

**Criteria and Business Framework**

<b>Location:</b>	Balfour House/Chedoke Estate (“Balfour Estate”)
<b>Parties:</b>	City of Hamilton (the “City”); and, The Cardus Institute (“Cardus”).
<b>Objective:</b>	Is towards the adaptive reuse, conservation and operating of Balfour Estate, subject to requisite specific Municipal and other Governmental processes that will need to occur. The Parties agree to collectively, in good faith, work together to establish a mutually agreeable time-line to completing this intended purpose.
<b>Transactional Scope and Value Considerations:</b>	Occupancy Agreement(s) to be negotiated to be as fair, reasonable and of fair market value consideration. Subject to final approval by the appropriate City authorities and OHT (as may be applicable).
<b>Pre-Determinants</b>	<ul style="list-style-type: none"> <li>• Following receipt of support from Ontario Heritage Trust (“OHT”), as outlined in a letter dated December 16, 2019, by the Parties entering into an MOU, is intended as an expression of intent to enable the continued engagement by the Parties with OHT towards obtaining OHT approval for the contemplated adaptive re-use of the Balfour Estate and for the Parties to negotiate the salient terms of an Occupancy Agreement, providing leasehold interest to Cardus that may be entered into between the Parties;</li> <li>• MOU does not create a binding legal relationship between the Parties; and,</li> <li>• Cardus to agree that it will provide the City and OHT an acceptable comprehensive adaptive reuse, conservation and operating plan outlining its management and sustainability for the Balfour Estate which will also clearly outline and present Cardus’s long-term financial sustainability, capital investment, conservation and on-going public access plans for the Balfour Estate.</li> </ul>
<b>Objective Framework:</b>	<ul style="list-style-type: none"> <li>• That the City and OHT will not be responsible for any Capital costs;</li> <li>• That the contemplated Occupancy Agreement(s) will generate net positive revenues to the City, inclusive of any City costs associated with</li> </ul>

	<p>administering the contemplated Occupancy Agreement to be entered into by the Parties;</p> <ul style="list-style-type: none"> <li>• That any contemplated adaptive reuse will not require any amendments to the City's applicable Zoning By-law or Official Plan;</li> <li>• That all applicable municipal planning and building approvals will be met, including a review and approval of any traffic and parking impacts with respect to the contemplated adaptive reuse; and,</li> <li>• That in entering into the contemplated Occupancy Agreement, Cardus will agree to provide frequent opportunities for on-going free public access to tour the Balfour Estate and to be detailed in such Occupancy Agreement.</li> </ul>
<b>Additional Terms:</b>	<ul style="list-style-type: none"> <li>• The City will grant a right of entry, while accompanied by City staff ("Permission to Enter"), at times and days to be prearranged between the Parties acting reasonably, to the Balfour Estate to Cardus, for itself, its successors and assigns, its servants, agents, employees, contractors and subcontractors, engineers and surveyors (known collectively as the "Authorized Users") for the purposes of conducting site visits of the Balfour Estate, all to be completed at Cardus sole cost and expense;</li> <li>• Cardus shall repair any damage that may have been caused through any site visits to the Balfour Estate and restore the affected areas; and,</li> <li>• Cardus will covenant and agree to indemnify and hold harmless the City and OHT from and against any and all liabilities and claims.</li> </ul>
<b>Termination:</b>	<ul style="list-style-type: none"> <li>• The MOU may be cancelled, by either Party having given sixty (60) days written notice to the other; or,</li> <li>• The Parties, by mutual consent, may discontinue their participation in the activities arising from this MOU.</li> </ul> <p>In either case, the City shall then have, without further obligation to Cardus, the unfettered ability to seek, receive and engage with other interested interests on other adaptive reuse proposals for Balfour Estate.</p>