

APPROVED

As to Form

*Barrie Weir*  
City Solicitor

As to Principle

*DA Lyhak*  
Assistant City Manager

As to Contents

*A. B. Maurer*  
Head of Department

Bylaw No. 7470

*J. Diefen*  
City Manager

A Bylaw to authorize the agreements with the Government of Canada for lease of land at the Edmonton Municipal Airport

WHEREAS the Government of Canada wishes to lease land at the Edmonton Municipal Airport from the City of Edmonton and,

WHEREAS Section 116 of the Municipal Government Act, Chapter M-26, R.S.A. 1980, requires a Bylaw to authorize the making of an agreement between the City of Edmonton and the Government of Canada,

NOW THEREFORE the Municipal Council of the City of Edmonton, duly assembled, hereby authorizes the making of the agreements with the Government of Canada attached hereto and marked Appendices "A" and "B".

The Mayor and City Clerk may therefore execute the attached agreements with the Government of Canada by which the Government of Canada as represented by the Minister of Public Works and the Minister of Transport will lease land at the Edmonton Municipal Airport, located respectively on Plan 802 2374, Block Eight (8), Lots Ten (10) and Eight (8) H.B.R. SW 17-53-24-W4.

READ a first time this 13th day of March 1984;

READ a second time this 13th day of March 1984;

READ a third time and finally passed this 13th day of March 1984.

THE CITY OF EDMONTON

*[Signature]*  
MAYOR

*[Signature]*  
CITY CLERK

This Agreement made this                      day of                      A.D., 19 .

BETWEEN:

THE CITY OF EDMONTON  
a Municipal Corporation  
(hereinafter called "the Lessor")

OF THE FIRST PART

- and -

HER MAJESTY THE QUEEN IN RIGHT OF CANADA  
as represented by the Minister of Public Works  
(hereinafter called "the Lessee")

OF THE SECOND PART

WITNESSETH THE FOLLOWING AGREEMENT:

1. (a) The Lessor being registered owner of the following land, namely:

Plan Edmonton 802 2374  
Block Eight (8)  
Lot Ten (10)  
Containing 0.51 Hectares, More or Less  
(H.B.R. and S.W. 17 - 53 - 24 W4th)

Excepting Thereout All Mines and Minerals.

all in the City of Edmonton, in the Province of Alberta, of record in the Land Titles Office for the North Alberta Land Registration District, and in consideration of the rents, covenants, and agreements hereinafter reserved and contained on the part of the Lessee to be paid, kept, observed and

performed, the Lessor by these presents does demise and lease to the Lessee for the purpose of aircraft maintenance and storage and associated office space, all its surface rights only of the above described lands which are outlined in red on the plan attached hereto and marked Appendix "A" to this Agreement and hereinafter referred to as the "site" or "demised land".

(b) The hangar building upon the site and any and all fixtures, machinery and equipment at any time installed therein shall not become part of the realty during the term of this Lease.

(c) It is understood and agreed between the parties hereto that the Lessee shall accept the site in an "as is" condition and that the Lessor will not be liable for any modifications which the Lessee may desire to make to this site.

2. This Agreement and Lease hereby made shall continue for a term of Twenty-Five (25) years commencing the 29th day of April, 1983 and continuing until the 28th day of April, 2008.

3. The existing building lines shall be confined and restricted solely to the most Easterly One Hundred and Sixty (160) feet of the demised land; the Westerly One Hundred and Eighty (180) feet thereof shall be only used as an apron area for aircraft parking, temporary open storage or such similar uses as approved by the Airport Manager in writing.

4. The Lessee reserves the right to close the Edmonton Municipal Airport at any time and the Lessor makes no representation concerning the future operation of the said Airport. PROVIDED HOWEVER, that the demised land may after such closure be used for any purpose not prohibited by the City of Edmonton Bylaws. In the event that the Airport is discontinued as an airport or closed entirely or partially to aircraft use, the Lessor shall not be liable to any claims, damages, losses, costs or charges whatsoever suffered by the Lessee as a result of the closure of the Airport in whole or

in part. The Lessee hereby releases and discharges the Lessor from any and all manner of claims, damages, losses, costs or charges whatsoever occasioned to or suffered by or imposed upon the Lessee or its property either directly or indirectly in respect of any discontinuance of the Airport for aircraft use in part or in whole. It is agreed that this paragraph constitutes the entire Agreement between the Lessor and the Lessee with respect to the future operations of the Airport and any oral arrangements between the Lessee and any representative of the Lessor shall be null and void.

5. (a) The initial monthly rental for the site shall be in accordance with the standard rental rate set forth in the City of Edmonton Bylaw No. 5767, Schedule "A", or any amendments or successors thereto.

(b) Whenever the rates contained in the said bylaw or amendments thereto are changed, then the following month the rental shall be recalculated to reflect the new rate.

(c) The Lessee further agrees to pay to the Lessor all local improvement charges and as additional rent an amount to be determined by the City Assessor each and every year, equal to the sum the owner of the site would have to pay as taxes if the demised land was subject to assessment and taxation, subject, however, to the Lessee having the right to contest or apply for reduction of the amount of taxes levied or charged in respect of the demised land, and the Lessee shall have for such purpose all the rights conferred by the Municipal Taxation Act of Alberta or other legislation applicable thereto.

6. The Lessee covenants with the Lessor during the duration of this Lease as follows:

(a) It will pay the rents reserved in advance on or before the 1st day of each and every month during the term of this Agreement at the office of the Edmonton Municipal Airport, Terminal Building, Edmonton, Alberta, without any deduction whatsoever and without demand therefor;



(b) Subject to the provisions of Paragraph 3 hereof, to use the site solely for the purposes hereinbefore mentioned and not to do or permit to be done anything thereon which may render void or voidable any insurance policy or policies on buildings belonging to the Lessor or anything which may be deemed a nuisance or which may be contrary to any of the laws of Canada or of the Province of Alberta, or any bylaw of the City of Edmonton;

(c) It will permit the agents of the Lessor to enter upon the site and into the said building at all reasonable times for the purpose of ascertaining that the provisions of this Lease are being faithfully observed;

(d) It will not assign this Lease or sublet the demised land, or any part thereof, without the consent of the Lessor being first had and obtained, such consent not to be unreasonably withheld. The Lessee may, after first having obtained such approval, sublet any portion of the site or assign or mortgage all of its interest in this Lease and assign all rentals payable under such sublease, to a mortgage company, insurance company, chartered bank, or other lending institution as security for the purpose of obtaining financing for the general corporate purpose. PROVIDED HOWEVER, that notwithstanding the fact that the Lessor's consent has been given to any sublease or assignment or mortgage, the Lessee shall remain liable under these presents to the Lessor for the full payment of the rent and for the observance of the other terms and conditions hereof;

(e) It will not commit voluntary or permissive waste nor make any alterations or change to the site without first obtaining permission in writing to do so from the Lessor, such permission not to be unreasonably withheld;

(f) It will maintain at its own expense the paved surface of land extraneous to the said buildings which is used for aircraft traffic and parking, and to keep and maintain the demised land and buildings in a good

and substantial state of repair, ordinary wear and tear, damage by fire, lightning, tempest or other unavoidable casualty excepted, and in a neat, clean and tidy condition and shall at the expiration or other sooner determination of this lease yield up to the Lessor quiet and peaceable possession of the demised land together with the hangar building, provided that the same is not removed by the Lessee in accordance with the provisions of Paragraph 10 hereof, in a good and substantial state of repair and in a neat, clean and tidy condition;

(g) It will pay all or any business or floor space tax or other tax imposed upon or in connection with any building located or constructed thereon during the currency of this Lease;

(h) It will grant easements across, over and under the site as required by any public utility insofar as is reasonably practicable, provided that the terrain shall be restored to its prior condition.

7. PROVIDED ALWAYS and it is hereby expressly understood and agreed by and between the parties hereto as follows:

(a) If the rent hereby reserved or any part thereof shall be unpaid as the same falls due or in case of the breach, non-observance or non-performance of the covenants and agreements herein contained or implied on the part of the Lessee, and such non-payment or breach or non-observance or non-performance shall continue for Fifteen (15) days after notice in writing to the Lessee to remedy such non-payment or breach or non-observance or non-performance (or in the case of a breach, non-observance or non-performance which cannot with due diligence be cured within a period of Fifteen (15) days, the Lessee shall fail to proceed promptly to begin to cure the same after receipt of such notice) then it shall be lawful for the Lessor, at its option, any time thereafter to re-enter upon the said demised land or any part thereof in the name of the whole, and the same to have again, repossess and enjoy as of its former estate and the term hereby granted shall thereupon cease and determine;

(b) Provided further, that any excusing, condoning or overlooking by the Lessor of any default, breach or non-observance by the Lessee at any time of any of the conditions, covenants, terms or agreements herein contained shall not operate as a waiver of the Lessor's rights hereunder in respect of any subsequent default, breach or non-observance of any of the terms of this Lease and shall not defeat or affect in any way the Lessor's rights in respect of any subsequent default or breach;

(c) If the term hereby granted or any of the goods or chattels of the Lessee shall be at any time seized or taken in execution or in attachment by any creditor of the Lessee, unless such seizure, execution or attachment is promptly dissolved or contested in good faith by or on behalf of the Lessee, or if the Lessee shall make any assignment of the benefit of creditors under any act that may be in force for bankrupt or insolvent debtors or shall attempt to abandon or does abandon the demised land, the rent for the next Three (3) ensuing months shall immediately become due and payable and the said term shall, at the option of the Lessor, forthwith become forfeited and determined;

(d) If any business carried on or to be carried on by the Lessee upon the demised land or if the use to which the Lessee puts the demised land shall cause the insurance premiums on any buildings that may be near the demised land belonging to the Lessor to be increased over and above the ordinary rate for premises of a like description, the Lessee will pay to the Lessor such increased insurance premiums upon demand and in default of payment thereof, the Lessor shall have the same remedies for the collection thereof as it has for the collection of rent payable by virtue of these presents;

(e) The Lessor may, whether or not the Lessee is in occupation of the demised land, seize and sell sufficient of the goods and chattels of the Lessee to satisfy any monies overdue and unpaid by virtue of these presents together with the costs of such seizure and sale;

(f) No re-entry, forfeiture or termination of this Lease by the Lessor shall be valid against a mortgagee, chargee or other encumbrancer of the Lessee's estate herein who has filed with the Lessor written notice of his mortgage, charge or encumbrance and specified an address for service, within any City in the Province of Alberta, (such mortgagee, chargee or holder of an encumbrance being hereinafter, in this Subsection 9(f), called "the mortgagee") unless the Lessor shall first have given the mortgagee notice of the default or contingency entitling the Lessor to re-enter, terminate or forfeit this Lease, and of the Lessor's intention to take such proceedings, and requiring the mortgagee to cure the default. The mortgagee shall thereafter have a period of Thirty (30) days within which to cure the default, if the same can reasonably be cured within such period, or within which to begin curing of the same if it cannot be reasonably cured within such period, and shall be permitted access to the demised lands for that purpose. If the mortgagee so cures or begins to cure such default it shall be entitled to continue as Lessee hereunder for the balance of the term remaining at the date of the notice of default, PROVIDED THAT, it attorns as Lessee to the Lessor and undertakes to be bound by and to perform and observe the covenants of the Lessee in this Lease. If this Lease shall be terminated as against the Lessee pursuant to the other provisions hereof, it shall be deemed nevertheless to continue in force between the Lessor and the mortgagee for the balance of the term remaining at the date of termination if the mortgagee shall within Thirty (30) days of the date of the notice referred to in this Paragraph attorn to the Lessor and undertake to be bound by and to perform and observe the covenants of the Lessee in this Lease. Any re-entry, termination or forfeiture of this Lease made in accordance with the provisions of this Lease as against the Lessee shall be valid and effectual against the Lessee even though made subject to the rights of any mortgagee, chargee or encumbrancer of the Lessee's estate to continue as Lessee hereunder;

(g) It is understood and agreed that wherever the consent or the permission of the Lessor is required by the Lessee under the terms of this Lease, then the Lessee may request such consent or permission by giving notice (in the manner provided for herein for the giving of notice) to the Lessor, that it requests such consent or permission.

10. (a) If during the term of this Lease the Lessor desires to sell all or part of the site, then before offering the same for sale or accepting any purchase offer thereon, the Lessor will first offer to the Lessee in writing the right to purchase the site or part thereof at the then fair market value, but excluding any value for the improvements thereon created by the Lessee, PROVIDED THAT if the Lessee contests the suggested purchase price, then each party may appoint an arbitrator and an umpire will be nominated under the Arbitration Act of the Province of Alberta expressly to establish values, both parties to be bound by the results. If the Lessee desires to purchase the site or so much thereof as the Lessor is willing to sell, it shall give the Lessor written notice within Thirty (30) days after the date of mailing by the Lessor of this notice.

(b) Upon the termination of this Lease the Lessee grants to the Lessor the first right to purchase the improvements on the demised land created by the Lessee, but excluding machinery and special equipment installed therein; and if the parties cannot agree as to the fair market value of the said improvements, then the parties agree that the arbitration provisions of Paragraph 10(a) shall apply and the value shall be conclusively determined thereby, both parties to be bound by the results. If the Lessor desires to purchase the improvements, the Lessor shall give written notice not later than the day of termination of the Lease.

(c) On the expiry of the Twenty-Five (25) year term herein granted, should the Lessor not exercise its aforementioned right to purchase, or on an earlier date if the Lease is terminated for cause, the Lessor grants to the Lessee a period of Six (6) months after expiry or termination of the Lease within which such improvements may be removed from the site subject only to the prior payment to the Lessor of any liens, charges or claims arising under this Agreement.

(d) In the event that the Lessor purchases the said improvements then the Lessee will be given a reasonable period, not to exceed Sixty (60) days, within which to remove its machinery and special equipment from the site.



(e) If the Lessee upon the expiration of this Lease, does not sell the improvements to the Lessor, the Lessee shall remove the building and related equipment at the Lessee's own expense and shall leave the site in a safe, neat, clean and tidy condition.

11. The Lessor covenants with the Lessee that upon the Lessee performing and observing all the covenants, conditions and agreements herein contained on its part to be performed and observed, and upon the Lessee paying the rent hereby reserved as and when the same becomes due, it may hold and enjoy the demised land during the said term without any interruption of the Lessor or any party lawfully claiming under it.

12. If the Lessee remains in possession of the demised land after the date of expiration of this Lease, or any renewal thereof, it shall notwithstanding the acceptance of rent after such expiration, be deemed to be and shall be a monthly tenant only, at a monthly rental the same as is payable hereunder at the date of expiration of the Lease term and otherwise subject to all the same terms as are herein contained.

13. (a) The Lessee shall and do hereby assume all risk of loss or injury to property or persons with respect to all of the customers, employees and persons coming upon the demised land at the instance of or with the knowledge or consent of the Lessee and the Lessee shall indemnify and save harmless the Lessor for and from any and all claims, demands, suits, judgments, costs or expenses on account of such loss or injury except such as may be due to the negligence of the Lessor, its servants or agents.

(b) If a suit is brought against the Lessee and/or the Lessor on any claim in respect to which under the terms hereof the Lessor is entitled to protection or indemnity, the Lessee shall upon notice of such suit assume the defence thereof.



(c) The Lessee shall maintain such insurance as will protect it and the Lessor, and as will guarantee its obligation to indemnify the Lessor with respect to any claims for damages for property or personal injury, including death, subject to the exception in sub-paragraph (a) hereof, which may arise from operations under this Lease. A certificate of such insurance shall be filed with the Lessor, if it so requires, and shall be subject to its approval for adequacy of protection, such approval not to be unreasonably withheld. Should the Lessee fail to keep such insurance as herein provided, the Lessor shall have the right after Forty-Eight (48) hours' written notice to the Lessee to effect such insurance at the Lessee's expense without prejudice to any other rights and recourses of the Lessor hereunder.

(d) In the event of damage or destruction from time to time by fire or otherwise the Lessee shall repair, restore or rebuild buildings or improvements on the demised land in accordance with plans and specifications to be approved by the Lessor, such approval not to be unreasonably withheld, with all reasonable dispatch and in any event within Six (6) months from the time of such damage or destruction. In the event of any such damage or destruction the Lessee shall apply any insurance monies recovered by or paid to it to such repair, restoration or rebuilding under plans and specifications approved by the Lessor.

14. Any paved areas between the Lessee's paved apron areas and the adjacent airport paved taxi way shall be constructed and maintained entirely at the Lessee's expense, the location of the paved connections to be subject to the approval of the Airport Manager. It shall also be the responsibility of the Lessee to construct and maintain, at the Lessee's expense, a security fence to secure land site from air site together with gates in such security fence. The type of security fence and location of the gates shall be subject to the approval of the Airport Manager.

15. In the event that the site is partially expropriated for public use by Government other than the City of Edmonton, then if such expropriation substantially and adversely affects the operations of the Lessee upon the

demised premises, the rent due hereunder shall be reduced by such amount as the parties hereto may mutually agree and if the parties cannot so agree the issue may be submitted to arbitration under the Arbitration Act of the Province of Alberta in accordance with the aforementioned procedure.

16. The Lessee does hereby accept this Lease to the above described land to be held by it as tenant subject to the covenants, conditions, and restrictions hereinset forth.

17. Any notice to be given under this Agreement shall be deemed to have been received by the addressee Seventy-Two (72) hours after the same has been mailed in a prepaid enveloped by single registered mail addressed to the

Lessee at: R.C.M.P.  
Commanding Officer, K. Division  
P.O. Box 1320  
Edmonton, Alberta  
T5J 2N1

or to the

Lessor at: Office of the Airport Manager  
Edmonton Municipal Airport  
2nd Floor, Terminal Building  
Edmonton, Alberta  
T5G 0W6

or at such other address as the parties may notify each other of, such notice to be in the manner provided for herein.

18. This indenture embodies the entire Agreement between the parties with respect to the leasing of the demised land by the Lessor to the Lessee, and supersedes and replaces any previous Agreements made and entered into between the parties.

19. Everything herein contained shall enure to the benefit of an be binding upon the parties hereto, their successors and assigns respectively.

EXECUTED by the parties hereto the day an year first above written.

THE CITY OF EDMONTON

\_\_\_\_\_  
MAYOR

\_\_\_\_\_  
CITY CLERK

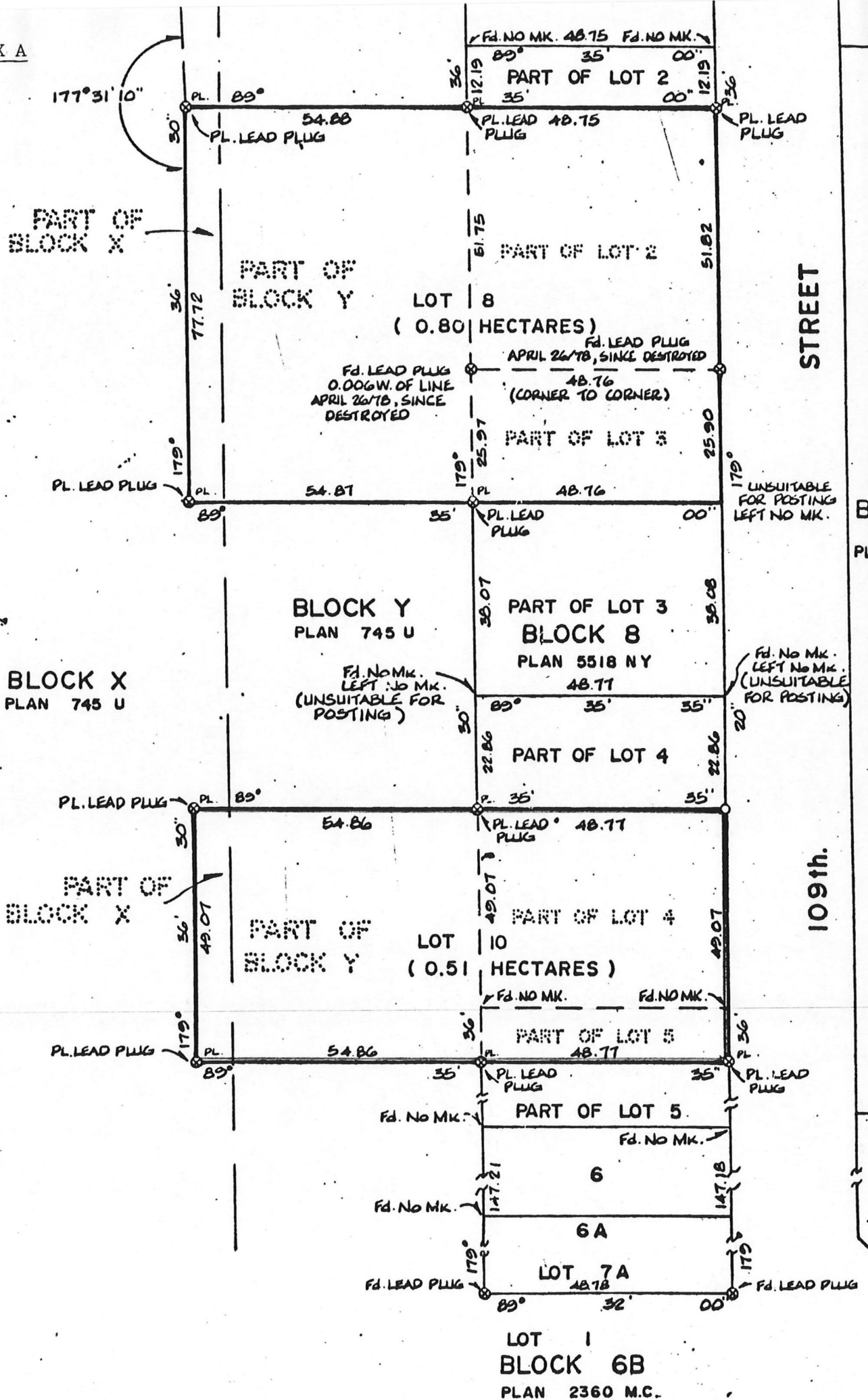
**APPROVED**

As to Form ..... *Patricia Hie-Job*  
City Solicitor

As to Contents ..... *ASemple*  
Head of Department

As to Principle ..... *[Signature]*  
City Commissioners  
Manager

APPENDIX A



LOT 1  
BLOCK 6B  
PLAN 2360 M.C.

This Agreement made this                      day of                      A.D., 19 .

BETWEEN:

THE CITY OF EDMONTON  
a Municipal Corporation  
(hereinafter called "the Lessor")

OF THE FIRST PART

- and -

HER MAJESTY THE QUEEN IN RIGHT OF CANADA  
as represented by the Minister of Transport  
(hereinafter called "the Lessee")

OF THE SECOND PART

WITNESSETH THE FOLLOWING AGREEMENT:

1. (a) The Lessor being registered owner of the following land, namely:

Plan Edmonton 802 2374  
Block Eight (8)  
Lot Eight (8)  
Containing 0.80 Hectares, More or Less  
(H.B.R. and S.W. 17 - 53 - 24 W4th)

Excepting Thereout All Mines and Minerals.

all in the City of Edmonton, in the Province of Alberta, of record in the Land Titles Office for the North Alberta Land Registration District, and in consideration of the rents, covenants, and agreements hereinafter reserved and contained on the part of the Lessee to be paid, kept, observed and

performed, the Lessor by these presents does demise and lease to the Lessee for the purpose of aircraft maintenance and storage and associated office space, all its surface rights only of the above described lands which are outlined in red on the plan attached hereto and marked Appendix "A" to this Agreement and hereinafter referred to as the "site" or "demised land".

- (b) The hangar building upon the site and any and all fixtures, machinery and equipment at any time installed therein shall not become part of the realty during the term of this Lease.
- (c) It is understood and agreed between the parties hereto that the Lessee shall accept the site in an "as is" condition and that the Lessor will not be liable for any modifications which the Lessee may desire to make to this site.

2. This Agreement and Lease hereby made shall continue for a term of Twenty-Five (25) years commencing the 15th day of April, A.D. 1983 and continuing until the 14th day of April, A.D. 2008.

3. The existing building lines shall be confined and restricted solely to the most Easterly One Hundred and Sixty (160) feet of the demised land; the Westerly One Hundred and Eighty (180) feet thereof shall be only used as an apron area for aircraft parking, temporary open storage or such similar uses as approved by the Airport Manager in writing.

4. The Lessee reserves the right to close the Edmonton Municipal Airport at any time and the Lessor makes no representation concerning the future operation of the said Airport. PROVIDED HOWEVER, that the demised land may after such closure be used for any purpose not prohibited by the City of Edmonton Bylaws. In the event that the Airport is discontinued as an airport or closed entirely or partially to aircraft use, the Lessor shall not be liable to any claims, damages, losses, costs or charges whatsoever suffered by the Lessee as a result of the closure of the Airport in whole or



in part. The Lessee hereby releases and discharges the Lessor from any and all manner of claims, damages, losses, costs or charges whatsoever occasioned to or suffered by or imposed upon the Lessee or its property either directly or indirectly in respect of any discontinuance of the Airport for aircraft use in part or in whole. It is agreed that this paragraph constitutes the entire Agreement between the Lessor and the Lessee with respect to the future operations of the Airport and any oral arrangements between the Lessee and any representative of the Lessor shall be null and void.

5. (a) The initial monthly rental for the site shall be in accordance with the standard rental rate set forth in the City of Edmonton Bylaw No. 5767, Schedule "A", or any amendments or successors thereto.

(b) Whenever the rates contained in the said bylaw or amendments thereto are changed, then the following month the rental shall be recalculated to reflect the new rate.

(c) The Lessee further agrees to pay to the Lessor all local improvement charges and as additional rent an amount to be determined by the City Assessor each and every year, equal to the sum the owner of the site would have to pay as taxes if the demised land was subject to assessment and taxation, subject, however, to the Lessee having the right to contest or apply for reduction of the amount of taxes levied or charged in respect of the demised land, and the Lessee shall have for such purpose all the rights conferred by the Municipal Taxation Act of Alberta or other legislation applicable thereto.

6. The Lessee covenants with the Lessor during the duration of this Lease as follows:

(a) It will pay the rents reserved in advance on or before the 1st day of each and every month during the term of this Agreement at the office of the Edmonton Municipal Airport, Terminal Building, Edmonton, Alberta, without any deduction whatsoever and without demand therefor;

(b) Subject to the provisions of Paragraph 3 hereof, to use the site solely for the purposes hereinbefore mentioned and not to do or permit to be done anything thereon which may render void or voidable any insurance policy or policies on buildings belonging to the Lessor or anything which may be deemed a nuisance or which may be contrary to any of the laws of Canada or of the Province of Alberta, or any bylaw of the City of Edmonton;

(c) It will permit the agents of the Lessor to enter upon the site and into the said building at all reasonable times for the purpose of ascertaining that the provisions of this Lease are being faithfully observed;

(d) It will not assign this Lease or sublet the demised land, or any part thereof, without the consent of the Lessor being first had and obtained, such consent not to be unreasonably withheld. The Lessee may, after first having obtained such approval, sublet any portion of the site or assign or mortgage all of its interest in this Lease and assign all rentals payable under such sublease, to a mortgage company, insurance company, chartered bank, or other lending institution as security for the purpose of obtaining financing for the general corporate purpose. PROVIDED HOWEVER, that notwithstanding the fact that the Lessor's consent has been given to any sublease or assignment or mortgage, the Lessee shall remain liable under these presents to the Lessor for the full payment of the rent and for the observance of the other terms and conditions hereof;

(e) It will not commit voluntary or permissive waste nor make any alterations or change to the site without first obtaining permission in writing to do so from the Lessor, such permission not to be unreasonably withheld;

(f) It will maintain at its own expense the paved surface of land extraneous to the said buildings which is used for aircraft traffic and parking, and to keep and maintain the demised land and buildings in a good

and substantial state of repair, ordinary wear and tear, damage by fire, lightning, tempest or other unavoidable casualty excepted, and in a neat, clean and tidy condition and shall at the expiration or other sooner determination of this lease yield up to the Lessor quiet and peaceable possession of the demised land together with the hangar building, provided that the same is not removed by the Lessee in accordance with the provisions of Paragraph 10 hereof, in a good and substantial state of repair and in a neat, clean and tidy condition;

(g) It will pay all or any business or floor space tax or other tax imposed upon or in connection with any building located or constructed thereon during the currency of this Lease;

(h) It will grant easements across, over and under the site as required by any public utility insofar as is reasonably practicable, provided that the terrain shall be restored to its prior condition.

7. PROVIDED ALWAYS and it is hereby expressly understood and agreed by and between the parties hereto as follows:

(a) If the rent hereby reserved or any part thereof shall be unpaid as the same falls due or in case of the breach, non-observance or non-performance of the covenants and agreements herein contained or implied on the part of the Lessee, and such non-payment or breach or non-observance or non-performance shall continue for Fifteen (15) days after notice in writing to the Lessee to remedy such non-payment or breach or non-observance or non-performance (or in the case of a breach, non-observance or non-performance which cannot with due diligence be cured within a period of Fifteen (15) days, the Lessee shall fail to proceed promptly to begin to cure the same after receipt of such notice) then it shall be lawful for the Lessor, at its option, any time thereafter to re-enter upon the said demised land or any part thereof in the name of the whole, and the same to have again, repossess and enjoy as of its former estate and the term hereby granted shall thereupon cease and determine;

(b) Provided further, that any excusing, condoning or overlooking by the Lessor of any default, breach or non-observance by the Lessee at any time of any of the conditions, covenants, terms or agreements herein contained shall not operate as a waiver of the Lessor's rights hereunder in respect of any subsequent default, breach or non-observance of any of the terms of this Lease and shall not defeat or affect in any way the Lessor's rights in respect of any subsequent default or breach;

(c) If the term hereby granted or any of the goods or chattels of the Lessee shall be at any time seized or taken in execution or in attachment by any creditor of the Lessee, unless such seizure, execution or attachment is promptly dissolved or contested in good faith by or on behalf of the Lessee, or if the Lessee shall make any assignment of the benefit of creditors under any act that may be in force for bankrupt or insolvent debtors or shall attempt to abandon or does abandon the demised land, the rent for the next Three (3) ensuing months shall immediately become due and payable and the said term shall, at the option of the Lessor, forthwith become forfeited and determined;

(d) If any business carried on or to be carried on by the Lessee upon the demised land or if the use to which the Lessee puts the demised land shall cause the insurance premiums on any buildings that may be near the demised land belonging to the Lessor to be increased over and above the ordinary rate for premises of a like description, the Lessee will pay to the Lessor such increased insurance premiums upon demand and in default of payment thereof, the Lessor shall have the same remedies for the collection thereof as it has for the collection of rent payable by virtue of these presents;

(e) The Lessor may, whether or not the Lessee is in occupation of the demised land, seize and sell sufficient of the goods and chattels of the Lessee to satisfy any monies overdue and unpaid by virtue of these presents together with the costs of such seizure and sale;

(f) No re-entry, forfeiture or termination of this Lease by the Lessor shall be valid against a mortgagee, chargee or other encumbrancer of the Lessee's estate herein who has filed with the Lessor written notice of his mortgage, charge or encumbrance and specified an address for service, within any City in the Province of Alberta, (such mortgagee, chargee or holder of an encumbrance being hereinafter, in this Subsection 9(f), called "the mortgagee") unless the Lessor shall first have given the mortgagee notice of the default or contingency entitling the Lessor to re-enter, terminate or forfeit this Lease, and of the Lessor's intention to take such proceedings, and requiring the mortgagee to cure the default. The mortgagee shall thereafter have a period of Thirty (30) days within which to cure the default, if the same can reasonably be cured within such period, or within which to begin curing of the same if it cannot be reasonably cured within such period, and shall be permitted access to the demised lands for that purpose. If the mortgagee so cures or begins to cure such default it shall be entitled to continue as Lessee hereunder for the balance of the term remaining at the date of the notice of default, PROVIDED THAT, it attorns as Lessee to the Lessor and undertakes to be bound by and to perform and observe the covenants of the Lessee in this Lease. If this Lease shall be terminated as against the Lessee pursuant to the other provisions hereof, it shall be deemed nevertheless to continue in force between the Lessor and the mortgagee for the balance of the term remaining at the date of termination if the mortgagee shall within Thirty (30) days of the date of the notice referred to in this Paragraph attorn to the Lessor and undertake to be bound by and to perform and observe the covenants of the Lessee in this Lease. Any re-entry, termination or forfeiture of this Lease made in accordance with the provisions of this Lease as against the Lessee shall be valid and effectual against the Lessee even though made subject to the rights of any mortgagee, chargee or encumbrancer of the Lessee's estate to continue as Lessee hereunder;

(g) It is understood and agreed that wherever the consent or the permission of the Lessor is required by the Lessee under the terms of this Lease, then the Lessee may request such consent or permission by giving notice (in the manner provided for herein for the giving of notice) to the Lessor, that it requests such consent or permission.



10. (a) If during the term of this Lease the Lessor desires to sell all or part of the site, then before offering the same for sale or accepting any purchase offer thereon, the Lessor will first offer to the Lessee in writing the right to purchase the site or part thereof at the then fair market value, but excluding any value for the improvements thereon created by the Lessee, PROVIDED THAT if the Lessee contests the suggested purchase price, then each party may appoint an arbitrator and an umpire will be nominated under the Arbitration Act of the Province of Alberta expressly to establish values, both parties to be bound by the results. If the Lessee desires to purchase the site or so much thereof as the Lessor is willing to sell, it shall give the Lessor written notice within Thirty (30) days after the date of mailing by the Lessor of this notice.

(b) Upon the termination of this Lease the Lessee grants to the Lessor the first right to purchase the improvements on the demised land created by the Lessee, but excluding machinery and special equipment installed therein; and if the parties cannot agree as to the fair market value of the said improvements, then the parties agree that the arbitration provisions of Paragraph 10(a) shall apply and the value shall be conclusively determined thereby, both parties to be bound by the results. If the Lessor desires to purchase the improvements, the Lessor shall give written notice not later than the day of termination of the Lease.

(c) On the expiry of the Twenty-Five (25) year term herein granted, should the Lessor not exercise its aforementioned right to purchase, or on an earlier date if the Lease is terminated for cause, the Lessor grants to the Lessee a period of Six (6) months after expiry or termination of the Lease within which such improvements may be removed from the site subject only to the prior payment to the Lessor of any liens, charges or claims arising under this Agreement.

(d) In the event that the Lessor purchases the said improvements then the Lessee will be given a reasonable period, not to exceed Sixty (60) days, within which to remove its machinery and special equipment from the site.



(e) If the Lessee upon the expiration of this Lease, does not sell the improvements to the Lessor, the Lessee shall remove the building and related equipment at the Lessee's own expense and shall leave the site in a safe, neat, clean and tidy condition.

11. The Lessor covenants with the Lessee that upon the Lessee performing and observing all the covenants, conditions and agreements herein contained on its part to be performed and observed, and upon the Lessee paying the rent hereby reserved as and when the same becomes due, it may hold and enjoy the demised land during the said term without any interruption of the Lessor or any party lawfully claiming under it.

12. If the Lessee remains in possession of the demised land after the date of expiration of this Lease, or any renewal thereof, it shall notwithstanding the acceptance of rent after such expiration, be deemed to be and shall be a monthly tenant only, at a monthly rental the same as is payable hereunder at the date of expiration of the Lease term and otherwise subject to all the same terms as are herein contained.

13. (a) The Lessee shall and do hereby assume all risk of loss or injury to property or persons with respect to all of the customers, employees and persons coming upon the demised land at the instance of or with the knowledge or consent of the Lessee and the Lessee shall indemnify and save harmless the Lessor for and from any and all claims, demands, suits, judgments, costs or expenses on account of such loss or injury except such as may be due to the negligence of the Lessor, its servants or agents.

(b) If a suit is brought against the Lessee and/or the Lessor on any claim in respect to which under the terms hereof the Lessor is entitled to protection or indemnity, the Lessee shall upon notice of such suit assume the defence thereof.

(c) The Lessee shall maintain such insurance as will protect it and the Lessor, and as will guarantee its obligation to indemnify the Lessor with respect to any claims for damages for property or personal injury, including death, subject to the exception in sub-paragraph (a) hereof, which may arise from operations under this Lease. A certificate of such insurance shall be filed with the Lessor, if it so requires, and shall be subject to its approval for adequacy of protection, such approval not to be unreasonably withheld. Should the Lessee fail to keep such insurance as herein provided, the Lessor shall have the right after Forty-Eight (48) hours' written notice to the Lessee to effect such insurance at the Lessee's expense without prejudice to any other rights and recourses of the Lessor hereunder.

(d) In the event of damage or destruction from time to time by fire or otherwise the Lessee shall repair, restore or rebuild buildings or improvements on the demised land in accordance with plans and specifications to be approved by the Lessor, such approval not to be unreasonably withheld, with all reasonable dispatch and in any event within Six (6) months from the time of such damage or destruction. In the event of any such damage or destruction the Lessee shall apply any insurance monies recovered by or paid to it to such repair, restoration or rebuilding under plans and specifications approved by the Lessor.

14. Any paved areas between the Lessee's paved apron areas and the adjacent airport paved taxi way shall be constructed and maintained entirely at the Lessee's expense, the location of the paved connections to be subject to the approval of the Airport Manager. It shall also be the responsibility of the Lessee to construct and maintain, at the Lessee's expense, a security fence to secure land site from air site together with gates in such security fence. The type of security fence and location of the gates shall be subject to the approval of the Airport Manager.

15. In the event that the site is partially expropriated for public use by Government other than the City of Edmonton, then if such expropriation substantially and adversely affects the operations of the Lessee upon the

demised premises, the rent due hereunder shall be reduced by such amount as the parties hereto may mutually agree and if the parties cannot so agree the issue may be submitted to arbitration under the Arbitration Act of the Province of Alberta in accordance with the aforementioned procedure.

16. The Lessee does hereby accept this Lease to the above described land to be held by it as tenant subject to the covenants, conditions, and restrictions hereinset forth.

17. Any notice to be given under this Agreement shall be deemed to have been received by the addressee Seventy-Two (72) hours after the same has been mailed in a prepaid enveloped by single registered mail addressed to the

Lessee at:           Transport Canada  
                          Supervisor, Marketing and Properties  
                          Federal Public Building  
                          9820 - 107 Street  
                          Edmonton, Alberta  
                          T5K 1G3

or to the

Lessor at:           Office of the Airport Manager  
                          Edmonton Municipal Airport  
                          2nd Floor, Terminal Building  
                          Edmonton, Alberta  
                          T5G 0W6

or at such other address as the parties may notify each other of, such notice to be in the manner provided for herein.

18. This indenture embodies the entire Agreement between the parties with respect to the leasing of the demised land by the Lessor to the Lessee, and supersedes and replaces any previous Agreements made and entered into between the parties.

19. Everything herein contained shall enure to the benefit of an be binding upon the parties hereto, their successors and assigns respectively.

EXECUTED by the parties hereto the day an year first above written.

THE CITY OF EDMONTON

\_\_\_\_\_  
MAYOR

**APPROVED**

As to Form ..... *Patrice L. ...*  
City Solicitor

As to Contents ..... *Stempel ...*  
Head of Department

As to Principle ..... *... ..*  
City Commissioners  
Manager

\_\_\_\_\_  
CITY CLERK

\_\_\_\_\_  
\_\_\_\_\_  
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APPENDIX A

