writing at least thirty (30) days prior to any cancellation thereof. The Tenant shall furnish to the Landlord, on written request, certificates of all such policies. The Tenant agrees that if it fails to take out or to keep in force such insurance or if it fails to provide a certificate of every policy and evidence of continuation of coverage as herein provided, the Landlord shall have the right to take out such insurance and pay the premium therefor and, in such event, the Tenant shall pay to the Landlord the amount paid as premium plus fifteen percent (15%), which payment shall be deemed to be additional Rent payable on the first day of the next month following payment by the Landlord.

- (c) All the foregoing liability policies shall contain a waiver of any right of subrogation or rights or recourse by the Tenant's Insurer against the Landlord or the Landlord's contractors, agents and employees, those for whom the Landlord is at law responsible, whether any loss is caused by the act, omission or negligence of the Landlord, its contractors, agents or employees or by those for whom the Landlord is at law responsible. It shall be non-contributing with and apply only as primary and not as excess to any other insurance available to the Landlord.
- (d) The Tenant is responsible to ensure its contractors and agents (where applicable) obtain and keep in force insurance coverage in a form and amount identical to the Tenant and to ensure its contractors and agents maintain Worker's Compensation coverage where required.
- (e) The Landlord is to be named on the Tenant's policies as an additional insured with Certificates of Insurance to be provided to the Landlord.
- (f) The Tenant shall comply with all fire prevention regulations, and will not do, permit to be done, or omit to do anything, within the Leased Lands or elsewhere on other lands of the Landlord or off site, which will impair or invalidate the obligations of any insurer under any policy of insurance on the Leased Lands, or which will directly or indirectly cause the rate of insurance upon the Leased Lands, or other lands owned by the Landlord's and/or improvements therein, or the Landlord's liability insurance to be increased.
- (g) Neither the Landlord nor its agents, employees, servants and contractors shall be liable for any injury or damage to persons or property resulting from the Buildings' subsidence, collapse, failure or, facility damage, or for fuel escape, explosion, steam, gas, fire, electricity, water, rain, snow or poor air quality or for any injury or damage resulting from the condition of the Leased Lands including, without limitation, the heating, air conditioning, electrical, or plumbing systems therein, or from dampness or from any other cause whatsoever, including hazardous or environmental damages or issues. The Landlord will not be liable for any consequential or indirect damages suffered by the Tenant.
- (h) The Landlord will not be liable for any damages or expenses of the Tenant resulting from the Leased Lands being wholly or partially unfit for occupation resulting from damage to or destruction of the Buildings or the Leased Lands.

Mutual Release

19. (a) Each of the Landlord and the Tenant releases the other and waives all claims against the other and those for whom the other is in law responsible with respect to occurrences insured against or required to be insured against by the releasing party, whether any such claims arise because of the negligence or otherwise of the other or those for whom it is in law responsible, subject to the following:
- i. such release and waiver shall be effective only to the extent of proceeds of insurance received by the releasing party or proceeds which would have been received if the releasing party had obtained all insurance required to be obtained by it under this Lease (whichever is greater) and, for this purpose, deductible amounts under the Tenant's insurance (but not the Landlord's) shall be deemed to be proceeds of insurance received; and
 - ii. to the extent that both parties have insurance or are required to have insurance for any occurrence, the Tenant's insurance shall be primary.
- (b) Notwithstanding the foregoing or anything else herein contained, in no event, whether or not the result of the willful act or the negligence of the Landlord, its agents, officers, employees or others for whom it is legally responsible, and irrespective of any insurance that may or may not be carried or required to be carried, shall the Landlord be liable for:
- i. damage to property of the Tenant or others located on the Leased Lands;
 - ii. any injury or damage to persons or property resulting from fire, explosion, steam, water, rain, snow or gas which may leak into or issue or flow from any part of the Leased Lands or from the water, steam or drainage pipes or plumbing works of the Leased Lands or from any other place or quarter;
 - iii. any damage caused by or attributable to the condition or arrangement of any electrical or other wiring; or
 - iv. any indirect or consequential damages suffered by the Tenant.
- (c) Provided, the Landlord shall be responsible for uninsured damage directly caused by it in the course of its use of the Indoor Turf Facility in accordance with the Service Agreement.

Repairs and Alterations

20. (a) The Tenant shall make repairs to the Buildings and the Leased Lands without requiring the prior approval of the Landlord, subject to any applicable building permit requirements.
- (b) The Tenant shall only make substantial alterations to the exterior of the Buildings with the prior written consent of the Landlord, which consent shall not be unreasonably withheld. The Tenant shall be responsible to pay for all alterations it makes.

- (c) The Tenant shall not, make, erect, alter or install any leasehold improvements or other alterations to the Leased Lands which may in any way cause damage to or adversely affect the Leased Lands or any systems or facilities forming part of or serving the Leased Lands or other property of the Landlord, without the Landlord's prior consent in writing.
- (d) The Tenant shall comply with every applicable statute, law, by-law, regulation, ordinance and order affecting the same as a result of the actions of the Tenant including, without limitation, the National Building Code, the Nova Scotia Building Code, municipal building by-laws, the *Builders' Lien Act* (Nova Scotia) and any other statutes from time to time applicable thereto (including any provision requiring or enabling the retention by way of holdback of portions of any sums payable) and, except as to any such holdback, shall promptly pay all justifiable accounts relating thereto.
- (e) No soils or fills are to be imported onto the Leased Lands, excepting any environmentally clean fill and topsoil required, as approved by the Landlord. When the Tenant surrenders the Leased Lands, it shall be free of all debris, garbage, materials and equipment. Any removal of debris, garbage, soils or fill from the Leased Lands must be disposed of in keeping with all applicable environmental laws.
- (f) Any work done in or on Leased Lands during the Term shall not be done and shall be deemed not to have been done at the request of the Landlord, unless agreed to in writing.
- (g) Should the Landlord deem any repairs to be necessary to the Leased Lands for which the Tenant is not responsible hereunder, that Tenant shall permit the same to be performed without demanding any diminution of rent or damages, interest, or other compensation whatsoever, provided such repairs are completed within a reasonable time.
- (h) The Landlord shall not be liable for any loss of profits or business interruption, indirect or consequential damages, or for any other costs, losses or damages of whatsoever kind arising from any interruption or failure in the supply of utilities or services to the Leased Lands or for any other cause.

Environmental:

21. The Tenant covenants that it will:

- (a) comply in all material respects with all environmental laws including, but not limited to obtaining any required permits, licences or similar authorizations relating to the Leased Lands and the Buildings;
- (b) not cause or permit a release of a contaminant at, from or to the Leased Lands not cause or permit a release at or from the Leased Lands not seek or permit at any time to dispose of any pollutant in or on the Leased Lands, or any other lands;

- (c) promptly notify the Landlord in writing of any spills on the Leased Lands, and of any non-compliance issues, notices, violations, orders or charges caused by the Tenant or alleged, laid or issued against the Tenant in respect of the Leased by any governmental authority relating to the operations in or on the Leased Lands of the Tenant or any person for whom it is in law responsible or over whom the Tenant may reasonably be expected to exercise authority or control, and of any notice by any governmental authority alleging or concerning violation of, or imposing requirements or asserting responsibility under, or pursuant to, any environmental laws, and of any order made by any governmental authority against the Tenant. The Tenant shall also promptly notify the Landlord in writing of any notice received by it from any other third party concerning any release or alleged release of any pollutants from the Leased Lands. The Tenant undertakes to notify the appropriate regulatory authorities if so required under any environmental law within the time-period set out in such law and failure by the Tenant to do so shall authorize, but not obligate the Landlord to notify the regulatory authorities. If the Landlord or any governmental authority having jurisdiction orders the clean-up of any pollutant held, released, abandoned or placed in, on or under the Leased Lands by the Tenant, the Tenant shall, at its own expense, carry out all required work and shall provide to the Landlord full information with respect to all such work and comply with the Landlord's reasonable requirements with respect to such work clean up to a higher standard than is required by environmental laws. The Landlord shall be first notified of any environmental issues and shall have the first right but not the obligation, to perform any required remediation. The Tenant shall provide environmental assessment reports to the Landlord if requested;
- (d) not install any gas pumps, gas and/or underground storage tanks on or under the Leased Lands;
- (e) permit the Landlord to enter and inspect the Leased Lands and the operations conducted therein; conduct tests and environmental assessments or appraisals; remove samples from the Leased Lands; and interview the Tenant's employees; all at such reasonable times and intervals as the Landlord may desire, acting reasonably, provided that the Landlord shall take all reasonable measures to minimize any impact on the operation of the Tenant's business from the Leased Lands and all costs incurred by the Landlord shall be paid by the Tenant;
- (f) not permit any person to engage in any activity on the Leased Lands that may reasonably be anticipated to lead to a violation of any environmental laws or the imposition or assertion of liability or responsibility under any environmental laws on such person, the Tenant or the Landlord, including without limitation, the issuance of an order;
- (g) maintain all environmental records, including but not limited to permits relating to the operations at the Leased Lands of the Tenant or any person for whom it is in law responsible or over whom, the Tenant may reasonably be expected to exercise authority or control, which may be reviewed by the Landlord at any time during the Term on two (2) business days' prior written notice (excepting emergencies, whether real or perceived, in which case no prior notice shall be required);

22. If the Tenant is found to be in breach of the environmental requirements of this Lease the Landlord may, on behalf of the Tenant, rectify such breach and the Tenant shall promptly

reimburse the Landlord for the cost of any test, analysis or inspection of goods in or upon the Leased Lands which are, or which the Landlord, acting reasonably, has reason to suspect, may be or contain a pollutant;

23. The obligations of the Tenant hereunder relating to pollutants shall survive the expiry, repudiation, disclaimer or earlier termination of this Lease. To the extent that the performance of those obligations requires access to or entry in or upon the Leased Lands or any part thereof the Tenant shall have such entry and access after such expiry, repudiation, disclaimer or earlier termination only at such times and upon such terms and conditions as the Landlord may reasonably from time to time specify;
24. On the expiration of the termination of this Lease for any reason, to remove, at its expense, any contaminant or contamination which through the Tenant's use or occupancy of the Leased Lands has been brought to or created at the Leased Lands.

Landlord's Covenants:

25. The Landlord hereby covenants and agrees with the Tenant that:
 - (a) So long as the Tenant pays the Rent and adheres to the covenants to be observed, performed and kept by the Tenant in this Lease Agreement and in the Service Agreement, the Tenant shall, until the termination or expiration of this Lease Agreement, be entitled to peaceably hold the Leased Lands without any interference from the Landlord.
 - (b) The Landlord shall continue to provide and maintain an access driveway to the Leased Lands and a parking area for at least one hundred (100) cars on lands owned by the Landlord near the Buildings. The Landlord may from time to time provide such additional parking facilities as the Landlord in its sole discretion determines is advisable. The Landlord shall be responsible for snow and ice removal from the access driveway and parking areas serving the Buildings.
 - (c) The cost of maintaining the exterior lights on the light poles in the parking lots shall be the responsibility of the Landlord.

Mutual Covenants:

26. It is mutually agreed between the parties hereto as follows:
 - (a) If the Buildings are damaged or destroyed such that the Leased Lands are untenable or incapable of being used by the Tenant for the Permitted Use for a period exceeding eighteen (18) months, the Landlord may in its sole discretion terminate this Lease in which case the Tenant shall surrender the Leased Lands and all interest therein to the Landlord, and the Tenant shall pay Rent and all other charges required to be paid hereunder only to the time of such damage or destruction. The Landlord may in its sole discretion re-enter or possess the Leased Lands and may remove all persons and property therefrom. Nothing herein shall oblige the Landlord to restore or re-let the Leased Lands. The Landlord shall not be responsible in anyway whatsoever to repair or replace the Buildings, remove the Tenant, or replace or relocate the Tenant's

contents and property, to find the Tenant an alternative site or be responsible for any costs incurred due to the damage or destruction of the Buildings.

- (b) The Landlord may grant easements, rights-of-way, licenses and similar rights to public utilities and governmental agencies for allowing for the provision of electrical power, telephone, water and other utility and municipal services to or over the Leased Lands, to benefit the Leased Lands and/or other property, and for the installation of wires, metres, conduits, pipes and other equipment, apparatus and facilities in connection therewith. Said grants shall not substantially interfere with the Tenant's use of the Leased Premises.
- (c) If the Tenant continues in occupation of the Leased Lands with the consent of the Landlord after expiry of the Term of this Lease, without further written agreement, there shall be no tacit renewal of this Lease and the tenancy of the Tenant thereafter shall be deemed to be on a month-to-month basis and may be terminated by either party on six (6) months notice but otherwise shall be deemed, so far as applicable, and except for Rent and Term, to be on the same terms as set out in this Lease.

Default of Tenant:

Default and Right to Re-enter

27. Any of the following constitutes an Event of Default under this Lease:

- (a) the Tenant defaults under its secured debt financing obligations;
- (b) any Rent is not paid when due;
- (c) the Tenant Transfers, assigns or subleases the Leased Lands contrary to this Lease, or the Leased Lands or the Buildings are being used or operated by any entity other than the Tenant without the prior written consent of the Landlord, which consent may be withheld in its sole discretion;
- (d) the Tenant ceases to operate the Buildings, the Indoor Turf Facility and its programs regularly, or to the satisfaction of the Landlord acting reasonably, or abandons or attempts to abandon the Leased Lands, or the Leased Lands become vacant or substantially unoccupied for a period of thirty (30) consecutive days without the consent of the Landlord;
- (e) in the case of a material breach or non-performance of any of the covenants, agreements, obligations and regulations herein on the part of Tenant to be performed in this Lease or under the Service Agreement;
- (f) the Tenant becomes bankrupt or insolvent or takes the benefit of any statute for bankrupt or insolvent debtors or makes any proposal, an assignment or arrangement with its creditors, or if a trustee, receiver, receiver/manager or a person acting in a similar capacity is appointed with respect to the business or assets of the Tenant, or any steps are taken or proceedings commenced by any person for the dissolution, winding-up or other termination of the Tenant's corporate existence or the liquidation of its assets;

- (g) an execution or attachment order is made by any creditor of the Tenant and the Term, the Tenant's leasehold interest, or any of the goods and chattels of the Tenant are seized, or a creditor of the Tenant enters possession of the Leased Lands, or the Tenant moves or commences, attempts or threatens to move its trade fixtures, chattels and equipment out of the Leased Lands during the Term;
 - (h) any insurance policy covering any part of the Leased Lands is cancelled, or is threatened to be cancelled or adversely changes because of any action or omission by the Tenant or any person for whom it is legally responsible;
 - (i) the Tenant breaches any environmental laws or its statutory occupational health and safety obligations to maintain a safe work and recreational place;
 - (j) the Leased Lands or the Buildings cease being used for the Permitted Use without the written consent of the Landlord; or
 - (k) there is a material breach of the Tenant's obligations to properly maintain the Buildings, necessary refurbishments are not carried out, or the Buildings are being operated in a manner that is contrary to the public interest.
28. The Tenant shall have the opportunity to remedy any of the above Events of Default that are capable of being remedied after receiving notice in writing from the Landlord. The Landlord shall be entitled to proceed pursuant to clause 29 if after receiving such notice the Tenant fails to remedy such breach within ten (10) days, or if such breach cannot reasonably be remedied within ten (10) days, the Tenant fails to commence to remedy such breach within ten (10) days of such notice of breach and thereafter fails to proceed diligently to remedy such breach; except for Events of Default of an urgent nature or jeopardizing health and safety, which shall be remedied with such shorter period as may be ordered by the Landlord. The Landlord's right to repossess the Leased Lands and Buildings under s.29 (a) is not intended to apply to minor breaches of clause 27 (b), (e) or (k).

29. **Default and Remedies**

- (a) Subject to clause 28, if and whenever an Event of Default occurs, then, without prejudice to any other rights which it has pursuant to this Lease or at law, the Landlord shall have the following rights and remedies, which are cumulative and not alternative:
 - i. At its option the Landlord may, by notice to the Tenant cease and terminate this Lease and the Term shall immediately become forfeited and void, and the Landlord may re-enter and take possession of the Leased Lands and Buildings, and remove all persons and property from the Leased Lands and Buildings store such property at the expense and risk of the Tenant or sell or dispose of such property in such manner as the Landlord sees fit without notice to the Tenant;
 - ii. If the Landlord enters the Leased Lands without notice to the Tenant as to whether it is terminating this Lease under this subsection a) or proceeding under subsection (b), and the Lease shall not be terminated, nor shall there be any surrender by operation of law, but the Lease shall remain in full force and effect until the Landlord notifies the Tenant that it has elected to terminate this Lease. No entry by the

Landlord during the Term shall have the effect of terminating this Lease without notice to that effect to the Tenant;

- iii. to enter the Leased Lands as agent of the Tenant to do any or all of the following: (i) re-let the Leased Lands for whatever length and on such terms as the Landlord, in its discretion, may determine, and to receive the rent therefor; (ii) take possession of any property of the Tenant on the Leased Lands, store such property at the expense and risk of the Tenant, and sell or otherwise dispose of such property in such manner as the Landlord sees fit without notice to the Tenant; (iii) make alterations to the Leased Lands to facilitate their re-letting; and (iv) apply the proceeds of any such sale or re-letting first, to the payment of any expenses incurred by the Landlord with respect to any such re-letting or sale, second, to the payment of any indebtedness of the Tenant to the Landlord other than Rent, and third, to the payment of Rent in arrears, with the residue to be held by the Landlord and applied to payment of future Rent as it becomes due and payable.
- (b) If and whenever an Event of Default occurs, without prejudice to any other rights which it has pursuant to this Lease or at law, the Landlord shall have the following rights and remedies, which are cumulative and not alternative:
- i. to remedy or attempt to remedy any default of the Tenant under this Lease for the account of the Tenant and to enter upon the Leased Lands for such purposes. No notice of the Landlord's intention to remedy or attempt to remedy such default need be given to the Tenant unless expressly required by this Lease, and the Landlord shall not be liable to the Tenant for any loss, injury or damages caused by acts of the Landlord in remedying or attempting to remedy such default. The Landlord may make any payments due or alleged to be due by the Tenant to a third party and in effecting any obligations which are the Tenant's responsibility under this Lease, or in paying costs which are otherwise required to put the Leased Lands in the same condition as at the commencement of this Lease, and in such event all expenses of the Landlord in remedying or attempting to remedy such default shall be recoverable by the Landlord. The Tenant shall pay to the Landlord all expenses incurred by the Landlord in connection therewith;
 - ii. to recover from the Tenant all damages, costs and expenses incurred by the Landlord because of any default by the Tenant including, if the Landlord terminates this Lease, any deficiency between those amounts which would have been payable by the Tenant for the portion of the Term following such termination and the net amounts received by the Landlord during such period with respect to the Leased Lands.

Distress

30. Notwithstanding any provision of this Lease or any provision of any applicable legislation, none of the goods and chattels of the Tenant on the Leased Lands at any time during the Term shall be exempt from levy by distress for Rent in arrears, and the Tenant waives any such exemption. If the Landlord makes any claim against the goods and chattels of the Tenant by way of distress, this provision may be pleaded as an estoppel against the Tenant in any action brought to test the right of the Landlord to levy such distress.

Costs

31. The Tenant shall pay to the Landlord all damages, costs and expenses (including, without limitation, all legal fees on a solicitor-and-client basis) incurred by the Landlord in enforcing the terms of this Lease, or with respect to any matter or thing which is the obligation of the Tenant under this Lease, or in respect of which the Tenant has agreed to insure or to indemnify the Landlord.

Remedies Cumulative

32. Notwithstanding any other provision of this Lease, the Landlord may from time to time resort to any or all the rights and remedies available to it in the event of any default hereunder by the Tenant, either by any provision of this Lease, by statute, or common law, all which rights and remedies are intended to be cumulative and not alternative. The express provisions contained in this Lease as to certain rights and remedies are not to be interpreted as excluding any other, or additional rights and remedies available to the Landlord by statute or common law.
33. The Landlord may waive any default by the Tenant hereunder only in writing. Any such waiver or acquiescence of the Landlord of any default by the Tenant under any clause of this Lease shall not be deemed to be a waiver of any subsequent or other default hereunder.

Expiration or other termination of this Lease:

34. At the expiration or earlier termination of this Lease, the Tenant shall peaceably surrender and give up unto the Landlord clean and vacant possession of the Leased Lands and Buildings and indoor turf facilities in good condition, reasonable wear and tear excepted.

Possible Early Termination

35. The Tenant may terminate this Lease at any time during the Term or any renewal thereof upon giving the Landlord written notice of its intention to terminate this Lease at least eighteen (18) months in advance. The Tenant shall not receive any compensation for its contribution to the value of the Buildings and the Leased Lands if terminates the Lease or chooses not to renew it.
36. The Landlord may terminate this Lease at any time during the Term or any renewal thereof, if the Leased Lands are required for another purpose, upon giving the Tenant written notice at least thirty-six (36) months in advance.
37. If upon the expiration of this Lease or any renewal thereof, the Landlord does not permit the Tenant to renew (or further renew) this Lease, or upon a termination by the Landlord pursuant to clause 36, which for greater certainty shall not include a termination by the Landlord pursuant to clause 29 (a), the Landlord shall reimburse the Tenant for the Tenant's Net Capital Costs as defined in this Lease, up to a maximum of seventy-five percent (75%) of the appraised fair market value of the Buildings as at the date of expiration or earlier termination of this Lease. The appraisal of fair market value shall be based on the cost approach (construction cost at the time of valuation, less depreciation), not an income approach. The Tenant shall produce a full accounting to the Landlord and full access to its complete financial records (including historical records dating back to the commencement of

the 1998 Land Lease) to enable the Landlord to verify and determine the Tenant's Net Capital Costs. The Landlord may deduct from any amount payable to the Tenant, all rent and other amounts due to the Landlord.

38. The Tenant shall be solely responsible to pay all its own debts, financing and expenses, including any costs associated with any leasehold mortgage, without any contribution from the Landlord. For clarity, under no circumstances shall the Landlord be liable for any debts, financing, obligations or liabilities of the Tenant, including under any charge, security agreement or mortgage.
39. On the expiration or earlier termination of the Lease, the Tenant shall be responsible for registering a discharge of the Notice of this Lease and a discharge of any other registered charge or encumbrance related to this Lease thereto at the Halifax County Land Registration Office at the Tenant's sole expense.

Arbitration:

40. Any difference or dispute between the parties hereto concerning the interpretation of any provision of this Lease or concerning any matter or thing done or omitted to be done hereunder by the parties hereto, may by mutual agreement be referred to an Arbitrator appointed in accordance with this Lease.
41. Either party may notify the other party in writing of its desire to refer such difference or dispute to an Arbitrator. If the other party agrees to arbitration, the Landlord and the Tenant shall jointly agree upon an Arbitrator within ten (10) days (excluding Saturday, Sunday or any holiday) of the receipt of such notice, failing which either party is entitled to have an arbitrator appointed pursuant to the provisions of *the Commercial Arbitration Act* (Nova Scotia). The award of this arbitrator shall be conclusive and binding upon both parties. The expense of the arbitration shall be borne equally by the parties, and subject to the provisions of the Nova Scotia *Commercial Arbitration Act*.
42. No person shall be appointed Arbitrator who:
 - (a) is acting or has within the period of twelve (12) months prior to the date of his appointed, acted in the capacity of solicitor, legal advisor, counsel or paid agent of either of the parties; or
 - (b) has any pecuniary interest in the matter.

Notices:

Notices

43. Any notices or tender of documents to be delivered, shall be made upon the Landlord and the Tenant, and with all written notices to be sent by delivered personally or sent by prepaid registered mail as follows:

To the Landlord to the attention of:

Manager, Financial and Corporate Asset Management,
Halifax Regional Municipality
Post Office Box 1749
Halifax, Nova Scotia B3J 3A5

and

To the Tenant to the attention of:

xxxx

General:

44. It is hereby understood and agreed between the parties hereto that the terms and conditions set forth herein embrace the whole of the terms and conditions of the agreement entered into by the Landlord and Tenant, and supersede and take the place of any previous agreements or representations of any kind, written or verbal, previously made by anyone, whether an agent or employee of the Landlord or not, in reference to the Leased Lands or which in any way affect the Buildings or equipment which form a part of the Leased Lands. This Lease, including its schedules, can only be amended in writing by the parties.
45. This Lease is governed by the laws applicable in the Province of Nova Scotia;
46. All agreements, covenants and indemnifications made by the Tenant in this Lease shall survive the expiration or earlier termination of this Lease, anything in the contrary to this Lease notwithstanding.
47. If any provision of this Lease is held to be illegal, invalid or unenforceable, in whole or in part, it shall be considered separate and severable from this Lease, and all remaining provisions hereof shall remain in full force and effect.
48. No provision of this Lease and no action by the parties hereto will establish or be deemed to establish a partnership, joint venture, principal-agent relationship or employer-employee relationship in any way or for any purpose whatsoever between the Landlord and the Tenant or between the Landlord and a third party. The parties agree that the only relationship between them is that of Landlord and Tenant.
49. Nothing in this Lease is to be construed as authorizing any person, including a third party, to contract for or to incur any obligation on behalf of the Landlord or to act as an agent for the Landlord. The Tenant will take the necessary action to ensure that any contract between the Tenant and a third party contains a provision to that effect.
50. This Lease shall extend to and be binding upon and enure to the benefit of the parties hereto, their successors and **permitted** assigns and shall be interpreted in accordance with the laws of the Province of Nova Scotia.
51. Time shall, in all respects, be of the essence of this Lease.

- 52. The parties agree that the 1998 Land Lease is terminated effective on the date of latest execution by the parties hereto.
- 53. The Landlord may in its sole discretion, record a notice of this Lease in the Halifax County Land Registration Office.
- 54. This Lease may be signed in counterparts and the signed copies will, when attached, constitute an original agreement.

IN WITNESS HEREOF the parties hereto have properly executed this Indenture as of the day and year first above written.

SIGNED, SEALED and DELIVERED

)	SOCCER NOVA SCOTIA
)	
)	
_____)	_____
Witness)	Signature
)	
)	_____
)	Print Name & Position Held
)	
_____)	_____
Witness)	Signature
)	
)	_____
)	Print Name & Position Held
)	

We hereby confirm we have authority to bind the Tenant.

(Balance of this page is deliberately left blank).

) **HALIFAX REGIONAL MUNICIPALITY**

)

)

)

)

Witness

)

Mayor

)

)

)

Witness

)

Municipal Clerk

)

)

)

**PROVINCE OF NOVA SCOTIA
COUNTY OF HALIFAX**

On this ____ day of _____, A.D. 2018, before me, the subscriber, personally came and appeared _____ and _____ the subscribing witnesses to the foregoing Indenture who being by me duly sworn, made oath, and said that _____, the duly and properly authorized officers with the authority to bind Soccer Nova Scotia, signed the same and affixed the seal of the said corporation hereto in his/her/their presence.

A Barrister of the Supreme
Court of Nova Scotia

**PROVINCE OF NOVA SCOTIA
COUNTY OF HALIFAX**

On this ____ day of _____, A.D. 2018, before me, the subscriber, personally came and appeared _____ and _____ the subscribing witnesses to the foregoing Indenture who being by me duly sworn, made oath, and said that Mike Savage, Mayor and Kevin Arjoon, Municipal Clerk of the Halifax Regional Municipality, signed the same and affixed the seal of the said Municipality thereto in their presence.

A Barrister of the Supreme
Court of Nova Scotia

SCHEDULE B

All that certain lot, piece or parcel of land situate, lying and being on the southeastern side of Lacewood Drive in Halifax, Halifax County, Nova Scotia, said lot being shown as Parcel 100AC on a plan entitled "Plan of Subdivision and Consolidation of Parcel 100 (Remainder) and Parcel 100A, Land Conveyed to Halifax Regional Municipality to Form Parcel 100AC & Parcel R100 (Remainder)" prepared by Whyte, McElmon & Associates Limited and signed by David J. Whyte, NSLS, dated September 21, 2010, which said plan was approved by Halifax Regional Municipality on October 1, 2010 and is registered in the Registry of Deeds for Halifax County as plan No. 96919460, said parcel being more particularly described as follows:

Beginning on the southeastern boundary of Lacewood Drive at the western corner of Parcel R100 (Remainder), as shown on said plan;

Thence southeasterly along a southwestern boundary of Parcel R100 (Remainder), sixteen decimal seven seven nine (16.779) metres to the beginning of a curve to the left;

Thence southeasterly along said curve to the left and being along a southwestern boundary of Parcel R100 (Remainder), twenty-seven decimal four eight one (27.481) metres to the end of said curve;

Thence southeasterly along a southwestern boundary of Parcel R100 (Remainder), forty-three decimal four five five (43.455) metres to the beginning of a curve to the right;

Thence southerly along said curve to the right and being along a western boundary of Parcel R100 (Remainder), sixty-five decimal seven zero six (65.706) metres to the beginning of a curve to the left;

Thence southeasterly along a southwestern boundary of Parcel R100 (Remainder), one hundred twenty-seven decimal nine eight three (127.983) metres to the end of said curve;

Thence easterly along a southern boundary of Parcel R100 (Remainder), twenty-nine decimal nine two five (29.925) metres to the beginning of a curve to the right;

Thence southeasterly along said curve to the right and being along a southwestern boundary of Parcel R100 (Remainder), one hundred nineteen decimal eight one one (119.811) metres to the end of said curve;

Thence southeasterly along a southwestern boundary of Parcel R100 (Remainder), twelve decimal two one zero (12.210) metres to the beginning of a curve to the right;

Thence southeasterly along said curve to the right and being along a southwestern boundary of Parcel R100 (Remainder), thirty-one decimal five three two (31.532) metres to the end of said curve;

Thence southeasterly along a southwestern boundary of Parcel R100 (Remainder), ten decimal two eight seven (10.287) metres to the beginning of a curve to the left;

Thence southeasterly along said curve to the left and being along a southwestern boundary of Parcel R100 (Remainder), twenty-eight decimal three two six (28.326) metres to a southern corner of said Parcel R100 (Remainder);

Thence North 11 degrees 06 minutes 15 seconds East along an eastern boundary of Parcel R100 (Remainder), eighty-three decimal eight three seven (83.837) metres to a southern corner thereof;

Thence South 78 degrees 53 minutes 45 seconds East along a southern boundary of Parcel R100 (Remainder), one hundred twenty-seven decimal five four zero (127.540) metres to a western corner thereof;

Thence South 11 degrees 05 minutes 10 seconds West along a western boundary of Parcel R100 (Remainder), forty-three decimal one one five (43.115) metres to a curved northern boundary of Parcel 100B said curve having a radius of one hundred twenty-nine decimal nine nine seven (129.997) metres;

Thence westerly along said curved northern boundary of Parcel 100B and curving in the left, six decimal six four zero (6.640) metres to the northwestern corner of Parcel 100B;

Thence South 11 degrees 05 minutes 10 seconds West along the western boundary of Parcel 100B, forty-seven decimal two seven four (47.274) metres to a point thereon;

Thence continuing along a western boundary of Parcel 100B, seventy-nine decimal two four eight (79.248) metres to a northeastern corner of the Southern Portion of Parcel 100 (Remainder);

Thence westerly along a northern boundary of the Southern Portion of Parcel 100 (Remainder), seventy decimal seven nine zero (70.790) metres to a northeastern corner thereof, said corner being also the beginning of a curve to the left;

Thence northeasterly, northerly and northwesterly along said curve to the left and being along an eastern boundary of the Southern Portion of Parcel 100 (Remainder), one hundred twenty-one decimal five zero three (121.503) metres to the beginning of a curve to the right, said curve having a radius of sixty decimal six five five (60.655) metres;

Thence northwesterly along said curve to the right and being along a northeastern boundary of the Southern Portion of Parcel 100 (Remainder), fifty-three decimal two zero six (53.206) metres to the end of said curve;

Thence northwesterly along a northeastern boundary of the Southern Portion of Parcel 100 (Remainder), ten decimal two eight seven (10.287) metres to the beginning of a curve to the left;

Thence northwesterly along said curve to the left and being along a northeastern boundary of the Southern Portion of Parcel 100 (Remainder), thirty-one decimal four eight nine (31.489) metres to the end of said curve;

Thence northwesterly along a northeastern boundary of the Southern Portion of Parcel 100 (Remainder), twelve decimal two one zero (12.210) metres to the beginning of a curve to the left;

Thence northwesterly along said curve to the left and being along a northeastern boundary of the Southern Portion of Parcel 100 (Remainder), one hundred nineteen decimal five one two (119.512) metres to the end of said curve;

Thence westerly along a northern boundary of the Southern Portion of Parcel 100 (Remainder), twenty-nine decimal nine two five (29.925) metres to the beginning of a curve to the right;

Thence northwesterly along said curve to the right and being along a northeastern boundary of the Southern Portion of Parcel 100 (Remainder), one hundred twenty-eight decimal three eight two (128.382) metres to the beginning of a curve to the left;

Thence northwesterly along said curve to the left and being along a northeastern boundary of the Southern Portion of Parcel 100 (Remainder), sixty-five decimal five two six (65.526) metres to the end of said curve;

Thence northwesterly along a northeastern boundary of the Southern Portion of Parcel 100 (Remainder), forty-three decimal four five five (43.455) metres to the beginning of a curve to the right;

Thence northwesterly along said curve to the right and being along a northeastern boundary of the Southern Portion of Parcel 100 (Remainder), twenty-seven decimal five eight four (27.584) metres to the end of said curve;

Thence northerly along an eastern boundary of the Southern Portion of Parcel 100 (Remainder), sixteen decimal seven seven six (16.776) metres to a point on the southeastern boundary of Lacewood Drive;

Thence easterly along said boundary, zero decimal three zero five (0.305) metres to the point of beginning, containing an area of 15,873 square metres.

TOGETHER WITH a 9.144 metre wide right of way, said right of way being more particularly described in a lease registered at Book 6355, Page 22.

SUBJECT TO a portion of a service easement shown as Parcel SE-LD3 on registry plan No. 76245282.

BEING AND INTENDED TO BE a portion of land conveyed to Halifax Regional Municipality by deeds registered at Book 4854 Page 571, Book 5384 Page 862 and Book 5596 Page 1226 in the Registry Office for Halifax County.

ALL BEARINGS in the foregoing description being based on the Nova Scotia Co-ordinate System, Zone 5, central meridian Longitude 64 degrees-30 minutes West.

SCHEDULE "C"

CONSENT AND RELEASE OF NOVA SCOTIA TRAINING CENTRE INC.

TO BE PROVIDED BY SNSTC

Attachment 3

THIS MANAGEMENT AGREEMENT made this ____ day of _____, 2018

BETWEEN:

HALIFAX REGIONAL MUNICIPALITY

a municipal body corporate incorporated under the laws of the Province of Nova Scotia

(hereinafter referred to as “**HRM**”)

- and -

SOCCER NOVA SCOTIA

a society incorporated under the *Societies Act* of Nova Scotia,

(hereinafter referred to as “**SNS**”)

WHEREAS:

1. HRM is the registered owner of lands located at 210 Thomas Raddall Drive, Halifax, Nova Scotia, identified as PID 40808743 (the “**Lands**”) leased to SNS pursuant to a lease agreement dated as of the ____ day of _____ 2018 (the “**Lease**”);
2. SNS operates an indoor turf facility (“**Indoor Facility**”) constructed and installed in the buildings on the Lands by SNS and Soccer Nova Scotia Training Centre Limited, which SNS uses to promote, develop and govern the sport of soccer;
3. HRM owns and operates the All-Weather fields adjacent to the Lands currently identified as PID 41108937, for outdoor soccer and other sports (the “**All-Weather Fields**”); and,
4. A term of the Lease is that SNS and HRM will enter into an agreement to govern the coordinated and cooperative scheduling and exchange of services and related responsibilities regarding the Indoor Facility, and to enable access to the Indoor Facility by members of the public.

Now therefore, in consideration of the mutual promises and covenants herein contained, and other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, HRM and SNS (hereafter individually referred to as a “**Party**” and collectively referred to as “**Parties**”) covenant and agree as follows:

Definitions

In this Agreement, unless there is something in the subject matter or context inconsistent therewith:

“**All-Weather Fields**” means the outdoor turf fields owned and operated by HRM that are located on lands owned by HRM currently identified as PID 41108937, and surrounding amenities including the bleachers, storage buildings and such;

“**Indoor Facility**” means the indoor turf facility, which includes indoor fields, all washrooms, changing rooms, offices, meeting rooms and other amenities operated by SNS located in the buildings on the Lands;

“**Lands**” means the parcel of land owned by HRM located at 210 Thomas Raddall Drive, Halifax, Nova Scotia, and identified as PID 40808743;

“**Lease**” means a land lease agreement dated as of the ____ day of _____2018, whereby HRM as landlord leased to SNS the Lands upon which the Indoor Facility was constructed.

“**Non-Prime Time Hours**” means all hours at the Indoor Facility during the Summer Season and all hours at the Indoor Facility in the Winter Season occurring outside of Prime-Time Hours;

“**Prime Time Hours**” refers only to the Winter Season and means the hours at the Indoor Facility between Monday to Friday from 5:00 pm to 11:00 pm and Saturday and Sunday from 7:00 am to 11:00 pm;

“**Societies Act**” means the *Societies Act*, RSNS 1989, c. 435, as may be amended and replaced from time to time;

“**Summer Season**” means every day from April 16 through to October 14;

“**Winter Season**” means every day from October 15 through to April 15.

1.0 Term

1.1 This Agreement shall become effective as of the date the Lease comes into effect and, unless terminated earlier in accordance herewith, shall remain in effect until the expiration or earlier termination of the Lease.

2.0 Usage of Indoor Facility

SNS agrees to maximize accessibility to the Indoor Facility as follows:

2.1 To charge reasonable rental rates which shall be applied uniformly to all users of the Indoor Facility during Prime Time.

2.1.1 If complaints or disputes arise regarding the rental rates charged by SNS to users of the Indoor Facility, SNS agrees to make its financial records available to review and audit by HRM within five (5) business days of receiving written request to do so.

2.2 To charge reduced rates or no fees at all, during Non-Prime Time, to community groups, schools, pre-schools, after school programs, youth and seniors, provided:

2.2.1 The Indoor Facility is open and staffed;

2.2.2 Such bookings do not create a financial hardship for SNS; and

2.2.3 The proposed use is compatible with and will not cause damage to the Indoor Facility.

2.3 To give youth (18 years of age and younger) priority in booking turf time between 5:00 p.m. to 9:00 p.m. daily. This means that SNS will not schedule adult players during those periods until all youth requests have been satisfied.

- 2.4 To advise Sport Nova Scotia of booking deadlines and opportunities for non- soccer groups to use the Indoor Facility.
- 2.5 To initially hold and offer a minimum of 15% of Prime Time Hours and a minimum of 15% of Non-Prime Time Hours for activities other than the sport of soccer, provided:
 - 2.5.1 Such non-soccer users are in good financial standing with SNS;
 - 2.5.2 The proposed use is compatible with and will not cause damage to the Indoor Facility;
 - 2.5.3 All prospective users adhere to the standard booking procedures and policies applicable to the Indoor Facility;
 - 2.5.4 Users must commit to a minimum of 20 consecutive weeks to be considered in initial allocations of Winter Season times;
 - 2.5.5 All Winter Season hours not requested by non-soccer users by July 21st revert to SNS for use as it sees fit;
 - 2.5.6 All Summer Season bookings are completed on a first come first serve basis; and
 - 2.5.7 There shall be no minimum booking requirements during the Summer Season.
- 2.6 SNS agrees to give HRM access to two hundred (200) Indoor Facility hours per year, free of charge. Such hours may be allocated by joint consultation between HRM staff and SNS staff for any of the four indoor turf fields, subject to the following conditions:
 - 2.6.1 Hours shall be between 7:00 a.m. and 11:00 p.m. any day of the week;
 - 2.6.2 Hours shall be established and agreed to by the Parties prior to July 21 for the Winter Season and prior to March 1 for the Summer Season; and
 - 2.6.3 HRM hours shall be in addition to the allocation requirement of 15% of time for non-soccer activities as set out in clause 2.5 of this Agreement.

3.0 SNS Support for Users of All-Weather Fields

- 3.1 SNS agrees to provide the following access, services and amenities of the Indoor Facility for the benefit of the All-Weather Field users or staff:
 - 3.1.1 Access to the Indoor Facility washrooms for use by the public and the All-Weather Field users, upon such time as the temporary washroom facilities which are housed in the trailers are no longer on site;
 - 3.1.2 Secured accommodations/office for All-Weather Field staff, including an area for the storage of small maintenance tools and equipment;
 - 3.1.3 Access to the Indoor Facility change/dressing rooms during the summer season upon request at no charge with such access to be booked through SNS staff.

- 3.1.4 HRM shall have occasional access to additional Indoor Facility spaces at reduced rates or at no charge for tournaments, special events or meetings by special arrangement on a case by case basis.
- 3.2 SNS shall be responsible for all operating and maintenance costs of the Indoor Facility (including any space used by All-Weather Field users in accordance with s. 3.1 of this Agreement) including, but not limited to, water, internet, telephone, heating, lighting, supplies, custodial services, plumbing, locks, keys, maintenance and repairs;
- 3.3 All-Weather Field users shall be responsible for any damage they cause to the Indoor Facility. SNS agrees to submit incident reports to HRM detailing damages to the Indoor Facility caused by All-Weather Field users forthwith upon discovery;
- 3.4 SNS will be solely responsible for damage to the Indoor Facility when the All-Weather Field is not in operation;
- 3.5 SNS agrees to be responsible for the maintenance and cleaning of all the change rooms and washrooms in the Indoor Facility including those which are accessible by All-Weather Field users. Any damage caused by such users shall be immediately reported to the monitors.

4.0 Parking Lots and Cost Sharing

- 4.1 HRM shall be responsible for all maintenance of the parking lot adjacent to the Lands. This includes snow removal, paving, line painting, and lighting infrastructure.
- 4.2 SNS shall be responsible for snow removal along the walkways, doorways and exits of the Indoor Facility that are located within the bounds of the Lands.
- 4.3 SNS agrees to be responsible for all power costs for the parking lot lighting.
- 4.4 HRM shall be responsible for the cost of garbage and recycling removal from the All-Weather Facility and SNS shall be responsible for garbage and recycling removal from the Indoor Facility.
- 4.5 SNS agrees to be responsible for landscaping the Lands.
- 4.6 HRM shall be responsible for all costs associated with the care & maintenance of the All-Weather Fields.

5 Insurance

- 5.1 SNS shall maintain the insurance coverage required under the Lease which shall be continued following any termination or expiration of the Lease while SNS remains in possession of the Lands.

6.0 Agreement Management

- 6.1 HRM and SNS agree to be jointly responsible for the management of this Agreement. Representatives of HRM and SNS agree to meet at least twice annually to review required reporting documentation and identified issues as per Schedule A.

- 6.2 SNS agrees to produce an annual report for HRM by Feb 28th each year documenting compliance with the requirements of Section 2 of this agreement. This report shall include actual usage hours for the previous calendar year by each sport or user group.
- 6.3 In the event SNS fails to meet any of the requirements set out in Section 2 of this Agreement, the report must set out the reasons why SNS was unable to achieve compliance.

7.0 Termination

- 7.1 HRM may terminate this Agreement upon thirty (30) days notification in writing to SNS, and without further liability, in the event HRM, in its sole but reasonable discretion, determines that SNS has neglected, failed or refused to perform its obligations as set forth in this Agreement.
- 7.2 Should the Lease terminate or expire for any reason whatsoever during the Term of this Agreement, this Agreement shall terminate on the same date the Lease terminates.

8.0 Indemnification and Liability

- 8.1 SNS agrees to indemnify and save harmless HRM, its Mayor, Council members, authorized officials, employees, officers, agents and volunteers from and against any and all claims for which HRM, its Mayor, Council members, authorized officials, employees, officers, agents or volunteers shall or may become liable or suffer by reason of any negligence, or breach, violation or non-performance by the SNS or any of its volunteers, employees, agents, licensees or invitees, of any covenant, term or provision of this Agreement.
- 8.2 In no event will HRM, its Mayor, Council members, authorized officials, employees, officers, agents or volunteers be liable for any consequential, indirect damages or economic loss suffered by SNS, its employees, volunteers or agents.
- 8.3 HRM shall not be obligated, required or responsible to provide compensation of any means to SNS, in the event of a closure of the Indoor Facility or the All-Weather Fields no matter the cause, including but not limited to, emergencies, damages, destruction, power loss, utility disruption, weather, or repairs and whether the closure is due to foreseen or unforeseen circumstances and whether the closure of the Indoor Facility or the All-Weather Fields results from an HRM decision or a SNS decision.

9.0 Miscellaneous

- 9.1 SNS shall maintain active status as a non-profit organization incorporated under the Societies Act, whose members and directors receive no financial benefit from their participation and shall conduct itself at all times in accordance with its constitution and by-laws and the requirements of the *Societies Act*.
- 9.2 Either Party may, upon providing the other Party with seven (7) days written notice, initiate a special meeting to discuss any immediate concerns arising from this Agreement.

9.3 HRM and SNS are contractors independent of one another, and neither Party has the authority to bind the other to any third party or to act in any way as a representative of the other, except as expressly set forth in this Agreement. This Agreement does not create, and shall not be construed as creating, a partnership or joint venture relationship between HRM and SNS.

9.4 All notices or other communications regarding substantial changes to or disputes arising out of the administration of this Agreement shall be in writing and delivered by hand, email, fax or registered mail to the other Party as follows:

To SNS:
Soccer Nova Scotia
c/o Executive Director
210 Thomas Raddall Drive
Halifax, NS B3S 1K3
Email:

To HRM:
HRM Parks & Recreation
c/o Manager Community Partnerships
P.O. Box 1749
Halifax, NS B3J 3A5
Email:

9.5 No amendment or variation of this Agreement shall operate to change or vary the terms, obligations, or conditions hereof except upon agreement of the parties, signed by an authorized representative of each Party, which in the case of HRM shall be at least a senior manager of HRM Parks and Recreation, or its successor department.

9.6 No waiver shall be inferred or implied by anything done or omitted by the Parties save only an express waiver in writing, signed by an authorized representative of the waiving Party.

9.7 If any provision of this Agreement is held by a court of competent jurisdiction to be contrary to law, then the remaining provisions of this Agreement or the application of such provisions to persons or circumstances other than those to which it is deemed invalid or unenforceable shall not be affected thereby, and each such provision of this Agreement shall be valid and enforceable to the extent granted by law.

9.8 SNS is not permitted to assign this Agreement, or delegate or assign any of its obligations set forth in this Agreement, without the prior written consent of HRM, which consent may be withheld in the sole discretion of HRM.

9.9 SNS hereby acknowledges that this Agreement is a public document and that any information, document or record, in any form, provided to HRM by SNS pursuant to this Agreement may be subject to disclosure in accordance with Part XX of the *Municipal Government Act* (Nova Scotia) regarding Freedom of Information and Protection of Privacy.

9.10 This Agreement shall be governed by and interpreted in accordance with the laws of the Province of Nova Scotia and the laws of Canada. Any disputes regarding this Agreement shall be adjudicated in Halifax, Nova Scotia.

9.11 SNS covenants that it has the full power and authority to enter into this Agreement and to authorize

its execution by its signing officers on its behalf.

IN WITNESS WHEREOF the Parties have executed these presents as of the day and year first above written.

Witness) **SOCCER NOVA SCOTIA**
)
)
) _____
) Signature
) Print Name:
)
) _____
Witness) Signature
) Print Name:
)
) I have the authority to bind Soccer Nova Scotia

Witness) **HALIFAX REGIONAL MUNICIPALITY**
)
)
) _____
) Mayor
)
) _____
Witness) Municipal Clerk

Schedule A – HRM / SNS Governance meetings

Attendees:

- Halifax Regional Municipality
 - Facility Scheduling representative
 - Parks Operations representative
 - Community Partnerships representative
 - Recreation Programming representative

- Soccer Nova Scotia
 - SNS Facility General Manager
 - SNS Executive Director

Scope:

- Meetings to be held at least twice annually, scheduled around the opening and closing off the All-Weather Fields (preseason and post season).

- Agendas may include:
 - Review of Annual Indoor Facility Users report
 - Scheduling of HRM hours in Indoor Facility
 - All-Weather field schedules
 - Special Event discussions
 - Review of Turf Monitoring duties
 - Evaluation of Turf Monitoring services
 - Review of complaints, incident reports, damage
 - Review of invoices, penalties, and payments
 - Risk Management analysis
 - Capital Projects
 - Improvement Opportunities recommendations
 - Other business as it arises

Attachment 4

THIS MONITORING SERVICES AGREEMENT made this ____ day of _____, 2018

BETWEEN:

HALIFAX REGIONAL MUNICIPALITY

a municipal body corporate incorporated under the laws of the Province of Nova Scotia

(hereinafter referred to as “**HRM**”)

- and -

SOCCER NOVA SCOTIA

a society incorporated under the *Societies Act* of Nova Scotia,

(hereinafter referred to as “**SNS**”)

WHEREAS:

1. HRM is the registered owner of lands located at 210 Thomas Raddall Drive, Halifax, Nova Scotia, identified as PID 40808743 (the “**Lands**”) which are leased to SNS pursuant to a lease agreement dated as of the ____ day of _____ 2018 (the “**Lease**”);
2. HRM owns and operates the All-Weather fields adjacent to the Lands currently identified as PID 41108937, for outdoor soccer and other sports (the “**All-Weather Fields**”); and,
3. HRM wishes to have SNS perform monitoring services and related responsibilities (as further described in this Agreement) at the All-Weather Fields and SNS wishes to provide these monitoring and related services.

Now therefore, in consideration of the mutual promises and covenants herein contained, and other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, HRM and SNS (hereafter individually referred to as a “**Party**” and collectively referred to as “**Parties**”) covenant and agree as follows:

1.0 Term

- 1.1 This Agreement shall become effective on April 1, 2019 and, subject to its terms and conditions, continue for a term of five (5) years (the “**Term**”).
- 1.2 HRM may, but shall not be required to, renew this Agreement, for one or more additional terms of five (5) years each, subject to such terms and conditions as the Parties may agree in writing and on such schedules as HRM requires.

2.0 Monitoring Services

- 2.1 Each year of the Term, between April 1st and November 30th, SNS agrees to provide up to four thousand (4000) hours of monitoring services at the All-Weather Fields (the “**Monitoring Services**”). Should there be a need for additional hours, SNS shall inform HRM and HRM shall provide written approval for SNS to provide the Monitoring Services for the additional hours.
- 2.2 Each day, the Monitoring Services will be performed in accordance with schedules which shall be provided to SNS by HRM within a reasonable period of time prior to the commencement of the Monitoring Services.
- 2.3 SNS shall ensure the Monitoring Services are performed as described in Schedule A and maintain the service standards as identified in Schedule B.
- 2.4 SNS agrees to bring all customer service complaints received from All Weather Fields users to the attention of HRM promptly upon receipt.
- 2.5 SNS agrees to perform the Monitoring Services to the satisfaction of HRM, and to perform all such services in a professional, good and workmanlike manner and in compliance with all applicable provincial and federal laws and regulations, including, but not limited to the Occupational Health and Safety Act, Workers Compensation and all by-laws, policies, procedures, guidelines and rules of HRM.
- 2.6 SNS shall supply and maintain equipment used by All-Weather Facility monitoring staff, including first aid and safety equipment;
- 2.7 Any alterations or amendments to the Monitoring Services, including but not limited to the scope of duties set forth in Schedule A, the service standards in Schedule B or the timing for performance as set forth in any schedules provided by HRM, must be agreed to by SNS and HRM in writing.

3.0 Payment

- 3.1 In consideration of the Monitoring Services provided to HRM by SNS for the April 2019 to November 2019 season, HRM agrees to provide payments to SNS totaling Seventy-Nine Thousand and Forty Dollars (\$79,040.00) (the “**Fee**”). For each subsequent season SNS provides the Monitoring Services, the payment will increase by two per cent (2%) each year.
- 3.2 Each season, SNS will provide HRM with four (4) invoices for the Monitoring Services in an amount equal to one quarter (1/4) of the Fee, according to the following schedule:
 - Invoice 1 - May 31 (covering Monitoring Services provided in April and May)
 - Invoice 2 - July 31 (covering Monitoring Services provided in June and July)
 - Invoice 3 - September 30 (covering Monitoring Services provided in August and September)
 - Invoice 4 - November 30 (covering Monitoring Services provided in October and November)

- 3.3 HRM shall advise SNS of the procedure for providing invoices to HRM. HRM shall pay all properly rendered invoices with thirty (30) days of their receipt from SNS.
- 3.4 Should SNS fail to provide the following, specific Monitoring Services to the standards set forth in this Agreement, as determined by HRM in its sole but reasonable discretion, SNS agrees to compensate HRM as follows:
- (a) SNS field monitors late for field opening - \$100.00
 - (b) Three documented incidents of failure to provide service or meet standards within a two-month period - \$200.00
 - (c) Field monitors are absent for shift – two and a half (2.5) times the rental fees paid by the users of the All-Weather Fields for that time of the shift.
- 3.5 Any compensation due to HRM as set forth in Section 3.4, will be deducted from the next invoice payment to be made by HRM to SNS as set forth in Section 3.3.

4.0 Termination

- 4.1 HRM may terminate this Agreement upon thirty (30) days notification in writing to SNS, and without further liability, in the event HRM, in its sole but reasonable discretion, determines that SNS has neglected, failed or refused to perform its obligations as set forth in this Agreement.
- 4.2 Should the Lease terminate or expire for any reason whatsoever during the Term of this Agreement, this Agreement shall terminate on the same date the Lease terminates.
- 4.3 Should the Lease terminate as set forth in Section 4.1 or 4.2, HRM shall pay SNS the portion of the Fee up to the date of the termination only.

5.0 Insurance

- 5.1 SNS shall maintain the insurance coverage required under the Lease which shall be continued following any termination or expiration of the Lease while SNS remains in possession of the Lands.

6.0 Indemnification and Liability

- 6.1 SNS agrees to indemnify and save harmless HRM, its Mayor, Council members, authorized officials, employees, officers, agents and volunteers from and against any and all claims for which HRM, its Mayor, Council members, authorized officials, employees, officers, agents or volunteers shall or may become liable or suffer by reason of any negligence, or breach, violation or non-performance by the SNS or any of its volunteers, employees, agents, licensees or invitees, of any covenant, term or provision of this Agreement.

- 6.2 In no event will HRM, it's Mayor, Council members, authorized officials, employees, officers, agents or volunteers be liable for any consequential, indirect damages or economic loss suffered by SNS, its employees, volunteers or agents.
- 6.3 HRM shall not be obligated, required or responsible to provide compensation of any means to SNS, in the event of a closure of the All-Weather Fields no matter the cause, including but not limited to, emergencies, damages, destruction, power loss, utility disruption, weather, or repairs and whether the closure is due to foreseen or unforeseen circumstances and whether the closure of the All-Weather Fields results from an HRM decision or a SNS decision.

7.0 Miscellaneous

- 7.1 SNS shall maintain active status as a non-profit organization incorporated under the Societies Act, whose members and directors receive no financial benefit from their participation and shall conduct itself at all times in accordance with its constitution and by-laws and the requirements of the *Societies Act*.
- 7.2 Either Party may, upon providing the other Party with seven (7) days written notice, initiate a special meeting to discuss any immediate concerns arising from this Agreement.
- 7.3 HRM and SNS are contractors independent of one another, and neither Party has the authority to bind the other to any third party or to act in any way as a representative of the other, except as expressly set forth in this Agreement. This Agreement does not create, and shall not be construed as creating, a partnership or joint venture relationship between HRM and SNS.
- 7.4 All notices or other communications regarding substantial changes to or disputes arising out of the administration of this Agreement shall be in writing and delivered by hand, email, fax or registered mail to the other Party as follows:

To SNS:

Soccer Nova Scotia
c/o Executive Director
210 Thomas Raddall Drive
Halifax, NS B3S 1K3
Email:

To HRM:

HRM Parks & Recreation
c/o Manager Community Partnerships
P.O. Box 1749
Halifax, NS B3J 3A5
Email:

- 7.5 No amendment or variation of this Agreement shall operate to change or vary the terms, obligations, or conditions hereof except upon agreement of the parties, signed by an authorized representative of each Party, which in the case of HRM shall be at least a senior manager of HRM Parks and Recreation, or its successor department.
- 7.6 No waiver shall be inferred or implied by anything done or omitted by the Parties save only an express waiver in writing, signed by an authorized representative of the waiving Party.

- 7.7 If any provision of this Agreement is held by a court of competent jurisdiction to be contrary to law, then the remaining provisions of this Agreement or the application of such provisions to persons or circumstances other than those to which it is deemed invalid or unenforceable shall not be affected thereby, and each such provision of this Agreement shall be valid and enforceable to the extent granted by law.
- 7.8 SNS is not permitted to assign this Agreement, or delegate or assign the Monitoring Services, without the prior written consent of HRM, which consent may be withheld in the sole discretion of HRM.
- 7.9 SNS hereby acknowledges that this Agreement is a public document and that any information, document or record, in any form, provided to HRM by SNS pursuant to this Agreement may be subject to disclosure in accordance with Part XX of the *Municipal Government Act* (Nova Scotia) regarding Freedom of Information and Protection of Privacy.
- 7.10 This Agreement shall be governed by and interpreted in accordance with the laws of the Province of Nova Scotia and the laws of Canada. Any disputes regarding this Agreement shall be adjudicated in Halifax, Nova Scotia.
- 7.11 SNS covenants that it has the full power and authority to enter into this Agreement and to authorize its execution by its signing officers on its behalf.

[signature page follows]

IN WITNESS WHEREOF the parties hereto have executed these presents as of the day and year first above written.

) **SOCCER NOVA SCOTIA**

)

)

)

)

Witness

) _____
Signature

) Print Name:

)

)

Witness

) _____
Signature

) Print Name:

)

) I have the authority to bind Soccer Nova Scotia

) **HALIFAX REGIONAL MUNICIPALITY**

)

)

)

)

Witness

) _____
Mayor

)

)

Witness

) _____
Municipal Clerk

Schedule A –Monitoring Services and Responsibilities

SNS shall provide individuals who shall be Facility Monitors. The Facility Monitor is responsible for the effective and efficient operation of the All-Weather Fields. The Facility Monitor's responsibilities include regulation enforcement, facility monitoring, courteous customer service, as well as general facility maintenance, more specifically detailed herein.

The Facility Monitor shall:

1. Provide high quality, friendly, courteous service to all persons accessing the All-Weather Fields.
2. Keep provided office space clean and organized. Answer office phone and take messages as required. Ensure that the office is restricted to staff only.
3. Provide access to All-Weather Fields for scheduled clients and notify clients of applicable closure policy. Adhere to facility schedule, ensuring clients start and finish on time.
4. Ensure All Weather Fields are available, as per schedule, for each client and set up in accordance with approved client requirements, including all amenities relating to the sport (i.e. goals, lights and scoreboard controllers with directions).
5. Ensure all clients accurately complete and sign the HRM Confirmation of Field Use Report Form for every time slot of use. If other forms are required to be completed and signed by the client (i.e. Accident/Incident form), ensure these forms are accurately completed and signed by the client.
6. Maintain clear and accurate records including daily use forms and daily log books. Update the daily log book on tasks completed during shift, record any concerns with appropriate details such as names/phone numbers/description of issue, and record any other issues relevant to the operation of the facilities. Update the daily log book to record information about clients regularly taking too long to leave the All-Weather Fields at the end of the booking.
7. Provide facility request forms to clients upon request, however Facility Monitors shall decline to process any bookings or payments associated with the use of the All-Weather Fields and shall direct bookings and payments enquiries to the Halifax Regional Municipality Outdoor Facility Scheduler (490-4003).
8. Ensure that clients, including all players, coaches, team affiliates, and spectators, are adhering to any Codes of Conduct (Regulations) or terms of a rental agreement.
9. Prior to issuing the scoreboard remote control to a client, ensure that an authorized person representing the approved client signs for the remote control and immediately returns the remote control after use.

10. Ensure any items left behind by clients are recorded in designated lost and found book and stored for 30 days.
11. Wear a proper identification uniform.
12. Operate All-Weather Fields equipment in accordance with training and instructions provided.
13. Routinely check the parking lot adjacent to All-Weather Fields and ensure that all access and exit points to the All-Weather Fields are kept clear at all times, with a special emphasis on any gates that are used for emergency purposes.
14. Check washrooms hourly to ensure adequate supplies and general cleanliness.
15. Provide first aid and AED response when required.
16. Report any accidents/incidents by completing Accident/Incident Report Form. Complete on day of accident and submit to the HRM Superintendent.
17. Provide onsite security during All-Weather Fields scheduled hours of operation, including: locking/unlocking gates, verification of clients, turning field light systems on and off as required, and enforcement of Code of Conduct. Notify HRM Call Centre 311 of any security issues that cannot be handled through normal procedures or contact Police (911 or non-emergency line) if incident requires that level of response. HRM Superintendent to be advised whenever a security issue requires a call to 311 and/or police.
18. Report any lost or stolen locks/keys immediately. Do not leave All-Weather Fields site unless site is secured. If cannot reach the successful service provider or HRM Superintendent, take appropriate measures to secure All-Weather Fields site such as using chain and another lock.
19. At the end of each day:
 - Secure Soccer Nova Scotia facility and washrooms
 - Ensure all equipment is put away and storage sheds locked
 - Ensure field lights are off and indoor lights are off
 - Adjust heat controls to lower levels.
20. Perform other duties as assigned and agreed upon.

Schedule B – Service Levels and Standards

Responsibility	Service Level	Quality Standard
Litter pick up	Pick up of all litter and other foreign objects left on or around the playing facility.	Site clean and free of litter.
Garbage removal	Remove garbage bags from garbage receptacles when they are 50% full. Place garbage bags in garbage dumpster. Replace garbage bags	Garbage removal from receptacles so that garbage is never overflowing or creating an odor.
Recyclables	Remove from bins when bins are 50% full.	Prevent overflowing and store as directed by HRM.
Customer Service	Main on site contact for the client. Provide quality customer service, negotiate conflicts, address issues, and enforce the Code of Conduct.	Provide accurate information in a friendly manner