

### **REQUEST FOR PROPOSALS**

### OPERATOR FOR THE QUEEN ELIZABETH THEATRE RESTAURANT

RFP No. PS20151004

Issue Date: August 20, 2015

Issued by: City of Vancouver (the "City")

### REQUEST FOR PROPOSALS NO. PS20151004 OPERATOR FOR QUEEN ELIZABETH THEATRE RESTAURANT TABLE OF CONTENTS

### TABLE OF CONTENTS

PART A - INFORMATION AND INSTRUCTIONS 1.0 The RFP	Pages A-1 to A-13
2.0 Queen Elizabeth Theatre Restaurant	
3.0 Key Dates	
4.0 Contact Person	
5.0 Contract Requirements - Lease	
6.0 Financial Proposals / Rent	
7.0 Submission of Proposals	
8.0 Changes to the RFP and Further Information	
9.0 Evaluation of Proposals	
10.0 Sustainability	
11.0 Certain Applicable Legislation	
12.0 Legal Terms and Conditions	
13.0 Definitions	
APPENDIX A1 - INFORMATION MEETING AND SITE VISIT ATTENDANCE FO	ORM Page A1-1
PART B - CITY REQUIREMENTS AND ITEMS TO BE ADDRESSED IN PRO	POSALS Pages B-1 to B-5
1.0 City Requirements	
2.0 Items to be Addressed in Proposals	
APPENDIX B1 - SUSTAINABILITY DEFINITIONS	Page B1-1
APPENDIX B2 - ARCHITECTURAL PLAN	Page B2-1
APPENDIX B3 - HAZMAT SURVEY	Page B3-1
APPENDIX B4 - BUILDING CONDITION ASSESSMENT REPORT	Page B4-1
APPENDIX B5 - CIVIC THEATRES RECEPTION SPACES	Page B5-1
APPENDIX B6 - NOTICE TO TENANTS OF CITY OWNED BUILDINGS	Page B6-1
APPENDIX B7 - SERVICE LEVEL AGREEMENT	Page B7-1
PART C - PROPOSAL FORM	Page C-1
APPENDIX C1 - LEGAL TERMS & CONDITIONS	Pages C1-1 to C1-6
PART D - FORM OF LEASE AGREEMENT	Pages D-1 to D-47
ANNEX 1 - SCHEDULE OF DETAILED REQUIREMENTS	Pages 1-1 to 1-3
ANNEX 2 - CERTIFICATE OF EXISTING INSURANCE	Page 2-1
ANNEX 3 - DECLARATION OF SUPPLIER CODE OF CONDUCT COMPLIA	ANCE Page 3-1
ANNEX 4 - VENDOR SUSTAINABILITY LEADERSHIP QUESTIONNAIRE	Pages 4-1 to 4-5

Issued on August 20, 2015 Page i

#### 1.0 THE RFP

This Request for Proposals (the "RFP") provides an opportunity for qualified and experienced Proponents to submit proposals for review by the City of Vancouver ("City") and, depending on the City's evaluation of Proposals, among other factors, to potentially negotiate with the City to enter into an Agreement. Except where expressly stated otherwise in Appendix C1 to Part C of the RFP: (i) no part of the RFP consists of an offer by the City to enter into any contractual relationship; and (ii) no part of the RFP is legally binding on the City.

The RFP concerns the City's interest in entering an Agreement with a Proponent that would operate as a lessee the QET Restaurant as further described herein. Details of the City's objectives and requirements to which the RFP relates are set out in Part B of the RFP, Annex 1 to the RFP, and information made available in the Information Meeting and Site Visit. The City welcomes Proposals respecting innovative or novel approaches to the City's objectives and requirements.

1.2 The City is interested in selecting a Proponent with the capability and experience to efficiently and cost-effectively meet the objectives and requirements described in the RFP. The successful Proponent will have a unique market presence and cachet factor that reflects the urban Vancouver Arts & Entertainment community, and complements the iconic Civic Theatres brand.

The City currently expects to select such Proponent and then enter into negotiations with the Proponent, which will conclude in the execution of an Agreement between the Proponent and the City. However, the City may: (i) decline to select any Proponent; (ii) decline to enter into any Agreement; (iii) select multiple Proponents for negotiation; or (iv) enter into one or more agreements respecting the subject matter of the RFP with one or more Proponents or other entities at any time. The City may also terminate the RFP at any time.

- 1.3 The City currently intends that Proposals will be evaluated by the City in relation to their overall value, which will be assessed in the City's sole and absolute discretion. In assessing value, the City expects to consider the factors described in Section 9 below, among others.
- 1.4 NO BID SECURITY IS REQUIRED FROM PROPONENTS IN CONNECTION WITH THE SUBMISSION OF PROPOSALS BECAUSE NO PROPOSAL WILL BE DEEMED TO BE AN IRREVOCABLE OR OTHERWISE BINDING LEGAL OFFER BY A PROPONENT TO THE CITY. THE LEGAL OBLIGATIONS OF A PROPONENT THAT WILL ARISE UPON THE SUBMISSION OF ITS PROPOSAL WILL BE LIMITED TO THE TERMS AND CONDITIONS STATED UNDER THE HEADING "LEGAL TERMS & CONDITIONS" IN APPENDIX C1 TO THE PROPOSAL FORM (PART C).
- 1.5 The execution of any Agreement may be contingent on the relevant Proposal being approved, by Vancouver City Council. In addition, City background, reference and security checks must be completed satisfactorily prior to the City entering into any Agreement with any (successful) Proponent.
- 1.6 Certain capitalized terms used herein but not defined where first used are defined in Section 13 below.
- 1.7 The RFP consists of four parts:
  - (a) PART A INFORMATION AND INSTRUCTIONS: This part is intended to serve as a guide to the RFP process for Proponents.
  - (b) PART B CITY REQUIREMENTS AND ITEMS TO BE ADDRESSED IN EACH PROPOSAL: This part describes the subject matter of the RFP, in respect of which the City invites

Proposals. This part also stipulates the information that should be contained in each Proposal.

- (c) PART C PROPOSAL FORM: This part consists of the Proposal Form to be completed by each Proponent in connection with its Proposal. Each Proposal must be submitted under the cover of a duly completed and executed Proposal Form.
- (d) PART D FORM OF LEASE AGREEMENT: This part contains a model lease agreement. A lease agreement in this form may be entered into between the City and a successful Proponent.

#### 2.0 QUEEN ELIZABETH THEATRE RESTAURANT

### 2.1 Objectives of the RFP

- (a) The City's Civic Theatres seeks a qualified and experienced Operator for the Queen Elizabeth Theatre (QET) Restaurant.
- (b) The Operator of the QET Restaurant shall have a unique market presence and cachet factor that reflects the urban Vancouver Arts & Entertainment community, complements the iconic Civic Theatres brand, and shall, at minimum:
  - Enter into a Lease Agreement in substantially the form included in Part D Form of Lease Agreement;
  - Pay to Civic Theatres a minimum fixed annual basic rent ("Basic Rent") payable annually or monthly as specifically defined in Section 1.03 of Part D Form of Lease Agreement. The City's goal is to achieve a Basic Rent of no less than \$120,000 per year;
  - Pay a set percentage of gross revenues from food and beverage sales ("Gross Revenues", as more particularly described in Section 1.03 of Part D Form of Lease Agreement) ("Percentage Rent") payable monthly;
  - Pay Civic Theatres an amount in lieu of property taxes as if levied, to be set by the City, and which shall be in addition to the Basic Rent and Percentage Rent;
  - Provide tenant improvements meeting Civic Theatres standard of operations;
  - Operate the QET Restaurant year-round, 7 days per week, for lunch and dinner;
  - Align its business model with the Civic Theatres Vision;
  - Work collaboratively and strategically with Civic Theatres vision (i.e. marketing, branding, goal to achieve excellence; customer service, etc.);
  - Have available post-show service to Queen Elizabeth Theatre and Vancouver Playhouse patrons;
  - Utilize outdoor patio space; and
  - Have a valid Liquor License.

The Operator of the QET Restaurant will have the option of becoming one of Civic Theatres' pre-qualified caterers, under the City's Request for Applications, PS20150681 'Provision of Catering Services for Civic Theaters'.

### 2.2 City-provided

Civic Theatres will provide the following:

QET Restaurant:

- interior restaurant space (2,831.6 square feet including kitchen space);

Issued on August 20, 2015 Page A-2

- exterior patio space (6.6 metres x 22 metres);
- base building (where base building is defined as the existing shell of a building prior to the installation of tenant improvements, and consists of structural elements, the building envelope, and building equipment or systems (such as heat, ventilation, air conditioning, electrical, and mechanical systems) providing essential services, up to the tenant space);
- ongoing base building maintenance (refer to Appendix B7 Service Level Agreement); and
- restaurant equipment (in 'as-is' and 'where-is' condition):
  - 1 x Custom "U"-shaped soiled dish tabling
  - 1 x Custom overhead glass/cup rack sorter
  - 1 x Double Compartment sink
  - 1 x Dishwasher
  - 1 x Custom clean dish tabling "L" Shaped
  - 1 x Ice Cuber and bin
  - 1 x Double oven range with four Burners, 24" griddle plate
  - 1 x Double convection oven gas
  - 1 x Exhaust Ventilation System 156" x 84"
  - 1 x Refrigerated Sandwich/Salad Station
  - 1 x Walk-in cooler room
  - 1 x Double door freezer
  - 1 x Preparation table with prep sink
  - 3 x Preparation tables

### 2.3 Good Neighbour Agreement

The City and the successful Proponent will enter into a Good Neighbour Agreement that will address potential areas of concern relating to the nearby residential community. Proponents should identify the following issues and ways to mitigate any possible disruption to the community in their Operations and Management Plan:

- a) prospective hours of operation;
- b) delivery schedule;
- c) external noise (outdoor seating and customers exiting QET Restaurant;
- d) maintenance of building and grounds; and
- e) other criteria suggested by the Proponent.

#### 3.0 KEY DATES

3.1 Potential Proponents should note the following key dates:

Event	Time and Date
Deadline for submission of Information Meeting and Site Visit registration form (Appendix A1 to this Part A)	3:00 PM [PST] September 2, 2015
Information Meeting and Site Visit Address: Civic Theatres located at 649 Cambie Street, Vancouver V6B 2P1	10:00 AM - 11:30 AM [PST] September 10, 2015
Deadline for Enquiries	3:00 PM [PST] October 13, 2015
Closing Time	3:00 PM [PST] October 19, 2015

3.2 All references to time in the RFP are references to the time in the City of Vancouver, as shown on the clock used by the City for the purposes of requests for proposals.

#### 4.0 CONTACT PERSON

4.1 All enquiries regarding the RFP must be addressed to:

Diana Chan, Contracting Specialist diana.chan@vancouver.ca

- 4.2 All enquiries must be made in writing. In-person or telephone enquiries are not permitted.
- 4.3 IF A POTENTIAL PROPONENT BELIEVES THAT THE CITY MAY BE UNABLE TO SELECT IT DUE TO A CONFLICT OF INTEREST, BUT IS UNCERTAIN ABOUT THIS, THE POTENTIAL PROPONENT IS URGED TO CONTACT THE ABOVE-MENTIONED INDIVIDUAL AS SOON AS POSSIBLE WITH THE RELEVANT INFORMATION SO THAT THE CITY MAY ADVISE THE POTENTIAL PROPONENT REGARDING THE MATTER. SEE SECTION 12.2(I), (m) and (n) BELOW FOR AN INDICATION OF THE TYPES OF CONFLICTS OF INTEREST THAT OFTEN ARISE.

### 5.0 CONTRACT REQUIREMENTS - LEASE

- The successful Proponent is expected to enter into a lease agreement for the Premises (the "Lease") with the City substantially in accordance with the form of lease agreement in Part D of this RFP. The City will at all times own the site and the Premises, provided that all trade fixtures and furnishings installed in the Premises by the successful Proponent may be removed in accordance with the Lease. If a Proponent wishes to propose modifications to the form of lease agreement, the Proponent should so indicate in its Proposal and include its proposed contract language.
- The initial term of the Lease is currently expected to be for seven (7) years, with one (1) option to renew for a further term of five (5) years, for an expected total possible lease term of twelve (12) years. If a Proponent wishes the City to consider a different term, the Proponent must so indicate in its Proposal.
- Each Proponent should particularly review the following requirements set out in the form of lease agreement attached as Part D and satisfy itself that they can comply with the terms and

Issued on August 20, 2015 Page A-4

conditions therein (or else specify in its Proposal that it cannot comply with one or more of them):

- (a) Security deposit requirements (Section 1.12 of the form of lease agreement);
- (b) Security agreement requirements (Section 11.08 of the form of lease agreement);
- (c) Insurance requirements (Article 6 of the form of lease agreement); and
- (d) Indemnification requirements (Section 4.03 of the form of lease agreement).
- 5.4 The execution of any Agreement will be subject to the successful Proponent having a valid City of Vancouver business license.

#### 6.0 FINANCIAL PROPOSALS / RENT

- 6.1 The structure for the payment of rent in the Lease is intended to be comprised of:
  - (a) a minimum fixed annual basic rent ("Basic Rent") payable annually or monthly as specifically defined in Section 1.03 of the Form of Lease Agreement;
  - (b) a set percentage of gross revenues from food and beverage sales ("Gross Revenues", as more particularly defined in the Lease) ("Percentage Rent") payable monthly; and
  - (c) a payment in lieu of property taxes as if levied, to be set by the City, and which shall be in addition to the Basic Rent and Percentage Rent,

all as further described in Part B of this RFP and in Section 1.03 of the form of lease agreement attached as Part D.

### <u>In evaluating the overall value of Proposals, the City's goal is to achieve a Basic Rent of no less than \$120,000 per year.</u>

- 6.2 Each Proponent is to set out in its Proposal its proposed Basic Rent and its proposed Percentage Rent for each year of the term of the Lease.
- 6.3 When considering rent, Proponents should take into account the possible costs of site improvements, all of which will be borne by a successful Proponent. See Part B for more information.
- 6.4 Payments must be in Canadian currency.

#### 7.0 SUBMISSION OF PROPOSALS

- 7.1 Proponents should submit their Proposals in writing on or before the time and date specified in the bottom row of the table in Section 3.1 above (the "Closing Time").
- 7.2 Each Proponent should submit its Proposal in an envelope clearly marked with the Proponent's name and the RFP title and number ("Operator for Queen Elizabeth Theatre Restaurant; PS20151004") to the following address:

City of Vancouver Supply Chain Management Department Vancouver City Hall 453 West 12<sup>th</sup> Avenue

Issued on August 20, 2015 Page A-5

Vancouver, BC V5Y 1V4

Notwithstanding the foregoing, envelopes submitted by courier or otherwise in-person should be delivered to:

Information Desk, Main Floor Rotunda, Vancouver City Hall 453 West 12th Avenue Vancouver, British Columbia Canada, V5Y 1V4

- 7.3 To be considered by the City, a Proposal must be submitted under the cover of a Proposal Form, completed and duly executed by the relevant Proponent, including Appendix C1 thereto.
- 7.4 Amendments to a Proposal may be submitted via the same methods, at any time prior to the Closing Time.
- 7.5 Proposals must not be submitted by fax or email.
- 7.6 The City requests that one hard copy and one electronic copy (on a flash drive or memory stick) of each Proposal (or amendment) be submitted. The electronic copy should be in one file (not multiple files), and in the same order as the hard copy.
- 7.7 Proposals should be bound in three-ring binders.
- 7.8 Proposals are revocable and may be withdrawn at any time before or after the Closing Time.
- 7.9 All costs associated with the preparation and submission of a Proposal, including any costs incurred by a Proponent after the Closing Time, will be borne solely by the Proponent.
- 7.10 Unnecessarily elaborate Proposals are discouraged. Proposals should generally be limited to the items specified in Part B of the RFP.
- 7.11 The City is willing to consider any Proposal from two or more Proponents that wish to form a consortium solely for the purpose of submitting a joint Proposal in response to the RFP, provided that they disclose the names of all members of the consortium and all members complete and execute a Proposal Form (Part C). Nonetheless, the City has a strong preference for Proposals submitted by a single Proponent.
- 7.12 Proposals that are submitted after the Closing Time or that otherwise do not comply in full with the terms hereof may or may not be considered by the City and may or may not be returned to the Proponent, in the City's sole discretion.

### 8.0 CHANGES TO THE RFP AND FURTHER INFORMATION

- 8.1 The City may amend the RFP or make additions to it at any time.
- 8.2 It is the sole responsibility of Proponents to check the City's website at: <a href="http://vancouver.ca/doing-business/open-bids.aspx">http://vancouver.ca/doing-business/open-bids.aspx</a> regularly for amendments, addenda, and questions and answers in relation to the RFP.
- Proponents must not rely on any information purported to be given on behalf of the City that contradicts the RFP, as amended or supplemented in accordance with the foregoing Section 8.2.

- An information meeting and Site Visit will be held to enable Proponents to seek clarification with respect to any aspect of the RFP in a group forum, and to visit the QET Restaurant site. The details are specified in Section 3.1 above.
  - NOTE: It is strongly advised that Proponents attend the Proponents' Information Meeting and Site Visit.
- Potential Proponents are encouraged to read the RFP and submit any questions relating to the RFP to the Contact Person prior to the Information Meeting and Site Visit.
- Potential Proponents interested in attending the Information Meeting and Site Visit should preregister for the Information Meeting and Site Visit by completing and submitting the form contained in Appendix A1 to this Part A, by e-mail to the Contact Person, on or before the time and date specified in Section 3.1 above.
- 8.7 The City will in good faith attempt to give accurate oral responses to questions posed during the Information Meeting and Site Visit but Proponents are advised that they may only rely on the written information contained herein or in documents posted to the City's website, as described in Section 8.2 above.

#### 9.0 EVALUATION OF PROPOSALS

- 9.1 The City may open or decline to open Proposals in such manner and at such times and places as are determined by the City.
- 9.2 The City currently intends that all Proposals submitted to it in accordance with the RFP will be evaluated by City representatives, using quantitative and qualitative tools and assessments, as appropriate, to determine which Proposal or Proposals offer the overall best value to the City. In so doing, the City expects to examine not only financial terms, but also (i) Proponents' skills, knowledge, reputations and previous experience(s), including experience(s) with the City (if any); (ii) Proponents' capabilities to meet the City's Requirements (as defined in Part B) as and when needed, (iii) quality and service factors, (iv) innovation, (v) environmental or social sustainability impacts; (vi) transition costs or challenges; and (vii) proposed uses of sustainable sources of ingredients/supplies. Certain other factors may be mentioned in Part B or elsewhere in the RFP.
- 9.3 The City will retain complete control over the RFP process at all times until the execution and delivery of an Agreement or Agreements, if any. The City is not legally obligated to review, consider or evaluate Proposals, or any particular Proposal, and need not necessarily review, consider or evaluate Proposals, or any particular Proposal in accordance with the procedures set out in the RFP. The City may continue, interrupt, cease or modify its review, evaluation and negotiation process in respect of any or all Proposals at any time without further explanation or notification to any Proponents.
- 9.4 The City may, at any time prior to signing any Agreement, discuss or negotiate changes to the scope of the RFP with any one or more of the Proponents without having any duty or obligation to advise the other Proponents or to allow the other Proponents to vary their Proposals as a result of such discussions or negotiations.
- Proponents may be asked to provide additional information or details for clarification, including by attending interviews, making presentations, supplying samples, performing demonstrations, furnishing technical data or proposing amendments to a form of agreement. The City will be at liberty to negotiate in parallel with one or more short-listed Proponents, or in sequence, or in any combination, and may at any time terminate any or all negotiations.
- 9.6 Prior to approval of a Proposal, the City must be satisfied as to the Proponent's financial stability. Proponents may be asked to provide financial statements prepared by an accountant and covering at least the prior two years.
- 9.7 The City may request that any proposed subcontractors undergo evaluation by the City.
- 9.8 The City is not under any obligation to approve any Proposal and may elect to terminate the RFP at any time.
- 9.9 For the avoidance of doubt, notwithstanding any other provision in the RFP, the City has in its sole discretion, the unfettered right to:
  - (a) accept any Proposal;
  - (b) reject any Proposal;
  - (c) reject all Proposals;
  - (d) accept a Proposal which is not the highest-rent proposal;

- (e) accept a Proposal that deviates from the Requirements or the conditions specified in the RFP;
- (f) reject a Proposal even if it is the only Proposal received by the City;
- (g) accept all or any part of a Proposal;
- (h) split the Requirements between one or more Proponents; and
- (i) enter into one or more agreements respecting the subject matter of the RFP with any entity or entities at any time.

Without limiting the foregoing, the City may reject any Proposal by a Proponent that has a conflict of interest, has engaged in collusion with another Proponent or has otherwise attempted to influence the outcome of the RFP other than through the submission of its Proposal.

#### 10.0 SUSTAINABILITY

- 10.1 The City's Procurement Policy, Ethical Purchasing Policy and related Supplier Code of Conduct found at <a href="http://vancouver.ca/doing-business/selling-to-and-buying-from-the-city.aspx">http://vancouver.ca/doing-business/selling-to-and-buying-from-the-city.aspx</a> align the City's approach to procurement with its corporate social, environmental and economic sustainability values and goals. They evidence the City's commitment to maximize benefits to the environment through product and service selection, and to ensure safe and healthy workplaces, where human and civil rights are respected. Each Proponent is expected to adhere to the supplier performance standards set forth in the Supplier Code of Conduct. The Ethical Purchasing Policy shall be referred to in the evaluation of Proposals, to the extent applicable.
- 10.2 Proponents are to provide environmentally sensitive products or services wherever possible. Where there is a requirement that the Proponent supply materials, and where such materials may cause adverse environmental effects, the Proponent is to indicate the nature of the hazard(s) in its Proposal. Furthermore, the Proponent is to advise the City of any known alternatives or substitutes for such materials that would mitigate such adverse effects.

### 11.0 CERTAIN APPLICABLE LEGISLATION

- Proponents should note that the City of Vancouver is subject to the *Freedom of Information* and *Protection of Privacy Act* (British Columbia), which imposes significant obligations on the City's consultants or contractors to protect all personal information acquired from the City in the course of providing any service to the City.
- Proponents should note that the *Income Tax Act* (Canada) requires that certain payments to non-residents be subject to tax withholding. Proponents are responsible for informing themselves regarding the requirements of the *Income Tax Act* (Canada), including the requirements to qualify for any available exemptions from withholding.

### 12.0 LEGAL TERMS AND CONDITIONS

- The legal obligations of a Proponent that will arise upon the submission of its Proposal are stated in Appendix C1 to the Proposal Form (Part C). Except where expressly stated in such Appendix C1: (i) no part of the RFP consists of an offer by the City to enter into any contractual relationship; and (ii) no part of the RFP is legally binding on the City.
- Potential Proponents should review Appendix C1 to the Proposal Form carefully before submitting a Proposal. Among other things, potential Proponents should note that:

- (a) Except for limited duties in respect of the protection of confidential information and the resolution of legal disputes (as fully specified in Appendix C1 to the Proposal Form), the City does not have, and will not have, any legal obligations to a Proponent or to any proposed subcontractor of that Proponent in respect of the RFP or that Proponent's Proposal until such time as an Agreement is entered into with that Proponent.
- (b) The City is a public body required by law to act in the public interest. In no event, however, does the City owe to the Proponent or to any of the Proponent's proposed subcontractors (as opposed to the public) any contract or tort law duty of care, fairness, impartiality or procedural fairness in the RFP process, or any contract or tort law duty to preserve the integrity of the RFP process.
- (c) Except only and to the extent that the City is in breach of its duties with respect to a Proponent's confidential information, each Proponent is required to broadly release the City, its officials, its agents and its employees from liability for any losses incurred by the Proponent.
- (d) Except only and to the extent that the City is in breach of its duties with respect to a Proponent's confidential information, each Proponent is required to broadly indemnify and hold harmless the City, its officials, its agents and its employees from and against losses in respect of any claim or threatened claim against any of them.
- (e) Except with respect to the City's duties in respect of a Proponent's confidential information, even to the extent the city is found to have breached any duty to the Proponent, if any, the liability of the City, its officials, its agents and its employees to the Proponent will be limited to \$100.
- (f) With limited exceptions set forth in such Appendix C1 to the Proposal Form, any dispute between the City and a Proponent will be subject to arbitration.
- (g) All RFP-related documents provided to any Proponent by the City remain the property of the City and must be returned to the City, or destroyed, upon request by the City.
- (h) The documentation containing any Proposal, once submitted to the City, becomes the property of the City, and the City is under no obligation to return the Proposal to the Proponent.
- (i) The City will treat any Proposal (and the City's evaluation of it), in confidence in substantially the same manner as it treats its own confidential material and information, subject, however, to the applicable provisions of the *Freedom of Information and Protection of Privacy Act* (British Columbia), other applicable legal requirements, and the City's full right to publicly disclose any and all aspects of the Proposal in the course of publicly reporting to the Vancouver City Council or announcing the results of the RFP to Proponents.
- (j) Proponents must not divulge or disclose to any third parties any non-public documents or information concerning the affairs of the City, which have been or are in the future provided or communicated to a Proponent at any time (whether before, during or after the RFP process). Furthermore, each Proponent must agree to not use or exploit any such non-public documents or information in any manner, including in submitting its Proposal.
- (k) Each Proponent must waive any rights to obtain any records produced or kept by the City in evaluating its Proposal (and any other submissions) and must agree that under

no circumstances will it make any application to the City or any court for disclosure of any records pertaining to the receipt, evaluation or selection of its Proposal (or any other submissions), including, without limitation, records relating only to the Proponent.

- (I) Each Proponent must disclose whether any officer, director, shareholder, partner, employee or contractor of the Proponent or of any of its proposed subcontractors, or any other person related to the Proponent's or any proposed subcontractor's organization (a "person having an interest") or any spouse, business associate, friend or relative of a person having an interest is:
  - i. an elected official or employee of the City; or
  - ii. related to or has any business or family relationship with an elected official or employee of the City,

in each case such that there could be any conflict of interest or an appearance of a conflict of interest in the evaluation or consideration of the Proponent's Proposal by the City. The City will evaluate each matter disclosed to determine whether and to what extent the Proponent can be given consideration in the RFP in light of the particular matter.

- (m) Each Proponent must disclose whether any person having an interest (as defined above) is a former official, former employee or former contractor of the City who has non-public information relevant to the RFP obtained during his or her employment or engagement by the City. The City will evaluate each matter disclosed to determine whether and to what extent the Proponent can be given consideration in the RFP in light of the particular matter.
- (n) Each Proponent must disclose whether the Proponent or any of its proposed subcontractors is currently engaged in supplying (or is proposing to supply) goods or services to a third party such that entering into an agreement with the City in relation to the subject matter of the RFP would create a conflict of interest or the appearance of a conflict of interest between the Proponent's duties to the City and the Proponent's or its subcontractors' duties to such third party. The City will evaluate each matter disclosed to determine whether and to what extent the Proponent can be given consideration in the RFP in light of the particular matter.
- (o) Each Proponent is required to disclose whether the Proponent is competing for purposes of the RFP with any entity with which it is legally or financially associated or affiliated. Each Proponent must also disclose whether it is cooperating in any manner in relation to the RFP with any other Proponent responding to the RFP. The City will evaluate each matter disclosed to determine whether and to what extent the Proponent can be given consideration in the RFP in light of the particular matter.
- (p) Each Proponent is required to disclose whether it or any officer, director, shareholder, partner, employee or agent of the Proponent or any of its proposed subcontractors: (1) is registered as a lobbyist under any lobbyist legislation in any jurisdiction in Canada or in the United States of America; or (2) has engaged in any form of political or other lobbying whatsoever with respect to the RFP or sought, other than through the submission of its Proposal, to influence the outcome of the RFP process. The City will evaluate each matter disclosed to determine whether and to what extent the Proponent can be given consideration in the RFP in light of the particular matter.

- (q) A Proponent must not disclose or promote any relationship between it and the City, including by means of any verbal declarations or announcements and by means of any sales, marketing or other literature, letters, client lists, press releases, brochures, web sites or other written materials (whether in print, digital, electronic or other format) without the express prior written consent of the City. Each Proponent must undertake not to use the name, official emblem, mark, or logo of the City without the express prior written consent of the City.
- (r) Any Proposal which contains an error, omission or misstatement, which contains qualifying conditions, which does not fully address all of the requirements or expectations of the RFP, or which otherwise fails to conform to the RFP may or may not be rejected by the City at the City's sole discretion. The City may also invite a Proponent to adjust its Proposal to remedy any such problem, without providing the other Proponents an opportunity to amend their Proposals.

#### 13.0 DEFINITIONS

- 13.1 In the RFP, the following capitalized terms have the following meanings:
  - (a) "Agreement" means any contract entered into between the City and a successful Proponent, if any, following the conclusion of the RFP process; provided that such contract is expected to be entered into a Lease substantially in accordance with the form of lease agreement in Part D of this RFP;
  - (b) "City" means the City of Vancouver, a municipal corporation continued pursuant to the Vancouver Charter:
  - (c) "Form of Agreement" means the form of agreement contained in Part D of this RFP;
  - (d) "Proponent" means an entity, which is not, by the terms hereof, restricted from submitting a Proposal, and which does submit a Proposal;
  - (e) "Proposal" means a proposal submitted in response to the RFP; and
  - (f) "Proposal Form" means the form contained in Part C of the RFP.
- 13.2 All other capitalized terms used in the RFP have the meanings given to them elsewhere in the RFP.

### APPENDIX A1 TO PART A



FINANCIAL SERVICES GROUP Supply Chain Management

Re. Request for Proposals No. PS20151004, Operator for Queen Elizabeth Theatre Restaurant

It is highly recommended that interested Proponents attend the Information Meeting and Site Visit.

To acknowledge your intent to attend the September 10, 2015 10:00am-11:30am Information Meeting and Site Visit and to ensure that you receive the required information, <u>please submit this form, and any questions you wish to be addressed during the Information Meeting and Site Visit, to the Contact Person on or before September 2, 2015</u>:

Diana Chan, Contracting Specialist City of Vancouver Email: diana.chan@vancouver.ca

Proponent's Name:	
Address: _	
_	
Key Contact Person:	
Telephone:	Fax:
E-mail:	Incorporation Date:
	WILL NOT □ attend the information meeting and Site Visit for Request for O4, Operator for Queen Elizabeth Theatre Restaurant.
	Signature
	Name of Authorized Signatory
	E-mail Address
	Date

Issued on August 20, 2015

### 1.0 CITY REQUIREMENTS

- 1.1 The City has the following objectives and requirements (together, the "Requirements"):
  - (a) QET Restaurant: the interested Proponent must be an experienced and competent food service operator with the experience and capability to operate the Queen Elizabeth Theatre Restaurant, have the ability to provide catering services to the Civic Theatres' four venues, and must meet the minimum requirements listed in Part A Information and Instructions, Section 2.1(b);
  - (b) Any successful Proponent is expected to comply with Part A Section 2.3 Good Neighbour Agreement.
  - (c) Further information regarding the Requirements is contained in:
    - (i) Annex 1 Schedule of Detailed Requirements, to the RFP;
    - (ii) Appendix B2 Architectural Plan;
    - (iii) Appendix B3 Hazmat Survey;
    - (iv) Appendix B4 Building Condition Assessment Report;
    - (v) Appendix B6 Notice to Tenants of City Owned Buildings;
    - (vi) Appendix B7 Service Level Agreement; and
    - (vii) information made available to Proponents attending the Information Meeting and Site Visit.
- Proponents should refer to Appendix B2 and note that 6.6 metres x 22 metres can be developed as patio area of the Queen Elizabeth Theatre Restaurant. The Operator must have a Liquor License extension on the plaza.
- Proponents should carefully review and understand Appendix B3 Hazmat Survey, and Appendix B4 Building Condition Assessment Report, and provide detailed descriptions of what tenant improvements they propose to make as the successful Proponent. Proponents shall understand that the Hazmat Survey and the Building Condition Assessment Report include estimated costs, and represent what is known to the City as at the date of this RFP; however, additional information may become known after the date of this RFP, which may result in additional costs, and in any case all costs shall be borne entirely by the Operator.
- 1.4 <u>Proponents should carefully review and understand the hazmat process and expectations described in Appendix B6 Notice to Tenants of City Owned Buildings. The Operator shall bear the full cost of abatement work.</u>
- 1.5 The Requirements stated herein are current as of the date hereof, but they may change or be refined in the course of the evaluation of Proposals or otherwise.

#### 2.0 ITEMS TO BE ADDRESSED IN EACH PROPOSAL

2.1 Each Proposal should have: (i) a title page that clearly indicates the name of the Proponent and the general nature of the Proposal; (ii) a detailed table of contents; and (iii) an executive summary no more than one page long.

- 2.2 Each Proposal should contain a section titled "Management Proposal," which should address the Requirements. This section of the Proposal should include the following:
  - (a) Proponent Overview (refer to section 2.4, below);
  - (b) Key Personnel (refer to section 2.5, below);
  - (c) References (refer to section 2.7, below);
  - (d) Subcontractors (refer to section 2.8, below);
  - (e) Work Plan (refer to section 2.10, below);
  - (f) Sustainability (refer to section 2.11, below):
  - (g) Deviations & Variations (refer to section 2.12, below);
  - (h) Conflicts; Collusion; Lobbying (refer to section 2.13, below);
  - (i) Annex 2 Certificate of Existing Insurance (refer to section 2.14, below);
  - (j) Letter from Insurance Broker (refer to section 2.14, below);
  - (k) WorkSafe BC clearance letter (refer to section 2.15, below);
  - (I) Proposal Form (refer to section 2.16, below);
  - (m) Appendix C1 to Proposal Form (refer to section 2.16, below);
  - (n) Ability to provide a cash security deposit or demand letter of credit in the amount of \$50,000 (refer to section 2.17, below); and
  - (o) Detailed responses to: Annex 1 Schedule of Detailed Requirements.
- 2.3 Each Proposal should contain a section titled "Commercial Proposal," which should contain full details of the Proponent's proposed financial proposal / rent, which should be in accordance with Part A. Section 6 of the RFP:
  - (a) a proposed amount of fixed annual Basic Rent payable annually or monthly as specifically defined in Section 1.03 of the Form of Lease Agreement;
  - (b) a proposed set Percentage Rent, payable monthly;
  - (c) at least three (3) years' audited financial statements (note: If the Proponent is unable to provide audited financial statements, the Proponent must state a reason.);
  - (d) a five (5) year financial forecast (proforma financial statements) for the QET Restaurant; and
  - (e) anticipated capital investment, inclusive of specific tenant improvements the Proponent plans to undertake as the successful Operator (as appropriate, include cross-references to Proponent's response to section (a) of Annex 1 Schedule of Detailed Requirements).

As noted in Part A, Section 6, in evaluating the overall value of Proposals, the City's goal is to achieve a Basic Rent of no less than \$120,000 per year. The City will set the amount of the payment in lieu of property taxes, which shall be in addition to the Basic Rent and Percentage Rent.

- 2.4 Each Proposal should contain a section titled "Proponent Overview," which should include:
  - (a) Full corporate name, incorporation date and number;
  - (b) location of head office, number and location of branches;
  - (c) current directors and officers;
  - (d) a description of the Proponent's company, purpose and history of successes;
  - (e) a statement of the Proponent's food philosophy;
  - (f) number of years of operation;
  - (g) history of any closures of operation since the date of incorporation;
  - (h) a valid City of Vancouver business license (or, if available, a Metro West Intermunicipal Business License);
  - (i) customer base Canadian and worldwide; and
  - (j) relevant experience in providing first-class food service operations.
- 2.5 Each Proposal should contain a section titled "Key Personnel," which should identify and provide professional biographical information for the key personnel that would perform the Proponent's work, outlining their intended roles in meeting the Requirements. If appropriate, also include a complete organization chart, identifying all roles and areas of responsibility.
- 2.6 Preference may be given to Proponents and proposed personnel that demonstrate knowledge and experience involving the operation of a first-class restaurant and/or live music venue space. Each Proponent should make clear in its Proposal its relevant knowledge and experience, and that of its proposed personnel.
- 2.7 Each Proposal should contain a section titled "References," which should provide names and contact information for approximately three parties, including previous landlords, for whom the Proponent has entered into contractual arrangements similar to that proposed in this RFP.
- 2.8 Each Proposal should contain a section titled "Subcontractors," which should list all of the subcontractors that the Proponent proposes to use in carrying out its work under an Agreement, or state that the Proponent does not propose to use any subcontractors. If selected to enter into an Agreement with the City, the Proponent may be limited to using subcontractors listed in its Proposal.
- 2.9 If the City objects to a subcontractor listed in a Proposal, the City may permit a Proponent to propose a substitute Subcontractor acceptable to the City.
- 2.10 Each Proposal should contain a section titled "Work Plan," which should detail the sequential process by which the Proponent proposes to undertake the work, and which should include a timeline as necessary. The Proponent's work plan should make reference to the Requirements

- as appropriate. This section of the Proposal may be completed by cross-referencing the "Management Proposal" section where appropriate.
- 2.11 The City is committed to environmental and socio-economic sustainability. Therefore, each Proposal should contain a section titled "Sustainability," wherein the Proponent should describe the environmental and social aspects of its Proposal, inclusive of the following:
  - (a) a description of what waste management plan will be implemented during the operation of the QET Restaurant to minimize waste generated and divert as much waste as possible from the landfill or incinerator through initiatives such as separating of waste streams, composting, and cooking oil recovery;
  - (b) a description of how the Operator would maximize the use of Sustainable Food ingredients and beverages in operating the QET Restaurant (where Sustainable Food is defined in Appendix B1). As a Fair Trade Town, the City also wishes to encourage the Operator to serve Fair Trade Certified tea, coffee and sugar;
  - (c) a description of how the Operator would propose to use one or more Social Enterprises and/or directly hire persons with barriers to employment in the operation of the QET Restaurant (refer to Appendix B1 for definitions of Social Enterprises and persons with barriers to employment);
  - (d) a duly completed Declaration of Supplier Code of Conduct Compliance in the form of Annex 3; and
  - (e) a Vendor Sustainability Leadership Questionnaire in the form of Annex 4.
- 2.12 Notwithstanding any other provision hereof, the City welcomes Proposals respecting innovative or novel approaches to the City's objectives and requirements and may consider value-creating Proposals that derogate from the Requirements. Each Proposal should contain a section titled "Deviations and Variations," in which the Proponent should:
  - (a) note proposed deviations or variations from the terms and conditions set out in the RFP or from the Requirements, even if such deviations or variation are also noted elsewhere in the Proposal; and
  - (b) detail proposed amendments to the Form of Lease Agreement. <u>If no amendments to the Form of Lease Agreement are proposed, the Proponent should state that its Proposal is fully consistent with the Form of Lease Agreement.</u>
- 2.13 Each Proponent should note Section 9 of Appendix C1 to Part C and should include in its Proposal a section entitled "Conflicts; Collusion; Lobbying" as necessary.
- 2.14 Each Proponent should submit with its Proposal a Certificate of Existing Insurance, in the form of Annex 2 to the RFP, duly completed and signed by its insurance agent or broker as evidence of its existing insurance, along with a letter from its insurance broker or agent indicating whether or not (and, if not, then to what extent) it will be able to comply with the insurance requirements set out in the Form of Lease Agreement, should the Proponent be selected as a successful Proponent. Any successful Proponent will also be required to provide proof of the satisfaction of all insurance requirements prior to or concurrently with the City entering into any Agreement.

- 2.15 Each Proponent should submit with its Proposal proof of valid WorkSafeBC registration, in the form of a current clearance letter from WorkSafeBC confirming coverage. Such registration should be maintained as specified in the Form of Lease Agreement.
- 2.16 Each Proposal must be submitted under the cover of a completed Proposal Form, including Appendix C1 thereto.
- 2.17 Each Proponent must include with its Proposal either confirmation that it will be able to provide a cash security deposit in the amount of fifty thousand dollars (\$50,000) as required by Section 1.12 of the form of lease agreement in Part D or a letter from a Canadian Chartered Bank, confirming that the Proponent has sufficient credit-worthiness to obtain from a Canadian Chartered Bank, an irrevocable, perpetual, demand letter of credit in the amount of no less than fifty thousand dollars (\$50,000).

## REQUEST FOR PROPOSALS NO. PS20151004 OPERATOR FOR QUEEN ELIZABETH THEATRE RESTAURANT PART B - SUSTAINABILITY DEFINITIONS (APPENDIX B1)

#### APPENDIX B1 - SUSTAINABILITY DEFINITIONS

#### Sustainable Food

Sustainable food is food and beverages that have one or both of the following two qualities:

- a. Reduced Carbon Footprint (e.g. minimizing the distance travelled from farm to table)
- b. Ecological, Humane, and Socially Responsible as demonstrated by the following certifications:
  - I. Organic (e.g. CFIA or USDA Certified Organic)
  - II. Non-GMO (e.g. Non-GMO Project Verified, Food Alliance Certified, Protected Harvest Certified)
  - III. Humane (e.g. BC SPCA Certified)
  - IV. Sustainably Harvested (e.g. Ocean Wise Certified, Sea Choice Green Rated Products, Marine Stewardship Council's Blue Eco-Label)
  - V. Socially responsible (e.g. Fair Trade Certified, Fair for Life Certified, Rainforest Alliance Certified)

### Social Enterprise

Social enterprises are businesses owned by nonprofit organizations that are directly involved in the production and/or selling of goods and services for the combined purpose of generating income and achieving social, cultural, and/or environmental aims (Social Enterprise Council of Canada). In addition to having the aforesaid purpose, to qualify as a Social Enterprise for purposes hereof, an entity must:

- be a business operated by a registered non-profit or community services co-op;
- have a product or service that it sells to customers;
- have a defined social and/or environmental mandate.

### Person with Barriers to Employment

A person with barriers to employment is someone who faces one or more circumstances that can lead to underemployment. There are a wide range of circumstances that can create barriers to employment including but not limited to: addictions, disabilities, mental health issues, and being a newcomer or refugee. For purposes hereof, to qualify as a person with barriers to employment, the employee or trainee must be participating in a recognized, pre-approved employment program for person(s) with barriers to employment. Examples include, but are not limited to: Access/BladeRunners; Potluck Café's *Recipes for Success Services*; and Coast Foundation's *Transition Employment Program* (TEP).

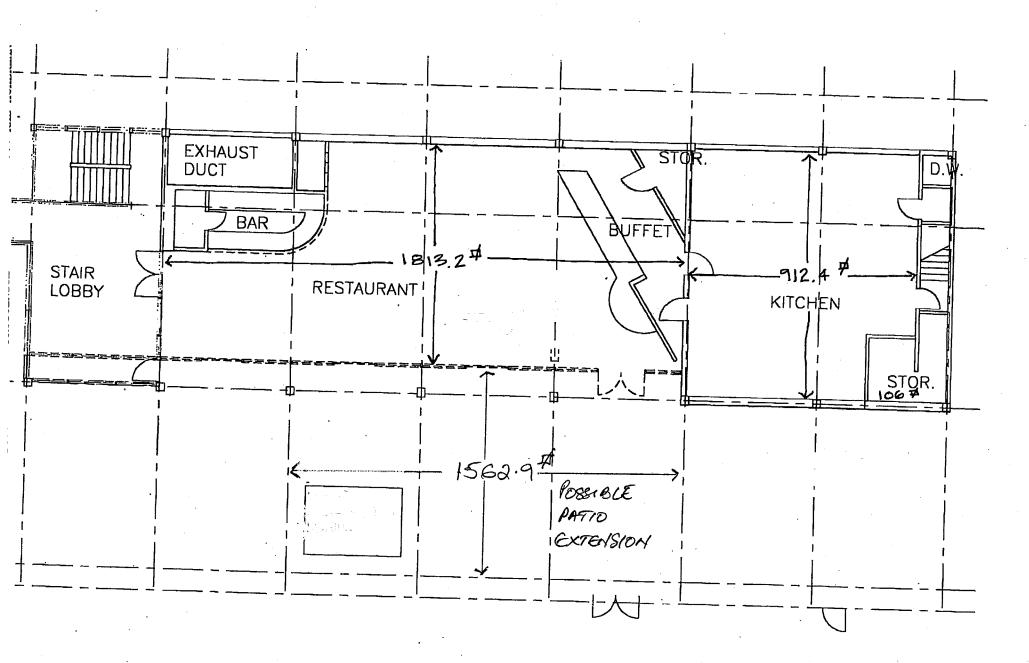
## REQUEST FOR PROPOSALS NO. PS20151004 OPERATOR FOR QUEEN ELIZABETH THEATRE RESTAURANT PART B - ARCHITECTURAL PLANS (APPENDIX B2)

### **APPENDIX B2 - ARCHITECTURAL PLAN**

Note 1: Proponents shall note that in Appendix B2, 6.6 metres x 22 metres may be developed as patio area of the Queen Elizabeth Theatre Restaurant.

Note 2: Proponents shall note that the successful Operator must have a Liquor License extension on the plaza.

1 page to follow



# REQUEST FOR PROPOSALS NO. PS20151004 OPERATOR FOR QUEEN ELIZABETH THEATRE RESTAURANT PART B - HAZMAT SURVEY (APPENDIX B3)

### <u>APPENDIX B3 - HAZMAT SURVEY</u>

8 pages to follow

**Hazardous Materials Survey of QET Restaurant** 

Date of Survey: 2014-9-26

Site Code: 1086

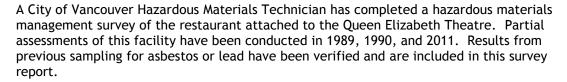
Address: 695 Cambie St.

Surveyor(s): Brian Kerin

Previous sampling, YEAR (#): 1989 (7), 1990 (1); 2011 (4)

Purpose: HAZARDOUS MATERIALS MANAGEMENT SURVEY



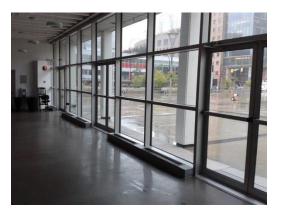


A management survey only identifies the hazardous building materials that could be encountered or disturbed by building workers or occupants during routine repair and maintenance and by minor, foreseeable damage. This is a non-destructive survey. As a result, hidden and below-ground materials are not addressed and any hidden materials which may contain asbestos, lead, PCBs or mercury should be assumed to be hazardous until sampling demonstrates otherwise.

HAZARDOUS MATERIALS	# Materials sampled and/or assessed	STATUS	RECOMMENDED ACTION
ASBESTOS	35	DETECTED	MONITOR
LEAD-BASED PAINT	2	NOT DETECTED	NONE
MERCURY THERMOSTATS	n/a	PRESENT	MONITOR
FIXTURES THAT MAY CONTAIN PCBs	n/a	PRESENT	MONITOR
SHARPS	n/a	NOT PRESENT	NONE
BIOLOGICAL HAZARDS	n/a	NOT PRESENT	NONE
POTENTIALLY OZONE DEPLETING SUBSTANCES	n/a	PRESENT	MONITOR
RADIOACTIVE SUBSTANCES	n/a	PRESENT	MONITOR
SILICA CONTAINING MATERIALS	n/a	PRESENT	MONITOR

### Scope of Work

 A visual inspection of all areas within the restaurant building for the presence of building materials suspected to contain asbestos (including vermiculite), lead, mould, and other hazards such as mercury, PCBs, rodent droppings, needles/sharps. Surficial sampling was conducted.



An assessment of potentially hazardous materials, denoting their condition, potential
for disturbance/damage, accessibility to workers or public, estimated quantity, if
suspect asbestos containing, their friability, potential for fiber release and worker
exposure was assessed.

**QET RESTAURANT** 

- Collection and analysis of material samples from the buildings for the presence of suspect hazardous materials. With the exception of caulking and mastic compounds, and to avoid building envelop damage, samples of roofing materials were not collected.
- A risk assessment for the current condition of any damaged asbestos/lead containing materials determined to be present within the buildings including the priorities for removal/repairs.
- Recommendations for the removal/repair of any damaged hazardous materials determined to require immediate action.

### Facility Description

The facility is a two (2) level, concrete building constructed in 1958. It is part of the Queen Elizabeth Theatre complex and houses a vacant restaurant on the plaza level (upstairs).

#### Restaurant

The interior walls are drywall and wood paneling. The ceiling is painted concrete in the dining area. The windows and grey floor tiles were installed in 2012 (Photo 1, 2). It was not determined whether the old floor tiles were removed prior to laying the new floor. The bar area of the restaurant has drywall walls with millwork and wood finishing, and black speckled vinyl floor tiles. The small mechanical room immediately north of the bar has drywall walls and ceilings and carpet on black speckled vinyl floor tiles (Photo 3). The kitchen walls are painted concrete, drywall, and plaster (Photo 4). The kitchen floor is ceramic tile.

#### Stairwell/Lobby/Washrooms

The stairwell/lobby area has stone composite flooring, concrete walls and ceiling texture that is known to be asbestos-containing based on previous sampling and labeling (Photo 5, 6). There are two washrooms accessed from the downstairs landing of the common stairwell/lobby. The washrooms have ceramic tile floors and ceramic and plaster walls. The ceiling are T-bar drop ceiling tiles.

### Asbestos-Containing Material: Methodology and Results

Materials sampled were selected based on our experience and guidelines provided by WorkSafeBC (Safe Work Practices for Handling Asbestos). Building materials were assessed for potential asbestos content and eleven (11) were sampled in the current (2014) survey. These were analyzed for asbestos by COV-approved labs.

None of the eight samples submitted for analysis are asbestos-containing as defined by Part 6 of WorkSafeBC (WSBC) OHS Regulation. The only asbestos-containing material identified was the lobby texture ceiling, sampled in 1989 and confirmed to be intact in 2014.

#### Restaurant

None of the drywall joint compound, floor tile or plaster sampled in the dining, mechanical and kitchen areas was determined to be asbestos-containing. The plaster in the kitchen (Sample 1086-A7) contains a small portion of asbestos-containing vermiculite, but this is below 0.5% threshold for manufactured materials.

#### Stairwell/Lobby/Washrooms

The plaster from the men's washroom was determined to be non-asbestos-containing. The lobby ceiling texture was not tested, but it is known to contain asbestos per the labeling and appearance (Photo 5, 6).

See complete records from the Hazardous Materials Inventory and photos of sample locations (Appendices).

Lead-Based Paints and Coatings: Methodology and Results

#### Total Lead in Paint

Two (2) representative samples of paint were collected to test for the presence of lead. The samples were analyzed at a COV-approved lab for total lead.

Information from the U.S. Occupational Safety and Health Administration (OSHA) suggests that the improper removal of lead paint containing 600 mg/kg lead results in airborne lead concentrations that exceed half of the exposure limit. Depending on the potential receptors and the work to be performed, paints with lead contents as low as 90 mg/kg can also result in dangerous airborne lead levels. A task-, and site-specific risk assessment must be conducted by City of Vancouver's Hazardous Materials Team to determine if an Exposure Control Plan and safe work procedures are required (Lead-Containing Paints and Coatings: Preventing Exposure in the Construction Industry, WSBC 2011).

None of the paint samples exceeds the suggested exposure prevention limit of 600 mg/kg paint (Table 2).

<u>Leachable Results of Lead in Paint</u>: No samples were analyzed for leachable lead. Lead-based paint should be tested for leachable lead prior to disposal to determine if it is hazardous waste according to BC Ministry of Environment criteria.

Table 2: Lead-based Paints and Leachable/Hazardous Waste Paints (Lead)

Colour	Location	TOTAL LEAD (mg/kg)	EXCEED EXPOSURE PREVENTION CRITERIA? (600 mg/kg)	CHPA LEAD- BASED PAINT? (90 mg/kg)	TCLP LEAD (mg/L)	HAZ WASTE? (Y/N)
GREY	REST - DINING ROOM WALLS	<5	No	No	-	-
WHITE	REST - INTERIOR WALK-IN COOLER	410	No	Yes	-	-

Note: Concentrations above 600 mg/kg are highlighted and in bold:

TCLP: Toxicity Characterization Leaching Procedure

CHPA: Canadian Hazardous Products Act

### OTHER HAZARDS

<u>MERCURY:</u> Fluorescent light bulbs which may contain mercury must be disposed of in accordance with B.C. Ministry of Environment regulations.

<u>PCBs:</u> Fluorescent light fixtures in this property may contain PCBs within the light ballasts. The ballasts should be removed from the light fixture and placed in a secured area for inspection. If they are determined to contain PCBs they must be disposed of in accordance with B.C. Ministry of Environment regulations.

SHARPS/NEEDLES: None observed

BIOLOGICAL HAZARDS: No significant mould or other biological hazards observed.

OZONE-DEPLETING SUBSTANCES: Refrigeration units may contain CFCs and must therefore be disposed of in accordance with the B.C. Ministry of Environment's "Ozone-Depleting Substances and Halocarbons Regulations" (2004). The units must be treated as CFCcontaining until it has been determined otherwise.

RADIOACTIVE SUBSTANCES: None observed.

SILICA-CONTAINING MATERIALS: Present in concrete foundation and may be present in ceramic tiles, stucco and drywall.

OTHER HAZARDS AND NOTES: None observed.

Contact City of Vancouver Hazardous Material Team for assistance with identification, assessment, control and disposal procedures for these and other hazards suspected or observed.

### RISK ASSESSMENT AND RECOMMENDATIONS

None of the materials sampled and tested during the current (2014) survey was determined to be hazardous. The texture ceiling in the stairwell lobby on both levels was previously identified as asbestos-containing and has not been abated.

Depending on the areas to be renovated or demolished, additional destructive sampling may be required to identify hazardous building materials that were not accessed during this management survey.

HAZARDOUS MATERIAL SURVEY	QET RESTAURANT	2015-07-21
---------------------------	----------------	------------

PHOTOS: ATTACHED

FLOOR PLAN: ATTACHED

HAZARDOUS MATERIALS INVENTORY REPORT: ATTACHED

LABORATORY REPORTS: AVAILABLE

### PHOTOS: QET RESTAURANT

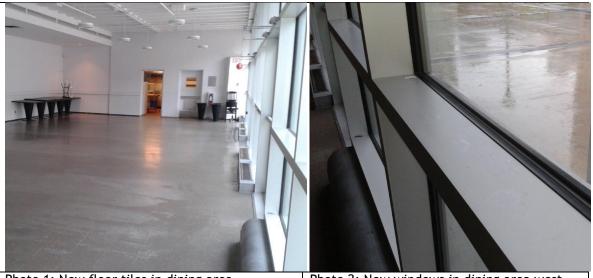


Photo 1: New floor tiles in dining area

Photo 2: New windows in dining area west wall



Photo 3: Floor tile under carpet in mechanical room



Photo 4: Plaster on back wall (south) of upstairs kitchen area

### PHOTOS: QET RESTAURANT CONT'D

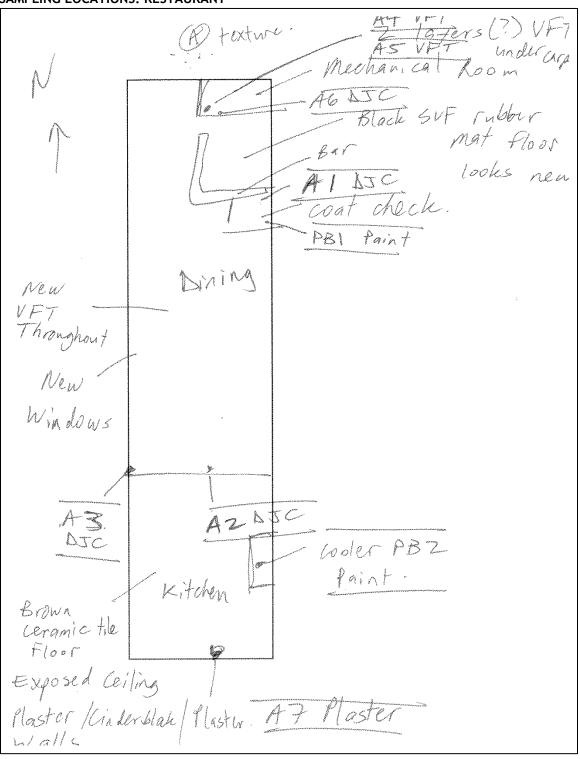


Photo 5: Ceiling texture labeled as asbestoscontaining on both floors of stairwell/lobby.



Photo 6: Ceiling texture labeled as asbestoscontaining on both floors of stairwell/lobby.

### SAMPLING LOCATIONS: RESTAURANT



### REQUEST FOR PROPOSALS NO. PS20151004 OPERATOR FOR QUEEN ELIZABETH THEATRE RESTAURANT PART B - BUILDING CONDITION ASSESSMENT REPORT (APPENDIX B4)

### <u>APPENDIX B4 - BUILDING CONDITION ASSESSMENT REPORT</u>

31 pages to follow

### **BCA Report**

### CULT\_1086\_675-695 Cambie St\_Queen Elizabeth Theatre - Restaurant



Address 675-695 Cambie St Construction Year 1959



Report Generated On:2015-07-23 17:08:54

### **Condition Summary**

### **General Summary**

#### \*NOTE\*:

- The attached report is not a capital plan but a tool to assist in developing one.
- Actions noted are based on repair or renewal needs identified in an on-site component review.
- It is expected that if needs occur on critical components before the date on which the report is indicating that they will be addressed and not deferred. Alternately if needs are not present on the date indicated the component will be monitored on an appropriate schedule and the work will be deferred.
- Component Replacement Values and Action Costs are based on RS Means average for building type, location and historical values for hard costs only.
- Overall project scope and detailed budget remains to be fully developed. Values for hazardous materials abatement are not included. These values do not constitute requested project budgets for the facility

### **Architectural Summary**

### **Mechanical Summary**

### **Electrical Summary**

### C1020 - Fittings [2]

**Discipline** Interiors

Category C1020 - Fittings

**Replacement Cost** \$12,000 **Last Major Action** 1999

**Location** Upper level.

**Brief Description** Wood cabinetry, metal railings, and toilet partitions.

Overall Condition Good

**Commentary** ~ 4 toilet partitions. ~ 30 linear feet of railings. No significant issues noted

or reported.

### **Pictures**



Element.26833.518ppjo0.e1z.jpg



Element.26833.x10s4pnq.eta.jpg

Element.26833.lrwqm2zq.rml.jpg

### **Actions**

Action Summary: Replace washroom and railing fittings.

Action Type Replacement

Component ConditionGoodCost\$12,000Year2025PriorityLow

**Action: Commentary** 

# C1030 - Interior Doors [2]

**Discipline** Interiors

Category C1030 - Interior Doors

**Replacement Cost** \$7,500 **Last Major Action** 1999

LocationUpper level.Brief DescriptionSolid wood doors.

Overall Condition Good

**Commentary** ~ 6 doors noted. No significant issues noted or reported.

#### **Pictures**







Element.26830.vfychnd5.zar.jpg

#### **Actions**

Action Summary: Replace the interior wood doors.

Action Type Replacement

Component ConditionGoodCost\$7,500Year2024PriorityLow

**Action: Commentary** 

# C20 - Stairs [1]

DisciplineInteriorsCategoryC20 - StairsReplacement Cost\$8,000Last Major Action1995

**Location** Lower level.

**Brief Description** Concrete framed staircase.

Overall Condition Good

# C20 - Stairs [2]

DisciplineInteriorsCategoryC20 - StairsReplacement Cost\$15,000Last Major Action1995

**Location** Main entrance.

**Brief Description** Concrete framed staircase with terrazzo tread & riser finishes.

Overall Condition Good

**Commentary** No significant issues noted or reported.

#### **Pictures**



Element.26834.b42iwye4.gc3.jpg



Element.26834.ukhbcuua.bza.jpg



Element.26834.8gah2czu.tx0.jpg



Element.26834.olbxw9bf.ibx.jpg

#### **Actions**

Action Summary: Replace the staircase.

Action Type Replacement

Component ConditionGoodCost\$15,000Year2034PriorityLow

Action Summary: Repair & replace the painted wall finishes.

Action Type Replacement

Component ConditionFairCost\$4,600Year2019PriorityLow

**Action: Commentary** Perform replacement to maintain the aesthetics.

### C3010 - Wall Finishes [2]

**Discipline** Interiors

Category C3010 - Wall Finishes

**Replacement Cost** \$6,000 **Last Major Action** 1999

**Location** Upper level.

**Brief Description** Painted wall finishes & ceramic wall tile finishes.

Overall Condition Good

**Commentary** ~ 200 sq. ft. ceramic wall tile finishes. No significant issues noted or

reported.



Element.26823.236472n7.i5n.jpg



Element.26823.1096nwo2.dcm.jpg



Element.26823.kp8lacwn.g55.jpg



Element.26823.dejmw4qc.vqa.jpg





Action Summary: Replace the floor finishes.

Action Type Replacement

Component ConditionGoodCost\$95,000Year2026PriorityLow

**Action: Commentary** 

# C3020 - Floor Finishes [2]

**Discipline** Interiors

Category C3020 - Floor Finishes

**Replacement Cost** \$101,600 **Last Major Action** 1999

**Location** Upper level.

**Brief Description** Terrazzo floor finishes & ceramic floor finishes.

Overall Condition Good

**Commentary** ~ 1,200 sq. ft. of ceramic floor tiles. ~ 1,800 sq. ft. of terrazzo floor

finishes. Localized cracks observed to terrazzo floor.



Element.26824.vzrnv17f.q6a.jpg



Element.26824.jfho9swo.5d7.jpg

Action Summary: Replace the acoustic ceiling finishes.

Action Type Replacement

Component ConditionGoodCost\$6,000Year2024PriorityLow

**Action: Commentary** 

# C3030 - Ceiling Finishes [2]

**Discipline** Interiors

Category C3030 - Ceiling Finishes

**Replacement Cost** \$5,600 **Last Major Action** 1999

**Location** Upper level.

**Brief Description** Painted ceiling finishes.

Overall Condition Good

**Commentary** ~ 2,800 sq. ft. No significant issues noted or reported.



Element.26825.c0ycxtrl.w9w.jpg



Element.26825.2kjh22wk.59h.jpg



Element.26825.ad03q6gp.23y.jpg



Element.26825.byba54r8.p17.jpg

Action Summary: Replace the plumbing fixtures.

Action Type Replacement

Component ConditionGoodCost\$11,000Year2031PriorityLow

**Action: Commentary** 

# D2010 - Plumbing Fixtures [2]

DisciplineServices - MechanicalCategoryD2010 - Plumbing Fixtures

**Replacement Cost** \$11,000 **Last Major Action** 1995

**Location** Upper level.

**Brief Description** Standard grade plumbing fixtures.

Overall Condition Good

**Commentary** ~ 4 toilets. 6 sinks. ~ 1 urinal. No significant issues noted or reported.



Element.26826.32pnlaxi.w86.jpg



Element.26826.qjadnljw.61c.jpg



Element.26826.6ieas0kd.cic.jpg



Element.26826.jl6rusd3.dpb.jpg

Action Summary: Replace the plumbing fixtures.

Action Type Replacement

Component ConditionGoodCost\$11,000Year2031PriorityLow

**Action: Commentary** 

# **D2020 - Domestic Water Distribution [1]**

**Discipline** Services - Mechanical

Category D2020 - Domestic Water Distribution

**Replacement Cost** \$18,000 **Last Major Action** 1995

Location

**Brief Description** Copper domestic water distribution piping.

Overall Condition Fair

**Commentary** Upgrades observed. Estimated to contain piping that has surpassed its

expected useful life.



Element.26815.62fudyrh.c2v.jpg



Element.26815.sglh2r1a.yog.jpg



Element.26815.fauuslfx.bqs.jpg



Element.26815.vx3exn11.dtf.jpg

Action Summary: Replace copper domestic water distribution piping.

Action Type Replacement

Component ConditionFairCost\$18,000Year2020PriorityMedium

Action: Commentary Plan to replace component at the end of its assumed

service life. The replacement should be preceded by a

study.

### D2020 - Domestic Water Distribution [2]

**Discipline** Services - Mechanical

Category D2020 - Domestic Water Distribution

Replacement Cost \$2,000 Last Major Action 1995

Location

**Brief Description** Backflow preventer observed.

Overall Condition Good

**Commentary** ~ 4 noted. No significant issues noted or reported.



Element.26820.qvrvkstb.ji7.jpg



Element.26820.fzk0zw81.8an.jpg



Element.26759.e5n6phl3.7kf.jpg

#### **Actions**

Action Summary: Replace the rainwater drainage system.

Action Type Replacement

Component ConditionGoodCost\$3,000Year2026PriorityLow

**Action: Commentary** 

### D2095 - Domestic Water Heaters [1]

**Discipline** Services - Mechanical

Category D2095 - Domestic Water Heaters

**Replacement Cost** \$8,000 **Last Major Action** 1984

**Location** Basement level.

**Brief Description** 2 Electrically powered domestic water heaters.

Overall Condition Poor

**Commentary** Manufactured by "Rheem". MN: TE40T, SN: 0384-12179 & 0384-12180.

Capacity: 40 US. gal. Input capacity: 30,000 BTUH. Reported not-in-use.



Element.26760.nbbjsybl.8oc.jpg



Element.26760.hbcxrf3b.jr1.jpg



Element.26760.dweqf7p8.0st.jpg



Element.26760.9geqorx1.y4y.jpg

# **Actions**

**Action Summary:** 

**Action Type** 

**Component Condition** 

Cost

Year

**Priority** 

**Action: Commentary** 

Replace the DHW. tanks Replacement

Poor

\$8.000

2016

Urgent

With age, equipment malfunctioning and breakdown is anticipated. The unit should be replaced or rebuilt to avoid higher maintenance costs.

# D3012 - Gas Supply System [1]

**Discipline** Services - Mechanical

Category D3012 - Gas Supply System

**Replacement Cost** \$1,500 **Last Major Action** 1995

Location

**Brief Description** Gas supply piping, fittings and valves.

Overall Condition Good

**Commentary** No significant issues noted or reported.

#### **Pictures**



Element.26762.i23xhfpj.a3c.jpg

#### **Actions**

Action Summary: Replace the gas supply system.

Action Type Replacement

Component ConditionGoodCost\$1,500Year2030PriorityLow

**Action: Commentary** 

### D3022 - Hot Water Boilers [1]

DisciplineServices - MechanicalCategoryD3022 - Hot Water Boilers

**Replacement Cost** \$0 **Last Major Action** 1959

Location

**Brief Description** Heating for the Media Club comes from the Queen Elizabeth Theatre. The

steam comes from central heat and is piped over.

Overall Condition Good

Commentary

## Pictures

#### **Actions**

# D3025 - Primary HVAC Pumps [1]

**Discipline** Services - Mechanical

Category D3025 - Primary HVAC Pumps

**Replacement Cost** \$1,500 **Last Major Action** 1995

Location

**Brief Description** Water circulation pump.

Overall Condition Good

**Commentary** No significant issues noted or reported.

#### **Pictures**



Element.26769.qkb8jz3l.vtl.jpg

#### **Actions**

**Action Summary:** Replace the pump.

Action Type Replacement

Component ConditionGoodCost\$1,500Year2024PriorityLow

**Action: Commentary** 

# D3041 - Air Distribution Systems [1]

**Discipline** Services - Mechanical

Category D3041 - Air Distribution Systems

**Replacement Cost** \$45,000 **Last Major Action** 1995

Location

**Brief Description** Metal ductwork and diffusers.

Overall Condition Good



Element.26779.yqb0tqdn.pxn.jpg



Element.26779.41ggiur5.ft7.jpg



Element.26779.clh6sdm3.zi3.jpg



Element.26779.2i9chmww.7nn.jpg

# **Actions**

# D3043 - Hydronic Distribution Systems [1]

**Discipline** Services - Mechanical

Category D3043 - Hydronic Distribution Systems

**Replacement Cost** \$24,000 **Last Major Action** 1995

Location

**Brief Description** Hydronic distribution piping, fittings, and valves.

Overall Condition Fair



Element.26784.fjurtmxi.fl3[1].jpg

#### **Actions**

Action Summary: Replace the hydronic distribution system.

Action Type Replacement

Component ConditionFairCost\$24,000Year2020PriorityMedium

Action: Commentary Plan to replace component at the end of its assumed

service life. The replacement should be preceded by a

study.

# D3045 - Exhaust Ventilation Systems [1]

**Discipline** Services - Mechanical

Category D3045 - Exhaust Ventilation Systems

Replacement Cost \$12,000 Last Major Action 1995

Location

**Brief Description** Exhaust units observed.

Overall Condition Good



Element.26782.zx7utki6.wff.jpg



Element.26782.axv3xd85.7ye.jpg



Element.26782.axddg07u.c4u.jpg



Element.26782.s2thumdn.mtq.jpg

# **Actions**

Action Summary: Replace the exhaust system.

Action Type Replacement

Component ConditionGoodCost\$12,000Year2024PriorityLow

# D3054 - Fan Coil Units [1]

DisciplineServices - MechanicalCategoryD3054 - Fan Coil Units

**Replacement Cost** \$45,000 **Last Major Action** 1995

Location

**Brief Description** Fan coil units observed.

Overall Condition Good

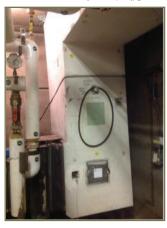
Commentary No significant issues noted or reported. Compressor noted to be replaced

2010-2015

#### **Pictures**



Element.26784.zj4x0hut.pko.jpg



Element.26784.wzhuxf1l.mnu.jpg



Element.26784.b6ux41v4.tqh.jpg



Element.26784.fjurtmxi.fl3.jpg

#### **Actions**

Action Summary: Replace the fan coil units.

Action Type Replacement

Component ConditionGoodCost\$45,000Year2025PriorityLow

# D3055 - Fin Tube Radiation [2]

DisciplineServices - MechanicalCategoryD3055 - Fin Tube Radiation

**Replacement Cost** \$10,000 **Last Major Action** 1995

**Location** Upper level.

**Brief Description** Fin tube radiator units.

Overall Condition Good

**Commentary** ~ 20 units. No significant issues noted or reported.

#### **Pictures**



Element.26832.8ftfix5r.nsj.jpg



Element.26832.e92kxstv.naq.jpg



Element.26832.uo7an7ws.cti.jpg



Element.26832.b0esa2eo.ol9.jpg

#### **Actions**

Action Summary: Replace fin tube radiators in meeting areas.

Action Type Replacement

Component ConditionGoodCost\$10,000Year2040PriorityLow

# D3055 - Fin Tube Radiation [3]

**Discipline** Services - Mechanical **Category** D3055 - Fin Tube Radiation

**Replacement Cost** \$1,000 **Last Major Action** 1995

LocationKitchen @ upper level.Brief DescriptionSuspended radiator units.

Overall Condition Good

**Commentary** ~ 2 units. No significant issues noted or reported.

#### **Pictures**







Element.26783.fmleaney.ngm[1].jpg

#### **Actions**

Action Summary: Replace suspended radiator units.

Action Type Replacement

Component ConditionGoodCost\$1,000Year2040PriorityLow

**Action: Commentary** 

# D3060 - Controls And Instrumentation [1]

**Discipline** Services - Mechanical

Category D3060 - Controls And Instrumentation

Replacement Cost \$15,000 Last Major Action 1999 Location Troughout.

**Brief Description** Standard thermostat controls observed.

Overall Condition Good



Element.26788.x9yyastl.8nj.jpg



Element.26788.auoo9u8o.beh.jpg



Element.26788.zghogrqb.la7.jpg



Element.26788.touuvgxb.jou.jpg

Low

# **Actions**

Action Summary: Replace the thermostats.

Action Type Replacement

Component ConditionGoodCost\$15,000Year2023

**Action: Commentary** 

**Priority** 

# **D4010 - Sprinklers [1]**

DisciplineServices - MechanicalCategoryD4010 - Sprinklers

**Replacement Cost** \$30,000 **Last Major Action** 1995

**Location** Mechanical room.

**Brief Description** 100% protected by a dry sprinkler system.

Overall Condition Good

**Commentary** No significant issues noted or reported.

#### **Pictures**



Element.26790.z9tksuhl.y97.jpg



Element.26790.4mbjown5.nti.jpg



Element.26790.tbev4nnj.ex8.jpg



Element.26790.ox344mrh.ode.jpg

#### **Actions**

Action Summary: Replace sprinkler system.

Action Type Replacement

Component ConditionGoodCost\$30,000Year2042PriorityLow







Element.26792.hsb71au9.b1s.jpg

#### **Actions**

Action Summary: Perform a study of the fire protection specialties.

Action Type Replacement

Component ConditionPoorCost\$500Year2015PriorityUrgent

**Action: Commentary** The component is overdue for inspection. Perform

inspection to ensure occupant safety in the event of an

emergency.

### D4030 - Fire Protection Specialties [2]

**Discipline** Services - Mechanical

**Category** D4030 - Fire Protection Specialties

**Replacement Cost** \$1,000 **Last Major Action** 1999

**Location** Kitchen @ upper level.

**Brief Description** 2 Suppression systems observed.

Overall Condition Poor

**Commentary** Observed component is overdue for inspection. Maintained through

building operations and maintenance. Not a capital cost item.



Element.26827.af15dxqm.2tv.jpg



Element.26827.5kssy96q.jzt.jpg



Element.26827.n7jugfes.e6o.jp



Element.26827.bai3v5le.ev7.jpg

# **Actions**

Action Summary: Perform a study of the fire protection specialties.

Action Type Replacement

Component Condition Poor Cost \$500

Year 2015
Priority Urgent

Action: Commentary

The component is overdue for inspection. Perform inspection to ensure occupant safety in the event of an

emergency.

# **D5010 - Electrical Service And Distribution [1]**

**Discipline** Services - Electrical

Category D5010 - Electrical Service And Distribution

**Replacement Cost** \$5,000 **Last Major Action** 1995

**Location** Electrical room.

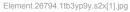
**Brief Description** Main electrical service and distribution panel.

Overall Condition Good

Commentary Manufactured by "Taylor Electric Mfg. Co. Ltd." 200 Amps. 12/208 AC/CA.

#### **Pictures**







Element.26794.bxedkwyn.tfd[1].jpg

#### **Actions**

**Action Summary:** Replace the main disconnect.

Action Type Replacement

Component ConditionGoodCost\$5,000Year2025PriorityLow

**Action: Commentary** 

# D5021 - Branch Wiring [1]

DisciplineServices - ElectricalCategoryD5021 - Branch Wiring

**Replacement Cost** \$90,000 **Last Major Action** 1995

**Location** Throughout

**Brief Description** Branch wiring and devices.

Overall Condition Fair

**Commentary** Upgrades observed. Estimated to contain wiring that has surpassed its

expected useful life.



Element, 26794, shz3itnx, rkz, ipo



Element.26794.y74c7vaq.fdt.jpg



Element.26794.f3ae6x43.vfa.jpg



Element.26794.f0c24pm0.zf4.jpg

# Actions

Action Summary: Replace the branch wiring.

**Action Type** 

**Component Condition** 

Cost

Year

**Priority** 

**Action: Commentary** 

Replacement

Fair

\$90,000

2020

Low

Undertake repair or replacement based on the conclusions of the study. Replacement schedule and costs are to be

directed by the study.

# D5022 - Lighting Equipment [1]

**Discipline** Services - Electrical

Category D5022 - Lighting Equipment

**Replacement Cost** \$42,000 **Last Major Action** 1999

**Location** Throughout.

**Brief Description** Fluorescent lighting fixtures.

Overall Condition Good

**Commentary** Upgrades observed. No significant issues noted or reported.

#### **Pictures**







Element.26816.cbh6et8z.pnz.jpg

#### **Actions**

**Action Summary:** Replace the lighting fixtures.

Action Type Replacement

Component ConditionGoodCost\$42,000Year2024PriorityLow

**Action: Commentary** 

### D5037 - Fire Alarm System [1]

**Discipline** Services - Electrical

Category D5037 - Fire Alarm System

**Replacement Cost** \$6,000 **Last Major Action** 1999

**Location** Throughout.

Brief Description Monitors manual pull stations, gong bells, flow sensors, heat sensors, and

smoke detectors.

Overall Condition Good



Element.26800.egqg98hk.gue.jpg



Element.26800.rwpr6njw.3lb.jpg



Element.26800.icnyzo27.jwx.jpg



Element.26800.9w746tba.vdx.jpg

# **Actions**

Action Summary: Replace the fire alarm system.

Action Type Replacement

Component ConditionGoodCost\$6,000Year2024PriorityLow

# D5038 - Security Systems [2]

**Discipline** Services - Electrical

Category D5038 - Security Systems

**Replacement Cost** \$3,000 **Last Major Action** 1999

**Location** Upper level.

**Brief Description** Keypad, motion sensors, and doors sensors.

Overall Condition Good

Commentary "Honeywell" keypad. No significant issues noted or reported.

#### **Pictures**



Element.26831.80v1wlnu.gpl.jpg



Element.26831.azvhpfds.zhp.jpg



Element.26831.opcqyyoo.lcz.jpg

#### Actions

Action Summary: Replace the security system.

Action Type Replacement

Component ConditionGoodCost\$3,000Year2024PriorityLow

# D5091 - Exit & Emergency Light Systems [1]

**Discipline** Services - Electrical

Category D5091 - Exit & Emergency Light Systems

**Replacement Cost** \$5,000 **Last Major Action** 1999

Location

**Brief Description** LED exit signs and battery pack emergency lighting.

Overall Condition Good

Commentary Up-to-date as noted on the most recent annual inspection tag. No

observed issues.

#### **Pictures**





Element.26802.8pz5272v.jjv.jpg

# GO4) STATES AST 2 MEDICAL MARKET ON A CONTROL OF THE PROPERTY OF THE PROPERTY

Element.26802.acjqxldb.9h5.jpg

#### Actions

Action Summary: Replace the exit & emergency lighting equipment.

Action Type Replacement

Component ConditionGoodCost\$5,000Year2024PriorityLow

## REQUEST FOR PROPOSALS NO. PS20151004 OPERATOR FOR QUEEN ELIZABETH THEATRE RESTAURANT PART B - CIVIC THEATRES RECEPTION SPACES (APPENDIX B5)

### **APPENDIX B5 - CIVIC THEATRES RECEPTION SPACES**

The Operator of QET Restaurant has the option to provide catering services to Civic Theatres as a prequalified catering company, under Request for Applications PS20150681 'Provision of Catering Services for Civic Theatres'.

The following table includes information on Civic Theatres reception spaces, and service required:

				SERVICE	REQUIRED
VCT Reception Spaces	VENUE CAPACITY	AVERAGE NO. OF SHOWS	SPACE CAPACITY	FOOD	BEVERAGE
Queen Elizabeth Theatre	2781	180			
Main Lobby			483	YES	NO
Lower East Lobby			88	YES	NO
Lower West Lobby			73	YES	NO
Mezzanine Lobby			321	YES	NO
Balcony Lobby			509	YES	NO
Main Stage			300	YES	YES 1
Plaza			300	YES	NO
Restaurant Space			200	YES	YES 1
Backstage Area			50	YES	YES
Salon A			46	YES	NO
Salon B			58	YES	NO
Salon C			43	YES	NO
Playhouse	668	150			
Main Lobby			268	YES	NO
Balcony Lobby			185	YES	NO
Orpheum	2688	180			
Smithe Level			350	YES	NO
West Coast Level			500	YES	NO
Mezzanine Level			300	YES	NO
President's Lounge			60	YES	NO
Main Stage			300	YES	YES 1
Backstage Area			50	YES	YES 1
Orpheum Annex	198	50			
Main Lobby			126	YES	NO
Auditorium			198	YES	NO

<sup>&</sup>lt;sup>1</sup>Beverage service will be required until Civic Theatres have Liquor License extensions in place, which will enable Civic Theatres to offer full liquor service.

# REQUEST FOR PROPOSALS NO. PS20151004 OPERATOR FOR QUEEN ELIZABETH THEATRE RESTAURANT PART B - NOTICE TO TENANTS OF CITY OWNED BUILDINGS (APPENDIX B6)

#### APPENDIX B6 - NOTICE TO TENANTS OF CITY OWNED BUILDINGS

DATED: 23 June 2015

FROM: City of Vancouver Real Estate and Facilities Management Department

SUBJECT: Tenant Improvements and Hazardous Material in City of Vancouver Buildings

As a tenant in a building owned by the City of Vancouver acting as landlord (the "City"), we understand that from time to time you may want to make minor or major alterations to your leased premises.

Please be advised that unless otherwise set out in your lease, *any* proposed alteration that will disturb, remove, cover, attach to, or penetrate existing finishes or assemblies is required be reviewed and approved *in advance* by the City. This requirement applies to modifications or repairs on any scale, even those that do not require regulatory approval, such as a development, building, or trade permits. Such work may include the installation of fixed millwork or shelving, flooring application, fixture replacement, removal of any fixed elements, or any cosmetic work involving sanding or scraping.

Some City-owned buildings contain hazardous materials (e.g., asbestos, lead-based coatings, silica) and while these materials in finishes or assemblies pose little risk when they are not disturbed, they create a risk to you and your space and a compliance issue with WorkSafeBC if they are disturbed.

If you are planning to make alterations on any scale, please submit a written request describing the scope of work to the City via your City contact, who will review the affected areas with the City's Hazardous Materials Team ("HMT"). The HMT will confirm whether any hazardous materials are present.

If hazardous materials are present in the area(s) of work and you wish to proceed with the work, you will be required to abate these materials in order to proceed with tenant improvement work, in accordance with the terms and conditions attached as Appendix A. Again, these requirements apply even for work that does not require formal regulatory approval (for example, in the form of a development, building, demolition or trade permits).

Work that does require formal regulatory approval will also require an Owner's Undertaking to be completed by the City as a condition of permit application. You are required to submit full drawings and specifications for the proposed work to your City contact for review in advance of your permit submission and allow for the City to review and approve the work prior to release of the Owner's Undertaking letter.

Please note that for all tenant improvement work that you undertake, you are an "owner" as defined under the British Columbia *Workers' Compensation Act*. You are strongly advised to designate, in writing, that your (general) contractor is the "prime contractor" for the improvement work to protect yourself and the Landlord.

Please do not hesitate to contact your City contact if you have any questions about the contents of this letter.

# REQUEST FOR PROPOSALS NO. PS20151004 OPERATOR FOR QUEEN ELIZABETH THEATRE RESTAURANT PART B -SERVICE LEVEL AGREEMENT (APPENDIX B7)

# APPENDIX B7 -SERVICE LEVEL AGREEMENT

15 pages to follow

# SERVICE LEVEL AGREEMENT QET Restaurant

For purposes of this document, the parties are identified as follows:

Landlord: City of Vancouver CoV
Tenant: Tenant Tenant

Tenant (Proportionate Share) \* - Indicates those items/services that the Tenant pays for as part of the rent, these are not additional costs.

Item	Description	Party to Perform the Work	Party Responsible to Pay for Work
1.	Heating, Ventilation and Air Conditioning exclusive to the Premises (excluding Base Building equipment / systems)		
а	- annual inspection	Tenant	Tenant
b	- routine maintenance and repair	Tenant	Tenant
С	- provision & replacement of filter material	Tenant	Tenant
d	- cleaning of ducts	Tenant	Tenant
е	- life cycle replacement (Capital Maintenance)	Tenant	Tenant

Item	Description	Party to Perform the Work	Party Responsible to Pay for Work
2.	Base Building Heating, Ventilation and Air Conditioning (systems serving more than the Premises)		
а	- annual inspection, maintenance and repair	CoV	Tenant (Proportionate Share)*
b	- life cycle replacement	CoV	CoV
3.	Plumbing Systems exclusive to the Premises (excluding Base Building systems/equipment)		
а	-preventive maintenance and repairs to hot water heating systems and domestic cold water systems	Tenant	Tenant
b	- major repairs and replacement of hot water heating systems and domestic cold water systems	Tenant	Tenant
С	- repairs to all fixtures including faucets, unplugging toilets and all other routine repairs	Tenant	Tenant
d	- life cycle replacement of hot water systems, fixtures and piping	Tenant	Tenant
е	- maintenance and replacement of sump pumps	n/a	n/a
4.	Common Plumbing Systems (systems serving more than the Premises)		
а	- annual inspection, maintenance and repair	CoV	Tenant (Proportionate Share) *
b	- life cycle replacement	CoV	CoV

Item	Description	Party to Perform the Work	Party Responsible to Pay for Work
С	-maintenance and replacement of sump pumps	n/a	n/a
5.	Mechanical Systems and Equipment exclusive to the Premises (excluding Base Building systems/equipment)		
а	- preventive maintenance and repairs	Tenant	Tenant
b	- installation, maintenance and replacement of additional equipment provided and installed by the occupant	Tenant	Tenant
С	- life cycle replacement	Tenant	Tenant
6.	Common Mechanical Systems and Equipment (serving more than the Premises)		
а	- annual inspection, maintenance and repair	CoV	Tenant (Proportionate Share) *
b	- life cycle replacement	CoV	CoV
7.	Fire Protection & Suppression exclusive to the Premises		
а	- <u>Fire extinguishers</u> : monthly and annual inspection; repairs, recharging, and lifecycle replacement	Tenant	Tenant
b	- Smoke detectors: monthly and annual inspection; repairs and/or life-cycle replacement	Tenant	Tenant

Item	Description	Party to Perform the Work	Party Responsible to Pay for Work
С	- <u>Fire alarm system</u> : monthly and annual inspection; maintenance, repairs and life-cycle replacement	CoV	CoV
d	- <u>Fire sprinkler system</u> : annual inspection (or more frequently as required); maintenance, repairs and life-cycle replacement	CoV	CoV
8.	Common Fire Protection & Suppression (systems serving more than the Premises)		
а	- highrise smoke control systems	n/a	n/a
b	- fire protection equipment and life safety systems and related devices (ie. alarms, fire pump and standpipe systems, emergency power and lighting, etc)	CoV	Tenant (Proportionate Share) *
9.	Security Systems dedicated to the Premises		
а	- system monitoring, inspection, maintenance and repair	Tenant	Tenant
b	- repair, replacement, re-keying of all locks	Tenant	Tenant
С	- life cycle replacement	Tenant	Tenant

Item	Description	Party to Perform the Work	Party Responsible to Pay for Work
10.	Common Security Systems (systems serving more than the Premises)		
а	- system monitoring, inspection, maintenance and repair	n/a	n/a
b	- life cycle replacement	n/a	n/a
11.	Electrical Distribution Systems exclusive to the Premises (excluding Base Building systems/equipment)		
а	- repairs and upgrades required by Code	Tenant	Tenant
b	- inspection, maintenance and repair of wiring, breakers and electrical panels	Tenant	Tenant
С	- repair or replacement of switches, receptacles, cover plates	Tenant	Tenant
d	- life cycle replacement of wiring, breakers and panels	Tenant	Tenant
е	- maintenance, repair and replacement of auxiliary power generating systems	Tenant	Tenant
f	<ul> <li>additions, enhancements to meet tenant's program needs, including ongoing maintenance</li> </ul>	Tenant	Tenant

Item	Description	Party to Perform the Work	Party Responsible to Pay for Work
12.	Common Electrical Distribution Systems (systems serving more than the Premises)		
а	- repairs and upgrades required by Code or initiated by other Tenant	CoV	Tenant (Proportionate Share) *
b	- inspection, maintenance and repair of electrical distribution systems	CoV	Tenant (Proportionate Share) *
С	- life cycle replacement of electrical distribution systems	CoV	CoV
13.	Lighting Systems within the Premises		
а	- bulb/tube replacement for interior lighting	Tenant	Tenant
b	- annual inspection and maintenance of interior emergency/exit lighting	Tenant	Tenant
С	- interior lighting ballast replacement	Tenant	Tenant
d	- cleaning of interior light fixtures	Tenant	Tenant
е	- life cycle replacement of interior fixtures and emergency/exit lighting	Tenant	Tenant
f	<ul> <li>maintenance and repair of exterior lighting (fixed to the exterior shell of the leased premises)</li> </ul>	Tenant	Tenant
g	<ul> <li>life cycle replacement of exterior lighting (fixed to the exterior shell of the leased premises)</li> </ul>	Tenant	Tenant

Item	Description	Party to Perform the Work	Party Responsible to Pay for Work
h	<ul> <li>provision, maintenance, repair and replacement of portable lighting fixtures</li> </ul>	Tenant	Tenant
i	<ul> <li>maintenance, repair and replacement of all lighting systems and fixtures installed by the tenant</li> </ul>	Tenant	Tenant
14.	Common Lighting Systems (systems serving more than the Premises)		
а	- inspection, maintenance, repair, and cleaning	CoV	Tenant (Proportionate Share) *
b	- life cycle replacement	CoV	CoV
15.	Interior Windows within the Premises		
а	- breakage and routine repair	Tenant	Tenant
b	- cleaning	Tenant	Tenant
С	- replacement due to normal wear and tear	Tenant	Tenant
16.	Exterior Windows within the Premises		
а	- breakage and routine repair	Tenant	Tenant
b	- cleaning (exterior surface)	Tenant	Tenant

Item	Description	Party to Perform the Work	Party Responsible to Pay for Work
С	- cleaning (interior surface)	Tenant	Tenant
d	- life cycle replacement	CoV	CoV
17.	Interior Doors within the Premises		
а	- maintenance and repair, including hardware	Tenant	Tenant
b	- life cycle replacement, including hardware	Tenant	Tenant
18.	Exterior Doors of the Premises (including the Patio Doors)		
а	- maintenance and repair, including hardware	Tenant	Tenant
b	- life cycle replacement, including hardware	Tenant	Tenant
19.	Common Area Doors		
а	- maintenance and repair	CoV	Tenant (Proportionate Share) *
b	- life cycle replacement	CoV	CoV
20.	Interior Surfaces of the Premises		
		Tonont	Tonant
а	- interior life cycle repainting	Tenant	Tenant
b	<ul> <li>provision of, maintenance and cleaning of window applications including, but not limited to blinds and curtains</li> </ul>	Tenant	Tenant

Item	Description	Party to Perform the Work	Party Responsible to Pay for Work
С	- repairs to interior walls and ceilings, including minor painting	Tenant	Tenant
d	- life cycle replacement of ceiling tiles	Tenant	Tenant
е	- interior repairs due to building system failures such as roof leaks, exterior walls and foundation leaks not caused by the occupant or operations	CoV	CoV
f	- maintenance and repairs of floor coverings, including carpet and tile	Tenant	Tenant
g	- life cycle replacement of floor coverings	Tenant	Tenant
h	- maintenance, repair, and replacement of millwork	Tenant	Tenant
21.	Common Area Interior Surfaces		
а	- all maintenance and repairs	CoV	Tenant (Proportionate Share) *
b	- all capital maintenance or replacements	CoV	CoV
22.	Major Structural Systems		
а	- maintenance and repairs of foundations, flooring sub-structure, building envelope including bearing walls, awning and roofing, due to damage related to the tenancy or necessitated by work being performed by the Tenant	CoV	Tenant

Item	Description	Party to Perform the Work	Party Responsible to Pay for Work
b	- replacements of foundations, flooring sub-structure, building envelope including bearing walls, awning and roofing, due to damage not related to the tenancy and not necessitated by work being performed by the Tenant	CoV	CoV
С	<ul> <li>repairs and painting of exterior surfaces including windows, trim, fascia and soffits</li> </ul>	CoV	CoV <sup>1</sup>
d	- exterior life-cycle repainting	CoV	CoV <sup>1</sup>
е	-cleaning of eaves troughs, gutters and awning	CoV	CoV <sup>1</sup>
f	- cleaning of roof drains and roof areas	CoV	CoV <sup>1</sup>
23.	Major Structural Systems external to the Premises		
а	- all repairs and replacements	CoV	CoV <sup>1</sup>
24.	Site Services		
а	- landscaping repairs and maintenance	CoV	Tenant (Proportionate Share) *
b	- grass cutting	CoV	Tenant (Proportionate Share) *
С	- general cleaning of grounds, litter disposal	CoV	Tenant (Proportionate Share) *

<sup>-</sup>

<sup>&</sup>lt;sup>1</sup> Unless such work is necessitated by work being performed by the Tenant, in which case the Tenant will be the party responsible to pay for such work.

Item	Description	Party to Perform the Work	Party Responsible to Pay for Work
d	- snow and ice removal from steps, walkways, entrances including provision of de-icing materials	CoV	Tenant (Proportionate Share) *
е	- snow and ice removal from entrance to parking areas	CoV	Tenant (Proportionate Share) *
f	- snow and ice removal from roof areas	CoV	Tenant (Proportionate Share) *
g	<ul> <li>repairs of water and sewage systems (beyond the building perimeter), unless deemed to be caused by the Tenant</li> </ul>	CoV	CoV
h	- maintenance and repair of parking areas for the leased premises	n/a	n/a
i	- graffiti removal	CoV	CoV
j	- bike storage room	n/a	n/a
25.	Patio		
а	-maintenance, repair and replacement of all surfaces and FFE (furniture, fixtures and equipment)	Tenant	Tenant
b	- maintenance, repair and replacement of gates and fences	Tenant	Tenant
С	-janitorial services	Tenant	Tenant
d	- pest control services	Tenant	Tenant

Item	Description	Party to Perform the Work	Party Responsible to Pay for Work
26.	Signage exterior to the Premises		
а	- maintenance, repair and replacement (subject to prior approval of CoV)	Tenant	Tenant
27.	Interior Signage within the Premises		
а	- maintenance, repair and replacement	Tenant	Tenant
28.	Audio/Visual Building and Performance Systems		
а	- inspection, maintenance, and repair of all audio/visual systems	Tenant	Tenant
b	- life cycle replacement of all audio/visual systems	Tenant	Tenant
29.	Janitorial Services (within the Premises)		
а	- routine janitorial/custodial services	Tenant	Tenant
b	- pest control services	Tenant	Tenant
С	- provision of all washroom supplies	Tenant	Tenant
d	- garbage and recycling removal services	Tenant	Tenant
30.	Common Area Janitorial Services		
а	- routine janitorial/custodial services	CoV	Tenant (Proportionate Share) *

Item	Description	Party to Perform the Work	Party Responsible to Pay for Work
b	- pest control services (exterior)	CoV	Tenant (Proportionate Share) *
С	- provision of all washroom supplies	CoV	Tenant (Proportionate Share) *
d	- garbage removal services	CoV	Tenant (Proportionate Share) *
31.	Commercial Kitchen (and any associated HVAC/specialty equipment), Appliances, Program Equipment and Other Equipment within the Premises		
а	<ul> <li>inspection, maintenance and repair of all non-building equipment including the commercial kitchen (and any associated HVAC/specialty equipment), appliances, program equipment, other equipment, , free standing cabinets, track lighting</li> </ul>	Tenant	Tenant
b	- replacement of all non-building equipment including the commercial kitchen (and any associated HVAC/specialty equipment), appliances, program equipment and other equipment	Tenant	Tenant
С	- maintenance, repair and replacement of furniture and fixtures	Tenant	Tenant
32.	Renovations and Upgrades to the Premises		

Item	Description	Party to Perform the Work	Party Responsible to Pay for Work
а	- any upgrades, additions, enhancements or improvements beyond what was originally provided during construction (subject to prior approval by CoV)	Tenant	Tenant
33.	Utilities for the Premises		
33.	othities for the Freimses		
а	- electricity	Tenant	Tenant
b	- gas	Tenant	Tenant
С	- water and sewer	Tenant	Tenant
d	-neighbourhood energy utility (NEU)	n/a	n/a
е	- all other municipal utilities charges which appear on the property tax notice	n/a	n/a
34.	Business Operations		
а	- staff costs	Tenant	Tenant
b	- telephone, internet & cable services	Tenant	Tenant
С	- insurance (CGL, business interruption, contents, etc.)	Tenant	Tenant
d	- insurance (building shell)	CoV	CoV
е	- supplies and equipment, including for bathroom and kitchen	Tenant	Tenant
f	- security services	Tenant	Tenant

## Life Cycle Replacement

Life cycle replacement is based on fair wear and tear. The need of such replacement

is at the Landlord's sole discretion.

## **Damage**

Notwithstanding the foregoing, it is a condition hereof that the Landlord's obligation to maintain, repair, and replace parts of the Premises as indicated above is always subject to the availability of funds currently budgeted by the Landlord for such purposes at the Premises.

## Repairs and Maintenance Triggered by Tenant Work

For clarity, where repairs and maintenance work which would ordinarily be performed and paid for by CoV is required to any part of the Premises or the Building because of work that is initiated by the Tenant, the Tenant will be responsible to pay for such work.

## PROPOSAL FORM

RFP No. PS20151004, Operator for Queen Elizabeth Theatre Restaurant (the "RFP")

Proponent's Name:	
"Propon	ent"
Address:	
Jurisdiction of Legal Organization:	
Date of Legal Organization:	
Key Contact Person:	
Telephone:	Fax:
E-mail:	
The Proponent, having carefully examined and read thereto, if any, and all other related information publ that it has understood all of the foregoing, and in Proposal.	lished on the City's website, hereby acknowledges
The Proponent further acknowledges that it has rea attached as Appendix C1 hereto and has separately ex	
IN WITNESS WHEREOF the Proponent has executed this	s Proposal Form:
Signature of Authorized Signatory for the Proponent	Date
Name and Title	
Signature of Authorized Signatory for the Proponent	
Name and Title	_

Issued on August 20, 2015 Page C-1

## APPENDIX C1 TO PROPOSAL FORM

#### LEGAL TERMS AND CONDITIONS

### 1 APPLICATION OF THESE LEGAL TERMS AND CONDITIONS

These legal terms and conditions set out the City's and the Proponent's legal rights and obligations only with respect to the RFP proposal process and any evaluation, selection, negotiation or other related process. In no event will the legal terms and conditions of this Appendix C1 apply to, or have the effect of supplementing, any Contract formed between the City and the Proponent, or otherwise apply as between the Proponent and the City following the signing of any such Contract.

#### 2 DEFINITIONS

In this Appendix C1, the following terms have the following meanings:

- (a) "City" means the City of Vancouver, a municipal corporation continued pursuant to the Vancouver Charter.
- (b) "Contract" means a legal agreement, if any, entered into between the City and the Proponent as a result of the RFP.
- "Losses" means, in respect of any matter, all direct or indirect, as well as consequential: claims, demands, proceedings, losses, damages, liabilities, deficiencies, costs and expenses (including without limitation all legal and other professional fees and disbursements, interest, penalties and amounts paid in settlement whether from a third person or otherwise).
- (d) "Proponent" means the legal entity which has signed the Proposal Form, and "proponent" means any proponent responding to the RFP, excluding or including the Proponent, as the context requires.
- (e) "Proposal" means the package of documents consisting of the Proposal Form (including this Appendix C1), the Proponent's proposal submitted under cover of the Proposal Form, and all schedules, appendices and accompanying documents, and "proposal" means any proposal submitted by any proponent, excluding or including the Proponent, as the context requires.
- (f) "Proposal Form" means that certain Part C of the RFP, completed and executed by the Proponent, to which this Appendix C1 is appended.
- (g) "RFP" means the document issued by the City as Request for Proposals No. PS20151004, as amended from time to time and including all addenda.

#### 3 NO LEGAL OBLIGATION ASSUMED BY THE CITY

Despite any other term of the RFP or the Proposal Form, including this Appendix C1 (except only Sections 7, 8.2 and 10 of this Appendix C1, in each case to the extent applicable), the City assumes no legal duty or obligation to the Proponent or to any proposed subcontractor in respect of the RFP, its subject matter or the Proposal unless and until the City enters into a Contract, which the City may decline to do in the City's sole discretion.

## 4 NO DUTY OF CARE OR FAIRNESS TO THE PROPONENT

The City is a public body required by law to act in the public interest. In no event, however, does the City owe to the Proponent or to any of the Proponent's proposed subcontractors (as opposed to the public) any contract or tort law duty of care, fairness, impartiality or procedural fairness in the RFP

Issued on August 20, 2015 Page C1-1

process, or any contract or tort law duty to preserve the integrity of the RFP process. The Proponent hereby waives and releases the City from any and all such duties and expressly assumes the risk of all Losses arising from participating in the RFP process on this basis.

### 5 EVALUATION OF PROPOSALS

## 5.1 Compliance / Non-Compliance

Any proposal which contains an error, omission or misstatement, which contains qualifying conditions, which does not fully address all of the requirements or expectations of the RFP, or which otherwise fails to conform to the RFP may or may not be rejected by the City at the City's sole discretion. The City may also invite a proponent to adjust its proposal to remedy any such problem, without providing the other proponents an opportunity to amend their proposals.

## 5.2 Reservation of Complete Control over Process

The City reserves the right to retain complete control over the RFP and proposal processes at all times. Accordingly, the City is not legally obligated to review, consider or evaluate the proposals, or any particular proposal, and need not necessarily review, consider or evaluate the proposals, or any particular proposal, in accordance with the procedures set out in the RFP, and the City reserves the right to continue, interrupt, cease or modify its review, evaluation and negotiation processes in respect of any or all proposals at any time without further explanation or notification to any proponents.

## 5.3 Discussions/Negotiations

The City may, at any time prior to signing a Contract, discuss or negotiate changes to the scope of the RFP, any proposal or any proposed agreement with any one or more of the proponents without having any duty or obligation to advise the Proponent or to allow the Proponent to vary its Proposal as a result of such discussions or negotiations with other proponents or changes to the RFP or such proposals or proposed agreements, and, without limiting the general scope of Section 6 of this Appendix C1, the City will have no liability to the Proponent as a result of such discussions, negotiations or changes.

## 5.4 Acceptance or Rejection of Proposals

The City has in its sole discretion, the unfettered right to: accept any proposal; reject any proposal; reject all proposals; accept a proposal which is not the lowest-price proposal; accept a proposal that deviates from the requirements of the RFP or the conditions specified in the RFP; reject a proposal even if it is the only proposal received by the City; accept all or any part of a proposal; enter into agreements respecting the subject matter of the RFP with one or more proponents; or enter into one or more agreements respecting the subject matter of the RFP with any other person at any time.

## 6 PROTECTION OF CITY AGAINST LAWSUITS

### 6.1 Release by the Proponent

Except only and to the extent that the City is in breach of Section 8.2 of this Appendix C1, the Proponent now releases the City, its officials, its agents and its employees from all liability for any Losses incurred in connection with the RFP or the Proposal, including any Losses in connection with:

any alleged (or judicially determined) breach by the City or its officials, agents or employees of the RFP (it being agreed that, to the best of the parties' knowledge, the City has no obligation or duty under the RFP which it could breach (other than wholly unanticipated obligations or duties merely alleged or actually imposed judicially));

- (b) any unintentional tort of the City or its officials or employees occurring in the course of conducting the RFP process;
- (c) the Proponent preparing and submitting the Proposal;
- (d) the City accepting or rejecting the Proposal or any other submission; or
- (e) the manner in which the City: reviews, considers, evaluates or negotiates any proposal; addresses or fails to address any proposal or proposals; resolves to enter into a Contract or not enter into a Contract or any similar agreement; or the identity of the proponent(s) or other persons, if any, with whom the City enters any agreement respecting the subject matter of the RFP.

### 6.2 Indemnity by the Proponent

Except only and to the extent that the City breaches Section 8.2 of this Appendix C1, the Proponent indemnifies and will protect, save and hold harmless the City, its officials, its agents and its employees from and against all Losses, in respect of any claim or threatened claim by the Proponent or any of its proposed subcontractors or agents alleging or pleading:

- any alleged (or judicially determined) breach by the City or its officials or employees of the RFP (it being agreed that, to the best of the parties' knowledge, the City has no obligation or duty under the RFP which it could breach (other than wholly unanticipated obligations or duties merely alleged or actually imposed judicially));
- (b) any unintentional tort of the City or its officials or employees occurring in the course of conducting the RFP process, or
- (c) liability on any other basis related to the RFP or the proposal process.

### 6.3 Limitation of City Liability

In the event that, with respect to anything relating to the RFP or this proposal process (except only and to the extent that the City breaches Section 8.2 of this Appendix C1), the City or its officials, agents or employees are found to have breached (including fundamentally breached) any duty or obligation of any kind to the Proponent or its subcontractors or agents whether at law or in equity or in contract or in tort, or are found liable to the Proponent or its subcontractors or agents on any basis or legal principle of any kind, the City's liability is limited to a maximum of \$100, despite any other term or agreement to the contrary.

### 7 DISPUTE RESOLUTION

Any dispute relating in any manner to the RFP or the proposal process (except to the extent that the City breaches this Section 7 or Section 8.2 of this Appendix C1, and also excepting any disputes arising between the City and the Proponent under a Contract (or a similar contract between the City and a proponent other than the Proponent)) will be resolved by arbitration in accordance with the Commercial Arbitration Act (British Columbia), amended as follows:

- (a) The arbitrator will be selected by the City's Director of Legal Services;
- (b) Section 6 of this Appendix C1 will: (i) bind the City, the Proponent and the arbitrator; and (ii) survive any and all awards made by the arbitrator; and
- (c) The Proponent will bear all costs of the arbitration.

#### 8 PROTECTION AND OWNERSHIP OF INFORMATION

## 8.1 RFP and Proposal Documents City's Property

- (a) All RFP-related documents provided to the Proponent by the City remain the property of the City and must be returned to the City, or destroyed, upon request by the City.
- (b) The documentation containing the Proposal, once submitted to the City, becomes the property of the City, and the City is under no obligation to return the Proposal to the Proponent.

## 8.2 Proponent's Submission Confidential

Subject to the applicable provisions of the *Freedom of Information and Protection of Privacy Act* (British Columbia), other applicable legal requirements, and the City's full right to publicly disclose any and all aspects of the Proposal in the course of publicly reporting to the Vancouver City Council on the proposal results or announcing the results of the RFP, the City will treat the Proposal (and the City's evaluation of it), in confidence in substantially the same manner as it treats its own confidential material and information.

## 8.3 All City Information Confidential

- (a) The Proponent will not divulge or disclose to any third parties any non-public documents or information concerning the affairs of the City which have been or are in the future provided or communicated to the Proponent at any time (whether before, during or after the RFP process). Furthermore, the Proponent agrees that it has not and must not use or exploit any such non-public documents or information in any manner, including in submitting its Proposal.
- (b) The Proponent now irrevocably waives all rights it may have by statute, at law or in equity, to obtain any records produced or kept by the City in evaluating its Proposal (and any other submissions) and now agrees that under no circumstances will it make any application to the City or any court for disclosure of any records pertaining to the receipt, evaluation or selection of its Proposal (or any other submissions) including, without limitation, records relating only to the Proponent.

## 9 NO CONFLICT OF INTEREST / NO COLLUSION / NO LOBBYING

#### 9.1 Declaration as to no Conflict of Interest in RFP Process

- (a) The Proponent confirms and warrants that there is no officer, director, shareholder, partner, employee or contractor of the Proponent or of any of its proposed subcontractors, or any other person related to the Proponent's or any proposed subcontractor's organization (a "person having an interest") or any spouse, business associate, friend or relative of a person having an interest who is:
  - i. an official or employee of the City; or
  - ii. related to or has any business or family relationship with an elected official or employee of the City,

in each case, such that there could be any conflict of interest or any appearance of conflict of interest in the evaluation or consideration of the Proposal by the City, and, in each case, except as set out, in all material detail, in a separate section titled "Conflicts; Collusion; Lobbying" in the Proposal.

(b) The Proponent confirms and warrants that there is no person having an interest (as defined above) who is a former official, former employee or former contractor of the City and who has non-public information relevant to the RFP obtained during his or her employment or engagement by the City, except as set out, in all material detail, in a separate section titled "Conflicts; Collusion; Lobbying" in the Proposal.

## 9.2 Declaration as to No Conflict of Interest Respecting Proposed Supply

The Proponent confirms and warrants that neither the Proponent nor any of its proposed subcontractors is currently engaged in supplying (or is proposing to supply) goods or services to a third party such that entering into an agreement with the City in relation to the subject matter of the RFP would create a conflict of interest or the appearance of a conflict of interest between the Proponent's duties to the City and the Proponent's or its subcontractors' duties to such third party, except as set out, in all material detail, in a separate section titled "Conflicts; Collusion; Lobbying" in the Proposal.

### 9.3 Declaration as to No Collusion

The Proponent confirms and warrants that:

- (a) the Proponent is not competing within the RFP process with any entity with which it is legally or financially associated or affiliated, and
- (b) the Proponent is not cooperating in any manner in relation to the RFP with any other proponent responding to the RFP,

in each case, except as set out, in all material detail, in a separate section titled "Conflicts, Collusion, Lobbying" in the Proposal.

### 9.4 Declaration as to Lobbying

The Proponent confirms and warrants that:

- (a) neither it nor any officer, director, shareholder, partner, employee or agent of the Proponent or any of its proposed subcontractors is registered as a lobbyist under any lobbyist legislation in any jurisdiction in Canada or in the United States of America; and
- (b) neither it nor any officer, director, shareholder, partner, employee or agent of the Proponent or any of its proposed subcontractors has engaged in any form of political or other lobbying whatsoever with respect to the RFP or sought, other than through the submission of the Proposal, to influence the outcome of the RFP process,

in each case as set out, in all material detail, in a separate section titled "Conflicts, Collusion, Lobbying" in the Proposal.

#### 10 NO PROMOTION OF RELATIONSHIP

The Proponent must not disclose or promote any relationship between it and the City, including by means of any verbal declarations or announcements and by means of any sales, marketing or other literature, letters, client lists, press releases, brochures, web sites or other written materials (whether in print, digital, electronic or other format) without the express prior written consent of the City. The Proponent undertakes not to use the name, official emblem, mark, or logo of the City, including without limitation, "City of Vancouver", "Vancouver Police Board", "Vancouver Public Library", "Vancouver Park Board", "Vancouver Board of Parks and Recreation", or any other reference to any of the foregoing, without the express prior written consent of the City.

#### 11 GENERAL

- (a) All of the terms of this Appendix C1 to this Proposal Form which by their nature require performance or fulfillment following the conclusion of the proposal process will survive the conclusion of such process and will remain legally enforceable by and against the Proponent and the City.
- (b) The legal invalidity or unenforceability of any provision of this Appendix C1 will not affect the validity or enforceability of any other provision of this Appendix C1, which will remain in full force and effect.
- (c) The Proponent now assumes and agrees to bear all costs and expenses incurred by the Proponent in preparing its Proposal and participating in the RFP process.
- (d) The Proponent consents to the City contacting any references named by the Proponent in the Proposal.

### 12 INDEPENDENT LEGAL ADVICE

THE PROPONENT ACKNOWLEDGES THAT IT HAS BEEN GIVEN THE OPPORTUNITY TO SEEK INDEPENDENT LEGAL ADVICE BEFORE SUBMITTING ITS PROPOSAL FORM, INCLUDING THIS APPENDIX C1.

IN WITNESS WHEREOF, AS EVIDENCE OF THE PROPONENT'S INTENT TO BE LEGALLY BOUND HEREBY, THIS APPENDIX C1 IS EXECUTED ON BEHALF OF THE PROPONENT BY ITS DULY AUTHORIZED SIGNATORY OR SIGNATORIES:

Signature of Authorized Signatory for the Proponent	Date	
Name and Title		
Signature of Authorized Signatory for the Proponent	Date	
Name and Title		

Issued on August 20, 2015 Page C1-6

## FORM OF LEASE AGREEMENT

BETWI	EEN:
	CITY OF VANCOUVER 453 West 12 <sup>th</sup> Avenue Vancouver, British Columbia V5Y1 V4
	(the "Landlord")
AND:	[INSERT TENANT NAME AND ADDRESS]
	(the "Tenant")
Premi	ses:
	The restaurant known as the Queen Elizabeth Theatre (QET) Restaurant
Term:	
	Seven (7) years, from, 20 to, 20
Rent:	Basic Rent in an amount of per annum, plus GST, paid [annually or monthly] in advance and Sales Rent, being% of Gross Revenue, plus GST, paid [annually or monthly], plus payment in lieu of property taxes.
Optio	n to Renew:
	One (1) option to renew for an additional term of five (5) years.

## INDEX

ARTICLE I	Section
Term License to Use License Area Rent Payments Generally Utilities, Janitorial, Maintenance and Repairs Use of Premises Use of License Area Permission to Use Public Washrooms Conduct of Business Prohibited Activities/Products Install Tenant's Furniture, Furnishings, Equipment and Continuously Operate Interest on Arrears Security Deposit Taxes Goods and Services Tax	1.01 1.02 1.03 1.04 1.05 1.06 1.07 1.07(a) 1.08 1.09 1.10 1.11 1.12 1.13 1.14
ARTICLE II	
Revenue Report Accounting Procedures and Controls Audited Revenue Reports	2.01 2.02 2.03
ARTICLE III	
No Damage Snow Removal from the Leased Area and Sidewalks Alterations Liens and Encumbrances Signage Permitted Encumbrances Identification of Tenant as Operator	3.01 3.02 3.03 3.04 3.05 3.06 3.07
ARTICLE IV	
Limitation of Liability Exclusion of Liability Indemnification	4.01 4.02 4.03
ARTICLE V	
Definitions Suitability of the Premises Tenant's Inspection of the Premises Release and Indemnification Removal of Hazardous Substances Breach of Laws Relating to Hazardous Substances Enquiries Pertaining to Hazardous Substances Landlord's Inspection of Goods	5.01 5.02 5.03 5.04 5.05 5.06 5.07 5.08

Ownership Remains with Tenant Environmental Covenants Survive Termination	5.09 5.10
ARTICLE VI	
Tenant's Liability Insurance Tenant's All Risk (Broad form) Property Insurance General Requirements of Insurance Evidence of Insurance Appraisal Report WorkSafeBC Coverage Cost of Insurance - Intentionally Omitted	6.01 6.02 6.03 6.04 6.05 6.06 6.07
ARTICLE VII	
Termination on Damage or Destruction Repair of Damage or Destruction Abatement of Rent No Effect on Repair Obligations Tenant to Notify Promptly	7.01 7.02 7.03 7.04 7.05
ARTICLE VIII	
Assignment Subleasing Assignment of Sublease Rent Mortgaging by Tenant Tenant Liable for Rent, Property Taxes Notwithstanding Mortgage Mortgage subject to Landlord's Rights under Lease Notice to and Remedies of Mortgagee	8.01 8.02 8.03 8.04 8.05 8.06 8.07
ARTICLE IX	
Bankruptcy	9.01
ARTICLE X	
Statutes and By-laws Quiet Enjoyment Performance of Obligations Registration of Lease Landlord's Rules and Regulations	10.01 10.02 10.03 10.04 10.05
ARTICLE XI	
Breach of Covenants Distraint Right to Re-let Forfeiture Remedies Generally Expenses	11.01 11.02 11.03 11.04 11.05 11.06

Landlord May Remedy Tenant's Default Security Agreement	11.07 11.08				
ARTICLE XII					
Vacant Possession Trade Fixtures Overholding	12.01 12.02 12.03				
ARTICLE XIII					
For Showings/Inspections Landlord's Access to Records Emergency Access	13.01 13.02 13.03				
ARTICLE XIV					
Option to Renew	14.01				
ARTICLE XV					
Landlord Released Tenant's Covenant Status Statement	15.01 15.02 15.03				
ARTICLE XVI					
Delivery of Notices Administration of Lease Covenants Survive Termination Time is of the Essence Captions and Headings Interpretation Joint and Several Waiver Entire Agreement Governing Law Severability Relationship between Landlord and Tenant Force Majeure Permanent Public Park - Intentionally Deleted Parking No Promotion	16.01 16.02 16.03 16.04 16.05 16.06 16.07 16.08 16.09 16.10 16.11 16.12 16.13 16.14 16.15				

### WITNESSES THAT WHEREAS:

A. The Landlord is the owner of certain lands situate in the City of Vancouver, in the Province of British Columbia, having a civic address as 649 Cambie Street, Vancouver, which are legally described as:

Parcel Identifier: 011-641-479

Legal Description: Block 47 District Lot 541 Plan 21824

on which lands (the "Lands") exists a structure appurtenant to the Queen Elizabeth Theatre plaza, shown in a sketch plan attached hereto as Schedule A (the "Building");

- B. The Building comprises a restaurant known as the QET Restaurant on the upper floor together with the adjacent patio (the "License Area") shown outlined in bold black on the plans attached hereto as Schedule B (hereinafter called the "Premises"); [to be adjusted based on premises leased by this agreement]
- C. In response to a request for proposals (the "RFP") issued by the Landlord seeking an operator for the Premises, the Tenant submitted a proposal to operate the Premises, and the Landlord accepted the Tenant's proposal, modified as agreed by the Landlord and Tenant;
- D. The Landlord has agreed to lease the Premises and license the License Area to the Tenant for an initial term of seven (7) years with one (1) option to renew for an additional term of five (5) years, as hereinafter provided;
- Except as set out in the RFP and as otherwise agreed to by the Tenant and the Landlord, the Tenant has agreed to supply all furniture, furnishings and equipment required for the proper and efficient operation of the Premises as a restaurant and live music venue in conjunction therewith; and
- F. Vancouver City Council, by resolution made at its meeting on \_\_\_\_\_, 20\_\_, resolved to lease the Premises to the Tenant upon the terms and conditions hereinafter set out.

NOW THEREFORE in consideration of the rents, covenants and agreements hereinafter reserved and contained on the part of the Tenant to be paid, observed and performed, the Landlord by these presents does demise and lease the Premises unto the Tenant and the Tenant does hereby take and rent the Premises upon and subject to the conditions set out hereunder.

### ARTICLE I

## Section 1.01 Term

In consideration of the rents, covenants and conditions herein on the part of the Tenant to be performed and observed, the Landlord hereby leases the Premises to the Tenant to have and to hold the same for and during a term of SEVEN (7) YEARS commencing on the \_\_day of \_\_\_\_\_, 20\_\_ (the "Commencement Date") and expiring at 11:59 p.m. on the \_\_ day of \_\_\_\_\_, 20\_\_ (the "Term").

## Section 1.02 License to Use License Area

The Landlord hereby grants to the Tenant a license to use the License Area, which may be expanded by the Landlord at its sole discretion, provided that the Tenant has no interest in the land in the License Area, which license will be concurrent with the term of this lease, provided that all the

terms and conditions of this lease will apply to the License Area as if they were a part of the Premises, including the payment of Rent based on Gross Revenue and the insurance requirements set out in Article VI, except that:

- (a) the License Area will not be included in the calculation of the square footage of the Premises for the purpose of calculating the Property Taxes; and
- (b) the Tenant will close the License Area by 11:00 p.m. each day unless otherwise agreed to by the Landlord.

## Section 1.03 Rent

The Tenant hereby covenants and agrees with the Landlord that the Tenant will pay to the Landlord during the Term, without prior demand or any deduction or set off whatsoever, rent, which will be comprised of the following:

	ng the Terr ised of the	n, without prior demand or any deduction or set off whatsoever, rent, which following:					
(a)		t (the "Basic Rent") for each lease year of the Term (a "Lease Year") paid					
(4)		or monthly] as follows:					
		commencing on and thereafter payable on every next					
	S	ucceeding Lease Year, the sum of Dollars (\$) plus GST;					
		f the option to renew the Lease is exercised then commencing on commencing					
		on and thereafter payable on every next succeeding ease Year, the sum of Dollars (\$) plus GST; and					
(b)	sales ren	t (the "Sales Rent") for each Lease Year, to be paid [annually or monthly],					
(-)	which wi	II be the amount which is equal to percent (%) of Gross Revenue plus					
		each month of each Lease Year provided that:					
	(i) "	Gross Revenue" means the entire amount of the total sale prices whether for					
		ash or credit of all sales of food, beverages (including alcoholic beverages)					
		and merchandise and the entire amount of all other receipts from all of the					
		ood service operations including any takeout service operations, and includes					
		all receivables whatsoever of all business conducted at, in, on or from the					
	Premises by the Tenant and any affiliate of the Tenant, including receipt						
		eceivables in respect of services provided at the Premises even though the					
		orders for such services are not made at or through the Premises, but excluding:					
		· ·					
		<ol> <li>income derived from meals provided to staff;</li> <li>gratuities from patrons;</li> </ol>					
		<ul><li>all sums collected and paid out for any direct retail sales tax imposed</li></ul>					
	(	by any government authority, including GST and PST;					
	(	4) the "free" food portion of any bona fide coupon promotion, public					
		relations or promotional program applicable to the food services					
		operations, including Entertainment Book, Solid Gold, Gastronomic,					
		Budget Rent-A-Car or any other discount promotion applicable to the					
		food services operations; and					
	(	5) proceeds of insurance in reimbursement of any losses, damages or					
		claims suffered by the Tenant, except for reimbursement for loss of					
	,	revenue which will be included in Gross Revenue; and					
	(	6) refunds to patrons, excluding refunds to patrons for parking validation,					
		which will not be deducted from Gross Revenue,					
which	ch Saloe De	ent will be paid [annually or monthly] based on the Gross Revenue for the					
		receding month [or 12 months of the preceding year], commencing on the					
		, 20, and continuing on the day of each remaining month [or					

year] during the Term and on the \_\_\_ day of the month following the month in which this Lease is terminated, which payment will be accompanied by a Revenue Report prepared and submitted in accordance with Section 2.01.

The Basic Rent and the Sales Rent (collectively the "Rent") together with any additional rent payable by the Tenant is referred to as "rent" in this Lease. All Rent and additional rent payable hereunder shall be deemed to accrue from day to day. If for any reason it is necessary to calculate for irregular periods of less than one month or at some other interval, an appropriate pro-rate adjustment shall be made on a daily basis in order to compute Rent and additional rent payable for such irregular period.

## Section 1.04 Payments Generally

All payments by the Tenant to the Landlord of whatsoever nature required or contemplated by this Lease will be:

- (a) paid to the Landlord by the Tenant in lawful currency of Canada;
- (b) made when due hereunder, without prior demand therefor and without any setoff, compensation or deduction whatsoever at the office of the City of Vancouver specified in section 16.01 or such other place as the Landlord may designate from time to time in writing to the Tenant, provided that upon the request of the Landlord, the Tenant will deliver to the Landlord a series of post-dated cheques, each in the amount of the additional rent as reasonably estimated by the Landlord, for the next ensuing 12 months, and the Tenant will continue to do so upon each yearly anniversary thereafter during the Term. The failure of the Tenant to comply in any way with the provisions of this subsection will be deemed to be default under this Lease and will entitle the Landlord to exercise any and all remedies available to the Landlord under this Lease;
- (c) applied towards amounts then outstanding hereunder, in such manner as the Landlord may see fit:
- (d) deemed to be rent, in partial consideration for which this Lease has been entered into, and will be payable and recoverable as rent, such that the Landlord will have all rights and remedies against the Tenant for default in making any such payment which may not be expressly designated as rent as the Landlord has for default in payment of rent; and
- (e) deemed to accrue from day to day, and if for any reason it becomes necessary to calculate for irregular periods of less than one month or at some other interval, an appropriate pro-rata adjustment will be made on a daily basis in order to compute rent for such irregular period.

## Section 1.05 Utilities, Janitorial, Maintenance and Repairs

The arrangements concerning the utilities, janitorial, maintenance and repairs as of the date of this Agreement are contained in Schedule "C" attached hereto (the "Service Level Agreement"). The Service Level Agreement may be amended in writing from time to time by the Landlord and the Tenant by mutual agreement.

The Tenant shall pay all charges, rates and levies on account of utilities and other services provided to the Premises, including heat, electricity, gas, water, sewer, garbage and recycling collection, telephone, cablevision, internet, all other costs related to security systems monitoring and servicing and all other expenses and outgoings relating to the Premises immediately when due and, upon request, provide the Landlord with receipts evidencing such payment, unless otherwise expressly

indicated in the Service Level Agreement. Notwithstanding the foregoing, the Landlord may collect some utility charges, rates fees and levies by inserting them in the real property tax roll, such charges, rates, fees and levies include those for water supply, water meter rental, water meter shutoff, air conditioning, fireline, fireline shutoff, sewer, recycling pickup and dumping, recycling cart rental, recycling cart carryout, recycling cart storage, yard waste pickup, yard waste cart rental, garbage pickup and dumping, garbage cart rental and stopping garbage pickup. Notwithstanding that the Premises and improvements are exempt from taxation, when such charges, rates and levies are inserted in the tax roll for the Premises, the Tenant shall pay 100% of same upon receiving the Landlord's invoice therefore as if the Premises were not exempt from taxes.

The Tenant shall keep and maintain the Premises and all signs and all leasehold improvements installed by the Tenant in or around the Premises or Building in good repair as would a reasonable and prudent owner of such premises, reasonable wear and tear and structural elements or defects excepted and in a sanitary, neat, tidy and safe condition and free from nuisance at all times, and the following will apply:

- (a) the Tenant will not obstruct the hallways, entrances, stairways and driveways leading to the Premises or suffer same to be used by the Tenant's employees or invitees for any purpose other than ingress to and egress from the Premises, and the Tenant agrees not to place in the hallways, entrances, stairways and driveways any waste paper, dust, garbage, refuse or anything whatsoever that would tend to make such areas appear untidy or filthy;
- (b) the Tenant will employ the services of a commercial garbage and refuse removal company or that service provided by the City and will ensure that refuse, garbage and solid waste is removed as required in order to maintain the cleanliness of the Premises, unless otherwise stated in the Service Level Agreement; and
- (c) the Tenant will follow good environmental practices whenever possible and conform to the Landlord's policies in use at other similar operations.

The Tenant shall prepare and submit to the Landlord an annual maintenance plan on or before December 31<sup>st</sup> of each year of the Term commencing on the first December 31<sup>st</sup> following the date of occupancy, which shall include both a preventative maintenance plan and the regulatory plan. At the end of each year of the Term, the Tenant shall submit a report(s) summarizing the routine maintenance that has been performed and the costs thereof, and the capital maintenance and improvements performed and the costs thereof. The Landlord reserves the right to approve or validate the maintenance plan, acting reasonably.

The Landlord shall have access to the Premises in order to inspect them during normal business hours. The Landlord shall provide the Tenant with written notice of any repairs which, in accordance with The Service Level Agreement, the Landlord requires the Tenant to make to the Premises. The Tenant shall make such repairs in accordance with such notice within a reasonable period of time. If the Tenant fails to promptly commence repairs and diligently prosecute same to completion after receipt of notice from the Landlord requiring repairs, then the Landlord may carry out or cause to be carried out such repairs on the provision of reasonable notice to the Tenant in a manner so as to cause the least reasonably possible disruption to the Tenant, the costs of which shall be payable by the Tenant, and the Landlord and its employees, agents, contractors and subcontractors, shall not be liable to the Tenant for any inconvenience, annoyance, disruption, loss of income or liability suffered or incurred by the Tenant by reason of the Landlord effecting such repairs unless caused by the negligence of the Landlord or those for whom the Landlord is responsible in law.

Section 1.06 Use of Premises

The Tenant will not use or occupy, nor suffer or permit the use of the Premises or any part thereof for any purpose other than for a restaurant with a liquor license (the "Permitted Use"). Without limiting the generality of the foregoing, the Tenant will not at any time suffer, permit or allow any person to:

- (a) use the Premises and the Tenant's equipment on the Premises in connection with any operations not deemed by the Landlord, acting reasonably, to be part of the on-site operation of the restaurant; or
- (b) occupy the Premises for residential purposes.

The Tenant will not use, or suffer or permit the use of, any part of the Premises in such a manner as to cause, suffer or permit any annoying noises or offensive odours to emanate from any part of the Premises.

By agreeing to the Tenant using the Premises for the Permitted Use, the Landlord is agreeing as the owner of the Premises only and is not in any way (either in its capacity as landlord or as a regulatory public body) stating, warranting or representing that the Permitted Use is a permitted use under the City of Vancouver *Zoning and Development By-law No. 3575* and amendments thereto and other relevant by-laws. Nothing in this section 1.06 affects the Tenant's obligations to comply at its sole expense with all such by-laws pursuant to section 10.01 of this Lease.

#### Section 1.07 Use of License Area

The Tenant will not use or occupy, nor suffer or permit the use of the License Area or any part thereof for any purpose other than for outdoor seating for the QET Restaurant, subject to the requirements of the Liquor Licensing and Control Branch, and any approval of the Landlord will be subject to the requirements of the Liquor Licensing and Control Branch.

## Section 1.08 Conduct of Business

The Tenant agrees that the following will apply to the conduct of the business at the Premises:

- (a) the Tenant will manage and operate the QET Restaurant in an efficient and professional manner, including maintaining an inventory of food, goods and supplies as may be necessary and appropriate for the efficient operation of the restaurant and supplying all necessary working capital for the effective operation of all services;
- (b) the Tenant will operate the QET Restaurant in a manner that caters to families and people of all ages, and will obtain the prior written approval of the Landlord for any change to the style of service to customers:
- (c) the Tenant will not apply for nor request any change to any liquor licence for the QET Restaurant without the consent of the Landlord, such consent not to be unreasonably withheld;
- (d) the Tenant will operate the QET Restaurant year round [NTD: with hours of operation for each facility to be agreed upon by the Landlord and the Tenant] and in accordance with all applicable laws and by-laws;
- (e) the Tenant will ensure that its employees will be at all times of neat, clean and professional appearance;

- (f) at the reasonable request of the Landlord, the Tenant will attend any meeting requested by the Landlord to deal with concerns of the surrounding neighbourhood; and
- (g) within 6 months of the third anniversary of the commencement date of the Term and within 6 months of every third anniversary thereafter, the Tenant, at its cost, will engage a professional inspection company approved by the Landlord acting reasonably to conduct a maintenance inspection of the Premises to determine the condition of the Premises, including without limitation, the structural, mechanical and electrical elements of the Premises and the finishes inside and outside of the Premises, and the Tenant will promptly provide to the Landlord a copy of that company's report, will promptly implement all of the recommendations contained in such report, and in any event will have implemented all of such recommendations within 6 months of the Tenant's receipt of such report, with the cost of such repairs being paid by the Landlord and Tenant in accordance with their respective repair and maintenance obligations as set out in Article III of this Lease.

### Section 1.09 Prohibited Activities/Products

The Tenant acknowledges and agrees that its business in the Premises is being conducted within a city facility and that therefore the Tenant must conduct its business in and from the Premises in a manner consistent with the best interests of Queen Elizabeth Theatre as a whole, as determined from time to time by the Landlord, and the following will apply:

- (a) the Tenant will not enter into any sponsorship agreements without obtaining the Landlord's prior written consent. The Tenant acknowledges that the Landlord has entered into or may enter into certain corporate sponsorship and supply agreements with various third parties and that the Tenant may be restricted in the types of cold beverage products it may carry.
- (b) the Tenant will not permit the use of the Premises for any of the following businesses or activities:
  - (i) sale of firecracker or fireworks of any kind;
  - (ii) any gambling device or game of chance or gambling whatsoever;
  - (iii) an auction, flea market, pawn shop, bulk sale, liquidation sale, distress sale, going-outof-business sale, bankruptcy sale, sheriff's sale, receivership sale, or any other sale which in the Landlord's opinion suggests that business operations are to be discontinued in the Premises; and
  - (iv) the sale or supply of any service which would, in the Landlord's opinion reasonably held:
    - (1) tend to lower the high quality character of the restaurant being operated in the Premises;
    - (2) constitute unethical, deceptive or fraudulent advertising, dishonest procedures or practices;
    - (3) be objectionable; or
    - (4) be a nuisance; and
- (c) except for the Premises, the Tenant will not, without the prior written consent of the Landlord, use any part of the Building, including any other area outside the Premises, for merchandising

displays, decorations, signs, entertainment and structures (including, without limitation, kiosks, carts and other installations), permanent or otherwise, including for example, catering or special features of non-commercial or commercial activities.

## Section 1.10 Install Tenant's Furniture, Furnishings, Equipment and Continuously Operate

The Tenant will occupy the Premises from and after \_\_\_\_\_\_, 20\_\_\_ and from that date will continuously, actively and diligently install all furniture, furnishings and equipment required for the proper and efficient operation of the Premises, so that such furniture, furnishings and equipment will be installed and operational before \_\_\_\_\_\_, 20\_\_\_ and then from and after \_\_\_\_\_\_, 20\_\_\_, the Tenant will continuously, actively and diligently operate the restaurant in the Premises during the Term.

## Section 1.11 Interest on Arrears

Whenever and so long as the rent or any other amounts payable hereunder by the Tenant to the Landlord will be in arrears, such amounts will bear interest at the rate of three percent (3%) per annum above the "prime rate" (hereinafter defined), per annum calculated monthly not in advance, from the date due until paid irrespective of whether or not the Landlord has demanded payment. In this Lease, "prime rate" means the floating annual percentage rate of interest established from time to time by the Bank of Montreal, 595 Burrard Street, Vancouver, British Columbia as the base rate that will be used to determine rates of interest charged by it for Canadian dollar loans to customers in Canada and designated by the Bank of Montreal as its prime rate; provided that if a court declares or holds the prime rate to be void or unenforceable for any reason including uncertainty, then the rate of interest payable on amounts in arrears hereunder will be fourteen percent (14%) per annum calculated monthly not in advance from the date due until paid. The Landlord will have all the remedies for the collection of such interest as in the case of rent in arrears, but this provision for interest will not prejudice or affect any other remedy of the Landlord under this Lease. The Tenant will also pay the Landlord's standard charge levied on N.S.F. cheques.

## Section 1.12 Security Deposit

The Landlord may require that the Tenant will lodge with the Landlord a security deposit of FIFTY THOUSAND DOLLARS (\$50,000.00). At all times the deposit will stand charged with a lien in favour of the Landlord which will be in priority to any claims of the Tenant's trustee in bankruptcy or the Tenant's creditors, whether by execution, attachment, garnishing order or otherwise. The Landlord may satisfy any claims it may have against the Tenant arising hereunder, whether liquidated or otherwise, by forthwith applying the deposit or any portion thereof to payment of such claims. In the event that the Landlord appropriates all or any portion of the deposit in payment of such claims, the Tenant will forthwith replenish the deposit upon notice from the Landlord and failing such replenishment the Landlord may terminate this Lease. Subject to any claims by the Landlord, upon termination of this Lease the balance of the deposit will be remitted to the Tenant PROVIDED HOWEVER no interest will be payable on the deposit. The Landlord will not be obliged to apply any or all of the deposit to any claims it may have against the Tenant before terminating this Lease or having recourse to any other remedy. The deposit will not be refundable upon assignment. The assignor and assignee between themselves will make whatever adjustment they deem appropriate.

## Section 1.13 Taxes

Notwithstanding the preceding terms of this Lease, in addition to rent, the Tenant will pay monthly as additional rent in each and every month of the Term a sum on account of the annual general, school and local improvement charges and taxes and any charges and taxes levied under or by virtue of the *Hospital District Finance Act*, R.S.B.C. 1996, c. 203, as amended or substituted from to time, the *Municipal Finance Authority Act*, R.S.B.C., 1996, c. 325, as amended or substituted from

time to time, and any and all other statutes, laws, enactments, regulations and ordinances of the federal or provincial governments or other competent authority, or any modifications or re-enactments thereof which, except for any exemption allowed by law, would in the ordinary course have been lawfully imposed against the Premises excluding the License Area, and against all machinery in and about the Premises for each year of the Term (the "Property Taxes"), as follows:

(a)	for the period between,	20	and	, 20	., \$[]	per	square	foot	of	the
	Premises, prorated for the portion	n of th	ne calendar y	/ear;						

- (b) for the next 9 calendar years of the Term and the portion of the remaining calendar year until the expiry of the Term, the Landlord will review and, if necessary, revise effective January 1st in each such calendar year the rate for calculation of Property Taxes to reflect any change in property tax assessments for businesses in Vancouver;
- (c) Property Taxes will be paid monthly and the Tenant will, for each month of the Term, pay to the Landlord an amount equal to one-twelfth of the Property Taxes for the calendar year, such amount to be paid on or before the 1st day of the month;
- (d) at the option of the Landlord, the Landlord may require that the Property Taxes be paid semiannually in two lump sums on dates to be specified by the Landlord; and
- (e) the parties agree that the square footage of the Premises for the purpose of calculation of the Property Taxes will be 2,831.6 square feet (interior restaurant space including kitchen space, but excluding patio). [NTD: approximate square footage]

Should the Premises or any portion thereof or any trade fixtures or chattels therein for any reason become subject to taxation, then the Tenant will pay all such taxes, provided that the Tenant will not be required to pay any portion of such taxes in addition to the Property Taxes if such portion is included in the calculation of the Property Taxes.

### Section 1.14 Goods and Services Tax

The Tenant will pay when due all goods and services taxes, value-added taxes, sales taxes and consumption based taxes, rates, levies and assessments which are from time to time payable by the Tenant or the Landlord as a result of or that would not be payable but for the rights and obligations contained in this Lease, including but without derogating from the generality of the foregoing, such taxes, rates, levies and assessments payable as a result of any payment obligations herein of the Tenant to the Landlord, but excluding any taxes personal to the Landlord or dependent on the income or capital of the Landlord. Any loss, costs, charges and expenses which relate to such taxes, rates, levies and assessments suffered by the Landlord may be collected by the Landlord as additional rent with all rights of distress and otherwise as reserved to the Landlord in respect of rent in arrears.

#### ARTICLE II

The Tenant will deliver to the Landlord the following Revenue Reports during the Term:

### Section 2.01 Revenue Report

(a)

commencing on the \_\_\_ day of \_\_\_\_\_, 20\_ and continuing on the \_\_\_\_ day of each

remaining month during the Term, a Revenue Report for the previous month, together with the Rent payable pursuant to Section 1.03 [revise if Rent to be paid annually];

(b) a Revenue Report for each Lease Year, to be delivered on or before 90 days after the end of the Lease Year, together with the balance of the Rent payable if such Revenue Report indicates that, based on the Gross Revenue for the Lease Year, the amount owing on account of the Rent exceeds that paid for that Lease Year pursuant to Section 1.03;

- (c) within 60 days of the date of the expiry or earlier termination of this Lease, a Revenue Report for the period between the most recently submitted Revenue Report for a Lease Year and the date of expiry or earlier termination, together with the balance of the Rent payable if such Revenue Report indicates that, based on the Gross Revenue for that period, the amount owing on account of the Rent exceeds that paid for such period pursuant to Section 1.03;
- (d) if any Revenue Report for a Lease Year indicates that, based on the Gross Revenue for that period, the amount owing on account of the Rent was less than that paid by the Tenant for such period pursuant to Section 1.03, the Landlord will forthwith reimburse to the Tenant the amount of such overpayment; and
- (e) "Revenue Report" means a report on revenue collected by the Tenant from the business at the Premises, provided by the Tenant to the Landlord, which report must:
  - be in writing and certified by its author as being complete and true as to its contents;
  - (ii) indicate both the actual revenue and the Gross Revenue collected by the Tenant from the business at the Premises for all of the reporting period and separately indicate:
    - A. the value of all meals and other products and services at the Premises provided to staff of the Tenant;
    - B. the value of all meals and other products and services at the Premises provided for promotional purposes;
    - C. all refunds to patrons;
    - D. the Gross Revenue derived from the sit down restaurant service (if any); and
    - E. the Gross Revenue derived from the take out service; and
  - (iii) indicate the Rent for the reporting period based on the Gross Revenue from the business at the Premises.

## Section 2.02 Accounting Procedures and Controls

The Tenant will maintain a commercially reasonable standard of internal accounting procedures and controls over all revenues collected by the Tenant in the operation of the business at the Premises

and will ensure that all revenues collected with respect to the business at the Premises are clearly and accurately accounted for in accordance with the terms of this Lease. The Tenant will maintain records for the business at the Premises which are separate from the records which the Tenant maintains for other businesses conducted by the Tenant.

## Section 2.03 Audited Revenue Reports

The Tenant will, at its expense, prepare and submit to the Landlord an audited Revenue Report for each Lease Year during the Term and the following will apply:

- (a) such audited Revenue Report must be submitted on or before 90 days after the end of the Lease Year and for any partial Lease Year to the expiry or earlier termination of this Lease, within 90 days of such expiry or earlier termination;
- (b) the audit must be certified by an independent Certified General Accountant or a Chartered Accountant who is in good standing in the Province of British Columbia and is acceptable to the Landlord acting reasonably;
- (c) the audit report must be unqualified and state that the auditor has examined the Revenue Report and that such examination included a general review of the Tenant's accounting procedures and such tests of the Tenant's books and records and other supporting evidence as the auditor considers necessary in the circumstances and must be in the form recommended by the Canadian Institute of Chartered Accountants for such an engagement;
- (d) the audit report must be supplemented by a management letter prepared by the auditor that states whether the Revenue Report presents fairly and accurately the Gross Revenue for that reporting period in accordance with the provisions of this Lease and generally accepted accounting principles applied on a basis consistent with that used for the immediately preceding Lease Year, if any, or, if the Revenue Report is inaccurate, sets out the correct Gross Revenue for that reporting period and identifies and comments on any internal control weaknesses regarding the collection and reporting of revenue and, if no such weaknesses are identified, the audit report must be supplemented by a letter from the auditor in which this is indicated;
- (e) the Tenant will retain possession of all documents pertaining to the business at the Premises or at the Tenant's head office in the Province for not less than 7 years;
- (f) the Landlord reserves the right to:
  - (i) audit the books, records and accounts of the Tenant with respect to the business at the Premises at any reasonable time and the Tenant will make available to the Landlord, at any reasonable time, all documents pertaining to the operation of the business at the Premises; and
  - (ii) require that the Tenant submit audited financial statements of the Tenant for each Lease Year during the Term, and the requirements with respect to the audited Revenue Reports set out in this Section 2.03 will apply to such audited financial statements;
- (g) if any audit conducted by the Landlord discloses that the actual Gross Revenue for any Lease Year is greater by 2% or more than that disclosed by the audited financial statements provided by the accountant for the Tenant, the Tenant will pay the cost of such audit forthwith on demand by the Landlord; and
- (h) if any audit conducted by the Landlord discloses that the actual Gross Revenue for any Lease Year is greater by 5% or more than that disclosed by the audited financial statements provided by the accountant for the Tenant, if in the reasonable opinion of the Landlord the misstatement of Gross Revenue is intentional, the Landlord, in addition to its other rights in this Lease, may terminate this Lease on 30 days' written notice to the Tenant.

#### ARTICLE III

### Section 3.01 No Damage

The Tenant will not suffer, cause nor permit any damage or injury to the Premises other than reasonable wear and tear.

### Section 3.02 Snow Removal from the Premises and Sidewalks

The Tenant covenants that it will keep the Premises clear of snow and ice and will keep the adjacent sidewalks, if any, clear of snow and ice to comply with the requirements of the Street and Traffic By-law of the City of Vancouver and that it will indemnify and save harmless the Landlord from all costs, loss, damages, compensation and expenses suffered by the Landlord and sustained or caused by the Tenant's failure to remove snow and ice from the Premises PROVIDED THAT if the Tenant does not remove snow and ice as required by the Street and Traffic By-law, the Landlord may clear the sidewalks and the cost of such removal will be paid by the Tenant to the Landlord.

### Section 3.03 Alterations

The Tenant will not carry out or cause to be carried out any additions, renovations or alterations to the Premises or to the structure, plan or partitioning of the Premises, or alteration of the lighting or signage of the Premises or alterations or additions to the plumbing, piping, wiring or HVAC systems for the Premises ("Alterations") without the Landlord's prior written consent and in the giving of such consent the Landlord may attach whatever conditions, directions, stipulations, prohibitions or deadlines as it deems appropriate and the same will be conditions of this Lease, provided that the Tenant will not require the consent of the Landlord to redecorate the interior of the Premises from time to time if the Tenant does not carry out any Alterations. All such works will be performed in a good and workmanlike manner so as not to cause any unreasonable interference with the lawful use by any person of the Building or any part thereof and shall be performed wholly at the Tenant's expense but will be the Landlord's absolute property except to the extent that the same may be reasonably categorized as trade fixtures.

The Tenant hereby acknowledges that the Building has been found to contain Hazardous Substances, including asbestos and lead, and the Tenant further acknowledges receiving and reviewing the Hazardous Materials Survey of the QET Restaurant dated September 26, 2014 and the Landlord's Notice to Tenants of City owned Buildings which are attached as Schedules D and E. The Tenant hereby agrees to be responsible for carrying out, at its sole cost, any abatement or remediation work that may be required for such Hazardous Substances, and for any further Hazardous Substances that are found to be discovered in the Premises while the Tenant is carrying out Alterations, as further set out in the Service Level Agreement.

All such work shall be subject to the reasonable regulations, controls and inspection of the Landlord and any work made by the Tenant without the prior written consent of the Landlord or which is not made in accordance with any drawings and specifications approved by the Landlord or its consultants or otherwise in accordance with the foregoing shall, if requested by the Landlord, be promptly removed by the Tenant at the Tenant's expense and the Premises restored to their previous condition. Failing such removal, the Landlord shall be entitled to remove the same forthwith without notice and at the Tenant's sole cost and expense. If any such work will affect the structure or the heating, electrical, air conditioning or mechanical systems of the Premises or any other part of the Building, such work shall, at the option of the Landlord, be performed only by the Landlord or its contractors, at the Tenant's sole cost and expense. From time to time during the course of such work, the Tenant shall pay to the Landlord, upon demand, reasonable fees of any architectural and engineering consultants reasonably retained by the Landlord in respect of the work. No such work shall

be permitted which, in the Landlord's reasonable opinion, may weaken or endanger the structure or adversely affect the condition or operation or appearance of the Premises, or the Building.

By consenting to any Alterations, the Landlord is not in any way (either in its capacity as landlord or as a regulatory public body) stating, warranting or representing that the Alterations are permitted under the City of Vancouver Zoning and Development By-law No. 3575 and amendments thereto, the City of Vancouver Building By-law No. 6134 and amendments thereto, and other relevant by-laws. No consent given by the Landlord (and no failure to enforce this section of this Lease) will affect the Tenant's obligations to comply at its sole expense with all such by-laws pursuant to section 10.01 of this Lease.

## Section 3.04 Liens and Encumbrances

In connection with all labour performed in, or materials supplied for, the making, erection, installation or alteration of any work or installations made by or for the Tenant in the Premises, the Tenant will comply with all the provisions of the Builders Lien Act, as amended or substituted from time to time, and other statutes from time to time applicable thereto, including any provision requiring or enabling the retention of any sum as a holdback.

The Tenant will be entitled to grant in favour of a Mortgagee a security interest in this Lease and the Tenant's Leasehold improvements, inventory, fixtures, equipment and trade fixtures, in accordance with Article VIII.

If and whenever any builders lien or other lien for work, labour, services or materials supplied to or for the Tenant or for the cost of which the Tenant may be in any way liable, or claims therefor arise or are filed against title to the Premises, the Tenant will, within thirty (30) days after receipt of notice thereof, procure the discharge thereof, including any certificate of pending litigation or other notation or charge registered in respect of any lien, by payment or giving security or in such other manner as may be required or permitted by law. Provided however, that in the event of a bona fide dispute by the Tenant of the validity or correctness of any claim for any such lien, the Tenant will not be bound by the foregoing, but will be entitled to defend against the same in any proceedings brought in respect thereof after first paying into a court of competent jurisdiction the amount claimed or sufficient security therefor, and such costs as the court may direct, or otherwise posting security as may be satisfactory to the Landlord. This section will not prevent the Tenant mortgaging or encumbering its chattels, inventory, trade fixtures or equipment which are not fixtures.

Pursuant to Section 3(2) of the *Builders Lien Act*, the Landlord may file in the Land Title Office notice of its fee simple interest in the land on which the Premises are located, as is required by law to ensure that the Landlord's title does not become charged with liens related to this Lease.

## Section 3.05 Signage

The Tenant will not erect on the outside of the Building (or any part of the interior of the Premises which is visible from the outside) any sign, picture, device, photograph, marking, pole, tower or other structure without first having obtained the consent in writing of the Landlord, which consent may be unreasonably withheld. The Tenant shall, at its own cost, but with the prior written approval of the Landlord first had and obtained, display on the Premises the name of the restaurant by way of a sign of such size, colour, shape and form as stipulated by the Landlord.

## Section 3.06 Permitted Encumbrances

The Tenant and the Landlord covenant and agree that, during the Term, the Tenant, at its expense, will perform and observe all of the obligations of the Landlord and may enjoy all of the rights

of the City as Landlord (but not those rights of the City in its regulatory capacity) set out in those charges registered on title to the Lands as of the Commencement Date (the "Permitted Encumbrances") and any other charges specifically approved in writing by the Landlord or required to be entered into as a prior-to issuance condition of development permit or building permit issuance. None of the Permitted Encumbrances will merge or be deemed to have merged with the Landlord's title to the Lands, and accordingly all Permitted Encumbrances will be deemed to be in full force and effect. The Landlord will execute such documents as might reasonably be requested by the Tenant to enable it to comply with its obligations and to enjoy its rights in respect of the Permitted Encumbrances. The Tenant further covenants and agrees with the Lessor that if the City exercises any of its rights in its regulatory capacity under the Permitted Encumbrances, such exercise will not be a breach of the Landlord's covenant for quiet enjoyment.

## Section 3.07 Identification of Tenant as Operator of Premises and Name of Premises

The Tenant will throughout the Term and any renewal hereof take all reasonable steps to inform the public that the Tenant is the operator of the Premises as an independent contractor and not as employee or agent of the Lessor. The Tenant shall not change the name of the QET Restaurant operated within the Premises or advertise the same without the prior written approval of the Landlord, which approval will not be unreasonably withheld.

The Tenant will not use any trade names for the Premises in any medium, including, without limitation, print, radio, internet or television advertisements, or register any internet domain names for the Premises, without the prior written approval of such trade or domain names by the Landlord, which approval will not be unreasonably withheld.

#### ARTICLE IV

### Section 4.01 Limitation of Liability

The Landlord and its officials, officers, employees and agents will not be responsible in any way for:

- (a) any personal injury, death or consequential damage of any nature whatsoever, however caused, that may be suffered or sustained by the Tenant or by any other person who may be in or about the Premises: or
- (b) any loss or damage of any nature whatsoever, however caused, to the Premises, any property belonging to the Tenant or to any other person while such property is in or about the Premises,

whether in the course of the performance of the Landlord's obligations under this Lease or otherwise, unless resulting from the negligence of the Landlord or those for whom the Landlord is responsible at law.

### Section 4.02 Exclusion of Liability

The Landlord and its officials, officers, employees and agents will not under any circumstances be liable or responsible in any way for:

(a) any personal injury, death or consequential damage of any nature whatsoever, that may be suffered or sustained by the Tenant or by its officers, employees or agents or any other person who may be in or about the Premises, or any loss or damage of any nature whatsoever to the Premises or to any property belonging to the Tenant or to its officers, employees or agents or to any other person while such property is in or about the Premises,

- (i) caused by failure, by reason of breakdown or any other cause, to supply adequate drainage, or by interruptions for any reason of any utility or other services, including without limitation heating, plumbing and electrical services, or by steam, water, rain, snow, or other substances leaking, entering, issuing or flowing onto or into any part of the Premises or by reason of breakage or want of repair of any pipes, plumbing, equipment or other machinery serving the Premises; or
- (ii) however caused, if the Landlord or its officials, officers, employees or agents enter upon the Premises in the case of an emergency;
- any loss or damage of any nature whatsoever, however caused, to books, records, files, money, securities, negotiable instruments, papers or other valuables of the Tenant or its officers, employees or agents;
- (c) any business, economic or indirect loss or damage suffered or sustained by the Tenant or its officers, employees or agents of any nature whatsoever, however caused; or
- (d) any loss which the Tenant is obligated to insure against hereunder or has insured against.

## Section 4.03 Indemnification

The Tenant agrees to indemnify and save harmless the Landlord and its officials, officers, employees and agents in respect of all claims for bodily injury or death, property damage or other loss or damage arising from the conduct of any work by, or any act or omission of, or relating to or arising from the occupation or possession of the Premises by the Tenant, and in respect of all costs, expenses and liabilities incurred by the Landlord in connection with or arising out of all such claims, including the expenses of any action or legal proceeding pertaining thereto and the liabilities or obligations incurred or sustained by or imposed upon the Landlord or in respect of any of its officials, officers, employees or agents, and in respect of any loss, cost, expense or damage suffered or incurred by the Landlord arising from any breach by the Tenant of any of its covenants and obligations under this Lease, PROVIDED HOWEVER the Tenant's covenant to indemnify and save harmless the Landlord and its officials, officers, employees and agents will not apply to the extent that the loss or damage is caused by negligence or willful misconduct on the part of the Landlord or its officials, officers, employees and agents.

#### ARTICLE V

#### Section 5.01 Definitions

In this Lease, the following words and expressions will have the following meanings:

- (a) "Environment" has the meaning given to it in the *Canadian Environmental Protection Act, 1999* (Canada) as of the date of this Lease;
- (b) "Hazardous Substances" means any Substance capable of creating harm to people, property and/or the Environment including, without limitation, any flammable liquids, flammable or reactive solids, oxidizers, poisons, gases (compressed, liquefied or dissolved), explosives, radioactive materials, ureaformaldehyde, asbestos materials, underground tanks, compounds known as chlorobiphenyls or polychlorinated biphenyls (PCBs), Pollutants, contaminants, hazardous, corrosive or toxic Substances, Hazardous Waste, Waste or waste of any kind, including, without limitation, any Substance the storage, manufacture, disposal, treatment, generation, use, transport, remediation or Release into the Environment of which is prohibited, controlled, regulated or licenced by any federal, provincial or municipal authority;

- (c) "Hazardous Waste" has the meaning given to it in the *Environmental Management Act*, S.B.C. 2003, c. 53, as amended or substituted from time to time;
- (d) "Medium" means any land, water or air and includes the Premises;
- (e) "Pollute" is a verb which means to Release into or onto any Medium any Substance that:
  - (i) alters the physical, biological or chemical nature of that Medium;
  - (ii) alters the capacity of the Medium to support any living thing, whether animal or plant life:
  - (iii) injures or is capable of injuring the health or safety of a person in, on or near the Medium:
  - (iv) injures or is capable of injuring property or any life form in, on or near the Medium;
  - (v) interferes with or is capable of interfering with visibility or the dispersion of light or any photochemical activity within the Medium;
  - (vi) interferes with or is capable of interfering with the normal conduct of business in, on, near or from the Medium;
  - (vii) causes or is capable of causing physical discomfort to a person in, on or near the Medium;
  - (viii) damages or is capable of damaging the Environment; or
  - (ix) is Hazardous Waste,

and "Polluted" is an adjective, and "Pollution" and "Pollutant" are nouns, which have meanings that correspond to the meaning contained in this paragraph;

- (f) "Release" includes release, spill, leak, pump, pour, dump, abandon, emit, empty, discharge, spray, inoculate, deposit, seep, throw, place, exhaust, inject, escape, leach, dispose, infuse or introduce;
- (g) "Substance" has the meaning given to it in the *Canadian Environmental Protection Act, 1999* (Canada) as of the date of this Lease; and
- (h) "Waste" has the meaning given to it in the *Environmental Management Act*, S.B.C. 2003, c. 53, as amended or substituted from time to time.

### Section 5.02 Suitability of the Premises

The Tenant acknowledges and agrees that the Landlord, either itself or through its officials, officers, employees or agents, has not made and the Tenant has not relied upon any representations or warranties from the Landlord or its officials, officers, employees or agents as to:

- (a) the state of repair of the Premises;
- (b) the suitability of the Premises for any business, activity or purpose whatever;
- (c) the suitability of the Premises for use by the Tenant;

- (d) the existence, nature or extent of any Pollution on or of the Premises; or
- (e) the need to take any remedial action in relation to any Pollution on or of the Premises.

### Section 5.03 Tenant's Inspection of the Premises

The Tenant acknowledges and agrees that it has been afforded all reasonable opportunity to inspect the Premises, has revised and understood the requirements of Schedules D and E of this Lease and all other relevant documentation in respect thereof and to carry out such audits, investigations, tests and surveys as it considers reasonably necessary to ascertain:

- (a) the state of repair of the Premises;
- (b) the suitability of the Premises for use by the Tenant;
- (c) the existence, nature or extent of any Pollution or Hazardous Substances on the Premises; and
- (d) the need to take any remedial action in relation to any Pollution on or of the Premises;

and the Tenant has independently made all such inspections, audits, investigations, tests and surveys as it regards as being necessary for the above purposes. It is understood and agreed that the Premises are being leased to the Tenant, and the Permission is being granted to the Tenant, on an "as is" basis.

The Tenant hereby assumes any and all duties, obligations or liabilities under any relevant law in respect of the Premises, including but not limited to any costs, expenses or liabilities for any remedial action for any Pollution of the Premises caused by the Tenant during the Term.

### Section 5.04 Release and Indemnification

The Tenant hereby releases the Landlord and its officials, officers, employees and agents from any and all costs, expenses, damages, losses or liabilities that may be incurred or suffered by the Tenant by reason of or resulting from or in connection with or arising in any manner whatsoever out of:

- (a) the Premises not being suitable for use by the Tenant;
- (b) the Premises being, or being found to be at any time, Polluted; or
- (c) the need to take any remedial action and the taking of such action as a result of such Pollution on or off the Premises .

The Tenant will indemnify, defend and save harmless the Landlord in respect of all claims for bodily injury (including death), property damage or other loss or damage, including damage to property outside the Premises, arising out of or in any way connected with the manufacture, storage, transportation, handling and discharge of Hazardous Substances on or from the Premises by the Tenant or any one for whom the Tenant is responsible in law.

### Section 5.05 Removal of Hazardous Substances

The Tenant will not bring upon the Premises or any part thereof, or cause or suffer the bringing upon the Premises or any part thereof, any Hazardous Substances, except those that are required by the Tenant for day to day maintenance of the Premises, and then only in reasonable quantities, only if such Hazardous Substances are not prohibited by any federal, provincial or municipal authority, and only if such use is in compliance with all statutes, by-laws, regulations or orders relating to Hazardous

Substances. If at any time there is any Hazardous Substances upon the Premises or a part thereof in breach of this covenant, the Tenant will, at its own expense:

- (a) immediately give the Landlord notice to that effect and thereafter give the Landlord from time to time written notice of the extent and nature of the Tenant's compliance with the following provisions of this Article;
- (b) promptly remove the Hazardous Substances from the Premises in a manner which conforms with all laws and regulations governing the movement of the same; and
- (c) if requested by the Landlord, obtain at the Tenant's cost and expense from an independent consultant designated or approved by the Landlord verification of the complete and proper removal of the Hazardous Substances from the Premises or, if such is not the case, reporting as to the extent and nature of any failure to comply with the foregoing provisions of this section 5.05.

### Section 5.06 Breach of Laws Relating to Hazardous Substances

Without limiting the generality of section 5.05, the Tenant will immediately give written notice to the Landlord of the occurrence of any event on the Premises constituting an offence under or a breach of any statutes, by-laws, regulations or orders from time to time enforced relating to Hazardous Substances, and at its own cost and expense, comply with all laws and regulations from time to time in force relating to the Landlord, the Tenant, the activities carried out on the Premises relating to Hazardous Substances and the protection of the Environment and will immediately give written notice to the Landlord of the occurrence of any event on the Premises constituting an offence thereunder or a breach thereof and, if the Tenant will, either alone or with others, cause or suffer the happening of such event, the Tenant will, at its own expense:

- (a) immediately give the Landlord notice to that effect and thereafter give the Landlord from time to time written notice of the extent and nature of the Tenant's compliance with the following provisions of this section 5.06;
- (b) promptly remove the Hazardous Substances from the Premises in a manner which conforms with all laws and regulations governing the movement of the same; and
- (c) if requested by the Landlord, obtain at the Tenant's cost and expense from an independent consultant designated or approved by the Landlord a report verifying the complete and proper removal thereof from the Premises or, if such is not the case, a report as to the extent and nature of any failure to comply with the foregoing provisions of this section 5.06.

The Tenant will, at its own expense, remedy any damage to the Premises caused by such event within the Premises or by the performance of the Tenant's obligations under this section 5.06 as a result of such occurrence.

If any governmental authority having jurisdiction will require the cleanup of any Hazardous Substances held, Released, spilled, abandoned or placed upon the Premises or Released into the Environment from the Premises during the Term, then the Tenant will, at its own expense, prepare all necessary studies, plans and proposals and submit the same for approval, provide all bonds and other security required by governmental authorities having jurisdiction and carry out the work and will keep the Landlord fully informed and provide to the Landlord full information with respect to proposed plans and comply with the Landlord's requirements with respect to such plans. AND the Tenant agrees that if the Landlord determines, in its sole discretion, that the Landlord, its property or its reputation is placed in any jeopardy by the requirement for any such work, the Landlord may itself undertake such

work or any part thereof at the cost and expense of the Tenant, pursuant to section 11.07 of this Lease.

### Section 5.07 Enquiries Pertaining to Hazardous Substances

The Tenant hereby authorizes the Landlord to make enquiries from time to time of any government or governmental agency with respect to the Tenant's compliance with any and all laws and regulations pertaining to the Tenant, the Tenant's activities on the Premises and the Premises including without limitation laws and regulations pertaining to Hazardous Substances and the protection of the Environment; and the Tenant covenants and agrees that the Tenant will from time to time provide to the Landlord such written authorization as the Landlord may require in order to facilitate the obtaining of such information.

### Section 5.08 Landlord's Inspection of Goods

The Landlord may at any time and from time to time inspect the Tenant's goods upon the Premises and the Tenant's records relating thereto for the purpose of identifying the nature of the goods and the existence or absence of any Hazardous Substances and the Tenant will assist the Landlord in so doing.

### Section 5.09 Ownership Remains With Tenant

If the Tenant will bring or create upon the Premises any Hazardous Substances or suffer the bringing or creation upon the Premises of any Hazardous Substances or if the conduct of the Tenant's business will cause there to be any Hazardous Substance upon the Premises then, notwithstanding any rule of law or equity to the contrary, such Hazardous Substance will be and remain the sole and exclusive property of the Tenant and will not become the property of the Landlord and notwithstanding the degree of affixation of the Hazardous Substance or the goods containing the Hazardous Substance to the Premises and notwithstanding the expiry or earlier termination of this Lease.

### Section 5.10 Environmental Covenants Survive Termination

The obligations of the Tenant in this Article V will survive the expiry or earlier termination of this Lease save only that, to the extent that the performance of those obligations requires access to or entry upon the Premises or any part thereof the Tenant will have such entry and access only at such times and upon such terms and conditions as the Landlord may from time to time specify; and the Landlord may, at the Tenant's cost and expense, undertake the performance of any necessary work in order to complete such obligations of the Tenant; but having commenced such work, the Landlord will have no obligation to the Tenant to complete such work.

#### ARTICLE VI

### Section 6.01 Tenant's Liability Insurance

The Tenant will, without limiting any of its obligations or liabilities under this Lease, obtain and continuously carry during the Term, at its own expense and cost, insurance coverage with minimum limits of not less than those specified, as follows:

- (a) Commercial General Liability insurance with limits of not less than Five Million Dollars (\$5,000,000) per occurrence or such higher limit of coverage as the Landlord's Director of Risk Management may require from time to time and the policy will:
  - (i) indemnify and protect the Tenant, its employees, agents and contractors against all claims for loss, damage, injury or death to any person or persons and for damage to the

Premises or to any public or private property occurring within or about the Premises or arising by virtue of the Tenant's occupation or possession of the Premises;

- (ii) contain a cross liability clause insuring the Tenant, the Landlord and their respective officers, employees and agents in the same manner and to the same extent as if separate policies had been issued to each and apply with respect to any action brought against one party by the other or by any officer, employee or agent of one party and any breach of a condition of the policy by any party or by any officer, employee or agent of one party will not affect the protection given by the policy to any other party or to any officer, employee or agent of any party;
- (iii) add the Landlord, its officials, officers, employees and agents as additional insureds;
- (iv) include blanket contractual liability covering liability arising directly or indirectly out of the performance of this Lease: and
- (v) provide for a limit of deductibility not greater than Five Thousand Dollars (\$5,000) or such other limit as the Landlord's Director of Risk Management may sanction from time to time.
- (b) Comprehensive Dishonesty Disappearance & Destruction Crime coverage with limits of not less than ten thousand dollars (\$10,000) Employee Dishonesty Form A, twelve thousand and five hundred dollars (\$12,500) Inside or Outside Hold-up, twelve thousand and five hundred dollars (\$12,500) Money Orders and Counterfeit Paper Currency and twelve thousand and five hundred dollars (\$12,500) Depositor's Forgery, with each policy providing for a limit of deductibility not greater than one thousand dollars (\$1,000) per occurrence.

#### Section 6.02 Tenant's All Risk (Broad Form) Property Insurance

### (a) Building Insurance

The Tenant will, at its cost, on terms and to limits as would a prudent owner of similar property, obtain and continuously carry during the Term a separate commercial broad form policy of insurance on the Building (the "Building Insurance") up to its full replacement value without a co-insurance clause, protecting the Landlord and the Tenant as herein provided for any loss or damage to the Building against perils that are customarily included in an all risk property insurance policy, which may include without limitation earthquake, flood, tidal wave and by-law insurance. Such policy will name the Landlord and the Tenant as joint named insureds and the Tenant's lender as Loss Payee with a standard mortgage endorsement.

(b) Tenant's Contents and Improvements Insurance, etc.

The Tenant will, at its cost, obtain and continuously carry during the Term All Risk (broad form) insurance on:

(i) property of every description and kind owned by the Tenant or for which the Tenant is legally liable or installed by or on behalf of the Tenant (and which is located in the Premises), including without limitation furniture, fittings, installations, alterations, additions, partitions, fixtures, trade fixtures and any display model, project, prototype, tool, instrument or device within the Premises in an amount not less than ninety percent (90%) of the full replacement cost thereof;

- (ii) Boiler and Machinery Insurance protecting the Landlord and the Tenant against accidental damage to all boilers, pressure vessels (fired and unfired), refrigerating and air conditioning systems, piping and accessory equipment; and
- (iii) Business Interruption Insurance providing all risk coverage for loss of profits with a period of indemnity of not less than 12 months;

### and these insurance policies will:

- (iv) provide for a limit of deductibility not greater than Five Thousand Dollars (\$5,000.00) per occurrence with respect to all perils except earthquake, and the deductible for any claim will be paid by the Tenant; and
- (v) carry a loss payable clause stating that the proceeds of any claim against the insurer will be payable to the Landlord and the Tenant as their interests appear.

### Section 6.03 General Requirements of Insurance

The following will apply to all insurance policies:

- (a) the policies will be with insurers duly authorized to carry on business in the Province of British Columbia, in a form and in amounts satisfactory from time to time and acceptable to the Landlord's Director of Risk Management and will provide the Landlord with 60 days prior written notice of material change or cancellation. Notice will be given to the City of Vancouver. Notice must identify the name of the Tenant as set out in this Lease and the location or address of the Premises;
- (b) neither the providing of insurance by the Tenant in accordance with the requirements hereof, nor the insolvency, bankruptcy or the failure of any insurance company to pay any claim accruing will be held to relieve the Tenant from any other provisions of this Lease with respect to liability of the Tenant or otherwise;
- (c) the insurance coverage will be primary insurance as respects the Landlord and any insurance or self-insurance maintained by or on behalf of the Landlord, its officials, officers, employees or agents will be excess of this insurance and will not contribute with it; and
- (d) subject to the provisions of this Article VI, the Tenant will provide at its own cost any additional insurance which the Tenant is required by law to provide or which the Tenant considers necessary to protect its own interest or such further other insurance as deemed to be necessary and required by the Landlord's Director of Risk Management.

### Section 6.04 Evidence of Insurance

Prior to the commencement of the Term, and from time to time during the Term within 10 days after demand by the Landlord, the Tenant will deliver to the Landlord, for each insurance policy the Tenant must obtain under this Lease, a certificate of insurance, satisfactory to the Landlord, and a certified copy of the policy. If the Tenant fails to deliver to the Landlord any such certificate or policy of insurance within the stipulated time, the Landlord may obtain such insurance, and the Tenant will pay to the Landlord the cost of the premiums on demand by the Landlord from time to time.

### Section 6.05 Appraisal Report

The Tenant covenants and agrees that it shall, at its sole cost and expense, have a professional building appraisal done by a qualified property appraiser satisfactory to the Landlord every three (3)

years during the Term and any renewal term of the Lease to determine the full replacement cost of the Premises for insurance purposes. The Tenant shall provide a copy of the appraisal to the Landlord's Director of Risk Management within 30 days of receipt of the appraisal.

### Section 6.06 WorkSafeBC Coverage

At all times during the Term, the Tenant will, and will cause its directors, as applicable, officers, employees, servants and agents and all others engaged in or upon any work on the Building or the Lands to, comply with the *Workers Compensation Act* (British Columbia) (the "WCA") and the requirements and regulations of WorkSafeBC in respect of the Premises and the Lands. Without limiting the generality of the foregoing, the Tenant will:

- (a) require as a condition of any agreement made with respect to construction, repair, renovation or demolition of the Building, whether with contractors, material men or otherwise, that there is full workers compensation insurance coverage in place in respect of all workmen, employees, servants and others engaged in or upon any work, and that all workmen, contractors or other workers require the same of their workmen and subcontractors. The Tenant will immediately notify the Landlord of any dispute involving third parties that arises in connection with obtaining and maintaining the workers compensation insurance coverage required hereby if such dispute results or may result in the required insurance coverage not being in place, and the Tenant will take all reasonable steps to ensure resolution of such dispute forthwith. The Tenant will further ensure that no amount payable pursuant to the WCA is left unpaid so as to create a lien on the Lands or the Building. If the workers compensation insurance coverage required by this section 6.05 is not in place, the Landlord will be entitled to have recourse to all remedies specified in this Lease or at law or equity; and
- (b) be deemed to be, and is hereby designated and appointed by the Landlord as, the "Prime Contractor" as that term is defined in section 118 of the WCA for the purposes of the WCA and related regulations, including the Occupational Health and Safety Regulation (the "OHS Regulation"), and the requirements and regulations of WorkSafeBC, and will in that capacity strictly comply with all requirements applicable to that designation, including without limitation those set forth in Division 3 of Part 3 of the WCA and in sections 20.2 and 20.3 of the OHS Regulation, as they may be amended from time to time. Notwithstanding the foregoing, with the prior written consent of the Landlord, a contractor hired by the Tenant to perform work on the Premises on its behalf may be designated as the Prime Contractor instead of the Tenant.

### Section 6.07 Cost of Insurance - Intentionally Omitted

### ARTICLE VII

#### Section 7.01 Termination on Damage or Destruction

If the Premises are substantially damaged or destroyed to the extent that the Premises or a substantial area of the Premises are rendered unusable by the Tenant or convenient access to the Premises cannot be had, all as determined by the Landlord in its sole discretion, the Landlord may, at its option, elect to not rebuild or repair the Premises and may terminate this Lease and the Tenant's liability for rent will end as of the date of such damage or destruction but such termination will not operate so as to relieve the Tenant of any liability arising from such damage or destruction. There will be no compensation to the Tenant on account of such termination.

### Section 7.02 Repair of Damage or Destruction

If the Landlord elects to rebuild or repair the Premises, the Landlord will commence rebuilding or repairing within one hundred and eighty (180) calendar days of the occurrence of the damage or destruction. If the Landlord does not initiate the rebuilding or repairing within such time period or, having commenced rebuilding or repairing, does not prosecute same to completion with reasonable dispatch, then the Tenant may give the Landlord thirty (30) calendar days' notice of the termination of this Lease but such termination will not operate so as to relieve the Tenant of any liability arising from such damage or destruction. There will be no compensation to the Tenant on account of such termination.

#### Section 7.03 Abatement of Rent

In the event of damage or destruction to the Premises to the extent that the Premises or part of the Premises are rendered unusable or convenient access to the Premises cannot be had, which in either case is not caused by the default or negligence of the Tenant or those for whom it is responsible in law, the rent will abate in the same proportion that the area of which the Tenant is deprived bears to the total area as determined in the opinion of the Landlord and such abatement will continue only so long as the Landlord determines its continuance to be reasonable.

### Section 7.04 No Effect on Repair Obligations

Nothing in this Article VII will alter the parties' respective repair obligations as set out in Section 1.05 of this Lease.

### Section 7.05 Tenant to Notify Promptly

The Tenant will give immediate notice to the Landlord in the event of fire or accident or other damage or destruction to the Premises.

### ARTICLE VIII

### Section 8.01 Assignment

The Tenant shall not assign its Lease interest in the Premises save and except upon the written consent of the Landlord, which consent the Landlord may not unreasonably withhold but nevertheless if there are personal covenants herein on the part of the Tenant which, in the opinion of the Landlord's solicitors will not run with the Lease, then the Landlord may withhold its consent to assignment unless the prospective assignee covenants with the Landlord to be bound by such personal covenants as if such covenants had been made between the Landlord and the prospective assignee.

If the Tenant is a corporate entity, then any amalgamation of the Tenant with any other party, and any change of effective control of the Tenant, will constitute an assignment of the Tenant's interest under this Lease and will be subject to all of the provisions of this section 8.01. Change of effective control of the Tenant includes any transfer, voluntary or involuntary, direct or indirect, which results in a change in the person or persons exercising or who might exercise effective control of the Tenant or the business required to be carried on in the Premises.

### Section 8.02 Subleasing

The Tenant shall not sublease, license, set over or otherwise part with possession of the Premises or let any third party into possession of the Premises save and except upon written consent of the Landlord, which consent may not be arbitrarily or unreasonably withheld.

### Section 8.03 Assignment of Sublease Rent

Notwithstanding section 8.02 hereof, the Tenant hereby assigns to the Landlord all rents and fees payable to the Tenant under any sublease, license or occupation agreement with any third party, which assignment will supersede any provisions regarding the Tenant in bankruptcy and any claims of the creditors of the Tenant whether by execution, attachment, garnishing order or otherwise PROVIDED HOWEVER the Landlord agrees to refrain from enforcing the said assignment so long as the Tenant will not be in default in the payment of rent or the performance or observance of its covenants hereunder. Upon the Tenant falling into default in the payment of its rent or the performance or observance of its other covenants hereunder, the Landlord may forthwith direct the sublessee, licensee or such other third party to pay to the Landlord the sublease rent, license fees or other monies as would otherwise be owing to the Tenant from time to time and the payment of such monies to the Landlord will pro tanto discharge the sublessee's, licensee's or other third party's obligations to the Tenant and the Landlord will apply such monies to the rent and the performance and observance of the Tenant's covenants hereunder notwithstanding any claims on the part of the Tenant's trustee in bankruptcy or the Tenant's creditors, whether by execution, attachment, garnishing order or otherwise. sublessee, licensee or other third party fails to abide by the Landlord's directions in this behalf then, at the Landlord's election, the sublease, license or other third party agreement will cease and determine and the Landlord may forthwith re-enter the subleased, licensed or occupied portion of the Premises and arrange for new occupants thereof whose occupation will be subject to the provisions of this paragraph.

### Section 8.04 Mortgaging by Tenant

Subject to Sections 8.05 and 8.06 and subject to the Landlord's prior written consent, which consent may be unreasonably or arbitrarily withheld, the Tenant may mortgage its Sublease interest in the Premises to a Mortgagee for the purpose of financing or refinancing the costs of designing, developing, constructing, furnishing, repairing, or replacing the Premises, but not otherwise. For the purposes of this Lease and in particular this Article VIII, the following definitions will apply:

- (a) "Mortgage" means a mortgage or mortgages upon or in respect of the interest of the Tenant in the Premises or any part thereof and the Sublease and includes any deed of trust and mortgage to secure any bonds or debentures issued thereunder; and
- (b) "Mortgagee" means an institutional mortgagee or mortgagees under a Mortgage and includes any trustee for bondholders or debenture holders under a deed of trust and mortgage to secure any bonds or debentures issued thereunder.

#### Section 8.05 Tenant Liable for Rent, Property Taxes Notwithstanding Mortgage

Nothing contained in this Lease will be construed to prevent or prohibit the assignment or subletting by the Tenant of this Lease or the Leasehold interest of the Tenant in the Premises by way of Mortgage as provided in section 8.04, subject to the prior written consent of the Landlord, provided however that in the event of and notwithstanding any such assignment or subletting, the Tenant will be and remain liable for the payment of all Rent, additional rent and Property Taxes and the performance of all the terms, covenants and conditions of this Lease which are the Tenant's responsibility to perform.

### Section 8.06 Mortgage Subject to Landlord's Rights under Lease

Subject to the provisions of Section 8.07, every Mortgage will be made expressly subject to the rights of the Landlord under this Lease.

### Section 8.07 Notice to and Remedies of Mortgagee

- (a) No re-entry, termination or forfeiture of this Lease by the Landlord will be valid against the Mortgagee who has filed with the Landlord notice of Mortgage in favour of the Mortgagee and specified an address for notice under Article XVI, unless the Landlord has given to the Mortgagee prior written notice of the default or contingency entitling the Landlord to re-enter, terminate or forfeit this Lease, specifying the nature of that default or contingency, and stating the Landlord's intention to take such proceedings and requiring the Mortgagee:
  - (i) to cure the default or contingency specified in the notice within a period of 30 days from the date of receipt of that notice by the Mortgagee; or
  - (ii) if the default or contingency is other than the failure to pay Rent or additional rent or Property Taxes or any other sums required to be paid to the Landlord by any provision of this Lease, and if the default or contingency cannot reasonably be cured within such 30 day period, then to immediately commence to cure the same and to diligently prosecute to conclusion all acts necessary to cure the default or contingency,

and the Landlord hereby grants the Mortgagee access to the Premises for that purpose. If the default or contingency is cured within the period specified, the Mortgagee will be entitled to continue as tenant of the Premises and licencee of the Licence Area for the balance of the Term remaining at the date of the notice of default or contingency, providing that the Mortgagee attorns as tenant to the Landlord and undertakes to be bound by and to perform the covenants and agreements of this Lease until such Mortgagee as Tenant assigns its Leasehold estate as permitted by this Lease and delivers to the Landlord an agreement from the assignee which is enforceable and binding on the assignee and its heirs, executors, successors, administrators and assigns as of the effective date of the assignment and by which the assignee agrees with the Landlord to attorn as tenant to the Landlord and to be bound by and to perform the covenants and agreements of this Lease. If the Mortgagee consists of more than one mortgagee each having a separate charge upon the Tenant's interest in this Lease, and more than one of them wishes to cure the default or contingency specified in the notice aforesaid, then the Landlord hereby agrees to permit curing of the default or contingency specified as aforesaid, by that mortgagee which is willing to cure the default or contingency and attorn as tenant as aforesaid and whose charge ranks in priority over the charge or charges held by the other mortgagee or mortgagees willing to cure and assume as aforesaid; except that in the event any Mortgagee has commenced a foreclosure action, the provisions of section 8.07(b) will apply.

- (b) In the event the Mortgagee commences foreclosure proceedings against the Tenant, whether or not the Tenant is in default of the performance of its covenants and agreements with the Landlord under this Lease at the time such foreclosure proceedings are commenced, the Landlord will not re-enter, terminate or forfeit this Lease after the commencement of foreclosure proceedings on the ground of any default or contingency entitling the Landlord to reenter, terminate or forfeit this Lease if the Mortgagee:
  - (i) first gives to the Landlord written notice of the foreclosure proceedings;
  - (ii) is actively prosecuting the foreclosure proceedings without undue delay;
  - (iii) cures the default or contingency within a period of 30 days from the date of receipt of notice from the Landlord specifying the nature of the default or contingency, or if the default or contingency is other than the failure to pay Rent or additional rent or Property Taxes or any other sums required to be paid to the Landlord by any provision of this Lease and if such default or contingency cannot reasonably be cured within such 30

day period, immediately commences to cure the same and to diligently prosecute to conclusion all acts necessary to cure the default or contingency; and

(iv) performs and observes all of the Tenant's covenants and agreements under this Lease and without undue delay diligently prosecutes to a conclusion the foreclosure proceedings commenced by the Mortgagee.

In the event that the Mortgagee acquires the Tenant's Leasehold interest in the Premises pursuant to the foreclosure proceedings, the Mortgagee will thereupon become subrogated to the rights of the Tenant under this Lease, provided it attorns to the Landlord as tenant and undertakes to be bound by and perform the covenants and agreements of this Lease until such Mortgagee as Tenant assigns its Leasehold estate as permitted by this Lease and delivers to the Landlord an agreement from the assignee which is enforceable and binding on the assignee and its heirs, executors, successors, administrators and assigns as of the effective date of the assignment and by which the assignee agrees with the Landlord to attorn as tenant to the Landlord and to be bound by and to perform the covenants and agreements of this Lease. If the Mortgagee consists of more than one mortgagee and more than one of them commences foreclosure proceedings, the right to cure any default or contingency granted by this Section 8.07(b) to a foreclosing Mortgagee will be deemed granted to them in the order of priority of the charges held by the foreclosing Mortgagees.

- (c) If this Lease is subject to termination or forfeiture pursuant to Article IX by reason of the bankruptcy or insolvency of the Tenant and the Mortgagee has filed with the Landlord a notice of Mortgage in favour of the Mortgagee and specified an address for notice under Article XVI, the Landlord will give to the Mortgagee notice of the bankruptcy or insolvency of the Tenant entitling the Landlord to terminate or forfeit this Lease and stating the Landlord's intention to take such proceedings and requiring the Mortgagee to cure the Tenant's default and the Tenant's default will be deemed to have been sufficiently cured if the Mortgagee:
  - (i) takes possession and control of the Premises, or causes a receiver to be appointed under the terms of the Mortgagee's charge or by a court of competent jurisdiction, who takes possession and control of the Premises, and the Landlord hereby grants the Mortgagee or such receiver access to the Premises for that purpose;
  - (ii) cures every default within a period of 30 days from the date of receipt by the Mortgagee of the notice from the Landlord of the bankruptcy or insolvency of the Tenant, or if such default or defaults are other than the failure to pay Rent or additional rent or Property Taxes or any other sums required to be paid to the Landlord by any provision of this Lease and if such default or defaults cannot reasonably be cured within such 30 day period, immediately commences to cure the same and to diligently prosecute to conclusion all acts necessary to cure the default or defaults;
  - (iii) attorns as tenant to the Landlord and undertakes to be bound by and to perform the covenants and agreements of this Lease until such Mortgagee as Tenant assigns its Leasehold estate as permitted by this Lease and delivers to the Landlord an agreement from the assignee which is enforceable and binding on the assignee and its heirs, executors, successors, administrators and assigns as of the effective date of the assignment and by which the assignee agrees with the Landlord to attorn as tenant to the Landlord and to be bound by and to perform the covenants and agreements of this Lease.

If the Mortgagee consists of more than one mortgagee, the right to take possession and control, to cure any default and to assume the Lease as aforesaid will be deemed granted to them in the order of the priority of their respective charges.

- (d) Any re-entry, termination or forfeiture of this Lease made in accordance with the provisions of this Lease as against the Tenant will be valid and effectual against the Tenant even though made subject to the rights of any Mortgagee to cure any default of the Tenant and to continue as tenant under this Lease.
- (e) No entry into the Premises by the Mortgagee pursuant to this section 8.07 for the purpose of curing any default or defaults of the Tenant will release or impair the continuing obligations of the Tenant.

#### ARTICLE IX

### Section 9.01 Bankruptcy

If during the Term, any of the goods or chattels of the Tenant are at any time seized or taken in execution by any creditor of the Tenant, or if the Tenant makes a general assignment for the benefit of creditors, or if the Tenant institutes proceedings to have the Tenant adjudicated as bankrupt or insolvent, or if the Tenant becomes the subject of bankruptcy or insolvency proceedings, or if a judgment, decree or order be entered by a court of competent jurisdiction adjudging the Tenant bankrupt or insolvent, or if the Tenant is unable to meet all debts as they fall due for a period of not less than three (3) months, or if the Tenant or its directors will pass any resolution authorizing the dissolution or winding-up of the Tenant, or if a receiver, interim receiver, manager, receiver-manager, trustee or liquidator of all or any part of the Tenant's property will be appointed or applied for by the Tenant or by one or more of the Tenant's creditors, then the Landlord will be so notified and the then current rent plus an additional three (3) months current rent will immediately become due and be paid and the Landlord may immediately claim the same together with any arrears of rent and, at the option of the Landlord, the Term is subject to termination forthwith. If the Tenant becomes defunct or amalgamates with any other body without obtaining the prior written consent of the Landlord or if a committee is appointed under the Patients Property Act, R.S.B.C. 1996, c.349, as amended or substituted from time to time, to lawfully deal with the Tenant's estate then at the option of the Landlord the Term will forthwith terminate. If the Tenant surrenders up its certificate of incorporation or otherwise ceases to exist the Term terminates as of such surrender or dissolution. If the Tenant is a natural person, at any time after the Tenant's death the Landlord may terminate the Term upon sixty (60) days notice to any executor or administrator of his estate.

### ARTICLE X

#### Section 10.01 Statutes and By-laws

The Tenant covenants to promptly and faithfully observe and comply with all federal, provincial or civic statutes, by-laws, regulations and orders now or hereafter which are in force and in effect which touch and concern the Premises or the Tenant's activities within the Premises, including, without limitation any applicable environmental guidelines, and any amendments thereto, which deal with environmental protection and safety and/or Hazardous Substances. If any such statutes, by-laws, regulations, orders or guidelines are directed at owners, the Tenant will perform and observe same at its own expense in the place and stead of the Landlord.

### Section 10.02 Quiet Enjoyment

Subject to the provisions of this Lease and subject to the provision that nothing contained or implied herein will prejudice or affect the Landlord's rights and powers in the exercise of its functions pursuant to the *Vancouver Charter*, S.B.C. 1953, c.55, as amended or substituted from time to time, and the rights and powers of the Landlord under all of its public and private statutes, by-laws and regulations, all of which may be as fully and effectively exercised in relation to the Premises as if this Lease had not been executed and delivered by the Landlord and the Tenant, the Landlord covenants with the Tenant for quiet enjoyment.

### Section 10.03 Performance of Obligations

The Tenant covenants with the Landlord to faithfully and promptly pay the rent and perform and observe its obligations herein.

### Section 10.04 Registration of Lease

The Landlord is not obligated to deliver this lease in registrable form. The Tenant shall not register this lease in the Land Title Office.

### Section 10.05 Landlord's Rules and Regulations

The Tenant shall at all times comply with all reasonable rules and regulations made by the Landlord in respect to the Tenant's use and occupation of the Premises which are not inconsistent with the terms of this Lease.

#### ARTICLE XI

#### Section 11.01 Breach of Covenants

The Landlord and Tenant agree that subject to the provisions of Section 8.07, if and whenever:

- (a) any Rent payment or any part thereof is not made on the day appointed for payment thereof and such default continues for 7 days following notice thereof; or
- (b) the Tenant is in default in the payment of any money, other than Rent, required to be paid by the Tenant under the terms of this Lease and such default continues for ten (10) days following any specific due date on which the Tenant is to make such payment or, in the absence of such specific due date, for ten (10) days following notice requiring the Tenant to pay the same; or
- (c) the Tenant defaults in performing or observing any of the provisions of this Lease other than those requiring payment of money to the Landlord and such default continues for a period of twenty (20) days after notice thereof to the Tenant, except for a default which to be cured with all due diligence would require a longer period, then after such longer period, or if the Tenant fails to proceed promptly and diligently and continuously after the service of such notice to cure same; or
- (d) the Premises are vacated or unoccupied for ten (10) or more consecutive days while the Premises can be used for the Permitted Use, without the consent of the Landlord; or
- (e) the Premises are abandoned by the Tenant; or
- (f) this Lease is terminated;

then and in every such case, it will be lawful for the Landlord at any time thereafter without notice or demand, with or without process of law and by forceable entry if necessary, to re-enter into and upon the Premises, and to terminate this Lease by leaving upon the Premises notice in writing of such termination. If the Landlord terminates this Lease pursuant to this section, or otherwise as a result of default of the Tenant, there will immediately become due and owing to the Landlord, in addition to any other sums payable to the Landlord hereunder as damages suffered by the Landlord as a result of the Tenant's breach, the then current month's rent, together with the rent accruing for the remainder of the Term. This provision for notice and termination will not be construed so as to delay or supersede any specific remedy to which the Landlord may have recourse in this Lease.

### Section 11.02 Distraint

The Tenant waives and renounces the benefit of any present or future law taking away or limiting the Landlord's rights against the property of the Tenant and, notwithstanding any such law, the Landlord may seize and sell all the Tenant's goods and property, whether within the Premises or not, and apply the proceeds of such sale towards any arrears of rent (including amounts deemed to be rent under this Lease) and the costs of the seizure and sale. The Tenant further agrees that if it abandons the Premises and any arrears of rent remain unpaid, the Landlord, in addition to any remedy otherwise provided by law, may seize and sell the goods and property of the Tenant at any place to which the Tenant or any other person may have removed them from the Premises, in the same manner as if such goods and property had remained in, about or upon the Premises.

### Section 11.03 Right to Re-let

If the Landlord becomes entitled to re-enter the Premises the Landlord will have the right, if it thinks fit, to enter the Premises as the agent of the Tenant either by force or otherwise without being liable for any prosecution therefor, and as agent of the Tenant to re-let the Premises or any part or parts thereof at the risk of the Tenant and, as agent for the Tenant, to receive the rent therefor and, as agent for the Tenant, to take possession of any furniture, equipment and other property therein and sell the same at public or private sale without notice. Such rent and proceeds from the sale of the furniture, equipment and other properties will be allocated first to the Landlord's cost of so entering and re-letting, then to interest on amounts due by the Tenant to the Landlord hereunder and unpaid, and then to the payment of such unpaid sums. The balance of such rent and proceeds, if any, may be applied by the Landlord on account of the rent due hereunder to the Landlord.

### Section 11.04 Forfeiture

The Tenant hereby expressly waives any and all rights of redemption granted by or under any present or future laws in the event the Tenant will be evicted or dispossessed from the Premises for any cause, statutory or otherwise, or if the Landlord re-enters the Premises following the occurrence of any default by the Tenant hereunder, or if this Lease is terminated before the expiration date thereof originally fixed herein.

### Section 11.05 Remedies Generally

Mention in this Lease of any particular right or remedy of the Landlord in respect of the default by the Tenant will not preclude the Landlord from any other right or remedy in respect thereof, whether available at law or in equity or by statute or expressly provided for in this Lease. No right or remedy will be exclusive or dependent upon any one or more of such rights or remedies independently or in combination, such rights or remedies being cumulative and not alternative. Whenever the Tenant seeks a remedy in order to enforce the observance or performance of any of the terms, covenants and conditions contained in this Lease on the part of the Landlord to be observed or performed, the Tenant's only remedy (except where another remedy is expressly provided herein, in which event the

Tenant will be restricted to that remedy) will be for such damages as the Tenant will be able to prove in a court of competent jurisdiction that the Tenant has suffered as a result of a breach (if established) by the Landlord in the observance and performance of any of the terms, covenants and conditions contained in this Lease on the part of the Landlord to be observed and performed. The parties hereby waive trial by jury in any action, proceeding or counterclaim brought by either party against the other on any matter whatsoever arising out of or in any way connected with this Lease, the relationship of the Landlord and the Tenant created hereby, the Tenant's use or occupancy of the Premises or any claim for any injury. In the event the Landlord commences any action or proceeding for non-payment of rent, the Tenant agrees not to interpose any counterclaim of any nature or description in any such action or proceeding. In the event of any breach or threatened breach by the Tenant of any of the terms and provisions of this Lease, the Landlord will have the right to injunctive relief as if no other remedies were provided herein for such breach. The Tenant hereby expressly waives any right to assert a defense based on merger and agrees that neither the commencement of any action or proceeding, nor the settlement thereof, nor the entry of judgment therein will bar the Landlord from bringing any subsequent action or proceeding from time to time. If the Tenant will default hereunder prior to the date fixed as the commencement of any renewal or extension of this Lease, whether by a renewal or extension option herein contained or by separate agreement, the Landlord may cancel such option or agreement for renewal or extension of this Lease, upon written notice to the Tenant.

#### Section 11.06 Expenses

If any legal proceeding is brought for recovery of possession of the Premises, for the recovery of rent or because of the breach of any other terms, covenants or conditions herein contained on the part of the Tenant to be kept or performed, the Tenant will pay to the Landlord as additional rent, upon demand, all costs and expenses incurred therefor (including without limitation, all professional and consultant fees, and all legal fees on a solicitor and his own client basis, disbursements, and all court costs and expenses of any legal proceeding; and the term "proceeding" will include, without limitation, any arbitration, administrative, governmental, quasi-governmental or any other mediation proceeding and the term "costs" will include the pro-rata portion of the wages, salaries and all other remuneration of the Landlord's officers and employees reasonably attributed to the matter).

Without limiting the generality of the immediately preceding paragraph or any other provisions of this Lease, the Tenant will pay to the Landlord, as additional rent upon demand, all costs and expenses (including, without limitation, those fees, disbursements, costs and expenses set out in the bracketed insert in the immediately preceding paragraph of this section 11.06) which the Landlord may incur or pay out by reason of, or in connection with:

- (a) any proceeding by the Landlord to terminate this Lease or for the recovery of possession of the Premises or for the recovery of rent;
- (b) any other proceeding by the Landlord against the Tenant or any indemnitor;
- (c) any distress levied by the Landlord against the Tenant's goods, chattels and inventory or any of them on the Premises for the recovery of rent;
- (d) any default by the Tenant in the observance or performance of any obligations of the Tenant under this Lease whether or not the Landlord commences any proceeding against the Tenant or any indemnitor;
- (e) any proceeding brought by the Tenant against the Landlord (or any officer, employee or agent of the Landlord) in which the Tenant fails to secure a final judgment against the Landlord;

- (f) any other appearance by the Landlord (or any officer, employee or agent of the Landlord) as a witness or otherwise in any proceeding whatsoever involving or affecting the Landlord, the Tenant, this Lease, the indemnity agreement (if any) or the Premises;
- (g) any amendment, modification or change in any of the terms of this Lease or the indemnity agreement, if any (and any request or negotiations pertaining thereto, whether or not such amendment, modification or change is finally agreed on);
- (h) any renewal, extension, surrender, or release of this Lease or the indemnity agreement, if any (and any request or negotiations pertaining thereto, whether or not such renewal, extension, surrender or release becomes effective);
- (i) any transfer of this Lease (and any request or negotiations pertaining thereto, whether or not such transfer is approved and finally agreed on); and
- (j) any Alterations of or to the Premises (and any request or negotiations pertaining thereto, whether or not such Alterations are approved and finally agreed on).

The Tenant's obligations under this section 11.06 will survive the expiration or earlier termination of this Lease.

### Section 11.07 Landlord May Remedy Tenant's Default

If the Tenant fails to pay, when due and prior to the expiration of any curative period provided for in this Lease, any amount required to be paid by the Tenant pursuant to this Lease, the Landlord, after giving two (2) days' notice in writing to the Tenant, may, but will not be obligated to, pay all or any part of it. If the Tenant is in default in the performance of any of its covenants or obligations hereunder (other than the payment of rent required to be paid by the Tenant pursuant to this Lease) and the applicable curative period has expired, the Landlord may from time to time after giving such notice as it considers sufficient (or without notice in the case of an emergency) having regard to the circumstances applicable, perform or cause to be performed any of such covenants or obligations, or any part thereof, and for such purpose may do such things as may be required, including, without limitation, entering upon the Premises and doing such things upon or in respect of the Premises or any part thereof as the Landlord considers requisite or necessary. All expenses incurred and expenditures attributable to or made (including all employee, overhead and other internal costs) pursuant to this section 11.07, will be paid by the Tenant to the Landlord as additional rent upon demand. The Landlord will have no liability to the Tenant or any other person for any claims resulting from any such action, entry or performance of any work by the Landlord upon the Premises.

### Section 11.08 Security Agreement

(a) The Tenant hereby grants to the Landlord a security interest ("Security Interest") in all of the Tenant's personal property of any kind including, without limiting the generality of the foregoing, all goods, chattels, trade fixtures, furniture, equipment, inventory, stock-in-trade, chattel paper, instruments, documents of title, supplies, securities, the business on the Premises, accounts receivable, book debts and intangibles (collectively, "Collateral") which are or may be at any time hereafter on the Premises or elsewhere, to secure the payment of all rent and the fulfillment of the other obligations of the Tenant under this Lease. Except for the Security Interest, the Tenant agrees that all Collateral on the Premises shall be the unencumbered property of the Tenant. The Tenant agrees to enter into, on the Landlord's request, a separate security agreement, mortgage or similar other charge or security instrument, in addition to this security agreement, or to document separately the Security

Interest hereby granted, containing such terms as the Landlord shall reasonably require, on all of the Collateral at any time during the Term, including all after-acquired items forming part of the Collateral, as security for the payment of rent and performance by the Tenant of all of its other obligations pursuant to this Lease. Whether or not any additional or separate security agreement, mortgage, charge or other security instrument is requested by or given to the Landlord as aforesaid, the Tenant confirms and agrees that the Security Interest is complete and valid without the necessity of the Tenant's giving any other or further documentation in respect thereof. The Tenant agrees that the Security Interest shall attach to the Collateral immediately upon the execution of this Lease and that, to the extent necessary to give full effect to this section 10.08, this Lease is intended to constitute a security agreement as defined in the *Personal Property Security Act*, R.S.B.C. 1996 c.359 as amended or substituted from time to time. This security agreement is separate from and shall survive the termination, expiry or disclaimer of this Lease.

- On default by the Tenant under this Lease, the Landlord may itself, or by its (b) agents or employees, or by a receiver or any replacement thereof appointed in writing by Landlord, take possession of the Collateral, carry on the business on the Premises, in such manner as Landlord or such receiver determines, and realize upon the Collateral and enforce its rights under the Security Interest by any remedy or proceeding authorized or permitted hereby or at law including, without limitation, all rights and remedies available to a secured party under the Personal Property Security Act and any other similar statutes; included in such rights of the Landlord is the right to recover the reasonable expenses of retaking, holding, repairing, processing, preparing for disposition and disposing of the Collateral and all other reasonable expenses, including legal costs, incurred by the Landlord, the Landlord may exercise any rights as provided by this Section 10.08 on the Premises and for such purpose may lock the Premises, change any locks on the Premises and by any means exclude the Tenant from all or any parts of the Premises and the Landlord shall not thereby be terminating this Lease in the absence of express written notice terminating this Lease.
- (c) This Security Interest shall not be deemed to have been satisfied, discharged or redeemed by reason of the Tenant not being indebted to the Landlord at any time or from time to time and no payment shall reduce the amount secured by this Security Interest except to the extent expressly approved by the Landlord in writing.
- (d) This Security Interest is given in addition, and not as an alternative, and may be exercised by the Landlord without prejudice to any other rights of the Landlord under this Lease or at law including, without limitation, the Landlord's right of distress.

### ARTICLE XII

### Section 12.01 Vacant Possession

Upon termination of the Term, whether by the passage of time or otherwise, the Tenant will deliver up vacant possession of the Premises and will leave the Premises in a sanitary, neat, tidy, safe and empty condition free from all nuisance, debris, rubbish and stock-in-trade and will ensure that the Premises are to the standard of repair and decoration required of the Tenant pursuant to Article II hereof.

#### Section 12.02 Trade Fixtures

- (a) If the Tenant is not in default hereunder at the expiration of the Term, the Tenant will have the right to remove its trade fixtures from the Premises but will make good any damage caused to the Premises resulting from the installation or removal thereof.
- (b) If the Tenant fails to remove any of its trade fixtures and restore the Premises as provided in section 12.02(a), all such trade fixtures will become the property of the Landlord except to the extent that the Landlord requires removal thereof pursuant to section 12.02(d).
- (c) If the Tenant abandons the Premises or this Lease is terminated before the proper expiration of the Term due to a default on the part of the Tenant, as of the moment of such default by the Tenant, all trade fixtures and furnishings of the Tenant (whether or not attached in any manner to the Premises) will, except to the extent the Landlord requires the removal thereof pursuant to section 12.02(d), become and be deemed to be the property of the Landlord, without compensation to the Tenant but without prejudice to any other right or remedy of the Landlord at law or in equity.
- (d) Notwithstanding that any trade fixture is or may become the property of the Landlord, the Tenant will forthwith remove all or part of the same and will make good any damage caused to the Premises resulting from the installation or removal thereof, all at the Tenant's expense, should the Landlord so require by notice to the Tenant.
- (e) If the Tenant, after receipt of a notice from the Landlord pursuant to section 12.02(d), fails to promptly remove any trade fixture in accordance with such notice, the Landlord may enter into the Premises and remove therefrom all or part of such trade fixture and make good any damage caused to the Premises resulting from the installation or removal thereof, without any liability accruing against the Landlord and at the expense of the Tenant, which expense will forthwith be paid by the Tenant to the Landlord.

### Section 12.03 Overholding

If the Tenant continues to occupy the Premises after the expiration of the Term, and the Landlord will accept rent, the new tenancy thereby created will be a tenancy from month to month and not from year to year, and will be subject to the covenants and conditions herein contained so far as may be applicable to a tenancy from month to month, and will be determined by one month's prior notice in writing.

#### ARTICLE XIII

### Section 13.01 For Showings/Inspections

The Landlord or its agents have the right to enter the Premises at any reasonable time (and upon not less than forty-eight (48) hours written notice to the Tenant) to examine them (or within the last 60 days of the Term if not renewed or any renewal term if not further renewed, to show them to prospective purchasers or tenants) and to enter the Premises at times mutually agreed between the Landlord and the Tenant (or on reasonable prior notice but except in the case of emergency not less than 48 hours' notice) to make such repairs as the Landlord may deem necessary or desirable and the Landlord will be allowed to take all required material into and upon the Premises without such entry constituting an eviction of the Tenant in whole or in part nor a breach of the Landlord's obligations and the rent reserved will in no way abate by reason of loss or interruption of the business of the Tenant or otherwise while the repairs are being made, provided the Landlord takes all commercially reasonable steps to perform the work outside of the normal operating hours of the Tenant's business on the Premises and expeditiously and with as little inconvenience to the Tenant as is possible in the circumstances.

#### Section 13.02 Landlord's Access to Records

The Landlord may at any reasonable time and upon forty-eight (48) hours written notice to the Tenant enter (or permit governmental authorities to enter) the Premises or any other office of the Tenant's for the purpose of ensuring the Tenant's compliance with this Lease, including without limitation, by auditing the Tenant's environmental and financial records and by conducting soil, water and other tests, provided that the Landlord takes reasonable steps to avoid interfering with the Tenant's use and occupation of the Premises.

### Section 13.03 Emergency Access

If and when for any reason an emergency exists or is reasonably contemplated, the Landlord or its agents may enter the Premises by a master key, or may forcibly enter them, provided reasonable care is exercised, without rendering the Landlord or such agent liable, and without in any manner affecting the Tenant's obligations under this Lease. However, despite the above, the Landlord has no obligation, responsibility or liability, for the care, maintenance or repair of the Premises except as otherwise specifically provided.

#### ARTICLE XIV

### Section 14.01 Option to Renew

If:

- (a) the Tenant pays the rent as and when due and punctually observes and performs the terms, covenants and conditions to be observed and performed by it in accordance with the terms of this Lease; and
- (b) the Tenant gives the Landlord not less than twelve (12) months and not more than eighteen (18) months written notice prior to the expiration of the Term of the Tenant's exercise of this option to renew;

then the Landlord shall grant to the Tenant a renewal Lease upon the expiration of the Term for a period of five (5) years (the "Renewal Term") on the same terms and conditions as set out in this Lease except that:

- (c) there shall be no further right to renew;
- (d) with respect to such Renewal Term, the Landlord shall have no obligation to pay or provide to the Tenant any allowance, concession or inducement of any nature, or provide any free rent or discounted rent of any nature, or provide any fixturing period, or do or perform any Landlord's work in, on, to or for the Premises;
- (e) the parties will, by agreement in writing signed by both parties or their agents, determine the market rental value of the Premises and such determination shall be the Rent payable by the Tenant during the Renewal Term;
- (f) if the market rental value of the Premises for the Renewal Term has not been determined in the manner described in the immediately preceding subparagraph, on or before the commencement date of the Renewal Term, then either of the parties may elect to arbitrate the issue by so notifying the other in writing of such election, whereupon each party shall forthwith appoint one (1) arbitrator and the two (2) arbitrators so appointed shall appoint a third arbitrator and the three (3) arbitrators shall determine the market rental value of the Premises, which will be the Rent payable by the Tenant for the Renewal Term, and the provisions of the Commercial

Arbitration Act, R.S.B.C. 1996, c.55, as amended or substituted from time to time, shall apply to the selection of the arbitrators and the arbitration PROVIDED HOWEVER if the parties can agree upon a single arbitrator then the arbitration shall be conducted by a single arbitrator;

- (g) if the Rent reserved for the Renewal Term has not been determined on the first day of the Renewal Term, then, until such determination is made, the Tenant shall continue to pay monthly in advance and without deduction, the Rent applicable on the last day of the Term, PROVIDED HOWEVER that when the Rent reserved for the Renewal Term has been determined as aforesaid, the parties, within ten (10) business days of such determination having been made, shall make such payment or repayment as may be necessary to ensure that the Tenant has then paid the same amount that he would have paid if such determination had been made on the first day of the Renewal Term. Any amounts payable by the Tenant to the Landlord pursuant to this Section 14.01 shall bear interest at the rate of three percent (3%) per annum above the prime rate, per annum, calculated monthly not in advance, from the first day of the Renewal Term until paid; and
- (h) provided always that the Rent payable by the Tenant during the Term shall not be relevant in determining the market rental value of the Premises for the Renewal Term.

#### ARTICLE XV

### Section 15.01 Landlord Released

In the event of the sale or Lease by the Landlord of the Premises or the assignment by the Landlord of its interest in this Lease, the Landlord will without further written agreement be released and relieved of and from such liabilities and obligations.

### Section 15.02 Tenant's Covenant

The Landlord may sell, transfer or otherwise dispose of the Premises, or any portion of the Premises, to any party and upon the conveyance to such party of the Premises or any portion of them, the Tenant will, upon receipt of written acknowledgement from such party of this Lease and the Tenant's rights under this Lease, attorn to and become the Tenant of such party under the terms of this Lease and the Tenant will provide such party with an acknowledgment in writing binding upon the Tenant that it will perform the obligations and satisfy the liabilities of the Tenant, and any indemnifier or covenantor will execute and deliver a new covenant or indemnity agreement to such party on the same terms as any existing agreement with the Landlord.

### Section 15.03 Status Statement

The Landlord and the Tenant will provide to the other, within three (3) days of such party's request, a status statement confirming the particulars of the Lease, addressed to the other and any potential buyer or mortgagee, binding upon the Tenant or the Landlord, as the case may be, confirming:

- (a) in the case of the Tenant, that the Tenant has accepted possession of the Premises;
- (b) whether or not any party hereto has carried out all of its obligations pursuant to this Lease;
- (c) that this Lease constitutes the whole of the agreement between the parties (or setting out such other agreements);
- (d) that this Lease is in full force and effect and that there are no defences or set offs which the Tenant claims against the Landlord (or setting out any such claims) or vice versa; and

(e) such other matters as may be reasonably required by the requesting party or any potential or actual purchaser or mortgagee of the Premises.

#### ARTICLE XVI

### Section 16.01 Delivery of Notices

Any notice required to be given hereunder must be in writing and the sender must deliver it by hand or by telecopier or by mail to the party to which it is to be given, as follows:

(a) to the Tenant:



Attention:

Fax No.:

(b) to the Landlord:

City of Vancouver 453 West 12th Avenue Vancouver, B.C. V5Y 1V4

Attention: <</br>Fax No.:<</td>

or to such other address or telecopier number as the party may designate and will be deemed to have been received on the day of delivery or telecopying if within business hours on a business day and otherwise on the next succeeding business day and, if mailed, the fifth day after mailing, provided that if there is between the time of mailing and the actual receipt of the notice a mail strike, slow-down or other labour dispute which might affect delivery of such notice then such notice will only be effective if actually delivered.

### Section 16.02 Administration of Lease

Where this agreement requires or permits on the part of the Landlord any authority, reservation, discretion, disallowance, approval or other act of supervision or the giving of any notice, such act or action will be well and truly performed on the part of the Landlord when performed by  $\leq$  or his or her nominee.

### Section 16.03 Covenants Survive Termination

The covenants herein on the part of the Landlord and the Tenant which, as of termination of this Lease or the Term whether by passage of time or otherwise, remain unfulfilled, undischarged or otherwise outstanding will nevertheless survive such termination and remain in full force and effect and be binding upon the parties and their respective successors and assigns so long as there is any liability or indebtedness by either party to the other or so long as any such covenant remains unfulfilled, undischarged or otherwise outstanding, whether in whole or in part, notwithstanding anything herein to the contrary.

### Section 16.04 Time is of the Essence

Time will be of the essence of this Lease, save as herein otherwise specified.

### Section 16.05 Captions and Headings

The captions and headings throughout this Lease are for convenience and reference only and the words and phrases contained therein will in no way be held or deemed to define, limit, describe, explain, modify, amplify or add to the interpretation, construction or meaning of any provision of or the scope or intent of this Lease nor in any way affect this Lease.

#### Section 16.06 Interpretation

Words herein importing the singular number or the masculine gender only will include more persons, parties or things of the same kind than one, and females or corporations as well as males, and the converse whenever the context requires; these presents will extend to, be binding upon and enure to the benefit of the Landlord and the Tenant and the successors and assigns of the Landlord and the heirs, executors, administrators, successors and permitted assigns of the Tenant.

#### Section 16.07 Joint and Several

Any covenant, agreement, condition or proviso made by two (2) or more persons will be construed as several as well as joint.

### Section 16.08 Waiver

No waiver of or neglect to enforce any provision of this Lease upon a default by the Tenant will be deemed to be a waiver of any such right upon any subsequent similar default. Without limiting the generality of this Section 16.08, the acceptance by the Landlord of part payment of any sums, including rent, required to be paid under this Lease will not constitute a waiver or release of the Landlord's right to payment in full of such sums.

### Section 16.09 Entire Agreement

The Tenant acknowledges that there are no covenants, representations, warranties, agreements, terms or conditions expressed or implied relating to this Lease or the Premises except as expressly set out in this Lease, and that this Lease may not be modified except by an agreement in writing executed by both the Landlord and the Tenant.

### Section 16.10 Governing Law

This Lease will be governed by and interpreted in accordance with the laws of British Columbia and the parties irrevocably attorn to the jurisdiction of the courts of British Columbia.

### Section 16.11 Severability

If any provision or provisions of this Lease are determined by a court to be illegal or not enforceable, it or they will be considered separate and severable from this Lease and the remaining provisions of this Lease will remain in full force and be binding upon the parties.

### Section 16.12 Relationship between Landlord and Tenant

Nothing contained in this Lease nor any acts of the Landlord or the Tenant will be deemed to create any relationship between the Landlord and the Tenant other than the relationship of landlord

and tenant, and the Tenant will throughout the Term take all reasonable steps to inform the public that the Tenant is the operator of the Premises as an independent contractor and not as employee or agent of the Landlord.

### Section 16.13 Force Majeure

Despite anything contained in this Lease to the contrary, if the Landlord or the Tenant is, in good faith, delayed or prevented from doing anything required by this Lease because of a strike, labour trouble, inability to get materials or services, power failure, restrictive governmental laws or regulations, riots, insurrection, sabotage, rebellion, war, act of God, or any other similar reason, that is not the fault of the party delayed or of its officers, employees or agents, the doing of the thing is excused for the period of the delay and the party delayed will promptly do what was delayed or prevented within the appropriate period after the delay. The preceding sentence does not excuse the Tenant from payment of rent or the Landlord from payment of amounts, if any, that it is required to pay, in the amounts and at the time specified in this Lease.

### Section 16.14 Permanent Public Park - Intentionally Deleted

### Section 16.15 Parking

The Tenant herby acknowledges and agrees that parking for the Premises will be available in the public parking lots located proximate to the Premises.

### Section 16.16 No Promotion

The Tenant must not disclose or promote its relationship with the City of Vancouver, including by means of any verbal declarations or announcements and by means of any sales, marketing or other literature, letters, client lists, press releases, brochures or other written materials, without the express prior written consent of the City of Vancouver (except as may be necessary for the Tenant to perform the Tenant's obligations under the terms of this Lease).

IN WITNESS WHEREOF the parties hereto have executed this Lease as of the day and year first above written.

CITY OF VANCOUVER	
Authorized Signatory	
[INSERT TENANT NAME]	
Authorized Signatory	

Approved by resolution of Vancouver City Council on, 20	
This is the signatory page of a Lease between the City of Vancouver as Landlord as Tenant concerning the Queen Elizabeth Theatre Restaurant	
Premises).	-

SCHEDULE A

Plan of Building

### SCHEDULE B

Plan of Lease Premises and License Area

### SCHEDULE C

Service Level Agreement

### SCHEDULE D

Hazardous Materials Survey of QET Restaurant

<u>SCHEDULE E</u>

Landlord's Notice To Tenant

## REQUEST FOR PROPOSALS NO. PS20151004 OPERATOR FOR QUEEN ELIZABETH THEATRE RESTAURANT ANNEX 1 - SCHEDULE OF DETAILED REQUIREMENTS

### ANNEX 1 - SCHEDULE OF DETAILED REQUIREMENTS

In the Management Proposal, Proponents should provide detailed responses to the requirements described below.

The Proponent's Proposal shall include details corresponding to the following (as applicable to the Proponent's interest in operating the QET Restaurant):

- (a) A statement of the Proponent's understanding of:
  - (i) Appendix B3 Hazmat Survey; and
  - (ii) Appendix B4 Building Condition Assessment Report

and specific details (in bullet form with relevant details) on what tenant improvements the Proponent intends to undertake as the successful Operator.

- (b) A statement of the Proponent's understanding of the hazmat process and expectations described in Appendix B6 Notice to Tenants of City Owned Buildings, and confirmation that the Proponent will bear the full cost of abatement work.
- (c) A statement of the Proponent's understanding of Appendix B7 Service Level Agreement, and a description of the extent to which the Proponent will comply with the Service Level Agreement.
- (d) A detailed conceptual inclusive of:
  - (i) QET Restaurant use:
  - (ii) Design and layout (e.g. conceptual sketches), including what the décor would consist of;
  - (iii) Clientele;
  - (iv) Menu concepts (please include examples); and
  - (v) Sourcing of local, environmentally-friendly or sustainable food and beverage ingredients, and how the menu would incorporate these ingredients.
- (e) An Operations and Management Plan (see Note 1 below) for Queen Elizabeth Theatre Restaurant:
  - (i) Which assures that the Operator will have a Liquor License extension on the plaza;
  - (ii) Which ensures that impacts on neighbouring properties is minimized;
  - (iii) Which must be approved by the City's Director of Planning;
  - (iv) Which should address, at minimum, the following:
    - (a) hours of operation (see Note 2 below);
    - (b) noise and odor management (see Note 3 below);

Issued on August 20, 2015 Page 1-1

## REQUEST FOR PROPOSALS NO. PS20151004 OPERATOR FOR QUEEN ELIZABETH THEATRE RESTAURANT ANNEX 1 - SCHEDULE OF DETAILED REQUIREMENTS

- (c) maintenance of building and grounds (see Note 4 below);
- (d) safety and security provisions for patrons (see Note 5 below);
- (e) cross reference with the Loading Management Plan (see Note 6 below);
- (f) parking and traffic management (see Note 7 below); and
- (g) QET Restaurant self-promotion (see Note 8 below).

### Notes:

**Note 1** Operations and Management Plan: the objective is to ensure that any possible impacts on the nearby residential community from the operation of the restaurant are minimized.

### **Note 2** Hours of Operation:

Operating hours shall comply with BCLB regulations and the Operator's Liquor License.

The Operator will submit to Civic Theaters at least THIRTY (30) days in advance any request for special events requiring late closings. Civic Theatres can approve, reject or modify this schedule.

In the evenings all patrons will be encouraged to respect the tranquility of the neighborhood when departing.

#### Note 3 Noise and Odour Management:

### Control of Noise

Any electronic sound system will be limited to the inside of the building. The sound level will be set to ensure the music cannot be heard outside of the building.

There will be no outdoor speakers, music or entertainment on the patio without written approval of Civic Theatres. Otherwise, the City's by-laws will apply.

No live interior performance will use amplification.

### Control of Odour

Cooking smells are to be neutralized by using an ultra violet or equivalent hood cleaning system. A regular cleaning schedule of hood and vent systems will be followed and regular checks will ensure that the chimney accelerator fans are operational in accordance with manufacturer's directions.

### Note 4 Maintenance of Buildings and Grounds

The operator will be responsible for the cleanliness and condition of the service area and front ground level patio. The leased area will be litter-picked daily by the operator.

Any graffiti on the building will be removed in accordance with the City's Anti-Graffiti Strategy. The operator will be responsible for the removal of any graffiti on the exterior of the QET Restaurant.

Issued on August 20, 2015 Page 1-2

### REQUEST FOR PROPOSALS NO. PS20151004 OPERATOR FOR QUEEN ELIZABETH THEATRE RESTAURANT ANNEX 1 - SCHEDULE OF DETAILED REQUIREMENTS

The lease will include a provision that the building is inspected every five (5) years by a professional inspection company approved by the City and that copies of the report are provided to the City. The operator will implement the report recommendations within six (6) months of its receipt.

### Note 5 Safety and Security

The operator will provide a security plan to the City which will be updated and approved annually.

### Note 6 Cross Reference with the Loading Management Plan

Truck access to the kitchen, or the loading area, are off Cambie Street. Delivery arrangements shall comply with maximum weight restrictions on the plaza.

### Note 7 Traffic and Parking Management

Staff will be encouraged to bike, walk or use public transit to work.

There will be clear signage identifying the delivery area.

### Note 8 QET Restaurant Self-Promotion

All signage will require the approval of the City. This includes any signage on the QET Restaurant.

Issued on August 20, 2015 Page 1-3

# REQUEST FOR PROPOSALS NO. PS20151004 OPERATOR FOR QUEEN ELIZABETH THEATRE RESTAURANT ANNEX 2 - CERTIFICATE OF EXISTING INSURANCE



### CERTIFICATE OF EXISTING INSURANCE TO BE COMPLETED AND APPENDED TO THE PROPOSAL/TENDER

	Section 2 through 8 - to be completed and executed by	the Insurer or its Authorized Representative	
1.	THIS CERTIFICATE IS ISSUED TO: City of Vancouver, 453 W 12th Avenue, Vancouver, BC, V5Y 1V4		
	and certifies that the insurance policy (policies) as full force and effect.	listed herein has/have been issued to the Named Insured and is/are in	
	NAMED INSURED (must be the same name as the princerporated company)	roponent/bidder and is either an individual or a legally	
	BUSINESS TRADE NAME or DOING BUSINESS AS		
	PUCINESS APPRESS		
	BUSINESS ADDRESS		
	DESCRIPTION OF OPERATION		
3.	PROPERTY INSURANCE (All Risks Coverage include		
	INSURER	Insured Values (Replacement Cost) -	
	TYPE OF COVERAGE	Building and Tenants' Improvements \$	
	POLICY NUMBER	Contents and Equipment \$	
	POLICY PERIOD From to	Contents and Equipment \$  Deductible Per Loss \$	
ŧ.	COMMERCIAL GENERAL LIABILITY INSURANCE (O	ccurrence Form)	
	Including the following extensions: INSURE		
	Y Personal Injury POLICY	NUMBER	
	√ Property Damage including Loss of Use √ Products and Completed Operations Limits o	PERIOD From to	
	√ Cross Liability or Severability of Interest Per Occi	urrence	
	√ Employees as Additional Insureds Aggrega	rete \$	
		Tenants' Legal Liability \$	
	<ul> <li>✓ Blanket Contractual Liability</li> <li>✓ Non-Owned Auto Liability</li> <li>All Risk Deductib</li> </ul>	ole Per Occurrence \$	
5.	AUTOMOBILE LIABILITY INSURANCE for operation of	f owned and/or leased vehicles	
	INSURER	_ Limits of Liability -	
	INSURER	Combined Single Limit \$	
<b>.</b>	UMBRELLA OR EXCESS LIABILITY INSURANCE	CE Limits of Liability (Bodily Injury and Property Damage Inclusive) -	
	POLICY NUMBER	Per Occurrence \$	
	INSURER	Aggregate \$Self-Insured Retention \$	
,	PROFESSIONAL LIABILITY INSURANCE	Limits of Liability	
•	INSURER	Per Occurrence/Claim \$	
	POLICY NUMBER	Aggregate \$	
	POLICY PERIOD From to	Deductible Per \$	
		Occurrence/Claim	
	If the policy is in a "CLAIMS MADE" form, please spe	ecify the applicable Retroactive Date:	
	OTHER INSURANCE		
	TYPE OF INSURANCE	Limits of Liability	
	INSURER	Per Occurrence \$	
	POLICY REPION From to	Aggregate \$ Deductible Per Loss \$	
	TYPE OF INCLIDANCE	Limits of Liability	
	TYPE OF INSURANCEINSURER	Limits of Liability Per Occurrence \$	
	POLICY NUMBER	Aggregate \$	
	POLICY NUMBER	Deductible Per Loss \$	
	SIGNED BY THE INSURER OR ITS AUTHORIZED REP	PRESENTATIVE	
		Datad	
	PRINT NAME OF INSURER OR ITS AUTHORIZED REF	PRESENTATIVE ADDRESS AND PHONE NUMBER	
	The state of the s	THE POPULATION AND PROPERTY.	

Issued on August 20, 2015 Page 2-1

## REQUEST FOR PROPOSALS NO. PS20151004 OPERATOR FOR QUEEN ELIZABETH THEATRE RESTAURANT ANNEX 3 - DECLARATION OF SUPPLIER CODE OF CONDUCT COMPLIANCE

### ANNEX 3 - DECLARATION OF SUPPLIER CODE OF CONDUCT COMPLIANCE

Purpose: All proposed suppliers are to complete and submit this form to certify compliance with the supplier performance standards set out in the Supplier Code of Conduct.

The City of Vancouver expects each supplier of goods and services to the City to comply with the supplier performance standards set out in the City's Supplier Code of Conduct (SCC) <a href="http://vancouver.ca/policy\_pdf/AF01401P1.pdf">http://vancouver.ca/policy\_pdf/AF01401P1.pdf</a>. The SCC defines minimum labour and environmental standards for City suppliers and their subcontractors.

Suppliers are expected to comply with the aforementioned standards upon submitting a tender, proposal, application, expression of interest or quotation to the City, or have a plan in place to comply within a specific period of time. The City reserves the right to determine an appropriate timeframe in which suppliers must come into compliance with these standards. To give effect to these requirements, an authorized signatory of each proposed vendor must complete the following declaration and include this declaration with its submission:

As an authorized signatory of the SCC and to the best of n subcontractors have not been national and other applicable violations/convictions that have	ny knowledge, _ and are not cur laws referred to	rently in violation in the SCC, other	(vendor nam n of the SCC or convicted than as noted in the tabl	<ul><li>e) and its proposed of an offence under e below (include all</li></ul>
Section of SCC / title of law	Date of violation /conviction	Description of violation / conviction	Regulatory / adjudication body and document file number	Corrective action plan
I understand that a false deconsideration being given to the				
Signature:				
Name and Title:				

Issued on August 20, 2015 Page 3-1

#### ANNEX 4 - VENDOR SUSTAINABILITY LEADERSHIP QUESTIONNAIRE

As part of the City's Corporate Procurement Policy and related Supplier Code of Conduct, all City vendors must meet minimum requirements related to ethical, social and environmental standards.

Beyond these basic requirements, the City would like to recognize vendors that are demonstrating leadership and innovation in sustainability. In order to be able to do so, the City requires that Proponents answer the following questions. The answers provided will be evaluated as part of the Proposal evaluation process.

The following questions relate to your company's internal operations and overall sustainability leadership.

The City may request that the Proponent provide additional information to support any of the responses provided.

If additional space is required, the Proponent may attach its response(s) to this Appendix 4 and reference the relevant question and section number.

<u>For all questions where the answer is 'Yes' and additional information is requested, if this information is not included in the Proposal, the answer may not be evaluated.</u>

For all questions where there is a word limit, responses are to be kept within this word limit. Information in excess of the word limit may not be evaluated.

#### Ouestionnaire structure:

Section 1: Environmental Impact	Reducing greenhouse gas (GHG) emissions Reducing waste Sustainable purchasing
Section 2: Social Impact	Workplace development programs Supporting social enterprises
Section 3: Definitions	Definitions for key terms used in this Annex.

#### SECTION 1: ENVIRONMENTAL IMPACT

This section of the leadership questionnaire addresses the following:

- reducing greenhouse gas (GHG) emissions
- reducing waste
- sustainable purchasing

1.	Does your company	own or lease buildings (including warehouses) in Metro Vancouver?
	□ Yes	□ No
	If no, skip to quest	ion 2.

If yes, describe efforts in the past three (3) years to improve the energy efficiency of buildings owned and/or leased in Metro Vancouver with respect to the elements listed below. Please limit answer to 300 words or less.

	a. Equipi	ment and lighting upgrades (e.g., HVAC, water heaters, LED lighting):
	b. Buildi	ng envelope improvements (e.g., insulation, windows):
	c. Staff o	conservation and engagement programs (e.g., turning off lights and computers, etc.)
2.	Does your Metro Van	company own or lease fleet vehicles and/or heavy off-road equipment to be operated in couver?
	□ Yes	□ No
	lf no, skip	to question 3.
	heavy equ vehicles,	scribe actions in the past three (3) years to reduce the GHG emissions of vehicles and alipment operated in Metro Vancouver. (Actions could include: purchase of low emissions use of alternative fuels, deployment of telematics software, driver training programs ease limit answer to 300 words or less.
3.		any other initiatives that have significantly reduced the GHG emissions of your operations nit answer to 200 words or less.
1.	Does your	company have an office recycling program in place?
	□ Yes	□ No
	If yes, whi	ich materials does your company recycle check only those that apply:
		office paper
		plastic and glass containers
		soft plastic
		food waste/compostables
		batteries

	printer or toner cartridges				
	Styrofoam				
	escribe any other initiatives that have significantly reduced waste from your operations. Please mit answer to 200 words or less.				
In c <b>h</b>	dicate which environmentally preferable goods or services your company currently purchases - neck only those that apply:				
	Fair trade and/or organic beverages or other sustainable food items				
	Copy paper (e.g., 100 per cent post-consumer waste; Forest Stewardship Council certified, tree free)				
	☐ Janitorial supplies (e.g., ECOLOGO, Green Seal certified)				
	IT equipment (e.g., ECOLOGO, EPEAT Gold, EnergyStar qualified)				
	Office products				
	Printing services				
	Promotional (marketing) items (e.g., corporate giveaways, prizes, employee recognition awards)				
	Courier services				
	Catering services				
	Landscaping Services				
	. •				

### **SECTION 2: SOCIAL IMPACT**

This section of the leadership questionnaire addresses the following elements:

- Workplace development programs
- Supporting social enterprises
- 1. Does your company employ and/or provide training opportunities for *people with barriers to employment* (e.g., people with addictions, disabilities, mental health issues; people who are

			efugees, etc.) that go beyond the hiring practices required by law? See definition barriers in Section 3 below.
	□Y	'es	□ No
	gov	vernment age	e the program including the name of non-profit or educational institution or ency that you work with to identify potential trainees or employees; and the number rainees that work in your company.
2.			any conduct business with, or support in other ways, one or more social enterprises ection 3 below)?
	□Y	'es	□ No
		yes, name the poort provide	ne social enterprise(s) and describe the nature of the business conducted and/or d.
3.	Is your company structure either of the following:		
	a.	Social enter	prise (as defined in Section 3 below).
		□ Yes	□ No
		If yes, state number):	e the name of the non-profit or co-operative (including society and/or charitable
	b.	Community	Contribution Company (C3 or CCC, as defined in Section 3 below)
		□ Yes	□ No
4.	con		additional social sustainability initiatives that demonstrate your company's the health and well-being of local communities. Please limit answers to 200

### **SECTION 3: DEFINITIONS**

### Social Enterprise:

"Social enterprises are businesses owned by non-profit organizations, that are directly involved in the production and/or selling of goods and services for the [combined] purpose of generating income and achieving social, cultural, and/or environmental aims (Social Enterprise Council of Canada)." See <a href="https://www.socialenterprisecanada.ca">www.socialenterprisecanada.ca</a>.

In addition to having the aforesaid combined purpose, to qualify as a "Social Enterprise" for purposes hereof, an entity must:

- be a business operated by a registered non-profit or community services co-operative;
- have a product or service that it sells to customers;
- have a defined social and/or environmental mandate.

### Person with Barriers to Employment:

A 'person with barriers to employment' is someone who faces one or more circumstances that can lead to underemployment or unemployment. There are a wide range of circumstances that can create barriers to employment including but not limited to: addictions, disabilities, mental health issues, and being a newcomer or refugee. For the purposes hereof, to qualify as a person with barriers to employment, the employee or trainee must be participating in a recognized, pre-approved employment program for person(s) with barriers to employment run by a non-profit organization or educational institution or government agency.

### Community Contribution Company (C3):

"Community Contribution Company" means a corporation formed under the laws of British Columbia that includes in its articles the following statement:

This company is a community contribution company, and, as such, has purposes beneficial to society. This company is restricted, in accordance with Part 2.2 of the *Business Corporations Act*, in its ability to pay dividends and to distribute its assets on dissolution or otherwise.

Or, a company incorporated under another jurisdiction that includes in its articles substantively similar restrictions related to dividends and distribution of assets.

Refer to www.fin.gov.bc.ca/prs/ccc for more information.