THIS AGREEMENT dated the ____ day of ________, 2019.

MUNICIPAL CAPITAL FACILITY AGREEMENT

BETWEEN:

THE CORPORATION OF THE TOWN OF CALEDON
(hereinafter referred to as the “Town”)

OF THE FIRST PART

AND

EQUESTRIAN MANAGEMENT GROUP INC.
(hereinafter referred to as “EMG”)

OF THE SECOND PART

AND

TORONTO AND REGION CONSERVATION AUTHORITY
(hereinafter referred to as the “TRCA”)

OF THE THIRD PART

WHEREAS the Town (as authorized manager for and on behalf of the TRCA), EMG (as Tenant), and the TRCA (as Landlord) entered into a lease agreement, dated January 1, 2012 (the “Main Lease”) to demise and lease the Leased Premises as ascribed therein to EMG for the Permitted Uses detailed in Section 6.4 of the same and more generally to provide a physical location for the Caledon Equestrian Park competition venues and facilities constructed on the lands described in Schedule “A” hereto (hereinafter referred to as the “Lands”);

AND WHEREAS the Lands on which the facilities are located are owned by the TRCA;

AND WHEREAS the TRCA is a local board as defined in Section 1 of the Municipal Affairs Act, R.S.O. 1990, c. M.46 (as amended);

AND WHEREAS the Town has requested an Agreement with the EMG for use of the Lands as “municipal capital facilities” as that term is ascribed meaning in Section 1 and Section 2 of Ontario Regulation 603/06 (as amended), and pursuant to Section 110 of the Municipal Act, 2001, S.O. 2001, c. 25 (as amended) (the “Act”);

AND WHEREAS the Town has agreed to exempt the Lands from taxation for municipal and school purposes, pursuant to Section 110 of the Act;
AND WHEREAS the Lands are presently used for recreation and tourist purposes to serve the community, fulfilling the requirements of Subsection 2(1)(16) of Ontario Regulation 603/06 and qualifying the Lands as a class of Municipal Capital Facilities pursuant to Section 110 of the Act;

AND WHEREAS the TRCA consents to this Agreement and the registration of the same on title to the Lands;

NOW THEREFORE in consideration of the sum of Two ($2.00) Dollars of lawful money of Canada now paid by each of the parties to each other, the making of this Agreement, and other good and valuable consideration the receipt and sufficiency of which is hereby acknowledged, the parties hereto hereby undertake, covenant and agree as follows:

RECITALS

1. The foregoing recitals are true and accurate, and the terms defined therein shall bear the meanings indicated throughout this Agreement.

INTERPRETATION

2. Any capitalized terms not defined herein shall have the meaning ascribed to them in the Main Lease.

DESIGNATION

3. The Town shall, by by-law, attached hereto as Schedule “B”, designate the Lands as municipal capital facilities, and exempt the same from taxation for municipal and school purposes.

TERM

4. The term of this Agreement and the designation of the Lands as municipal capital facilities shall be from the date of signing, to the earliest of:

   a. December 31, 2051; or

   b. The day the TRCA ceases to own the Lands; and/or

   c. The day the Town ceases to use the Lands as municipal capital facilities.

TAX EXEMPTION

5. The Town shall, pursuant to Subsection 110(6) of the Act, exempt the Lands from taxation for municipal and school purposes.

ZONING

6. For the purposes of clarity, the Town acknowledges and agrees that neither this Agreement, nor the by-law, shall in any way affect the zoning of the Lands, or the Permitted Uses of the Lands under applicable laws.
REGISTRATION

7. The by-law referred to in Section 3 of this Agreement shall be registered by the Town on title of the Lands; and

8. The TRCA fully consents to this registration on title.

OBLIGATIONS AS COVENANTS

9. Each obligation expressed in this Agreement, even though not expressed as a covenant, is considered to be a covenant for all purposes.

ENTIRE AGREEMENT

10. This Agreement together with: 1) the Main Lease; 2) a lease agreement between EMG Property Inc. (as Landlord), the TRCA (as Tenant), and the Town, dated March 1, 2012, to demise and lease the Premises as defined therein (the “Head Lease”); 3) a lease agreement between the TRCA (as Sublandlord), EMG Property Inc. (as Subtenant), and the Town, dated March 1, 2012, to sublease the whole of the Premises as defined in the Head Lease (the “Sublease”); 4) an agreement of purchase and sale between the TRCA, EMG, and EMG Property Inc., dated February 11, 2013, to convey the whole Property as defined therein (the “Agreement of Purchase and Sale”); and 5) an agreement between the TRCA and the Town dated December 29, 1978 (the “Memorandum of Agreement”) contain all the covenants, agreements and understandings between the parties concerning its subject matter.

PARTIAL INVALIDITY

11. If any provision of this Agreement, or its application to any person or circumstances, is held to any extent invalid or unenforceable, the remainder of this Agreement or its application remains in force and effect, other than those provision(s) held to be invalid or unenforceable.

FURTHER ASSURANCES

12. The parties shall do and execute all such further acts, deeds, instruments or things as may be necessary or desirable for the purpose of carrying out the intent of this Agreement.

13. Nothing herein derogates from existing agreements entered into between both parties.

NOTICES

14. All notices given under the terms of this Agreement may be delivered in person or by courier, email, fax or mail, and, if mailed, shall be deemed to be validly given at 9:00 am of the third day, not being a Saturday or Sunday, following the day upon which the notice was posted by pre-paid registered mail, addressed, if to:
the Town, at:

Address: The Corporation of the Town of Caledon
6311 Old Church Road
Caledon, ON  L7C 1J6

Attention: Heather Haire, Treasurer
Phone: 905-584-2272 ext 4185
Email: heather.haire@caledon.ca

and to EMG, at:

Address: Equestrian Management Group Inc.
200 Pine Avenue
Palgrave, Ontario L7E 0M1

Attention: Craig Collins
Phone: 905-880-5344
Email: craig.collins@equiman.com

and to the TRCA, at:

Address: Toronto and Region Conservation Authority
101 Exchange Avenue
Vaughan, Ontario L4K 5R6

Attention: Mike Fenning, Associate Director
Phone: 416-661-6600 ext 5223
Email: mfenning@trca.ca

GOVERNING LAW

15. This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario.

HEADINGS

16. The headings in this Agreement are for convenience of reference only.

GENDER AND NUMBER

17. This Agreement shall be read with such changes in gender and number as the context may require.
COUNTERPARTS

18. This Agreement may be executed in any number of counterparts and all of these counterparts shall for all purposes constitute one agreement, binding on the parties, notwithstanding that all parties are not signatory to the same counterpart; and this Agreement and/or counterparts hereof, may also be executed either in original, PDF and/or faxed form and the parties adopt any signatures received by a receiving fax machine or PDF as original signatures of the parties.

SCHEDULES

19. The following schedules are attached to this Agreement and form an integral part hereof:

Schedule “A” – Lands to be designated as municipal capital facilities
Schedule “B” – By-law designating Lands

[Remainder of this page left intentionally blank – signature page to follow]
IN WITNESS WHEREOF the parties hereto have duly executed this Agreement.

Dated this _____ day of _________ 2019.

THE CORPORATION OF THE TOWN OF CALEDON

Per: ________________________________
Name: ________________________________
Title: ________________________________

Per: ________________________________
Name: ________________________________
Title: ________________________________

I/We have the authority to bind the Corporation.

EQUESTRIAN MANAGEMENT GROUP INC.

Per: ________________________________
Name: ________________________________
Title: ________________________________

Per: ________________________________
Name: ________________________________
Title: ________________________________

I/We have the authority to bind the Corporation.
TORONTO AND REGION CONSERVATION AUTHORITY

Per: __________________________________________
Name: _______________________________________
Title: _______________________________________

Per: _________________________________________
Name: _______________________________________
Title: _______________________________________

I/We have the authority to bind the Corporation.
## SCHEDULE “A”
LANDS TO BE DESIGNATED AS MUNICIPAL CAPITAL FACILITIES

<table>
<thead>
<tr>
<th>Roll Number</th>
<th>Property Address</th>
<th>Presently bearing PIN</th>
<th>Legal Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>2124.010.009.17210.0000</td>
<td>200 Pine Avenue</td>
<td>14341-0125 (LT)</td>
<td>PT LT 27 CON 7 ALBION AS IN VS207624 EXCEPT PT 1, 43R-5249; CALEDON</td>
</tr>
<tr>
<td>2124.010.009.17210.0000</td>
<td>200 Pine Avenue</td>
<td>14341-0622 (LT)</td>
<td>PT LT 27 CON 7 (ALBION) DES PT 1 PL 43R35669; TOWN OF CALEDON</td>
</tr>
<tr>
<td>2124.010.009.17210.0000</td>
<td>200 Pine Avenue</td>
<td>14341-0134 (LT)</td>
<td>PT LT 27 CON 6 ALBION AS IN RO489235 (THIRDLY); CALEDON</td>
</tr>
<tr>
<td>2124.010.009.17210.0000</td>
<td>200 Pine Avenue</td>
<td>14341-0185 (LT)</td>
<td>PT LT 27 CON 6 ALBION PTS 1 &amp; 2, 43R9406, &amp; PT 5, 43R5747; CALEDON</td>
</tr>
<tr>
<td>2124.010.009.17210.0000</td>
<td>200 Pine Avenue</td>
<td>14341-0420 (LT)</td>
<td>PT LT 27 CON 7 ALBION DES PT 2 PL 43R-23325; CALEDON</td>
</tr>
<tr>
<td>2124.010.009.17210.0000</td>
<td>200 Pine Avenue</td>
<td>14342-0162 (LT)</td>
<td>PT LT 27 CON 6 ALBION PT 1 43R8326; S/T RO574852; T/W RO574854; CALEDON</td>
</tr>
</tbody>
</table>
SCHEDULE “B”
BY-LAW DESIGNATING LANDS

THE CORPORATION OF THE TOWN OF CALEDON

BY-LAW NO. BL-2019-XXX

A by-law to designate certain lands leased from the Toronto and Region Conservation Authority (“TRCA”) facilities provided by Equestrian Management Group Inc. as Municipal Capital Facilities.

WHEREAS Section 110 of the Municipal Act, 2001 allows a municipality to pass a by-law to enter into an agreement for the provision of municipal capital facilities;

AND WHEREAS pursuant to subsection 110(6) and subsection 110(7) of the Municipal Act, 2001, the Council of a municipality may exempt from taxation and development charges for municipal and school purposes, land or a portion of it on which municipal capital facilities are or will be located;

AND WHEREAS pursuant to subsection 2(1) of Ontario Regulation 603/06, the classes of municipal capital facilities that are eligible for the purposes of a tax exemption under subsection 110(6) and subsection 110(7) of the Municipal Act, 2001, include facilities for cultural, recreational or tourist purposes;

AND WHEREAS the lands outlined in Schedule A to this By-law meet the criteria established under section 2 and section 6 of Ontario Regulation 603/06;

AND WHEREAS the Toronto and Region Conservation Authority is a local board as defined in section 1 of the Municipal Affairs Act;

AND WHEREAS, the Council of The Corporation of the Town of Caledon has, by Resolution 2019-XX, declared that the facilities located on the lands outlined in Appendix A are being provided for municipal purposes and are for public use;

NOW THEREFORE the Council of The Corporation of the Town of Caledon ENACTS AS FOLLOWS:

1. In this by-law:
   a. “Town” means The Corporation of the Town of Caledon;
   b. “Council” means the Council of the Town of Caledon; and
   c. “Clerk” means the Town Clerk or designate;
   d. “TRCA” means the Toronto and Region Conservation Authority;
2. Under agreement with the Town, EMG Inc. operates a municipal facility serving a variety of cultural, recreational and tourism purposes on the lands listed in Schedule “A” to this By-law (hereinafter referred to as the “Lands”).

3. The Lands are owned by the TRCA and leased by EMG Inc. The buildings, improvements and infrastructure located on and forming a part of the Lands is owned by the Town and Operated by EMG Inc.

4. The Lands are used for public purposes as municipal capital facilities, as specified under subsection 2(1) of the Ontario Regulation 603/06.

5. The Town hereby designates the Lands as municipal capital facilities.

6. The Lands are hereby exempt from taxation for municipal and school purposes, and from development charges, pursuant to section 110 of the Municipal Act, 2001.

READ THREE TIMES AND FINALLY PASSED IN OPEN COUNCIL

THIS _________ DAY OF ___________________, 2019.