

**CORPORATION OF THE CITY OF COURTENAY
COUNCIL MEETING AGENDA**

DATE: August 15, 2016
PLACE: City Hall Council Chambers
TIME: 4:00 p.m.

1.00 ADOPTION OF MINUTES

1. Adopt August 2, 2016 Regular Council meeting minutes

2.00 INTRODUCTION OF LATE ITEMS

3.00 DELEGATIONS

Pg #

STAFF REPORTS/PRESENTATIONS

(a) Recreation and Cultural Services

- 1 1. Service Corporation International Canada Lease Amendment

5.00 EXTERNAL REPORTS AND CORRESPONDENCE FOR INFORMATION

6.00 INTERNAL REPORTS AND CORRESPONDENCE FOR INFORMATION

**7.00 REPORTS FROM COUNCIL MEMBERS REGARDING CITY RELATED
ACTIVITIES INCLUDING REPORTS FROM COUNCIL AND EXTERNAL
COMMITTEES**

8.00 RESOLUTIONS OF COUNCIL

1. In Camera Meeting:

That notice is hereby given that a Special In-Camera meeting closed to the public will be held August 15, 2016 at the conclusion of the Regular Council Meeting pursuant to the following sub-sections of the *Community Charter*:

90 (1) (i) the receipt of advice that is subject to solicitor-client privilege, including communications necessary for that purpose.

9.00 UNFINISHED BUSINESS

10.00 NOTICE OF MOTION

11.00 NEW BUSINESS

1. Mayor Jangula – Comox Valley Hospital paid parking

12.00 BYLAWS

13.00 ADJOURNMENT



THE CORPORATION OF THE CITY OF COURTENAY

STAFF REPORT

To: Mayor and Council

File No.: 2380-20 CREMA

From: Deputy Chief Administrative Officer

Date: August 15, 2016

Subject: Service Corporation International Canada (ULC) Lease Amendment

PURPOSE:

The purpose of the report is to approve a lease amendment of municipal property for the use by Service Corporation International Canada (ULC).

CAO RECOMMENDATIONS:

That, based on the August 15, 2016 staff report, "Service Corporation International Canada (ULC) Lease Amendment", subsequent to publication of notice, Council approve the Lease Amendment between the City of Courtenay and Service Corporation International Canada (ULC) allowing for another two options to renew the lease each for a further term of five years, with respect to the lease of municipally owned property located at the Courtenay Civic Cemetery with civic address 4768 Old Island Highway, Courtenay on lands having a legal description of PID: 005-487-927, Lot 2 Section 18, Comox District, Plan 8920.

Respectfully submitted,

John Ward, CMC
Deputy Chief Administrative Officer

BACKGROUND:

Since 1985, the City has rented out a portion of the property to Service Corporation International (SCI) (formerly Piercy's Funeral Home Ltd.) to operate a crematorium. After exercising the last remaining option to renew, the original lease was to expire on December 31, 2026.

DISCUSSION:

SCI has made a request to the City to carry out a major renovation to the existing building with an estimated project cost of \$375,800. Before investing in major improvements to the building SCI is requesting two additional options to renew, each for a further term of five years, for a total of three remaining options to renew and extending its term to December 31, 2036.

Council is also required to dispose of municipal property at market value, pursuant to section 25 of the *Community Charter*. Staff have acquired an appraisal of the market value rent of the leased lands and have confirmed the lease rate of \$14,211.00 per annum is the fair value market rent.

In addition, the approval of the Director of Business Practices and Consumer Protection Authority for leasing cemetery property has been obtained, as required by statute.

FINANCIAL IMPLICATIONS:

The costs for repair and maintenance of the crematorium are solely paid for by the Tenant, SCI. The lease rate has been confirmed to be at fair market value.

ADMINISTRATIVE IMPLICATIONS:

The Crematorium is owned and operated independently by SCI. The City would be responsible for the administration of the lease which is through the Legislative Service Department.

STRATEGIC PLAN & PRIORITIES REFERENCE:

City of Courtenay Strategic Priorities 2016 – 2018 identifies that we invest in our key relationships we will continue to engage and partner with service organizations for community benefit.



- **Area of Control**
The policy, works and programming matters that fall within Council's jurisdictional authority to act.
- ▲ **Area of Influence**
Matters that fall within shared or agreed jurisdiction between Council and another government or party.
- **Area of Concern**
Matters of interest outside Council's jurisdictional authority to act.

We invest in our key relationships

- We value and recognize the importance of our volunteers
- We will continue to engage and partner with service organizations for community benefit

OFFICIAL COMMUNITY PLAN REFERENCE:

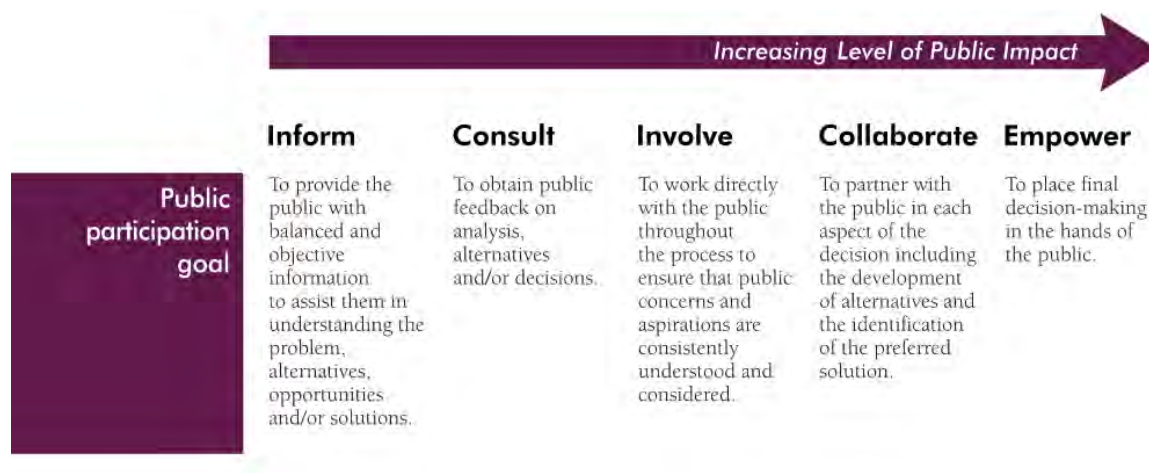
Not applicable.

REGIONAL GROWTH STRATEGY REFERENCE:

Not applicable.

CITIZEN/PUBLIC ENGAGEMENT:

With the disposition of land, council is required to post notice in local newspapers pursuant to section 26 of the *Community Charter*. This notice will inform the public as identified in the *IAP2 Spectrum of Public Participation*.



OPTIONS:

- OPTION 1:** That subsequent to publication of notice, Council approve the Lease Amendment allowing for an another two options to renew the lease between the City of Courtenay and Service Corporation International Canada (ULC) each for a further term of five years, with respect to the lease of municipally owned property located at the Courtenay Civic Cemetery with civic address 4768 Old Island Highway, Courtenay on lands having a legal description of PID: 005-487-927, Lot 2 Section 18, Comox District, Plan 8920.
- OPTION 2:** Replace the existing lease with a new lease with the same terms and conditions.
- OPTION 3:** Not amend the existing lease and allow the lease to expire on December 31, 2026.

Prepared by:



Dave Snider, MBCSLA
Director of Recreation and Cultural Services

Attachments:

- A - Provincial Approval to Lease
- B - Crematorium renewal request letter
- C- Original Lease 2007
- D - Lease Amendment 2016



28 July 2016

Recreational & Cultural Services
City of Courtenay
830 Cliffe Ave.,
Courtenay, BC
V9N2J7

Re: Lease / Encumbrance of Cemetery Land - Licence # 15150

Dear Joy,

Thank you for submitting the request dated July 21, 2016. Upon review of the request, and in accordance with section 27 of CIFSA, permission is granted to proceed with the lease and renewal options detailed in that submission.

Summary of submission:

- PID 005-487-927, Lot 2 Section 18 Comox District Plan 8920 (the "Property")
- The Corporation of the City of Courtenay, the registered owner of the Property. Mission Hill Crematorium, operated by Service Corporation International (Canada) ULC (SCI), is located on the Property. SCI and the City wish to amend the lease agreement for the Crematorium and add two additional renewal options, each at five year terms. We therefore request the permission of a Director under the Act for the City to enter into the lease as amended and enclosed herein.

Should you make any changes to the lease please immediately inform us of those changes. Please ensure the changes meet your current bylaws. Please contact the writer if you have any questions or concerns.

Yours truly,

A handwritten signature in black ink, appearing to read "Heather McCurdy", written over a faint, larger signature.

Heather McCurdy
Manager, Business Practices

CONSUMER PROTECTION BC
307-3450 Uptown Blvd. Victoria BC V8Z 0B9
P 604.320.1664 F 250.920.7181 TF 1.888.564.9963
E operations@consumerprotectionbc.ca W www.consumerprotectionbc.ca



June 6, 2016

Via UPS

The Corporation of the City of Courtenay
830 Cliffe Avenue
Courtenay, B.C. V6N 2J7

Re: OPTION TO RENEW LEASE

**Premises: Lot 2, Section 18, Comox District, Plan 8920
4768 North Island Hwy, Courtenay, BC V9N 5Y7
Mission Hill Crematorium (SCI Loc. #3731)**

Dear Landlord:

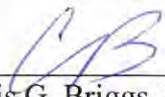
Pursuant to Paragraph 5.1 of that certain Lease dated January 1, 2007 ("Lease") by and between THE CORPORATION OF THE CITY OF COURTENAY ("Landlord") and SERVICE CORPORATION INTERNATIONAL (CANADA) ULC, successor by merger to Alderwoods Group Canada, Inc., ("Tenant"), Tenant hereby exercises its option to renew ("Second Renewal"), extending the Lease for five (5) years, from January 1, 2017 to December 31, 2021, upon the same terms and conditions including rent which shall be adjusted in accordance with Paragraph 4.1 of the Lease.

Should you have any questions concerning this matter, please contact Irmgard Johnson at 713.525.9031 or via email to irmgard.johnson@sci-us.com.

Sincerely,

Service Corporation International (Canada) ULC

By: _____


Curtis G. Briggs, Vice President

IKJ/jlg



PART 2 - LEASE

THIS LEASE made as of the 1st day of January, 2007.

BETWEEN:

THE CORPORATION OF THE CITY OF COURTENAY,
750 Cliffe Avenue, in the City of Courtenay, in the Province
of British Columbia V6N 2J7

(the "Landlord")

AND:

ALDERWOODS GROUP CANADA INC. (B.C. Registration
Number A0058622), having an office at 4333 Still Creek Drive,
Burnaby, B.C. V5C 6S6

(the "Tenant")

WITNESSES:

THAT in consideration of the mutual covenants and agreements hereinafter respectively reserved and contained, the Landlord and the Tenant covenant and agree each with the other as follows:

Definitions

- 1.1 For the purpose of this agreement, the words set out below shall have the meanings herein ascribed to them:
- (a) "Building" means the columbarium and crematorium situate upon the Lands;
 - (b) "Lands" means that portion of the Courtenay Civic Cemetery in the City of Courtenay, in the Province of British Columbia, having a legal description of PID: 005-487-927, Lot 2 Section 18, Comox District, Plan 8920
 - (c) "Leased Area" means that portion of the Lands together with the Building, shown on the survey plan attached as Schedule "A";
 - (d) "Tax" or "Taxes" means all taxes, fees, rates, duties, levies, charges and assessments whatsoever whether general or specifically levied for municipal, school, social services, or otherwise charged by any lawful government authority upon the Building, the Lands and all improvements now or hereafter upon the Leased Area, or charged upon the Landlord on account thereof, including all taxes, fees, rates, duties, levies, charges and assessments for local improvements but excluding any tax which has been attracted by the Tenant's improvements and equipment (which shall be entirely for the account of the Tenant as otherwise provided in this Lease) and excluding such taxes as corporate, income, profit, or

excess profit taxes assessed upon the income of the Landlord, but shall include any and all taxes, fees, rates, duties, levies, charges, or other assessments which may in future be levied in lieu of all or any of the Tax as herein defined; and

- (e) "Term" has the meaning set out in section 3.1.

Demise

- 2.1 In consideration of the rents, covenants, agreements, conditions, and provisos hereinafter respectively reserved and contained, the Landlord does hereby demise and lease to the Tenant, its successors and assigns, on the terms and conditions contained in this Agreement the Leased Area (the "Lease").

Term

- 3.1 TO HAVE AND TO HOLD the Leased Area for and during the term of five (5) years (the "Term"), commencing the 1st day of January, 2007 (the "Commencement Date"), and ending the 31st day of December, 2011, subject to earlier termination as provided herein.

Rent

- 4.1 The Tenant will pay to the Landlord the sum of \$12,500.00 on the first day of the Term for the first year of the Term, exclusive of GST (the "Rent"), which may be paid in monthly instalments on the first day of each month. In the second and each succeeding year of the Term, the Rent payable by the Tenant will increase over the previous year's Rent by the percentage of inflation for the previous calendar year as determined by the Statistics Canada measurement of the Consumer Price Index (CPI), all-items and unadjusted for Vancouver, but in no event more than four percent (4%) per year, except that should this Lease be renewed, the Rent payable during the renewal terms will be based upon the then prevailing fair market net rental for similarly improved premises, similarly located. If the parties cannot agree on the Rent payable during the renewal term by no later than three (3) months prior to the expiry of the initial Term or renewal term, as applicable, the Rent will be deemed to be the Rent paid in the previous year plus the above specified factor of inflation.
- 4.2 Should this Lease be terminated by the Landlord for a reason other than default of the Tenant under this Agreement, the Landlord shall refund to the Tenant that proportion of the Rent that corresponds to the residual portion of that year.

Option to Renew

- 5.1 The Tenant, provided it is not in default under this Lease, will have the option of renewing this Lease for a further term of five (5) years on the same terms and conditions as herein provided, with two (2) further options to renew on the same terms and conditions as the first such renewal, provided that no such renewal will renew the Lease for a term extending beyond December 31, 2035. Such option will be exercised by the

Tenant serving written notice upon the Landlord not less than six (6) months prior to the expiration of the term of this Lease.

Purpose

6.1 The Tenant covenants and agrees:

- (a) not to use or permit the Leased Area or any part thereof to be used for any purpose other than for the operation of a crematorium and columbarium;
- (b) to operate its crematorium and columbarium business, and to exercise its ability to access the Leased Area provided in section 10.1 in such a manner as to not obstruct or interfere with:
 - (i) the operation of the Lands as a public cemetery;
 - (ii) the driveways and paths within the Lands; or
 - (iii) the Landlord's ability to carry on its operations in a manner in keeping with the dignity of the public cemetery.

Net Lease

7.1 It is the intention of this Lease that all expenses, costs, payments and outgoings, incurred in respect of the Leased Area, or for any other matter or thing affecting the Leased Area shall (unless otherwise expressly stipulated herein to the contrary) be borne by the Tenant.

Tenant's Covenants

8.1 The Tenant covenants and agrees with the Landlord as follows:

To Pay Rent

- (a) During the Term, to pay to the Landlord the Rent hereby reserved, in the manner hereinbefore mentioned, and to pay all other monies payable by the Tenant to the Landlord under the provisions of this Lease.

Taxes and Utilities

- (b) To pay by way of additional rent as and when they fall due the Taxes and other governmental fees, levies and charges which may be assessed and payable by the Tenant in respect of the Building, the Leased Area or the Lease herein granted, and the Tenant shall furnish and pay for the necessary water, electrical, heating and other utility services required for the Leased Area.

Insurance

- (c) To procure and, at all times during the Term, carry general liability insurance in such amount as the Landlord shall from time to time reasonably require to indemnify the Landlord against any and all claims for damages arising out of the use and occupation of the Leased Area by the Tenant during the Term, and, upon request, to provide the Landlord with proof of such insurance; and
- (d) To procure and carry throughout the Term, insurance insuring all of the improvements located on the Leased Area against loss or damage by fire and other risks commonly covered by commercial fixtures.

Landscaping and tidy condition

- (e) To landscape the Leased Area in a manner satisfactory to the Landlord and equivalent to the landscaping of the remainder of the Lands, and maintain the Leased Area (and other portions of the Lands it temporarily may use) in a safe, clean and tidy condition and free from rubbish and debris and clean of graffiti, other than that caused by the Landlord or its employees.
- (f) To confine its tools, equipment and plant, the storage of materials and products, and the operations of its employees or agents, to limits in this Agreement, or as instructed by the Landlord, and will not unreasonably encumber or block access to the Lands, including the Leased Area.
- (g) After any construction, alteration, or maintenance of the Building, to promptly remove all surplus products, tools, construction machinery and equipment, and any waste and debris, and leave the Lands clean and suitable for operation.

Operation

- (h) To pay all costs and perform all work associated with operating the Building.

Indemnity

- (i) During the Term, to indemnify and save harmless the Landlord from and against any and all claims and demands arising out of the occupation or use of the Leased Area or any part thereof by the Tenant during the Term, to the intent that the sole responsibility for the costs of operation, repairs and maintenance of the Leased Area during the Term shall rest with the Tenant.

General Tenant's Covenants

- 9.1 The Tenant covenants and agrees with the Landlord as follows:

Fixtures

- (a) Any building constructed by the Tenant (or a previous tenant) pursuant to the terms of this Lease (or the lease dated January 1, 1991 between Mission Hill

Crematorium Ltd. and the Landlord, as amended) and the Tenant's fixtures and equipment installed by the Tenant (or a previous tenant) shall remain the property of the Tenant and shall be removed by the Tenant at the expiration of the term of this Lease or any renewal thereof, or other termination, to the extent permitted by the Director of the Business Practices and Consumer Protection Authority of British Columbia (or such other public official responsible for cemeteries in British Columbia) and legislation applicable to the disinterment or moving of human remains, provided that the Tenant restores the Leased Area after such removal and provided further that the Tenant is not at such time in default under any covenant or agreement contained herein; and if in default, the Landlord will have a lien on such building, fixtures and equipment as security against loss or damage resulting from any such default by the Tenant and the said building, fixtures and equipment shall not be removed by the tenant until such default is cured, unless otherwise directed by the Landlord.

Repair

- (b) To the Tenant's sole cost and expense, keep the Leased Area in good repair, as a careful owner would do, (including but not limiting the generality of the foregoing, all building equipment, fixtures, heating, plumbing apparatus, lighting fixtures and equipment), with the exception of reasonable wear and tear to the extent only that any reasonable wear and tear is not inconsistent with the Leased Area being kept and maintained in good order and condition generally and to allow the Landlord entry in the Leased Area to view the state of such repair and, further, to make repairs that the Landlord notifies the Tenant in writing to complete. All repairs made by the Tenant shall be done in a good and workmanlike manner and repairs shall include replacements and renewals when necessary and maintenance of all areas, both inside and outside, and shall comply with all Municipal, Provincial and Federal regulations.

Operation of a Tenant's Business

- (c) To maintain a crematorium on the Leased Area in accordance with plans and specifications approved by the Landlord and, further, to maintain a columbarium on the Leased Area in accordance with plans and specifications approved by the Landlord and to meet all of the requirements of the Director of the Business Practices and Consumer Protection Authority of British Columbia (or such other public official responsible for cemeteries in British Columbia) for the operation of the crematorium and the construction and operation of the columbarium.

Compliance with Laws

- (d) To abide by and comply with all laws, rules and regulations under the *Cremation, Interment and Funeral Services Act* SBC 2004 c. 35, as amended, and other provincial and federal legislation applicable to the operation of a crematorium or a columbarium and to abide by and comply with all laws, rules and regulations of

every municipal or other authority which in any manner relate to or affect the business or profession of the Tenant or the use of the Leased Area by the Tenant and to save harmless the Landlord from all costs, charges or damages to which the Landlord may be put or suffer by reason of the breach by the Tenant or any such law, rule or regulation.

Assigning

- (e) Not to assign or sublet its interest in the Leased Area, or this Lease, in whole or in part, without leave from the Landlord.

Registration of Lease

- (f) To pay all costs of registering this Lease, if required, including the cost of any necessary survey.

Landlord's Covenants

10.1 The Landlord covenants and agrees with the Tenant as follows:

Quiet Enjoyment

- (a) That for so long as the Tenant is not in default under this Lease, to grant the Tenant the right to peaceably possess and enjoy the Leased Area for the Term hereby granted without any interruption or disturbance from the Landlord or any person or persons claiming by, through, or under the Landlord.

Access to Demised Area

- (b) To provide to the Tenant and all persons authorized by the Tenant at all times during the Term reasonable access to the Leased Area from adjoining lands of the Landlord.
- (c) To maintain the internal road structure within the Landlord's cemetery so as to provide access to the Leased Area.

Easements

- (d) To grant easements to the Tenant at locations satisfactory to the Landlord through the Lands for the purpose of installing water, hydro, natural gas and telephone installations to the Leased Area and for the installation of a drainage field for the Tenant's septic tank. The cost of providing all such installations shall be paid for by the Tenant.

Refuse

- (e) To provide space within the cemetery to the Tenant to be used by the Tenant as a site for the burying of refuse created as a result of the operation of the Crematorium and, at the Tenant's expense, to open and close such site for the purpose of burying accumulated refuse once in each calendar year at the direction of the Tenant, subject to the availability of space as determined by the Landlord.

Environmental Covenants

11.1 Definitions. For the purpose of this Part:

- (a) "*Environmental Law*" means all federal, provincial, municipal or local laws, statutes or ordinances relating to environmental matters, including all rules, regulations, policies, guidelines, criteria or the like promulgated under or pursuant to any such laws;
- (b) "*Hazardous Substance*" means a contaminant, pollutant, dangerous good, waste, toxic substance, special waste or hazardous substance as defined in or pursuant to any Environmental Law;
- (c) "*Notice*" means any citation, directive, order, claim, litigation, investigation, proceedings, judgment, letter or other communication, written or oral, actual or threatened, from any person, including any governmental agency;
- (d) "*Permit*" means any authorization, permit licence, approval or administrative consent issued pursuant to Environmental Law.

11.2 Compliance with Laws. The Tenant will conduct its business and operation on the Lease Area in compliance with all Environmental Laws and all Permits.

11.3 Notice to Landlord. The Tenant will forthwith notify the Landlord of the occurrence of any of the following and will provide the Landlord with copies of all relevant documentation in connection therewith:

- (a) a release of a Hazardous Substance on the Leased Area, except as is authorized under Environmental Law;
- (b) the receipt by the Tenant of a Notice from any governmental agency of non-compliance pursuant to any Environmental Law, including a Notice of non-compliance respecting a Permit;
- (c) the receipt by the Tenant of a Notice of a claim by a third party relating to environmental concerns; or
- (d) the receipt by the Tenant of information which indicates that Hazardous Substances are present in or on the Leased Area.

- 11.4 Storage of Hazardous Substances. The Tenant will not permit the storage, treatment or disposal of Hazardous Substances on the Leased Area except in accordance with all Environmental Laws.
- 11.5 Investigations. The Tenant will conduct such investigations, searches, testing, drilling and sampling ("Investigations") as may at any time be required by the Landlord where any reasonable evidence exists that the Tenant's current or prior use or occupation of the Leased Area may be introducing or increasing the existence of any Hazardous Substance on the Leased Area. If the Tenant does not complete the Investigations to the satisfaction of the Landlord, the Landlord may enter on the Leased Area and take any actions necessary to complete the Investigations, the cost of which actions will be borne by the Tenant.
- 11.6 Remediation. If Hazardous Substances are present on or in the Leased Area as a result of the Tenant's use or occupation of the Lands, the Tenant will take all necessary action, at the cost of the Tenant to remediate the Lands to a level acceptable to the Landlord and to governmental authorities.
- 11.7 Condition of Lands on Termination. Prior to the termination of the Lease, the Tenant will conduct all Investigations required by the Landlord where any reasonable evidence exists that the Tenant's use or occupation of the Leased Area has introduced or increased the existence of any Hazardous Substance on or in the Leased Area. The Tenant will provide the result of the Investigations to the Landlord. Where any Hazardous Substance is found on or in the Leased Area as a result of the Tenant's use or occupation of the Leased Area, the Tenant will take all necessary action, at the cost of the Tenant, to remediate the Leased Area to a level acceptable to the Landlord and to governmental authorities.
- 11.8 Previous Contamination. Notwithstanding the foregoing, the Landlord acknowledges and agrees that the Tenant is not responsible for any Hazardous Substances which were present on the Leased Area or the Lands prior to the commencement of its tenancy on the Lands.

Builders' Liens

- 12.1 The Tenant will promptly discharge any builders' lien which may be filed against the title to the Building or the Lands or that might otherwise affect the Building or Lands and to comply at all times with the *Builders Lien Act*, S.B.C. 1997, c. 45 in respect of any improvements, work or other activities undertaken on or to the Building or Lands.
- 12.2 Throughout the term, the Landlord is entitled to file a Notice of Interest pursuant to Section 3 (2) of the *Builders Lien Act* in the appropriate Land Title Office against title to the Lands.

Default, Termination and Re-Entry

- 13.1 The Landlord and the Tenant agree each with the other as follows:

- (a) If and whenever:
- (i) the Tenant defaults in the payment of rent or any other sum required to be paid to the Landlord by any provision of this Lease, and the Landlord gives the Tenant notice of that default and at the expiration of seven (7) days after the giving of such notice the default continues to exist, or if the Tenant defaults in performing or observing any of its other covenants or obligations under this Lease and the Landlord gives the Tenant notice of that default, and at the expiration of fifteen (15) days after the giving of such notice the default continues to exist (or, in the case of a default which cannot with due diligence be cured within a reasonable period, the Tenant fails to proceed within such fifteen (15) day period after the giving of that notice to begin to cure the default or then fails to diligently carry out the curing of the default);
 - (ii) the leasehold interest is seized or taken in execution by a creditor of the Tenant;
 - (iii) the Tenant makes an assignment for the benefit of the creditors, becomes bankrupt, or makes application for relief under the provisions of any statute now or hereafter in force concerning bankrupt or insolvent debtors, or if any action whatsoever, legislative or otherwise, is taken with a view to the winding up, dissolution, or liquidation of the Tenant, or if a receiver or receiver manager is appointed for all or a portion of the property of the Tenant; or
 - (iv) the Tenant abandons or otherwise vacates the Leased Area for more than 30 days without the written consent of the Landlord;

then, in the instance of an event described in subparagraphs 14 (a)(ii), (iii) and (iv), the then current month's rent together with the rent for the three (3) months next ensuing shall immediately become due and payable and the Landlord may immediately claim the same together with any arrears then unpaid and any other amounts owing to the Landlord by the Tenant, and, in all of the above-noted instances, the Landlord, may, without notice or any form of legal process whatsoever immediately re-enter upon and take possession of the Leased Area or any part thereof in the name of the whole, and become the owner of and remove the Tenant from such premises, whereupon this Lease shall terminate immediately, anything contained herein or in any statute or law to the contrary notwithstanding, provided however, such termination shall be wholly without prejudice to the right of the Landlord to recover arrears of rent or damages for any antecedent breach of covenant on the part of the Tenant and provided further, that notwithstanding the termination, the Landlord may subsequently recover from the Tenant all losses, damages, costs and expenses whatsoever suffered by reason of the lease having been prematurely determined.

- (b) On the Landlord becoming entitled to re-enter upon the Leased Area under any of the provisions of this Lease, the Landlord, in addition to all other rights, shall have the right to enter such premises as agent of the Tenant, either by force or otherwise, without being liable therefor, to re-let such premises as agent of the Tenant, to receive the rent therefor as agent of the Tenant, to take possession of any furniture or other property on such premises and to sell such furniture or other property at public or private sale without notice and apply the proceeds of such sale and any rent derived from re-letting the Leased Area upon account of the rent unto this Lease, and the Tenant shall remain liable to the Landlord for any deficiency.
- (c) On the Landlord becoming entitled to re-enter upon the Leased Area under any of the provisions of this Lease, the Landlord, in addition to all other rights, shall have the right to determine forthwith this Lease and the term by leaving upon such premises a notice in writing of its intention so to do, and thereupon rent shall be computed, portioned and paid in full to the date of such determination and any other payments for which the Tenant is liable under this Lease shall be paid, the Tenant shall immediately deliver up possession of the Leased Area to the Landlord, and the Landlord may re-enter and take possession thereof, and repossess and enjoy as of its former estate.
- (d) Whatsoever the Landlord shall be entitled to levy distress against the goods and chattels of the Tenant, it may use such force as it may deem necessary for the purpose and for gaining admission to the Leased Area without being liable to any action in respect thereof or for any loss or damage occasioned thereby and the Tenant hereby expressly releases the Landlord from all actions, proceedings, claims or demands whatsoever for or on account or in respect of any such forcible entry or any loss or damage sustained by the Tenant in connection therewith.
- (e) In the event that it shall be necessary for the Landlord to retain the services of a solicitor or any other proper person for the purpose of assisting the Landlord in enforcing any of its rights hereunder in the event of default on the part of the Tenant, it shall be entitled to collect from the Tenant the cost of all such services as if the same were rent reserved and in arrears hereunder.

License to Access

- 14.1 The Landlord hereby grants to the Tenant a non-exclusive contractual licence coupled with the grant of lease herein to use the portion of the Lands shown outlined in heavy black line on the sketch plan attached as Schedule "B" (the "Licence Area") for the purpose of access to the Leased Area and for no other purposes on the terms and conditions set out in this Agreement (the "Licence"); PROVIDED that the Tenant observes, complies with and performs all of its covenants, conditions, agreements and obligations under this Agreement. This Licence shall automatically terminate upon the expiry or early termination of the Lease.

General

15.1 It is further agreed by the Landlord and the Tenant that:

Time

- (a) Time shall be of the essence of this Lease.

Jurisdiction

- (b) This Lease shall be governed by and construed in accordance with the laws of the Province of British Columbia.

Enurement

- (c) This indenture and everything herein contained shall enure to the benefit of and be binding upon the respective heirs, executors, administrators, successors, assigns and other legal representatives, as the case may be, of each and every one of the parties hereto, subject to the granting of consent by the Landlord as provided herein to any assignment of sublease, and every reference herein to any party hereto shall include the heirs, executors, administrators, successors, assigns and other legal representatives of such party

Remedies of Landlord

- (d) The remedies of the Landlord specified in this Lease are cumulative (except as otherwise provided herein) remedies of the Landlord at law or equity, and no remedy shall be deemed to be exclusive, but the Landlord may from time to time have recourse to one or more or all of the available remedies specified herein or at law or equity.
- (e) In addition to any other remedies provided in this Lease, the Landlord shall be entitled to apply to restrain by injunction any violation or attempted or threatened violation by the Tenant of any of the covenants hereof.

Effect of Waiver by Either Party

- (f) The failure of either party to insist upon the strict performance of any covenant of this Lease shall not waive that covenant, and the waiver by such party of any breach of any covenant of this Lease shall not waive that covenant in respect of any future or other breach.
- (g) The acceptance of any rent or the performance of any obligation hereunder by a person other than the Tenant shall not be construed as an admission by the Landlord of any right, title or interest of such person as a subtenant, assignee, transferee or otherwise in the place and stead of the Tenant.

Holding Over

- (h) If the Tenant holds over after the expiration of the Term and the Landlord accepts rent, the new tenancy thereby created shall be deemed a monthly tenancy and not a yearly tenancy and shall be subject to the covenants and conditions herein contained insofar as the same are applicable to a tenancy from month to month.

Lease Entire Agreement

- (i) This Lease contains all the covenants, agreements, conditions, and provisos made between the parties hereto.

Paragraph Headings

- (j) The section headings in this Lease form no part of this Lease, and shall be deemed to have been inserted for convenience of reference only.

Notices, etc.

- (k) Any notice, request or demand herein provided for or given hereunder, if given by the Tenant to the Landlord, shall be effective:

- (i) when delivered in person to the recipient named below,
- (ii) one day after timely deposit with a responsible overnight courier to the recipient named below, or
- (iii) five days given if mailed by postage paid, certified mail return receipt requested as follows:

The Landlord:
The Corporation of the City of Courtenay
830 Cliffe Avenue
Courtenay, BC V6N 2J7

- (l) Any notice herein provided for or given hereunder if given by the Landlord to the Tenant, shall be effective:

- (i) when delivered in person to the recipient named below,
- (ii) one day after timely deposit with a responsible overnight courier to the recipient named below, or
- (iii) five days given if mailed by postage paid, certified mail return receipt requested as follows:

The Tenant:
Attention: John A. Gordon
Alderwoods Group Canada Inc.
4333 Still Creek Drive
Burnaby, BC V5C 6S6

With a copy to:

Attention: Real Estate
1929 Allen Parkway
Houston, Texas 77019

As evidence of their agreement to be bound by the terms of this instrument, the parties each have executed and delivered this Agreement under seal by executing Part 1 of the *Land Title Act* Form C to which this Agreement is attached and which forms part of this Agreement.

Approved under the *Land Title Act* for the purpose of
lease for a period of five (5) years from January 1, 2007
plus term of any approved renewals.



Approving Officer
City of Courtnay

Date: June 24, 2008

REFERENCE PLAN TO ACCOMPANY LEASE
OF PART OF LOT 2, SECTION 18, COMOX
DISTRICT, PLAN 8920, FOR LEASEHOLD
PURPOSES, LEASE AND APPROVAL OF THE
APPROVING OFFICER TO EXPIRE ON THE 31ST
DAY OF DECEMBER, 2026.

PLAN VIP _____

DEPOSITED IN THE LAND TITLE OFFICE AT
VICTORIA, B.C.
THIS _____ DAY OF _____ 2008

REGISTRAR

PURSUANT TO SECTION 99 (1)(K) L.T.A.

BCGS 92F 076

SCALE : 1:1000

0 10 20 30 40 50 60 70 80m
(ALL DIMENSIONS ARE IN METRES)

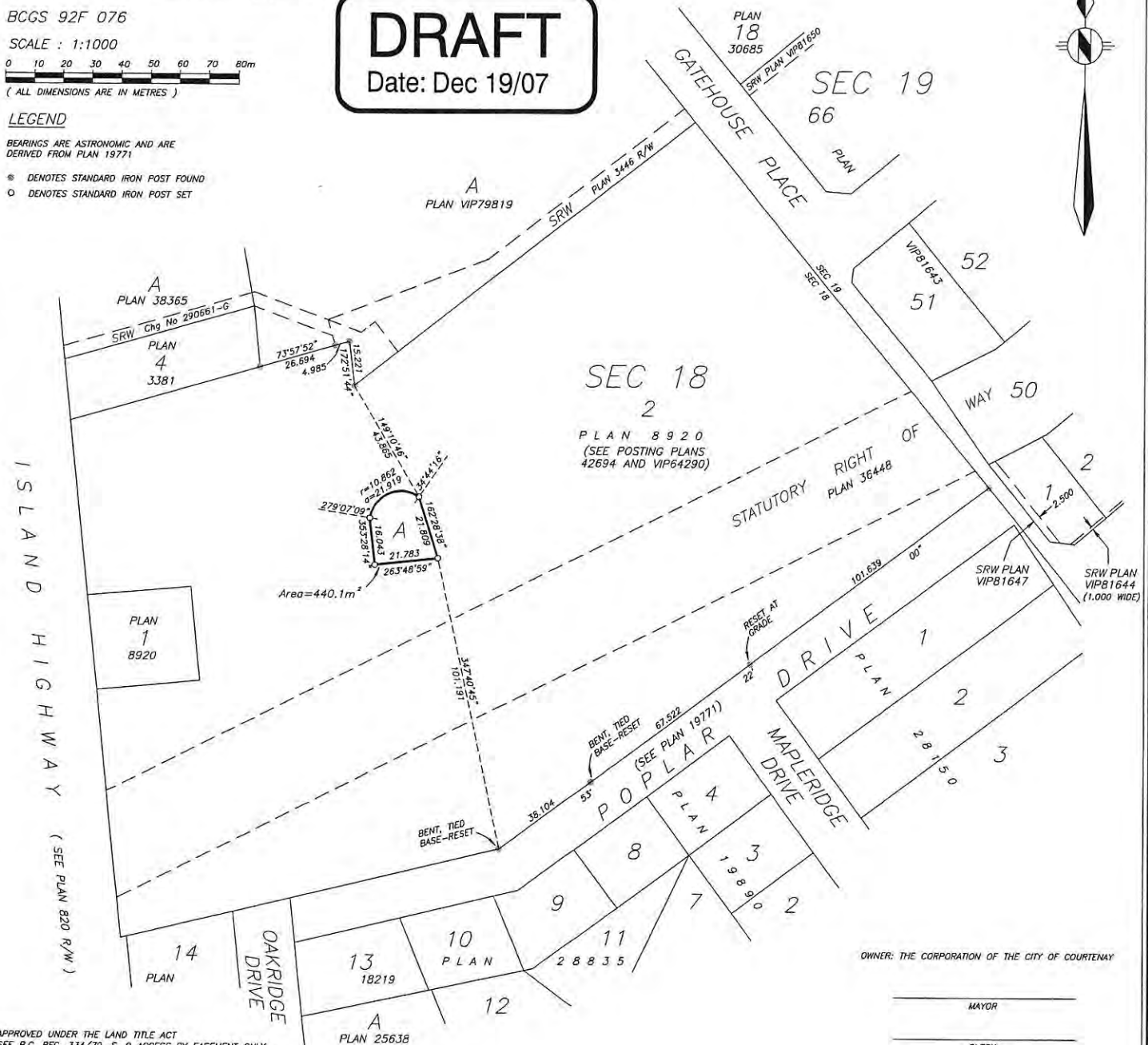
LEGEND

BEARINGS ARE ASTRONOMIC AND ARE
DERIVED FROM PLAN 19771

- ⊙ DENOTES STANDARD IRON POST FOUND
- DENOTES STANDARD IRON POST SET

DRAFT

Date: Dec 19/07



APPROVED UNDER THE LAND TITLE ACT
SEE B.C. REG. 334/79, S. 9 ACCESS BY EASEMENT ONLY.
THIS _____ DAY OF _____, 2008.

APPROVING OFFICER FOR THE CITY OF
COURTENAY, B.C.

I, M. J. HANSEN, A BRITISH COLUMBIA LAND SURVEYOR
OF COURTENAY IN BRITISH COLUMBIA, CERTIFY THAT
I WAS PRESENT AT AND PERSONALLY SUPERINTENDED
THE SURVEY REPRESENTED BY THIS PLAN, AND THAT
THE SURVEY AND PLAN ARE CORRECT. THE FIELD
SURVEY WAS COMPLETED ON THE 1ST OF NOVEMBER,
2007. THE PLAN WAS COMPLETED AND CHECKED, AND
THE CHECKLIST FILED UNDER No. ECP-_____, ON THE
XXRD DAY OF OCTOBER, 2007.

B.C.L.S.

THIS PLAN LIES WITHIN THE REGIONAL DISTRICT OF COMOX STRATHCONA AND THE CITY OF COURTENAY

OWNER: THE CORPORATION OF THE CITY OF COURTENAY

MAYOR _____

CLERK _____

WITNESS _____

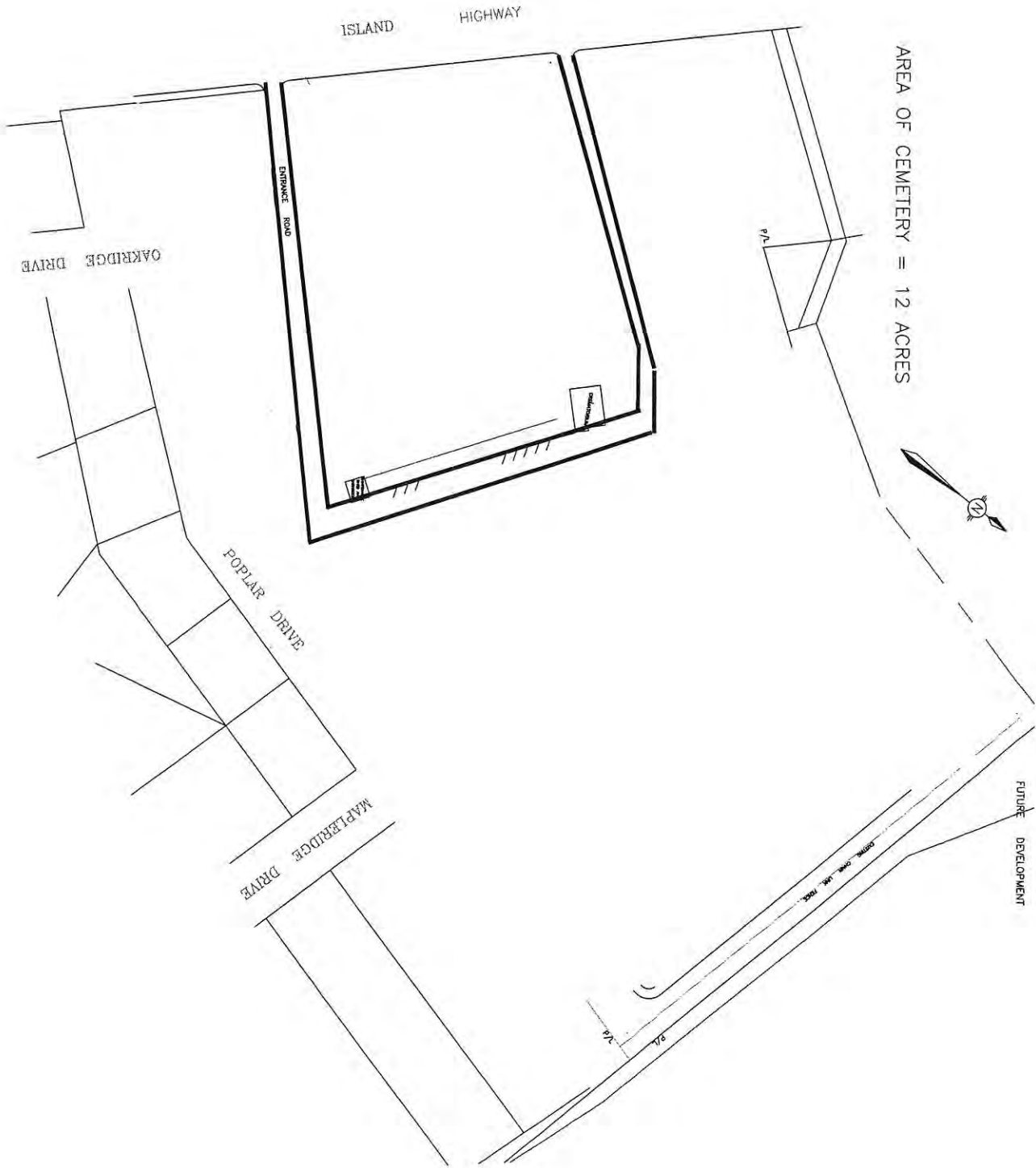
OCCUPATION _____

ADDRESS _____

McElhenny Associates
Professional Land Surveyors
495 8th Street
Courtenay, B.C. V9N 6V4
Tel. 338-5495 Fax 338-7700
File 05144LEASE

CITY FILE:

SCHEDULE "B" – License Area



END OF DOCUMENT

LEASE AMENDMENT

THIS LEASE AMENDMENT made _____, 2016 is

BETWEEN:

THE CORPORATION OF THE CITY OF COURTENAY, a municipal corporation incorporated pursuant to the *Community Charter* and having its offices at 830 Cliffe Avenue, Courtenay, B.C. V9N 2J7

(the "Landlord")

AND:

SERVICE CORPORATION INTERNATIONAL (CANADA) ULC, successor by merger to Alderwoods Group Canada, Inc., having its offices at 1929 Allen Parkway P.O. Box 13058, Houston Texas 77219-0548.

(the "Tenant")

WHEREAS:

- A. By a lease made dated for reference January 1, 2007, renewed by the First Renewal letter dated June 8, 2011 and further renewed by the Second Renewal letter dated June 6, 2016 for a term commencing January 1, 2017 and ending December 31, 2021 (the "Term") collectively herein referred to as (the "Lease"). The Landlord leased to the Tenant the portion of property identified as 440.1 square metres identified on the plan attached as Schedule "A" (the "Leased Area"), being a legal description of PID: 005-487-927, Lot 2 Section 18, Comox District, Plan 8920;
- B. The Tenant has requested that the Landlord grant to the Tenant two (2) additional options to renew on the same terms and conditions as the first such renewal.

NOW THEREFORE in consideration of the rents, covenants, agreements, conditions and provisos hereinafter respectively reserved and contained, the parties covenant and agree as follows:

1. Section 5.1 of the Lease is hereby amended as follows:

Option to Renew

The Tenant, provided it is not in default under the this Lease, will have the option of renewing this Lease for a further term of five years on the same terms and conditions as herein provided, with four (4) further options to renew on the same terms and conditions as the first such renewal, provided that no such renewal will renew the Lease for a term extending beyond December 31, 2036. Such option will be exercised by the Tenant serving notice upon the Landlord no less than six (6) months prior to expiration of the Term of this Lease. Both Landlord and Tenant confirm the first (1st) and second (2nd) renewal options have been exercised and three (3) renewal options remain.

2. During the Term of the Second Renewal, the Rent will increase in accordance with Section 4.1 of the Lease but no less than \$14,211.00 per annum exclusive of GST.
3. This Lease Amendment is expressly made a part of the Lease to the same extent as if incorporated in the Lease, and the parties agree that all agreements, covenants, conditions, and provisos contained in the Lease, except as amended or altered in this Lease Amendment, will be and remain unaltered and in full force and effect during the Term. The Landlord and the Tenant acknowledge and agree to perform and observe, respectively, the obligations of the Landlord and the Tenant under the Lease as herein amended and modified.
4. All terms capitalized in this Lease Amendment and not otherwise defined in this Lease Amendment will have the same meaning as in the Lease.
5. This Lease Amendment will enure to the benefit of and be binding upon the parties and their respective successors and assigns.

As evidence of their agreement to be bound by the above terms and conditions, the parties have executed this Lease Amendment below, on the respective dates written below.

**The Corporate Seal of THE CORPORATION
OF THE CITY OF COURTENAY was
hereunto affixed in the presence of:**

John Ward, Director of Legislative Services

Date : _____, 2016.

**SERVICE CORPORATION
INTERNATIONAL (CANADA) ULC, by its
authorized signatory:**

Curtis G. Briggs, Vice President

Date : _____, 2016.

SCHEDULE "A" – Plan of Leased Area

REFERENCE PLAN TO ACCOMPANY LEASE
OF PART OF LOT 2, SECTION 18, COMOX
DISTRICT, PLAN 8920, FOR LEASEHOLD
PURPOSES, LEASE AND APPROVAL OF THE
APPROVING OFFICER TO EXPIRE ON THE 31ST

PLAN VIP _____

DEPOSITED IN THE LAND TITLE OFFICE AT
VICTORIA, B.C.
THIS _____ DAY OF _____, 2008

REGISTRAR

PURSUANT TO SECTION 99 (1)(K) L.T.

BCGS 92F 076

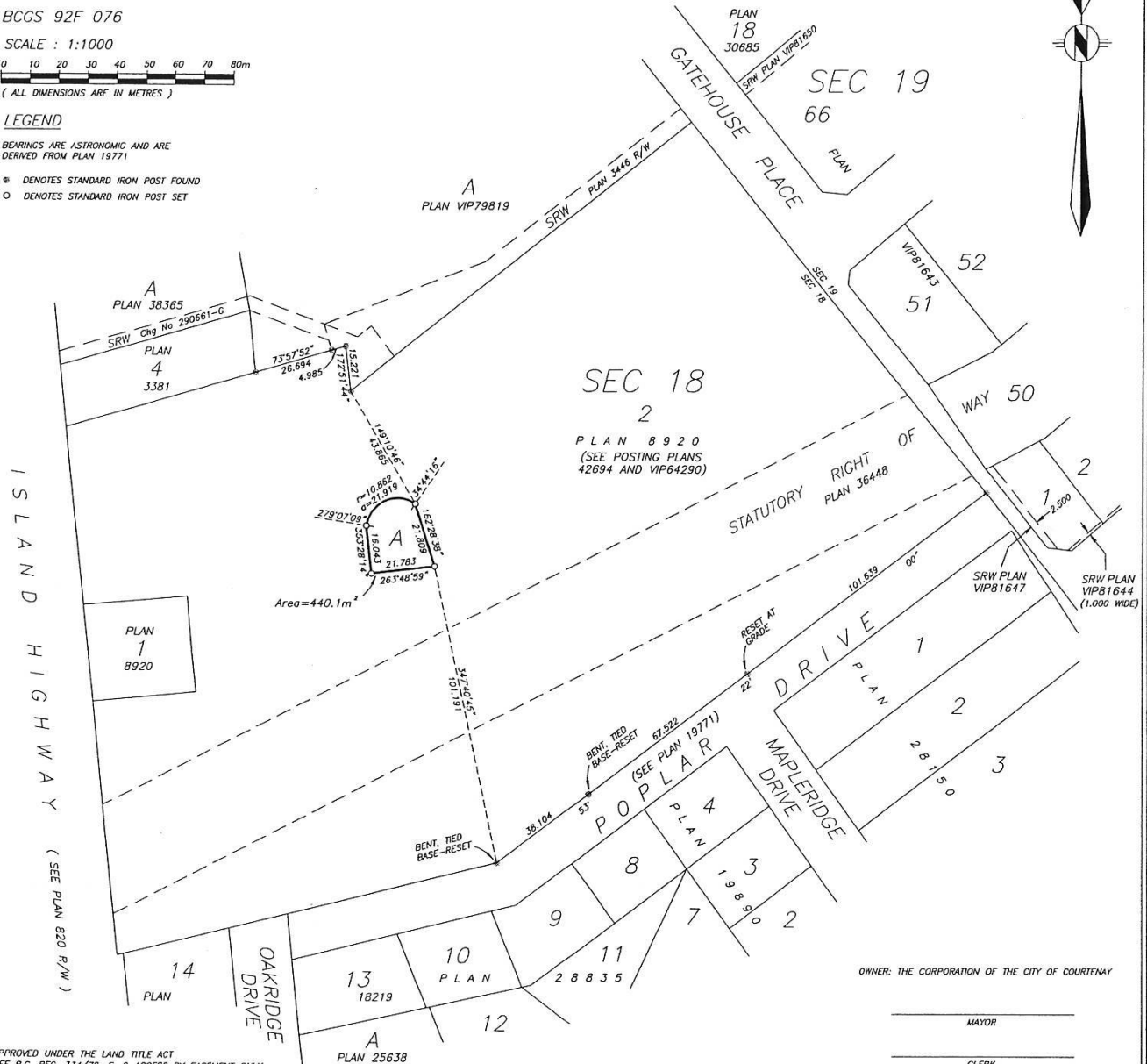
SCALE : 1:1000

0 10 20 30 40 50 60 70 80m
(ALL DIMENSIONS ARE IN METRES)

LEGEND

BEARINGS ARE ASTRONOMIC AND ARE
DERIVED FROM PLAN 19771

- DENOTES STANDARD IRON POST FOUND
- DENOTES STANDARD IRON POST SET



APPROVED UNDER THE LAND TITLE ACT
SEE B.C. REG. 334/79, S. 9 ACCESS BY EASEMENT ONLY.
THIS _____ DAY OF _____, 2008.

APPROVING OFFICER FOR THE CITY OF
COURTENAY, B.C.

I, M. J. HANSEN, A BRITISH COLUMBIA LAND SURVEYOR
OF COURTENAY IN BRITISH COLUMBIA, CERTIFY THAT
I WAS PRESENT AT AND PERSONALLY SUPERVISED
THE SURVEY REPRESENTED BY THIS PLAN, AND THAT
THE SURVEY AND PLAN ARE CORRECT. THE FIELD
SURVEY WAS COMPLETED ON THE 1ST OF NOVEMBER,
2007. THE PLAN WAS COMPLETED AND CHECKED, AND
THE CHECKLIST FILED UNDER No. ECP-
XXXX DAY OF OCTOBER, 2007.

B.C.L.S.

THIS PLAN LIES WITHIN THE REGIONAL DISTRICT OF COMOX STRATHCONA AND THE CITY OF COURTENAY

OWNER: THE CORPORATION OF THE CITY OF COURTENAY

MAYOR

CLERK

WITNESS

OCCUPATION

ADDRESS

