



ADMINISTRATIVE REPORT

Report Date: November 14, 2017
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Meeting Date: December 12, 2017

TO: Vancouver City Council

FROM: General Manager of Community Services in consultation with the General Manager of Real Estate and Facilities Management

SUBJECT: Lease for Joy Kogawa House - 1450 West 64th Avenue

RECOMMENDATION

- A. THAT Council authorize the Director of Real Estate Services to negotiate and execute a lease (the "Lease") with the Historic Joy Kogawa House Society (the "Society"), for the lands and building known as the Joy Kogawa House located at 1450 West 64th Avenue, legally described as: *PID: 006-743-935, Lot 3 of the North ½ of Lot 2 Block B District Lots 319, 323, and 324, Plan 6588* (the "Premises") on the following basic lease terms together with the terms attached as Appendix A:

Term and Renewal: Ten (10) years with one (1) option to renew for a further ten (10) years.

Rent: Ten dollars (\$10.00) for the term and renewal term, inclusive of payment in lieu of property taxes.

Form of lease: The Lease is to be based on the City's Precedent Lease for Non-Profit Entities (Nominal Rent), drawn to the satisfaction of the Director of Real Estate Services, the Director of Legal Services and the Managing Director of Cultural Services.

- B. THAT no legal rights or obligations will arise or be created by Council's adoption of Recommendation A unless and until all legal documentation has been executed and delivered by the respective parties.

REPORT SUMMARY

This report recommends that Council authorize staff to enter into a nominal lease with the Society as tenant on the terms set out in this report.

COUNCIL AUTHORITY/PREVIOUS DECISIONS

Vancouver's Culture Plan: Strategic Directions 2013-2018 (RTS 10309) provides the City's strategic framework to support a diverse, thriving cultural ecology. A key objective includes partnering with community groups to retain arts and cultural spaces.

On September 20, 2016 (in camera), Vancouver City Council authorized the Director of Real Estate Services to acquire the Premises, allocate funds for identified immediate repairs and abatement required for the Joy Kogawa House and further authorized the Director of Real Estate Services to proceed with negotiations for the proposed Lease at a nominal rent.

The grant of the lease at a nominal rent was approved by Council by an affirmative vote of 2/3 of all Council members on September 20, 2016 as required by Section 206(1) of the Vancouver Charter.

Pursuant to Section 190(1) of the Vancouver Charter and under the existing delegated authorities, Council approval is required for a lease with a term that exceeds ten (10) years, including renewals.

GENERAL MANAGER'S COMMENTS

By supporting the recommendations in this report, the City will help ensure that the significant historical and cultural legacy of Joy Kogawa House is maintained. Council support will also endorse an arts organization that has demonstrated its capacity to sustainably operate the Premises and thereby play a vital role in the cultural and community ecology of Vancouver.

REPORT

Background/Context

Joy Kogawa House

Joy Kogawa House is located at 1450 West 64th Avenue between French and Cartier Streets in Marpole, as shown on the maps in Appendix C. The house was built in 1906 and is a wood-framed building. It has two stories with 2,500 square feet of living space on a 4,940 square foot lot in RS-1 zoning. There is also 700 square foot detached wood-framed garage in the back of the lot. The Joy Kogawa House was originally the home of a City of Vancouver public works department foreman. In 1937, the Nakayama family, including daughter Joy, purchased the home at a time when numerous Canadians of Japanese descent were acquiring property in Marpole. The family lived there until 1942 when the property was confiscated and sold off by

the Canadian government under the War Measures Act. The family was held in an internment camp for the duration of World War Two. The house was never returned to the family.

The Property is listed on the City's Heritage Registry but not yet designated. In 2005, at the request of The Save Kogawa House Committee (the Society's predecessor organization), Council approved a temporary 120-day delay of processing a demolition permit sought by the property's owner as the first step toward redeveloping the property. In 2006, The Land Conservancy of BC (an organization completely independent of the Society) purchased the Premises. The Conservancy recently underwent organizational restructuring, and began the transfer of many of its properties to other non-profits and various levels of government in order to ensure the properties' continued stewardship and protection. In 2016, the City acquired Joy Kogawa House. The Marpole Community Plan of 2014 identified the Premises as a significant cultural and historical asset.

Joy Kogawa

Joy Kogawa began her writing career as a poet, publishing *The Splintered Moon* in 1968. Her first prose work was the semi-autobiographical *Obasan*, published in 1981. It won multiple awards and was further adapted for children in *Naomi's Road*, which was recently adapted for opera by Vancouver Opera. Along with other books she has written, Kogawa also published *Itsuka* (later revised and reissued as *Emily Kato*) in 1992 as a sequel to *Obasan*. Kogawa is a member of the Orders of Canada, British Columbia, and the Rising Sun in Japan, as well as having received several honorary doctorates.

The Society

The Historic Joy Kogawa House Society was formed in 2009 out of The Save Kogawa House Committee. It has been running artist residency programs since its inception out of Joy Kogawa House. Funding is provided through the Canada Council, BC Arts Council, and donations from the general public. Although the City currently does not fund programming at Joy Kogawa House, it awarded the Society a Cultural Infrastructure grant of \$59,500 in 2013 to rehabilitate portions of the house.

Strategic Analysis

Strategic Overview

Joy Kogawa House is culturally and historically significant for Vancouver and beyond. Historically, it is a reminder of the federal government's abrupt property seizures and forced relocation of Vancouver's Japanese-Canadian community during the Second World War. Culturally, the house is notable as being the childhood home of one of Canada's best known authors, Joy Kogawa. Kogawa's most famous work, *Obasan*, reflects on her formative experiences of being sent with her family and community to an internment camp.

Since the Society in partnership with the City and other supporters saved the house from demolition and redevelopment in 2005, it has hosted diverse Canadian writers at critical points in their careers as residents of the house. Residencies typically run for three months. While in residence, writers develop major writing projects and are engaged in writing-focused activities within the community. The aims of the residency include fostering greater

appreciation for Canadian writing within the Metro Vancouver community, offering members of the community an opportunity to interact with the writer in residence, and providing space, time, and resources for a Canadian author to write. Previous authors-in-residence have included writer and cultural critic Susan Crean, fiction writer Nancy Lee, poet and scholar John Asfour, fiction writer Deborah Willis, and writer, scholar, and translator Ava Homa.

Through its educational programs, the Society keeps alive the historical legacy of the only house confiscated from the Japanese-Canadian community during World War Two that now is in public hands in Vancouver. The Society through its residency programs also maintains Vancouver as a key nexus within Canada's writing community, ensuring Vancouver perspectives in Canadian literature. Visiting writers in residence at Joy Kogawa House also provide support to local writers, who benefit from the experience and skills of mid-career and senior artists.

The residencies offered at Joy Kogawa House align well with Cultural Services' 2011 *Cultural Facilities Priorities Plan 2008-2023*, which identified affordable places for artists to live and work as a key gap. It also achieves several key objectives of the *Cultural Plan Update* (RTS 10309) presented to Council on October 23, 2013: Kogawa House's programming in the community fosters cultural leadership, it increases public participation and community engagement in arts and culture, it is adaptable and sustainable, it optimizes City investment in cultural assets, and it contributes to Vancouver's creative economy.

Terms of the Lease

The basic lease terms for the Lease have been accepted and approved by the Society's board of directors, and are set out in Appendix A. The relationship of the Society with the City as Landlord will be outlined in a lease agreement with a Service Level Agreement attached as Appendix B and a Public Service Requirements agreement. A twenty-year total term (initial term of ten years with one renewal term of ten years) is recommended. This length of term will provide the Society the benefits of security of tenure, including the ability to plan over the long term and increase fundraising opportunities.

Implications/Related Issues/Risk

Financial

Staff is recommending that basic rent be set at a nominal rate of \$10.00 for the initial 10-year term and the renewal term, inclusive of an amount in lieu of property taxes. Nominal rent is considered a grant based on the fair market value (FMV) of the Lease. The FMV results in a grant of approximately \$440,000 for the initial ten-year term.

Operating Costs of the Premises

As detailed in the Terms outlined in Appendix A, staff is recommending that the City provide a "medium" level of building operating cost support as will be specified in a Service Level Agreement ("SLA") which will form part of the Lease. A draft SLA has been shared with the Society and is attached as Appendix B. In a "medium" level SLA, all costs and obligations related to the operating expenses for the Premises shall be the responsibility of the Society. The Society shall also be responsible for all program and administrative costs.

Capital Life Cycle Replacement Costs

The City will maintain responsibility for the life cycle replacement and capital maintenance of major structural components and base building systems, which will be prioritized as part of the City capital planning and budgeting process. The responsibility for all capital costs associated with the mechanical, electrical and plumbing systems and other capital costs including those associated with the building envelope and any structural components of the building will be as set out in a Service Level Agreement, attached to and forming part of the Lease and otherwise as specifically provided for in the Lease, all on terms and conditions satisfactory to the City.

Legal

Real Estate and Facilities Management and Cultural Services will instruct Legal Services to prepare the Lease based on the City's Precedent Lease for Non-Profit Entities (Nominal Rent), and on terms consistent with the basic lease terms set out in Appendix A. Real Estate and Facilities Management and Cultural Services will oversee the negotiation of the Lease, as well as ongoing management.

CONCLUSION

Awarding a lease for Joy Kogawa House will ensure that the Society has security of tenure as it proceeds with planning its future and fundraising. Joy Kogawa House is a vital part of Vancouver's historical and cultural ecology. It is a monument to a dark chapter in Vancouver's and Canada's history and celebrates the power of Joy Kogawa's creativity in the face of adversity. Resident artists at Joy Kogawa House are building upon that creativity and projecting it into the future with their current writings and related community programming and events.

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BASIC LEASE TERMS FOR THE CULTURAL AMENITY SPACE
AT
Joy Kogawa House - 1450 West 64th Avenue (the "Premises")
BETWEEN
THE CITY OF VANCOUVER (The "Landlord")
AND
THE HISTORIC JOY KOGAWA HOUSE SOCIETY (the "Tenant")

Lease Term and Renewal Options - Initial term of ten (10) years commencing on or before January 1, 2018. One conditional (1) renewal options for a further term of ten (10) years.

The renewal option is conditional upon the Landlord being satisfied that the Tenant has the capacity to operate, maintain and program the Premises in accordance with the lease terms and the stated public service requirements for the duration of the renewal term contemplated.

Use of Premises - The Tenant shall not use or occupy, nor suffer or permit the use of the Premises or any part thereof for any purpose other than:

- (a) the operation of an artist in residence/cultural program in accordance with the mandate and public service requirements to be attached as a schedule to the Lease, together with such amendments to the same that are, from time to time, approved by the Landlord in writing and for all purposes necessarily incidental to the operation of the same;
- (b) in accordance with the "Occasional Third Party Use Policy" attached hereto as schedule to the Lease; and
- (c) that permitted by the applicable zoning for the Premises.

Fixturing Period - n/a

Gross Floor Area - 2,500 square feet

Total Rent - Nominal rent of Ten (\$10.00) dollars inclusive of payment in lieu of property taxes, as if levied for the term and any renewal term, payable in advance, plus applicable taxes.

Security Deposit - Nil

Additional Rent - All amounts payable by the Tenant other than total rent will be treated as Additional Rent.

Directly Metered Utilities - The Tenant shall be responsible for all costs and obligations associated with directly metered utilities serving the Premises.

Municipal Utility Charges - All Municipal Utility Charges serving the Premises are payable by the Tenant.

Repairs and Maintenance - All costs, obligations and expenses related to the operation, regular repairs and routine maintenance and any required preventative maintenance of the

Premises will be in accordance with the Service Level Agreement ("SLA") to be negotiated in accordance with the terms of this document as part of and attached to and forming part of the lease.

Capital/LifeCycle Replacement Costs - The responsibility for all capital costs associated with the heating, ventilation and air conditioning, plumbing, fire protection and suppression and electrical systems and other capital costs including those associated with the building envelope, including the roof membrane, wall membrane, exterior painting and any structural components of the building such as foundation will be as set out in the SLA and otherwise as specifically provided for in the Lease, all on terms and conditions satisfactory to the Landlord. "Capital" herein refers to anything with an expected useful life of greater than five (5) years. In general, maintenance, repairs and replacements done by the Landlord and Tenant will respect the heritage *aspects* of the building.

In general, the Landlord shall be responsible for, as the case may be, major repairs to and/or life-cycle replacement of: major structural systems (such as foundations; flooring sub-structure; building envelope including bearing walls, chimney and roofing; exterior life-cycle repainting; and parking surfaces), as well as base building systems (such as HVAC; plumbing; mechanical; fire protection; electrical distribution; the walkways and steps.

The Tenant shall be responsible for, as the case may be, major repairs to and/or life-cycle replacement of: security systems if any; interior and exterior lighting, windows and doors; interior surfaces (such as walls; ceiling; floor coverings; and millwork) excepting interior repairs due to building system failures; exterior gates and fences (if installed by the Tenant in the future); signage (if installed by the Tenant in the future); all plumbing fixtures, and all appliances, program and non-installed equipment, furniture and trade fixtures. It is recognized that such major repairs and/or replacement are outside the normal financial capability of the Tenant and its subtenants as non-profit organizations, and are expected to be funded in whole or in part with grants from governments and other external entities. While the Tenant is responsible to initiate such grant applications and to take reasonable efforts to obtain such funding, the Landlord undertakes to provide all reasonable administrative support thereto.

Renovations, Alterations, Additions, Upgrades, Tenant Improvements - The Tenant shall not carry out or cause to be carried out any additions, renovations or alterations to the Premises or redecoration of the Premises or erections on the Premises ("**Alterations**"), other than those required to comply with the Tenant's repair obligations, without the Landlord's prior written consent and in the giving of such consent the Landlord may attach whatever conditions, directions, stipulations, prohibitions or deadlines as it deems appropriate and the same shall be conditions of this Agreement. All such works shall be wholly at the Tenant's expense but shall be the Landlord's absolute property except to the extent that the same may be reasonably categorized as trade fixtures.

The Tenant will obtain, at its sole expense, any and all permits, approvals and authorizations from any governmental authority, including the City of Vancouver, which may be required to undertake the Alterations. The Tenant shall be solely responsible for all claims and/or liabilities arising from or relating to any bodily injury or death, property damage or other loss or damage arising from the Alterations.

Insurance - The Tenant shall, without limiting any of its obligations or liabilities under this Agreement, obtain and continuously carry during the term of this Agreement at its own expense and cost, insurance coverage with minimum limits of not less than those specified, as follows:

- (a) commercial general liability insurance with limits of Two Million Dollars (\$2,000,000) per occurrence or such higher limit of coverage as the Landlord's Director of Risk and Emergency Management may require from time to time and the policy shall:
 - (i) indemnify and protect the Tenant and the Tenant's Personnel against all claims for loss, damage, injury or death to any person or persons and for loss of or damage to the Premises or to any public or private property occurring within or about the Premises or arising by virtue of the Tenant's occupation or possession of the Premises, including that caused by any third party permitted to use the Premises;
 - (ii) contain a cross-liability and severability of interest clause insuring the Tenant, the Landlord, the Landlord's Personnel and the Tenant's Personnel in the same manner and to the same extent as if separate policies had been issued to each and apply with respect to any action brought against one party by the other or by any officer, employee or agent of one party and any breach of a condition of the policy by any party or by any officer, employee or agent of one party shall not affect the protection given by the policy to any other party or to any officer, employee or agent of any party;
 - (iii) name the Landlord, its officials, officers, employees and agents as additional insureds;
 - (iv) include All Risk (Broad Form) Tenant's Legal Liability insurance for an amount equal to the full replacement cost of the Premises, such coverage to include the activities and operations conducted by the Tenant and third parties in the Premises;
 - (v) include blanket contractual liability covering liability arising directly or indirectly out of the performance of this Agreement;
 - (vi) provide for a limit of deductibility not greater than Five Thousand Dollars (\$5,000) or such other limit as the Landlord's Director of Risk and Emergency Management may sanction from time to time; and
 - (vii) without limiting anything else contained in this Agreement, adequately protect the Tenant from the actions of the third parties that the Tenant permits to occupy all or a portion of the Premises.
- (b) All Risk (Broad Form) insurance on property of every description and kind owned by the Tenant or for which the Tenant is legally liable or provided by or on behalf of the Tenant (and which is located in the Premises), including, without limitation, furniture, computers, equipment, toys, supplies, appliances, trade fixtures and any display model, project, prototype, tool, instrument and/or device within the Premises in an amount not less than ninety percent (90%) of the full replacement cost thereof. The City of Vancouver shall be added as named insured and loss payee with respect to its insurable interest.

Use -The Premises are to be used for the operation of a not for profit arts and cultural facility that may include working and living areas for a writer or writers, as permitted by the

applicable zoning for the Premises. Should the City enter into a Heritage Revitalization Agreement in respect of the Premises which varies the permitted use of the Premises to allow for assembly, then such use shall be permitted as of the date of registration of the Heritage Revitalization Agreement in the Land Title Office.

Public Service Requirements - The Tenant shall operate the Premises for the benefit of the citizens of Vancouver and the advancement of cultural services in Vancouver. The Tenant will articulate and follow a set of *public service requirements* accepted by the Landlord.

Heritage - The Society will permit, at the request of the City, a heritage plaque to be placed on the Premises. The intent of City staff is to seek Council approval for continuing protection for the Premises in the form of either a Heritage Designation, Heritage Revitalization Agreement, or both, which will require the Premises to be maintained in good condition at all times.

Third Party Use - The Tenant will be permitted to license all or part of the Premises to other third parties for occasional use in accordance with an Occasional Third Party Use Policy that will form part of the Lease.

Subleasing - The Tenant shall not be permitted to sublease or license portions of the Premises without the prior written consent of the Landlord, which consent may be unreasonably withheld.

Assignment - The Tenant shall not assign its leasehold interest in the Premises or any portion thereof except in the event of amalgamation of the Tenant with another party, and a change of effective control of the Tenant. Such a change of effective control of the Tenant, including any transfer, voluntary or involuntary, direct or indirect, which results in a change in the person or persons exercising or who might exercise effective control of the Tenant or the business required to be carried on in the Premises, is subject to the prior written consent of the Landlord in its sole discretion.

Mortgage of Lease - Under no circumstances whatsoever may the Lease be mortgaged or otherwise encumbered by way of sublease, assignment or otherwise.

Amalgamation, Sponsorship, Naming, Renaming and Signage - The Tenant shall, effective from the date hereof:

- (a) not amalgamate with any other body, without first receiving the Landlord's prior written approval, which approval may not be unreasonably withheld;
- (b) not sell, transfer, assign or otherwise permit the naming of the Premises or any portion thereof without the Landlord's prior written approval, which approval may be arbitrarily withheld;
- (c) in connection with the naming of all or any portion of the Premises, comply with any policy adopted by the Landlord's Council relating to the naming of and signage (including without limitation, flags and banners) regarding all or portions of lands and/or premises owned, leased or otherwise controlled by the Landlord in force at the time of the proposed naming; and

- (d) without limiting the generality of anything contained in this paragraph, the Tenant shall not disclose or promote its relationship with the Landlord in any verbal declarations, announcements, sales, marketing or other literature, letters, client lists, press releases, brochures or other written materials in a manner which could suggest or create an association, express or implied, between the Tenant and the Landlord without the express prior written consent of the Landlord, which may be arbitrarily withheld.

Termination on Damage or Destruction - If the Premises are substantially damaged or destroyed to the extent that the Premises or a substantial area of the Premises are rendered unusable by the Tenant or convenient access to the Premises cannot be had, and such damage cannot be reasonably repaired by the Tenant within 365 days, all as determined by the Landlord in its sole discretion, the Landlord may, at its option, elect to not rebuild or repair the Premises and may terminate this Agreement and the Tenant's liability for rent will end as of the date of such damage or destruction but such termination will not operate so as to relieve the Tenant of any liability arising from such damage or destruction. There will be no compensation to the Tenant on account of such termination.

Early Termination -

- (i) the Tenant may terminate this Lease if it intends to cease or has ceased to use the Premises for the Permitted Use upon giving the City not less than ninety (90) days' written notice of such termination; and
- (ii) the City may terminate this Lease upon giving the Tenant not less than ninety (90) days' written notice of such termination if the City's elected Council is not satisfied with the performance of the Tenant pursuant to the requirements of this Lease, including, without limitation, Public Service Requirements. The Council's dissatisfaction may be expressed by a resolution approved by a simple majority of those hearing the issue.

No compensation is payable for termination pursuant to this section.

Breach of Covenants - If and whenever:

- (a) any Rent payment or any part thereof is not made by the Tenant on the day appointed for payment thereof; or
- (b) the Tenant is in default in the payment of any money, other than Rent, required to be paid by the Tenant under the terms of this Agreement and such default continues for ten (10) days following any specific due date on which the Tenant is to make such payment or, in the absence of such specific due date, for ten (10) days following notice requiring the Tenant to pay the same; or
- (c) the Tenant defaults in performing or observing any of the provisions of this Agreement other than those requiring payment of money to the Landlord but including, without limiting the generality of the foregoing, failure by the Tenant to comply with any statutes, bylaws, regulations or orders relating to its operation of a Facility, and such default continues for a period of twenty (20) days after notice thereof to the Tenant, except for a default which to be cured with all due diligence would require a longer period, then after such longer period, or if the Tenant fails to proceed promptly and diligently and continuously after the service of such notice to cure same; or

- (d) the Tenant fails to perform the services for which the City has made available the Premises under this lease and specifically articulated in a schedule of Public Service Requirements to be attached to the Lease; or
- (e) the Premises are vacated or unoccupied for ten (10) or more consecutive days while the Premises can be used for the Permitted Use, without the consent of the Landlord; or
- (f) the Premises are abandoned by the Tenant; or
- (g) this Agreement is terminated;

then and in every such case, it shall be lawful for the Landlord at any time thereafter without notice or demand, with or without process of law and by forcible entry if necessary, to re-enter into and upon the Premises, and to terminate this Agreement by leaving upon the Premises notice in writing of such termination. If the Landlord terminates this Agreement pursuant to this section, or otherwise as a result of default of the Tenant, there shall immediately become due and owing to the Landlord, in addition to any other sums payable to the Landlord hereunder as damages suffered by the Landlord as a result of the Tenant's breach, the then current month's rent, together with the rent accruing for the remainder of the Term. This provision for notice and termination shall not be construed so as to delay or supersede any specific remedy to which the Landlord may have recourse in this Agreement.

Landlord's Condition - this term sheet is subject to the following:

1. Approval of Vancouver City Council by December 12, 2017. The parties will execute the lease agreement prior to the commencement date up to or including January 1, 2018.

Tenant's Condition - this term sheet is subject to the following:

1. The Board approval of The Historic Joy Kogawa House Society no later than November 26, 2017.

Additional Lease Terms and Operating Covenants - All additional terms and conditions and any variations of the foregoing as required by the Director of Legal Services and the Director of Real Estate Services in consultation with the Managing Director of Cultural Services and as agreed by the parties hereto in the negotiation of the Lease.

SERVICE LEVEL AGREEMENT
1450 W 64th Avenue - Historic Joy Kogawa House Society

For purposes of this document, the parties are identified as follows:

Landlord:	City of Vancouver	CoV
Tenant:	Historic Joy Kogawa House Society	NPO

For the purpose of this agreement, this Service Level Agreement (the “SLA”) is intended to reflect the proposed delineation of repair, maintenance and replacement responsibilities between the parties as currently anticipated. The City reserves the right to revise the SLA as necessary and deemed appropriate.

Consideration should be made to preserve the historic and cultural value of the facility when repairs, maintenance and replacements for the facility are required. Final decisions will be at the discretion of the Director of Facilities Planning and Development.

Annual Maintenance Plan

The Operator must prepare and submit an Annual Maintenance Plan at the beginning of each year, which includes both the Routine and Preventative Maintenance Plan. The City reserves the right to validate the maintenance plan. At the end of each year, the Operator will submit a report/reports summarizing the Routine and Preventative Maintenance that has been performed and costs, and the Capital Maintenance and Improvements performed and costs.

Item	Description	Party to Perform the Work	Party Responsible to Pay for Work
1.1	Heating, Ventilation and Air Conditioning		
a	- annual inspection	NPO	NPO
b	- routine maintenance and repair	NPO	NPO
c	- provision & replacement of filter material	NPO	NPO
d	- cleaning of ducts	NPO	NPO
e	- life cycle replacement (Capital Maintenance)	CoV	CoV

Item	Description	Party to Perform the Work	Party Responsible to Pay for Work
2.1	Plumbing Systems		
a	-preventive maintenance and repairs to hot water heating systems (i.e. boiler, hot water tank) and domestic cold water systems	NPO	NPO
b	- major repairs of hot water heating systems and domestic cold water systems	CoV	NPO
c	- repairs to all fixtures including faucets, unplugging toilets and all other routine repairs	NPO	NPO
d	- life cycle replacement of hot water systems and piping	CoV	CoV
e	- life cycle replacement of fixtures (i.e. faucets, toilets, urinals, water closets, drinking fountains, etc.)	NPO	NPO
3.1	Mechanical Systems		
a	- preventive maintenance and repairs	NPO	NPO
b	- life cycle replacement	CoV	CoV
c	- installation, maintenance and replacement of additional equipment provided and installed by the occupant	NPO	NPO
4.1	Fire Protection & Suppression		
a	- monthly inspection of smoke detectors and fire extinguishers within the premises	NPO	NPO
b	- annual inspection of fire extinguishers within premises	NPO	NPO
c	- repairs/recharging/life-cycle replacement of fire extinguishers within premises	NPO	NPO
d	- annual inspection, maintenance and repairs of the fire alarm system	NPO	NPO
e	- annual inspection and maintenance of interior emergency/exit lighting	NPO	NPO

Item	Description	Party to Perform the Work	Party Responsible to Pay for Work
f	- life cycle replacement of the fire alarm system	CoV	CoV
g	- life cycle replacement of emergency /exit lighting	NPO	NPO
h	- annual inspection, maintenance and repair of fire sprinkler system	NPO	NPO
i	- life cycle replacement of fire sprinkler system	CoV	CoV
5.1	Security Systems		
a	- system monitoring, inspection, maintenance and repair	NPO	NPO
b	- life cycle replacement	NPO	NPO
6.1	Electrical Distribution Systems		
a	- repairs and upgrades required by Code or initiated by Landlord	CoV	CoV
b	- repairs and upgrades required by Code and initiated by Tenant	NPO	NPO
c	- inspection, maintenance and repair of wiring, breakers and electrical panels	NPO	NPO
d	- life cycle replacement of wiring, breakers and panels	CoV	CoV
e	- repair or replacement of switches, receptacles, cover plates	NPO	NPO
f	- extensions, increases, or enhancements to meet occupant's needs including future maintenance	NPO	NPO

Item	Description	Party to Perform the Work	Party Responsible to Pay for Work
7.1	Lighting Systems		
a	- bulb/tube replacement for interior lighting	NPO	NPO
b	- interior lighting ballast replacement	NPO	NPO
c	- life cycle replacement of interior lighting fixtures	NPO	NPO
d	- cleaning of interior lighting fixtures	NPO	NPO
e	- provision, maintenance, repair and replacement of portable lighting fixtures	NPO	NPO
f	- maintenance of exterior lighting	NPO	NPO
g	- life cycle replacement of exterior lighting	NPO	NPO
8.1	Interior Windows		
a	- breakage and routine repairs of interior windows	NPO	NPO
b	- routine repairs and cleaning of interior windows	NPO	NPO
c	- life-cycle replacement	NPO	NPO
8.2	Exterior Windows		
a	- breakage and routine repairs of exterior windows	NPO	NPO
b	- cleaning (of exterior surfaces)	NPO	NPO
c	- cleaning (of interior surfaces)	NPO	NPO
d	- life cycle replacement	CoV	CoV

Item	Description	Party to Perform the Work	Party Responsible to Pay for Work
8.3	Interior Doors		
a	- maintenance and repair	NPO	NPO
b	- life cycle replacement	NPO	NPO
8.4	Exterior Doors		
a	- maintenance and repair	NPO	NPO
b	- life cycle replacement	CoV	CoV
9.1	Interior Surfaces		
a	- interior life cycle repainting	NPO	NPO
b	- maintenance and cleaning of window applications including, but not limited to blinds and curtains	NPO	NPO
c	- repairs to interior walls and ceilings, including minor painting and wallpaper cleaning	NPO	NPO
d	- life cycle replacement of ceiling tiles	NPO	NPO
e	- interior repairs due to building system failures such as roof leaks, exterior walls and foundation leaks not caused by the occupant or operations	CoV	CoV
f	- maintenance and repairs of floor coverings, including carpet and tile	NPO	NPO
g	- life cycle replacement of flooring	NPO	NPO
h	- maintenance, repair, and replacement of millwork	NPO	NPO
10.1	Major Structural Systems		
a	- repairs or replacements of foundations, flooring sub-structure, building envelope including bearing walls	CoV	CoV
b	- repairs, maintenance and replacement of roof	CoV	CoV

Item	Description	Party to Perform the Work	Party Responsible to Pay for Work
c	- repairs and painting of exterior surfaces including windows, trim, fascia, wood elements and soffits	NPO	NPO
d	- exterior life cycle repainting	CoV	CoV
e	- cleaning and repair of eaves troughs and gutters	NPO	NPO
e	- life cycle replacement of drains, rainwater leaders and gutters on roof and elsewhere	CoV	CoV
11.1	Site Services		
a	- landscaping repairs and maintenance	NPO	NPO
b	- grass cutting	NPO	NPO
c	- general cleaning of grounds, litter disposal	NPO	NPO
d	- snow and ice removal from steps and entrances including provision of de-icing materials	NPO	NPO
e	- removal of snow from walkways and entrance to parking areas	NPO	NPO
f	- removal of snow and ice from roof areas	NPO	NPO
g	- repairs of water and sewage systems (beyond the building perimeter), unless deemed to be caused by the occupants/tenancy	CoV	CoV
h	- maintenance and repair of external walkways, steps	NPO	NPO
i	- replacement of external walkways and steps and repaving of parking and loading areas	CoV	CoV
j	- maintenance, repair and replacement of gates and fences	NPO	NPO
k	- maintenance and minor repair/patching of parking and loading areas	NPO	NPO
j	- graffiti removal	NPO	NPO

Item	Description	Party to Perform the Work	Party Responsible to Pay for Work
12.1	Exterior Signage		
a	- maintenance, repair and replacement (subject to prior approval of CoV), including temporary signage	NPO	NPO
12.2	Interior Signage		
a	- installation, maintenance, repair and replacement of interior building and wayfinding signage	NPO	NPO
13.1	Janitorial Services		
a	- routine janitorial/custodial services	NPO	NPO
b	- pest control services	NPO	NPO
c	- provision of all washroom supplies	NPO	NPO
d	- garbage and recycling removal services	NPO	NPO
14.1	Appliances, Program and Other Non-Installed Equipment		
a	- inspection, maintenance and repair of all non-building equipment including stoves, refrigerators, microwaves, coolers, free standing cabinets, track lighting	NPO	NPO
b	- replacement of all appliances, program and non-installed equipment	NPO	NPO
c	- maintenance, repair and replacement of furniture	NPO	NPO

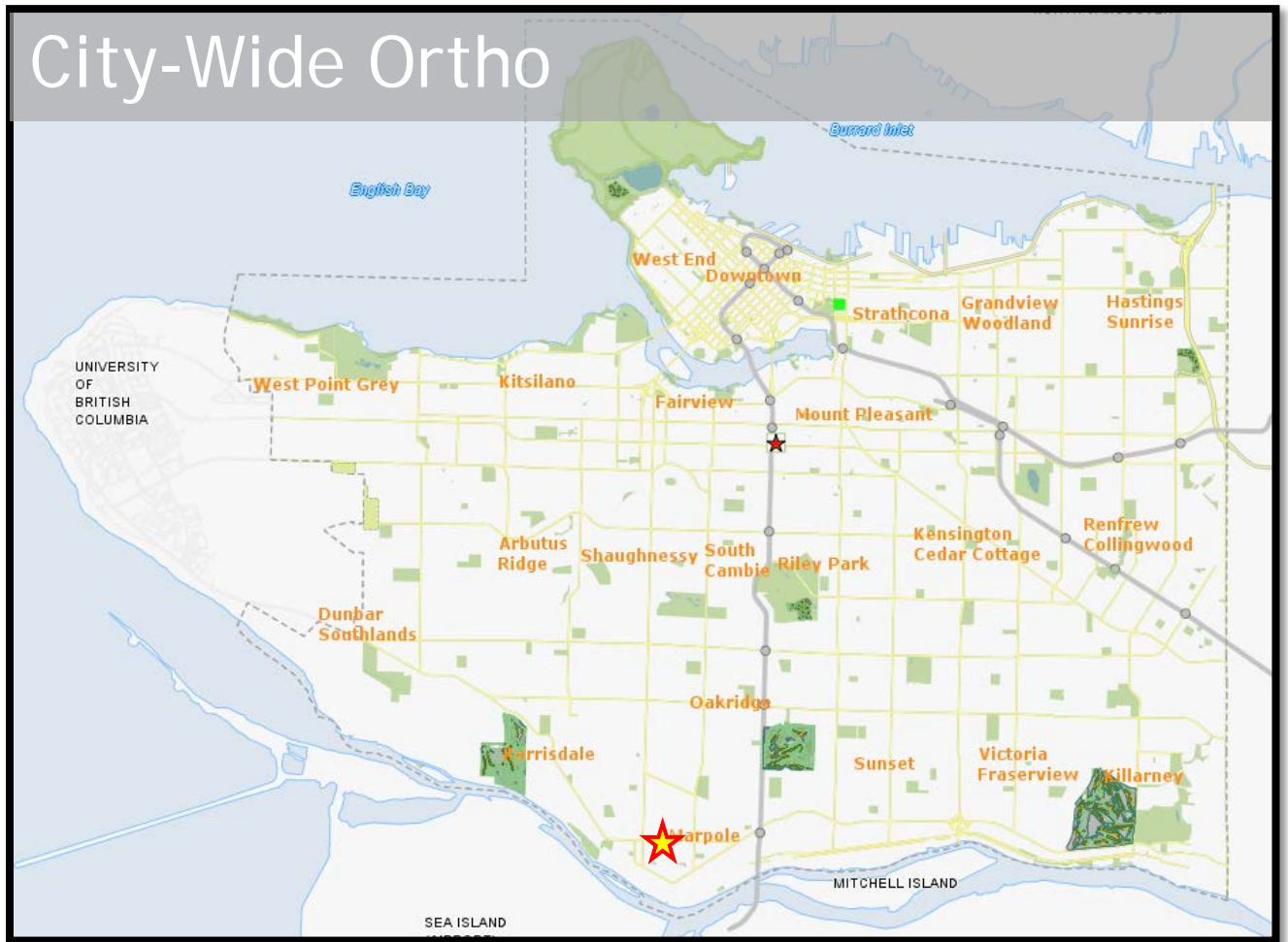
Item	Description	Party to Perform the Work	Party Responsible to Pay for Work
15.1	Renovations and Upgrades		
a	- any upgrades, additions, enhancements or improvements following the Commencement Date (subject to prior approval by CoV)	NPO	NPO
16.1	Utilities		
a	- electricity	NPO	NPO
b	- gas	NPO	NPO
c	- water and sewer costs directly attributable to the leased premises	NPO	NPO
d	- all other municipal utilities charges which appear on the property tax notice	NPO	NPO
17.1	Business Operations		
a	- staff costs	NPO	NPO
b	- telephone, internet & cable services	NPO	NPO
c	- insurance (CGL, TLL, business interruption, contents, etc.)	NPO	NPO
d	-building insurance	CoV	CoV
e	- supplies and equipment, including for bathroom and kitchen	NPO	NPO
f	- security services	NPO	NPO

Life Cycle Replacement

Life cycle replacement is based on fair wear and tear. The need of such replacement is at the Landlord's sole discretion.

Damage

Notwithstanding the foregoing, but except in the case of emergency, it is a condition hereof that the Landlord's obligation to maintain, repair, and replace parts of the Premises as indicated above is always subject to the availability of funds currently budgeted by the Landlord for such purposes at the Premises.





Street View

