

**EXCHANGE OF NOTES BETWEEN THE GOVERNMENT OF CANADA  
AND THE GOVERNMENT OF THE UNITED STATES OF AMERICA  
CONSTITUTING AN AGREEMENT AMENDING THE AGREEMENT  
CONCERNING THE COMMERCIAL DEVELOPMENT OF AN AREA  
OF THE UNITED STATES NAVAL FACILITY, ARGENTIA,  
NEWFOUNDLAND**

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*The Ambassador of the United States of America to the Minister  
of Justice of Canada*

Ottawa, May 22, 1985

NOTE NO. 159

I have the honor to refer to recent discussions between officials of our two governments concerning commercial development of an area of the United States Naval Facility, Argentia, Newfoundland (the "Facility"). The Facility is leased by the United States Government under the Leased Naval and Air Bases Agreement of March 27, 1941,<sup>(1)</sup> as amended. By an exchange of Notes on June 6, 1978,<sup>(2)</sup> the United States subleased to the Government of Canada portions of the Northside Properties for commercial and other purposes. In recent discussions Canadian officials have taken the position that the terms and conditions of the sublease have hindered, in some respects, the economic development of the subleased property.

The United States takes this opportunity to reaffirm its right and ability to reactivate the Northside Airfield and essential adjacent facilities for United States military operations. In the event of airfield reactivation, any increase in United States military population could be absorbed on the Southside where all United States activity is now consolidated. The United States agrees to relinquish its right to immediate reentry of the "Management Area" described in Annex A and partially depicted in Annex C. United States reentry to the Management Area would be based solely on agreement between the Government of the United States and the Government of Canada. The United States in addition agrees to sublease to Canada the "Airfield Area" as described in Annex A and depicted in Annex C, but retains its right of unilateral and immediate reentry to that Airfield area. Furthermore, in connection with any decisions with regard to reentry by the United States into any part of the subleased areas (as described in Annex A), it is understood that the Government

(1) Treaty Series 1952 No. 14

(2) Treaty Series 1978 No. 14