

Municipal Services and Compatibility Agreement

Between:

Yellow Quill First Nation (“Yellow Quill”)

- and -

The City of Saskatoon (“the City”)

Purpose

1. The purpose of this Agreement is to establish a long-term relationship of practical cooperation between the parties which recognizes and respects Yellow Quill's separate jurisdiction, but which also recognizes the need for ongoing compatibility and coordination between the parties, particularly as to land use, building and fire standards, public health and safety, and business regulation, because of the close proximity of the Land to other downtown land and businesses.

Introduction

2. Article 9 of the Saskatchewan Treaty Land Entitlement Framework Agreement entered into between Her Majesty the Queen in Right of Canada, Her Majesty the Queen in Right of Saskatchewan and the Entitlement Bands, dated September 22, 1992 (the “TLE Agreement”) provides, in part, that where an Entitlement Band purchases land and improvements within the boundaries of an urban municipality, the land and improvements will not be set apart as an Entitlement Reserve until an agreement has been entered into between the Entitlement Band and the affected urban municipality.
3. Yellow Quill, through its wholly-owned and controlled corporation Yellow Quill Holdings Inc., has acquired the land, located at 224 Fourth Avenue South, Saskatoon, Saskatchewan, more particularly described as follows:
 - (1) Surface Parcel Number: 120287583
Legal Land Description: Lot 28 Blk/Par 162 Plan C195 Ext 14
As described on Certificate of Title 97S16563;

- (2) Surface Parcel Number: 120287594
Legal Land Description: Lot 29 Blk/Par 162 Plan C195 Ext 20
As described on Certificate of Title 97S16563;
- (3) Surface Parcel Number: 120287606
Legal Land Description: Lot 30 Blk/Par 162 Plan No C195 Ext 5
As described on Certificate of Title 97S16563;
- (4) Surface Parcel Number: 120287617
Legal Land Description: Lot 31 Blk/Par 162 Plan No C195 Ext 6
As described on Certificate of Title 97S16563;

and

- (5) Surface Parcel Number: 120287628
Legal Land Description: Lot 32 Blk/Par 162 Plan No C195 Ext 7
As described on Certificate of Title 97S165563,

together with the high rise office tower located thereon (the "Land").

- 4. The Land is situated within the boundaries of the City of Saskatoon in the downtown area. Yellow Quill intends to have the Land set apart as an Entitlement Reserve pursuant to the TLE Agreement and lease the Land to a wholly-owned and controlled band entity or other such Yellow Quill public body performing the functions of Yellow Quill government on behalf of Yellow Quill, and subject to the Yellow Quill Land Management Law passed in accordance with the *First Nations Land Management Act*, S.C. 1999., c. 24.
- 5. The City specifically agrees to the Land being set apart as an Entitlement Reserve on the condition that the terms of this Agreement, as amended from time to time, shall apply to the Land so long as it remains reserve land. "Reserve land" shall, for the purposes of this Agreement mean reserve land as defined by the *Indian Act*, R.S.C. 1985, c. I-5, and shall include land which Yellow Quill controls pursuant to its Yellow Quill Land Management Law passed in accordance with the *First Nations Land Management Act* S.C. 1999, c.24.
- 6. The purpose of this Agreement is to set out the undertakings which each party has given to the other.

Joint Meeting of Councils

7. Yellow Quill and the City agree that their respective Councils, and/or their representatives, will meet together at least once in each calendar year to discuss such matters as may have arisen between them, and to keep open the lines of communication.

City Services

8. The parties agree that the City shall provide all normal City services to the Land and the occupants of the Land (the “services”). The type and level of services supplied to the Land and the occupants of the Land shall be the same as the City supplies to similarly zoned lands within the City, which are in a similar state of development. The services shall specifically include policing by the Saskatoon Board of Police Commissionaires.

Payment for City Services

9.
 - (1) Yellow Quill agrees to pay the City, in consideration for the services, an annual amount which equals the municipal and library portion of the property tax levy for any given year that would have been levied on the Land, if the Land were non-reserve land, less any applicable vacancy adjustment. The annual cost of services does not include an equivalent amount for the school portion of the property tax levy.
 - (2) If Yellow Quill receives grants in lieu of taxes from a corporation whose land, improvements or business is exempt from taxation or from the Government of Canada or the Government of Saskatchewan or any agency of those governments with respect to the Land or any portion of the Land, Yellow Quill shall pay to the City, in addition to the amount required to be paid under subsection (1), an annual amount equal to the municipal and library portion of any such grants in lieu.
 - (3) Yellow Quill agrees to annually pay, in addition to the amount required to be paid under subsection (1):
 - (a) any local improvements charged against the Land in an amount and in a manner as if the Land were non-reserve land;

- (b) any Business Improvement District levies charged against the Land in an amount and in a manner as if the Land were non-reserve land; and
 - (c) any special charges or levies charged against the Land in an amount and in a manner as if the Land were non-reserve land.
- (4) Notwithstanding any other provision of this Agreement, it is understood and agreed that the annual amounts to be paid by Yellow Quill under subsections (1) and (2) shall not cover those services which are normally provided by the City in consideration for a direct charge or user fee payable by the party to whom such services are provided. Such services include, but are not limited to:
- (a) the supply of water;
 - (b) the disposal of sewage; and
 - (c) the supply of electricity.

The charges for these services shall be paid by Yellow Quill or by the occupant of the Land to whom the service is supplied, in the same manner as any other party to whom such services are provided. Such payment will include, if required by law, any tax imposed by Federal or Provincial legislation in relation to the provision of such services.

Invoicing

10. The City shall invoice Yellow Quill for the services at the same time that the City sends out tax notices in each year. The invoice for the services is payable in full on or before June 30 in each year.

Discounts and Penalties

11. (1) If the invoice for the services is not paid in full by June 30, any unpaid amount shall be subject to the same additional percentage charges that the City imposes on unpaid property taxes and arrears of property taxes.
- (2) Yellow Quill shall have the right in any year to prepay all or a part of the cost of the services. The same discount rates allowed by the City for prepayment of property taxes shall apply to any prepayment made by Yellow Quill.

Supplemental Invoice

12. If, before December 1 in any year, a sum representing an increase in value of any improvement on the Land is added to the assessment roll, the City may send a supplemental invoice to Yellow Quill to reflect the resulting change. A supplemental invoice sent to Yellow Quill under this section must be paid by Yellow Quill before December 31 in that year. If any portion of a supplemental invoice remains unpaid after December 31, it shall be subject to the same additional percentage charges that the City imposes on arrears of property taxes.

Remedies for Non-Payment

13. If any invoice for services has not been paid in full by December 31 of the year in which it was issued, the City may, upon 30 days' notice, suspend or withdraw any or all of the services which it provides to the Land and/or the occupants of the Land until the invoice plus penalties has been paid in full. The City's right to suspend or withdraw services shall be without prejudice to any other remedy which may be available to the City.

Assessment Information

14. (1) Yellow Quill agrees to allow the assessor for the City to have access to the Land, upon reasonable notice, for the purpose of collecting the assessment information necessary to prepare the invoice for services as set out in paragraphs 10 and 12.
- (2) The City agrees to provide Yellow Quill, upon request, the assessment information and data collected.
- (3) The City agrees that Yellow Quill may appeal the assessment of the Land in a process and manner afforded to all other property owners of land in the City.

Liability for Disruption of Services

15. (1) In the event that services are disrupted for reasons other than suspension or withdrawal pursuant to paragraphs 13 and 16 of this Agreement, the City shall have no greater liability for such disruption than it has to the owners and occupants of other lands within the City. All defences available to the City under *The Cities Act* shall be available to the City as if incorporated in this Agreement.

- (2) The City shall have no liability for a suspension or withdrawal of services pursuant to paragraphs 13 and 16 of this Agreement.

Land Use

16. (1) Yellow Quill agrees that it will take all steps and do all things as may be necessary, including passing and enforcing compatible bylaws, as acts of Yellow Quill governance, to ensure that, at all times, the occupation, use, development and improvement of the Land is essentially the same as the occupation, use, development and improvement of the Land which would be allowed if the Land were non-reserve land. Specifically, Yellow Quill agrees to ensure such compatibility in regard to land use, building and fire standards, public health and safety, and business regulation.
- (2) If, at any time the occupation, use, development and/or improvement of the Land is not essentially the same as the occupation, use, development and/or improvement of the Land which would be allowed if the Land were non-reserve land, and such condition of breach continues for a period of 30 days following written notification by the City to Yellow Quill of such breach, the City may, at its option, and without prejudice to any other remedy which may be available, suspend or withdraw any or all of the services which it provides to the Land, and/or the occupants of the Land, until the condition of breach has been remedied.

Development of Land

17. (1) Yellow Quill agrees that the Land will be developed, redeveloped or severed in accordance with the City development standards then in effect for similarly zoned non-reserve land in the City which may include, payment to the City for all offsite and/or redevelopment levies then in effect for similarly zoned and developed non-reserve land in the City.
- (2) Yellow Quill agrees that all building or improvement will be constructed on the Land in accordance with City building standards then in effect for non-reserve land in the City. This will include a process for the issuance of the required building and development permits and payment of the corresponding fees then in effect for non-reserve land in the City which fees include, but are not limited to, services such as plan examination and site inspections.

- (3) Yellow Quill agrees to allow City inspectors onto the Land during any construction for the purpose of inspecting the building or improvement in accordance with the City's standard inspections then in effect for similar buildings or improvements on non-reserve land. Yellow Quill agrees to ensure that any defects or safety hazards noted by City inspectors are remedied in the same time frame and manner as would be in effect on non-reserve land.
- (4) Yellow Quill agrees that the City is not required to provide connections to the Land or to begin supplying City services to the Land, unless and until the requirements of subsections (1), (2) and (3) hereof have been met.
- (5) Nothing in this section shall be construed so as to diminish, derogate from or prejudice the constitutional, treaty or other rights of either party.

Fire Services

18. (1) Yellow Quill agrees that where, in the opinion of the Fire Chief of the City, a condition exists on the Land which is an imminent danger to the public safety, the Fire Chief and/or his agents may enter upon the Land and take any reasonable emergency action to eliminate the danger in a manner and process that is essentially the same for non-reserve land. The Fire Chief shall, whenever it is reasonably possible to do so, notify Yellow Quill of any actions in advance.
- (2) Yellow Quill agrees that the Fire Chief and/or his agents may enter upon the Land to conduct annual fire inspections in the same manner as would occur on non-reserve land. Yellow Quill will be advised of such inspection in advance of the inspection date.

Authority to Tax

19. The City and Yellow Quill agree that, as between the parties, Yellow Quill shall be the sole taxing authority for the Land and the improvements, occupants and businesses located on the Land; provided however, and it is understood and agreed, that by entering into this Agreement, Yellow Quill is not acknowledging that the City does have the power to be a taxing authority on the Land, and the City is not acknowledging that it does not have the power to be a taxing authority on the Land.

Compatible Taxation Bylaws

20. (1) Yellow Quill agrees that any taxation bylaw which it may pass as an act of Yellow Quill governance regarding the Land and/or the improvements, businesses and occupants of the Land, shall impose an amount of taxation on the Land and the improvements, business and occupants of the Land, which is not less than the amount of taxation which the City would have levied against the Land, improvements, businesses and occupants if the Land was non-reserve land. Such equivalent amount of taxation shall include that portion of taxes levied by the City on behalf of the Saskatoon Public Library Board, the Board of Education of the Saskatoon School Division No. 13, the Board of Education for Saskatoon Catholic Schools and the levy on behalf of the Downtown Business Improvement District.
- (2) The City agrees that Yellow Quill has the same right as the City to grant individual exemptions, abatements, forgiveness, grants or rebates of taxes in furtherance of Yellow Quill's government policies.

Applicability of Laws

21. (1) The parties both acknowledge that, subject to Section 35 of the *Constitution Act 1982*, and any Yellow Quill Law, Code, By-law or Regulation passed pursuant to Yellow Quill or Federal legislation, all applicable provincial laws of general application, including municipal bylaws, which are not in conflict with the provisions of the *Indian Act*, or any Band Law, bylaw enacted thereunder may apply to the Land and may be enforced on the Land as recognized and in accordance with the terms in this Agreement, and thereafter any other Laws with the permission and consent of Yellow Quill, which permission and consent will not be unreasonably denied.
- (2) The parties agree to appoint representatives to meet at least once per year to discuss practical solutions to enforcement issues which may be of interest to both parties, particularly in the area of public safety.
- (3) In the event that legal proceedings are commenced by either party to determine whether a provincial law or municipal bylaw is a law of general application which applies to the Land and may be enforced by the City on the Land, the parties agree that nothing in this Agreement shall be construed to diminish, derogate from or prejudice the constitutional, treaty or other rights of either party, nor affect their legal position in the matter.

Term of Agreement

22. (1) Yellow Quill and the City agree that the term of this Agreement shall be for the same duration as the Land remains reserve land as defined in Section 5 hereof.
- (2) This Agreement shall commence upon the Land becoming an Entitlement Reserve.

Amendments

23. If, at any time during the continuance of this Agreement, the parties shall deem it necessary or expedient to make any alteration or addition to this Agreement, they may do so by means of a written agreement between them which shall be supplemental and form part of this Agreement.

Arbitration

24. (1) In the event of any dispute with regard to the interpretation or enforcement of this Agreement, the matter may, with the consent of both parties, be referred to binding arbitration. The arbitration shall be held in the City of Saskatoon, in the Province of Saskatchewan. The panel shall consist of one representative appointed by Yellow Quill, one representative appointed by the City and a Chair mutually agreed to by the two representatives. In the event that the two representatives cannot reach agreement on a Chair, the Chair shall be appointed by the Dean of Law, University of Saskatchewan.
- (2) The arbitration shall be conducted in accordance with *The Arbitration Act, 1992*, Ch. A-24.1, S.S. and the laws of the Province of Saskatchewan. Each party shall bear its own legal costs, the cost of its own representative and its proportionate share of the cost of the Chair and the proceedings. The arbitration panels decision shall be final and binding and have the same force and effect as a final judgment in a court of competent jurisdiction. If either party fails to abide by the decision or award of the arbitrator, then the opposing party shall have the right to apply to the appropriate court or courts to obtain an order compelling the enforcement of the decision or award of the arbitrator.

Additional Agreement

25. Yellow Quill agrees to ensure that the surrender of the Land to the Crown, and subsequent lease of the Land to a Yellow Quill entity, shall require that the Yellow Quill entity enter into an agreement with the City in the form annexed as Schedule "C" hereto.

Notices

26. Any notice given or required to be given under this Agreement shall be in writing and shall be deemed to have been given when mailed by registered mail, postage prepaid, to the other party at the address stated below or at the latest changed address given by the party to be notified as hereinafter specified:

Yellow Quill Holdings Inc.

P. O. Box 36
Nipawin SK S0E 1E0
Attention: Manager

The City of Saskatoon

222 Third Avenue North
Saskatoon SK S7K 0J5
Attention: City Clerk

Either party may, at any time, change its address for the above purpose by mailing, as aforesaid, a notice stating the change and setting forth a new address.

Council Authorizations

27. The Yellow Quill First Nation Council has approved this Agreement. It did so by a Band Council resolution passed at a meeting of the Council held _____, 2017. A certificate of the resolution is attached to this Agreement as Schedule "A".
28. Saskatoon City Council has approved this Agreement. It did so at its meeting held on _____, 2017. A copy of the City Council resolution is attached to this Agreement as Schedule "B".

Non-Performance

29. The failure on the part of either party to exercise or enforce any right conferred upon it under this Agreement shall not be deemed to be a waiver of any such right or operate to bar the exercise or enforcement thereof at any time or times thereafter.

Invalidity of Particular Provision

30. It is intended that all provisions of this Agreement shall be fully binding and effective between the parties, but in the event that any particular provision or provisions or a part of one is found to be void, voidable or unenforceable for any reason whatsoever, then the particular provision or provisions or part of the provision shall be deemed severed from the remainder of this Agreement and all other provisions shall remain in full force.

Reasonable Assurances

31. The parties hereto shall at all times and upon every reasonable request provide all further assurances and do such further things as are necessary for the purpose of giving full effect to the covenants and provisions contained in this Agreement.

Signed by Yellow Quill First Nation this _____ day of _____, 2017.

Yellow Quill First Nation

Witness

Chief

Witness

Councillor

Witness

Councillor

Witness

Councillor

Witness

Councillor

Witness

Councillor

Witness

Councillor

Witness

Councillor

Signed by The City of Saskatoon this _____ day of _____, 2017.

The City of Saskatoon

Mayor

c/s

City Clerk

Schedule "C"

Agreement

The City of Saskatoon ("the City")

- and -

Yellow Quill _____ (the "Yellow Quill entity")

Introduction

1. The land more particularly described as follows:

- (1) Surface Parcel Number: 120287583
Legal Land Description: Lot 28 Blk/Par 162 Plan C195 Ext 14
As described on Certificate of Title 97S16563;
- (2) Surface Parcel Number: 120287594
Legal Land Description: Lot 29 Blk/Par 162 Plan C195 Ext 20
As described on Certificate of Title 97S16563;
- (3) Surface Parcel Number: 120287606
Legal Land Description: Lot 30 Blk/Par 162 Plan No C195 Ext 5
As described on Certificate of Title 97S16563;
- (4) Surface Parcel Number: 120287617
Legal Land Description: Lot 31 Blk/Par 162 Plan No C195 Ext 6
As described on Certificate of Title 97S16563;
and
- (5) Surface Parcel Number: 120287628
Legal Land Description: Lot 32 Blk/Par 162 Plan No C195 Ext 7
As described on Certificate of Title 97S16563.

together with the high rise office tower located thereon (the "Land") has been set apart by the Crown for the use and benefit of the Yellow Quill First Nation ("Yellow Quill") and is reserve land as defined by the *Indian Act*, R.S.C. 1985, c. I-5. The civic address of the Land is 224 Fourth Avenue South, Saskatoon, Saskatchewan.

2. The Yellow Quill entity is wholly-owned and controlled by Yellow Quill.
3. Yellow Quill intends to maintain its interest and control in the Land for the purpose of leasing the Land to a Yellow Quill entity subject to and in accordance with the Yellow Quill First Nation Land Management Law passed pursuant to the *First Nations Land Management Act*, S.C. 1999, c. 24.
4. The Land is situated within the boundaries of the City of Saskatoon in the downtown area. Yellow Quill and the City have entered into a Municipal Services and Compatibility Agreement (the “Agreement”) to provide for City services to the Land and occupants, and to provide for ongoing compatibility and coordination of the occupation, use, development and improvement of the Land.

City Services

5. (1) The Yellow Quill entity acknowledges and agrees that all normal City services are provided to the Land and to the occupants of the Land pursuant to the terms and conditions of the Agreement and in a manner and process that is essentially the same and similar for non-reserve land.
- (2) The Yellow Quill entity acknowledges and agrees that the City has the right, pursuant to the Agreement, to suspend or withdraw any or all of the services which it provides to the Land and/or the occupants of the Land in a manner and process that is essentially the same and similar for non-reserve land.

Land Use

6. The Yellow Quill entity agrees that it will take all steps and do all things as may be necessary, to ensure that, at all times, the occupation, use, development and improvement of the Land is essentially the same as the occupation, use, development and improvement of the Land which would be allowed if the Land were non-reserve land. The Yellow Quill entity agrees to particularly ensure such compatibility in regard to land use, building and fire standards, public health and safety, and business regulation.

Accessibility

- 7. The Yellow Quill entity agrees to allow the employees and agents of the City to have access to the Land, upon reasonable notice, for the purpose of carrying out their duties in accordance with the provisions of the Agreement.

Signed by Yellow Quill _____ this ____ day of _____, 2017.

Yellow Quill _____

c/s

Signed by The City of Saskatoon this _____ day of _____, 2017.

The City of Saskatoon

Mayor

City Clerk

c/s