



CITY OF KANATA

150 KATIMAVIK ROAD, KANATA, ONTARIO K2L 2N3

TELEPHONE (513) 592-4281

September 13, 1988

Burke-Robertson,
Chadwick & Ritchie
70 Gloucester Street
Ottawa, Ontario
K2P 0A2

Attention: Mr. D. Silverson

Re: Campeau/City
Negotiations
Kanata Lakes
File: P.D.E. 0207

In response to the proposal by Gowling & Henderson on behalf of Campeau Corporation by letter dated September 1, 1988, Kanata Planning & Engineering offer the following comments:

1. If Campeau is able to sell the undeveloped lands in Marchwood to a new owner, the City is agreeable in principle to releasing Campeau of many of its obligations on the undeveloped land provided they are transferred to the new owner. The City does not agree to release Campeau security for Plans 1, 2, 7 and 9 until all works are complete nor for the Golf Course until the security is replaced and a new Golf Course Agreement is signed with the purchaser.
2. The City agrees to release Campeau Corporation from the February 7, 1963 Agreement currently registered on title.
3. The City agrees to release Campeau of the June 10, 1985 Golf Course Agreement provided the 3-party agreement proposed in Part 3(c) of the Gowling & Henderson letter is executed to transfer responsibility to the purchaser.
4. With respect to the 40% Lands Agreement:
 - a) The City agrees to amend Schedule A description to delete Town Centre and Kanata North Business Park lands but to retain Plans 1, 2, 7 and 9 within the description.

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- b) Waiving the right of first refusal under Section 5(3) is not applicable. Section 5(2) provides that Campeau may only sell the golf course if the purchaser enters into a similar agreement with the City providing for the continued operation of the golf course upon the same terms and conditions as are in the 40% lands Agreement. The City expects the new owner to sign such an agreement.
- c) The City agrees with Paragraph 3(c) of the Gowling & Henderson letter regarding a tripartite agreement with a transfer of obligations under the 40% lands agreement and Golf Course agreement. The City will, however, retain securities until the 18-hole golf course is completed to its satisfaction.
- d) The City will require that Weslock Way be built to the limit of Plan 4M-653 as it is part of the storm water management system over the 1:100 year storm in the Subdivision Agreement. The storm water pond must be excavated and soft landscaped at least to the northerly extension of the west limit of the lands retained by Campeau in 4M-653 and completely landscaped on the south side of the pond in 4M-653. The City will require Campeau to complete that portion of the storm water pond and will release Campeau's security only on satisfactory completion of that part of the pond.

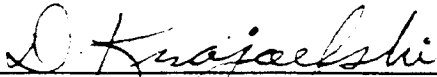
The City will not look to Campeau to excavate nor landscape the pond west of the north extension of 4M-653.

- 5. The City agrees to committing the purchaser to the Concept Plan through an agreement recognizing that minor amendments may be necessary upon completion of the Parks & Recreation Master Plan. In addition, Kanata Parks & Recreation have a commitment by Campeau to building a community building with parking, and services which it wishes to pass on to the purchaser. Security in the amount of \$200,000.00 is required to ensure its completion.
- 6. The City is agreeable to allowing Campeau to retain the southern half of the Campeau Drive road allowance provided the City is granted from Campeau a separate

construction easement to enable Campeau as the City's agent, to complete construction of the trunk sanitary sewer.

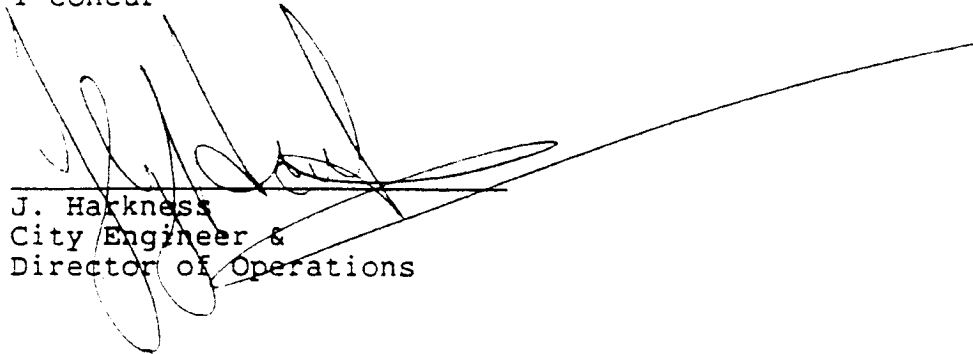
7. The City is agreeable to allow Hole No. 7 to be used until July 15, 1989 through exchange of letters.

Respectfully submitted.



D. Krajaefski
Director of Planning

I concur



J. Harkness
City Engineer &
Director of Operations