

## **Attachment A – Indigenous Incubator Tenancy Program at the ICIE**

The purpose of the Indigenous Incubator Tenancy Program at the Indigenous Centre for Innovation and Entrepreneurship ("ICIE") is to provide culturally safe spaces, connections, supports, and resources for Indigenous entrepreneurs operating a small business or social enterprise, whether at the pre-incubation or build-out stage of development.

Among other benefits, businesses participating in this Program are eligible to lease space from the Head Tenant and Operator of the ICIE at less than fair market value for up to three years, as per section 84 of the *City of Toronto Act, 2006*.

The Head Tenant and Operator of the ICIE is also expected to provide participants in this Program (as well as other Indigenous entrepreneurs and innovators who do not hold leases in the ICIE Space) with the following types of supports and services:

- Coaches, mentors, collaboration opportunities, and special events that align with Indigenous values and cultures.
- Accessible on-line learning supporting Indigenous entrepreneurs regardless of their stage of growth or venture type (for-profit, not-for-profit, social venture, etc.).
- Cross-community and cross-market sector (Indigenous and non-Indigenous) engagement focusing on economic empowerment that leads to a better understanding of Indigenous culture and increased economic opportunities.
- Programming to provide youth with an opportunity to explore their entrepreneurial aspirations.
- Assistance navigating funding sources and building financial skills to manage a business.

Where possible and culturally appropriate, the ICIE will leverage programming from the existing incubator ecosystem while ensuring the incorporation of Indigenous-specific supports.

Finally, the inclusion of the term "innovation" in the name of the ICIE is intentional. In addition to catalyzing Indigenous entrepreneurship, it is expected that the ICIE and the Indigenous Incubator Tenancy Program at the ICIE will encourage, celebrate, showcase and commercialize Indigenous innovation. Indigeneity – understood as distinct ways of being in the world, shaped by many factors, including a relationship to the land; connection to community; spirituality; creativity; and imagination – is conducive to the development of innovative approaches to issues, problems and opportunities.

This recognition provides the underlying value proposition for the ICIE – not only does it serve Indigenous Peoples, but it has the potential to leverage strengths and assets shared by very few, if any, other publicly funded institutions in Toronto or Ontario. By bringing together these three elements – Indigeneity, Entrepreneurship and Innovation – the ICIE and the Indigenous Incubator Tenancy Program promise to advance Indigenous economic prosperity and culture in Toronto and across Ontario and Canada.

## Attachment B - Major Terms and Conditions of the ICIE Lease

| Term No. | Heading                               | Terms   |
|----------|---------------------------------------|---|
| 1.       | Landlord                              | City of Toronto   |
| 2.       | Head Tenant                           | To be determined following the issuance of a Request For Proposals to select an Indigenous-led organization or consortium, as authorized by Council via EX28.16 December 15, 16 and 17, 2021.   |
| 3.       | Leased Premises                       | <p>City-owned space within the building at the property known municipally as 200 Dundas Street East, Toronto.</p> <p>The Leased Premises is spread over three floors, with areas as follows:</p> <ul style="list-style-type: none"> <li>• Ground Floor: Retail (4,789 square feet)</li> <li>• Second Floor: Event space and meeting rooms (10,933 square feet)</li> <li>• Third Floor: Office/Work spaces (6,773 square feet)</li> </ul>  |
| 4.       | Site Plan Process for Increased Space | The Head Tenant may, at its option, undertake the requisite planning processes for increasing the square footage of the Leased Premises and for the requisite construction relating to that space, all at its cost and expense, and subject to City approval.   |
| 5.       | Leased Chattels                       | <p>The Lease shall contain provisions for the use, care, maintenance, replacement and servicing of the following:</p> <p>(i) where relevant, chattels to be detailed in a schedule, including furniture such as desks, boardroom tables, chairs and workstations, kitchen goods and small items, as applicable;</p> <p>(ii) various artifacts to be agreed on by the Head Tenant and the City and a lodge structure, for which a separate artifacts loan agreement shall be entered into and, as appropriate, accessioned into the collection;</p> <p>(iii) various audio/visual equipment which will be detailed in a schedule and for which all use and maintenance manuals shall be provided; and</p> <p>(iv) a pre-installed security system.</p> <p>The Head Tenant shall be entitled to enjoy the benefits of any warranties for the foregoing items, and will be responsible for the maintenance and servicing of the foregoing Leased Chattels.</p> |

| Term No. | Heading                                  | Terms   |
|----------|--|---|
| 6.       | Condition of Premises ("As-is Where is") | <p>The Leased Premises will be leased "as is, where is" as of the Commencement Date with no representations or warranties by the City as to its existing condition.</p> <p>Notwithstanding the foregoing, where there are existing warranties relating to construction or the Leased Chattels, the Head Tenant may enjoy the benefit thereof.</p>   |
| 7.       | Term                                     | <p>5 Years commencing on the first of the month next following substantial completion of the construction at the Leased Premises or as otherwise agreed to by the Head Tenant and the City.</p> <p>Defaults uncured by the timeframes set out in the Lease or the Operating Agreement shall constitute a default of both the Lease and the Operating Agreement and shall cause both the Lease and the Operating Agreement to be terminated.</p> <p>Where the Head Tenant remains in possession of the Leased Premises after the expiration or sooner termination of the Lease then it shall be a tenant from month-to-month. This provision does not authorize the Head Tenant to overhold.</p> |
| 8.       | Option to Extend                         | <p>One (1) period of five (5) years, where the Head Tenant has provided the City at least twelve (12) months' (but no more than eighteen (18) months') written notice.</p> <p>Conditional on (i) the Head Tenant retaining its not for-profit status, (ii) the Head Tenant being in good standing throughout the term of the Lease, (iii) the parties continuing to be in good standing under the Operating Agreement, and (iv) a valid Funding Agreement, where necessary.</p> <p>If, at the time of the Option to Extend, the parties wish to provide further extension options, City Staff could seek further authority at that time.</p>  |
| 9.       | Basic Rent                               | \$10 per year.  |
| 10.      | Additional Rent                          | The Head Tenant shall pay all operating costs and property taxes of the Leased Premises.  |
| 11.      | Funds for Major Capital Repair           | The Head Tenant acknowledges that with funding approved by City Council for the on-going functioning of the ICIE, a portion of such funds may be retained by the City and assigned to support major capital repair of the Leased Premises (ICIE space)  |

| <b>Term No.</b> | <b>Heading</b>             | <b>Terms</b>   |
|-----------------|----------------------------|--|
| 12.             | Municipal Capital Facility | Where appropriate, the City shall pursue the possible eligibility of a Municipal Capital Facility designation once the Head Tenant has been selected.  |
| 13.             | Operating Agreement        | The Head Tenant shall, concurrently with the Lease, enter into an Operating Agreement with the City. Default under either Agreement shall constitute a default under both.   |
| 14.             | Utilities                  | The Head Tenant shall pay all utility costs of the Leased Premises.  |
| 15.             | Maintenance                | <p>Head Tenant to provide all janitorial services, cleaning services, and shall keep in good repair and maintain the Leased Premises including the interior of the Leased Premises, building systems, equipment maintenance, repair and replacement, as well as snow removal, security, pest control, etc.</p> <p>The Head Tenant shall comply with and be responsible for the City's maintenance, repair, janitorial and state of good repair obligations set out in the Shared Facilities Agreement registered on title as Instrument No. AT5472904, to be enumerated in the Head Lease.</p>   |
| 16.             | Security                   | The Head Tenant will be responsible for the safety and security of the Leased Premises.  |
| 17.             | Major Capital Repair       | The City will maintain and be responsible for the Leased Premises' load bearing walls, structural columns, beams and other structural components of the Leased Premises as may be identified by the City from time to time.  |
| 18.             | Proposed Uses              | <p>The Leased Premises may be used for any or all of the following uses, as determined by the Head Tenant: retail space, boardrooms and meeting rooms, kitchen facilities for catering, a knowledge house, a lounge area, ventilation equipped smudging rooms, event space and incubator work space.</p> <p>It is currently intended that the various areas of the Leased Premises be used as follows:</p> <ul style="list-style-type: none"> <li>• Ground Floor: as determined by the Head Tenant</li> <li>• Second Floor: event space and meeting rooms</li> <li>• Third Floor: office, work and training spaces</li> </ul> <p>Head Tenant may offer programs, services or events (e.g. training, lectures, meetings, gatherings, etc.) complimentary to the above and in support of the Incubator Tenancy Program at the Leased Premises, but which generate revenue ("Social Purpose</p> |

| Term No. | Heading                             | Terms   |
|----------|-------------------------------------|---|
|          |                                     | Enterprise"). All revenue generated by the Social Purpose Enterprise must be reinvested in service and program delivery at the Leased Premises and reported to the City annually.   |
| 19.      | Smudging on Leased Premises         | Head Tenant to make appropriate arrangements when smudging will occur.  |
| 20.      | Head Tenant's Leasehold Improvement | <p>The City shall provide the Leased Premises to the Tenant in turn-key condition ready to operate the Proposed Uses.</p> <p>All Head Tenant's future leasehold improvements done from time to time to any part of the Leased Premises will be completed at the sole cost and expense of the Head Tenant and without additional financial contributions from the City for such works, in a good and workerlike manner. The Head Tenant shall comply with the City's Fair Wage Policies and Labour Trades Contractual Obligations in the Construction Industry, and Non-Discrimination Policies, as same may be amended from time to time.</p> <p>The Tenant shall (i) obtain permission from the City, (ii) be responsible for obtaining all required planning and building approvals for such work and (iii) carry out all necessary construction and renovations.</p>   |
| 21.      | Subletting                          | <p>The Head Tenant shall be entitled to:</p> <p>(A) <u>Sublease</u>: sublease the Leased Premises or a portion thereof to the following subtenants on the terms and conditions listed below, upon entering into a sublease agreement with the Subtenant for a term not exceeding the term of the Head Lease:</p> <p>1) Not-for-Profit Subtenants:</p> <ul style="list-style-type: none"> <li>- subtenant would have to comply with Sections 82(1) and 83(1) of <i>City of Toronto Act</i></li> <li>- could be a nominal lease or as otherwise determined by the Head Tenant</li> </ul> <p>2) Small Business Incubator Tenants</p> <ul style="list-style-type: none"> <li>- subtenant would have to comply with the Incubator Tenancy Program at the ICIE space and with Section 84 of <i>City of Toronto Act</i></li> <li>- subtenant could be a for-profit entity</li> <li>- could be at reduced rental rate or for nominal consideration at the discretion of the Head Tenant for the first three (3) years of the</li> </ul> |

| Term No. | Heading                 | Terms  |
|----------|-------------------------|--|
|          |                         | <p>Sublease term; thereafter must be at fair market value rental rate</p> <p>3) Market Rate Tenant</p> <ul style="list-style-type: none"> <li>- subtenant could be a for-profit entity</li> <li>- for a fair market value rental rate</li> </ul> <p>The following provisions shall apply to all of the foregoing subtenancies:</p> <p>i) The City shall be entitled to consent to the foregoing sublease agreements and may elect to provide its consent to the foregoing by being a party to the sublease agreements or by other means satisfactory to the Executive Director, Corporate Real Estate Management.</p> <p>ii) Any revenue generated by any of the foregoing subtenancies (the "Rental Revenues") will be retained by the Head Tenant so long as such Rental Revenues shall be reinvested in the ICIE programming and service delivery at the Leased Premises.</p> <p>iii) The subtenants shall not have a right to further sublease their respective interests in the Leased Premises.</p> <p>iv) The Head Tenant shall provide the City with periodic reports directed by the City relating to the corporate status and relevant financial information relating to the subtenants and the subtenancies. The City reserves the right to acquire copies of all sublease agreements.</p> <p style="text-align: center;">AND/OR</p> <p>(B) <u>Permits</u>: any other person or organization to occupy or use the Leased Premises for a single use/event under a permit process to be established by the Head Tenant, and provided that such uses are consistent with the Operating Agreement and the Indigenous Incubator Tenancy Program at the ICIE space.</p> |
| 22.      | Sub Tenant Planned Uses | Only those Planned Uses under the Head Lease   |
| 23.      | Insurance               | At all times during the Term and any renewal thereof, the Head Tenant at its own expense shall take out and keep in full force and effect appropriate all risks insurance (including flood and earthquake) property  |

| Term No. | Heading            | Terms  |
|----------|--------------------|--|
|          |                    | insurance, comprehensive general liability insurance, Head Tenant's "all-risk" legal liability insurance; and any such other forms of insurance as the Chief Financial Officer and Treasurer of the City, acting reasonably, may require from time to time.  |
| 24.      | Construction Liens | If any construction lien is registered against the building or the Leased Premises by reason of work done or materials supplied for or to the Head Tenant or for or to anyone holding an interest in the lands through the Head Tenant or Subtenant or if the City is given notice of any such lien, the construction lien shall be discharged and vacated by the Head Tenant or Subtenant and the City shall be fully indemnified by the Head Tenant or Subtenant. If the Head Tenant or Subtenant fails to discharge or vacate any liens within the time periods set out in the Lease, the City may do so and may recover its costs as Additional Rent from the Head Tenant. |
| 25.      | Signage            | Signs will be subject to the City's consent, acting reasonably. The Head Tenant or its subtenant(s) shall not erect signs other than those relating directly to the uses within the Leased Premises. Third-party signage shall not be permitted. All exterior signs shall comply with all applicable laws, regulations and guidelines, including, without limitation, those relating to heritage, and the Head Tenant shall be responsible for all costs and expenses relating to signage, including any required applications and permits.  |
| 26.      | Indemnity          | The Head Tenant will fully indemnify and save harmless the City, its respective employees, agents and those for whom it is at law responsible for of, from and against all claims whatsoever.  |
| 27.      | Lease              | The City shall prepare the Lease on the City's standard form. This table contains the basic terms and conditions of the Lease. Supplementary terms and conditions shall be contained in the Lease. All documentation shall be in a form and content satisfactory to the City Solicitor.  |