

Servicing Agreement

The effective date of this Agreement this ____ day of _____ 2021.

Between:

City of Saskatoon, a municipal corporation pursuant to the provisions of The Cities Act, S.S. 2002, Chapter C 11.1 (the "City")

- and -

Victory Land Development Corp., a Saskatchewan corporation, carrying on business in the City of Saskatoon, in the Province of Saskatchewan (the "Developer")

- A. Whereas the Developer has made application to the City for the construction of municipal services within an area noted on a plan attached to this Agreement and marked as Schedule "A" and Schedule "A1" (the "Plan");
- B. Whereas the City requires as a condition of development that the Developer enter into an Agreement with the City respecting the installation and construction of certain services and other matters referred to in this Agreement; and
- C. Whereas the City deems it advisable and expedient to provide the facilities and services hereinafter agreed to be performed by the City on the condition that the Developer carries out its undertakings under this Agreement.

Now therefore the City and the Developer agree as follows:

Part I Introduction

Plan of Development

1. The Plans showing the proposed subdivision of Part of LSD 3 SW ¼ Sec 17 TWP 37-4-W3M and Part of SE ¼ Sec 17 TWP 37-4-W3M, located in the City of Saskatoon, in the Province of Saskatchewan, in the Dominion of Canada, attached to this Agreement as Schedule "A" and Schedule "A1" is made part of this Agreement.

Definitions

2. Throughout this Agreement:

- (a) "Development Area" means all that portion of the lands outlined in red on Schedules "A" and "A1" consisting of approximately 1,078.14 metres of residential frontage being those lands which, subject to regulatory approval, have been approved for development; and
- (b) "Manager" means the General Manager of the City's Transportation and Construction Division.

Part II Off-Site Servicing

City Servicing

3. Upon the execution of this Agreement the City shall within a reasonable time:

- (1) cause the Development Area to be improved and benefited by the supply, placement, installation, construction, use and enjoyment of the following direct services:
 - (a) Grading;
 - (b) Water Main, Sanitary Sewer Mains and Storm Sewer Mains;
 - (c) Water and Sewer Connections;
 - (d) Curbing and Sidewalks;
 - (e) Street Cutting and Paving;
 - (f) Paved Lanes;
 - (g) Underground Natural Gas Servicing.

all in accordance with the City's standard specifications with respect to commercial development; and

- (2) cause the Development Area to be improved and benefited by the supply, placement, installation, construction, use and enjoyment of the following off-site services:

- (a) Trunk Sewer Service;
 - (b) Primary Water Main Service;
 - (c) Arterial Road Service;
 - (d) Interchange Service;
 - (e) Parks and Recreation Service;
 - (f) Buffers;
 - (g) Street Signing and Traffic Controls Service;
 - (h) Fencing Service;
 - (i) Planning Service;
 - (j) Street Lighting Service;
 - (k) Community Centre;
 - (l) Prepaid Extended Maintenance Service;
 - (m) Underground Electrical Service;
 - (n) Lift Station Service;
 - (o) Servicing Agreement Service.
- (3) The City warrants that all such services shall be of a size and capacity sufficient to satisfy the servicing requirements of any and all permitted uses to be situated within the Development Area.

Levies Payable by the Developer

4. In consideration of the City providing the various services upon and in relation to the Development Area as specified in Section 3, the Developer shall pay to the City the following fees, levies and other charges:
- (1) With respect to the Development Area and the various construction items set forth in Clause 3(1) hereof with the exception of Clause 3(1)(g), the Developer shall remit unto the City upon invoice the actual cost of construction including labour, materials, detouring, supplies, material

testing and other related costs as well as a fee of 10% of total construction costs for design and construction engineering within the Development Area:

- (a) The Developer acknowledges within Clause 3(1)(a) that the City has constructed area grading that included both the Development Area as well as other City lands outside of the Development Area within a specific contract. The total cost of this combined construction area multiplied by the Development Area and divided by the total area will represent the cost of this service. In addition, any other area grading that was completed by the City, specifically for the Development Area requested by the Developer, will also separately be included;
 - (b) the total cost for Clause 3(1)(b), 3(1)(c), 3(1)(d), 3(1)(e), and 3(1)(f) will be specifically charged based on publicly tendered contract costs incurred and identified for the right of ways serviced within the Development Area including any direct service water and sewer oversizing costs expended that benefit the Development Area. For all costs within the right of ways that are adjacent to City owned lands and the Development Area the Developer agrees to pay 50% of the total costs;
 - (c) the developer and the City agree that the cost of any services incurred within clause 3(1) with the exception of clause 3(1)(g) that is adjacent to any utility parcel and or municipal reserve will be cost shared based on the benefiting frontage of those lands multiplied by the percentage ownership of all lands within the Aspen Ridge neighbourhood;
 - (d) the total for Clause 3(1)(g) will be based on the costs as provided by the Saskatchewan Energy Corporation that benefit the Development Area; and
 - (e) the City shall provide an invoice to the Developer for the various items within Clause 3(1) in accordance with the relative progress of the works and the Developer will pay all such invoices within 30 days of the invoice date.
- (2) With respect to the City providing the various services upon and in relation to the Development Area as specified in Clause 3(2) the Developer shall pay to the City the following fees, levies and other charges calculated in accordance with and at the rates described in Schedule "B".
- (a) Trunk Sewer Levy;
 - (b) Primary Water Main Levy;

- (c) Arterial Road Levy;
- (d) Interchange Levy;
- (e) Parks and Recreation Levy;
- (f) Buffer Strip Charge;
- (g) Street Signing and Traffic Controls Levy;
- (h) Fencing Charge;
- (i) Planning Levy;
- (j) Street Lighting Charge;
- (k) Community Centre Levy;
- (l) Prepaid Extended Maintenance Charge;
- (m) Underground Electrical Fee;
- (n) Lift Station Levy; and
- (o) Servicing Agreement Fee.

(the "Development Charges").

- (3) The Developer shall pay to the City the Development Charges provided for in this Agreement as follows:
 - (a) within 21 calendar days after the execution of this Agreement by the parties, the Developer shall pay to the City 25% of all fees, levies and other charges; and
 - (b) the balance of the fees, levies and other charges shall be due and payable to the City in three equal instalments upon August 31, 2021, December 31, 2021 and April 30, 2022.

Payment Dates and Interest

- 5. (1) All of the Development Charges and other fees, levies and charges payable by the Developer to the City pursuant to this Agreement shall be due and payable upon the various dates specified in this Agreement.

- (2) Should any amount or invoice not be paid at the times or within the period so specified, interest shall be payable at Royal Bank of Canada prime rate plus two (2 %) percent per annum on all such overdue amounts. In addition to any other remedy which may be available to the City, should any amount invoiced to the Developer not be paid within the times specified, the City shall upon seven days written notice to the Developer have the right to immediately stop construction until such amount or invoice has been paid.

Retroactive Charges

6. It is expressly agreed that the Developer shall be liable for and agrees to pay the City for all work done within the Development Area, notwithstanding that title to any or all of the lands within the Development Area may have been sold, transferred or exchanged, whether prior to the execution of this Agreement or during the term hereof and that the provisions of this Agreement in relation to any such charges of whatsoever nature as may be made by the City in accordance with this Agreement shall be retroactive in effect.

Letter of Credit

7. Upon the execution of this Agreement, the Developer shall deposit with the City Clerk, City of Saskatoon, a letter of credit ("Letter of Credit") in a form acceptable to the City Solicitor, City of Saskatoon, from a chartered bank carrying on business in the Province of Saskatchewan. The Letter of Credit shall be for the sum of \$5,596,000.00 which represents 75% of the estimated cost of the items within Clause 3 and shall secure the Developer's performance of the provisions of this Agreement. The Letter of Credit shall be irrevocable during the currency of this Agreement but may be reduced from time to time in proportion to the amount of services paid for by the Developer to the City. The Developer shall keep the Letter of Credit current until completion of all construction of services provided for in this Agreement and until the full payment of all Development Charges and all other levies, fees and charges have been received by the City.

Shallow Buried Utilities

8. (1) The City agrees to make all necessary arrangements for the installation of street lighting facilities on streets within the Development Area in accordance with the City's standard specification for residential development. Any deviation required by the Developer or enhancements to the standard specification as required by the City, may result in additional charges to the Developer.

- (2) The City shall have the responsibility to consult with the various utility agencies including Saskatchewan Power Corporation, Saskatchewan Energy Corporation, the Saskatchewan Telecommunications Corporation and Saskatoon Light and Power of the City of Saskatoon as to the timing, placement and construction of utilities within the Development Area.
- (3) The City agrees to withhold the approval of any utility agency application for construction of distribution utility service lines within the Development Area until the Developer consents to the route of such service lines.

Maintenance in Accordance with *The Cities Act*

9. All services and other facilities supplied, placed, installed and constructed by the City on, in or under any street pursuant to the provisions of this Agreement shall be the property of the City and shall be maintained in keeping with the provisions of *The Cities Act*.

City's Indemnification

10. The City will indemnify and save harmless the Developer with respect to any action commenced against the Developer as a result of any act or omission of the City upon or in relation to the City's obligations set out in this Agreement, including the acts or omissions of its officers, employees, servants or agents, or anyone for whom the City is responsible at law.

Part II Development Area Servicing

Servicing Responsibilities

11. Except as herein expressly provided, it is agreed that the Developer shall determine the timing of service installation with a view to the earliest possible servicing of the entire Development Area, with the proviso that the views of the Manager with respect to sound construction practices are to prevail, and in particular with respect to the influence of seasonal and other weather conditions as they affect construction.
 - (1) The City Agrees:
 - (a) to make all detailed engineering drawings for the Development Area available to the Developer; and

- (b) that in the event that the City fails to do the work requested by the Developer, and provided that the Developer has complied with the terms of this Agreement, the Developer may notify the Manager of its intention to do the work itself, and if within seven days of receipt of such notice by the Manager the work has not been commenced by the City, the Developer shall have the right to do the work itself. Upon completion by the Developer and acceptance by the City of the particular work, the City will proportionately reduce that portion of the letter of credit respecting such works. The provisions of this Clause shall not apply where the failure by the City to do the work results from labour disputes, strikes, lockouts, Acts of God, or any cause of any kind whatsoever beyond the City's control.

(2) The Developer Agrees:

- (a) to provide all utility, construction and service easements which may be required, at no cost to the City or any other utility agency or service, and to keep the said easements clear for the purposes of the various utility agencies;
- (b) to subsequently provide and register an easement plan;
- (c) to indemnify and save harmless the City in respect to any action commenced against the City resulting from any activity or lack of activity within the Development Area other than with respect to those activities being conducted by the City itself;
- (d) that in the event that the Developer requires approved changes in services which may result from resubdivision of the Developer's lands within the Development Area, same shall be provided at the expense of the Developer. Changes requested by the Developer shall be in writing addressed to the Manager;
- (e) that should the Developer proceed to carry out any of the works to be performed herein as contemplated in Clause 11(1)b, the Developer shall be solely responsible for any and all expenses and costs incurred in so doing; and
- (f) The City shall not be liable for any damages which may be suffered by the Developer as a consequence of the City's failure to do any work as referred to in Clause 11(1)(b).

Part III General

Expeditious Construction

12. All works required to be performed by this Agreement shall be carried out as expeditiously as time and construction conditions permit.

Assignment

13. During the term of this Agreement, the Developer shall not assign this Agreement without the prior express written consent of the City being first obtained. Such consent shall not be unreasonably withheld or delayed by the City.

Dispute Resolution

14. In the case of any dispute between the City and the Developer arising out of the performance of this Agreement, or afterwards as to any matter contained in this Agreement, either party shall be entitled to give to the other notice of such dispute and demand arbitration thereof. Such notice and demand being given, each party shall at once appoint an arbitrator and these shall jointly select a third. The decision of any two of the three arbitrators shall be final and binding upon the parties, who covenant that their dispute shall be so decided by arbitration alone, and not by recourse to any court or action of law. If the two arbitrators appointed by the parties do not agree upon a third, or a party who has been notified of a dispute fails to appoint an arbitrator, then the third arbitrator and/or the arbitrator to represent the party in default shall be appointed by a Judge of the Court of Queen's Bench at the Judicial Centre of Saskatoon. *The Arbitration Act, 1992* of the Province of Saskatchewan shall apply to any arbitration hereunder, and the costs of arbitration shall be apportioned equally between the parties hereto.

Applicable Law

15. The laws of the Province of Saskatchewan shall apply and bind the parties in any and all questions pertaining to this Agreement.

Force and Effect

16. This Agreement shall remain in full force and effect until such time as both the City and the Developer have fully completed their respective obligations hereunder,

and, for greater certainty, until such time as all Development Charges, fees, levies and other charges payable by the Developer to the City pursuant to the terms of this Agreement have been paid.

Agreement Runs With the Land

17. The Developer acknowledges and agrees that this Agreement runs with the land, and binds it, and subject to Clause 13, its successors and permitted assigns; and, further, agrees that the City may elect, at its sole option, to register an Interest based on this Agreement against the property subject to this Agreement in the Land Titles Registry for Saskatchewan charging all those lands comprising the Development Area with the performance of this Agreement.

Notices

18. (1) Any notice or consent (including any invoice, statement, request or other communication) required or permitted to be given by any party to this Agreement to the other party shall be in writing and shall be delivered or sent by registered mail (except during a postal disruption or threatened postal disruption) or facsimile transmission, email or other electronic communication to the applicable address set forth below:

- (a) in the case of Victory Land Development Corp.to

Victory Land Development Corp.
409 3rd Avenue South Suite 301
Saskatoon, Saskatchewan S7K 5R5
Attention: Mr. John Nasser
Facsimile: (306) 955-1566
Email: jpnasser@victorymajors.com

and

- (b) in the case of the City to:

The City of Saskatoon
c/o Office of the City Clerk
222 3rd Avenue North
Saskatoon, Saskatchewan S7K 0J5
Attention: General Manager,
Transportation & Construction Division
Facsimile: (306) 975-2784.

- (2) Any notice delivered personally shall be deemed to have been validly and effectively given and received on the date of such delivery provided same is on a business day (Monday to Friday, other than a statutory holiday).
- (3) Any notice sent by registered mail shall be deemed to have been validly and effectively given and received on the fifth business day following the date of mailing.
- (4) Any notice sent by facsimile or email or other electronic communication shall be deemed to have been validly and effectively given and received on the business day next following the date on which it was sent (with confirmation of transmittal received).
- (5) Either party to this Agreement may, from time to time by notice given to the other party, change its address for service under this Agreement.

Entire Agreement

19. This Agreement constitutes the complete and exclusive statement of the Agreement between the parties, which supersedes all proposals, oral or written, and all other communications or representations between the parties, relating to the subject matter of this Agreement.

Illegality

20. If one or more of the phrases, sentences, clauses or articles contained in this Agreement is declared invalid by a final and unappealable order or decree of any court of competent jurisdiction, this Agreement shall be construed as if such phrase, sentence, clause or paragraph had not been inserted in this Agreement.

Amendment

21. This Agreement may be changed only by written amendment signed and sealed by authorized representatives of the parties.

Headings

22. The headings contained in this Agreement are inserted for convenience of reference only and are not to be considered when interpreting this Agreement.

Covenants

- 23. Each obligation of the City or of the Developer in this Agreement, even though not expressed as a covenant, is considered to be a covenant for all purposes.

Time of Essence

- 24. Time shall be of the essence of this Agreement and every part of this Agreement.

Further Assurances

- 25. The Developer and the City shall, at their own expense, promptly execute such further documentation to give effect to this Agreement as the Developer and the City, as the case may be, may reasonably require from time to time.

In Witness Whereof the parties hereto have hereunto affixed their corporate seals, duly attested by the hands of their proper officers in that behalf, as of the day and year first above written.

City of Saskatoon

Mayor

c/s

Interim City Clerk

Victory Land Development Corp.

c/s

Affidavit Verifying Corporate Signing Authority

(No corporate seal)

Canada

Province of Saskatchewan

To Wit:

I, _____, of _____, in the Province of
(name of corporate officer/director) (place)
Saskatchewan, make oath and say:

1. That I am an officer or director of the corporation named in the within instrument.
2. That I am authorized by the corporation to execute the instrument without affixing a corporate seal.

Sworn before me at _____,
in the Province of Saskatchewan, this
_____ day of _____, _____.

A Commissioner for Oaths for Saskatchewan
My Commission expires _____.
(or) Being a Solicitor

(signature of corporate officer/director)

PLAN SHOWING
PROPOSED SUBDIVISION

OF PART OF
S.E.1/4 SEC. 17
TWP. 37 RGE. 4 W.3 Mer.
CITY OF SASKATOON
SASKATCHEWAN
FEBRUARY, 2020
SCALE 1:1000

Examined By : CITY OF SASKATOON

Senior Planner (Saskatoon Land)
Corporate Financial Services

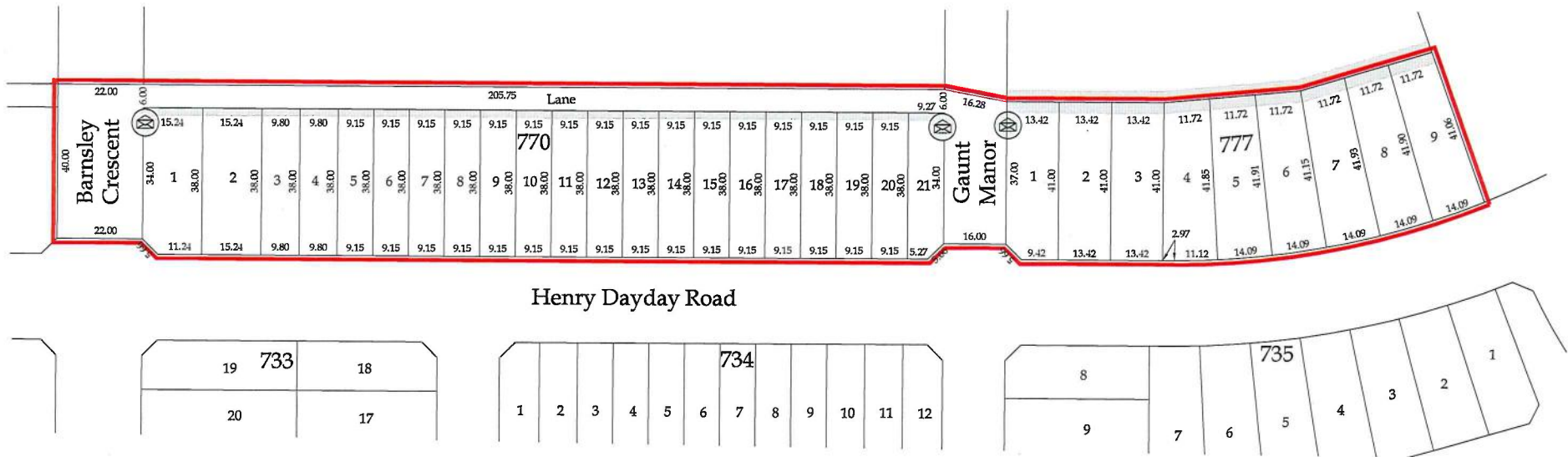
Date

General Manager
Community Services Department

Date

Approved under the provisions of Bylaw No. 6537 of the City of Saskatoon.

CITY OF SASKATOON



SCHEDULE 'A'

DATED AT REGINA IN THE PROVINCE OF SASKATCHEWAN
THIS 12TH DAY OF FEBRUARY, 2020.

BLAKE WAHL
SASKATCHEWAN LAND SURVEYOR



Legend

- Proposed 3.0 SaskEnergy Easement
- Proposed 2.0 SaskPower, SaskTel, Shaw Easement
- Proposed 3.0 SaskPower, SaskTel, Shaw Easement
- Proposed Community Mailboxes

NOTES:
MEASUREMENTS ARE IN METRES AND DECIMALS THEREOF.
AREA TO BE APPROVED IS OUTLINED WITH A HEAVY DASHED LINE AND CONTAINS APPROXIMATELY 1.54 HECTARES.
DIMENSIONS ARE APPROXIMATE AND ARE SUBJECT TO CHANGES UP TO ±5M AT THE TIME OF LEGAL SURVEY.
PARCEL DIMENSIONS WILL NOT GO BELOW THE MINIMUM ALLOWED BY ZONING.

DISCLAIMER
THIS PLAN REPRESENTS THE BEST INFORMATION AVAILABLE AT THE TIME OF SURVEY. COMPASS GEOMATICS LTD. AND ITS EMPLOYEES TAKE NO RESPONSIBILITY FOR THE LOCATION OF ANY UNDERGROUND PIPES, CONDUITS, OR FACILITIES, WHETHER SHOWN ON OR OMITTED FROM THIS PLAN.
UTILITY COMPANIES (SASKPOWER, SASKENERGY, SASKTEL, AND TRANSGAS) WERE CONTACTED PRIOR TO THE SURVEY FOR ANY INFORMATION REGARDING UNDERGROUND FACILITIES. THAT INFORMATION IS SHOWN ON THE PLAN. HOWEVER AN ADDITIONAL SEARCH FOR MORE SPECIFIC BURIED FACILITIES USING ALL RESOURCES MUST BE PERFORMED JUST PRIOR TO CONSTRUCTION.
SASKATCHEWAN FIRST CALL 1-866-828-4888

COMPASS
Geomatics Ltd.
REGISTERED LAND SURVEYORS

COMPASS DWG: 00581-19-URW-R1_Client - Schedule A

**PLAN SHOWING
PROPOSED SUBDIVISION**

OF PART OF
L.S.D. 3
S.W. 1/4 SEC. 17
AND PART OF
S.E. 1/4 SEC. 17
TWP. 37 RGE. 4 W.3 MER.
CITY OF SASKATOON
SASKATCHEWAN
BLAKE WAHL, S.L.S.
DECEMBER, 2020
SCALE 1:1000

DATED AT REGINA IN THE PROVINCE OF SASKATCHEWAN
THIS 16TH DAY OF DECEMBER, 2020.

BLAKE WAHL SASKATCHEWAN LAND SURVEYOR



Examined By: CITY OF SASKATOON

Senior Planner (Land Branch) _____ Date _____
Community Services Department

General Manager _____ Date _____
Community Services Department

Approved under the provisions of Bylaw No. 6537 of the City of Saskatoon.

CITY OF SASKATOON

NOTES:
MEASUREMENTS ARE IN METRES AND DECIMALS THEREOF.
AREA TO BE APPROVED IS OUTLINED WITH A HEAVY DASHED LINE AND CONTAINS APPROXIMATELY 4.82 HECTARES.
DIMENSIONS ARE APPROXIMATE AND ARE SUBJECT TO CHANGES UP TO 43M AT THE TIME OF LEGAL SURVEY.
PARCEL DIMENSIONS WILL NOT GO BELOW THE MINIMUM ALLOWED BY ZONING.

Legend

- Proposed 5.0 SaakPower, SaakTel, Shaw, SaakEnergy Easement
- Proposed 3.0 SaakEnergy Easement
- Proposed 2.0 SaakPower, SaakTel, Shaw, SaakEnergy Easement
- Proposed 3.0 SaakPower, SaakTel, Shaw Easement
- Existing Utility Easements
- Proposed Community Mailboxes



COMPASS INFORMATION DWG: 0009-13-URV2-R3-01-Sub-A1



SCHEDULE 'A1'

Disclaimer
This plan represents the best information available at the time of survey. Compass Geomatics Ltd. and its employees take no responsibility for the location of any underground pipes, conduits, or facilities, whether shown on or omitted from the plan.
Utility companies (SaakPower, SaakEnergy, SaskTel, and Transgas) were contacted prior to the survey for any information regarding underground facilities. This information is shown on the plan, however an additional search for more specific buried facilities using all resources must be performed just prior to construction.
Saskatchewan First Call 1-866-828-4888

Schedule "B"

Fees, Levies and Other Charges Applicable to the Development Area

The charges payable by the Developer to the City pursuant to Section 4 hereof shall be calculated in accordance with the rates as the Council of The City of Saskatoon has established and are in general force and effect for the 2021 construction season. By way of illustration only, the following rates were effective for the 2020 construction season:

(a)	Trunk Sewer Levy	\$653.00 per front metre;
(b)	Primary Water Main Levy	\$169.95 per front metre;
(c)	Arterial Road Levy	\$624.50 per front metre;
(d)	Interchange Levy	\$101.00 per front metre;
(e)	Parks and Recreation Levy	\$426.55 per front metre;
(f)	Buffer Strip Charge	\$39.70 per front metre;
(g)	Street Signing and Traffic Controls Charge	\$17.95 per front metre;
(h)	Fencing Charge	\$11.75 per front metre;
(i)	Planning Levy	\$17.20 per front metre;
(j)	Street Lighting Charge	\$81.15 per front metre;
(k)	Community Centre Levy	\$155.00 per front metre;
(l)	Prepaid Extended Maintenance Charge	\$18.75 per front metre;
(m)	Underground Electrical Charge	\$860.00 per Lot;
(n)	Lift Station Levy	\$100.35 per front metre;
(n)	Servicing Agreement Fee	\$2,629.00 per Agreement.

The Trunk Sewer Levy, Primary Water Main Levy, Community Centre, Arterial Road Levy, Interchange Levy, Lift Station Levy and Parks and Recreation Levy will be calculated at an area rate of 169 equivalent front metres per hectare for commercial/institutional parcels over 60 metres in depth. Area rate: $169 \times \$2,597.55 = \$438,985.95$ per hectare.