APPENDIX "C"
MAJOR TERMS & CONDITIONS
SERVICING AGREEMENT

Parties: City of Toronto and YMCA of Greater Toronto

Term: 20 years, commencing from substantial completion of the facility in addition to the pre-construction timeframe

YMCA Covenants:

(i) the YMCA will build an integrated and interdependent program centre that will house YMCA programs and services, Community Hub Agency Rental Space and other potential health/community services
(ii) the YMCA will build the Agency Rental Space. The size and nature of the space will be determined by available capital budgets for construction and equipment within a construction timeline agreed between the Parties
(iii) the YMCA will direct $2M towards construction of the Agency Rental Space from the rent obtained from The Scarborough Hospital or other approved tenant
(iv) the YMCA will charge the community agencies operating costs and a contingency for capital maintenance and tenancy gaps but not profit rent for the Agency Rental Space

Conditions:

1. The Servicing Agreement must be negotiated, finalized and signed by the City and the YMCA prior to entering into the Grant Agreement.

2. Should the City and the YMCA fail to finalize the Servicing Agreement within a specified time period, the City retains ownership of the Property and can sell the asset for market value. This action would complement the TLC's intention to sell the southerly portion of the land for residential development.

3. Should the YMCA be unable to raise the estimated $29,000,000 in construction capital needed to build the facility within a mutually agreeable time, then the City will not proceed with the deal.