

Lease Amending Agreement Terms and Conditions

Effective date of amendments if approved: July 1, 2024.

<i>GENERAL LEASE INFORMATION:</i>	
Landlord:	The City of Edmonton
Tenant:	The Kinsmen Club of Edmonton
Commencement Date: Expiration Date: Extension Option:	September 1, 1997 June 30, 2032 One option of a five-year additional term
Demised Premises:	Plan 8720395, Block 1, Lot 11 as outlined in Attachment 2
Annual Rent:	\$ 1.00 per year
Additional Rent:	The City shall annually invoice to the Tenant for the costs the City incurs to insure the Facility.
<i>SUMMARY PROPOSED AMENDMENTS:</i>	
Kinsmen/City Projects Partner Fund	The partner fund is to be closed and its funds are to be deposited into the capital reserve account. Estimated at \$1.2 million.
Capital Replacement Reserve Contribution by Tenant	Increased from \$65,000 to \$100,000.00 per year plus any surplus funds exceeding \$285,000 per year. Surplus Funds = Revenues - Expenses - Capital Reserve Contribution (\$100K) in any given fiscal year.
Capital Reserve Account	In addition to capital related costs, may also be used for operating expenditure deficiencies resulting from a major repair to structural and capital components. The total on deposit at the end of the lease shall revert to and become the sole property of the City.
Arena Ice Bookings by the City; Fees Paid to the Tenant.	The City shall compensate the tenant for the time booked by the City in the facility at the actual rates established by the City's municipal council for booking City owned ice arenas.

<p>Unfunded Work</p>	<p>Unfunded work means any repair, replacement or alteration work for which Capital Reserve Account funds may be used and that exceeds the current balance of funds in the Capital Reserve Account at the time such work is necessary.</p> <p>Considerations:</p> <ul style="list-style-type: none"> ● Subject to City budget ● Subject to completion within 24 months ● Subject to remaining economic life of Facility ● Provides termination options for both the City and the Kinsmen Club if not feasible for either party.
<p>Sublease Revenue</p>	<p>If the tenant does not maintain one or more subleases or sublicenses in the facility which collectively generate annual rent revenue of at least \$185,000.00, then the City may require the tenant to surrender or sublease to the City any or all such portions of the premises that are not subleased or sublicensed. The City, at its discretion, may use a vacated portion for its own use or sublease it to a third party.</p>

The Lease Amending Agreement shall be in a form acceptable to Legal Services, and in content acceptable to the Branch Manager of Real Estate. The approval of the Lease Amending Agreement includes the approval of such corrective, conformance, and incidental changes to the Terms and Conditions, and to the form and content, as necessary or desirable to implement the Lease Amending Agreement, all as may be subsequently approved by the Branch Manager of Real Estate.