



CITY OF MOOSE JAW

PARKS & RECREATION DEPARTMENT

228 Main Street North, Moose Jaw, SK Canada S6H 3J8

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October 28, 2019

Hillcrest Golf Club
Attn: Jasmine Cameron
General Manager
Hillcrestgolf@shaw.ca

Dear Ms. Cameron:

Re: LETTER OF CONSENT TO ENTER LOAN AGREEMENT

This letter is to acknowledge receipt of your email dated October 8, 2019 wherein you requested a letter of consent on behalf of the City of Moose Jaw for the purpose of entering a loan agreement with RBC to finance a renovation/expansion project.

The request was made pursuant to a lease agreement between Hillcrest Sports Centre Inc. and the City of Moose Jaw dated December 20, 2018. Section 3.2 of the agreement states:

"Hillcrest covenants and agrees, during the Term of this Agreement, to not enter any debt obligation exceeding \$75,000 (individually or collectively), without the express written consent of the City."

You advised that Hillcrest Sports Centre Inc. wishes to enter into a financial loan agreement with RBC in the amount of 90% of the total cost of a renovation project valued at \$400,000.00. You stated that the City of Moose Jaw will not be held liable in any way for the repayment of the loan and will not be named in the contract with Hillcrest and RBC.

It is further noted that Section 1.5 of the Agreement states that Hillcrest shall not enter into any contractual obligations involving the operation and maintenance of the Property for any period exceeding the unexpired Term of [the] Agreement. Accordingly, the loan agreement must be payable in full before the end of the original Term of the Agreement.

Subject to the aforementioned conditions, and any other obligation to submit details to the City with respect to the renovation/expansion project, you may consider this your written authorization to enter a financial loan agreement with RBC in the amount indicated above.

Regards,

Derek Blais
Director of Parks and Recreation

cc: Jim Puffalt, City Manager
Myron Gulka-Tiechko, City Solicitor