

**RECOMMENDATIONS:**

The SPC on Utilities and Corporate Services recommends that Council:

(1) Authorize the proposed lease subject to the following fundamental terms and conditions:

(a) PROPERTY:

PLAN 1612918  
BLOCK 21  
LOT 2  
EXCEPTING THEREOUT ALL MINES AND MINERALS  
AREA: 2.43 HECTARES (6 ACRES) MORE OR LESS

A portion of a building comprising of net rentable area of approximately 4,940 square feet and improvements, more or less, as shown hatched in red on Attachment 1a.

Municipally known as 1248 Livingston WY NE

(b) PARTIES:

Landlord: Livingston Homeowners Association  
Tenant: The City of Calgary

(c) CONSIDERATION:

Years 1 through 5:  
\$128,440.00 plus G.S.T per year payable in advance in equal monthly instalments of \$10,703.33 plus G.S.T beginning at the start of the first year of the term.

Years 6 through 10:  
\$143,260.00 plus G.S.T per year payable in advance in equal monthly instalments of \$11,938.33 plus G.S.T beginning at the start of the six year of the term.

(d) TERM AND COMMENCEMENT DATE:

Ten (10) years commencing on 2021 March 01.

(e) PERMITTED USES:

For the operation of a municipal fire station and for no other use.

(f) SPECIAL TERMS AND CONDITIONS:

- (i) The Tenant shall not be required to provide a security deposit.
- (ii) The Landlord shall provide a turnkey space per the Tenant's fit-out requirements (the "Landlord's Work"). The cost for the Landlord's Work shall be allocated between the Landlord and the Tenant in accordance with (Recommendation (1)(f)(iii)).
- (iii) The Tenant shall contribute \$1,711,400.25 towards the cost of the Landlord's Work, which amount shall be paid to the Landlord upon execution of the lease and upon Tenant reviewing the Landlord's Work and being satisfied with it. All other costs necessary to complete the Landlord's Work shall be the responsibility of the Landlord.
- (iv) The Tenant shall be responsible for their proportionate share of operating costs, based on the rentable square footage, of the building.
- (v) The Tenant shall be responsible for their proportionate share of utilities based on the rentable square footage of the building, unless separate utility meters are installed for the Tenant.
- (vi) The Tenant shall not be responsible for any property taxes as the Tenant is tax exempt. If property taxes are reduced by the Tenant's tenancy in the building, the Tenant shall receive an equivalent reduction in the amount that it has to pay for operating costs.
- (vii) The Tenant shall have two (2) options to renew of five (5) years each at the then prevailing market rates, as agreed upon by the parties and, failing agreement, to be determined by arbitration.
- (viii) The Tenant, at its sole cost, shall maintain, repair and replace the Property and all Leasehold Improvements so as to keep them in good order and condition.
- (ix) The Landlord grants the Tenant the right to access and use the internal roads, lanes and parking lots located on the property owned by the Landlord in order to enter and exit the Property and to park vehicles in and around the Property.