

OCCUPANCY AGREEMENT

THIS AGREEMENT (the "Agreement") made the 1st day of November, 2024.

BETWEEN:

CORPORATION OF THE TOWNSHIP OF HURON-KINLOSS
(THE "TOWNSHIP")

-and-

KINCARDINE FAMILY HEALTH TEAM
(THE "KFHT")

WHEREAS the Township is the registered owner of the premises and land known for municipal purposes as Lot 75, Plan 177, 18 Tain St., Ripley, Ontario.

AND WHEREAS, the Township and KFHT have agreed that the KFHT may use the portion of the premises shown on and more particularly described as the "**Medical Centre**" in Schedule "B" attached to this Agreement (the "**Premises**"), for the purpose, during the time period, and on the terms and conditions set out in this Agreement.

NOW THEREFORE, in consideration of the sum of \$2.00, the mutual covenants, terms, and conditions set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Premise

- a) The Township hereby grants KFHT permission to occupy and use the Premises on weekdays, Monday through Friday, during the Term (as defined below) for the purpose of providing medical services.
- b) KFHT shall also be permitted to use the Staff Room identified on Appendix B in common with the first-floor tenant, which is currently, the "Ripley Family Y Childcare".

- c) KFHT hereby acknowledges that other medical service providers, including Dr. Shyu, (hereinafter, "**Third Party Users**") may be permitted by the Township to use Premise, with the exclusion of the Reception Area, on Saturdays and Sundays.
- d) KFHT agrees to provide a schedule of the dates that they will be using the Premises ("**KFHT Schedule**") to the Township by e-mail to mmclinchey@huronkinloss.com. This will include any health provider who may be involved or partnered with in KFHT interdisciplinary primary care programs and services or a physician who may provide service and also visit as an agent of KFHT.
- e) The Township acknowledges that KFHT Schedule is subject to reasonable changes due to weather, holidays and scheduling, etc. and will make an attempt to avoid scheduling conflicts for maintenance and other uses.

2. Term

- a) The term of this Agreement shall be ten (10) years commencing on the 1st of November 2024 and terminating on the 31st of October 2034 (the "**Term**").
- b) KFHT shall have the right to extend the term of this Agreement (the "**Extension Option**") for a further period up to five (5) years upon the said terms and conditions as herein contained, save and except as to the rent that shall be negotiated between KFHT and the Township. Provided that if the Township and KFHT cannot agree upon such renew rent then it shall be fixed by arbitration with reference to rent for similar premises in the Township of Huron-Kinloss.

3. Rent

- a) KFHT shall pay to the Township a fixed annual fee of \$3,500.00 (inclusive of HST) in equally monthly installments of \$291.67 (the "**Rent**"), in advance, commencing on the first day of each month during the Term.
- b) The Township and KFHT agree that HST is included in and incorporated into the Rent.

4. Insurance

- a) KFHT shall, at KFHT's sole cost and expense, obtain and keep in force during the Term of this Agreement a policy of commercial general liability insurance

satisfactory to the Township acting reasonably and underwritten by an insurer licensed to conduct business in the Province of Ontario. The policy shall provide coverage for bodily injury, property damage, and personal injury and shall include but is not limited to:

- I. A limit of liability of not less than \$5,000,000 per occurrence.
- II. Add the Township of Huron-Kinloss as additional insured with respect to the operations of the Named Insured.
- III. The policy shall contain a provision for cross-liability and severability of interest in respect of the Named Insured.
- IV. Non-owned automobile coverage with a limit not less than \$2,000,000 and shall include contractual non-owned coverage (SEF 96).
- V. Products and completed operations coverage.
- VI. Broad form property damage.
- VII. Contractual liability.
- VIII. Work performed on behalf of the Named Insured by sub-contractors.
- IX. The policy shall provide 30 days prior notice of cancellation.

5. Utilities

- a) The Township is responsible for the supply of and payment for heating and air conditioning, electricity, water, and sewage expenses for the Premises.
- b) KFHT is responsible for paying all charges for telephone and internet used by KFHT on the Premises.

6. Township's Obligations

- a) At its expense, and subject to any obligations of the Heath Team pursuant to this Agreement, the Township shall keep the Premises, building structure and systems, and the Property in good repair and condition.
- b) The Township covenants to provide at its own expense pest control and landscaping.
- c) The Township will provide snow removal for the sidewalks and parking lot. Snow removal for the entrance to the premises will be conducted once daily, before 9:00 AM.

- d) The Township of Huron-Kinloss Community Services Department shall provide cleaning services to the Premises on a once-per-week basis, consistent with the standards applied to other municipal facilities. These services will utilize regular cleaning supplies and are not intended to meet any specific medical or healthcare sanitation requirements. Any additional cleaning services, frequency adjustments, use of specialized cleaning supplies, or procedures necessary to meet medical or healthcare standards of KFHT shall be the sole responsibility of KFHT.
- e) The Township shall keep the Premises and stairways, corridors, entrances, washrooms, and other common areas of the building and the parking lot in a state of good repair and maintenance consistent with other Township facilities.
- f) The Township shall be responsible for providing garbage and recycling services for the premises. Collection will be conducted by the Township of Huron-Kinloss Community Services Department on a weekly basis.
- g) The Township shall ensure all access doors are working properly.
- h) The Township shall be responsible for all capital expenditures in respect of the Premises as reasonably deemed necessary by the Township, including but not limited to, HVAC, flooring, exterior steel and doors.
- i) The Township shall respond to and repair all deficiencies in the Premises, building or property in a timely manner.
- j) The Township will maintain an inventory of equipment, furnishings and décor within the Premises that is owned by the Township of Huron-Kinloss (the "**Township Property**"). The Township will not be responsible for the replacement of any such items as a result of damage or negligence by KFHT.
- k) The Township will obtain and keep in force during the Term of this Agreement a policy or policies of all risks property insurance in accordance with the Township's practice for other Township properties of a similar nature.
- l) The Township will ensure that KFHT, its employees and invitees shall have free parking on a first come first serve basis at the Premises.

7. KFHT's Obligations

KFHT agrees as follows:

- a) The Township endeavours to ensure suitability of the premise that it is leasing to KFHT. If a deficiency in the Premises, building or property comes to the attention of KFHT, then KFHT will notify the Township immediately in order to enable the Township to rectify the deficiency. The parties agree that continued use by KFHT shall absolve the Township from any property damage or bodily injury which may occur as a direct result of its activities.
- b) KFHT covenants to provide, at its own expense, any additional snow removal or salting required for the entrance to the Premises during days that it is occupying the Premises, beyond what is provided by the Township in clause 6 (b), but in no event shall KFHT be liable to the Township, other occupants of the building, or visitors and invitees to the Premises, for same.
- c) KFHT shall at all times exercise due care and diligence in the use of the Township Property. Any items damaged by KFHT, beyond reasonable wear and tear, shall be replaced by KFHT with a product of similar size, quality and capability.
- d) KFHT hereby acknowledges that the Township shall not be held responsible, in any manner, for KFHT's equipment which is to be located in the Premise; However, the Township will make best efforts to ensure that Third Party Users of the Premises do not use any of KFHT's equipment without the consent of KFHT, and that the Third Party Users be held responsible to exercise due care and diligence should they do so.
- e) KFHT shall not do or suffer any waste or damage, disfiguration or injury to the Premises, nor permit or suffer any overloading of the floors, roof deck, walls or any other part of the Premises, and shall not use or permit to be used any part of the Premises for any illegal or unlawful purpose or any dangerous, noxious or offensive trade or business, and shall not cause or permit and nuisance in at or on the Premises.
- f) KFHT covenants to keep the Premises in a clean and orderly state during its use, consistent with the general standards applicable to buildings of a similar nature in the vicinity of the Premises. The Township will make best efforts to ensure that Third Party Users of the Premises keep the Premises in a clean and orderly state during their use, and in no instance shall KFHT be responsible or liable for the actions or inactions of the Third Party Users in this regard.

8. Inspection and Repair on Notice

- a) The Township, its servants, agents and contractors shall be entitled to enter upon the Premises at anytime, without notice, for the purpose of making emergency repairs, and during normal business hours on reasonable prior written notice, for the purpose of having access to under floor ducts or to the access panels to mechanical shafts (which KFHT agrees not to obstruct). The Township, its servants, agents and contractors may, at any time, and from time to time, on reasonable prior written notice, enter upon the Premises to remove any article or remedy any condition which, in the opinion of the Township, would likely lead to the cancellation of any policy of insurance.
- b) The Township will take reasonable precautions and attempt to schedule such work outside of KFHT Schedule so as not to unreasonably interfere with the operation of KFHT's business and to minimize interference with KFHT's use and enjoyment of the Premises.

9. Alterations

- a) KFHT will not make or erect in or to the Premises any installations, alterations, additions or partitions without first submitting drawings and specifications to the Township and obtaining the Township's prior written consent which the Township will not unreasonably withhold.

10. Mutual Indemnification

- a) KFHT and the Township shall indemnify and hold harmless the other, from the date of this Agreement, against all liabilities, costs, fines, suits, claims, demands or actions of any kind for which the other may become liable for any reason, including any breach, violation or non-performance by the other party of their obligations in this Agreement, or any injury, death or damage to property, occasioned to or suffered by any person or any property from any act, negligence, or default by the other party or its employees, subcontractors, invitees or agents on the Premises, including any environmental matters that arise as a result of the other party's occupation and use of the Premise.
- b) The Township shall not, in any way, be responsible for any liabilities, costs, fines, suits, claims, demands or actions of any kind with respect to the use of the Premises by KFHT, except for matters arising from the Township's own negligence or misconduct.

Email:
Telephone:
Fax:

- c) Any such notice, delivery or payment so delivered or sent shall be deemed to have been given or made and received upon delivery of same if delivered personally or on the fifth (5) business day following the mailing, couriering or faxing of same, as the case may be.
- d) This Agreement may be executed by electronic signatures and in any number of counterparts, each of which will be deemed to be an original and all of which taken together will be deemed to constitute one and the same instrument.
- e) Governing law is that of the province of Ontario and the laws of Canada applicable therein.
- f) No failure or delay by a party hereto in exercising any right, power or privilege under this Agreement shall operate as a waiver thereof, nor will any single or partial exercise preclude any other or further exercise of any right, power or privilege hereunder.
- g) If any provision of this Agreement is wholly or partially unenforceable for any reason, all other provision of this agreement will continue in full force and effect.

[Signature Page Follows]

In Witness of the foregoing covenants the parties have executed this Agreement.

TOWNSHIP OF HURON-KINLOSS

Per: _____

Name:

Title:

I/we have the authority to bind the corporation

TOWNSHIP OF HURON-KINLOSS

Per: _____

Name:

Title:

I/we have the authority to bind the corporation

KINCARDINE FAMILY HEALTH TEAM

Per: _____

Name:

Title:

I have the authority to bind the corporation

Appendix A

List of Equipment and Furnishings Owned by the Township of Huron-Kinloss.

(To be completed when construction is finished, and the building is furnished).

Appendix B

The Premises

