LAND LEASE AGREEMENT

THIS LEASE AGREEMENT (this "Lease") is made effective	e this day of
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BETWEEN:

The Grey Sauble Conservation Authority hereinafter call the "Authority" OF THE FIRST PART

and

The Corporation of the Town of the Blue Mountains hereinafter called the "Lessee" OF THE SECOND PART

WHEREAS the Authority is the owner of the following properties in the Town of the Blue Mountains, which are also outlined in Schedule A; herein referred to as the "Properties":

Clarksburg Floodplain, Compartments #32 & #33 (Roll: 424200001208400, 424200001214001) Haines Dam, Compartment #34 (Roll: 424200001224800) Clendenan Conservation Area, Compartment #31 (Roll: 424200001119000) Peasemarsh Nature Preserve, Compartment #121 (Roll: 424200001108500)

AND WHEREAS The Lessee is desirous of leasing the Properties for use as community park land and trails and has applied to the Authority for exclusive use to develop, operate, and maintain as parkland for recreational purposes,

AND WHEREAS the Authority has agreed to grant the Lessee exclusive use of and the right to develop and maintain the Properties more fully described in Schedule A attached hereto,

AND WHEREAS under Sub-section (n) of Section 21 of the Conservation Authorities Act, the Grey Sauble Conservation Authority may enter into agreements with municipal councils for the purposes of accomplishing its objects,

NOW THEREFORE in consideration of the rents, covenants and agreements contained in this Lease, the parties to this Lease agree as follows:

ARTICLE 1: PROPERTIES

- 1.1. Schedule A outlines the Properties, and the sections of the Properties that are leased.
- 1.2. During the Term of this Lease, the Lessee shall have the exclusive use of the Properties for the term of the lease (the "exclusive" period), to have and to hold and to use as the Lessee sees fit for its purposes herein, subject to and in conformity with all other terms of this Lease.
- 1.3. The Lessee will develop and maintain the Properties for park, recreational and conservation purposes (the "Use") with the necessary administration and supervisory accommodation in connection therewith and for no other purpose, except with the approval in writing of the Authority, which approval may be unreasonably withheld.
- 1.4. The Lessee shall not have the right to lease, sublease or otherwise dispose of the said lands herein.
- 1.5. The Lessee shall not permit concessionaires to operate on the subject properties without obtaining the prior approval in writing of the Authority.
- 1.6. The Lessee has the ability to remove select Properties from the lease, provided they give the Authority 90 days' written notice.

ARTICLE 2: TERM OF THE LEASE

2.1 This Lease will be in force for the term beginning on the 1st day of April 2023 (the "Commencement Date") and ending on the 31st day of March 2027 (the Termination Date") unless otherwise terminated in accordance with the provisions of this Lease.

ARTICLE 3: FEES

3.1 The Lessee is permitted to charge a parking fee at the Properties as they see fit, so long as 25% of the net earnings are paid to the Authority.

3.2 The Lessee acknowledges that the Authority has an annual membership program which allows members to park at all Authority-owned properties. The Lessee will permit Authority members to use their parking pass at the Properties.

ARTICLE 4: FACILITIES

- 4.1 The Lessee shall be responsible for the costs associated with portable washroom and garbage facilities at the Properties.
- 4.2 The Lessee will provide garbage collection services at Clendenan Conservation Area as a partnership, but no other amenities or services.

ARTICLE 5: AUTHORITY'S REPRESENTATIONS AND WARRANTIES

5.1 The Authority makes no representations or warranties regarding the Properties. The Lessee acknowledges that it relies upon its own estimate and judgment.

ARTICLE 6: ALTERATIONS BY LESSEE

- 6.1 The Lessee shall not, without the express written approval of the Authority, make any changes, additions or improvements to the Properties. If written approval is provided by the Authority for such changes, additions or improvements, the Lessee shall undertake these changes, additions or improvements at his/her own expense and such works shall be carried out in a good and workmanlike manner and only by persons selected by the Lessee and reasonably approved in writing by the Authority. The Lessee shall pay promptly when due all costs for work done or caused to be done by the Lessee to the Properties which could result in any lien or encumbrance on the Authority's interest in the property and shall keep the title to the property and every part thereof free and clear of any lien or encumbrance.
- 6.2 The Lessee shall not alter the course of any river, brook, stream, or watercourse through or adjacent to the said lands described in Schedule A hereto without first obtaining the consent and approval in writing of the Authority.

ARTICLE 7: DISPUTE RESOLUTION

7.1 If a dispute arises between the parties, including in respect of the content or interpretation of this Lease, and which has not been resolved within sixty (60) days such dispute may be submitted to a third party mediator, the choice of mediator to be agreed upon by the parties, and failing agreement to choose a mediator within an additional sixty (60) days, the mediator to be appointed by a judge of the Superior Court, for resolution via non-binding mediation conducted pursuant to the National Mediation Rules of the ADR.

ARTICLE 8: POSSESSION

8.1 The Lessee shall be entitled to possession of the Properties on the Commencement Date of this Lease, in accordance with clauses and conditions of this agreement, and shall yield possession to the Authority on the Termination Date of this Lease, unless otherwise agreed by both parties in writing. At the expiration of the term, the Lessee shall remove its goods and effects and peaceably yield up the Properties to the Authority in as good condition as when delivered to the Lessee, ordinary wear and tear excepted.

ARTICLE 9: TERMINATION

- 9.1 Termination by the Authority or the Lessee
 - 9.1.1 Either the Authority or the Lessee may terminate this Lease by giving notice in writing to the other party at least three (3) months prior to the expiry of the Term.
- 9.2 Termination by the Authority
 Upon the occurrence of any of the following events:
 - 9.2.1 the Lessee fails to pay any expenses due hereunder when due, and such expenses are not paid within thirty (30) days after notice is given by the Authority of such non-payment; or,
 - 9.2.2 the Lessee fails to observe, perform and keep each and every of the covenants, agreements and conditions herein contained to be observed, performed and kept by the Lessee and persists in the failure after fifteen (15) days' notice by the Authority requiring the Lessee to remedy, correct, desist or comply (or such longer

- period as may be reasonably required to cure the breach given the nature of same);
- 9.2.3 then the Authority may, at its option, and in addition to and without prejudice to all rights and remedies of the Authority available to it either:
 - 9.2.3.1 by any other provision of this Lease or by statute or the general law, either terminate this Lease by giving the Lessee fifteen (15) days prior written notice of the termination, and be entitled to the full amount of any outstanding funds which shall immediately become due and payable; or
 - 9.2.3.2 without notice or any form of legal process, forthwith re-enter upon and take possession of the Properties or any part thereof in the name of the whole and re-let the Properties or any part thereof on behalf of the Lessee or otherwise as the Authority sees fit within a reasonable period of time after termination of this Lease, and the Lessee shall pay to the Authority forthwith upon demand all expenses of the Authority in reentering, terminating, re-letting, collecting sums due or payable by the Lessee or realizing upon assets seized including Lessee inducements, leasing commissions, legal fees on a solicitor and client basis and all disbursements and the expense of keeping the Properties in good order, and preparing the same for re-letting.

9.3 Compensation by the Authority

9.3.1 In the event of early termination by the Authority pursuant to Section 9.1 of this Lease, the Authority agrees to compensate the Lessee for certain investments into the Properties permitted they were previously approved by the Authority.

9.4 No compensation by the Authority

9.4.1 In the event of early termination by the Lessee pursuant to Section 9.1 of this Lease, or by the Authority pursuant to Section 9.2, the Authority shall not compensate the Lessee in any way for the Lessee's investments into the Properties. Further, the Lessee waives the right to seek any form of compensation from the Authority for any such investments.

ARTICLE 10: INDEMNITY

- 10.1At least 24-hours prior to the first day of the Term, the Lessee shall provide a certificate of comprehensive general liability insurance for no less than five million dollars (\$5,000,000.00) with Grey Sauble Conservation Authority named as an additional insured. For greater certainty, in the event of an occurrence, offense, claim or suit, the Lessee's insurance coverage shall be applied on a primary basis. Such insurance must be in effect at all times during the Term (and may not be modified without the express written consent of GSCA).
- 10.2The Lessee shall save harmless the Authority, its servants and agents against all loss, damage and expense attributable to or connected with the exercise of this lease by or on behalf of the Lessee, no matter how caused, including any negligence on the part of the Authority, its servants or agents.
- 10.3The Lessee shall release and discharge the Authority, its servants and agents from all claims which the Lessee has or may have arising out of any loss, damage or expense sustained by it arising directly or indirectly out of or in the course of the exercise of this lease by or on behalf of the Lessee no matter how caused, including any negligence on the part of the Grey Sauble Conservation Authority, its servants or agents.
- 10.4The Lessee shall indemnify the Grey Sauble Conservation Authority, its servants and agents against all claims, actions or other proceedings, costs and liability arising out of loss, damage or injury to any person attributable to or connected with the exercise of this lease by or on behalf of the Lessee no matter how caused, including any negligence on the part of the Grey Sauble Conservation Authority or its servants.
- 10.5The Lessee agrees to immediately notify the Authority in the event of any suits or claims being brought forward related to the Properties or due to the activities of the Lessee as they relate to the Properties, or any other potentially insurable incident(s) occurring on the Properties.
- 10.6This indemnification by the Lessee shall survive the termination of this Lease.

ARTICLE 11: OWNERSHIP

- 11.1 This agreement is not intended to give the Lessee any title or property rights in the real estate, fixtures or personal property of the Authority.
- 11.2 If for any reason, the Authority finds it necessary to dispose of all, or any part thereof, of the Properties on Schedule A, the Properties shall be offered to the Lessee for an agreed amount. If the Lessee decides not to take title to the Properties, then the Authority shall be free to pursue other disposal options.

ARTICLE 12: GENERAL

12.1 Relationship of the parties

12.1.1 Neither party shall be liable, except as otherwise expressly provided herein, for the other party's obligations or liabilities. The Lessee agrees to indemnify and hold harmless the Authority, its servants, agents, or its property, including the Properties, from all obligations and liabilities incurred by the Lessee in conducting operations on the Properties, whether under this lease or otherwise.

12.2 Assignment and Subletting

12.2.1 The Lessee shall not assign or sublet their interest in this Lease, or any part of their interest in this Lease, nor grant any license or part with possession of the Properties or transfer any other right or interest under this Lease without the Authority's prior written consent, which consent may be unreasonably withheld.

12.3 Sale of the Properties

12.3.1 If the Authority sells or otherwise disposes of all or part of the Properties, it will do so subject to the provisions of this Lease, unless the Authority and the Lessee agree otherwise in writing.

12.4 Liens

12.4.1 The Lessee shall, immediately upon demand by the Authority, remove or cause to be removed, and thereafter institute and diligently prosecute any action pertinent thereto, any builders' or other lien or claim of lien noted or filed against or otherwise constituting an encumbrance on any title of the Authority. Without limiting the foregoing obligations of the Lessee, the Authority may cause the same to be removed, in which case the Lessee shall pay to the Authority forthwith the cost thereof, including the Authority's complete legal costs on a solicitor and their own client full indemnity basis.

12.5 No Transfer on Bankruptcy

12.5.1 Neither this Lease nor any interest of the Lessee herein nor any estate hereby created will pass or enure to the benefit of any trustee in bankruptcy or any receiver or any assignee for the benefit of creditors of the Lessee or otherwise by operation of law

12.6 Ontario Law Applies

12.6.1 This Lease shall be governed by and construed in accordance with the laws of the Province of Ontario and the parties hereto hereby submit to the jurisdiction of the Courts in the Province of Ontario.

12.7 Registration

12.7.1 The Lessee agrees not to register this Lease without the prior written consent of the Authority, which consent may be unreasonably withheld.

12.8 Notice

12.8.1 Any demand, notice, direction or other communication to be made or given hereunder (in each case, "Communication") shall be in writing and shall be made or given by personal delivery, by courier, by email, or sent by registered mail, charges prepaid, addressed as follows:

The Authority:

Grey Sauble Conservation Authority 237897 Inglis Falls Road RR4, Owen Sound, ON N4K 5N6

The Lessee:

The Corporation of The Town of the Blue Mountains 32, Mill Street, PO Box 310 Thornbury, ON N0H 2P0

12.8.2 A Communication will be considered to have been given or made on the day that it is delivered in person or by courier, or sent by email, or, if mailed, seventy-two (72) hours after the date of mailing. If the postal service is interrupted or substantially delayed, any Communication will only be delivered in person or by courier or sent by email.

12.9 Amendments to Lease

12.9.1 No alteration or amendment of this Lease shall take effect unless the same is in writing duly executed by each of the parties in the same manner as this Lease.

12.10 Grammar

12.10.1 Wherever the singular and/or plural and masculine and/or feminine are used in this Lease they shall be construed as if the appropriate tense and gender had been used, where the context or the party or parties so require, and the rest of the sentence shall be construed as if the grammatical and terminological changes thereby rendered necessary had been made.

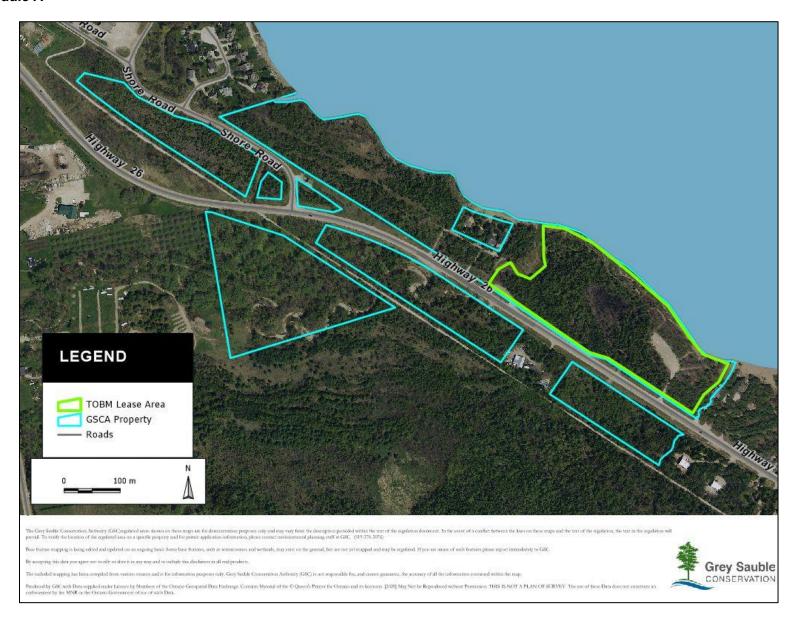
12.11 Entirety of Agreement

12.11.1 This Lease embodies the entire agreement of the parties hereto and no understandings or agreements, collateral, verbal or otherwise exist between the parties, relative to these properties, except as expressly set out herein or as may hereafter be agreed to, in writing, by the parties.

IN WITNESS WHEREOF the said parties	hereto have hereunto set their hands and seals.
SIGNED, SEALED AND DELIVERED on t presence of Per:	this day of, 20 in the
	CORPORATION OF THE TOWN OF THE BLUE MOUNTAINS
Witness for Lessee - Printed Name	Witness for Lessee - Signature
Lessee Printed Name	Lessee Representative – Signature Title:
	GREY SAUBLE CONSERVATION AUTHORITY
Witness for Authority – Printed Name	Witness for the Authority – Signature
Authority Representative – Printed Name	Authority Representative – Signature

Title: Chief Administrative Officer

Schedule A



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