

# **Servicing, Development and Annexation Agreement**

BETWEEN:

**The Resort Village of Coteau Beach**  
(hereinafter called the "RV")

AND:

**Coteau Developments Inc.**  
(hereinafter called "CDI")

**WHEREAS** CDI is the registered owner of the following land which it is in the process of subdividing and developing into a residential cottage subdivision, ("the CDI Subdivision") according to the plan attached as Schedule "A" hereto ("the Plan"):

Surface Parcel #102709627  
R.M. of Coteau No. 255

**AND WHEREAS** CDI has approached the RV seeking to utilize the RV's infrastructure for itself and subsequent lot purchasers in the CDI Subdivision;

**AND WHEREAS** it is the intent and desire of both CDI and the RV to have the RV annex the CDI Subdivision so that it becomes a part of the RV instead of the R.M. of Coteau Beach No. 255;

**NOW THEREFORE**, in consideration of the covenants and promises contained in this Agreement, the parties agree as follows:

## **1.0 CDI Responsibilities**

- 1.1 CDI shall pay a fee (the "Lot Fee") of \$8,450.00 per residential lot developed and sold by CDI and agrees that it will not develop more than 30 residential lots in the CDI subdivision payable as follows:
- (a) The sum of \$67,600.00 upon the signing of this Agreement representing payment for eight lots in phase 1 of the CDI subdivision;
  - (b) The sum of \$8,450.00 for each lot sold by CDI thereafter to be paid within 30 days of the closing date of such sale;
  - (c) After December 31, 2021, the Lot fee shall increase by 10% of the RV's capital improvement expenditure from January 1, 2017 to December 31, 2021 divided by the number of unsold lots of the 30 lots contemplated by Phase 1 and Phase 2 of the CDI Subdivision;
  - (d) After December 31, 2022, the Lot fee shall further increase in each year by 10% of the RV's capital improvement expenditure in the previous year divided by the number of unsold lots of the 30 lots contemplated by Phase 1 and Phase 2 of the CDI Subdivision.
- 1.2 In addition to the Lot fee, CDI shall on or before June 1 of each year after 2017, pay an annual maintenance fee of \$200.00 for each lot sold by it. This fee shall cease to become payable in the year that the CDI Subdivision is annexed into the RV.

- 1.3 CDI agrees to remove the barbed wire fence between the CDI Subdivision and the RV's golf course and clean up that area designated as municipal reserve in the Plan. CDI also agrees at its sole cost to erect a new fence along the golf course municipal reserve if requested to do so by the RV, the type of fence to be mutually agreed between the parties or determined through arbitration.
- 1.4 CDI shall not permit any part of the CDI Subdivision to be used as a campground.
- 1.5 CDI charges its interest in the CDI Subdivision in favour of the RV as security for payment of any amounts due to the RV from CDI under this Agreement.

## **2.0 Annexation**

- 2.1 CDI agrees to use its best efforts to support the annexation of the CDI Subdivision by the RV and the RV agrees to use its best efforts to annex the CDI Subdivision.

## **3.0 The RV's Responsibilities**

- 3.1 The RV will permit the residents of the CDI Subdivision and their guests to use the facilities and infrastructure of the RV including but not limited to the parks, playground, tennis court, fire equipment and protection system(s), boat launch, golf course and Clarke Pavillion on the same terms as to fees, rules, and regulations as would apply to the residents of the RV and their guests.
- 3.2 The RV will give CDI the option to access the RV's summer water system at the cost of CDI if the RV determines in its absolute discretion that such access will not adversely effect the current pressure and flow rates in relation to the provision of summer water to the RV. The RV will use its best efforts in consultation with CDI to determine a proper and cost effective alteration to the RV's current water system in order to provide summer water to the CDI Subdivision and CDI shall have the option to pay the costs of such alterations or decline to access the system. CDI agrees to pay on a per lot basis the same water levy (annual or otherwise) as may be payable hereafter by residents of the RV. No such levy exists as of the date of this Agreement.
- 3.3 The RV will forthwith take such steps as are necessary to apply to annex the CDI Subdivision including but not limited to:
  - (a) Requesting annexation from the R.M. of Coteau and any other required municipal or government authorities;
  - (b) Announcing same at a public meeting of RV residents to be held in May of 2017 and allowing CDI to prepare such written and/or oral submissions as it considers desirable at such meeting;
  - (c) Holding any public meeting of RV residents that may be required by any government authority as a precondition of annexation;
- 3.4 The RV will seek input from CDI in reviewing and updating existing RV bylaws to accommodate the CDI development and its annexation by the RV.

- 3.5 The RV will continue to retain the 100' area of municipal reserve that will exist between the RV's golf course and the CDI Subdivision.
- 3.6 The RV will facilitate at CDI's cost, if any, a golf cart / walking path from the CDI Subdivision into the RV, such path to run along the #1 fairway of the RV's golf course between the tree row and the highway adjacent thereto.
- 3.7 The RV will facilitate and allow development of a storage lot in the CDI Subdivision as provided in the Plans, including fencing and structures.
- 3.8 The RV will allow the phase 2 lands in the CDI Subdivision to be developed into 14 lots in addition to the phase 1 lots as shown on the Plan.
- 3.9 The RV will allow the lands designated as agriculture in the CDI Subdivision to be used for such agriculture programs as the RV and CDI agree or as may be determined by arbitration however no such programs shall include the keeping of animals without the written consent of the RV.
- 3.10 The RV will strike an advisory committee to meet on a regular basis (or as required) for the purpose of creating a forum whereby the RV and CDI can discuss and resolve any common issues with a view to improving all aspects of the RV and CDI subdivision communities.

#### 4.0 Arbitration Provisions

- 4.1 In the case of a dispute between the Parties hereto concerning any aspect of this Agreement either Party shall be entitled to give the other notice of such dispute and demand arbitration thereof. Within fourteen (14) days after such notice and demand have been given, each Party shall appoint an Arbitrator who shall jointly select a third. The Parties agree that the decision of any two of the Arbitrators shall be final and binding upon the Parties. The Arbitration Act of the Province of Saskatchewan shall apply to any arbitration hereunder, and the costs of arbitration shall be apportioned equally between the parties.
- 4.2 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, or an Arbitrator to represent the Party who fails to appoint an Arbitrator, may be appointed by a Judge of the Court of Queen's Bench at the Judicial Centre of North Battleford upon application by either Party.

#### 5.0 General Provisions

- 5.1 Any notice to the other party shall be sufficiently served if sent by prepaid registered mail to the parties as follows:

The RV: c/o Cuelenore & Co.  
500-128 11th Ave South  
Saskatoon, SK. S7K 1M8  
Attention: Grant Richards

The CDI: Box 244  
Dunsmore, St  
SOL-OTO  
Attention: Bradley Blackwell

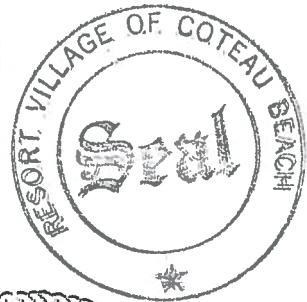
- 5.2 This agreement shall run with the Land and shall be binding upon the parties and their respective heirs, executors, administrators, successors and assigns.
- 5.3 The RV may, at the cost of CDI and upon the Plan being approved by the Director, register an interest based on this agreement against the title to the Land in the Land Titles Registry, as permitted by section 175 of *The Planning and Development Act, 2007*.
- 5.4 This agreement may be altered or added to with the written consent of the parties or their heirs, executors, administrators, successors and assigns and any such alterations or additions shall be executed with the same formality as this agreement.
- 5.5 The Developer may not assign or transfer this agreement without the prior written consent of the RV.
- 5.6 If any provision of this agreement is found to be invalid, it is the intention of the parties that the remainder of the agreement shall remain in full force.
- 5.7 Each party shall be responsible for paying their respective costs or fees for legal and engineering services required to bring effect to this Agreement.
- 5.8 Time shall be of the essence herein.

DATED this 9<sup>th</sup> day of May, 2017.

**The Resort Village of Coteau Beach**

Per: [Signature] (DEPUTY MAYOR)

Per: [Signature] (COUNCILLOR)



**Coteau Development Inc.**

Per: [Signature] TERRY BLUMER PRES

Per: [Signature] Brad Blackwell treasurer

