

MEMORANDUM OF UNDERSTANDING

BETWEEN: Vancouver Board of Parks and Recreation (VPB)

AND: South Hill Sports Association (SHSA)

DATE: March 15, 2000

WHEREAS the VPB has approved in principle the proposal by SHSA to reconstruct the concession/clubhouse structure in Memorial South Park; subject to all design, financial and legal details to the satisfaction of the Board.

The Parties agree as follows:

1. Construction of the Building

SHSA is responsible for obtaining development, building and occupancy permits. Prior to start of construction, SHSA will provide to the satisfaction of the General Manager documentation that sufficient funding has been secured to cover the cost of construction.

SHSA is responsible for all costs associated with the construction and servicing of the building.

The building construction, and site servicing will be completed to Park Board requirements and subject to approval of the General Manager. SHSA will provide VPB with working drawings of the proposed work.

All electrical, telephone and cablevision wiring will be underground.

SHSA is responsible for obtaining the necessary "course of construction" insurance for the construction phase of the project.

SHSA will submit "record drawings" to VPB upon completion of the construction process.

SHSA will assign a contractor to coordinate construction and identify a member or agent of its Society as the liaison person for construction issues. SHSA's contractor will have a City of Vancouver business license, acceptable course of construction insurance and be in good standing with the WCB.

SHSA will be responsible to ensure that all work will be carried out in accordance with WCB regulations/requirements.

2. Ownership of the Building

Upon completion of the building (occupancy), the VPB assumes ownership of the building.

3. Maintenance of Building

SHSA will maintain the building, bleachers and immediate grounds in a neat, tidy and safe condition.

SHSA will keep and maintain the building and bleachers in good repair (interior and exterior) and

attend to deficiencies within a reasonable time period. If this is not done, VPB will complete repairs and charge SHSA all associated costs.

SHSA will contract with an accredited Building Inspection Service, during the 5th year of the initial lease and every 2 years thereafter for a maintenance inspection to determine the condition of the premises including the structure, mechanical and electrical elements and finishes inside and out, and submit a full report of such inspection to VPB.

4. Renovations to Building

Prior written consent from VPB is required for building renovations, additions, or alterations. SHSA would be responsible for all associated costs.

5. Utilities

SHSA is responsible for all utility charges associated with the building.

6. Use of Building

The building will only be used for the purposes of recreation activities.

SHSA agrees to comply with all bylaws of the City of Vancouver and the VPB and all uses of the building are subject to the approval of the VPB.

The building will be made available for use by other community groups for the purposes outlined above at a reasonable rental rate. SHSA will be responsible for coordinating the use of the building by other groups, subject to availability.

The building cannot be subleased to any other group without the permission of VPB, which will not be unreasonably withheld.

The building is not to be used for commercial or business activities other than those specifically approved by VPB.

The consumption of alcohol in the building is not permitted without VPB approval.

Garbage is not to be accumulated on the property; garbage recepticals will be provided by VPB to the previous standard. Additional garbage disposal costs will be borne by SHSA. SHSA will comply with current recycling policies/regulations of the City.

7. Term of Lease

Five years with option to renew for subsequent 5 year terms provided all terms of the lease have been met by SHSA.

8. Rent

\$5 for the entire first term. Additional \$5 for each renewal term.

9. Lease Termination

VPB can terminate the lease with one month's notice if:

the building is damaged beyond repair (substantial destruction) without replacement through

insurance coverage;

SHSA fails to perform or observe the operating conditions outlined in the lease;

SHSA is in default of payment owed to VPB (rent, maintenance or repair costs, etc.);

SHSA ceases to operate or amalgamates with groups other than minor sport;

SHSA abandons the building.

In all cases, SHSA would be given written notice of the lease termination.

The VPB reserves the right to relet the building if SHSA terminates the lease.

10. Liability

VPB will not be held liable for:

any actions in regards to the construction or operation of the building;

the contents/equipment in the building;

damage caused by systems breakdown (utilities failure, drainage, rain, snow, etc).

11. Insurance/Indemnification

SHSA is responsible for obtaining comprehensive general liability insurance with a minimum \$2 million coverage which indemnifies the City of Vancouver and VPB.

SHSA is solely responsible for obtaining insurance for the building's contents as well as tenant's legal liability insurance.

VPB will maintain a \$25,000 deductible all peril insurance policy on the building structure (except earthquake).

SHSA is responsible for obtaining the insurance to cover the deductible (\$25,000) for the building's replacement value due to fire or other perils (except earthquake).

12. Trade Fixtures

All equipment and building contents (including kitchen equipment and public address system) are the responsibility and property of SHSA.