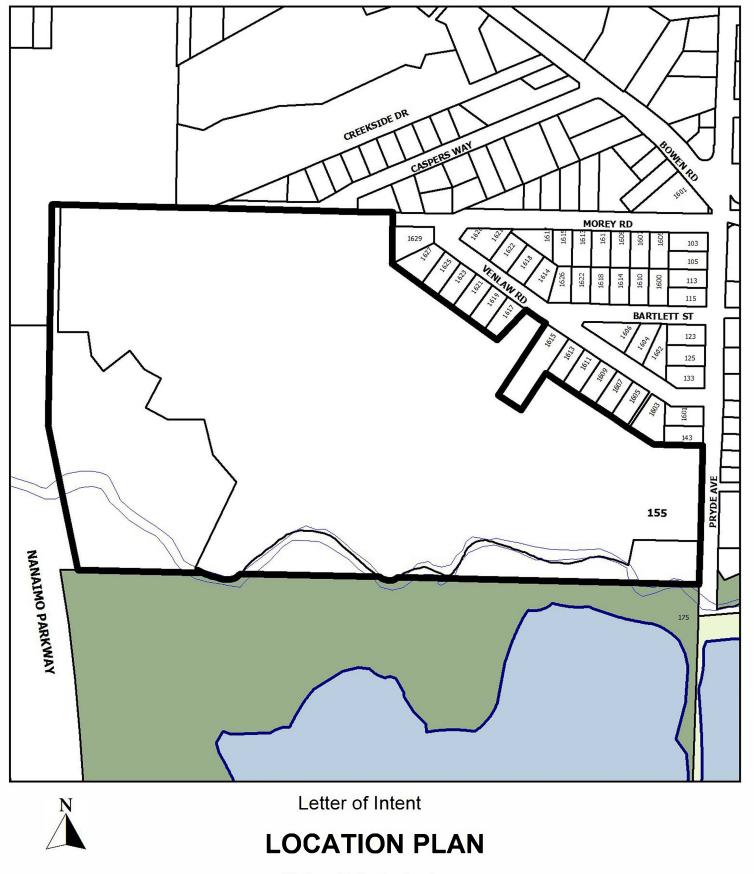
ATTACHMENT A LOCATION PLAN



Civic: 155 Pryde Ave

Subject Property

ATTACHMENT B AERIAL PHOTO







ATTACHMENT C LETTER OF INTENT



2018-FEB-2

LD002875

LETTER OF INTENT - NON-BINDING

BETWEEEN:

THE CITY OF NANAIMO

455 Wallace Street Nanaimo, B.C. V9R 5J6

(Hereinafter referred to as the "City")

AND:

ACORN INVESTMENTS LTD

155 Pryde Avenue Nanaimo, BC V9S 4P8

(Hereinafter referred to as the "Owner")

155 Pryde Avenue (the "**Property**") is a 53.57-acre golf course in Central Nanaimo located within the Agricultural Land Reserve (the "**ALR**"). The Property is comprised of two separate parcels, legally described as:

PID 002-917-840

Lot 1, Sections 12 and 13, Range 8, Mountain District, Plan 25503

(the "Northerly Property); and

PID: 008-977-381

Section 13, Range 8, Mountain District, Except the Westerly 12.042 Chains Thereof and Except those Parts in Plans 9942,10618,12682,25503,and VIP60823

(the "Southerly Property")

The City has an interest in working with the Owner to establish new infrastructure and rehabilitate existing City infrastructure on the Property.

The Owner is interested in rectifying historical property issues and is willing to have the City project manage this process.

This Letter of Intent establishes the basic terms under which the City and the Owner are prepared to enter into an agreement to mutually support the projects.

A plan showing the Property location and proposed projects is shown on Attachment A.

PROJECTS:

1. Trailway Connection Creekside Drive to Morey Road

The City is seeking from the Owner road dedication over a portion of the Property as shown in Attachment A (the "**Trail Area**"). The Trail Area will be used to build a trailway connection from Creekside Drive to Morey Road. The trail connection is part of a larger pedestrian/cycling network being established parallel to Bowen Road. Agricultural Land Commission ("**ALC**") approval is required for the road dedication and trail construction.

Commitment from the City:

- a) City Staff will prepare a resolution for consideration by the City of Nanaimo Council to be provided to the ALC to support the application.
- b) If Council provides the resolution the City will apply to the ALC for the approval of the trailway.
- c) After ALC approval is granted, the City will prepare a survey plan and agreement between the parties (the "**Dedication Agreement**") to dedicate the Trail Area as 'road'.
- d) If requested by the Owner, the City will install fencing adjacent to the trailway to protect the public from wayward golf balls.
- e) The City will be responsible for the legal fees reasonably incurred by the owner in signing the road dedication plan.

Commitment from the Owner:

- a) The Owner will dedicate the Trail Area as road for \$1.00.
- b) The Owner will permit the City, its employees, contractors, and agents reasonable access to the Property to complete the work necessary for the preparation of the road dedication plan and construction of the trail connection.

2. Southerly Property Boundary Adjustment

The Owner seeks to amend the existing southerly boundary of the Property to run parallel to the north side of the Millstone River. The Southerly Property, which is located to the south of the Millstone River, will be consolidated with 175 Pryde Ave ("**West Buttertubs Marsh**"), which is owned by the City and Ducks Unlimited Canada. The new property boundary will provide a clear distinction between the Property and Buttertubs Marsh.

The transfer of the Southerly Property to the City and Ducks Unlimited Canada is conditional upon Project 3 (Venlaw Property Subdivision and Exclusion Application) being successful.

Commitments from City:

- a) City staff will seek City of Nanaimo Council approval to proceed with the transfer of the Southerly Property in accordance with the terms of a purchase and sale agreement (the "Southerly Property Purchase and Sale Agreement"). The City's legal counsel will prepare Southerly Property Purchase and Sale Agreement based on the terms and conditions contained in this Letter of Intent.
- b) City staff will make an application to the City's subdivision section for the consolidation of the Southerly Property and Buttertubs Marsh and any costs related to the application will be at the City's cost.
- c) The City shall obtain all such approvals, development, environmental or otherwise, as required for the consolidation of the Southerly Property and Buttertubs Marsh at the City's cost.
- d) The Southerly Property currently has a Bylaw Contravention Notice on title due to a non-conforming mobile home. Once the City is satisfied that the Owner has, at its expense, removed the non-conforming mobile home from the Southerly Property, the City will file a cancellation notice in the Land Title Office requesting that the Bylaw Contravention Notice on title to the Southerly Property be cancelled.
- e) The City will arrange to have the legal and survey work related to transfer of the Southerly Property and consolidation of the Southerly Property and Buttertubs Marsh prepared at the City's Cost.
- f) The City will be responsible for the legal fees and expenses of its own legal advisor.
- g) The City will be responsible for the legal fees reasonably incurred by the Owner in the transfer of the Southerly Property.

Commitments from Owner:

- a) The Owner will transfer the Southerly Property to the City of Nanaimo and Ducks Unlimited Canada for \$1.00, subject to the successful completion of Project 3 (Venlaw Property Subdivision and Exclusion Application).
- b) The Owner will fully disclose all existing leases and licences, environmental and geotechnical reports, site assessments, audits, studies, investigations, permits, approvals, licences and records in possession or control with respect to the Property relating to contaminants, environmental laws and geotechnical soil conditions.
- c) The Owner will permit the City, its employees, contractors, and agents reasonable access to the Property to complete the work necessary for the consolidation of the Southerly Property and Buttertubs Marsh.

3. Venlaw Property Subdivision and Exclusion Application

A small portion of the Property located on the east side of the Property lies between two single-family residential lots fronting onto Venlaw Road (the "Venlaw Property"). This small portion of the ALR land represents an area of approximately 787 m². The City's Official Community Plan designates the Venlaw Property as residential. The Owner wishes to exclude the Venlaw Property from the ALR to create a new single-family lot. A subdivision and exclusion application to the ALC (the "Subdivision and Exclusion Application) will need to be applied for. If the Venlaw Property is subdivided and receives exclusion it will need to be rezoned from AR1 to R1 to allow for a single-family home to be built on the lot.

The City has agreed to project manage the Subdivision and Exclusion Application in exchange for the Southerly Lands.

Commitments from City:

- a) City staff will prepare a resolution for consideration by the City of Nanaimo Council to be provided to the ALC to support the application.
- b) If Council provides the resolution, the City intends to submit an application to the ALC for permission to grant a Subdivision and Exclusion Application to create a single-family lot on the Venlaw Property.
- c) If the Venlaw Property is subdivided and receives exclusion from the ALR, it will require rezoning from AR1 to R1 to allow a single-family home to be built. The City will make an application to the City's planning section for the rezoning and any costs related to the application will be at the City's cost.
- d) The City will pay for the future building permit cost based on a 2,500 sq. ft. house.
- e) The City will be responsible for the costs of providing a water, sanitary sewer and storm sewer connections only to the property line of the Venlaw Property that fronts Venlaw Road. The City will also be responsible for any Development Cost Charges incurred by creating the Venlaw Property as a separate titled parcel.
- f) The privately owned waterline that is currently located within the new proposed lot on Venlaw will be relocated to the side yard setback area of the new lot. The City will cover the costs to relocate the waterline within the new proposed lot. The City will install a water connection on Pryde Avenue to connect the clubhouse and golf's course irrigation line to City water, at the City's cost. The privately owned waterline running behind the Venlaw properties will shut off and capped by the City at the City's cost.
- g) The City will arrange to have the legal and survey work necessary to create the Venlaw Property as a separate titled parcel prepared at the City's cost.
- h) The City will be responsible for the legal fees and expenses of its own legal advisor.

Commitments from Owner:

a) The Owner will permit the City, its employees, contractors and agents reasonable access to the Property to complete the work necessary for the Subdivision and Exclusion Application.

4. Sanitary Sewer Upgrade

The City's Millstone Trunk Sanitary Sewer Main (the "Sanitary Sewer") parallels the Millstone River through the Property. The Sanitary Sewer is recognized through a right of way agreement between the City and the Owner.

The City has identified the need to upgrade the Sanitary Sewer in the near future. City Engineering Staff are in the preliminary stages of the project and will work with the Owner as the project advances.

Commitments from City:

- a) The City will undertake all surveying, engineering investigations, environmental studies, engineering design, and other duties associated with the design of the sanitary sewer.
- b) The City will share information, and work with the Owner to identify a preferred design, routing and construction schedule for the project.
- c) The City intends to submit an application to the ALC for permission to upgrade the sanitary sewer.
- d) The City shall obtain all such approvals, environmental or otherwise, as required for the construction of the sanitary line.
- e) Once a preferred routing has been prepared, the City will work with the Owner to create a separate agreement for the Sanitary Sewer project (the "Sanitary Sewer Agreement").

Commitments from Owner:

a) The Owner will permit the City, its employees, agents and contractors access to the Property with machinery, vehicles, equipment and materials at all reasonable times as may reasonably be required for the purpose of installing, constructing, maintaining, inspecting, altering, removing, replacing or repairing the sanitary sewer line.

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Letter of Intent Only

The City and Owner agree that this letter is not legally binding on either the City or Owner. This letter is not intended to be relied upon by the parties as constituting a binding agreement for any of the projects described in this letter.

No legal obligations shall arise between the City and Owner as a result of this letter until negotiations have been concluded and the parties have executed and delivered:

- i. in the case of Project 1, the Dedication Agreement;
- ii. in the case of Projects 2 and 3, the Southerly Property Purchase and Sale Agreement; and

Please confirm your agreement to the intentions set out herein by signing and returning the

iii. in the case of Project 4, the Sanitary Sewer Agreement.

enclosed copy of this letter.	
Dated at Nanaimo, B.C., this day of	2018.
City of Nanaimo by its authorized signatory	Acorn Investments Inc. by its authorized signatory Thelma Shaagaard



ATTACHMENT D - PROPOSED PROJECTS Trailway connection from Creekside to Morey Venlaw Property 155 Pryde Avenue Sanitary Sewer Upgrade Southerly Property 175 Pryde Avenue