

**TERM SHEET**

**Between The Corporation of the Town of The Blue Mountains AND Events for Life**

This Term sheet (“Term Sheet”) sets out key terms of a municipal capital facility/loan/grant/lease agreement(s) (collectively, the “Agreements”) to be negotiated between the Corporation of The Town of The Blue Mountains (“Town”) and Events for Life (“EFL”) in respect of the use of a portion of Town owned land located at 58 Alfred St W. Thornbury, ON, N0H2P0 (the “Property”), for the purposes of a municipal capital facility (“MCF”) as defined in O. Reg 603/06 (the “Regulation”).

The Town and EFL are referred to collectively as the “Parties” and each, individually, as a “Party”.

The Parties agree that this Term Sheet does not and is not intended to bind the Parties or create contractual relations or obligations between the Parties. This Term Sheet is only an expression of business intention and is subject to revision and finalization of the Agreements with form and content satisfactory to the Parties in their independent discretion.

The Parties agree that nothing in this Term Sheet is intended to, or has the effect of, fettering the discretion of Town Council; furthermore, this Term Sheet is not intended to supersede or avoid any statutory or regulatory authority, and all such terms and conditions set out in this Term Sheet are subject to and shall be interpreted in accordance with, the laws of Ontario.

The Parties agree to work collaboratively to negotiate necessary Agreements to accomplish the goals, objectives and intentions as set out herein:

1.	<b>Facility</b>	Subject to necessary Planning Act approvals, EFL shall be construct a facility between 5000 and 6500 square feet (+/- 10%) within a building envelope as set out at Schedule ‘A’ hereto (“Project Site”).
2.	<b>Community Garden</b>	The Town shall permit and facilitate (at an upset cost to the Town of \$15,000.00) the relocation of the community garden currently located on the Project Site to Moreau Park.
3.	<b>Lease</b>	The lease between the Parties related to the Project Site shall be for an initial term of fifty (50) years (“Initial Term”), at a rate of \$1.00 per year. The initial term may be extended at the written request of EFL for two additional terms of five (5) years each (“Extended Term(s)"). At the end of the Extended Term(s) the Parties may extend the lease for such period and on such terms as the Parties may determine and agree in writing.

		The Initial Term (or the Initial Term plus any Extended Term(s)) shall be referred to as the “Term”
4.	<b>Grant</b>	The Town will provide financial assistance to EFL for the construction of the MCF in the form of a grant or forgivable loan in the amount of \$500,000.00. Terms of such grant or loan, including the distribution of funds in relation to construction milestones shall be negotiated between the Parties and set out in the Agreement(s).
5.	<b>Loan</b>	The Town will provide an interest-free loan to EFL in an amount equal to 50% of the total construction cost of the facility. The issuance of such a loan shall be conditional on EFL having raised 50% of the total construction cost, including soft costs and contingencies. Such loan will be drawn on a construction milestone schedule reflecting costs incurred the details of which shall be set out in the Agreements. The loan shall be repaid on terms as set out within the Agreements within 5-10 years from the date of MCF occupancy.
6.	<b>Development Charges</b>	The Town shall waive, or otherwise release EFL from the obligation to pay, applicable development charges.
7.	<b>Taxes</b>	The Town shall exempt the MCF and the Project Site from applicable property taxes for the term of the Agreement(s).
8.	<b>Planning Act Approvals</b>	<p>Town staff shall initiate and facilitate all necessary approvals related to the MCF and Project Site as required by the Planning Act. This shall not fetter Town Councils ability to independently make decisions related to any such Planning Act application; nor shall it guarantee EFL any particular outcome.</p> <p>The Town shall waive or otherwise compensate EFL for costs related to Planning Act applications (excluding <i>Ontario Land Tribunal</i> appeals, if applicable).</p>
9.	<b>Collaboration</b>	The Parties agree to ongoing collaboration and engagement throughout the design process for the MCF and Project Site in order to streamline and expedite building permit approvals and overall construction timelines; it shall be a mutual objective of the Parties that construction of the MCF is complete by May 1, 2026.
10.	<b>Environmental</b>	The Town provide to EFL an undertaking that, to the best of its knowledge and per reasonable investigation, the Project Site is free from environmental contamination.
12.	<b>Servicing</b>	The Town agrees to install necessary servicing (sewer, water, storm) as available and necessary, up to the edge of the Project Site, at a location mutually agreeable to the Parties.

13.	<b>Capital Reserve</b>	EFL agrees to establish, fund, and maintain a capital reserve fund, in an amount to be negotiated and agreed in the Agreements, to fund the ongoing maintenance and capital replacement requirements of the MCF.
14.	<b>Shared Facilities</b>	The Agreements shall include provisions by which the Town shall assume responsibility for snow clearing and grass cutting of the Project Site.
15.	<b>Use of MCF by others</b>	The Parties shall negotiate, as part of the Agreements, the use of the MCF by the Town during times when the MCF is not in use by EFL. Similarly, EFL may sub-lease the MCF to other parties, provided said uses are with the consent of the Town do not extend beyond the Term. The Parties acknowledge that any use of the MCF by other parties which are not in accordance with the Agreement related to the MCF and the Regulation may be ineligible for the benefits conferred to the MCF under the Regulation.
16.	<b>Use of BVCC</b>	The Town may permit EFL to use the existing facilities within the BVCC, on such terms as to be negotiated and reflected in the Agreements.
17.	<b>Negotiation of Agreements</b>	The Town shall provide EFL with draft Agreement(s) within ninety (90) days of execution of this Term Sheet by both Parties.
18.	<b>Expiry of Term</b>	The Agreements shall include provisions by which ownership of the MCF and other improvements to the Project Site shall vest with the Town at the end of the Term.
19.	<b>Project Management</b>	EFL shall be the project manager for the construction of the MCF.
20.	<b>No Mortgage</b>	The Town shall not be asked or obligated to mortgage the Property or secure any financial obligations as against the Property or any other Town owned property.
21.	<b>General Terms</b>	The Agreements shall include such other reasonable business and commercial terms as are commonly included in agreements of a similar nature, including but not limited to: Insurance, indemnities, warranties, security, default/breach, obligations to maintain/repair, etc.
22.	<b>Representatives</b>	The Town and EFL shall appoint individual representatives to lead the negotiation of the Agreements, subject to necessary approval of the same by Town Council and the EFL Board.
23.	<b>Confidentiality</b>	Neither Party shall disclose the nature or particulars of any discussion or negotiation related to the Agreements to any third party (except for their necessary advisors) without prior written consent of the other Party.

		<p>Notwithstanding the above, each Party shall be entitled to make such disclosure to the extent required by law, in which case the disclosing party shall notify the other of such disclosure.</p> <p>The Parties also agree that the Town’s disclosure obligation also include the obligations set out in the <i>Municipal Freedom of Information and Protection of Privacy Act</i>.</p> <p>Notwithstanding any of the above, the Parties agree that, once the Agreement(s) are finalized and executed, the Parties will publicly disclose as much of the Agreement(s) as is reasonably possible, with their mutual concurrence.</p>
24.	<b>Expiry</b>	<p>This Term Sheet shall become null and void/ expire upon either of the following occurrences:</p> <ul style="list-style-type: none"> <li>a) The Parties have not executed this Term Sheet by March 25, 2025; or,</li> <li>b) all necessary Agreement(s) have been executed by the Parties; or,</li> <li>c) all necessary Agreement(s) have not been executed by the Parties within one-year of execution of this Term Sheet.</li> </ul> <p>Notwithstanding the above, and the non-binding/non-contractual nature of this Term Sheet, the Parties specifically agree that Section 23 of this Term Sheet shall be binding upon the Parties and shall survive the expiry of this Term Sheet.</p>