

# **The Corporation of the City of Kawartha Lakes**

## **Additional Agenda**

### **Regular Council Meeting**

**CC2018-14**

**Tuesday, June 19, 2018**

**Open Session Commencing at 10:00 a.m.**

**Council Chambers**

**City Hall**

**26 Francis Street, Lindsay, Ontario K9V 5R8**

#### **Members:**

**Mayor Andy Letham**

**Councillor Isaac Breadner**

**Councillor Pat Dunn**

**Councillor Doug Elmslie**

**Councillor Gord James**

**Councillor Gerard Jilesen**

**Councillor Brian S. Junkin**

**Councillor Rob Macklem**

**Councillor Mary Ann Martin**

**Councillor Gord Miller**

**Councillor Patrick O'Reilly**

**Councillor John Pollard**

**Councillor Kathleen Seymour-Fagan**

**Councillor Heather Stauble**

**Councillor Stephen Strangway**

**Councillor Andrew Veale**

**Councillor Emmett Yeo**

Accessible formats and communication supports are available upon request.

<b>10.</b>	<b>Presentations and Deputations</b>	
10.1	Presentations with Related Reports and Deputations	
*10.1.2	CC2018-14.10.1.2	5 - 24
	<b>Lake Management Implementation Action Plan</b> Mark Majchrowski, CAO, Kawartha Conservation Kristie Virgoe, Director, Stewardship and Conservation Lands	
*10.1.2.1	CC2018-14.10.1.2.2	25 - 26
	<b>Lake Management Implementation Action Plan</b> Deputation - Chris Appleton	
10.2	Deputations	
*10.2.1	CC2018-14.10.2.1	27 - 29
	<b>Surplus Declaration and Proposed Sale of City-Owned Property – Portion of Shaft Park, Lindsay</b> (Report RS2018-018, Item 11.1.2 on the Agenda) John Pearson	
*10.2.2	CC2018-14.10.2.2	30 - 31
	<b>Telecommunication Facility Endorsement Application, SBA Canada, ULC</b> (Report PLAN2018-049, Item 11.1.14 on the Agenda) Brayden Libawski, Planner, The Biglieri Group	
*10.2.3	CC2018-14.10.2.3	32 - 33
	<b>Planning Advisory Committee Recommendation PAC2018-029 Zoning By-law Amendment Application D06-2018-016 (2071 CKL Road 36)</b> (Items 12.1 and 15.1.9 on the Agenda) Doug Carroll, DC Planning Services Inc.	

11. Consent Matters

11.1 Reports

\*11.1.3 RS2018-019

34 - 64

**Proposed Lease Agreement between the City of Kawartha Lakes and Kawartha Lakes Haliburton Housing Corporation**

Robyn Carlson, City Solicitor and Acting Manager of Realty Services

**That Report RS2018-019, Proposed Lease Agreement between the City of Kawartha Lakes and Kawartha Lakes Haliburton Housing Corporation, be received;**

**That** the southern portion of 68 Lindsay Street North, legally described as LT 4 E LINDSAY ST NO RIVER, 5 E LINDSAY ST N RIVER, 6 E LINDSAY ST N RIVER, 7 E LINDSAY ST N RIVER, 8 E LINDSAY ST N RIVER, 9 E LINDSAY ST N RIVER, 10 E LINDSAY ST N RIVER, 11 E LINDSAY ST N RIVER, 12 E LINDSAY ST N RIVER, 13 E LINDSAY ST N RIVER, 14 E LINDSAY ST N RIVER PL 12P; PT LT 15 E LINDSAY ST N RIVER, 16 E LINDSAY ST N RIVER, 17 EAST LINDSAY ST N RIVER PL 12P; PT LT 1 N/S QUEEN ST, 2 N/S QUEEN ST, 3 N/S QUEEN ST, 4 N/S QUEEN ST PL 15P; PT LT 4 W/S CAROLINE ST, 5 W/S CAROLINE ST, 6 W/S CAROLINE ST, 7 W/S CAROLINE ST, 8 W/S CAROLINE ST, 9 W/S CAROLINE ST, 10 W/S CAROLINE ST, 11 W/S CAROLINE ST, 12 W/S CAROLINE ST, 13 W/S CAROLINE ST, 14 W/S CAROLINE ST, 15 W/S CAROLINE ST, 16 W/S CAROLINE ST, 17 W/S CAROLINE ST, 18 W/S CAROLINE ST PL 12P PT 4, 5 57R5191 & PT 6 57R8136, in the Geographic Town of Lindsay, City of Kawartha Lakes, being property proposed to be occupied by an affordable housing development and more particularly illustrated in Appendix A be declared surplus to municipal needs and disposed of by long term lease to the Kawartha Lakes Haliburton Housing Corporation; and

**That** the Mayor and Clerk be authorized to execute the Lease Agreement attached as Appendix B on behalf of the City of Kawartha Lakes, being a Lease Agreement with Kawartha Lakes Haliburton Housing Corporation for the purpose of leasing affordable housing space within City property located at 68 Lindsay Street North, Lindsay.

11.2 Correspondence

\*11.2.1 CC2018-14.11.2.1

65 - 65

**Request for Noise By-law Exemption**

Joshua Fawcett, Vertical Horizons Aggregates

**That** the June 11, 2018 correspondence from Joshua Fawcett of Vertical Horizons Aggregates regarding **Request for Noise By-law Exemption**, be received; and

**That** the exemption from the City's Noise By-law 2005-025, as amended, for the loading and transportation of material to a Department of Highways project in Manchester, Ontario, during the hours of 7:00 p.m. to 7:00 a.m. from June 19, 2018 to December 31, 2018, be approved.



# KAWARTHA CONSERVATION

Discover • Protect • Restore

# Lake Management Implementation Action Plan

Mark Majchrowski

June 19, 2018

# Lake Management Implementation Action Plan

- Background
- Action Plan Development
- Proposed Action Plan
- Program Highlights



# Background

## Issues:

Identified the challenges for each lake including water quality, stakeholder needs, and environmental considerations.

*Lake Management Plan*

## Objectives:

Set the intentions of what the LMP process would work towards. Incorporated the values of community members and lake users.

*Lake Management Plan*

## Actions:

Identified the types of actions and the partners that would be required to achieve the Targets

*Lake Management Plan*

## Priorities:

Prioritized actions based on Lake Management Plan recommendations, community input, and consistency throughout the region.

*Lake Management Plan*

## Project / Program:

Group actions together to form programs and identify projects that will achieve targets, address the issues, and attract investment from other sources.

*Implementation Action Plan*



# What Implementation Means:

- Our beaches are open in the summer
- Healthier fisheries
- Beautifying our communities
- Building a proud community
- Increased recreational base



# What Implementation Means:

- Supports our locally grown food
- Improved drinking water quality.
- Building and supporting the community we want to live and play in.



# Action Plan Development

The Action Plan began with direction from Council and the Community Advisory Committee

- City of Kawartha Lakes Resolution – December 13, 2017
  - Create a multi-year strategy identifying programs, leads, success measures, and costs using an advisory Task Force
- Task Force Formed - January 2018



# Action Plan Development

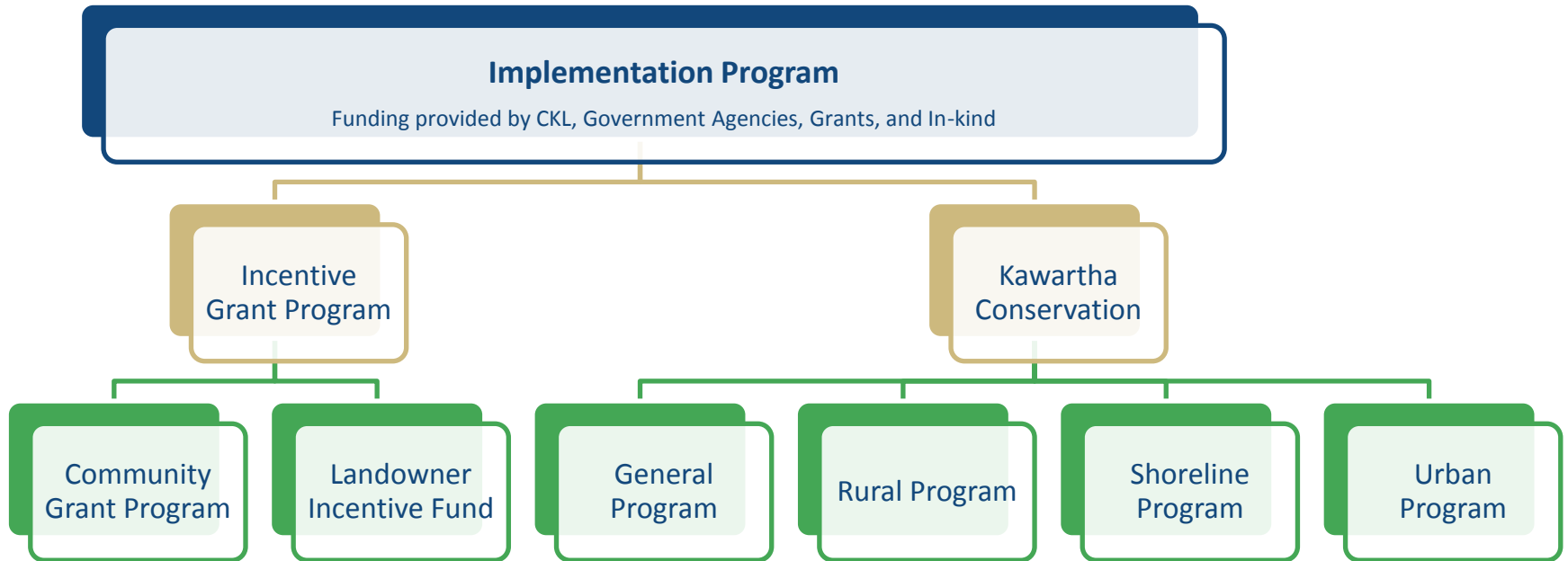
- Task Force includes representation from City Councillors and staff, members of the Community Advisory Panel (5 cottage associations), representatives from business sectors of the community and one of our Board members.
- 6 Meetings of the Task Force
- Community Advisory Panel
- Our Board of Directors



# Prioritization Matrix

Recommendation	Strategy	Urban/Rural					Rural			# of Highs(3)	# of Mediums(2)	# of Lows(1)	# of Any	Weighted Value
		Balsam/Cameron	Canal/Mitchell	Scugog	Pigeon	Sturgeon	Four Mile	Head/Rush	Shadow/Silver					
Responsible Development and Construction	Urban and Rural Infrastructure	H	H	H	H	M	H	H	H	7	1	0	8	23
Shoreline Naturalization	Stewardship	H	H	H	H	H	M	H	H	7	1	0	8	23
Urban Stormwater BMP Projects	Stewardship	H	H	H	H	H	M	H	H	7	1	0	8	23
Invasive Species Management	Stewardship	H	H		H	H	H	H	H	7	0	0	7	21
Coordinated Monitoring of Lake Health	Research and Monitoring	M	H	H	H	M	M	H	H	5	3	0	8	21
Septic System Management	Stewardship	M		H	M	H	H	H	H	5	2	0	7	19
Keeping stakeholders informed	Communications and Outreach	H			H	H	H	H	H	6	0	0	6	18
Implementing other community plans	Strategic Planning	H	H		M	H	M	M	H	4	3	0	7	18
Management of Public Waterfronts	Urban and Rural Infrastructure	M	H		M	H	M	H	H	4	3	0	7	18
Public/Technical Advisory Committees	Communications and Outreach	H	H	H	H	H	M			5	1	0	6	17
Stormwater Management Planning	Urban and Rural Infrastructure	H	H	H	H	H				5	0	0	5	15
Aquatic Plant Management Options	Communications and Outreach	H	H		H	H	H			5	0	0	5	15
Agricultural BMP Projects	Stewardship	M	H	H	M	H		L	L	3	2	2	7	15

# Proposed Action Plan



# Community Grant Program



- Provides support to local groups
- Enables projects that meet local needs
- Builds community engagement



# Landowner Incentive Fund



Shoreline Stewardship



Agricultural Stewardship



Urban Stewardship Opportunity





# Proposed Action Plan

## Kawartha Conservation

- General Programs
- Rural Community
- Shoreline Community
- Urban Community



# Shoreline Program



Bobcaygeon Beach Site



# Urban Program



Victoria Park Rain Garden – Bluescaping Demonstration Site



Rainwater Harvesting



# Rural Program



Tree Seedling  
Distribution



Community  
Planting



Agricultural BMP's

# Proposed Action Plan

## Level 1

- ✓ Presentations at (4) agricultural commodity group meetings
- ✓ On-Farm consultation to facilitate the implementation of best management practices
- ✓ Participation in the East Central Farm Stewardship Collaborative

<b>Municipal funding:</b>	<b>\$13,400</b>
Grant funding:	\$0
In-Kind:	\$700
<b>Total Value:</b>	<b>\$14,100</b>
<b>ROI:</b>	<b>5%</b>

## Level 2

- ✓ **Presentations at (7)** agricultural commodity group meetings
- ✓ On-Farm consultation to facilitate the implementation of best management practices
- ✓ Participation in the East Central Farm Stewardship Collaborative
- ✓ **Deliver an Agricultural Stewardship Conference**
- ✓ **Highlight new technologies available to landowners**

<b>Municipal funding:</b>	<b>\$27,900</b>
Grant funding:	\$5,500
In-Kind:	\$1,300
<b>Total Value:</b>	<b>\$34,700</b>
<b>ROI:</b>	<b>24%</b>

## Level 3

- ✓ Presentations at (7) agricultural commodity group meetings
- ✓ On-Farm consultation to facilitate the implementation of best management practices
- ✓ Participation in the East Central Farm Stewardship Collaborative
- ✓ Deliver an Agricultural Stewardship Conference
- ✓ Highlight new technologies available to landowners
- ✓ **Implementation of a Soil Health and Water Quality Innovation Pilot Project**

<b>Municipal funding:</b>	<b>\$55,800</b>
Grant funding:	\$80,000
In-Kind:	\$2,100
<b>Total Value:</b>	<b>\$137,900</b>
<b>ROI:</b>	<b>147%</b>

# Proposed Action Plan

Level 1	Level 2	Level 3
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Program		2019	2020	2021	2022	2023
<b>Incentive Grant Program</b>						
	Community Grant Program	15,500	15,500	36,500	36,500	36,500
	Landowner Incentive Fund	30,000	30,000	30,000	30,000	30,000
<b>Kawartha Conservation Program</b>						
<b>General Program</b>						
	Implementation Oversight & Coordination	65,700	65,700	65,700	88,700	88,700
	Sedimentation & Erosion Control Planning	33,300	21,400	33,300	21,400	33,300
<b>Rural Program</b>						
	Agricultural Stewardship	27,900	27,900	55,800	27,900	27,900
	Rural Residential Stewardship			38,400	38,400	38,400
	Investigative Upstream Monitoring	34,700	34,700	34,700	44,400	34,700
<b>Shoreline Program</b>						
	Aquatic Plant Control	18,900	18,900	18,900	19,300	
	Shoreline Stewardship	46,000	46,000	46,000	46,000	46,000
	Shoreline Planning & Policy Background	23,300	36,400			
	Near Shore Monitoring	28,600	28,600	28,600	10,300	
<b>Urban Program</b>						
	Bluescaping	33,100	43,700	43,700	43,700	43,700
<b>Total Municipal Investment</b>		<b>357,000</b>	<b>368,800</b>	<b>431,600</b>	<b>406,600</b>	<b>379,200</b>
<b>Grant Funding Leveraged</b>		<b>135,600</b>	<b>140,600</b>	<b>248,100</b>	<b>155,300</b>	<b>140,000</b>
<b>In-kind Support Leveraged</b>		<sup>22</sup> <b>135,100</b>	<b>131,000</b>	<b>151,700</b>	<b>146,800</b>	<b>135,300</b>
<b>Total Project Value</b>		<b>627,700</b>	<b>640,400</b>	<b>831,400</b>	<b>708,700</b>	<b>654,500</b>

# Conclusion

- A Plan that empowers our community
- A Plan that attracts investment in our community
- A Plan that focuses on effective in-the-ground projects
- A Plan that supports short and long term deliverables



# Questions







Request to Make a  
Deputation/Presentation to  
Council/Committee  
City of Kawartha Lakes  
City Clerk's Office  
26 Francis Street, PO Box 9000  
Lindsay, ON K9V 5R8  
705-324-9411

Name: \*

Chris Appleton

Address: \*

[Redacted]

City/Town/Village:

[Redacted]

Province: \*

Ontario

Postal Code:

[Redacted]

Telephone: \*

[Redacted]

Email: \*

[Redacted]

There can be maximum of two speakers for each deputation. Please list the name(s) of the individual(s) who will be speaking. The names that are listed here will be included on the Council Meeting Agenda: \*

Chris Appleton

Please provide details of the matter to which you wish to speak: \*

Item 10.1.2 Lake Management Implementation Action Plan

**What action are you hoping will result from your presentation/deputation? \***

Support Council approval of Plan.

**Signature:**

Chris Appleton

**Date:**

June 15, 2018

**Please complete this form and return to the City Clerk's Office:**

**Fax: 705-324-8110 Email: [agendaitems@kawarthalakes.ca](mailto:agendaitems@kawarthalakes.ca)**

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 Council/Committee  
 City of Kawartha Lakes  
 City Clerk's Office  
 26 Francis Street, PO Box 9000  
 Lindsay, ON K9V 5R8  
 705-324-9411

Name: \*

John Pearson.

Address: \*

[Redacted]

City/Town/Village:

[Redacted]

Province: \*

ON

Postal Code:

[Redacted]

Telephone: \*

[Redacted]

Email: \*

[Redacted]

There can be maximum of two speakers for each deputation. Please list the name(s) of the individual(s) who will be speaking. The names that are listed here will be included on the Council Meeting Agenda: \*

John Pearson.

Please provide details of the matter to which you wish to speak: \*

Oppose declaring Subject Land on Bond St. E. Lindsay as Potential Surplus Land to allow an affordable housing site.

What action are you hoping will result from your presentation/deputation? \*

- To have this land kept as green space / parkland.

Signature:

John Pearson

Date:

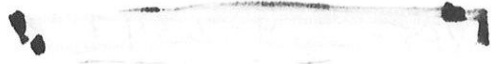
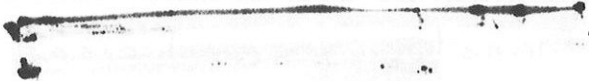
June 06/2018.



Please complete this form and return to the City Clerk's Office:

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June 13, 2019

City of Kawartha Lakes  
P.O. Box 9000, 12 Peel Street  
Lindsay, Ontario K9V 5R8

To Whom it may concern,

Re: June 19<sup>th</sup>, 2018 Council Meeting

We are writing in regards to the potential development of surplus lands which are located along the Scugog River, near Bond St. and Lindsay St. North. We are concerned about this development for a number of reasons.

First, we are very fortunate to have the Scugog River running through the Town of Lindsay. To have parks and treed green space within easy access of our downtown core, makes Lindsay a very desirable location for tourists to visit and for our residents to live. Building a structure of any sort along the waterfront will detract from the natural beauty that is currently there. We have limited waterfront green space in Lindsay. We need to protect that space from development, because once we start doing that, that green space is forever lost.

Also, there are already high density affordable housing structures being built in that area of the city. The need for affordable housing is great. That is undeniable. But most cities now are adopting mixed residential housing policies. Certainly there must be other areas of the city where land is available to build these housing units, where the impact on our environment is smaller.

Finally, with the addition of so many social housing structures being built in this small area, and the loss of parkland, we are concerned that property values are going to begin to fall. It will not be an area that is considered by potential home buyers. The incentive to update and maintain our homes will decrease, as the cost would not be recovered in the future sale of our homes.

Certainly we need more affordable housing in the Town of Lindsay. But the location must be chosen so that it has the least impact on our environment, preserves precious green space, and does not overwhelm one particular neighbourhood.

Sincerely,

John and Diane Pearson



Request to Make a  
Deputation/Presentation to  
Council/Committee  
City of Kawartha Lakes  
City Clerk's Office  
26 Francis Street, PO Box 9000  
Lindsay, ON K9V 5R8  
705-324-9411

**Name: \***

Brayden Libawski

**Address: \***

121-20 Leslie Street

**City/Town/Village:**

Toronto

**Province: \***

ON

**Postal Code:**

M4M 3L4

**Telephone: \***

416-693-9155

**Email: \***

blibawski@thebiglierigroup.com

**There can be maximum of two speakers for each deputation. Please list the name(s) of the individual(s) who will be speaking. The names that are listed here will be included on the Council Meeting Agenda: \***

Brayden Libawski

**Please provide details of the matter to which you wish to speak: \***


Agenda Item Number: 11.1.14

Town Report: PLAN2018-049

What action are you hoping will result from your presentation/deputation? \*

n.a.

Signature:



Date:

June 14th, 2018

Please complete this form and return to the City Clerk's Office:  
Fax: 705-324-8110 Email: [agendaitems@kawarthalakes.ca](mailto:agendaitems@kawarthalakes.ca)

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Deputation/Presentation to  
Council/Committee  
City of Kawartha Lakes  
City Clerk's Office  
26 Francis Street, PO Box 9000  
Lindsay, ON K9V 5R8  
705-324-9411

Name: \*

Doug CARROLL

Address: \*

3 Crestwood Avenue

City/Town/Village:

Lindsay

Province: \*

ON

Postal Code:

K9V 6A7

Telephone: \*

705-324-2426

Email: \*

dcplanningservices@bell.net

There can be maximum of two speakers for each deputation. Please list the name(s) of the individual(s) who will be speaking. The names that are listed here will be included on the Council Meeting Agenda: \*

Doug Carroll

Please provide details of the matter to which you wish to speak: \*

During the Council meeting on June 19, 2018, with regard to:  
Item 12.1 Planning Advisory Committee meeting minutes of June 6, 2018 @ pg. 531 and  
Item 15.1.9 the draft By-law @ pg. 576, of your agenda,

the draft amendment to the Twsp. of Verulam Zoning By-law, proposes to regulate the location of "a contractor's yard".

The use of this land and location of buildings on it, is regulated by the Highway Commercial Exception 3 (C2-3) Zone.

In accordance with the City's Official Plan, Section 34.7, this land is within a Site Plan Control Area (SPC), but this land is not identified on a Schedule to Council's existing SPC By-law. Consequently, Council has not given staff authority to impose additional setbacks beyond what already exist in the Highway Commercial Exception 3 (C2-3) Zone.



What action are you hoping will result from your presentation/deputation? \*

That before Council passes the draft by-law, being item 15.1.9, that the following text be deleted:

"12.3.3.3 Notwithstanding the front yard depth and exterior side yard width requirements in Section 12.3.3.2, and the rear yard depth requirement in Section 12.2, the following requirements apply to the contractor's yard use:

- a. Minimum Setback to Front Lot Line 75 m
- b. Minimum Setback to Exterior Side Lot Line 75 m
- c. Minimum Setback to Rear Lot Line 75 m

All other yard requirements of the C2 Zone shall continue to apply."

Signature:

Date:



June 15, 2018

Doug Carroll

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# The Corporation of the City of Kawartha Lakes

## Council Report

Report Number RS2018-019

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**Date:** June 19, 2018  
**Time:** 2:00 p.m.  
**Place:** Council Chambers

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**Ward Community Identifier: 10**

**Title: Proposed Lease Agreement between the City of Kawartha Lakes and Kawartha Lakes Haliburton Housing Corporation**

**Author and Title: Robyn Carlson, City Solicitor and Acting Manager of Realty Services**

---

### Recommendations:

**That** Report RS2018-019, **Proposed Lease Agreement between the City of Kawartha Lakes and Kawartha Lakes Haliburton Housing Corporation**, be received;

**That** the southern portion of 68 Lindsay Street North, legally described as LT 4 E LINDSAY ST NO RIVER, 5 E LINDSAY ST N RIVER, 6 E LINDSAY ST N RIVER, 7 E LINDSAY ST N RIVER, 8 E LINDSAY ST N RIVER, 9 E LINDSAY ST N RIVER, 10 E LINDSAY ST N RIVER, 11 E LINDSAY ST N RIVER, 12 E LINDSAY ST N RIVER, 13 E LINDSAY ST N RIVER, 14 E LINDSAY ST N RIVER PL 12P; PT LT 15 E LINDSAY ST N RIVER, 16 E LINDSAY ST N RIVER, 17 EAST LINDSAY ST N RIVER PL 12P; PT LT 1 N/S QUEEN ST, 2 N/S QUEEN ST, 3 N/S QUEEN ST, 4 N/S QUEEN ST PL 15P; PT LT 4 W/S CAROLINE ST, 5 W/S CAROLINE ST, 6 W/S CAROLINE ST, 7 W/S CAROLINE ST, 8 W/S CAROLINE ST, 9 W/S CAROLINE ST, 10 W/S CAROLINE ST, 11 W/S CAROLINE ST, 12 W/S CAROLINE ST, 13 W/S CAROLINE ST, 14 W/S CAROLINE ST, 15 W/S CAROLINE ST, 16 W/S CAROLINE ST, 17 W/S CAROLINE ST, 18 W/S CAROLINE ST PL 12P PT 4, 5 57R5191 & PT 6 57R8136, in the Geographic Town of Lindsay, City of Kawartha Lakes, being property proposed to be occupied by an affordable housing development and more particularly illustrated in Appendix A be declared surplus to municipal needs and disposed of by long term lease to the Kawartha Lakes Haliburton Housing Corporation; and

**Department Head:** \_\_\_\_\_

**Financial/Legal/HR/Other:** \_\_\_\_\_

**Chief Administrative Officer:** \_\_\_\_\_

**That** the Mayor and Clerk be authorized to execute the Lease Agreement attached as Appendix B on behalf of the City of Kawartha Lakes, being a Lease Agreement with Kawartha Lakes Haliburton Housing Corporation for the purpose of leasing affordable housing space within City property located at 68 Lindsay Street North, Lindsay.

## **Background:**

The proposed Lease Agreement was discussed by the Land Management Committee on May 14, 2018 and it was the recommendation of the Committee that the terms of the proposed Lease Agreement be approved.

Public Notice advertising the potential long-term lease of the subject property was completed by newspaper circulation in the Kawartha Lakes This Week on the 24<sup>th</sup> and 31<sup>st</sup> days of May and 7<sup>th</sup> day of June, 2018. In addition a “Potential Surplus Property” sign was posted on the subject property for the three week period corresponding with the newspaper circulation.

The purpose of this report is to provide Council with an opportunity to consider the terms of the proposed Lease Agreement and for Council to provide direction required to execute this Agreement. The proposed Lease Agreement is attached at Appendix B.

## **Rationale:**

The affordable housing building and grounds are interconnected with the City offices, and the entire asset is owned by the City.

This will be the first lease entered into between the City and KLHHC. In all other cases, KLHHC is the property owner of its affordable housing developments. This financial model, as more specifically described in the Financial Impacts section below, was chosen due to the dual nature of the development (as one of the two buildings on the property is City administrative space) and in order to gain administrative efficiencies: as an example, the City could determine and allocate a portion of the operating costs and charge them to KLHHC, creating administrative entries in the background and requiring KLHHC to seek the portion not covered by rents as municipal subsidy through the City. Rents could be set at the affordable rate, however, based on the approved tenant population (the homeless); they could not afford that rent and therefore require a municipal subsidy from the City. This would require a rent supplement agreement between the City and KLHHC, resulting in reconciliations and payments between the market rent and what the tenant has the ability to pay.

## **Other Alternatives Considered:**

None.

## **Financial and Operational Impacts:**

The associated construction costs (including the cost of obtaining a Record of Site Condition pursuant to the Ontario *Environmental Protection Act*, R.S.O.

1990, c. E. 19, as amended) were the cost of the City. The ongoing capital costs and eventual demolition will be the cost of the City.

The lease provides for all building and ground expenses, both operational and capital, as an expense to the City. This will include day to day maintenance, cleaning, utility and property tax. KLHHC expenses will be limited to tenant related maintenance inside the units (damages, unit restoration following a vacancy, etc.) and property insurance.

That base cost to the City is estimated at \$11.72 per square foot, totaling \$234,400 per annum.<sup>1</sup> The total cost, including both base cost and operating/additional cost is \$14.84 per square foot, and total \$296,806.35 per annum. It is estimated that the base costs will escalate at 1.5% per year. It is estimated that the operating and maintenance costs will escalate at 3% per year. It is unknown at this time how revenues will fluctuate over time.

The lease payment from KLHHC to the City is calculated as follows: the rental income which KLHHC receives from its sub-tenants less the expenses KLHHC incurs for maintenance inside the tenant units.

The municipal subsidy (annual cost to the City) is equal to the difference between \$296,806.35 and the subtenants rents' paid (less KLHHC expenses). This second figure is estimated by Human Services as being equal to or lesser than \$200,736.00 (see discussion in paragraph below). Accordingly, the annual cost to the City is estimated at, at least, \$96,070.35.

Sub-tenants will pay below market rent based on the maximum shelter benefit level for a tenant receiving social assistance and 30% for any other income sources. It is expected that the majority of the 24 units will be occupied by the individuals in receipt of social assistance. This would mean that tenants' rents would be somewhere between \$384.00 and \$489.00 per month (the current maximum shelter for a single person on either Ontario Works or Ontario Disability Support Program). Based on this assumption, KLH would anticipate receiving annual revenue of \$110,592.00 to \$140,832.00 (based on 2018 shelter rates). The most rental revenue that KLH would ever receive is based on 80% of the average market rent (the maximum allowed to be charged in order to receive the capital funding) is \$200,736.00 (\$697.00 based on 2018 rates). The expenses that KLH will incur for maintenance inside the units are impossible to estimate. There is no way to predict how many times the unit will turnover and need restored or the condition of the unit as it becomes vacant.

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<sup>1</sup> Base cost is based on the initial capital costs of the building plus property development and improvements over the term of the lease, estimated at \$12M. The cost of financing on a 20 year amortization is also considered and forms part of the base rent costs. From year 21 to year 40, base cost will be reduced by the cost of financing, however the City during this portion of the lease should expect to be paying more for capital repairs than it had for the first 20 years of the lease.

The lease payment established will continue throughout the 40 year term of the lease. The 40 year term matches the affordability period commitment made in gaining approval for the federal/provincial funding through the Investment in Affordable Housing 2014 Extension, Social Infrastructure Fund and Home for Good.

### **Relationship of Recommendations to the 2016-2019 Strategic Plan:**

The recommendations in this report, to surplus and gift the lease of land for affordable housing, are in line with Goal 2 of the Council Adopted Strategic Plan: An Exceptional Quality of Life.

The City of Kawartha Lakes is the Municipal Service Manager (SM) for housing and homelessness programs and services for both the City of Kawartha Lakes and the County of Haliburton as mandated by the Province of Ontario through the Housing Services Act. In addition to goals and objectives of the Council approved (February 2014) 10 Year Housing and Homelessness Plan, a requirement of the Act, and more the recently the adoption of the Affordable Housing Framework by Council in December 2017, gifting land to our own initiatives is in line with the strategic enabler of “Responsible Fiscal Resource Management”.

### **Accessibility Implications:**

The Accessibility Committee has reviewed and have had input into the site plan and engineering drawings for the building for this portion of the site, during the site plan stage of the development process, in accordance with section 29 of the *Ontario Accessibility for Ontarians with Disabilities Act, 2005*, S.O. 2005, c. 11.

### **Servicing Implications:**

The proposed development has undergone a Site Plan process and has been designed to be on full municipal services: water and sewer, with on-site stormwater management facilities. This property was zoned for the proposed use and therefore included in the capacity for the Colborne Street Sanitary Pump Station (now Rivera Park Sanitary Pump Station, currently under construction). Adequate water and sanitary servicing capacity exists to service this development.

### **Consultations:**

Land Management Committee:

- CAO

- Director of Community Services
- Director of Development Services
- Director of Engineering and Corporate Assets
- Director of Public Works
- Manager of Corporate Assets
- Land Use Planner, Large Developments

Director of Human Services

President, KLHHC

Manager of Building and Housing

### **Attachments:**

Appendix A – Location of Proposed Housing Building and Parking



Appendix A - Site  
Plan (Affordable Hous

Appendix B – Proposed Lease Agreement



Appendix B -  
Proposed Lease Agre

**Department Head E-Mail: [rcarlson@kawarthalakes.ca](mailto:rcarlson@kawarthalakes.ca)**

**Department Head: Robyn Carlson**

**Department File: L17-18-RS037**





**LEASE AGREEMENT**

This Agreement is dated as of the \_\_\_\_\_ day of \_\_\_\_\_, 201\_.

**BETWEEN:**

**THE CORPORATION OF THE CITY OF KAWARTHA LAKES**

(the “City”)

and

**KAWARTHA LAKES HALIBURTON HOUSING CORPORATION**

(the “Tenant”)

WHEREAS the Corporation of the City of Kawartha Lakes has agreed to build a municipal housing facility and office space at 68 Lindsay Street North, Lindsay, in the City of Kawartha Lakes;

AND WHEREAS the Kawartha Lakes Haliburton Housing Corporation wishes to lease from the City, and the City is willing to lease to the Tenant, the Housing Facilities located at the property known municipally as 68 Lindsay Street North, Lindsay, Ontario, for consideration and otherwise in accordance with the terms and conditions in this Lease Agreement;

NOW THEREFORE in consideration of the terms and conditions below and the sum of one dollar (\$1.00) paid by each party to the other, the receipt and sufficiency of which is hereby acknowledged, the City and the Tenant agree as follows:

**1.0 Interpretations**

**1.1 Definitions**

The following words and phrases used in this Agreement shall have the following meanings:

“**Additional Rent**” means all sums of money or charges required to be paid by the Tenant under this Lease (except Basic Rent) whether or not designated “Additional Rent” or payable to the City;

“**Affordable Housing Units**” means for the purpose of a municipal housing project facilities, rental housing with a rental rate not exceeding 30% of the gross annual household income of the lowest 60% of rental households within the service area or is at or below the average rental rate within the service area, whichever is the lesser;

“**Agreement**” means this Lease Agreement;

“**Basic Rent**” means the amount payable by the Tenant to the City for lease of the Housing Facility in accordance with the terms set out in Section 6.2 of this Lease;

“**Building**” means the building located on the lands known as 68 Lindsay Street North, Lindsay, Ontario, defined herein as the Lands, including but not limited to the Housing Facility, the office building and including all current and future Building Systems and Common Areas;

“**Building Systems**” means the: (i) heating, ventilating and air conditioning and other climate control systems, other systems, services, installations and facilities installed or servicing the Building including, without limitation, elevators, sprinklers, drainage and sewage, electrical and other utilities, lighting, security and surveillance, refuse removal, and window washing; (ii) equipment, appliances or other apparatus forming part of or used in connection with the Building Systems including, without limitation, boilers, motors, generators, fans, pumps, pipes, conduits, valves, wiring, meters and controls, and the shafts and other structures housing any of them; and (iii) City owned or controlled telecommunications facilities, pathways, installations and equipment;

“**By Name List**” means the list maintained by the City of Kawartha Lakes indicating the names of known and active homeless individuals in its service area;

“**CMHC**” means Canada Mortgage and Housing Corporation;

“**Commencement Date**” means the date on which the construction of the Housing Facility is substantially completed, and the Landlord is granted an occupancy permit, or such other earlier or later date as may be mutually agreed upon in writing by the parties;

“**Common Areas**” means those portions of the Lands and Building designated by the City, from time to time, for use by the City and all tenants of the Building, including their agents, licencees, employees, customers, or invitees. The common areas include, without limitation, all entrances, lobbies, access and service corridors, stairways, walkways, public seating areas, public washrooms, parking areas, landscaped areas and passageways;

“**Housing Facility**” refers to the building containing the housing units located at the property known municipally as 68 Lindsay Street North, Lindsay, Ontario and as outlined in red and shown in the sketch attached as Schedule “A”;

“**HVAC**” means the heating, ventilation and air conditioning equipment;

“**Housing Units**” means collectively all housing units located in the Housing Facility and identified in Schedule “B” to this Lease, and Housing Unit has a corresponding meaning;

**“Income”** means all income, benefits and gains, of every kind and from every source including an imputed income from all assets or investments which do not produce interest income but are intended to appreciate in value or are given away, all of which must be declared by a household in its application for rental of an Affordable Housing Unit;

**“Lands”** means the lands legally described as set out in the Parcel Abstract of PIN 63216-0127 attached at Schedule “A” hereto, and municipally known as 68 Lindsay Street North, Lindsay, Ontario, on which the Building is located;

**“Low-income household”** means households eligible to be on or on the Waiting List and has a household income at or below the CMHC approved Household Income Limits, as defined by CMHC or its successor and as such definition is modified by CMHC or its successor;

**“Lease Year”** means each successive period of twelve calendar months during the Term determined from the Commencement Date forward;

**“Leasehold Improvements”** means the alterations or other modifications to the Housing Facility installed by the City for the Tenant;

**“Parties”** means the City and Tenant, and “Party” means one of them as the context provides;

**“Property Taxes”** means the aggregate of all taxes, rates, duties, levies, fees, assessments and other charges, imposed, levied or charged by any Governmental Authority against the City for or in respect of the Lands or Building from time to time;

**“Rent”** means Basic Rent and Additional Rent;

**“Term”** has the meaning given to it in Section 5.1 of this Lease; and

**“Waiting List”** means the City of Kawartha Lakes By Name List and the centralized waiting list for low-income housing or any successor waiting list.

## 2.0 Schedules

2.1 The Schedules to this Agreement are an integral part of this Agreement.

Schedules:

Schedule “A” - Sketch – Housing Facility

Schedule “B” – List of Housing Units

## 3.0 Contribution and Construction of the Project

3.1 The City shall construct the Housing Facility at its own expense.

3.2 In the performance of any work and construction on the Housing Facility the City shall:

- i. Proceed at its own expense with all due diligence to completion and will cause all work to be done in a good and professional manner;
- ii. Do all acts and things required for the performance and completion of the Project in accordance with all applicable building and zoning ordinances and all applicable laws, by-laws, orders, rules, regulations and other requirements of all federal, provincial and municipal authorities and in accordance with the plans and specifications which have or may be approved by the City;
- iii. Do all acts and things required to be done in the performance of the construction in compliance with the insurance requirements of this Agreement; and
- iv. Obtain all necessary permits, consents and approvals at its own expense.

3.3 If at any time prior to completion of the construction of the Housing Facility, the construction ceases and has not been resumed within ninety (90) days of ceasing, or if the City abandons the construction of the Housing Facility, the Tenant may, immediately upon written notice to the City, terminate this Agreement and all funds, financial resources and relief which have been received by or granted to the City up to the date of termination shall immediately be repaid.

#### **4.0 Lease Grant**

4.1 The City does, upon the Commencement Date, lease to the Tenant the Housing Facility as described herein to have and to hold during the Term, subject to the payment of Rent and all other covenants, conditions and agreements of the Tenant set out in this Lease.

4.2 The Tenant accepts the lease of the Housing Facility from the City and agrees to pay the Rent and perform all other covenants and obligations of the Tenant set out in this Lease.

4.3 Subject to the payment of Rent and the performance of all other obligations under this Lease, the Tenant shall be entitled to the peaceful and quiet enjoyment of the Housing Facility for the Term.

4.4 The rented areas of the Housing Facility shall be approximately 19,424 square footage. The area of the Housing Facility shall be subject to adjustment based on accurate measurement and certification by the City's architect, engineer or any other individual, firm or corporation designated by the City on or before the Commencement Date, failing which the rented areas shall be deemed to be the square footage set forth above.

#### **5.0 Lease Term**

5.1 Subject to any earlier termination of this Lease, as of and from the Commencement Date the Tenant shall have exclusive possession of the Housing Facility for a period of forty (40) years (the "**Term**").

- 5.2 The City is a municipality as defined by the *Planning Act*, RSO 1990 c P. 13. Pursuant to section 50(3)(c) and 50(5)(b) of the *Planning Act* municipalities are exempt from the requirement to obtain consent or approval for the acquisition or disposition of land.
- 5.3 Notwithstanding sub-section 5.2 above the City covenants and agrees, at its own expense, to comply with any and all provisions thereof and to apply for, expedite and pursue diligently any applications for, and to obtain, on or before the Commencement Date to the Tenant, any consents or approvals that may be required by reason of the provisions of the *Planning Act*.
- 5.4 In the event the City fails to obtain any such consents or approvals or does not, in the opinion of the Tenant, apply for, expedite and pursue diligently any such applications, the Tenant may do so on behalf of and in the name of the City.
- 5.5 In the event that the any such consents or approvals are not obtained on or before the Commencement Date the Tenant at its option any time thereafter may terminate this Lease by notice in writing to the City. Provided that, if at any time after the Commencement Date, the City or the Tenant on behalf of the City obtains such consents or approvals as may be required, the provisions of this Lease specifying the term shall be deemed to be effective as if such consents and approvals had been obtained on or before the Commencement Date and the right of the Tenant to terminate this Lease by notice in writing as provided in this Section shall expire.

## 6.0 Rent

- 6.1 From the Commencement Date and throughout the Term the Tenant shall sub-let the Housing Units and shall collect rent from the sub-tenants. The sublet of Housing Units by the Tenant shall comply with the terms and conditions set out in Section 16 of this Lease.
- 6.2 The Tenant shall pay to the City Basic Rent each Lease Year, with the obligation to pay commencing as of the Commencement Date and continuing throughout the Term of the Lease. The amount of the Basic Rent payable in each Lease Year shall be calculated and paid in accordance with the following terms:
- i. The Basic Rent shall be paid by the Tenant to the City quarterly, specifically on, March 31<sup>st</sup>, June 30<sup>th</sup>, September 30<sup>th</sup> and December 31<sup>st</sup> of each Lease Year of the Term. Payment shall be made at the office of the City, or at such other place designated in writing by the City, without any prior demand, deduction, abatement, set-off or compensation whatsoever. All payments of Rent shall be made electronically or by cheque to the City, as the City shall determine;
  - ii. The “Basic Rent” payable by the Tenant to the City each Lease Year shall be equal to the amount collected by the Tenant each Lease Year from the sub-tenants, minus the Tenant’s expenses. Basic Rent shall be based on the actual net proceeds received from the Tenant from the sub-tenants. For clarity, the Tenant shall be permitted to deduct its expenses, including but not limited to

operating costs, professional fees and day-to-day maintenance, from the rent received from the sub-tenants and the net amount received from the sub-tenants shall be the amount payable to the City for Basic Rent. The Basic Rent payable by the Tenant to the City may be estimated by the Tenant, with a final determination of the Basic Rent made in accordance with the provisions of Section 16 of this Lease. If the Tenant has overpaid its Basic Rent, the City shall credit any such excess paid against future amounts to be paid by the Tenant, except in the final Lease Year when the Landlord shall refund any excess paid. If any balance of the Basic Rent remains unpaid, the same shall be promptly remitted to the City within 30 days of the determination of the shortfall;

- iii. The Basic Rent is not inclusive of HST and the Tenant shall pay HST, if applicable, on the same date as the quarterly payments of Basic Rent are due and such payment shall be made as Additional Rent. For the purpose of this Lease, HST means Harmonized Sales Tax payable pursuant to the Excise Tax Act (Canada) as amended from time to time; and
- iv. The terms governing the calculation of Rent is subject to adjustment in the event that the Housing Facility is modified or otherwise adjusted by the City in accordance with this Lease.

6.3 Within 60 days of the end of a Lease Year, the Tenant shall provide to the City an accounting of all rents received from sub-tenants and all of the expenses, including but not limited to operating costs and day-to-day maintenance, deducted from the Tenant's rental income. The accounting shall include, but not be limited to, copies of invoices for all payments of rent from the sub-tenants and receipts for the payment of all amounts deducted by the Tenant from the rental income received by the Tenant from the sub-tenants.

6.4 The City by notice in writing to the Tenant may dispute or request clarification on the accounting provided by the Tenant. If the Tenant deducted ineligible funds from the rental income received from the sub-tenants and from the Basic Rent paid to the City, then an amount equal to the amount of the ineligible deduction shall become due and payable to the City as part of the Basic Rent on the next payment date. Any such notice must be delivered by the City to the Tenant within thirty (30) business days from receipt by the City of the accounting, failing which the City shall be deemed to have agreed to the account provided by the Tenant.

6.5 Rent will be considered as annual and accruing from day-to-day and where it becomes necessary for any reason to calculate Rent for an irregular period of less than on full Lease Year, an appropriate apportionment and adjustment will be made.

6.6 There shall be no rent deposit or security deposit.

6.7 Any dispute between the Parties in regard to the payment of Rent shall be resolved in accordance with the Dispute Resolution provision of this Lease.

## **7.0 Taxes**

7.1 The City shall pay all Property Taxes, when due and payable to the applicable Governmental Authority. The City may defer the payment of some or all of the Property Taxes where permitted by applicable law and provided that it pursues, in good faith, any appeal or other contest of the payment of said Property Taxes.

## **8.0 Utilities and HVAC**

8.1 The City shall be solely responsible for and promptly pay all charges for water, gas, electricity, and other utilities used or consumed in the Housing Facility.

8.2 The City shall replace the electrical light fixtures, ballasts, tubes, starters, and controls in the Housing Facility and the Common Areas, at the City's expense. Costs relating to the use by the Tenant of electricity and other utility services in the Common Areas will be paid by the City.

8.3 The City shall operate, maintain and regulate the HVAC within or installed in the Housing Facility in order to maintain reasonable conditions of temperature and humidity within the Housing Facility.

## **9.0 Lands, Building and Common Areas**

9.1 The Common Areas are provided by the City for the general use of all tenants, sub-tenants, their agents, employees, and other invitees.

9.2 The City shall operate and maintain the Common Areas in such manner as the City determines in its absolute discretion to be proper and necessary from time to time, and as would a prudent landlord of comparable Lands and Building having regard to the size, age and location.

9.3 The Lands and Building are at all times subject to the control and management of the City. Without limiting the generality of the foregoing, the City has authority for the management and operation of the Lands and Building, and for the establishment and enforcement of rules and regulations and general policies with respect to the operation of the Lands and Building. Without limiting the generality of the foregoing, the City may:

- i. construct, maintain and operate lighting facilities and heating;
- ii. provide supervision, traffic controls and policing services for the Lands, Building and Common Areas;
- iii. grant, modify and terminate easements and other agreements pertaining to the use and maintenance of all or any part of the Lands, Building or Common Areas;

- iv. obstruct or close off all or any part of the Lands, Building or Common Areas for maintenance, repair or construction, and for such reasonable periods of time as may be required;
- v. employ all personnel including supervisory personnel and managers necessary for the operation, maintenance and control of the Lands, Building and Common Areas;
- vi. designate the areas and entrances and the times in, through and at which loading and unloading of goods shall be carried out;
- vii. designate and specify the kind of container to be used for garbage and refuse and the manner and the times and places at which the same is to be placed for collection;
- viii. from time to time change the area, level, location, arrangement or use of the Lands, Building or Common Areas or any part thereof;
- ix. construct other Building on the Lands, or undertake other changes to the Lands, Building or Common Areas; and
- x. do and perform such other acts in and to the Lands, Building and Common Areas as the City determines to be advisable or necessary.

## **10.0 Management & Maintenance**

- 10.1 Commencing upon the Tenant's occupation of the Housing Facility the Tenant shall be responsible for the repair and maintenances of the interior of the Housing Units in good order and condition, including but not limited to lighting, painting, cleaning, appliances, and flooring.
- 10.2 If the Tenant fails, refuses or is unable to repair or make the necessary replacements to the Housing Units as required above, the City may make such repairs or replacements with the cost of the resulting repairs, replacements or alterations, if necessary, to be borne by the Tenant, who shall pay the same to the City as Additional Rent.
- 10.3 The expenses for this maintenance shall be paid for by the Tenant from the rent paid to the Tenant from the sub-tenants and shall be permitted as an eligible deduction from the total rents collected for the purposes of determining the amount of Basic Rent payable to the City.
- 10.4 Notwithstanding the above sub-sections to this Lease, the City shall, at its own cost, promptly make all needed repairs including, without limitation, major structural repairs, to the Common Areas, Building, Housing Facility and the exterior elements of the Housing Units such as windows and door, and the property in its entirety. This includes, without limitation, replacements and repairs to the ceiling and electrical, plumbing, climate control systems, machinery and equipment in and to the Housing Facility, all entrances, glass, partitions, doors and any and all other fixtures, equipment and appurtenances, that are part of the Housing Facility (reasonable wear and tear, and damage by fire, lightning, and tempest only excepted), to snow removal, grass cutting, fencing, shrubbery, landscaping, walkways, driveways, lighting and



the repair and maintenance of those components. All such repairs and replacements will be performed in a timely and good and workmanlike manner.

## 11.0 Tenant Alterations

11.1 The Tenant may during the Term, and at its own expense, at any time and from time to time, affix, install or erect partitions, counters or fixtures to or within any part of the Housing Facility, provided that the Tenant's right to do so shall be subject to the following conditions:

- i. Prior to undertaking such alterations, the Tenant shall submit plans to the City describing the proposed alterations, and obtain the written approval of the City to the same, such approval not to be unreasonably withheld;
- ii. All such alterations shall conform to all building by-laws, codes and other statutes, rules and regulations of applicable Governmental Authority affecting the Housing Facility, the Building and the Lands;
- iii. The alterations or improvements shall be completed in a good and workmanlike manner using, at all times, new materials; and
- iv. The alterations shall not in any manner weaken or otherwise compromise the structures of the Building or be likely to reduce the value of the Lands, Building or Housing Facility.

11.2 All alterations, decorations, additions and improvements made by Tenant, or made by the City on the Tenant's behalf, including the Leasehold Improvements (other than Tenant trade fixtures), shall become the property of City at the end of the Term without compensation to the Tenant. Such alterations, decorations, additions or improvements shall not be removed from the Housing Facility Housing Facility either during or at the expiration of the Term or sooner determination of the Lease, except only that:

- i. The Tenant may at the end of the Term, if not in default, remove its trade fixtures at its own cost;
- ii. The Tenant shall, at the end of the Term, at its own cost remove such of the Leasehold Improvements as the City may require to be removed; and
- iii. The Tenant may remove its trade fixtures during the Term in the normal course of its business, or if such trade fixtures have become excess for Tenant's purpose, or the Tenant is substituting similar trade fixtures; all of which is provided that the Tenant is not in default under this Lease.

The Tenant shall, in the case of every such removal, either during or at the end of the Term, make good any damage caused to the Housing Facility, Building and the Lands by the installation and removal of such alterations, decoration, addition or improvement. The provisions of this section shall survive the termination of this Lease.

## 12.0 Right to Enter

12.1 The City may, at all reasonable times during the Term and upon twenty-four hours (24) telephonic notice to the Tenant, and subject to the requirements set out in any Residential Lease entered into between the Tenant and the Sub-tenants, enter the Housing Facility to inspect their condition. Where an inspection discloses that maintenance or repair action is necessary, the City shall so advise the Tenant in writing, and forthwith undertake the same in a timely and good and workmanlike manner using new materials, unless the Tenant is required to make the repair pursuant to this Lease. It shall also be lawful for the City to enter the Housing Facility subject to the terms of any residential lease that the Tenant has entered into with a sub-tenant during the Term without notice if the City acting reasonably perceives there is an emergency and immediate entry to the Housing Facility is imperative.

## 13.0 Damage to the Housing Facility

13.1 The Tenant shall, forthwith, advise the City by notice in writing of any damage or required repair to the Housing Facility premises including, without limitation, any required repair to the plumbing or electrical equipment. Responsibility for any requisite repair shall be as otherwise described in this Lease.

## 14.0 Communication

14.1 Both the City and the Tenant shall cooperate in any communications initiative of either the City or the Tenant including, but not limited to, an official opening.

14.2 The Parties shall maintain regular and open communications in respect to the construction and operation of the Building and the administration of this Agreement.

## 15.0 Notice

15.1 Any notice required under this Agreement must be in writing and delivered by personal service or ordinary mail to:

The City at the following address:

**26 Francis Street  
Lindsay, Ontario  
K9V 5R8**

The Housing Providing at the following address:

**322 Kent Street West  
P.O. Box 2600  
Lindsay, Ontario  
K9V 4S7**

## 16.0 Tenant's Obligations Re Sublet

16.1 The Tenant shall ensure that throughout the Term of this Lease:

- i. All Housing Units shall be Affordable Housing Units occupied by low-income households;
- ii. All Housing Units shall be provided only to applicants on the Waiting List, with the first priority to individuals on the By Name List, followed by individuals on the City Wait List, or the successor lists with a similar purpose;
- iii. Under no circumstances shall a Housing Unit be made available at a rental rate that is inconsistent with the definition of Affordable Housing Unit when the Housing Unit is initially rented to an eligible applicant;
- iv. Under no circumstances shall a Housing Unit be made available to applicants who own a residential property, as determined by the Tenant after making all reasonable inquiries;
- v. Housing Units shall not be rented to any individual not at arm's length to the Tenant or any of the Tenant's employees; and
- vi. All sub-tenants of all the Housing Units must enter into a written residential lease with the Tenant.

16.2 The Tenant shall sub-let all the Housing Units and permit their occupancy only in accordance with this Lease and, where applicable, the *Residential Tenancies Act*, 2006 S.O. 2006 c. 17, as amended.

16.3 All Housing Units shall be administered by the Tenant in accordance with the City's Housing Delivery Plan and the guidelines, directives, rules, orders and policies as may be issued from time to time by either the City, the Province of Ontario or CMHC (collectively the "Programs"). To the extent of any conflict between the requirement of the Programs the decisions of the City as to the priority or paramountcy of any requirement, guideline, directive, rule, order and policy shall be final and binding until such time as it notifies the Tenant that such inconsistency has been satisfactorily addressed.

16.4 Rent payable by the sub-tenant to the Tenant pursuant to the residential lease shall be determined in accordance with the following principals:

- i. Sub-tenants who are recipients of social assistance through Ontario Works Program or the Ontario Disability Support Program, or any successor program, will pay a rent amount equivalent to the maximum shelter allowance available through such social assistance program;
- ii. Sub-tenants in receipt of any other form of income shall pay a rent amount equivalent to 30% of their gross income from all sources;
- iii. The sub-tenants rent shall be inclusive of heat, hydro and water; and
- iv. Notwithstanding the foregoing, in no circumstances shall the rent charged by the Tenant to a sub-tenant exceed 80% of the average market rent for the area

as published in the CMHC Fall Market Rental Survey, or its successor publication from time to time.

### **17.0 Compliance with Laws**

17.1 The Tenant shall comply with the requirements of all applicable federal, provincial and municipal statutes, laws, by-laws, rules, by-laws, regulations, ordinances and orders from time to time in force during the Term, including all lawful requirements of the local board of health, police and fire departments and municipal authorities and with every applicable regulation, order and requirement of the Insurers' Advisory Organization of Canada, or anybody having a similar function, or of any liability or fire insurance company by which the City and Tenant or either of them may be insured at any time during the Term.

17.2 The City shall be responsible for obtaining an occupancy permit, if required, at its own cost and expense, for the Housing Facility.

### **18.0 Tenant's Status**

18.1 The Tenant shall maintain itself in good standing as an active corporation and in accordance with all applicable laws.

### **19.0 Registration on Title**

19.1 All relevant documents, including this Lease, or notice thereof, may be registered on title by either Party.

19.2 In the event that the City is required to register additional securities on the property, such as a Charge/Mortgage or other indenture, the Tenant shall execute a postponement or other form of authorization if requested to do so by the City.

### **20.0 Construction Liens**

20.1 During the term of this Lease the Tenant shall not permit any construction liens for work, labour, services or materials ordered by it to attach to the Lands.

20.2 If any lien attaches to the Lands as a result of the Tenant's actions, the Tenant shall, within twenty (20) days after having had notice of the claim for lien, procure its discharge by payment or by giving security or in such manner as is or may be required or permitted by law.

20.3 The City may, but is in no way obliged, to discharge and vacate any lien if it is not discharged or vacated by the Tenant and any amount paid by the City in so doing, shall be reimbursed to the City by the Tenant within fifteen (15) days after demand plus all costs and expenses incurred by the City in connection therewith.

## 21.0 Insurance

21.1 At the Tenant's cost/expense (including the cost of any deductible amounts in connection with all insurance policies), the Tenant agrees to take out and keep in full force and effect during the Term, and in the names of the Tenant, the City and any mortgagee, chargee, or debenture holder that the City may advise, and as their respective interests may appear, the following insurance:

- i. All risks (including sewer damage, flood and earthquake) property insurance in an amount equal to the full replacement cost of property of every description and kind owned by the Tenant or for which the Tenant is legally responsible, and which is located on or about the Housing Facility, including, without limitation, anything in the nature of a leasehold improvement;
- ii. Five Million Dollars (\$5,000,000) (or such higher limit as the City reasonably requires from time to time) inclusive limits occurrence form commercial general liability insurance, without general aggregate limit. This insurance will (A) include owners' protective, products, completed operations, intentional acts to protect persons or property, personal injury, legal liability, employers' and blanket contractual liability coverages, provisions for cross liability, severability of interests and occurrence property damage, and (B) name City as an additional insured; this coverage shall include the business operations conducted by the Tenant and any other person on the Housing Facility;
- iii. Broad comprehensive boiler and machinery insurance on all objects owned or operated, presently or in the future, by Tenant or by others (other than City) on behalf of Tenant in the Housing Facility or relating to or serving the Housing Facility;
- iv. Business interruption insurance in such amount as will reimburse the Tenant for direct or indirect loss of earnings attributable to all perils commonly insured against by prudent tenants or attributable to prevention of access to the Housing Facility as a result of such perils; and
- v. Any other form or forms of insurance as the City reasonably requires from time to time, in form, amounts and for insurance risks against which a prudent Tenant would protect itself.

21.2 All property insurance policies written on behalf of the Tenant shall contain, if reasonably available, a waiver of subrogation rights which the Tenant's insurers may have against the City and against those for whom the City is in law responsible, whether any such damage is caused by the act, omission or negligence of the City or those for whom the City is in law responsible. Tenant will cause each insurance policy to be primary, non-contributing with, and not excess of, any other insurance available to the City or any, as applicable, mortgagee, charge or debenture holder.

21.3 All policies of Insurance purchased by the Tenant shall be taken out with insurers qualified to do business in the Province of Ontario and that are acceptable to the City and shall be in a form satisfactory from time to time to the City. The Tenant agrees

that certificates of insurance or, if required by the City, certified copies of each insurance policy, will be delivered to the City as soon as practicable after placement of the required insurance and upon any renewal, extension or amendment of all or any part of the policies. All policies shall contain an undertaking by the insurers to notify the City and the mortgagee, if any, in writing not less than thirty (30) days or such other period of time as may be provided in such policies, prior to any material change, cancellation or termination thereof.

21.4 If any insurance upon the Lands, Building or Housing Facility, or any part thereof, shall be cancelled or shall be threatened by the insurer to be cancelled, or the coverage reduced in any way by the insurer by reason of the use and occupation of the Housing Facility, or any part thereof, by the Tenant or by any assignee or sub-tenant of the Tenant or by anyone permitted by the Tenant to be upon the Housing Facility, and if the Tenant fails to remedy the condition giving rise to the cancellation, threatened cancellation or reduction of coverage within thirty (30) days after notice thereof by the City, the City may enter upon Housing Facility and remedy the condition giving rise to such cancellation, threatened cancellation or reduction. The City shall not be liable for any damage or injury caused to any property of the Tenant or of others located on the Housing Facility as a result of such entry, whether caused by the negligence of the City, its agents, servants, employees or other persons for whom it is responsible in law.

## **22.0 City Assignment**

22.1 The City may assign any or all of its rights under this Lease to another party including, without limitation, to a lender as security. In the event of any such assignment the City shall advise the Tenant in writing, and this Lease shall not be cancelled or modified as a consequence thereof but remain in effect for all purposes. The Tenant, if requested by the City, shall agree to become a party to any instrument relating to this Lease which may be required by or on behalf of any purchaser or mortgagee of the Lands or Building, from time to time, provided always that the rights of the Tenant under this Lease shall not be altered or varied by the terms of such instrument or document, except with the written consent of the Tenant.

## **23.0 Subordination**

23.1 This Lease and all of the rights of the Tenant hereunder are and shall at all times be subject and subordinate to any and all Encumbrances now or hereafter in force against the Lands and Building. At the request of the City, the Tenant will subordinate this Lease and all of its rights hereunder, in such form or forms as the City may require, to any such Encumbrances and to all advances made or to be made upon the security, and will, if requested, attorn to the holder thereof. The City shall provide the Tenant with written confirmation from any mortgagee that no subordination by the Tenant shall have the effect of permitting the holder of any mortgage or other Encumbrance to disturb the occupation and possession by the Tenant of the Housing Facility, so long as the Tenant shall perform all of the terms,

covenants, conditions, agreements and provisos of this Lease, and so long as the Tenant executes, contemporaneously, a document of attornment required by such mortgagee or other encumbrancer.

23.2 The Tenant shall, at the request of the City or a mortgagee or any other person having an interest in the Lands or Building, execute promptly such instruments or certificates to carry out the intent of this subsection as requested by the City, provided that, in the case of a request for the Tenant to subordinate this Lease to any mortgage or other Encumbrance, the Tenant shall have received written confirmation from the subject mortgagee or other encumbrancer. If within five (5) days after the date of a request by the City to execute any such instruments or certificates the Tenant has not executed the same, the Tenant hereby irrevocably and unconditionally appoints the City as the Tenant's attorney with full power and authority to execute and deliver in the name of the Tenant any such instruments or certificates.

#### **24.0 Statistics**

24.1 The Housing Provider shall, for statistical purposes, supply information as required by the City from time-to-time provided such information is reasonably available to the Housing Provider, as determined by the City.

#### **25.0 Dispute Resolution**

25.1 Subject to subsection 25.2 hereof, the Parties shall utilize all reasonable efforts to resolve any dispute in regard to the respective rights, obligations and duties of the Parties, or any other matter arising out of or connected with this Lease (hereinafter "Dispute"), promptly and in a good faith manner by negotiation. If they are unable to resolve the Dispute within thirty (30) days from when the Dispute first arose either Party may, by notice in writing to the other Party, submit the matter to mediation. Immediately upon delivery of such notice, the Parties will make a reasonable, good faith effort to identify a mutually acceptable mediator. If the Parties cannot agree upon a mediator within a period of thirty (30) days or, having selected and met with the mediator cannot resolve the Dispute within ninety (90) days thereafter, either Party may by notice in writing to the other Party initiate a proceeding in a court of competent jurisdiction.

25.2 Notwithstanding subsection 25.1 neither Party is precluded from seeking from a court of competent jurisdiction interim relief, including injunctive relief, when the subject matter of the Dispute may require.

25.3 This dispute resolution provision shall not apply to any dispute, issue or controversy between the Parties, other than those matters specifically described in this Lease as being subject to this dispute resolution provision, or as the Parties may otherwise agree.

## 26.0 Default

26.1 In the event that:

- i. the Tenant fails to pay any Basic Rent, Additional Rent or other amounts due under this Lease on more than two (2) occasions during any Lease Year; or
- ii. the Tenant fails to cure, or takes steps satisfactory to the City to cure, any failure to observe or perform any other term or condition of this Lease to be observed or performed by the Tenant within ninety (90) days after receipt of a notice in writing from the City advising of said failure to observe or perform the applicable term or condition; or
- iii. the Tenant becomes bankrupt or insolvent or takes the benefit of any act now or hereafter in force for bankrupt or insolvent debtors, or files any proposal or makes any assignment for the benefit of creditors or any arrangement or compromise, or a receiver or a receiver and manager is appointed for all or a portion of the Tenant's property, or any steps are taken or any action or proceedings are instituted by the Tenant or any other party including, without limitation, any court or Governmental Authority for the dissolution, winding-up or liquidation of the Tenant or its assets; or
- iv. the Tenant abandons the Housing Facility;

then the City, in addition to any other rights or remedies it has under this Lease or at law, may terminate this Lease and re-enter the Housing Facility or any part thereof, expelling all persons and removing all property from the Housing Facility, subject to the residential leases that the sub-tenants have entered into with the Tenant; all without the City being guilty of trespass or liable for any loss or damage which may be occasioned to the Tenant thereby. Upon such re-entry, the City shall be entitled to have again, repossess and enjoy the Housing Facility, subject to the residential leases entered into by the Tenant with the sub-tenants.

26.2 Notwithstanding any other provision of this Lease, and subject to the Dispute Resolution provision, the City may from time to time resort to any or all of the rights and remedies available to it in the event of any default by the Tenant, all of which rights and remedies are intended to be cumulative.

26.3 The City reserves the right, such right to be exercised at its sole discretion, to deal with the Housing Facility at the end of the Term, whether occurring by expiration of this Agreement, termination or otherwise, in any such manner it determines appropriate, including without limitation to demolish, replace or renew the Housing Facility, and with no further obligation or responsibility to the Tenant.

## 27.0 Access by the City

27.1 The City shall have the right upon twenty-four (24) hours telephonic notice to the Tenant to enter the Housing Facility to examine the same, to show them to prospective purchasers, lessees or mortgagees, and to make such repairs, alterations,



improvements or additions to the Housing Facility as the City may deem necessary or desirable. If the City seeks entry to a portion of the Housing Facility sub-let to sub-tenant then the City shall act in a manner which is compliant with the *Residential Tenancies Act*, or any replacement legislation. The City shall have the right to make changes and additions to the pipes, conduits and ducts in the Housing Facility, and to take all material into and upon the Housing Facility that may be required without the same constituting an eviction of the Tenant in whole or in part.

## 28.0 City Covenants

28.1 Provided that the Tenant has paid all Rent and other charges when due and payable under this Lease, and has complied with all other terms and conditions hereunder, the City covenants and agrees to the following:

- i. For quiet enjoyment;
- ii. For the maintenance and good repair of the Lands and the Common Areas as required by this Lease; and
- iii. Subject to the provisions of this Lease, the continuance in full force and effect during the Term of liability insurance on the Lands and Building with responsible insurance companies and in amounts carried by a prudent owner of comparable property.

## 29.0 Indemnity

29.1 Notwithstanding any other provision of this Lease, the Tenant shall indemnify, defend and save harmless the City, its elected officials, officers, employees and agents from and against any and all claims of any nature, actions, causes of action, losses, expenses, fines, costs (including legal costs), interest or damages of every nature and kind whatsoever, including but not limited to bodily injury, sickness, disease or death or to damage to or destruction of tangible property including loss of revenue, including without limitation Rent, or incurred expense resulting from disruption of service, arising out of or allegedly attributable to the negligence, acts, errors, omissions, misfeasance, nonfeasance, fraud or willful misconduct of the Tenant, its directors, officers, employees, agents, contractors and subcontractors, subtenants, or any of them, in connection with or in any way related to the delivery or performance of this Lease or any occurrence in, upon, or at the Housing Facility or the occupancy or use by the Tenant of the Housing Facility, Housing Units, or any part thereof, or occasioned wholly or in part by any act or omission of the Tenant or by anyone permitted to be on or at the Housing Facility or a Housing Unit by the Tenant.

29.2 Further, the Tenant shall defend, indemnify and save harmless the City and its elected officials, officers, employees and agents from and against any and all claims of any nature, actions, causes of action, losses, expenses, fines, costs (including legal costs), interest or damages of every nature and kind whatsoever arising out of or related to:

- i. Failure by the Tenant to pay any Rent or other amounts due under this Lease, or for the failure of the Tenant to perform any other obligation of the Tenant under this Lease; and
- ii. The Tenant's status with WSIB, and this indemnity shall be in addition to and not in lieu of any proof of WSIB status and compliance to be provided by the Tenant in accordance with this Lease and shall survive this Lease.

29.3 This indemnity shall be in addition to and not in lieu of any insurance to be provided by the Tenant in accordance with this Lease and shall survive this Lease. Further, this indemnity is absolute and unconditional and shall not be released, discharged, mitigated, impaired or affected by:

- i. any extensions of time, indulgences or modifications by the City in respect of the performance of any of the obligations of the Tenant under this Lease;
- ii. any waiver by or failure of the City to enforce any of the provisions of this Lease, except only for a waiver in writing and only to the extent and otherwise within the terms of the waiver; and
- iii. any assignment or transfer otherwise of this Lease by the Tenant to any other party.

29.4 Without limiting the generality of the foregoing, the liability of the Tenant under this indemnity shall not be deemed to have been waived, released, discharged, impaired or affected by reason of the release or discharge of the Tenant in any receivership, bankruptcy, winding-up or other creditors proceeding, or the rejection or disclaimer of this Lease in any proceeding. The liability of the Tenant shall not be affected by any repossession of the Housing Facility by the City.

29.5 No action or proceeding brought or instituted under this indemnity and no recovery in pursuance hereof shall be a bar or defence to any further action or proceeding which may be brought by the City under this indemnity for any further default, or in the performance and observance by the Tenant of the provisions of this Lease.

29.6 This indemnity shall extend to and be binding upon the heirs, executors, administrators, successors and assignees of the Tenant and shall enure to the benefit of and may be enforced by the City, and its administrators, successors and assignees, and the holder of any mortgage to which this Lease is or may become subject.

## **30.0 General Provisions**

### *30.1 Sections, Headings and Contra Proferentum*

The division of this Lease into Articles, Sections and Paragraphs and the insertion of headings are for convenience of reference only and shall not affect the interpretation or construction of this Lease. Each Party acknowledges that it has reviewed and participated in determining the terms and conditions of this Lease and agree that any

rule of construction or doctrine of interpretation, including contra proferentum, construing or interpreting any ambiguity against the drafting party shall not apply.

### 30.2 *Gender*

In this Lease, words importing the use of either gender shall include both genders.

### 30.3 *Time of the Essence*

Time shall be of the essence of this Lease and of every part hereof, and no extension or variation to this Lease shall operate as a waiver of this provision.

### 30.4 *Applicable Law*

This Lease shall be construed, interpreted and enforced in accordance with the laws of Ontario, without reference to any principles of conflicts of laws. Subject to the Dispute Resolution provision, each Party irrevocably and unconditionally attorns to the exclusive jurisdiction of the City of Kawartha Lakes.

### 30.5 *Enurement*

This Lease shall enure to the benefit of and shall be binding on and enforceable by the Parties and, where the context so permits, their respective representatives and successor.

### 30.6 *Amendment*

This Lease may only be changed by a document in writing signed by both Parties.

### 30.7 *Waiver*

No waiver of any provision of this Lease, including waiver of a breach of this Lease, shall constitute a waiver of any other provision or breach of this Lease unless expressly provided otherwise. No waiver shall be binding unless executed in writing.

### 30.8 *Invalidity*

Any provision in this Lease which is held to be illegal or unenforceable shall be ineffective to the extent of such illegality or unenforceability without invalidating the remaining provisions.

### 30.9 *Entire Agreement*

This Lease constitutes the entire agreement between the Parties with respect to its subject matter and supersedes all prior or other agreements, understandings, negotiations and discussions, whether written or oral, between the Parties.

30.10 *Accord and Satisfaction*

No payment by the Tenant or receipt by the City of any lesser amount of any Rent owed by the Tenant shall prejudice the right of the City to recover the balance owing or to pursue any other remedy under this Lease.

30.11 *Counterparts*

This Lease may be executed in any number of counterparts, each of which when executed and delivered shall be deemed to be an original and fully binding, and all such counterparts shall together constitute one and the same instrument.

30.12 *Transmission by Facsimile*

The Parties agree that this Lease may be transmitted by facsimile or such similar device, and that the reproduction of signatures by facsimile or such similar device will be treated as binding as if originals, and each Party undertakes to provide the other Party with a copy of this Lease bearing original signatures forthwith upon demand.

*[Signatures on next page]*

**IN WITNESS WHEREOF** the City and Tenant have affixed their respective corporate hands and seals by a duly authorized signing officer(s) on the date first above written.

**The Corporation of the City of Kawartha  
Lakes**

Per: \_\_\_\_\_

Title: \_\_\_\_\_

Per: \_\_\_\_\_

Title: \_\_\_\_\_

*“We have authority to bind the Corporation”*

**Kawartha Lakes Haliburton Housing  
Corporation**

Per: \_\_\_\_\_

Title: \_\_\_\_\_

*“I have authority to bind the Corporation”*

**SCHEDULE “A” – SKETCH**

See attached.



**SCHEDULE “B” – HOUSING UNITS**

<b>First Floor Housing Units are identified as:</b>	<b>Second Floor Housing Units are identified as:</b>
101	201
102	202
103	203
104	204
105	205
106	206
107	207
108	208
109	209
110	210
111	211
112	212





June 11, 2018

To the Mayor and Council of the The City of Kawartha Lakes;

Vertical Horizons Aggregates Inc located at 431 Black School Road, Woodville; is hereby requesting a temporary exemption of the noise bylaw 2005-025 from June 2018 – Dec 31, 2018 to supply gravel and sand to a Department of Highways project in Manchester, ON.

The contractor on the project is Dufferin Construction.

- The contact person from Dufferin is Rick Geary
  - Phone 705-325-7447
  - [Rick.geary@ca.crh.com](mailto:Rick.geary@ca.crh.com)
- The contact person from Vertical Horizons Aggregates Inc is Joshua Fawcett
  - Phone: 705-432-3213
  - [josh@verticalhorizons.com](mailto:josh@verticalhorizons.com)

The reason this permission is needed is because Dufferin Construction will be working overnight with nightly road closures from 7:00pm to 7:00am, therefore material will need to be shipped to the jobsite overnight.

Thank you for your consideration on the matter. I am available for any further questions.

Thank you,

Joshua Fawcett