City of Kelowna Regular Council Meeting AGENDA



Monday, August 28, 2017 1:30 pm Council Chamber City Hall, 1435 Water Street

/	- 7 155	,	Pages
1.	Call to	Order	
	record	neeting is open to the public and all representations to Council form part of the public A live audio and video feed is being broadcast and recorded by CastaNet and a d broadcast is shown on Shaw Cable.	
2.	Confir	mation of Minutes	7 - 11
	PM Me	eeting - August 14, 2017	
3.	Develo	opment Application Reports & Related Bylaws	
	3.1	4829 Parkridge Dr, Z17-0044 - Jennifer Hanenburg	12 - 41
		Mayor to invite the Applicant, or Applicant's Representative, to come forward	
		To consider a Staff recommendation to \underline{NOT} rezone the subject property to facilitate the future construction of a carriage house.	
	3.2	840 Mayfair Rd, Z17-0033 - Benjamin Page-et	42 - 54
		To rezone the subject property from RU1 – Large Lot Housing to RU1c – Large Lot Housing with Carriage House to facilitate the future construction of a carriage house.	
	3-3	840 Mayfair Rd, BL11452 (Z17-0033) - Benjamin Page-et	55 - 55
		To give Bylaw No. 11452 first reading in order to rezone the subject property from RU1 - Large Lot Housing zone to the RU1c - Large Lot Housing with Carriage House zone.	
	3.4	4653 Raymer Rd, Z15-0013 - Ronald Egert	56 - 82
		To rezone the subject property to facilitate the development of five single detached dwellings on the subject property.	

3.5	4653 Raymer Rd, BL11458 (Z15-0013) - Ronald Egert	83 - 83
	To give Bylaw No. 11458 first reading in order to rezone the subject property from RU1 - Large Lot Housing zone to the RU4 - Low Density Cluster Housing zone.	
3.6	3511 Landie Rd, Z17-0043 - David Dombowsky	84 - 91
	To rezone the subject property from RU1 $-$ Large Lot Housing to RU1c $-$ Large Lot Housing with carriage House to facilitate the future development of a carriage house.	
3.7	3511 Landie Rd, BL11459 (Z17-0043) - David Dombowsky	92 - 92
	To give Bylaw No. 11459 first reading in order to rezone the subject property from RU1 - Large Lot Housing zone to the RU1c - Large Lot Housing with Carriage House zone.	
3.8	130 McCurdy Rd, OCP17-0007 and Z17-0021 - Father Delestre Columbus (2009) Society Inc	93 - 111
	To consider an OCP amendment application from EDINST – Educational / Major Institutional to MXR – Mixed Use (Residential/Commercial) and to consider a rezoning application on the subject property from the A_1 – Agriculture 1 zone to the C_3 – Community Commercial zone to facilitate the development of a supportive housing project on the subject property.	
3.9	130 McCurdy Rd, BL11460 (OCP17-0007) - Father Delestre Columbus (2009) Society Inc	112 - 112
	Requires a majority of all members of Council. (5) To give Bylaw No. 11460 first reading in order to change the Future Land Use designation from EDINST - Educational/Major Institutional to MXR - Mixed Use (Residential/Commercial).	
3.10	130 McCurdy Rd, BL11461 (Z17-0021) - Father Delestre Columbus (2009) Society Inc	113 - 113
	To give Bylaw No. 11461 first reading in order to rezone the subject property from A1 - Agriculture 1 zone to the C3 - Community Commercial zone.	
3.11	Land Use Contract Termination LUCT17-0001	114 - 135
	To consider an application to rezone the subject properties as identified in 'Schedule B: Table 1, 2, 3, 4, 5, and 6', and proceed with the termination of Land Use Contract LUC77-1002 to revert the properties within the South Okanagan Mission Sector to the new underlying RU1 – Large Lot Housing, RR3 – Rural Residential 3, P2 – Educational and Minor Institutional, and P3 – Parks & Open Space zones.	
3.12	LUCT17-0001 (BL11455) - Early Termination of Land Use Contract LUC77-1002	136 - 142
	To give Bylaw No. 11455 first reading in order to early terminate Land Use Contract LUC77-1002 on 167 properties in the Curlew Area.	

3.13	Curlew Area, Z17-0062 (BL11456) - Various Owners	143 - 152
	To give Bylaw No. 11456 first reading in order to rezone the subject properties to various zones as per Schedules A-F.	
3.14	4610 Darin Place, Z17-0054 (BL11463) - Randall Schmidt and Josephine Pirolli	153 - 170
	To rezone the subject property from RU1 – Large Lot Housing to RU1c – large Lot Housing with Carriage House to facilitate the conversion of an existing accessory building to a carriage house.	
3.15	4610 Darin Place, BL11463 (Z17-0054) - Randall Schmidt and Josephine Pirolli	171 - 171
	To give Bylaw No. 11463 first reading in order to rezone the subject property from RU1 - Large Lot Housing zone to the RU1c - Large Lot Housing with Carriage House zone.	
3.16	4609 Lakeshore Road - OCP16-0023 & Z16-0068 - Novation Design Studio	172 - 200
	To amend the Official Community Plan to change the future land use designation on the subject property from S2RES – Single / Two Unit Residential to MRL – Multiple Unit Residential (Low Density), and to rezone the subject property from RU1 – Large Lot Housing to RM2 – Low Density Row Housing and P3 – Parks & Open Space to facilitate the development of low density row housing.	
3.17	4609 Lakeshore Road - BL11468 (OCP16-0023) - Novation Design Studio	201 - 201
	Requires a majority of all members of Council. (5)	
	To give Bylaw No. 11468 first reading in order to change the Future Land Use designations of portions of the subject properties as per Map A.	
3.18	4609 Lakeshore Road - BL11469 (Z16-0068) - Novation Design Studio	202 - 202
	To give Bylaw No. 11469 first reading in order to rezone portions of the subject properties as per Map "B".	
3.19	3050 Sexsmith Road - Z17-0060 - CK16 Property Group Ltd. BC1098771	203 - 223
	To consider a rezoning application on the subject property from the A1 – Agriculture Zone to the I6 – Low Impact Transitional Industrial Zone.	
3.20	3050 Sexsmith Road, BL11465 (Z17-0060) - CK16 Property Group Ltd. BC1098771	224 - 224
	To give Bylaw No. 11465 first reading in order to rezone the subject property from the A1 - Agriculture zone to the I6 - Low Impact Transitional Industrial zone.	

3.21	521 Curlew Drive, Land Use Contract Discharge (LUC 77-1002) and Rezoning Application (Z17-0049) - Derek L & Tammy L Cartier	225 - 235
	To consider a Land Use Contract discharge and rezoning of the subject property from RR1 – Rural Residential 1 to RU1c – Large Lot Housing with Carriage House.	
3.22	521 Curlew Drive, BL11466 (LUC 77-1002) - Derek L & Tammy L Cartier	236 - 236
	To give Bylaw No. 11466 first reading in order to discharge the subject property from the LUC17-0001 to the RR1 - Rural Residential 1 zone.	
3.23	521 Curlew Drive, BL11467 (Z17-0049) - Derek L & Tammy L Cartier	237 - 237
	To give Bylaw No. 11467 first reading in order to rezone the subject property RR1 - Rural Residential1 zone to the RU1c - Large Lot Housing with Carriage House zone.	
3.24	2755 McCurdy Road, OCP16-0004 & Z16-0030 - Prodev GP Ltd. and 1378310 Alberta Ltd.	238 - 301
	To amend the Official Community Plan to change the future land use designation of and to rezone portions of the subject property to facilitate a 153 unit multiple unit residential hillside development.	
3.25	2755 McCurdy Road, BL10875 (OCP11-0011) - Prodev GP Ltd and 1378310 Alberta Ltd.	302 - 303
	Requires a majority of all members of Council (5). To rescind first, second and third readings given to Bylaw No. 10875 and to direct staff to close the file.	
3.26	BL10876 (TA11-0010) - Amendment to City of Kelowna Zoning Bylaw No. 8000, RHM4 - Hillside Cluster Multiple Housing	304 - 309
	To rescind second and third readings given to Bylaw No. 10876.	
3.27	2755 McCurdy Road, BL10877 (Z11-0069) - Prodev GP Ltd and 1378310 Alberta Ltd.	310 - 311
	To rescind first, second and third readings given to Bylaw No. 10877 and to direct staff to close the file.	
3.28	2755 McCurdy Road, BL10886, Housing Agreement - Prodev GP Ltd and 1378310 Alberta Ltd.	312 - 321
	To rescind first, second and third readings given to Bylaw No. 10886 and to direct staff to close the file.	
3.29	2755 McCurdy Road, BL11472 (OCP16-0004) - Prodev GP Ltd. and 1378310 Alberta Ltd.	322 - 323
	Requires a majority of all members of Council (5). To give Bylaw No. 11472 first reading in order to change the Future Land Use designation of portions of the subject property as per Map "A".	

	3.30	2755 McCurdy Road, BL11473 (Z16-0030) - Prodev GP Ltd and 1378310 Alberta Ltd.	324 - 325			
		To give Bylaw No. 11473 first reading in order to rezone the subject property as per Map "B".				
4.	Bylaw	Bylaws for Adoption (Development Related)				
	4.1	1420 Inkar Rd, Z17-0008 (BL11420) - Bruno and Christine Cloutier	326 - 326			
		To adopt Bylaw No. 11420 in order to rezone the subject property from RU1 - Large Lot Housing zone to RU6 - Two Dwelling Housing zone.				
	4.2	TA16-0002 (BL11440) - General Housekeeping Amendments to Zoning Bylaw No. 8000	327 - 330			
		To adopt Bylaw No. 11440 in order to amend the City of Kelowna Bylaw No. 8000 with housekeeping amendments				
5.	Non-[Development Reports & Related Bylaws				
	5.1	New Vehicle Rental Concession Licences at Kelowna International Airport and Resulting Amendments to the Airport Fees Bylaw No. 7982	331 - 523			
		To amend the Airport Fees Bylaw and to award vehicle rental concession licences at Kelowna International Airport.				
	5.2	BL11454 - Amendment No. 31 to Airport Fees Bylaw No 7982	524 - 524			
		To give Bylaw No. 11454 first, second and third readings in order to amend the Airport Fees Bylaw No. 7982.				
	5.3	Community for All, City Parks and Buildings Assessments	525 - 560			
		To present a comprehensive report outlining the Community for All, City Parks and Buildings Assessments program.				
	5.4	Library Parkade Commercial Lease – Pizza Studio	561 - 612			
		That Council approve the lease agreement between the City of Kelowna and Gem Hospitality Group Inc. to be assigned to PS Restaurants Inc. (dba Pizza Studio) for the lease of +/- 1,485 sq. ft. in the recently completed retail space located in the Library Parkade expansion.				
	5.5	BikeBC Grant Matching Funds	613 - 614			
		The Bike BC grant for the Okanagan Rail Trail project requires matching City of Kelowna funding. Staff are recommending these funds come from the Community Work Funds Reserve and the Arterial Roads Reserve.				
6.	Mayo	r and Councillor Items				

7. Termination



City of Kelowna Regular Council Meeting Minutes

Date:

Monday, August 14, 2017

Location:

Council Chamber City Hall, 1435 Water Street

Members Present

Deputy Mayor Luke Stack, Councillors Ryan Donn, Gail Given, Tracy Gray*,

Charlie Hodge and Mohini Singh

Members Absent

Mayor Colin Basran, Councillors Maxine DeHart and Brad Sieben

Staff Present

City Manager, Ron Mattiussi; City Clerk, Stephen Fleming, Cultural Services Manager, Sandra Kochan*; Urban Planning Manager, Terry Barton*; Divisional Director Community Planning & Strategic Investments, Doug Gilchrist*; Community Planning Department Manager, Ryan Smith*; Community Planning Supervisor, Lindsey Ganczar*; Planner, Laura Bentley*; Policy & Planning Department Manager, Danielle Noble-Brandt*; Suburban & Rural Planning Manager, Melanie Steppuhn*; Sustainability Coordinator, Tracy Guidi*; Fire Chief, Travis Whiting*; Financial Analyst, Matt Friesen*; Legislative Coordinator (Confidential) Arlene McClelland

(* denotes partial attendance)

Call to Order

Deputy Mayor Stack called the meeting to order at 1:31 p.m.

Deputy Mayor Stack advised that the meeting is open to the public and all representations to Council form part of the public record. A live audio and video feed is being broadcast and recorded by CastaNet and a delayed broadcast is shown on Shaw Cable.

2. Confirmation of Minutes

Moved By Councillor Hodge/Seconded By Councillor Gray

R620/17/08/14 THAT the Minutes of the Regular Meetings of July 24, 2017 be confirmed as circulated.

Carried

3. Public in Attendance

3.1 Bumbershoot Children's Theatre

Cultural Services Manager, Sandra Kochan
- Introduced Tracy Ross, Artistic Director of Bumbershoot Children's Theatre

Tracy Ross, Artistic Director

- Displayed a PowerPoint Presentation summarizing the annual activities of the Bumbershoot Children's Theatre and responded to questions from Council.

3.2 Regional District, Solid Waste Management Plan Update

Peter Rotheisler, RDCO Environmental Services Manager

- Provided Council with an update on the Solid Waste Management Plan and responded to questions from Council.

4. Development Application Reports & Related Bylaws

4.1 TA15-0008 - Miscellaneous Housekeeping Text Amendments - Carriage Houses and Accessory Buildings

Councillor Gray advised that she will depart the meeting for items 4.1 and 4.2 as she is in the process of constructing a carriage house and although not directly impacted by these amendments declared a perceived conflict of interest and left the meeting at 3:20 p.m.

Staff:

- Displayed a PowerPoint presentation summarizing the application and responded to questions from Council.

Moved By Councillor Given/Seconded By Councillor Donn

R621/17/08/14 THAT Bylaw No. 11369 to amend the City of Kelowna Zoning Bylaw No. 8000 be amended at first reading as outlined in the Report from the Community Planning Department dated August 14, 2017;

AND THAT the Zoning Bylaw Text Amending Bylaw be forwarded to a Public Hearing for further consideration.

Carried

4.2 TA15-0008 (BL11369) - Miscellaneous Housekeeping Text Amendments

Moved By Councillor Hodge/Seconded By Councillor Given

R622/17/08/14 THAT Bylaw No. 11369 be read a first time.

Carried

Councillor Gray rejoined the meeting at 3:24 p.m.

4.3 2240, 2250 & 2260 Ethel St, Z17-0035 - JD Nelson & Associates Ltd

Staff:

Displayed a PowerPoint presentation summarizing the application and responded to questions from Council.

Moved By Councillor Singh/Seconded By Councillor Gray

R623/17/08/14 THAT Rezoning Application No. Z17-0035 to amend the City of Kelowna Zoning Bylaw No. 8000 by changing the zoning classification of Lots 22, 23 and 24 District Lot 136 ODYD Plan 11811, located at 2240, 2250 and 2260 Ethel Street, Kelowna, BC from the RU6 – Two Dwelling Housing zone to the HD2 – Hospital and Health Support Services zone, be considered by Council;

AND THAT the Rezoning Bylaw be forwarded to a Public Hearing for further consideration;

AND THAT final adoption of the Rezoning Bylaw be considered subsequent to the outstanding conditions of approval as set out in Schedule "A" attached to the Report from the Community Planning Department dated May 24, 2017;

AND FURTHER THAT final adoption of the Rezoning Bylaw be considered in conjunction with Council's consideration of a Development Permit and Development Variance Permit for the subject property.

Carried

4.4 2240, 2250 & 2260 Ethel St, Z17-0035 (BL11453) - JD Nelson & Associates Ltd

Moved By Councillor Hodge/Seconded By Councillor Gray

R624/17/08/14 THAT Bylaw No. 11453 be read a first time.

Carried

- 5. Bylaws for Adoption (Development Related)
 - 5.1 2045 Loseth Rd and 1261 Kloppenburg Rd, OCP17-0009 (BL11435) Kirschner Mountain Estates

Moved By Councillor Given/Seconded By Councillor Donn

R625/17/08/14 THAT Bylaw No. 11435 be adopted.

Carried

5.2 2045 Loseth Rd and 1261 Kloppenburg Rd, Z17-0024 (BL11436) - Kirschner Mountain Estates

Moved By Councillor Singh/Seconded By Councillor Hodge

R626/17/08/14 THAT Bylaw No. 11436 be adopted.

Carried

5.3 5317 Chute Lake Road, OCP17-0001 (BL11437) - 1104053 BC Ltd

Moved By Councillor Singh/Seconded By Councillor Hodge

R627/17/08/14 THAT Bylaw No. 11437 be adopted.

Carried

5.4 5317 Chute Lake Road, TA17-0002 (BL11438) - 1104053 BC Ltd

Moved By Councillor Singh/Seconded By Councillor Hodge

R628/17/08/14 THAT Bylaw No. 11438 be adopted.

Carried

6. Non-Development Reports & Related Bylaws

6.1 Agriculture Plan Endorsement

Staff:

- Displayed a PowerPoint presentation summarizing the final Agricultural Plan and responded to questions from Council.

Moved By Councillor Hodge/Seconded By Councillor Given

<u>R629/17/08/14</u> THAT Council, receives, for information, the Report from the Policy and Planning Department Manager dated August 14, 2017 with respect to the *Agriculture Plan*;

AND THAT Council adopt the Agriculture Plan as attached to the report of the Policy and Planning Department Manager, dated August 14, 2017;

AND FURTHER THAT Council direct staff to begin implementation of Phase 1 actions as outlined in Table 9 of the *Agriculture Plan* as attached to the report of the Policy and Planning Department Manager, dated August 14, 2017.

Carried

6.2 Development Application Fees Bylaw 10560 Amendment

Staff:

- Displayed a PowerPoint presentation summarizing the amendment to the Development Application Fees Bylaw.

Moved By Councillor Gray/Seconded By Councillor Donn

R630/17/08/14 THAT Development Application Fees Bylaw Text Amendment Application No. TA17-0010 to amend City of Kelowna Development Application Fees Bylaw No. 10560 as outlined in the Report from the Community Planning Department dated June 24, 2017 be considered by Council;

AND THAT the Development Application Fees Bylaw Text Amending Bylaw be forwarded to a Public Hearing for further consideration.

Carried

6.3 BL11445 - Amendment No. 6 to Development Applications Fees Bylaw No. 10560

Moved By Councillor Gray/Seconded By Councillor Hodge

R631/17/08/14 THAT Bylaw No. 11445 be read a first, second and third time.

Carried

6.4 Regional District of Kootenay Boundary Fire Dispatch Contract for Services

Staff:

- Provided an overview of the proposed contract with the Regional District of Kootenay Boundary Fire Dispatch.

Moved By Councillor Given/Seconded By Councillor Hodge

R632/17/08/14 THAT Council approves the City entering into a contract with the Regional District of Kootenay Boundary to provide fire dispatch and records management in the form attached;

AND THAT the Mayor and City Clerk be authorized to execute all documents associated with this transaction;

Carried

6.5 Transit 2017/2018 Annual Operating Agreement

Staff:

- Displayed a PowerPoint Presentation summarizing the Transit Annual Operating Agreement for 2017/2018.

Moved By Councillor Donn/Seconded By Councillor Given

R633/17/08/14 THAT Council approve the 2017/2018 Annual Operating Agreement between BC Transit and City of Kelowna for Conventional, Community, and Custom transit;

AND THAT the Mayor and City Clerk be authorized to execute the Operating Agreements between BC Transit, the City of Kelowna and FirstCanada ULC covering the period April 1, 2017 to March 31, 2018.

Carried

7. Mayor and Councillor Items

Councillor Singh:

- Shout out to the new Airport Plaza opening Saturday, August 19th.

Councillor Hodge:

- Spoke to his attendance at Fight for the Kids Boxing Fundraiser at the Rutland Centennial Hall Saturday evening.
- Will be attending a SILGA Board Meeting on Wednesday.

Councillor Gray:

- Provided an Okanagan Basin Water Board update on water craft and invasive mussels inspections in B.C. and commented that statistics are alarming. Details can be found on Okanagan Basin Water Board website.

Councillor Donn:

- Made comment to origins of the new Agriculture Plan that originated with Council in November 2015.
- Encouraged the public to not cut down trees on City property.

Deputy Mayor Stack:

- Acknowledged that today is day 101 of the active Emergency Operation Centre and wanted to pay tribute to the men and women who have been seconded to the EOC including those from the City of Kelowna and Regional District of Central Okanagan.

City Manager:

- Made comment on how the Emergency Operation Centre has been a regional approach.

8. Termination

This meeting was declared terminated at 4:41 p.m.

Deputy Mayor

Citv Clerk

/acm

REPORT TO COUNCIL



Date: August 28, 2017

RIM No. 1250-30

To: City Manager

From: Community Planning Department (EW)

Application: Z17-0044 **Owner:** Jennifer Ellen Hanenburg

Address: 4829 Parkridge Drive **Applicant:** Peter Hanenburg

Subject: Rezoning Application

Existing OCP Designation: S2Res – Single/Two Unit Residential

Existing Zone: RR3 – Rural Residential 3

Proposed Zone: RR3c – Rural Residential 3 with Carriage House

1.0 Recommendation

THAT Rezoning Application No. Z17-0044 to amend the City of Kelowna Zoning Bylaw No. 8000 by changing the zoning classification of Lot 24 Section 29 Township 29 SDYD Plan 40472, located at 4829 Parkridge Dr, Kelowna, BC from the RR3 – Rural Residential 3 zone to the RR3c – Rural Residential 3 with Carriage House zone NOT be considered by Council.

2.0 Purpose

To consider a Staff recommendation to NOT rezone the subject property to facilitate the future construction of a carriage house.

3.0 Community Planning

Community Planning Staff do not support the proposed rezoning to add the 'c' designation to the subject property. The subject property is located in an area of Crawford Estates with no ability to connect to a community sanitary system. The City's Zoning Bylaw and Subdivision, Development & Servicing Bylaw as well as the Okanagan Basin Water Board's Policies do not support the development of carriage houses on lots less than 1.0 hectare that rely on on-site sewage disposal. Since 2014, the Okanagan Basin Water Board (OBWB) has required sewage grant recipients, including the City of Kelowna, to have bylaws in place restricting carriage houses to properties greater than 1.0 hectare or to properties with community sewer connections. As per the OBWB Sewage Facilities Assistance Grants' Terms of Reference, OBWB will only fund sewage infrastructure applications in communities that comply with its 1.0 Hectare Policy and Community Planning Staff do not wish to compromise future funding opportunities by supporting the development of carriage houses which contravene OBWB's policies.

To fulfill the requirements of Council Policy No. 367, the applicant submitted a neighbour consultation summary form on April 9, 2017 outlining that neighbours within 50 m of the subject property were notified.

4.0 Proposal

4.1 Background

TA16-0005 (BL11333) which amended Zoning Bylaw No. 8000 to restrict carriage houses on lots less than 1.0 hectare was adopted by Council at the February 27, 2017 meeting. Prior to adoption of TA16-0005, Community Planning Staff would informally enforce Okanagan Basin Water Board's 1.0 Hectare Policy by telling potential applicants Staff would not support carriage house rezoning applications on parcels less than 1.0 hectare without connection to community sanitary sewer. However, at pre-application, the applicant was given direction based on the previous carriage house Zoning Bylaw regulations which read "no carriage house will be allowed without connection to a community sanitary sewer unless the lot is at least 830 m² and meets the requirements of the City and the Medical Health Officer for septic disposal capacity".

At the time of formal application, the applicant was notified of the City's 1.0 hectare carriage house regulations and the Okanagan Basin Water Board's 1.0 Hectare Policy.

4.2 Project Description

The applicant proposes the construction of a 1½ storey carriage house in the rear of the property for the owner's aging parents to live in. The carriage house design consists of a 2-car garage and a one-bedroom suite on the upper storey. Proposed materials for the carriage house include dark green horizontal wood lap siding, wood-stained carriage overhead doors, and cream coloured trim and beams, which complement the existing house on the property (Attachments 'A' & 'B').

In order to construct the carriage house, the applicant is requesting to rezone the subject parcel to add a "c" designation to the existing zone. Should the rezoning application be successful, a Development Variance Permit will be considered by Council at a future meeting. At this time staff are tracking three variances.

4.3 <u>Variances</u>

At this time, the construction of the proposed carriage house will require three variances: two variances to Zoning Bylaw No. 8000 and one to Subdivision, Development & Servicing Bylaw No. 7900.

Variance 1: Section 12.3.6(b) of Zoning Bylaw No.8000 *The maximum height for carriage houses is 4.8m*. The applicant is requesting to vary the height of mid-point of the roof from 4.8m to 5.1m in order to accommodate a taller workshop garage space.

Variance 2: Section 9b.16 of Zoning Bylaw No. 8000 *Carriage houses are only permitted on lots with an installed connection to the community sanitary sewer system (in accordance with the requirement of the City of Kelowna's Subdivision, Development & Servicing Bylaw) except carriage houses are permitted on lots that have an onsite sewage disposal system if the lots has a minimum area of 1.0 hectare. The subject property is less than 1.0 hectare at 1627m² and community sanitary sewer is not available.*

Variance 3: Schedule 1 of Subdivision, Development & Servicing Bylaw No. 7900. *Works & Services Requirements for RR3 zoned properties requires connection to a community sanitary sewer system.* Community sanitary sewer is not available to the subject property.

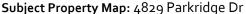
The applicant has submitted a geotechnical report (Attachment 'C') indicating that the subject property appears well suited to the proposed carriage house development as the existing septic system has been functioning adequately with room for expansion and the property's natural granular soils are expected to have a good percolation rate suitable for continued performance of the septic system.

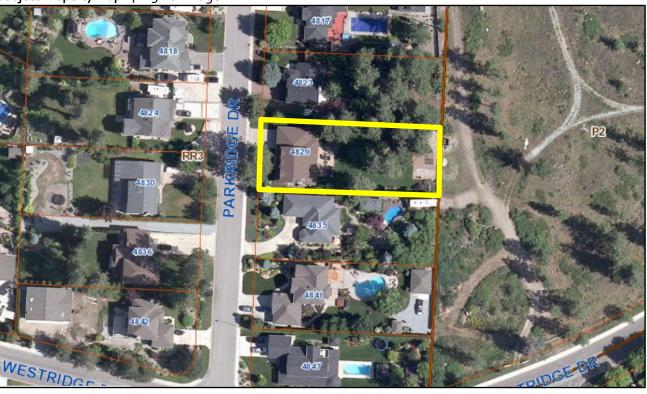
4.4 Site Context

The subject property is located in the North Mission – Crawford city sector in a primarily residential neighbourhood. The property is $1627 \,\mathrm{m}^2$ in size and is an area with no community sanitary sewer service.

Specifically, adjacent land uses are as follows:

Orientation	Zoning	Land Use
North	RR3 – Rural Residential 3	Residential
East	P2 – Education and Minor Institutional	Vacant
South	RR3 – Rural Residential 3	Residential
West	RR3 – Rural Residential 3	Residential





4.5 **Zoning Analysis Table**

Zoning Analysis Table			
CRITERIA	RR ₃ c ZONE REQUIREMENTS	PROPOSAL	
Existing Lot Regulations			
Lot Area	1.oha (no sanitary sewer)	1627m²	
Lot Width	18.om	25.om	
Lot Depth	30.om	65.om	

Development Regulations		
Max. Site Coverage (buildings)	30%	21%
1 ½ St	torey Carriage House Regulations	
Max. Accessory Site Coverage	14%	7.5%
Max. Accessory Building Footprint	9om²	78m²
Max. Net Floor Area	9om²	63.7m²
Max. Net Floor Area to Principal Building	75%	30.5%
Max. Upper Storey Floor Area to Building Footprint	75%	73%
Maximum Height (to mid-point)	4.8m	5.1m ①
Maximum Height (to peak)	8.23m	7.08m
Minimum Side Yard (north)	2.0M	2.0M
Minimum Side Yard (south)	2.0M	14.47M
Minimum Rear Yard	2.0M	4.5m
Min. Distance to Principal Building	3.om	30.75m
Other Regulations		
Minimum Parking Requirements	3 stalls	3 stalls
Minimum Private Open Space	3om²	> 30m²
Minimum Lot Size for Carriage House with No Sanitary Sewer	1.oha	o.16ha 2

[•] Indicates a requested variance to height from 4.8m to 5.1m.

5.0 Current Development Policies

5.1 Okanagan Basin Water Board's 1.0 Hectare Policy

The Okanagan Basin Water Board (OBWB) updated its Sewage Facilities Grant Program Policy on carriage houses (Attachment 'D') in 2014. The OBWB requires sewage grant recipients, including the City of Kelowna, to have bylaws in place restricting carriage houses to properties greater than 1.0 hectare or to properties with community sewer connections. As per the OBWB Sewage Facilities Assistance Grants' Terms of Reference, OBWB will only fund sewage infrastructure application in communities that comply with its 1.0 Hectare Policy.

6.o Technical Comments

6.1 <u>Building & Permitting Department</u>

- Development Cost Charges (DCC's) are required to be paid prior to issuance of any Building Permits.
- A third party work order may be required with the Development Engineering Department for an upgraded water line. These requirements are to be resolved prior to issuance of the Building Permit.
- HPO (Home Protection Office) approval or release is required at time of Building Permit application.

② Indicates a requested variance to reduce the minimum lot size for a carriage house on a property with no community sanity sewer from 1.0ha to 0.162ha. A variance to Schedule 1 of Subdivision, Development & Servicing Bylaw No. 7900 for would also be required.

• Full Plan check for Building Code related issues will be done at time of Building Permit applications. Please indicate how the requirements of Radon mitigation and NAFS are being applied to this complex at time of permit application.

6.2 <u>Development Engineering Department</u>

See Attachment 'E' – Development Engineering Memorandum dated July 12, 2017.

6.3 Fire Department

- The distance to the road to the carriage home is approximately 55 metres will the path to the carriage house be a hard surface? Considering that it will be initially used by aging parents, there might be a concern for stretcher access in a medical emergency. This path shall be 1100 mm wide.
- Requirements of section 9.10.19 Smoke Alarms and Carbon Monoxide alarms of the BCBC 2012 are to be met.

6.4 <u>Interior Health</u>

See Schedule 'A' – letter dated May 25, 2017.

6.5 Fortis BC - Electric

• There are FortisBC Inc (Electric) "FBC(E)" primary distribution facilities along Parkridge Drive. The applicant is responsible for costs associated with any change to the subject property's existing service, if any, as well as the provision of appropriate land rights where required. Otherwise FBC(E) has no objections wit this circulation.

7.0 Application Chronology

Date of Application Received: April 10, 2017
Date of Complete Application: May 10, 2017
Date Public Consultation Completed: April 9, 2017

8.0 Alternate Recommendation

THAT Rezoning Application No. Z17-0044 to amend the City of Kelowna Zoning Bylaw No. 8000 by changing the zoning classification of Lot 24 Section 29 Township 29 SDYD Plan 40472, located at 4829 Parkridge Dr, Kelowna, BC from the RR3 – Rural Residential 3 zone to the RR3c – Rural Residential 3 with Carriage House zone be considered by Council;

AND THAT the Rezoning Bylaw be forwarded to a Public Hearing for further consideration;

AND THAT final adoption of the Rezoning Bylaw be considered subsequent to the applicant meeting the recommendations for on-site sewage disposal as outlined in Schedule 'A' prepared by Interior Health to the satisfaction of the Building Department Manager;

AND FURTHER THAT final adoption of the Rezoning Bylaw be considered in conjunction with Council's consideration of a Development Variance Permit for the subject property.

Z17-0044 - Page 6

Report prepared by: Emily Williamson, Planner

Reviewed by: Ryan Smith, Community Planning Department Manager

Approved for Inclusion: Doug Gilchrist, Divisional Director, Community Planning &

Strategic Investments

Attachments:

Attachment 'A' – Applicant's Rationale

Attachment 'B' – Proposed Carriage House Drawings

Attachment 'C' – Geotechnical Report

Attachment 'D' - Okanagan Basin Water Board Memorandum dated January 20, 2014

Attachment 'E' - Development Engineering Memorandum dated July 12, 2017

Schedule 'A' – Letter from Interior Health dated May 25, 2017



April 3, 2017

Design Rationale Statement

ATTACHME	NT A			
This forms part of application				
#_Z17-0044				
	City of			
Planner Initials EW	Kelowna COMMUNITY PLANNING			

Re: CITY OF KELOWNA REZONING / PROPOSED MID-HEIGHT VARIANCE CARRIAGE HOUSE AT 4829 PARKRIDGE DRIVE FOR PETER & JEN HANENBURG:

The proposed Rezoning / DP Application for Height Variance at Mid-point of roof allows the site, located at 4829 Parkridge Drive, to be rezoned from RR3 to RR3c with a request to vary the height at mid-point of roof from 4.8m to 5.1m, to construct a carriage house on the subject property. It is the aim that this carriage house to be used primarily as an in-law suite for the owner's aging parents. The carriage house is 1 1/2 storey high and is located at rear portion of the property. The main floor will consist of a 2-car garage for a hobby workshop and winter storage of a vehicle. The upper half storey will consist of a secondary suite, a one-bedroom type with its own laundry hookup. It is designed to allow for easy access to all areas of the home as well as the ability to add adaptive equipment if needed. There is a designated parking stall at the front portion of the property, although there is a temporary access allowance at rear that is granted by the City to access through their P2-zoned property. Should this temporary access be removed, there is an allowance at side of principal house to provide access from the front. The site will provide a well-lit pathway that leads to the carriage house. There is a designated area of more than 60 sq.m. for private open space that consists of new payer pad at south side of carriage house, together with adjacent garden and some suitable landscape screening. It will also be provided with a large overhang to accommodate a bench swing with a view of the landscape nearby.

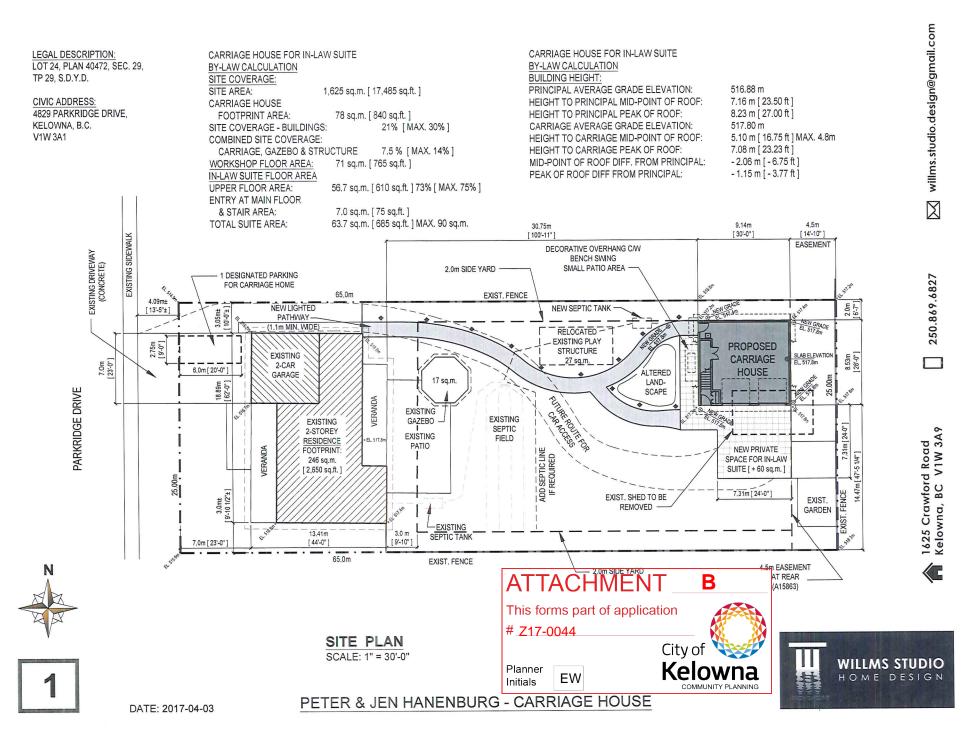
The form and character of the carriage house is designed to match the color and character of the existing residence. The proposed finishing for the carriage house is using dark green horizontal wood lap siding at bottom and board / batten siding at top. It comes with attractive wood-stained carriage overhead doors and attractive overhangs with knee braces. The trims, exposed beams and knee braces will be cream color, again, painted to match the existing residence. There is a plan in the future to convert the 2-single overhead doors at the existing residence into 1 large type and it will match the style of the carriage house doors.

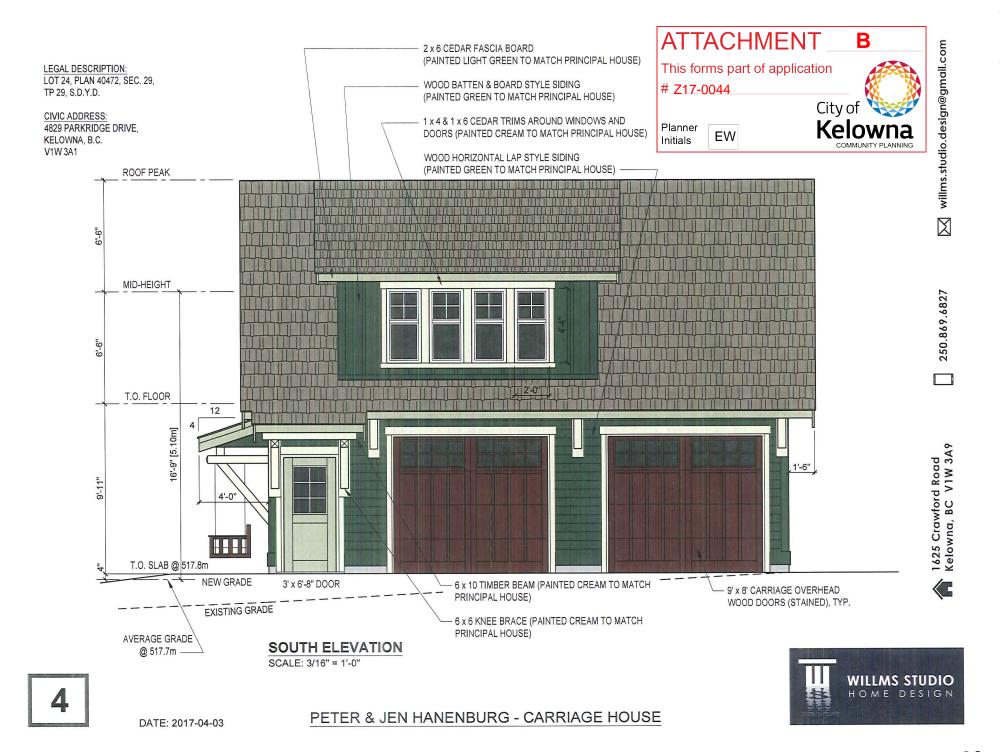
It is the belief that this proposal is in keeping with the new City's plan philosophy to expand housing within the existing neighborhood. This philosophy is also supported with a bus route that runs beside this property. This large property will successfully accommodate the carriage house and it will blend well with the existing residence and surrounding trees. Since the surrounding neighbors have verbally accepted this proposal, this application is, therefore, a good candidate for success.

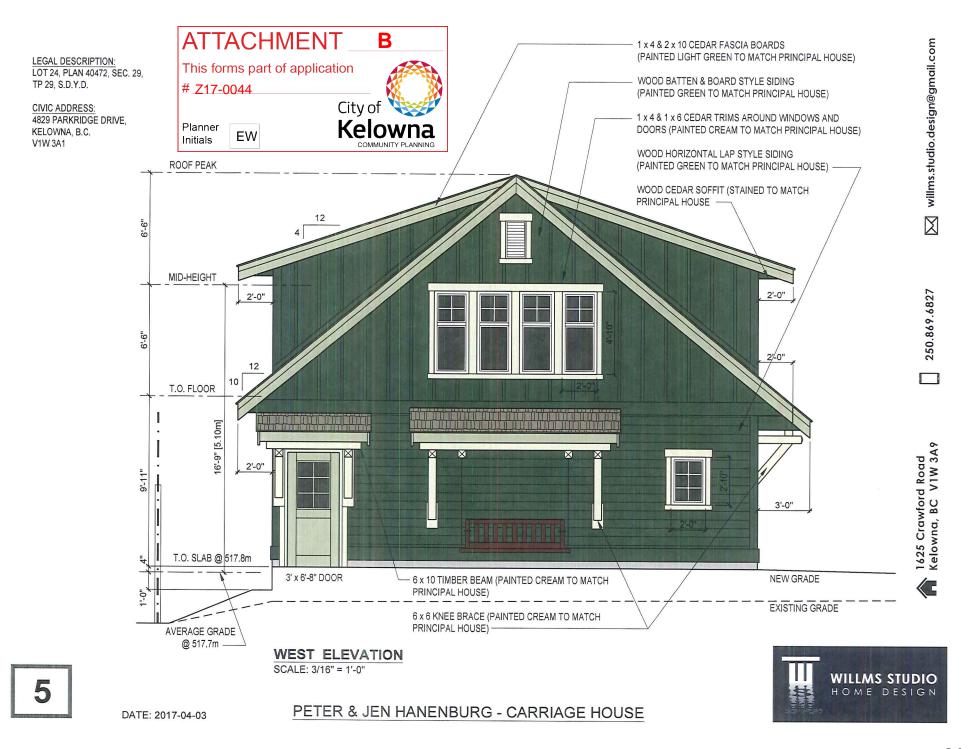
Sincerely,

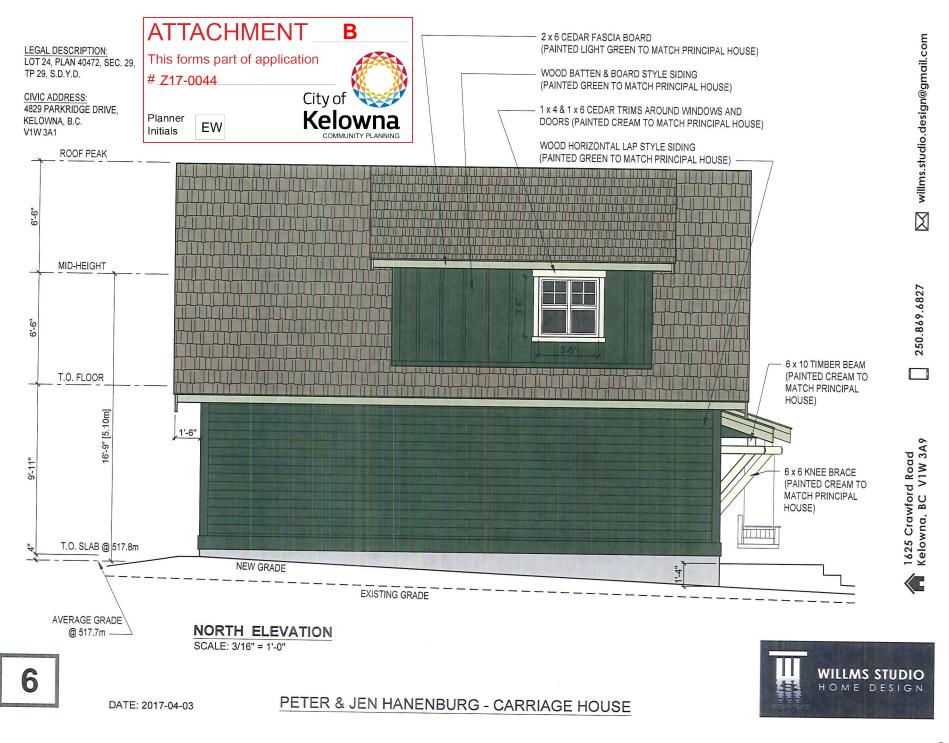
Bradley Willms WILLMS STUDIO

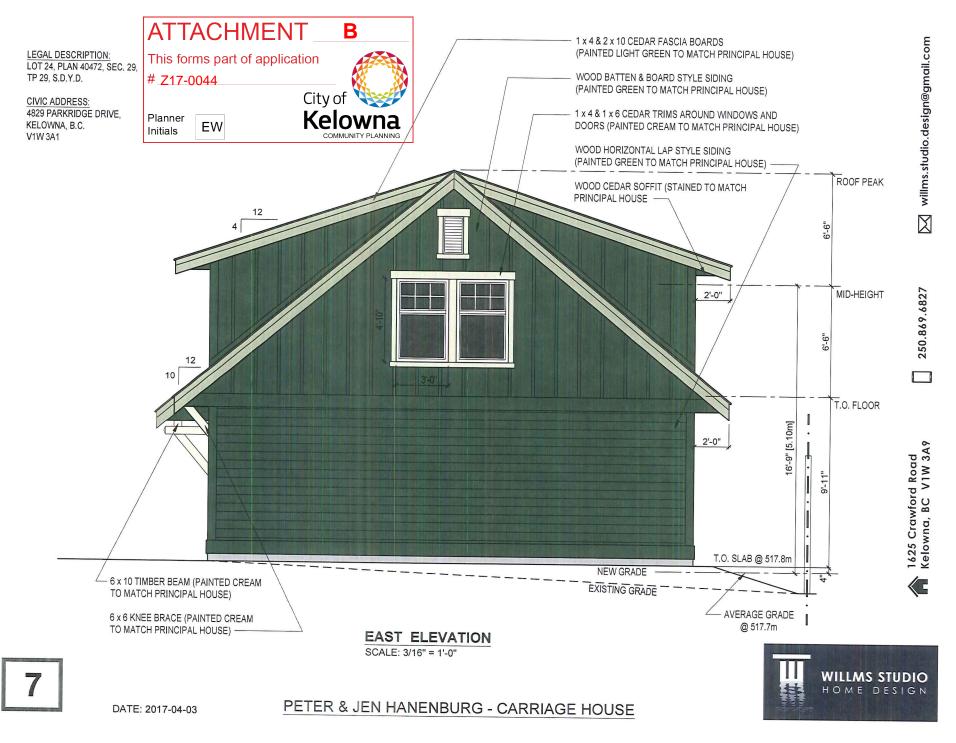
pord W.







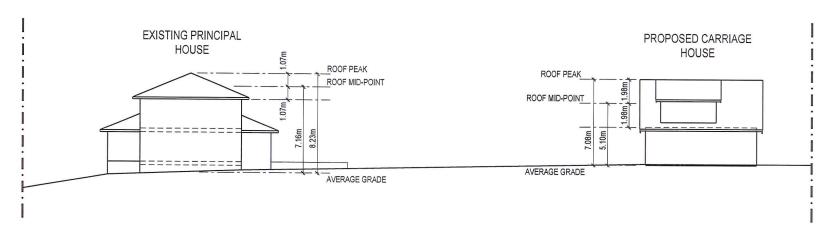




X

LEGAL DESCRIPTION: LOT 24, PLAN 40472, SEC. 29, TP 29, S.D.Y.D.

CIVIC ADDRESS: 4829 PARKRIDGE DRIVE. KELOWNA, B.C. V1W 3A1



SITE PROFILE - FOR HEIGHT CLARIFICATION

SCALE: 1" = 25'-0"



WILLMS STUDIO HOME DESIGN

DATE: 2017-04-03

willms.studio.design@gmail.com

250.869.6827

LEGAL DESCRIPTION: LOT 24, PLAN 40472, SEC. 29, TP 29. S.D.Y.D.

CIVIC ADDRESS: 4829 PARKRIDGE DRIVE, KELOWNA, B.C. V1W 3A1



FUTURE GARAGE DOOR TO MATCH CARRIAGE HOUSE - LOOKING EAST FROM SIDEWALK SCALE: N.T.S.



EXISTING PHOTO - LOOKING EAST FROM SIDEWALK SCALE: N.T.S.



DATE: 2017-04-03

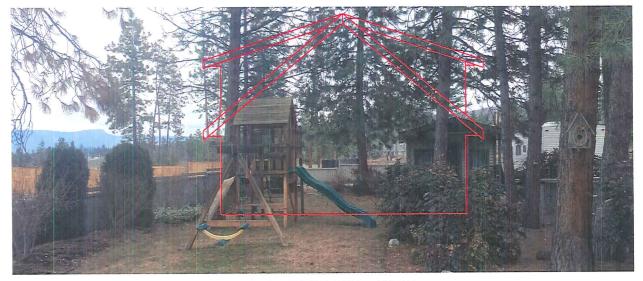


X

WILLMS STUDIO HOME DESIGN

LEGAL DESCRIPTION: LOT 24, PLAN 40472, SEC. 29, TP 29, S.D.Y.D.

CIVIC ADDRESS: 4829 PARKRIDGE DRIVE, KELOWNA, B.C. V1W 3A1



EXISTING PHOTO - LOOKING EAST TOWARDS REAR YARD SCALE: N.T.S.



EXISTING PHOTO - LOOKING NORTHEAST TOWARDS REAR YARD SCALE: N.T.S.



DATE: 2017-04-03

EW

ATTACHMENT

This forms part of application

Z17-0044

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Initials

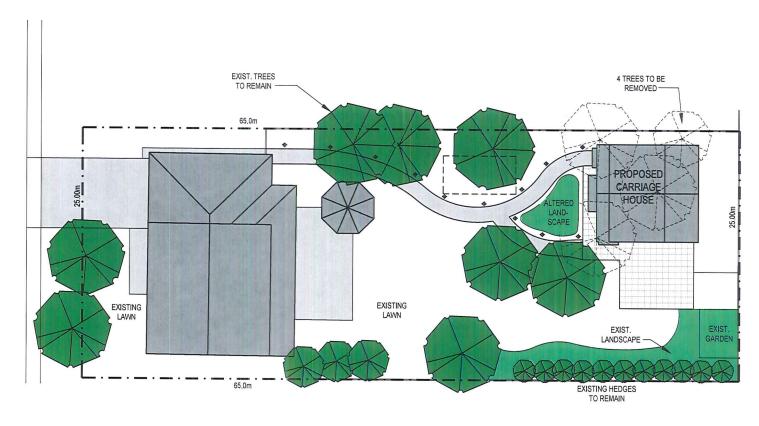
FEILING



LEGAL DESCRIPTION: LOT 24, PLAN 40472, SEC. 29, TP 29, S.D.Y.D.

CIVIC ADDRESS: 4829 PARKRIDGE DRIVE, KELOWNA, B.C. V1W 3A1







PARKRIDGE DRIVE

DATE: 2017-04-03

LANDSCAPE PLAN SCALE: 1" = 30'-0"





MATERIALS TESTING • SOILS CONCRETE • ASPHALT • CORING GEOTECHNICAL ENGINEERING

> 1 - 1925 KIRSCHNER ROAD KELOWNA, B.C. V1Y 4N7 PHONE: 860-6540 FAX: 860-5027

Jennifer Hanenburg 4829 Parkridge Drive Kelowna, BC V1W 3A1 April 7, 2017 Job 17.087

Attention:

Mrs Jennifer Hanenburg

Dear Mrs;

Re:

Geotechnical Considerations

Proposed Workshop and Carriage House

4829 Parkridge Drive

Kelowna, BC



As requested, Interior Testing Services Ltd. (ITSL) has reviewed the proposed Workshop and Carriage House plans and provides the following comments. Our work is subject to the attached two-page "Terms of Engagement", which has been previously signed and accepted.

We understand that this brief letter report will form part of your application to the City of Kelowna and therefore, we identify the City of Kelowna as authorized users of this letter, also subject to our "Terms of Engagement."

Our general comments are as follows.

- 1. Based on our experience in the general Crawford Estates area, we anticipate that natural soils will consist of SAND and GRAVEL, suitable for support of the intended carriage house.
- 2. You advise that the proposed Carriage House is to be connected to your existing septic system, complete with a new septic tank, followed by connection to the existing distribution box and then into the septic field. We understand that you will consult with a septic field designer at the time of construction and will expand your septic field if necessary.

- 3. Furthermore, you advise that you have lived at the property for the past 10 years and no issues with your septic field have been observed. Additionally, the natural granular soils are expected to have a good percolation rate so that performance of the septic system is anticipated to continue to function adequately with the addition of the Carriage House.
- 4. Based on our experience in the area that competent natural granular soils are expected, and that the existing septic system has been functioning adequately with room for expansion if required by a septic field designer, it appears that the site is well suited to the proposed Carriage House development.

While not anticipated to be necessary, ITSL can provide further design guidance at the time of construction, if desired.

We trust this meets your current needs. Please call if you have any questions.

Sincerely,

Interior Testing Services Ltd

Jeremy Block, P Eng

Intermediate Geotechnical Engineer



TERMS OF ENGAGEMENT

GENERAL

Interior Testing Services Ltd. (ITSL) shall render the Services performed for the Client on this Project in accordance with the following Terms of Engagement. ITSL may, at its discretion and at any stage, engage subconsultants to perform all or any part of the Services. Unless specifically agreed in writing, these Terms of Engagement shall constitute the entire Contract between ITSL and the Client.

COMPENSATION

Charges for the Services rendered will be made in accordance with ITSL's Schedule of Fees and Disbursements in effect from time to time as the Services are rendered. All Charges will be payable in Canadian Dollars. Invoices will be due and payable by the Client within thirty (30) days of the date of the invoice without hold back. Interest on overdue accounts is 12% per annum.

REPRESENTATIVES

Each party shall designate a representative who is authorized to act on behalf of that party and receive notices under this Agreement.

TERMINATION

Either party may terminate this engagement without cause upon thirty (30) days' notice in writing. On termination by either party under this paragraph, the Client shall forthwith pay ITSL its Charges for the Services performed, including all expenses and other charges incurred by ITSL for this Project.

If either party breaches this engagement, the non-defaulting party may terminate this engagement after giving seven (7) days' notice to remedy the breach. On termination by ITSL under this paragraph, the Client shall forthwith pay to ITSL its Charges for the Services performed to the date of termination, including all fees and charges for this Project.

ENVIRONMENTAL

ITSL's field investigation, laboratory testing and engineering recommendations will not address or evaluate pollution of soil or pollution of groundwater. ITSL will co-operate with the Client's environmental consultant during the field work phase of the investigation.

PROFESSIONAL RESPONSIBILITY

In performing the Services, ITSL will provide and exercise the standard of care, skill and diligence required by customarily accepted professional practices and procedures normally provided in the performance of the Services contemplated in this engagement at the time when and the location in which the Services were performed. ITSL makes no warranty, representation or guarantee, either express or implied as to the professional services rendered under this agreement.

LIMITATION OF LIABILITY

ITSL shall not be responsible for:

- (a) the failure of a contractor, retained by the Client, to perform the work required in the Project in accordance with the applicable contract documents;
- (b) the design of or defects in equipment supplied or provided by the Client for incorporation into the Project;
- (c) any cross-contamination resulting from subsurface investigations;
- (d) any damage to subsurface structures and utilities;
- (e) any Project decisions made by the Client if the decisions were made without the advice of ITSL or contrary to or inconsistent with ITSL's advice;
- (f) any consequential loss, injury or damages suffered by the Client, including but not limited to loss of use, earnings and business interruption;
- (g) the unauthorized distribution of any confidential document or report prepared by or on behalf of ITSL for the exclusive use of the Client.

The total amount of all claims the Client may have against ITSL under this engagement, including but not limited to claims for negligence, negligent misrepresentation and breach of contract, shall be strictly limited to the lesser of our fees or \$50,000.00.

No claim may be brought against ITSL in contract or tort more than two (2) rears after the Bertices were concluded or terminated under this engagement.



PERSONAL LIABILITY

For the purposes of the limitation of liability provisions contained in the Agreement of the parties herein, the Client expressly agrees that it has entered into this Agreement with ITSL, both on its own behalf and as agent on behalf of its employees and principals.

The Client expressly agrees that ITSL's employees and principals shall have no personal liability to the Client in respect of a claim, whether in contract, tort and/or any other cause of action in law. Accordingly, the Client expressly agrees that it will bring no proceedings and take no action in any court of law against any of ITSL's employees or principals in their personal capacity.

THIRD PARTY LIABILITY

This report was prepared by ITSL for the account of the Client. The material in it reflects the judgement and opinion of ITSL in light of the information available to it at the time of preparation. Any use which a third party makes of this report, or any reliance on or decisions to be made based on it, are the responsibility of such third parties. ITSL accepts no responsibility for damages, if any, suffered by any third party as a result of decisions made or actions based on this report. This report may not be used or relied upon by any other person unless that person is specifically named by us as a beneficiary of the Report. The Client agrees to maintain the confidentiality of the Report and reasonably protect the report from distribution to any other person.

INDEMNITY

The client shall indemnify and hold harmless ITSL from and against any costs, damages, expenses, legal fees and disbursements, expert and investigation costs, claims, liabilities, actions, causes of action and any taxes thereon arising from or related to any claim or threatened claim by any party arising from or related to the performance of the Services.

DOCUMENTS

All of the documents prepared by ITSL or on behalf of ITSL in connection with the Project are instruments of service for the execution of the Project. ITSL retains the property and copyright in these documents, whether the Project is executed or not. These documents may not be used on any other project without the prior written agreement of ITSL.

FIELD SERVICES

Where applicable, field services recommended for the Project are the minimum necessary, in the sole discretion of ITSL, to observe whether the work of a contractor retained by the Client is being carried out in general conformity with the intent of the Services.

DISPUTE RESOLUTION

If requested in writing by either the Client or ITSL, the Client and ITSL shall attempt to resolve any dispute between them arising out of or in connection with this Agreement by entering into structured non-binding negotiations with the assistance of a mediator on a without prejudice basis. The mediator shall be appointed by agreement of the parties. If a dispute cannot be settled within a period of thirty (30) calendar days with the mediator, the dispute shall be referred to and finally resolved by an arbitrator appointed by agreement of the parties.

CONFIRMATION OF PROFESSIONAL LIABILITY INSURANCE

As required by by-laws of the Association of Professional Engineers and Geoscientists of British Columbia, it is required that our firm advises whether or not Professional Liability Insurance is held. It is also required that a space for you to acknowledge this information be provided.

Our professional liability insurance is not project specific for the project and should not be regarded as such. If you require insurance for your project you should purchase a project specific insurance policy directly.

Accordingly, this notice serves to advise you that ITSL carries professional liability insurance. Please sign and return a copy of this form as an indication of acceptance and agreement to the contractual force of these Terms of Engagement.

ACKNOWLEDGEMENT:

This forms part of application

Z17-0044

City of

Planner Initials

EW



MEMORANDUM

To:

Okanagan Local Government Administrators

From:

Anna Warwick Sears, Executive Director

Date:

January 20, 2014

Subject:

Sewage Facilities Grant Program Policy on Small-lot Accessory Dwellings

ATTACHMENT D

This forms part of application
Z17-0044

City of

Planner Initials

EW

<u>Summary:</u> The purpose of this memo is to update local governments on OBWB's sewage grants 1.0-hectare policy. This policy, which requires grant recipients to enact bylaws prohibiting the subdivision of small lots on septic, has now been expanded to include accessory dwellings (carriage houses) on lots smaller than 1.0-hectare. The OBWB requests Okanagan local governments to update their bylaws to exclude development of accessory dwellings (carriage houses) on lots less than 1.0 hectare that rely on on-site sewage disposal. The OBWB further requests an update of zoning and/or subdivision and development servicing bylaws, requiring that secondary suites be tied to the sewage disposal system of the existing dwelling.

This request only applies to the areas of your jurisdiction within the Okanagan Basin drainage area. Secondary suites that are tied into the existing domestic septic system are accepted (although not recommended) if the sewage disposal system has adequate capacity per health regulations.

Background: The OBWB's Sewage Facilities Assistance program provides funding for Okanagan communities to upgrade wastewater treatment plants and extend community sewer to areas on septic. The program was initiated in 1975.

Since 2007, the OBWB has required sewage grant recipients to have bylaws prohibiting subdivision of lots smaller than 1.0 hectare (see attached Terms of Reference). The 1.0 Hectare (minimum subdivision) Policy is in line with provincial government rules, and was established recognizing that much of the pollution entering lakes and streams comes from failing septic systems. Septic is the highest human-produced source of phosphorus in the watershed.

The premise behind the 1.0 hectare rule is that the more dwelling units there are using septic systems in a given area, the greater the chance that systems may malfunction and less opportunity to find sufficient, suitable, available land for replacement effluent dispersal fields – potentially leading to water pollution and health threats.

- The 1.0 Hectare Policy is based on a scientific assessment by the Ministry of Community, Sport and Cultural Development in the 1990s. Exceptions cannot be made for in-fill subdivision properties, because of the risk of cumulative impacts from many closely-spaced septic systems, and because for fairness reasons we must have a uniform policy throughout the Basin.
- There are many advances in on-site sewage treatment available. However, each of these solutions requires long-term maintenance or else there are continued risks of system failure. Following Provincial policy, the Water Board allows the 1.0 Hectare Policy to be waived only if a Liquid Waste Management Plan is prepared for the site, and if the system itself is adopted by the local government as permanent infrastructure.

In October, the OBWB received an inquiry whether development of secondary suites and detached accessory dwellings (carriage houses) on properties less than 1.0 hectare violates the 1.0 Hectare Policy within the OBWB sewage grant program. With respect to septic systems, adding a carriage house creates similar risks for system failure and water quality impairment as small-lot subdivision, without creating a separate title.

For this reason, the OBWB has now expanded the 1.0 Hectare Policy, and now requires all sewage grant recipients to have bylaws in place restricting carriage houses to properties greater than 1.0 hectare, or to properties with community sewer connections (see Terms of Reference section 3.6.1). Secondary suites that are tied into the existing domestic septic system are accepted (although not recommended) if the sewage disposal system has adequate capacity per health regulations.

Please do not hesitate to contact me with any questions, by email at: anna.warwick.sears@obwb.ca, or phone at: (250) 469-6251.

Sincerely,

Anna Warwick Sears

Anna L. Warwick Sears

Executive Director

This forms part of application
Z17-0044

City of

Planner Initials

EW

CAMPUTE PLANTS PLAN

OKANAGAN BASIN WATER BOARD SEWAGE FACILITIES ASSISTANCE GRANTS

TERMS OF REFERENCE UPDATED 2014

ATTACHMEN	NT D
This forms part of appli	cation
# Z17-0044	(4 (3)
	City of
Planner Initials EW	Kelowna

1.0 Preamble

The 1974 Okanagan Basin Study identified nutrient pollution as the major cause of algal blooms and deteriorating water quality in Okanagan and Skaha Lakes. The biggest source of pollution was municipal sewer outfalls.

As local governments consider the lakes a regional resource, they established the Sewage Facilities Assistance (SFA) grant program to subsidize construction of tertiary sewage treatment plants and collection systems in valley communities. The program was funded by a valley-wide tax, levied on all properties in the basin and administered by the Okanagan Basin Water Board (OBWB).

By upgrading sewage infrastructure, the amount of phosphorus entering the lakes from municipal effluent has decreased more than 90%.

A significant proportion of this program's funds have gone toward community sewer projects intended to decrease water pollution coming from developments with small lots, and failing or over-capacity septic systems. To avoid repeating these costly fixes in the future, the OBWB now requires applicants to have in place zoning policies or bylaws prohibiting new development of lots less than 1.0 hectare that are not serviced by community sewers. This requirement is intended to encourage responsible development.

2.0 Operating Principles

- 2.1 The grant program funds upgrades to treatment plants using old technology and extensions of sewer service to subdivisions, created prior to 1978 that are still on septic.
 - 2.2 As per the OBWB Supplementary Letters Patents, the Water Board can levy up to 21¢ per \$1000 assessed value for SFA grants on all properties within the Okanagan drainage area.
 - 2.3 The funding formula for grants is as follows:

- 2.3.1 For projects approved and receiving payments before April 1, 2011, the OBWB will pay 18% of the total eligible project costs, with the community first paying 2.5 mills of the converted assessment amount.
- 2.3.2 For projects approved before April 1, 2011, but not yet receiving payments, the OBWB will pay 18% of the total eligible project costs, with the community first paying 2.5 mills of the converted 1988 assessment amount, or 16% of the total eligible project costs, if 1988 assessment values are not available.
- 2.3.3 For projects approved after April 1, 2011, the OBWB will pay 16% of the total eligible project costs on average, the same net amounts as historical grants.

3.0 Eligibility

- 3.1 Only communities employing tertiary treatment of sewage effluent are eligible for grants. (1977)
- 3.2 Areas outside the watershed, or that are not taxed for OBWB programs, are not eligible for grants.
- 3.3 In order to qualify for OBWB funding, projects must meet the minimum requirements for provincial funding, though they do not need to have received a funding award. (2007)
- 3.4 Projects which qualify for provincial government funding do not automatically qualify for OBWB funding. (2007)
- 3.5 Lots on septic at the time of the original grant program, 1977, will be eligible for funding when sanitary sewers are installed.
 - 3.5.1 For projects in which sewer extensions will service both pre- and post-1977 development, only the proportion of the project servicing pre-1978 lots is eligible for funding.
- 3.6 The OBWB will only fund sewage infrastructure applications in communities that comply with its 1.0 Hectare Policy, where the community has zoning policies or bylaws prohibiting the creation of lots smaller than 1.0 hectare that are not serviced by community sewers. (2007)

This forms part of application
Z17-0044

City of

EW

Initials

- 3.6.1 Communities must also have policies and bylaws in place prohibiting the development of accessory dwellings (carriage houses) on properties less than 1.0 hectare that are not connected to community sewer (2013).
- 3.6.2 The 1.0 Hectare Policy is limited in geographic scope to the portions of the regional districts within the Okanagan watershed. Districts should be aware that subdivision of lots on septic smaller than 1.0 hectare outside the Okanagan watershed may jeopardize funding from provincial sources. (2007)
- 3.6.3 Each local government with subdivision approval authority is responsible for adopting the 1.0 Hectare Policy.
 - 3.6.3.1 A Regional District's grant eligibility is not affected if a member municipality does not comply with the 1.0 Hectare Policy.
 - 3.6.3.2 A Regional District's grant eligibility will be affected if one of its Electoral Areas (located in the Okanagan Basin) does not comply with the 1.0 Hectare Policy. (2007)
- 3.6.4 Home-site severance lots are exempted from the 1.0 Hectare Policy. (2004)
- 3.6.5 The 1.0 Hectare Policy may be waived through preparation of a Liquid Waste Management Plan (LWMP) that is approved by the province. Systems put in place under this waiver will be considered permanent infrastructure and will be ineligible for future SFA funds. The LWMP must be supported by appropriate bylaws (e.g., OCPs, zoning, subdivision standards). In addition, local government bylaws must be in place for the enforcement of operation and maintenance of these systems. All Type II and III package treatment systems serving multiple homes must be registered under the Municipal Sewage Regulations, which among other requirements specifies that developers must post a bond equivalent to the value of the wastewater treatment infrastructure.

4.0 Application Policies

There are three main steps to the SFA program: (1) an SFA Notification Form and Application for Provincial Review, (2) an SFA Application, and (3) an SFA Annual Reporting Form. All templates are provided by the OBWB on request.

4.1 Communities should submit an SFA Notification and (if application for Provincial Review to the OBWB indicating their intention to apply for a grant at the early stages of the planning process so that adequate funds can application # Z17-0044

Planner Initials

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be requisitioned. This notification should be provided to the OBWB at least one year in advance of a SFA Application.

- 4.2 Grants will not be paid retroactively. Grant payments to communities will commence in same year that debt payments commence. Applicants should submit an SFA Application to the OBWB at completion of project works.
- 4.3 Grants are awarded based on the information provided in the SFA Application. The OBWB reserves the right to review and revise grant awards if significant changes to the project occur after receiving approval for grant funding.
- 4.4 Communities that are not applying for Provincial funds must submit an Application for Provincial Review in order to ensure that projects meet best practice standards. Applicants will be required to submit additional documentation to meet this requirement.
- 4.5 Where communities are applying for provincial funding, the SFA Application must be received within one year after the confirmation of eligibility for provincial funding. (2001)
- 4.6 Applicants must provide a copy of the bylaw or policy that prohibits creation of lots smaller than 1.0 hectare that are not serviced by community sewers.
- 4.7 Applicants must disclose all sources of funding at the time of SFA Application.
 - 4.7.1 Where receipt of an OBWB grant brings the total grant funding beyond 100% of the total project cost, the OBWB grant will be reduced to bring the total of all grant funding to equal 100% of the total project cost.

5.0 Financing and Payments

- 5.1 Annual assessments are made based on the projected draw on the fund for each fiscal year. It is not always necessary to levy the full 21¢ per \$1000 assessment (allowed by legislation).
- 5.2 If the amounts to be paid are greater than the funds available for distribution, payments will be reduced proportionately such that all recipients are reduced by the same percentage. An exception is made for communities which have not previously qualified for assistance from the Board. In this case, the reduction will not apply for the first three years and any shortfall will be both proportionally by the other qualifying communities.

This forms part of application # Z17-0044

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Planner Initials EW

- 5.3 Water Board grants are made on a debt repayment basis. Grants are tied to a Municipal Finance Authority (MFA) issue and repaid over a 20 or 25 year period.
 - 5.3.1 OBWB payments are made twice annually, in August and December, after the requisitioned tax monies are received. Payments will be made on receipt of invoice from recipients, timed to match recipient payment commitments.
- 5.4 OBWB grant payment amounts are recalculated when MFA financing is changed, usually 10 years after the initial repayment. It is the responsibility of the applicant to re-calculate their payment schedules on their annual report and submit supporting documentation.
- 5.5 When an MFA debt is retired or forgiven, OBWB grant payments will cease.
- 5.6 Communities that do not incur debt are still eligible for OBWB funding, paid over 20 years on a similar schedule to MFA debt repayment.
 - 5.6.1 Where debt is not incurred, and the project (or portions of the project) is self-financed, an imputed debt payment schedule will be calculated using MFA interest and sinking fund rates from the year the project was completed.
 - 5.6.2 In the case of self-financing, imputed debt schedules will be recalculated 10 years after the first payment, to match the new MFA interest and sinking fund rates.
- 5.7 To receive payments, communities must submit their SFA Annual Report and provide current documentation on their debt repayments, or certify that no changes have occurred since the previous annual report.



CITY OF KELOWNA

MEMORANDUM

Date:

July 12, 2017 Z17-0044

File No.:

To:

Land Use Management Department (EW)

From:

Development Engineering Manager

Subject:

4829 Parkridge Drive

Lot 24 Plan 40472

RU3c

Carriage House

Development Engineering has the following requirements associated with this application.

1. General

The subject land under this rezoning application has an area of 0.163 hectares and is situated within the North Mission Crawford Area.

2. Domestic Water and Sanitary Sewer

This property is currently serviced with a 19mm-diameter water service. The service will be adequate for this application. One metered water service will supply both the main residence and the suite.

3. Sanitary Sewer

The subject parcel is currently not within the City service area.

Schedule 1 of Bylaw 7900, Works & Services Requirements (BL11309) indicates that the parcel under application must be serviced a community sanitary sewer system for the proposed rezoning.

4. Electric Power and Telecommunication Services

It is the applicant's responsibility to make a servicing application with the respective electric power, telephone and cable transmission companies to arrange for service upgrades to these services which would be at the applicant's cost.

5. Access and Parking Requirements

On-site parking modules must meet bylaw requirements. An on-site turnaround is required for the parking space adjacent to the carriage house.

Provide a designated, well lit and unobstructed Emergency Access Path (minimum 1.5m width) from the frontage road, to the main entrance of the new accessory building

James Kay, P.Eng.

.Development Engineering Manager



CITY OF KELOWNA

MEMORANDUM

Date: File No.: July 12, 2017 DVP17-0122

To:

Land Use Management Department (EW)

From:

Development Engineering Manager (JK)

Subject:

4829 Parkridge Drive

Lot 24 Plan 40472

RU3c

Carriage House

Development Engineering has the following comments associated with the following variances:

General

The Development Variance Permit Application to allow for the construction of a carriage house which is 510m in height (4.8m permitted), does not compromise the municipal servicing requirements.

The subject land under this rezoning application is situated within the North Mission Crawford Area. The Development Variance Permit Application to vary the minimum area of a lot with carriage house with an onsite sewage disposal system from 1.0ha to 0.1627 ha.

Sanitary Servicing to this lot is contrary to Schedule 1 of Bylaw 7900, Works & Services Requirements (BL11309) which states that the parcel must be serviced by a community sanitary sewer system. This variance is not supported by Development Engineering.

James Kay, PÆng.

Development Engineering Manager

Planner Initials EW

Z17-0044

ATTACHMENT

This forms part of application

City of Kelowna

F



May 25, 2017

City of Kelowna, Planning 1435 Water Street Kelowna BC V1Y 1J4 planninginfo@kelowna.ca This forms part of application
Z17-0044

City of Kelowna
COMMUNITY PLANNING

Attn: Emily Williamson

RE: Rezoning Z17-0044 and DVP17-0122 at 4829 Parkridge Drive, Kelowna.

Thank you for the opportunity to provide comments on the above referenced Rezoning and DVP application from the viewpoint of our policies and regulations. The proposal would facilitate a carriage house on the property.

The Ministry of Community, Sport and Cultural Development has proposed a minimum lot size of 0.2ha as sustainable in the long-term when connected to community water but needing to be independent for sewage disposal. Interior Health supports and recommends this minimum parcel size.

Should the City still wish to consider this application, IHA recommends the following:

- The addition of a carriage house represents an increase in Daily Design Flow to the existing sewerage dispersal system. As such, the sewerage system must meet all standards of the Sewerage System Standard Practice Manual Version 3 and upgrades must be performed by an Authorized Person (AP) under the BC Sewerage System Regulation.
- In consideration of long term sustainability and public health protection and in the absence of plans to connect to community sewer in the near future, it is recommended that an AP confirm that there is room for a replacement type 1 field for the new expanded use of the existing septic system prior to approval of this application as sewerage dispersal systems have a limited lifespan.

Should you have any questions or concerns, please contact HBE@interiorhealth.ca or the undersigned.

Yours sincerely,

Marion Masson

Environmental Health Officer – Healthy Built Environment

Bus: (250) 420-2233 Fax; (250) 426-3022

HBE@interiorhealth.ca www.interiorhealth.ca POPULATION HEALTH 1700 4th Street South Cranbrook, BC, VIC 7C2

REPORT TO COUNCIL



Date: August 28, 2017

RIM No. 1250-30

To: City Manager

From: Community Planning Department (LK)

Application: Z17-0033 **Owner:** Benjamin & Perfecta Page-et

Address: 840 Mayfair Road Applicant: Benjamin Page-et

Subject: Rezoning Application

Existing OCP Designation: S2RES – Single/Two Unit Residential

Existing Zone: RU1 – Large Lot Housing

Proposed Zone: RU1c – Large Lot Housing with Carriage House

1.0 Recommendation

THAT Rezoning Application No. Z17-0033 to amend the City of Kelowna Zoning Bylaw No. 8000 by changing the zoning classification of Lot 5 District Lot 143 ODYD Plan 24833, located at 840 Mayfair Road, Kelowna, BC from the RU1 – Large Lot Housing zone to the RU1c – Large Lot Housing with Carriage House zone, be considered by Council;

AND THAT the Rezoning Bylaw be forwarded to a Public Hearing for further consideration;

AND THAT final adoption of the Rezoning Bylaw be considered subsequent to the outstanding conditions of approval as set out in Attachment "A" attached to the Report from the Community Planning Department dated May 10, 2017.

2.0 Purpose

To rezone the subject property from RU1 – Large Lot Housing to RU1c – Large Lot Housing with Carriage House to facilitate the future construction of a carriage house.

3.0 Community Planning

Community Planning Staff support the proposed rezoning application to facilitate the future development of a carriage house on the subject property. Rezoning the subject property to add the 'c' designation meets several of City of Kelowna policy objectives including fostering a mix of housing forms and concentrating growth within the Permanent Growth Boundary. The proposed rezoning is also consistent with the property's future land use designation and there are a number of properties in the neighbourhood currently zoned both RU1c – Large Lot Housing with Carriage House and RU6 – Two Dwelling Housing.

4.0 Proposal

4.1 <u>Project Description</u>

The applicant is proposing a single storey, three-bedroom carriage house in the northwest corner of the lot. The property does not have a rear lane, therefore all parking for the existing dwelling and the proposed carriage house will be from the existing front driveway. Three parking spaces are provided and no variances are anticipated, this will allow the project to proceed directly to a Building Permit.

4.2 <u>Site Context</u>

Specifically, adjacent land uses are as follows:

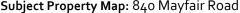
Orientation	Zoning	Land Use
North	RU6 – Two Dwelling Housing	Single Family Homes, Carriage Houses
	RU1c – Large Lot Housing with Carriage House	Single Family Florites, Carriage Flooses
East	RU6 – Two Dwelling Housing	Single Family Homes, Carriage Houses
	RU1 — Large Lot Housing	
South	RU1 — Large Lot Housing	Single Family Homes, Carriage Houses
	RU6 – Two Dwelling Housing	
West	A1 -Agriculture 1	Warehouse/Storage

Site Context Map:



Future Land Use Map:







Zoning Analysis Table 4.3

Zoning Analysis Table					
CRITERIA	RU1c ZONE REQUIREMENTS	PROPOSAL			
Existing Lot/Subdivision Regulations					
Lot Area	550 m²	971 m²			
Lot Width	16.5 m	19.81 m			
Lot Depth	30 m	50 m			
	Development Regulations				
Max. Site Coverage (Buildings)	40%	18.07%			
Max. Site Coverage (Buildings & driveway & parking)	50%	21.13%			
Max. Accessory Site Coverage	20%	9.19%			
Max. Accessory Building Footprint	130 m²	89.19 m²			
Max. Net Floor Area	100 m²	89.19 m²			
Max. Net Floor Area to Principal Building	75%	51.27%			
Maximum Height (Flat Roof)	4.8 m	3.66 m			
Side Yard (north)	2.0 M	10.13 M			
Side Yard (south)	2.0 M	2.36 m			
Rear Yard	2.0 M	2.0 M			
Min. Distance to Principal Building	3.0 m	16.07 m			
Other Regulations					
Minimum Parking Requirements	3 stalls	3 stalls			
Min. Private Open Space	30 m²	+30 m²			

5.0 Current Development Policies

5.1 Kelowna Official Community Plan (OCP)

Development Process

Compact Urban Form.¹ Develop a compact urban form that maximizes the use of existing infrastructure and contributes to energy efficient settlement patterns. This will be done by increasing densities (approximately 75 - 100 people and/or jobs located within a 400 metre walking distance of transit stops is required to support the level of transit service) through development, conversion, and re-development within Urban Centres (see Map 5.3) in particular and existing areas as per the provisions of the Generalized Future Land Use Map 4.1.

Sensitive Infill. ² Encourage new development or redevelopment in existing residential areas to be sensitive to or reflect the character of the neighborhood with respect to building design, height and siting.

Healthy Communities. ³ Through current zoning regulations and development processes, foster healthy, inclusive communities and a diverse mix of housing forms, consistent with the appearance of the surrounding neighbourhood.

Carriage Houses & Accessory Apartments. Support carriage houses and accessory apartments through appropriate zoning regulations.

6.o Technical Comments

6.1 <u>Building & Permitting Department</u>

- Development Cost Charges (DCC's) are required to be paid prior to issuance of any Building Permits.
- Operable bedroom windows required as per the 2012 edition of the British Columbia Building Code (BCBC 12).
- Full Plan check for Building Code related issues will be done at time of Building Permit applications

6.2 <u>Development Engineering Department</u>

• Refer to Attachment "A".

6.3 Fire Department

- Requirements of section 9.10.19 Smoke Alarms and Carbon Monoxide alarms of the BCBC 2012 are to be met.
- All units shall have a posted address on Mayfair Rd.
- If a fence is ever constructed between the units a clear width of 1100mm is required to be maintained for access

¹ City of Kelowna Official Community Plan, Policy 5.2.3 (Development Process Chapter).

² City of Kelowna Official Community Plan, Policy 5.22.6 (Development Process Chapter).

³ City of Kelowna Official Community Plan, Policy 5.22.7 (Development Process Chapter).

⁴ City of Kelowna Official Community Plan, Policy 5.22.12 (Development Process Chapter).

6.4 BMID - Irrigation District

 Refer to Water letter sent from BMID dated May 12, 2017. Please contact BMID to ensure fees and requirements are addressed

6.5 FortisBC - Electric

- There are FortisBC Inc (Electric) ("FBC(E)") primary distribution facilities along Mayfair Road. The
 applicant is responsible for costs associated with any change to the subject property's existing
 service, if any, as well as the provision of appropriate land rights where required.
- For more information, please refer to FBC(E)'s overhead and underground design requirements:

FortisBC Overhead Design Requirements http://fortisbc.com/ServiceMeterGuide

FortisBC Underground Design Specification http://www.fortisbc.com/InstallGuide

- Otherwise, FBC(E) has no concerns with this circulation. In order to initiate the design process, the customer must call 1-866-4FORTIS (1-866-436-7847).
- Please have the following information available in order for FBC(E) to set up the file when you call.

Electrician's Name and Phone number FortisBC Total Connected Load Form

Other technical information relative to electrical servicing

• It should be noted that additional land rights issues may arise from the design process but can be dealt with at that time, prior to construction

7.0 Application Chronology

Date of Application Received: April 3, 2017
Date Public Consultation Completed: April 18, 2017

Report prepared by: Lydia Korolchuk, Planner

Reviewed by: Terry Barton, Urban Planning Manager

Approved for Inclusion by: Ryan Smith, Community Planning Department Manager

Attachments:

Attachment A: Development Engineering Memorandum & BMID Letter

Attachment B: Site Plan

Attachment C: Conceptual Elevations

CITY OF KELOWNA

MEMORANDUM

Date:

May 10, 2017

File No .:

Z17-0033

To:

Urban Planning Management (LK)

From:

Development Engineering Manager (SM)

Subject:

840 Mayfair Road

RU1 to RU1c

Development Engineering has the following comments and requirements associated with this application to rezone from RU1 to RU1c to facilitate the development of a carriage house. The servicing requirements outlined in this report will be a requirement of this development.

Domestic Water and Fire Protection 1.

The property is located within the Black Mountain Irrigation District (BMID) service area. The water system must be capable of supplying domestic and fire flow demands of the project in accordance with the Subdivision, Development & Servicing Bylaw. The developer is responsible, if necessary, to arrange with BMID staff for any service improvements.

2. Sanitary Sewer

- a) Our records indicate that this property is currently serviced with a 100mm-diameter sanitary sewer service which is adequate for this application.
- b) This property is located within Sewer Specified Area #20. 1 Single Family Equivalent (SFE) is paid for annually with property taxes and is required to be paid in full as part of this rezoning application in addition to 0.5 SFE for the proposed carriage house. The total sewer Specified Area fee in 2017 will be calculated based on 1.5 SFE at \$2045.50 per SFE = \$3068.25

Development Permit and Site Related Issues 3.

- a) Direct the roof drains onto splash pads.
- b) Maximum driveway width permitted is 6m.

Electric Power and Telecommunication Services 4.

It is the applicant's responsibility to make a servicing application with the respective electric power, telephone and cable transmission companies to arrange for service upgrades to these services which would be at the applicant's cost.

Steve Muenz, P. Eng. Development Engineering Manager iо



Office: (250) 765-5169 Fax: (250) 765-0277 www.bmid.ca

May 12, 2017

Perfecta and Benjamin Pae-et 840 Mayfair Road Kelowna, BC V1X 5G6

RE:

Water Service Requirements Lot 5, Plan 24833

Z17-0033 Proposed Carriage House – 840 Mayfair Road

This letter sets out our requirements related to the proposed carriage house at 840 Mayfair Road. BMID has no objections to the rezoning applications as proposed.

Service Requirements and Charges:

For construction of a second dwelling on a property, each residence must have a separate water service and meter. A new service is required to be installed to service the carriage house. This work is to be done by BMID. Costs for the new service install will be invoiced after the work has been completed and will be based on actual costs for labour, materials and equipment. Please note that the owner is responsible to install the water service line from the property line to the building.

The connection fee is \$300.00 for a new carriage house unit as outlined in BMID Bylaw No. 667.

Corix Utilities is outsourced by BMID for the installation of domestic water meters within the BMID service area. The cost for supply and installation of the new domestic water meters in both homes, including remote read technology, is \$435.00 each for a total of \$870.00.

In accordance with BMID Bylaw No. 706, a Capital Expenditure Charge of \$3,350.00 applies for the addition of a carriage house on this property where a residence already exists. This money is to fund water source development and larger supply transmission mains as identified in the BMID Capital Plan. Capital charges are payable prior to construction of the second residence.

The authorized signatory (owner or authorized agent) must come in to our office to complete a *BMID* Application for Building form and a *BMID Work Order*, authorizing the new connection and water meter installations and to pay the charges as outlined. Once we have the signed forms on file and payment has been made, a *Water Certificate* can be issued for submission to the City of Kelowna.

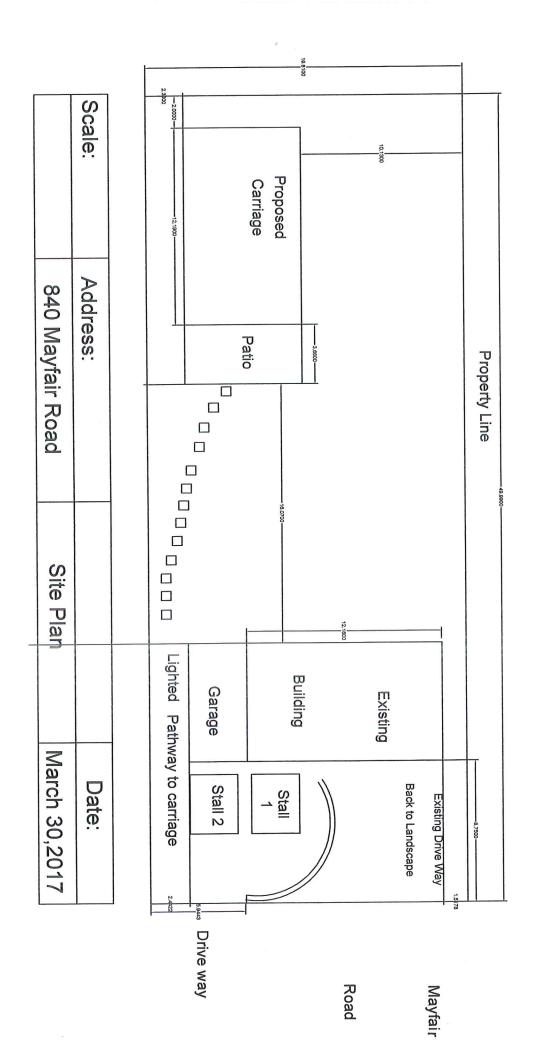
Please review this information and call us if you have questions. Additional information on the development process can be found at our website at www.bmid.ca.

Yours truly,

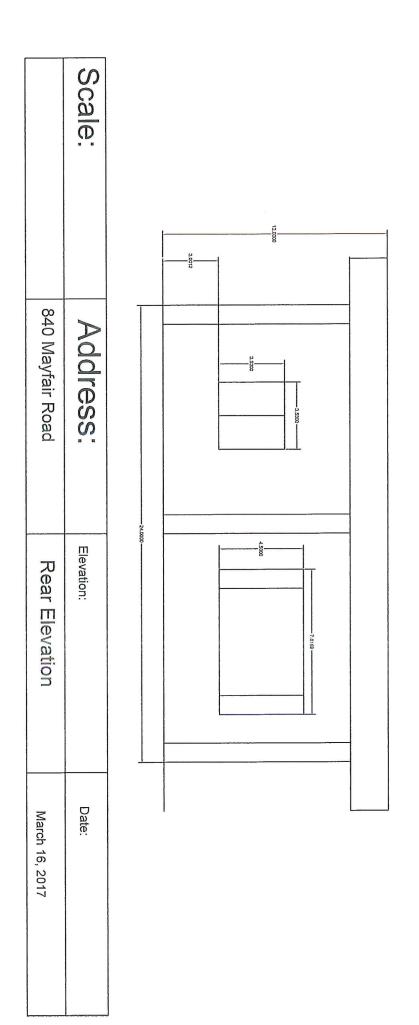
Black Mountain Irrigation District

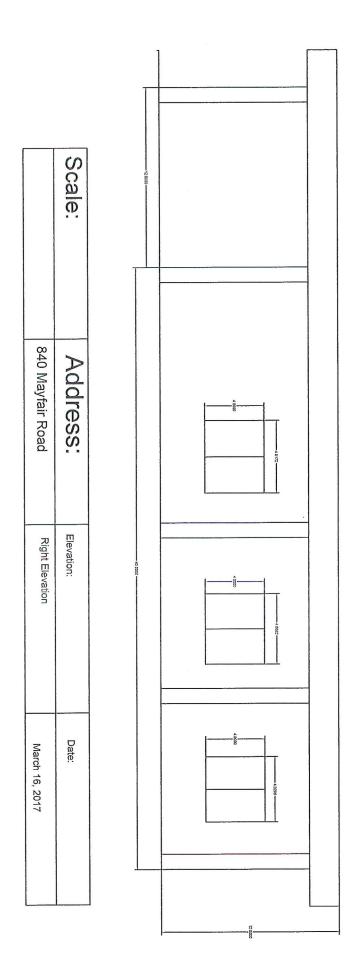
Dawn Williams Administrator

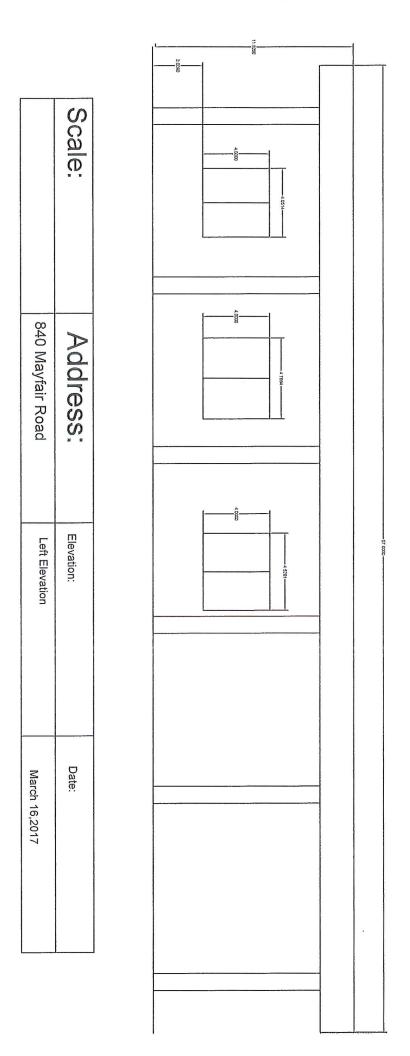
cc. Lydia Korolchuk, City of Kelowna Planner

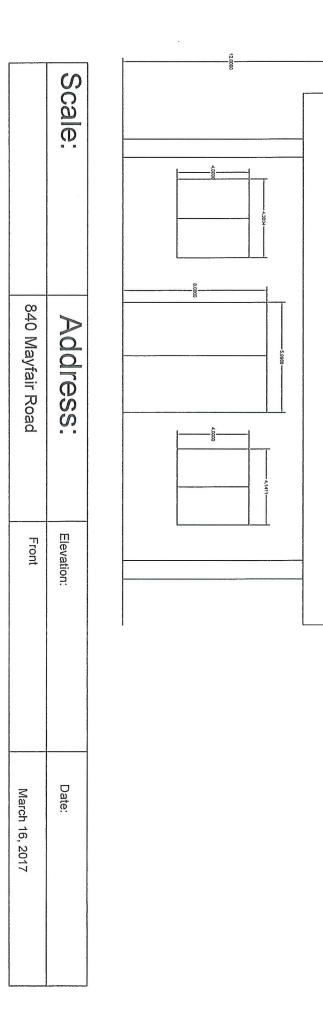


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SAO MAYFAIR ROAD	STALDOY:	4784			11x9)=99 sq ft	om 2	4 0.022
ALOOM PLAN	LAYOUT: SINGLE STOREY		O Bath		(10x9)=90 sq ft		
MARCH 16, 2017	DATE		41004	50000			12 0000









CITY OF KELOWNA

BYLAW NO. 11452 Z17-0033 — 840 Mayfair Road

A bylaw to amend the "City of Kelowna Zoning Bylaw No. 8000".

The Municipal Council of the City of Kelowna, in open meeting assembled, enacts as follows:

- 1. THAT City of Kelowna Zoning Bylaw No. 8000 be amended by changing the zoning classification of Lot 5 District Lot 143 ODYD Plan 42833 located on Mayfair Road, Kelowna, B.C., from the RU1– Large Lot Housing zone to the RU1C– Large Lot Housing with Carriage House zone.
- 2. This bylaw shall come into full force and effect and is binding on all persons as and from the date of adoption.

Read a first time by the Municipal Council this	
Considered at a Public Hearing on the	
Read a second and third time by the Municipal Counc	cil this
Approved under the Transportation Act this	
(Approving Officer – Ministry of Transportation)	
Adopted by the Municipal Council of the City of Kelov	wna this
	Mayor
	City Clerk

REPORT TO COUNCIL



Date: August 28, 2017

RIM No. 1250-30

To: City Manager

From: Community Planning Department (LK)

Application: Z15-0013 **Owner:** Ronald Egert

Address: 4653 Raymer Road Applicant: Oasis Design

Subject: Rezoning Application

Existing OCP Designation: S2RES – Single/Two Unit Residential

Existing Zone: RU1 – Large Lot Zoning

Proposed Zone: RU4 – Low Density Cluster Housing

1.0 Recommendation

THAT Rezoning Application No. Z15-0013 to amend the City of Kelowna Zoning Bylaw No. 8000 by changing the zoning classification of Lot 2 District Lot 580A SDYD Plan 15364, located at 4653 Raymer Road, Kelowna, BC from the RU1 – Large Lot Housing zone to the RU4 – Low Density Cluster Housing zone, be considered by Council;

AND THAT the Rezoning Bylaw be forwarded to a Public Hearing for further consideration;

AND THAT the Annexed Easement 127688E Over Part Lot 1 Plan 15364 Described in 127688E located at 4643 Raymer Road, Kelowna, BC, be discharged prior to Building Permit Occupancy approval.

AND THAT final adoption of the Rezoning Bylaw be considered subsequent to the applicant registering on title a 4.5 m SRW in favor of the City of Kelowna as described in Schedule "A";

AND THAT final adoption of the Rezoning Bylaw be considered subsequent to the outstanding conditions of approval as set out in Attachment "A" attached to the Report from the Community Planning Department dated September 28, 2016;

AND FURTHER THAT final adoption of the Rezoning Bylaw be considered subsequent to the completion of a Natural Environment Development Permit for the subject property.

2.0 Purpose

To rezone the subject property to facilitate the development of five single detached dwellings on the subject property.

3.0 Community Planning

Community Planning Staff supports the proposed 5-unit low density cluster housing project on the subject o.95-acre lot. The application is consistent with the Official Community Plan (OCP) Future Land Use Designation of S2RES – Single Two Unit Residential. It meets all of the Zoning Bylaw Regulations for RU4 – Low Density Cluster Housing.

The parcel is located in the North Mission – Crawford area and is accessed off of Gordon Drive. The parcel is mid-block between Hubbard Road and Hammer Avenue. Adding density at this location will be supported by nearby parks, schools, transit and bike routes. The proposed project will help contribute to fulfilling the City's policy of 'Complete Communities' by increasing the residential density of the property and neighbourhood. This project is also consistent with several other OCP Urban infill policies including 'Compact Urban Form' and 'Sensitive Infill'.

Council Policy No. 367 with respect to public consultation was undertaken by the applicant and all neighbors within a 50 m radius of the subject property.

4.0 Proposal

4.1 Project Description

The RU₄ – Low Density Cluster Housing zone is utilized to preserve natural or environmentally sensitive features. This site is unique as it is adjacent to a formerly designated creek (North Fork Bellevue Creek) along the south side of the property. A 4.5 m Statutory Right of Way (SROW) will be provided along the Raymer Road frontage and along the south side of the parcel to allow City work crews access for maintenance purposes when required as it remains part of the City's drainage system.

As redevelopment within this area has been very limited to date, the dwellings have been designed well below the maximum height allowed within the zoning regulations. Each two-storey building has a low sloped roof to transition with the surrounding neighbourhood which mainly consists of one or 1½ storey dwellings. The site density is increasing from one unit to five but will remain below the maximum allowed within the zoning regulations for a parcel of this size. The parcel size would allow a maximum of six units on the parcel.

The proposed development consists of five single family dwellings with double attached garages. All units are three bedrooms, with an unfinished basement that could be developed with an additional bedroom if

required. All on-site parking requirements are met with visitor additional parking spaces provided along the north side of the common drive aisle. Private amenity space in the form of decks along with a large accessible common green space extends along the south side of the parcel. The green space to the south of the dwellings and the large building setback on the north side of the privacy ensures provided for the adjacent neighbours.



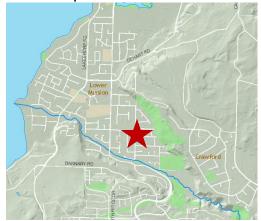
The Zoning Bylaw requires 10 parking stalls (two per dwelling) be provided. Designated visitor stalls are not required for the development of single family dwellings. The development is providing an additional eight visitor parking stalls along the north side of the parcel to ensure that visitors to the site are able to park offstreet.

4.2 Site Context

The subject property is located mid-block between Hubbard Road and Hammer Avenue on Raymer Road. The site is designated S2RES – Single/ Two Unit Residential and is within the Permanent Growth Boundary. Specifically, adjacent land uses are as follows:

Orientation	Zoning	Land Use
North	RU1 – Large Lot Housing, RU1c – Large Lot	Single Dwelling House, Carriage House
	Housing with Carriage House	Single Dwelling Hoose, Carriage Hoose
East	RU1 – Large Lot Housing	Single Dwelling House
South	RU1 – Large Lot Housing	Single Dwelling House
West	RU1 – Large Lot Housing	Single Dwelling House

Context Map



Future Land Use



Subject Property Map:



4.3 Zoning Analysis Table

Zoning Analysis Table						
CRITERIA	RU4 ZONE REQUIREMENTS	PROPOSAL				
	Development Regulations					
Maximum Density	17 dwellings/ ha.	13 dwellings/ ha.				
Site Coverage (Buildings)	35%	23.5%				
Site Coverage (Buildings, driveways & parking areas)	45%	43.27%				
Height	9.5 m or 2 ½ storeys	7.7 m & 2 storeys				
Front Yard	4.5 m	5.51 m				
Side Yard (south)	3.0 m	12.32 M				
Side Yard (north)	3.0 m	11.71 m				
Rear Yard	6.o m	6.10 m				
Other Regulations						
Minimum Parking Requirements	10 stalls	18 stalls				

5.0 Current Development Policies

5.1 <u>Kelowna Official Community Plan (OCP)</u>

Development Process

Complete Communities. Support the development of complete communities with a minimum intensity of approximately 35-40 people and/or jobs per hectare to support basic transit service — a bus every 30 minutes. (approx. 114 people / hectare proposed).

Compact Urban Form.² Develop a compact urban form that maximizes the use of existing infrastructure and contributes to energy efficient settlement patterns. This will be done by increasing densities (approximately 75 - 100 people and/or jobs located within a 400 metre walking distance of transit stops is required to support the level of transit service) through development, conversion, and re-development within Urban Centres (see Map 5.3) in particular and existing areas as per the provisions of the Generalized Future Land Use Map 4.1.

Sensitive Infill.³ Encourage new development or redevelopment in existing residential areas to be sensitive to or reflect the character of the neighbourhood with respect to building design, height and siting.

Healthy Communities.⁴ Through current zoning regulations and development processes, foster healthy, inclusive communities and a diverse mix of housing forms, consistent with the appearance of the surrounding neighbourhood.

6.o Technical Comments

- 6.1 Building & Permitting Department
 - Development Cost Charges (DCC's) are required to be paid prior to issuance of any Building Permit(s)
 - A Geotechnical report is required to address the sub soil conditions, water table, site drainage and minimum flood level at time of building permit application.
 - Full Plan check for Building Code related issues will be done at time of Building Permit applications. Please indicate how the requirements of Radon mitigation and NAFS are being applied to this structure.
- 6.2 Development Engineering Department
 - Refer to Attachment "A" dated September 28, 2016.
- 6.3 Fire Department
 - Construction fire safety plan is required to be submitted and reviewed prior to construction and updated as required.

¹ City of Kelowna Official Community Plan, Policy 5.2.4 (Development Process Chapter).

² City of Kelowna Official Community Plan, Policy 5.3.2 (Development Process Chapter).

³ City of Kelowna Official Community Plan, Policy 5.22.6 (Development Process Chapter).

⁴ City of Kelowna Official Community Plan, Policy 5.22.7 (Development Process Chapter).

- Engineered Fire Flow calculations are required to determine Fire Hydrant requirements as per the
 City of Kelowna Subdivision Bylaw #7900. New hydrants on this property shall be operational prior
 to the start of construction and shall be deemed a private hydrant
- All buildings shall be addressed off of the street it is accessed from. One main address and unit numbers for the strata.
- Approved Fire Department steel lock box acceptable to the fire dept. is required by the fire dept. entrance and shall be flush mounted should there be a gate.
- All requirements of the City of Kelowna Fire and Life Safety Bylaw 10760 shall be met.

7.0 Application Chronology

Date of Application Received: March 6, 2015
Date Public Consultation Completed: July 26, 2017

Report prepared by: Lydia Korolchuk, Planner

Reviewed by: Terry Barton, Urban Planning Manager

Approved for Inclusion: Ryan Smith, Community Planning Department Manager

Attachments:

Attachment A: Development Engineering Memorandum

Attachment B: Site Plan & Floor Plans

Attachment C: Conceptual Elevations & Renderings

LK

Initials

CITY OF KELOWNA

MEMORANDUM

Date:

September 28, 2016

File No.:

Z15-0013

To:

Community Planning (LK)

From:

Development Engineering Technologist (SS)

Subject:

4653 Raymer Road REVISED

RU1 to RU4

Development Engineering has the following requirements associated with this application. The road and utility upgrading requirements outlined in this report will be a requirement of this development.

Domestic Water and Fire Protection .1)

- The development site is presently serviced with a small diameter (19-mm PVC) (a) water service. The developer's consulting mechanical engineer will determine the domestic, fire protection requirements of this proposed development and establish hydrant requirements and service needs. Only one service will be permitted for this development. The estimated cost of this construction for bonding purposes is \$12,000.00
- The developer must obtain the necessary permits and have all existing utility (b) services disconnected prior to removing or demolishing the existing structures. The City of Kelowna water meter contractor must salvage existing water meters, prior to building demolition. If water meters are not salvaged, the developer will be invoiced for the meters. The new water meter will need to be installed in an above grade building.

.2) Sanitary Sewer

- The development site is presently serviced with a 100mm-diameter sanitary (a) sewer service. The developer must engage a consulting mechanical engineer to determine the requirements of this development. Only one service will be permitted for this development.
- The applicant, at his cost, will arrange for the capping of unused services at the (b) main and the installation of one larger service. The estimated cost of this construction for bonding purposes is \$6,000.00

Storm Drainage .3)

The developer must engage a consulting civil engineer to provide a storm water (a) management plan for these sites which meets the requirements of the Subdivision, Development and Servicing Bylaw No. 7900. The storm water management plan must also include provision of lot grading plans, minimum basement elevations (MBE), if applicable, and provision of a storm drainage service and recommendations for onsite drainage containment and disposal systems.

Z15-0013 - 4653 Raymer Rd - RU4 REVISED II - SS.doc

.4) Road Improvements

(a) Raymer Road fronting this development must be upgraded to an urban standard to include a barrier curb and gutter, concrete sidewalk, pavement fillet, landscaped boulevard and street lighting and relocation or adjustment of existing utility appurtenances if required to accommodate the upgrading construction.

.5) Road Dedication and Subdivision Requirements

By registered plan to provide the following:

- (a) Grant a 4.5m statutory right-of-way for the North arm of Bellevue creek.
- (b) Grant statutory rights-of-way if required for utility services.

.6) Electric Power and Telecommunication Services

The electrical and telecommunication services to the site as well as the local distribution wiring must be installed in an underground duct system, and the buildings must be connected by underground ducting. It is the developer's responsibility to make a servicing application with the respective electric power, telephone and cable transmission companies to arrange for these services which would be at the applicant's cost.

.7) Engineering

Road and utility construction design, construction supervision, and quality control supervision of all off-site and site services including on-site ground recharge drainage collection and disposal systems, must be performed by an approved consulting civil engineer. Designs must be submitted to the City Engineering Department for review and marked "issued for construction" by the City Engineer before construction may begin.

.8) <u>Design and Construction</u>

- (a) Design, construction supervision and inspection of all off-site civil works and site servicing must be performed by a Consulting Civil Engineer and all such work is subject to the approval of the City Engineer. Drawings must conform to City standards and requirements.
- (b) Engineering drawing submissions are to be in accordance with the City's "Engineering Drawing Submission Requirements" Policy. Please note the number of sets and drawings required for submissions.
- (c) Quality Control and Assurance Plans must be provided in accordance with the Subdivision, Development & Servicing Bylaw No. 7900 (refer to Part 5 and Schedule 3).
- (d) A "Consulting Engineering Confirmation Letter" (City document 'C') must be completed prior to submission of any designs.
- (e) Before any construction related to the requirements of this subdivision application commences, design drawings prepared by a professional engineer must be submitted to the City's Works & Utilities Department. The design drawings must first be "Issued for Construction" by the City Engineer. On examination of design drawings, it may be determined that rights-of-way are required for current or future needs.

Z15-0013 - 4653 Raymer Rd - RU4 REVISED II - SS.doc

.9) Servicing Agreements for Works and Services

- (a) A Servicing Agreement is required for all works and services on City lands in accordance with the Subdivision, Development & Servicing Bylaw No. 7900. The applicant's Engineer, prior to preparation of Servicing Agreements, must provide adequate drawings and estimates for the required works. The Servicing Agreement must be in the form as described in Schedule 2 of the bylaw.
- (b) Part 3, "Security for Works and Services", of the Bylaw, describes the Bonding and Insurance requirements of the Owner. The liability limit is not to be less than \$5,000,000 and the City is to be

.10) Geotechnical Report

As a requirement of this application the owner must provide a geotechnical report prepared by a Professional Engineer qualified in the field of hydro-geotechnical survey to address the following:

- (a) Area ground water characteristics.
- (b) Site suitability for development, unstable soils, etc.
- (c) Drill and / or excavate test holes on the site and install pisometers if necessary. Log test hole data to identify soil characteristics, identify areas of fill if any. Identify unacceptable fill material, analyse soil sulphate content, identify unsuitable underlying soils such as peat, etc. and make recommendations for remediation if necessary.
- (d) List extraordinary requirements that may be required to accommodate construction of roads and underground utilities as well as building foundation designs.
- (e) Additional geotechnical survey may be necessary for building foundations,

.11) Bonding and Levy Summary

(a) Bonding

Sanitary services upgrade Water services upgrade

\$ 6,000.00 \$12,000.00

Total Bonding

\$18,000.00

<u>NOTE</u>: The bonding amounts shown above are comprised of estimated construction costs escalated by 140% to include engineering design and contingency protection and are provided for information purposes only. The owner should engage a consulting civil engineer to provide detailed designs and obtain actual tendered construction costs if he wishes to do so. Bonding for required off-site construction must be provided, and may be in the form of cash or an irrevocable letter of credit, in an approved format. The owner must also enter into a servicing agreement in a form provided by the City.

Only the service upgrades must be completed at this time. The City wishes to defer the frontage upgrades to Raymer Road fronting this development. Therefore, cash-in-lieu of immediate construction is required and the City will initiate the work later, on its own construction schedule.

Z15-0013 - 4653 Raymer Rd - RU4 REVISED II - SS.doc

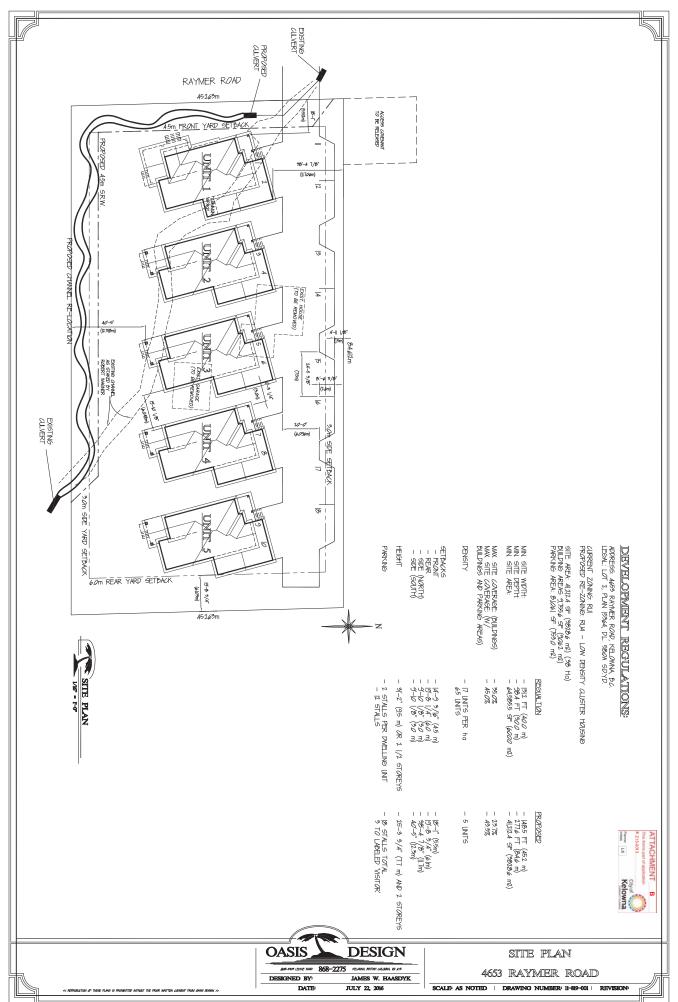
Total	\$24,985.00
Road Fillet	\$ 4,469.00
Landscape Boulevard	\$ 2,660.00
Street Lighting	\$ 1,436.00
Drainage	\$ 6,844.00
Sidewalk	\$ 5,320.00
Curb &Gutter	\$ 4,256.00
Item	Cost

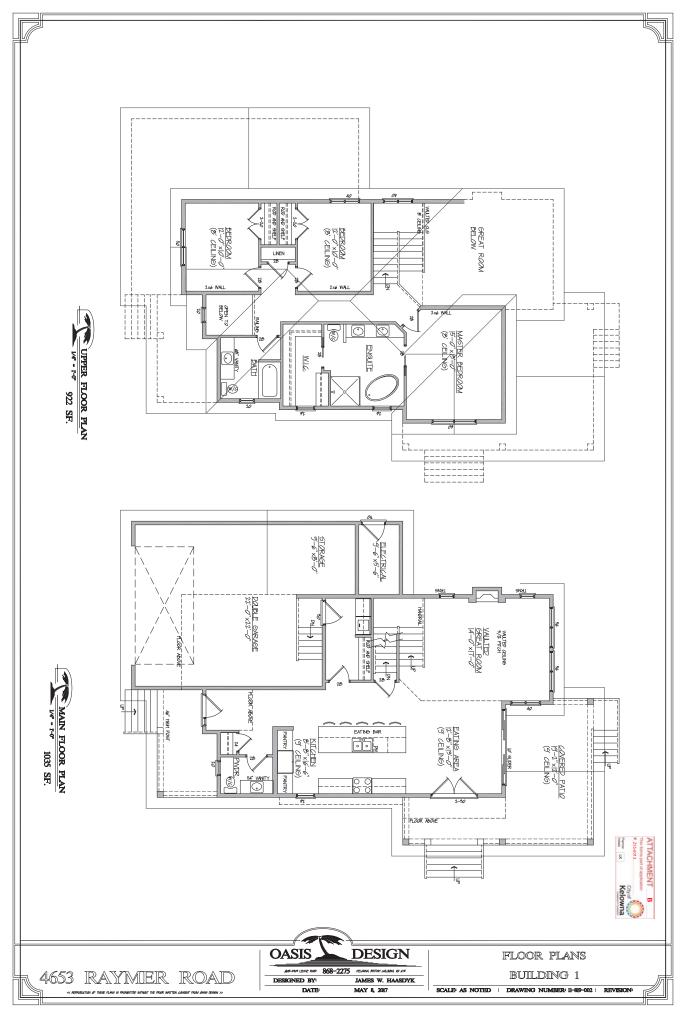
.12) Administration Charge

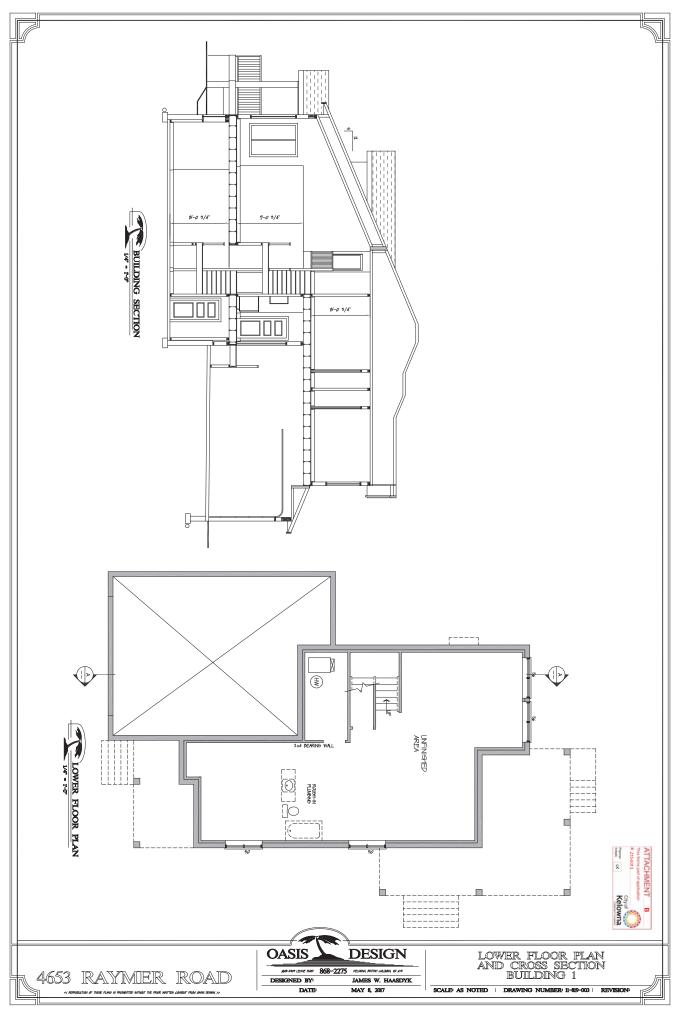
An administration charge will be assessed for processing of this application, review and approval of engineering designs and construction inspection. The administration charge is calculated as (3% of Total Off-Site Construction Cost plus GST).

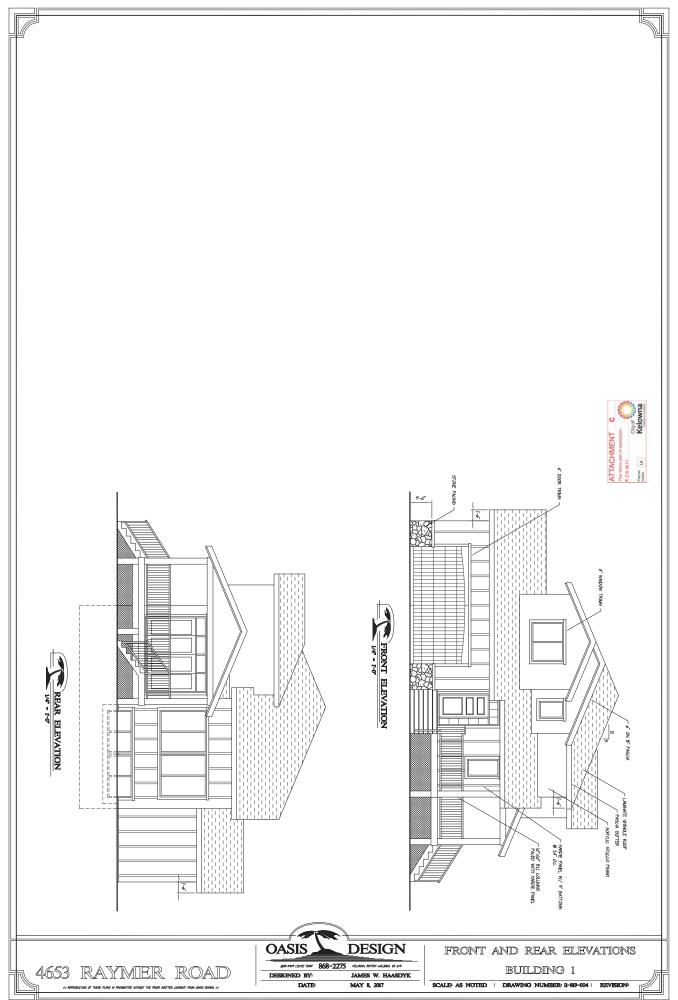
Sergio Sartori
Development Engineering Technologist

Development Engineering Manager (initials)

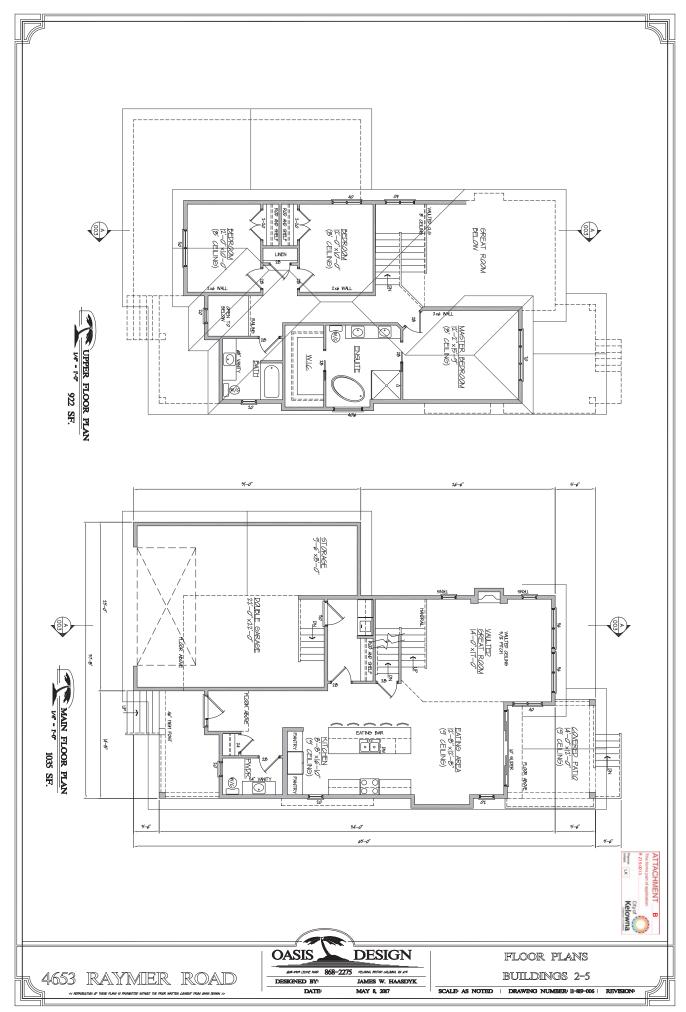


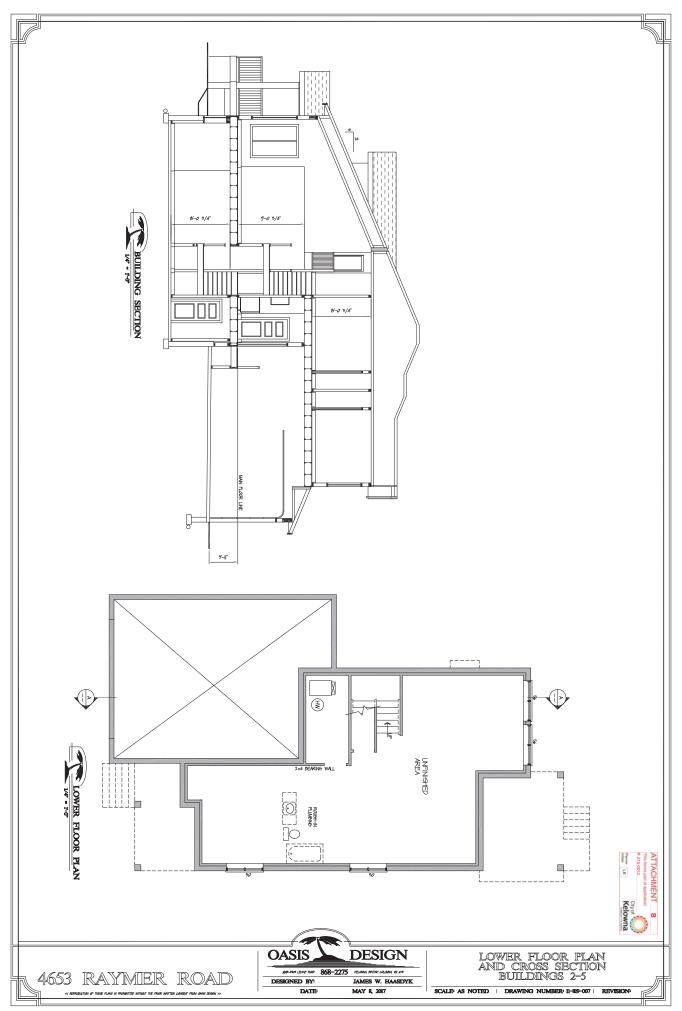


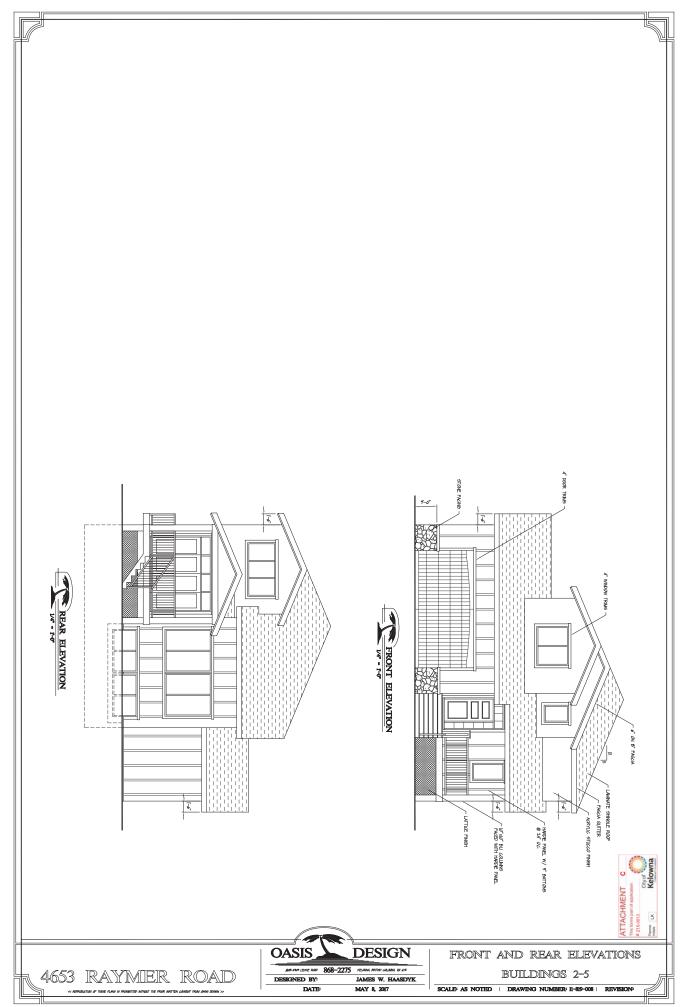


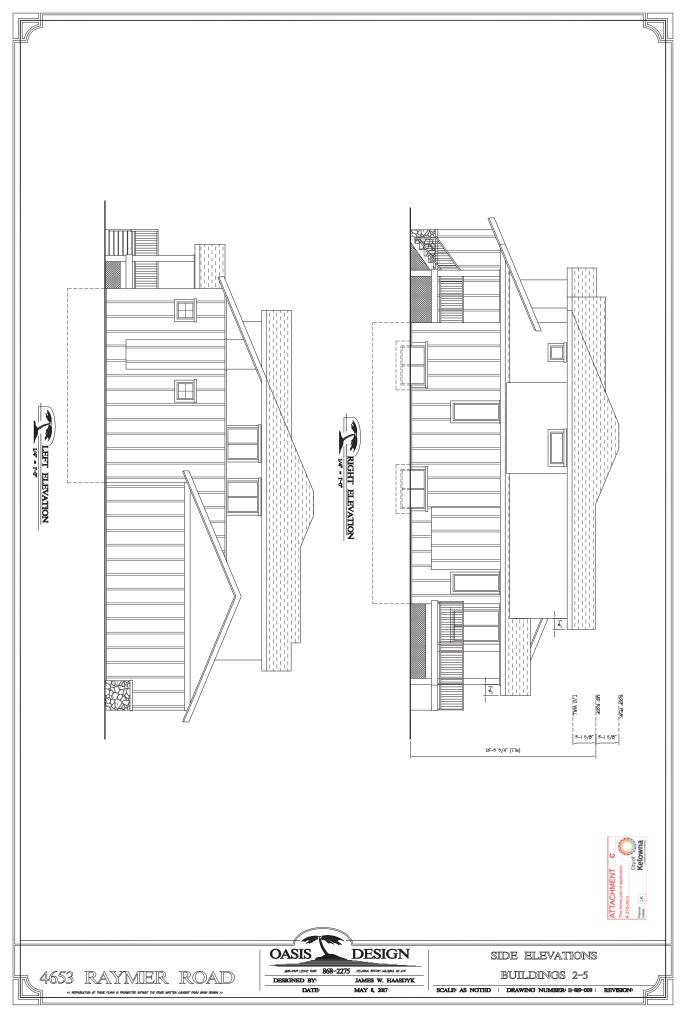




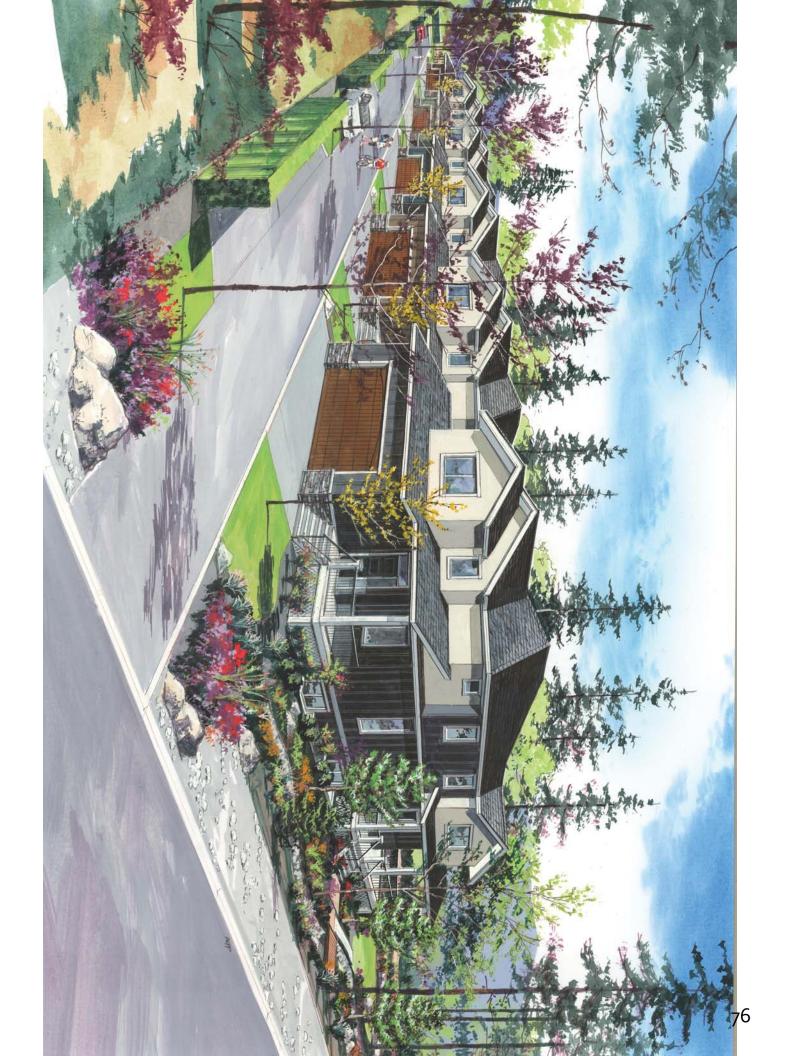














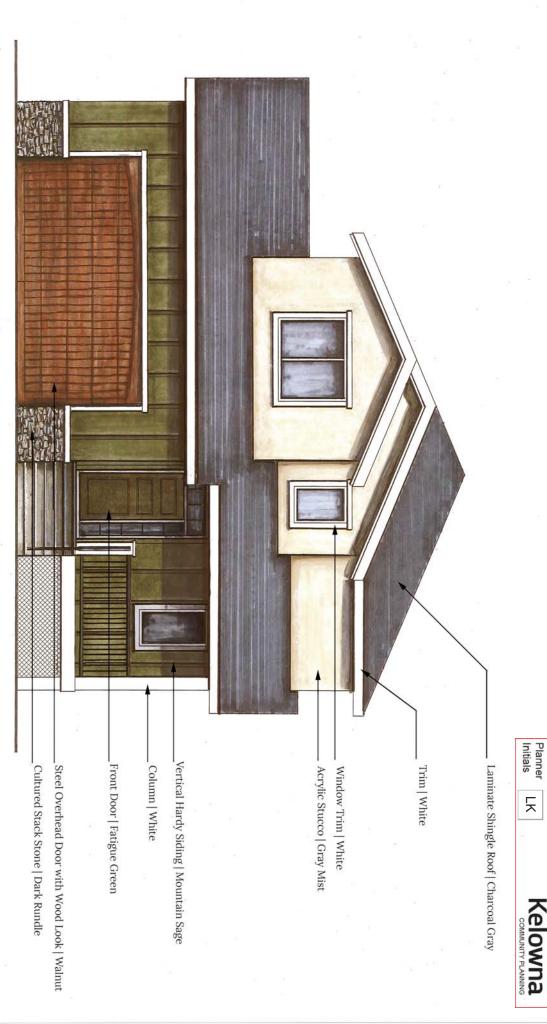






ATTACHMENT

C



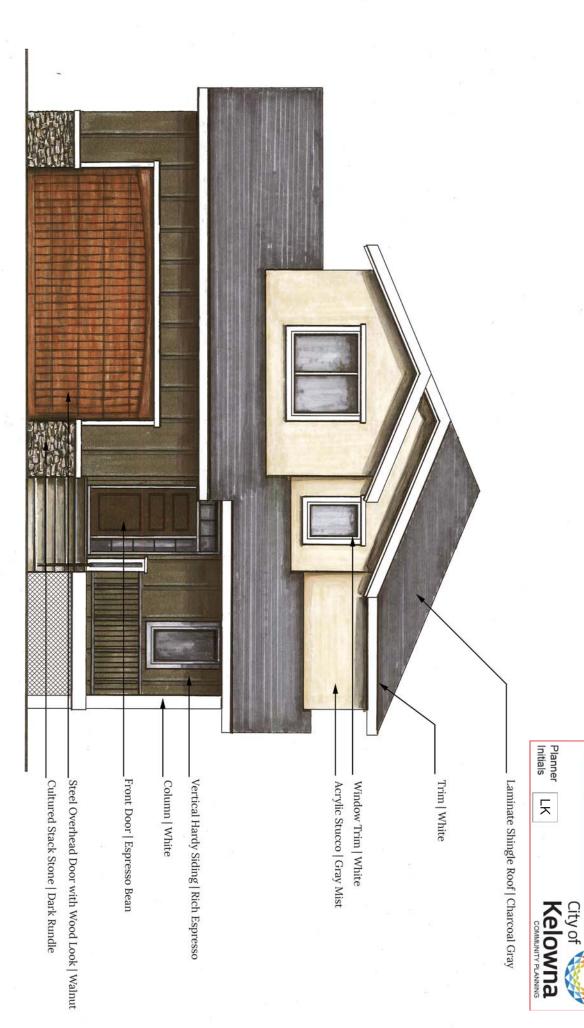
Z15-0013

City of

This forms part of application

ATTACHMENT

C



Z15-0013

This forms part of application

ATTACHMENT

C

CITY OF KELOWNA

BYLAW NO. 11458 Z15-0013 – 4653 Raymer Road

A by	law to	amend the	"City of K	elowna Zor	nina By	vlaw No.	8000".
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The Municipal Council of the City of Kelowna, in open meeting assembled, enacts as follows:

- 1. THAT City of Kelowna Zoning Bylaw No. 8000 be amended by changing the zoning classification of Lot 2, District Lot 580A, SDYD Plan 15364 located on Raymer Road, Kelowna, B.C., from the RU1 Large Lot Housing zone to the RU4 Low Density Cluster Housing zone.
- 2. This bylaw shall come into full force and effect and is binding on all persons as and from the date of adoption.

Read a first time by the Municipal Council this

Considered at a Public Hearing on the

Read a second and third time by the Municipal Council this

Adopted by the Municipal Council of the City of Kelowna this

Mayor
,
City Clerk

REPORT TO COUNCIL



Date: August 28, 2017

RIM No. 1250-30

To: City Manager

From: Community Planning Department (LK)

Application: Z17-0043 **Owner:** David Dombowsky

Address: 3511 Landie Road Applicant: Harmony Homes

Subject: Rezoning Application

Existing OCP Designation: S2RES – Single/Two Unit Residential

Existing Zone: RU1 – large Lot Housing

Proposed Zone: RU1c – Large Lot Housing with Carriage House

1.0 Recommendation

THAT Rezoning Application No. Z17-0043 to amend the City of Kelowna Zoning Bylaw No. 8000 by changing the zoning classification of Lot A District Lot 134 ODYD Plan EPP16841, located at 3511 Landie Road, Kelowna, BC from the RU1 – Large Lot Housing zone to the RU1c – Large Lot Housing with Carriage House zone, be considered by Council;

AND FURTHER THAT the Rezoning Bylaw be forwarded to a Public Hearing for further consideration.

2.0 Purpose

To rezone the subject property from RU1 – Large Lot Housing to RU1c – Large Lot Housing with carriage House to facilitate the future development of a carriage house.

3.0 Community Planning

Community Planning Staff support the proposed rezoning application to facilitate the future construction of a carriage house on the subject property. The subject property is located within the Permanent Growth Boundary in the South Pandosy/ KLO Sector of Kelowna. The parcel is designated as S2RES- Single/ Two Unit Residential in the Official Community Plan (OCP). Rezoning the subject property to add the 'c' designation meets several City policy objectives including fostering a mix of housing forms and concentrating growth within the Permanent Growth Boundary. The increase in density is supported by local amenities such as parks, school, transit and recreational opportunities in the immediate area. The

proposed rezoning is also consistent with the property's future land use designation and there are a number of properties in the neighbourhood that are currently zoned as RU1c.

In accordance with Council Policy No. 367, the applicant submitted a Neighbour Consultation Form outlining that the neighbours within 50m of the subject property were notified of the proposed rezoning application.

4.0 Proposal

4.1 Project Description

The proposal is to rezone the parcel from the RU1 – Large Lot Housing zone to the RU1c _ Large Lot Housing with Carriage House zone. The applicant is proposing a single storey, two-bedroom carriage house. The application meets all of the Zoning Bylaw Regulations for the development of a single storey carriage house.

The carriage house will be located at the rear of the parcel. As there is no lane access for the site, the existing front driveway will be shared between the existing single family dwelling and the new carriage house.

4.2 Site Context

Specifically, adjacent land uses are as follows:

Orientation	Zoning	Land Use
North	RU1 – Large Lot Housing	Single Family Dwelling
East	RU1 – Large Lot Housing	Single Family Dwelling
South	RU2 — Medium Lot Housing	Single Family Dwelling
West	RM ₃ – Low Density Multiple Housing	Multiple Dwelling Housing

Site Context Map:



Future Land Use Map:





4.3 Zoning Analysis Table

Zoning Analysis Table					
CRITERIA	RU1c ZONE REQUIREMENTS	PROPOSAL			
E	xisting Lot/Subdivision Regulations				
Lot Area	550 m²	716 m²			
Lot Width	16.5 m	17.43 m			
Lot Depth	30 m	41.08 m			
	Development Regulations				
Max. Site Coverage (Buildings)	40%	39%			
Max. Site Coverage (Buildings & driveway & parking)	50%	47.57%			
Max. Accessory Site Coverage	20%	12.54%			
Max. Accessory Building Footprint	130 m²	89.84 m²			
Max. Net Floor Area	100 m²	89.84 m²			
Max. Net Floor Area to Principal Building	75%	47.3%			
Maximum Height (to mid-point)	4.8 m	4.1 m			
Maximum Height (to peak)	6.4 m	5.36 m			
Side Yard (northwest)	2.0 M	2.0 M			
Side Yard (southeast)	2.0 M	5.35 m			
Rear Yard	2.0 M	2.91 m			
Min. Distance to Principal Building	3.0 m	12.16 m			

Other Regulations			
Minimum Parking Requirements	3 stalls	3 stalls	
Min. Private Open Space	30 m²	+30 m²	

5.0 Current Development Policies

5.1 Kelowna Official Community Plan (OCP)

Development Process

Compact Urban Form.¹ Develop a compact urban form that maximizes the use of existing infrastructure and contributes to energy efficient settlement patterns. This will be done by increasing densities (approximately 75 - 100 people and/or jobs located within a 400 metre walking distance of transit stops is required to support the level of transit service) through development, conversion, and re-development within Urban Centres (see Map 5.3) in particular and existing areas as per the provisions of the Generalized Future Land Use Map 4.1.

Sensitive Infill. ² Encourage new development or redevelopment in existing residential areas to be sensitive to or reflect the character of the neighborhood with respect to building design, height and siting.

Healthy Communities. ³ Through current zoning regulations and development processes, foster healthy, inclusive communities and a diverse mix of housing forms, consistent with the appearance of the surrounding neighbourhood.

Carriage Houses & Accessory Apartments. Support carriage houses and accessory apartments through appropriate zoning regulations.

6.o Technical Comments

6.1 Building & Permitting Department

- Development Cost Charges (DCC's) are required to be paid prior to issuance of any Building Permits.
- A third party work order may be required with the Development Engineering Department for an
 upgraded water line and sewage connection. These requirements are to be resolved prior to
 issuance of the Building Permit.
- HPO (Home Protection Office) approval or release is required at time of Building Permit application.
- At time of Building Permit application, the spatial calculations are to be provided from the designer.
- Full Plan check for Building Code related issues will be done at time of Building Permit applications.
 Please indicate how the requirements of Radon mitigation and NAFS are being applied to this complex at time of permit application.

6.2 Development Engineering Department

Refer to Attachment 'A' dated May 25, 2017.

¹ City of Kelowna Official Community Plan, Policy 5.3.2 (Development Process Chapter).

² City of Kelowna Official Community Plan, Policy 5.22.6 (Development Process Chapter).

³ City of Kelowna Official Community Plan, Policy 5.22.7 (Development Process Chapter).

⁴ City of Kelowna Official Community Plan, Policy 5.22.12 (Development Process Chapter).

6.3 Fire Department

- Requirements of section 9.10.19 Smoke Alarms and Carbon Monoxide alarms of the BCBC 2012 are to be met.
- All units shall have a posted address on Landie Road.

6.4 Fortis BC - Electric

- There are FortisBC Inc (Electric) ("FBC(E)") primary distribution facilities along Landie Road. The
 applicant is responsible for costs associated with any change to the subject property's existing
 service, if any, as well as the provision of appropriate land rights where required.
- It should be noted that additional land rights issues may arise from the design process but can be dealt with at that time, prior to construction.

7.0 Application Chronology

Date of Application Received: May 24, 2017
Date Public Consultation Completed: July 12, 2017

Report prepared by: Lydia Korolchuk, Planner

Reviewed by: Terry Barton, Urban Planning Manager

Approved for Inclusion by: Ryan Smith, Community Planning Department Manager

Attachments:

Attachment A: Development engineering Memorandum

Attachment B: Site Plan

Attachment C: Conceptual Elevations

CITY OF KELOWNA

MEMORANDUM

Date:

May 25, 2017

File No.:

Z17-0043

To:

Community Planning (LK)

From:

Development Engineering Manager(SM)

Subject:

3511 Landie Road Lot A Plan EPP16841 RU1 to RU1c

Carriage House

Development Engineering has the following comments and requirements associated with this application. The utility upgrading requirements outlined in this report will be a requirement of this development.

1. Domestic Water and Fire Protection

Our records indicate that this property is currently serviced with a 19mm-diameter water service which is adequate for this application.

2. Sanitary Sewer

Our records indicate that this property is currently serviced with a 100mm-diameter sanitary sewer service which is adequate for this application.

3. Development Permit and Site Related Issues

Direct the roof drains onto splash pads.

Driveway access permissible is one (1) per property as per bylaw.

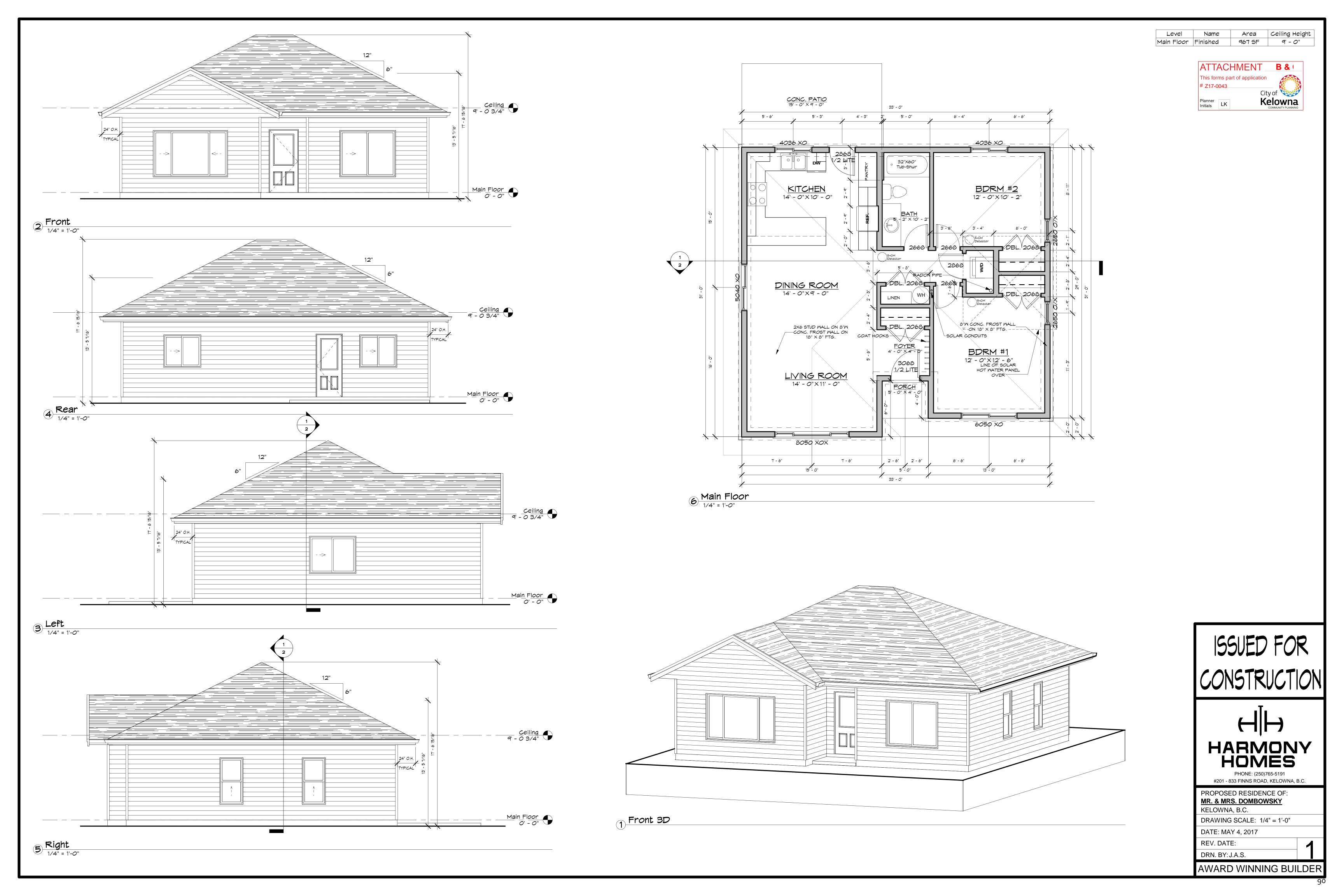
4. Electric Power and Telecommunication Services

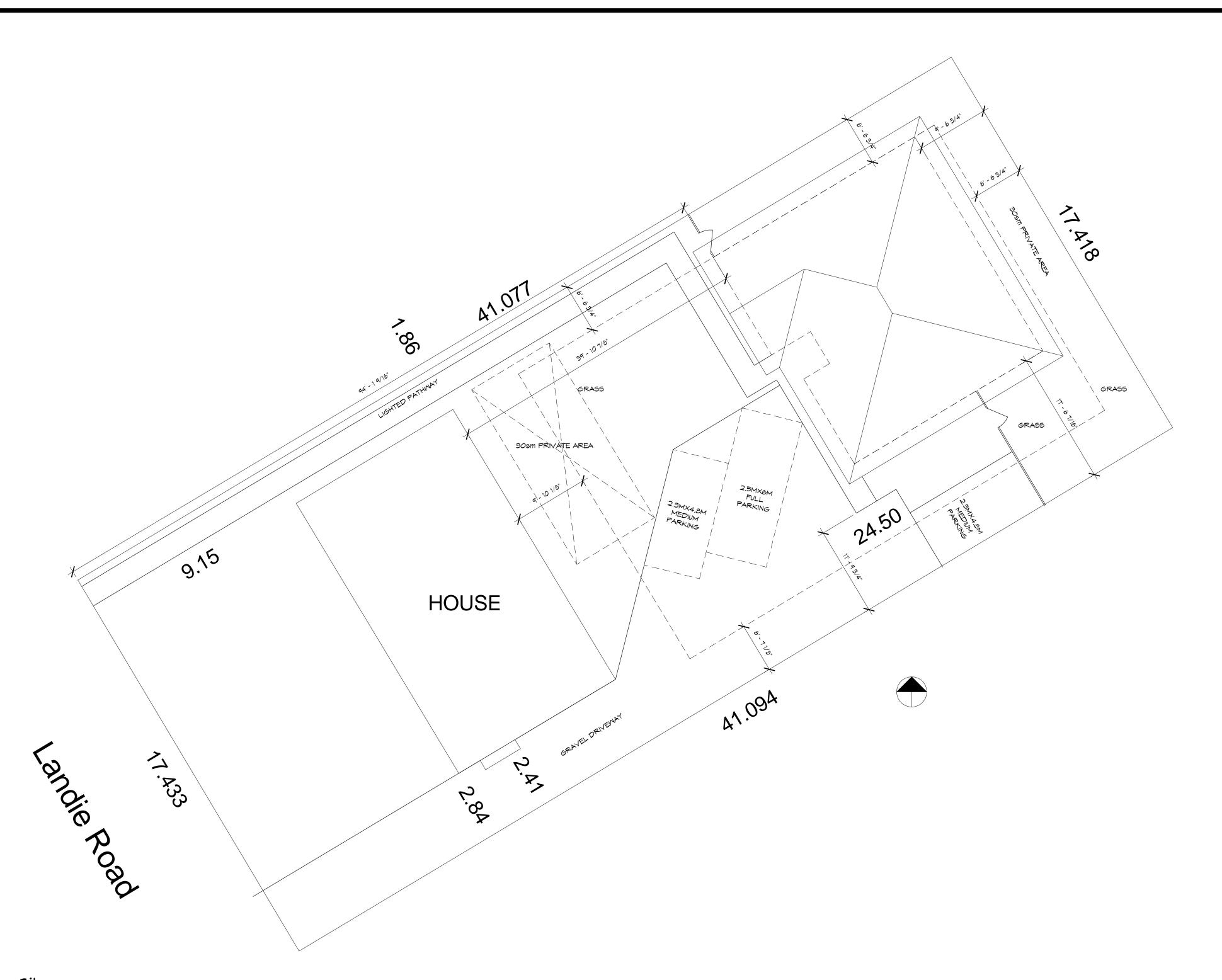
It is the applicant's responsibility to make a servicing application with the respective electric power, telephone and cable transmission companies to arrange for service upgrades to these services which would be at the applicant's cost.

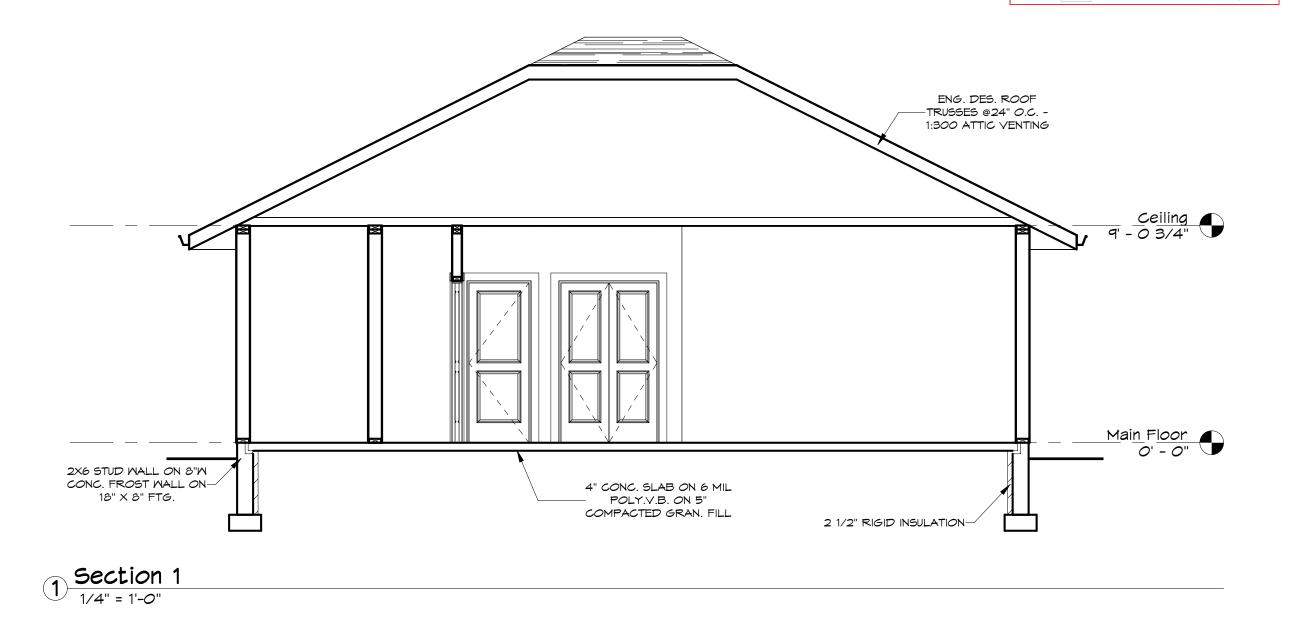
Steve Muenz, P. Eng.

Development Engineering Manager

JΑ







SITE CALCULATIONS

LOT AREA 7706.325F/715.945M

PRIMARY HOUSE AREA 20205F/187.665M CARRIAGE HOME AREA 9675F/89.845M DRIVEWAY AREA 1681.635F/156.235M

MAX SIZE OF CARRIAGE HOME

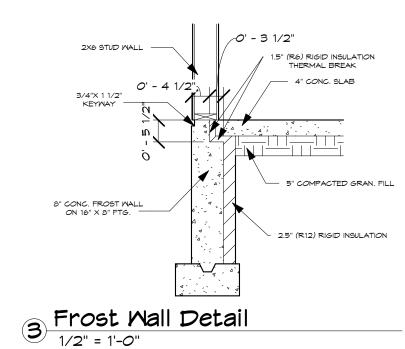
1515SF/140.75SM 75% OF PRIMARY REMAINING AREA 548SF/50.91SM

20% MAX LOT COVERAGE 1541.265F/143.195M REMAINING AREA 574.26SF/53.35SM

LOT COVERAGE

MAX HOUSE & CARRIAGE @40% 3082.535F/286.385M HOUSE + CARRIAGE 1984.185F/184.345M

MAX WITH DRIVEWAY @50% 3853.16SF/357.97SM HOUSE+CARRIAGE+GARAGE 3665.81SF/340.57SM



ATTACHMENT

City of 👐 Kelowna

Z17-0043

2 Site 1/8" = 1'-0"

ROOF CONSTRUCTION

- ASPHALT SHINGLES

- 30# ROOFING FELT - 7/16" O.S.B. ROOF SHEATHING C/W "H" CLIPS - ENGINEER DESIGNED ROOF TRUSSES

- R-40 INSULATION - 6 MIL POLY. VAPOUR BARRIER - 1/2" GYPSUM BOARD

INTERIOR WALL CONSTRUCTION

- 1/2" GYPSUM BOARD TO BOTH SIDES - 2X4 SPF STUDS @16" O.C.

- VINYL SIDING

- PERMAX PAPER - 7/16" O.S.B. SHEATHING - 2X6 SPF STUDS @24" O.C.

EXTERIOR WALL CONSTRUCTION INTERIOR FLOOR CONSTRUCTION

- FINISHED FLOORING

- 1/4" UNDERLAY (STURDI-WOOD) @ LINO AREAS - 3/8" PLYWOOD UNDER TILED AREA - 3/4" T&G FIR PLYWOOD SUBFLOOR

- R-22 INSULATION - ENGINEER DESIGNED FLOOR SYSTEM @16" O.C. MAX - 6 MIL POLY. VAPOUR BARRIER - 1/2" GYPSUM BOARD

- 1/2" GYPSUM BOARD

SLAB ON GRADE SLAB CONSTRUCTION - 4" CONC. SLAB @20 MPA - 6 MIL POLY. VAPOUR BARRIER - 5" COMPACTED GRAN. FILL

HAVING JURISDICTION AND TO THEIR APPROVAL.

GENERAL NOTES • ALL WORK TO BE IN COMPLAINCE WITH THE CURRENT RESIDENTIAL STANDARDS OF THE BRITISH COLUMBIA BUILDING CODE 2012, CURRENT ELECTRICAL AND PLUMBING CODES AND

ALL LOCAL BUILDING CODE AND BYLAWS WHICH MAY TAKE PRECEDENCE.

• ALL WORK SHALL BE PREFORMED IN ALL RESPECTS TO GOOD BUILDING PRACTICE.

• WRITTEN DIMENSIONS TO BE FOLLOWED. **DO NOT** SCALE FROM DRAWINGS! ALL FLOOR JOISTS AND BEAMS TO BE D.FIR/LARCH #2 OR BETTER UNLESS NOTED OTHERWISE

• WOOD IN CONTACT WITH CONCRETE TO BE DAMP-PROOFED WITH 45 LB. FELT, 6 MIL. POLY.

OR OTHER APPROVED METHOD. • PLATES TO BE ANCHORED TO CONCRETE WITH 1/2" DIA. ANCHOR BOLTS AT MAXIMUM 6'0" O.C.

AND AT ALL CORNERS. ALL MEASUREMENTS, GRADES AND LEVELS TO BE VERIFIED ON SITE BEFORE COMMENCING CONSTRUCTION. PERIMETER DRAINAGE SHALL BE INSTALED WHERE REQUIRED BY LOCAL AUTHORITIES

• ALL CONCRETE TO HAVE A MINIMUM COMPRESSIVE STRENGTH OF 20 MPA AT 28 DAYS.

• FLOOR JOIST SPANS OF MORE THAN 7'0" SHALL BE BRIDGED AT MID-SPAN OR AT 7'0" O.C. MAXIMUM. BRIDGING SHALL BE 2"X2" DIAGONAL TYPE CROSS BRIDGING INSTALLED AS PER THE B.C.B.C. 2006.

FLASHING TO BE INSTALLED AT ALL PENETRATIONS IN ROOF SYSTEM AND CHANGES IN ROOF PLANE.
ALL ELECTRICAL/PLUMBING FIXTURES TO BE VERIFIED WITH OWER.
FLASHING TO BE INSTALLED AT ALL CHANGES IN HORIZONTAL EXTERIOR FINISHINGS AND OVER ALL UNPROTECTED OPENINGS. CAULKING TO BE INSTALLED AROUND ALL UNFLASHED EXTERIOR OPENINGS. • HARMONY HOMES SHALL NOT BE RESPONSIBLE FOR ANY VARIANCES FROM THE STRUCTUAL DRAWINGS AND SPECIFICATIONS, OR ADJUSTMENTS REQUIRED RESULTING FROM CONDITIONS ENCOUNTERED AT THE

JOB SITE, AND IS THE SOLE RESPONSIBILITY OF THE OWNER OR CONTRACTER HARMONY HOMES MAKES EVERY EFFORT TO PROVIDE COMPLETE AND ACCURATE CONSTRUCTIOON DRAWINGS. HOWEVER, WE ASSUME NO LIABILITYFOR ANY ERRORS OR OMMISIONS WHICH MAY EFFECT CONSTRUCTION. IT IS THE RESPONSIBILITY OF ALL TRADES AND SUB-TRADESTO CHECK AND VERIFY ALL DIMENSIONS AND DETAILS BEFORE COMMENCING WITH THIER PORTION OF THE CONSTRUCTION. SHOULD DISCREPANCIES BE FOUND ON THESE PLANS, PLEASE ADVISE OUR OFFICES SO WE CAN MAKE THE NESSESSARY CORRECTIONS.

	CLADDING	VINTL SIL
	STRAPPING	
	SHEATHING MEMBRANE	BUILDING
	SHEATHING	7/16" OSI
	STUD WALL	2X6 @24'
	INSULATION	R22
	VAPOUR BARRIER	6 MIL PO
	INTERIOR SHEATHING	1/2" DRY
	INSIDE AIR FILM	
INTERIOR SWING DOORS ROUGH OPENING IS ALWAYS 82 1/2" HIGH X 2" GREATER		
THAN THE NOMINAL DOOR SIZE FX 2/8 X 6/8 = 34" X 82 1/2"	TOTAL EFFECTIVE RSI VA	 .LUE:

GREATER THAN DOOR HEIGHT.

DOOR HEIGHT. EX. 5/0 X 6/8 = 61" X 81 1/2"

INTERIOR BIFOLDS

ROUGH OPENINGS FOR 2 PANEL DOORS ARE 1 1/4"

GREATER THAN THE NOMINAL DOOR WIDTH & 1 1/2"

EX. $3/0 \times 6/8 = 37 \cdot 1/4$ " X 81 1/2" ROUGH OPENINGS FOR 4 PANEL DOORS ARE 1" GREATER THAN THE NOMINAL DOOR WIDTH & 1 1/2" GREATER THAN

EX. 2/8 X 6/8 = 34" X 82 1/2"

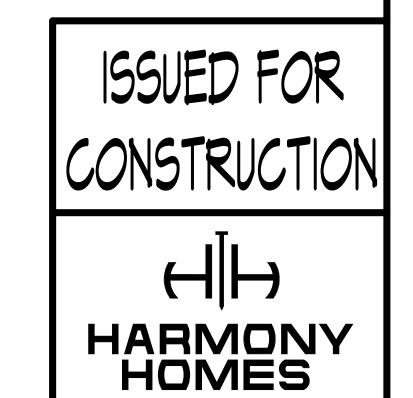
HRV: YES

OUTSIDE AIR FILM

REQUIRED RSI VALUE:

TYPICAL	_ WALL ASSEMBLY		TYPICAL	EILING ASSEMBLY	
)	MATERIAL	RSI	HRV: YES	MATERIAL	R
RFILM		0	OUTSIDE AIR FILM		0.0
	VINYL SIDING	0	ROOFING	ASPHALY SHINGLES	0.0
		0	STRAPPING		(
MEMBRANE	BUILDING PAPER	0	SHEATHING MEMBRANE	15# FELT	(
	7/16" <i>O</i> SB	0	SHEATHING	7/16" OSB	0.
	2×6 @24" O.C.	0	INSULATION ABOVE TRUSS	R40	7.0
	R22		TRUSS SPACING	24" O.C.	
RRIER	6 MIL POLY	0	BOTTOM CHORD HEIGHT	2X4	1.4
HEATHING	1/2" DRYWALL	0	VAPOUR BARRIER	6 MIL POLY	(
ILM		0	INTERIOR SHEATHING	1/2" DRYWALL	0.0
		0	INSIDE AIR FILM		0.
		0			(
		0			(
CTIVE RSI VALUE: 0		TOTAL EFFECTIVE RSI VAL	UE:	7.	
SI VALUE: O		0	REQUIRED RSI VALUE:		6.

HRY: YES	MATERIAL	R.
OUTSIDE AIR FILM		0.0
OUTSIDE INSULATION		0
DAMP PROOFING	NO	0
FOUNDATION WALL	200mm CONCRETE	0.0
AIR SPACE		0
STRAPPING WALL		2.1
INSULATION	R12 RIGID	2.1
VAPOUR BARRIER		0
INTERIOR SHEATHING		0
INSIDE AIR FILM		0.1
		0
		0
		0
TOTAL EFFECTIVE RSI V	ALUE:	2.3
REQUIRED RSI VALUE:		1.9



#201 - 833 FINNS ROAD, KELOWNA, B.C. PROPOSED RESIDENCE OF:

MR. & MRS. DOMBOWSKY KELOWNA, B.C. DRAWING SCALE: As indicated

REV. DATE: DRN. BY: J.A.S.

DATE: MAY 4, 2017

AWARD WINNING BUILDER

CITY OF KELOWNA

BYLAW NO. 11459 Z17-0043 – 3511 Landie Road

A bylaw to amend the "City of Kelowna Zoning Bylaw No. 8000".

The Municipal Council of the City of Kelowna, in open meeting assembled, enacts as follows:

- 1. THAT City of Kelowna Zoning Bylaw No. 8000 be amended by changing the zoning classification of Lot A, District Lot 134, ODYD Plan EPP16841 located on Landie Road, Kelowna, B.C., from the RU1 Large Lot Housing zone to the RU1c Large Lot Housing with Carriage House zone.
- 2. This bylaw shall come into full force and effect and is binding on all persons as and from the date of adoption.

Read a first time by the Municipal Council this

Considered at a Public Hearing on the

Read a second and third time by the Municipal Council this

Adopted by the Municipal Council of the City of Kelowna this

Mayor
•
City Clerk

REPORT TO COUNCIL



Date: August 14, 2016

RIM No. 1250-30

To: City Manager

From: Community Planning Department (AC)

Application: Z17-0021 & OCP17-0007 Owner: Father Delestre Columbus

(2009) Society Inc. No. S-55623.

Address: 130 McCurdy Rd Applicant: Freedom's Door (Tom

Smithwick)

Subject: OCP Amendment and Rezoning Application

Existing OCP Designation: EDINST – Educational / Major Institutional

Proposed OCP Designation: MXR – Mixed Use (Residential/Commercial)

Existing Zone: A1 – Agriculture 1

Proposed Zone: C3 – Community Commercial

1.0 Recommendation

THAT Official Community Plan Map Amendment Application No. OCP17-0007 to amend Map 4.1 in the Kelowna 2030 – Official Community Plan Bylaw No. 10500 by changing the Future Land Use designation of Lot 2, Section 26, Township 26, ODYD, Plan 39917, located at 130 McCurdy Rd, Kelowna, BC from the EDINST – Educational / Major Institutional designation to the MXR – Mixed Use (Residential/Commercial) designation, be considered by Council;

THAT Rezoning Application No. Z17-0021 to amend the City of Kelowna Zoning Bylaw No. 8000 by changing the zoning classification of Lot 2, Section 26, Township 26, ODYD, Plan 39917, located at 130 McCurdy Rd, Kelowna, BC from the A1 - Agriculture 1 zone to the C3 – Community Commercial zone, be considered by Council;

AND THAT the Rezoning Bylaw be forwarded to a Public Hearing for further consideration;

AND FURTHER THAT final adoption of the OCP Map Amending Bylaw and the Rezoning Bylaw be considered subsequent to the outstanding conditions identified in Attachment "A" associated with the report from the Community Planning Department dated August 14th 2017.

2.0 Purpose

To consider an OCP amendment application from EDINST – Educational / Major Institutional to MXR – Mixed Use (Residential/Commercial) and to consider a rezoning application on the subject property from the A1 – Agriculture 1 zone to the C3 – Community Commercial zone to facilitate the development of a supportive housing project on the subject property.

3.0 Community Planning

Staff supports the Official Community Plan (OCP) amendment and rezoning applications. The applicant, Freedom's Door, has partnered with the property owner, Knight of Columbus (KofC), to develop a 4 storey supportive housing building which also incorporates a new KofC space. The supportive housing project run by Freedom's Door is intended to house graduates of the recovering addicts program facilitated by Freedom's Door.

The proposed C3 zone supports the supportive housing land use with ground floor commercial. The applicant and Staff contemplated the C4 zone but the C3 zone was determined to be a more suitable zone because the site is located outside an urban centre. The site is roughly 650 metres north of the Rutland Urban Centre.

If the rezoning is approved, Staff will review the form and character of the proposed building through a Development Permit application. Staff has encouraged the proponent to carefully consider the heritage registered property to the north and how the proposed project will interact and transition to the surrounding single family neighbourhood. While the existing condition of the surrounding properties is single family dwellings, the majority of the Rutland Road corridor is designated MRL – Multiple Residential (Low Density) which supports three storey apartment or townhouse style development. Currently, Staff are not tracking any variances associated with the proposed development.

The City has only one policy statement related to supportive housing initiatives. That policy states:

"Support the provision of housing for all members of the community, including those in core housing need or requiring special needs housing (transitional, age in place, emergency or shelter)."

There is no policy that regulates how supportive housing should be distributed throughout the City or with regards to proximity of schools and other land uses. Therefore, Staff reviews the merits of each application on a case by case basis. In this case, the site and the existing building have deteriorated over time. The proposed development will provide a new space for the KofC, while providing social housing run by Freedom's Door, cleaning up the overall site.

Generally, apartment style developments are mainly permitted within MRM and MXT OCP designations which predominately occur within urban centres. However, there are exceptions whereby those OCP designations exist outside of urban centres and they generally occur along arterial roads (such as Clement Avenue). Despite the subject property being located outside an official urban centre, the subject property is located at the corner of two major arterial roads and adjacent to a small commercial node and as a result, Staff support the use of an apartment building at this location.

3.1 Public Notification

As per Council Policy 367 regarding public notification, the applicant held a public open house on April 6th 2017.

4.0 Proposal

4.1 Project Description

If the rezoning is approved, the applicant is proposing to build an apartment building. The apartment building is proposed to be utilized as a supportive housing facility in order to provide graduates of the Freedom's Door recovery program a safe, affordable and supportive housing option. The project details could change prior to Development Permit consideration, however, currently the proposal includes:

- a 4 storey apartment building;
- a 34 stall surface parking lot;
- 50 bicycle parking stalls;
- 49 supportive housing units on floors 2, 3, & 4;
- a ground floor consisting of:
 - o two commercial retail units (718ft² per unit) facing MCCurdy Rd;
 - o one caretaker suite on ground floor facing north;
 - o communal Kitchen;
 - o communal Dining area;
 - o amenity space;
 - storage areas;
 - o board room & office space.

If Council supports the rezoning, the applicant will finalize the design and Staff will update the project description in the Development Permit report.

4.2 Site Context

The subject property is located in the north Rutland area, is connected to urban services, and is located within the Permanent Growth Boundary.

Specifically, adjacent land uses are as follows:

Orientation	Zoning	Land Use
North RU1 – Large Lot Housing		Residential
East	P2 - Education & Minor Institutional	Institutional
EdSt	C2 – Neighbourhood Commercial	Commercial
South RU6 – Two Dwelling Housing		Residential
West	RU1 – Large Lot Housing	Residential



4.3 Zoning Analysis Table

The zoning analysis table shows the requirements of the C3 zone compared to the proposal:

Zoning Analysis Table					
CRITERIA	C3 ZONE REQUIREMENTS	PROPOSAL			
	Development Regulations				
Max. Floor Area Ratio	1.0 commercial only	1.0			
Max. Site Coverage	50%	28.8%			
Max. Height	15m or 4 storeys	14m (4 storeys)			
Min. Front Yard Setback (Rutland Rd N)	3.0m	6.0m			
Min. Side Yard Setback (North)	7.0m	7.0m			

Min. Flanking Side Yard Setback (McCurdy Rd)	2.0m	6.0m			
Min. Rear Yard Setback	6.0m	>6.0m			
	Other Regulations				
Min. Parking Stalls	1 caretaker suite (1.5 stalls) 49 Suites (16.33 stalls) Commercial (2.33 Stalls) = 20.2 stalls	34 stalls			
Min. Bicycle Stalls	32	50			
Minimum Parking ratio	Full size: Min 50% Medium Size: Max 40% Compact Car: Max 10%	100% full size stalls			

5.0 **Current Development Policies**

5.1 Kelowna Official Community Plan (OCP)

Compact Urban Form. Develop a compact urban form that maximizes the use of existing infrastructure and contributes to energy efficient settlement patterns. This will be done by increasing densities (approximately 75 - 100 people and/or jobs located within a 400 metre walking distance of transit stops is required to support the level of transit service) through development, conversion, and re-development within Urban Centres (see Map 5.3) in particular and existing areas as per the provisions of the Generalized Future Land Use Map 4.1.

Residential Land Use Policies.2

- Support a greater mix of housing unit size, form and tenure in new multi-unit residential and mixed use developments.
- Ensure context sensitive housing development.

Relationship to the Street.³ Locate buildings to provide an effective street edge while respecting the established, desired streetscape rhythm;

Relationship to the Street. 4 Design buildings with multiple street frontages to give equal emphasis to each frontage with respect to building massing, materials, details, and landscaping.

Support the creation of affordable and safe rental, non-market and/or special needs housing.5

- Housing Availability. Support the provision of housing for all members of the community, including those in core housing need or requiring special needs housing (transitional, age in place, emergency or shelter).
- City-Owned Land. Continue to consider the potential to lease City-owned land to non-profit housing societies to assist in the delivery of affordable housing.
- Housing Opportunities Reserve Fund. Maintain a housing opportunities reserve fund.
- Use of the Housing Opportunities Reserve Fund. The Housing Opportunities Reserve Fund shall be used for the City to develop and partner to deliver affordable housing units.

¹ City of Kelowna Official Community Plan, Policy 5.3.2 (Development Process Chapter).

² City of Kelowna Official Community Plan, Objective 5.22 (Development Process Chapter).

³ City of Kelowna Official Community Plan, Policy 3.1.1 (Chapter 14 Urban Design Guidelines).

⁴ City of Kelowna Official Community Plan, Policy 3.1.1 (Chapter 14 Urban Design Guidelines). ⁵ City of Kelowna Official Community Plan, Policy 10.3.1-4 (Chapter 10 Social Sustainability).

6.0 Technical Comments

6.1 Building & Permitting Department

No comment on rezoning.

6.2 Development Engineering Department

See attached memorandum dated April 10th 2017.

6.3 Fire Department

No comment on rezoning.

7.0 Application Chronology

Date of Application Received: February 27th 2017
Date Public Consultation Completed: April 6th 2017

Report prepared by: Adam Cseke, Planner Specialist

Reviewed by: Lindsey Ganczar, Urban Planning Supervisor

Approved for Inclusion: Ryan Smith, Community Planning Department Manager

Attachments:

- 1. Attachment 'A' Development Engineering Memo dated April 10th 2017
- 2. Initial Architectural Drawing Package

CITY OF KELOWNA

MEMORANDUM

ATTACHMENT A

This forms part of application

Planner Initials

AC

OCP17-0007 & Z17-0021

City of Kelowna

Date:

April 10, 2017

File No.:

Z17-0021

To:

Urban Planning Management (AC)

From:

Development Engineering Manager (SM)

Subject:

130 McCurdy Road

A1 to C4

The Development Engineering Department has the following comments and requirements associated with this rezoning application for the property at 130 McCurdy Road to accommodate development of a 52-unit supportive housing project. The road and utility upgrading requirements outlined in this report will be requirements of this development.

The Development Engineering Technologist for this project is Jason Ough

1. Domestic Water and Fire Protection

- a) This development is within the service area of the Black Mountain Irrigation District (BMID). The developer is required to make satisfactory arrangements with the BMID for these items. All charges for service connection and upgrading costs, as well as any costs to decommission existing services are to be paid directly to BMID.
- b) The developer must obtain the necessary permits and have all existing utility services disconnected prior to removing or demolishing the existing structures.

2. Sanitary Sewer

- a) The subject property is currently within the sanitary Sewer Specified Area # 20 and is serviced by the municipal sanitary sewer collection system. Our records indicate that in 2005 a Spec Area fee was cash commuted for this property at a value equal to 2.34 Equivalent Dwelling Units (EDU). The developer will be responsible to cash commute the specified area charges for this development. The charge is currently set at \$ 2,458.33 per EDU, valid until March 31, 2017.

 The total charge is: (52 x 0.5) 2.34 = 23.66 EDU x \$2,458.33 = \$58,164.10
- b) Our records indicate that this property is currently serviced with a 100mm-diameter sanitary sewer service. The applicant's consulting mechanical engineer will determine the requirements of the proposed development and establish the service needs. Only one service per lot will be permitted for this development. If required, the applicant will arrange for the removal and disconnection of the existing service and the installation of one new larger service at the applicants cost. Contact Jason Ough (250 469 4519) for service work estimate.



Storm Drainage 3.

The developer must engage a consulting civil engineer to provide a storm water a) management plan for these sites which meets the requirements of the City Subdivision Development and Servicing Bylaw 7900. The storm water management plan must also include provision of lot grading plans, minimum basement elevations (MBE), if applicable, and provision of a storm drainage service and recommendations for onsite drainage containment and disposal systems.

4. Road Improvements

Required frontage improvements along McCurdy include: a)

Realign the existing curb to accommodate a 1.5m bike lane. i.

- Construct a 3m asphalt walkway 0.3m from the property line and grass ii. boulevard of varying width as per attached concept plan, including street trees and LED streetlights.
- Required frontage improvements along Rutland Road N include: b)
 - Construct 1.5m of sidewalk 0.3m from the property line, grass boulevard of i. varying width as per attached concept plan, including street trees and LED streetlights.

Roadway to include a 3.0m right turn lane, and 1.8m bicycle lane including ii.

transition.

- Let-downs and crosswalks to be realigned. c)
- Replacement and re-location or adjustment of utility appurtenances if required to d) accommodate the upgrading construction. Estimate provided as cash in lieu levy for frontage improvements.
- Provide a Traffic Signs/Pavement Marking design drawing. e)
- A landscape & irrigation design drawing for approval is required. f)
- The applicants civil engineering consultant will provide an estimated cost of g) required road improvement works for bonding purpose.

Subdivision and Dedication 5.

- Approximately 2.7m of road dedication is required along the entire frontage of a) McCurdy Road to match the property line at 1001 Aldon Rd.
- Approximately 5m of road dedication is required along the entire frontage of b) Rutland Road N to match the property line at 1024 Rutland Rd N.
- 6m corner rounding is required at the intersection of McCurdy and Rutland c) Roads.
- Dedicate 5m width along the full frontage of Findlay Road to match the property d) line north of 1297 Findlay Road.
- If any road dedication or closure affects lands encumbered by a Utility right-ofe) way (such as Hydro, Telus, Gas, etc.) please obtain the approval of the utility. Any works required by the utility as a consequence of the road dedication or

closure must be incorporated in the construction drawings submitted to the City's Development Manager.

6. Development Permit and Site Related Issues

- a) Direct the roof drains into on-site rock pits or splash pads.
- b) An MSU standard size vehicle must be able to manoeuvre onto and off the site without requiring a reverse movement onto public roadways. If the development plan intends to accommodate larger vehicles movements should also be illustrated on the site plan.

7. Electric Power and Telecommunication Services

The electrical and telecommunication services to this building must be installed in an underground duct system, and the building must be connected by an underground service. It is the developer's responsibility to make a servicing application with the respective electric power, telephone and cable transmission companies to arrange for these services, which would be at the applicant's cost.

8. Geotechnical Report

As a requirement of this application the owner must provide a geotechnical report prepared by a Professional Engineer qualified in the field of hydro-geotechnical survey to address the following:

- (a) Area ground water characteristics.
- (b) Site suitability for development, unstable soils, etc.
- (c) Drill and / or excavate test holes on the site and install pisometers if necessary. Log test hole data to identify soil characteristics, identify areas of fill if any. Identify unacceptable fill material, analyse soil sulphate content, identify unsuitable underlying soils such as peat, etc. and make recommendations for remediation if necessary.
- (d) List extraordinary requirements that may be required to accommodate construction of roads and underground utilities as well as building foundation designs.

(e) Additional geotechnical survey may be necessary for building foundations, etc.

etc.

Steve Muenz, P. Ehg.
Development Engineering Manager

ATTACHMENT A

This forms part of application

OCP17-0007 & Z17-0021

City of

Planner Initials

AC

COMMUNITY PLANNING

jο





500 - 153 SEYMOUR ST KAMLOOPS, BC V2C 2C7 PHONE 250.372.8845 richard@rhunterarchitect.com

2017

FREEDOM'S DOOR / KIGHTS OF COLUMBUS #6233 FATHER DELESTRE (2009) SOSIETY

HOUSING PROJECT 130 McCURDY ROAD KELOWNA, BC

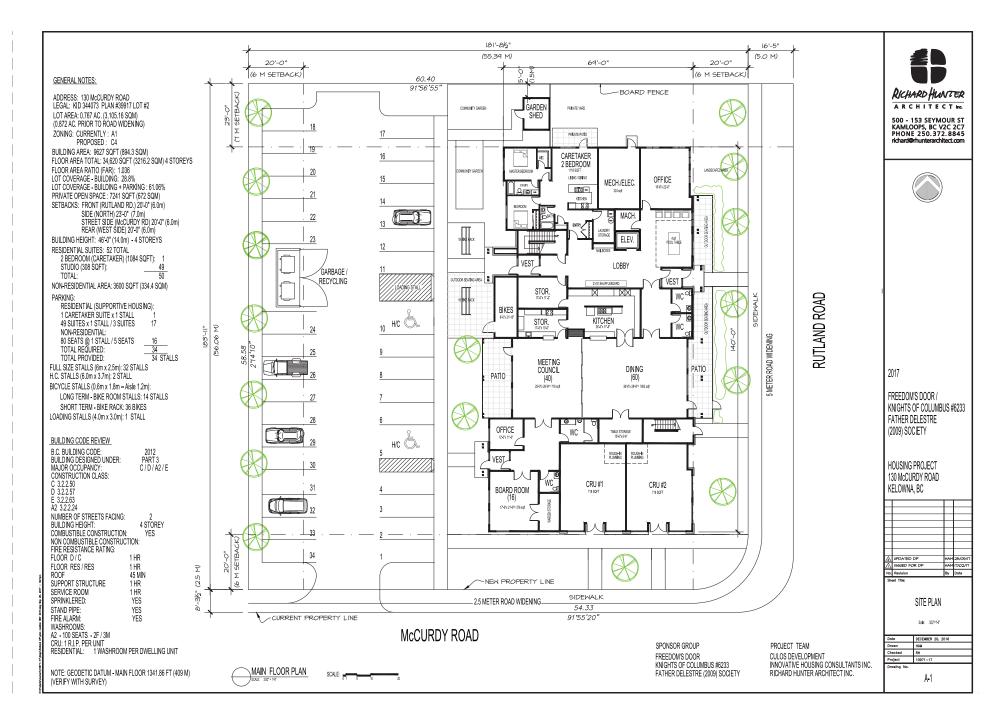
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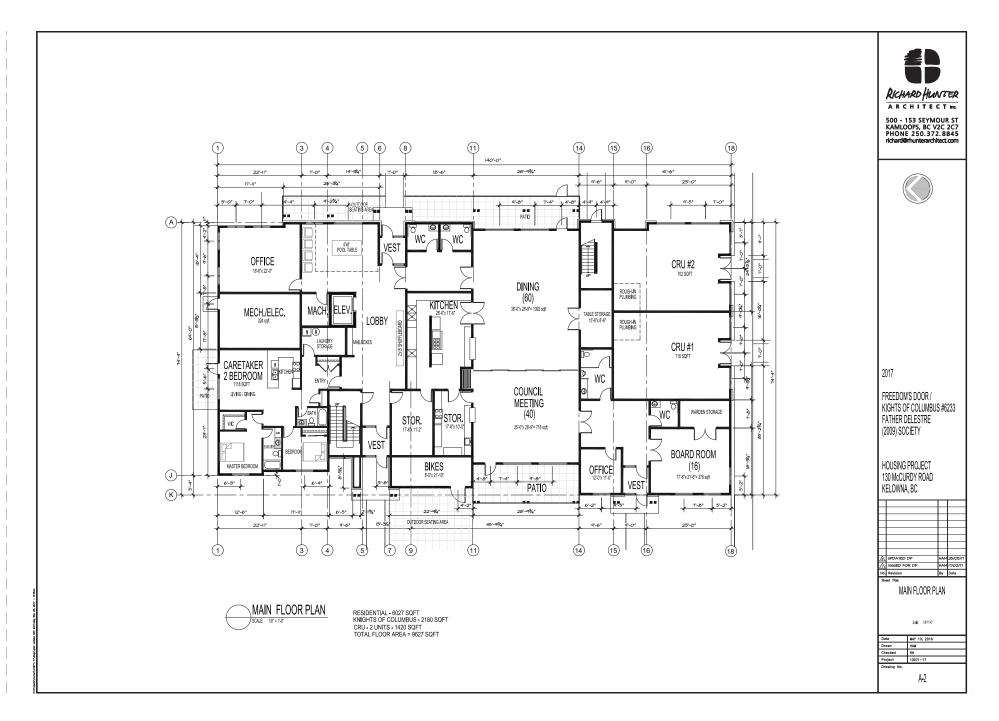
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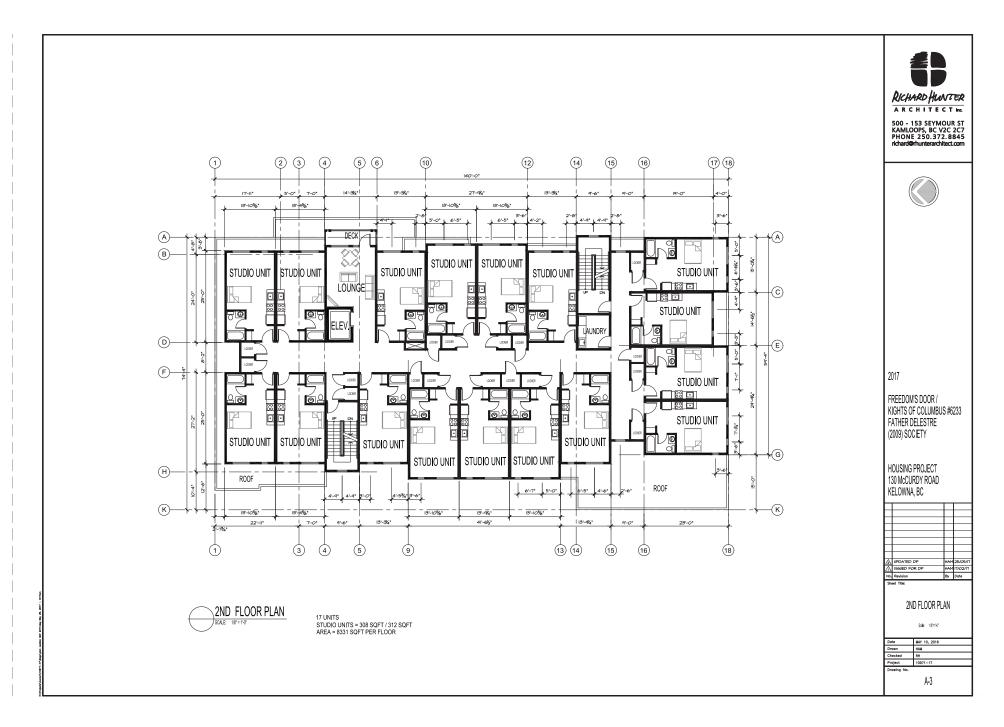
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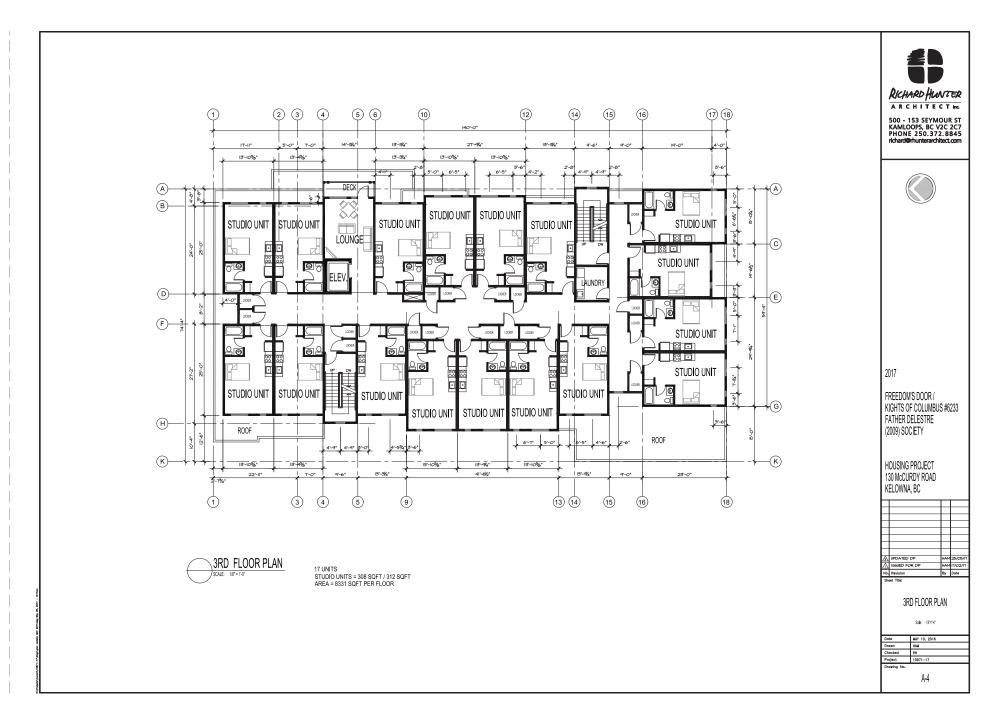
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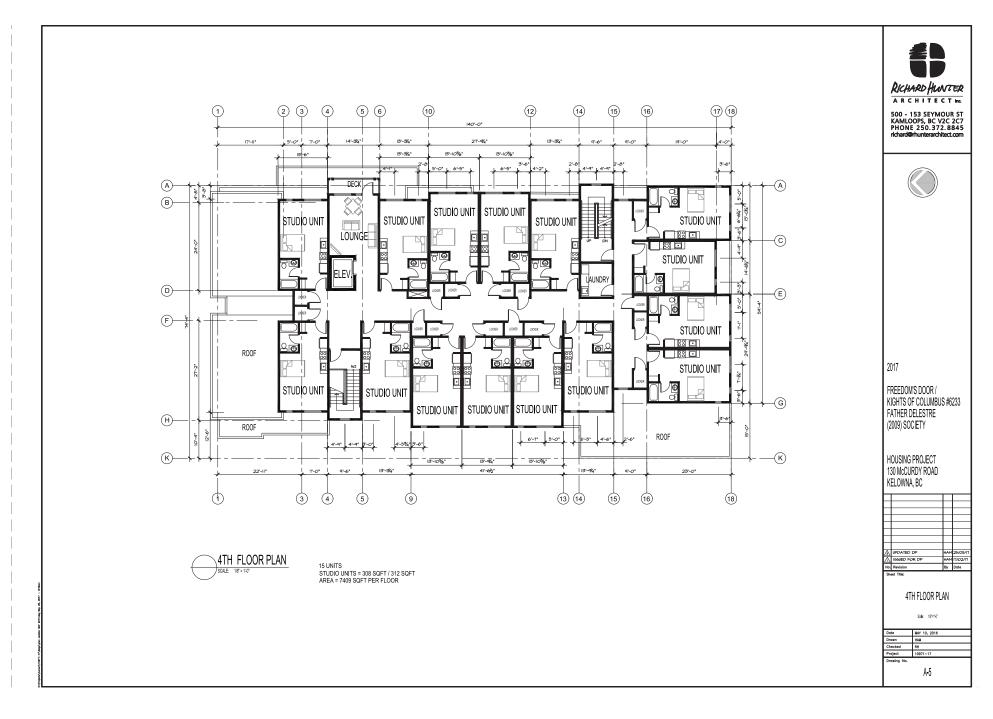
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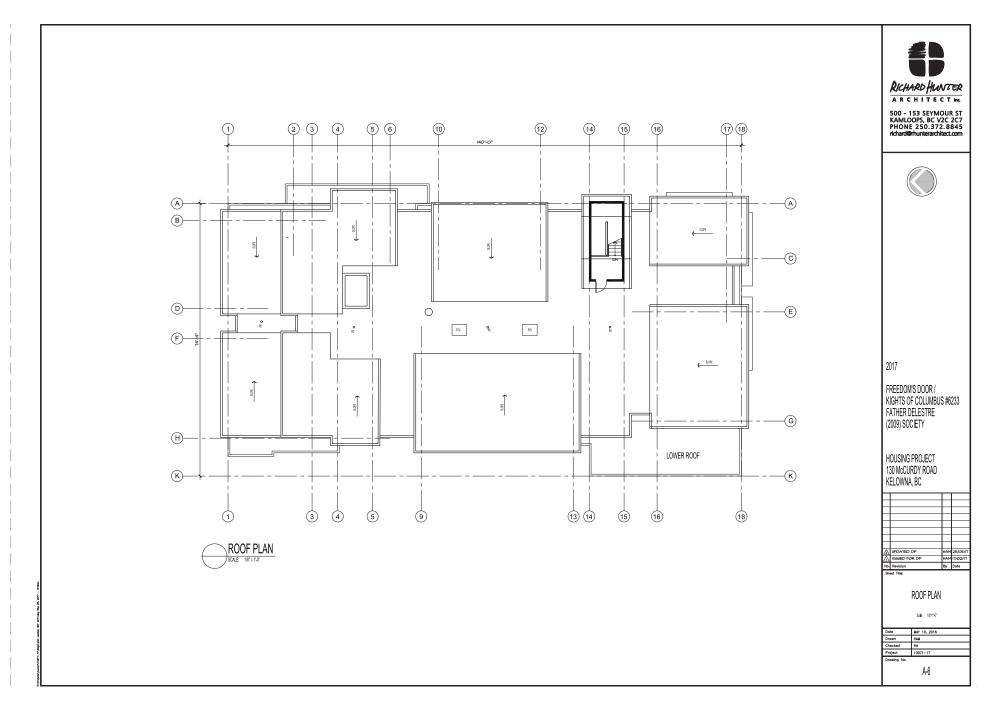




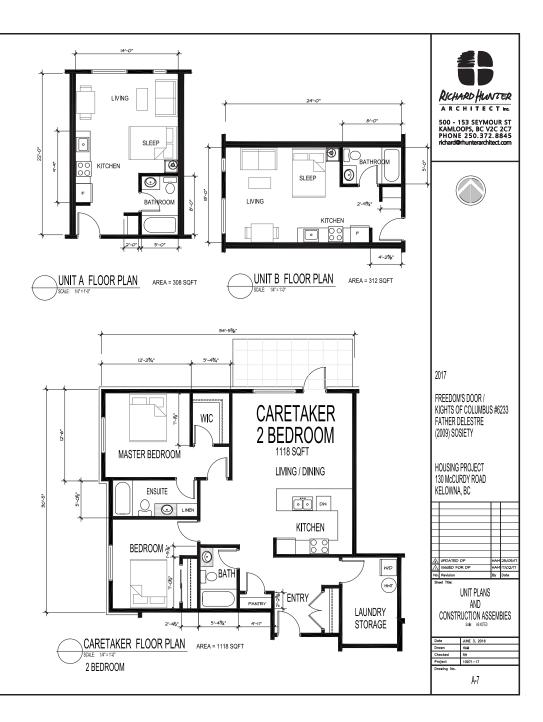








BUILDING ENVELOPE CONSTRUCTION ASSEMBLIES EXTERIOR (BUILDING ENVELOPE) CONSTUCTION ASSEMBLIES ROOF ASSEMBLY - CEILING BELOW ATTIC 2-PLY SBS ROOFING MEMBRANE 5/8" T&G PLYWOOD ROOF SHEATHING 5/3" T46 PLTYKOOD ROOF SHEATHING WOOD JOJETS SEE STRUCTURAL R-50 INSULATION 6 ML POLY V.B. 5/8" TYPE 'X' GYPSUM WALLBOARD (30 MIN FRR) EXTERIOR WALL ASSEMBLY SIDING / STUCCO OR FACE BRICK (AS PER ELEVATIONS) 2 LAYERS - 30 MIR BUILDING PAPER 1/2P FLYRODO SHEATHING 2 20 MCOD STUDS AS PER STRUCTURAL RSI 35 (R-20) FIRMEDLASS BATTI INSIL. 1 KIRIDI INSILATION (R-3) CONTINUOUS 3/20 TITLE X GPDSIM HALLEDOND SLAB-ON-GRADE FLOOR ASSEMBLY . FINISHED EL CORING 4" REINFORCED CONCRETE SLAB (SEE STRUCTURAL) IO MIL POLY VAPOUR BARRIER GRANULAR BASE (SEE STRUCTURAL DRAWINGS) INTERIOR CONSTUCTION ASSEMBLIES INTERIOR WALL ASSEMBIES TYPICAL PARTY WALL BETWEEN SUITES I TPLAL PARTY WALL BELIVEEN SUITES LIKE FRE A SER WIRE, STOCK 5/6/1 TYPE X' SYPSIM WALLBOARD 2/4 HOOD STUDS - SEE STRUCTURAL 3-12" ACOUSTIC BATT INSULATION 1" AIR SPACE BATT INSULATION 2/4 HOOD STUDS - SEE STRUCTURAL 3/6/1 TYPE X' SYPSIM MALLBOARD SEE STRUCT BATS SEE STRUCT, DWGS FOR SHARWALL LOCATION TYPICAL CORRIDOR WALL LINE FRR. - BCRC #Wbb STG52 5/6" TYPE 'X' GYPSMY MALLBOARD 2/6 MOOD TOP 6 BTM PLATES 5 TAGGERED 2A4 MOOD STUDS 3-1/2 ACCUSTIC BATTI REQLATION 2 LAYERS 5/6" TYPE X" GYPSMY MALLBOARD 5EE STRUCT, DMG5 FOR GHEARMALL LOCATION TYPICAL INTERIOR WALL 5/8" TYPE 'X' 6YPSUM WALLBOARD 2X4 WOOD STUDS - SEE STRUCTURAL 5/8" TYPE 'X' 6YPSUM WALLBOARD AQUA BOARD AROUND TUB INTERIOR FLOOR ASSEMBIES TYPICAL 1HR FRR FLOOR ASSEMBLY LHR FRR - BCBC IFFIG STC51 FINISHED FLOORING INDERLAY I-I/I2' CONCRETE TOPPING 30' TISE FLYOOD SUB FLOOR HAMPACTIRED MOOD I JOISTS 3' RESILIENT METAL CHANNELS 6 16' Oc. 2 LATERS - 3' TITE X 67PSMM WALLBOARD







BYLAW NO. 11460

Official Community Plan Amendment No. OCP17-0007 130 McCurdy Road

A bylaw to amend the "Kelowna 2030 – Official Community Plan Bylaw No. 10500".

The M	unicipal Council of the City of Kelowna, in open meeting assembled, enacts as follows:
1.	THAT Map 4.1 - GENERALIZED FUTURE LAND USE of " <i>Kelowna 2030</i> – Official Community Plan Bylaw No. 10500" be amended by changing the Generalized Future Land Use designation on Lot 2, Section 26, Township 26, ODYD, Plan 39917 located on McCurdy Road, Kelowna, B.C., from the EDINST – Educational / Major Institutional designation to the MXR – Mixed Use (Residential/Commercial) designation.
2.	This bylaw shall come into full force and effect and is binding on all persons as and from the date of adoption.
Read a	first time by the Municipal Council this
Consid	lered at a Public Hearing on the
Read a	second and third time by the Municipal Council this
Amend	ded at third reading and Adopted by the Municipal Council this
	Mayor
	City Clerk

BYLAW NO. 11461 Z17-0021 – 130 McCurdy Road

A bylaw to amend the "City of Kelowna Zoning Bylaw No. 8000".
The Municipal Council of the City of Kelowna, in open meeting assembled, enacts as follows:
 THAT City of Kelowna Zoning Bylaw No. 8000 be amended by changing the zoning classification of Lot 2, Section 26, Township 26, ODYD Plan 39917 located on McCurdy Road, Kelowna, B.C., from the A1 – Agriculture 1 zone to the C3 – Community Commercial zone.
 This bylaw shall come into full force and effect and is binding on all persons as and from the date of adoption.
Read a first time by the Municipal Council this
Considered at a Public Hearing on the
Read a second and third time by the Municipal Council this
Adopted by the Municipal Council of the City of Kelowna this
Mayor

City Clerk

REPORT TO COUNCIL



Date: August 28th, 2017

RIM No. 1250-40

To: City Manager

From: Community Planning Department (JR)

Application: LUCT 17-0001 /Z17-0062 **Owner:** Multiple Properties

Address: Multiple Addresses Applicant: The City of Kelowna

Affected Streets:

Curlew Drive, Curlew Court, Lark Street, Wren Place, Okaview Road and Stellar Drive

Subject: Land Use Contract Termination (LUC 77-1002)

Existing OCP Designation: S2RES – Single / Two Unit Residential

Existing Zones: RR1 – Rural Residential 1 & P3 – Parks and Open Space

Proposed Zones: RU1 – Large Lot Housing, RR3 – Rural Residential 3, P2 – Educational

and Minor Institutional, & P3 – Parks and Open Space

1.0 Recommendation

WHEREAS the BC Provincial Government has mandated that all Land Use Contracts under the jurisdiction of a local government and in the Province of British Columbia be terminated by 2024;

AND WHEREAS the BC Provincial Government has provided a legislated process for the early termination of land use contracts when the local government has adopted a zoning bylaw that will apply to the land at the time the termination bylaw comes into force;

THAT Application No. LUCT17-0001 to terminate LUC77-1002 from properties identified in 'Schedule A', located on Curlew Drive, Curlew Court, Lark Street, Wren Place, Okaview Road and Stellar Drive, Kelowna, B.C. be considered by Council;

AND WHEREAS the underlying P₃ – Parks & Open Space zone in the City of Kelowna Zoning Bylaw No. 8000 applies to Lot 166 Section 23 Township 28 SDYD Plan KAP₃2591 located at 5210 Lark Street, Kelowna, BC under Land Use Contract LUC₇₇-1002;

THEREFORE, BE IT RESOLVED THAT as the underlying RR1 – Rural Residential 1 and RR2 – Rural Residential 2 zones for the subject properties under Land Use Contract LUC77-1002 outlined in 'Schedule B: Table 1, 2, 3, 4, 5 and 6' does not meet the land use requirements under City of Kelowna Zoning Bylaw No. 8000;

AND THAT Rezoning Application No. Z17-0062 to amend the City of Kelowna Zoning Bylaw No. 8000 by changing the zoning classification for properties identified in 'Schedule B: Table 1', located on Curlew Drive,

Curlew Court, Lark Street, Wren Place, Okaview Road, and Stellar Drive Kelowna, BC from the RR1 – Rural Residential 1 zone to RU1 – Large Lot Housing be considered by Council;

AND THAT Rezoning Application No. Z17-0062 to amend the City of Kelowna Zoning Bylaw No. 8000 by changing the zoning classification for properties identified in 'Schedule B: Table 2', located on Curlew Drive, Curlew Court, and Stellar Drive Kelowna, BC from the RR1 – Rural Residential 1 zone to RR3 – Rural Residential be considered by Council;

AND THAT Rezoning Application No. Z17-0062 to amend the City of Kelowna Zoning Bylaw No. 8000 by changing the zoning classification for properties identified in 'Schedule B: Table 3', located on Bartholomew Court, Kelowna, BC from the RR1 – Rural Residential 1 and RR2 – Rural Residential 2 zone to RU1 – Large Lot Housing be considered by Council;

AND THAT Rezoning Application No. Z17-0062 to amend the City of Kelowna Zoning Bylaw No. 8000 by changing the zoning classification for properties identified in 'Schedule B: Table 4', located on Bartholomew Court, Kelowna, BC from the RR1 – Rural Residential 1 and RR2 – Rural Residential 2 zone to RR3 – Rural Residential 3 be considered by Council;

AND THAT Rezoning Application No. Z17-0062 to amend the City of Kelowna Zoning Bylaw Now. 8000 by changing the zoning classification for properties identified in 'Schedule B: Table 5', located Okaview Road, Kelowna, BC from the RR2 – Rural Residential 2 zone to RU1 – Large Lot Housing be considered by Council;

AND THAT Rezoning Application No. Z17-0062 to amend the City of Kelowna Zoning Bylaw No. 8000 by changing the zoning classification for properties identified in 'Schedule B: Table 6', located on Lark Street, Kelowna, BC from the RR1 – Rural Residential 1 zone to P2 – Educational and Minor Institutional be considered by Council;

AND FURTHER THAT the Land Use Contract Termination Bylaw and Rezone Bylaw be forwarded to a Public Hearing for further consideration.

2.0 Purpose

To consider an application to rezone the subject properties as identified in 'Schedule B: Table 1, 2, 3, 4, 5, and 6', and proceed with the termination of Land Use Contract LUC77-1002 to revert the properties within the South Okanagan Mission Sector to the new underlying RU1 – Large Lot Housing, RR3 – Rural Residential 3, P2 – Educational and Minor Institutional, and P3 – Parks & Open Space zones.

3.0 Community Planning

Community Planning Staff is supportive of terminating a Land Use Contract that applies to 167 subject parcels within the South Okanagan Mission Sector, just north of the Kettle Valley Development. A Land Use Contract Discharge application (LUC17-0002) was made to the City to have the LUC discharged from 521 Curlew Drive. As outlined in the Land Use Contract Termination Strategy Report to Council dated September 12, 2016, if an application is made to request a Land Use Contract Discharge from a specific property, Staff will use the opportunity to bring forth the accompanying Termination Report when the land use contract applies to additional properties.

The 167 subject parcels are located on Curlew Drive, Curlew Court, Lark Street, Stellar Drive, Okaview Road and Wren Place. The LUC currently restricts the use to one single family dwelling. The underlying zoning (RR1 – Rural Residential 1 and RR2 – Rural Residential 2) does not fit with the established neighbourhood and is not an appropriate zone for the existing land use. However, the underlying zone, P3 – Parks & Open Space, for one of the properties is an appropriate zone therefore, 166 properties out of the 167 will need to be rezoned. Staff are recommending that properties connected to sanitary sewer be rezoned to RU1 –

Large Lot Housing and properties not connect to sanitary sewer be rezoned to RR₃ – Rural Residential 3. The Land Use Contract rules and regulations are effectively similar to the RU1 and RR₃ zones. However, the one notable difference is the properties will be allowed to have secondary suites.

There are two properties that used to be a part of the LUC that have the incorrect zoning of RR1 – Rural Residential 1. Staff have included these two properties in the rezoning portion of this application to provide proper zoning for the properties.

4.0 Proposal

4.1 <u>Background</u>

Land Use Contracts were a tool regularly used in the 1970's before it was eliminated on November 15th 1978. The purpose of the tool was to allow local governments to arrive at agreements with specific developers to grant development rights over and above what was allowed under current zoning. This was typically done in exchange for commitments by developers to help finance the infrastructure costs of development.

Issues have arisen, specifically with the continued application of land use contracts as they supersede any subsequent bylaw dealing with land use and development including: Zoning Bylaws, Development Cost Charge Bylaws, and Development Permits. The Local Government Act was amended in 2014 stating all land use contracts in the province will be terminated as of June 30th 2024. Land use contracts will remain in force until that date unless terminated early by the municipality. By June 20th 2022, local governments must have appropriate zoning regulations in place to replace land use contracts upon their termination. However, LUC terminations (unlike LUC discharges) do not apply when Council adopts the bylaw. Terminations require a one-year grace period as outlined by the Local Government Act.

4.2 Notification

Local governments must provide notice to each owner that the termination of land use contract is occurring and must provide notice of what the new zoning regulations apply to the land. The municipality must send additional letters after the one-year grace period is complete informing the property owners of which land use regulations apply to their properties.

Staff are recommending Council Notification Policy #367 including early notification and development signage be waived for all Land Use Contract terminations. Public consultation in this case is not recommended as the notification policy is a City initiative. Staff are recommending that the standard development notification, as outlined above, be sent to properties affected by the LUC under consideration for termination.

Staff are providing each property owner with an extra notification letter, before first reading, outlining a termination of their Land Use Contract is proposed. If the property does not have the correct underlying zone, then Staff will include the proposed new zone. Property owners under the LUC are able to join the LUC Discharge however, if property owners do not inform the City after a two-week period, then the City anticipates each property will wait the one year until the LUC is terminated.

4.3 Site Context

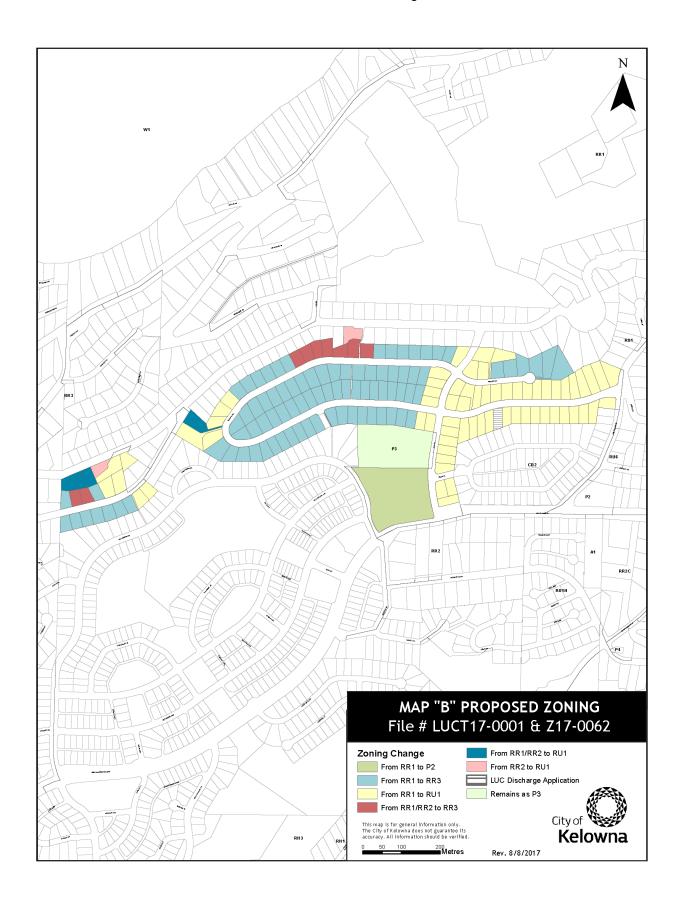
The subject 167 properties have a total area of 312,447 m² and are located just North of the Kettle Valley development. The properties are designated S2RES – Single / Two Unit Residential, EDINST – Educational / Major Institutional, and PARK – Major Park / Open Space (Public) in the Official Community Plan and the surrounding area is single family residential.

Specifically, adjacent land uses are as follows:

Orientation	Zoning	Land Use
North	RR2 — Rural Residential 2	Single Family Dwelling
East	RR2 — Rural Residential 2	Single Family Dwelling
South	CD2 – Kettle Valley RR2 Rural Residential 2 RU1 – Large Lot Housing	Single Family Dwelling
West	RR2 – Rural Residential 2	Single Family Dwelling



Rezoning Map: South Okanagan Mission Sector



5.0 Current Development Policies

5.1 <u>Council Policy No. 282 – Strategy for Elimination of Remaining Land Use Contracts</u>

Council Policy No. 282. Includes the following statement:

That the City of Kelowna initiate proceedings to discharge the contacts subject to consultation with affected owners of the land and subject to prior approval by council with regard to affected contracts

6.0 Technical Comments

- 6.1 <u>Building & Permitting Department</u>
 - No concerns
- 6.2 Development Engineering Department
 - No comment

7.0 Application Chronology

N/A

Prepared by: Jenna Ratzlaff, Planner and Adam Cseke, Planner

Reviewed by: Terry Barton, Urban Planning Manager

Reviewed by: Ryan Smith, Community Planning Department Manager

Attachments:

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Schedule 'A' – Land Use Contract Termination LUC77-1002
Schedule 'B: Table 1' – Properties to be Rezoned (RR1 – RU1)
Schedule 'B: Table 2' – Properties to be Rezoned (RR1 – RR3)
Schedule 'B: Table 3' – Properties to be Rezoned (RR1/RR2 – RU1)
Schedule 'B: Table 4' – Properties to be Rezoned (RR1/RR2 – RR3)
Schedule 'B: Table 5' – Properties to be Rezoned (RR2 – RR3)
Schedule 'B: Table 6' – Properties to be Rezoned (RR1 – P2)
Rezoning Map
```

	Schedule A: LUC77-1002						
No.	Legal Description	Address	Parcel Identifier Number	Charge Number	Land Use Contract	Underlying Zone	
1	Lot 114 Section 23 Township 28 SDYD Plan 32591	1 453 Curlew Dr	001-995-499	P1861	LUC77-1002	RR1 - Rural Residential 1 zone	
2	Lot 111 Section 23 Township 28 SDYD Plan 32591	1 455 Curlew Dr	001-525-034	P1861	LUC77-1002	RR1 - Rural Residential 1 zone	
3	Lot 139 Section 23 Township 28 SDYD Plan 32591	351 Curlew Ct	001-995-685	P1861	LUC77-1002	RR1 - Rural Residential 1 zone	
4	Lot 140 Section 23 Township 28 SDYD Plan 32591	355 Curlew Ct	001-995-693	P1861	LUC77-1002	RR1 - Rural Residential 1 zone	
5	Lot 138 Section 23 Township 28 SDYD Plan 32591	357 Curlew Ct	001-995-677	P1861	LUC77-1002	RR1 - Rural Residential 1 zone	
6	Lot 141 Section 24 Township 28 SDYD Plan 32591	359 Curlew Ct	001-995-162	P1861	LUC77-1002	RR1 - Rural Residential 1 zone	
7	Lot 2 Section 23 Township 28 SDYD Plan EPP45452	381 Okaview Rd	029-451-566	P1861	LUC77-1002	RR1 - Rural Residential 1 zone	
8	Lot 164 Section 23 Township 28 SDYD Plan 32591	383 Okaview Rd	001-645-340	P1861	LUC77-1002	RR1 - Rural Residential 1 zone	
9	Lot 161 Section 23 Township 28 SDYD Plan 32591	386 Stellar Dr	001-645-323	P1861	LUC77-1002	RR1 - Rural Residential 1 zone	
10	Lot 162 Section 23 Township 28 SDYD Plan 32591	390 Stellar Dr	003-369-544	P1861	LUC77-1002	RR1 - Rural Residential 1 zone	
11	Lot 149 Section 23 Township 28 SDYD Plan 32591	399 Stellar Dr	001-995-715	P1861	LUC77-1002	RR1 - Rural Residential 1 zone	
12	Lot 46 Section 24 Township 28 SDYD Plan 32591	410 Curlew Dr	001-778-447	P1861	LUC77-1002	RR1 - Rural Residential 1 zone	
13	Lot 116 Section 23 Township 28 SDYD Plan 32591	449 Curlew Dr	001-995-511	P1861	LUC77-1002	RR1 - Rural Residential 1 zone	
14	Lot 115 Section 23 Township 28 SDYD Plan 32591	451 Curlew Dr	001-995-502	P1861	LUC77-1002	RR1 - Rural Residential 1 zone	
15	Lot 90 Section 24 Township 28 SDYD Plan 32591	497 Curlew Dr	001-995-065	P1861	LUC77-1002	RR1 - Rural Residential 1 zone	
16	Lot 89 Section 24 Township 28 SDYD Plan 32591	499 Curlew Dr	001-995-057	P1861	LUC77-1002	RR1 - Rural Residential 1 zone	
17	Lot 44 Section 24 Township 28 SDYD Plan 32591	500 Curlew Dr	001-994-930	P1861	LUC77-1002	RR1 - Rural Residential 1 zone	
18	Lot 43 Section 24 Township 28 SDYD Plan 32591	504 Curlew Dr	001-994-921	P1861	LUC77-1002	RR1 - Rural Residential 1 zone	
19	Lot 11 Section 24 Township 28 SDYD Plan 32591	505 Curlew Dr	002-468-972	P1861	LUC77-1002	RR1 - Rural Residential 1 zone	
20	Lot 42 Section 24 Township 28 SDYD Plan 32591	506 Curlew Dr	001-994-913	P1861	LUC77-1002	RR1 - Rural Residential 1 zone	
21	Lot 4 Section 24 Township 28 SDYD Plan 32591	507 Wren Pl	003-368-971	P1861	LUC77-1002	RR1 - Rural Residential 1 zone	
22	Lot 41 Section 24 Township 28 SDYD Plan 32591	508 Curlew Dr	001-730-347	P1861	LUC77-1002	RR1 - Rural Residential 1 zone	
23	Lot 12 Section 24 Township 28 SDYD Plan 32591	509 Curlew Dr	001-535-404	P1861	LUC77-1002	RR1 - Rural Residential 1 zone	
24	Lot 40 Section 24 Township 28 SDYD Plan 32591	512 Curlew Dr	003-369-374	P1861	LUC77-1002	RR1 - Rural Residential 1 zone	
25	Lot 13 Section 24 Township 28 SDYD Plan 32591	513 Curlew Dr	003-369-111	P1861	LUC77-1002	RR1 - Rural Residential 1 zone	
26	Lot 47 Section 24 Township 28 SDYD Plan 32591	5136 Lark St	001-778-455	P1861	LUC77-1002	RR1 - Rural Residential 1 zone	
27	Lot 87 Section 24 Township 28 SDYD Plan 32591	5142 Lark St	001-995-022	P1861	LUC77-1002	RR1 - Rural Residential 1 zone	

28	Lot 45 Section 24 Township 28 SDYD Plan 32591	5145 Lark St	001-994-948	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
29	Lot 88 Section 24 Township 28 SDYD Plan 32591	5154 Lark St	001-995-049	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
30	Lot 39 Section 24 Township 28 SDYD Plan 32591	516 Curlew Dr	001-476-611	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
31	Lot 10 Section 24 Township 28 SDYD Plan 32591	5165 Lark St	003-369-081	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
32	Lot 14 Section 24 Township 28 SDYD Plan 32591	517 Curlew Dr	001-994-794	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
33	Lot 9 Section 24 Township 28 SDYD Plan 32591	5177 Lark St	002-456-231	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
34	Lot 8 Section 24 Township 28 SDYD Plan 32591	5185 Lark St	003-369-048	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
35	Lot 7 Section 24 Township 28 SDYD Plan 32591	5195 Lark St	003-369-030	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
36	Lot 38 Section 24 Township 28 SDYD Plan 32591	520 Curlew Dr	003-369-358	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
37	Lot 6 Section 24 Township 28 SDYD Plan 32591	5201 Lark St	003-369-013	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
38	Lot 5 Section 24 Township 28 SDYD Plan 32591	5213 Lark St	003-368-980	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
39	Lot 3 Section 24 Township 28 SDYD Plan 32591	5225 Lark St	003-368-947	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
40	Lot 2 Section 24 Township 28 SDYD Plan 32591	5235 Lark St	001-994-760	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
41	Lot 37 Section 24 Township 28 SDYD Plan 32591	524 Curlew Dr	003-369-331	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
42	Lot 16 Section 24 Township 28 SDYD Plan 32591	525 Curlew Dr	003-133-508	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
43	Lot 36 Section 24 Township 28 SDYD Plan 32591	528 Curlew Dr	003-369-307	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
44	Lot 17 Section 24 Township 28 SDYD Plan 32591	529 Curlew Dr	003-369-137	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
45	Lot 35 Section 24 Township 28 SDYD Plan 32591	532 Curlew Dr	003-369-285	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
46	Lot 18 Section 24 Township 28 SDYD Plan 32591	533 Curlew Dr	003-369-145	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
47	Lot 34 Section 24 Township 28 SDYD Plan 32591	536 Curlew Dr	003-369-277	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
48	Lot 19 Section 24 Township 28 SDYD Plan 32591	537 Curlew Dr	003-369-161	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
49	Lot 33 Section 24 Township 28 SDYD Plan 32591	540 Curlew Dr	003-369-269	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
50	Lot 20 Section 24 Township 28 SDYD Plan 32591	541 Curlew Dr	001-994-832	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
51	Lot 32 Section 24 Township 28 SDYD Plan 32591	544 Curlew Dr	003-369-251	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
52	Lot 21 Section 24 Township 28 SDYD Plan 32591	545 Curlew Dr	001-841-149	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
53	Lot 31 Section 24 Township 28 SDYD Plan 32591	548 Curlew Dr	003-369-234	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
54	Lot 22 Section 24 Township 28 SDYD Plan 32591	549 Curlew Dr	001-994-841	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
55	Lot 30 Section 24 Township 28 SDYD Plan 32591	550 Curlew Dr	001-994-891	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
56	Lot 29 Section 24 Township 28 SDYD Plan 32591	552 Curlew Dr	003-369-226	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
57	Lot 23 Section 24 Township 28 SDYD Plan 32591	553 Curlew Dr	003-369-170	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
58	Lot 28 Section 24 Township 28 SDYD Plan 32591	556 Curlew Dr	003-369-200	P1861	LUC77-1002	RR1 - Rural Residential 1 zone

59	Lot 24 Section 24 Township 28 SDYD Plan 32591	557 Curlew Dr	002-483-611	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
60	Lot 25 Section 24 Township 28 SDYD Plan 32591	561 Curlew Dr	001-756-109	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
61	Lot 26 Section 24 Township 28 SDYD Plan 32591	565 Curlew Dr	001-994-867	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
62	Lot 100 Section 23 Township 28 SDYD Plan 32591	1 477 Curlew Dr	003-369-463	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
63	Lot 112 Section 23 Township 28 SDYD Plan 32591	2 455 Curlew Dr	001-995-472	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
64	Lot 142 Section 24 Township 28 SDYD Plan 32591	361 Curlew Ct	001-995-171	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
65	Lot 143 Section 24 Township 28 SDYD Plan 32591	365 Curlew Ct	001-995-189	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
66	Lot 157 Section 23 Township 28 SDYD Plan 32591	370 Stellar Dr	001-995-791	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
67	Lot 144 Section 24 Township 28 SDYD Plan 32591	371 Curlew Ct	001-995-197	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
68	Lot 145 Section 24 Township 28 SDYD Plan 32591	373 Curlew Ct	001-995-201	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
69	Lot 146 Section 24 Township 28 SDYD Plan 32591	375 Curlew Ct	001-995-219	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
70	Lot 155 Section 23 Township 28 SDYD Plan 32591	375 Stellar Dr	001-995-774	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
71	Lot 147 Section 24 Township 28 SDYD Plan 32591	379 Curlew Ct	003-369-536	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
72	Lot 154 Section 23 Township 28 SDYD Plan 32591	379 Stellar Dr	001-995-766	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
73	Lot A Section 23 Township 28 SDYD Plan 33792	382 Stellar Dr	001-995-839	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
74	Lot 153 Section 23 Township 28 SDYD Plan 32591	383 Stellar Dr	001-995-758	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
75	Lot 152 Section 23 Township 28 SDYD Plan 32591	387 Stellar Dr	001-995-740	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
76	Lot 151 Section 23 Township 28 SDYD Plan 32591	391 Stellar Dr	001-995-731	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
77	Lot 150 Section 23 Township 28 SDYD Plan 32591	395 Stellar Dr	001-995-723	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
78	Lot 148 Section 23 Township 28 SDYD Plan 32591	403 Stellar Dr	001-995-707	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
79	Lot 137 Section 23 Township 28 SDYD Plan 32591	405 Curlew Dr	001-995-669	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
80	Lot 136 Section 23 Township 28 SDYD Plan 32591	409 Curlew Dr	001-995-651	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
81	Lot 135 Section 24 Township 28 SDYD Plan 32591	411 Curlew Dr	001-995-154	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
82	Lot 134 Section 24 Township 28 SDYD Plan 32591	413 Curlew Dr	001-995-146	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
83	Lot 48 Section 24 Township 28 SDYD Plan 32591	414 Curlew Dr	001-778-463	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
84	Lot 133 Section 24 Township 28 SDYD Plan 32591	415 Curlew Dr	003-369-528	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
85	Lot 49 Section 24 Township 28 SDYD Plan 32591	416 Curlew Dr	001-778-439	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
86	Lot 132 Section 24 Township 28 SDYD Plan 32591	417 Curlew Dr	001-995-138	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
87	Lot 50 Section 24 Township 28 SDYD Plan 32591	418 Curlew Dr	001-778-471	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
88	Lot 131 Section 24 Township 28 SDYD Plan 32591	419 Curlew Dr	001-995-111	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
89	Lot 51 Section 24 Township 28 SDYD Plan 32591	420 Curlew Dr	001-994-956	P1861	LUC77-1002	RR1 - Rural Residential 1 zone

90	Lot 130 Section 24 Township 28 SDYD Plan 32591	421 Curlew Dr	001-995-103	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
91	Lot 52 Section 24 Township 28 SDYD Plan 32591	422 Curlew Dr	001-994-964	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
92	Lot 53 Sections 23 and 24 Township 28 SDYD Plan 32591	424 Curlew Dr	001-995-804	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
93	Lot 54 Section 23 Township 28 SDYD Plan 32591	426 Curlew Dr	001-995-227	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
94	Lot 55 Section 23 Township 28 SDYD Plan 32591	428 Curlew Dr	001-995-235	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
95	Lot 56 Section 23 Township 28 SDYD Plan 32591	430 Curlew Dr	001-995-243	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
96	Lot 57 Section 23 Township 28 SDYD Plan 32591	432 Curlew Dr	001-995-251	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
97	Lot 58 Section 23 Township 28 SDYD Plan 32591	434 Curlew Dr	001-995-260	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
98	Lot 59 Section 23 Township 28 SDYD Plan 32591	436 Curlew Dr	001-995-278	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
99	Lot 122 Section 23 Township 28 SDYD Plan 32591	437 Curlew Dr	001-995-588	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
100	Lot 6o Section 23 Township 28 SDYD Plan 32591	438 Curlew Dr	001-995-286	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
101	Lot 121 Section 23 Township 28 SDYD Plan 32591	439 Curlew Dr	001-995-570	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
102	Lot 61 Section 23 Township 28 SDYD Plan 32591	440 Curlew Dr	001-995-294	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
103	Lot 120 Section 23 Township 28 SDYD Plan 32591	441 Curlew Dr	001-995-561	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
104	Lot 62 Section 23 Township 28 SDYD Plan 32591	442 Curlew Dr	001-995-308	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
105	Lot 119 Section 23 Township 28 SDYD Plan 32591	443 Curlew Dr	001-995-553	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
106	Lot 63 Section 23 Township 28 SDYD Plan 32591	444 Curlew Dr	001-995-316	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
107	Lot 118 Section 23 Township 28 SDYD Plan 32591	445 Curlew Dr	001-995-537	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
108	Lot 64 Section 23 Township 28 SDYD Plan 32591	446 Curlew Dr	003-369-391	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
109	Lot 117 Section 23 Township 28 SDYD Plan 32591	447 Curlew Dr	001-995-529	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
110	Lot 65 Section 23 Township 28 SDYD Plan 32591	448 Curlew Dr	001-995-324	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
111	Lot 66 Section 23 Township 28 SDYD Plan 32591	450 Curlew Dr	001-674-251	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
112	Lot 67 Section 23 Township 28 SDYD Plan 32591	452 Curlew Dr	001-674-269	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
113	Lot 68 Section 23 Township 28 SDYD Plan 32591	454 Curlew Dr	001-674-277	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
114	Lot 69 Section 23 Township 28 SDYD Plan 32591	456 Curlew Dr	001-674-285	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
115	Lot 110 Section 23 Township 28 SDYD Plan 32591	457 Curlew Dr	001-479-806	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
116	Lot 70 Section 23 Township 28 SDYD Plan 32591	458 Curlew Dr	001-674-293	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
117	Lot 109 Section 23 Township 28 SDYD Plan 32591	459 Curlew Dr	001-479-865	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
118	Lot 71 Section 23 Township 28 SDYD Plan 32591	460 Curlew Dr	001-995-332	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
119	Lot 108 Section 23 Township 28 SDYD Plan 32591	461 Curlew Dr	001-555-804	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
120	Lot 72 Section 23 Township 28 SDYD Plan 32591	462 Curlew Dr	001-995-341	P1861	LUC77-1002	RR1 - Rural Residential 1 zone

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121	Lot 107 Section 23 Township 28 SDYD Plan 32591	463 Curlew Dr	003-369-510	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
122	Lot 73 Section 23 Township 28 SDYD Plan 32591	464 Curlew Dr	001-995-359	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
123	Lot 106 Section 23 Township 28 SDYD Plan 32591	465 Curlew Dr	001-479-849	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
124	Lot 74 Section 23 Township 28 SDYD Plan 32591	466 Curlew Dr	001-995-367	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
125	Lot 105 Section 23 Township 28 SDYD Plan 32591	467 Curlew Dr	003-369-501	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
126	Lot 75 Section 23 Township 28 SDYD Plan 32591	468 Curlew Dr	001-995-375	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
127	Lot 104 Section 23 Township 28 SDYD Plan 32591	469 Curlew Dr	001-995-464	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
128	Lot 76 Section 23 Township 28 SDYD Plan 32591	470 Curlew Dr	001-995-383	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
129	Lot 103 Section 23 Township 28 SDYD Plan 32591	471 Curlew Dr	001-972-073	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
130	Lot 77 Section 23 Township 28 SDYD Plan 32591	472 Curlew Dr	001-995-391	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
131	Lot 102 Section 23 Township 28 SDYD Plan 32591	473 Curlew Dr	003-369-498	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
132	Lot 78 Section 23 Township 28 SDYD Plan 32591	474 Curlew Dr	001-995-405	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
133	Lot 101 Section 23 Township 28 SDYD Plan 32591	475 Curlew Dr	003-369-480	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
134	Lot 79 Section 23 Township 28 SDYD Plan 32591	476 Curlew Dr	001-995-413	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
135	Lot 8o Section 23 Township 28 SDYD Plan 32591	478 Curlew Dr	001-995-421	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
136	Lot 1 District Lot 23 Township 28 SDYD Plan KAP56393	479 Curlew Dr	023-336-820	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
137	Lot 81 Sections 23 and 24 Township 28 SDYD Plan 32591	480 Curlew Dr	001-995-812	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
138	Lot 98 Section 23 Township 28 SDYD Plan 32591	481 Curlew Dr	001-995-456	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
139	Lot 82 Section 24 Township 28 SDYD Plan 32591	482 Curlew Dr	001-994-972	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
140	Lot 97 Section 23 Township 28 SDYD Plan 32591	483 Curlew Dr	001-995-448	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
141	Lot 83 Section 24 Township 28 SDYD Plan 32591	484 Curlew Dr	001-994-981	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
142	Lot 96 Section 23 Township 28 SDYD Plan 32591	485 Curlew Dr	001-995-430	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
143	Lot 84 Section 24 Township 28 SDYD Plan 32591	486 Curlew Dr	001-994-999	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
144	Lot 95 Sections 23 and 24 Township 28 SDYD Plan 32591	487 Curlew Dr	001-995-821	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
145	Lot 85 Section 24 Township 28 SDYD Plan 32591	488 Curlew Dr	001-995-006	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
146	Lot 94 Section 24 Township 28 SDYD Plan 32591	489 Curlew Dr	001-995-090	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
147	Lot 86 Section 24 Township 28 SDYD Plan 32591	490 Curlew Dr	001-995-014	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
148	Lot 93 Section 24 Township 28 SDYD Plan 32591	491 Curlew Dr	003-369-439	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
149	Lot 92 Section 24 Township 28 SDYD Plan 32591	493 Curlew Dr	003-369-421	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
150	Lot 91 Section 24 Township 28 SDYD Plan 32591	495 Curlew Dr	003-369-404	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
151	Lot 27 Section 24 Township 28 SDYD Plan 32591	560 Curlew Dr	001-994-875	P1861	LUC77-1002	RR1 - Rural Residential 1 zone

152	Lot D Section 23 Township 28 SDYD Plan 33760	374 Stellar Dr	001-995-855	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
152	Edi D Section 23 Township 20 3D TD Flair 33/00	3/4 Stellar Di	001-995-055	F 1001	LOC//-1002	/RR2 - Rural Residential 2 zone
153	Lot B Section 23 Township 28 SDYD Plan 33760	375 Okaview Rd	003-086-321	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
-53	201 b 3cction 23 10wii3iiip 20 3b 1b 1 iaii 33/00	3/3 Okaview Na	003-000-321	1 1001	200//-1002	/RR2 - Rural Residential 2 zone
154	Lot C Section 23 Township 28 SDYD Plan 33760	378 Stellar Dr	001-995-847	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
-54	200 6 366601 23 1011131111 20 33 13 1 1411 33/00	3/0 3 (6 11 11 11 11	001 993 047	1 1001	200// 1002	/RR2 - Rural Residential 2 zone
155	Lot 129 Section 23 Township 28 SDYD Plan 32591	423 Curlew Dr	001-995-642	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
-55		4-3 *******	555 -4-			/RR2 - Rural Residential 2 zone
156	Lot B Section 23 Township 28 SDYD Plan 42729	425 Curlew Dr	015-833-127	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
5	3 1 7 1 1 7 3	1 5	- 3 33 7		//	/RR2 - Rural Residential 2 zone
157	Lot 127 Section 23 Township 28 SDYD Plan 32591	427 Curlew Dr	001-995-634	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
3,	, 3 1 333	• ,	333 31		,,	/RR2 - Rural Residential 2 zone
158	Lot 126 Section 23 Township 28 SDYD Plan 32591	429 Curlew Dr	001-995-626	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
,	3 1 333	. 3	333		,,	/RR2 - Rural Residential 2 zone
159	Lot 125 Section 23 Township 28 SDYD Plan 32591	431 Curlew Dr	001-995-618	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
						/RR2 - Rural Residential 2 zone
160	Lot 124 Section 23 Township 28 SDYD Plan 32591	433 Curlew Dr	001-995-600	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
						/RR2 - Rural Residential 2 zone RR1 - Rural Residential 1 zone
161	Lot 123 Section 23 Township 28 SDYD Plan 32591	435 Curlew Dr	001-995-596	P1861	LUC77-1002	/RR2 - Rural Residential 2 zone
						RR1 - Rural Residential 1 zone
162	Lot 113 Section 23 Township 28 SDYD Plan 32591	2 453 Curlew Dr	001-995-481	P1861	LUC77-1002	/RR2 - Rural Residential 2 zone
						RR1 - Rural Residential 1 zone
163	Lot A Section 23 Township 28 SDYD Plan 33760	373 Okaview Rd	003-086-305	P1861	LUC77-1002	/RR2 - Rural Residential 2 zone
						RR1 - Rural Residential 1 zone
164	Lot B Section 23 Township 28 SDYD Plan 33792	377 Okaview Rd	003-085-236	P1861	LUC77-1002	/RR2 - Rural Residential 2 zone
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165	Lot A Section 23 Township 28 SDYD Plan 42729	437 Okaview Rd	015-832-741	P1861	LUC77-1002	RR2 - Rural Residential 2 zone
166	Lot 1 Section 23 Township 28 SDYD Plan EPP45452	379 Okaview Rd	029-451-558	P1861	LUC77-1002	RR2 - Rural Residential 2 zone
167	Lot 166 Sections 23 and 24 Township 28 SDYD Plan 32591	5210 Lark St	003-369-552	P1861	LUC77-1002	P ₃ – Parks & Open Space Zone
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		Schedule B						
	Table 1: RR1 – Rural Residential 1 zone to the RU1 – Large Lot Housing zone							
No.	Legal Description	Address	Current Zone	Proposed Zone				
1	Lot 114 Section 23 Township 28 SDYD Plan 32591	1 453 Curlew Dr	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone				
2	Lot 111 Section 23 Township 28 SDYD Plan 32591	1 455 Curlew Dr	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone				
3	Lot 112 Section 23 Township 28 SDYD Plan 32591	2 455 Curlew Dr	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone				
4	Lot 139 Section 23 Township 28 SDYD Plan 32591	351 Curlew Ct	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone				
5	Lot 140 Section 23 Township 28 SDYD Plan 32591	355 Curlew Ct	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone				
6	Lot 138 Section 23 Township 28 SDYD Plan 32591	357 Curlew Ct	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone				
7	Lot 141 Section 24 Township 28 SDYD Plan 32591	359 Curlew Ct	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone				
8	Lot 1 Section 23 Township 28 SDYD Plan EPP45452	379 Okaview Rd	RR2 – Rural Residential 2 zone	RU1 – Large Lot Housing zone				
9	Lot 2 Section 23 Township 28 SDYD Plan EPP45452	381 Okaview Rd	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone				
10	Lot 164 Section 23 Township 28 SDYD Plan 32591	383 Okaview Rd	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone				
11	Lot 161 Section 23 Township 28 SDYD Plan 32591	386 Stellar Dr	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone				
12	Lot 162 Section 23 Township 28 SDYD Plan 32591	390 Stellar Dr	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone				
13	Lot 149 Section 23 Township 28 SDYD Plan 32591	399 Stellar Dr	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone				
14	Lot 148 Section 23 Township 28 SDYD Plan 32591	403 Stellar Dr	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone				
15	Lot 137 Section 23 Township 28 SDYD Plan 32591	405 Curlew Dr	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone				
16	Lot 46 Section 24 Township 28 SDYD Plan 32591	410 Curlew Dr	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone				
17	Lot 116 Section 23 Township 28 SDYD Plan 32591	449 Curlew Dr	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone				
18	Lot 115 Section 23 Township 28 SDYD Plan 32591	451 Curlew Dr	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone				
19	Lot 90 Section 24 Township 28 SDYD Plan 32591	497 Curlew Dr	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone				
20	Lot 89 Section 24 Township 28 SDYD Plan 32591	499 Curlew Dr	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone				
21	Lot 44 Section 24 Township 28 SDYD Plan 32591	500 Curlew Dr	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone				
22	Lot 43 Section 24 Township 28 SDYD Plan 32591	504 Curlew Dr	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone				
23	Lot 11 Section 24 Township 28 SDYD Plan 32591	505 Curlew Dr	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone				
24	Lot 42 Section 24 Township 28 SDYD Plan 32591	506 Curlew Dr	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone				
25	Lot 4 Section 24 Township 28 SDYD Plan 32591	507 Wren Pl	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone				
26	Lot 41 Section 24 Township 28 SDYD Plan 32591	508 Curlew Dr	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone				

27	Lot 12 Section 24 Township 28 SDYD Plan 32591	509 Curlew Dr	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone
28	Lot 40 Section 24 Township 28 SDYD Plan 32591	512 Curlew Dr	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone
29	Lot 13 Section 24 Township 28 SDYD Plan 32591	513 Curlew Dr	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone
30	Lot 47 Section 24 Township 28 SDYD Plan 32591	5136 Lark St	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone
31	Lot 87 Section 24 Township 28 SDYD Plan 32591	5142 Lark St	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone
32	Lot 45 Section 24 Township 28 SDYD Plan 32591	5145 Lark St	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone
33	Lot 88 Section 24 Township 28 SDYD Plan 32591	5154 Lark St	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone
34	Lot 39 Section 24 Township 28 SDYD Plan 32591	516 Curlew Dr	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone
35	Lot 10 Section 24 Township 28 SDYD Plan 32591	5165 Lark St	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone
36	Lot 14 Section 24 Township 28 SDYD Plan 32591	517 Curlew Dr	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone
37	Lot 9 Section 24 Township 28 SDYD Plan 32591	5177 Lark St	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone
38	Lot 8 Section 24 Township 28 SDYD Plan 32591	5185 Lark St	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone
39	Lot 7 Section 24 Township 28 SDYD Plan 32591	5195 Lark St	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone
40	Lot 38 Section 24 Township 28 SDYD Plan 32591	520 Curlew Dr	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone
41	Lot 6 Section 24 Township 28 SDYD Plan 32591	5201 Lark St	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone
42	Lot 5 Section 24 Township 28 SDYD Plan 32591	5213 Lark St	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone
43	Lot 3 Section 24 Township 28 SDYD Plan 32591	5225 Lark St	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone
44	Lot 2 Section 24 Township 28 SDYD Plan 32591	5235 Lark St	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone
45	Lot 37 Section 24 Township 28 SDYD Plan 32591	524 Curlew Dr	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone
46	Lot 16 Section 24 Township 28 SDYD Plan 32591	525 Curlew Dr	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone
47	Lot 36 Section 24 Township 28 SDYD Plan 32591	528 Curlew Dr	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone
48	Lot 17 Section 24 Township 28 SDYD Plan 32591	529 Curlew Dr	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone
49	Lot 35 Section 24 Township 28 SDYD Plan 32591	532 Curlew Dr	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone
50	Lot 18 Section 24 Township 28 SDYD Plan 32591	533 Curlew Dr	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone
51	Lot 34 Section 24 Township 28 SDYD Plan 32591	536 Curlew Dr	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone
52	Lot 19 Section 24 Township 28 SDYD Plan 32591	537 Curlew Dr	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone
53	Lot 33 Section 24 Township 28 SDYD Plan 32591	540 Curlew Dr	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone
54	Lot 20 Section 24 Township 28 SDYD Plan 32591	541 Curlew Dr	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone
55	Lot 32 Section 24 Township 28 SDYD Plan 32591	544 Curlew Dr	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone
56	Lot 21 Section 24 Township 28 SDYD Plan 32591	545 Curlew Dr	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone
57	Lot 31 Section 24 Township 28 SDYD Plan 32591	548 Curlew Dr	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone

58	Lot 22 Section 24 Township 28 SDYD Plan 32591	549 Curlew Dr	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone
59	Lot 30 Section 24 Township 28 SDYD Plan 32591	550 Curlew Dr	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone
60	Lot 29 Section 24 Township 28 SDYD Plan 32591	552 Curlew Dr	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone
61	Lot 23 Section 24 Township 28 SDYD Plan 32591	553 Curlew Dr	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone
62	Lot 28 Section 24 Township 28 SDYD Plan 32591	556 Curlew Dr	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone
63	Lot 24 Section 24 Township 28 SDYD Plan 32591	557 Curlew Dr	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone
64	Lot 27 Section 24 Township 28 SDYD Plan 32591	560 Curlew Dr	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone
65	Lot 25 Section 24 Township 28 SDYD Plan 32591	561 Curlew Dr	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone
66	Lot 26 Section 24 Township 28 SDYD Plan 32591	565 Curlew Dr	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone

Schedule B									
	Table 2: RR1 – Rural Residential 1 zone to the RR3 – Rural Residential 3 zone								
No.	Legal Description Address Underlying Zone			Proposed Zone					
1	Lot 100 Section 23 Township 28 SDYD Plan 32591	1 477 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone					
2	Lot 142 Section 24 Township 28 SDYD Plan 32591	361 Curlew Ct	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone					
3	Lot 143 Section 24 Township 28 SDYD Plan 32591	365 Curlew Ct	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone					
4	Lot 157 Section 23 Township 28 SDYD Plan 32591	370 Stellar Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone					
5	Lot 144 Section 24 Township 28 SDYD Plan 32591	371 Curlew Ct	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone					
6	Lot 145 Section 24 Township 28 SDYD Plan 32591	373 Curlew Ct	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone					
7	Lot 146 Section 24 Township 28 SDYD Plan 32591	375 Curlew Ct	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone					
8	Lot 155 Section 23 Township 28 SDYD Plan 32591	375 Stellar Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone					
9	Lot 147 Section 24 Township 28 SDYD Plan 32591	379 Curlew Ct	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone					
10	Lot 154 Section 23 Township 28 SDYD Plan 32591	379 Stellar Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone					
11	Lot A Section 23 Township 28 SDYD Plan 33792	382 Stellar Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone					
12	Lot 153 Section 23 Township 28 SDYD Plan 32591	383 Stellar Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone					
13	Lot 152 Section 23 Township 28 SDYD Plan 32591	387 Stellar Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone					
14	Lot 151 Section 23 Township 28 SDYD Plan 32591	391 Stellar Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone					
15	Lot 150 Section 23 Township 28 SDYD Plan 32591	395 Stellar Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone					
16	Lot 136 Section 23 Township 28 SDYD Plan 32591	409 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone					
17	Lot 135 Section 24 Township 28 SDYD Plan 32591	411 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone					
18	Lot 134 Section 24 Township 28 SDYD Plan 32591	413 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone					
19	Lot 48 Section 24 Township 28 SDYD Plan 32591	414 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone					
20	Lot 133 Section 24 Township 28 SDYD Plan 32591	415 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone					
21	Lot 49 Section 24 Township 28 SDYD Plan 32591	416 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone					
22	Lot 132 Section 24 Township 28 SDYD Plan 32591	417 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone					
23	Lot 50 Section 24 Township 28 SDYD Plan 32591	418 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone					
24	Lot 131 Section 24 Township 28 SDYD Plan 32591	419 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone					
25	Lot 51 Section 24 Township 28 SDYD Plan 32591	420 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone					
26	Lot 130 Section 24 Township 28 SDYD Plan 32591	421 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone					

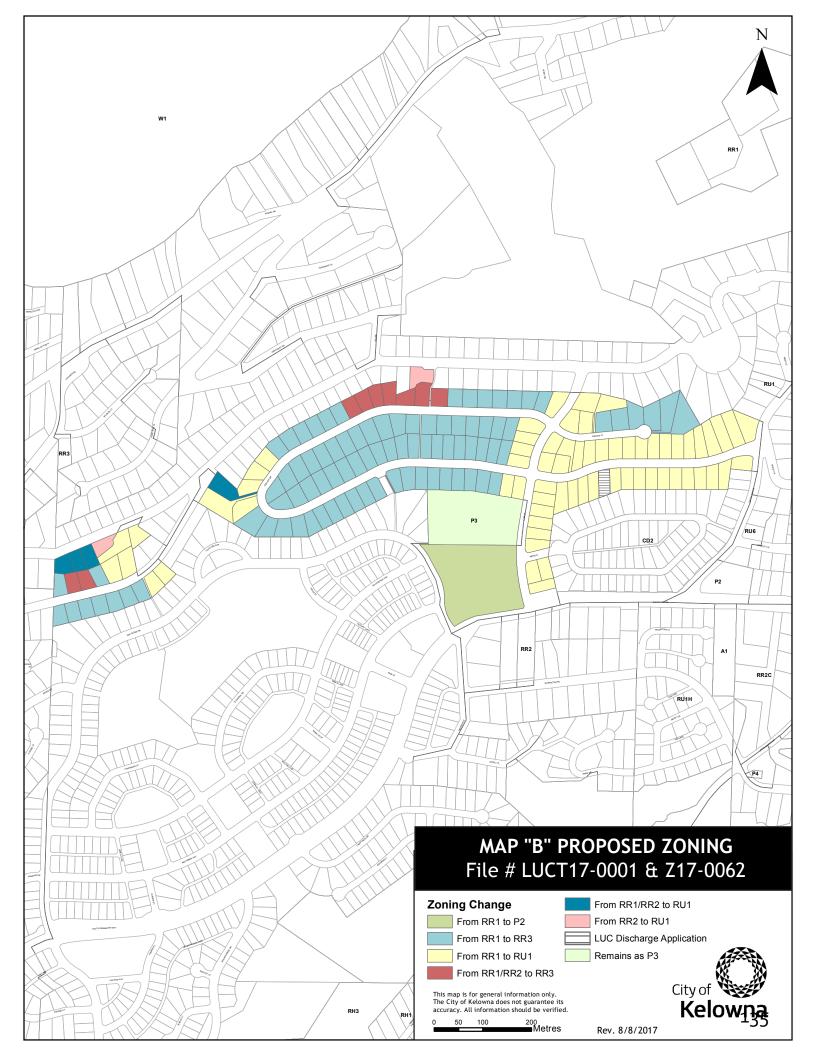
27	Lot 52 Section 24 Township 28 SDYD Plan 32591	422 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
28	Lot 53 Sections 23 and 24 Township 28 SDYD Plan 32591	424 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
29	Lot 54 Section 23 Township 28 SDYD Plan 32591	426 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
30	Lot 55 Section 23 Township 28 SDYD Plan 32591	428 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
31	Lot 56 Section 23 Township 28 SDYD Plan 32591	430 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
32	Lot 57 Section 23 Township 28 SDYD Plan 32591	432 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
33	Lot 58 Section 23 Township 28 SDYD Plan 32591	434 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
34	Lot 59 Section 23 Township 28 SDYD Plan 32591	436 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
35	Lot 122 Section 23 Township 28 SDYD Plan 32591	437 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
36	Lot 6o Section 23 Township 28 SDYD Plan 32591	438 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
37	Lot 121 Section 23 Township 28 SDYD Plan 32591	439 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
38	Lot 61 Section 23 Township 28 SDYD Plan 32591	440 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
39	Lot 120 Section 23 Township 28 SDYD Plan 32591	441 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
40	Lot 62 Section 23 Township 28 SDYD Plan 32591	442 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
41	Lot 119 Section 23 Township 28 SDYD Plan 32591	443 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
42	Lot 63 Section 23 Township 28 SDYD Plan 32591	444 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
43	Lot 118 Section 23 Township 28 SDYD Plan 32591	445 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
44	Lot 64 Section 23 Township 28 SDYD Plan 32591	446 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
45	Lot 117 Section 23 Township 28 SDYD Plan 32591	447 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
46	Lot 65 Section 23 Township 28 SDYD Plan 32591	448 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
47	Lot 66 Section 23 Township 28 SDYD Plan 32591	450 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
48	Lot 67 Section 23 Township 28 SDYD Plan 32591	452 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
49	Lot 68 Section 23 Township 28 SDYD Plan 32591	454 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
50	Lot 69 Section 23 Township 28 SDYD Plan 32591	456 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
51	Lot 110 Section 23 Township 28 SDYD Plan 32591	457 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
52	Lot 70 Section 23 Township 28 SDYD Plan 32591	458 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
53	Lot 109 Section 23 Township 28 SDYD Plan 32591	459 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
54	Lot 71 Section 23 Township 28 SDYD Plan 32591	460 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
55	Lot 108 Section 23 Township 28 SDYD Plan 32591	461 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
56	Lot 72 Section 23 Township 28 SDYD Plan 32591	462 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
57	Lot 107 Section 23 Township 28 SDYD Plan 32591	463 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone

58	Lot 73 Section 23 Township 28 SDYD Plan 32591	464 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
59	Lot 106 Section 23 Township 28 SDYD Plan 32591	465 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
60	Lot 74 Section 23 Township 28 SDYD Plan 32591	466 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
61	Lot 105 Section 23 Township 28 SDYD Plan 32591	467 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
62	Lot 75 Section 23 Township 28 SDYD Plan 32591	468 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
63	Lot 104 Section 23 Township 28 SDYD Plan 32591	469 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
64	Lot 76 Section 23 Township 28 SDYD Plan 32591	470 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
65	Lot 103 Section 23 Township 28 SDYD Plan 32591	471 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
66	Lot 77 Section 23 Township 28 SDYD Plan 32591	472 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
67	Lot 102 Section 23 Township 28 SDYD Plan 32591	473 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
68	Lot 78 Section 23 Township 28 SDYD Plan 32591	474 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
69	Lot 101 Section 23 Township 28 SDYD Plan 32591	475 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
70	Lot 79 Section 23 Township 28 SDYD Plan 32591	476 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
71	Lot 8o Section 23 Township 28 SDYD Plan 32591	478 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
72	Lot 1 District Lot 23 Township 28 SDYD Plan KAP56393	479 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
73	Lot 81 Sections 23 and 24 Township 28 SDYD Plan 32591	480 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
74	Lot 98 Section 23 Township 28 SDYD Plan 32591	481 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
75	Lot 82 Section 24 Township 28 SDYD Plan 32591	482 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
76	Lot 97 Section 23 Township 28 SDYD Plan 32591	483 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
77	Lot 83 Section 24 Township 28 SDYD Plan 32591	484 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
78	Lot 96 Section 23 Township 28 SDYD Plan 32591	485 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
79	Lot 84 Section 24 Township 28 SDYD Plan 32591	486 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
80	Lot 95 Sections 23 and 24 Township 28 SDYD Plan 32591	487 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
81	Lot 85 Section 24 Township 28 SDYD Plan 32591	488 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
82	Lot 94 Section 24 Township 28 SDYD Plan 32591	489 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
83	Lot 86 Section 24 Township 28 SDYD Plan 32591	490 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
84	Lot 93 Section 24 Township 28 SDYD Plan 32591	491 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
85	Lot 92 Section 24 Township 28 SDYD Plan 32591	493 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
86	Lot 91 Section 24 Township 28 SDYD Plan 32591	495 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
87	Lot 156, Section 23, Township 28, SDYD Plan 32591	371 Stellar Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone

	Schedule B							
	Table 3: RR1 – Rural Residential 1 zone and RR2 – Rural Residential 2 zone to the RU1 – Large Lot Houising zone							
No.	Legal Description	Address	Underlying Zone	Proposed Zone				
1	Lot 113 Section 23 Township 28 SDYD Plan 32591	2 453 Curlew Dr	RR1 - Rural Residential 1/RR2 - Rural Residential 2 zone	RU1 – Large Lot Housing zone				
2	Lot A Section 23 Township 28 SDYD Plan 33760	373 Okaview Rd	RR1 - Rural Residential 1/RR2 - Rural Residential 2 zone	RU1 – Large Lot Housing zone				
3	Lot B Section 23 Township 28 SDYD Plan 33760	375 Okaview Rd	RR1 - Rural Residential 1/RR2 - Rural Residential 2 zone	RU1 – Large Lot Housing zone				
4	Lot B Section 23 Township 28 SDYD Plan 33792	377 Okaview Rd	RR1 - Rural Residential 1/RR2 - Rural Residential 2 zone	RU1 – Large Lot Housing zone				
		Schedule B						
	Table 4: RR1 – Rural Residential 1 zone and	RR2 — Rural Reside	ntial 2 zone to the RR3 – Rural	Residential 3 zone				
No.	Legal Description	Address	Underlying	Proposed				
			Zone	Zone				
1	Lot D Section 23 Township 28 SDYD Plan 33760	374 Stellar Dr	RR1 - Rural Residential 1/RR2 - Rural Residential 2 zone	RR3 - Rural Residential 3 zone				
1 2	Lot D Section 23 Township 28 SDYD Plan 33760 Lot C Section 23 Township 28 SDYD Plan 33760	374 Stellar Dr 378 Stellar Dr	RR1 - Rural Residential 1/RR2 -					
_	- ,		RR1 - Rural Residential 1/RR2 - Rural Residential 2 zone RR1 - Rural Residential 1/RR2 -	RR3 - Rural Residential 3 zone				
2	Lot C Section 23 Township 28 SDYD Plan 33760	378 Stellar Dr	RR1 - Rural Residential 1/RR2 - Rural Residential 2 zone RR1 - Rural Residential 1/RR2 - Rural Residential 2 zone RR1 - Rural Residential 1/RR2 -	RR3 - Rural Residential 3 zone RR3 - Rural Residential 3 zone				
2	Lot C Section 23 Township 28 SDYD Plan 33760 Lot 129 Section 23 Township 28 SDYD Plan 32591	378 Stellar Dr 423 Curlew Dr	RR1 - Rural Residential 1/RR2 - Rural Residential 2 zone RR1 - Rural Residential 1/RR2 - Rural Residential 2 zone RR1 - Rural Residential 1/RR2 - Rural Residential 2 zone RR1 - Rural Residential 1/RR2 -	RR3 - Rural Residential 3 zone RR3 - Rural Residential 3 zone RR3 - Rural Residential 3 zone				
2 3 4	Lot C Section 23 Township 28 SDYD Plan 33760 Lot 129 Section 23 Township 28 SDYD Plan 32591 Lot B Section 23 Township 28 SDYD Plan 42729	378 Stellar Dr 423 Curlew Dr 425 Curlew Dr	RR1 - Rural Residential 1/RR2 - Rural Residential 2 zone RR1 - Rural Residential 1/RR2 - Rural Residential 2 zone RR1 - Rural Residential 1/RR2 - Rural Residential 2 zone RR1 - Rural Residential 1/RR2 - Rural Residential 2 zone RR1 - Rural Residential 2 zone RR1 - Rural Residential 1/RR2 -	RR3 - Rural Residential 3 zone				
2 3 4 5	Lot C Section 23 Township 28 SDYD Plan 33760 Lot 129 Section 23 Township 28 SDYD Plan 32591 Lot B Section 23 Township 28 SDYD Plan 42729 Lot 127 Section 23 Township 28 SDYD Plan 32591	378 Stellar Dr 423 Curlew Dr 425 Curlew Dr 427 Curlew Dr	RR1 - Rural Residential 1/RR2 - Rural Residential 2 zone RR1 - Rural Residential 1/RR2 - Rural Residential 2 zone RR1 - Rural Residential 1/RR2 - Rural Residential 2 zone RR1 - Rural Residential 1/RR2 - Rural Residential 2 zone RR1 - Rural Residential 1/RR2 - Rural Residential 2 zone RR1 - Rural Residential 2 zone RR1 - Rural Residential 2 zone RR1 - Rural Residential 1/RR2 -	RR3 - Rural Residential 3 zone				
2 3 4 5	Lot C Section 23 Township 28 SDYD Plan 33760 Lot 129 Section 23 Township 28 SDYD Plan 32591 Lot B Section 23 Township 28 SDYD Plan 42729 Lot 127 Section 23 Township 28 SDYD Plan 32591 Lot 126 Section 23 Township 28 SDYD Plan 32591	378 Stellar Dr 423 Curlew Dr 425 Curlew Dr 427 Curlew Dr 429 Curlew Dr	RR1 - Rural Residential 1/RR2 - Rural Residential 2 zone RR1 - Rural Residential 1/RR2 - Rural Residential 2 zone RR1 - Rural Residential 1/RR2 - Rural Residential 2 zone RR1 - Rural Residential 1/RR2 - Rural Residential 2 zone RR1 - Rural Residential 1/RR2 - Rural Residential 2 zone RR1 - Rural Residential 1/RR2 - Rural Residential 2 zone RR1 - Rural Residential 1/RR2 - Rural Residential 2 zone RR1 - Rural Residential 2 zone RR1 - Rural Residential 1/RR2 -	RR3 - Rural Residential 3 zone				

	Schedule B						
Table 5: RR2 – Rural Residential 2 zone to the RU1 – Large Lot Housing zone							
No.	Legal Description	Address	Underlying Zone	Proposed Zone			
1	Lot A Section 23 Township 28 SDYD Plan 42729	437 Okaview Rd	RR2 - Rural Residential 2 zone	RU1 – Large Lot Housing zone			

	Schedule B						
Table 6: RR1 – Rural Residential 2 zone to the P2 – Educational & Minor Institutional zone							
No. Legal Description Address Under Zon				Proposed Zone			
	Lot B Section 23 and 24 Township 28 SDYD Plan KAP57684	5240 Lark St	RR1- Rural Residential 1 zone	P2 – Educational & Minor Institutional zone			



BYLAW NO. 11455

Early Termination of Land Use Contracts LUC77-1002 Curlew Drive, Lark Street, Okaview Road, Wren Place and Stellar Drive

WHEREAS a land use contract (the "Land Use Contract LUC77-1002") is registered at the Kamloops Land Title Office under the charge number P1861 against lands in the City of Kelowna particularly known and described as in Schedule "A" attached (the "Lands"), located at Curlew Drive, Lark Street Okaview Road, Wren Place and Stellar Drive, Kelowna, B.C.;

AND WHEREAS Section 548 of the *Local Government Act* provides that a local government may impose an early termination to land use contracts registered in a Land Title Office that applies to land within the jurisdiction of the local government;

NOW THEREFORE, the Municipal Council of the City of Kelowna, in open meeting assembled, enacts as follows:

- 1. This Bylaw may be cited for all purposes as "Early Termination of Land Use Contracts LUC77-1002 Bylaw";
- 2. Land Use Contracts LUC77-1002 are hereby terminated as of the date of adoption; and
- 3. This bylaw will come into force and effect one year after the adoption date.

Read a first time by the Municipal Council this

Considered at a Public Hearing this

Read a second and third time by Municipal Council on the

Adopted by the Municipal Council this

Mayor
·
City Clerk

	Schedule A: LUC77-1002							
No.	Legal Description	Address	Parcel Identifier Number	Charge Number	Land Use Contract	Underlying Zone		
1	Lot 114 Section 23 Township 28 SDYD Plan 32591	1 453 Curlew Dr	001-995-499	P1861	LUC77-1002	RR1 - Rural Residential 1 zone		
2	Lot 111 Section 23 Township 28 SDYD Plan 32591	1 455 Curlew Dr	001-525-034	P1861	LUC77-1002	RR1 - Rural Residential 1 zone		
3	Lot 139 Section 23 Township 28 SDYD Plan 32591	351 Curlew Ct	001-995-685	P1861	LUC77-1002	RR1 - Rural Residential 1 zone		
4	Lot 140 Section 23 Township 28 SDYD Plan 32591	355 Curlew Ct	001-995-693	P1861	LUC77-1002	RR1 - Rural Residential 1 zone		
5	Lot 138 Section 23 Township 28 SDYD Plan 32591	357 Curlew Ct	001-995-677	P1861	LUC77-1002	RR1 - Rural Residential 1 zone		
6	Lot 141 Section 24 Township 28 SDYD Plan 32591	359 Curlew Ct	001-995-162	P1861	LUC77-1002	RR1 - Rural Residential 1 zone		
7	Lot 2 Section 23 Township 28 SDYD Plan EPP45452	381 Okaview Rd	029-451-566	P1861	LUC77-1002	RR1 - Rural Residential 1 zone		
8	Lot 164 Section 23 Township 28 SDYD Plan 32591	383 Okaview Rd	001-645-340	P1861	LUC77-1002	RR1 - Rural Residential 1 zone		
9	Lot 161 Section 23 Township 28 SDYD Plan 32591	386 Stellar Dr	001-645-323	P1861	LUC77-1002	RR1 - Rural Residential 1 zone		
10	Lot 162 Section 23 Township 28 SDYD Plan 32591	390 Stellar Dr	003-369-544	P1861	LUC77-1002	RR1 - Rural Residential 1 zone		
11	Lot 149 Section 23 Township 28 SDYD Plan 32591	399 Stellar Dr	001-995-715	P1861	LUC77-1002	RR1 - Rural Residential 1 zone		
12	Lot 46 Section 24 Township 28 SDYD Plan 32591	410 Curlew Dr	001-778-447	P1861	LUC77-1002	RR1 - Rural Residential 1 zone		
13	Lot 116 Section 23 Township 28 SDYD Plan 32591	449 Curlew Dr	001-995-511	P1861	LUC77-1002	RR1 - Rural Residential 1 zone		
14	Lot 115 Section 23 Township 28 SDYD Plan 32591	451 Curlew Dr	001-995-502	P1861	LUC77-1002	RR1 - Rural Residential 1 zone		
15	Lot 90 Section 24 Township 28 SDYD Plan 32591	497 Curlew Dr	001-995-065	P1861	LUC77-1002	RR1 - Rural Residential 1 zone		
16	Lot 89 Section 24 Township 28 SDYD Plan 32591	499 Curlew Dr	001-995-057	P1861	LUC77-1002	RR1 - Rural Residential 1 zone		
17	Lot 44 Section 24 Township 28 SDYD Plan 32591	500 Curlew Dr	001-994-930	P1861	LUC77-1002	RR1 - Rural Residential 1 zone		
18	Lot 43 Section 24 Township 28 SDYD Plan 32591	504 Curlew Dr	001-994-921	P1861	LUC77-1002	RR1 - Rural Residential 1 zone		
19	Lot 11 Section 24 Township 28 SDYD Plan 32591	505 Curlew Dr	002-468-972	P1861	LUC77-1002	RR1 - Rural Residential 1 zone		
20	Lot 42 Section 24 Township 28 SDYD Plan 32591	506 Curlew Dr	001-994-913	P1861	LUC77-1002	RR1 - Rural Residential 1 zone		
21	Lot 4 Section 24 Township 28 SDYD Plan 32591	507 Wren Pl	003-368-971	P1861	LUC77-1002	RR1 - Rural Residential 1 zone		
22	Lot 41 Section 24 Township 28 SDYD Plan 32591	508 Curlew Dr	001-730-347	P1861	LUC77-1002	RR1 - Rural Residential 1 zone		
23	Lot 12 Section 24 Township 28 SDYD Plan 32591	509 Curlew Dr	001-535-404	P1861	LUC77-1002	RR1 - Rural Residential 1 zone		
24	Lot 40 Section 24 Township 28 SDYD Plan 32591	512 Curlew Dr	003-369-374	P1861	LUC77-1002	RR1 - Rural Residential 1 zone		
25	Lot 13 Section 24 Township 28 SDYD Plan 32591	513 Curlew Dr	003-369-111	P1861	LUC77-1002	RR1 - Rural Residential 1 zone		
26	Lot 47 Section 24 Township 28 SDYD Plan 32591	5136 Lark St	001-778-455	P1861	LUC77-1002	RR1 - Rural Residential 1 zone		
27	Lot 87 Section 24 Township 28 SDYD Plan 32591	5142 Lark St	001-995-022	P1861	LUC77-1002	RR1 - Rural Residential 1 zone		

28	Lot 45 Section 24 Township 28 SDYD Plan 32591	5145 Lark St	001-994-948	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
29	Lot 88 Section 24 Township 28 SDYD Plan 32591	5154 Lark St	001-995-049	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
30	Lot 39 Section 24 Township 28 SDYD Plan 32591	516 Curlew Dr	001-476-611	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
31	Lot 10 Section 24 Township 28 SDYD Plan 32591	5165 Lark St	003-369-081	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
32	Lot 14 Section 24 Township 28 SDYD Plan 32591	517 Curlew Dr	001-994-794	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
33	Lot 9 Section 24 Township 28 SDYD Plan 32591	5177 Lark St	002-456-231	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
34	Lot 8 Section 24 Township 28 SDYD Plan 32591	5185 Lark St	003-369-048	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
35	Lot 7 Section 24 Township 28 SDYD Plan 32591	5195 Lark St	003-369-030	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
36	Lot 38 Section 24 Township 28 SDYD Plan 32591	520 Curlew Dr	003-369-358	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
37	Lot 6 Section 24 Township 28 SDYD Plan 32591	5201 Lark St	003-369-013	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
38	Lot 5 Section 24 Township 28 SDYD Plan 32591	5213 Lark St	003-368-980	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
39	Lot 3 Section 24 Township 28 SDYD Plan 32591	5225 Lark St	003-368-947	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
40	Lot 2 Section 24 Township 28 SDYD Plan 32591	5235 Lark St	001-994-760	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
41	Lot 37 Section 24 Township 28 SDYD Plan 32591	524 Curlew Dr	003-369-331	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
42	Lot 16 Section 24 Township 28 SDYD Plan 32591	525 Curlew Dr	003-133-508	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
43	Lot 36 Section 24 Township 28 SDYD Plan 32591	528 Curlew Dr	003-369-307	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
44	Lot 17 Section 24 Township 28 SDYD Plan 32591	529 Curlew Dr	003-369-137	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
45	Lot 35 Section 24 Township 28 SDYD Plan 32591	532 Curlew Dr	003-369-285	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
46	Lot 18 Section 24 Township 28 SDYD Plan 32591	533 Curlew Dr	003-369-145	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
47	Lot 34 Section 24 Township 28 SDYD Plan 32591	536 Curlew Dr	003-369-277	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
48	Lot 19 Section 24 Township 28 SDYD Plan 32591	537 Curlew Dr	003-369-161	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
49	Lot 33 Section 24 Township 28 SDYD Plan 32591	540 Curlew Dr	003-369-269	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
50	Lot 20 Section 24 Township 28 SDYD Plan 32591	541 Curlew Dr	001-994-832	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
51	Lot 32 Section 24 Township 28 SDYD Plan 32591	544 Curlew Dr	003-369-251	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
52	Lot 21 Section 24 Township 28 SDYD Plan 32591	545 Curlew Dr	001-841-149	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
53	Lot 31 Section 24 Township 28 SDYD Plan 32591	548 Curlew Dr	003-369-234	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
54	Lot 22 Section 24 Township 28 SDYD Plan 32591	549 Curlew Dr	001-994-841	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
55	Lot 30 Section 24 Township 28 SDYD Plan 32591	550 Curlew Dr	001-994-891	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
56	Lot 29 Section 24 Township 28 SDYD Plan 32591	552 Curlew Dr	003-369-226	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
57	Lot 23 Section 24 Township 28 SDYD Plan 32591	553 Curlew Dr	003-369-170	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
58	Lot 28 Section 24 Township 28 SDYD Plan 32591	556 Curlew Dr	003-369-200	P1861	LUC77-1002	RR1 - Rural Residential 1 zone

59	Lot 24 Section 24 Township 28 SDYD Plan 32591	557 Curlew Dr	002-483-611	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
60	Lot 25 Section 24 Township 28 SDYD Plan 32591	561 Curlew Dr	001-756-109	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
61	Lot 26 Section 24 Township 28 SDYD Plan 32591	565 Curlew Dr	001-994-867	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
62	Lot 100 Section 23 Township 28 SDYD Plan 32591	1 477 Curlew Dr	003-369-463	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
63	Lot 112 Section 23 Township 28 SDYD Plan 32591	2 455 Curlew Dr	001-995-472	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
64	Lot 142 Section 24 Township 28 SDYD Plan 32591	361 Curlew Ct	001-995-171	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
65	Lot 143 Section 24 Township 28 SDYD Plan 32591	365 Curlew Ct	001-995-189	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
66	Lot 157 Section 23 Township 28 SDYD Plan 32591	370 Stellar Dr	001-995-791	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
67	Lot 144 Section 24 Township 28 SDYD Plan 32591	371 Curlew Ct	001-995-197	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
68	Lot 145 Section 24 Township 28 SDYD Plan 32591	373 Curlew Ct	001-995-201	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
69	Lot 146 Section 24 Township 28 SDYD Plan 32591	375 Curlew Ct	001-995-219	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
70	Lot 155 Section 23 Township 28 SDYD Plan 32591	375 Stellar Dr	001-995-774	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
71	Lot 147 Section 24 Township 28 SDYD Plan 32591	379 Curlew Ct	003-369-536	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
72	Lot 154 Section 23 Township 28 SDYD Plan 32591	379 Stellar Dr	001-995-766	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
73	Lot A Section 23 Township 28 SDYD Plan 33792	382 Stellar Dr	001-995-839	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
74	Lot 153 Section 23 Township 28 SDYD Plan 32591	383 Stellar Dr	001-995-758	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
75	Lot 152 Section 23 Township 28 SDYD Plan 32591	387 Stellar Dr	001-995-740	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
76	Lot 151 Section 23 Township 28 SDYD Plan 32591	391 Stellar Dr	001-995-731	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
77	Lot 150 Section 23 Township 28 SDYD Plan 32591	395 Stellar Dr	001-995-723	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
78	Lot 148 Section 23 Township 28 SDYD Plan 32591	403 Stellar Dr	001-995-707	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
79	Lot 137 Section 23 Township 28 SDYD Plan 32591	405 Curlew Dr	001-995-669	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
80	Lot 136 Section 23 Township 28 SDYD Plan 32591	409 Curlew Dr	001-995-651	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
81	Lot 135 Section 24 Township 28 SDYD Plan 32591	411 Curlew Dr	001-995-154	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
82	Lot 134 Section 24 Township 28 SDYD Plan 32591	413 Curlew Dr	001-995-146	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
83	Lot 48 Section 24 Township 28 SDYD Plan 32591	414 Curlew Dr	001-778-463	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
84	Lot 133 Section 24 Township 28 SDYD Plan 32591	415 Curlew Dr	003-369-528	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
85	Lot 49 Section 24 Township 28 SDYD Plan 32591	416 Curlew Dr	001-778-439	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
86	Lot 132 Section 24 Township 28 SDYD Plan 32591	417 Curlew Dr	001-995-138	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
87	Lot 50 Section 24 Township 28 SDYD Plan 32591	418 Curlew Dr	001-778-471	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
88	Lot 131 Section 24 Township 28 SDYD Plan 32591	419 Curlew Dr	001-995-111	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
89	Lot 51 Section 24 Township 28 SDYD Plan 32591	420 Curlew Dr	001-994-956	P1861	LUC77-1002	RR1 - Rural Residential 1 zone

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90	Lot 130 Section 24 Township 28 SDYD Plan 32591	421 Curlew Dr	001-995-103	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
91	Lot 52 Section 24 Township 28 SDYD Plan 32591	422 Curlew Dr	001-994-964	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
92	Lot 53 Sections 23 and 24 Township 28 SDYD Plan 32591	424 Curlew Dr	001-995-804	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
93	Lot 54 Section 23 Township 28 SDYD Plan 32591	426 Curlew Dr	001-995-227	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
94	Lot 55 Section 23 Township 28 SDYD Plan 32591	428 Curlew Dr	001-995-235	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
95	Lot 56 Section 23 Township 28 SDYD Plan 32591	430 Curlew Dr	001-995-243	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
96	Lot 57 Section 23 Township 28 SDYD Plan 32591	432 Curlew Dr	001-995-251	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
97	Lot 58 Section 23 Township 28 SDYD Plan 32591	434 Curlew Dr	001-995-260	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
98	Lot 59 Section 23 Township 28 SDYD Plan 32591	436 Curlew Dr	001-995-278	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
99	Lot 122 Section 23 Township 28 SDYD Plan 32591	437 Curlew Dr	001-995-588	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
100	Lot 6o Section 23 Township 28 SDYD Plan 32591	438 Curlew Dr	001-995-286	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
101	Lot 121 Section 23 Township 28 SDYD Plan 32591	439 Curlew Dr	001-995-570	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
102	Lot 61 Section 23 Township 28 SDYD Plan 32591	440 Curlew Dr	001-995-294	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
103	Lot 120 Section 23 Township 28 SDYD Plan 32591	441 Curlew Dr	001-995-561	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
104	Lot 62 Section 23 Township 28 SDYD Plan 32591	442 Curlew Dr	001-995-308	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
105	Lot 119 Section 23 Township 28 SDYD Plan 32591	443 Curlew Dr	001-995-553	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
106	Lot 63 Section 23 Township 28 SDYD Plan 32591	444 Curlew Dr	001-995-316	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
107	Lot 118 Section 23 Township 28 SDYD Plan 32591	445 Curlew Dr	001-995-537	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
108	Lot 64 Section 23 Township 28 SDYD Plan 32591	446 Curlew Dr	003-369-391	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
109	Lot 117 Section 23 Township 28 SDYD Plan 32591	447 Curlew Dr	001-995-529	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
110	Lot 65 Section 23 Township 28 SDYD Plan 32591	448 Curlew Dr	001-995-324	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
111	Lot 66 Section 23 Township 28 SDYD Plan 32591	450 Curlew Dr	001-674-251	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
112	Lot 67 Section 23 Township 28 SDYD Plan 32591	452 Curlew Dr	001-674-269	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
113	Lot 68 Section 23 Township 28 SDYD Plan 32591	454 Curlew Dr	001-674-277	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
114	Lot 69 Section 23 Township 28 SDYD Plan 32591	456 Curlew Dr	001-674-285	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
115	Lot 110 Section 23 Township 28 SDYD Plan 32591	457 Curlew Dr	001-479-806	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
116	Lot 70 Section 23 Township 28 SDYD Plan 32591	458 Curlew Dr	001-674-293	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
117	Lot 109 Section 23 Township 28 SDYD Plan 32591	459 Curlew Dr	001-479-865	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
118	Lot 71 Section 23 Township 28 SDYD Plan 32591	460 Curlew Dr	001-995-332	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
119	Lot 108 Section 23 Township 28 SDYD Plan 32591	461 Curlew Dr	001-555-804	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
120	Lot 72 Section 23 Township 28 SDYD Plan 32591	462 Curlew Dr	001-995-341	P1861	LUC77-1002	RR1 - Rural Residential 1 zone

121	Lot 107 Section 23 Township 28 SDYD Plan 32591	463 Curlew Dr	003-369-510	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
122	Lot 73 Section 23 Township 28 SDYD Plan 32591	464 Curlew Dr	001-995-359	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
123	Lot 106 Section 23 Township 28 SDYD Plan 32591	465 Curlew Dr	001-479-849	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
124	Lot 74 Section 23 Township 28 SDYD Plan 32591	466 Curlew Dr	001-995-367	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
125	Lot 105 Section 23 Township 28 SDYD Plan 32591	467 Curlew Dr	003-369-501	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
126	Lot 75 Section 23 Township 28 SDYD Plan 32591	468 Curlew Dr	001-995-375	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
127	Lot 104 Section 23 Township 28 SDYD Plan 32591	469 Curlew Dr	001-995-464	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
128	Lot 76 Section 23 Township 28 SDYD Plan 32591	470 Curlew Dr	001-995-383	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
129	Lot 103 Section 23 Township 28 SDYD Plan 32591	471 Curlew Dr	001-972-073	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
130	Lot 77 Section 23 Township 28 SDYD Plan 32591	472 Curlew Dr	001-995-391	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
131	Lot 102 Section 23 Township 28 SDYD Plan 32591	473 Curlew Dr	003-369-498	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
132	Lot 78 Section 23 Township 28 SDYD Plan 32591	474 Curlew Dr	001-995-405	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
133	Lot 101 Section 23 Township 28 SDYD Plan 32591	475 Curlew Dr	003-369-480	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
134	Lot 79 Section 23 Township 28 SDYD Plan 32591	476 Curlew Dr	001-995-413	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
135	Lot 8o Section 23 Township 28 SDYD Plan 32591	478 Curlew Dr	001-995-421	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
136	Lot 1 District Lot 23 Township 28 SDYD Plan KAP56393	479 Curlew Dr	023-336-820	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
137	Lot 81 Sections 23 and 24 Township 28 SDYD Plan 32591	480 Curlew Dr	001-995-812	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
138	Lot 98 Section 23 Township 28 SDYD Plan 32591	481 Curlew Dr	001-995-456	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
139	Lot 82 Section 24 Township 28 SDYD Plan 32591	482 Curlew Dr	001-994-972	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
140	Lot 97 Section 23 Township 28 SDYD Plan 32591	483 Curlew Dr	001-995-448	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
141	Lot 83 Section 24 Township 28 SDYD Plan 32591	484 Curlew Dr	001-994-981	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
142	Lot 96 Section 23 Township 28 SDYD Plan 32591	485 Curlew Dr	001-995-430	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
143	Lot 84 Section 24 Township 28 SDYD Plan 32591	486 Curlew Dr	001-994-999	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
144	Lot 95 Sections 23 and 24 Township 28 SDYD Plan 32591	487 Curlew Dr	001-995-821	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
145	Lot 85 Section 24 Township 28 SDYD Plan 32591	488 Curlew Dr	001-995-006	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
146	Lot 94 Section 24 Township 28 SDYD Plan 32591	489 Curlew Dr	001-995-090	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
147	Lot 86 Section 24 Township 28 SDYD Plan 32591	490 Curlew Dr	001-995-014	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
148	Lot 93 Section 24 Township 28 SDYD Plan 32591	491 Curlew Dr	003-369-439	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
149	Lot 92 Section 24 Township 28 SDYD Plan 32591	493 Curlew Dr	003-369-421	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
150	Lot 91 Section 24 Township 28 SDYD Plan 32591	495 Curlew Dr	003-369-404	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
151	Lot 27 Section 24 Township 28 SDYD Plan 32591	560 Curlew Dr	001-994-875	P1861	LUC77-1002	RR1 - Rural Residential 1 zone

152	Lot D Section 23 Township 28 SDYD Plan 33760	374 Stellar Dr	001-995-855	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
-5-						/RR2 - Rural Residential 2 zone
153	Lot B Section 23 Township 28 SDYD Plan 33760	375 Okaview Rd	003-086-321	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
-55	2002 Geetlen 23 rommomp 2002 r 2 r lam 337,00	3/3 =	00) 000 122	. 1001	200// 2002	/RR2 - Rural Residential 2 zone
154	Lot C Section 23 Township 28 SDYD Plan 33760	378 Stellar Dr	001-995-847	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
-54		3/	555 -47			/RR2 - Rural Residential 2 zone
155	Lot 129 Section 23 Township 28 SDYD Plan 32591	423 Curlew Dr	001-995-642	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
33	3 3 1 3 33	. 3	333 1		• •	/RR2 - Rural Residential 2 zone
156	Lot B Section 23 Township 28 SDYD Plan 42729	425 Curlew Dr	015-833-127	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
3	3 1 1,73	1 3	3 33 ,		,,	/RR2 - Rural Residential 2 zone
157	Lot 127 Section 23 Township 28 SDYD Plan 32591	427 Curlew Dr	001-995-634	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
3,						/RR2 - Rural Residential 2 zone
158	Lot 126 Section 23 Township 28 SDYD Plan 32591	429 Curlew Dr	001-995-626	P1861	LUC77-1002	RR1 - Rural Residential 1 zone
						/RR2 - Rural Residential 2 zone
159	Lot 125 Section 23 Township 28 SDYD Plan 32591	431 Curlew Dr	001-995-618	P1861	LUC77-1002	RR1 - Rural Residential 1 zone /RR2 - Rural Residential 2 zone
						RR1 - Rural Residential 1 zone
160	Lot 124 Section 23 Township 28 SDYD Plan 32591	433 Curlew Dr	001-995-600	P1861	LUC77-1002	/RR2 - Rural Residential 2 zone
						RR1 - Rural Residential 1 zone
161	Lot 123 Section 23 Township 28 SDYD Plan 32591	435 Curlew Dr	001-995-596	P1861	LUC77-1002	/RR2 - Rural Residential 2 zone
						RR1 - Rural Residential 1 zone
162	Lot 113 Section 23 Township 28 SDYD Plan 32591	2 453 Curlew Dr	001-995-481	P1861	LUC77-1002	/RR2 - Rural Residential 2 zone
						RR1 - Rural Residential 1 zone
163	Lot A Section 23 Township 28 SDYD Plan 33760	373 Okaview Rd	003-086-305	P1861	LUC77-1002	/RR2 - Rural Residential 2 zone
						RR1 - Rural Residential 1 zone
164	Lot B Section 23 Township 28 SDYD Plan 33792	377 Okaview Rd	003-085-236	P1861	LUC77-1002	/RR2 - Rural Residential 2 zone
6	LILAG III TOUR DI	01 : 01	0	D 06	1116	
165	Lot A Section 23 Township 28 SDYD Plan 42729	437 Okaview Rd	015-832-741	P1861	LUC77-1002	RR2 - Rural Residential 2 zone
166	Lot 1 Section 23 Township 28 SDYD Plan EPP45452	379 Okaview Rd	029-451-558	P1861	LUC77-1002	RR2 - Rural Residential 2 zone
167	Lot 166 Sections 23 and 24 Township 28 SDYD Plan 32591	5210 Lark St	003-369-552	P1861	LUC77-1002	P ₃ – Parks & Open Space Zone
		-				- ' '

BYLAW NO. 11456

Z17-0062 — Curlew Drive, Lark Street, Okaview Road, Wren Place and Stellar Drive

A bylaw to amend the "City of Kelowna Zoning Bylaw No. 8000".

The Municipal Council of the City of Kelowna, in open meeting assembled, enacts as follows:

- 1. THAT City of Kelowna Zoning Bylaw No. 8000 be amended by changing the zoning classification of parcels outlined in Schedule "A" attached and forming part of this bylaw located on Curlew Drive and Wren Place, Kelowna, B.C., from the RR1 Rural Residential 1 zone to the RU1 Large Lot Housing zone;
- AND THAT City of Kelowna Zoning Bylaw No. 8000 be amended by changing the zoning classification of parcels outlined in Schedule "B" attached and forming part of this bylaw located on Curlew Drive, Kelowna, B.C., from the RR1 – Rural Residential 1 zone to the RR3 – Rural Residential 3 zone;
- 3. AND THAT City of Kelowna Zoning Bylaw No. 8000 be amended by changing the zoning classification of parcels outlined in Schedule "C" attached and forming part of this bylaw located on Curlew Drive and Okaview Road, Kelowna, B.C., from the RR1 Rural Residential 1 zone and RR2 Rural Residential 2 zone to the RU1 Large Lot Housing zone;
- 4. AND THAT City of Kelowna Zoning Bylaw No. 8000 be amended by changing the zoning classification of parcels outlined in Schedule "D" attached and forming part of this bylaw located on Curlew Drive, Okaview Road and Stellar Drive Kelowna, B.C., from the RR1 Rural Residential 1 zone and RR2 Rural Residential 2 zone to the RR3 Rural Residential 3 zone;
- 5. AND THAT City of Kelowna Zoning Bylaw No. 8000 be amended by changing the zoning classification of parcels outlined in Schedule "E" attached and forming part of this bylaw located on Okaview Road, Kelowna, B.C., from the RR2 Rural Residential 2 zone to the RR3 Rural Residential 3 zone;
- 6. AND THAT City of Kelowna Zoning Bylaw No. 8000 be amended by changing the zoning classification of parcels outlined in Schedule "F" attached and forming part of this bylaw located on Lark Street, Kelowna, B.C., from the RR1 Rural Residential 1 zone to the P2 Educational and Minor Institutional zone;
- 7. This bylaw shall come into full force and effect and is binding on all persons as and from the date of adoption.

Read a first time by the Municipal Council this	
Considered at a Public Hearing on the	
Read a second and third time by the Municipal Council thi	is
Adopted by the Municipal Council of the City of Kelowna	this
	Mayor
_	City Clerk

Schedule A: RR1 – Rural Residential 1 zone to the RU1 – Large Lot Housing zone				
No.	Legal Description	Address	Current Zone	Proposed Zone
1	Lot 114 Section 23 Township 28 SDYD Plan 32591	1 453 Curlew Dr	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone
2	Lot 111 Section 23 Township 28 SDYD Plan 32591	1 455 Curlew Dr	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone
3	Lot 112 Section 23 Township 28 SDYD Plan 32591	2 455 Curlew Dr	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone
4	Lot 139 Section 23 Township 28 SDYD Plan 32591	351 Curlew Ct	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone
5	Lot 140 Section 23 Township 28 SDYD Plan 32591	355 Curlew Ct	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone
6	Lot 138 Section 23 Township 28 SDYD Plan 32591	357 Curlew Ct	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone
7	Lot 141 Section 24 Township 28 SDYD Plan 32591	359 Curlew Ct	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone
8	Lot 2 Section 23 Township 28 SDYD Plan EPP45452	381 Okaview Rd	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone
9	Lot 164 Section 23 Township 28 SDYD Plan 32591	383 Okaview Rd	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone
10	Lot 161 Section 23 Township 28 SDYD Plan 32591	386 Stellar Dr	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone
11	Lot 162 Section 23 Township 28 SDYD Plan 32591	390 Stellar Dr	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone
12	Lot 149 Section 23 Township 28 SDYD Plan 32591	399 Stellar Dr	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone
13	Lot 148 Section 23 Township 28 SDYD Plan 32591	403 Stellar Dr	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone
14	Lot 137 Section 23 Township 28 SDYD Plan 32591	405 Curlew Dr	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone
15	Lot 46 Section 24 Township 28 SDYD Plan 32591	410 Curlew Dr	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone
16	Lot 116 Section 23 Township 28 SDYD Plan 32591	449 Curlew Dr	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone
17	Lot 115 Section 23 Township 28 SDYD Plan 32591	451 Curlew Dr	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone
18	Lot 90 Section 24 Township 28 SDYD Plan 32591	497 Curlew Dr	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone
19	Lot 89 Section 24 Township 28 SDYD Plan 32591	499 Curlew Dr	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone
20	Lot 44 Section 24 Township 28 SDYD Plan 32591	500 Curlew Dr	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone
21	Lot 43 Section 24 Township 28 SDYD Plan 32591	504 Curlew Dr	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone
22	Lot 11 Section 24 Township 28 SDYD Plan 32591	505 Curlew Dr	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone
23	Lot 42 Section 24 Township 28 SDYD Plan 32591	506 Curlew Dr	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone
24	Lot 4 Section 24 Township 28 SDYD Plan 32591	507 Wren Pl	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone
25	Lot 41 Section 24 Township 28 SDYD Plan 32591	508 Curlew Dr	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone
26	Lot 12 Section 24 Township 28 SDYD Plan 32591	509 Curlew Dr	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone
27	Lot 40 Section 24 Township 28 SDYD Plan 32591	512 Curlew Dr	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone

28	Lot 13 Section 24 Township 28 SDYD Plan 32591	513 Curlew Dr	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone
29	Lot 47 Section 24 Township 28 SDYD Plan 32591	5136 Lark St	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone
30	Lot 87 Section 24 Township 28 SDYD Plan 32591	5142 Lark St	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone
31	Lot 45 Section 24 Township 28 SDYD Plan 32591	5145 Lark St	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone
32	Lot 88 Section 24 Township 28 SDYD Plan 32591	5154 Lark St	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone
33	Lot 39 Section 24 Township 28 SDYD Plan 32591	516 Curlew Dr	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone
34	Lot 10 Section 24 Township 28 SDYD Plan 32591	5165 Lark St	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone
35	Lot 14 Section 24 Township 28 SDYD Plan 32591	517 Curlew Dr	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone
36	Lot 9 Section 24 Township 28 SDYD Plan 32591	5177 Lark St	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone
37	Lot 8 Section 24 Township 28 SDYD Plan 32591	5185 Lark St	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone
38	Lot 7 Section 24 Township 28 SDYD Plan 32591	5195 Lark St	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone
39	Lot 38 Section 24 Township 28 SDYD Plan 32591	520 Curlew Dr	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone
40	Lot 6 Section 24 Township 28 SDYD Plan 32591	5201 Lark St	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone
41	Lot 5 Section 24 Township 28 SDYD Plan 32591	5213 Lark St	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone
42	Lot 3 Section 24 Township 28 SDYD Plan 32591	5225 Lark St	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone
43	Lot 2 Section 24 Township 28 SDYD Plan 32591	5235 Lark St	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone
44	Lot 37 Section 24 Township 28 SDYD Plan 32591	524 Curlew Dr	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone
45	Lot 16 Section 24 Township 28 SDYD Plan 32591	525 Curlew Dr	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone
46	Lot 36 Section 24 Township 28 SDYD Plan 32591	528 Curlew Dr	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone
47	Lot 17 Section 24 Township 28 SDYD Plan 32591	529 Curlew Dr	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone
48	Lot 35 Section 24 Township 28 SDYD Plan 32591	532 Curlew Dr	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone
49	Lot 18 Section 24 Township 28 SDYD Plan 32591	533 Curlew Dr	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone
50	Lot 34 Section 24 Township 28 SDYD Plan 32591	536 Curlew Dr	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone
51	Lot 19 Section 24 Township 28 SDYD Plan 32591	537 Curlew Dr	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone
52	Lot 33 Section 24 Township 28 SDYD Plan 32591	540 Curlew Dr	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone
53	Lot 20 Section 24 Township 28 SDYD Plan 32591	541 Curlew Dr	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone
54	Lot 32 Section 24 Township 28 SDYD Plan 32591	544 Curlew Dr	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone
55	Lot 21 Section 24 Township 28 SDYD Plan 32591	545 Curlew Dr	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone
56	Lot 31 Section 24 Township 28 SDYD Plan 32591	548 Curlew Dr	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone
57	Lot 22 Section 24 Township 28 SDYD Plan 32591	549 Curlew Dr	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone
58	Lot 30 Section 24 Township 28 SDYD Plan 32591	550 Curlew Dr	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone

59	Lot 29 Section 24 Township 28 SDYD Plan 32591	552 Curlew Dr	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone
60	Lot 23 Section 24 Township 28 SDYD Plan 32591	553 Curlew Dr	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone
61	Lot 28 Section 24 Township 28 SDYD Plan 32591	556 Curlew Dr	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone
62	Lot 24 Section 24 Township 28 SDYD Plan 32591	557 Curlew Dr	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone
63	Lot 27 Section 24 Township 28 SDYD Plan 32591	560 Curlew Dr	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone
64	Lot 25 Section 24 Township 28 SDYD Plan 32591	561 Curlew Dr	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone
65	Lot 26 Section 24 Township 28 SDYD Plan 32591	565 Curlew Dr	RR1 - Rural Residential 1 zone	RU1 – Large Lot Housing zone

	Schedule B: RR1 – Rural Residential 1 zone to the RR3 – Rural Residential 3 zone			
No.	Legal Description	Address	Underlying Zone	Proposed Zone
1	Lot 100 Section 23 Township 28 SDYD Plan 32591	1 477 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
2	Lot 142 Section 24 Township 28 SDYD Plan 32591	361 Curlew Ct	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
3	Lot 143 Section 24 Township 28 SDYD Plan 32591	365 Curlew Ct	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
4	Lot 157 Section 23 Township 28 SDYD Plan 32591	370 Stellar Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
5	Lot 144 Section 24 Township 28 SDYD Plan 32591	371 Curlew Ct	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
6	Lot 145 Section 24 Township 28 SDYD Plan 32591	373 Curlew Ct	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
7	Lot 146 Section 24 Township 28 SDYD Plan 32591	375 Curlew Ct	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
8	Lot 155 Section 23 Township 28 SDYD Plan 32591	375 Stellar Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
9	Lot 147 Section 24 Township 28 SDYD Plan 32591	379 Curlew Ct	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
10	Lot 154 Section 23 Township 28 SDYD Plan 32591	379 Stellar Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
11	Lot A Section 23 Township 28 SDYD Plan 33792	382 Stellar Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
12	Lot 153 Section 23 Township 28 SDYD Plan 32591	383 Stellar Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
13	Lot 152 Section 23 Township 28 SDYD Plan 32591	387 Stellar Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
14	Lot 151 Section 23 Township 28 SDYD Plan 32591	391 Stellar Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
15	Lot 150 Section 23 Township 28 SDYD Plan 32591	395 Stellar Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
16	Lot 136 Section 23 Township 28 SDYD Plan 32591	409 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
17	Lot 135 Section 24 Township 28 SDYD Plan 32591	411 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
18	Lot 134 Section 24 Township 28 SDYD Plan 32591	413 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
19	Lot 48 Section 24 Township 28 SDYD Plan 32591	414 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
20	Lot 133 Section 24 Township 28 SDYD Plan 32591	415 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
21	Lot 49 Section 24 Township 28 SDYD Plan 32591	416 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
22	Lot 132 Section 24 Township 28 SDYD Plan 32591	417 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
23	Lot 50 Section 24 Township 28 SDYD Plan 32591	418 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
24	Lot 131 Section 24 Township 28 SDYD Plan 32591	419 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
25	Lot 51 Section 24 Township 28 SDYD Plan 32591	420 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
26	Lot 130 Section 24 Township 28 SDYD Plan 32591	421 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone

27	Lot 52 Section 24 Township 28 SDYD Plan 32591	422 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
28	Lot 53 Sections 23 and 24 Township 28 SDYD Plan 32591	424 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
29	Lot 54 Section 23 Township 28 SDYD Plan 32591	426 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
30	Lot 55 Section 23 Township 28 SDYD Plan 32591	428 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
31	Lot 56 Section 23 Township 28 SDYD Plan 32591	430 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
32	Lot 57 Section 23 Township 28 SDYD Plan 32591	432 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
33	Lot 58 Section 23 Township 28 SDYD Plan 32591	434 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
34	Lot 59 Section 23 Township 28 SDYD Plan 32591	436 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
35	Lot 122 Section 23 Township 28 SDYD Plan 32591	437 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
36	Lot 6o Section 23 Township 28 SDYD Plan 32591	438 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
37	Lot 121 Section 23 Township 28 SDYD Plan 32591	439 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
38	Lot 61 Section 23 Township 28 SDYD Plan 32591	440 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
39	Lot 120 Section 23 Township 28 SDYD Plan 32591	441 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
40	Lot 62 Section 23 Township 28 SDYD Plan 32591	442 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
41	Lot 119 Section 23 Township 28 SDYD Plan 32591	443 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
42	Lot 63 Section 23 Township 28 SDYD Plan 32591	444 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
43	Lot 118 Section 23 Township 28 SDYD Plan 32591	445 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
44	Lot 64 Section 23 Township 28 SDYD Plan 32591	446 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
45	Lot 117 Section 23 Township 28 SDYD Plan 32591	447 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
46	Lot 65 Section 23 Township 28 SDYD Plan 32591	448 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
47	Lot 66 Section 23 Township 28 SDYD Plan 32591	450 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
48	Lot 67 Section 23 Township 28 SDYD Plan 32591	452 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
49	Lot 68 Section 23 Township 28 SDYD Plan 32591	454 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
50	Lot 69 Section 23 Township 28 SDYD Plan 32591	456 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
51	Lot 110 Section 23 Township 28 SDYD Plan 32591	457 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
52	Lot 70 Section 23 Township 28 SDYD Plan 32591	458 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
53	Lot 109 Section 23 Township 28 SDYD Plan 32591	459 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
54	Lot 71 Section 23 Township 28 SDYD Plan 32591	460 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
55	Lot 108 Section 23 Township 28 SDYD Plan 32591	461 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
56	Lot 72 Section 23 Township 28 SDYD Plan 32591	462 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
57	Lot 107 Section 23 Township 28 SDYD Plan 32591	463 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone

58	Lot 73 Section 23 Township 28 SDYD Plan 32591	464 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
59	Lot 106 Section 23 Township 28 SDYD Plan 32591	465 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
60	Lot 74 Section 23 Township 28 SDYD Plan 32591	466 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
61	Lot 105 Section 23 Township 28 SDYD Plan 32591	467 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
62	Lot 75 Section 23 Township 28 SDYD Plan 32591	468 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
63	Lot 104 Section 23 Township 28 SDYD Plan 32591	469 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
64	Lot 76 Section 23 Township 28 SDYD Plan 32591	470 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
65	Lot 103 Section 23 Township 28 SDYD Plan 32591	471 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
66	Lot 77 Section 23 Township 28 SDYD Plan 32591	472 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
67	Lot 102 Section 23 Township 28 SDYD Plan 32591	473 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
68	Lot 78 Section 23 Township 28 SDYD Plan 32591	474 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
69	Lot 101 Section 23 Township 28 SDYD Plan 32591	475 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
70	Lot 79 Section 23 Township 28 SDYD Plan 32591	476 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
71	Lot 8o Section 23 Township 28 SDYD Plan 32591	478 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
72	Lot 1 District Lot 23 Township 28 SDYD Plan KAP56393	479 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
73	Lot 81 Sections 23 and 24 Township 28 SDYD Plan 32591	480 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
74	Lot 98 Section 23 Township 28 SDYD Plan 32591	481 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
75	Lot 82 Section 24 Township 28 SDYD Plan 32591	482 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
76	Lot 97 Section 23 Township 28 SDYD Plan 32591	483 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
77	Lot 83 Section 24 Township 28 SDYD Plan 32591	484 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
78	Lot 96 Section 23 Township 28 SDYD Plan 32591	485 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
79	Lot 84 Section 24 Township 28 SDYD Plan 32591	486 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
80	Lot 95 Sections 23 and 24 Township 28 SDYD Plan 32591	487 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
81	Lot 85 Section 24 Township 28 SDYD Plan 32591	488 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
82	Lot 94 Section 24 Township 28 SDYD Plan 32591	489 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
83	Lot 86 Section 24 Township 28 SDYD Plan 32591	490 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
84	Lot 93 Section 24 Township 28 SDYD Plan 32591	491 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
85	Lot 92 Section 24 Township 28 SDYD Plan 32591	493 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
86	Lot 91 Section 24 Township 28 SDYD Plan 32591	495 Curlew Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone
87	Lot 156, Section 23, Township 28, SDYD Plan 32591	371 Stellar Dr	RR1 - Rural Residential 1 zone	RR3 - Rural Residential 3 zone

	Schedule C: RR1 – Rural Residential 1 zone and RR2 – Rural Residential 2 zone to the RU1 – Large Lot Houising zone				
No.	Legal Description	Address	Underlying Zone	Proposed Zone	
1	Lot 113 Section 23 Township 28 SDYD Plan 32591	2 453 Curlew Dr	RR1 - Rural Residential 1/RR2 - Rural Residential 2 zone	RU1 – Large Lot Housing zone	
2	Lot A Section 23 Township 28 SDYD Plan 33760	373 Okaview Rd	RR1 - Rural Residential 1/RR2 - Rural Residential 2 zone	RU1 – Large Lot Housing zone	
3	Lot B Section 23 Township 28 SDYD Plan 33760	375 Okaview Rd	RR1 - Rural Residential 1/RR2 - Rural Residential 2 zone	RU1 – Large Lot Housing zone	
4	Lot B Section 23 Township 28 SDYD Plan 33792	377 Okaview Rd	RR1 - Rural Residential 1/RR2 - Rural Residential 2 zone	RU1 – Large Lot Housing zone	

	Schedule D: RR1 – Rural Residential 1 zone and RR2 – Rural Residential 2 zone to the RR3 – Rural Residential 3 zone				
No.	Legal Description	Address	Underlying Zone	Proposed Zone	
1	Lot D Section 23 Township 28 SDYD Plan 33760	374 Stellar Dr	RR1 - Rural Residential 1/RR2 - Rural Residential 2 zone	RR3 - Rural Residential 3 zone	
2	Lot C Section 23 Township 28 SDYD Plan 33760	378 Stellar Dr	RR1 - Rural Residential 1/RR2 - Rural Residential 2 zone	RR3 - Rural Residential 3 zone	
3	Lot 129 Section 23 Township 28 SDYD Plan 32591	423 Curlew Dr	RR1 - Rural Residential 1/RR2 - Rural Residential 2 zone	RR3 - Rural Residential 3 zone	
4	Lot B Section 23 Township 28 SDYD Plan 42729	425 Curlew Dr	RR1 - Rural Residential 1/RR2 - Rural Residential 2 zone	RR3 - Rural Residential 3 zone	
5	Lot 127 Section 23 Township 28 SDYD Plan 32591	427 Curlew Dr	RR1 - Rural Residential 1/RR2 - Rural Residential 2 zone	RR3 - Rural Residential 3 zone	
6	Lot 126 Section 23 Township 28 SDYD Plan 32591	429 Curlew Dr	RR1 - Rural Residential 1/RR2 - Rural Residential 2 zone	RR3 - Rural Residential 3 zone	
7	Lot 125 Section 23 Township 28 SDYD Plan 32591	431 Curlew Dr	RR1 - Rural Residential 1/RR2 - Rural Residential 2 zone	RR3 - Rural Residential 3 zone	
8	Lot 124 Section 23 Township 28 SDYD Plan 32591	433 Curlew Dr	RR1 - Rural Residential 1/RR2 - Rural Residential 2 zone	RR3 - Rural Residential 3 zone	
9	Lot 123 Section 23 Township 28 SDYD Plan 32591	435 Curlew Dr	RR1 - Rural Residential 1/RR2 - Rural Residential 2 zone	RR3 - Rural Residential 3 zone	

	Schedule E: RR2 — Rural Residential 2 zone to the RU1 — Large Lot Housing zone			
No. Legal Description Address , , , , , , , , , , , , , , , , , ,		Proposed Zone		
1	Lot A Section 23 Township 28 SDYD Plan 42729	437 Okaview Rd	RR2 - Rural Residential 2 zone	RU1 – Large Lot Housing zone
2	Lot 1 Section 23 Township 28 SDYD Plan EPP45452	379 Okaview Rd	RR2 – Rural Residential 2 zone	RU1 — Large Lot Housing zone

	Schedule F: RR1 – Rural Residential 2 zone to the P2 – Educational & Minor Institutional zone				
No. Legal Description Address		Address	Underlying Zone	Proposed Zone	
1	Lot B Section 23 and 24 Township 28 SDYD Plan KAP57684	5240 Lark St	RR1- Rural Residential 1 zone	P2 – Educational & Minor	

Institutional zone

REPORT TO COUNCIL



Date: August 28, 2017

RIM No. 1250-30

To: City Manager

From: Community Planning Department (LK)

Application: Z17-0054 Owner: Randall Schmidt & Josephine Pirolli

Address: 4610 Darin Place Applicant: Randall Schmidt

Subject: Rezoning Application

Existing OCP Designation: S2RES – Single/ Two Unit Residential

Existing Zone: RU1 – Large Lot Housing

Proposed Zone: RU1c – Large Lot Housing with Carriage House

1.0 Recommendation

THAT Rezoning Application No. Z17-0054 to amend the City of Kelowna Zoning Bylaw No. 8000 by changing the zoning classification of Lot 5 District Lot 357 ODYD Plan KAP57058, located at 4610 Darin Place, Kelowna, BC from the RU1 – Large Lot Housing zone to the RU1c – Large Lot Housing with Carriage House zone, be considered by Council;

AND THAT the Rezoning Bylaw be forwarded to a Public Hearing for further consideration;

AND FURTHER THAT final adoption of the Rezoning Bylaw be considered in conjunction with Council's consideration of a Development Variance Permit for the subject property.

2.0 Purpose

To rezone the subject property from RU1 – Large Lot Housing to RU1c – large Lot Housing with Carriage House to facilitate the conversion of an existing accessory building to a carriage house.

3.0 Community Planning

Community Planning Staff support the proposed rezoning to facilitate the conversion of the existing twostorey accessory building to a carriage house on the subject property. The property is located within the Permanent Growth Boundary in the North Mission/ Crawford sector of the City. The parcel is designated as S₂RES – Single/Two Unit Residential in the Official Community Plan (OCP). Rezoning the subject property to add the 'c' designation would meet several City policy objectives including fostering a mix of housing forms and concentrating growth within the Permanent Growth Boundary. The increase in density is supported by local amenities such as parks, schools, transit and recreational opportunities on the immediate area. The proposed rezoning is also consistent with the property's future land use designation and there are a number of properties in the area that are currently zoned as RU1c or RU6 – Two Dwelling Housing.

In accordance with Council Policy No. 367, the applicant submitted a Neighbour Consultation Form outlining that the neighbours within 50m of the subject property were notified of the proposed rezoning application.

4.0 Proposal

4.1 <u>Project Description</u>

The proposal is to rezone the parcel from the RU1 – Large Lot Housing zone to the RU1c - Large Lot Housing with Carriage House zone. The applicant is proposing to convert the existing garage with loft space to a two-storey 1-bedroom carriage house. The accessory building was constructed in 1997 and under the current zoning regulations would require two variances for the existing side and rear yard setbacks. At time of construction, the building met zoning regulations for siting. Should Council support the Rezoning, a Development Variance Permit Application would come before Council to consider the side and rear yard setback variances.



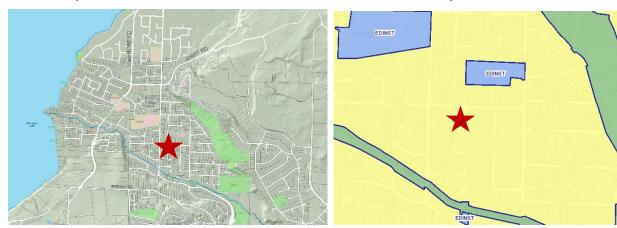
4.2 Site Context

Specifically, adjacent land uses are as follows:

Orientation	Zoning	Land Use
North	RU1 – Large Lot Housing	Single Family Dwelling
East	RU1 – Large Lot Housing	Single Family Dwelling
South	RU1 – Large Lot Housing	Single Family Dwelling
West	RU1c – Large Lot Housing with Carriage House	Single Family Dwelling & Carriage House

Context Map:

Future Land Use Map:



Subject Property Map: 4610 Darin Place



4.3 Zoning Analysis Table

Zoning Analysis Table				
CRITERIA	RU1c ZONE REQUIREMENTS	PROPOSAL		
Existing Lot/Subdivision Regulations				
Lot Area	550 m²	787 m²		
Lot Width	16.5 m	18.3 m		
Lot Depth	30 m	43 m		
Development Regulations				
Max. Site Coverage (Buildings)	40%	21%		
Max. Site Coverage (Buildings & driveway & parking)	50%	40%		

Carriage House Regulations				
Max. Accessory Site Coverage	14%	7%		
Max. Accessory Building Footprint	90 m²	58.76 m²		
Max. Net Floor Area	90 m²	38.65 m²		
Max. Net Floor Area to Principal Building	75%	16%		
Maximum Height (mid-point)	4.8 m	4.06 m		
Maximum Height (to peak)	8.2 m	6.4m		
Side Yard (north)	2.0 M	1.06 m ①		
Side Yard (south)	2.0 M	9.0 m		
Rear Yard	2.0 M	1.47 m ②		
Min. Distance to Principal Building	3.0 m	13 M		
	Other Regulations			
Minimum Parking Requirements	3 stalls	3 stalls		
Min. Private Open Space	30 m²	+30 m²		
• Indicates a variance to the side yard	d setback from 2.0 m required to 1.00	6 m proposed.		

Current Development Policies 5.0

Kelowna Official Community Plan (OCP) 5.1

Development Process

Compact Urban Form. Develop a compact urban form that maximizes the use of existing infrastructure and contributes to energy efficient settlement patterns. This will be done by increasing densities (approximately 75 - 100 people and/or jobs located within a 400 metre walking distance of transit stops is required to support the level of transit service) through development, conversion, and re-development within Urban Centres (see Map 5.3) in particular and existing areas as per the provisions of the Generalized Future Land Use Map 4.1.

Sensitive Infill. 2 Encourage new development or redevelopment in existing residential areas to be sensitive to or reflect the character of the neighborhood with respect to building design, height and siting.

Healthy Communities. ³Through current zoning regulations and development processes, foster healthy, inclusive communities and a diverse mix of housing forms, consistent with the appearance of the surrounding neighbourhood.

Carriage Houses & Accessory Apartments.⁴ Support carriage houses and accessory apartments through appropriate zoning regulations.

6.0 **Technical Comments**

6.1 **Building & Permitting Department**

Development Cost Charges (DCC's) are required to be paid prior to issuance of any Building Permits.

Indicates a variance to the rear yard setback from 2.0 m required to 1.47 m proposed.

¹ City of Kelowna Official Community Plan, Policy 5.2.3 (Development Process Chapter).

² City of Kelowna Official Community Plan, Policy 5.22.6 (Development Process Chapter).

³ City of Kelowna Official Community Plan, Policy 5.22.7 (Development Process Chapter).

⁴ City of Kelowna Official Community Plan, Policy 5.22.12 (Development Process Chapter).

- Operable bedroom windows required as per the 2012 edition of the British Columbia Building Code (BCBC 12).
- Refer to attached City of Kelowna Bulletin #12-03 (Secondary Suites Requirements in a single family dwelling) for minimum requirements. The drawings submitted for Building Permit application is to indicate the method of fire separation between the suite and the garage
- A fire rated exit stairwell is required from the suite to the exterior c/w fire rated doors that open into the stairwell and a fire rating on the bottom of the stairs. Please provide these details on the building permit drawing sets.
- Full Plan check for Building Code related issues will be done at time of Building Permit applications.

6.2 <u>Development Engineering Department</u>

• Refer to Attachment A.

6.3 <u>Fire Department</u>

- No issues with zoning.
- Requirements of section 9.10.19 Smoke Alarms and Carbon Monoxide alarms of the BCBC 2012 are to be met.
- All units shall have a posted address on Darin Pl.

6.4 <u>FortisBC - Electric</u>

- There are FortisBC Inc (Electric) ("FBC(E)") primary distribution facilities along Darin Place. The applicant is responsible for costs associated with any change to the subject property's existing service, if any, as well as the provision of appropriate land rights where required.
- For more information, please refer to FBC(E)'s overhead and underground design requirements:
 - 1. FortisBC Overhead Design Requirements: http://fortisbc.com/ServiceMeterGuide
 - 2. FortisBC Underground Design Specification: http://www.fortisbc.com/InstallGuide
- Otherwise, FBC(E) has no concerns with this circulation.
- In order to initiate the design process, the customer must call 1-866-4FORTIS (1-866-436-7847). Please have the following information available in order for FBC(E) to set up the file when you call:
 - 1. Electrician's Name and Phone number
 - 2. FortisBC Total Connected Load Form
 - 3. Other technical information relative to electrical servicing
- It should be noted that additional land rights issues may arise from the design process but can be dealt with at that time, prior to construction.

7.0 Application Chronology

Date of Application Received: June 15, 2017

Date Public Consultation Completed: May 10, 2017

Report prepared by: Lydia Korolchuk, Planner

Reviewed by: Terry Barton, Urban Planning Manager

Approved for Inclusion by: Ryan Smith, Community Planning Department Manager

Attachments:

Attachment A: Development Engineering Memorandum

Attachment B: Site Plan & Floor Plans Attachment C: Elevations & Site Photos

CITY OF KELOWNA

Planner Initials

LK

MEMORANDUM

Date:

June 19, 2017

File No.:

Z17-0054

To:

Community Planning (LK)

From:

Development Engineering Manager(SM)

Subject:

4610 Darin Place Lot 5 Plan 57058

RU1 to RU1c

Carriage House

Development Engineering has the following comments and requirements associated with this application. The utility upgrading requirements outlined in this report will be a requirement of this development.

1. Domestic Water and Fire Protection

Our records indicate that this property is currently serviced with a 19mm-diameter water service which is adequate for this application.

2. Sanitary Sewer

Our records indicate that this property is currently serviced with a 100mm-diameter sanitary sewer service which is adequate for this application.

3. Development Permit and Site Related Issues

Direct the roof drains onto splash pads.

Driveway access permissible is one (1) per property as per bylaw.

4. Electric Power and Telecommunication Services

It is the applicant's responsibility to make a servicing application with the respective electric power, telephone and cable transmission companies to arrange for service upgrades to these services which would be at the applicant's cost.

Steve Muenz,\P. Eng.

Development Engineering Manager

JA

CITY OF KELOWNA

Planner LK Initials

MEMORANDUM

Date:

June 19, 2017

File No.:

DVP17-0144

To:

Community Planning (LK)

From:

Development Engineer Manager (SM)

Subject:

4610 Darin PL

The Development Engineering comments and requirements regarding this DVP application are as follows:

The request to vary the side yard setback from 2m to 1.06m and vary the rear yard setback from 2m to 1.47m does not compromise any municipal services.

Steve Muenz, P. Eng.

Development Engineering Manager

JA

BRITISH COLUMBIA LAND SURVEYOR'S CERTIFICATE OF LOCATION OF A GARAGE ON LOT 5, DISTRICT LOT 357, ODYD, PLAN KAP57058.

PID: 023-449-632 CIVIC ADDRESS: 4610 DARIN PLACE CLIENT: SCHMIDT/PIROLLI

This document shows the relative location of improvement(s) named above with respect to the boundaries of the described parcel.

This document was prepared for the exclusive use of the client named herein, for planning purposes.

Lot dimensions shown are derived from Land Title Office records.

This document shall not be used to define property lines or corners.

AllTerra Land Surveying Ltd. and the signatory accept no responsibility for, and hereby disclaim all obligations and liabilities for:

any damages arising out of any direct or indirect use or reliance upon this document beyond its intended use,
 any damages suffered by a third party as a result of actions taken or decisions made based upon this document.

All rights reserved. No person may copy, reproduce, transmit or alter this document in whole or in part, without the express written consent of AllTerra Land Surveying Ltd.

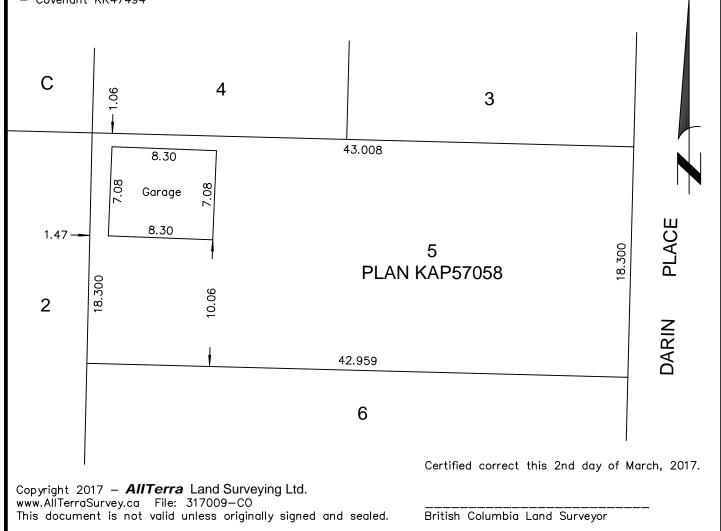
Scale 1:300 Metric. Distances shown are in metres and decimals thereof.

Notes:

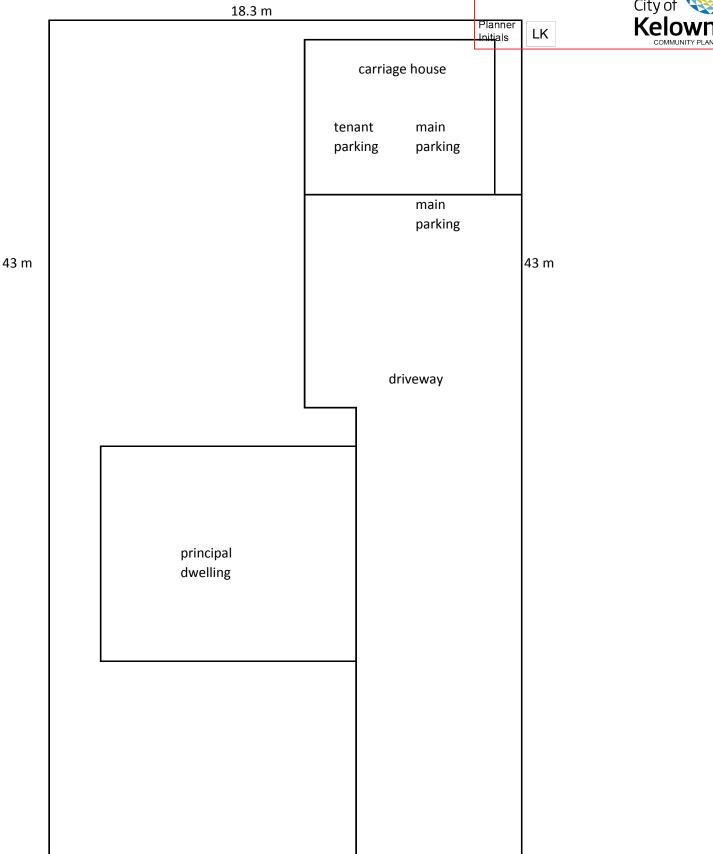
- Unregistered interests have not been included or considered.

Charges on Title:

— Covenant KK47494

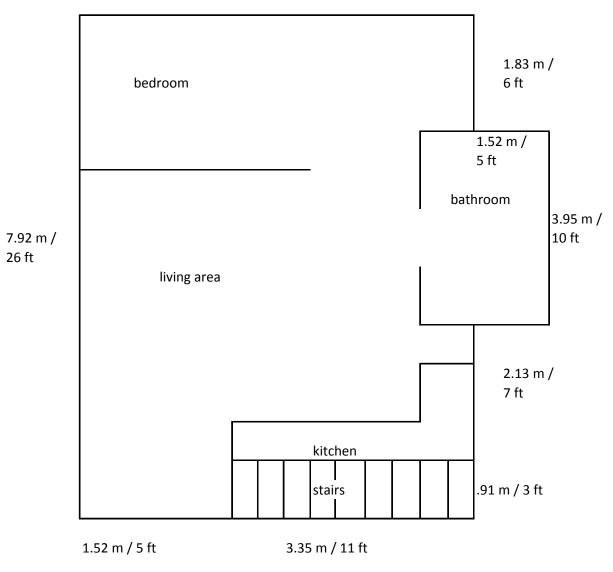




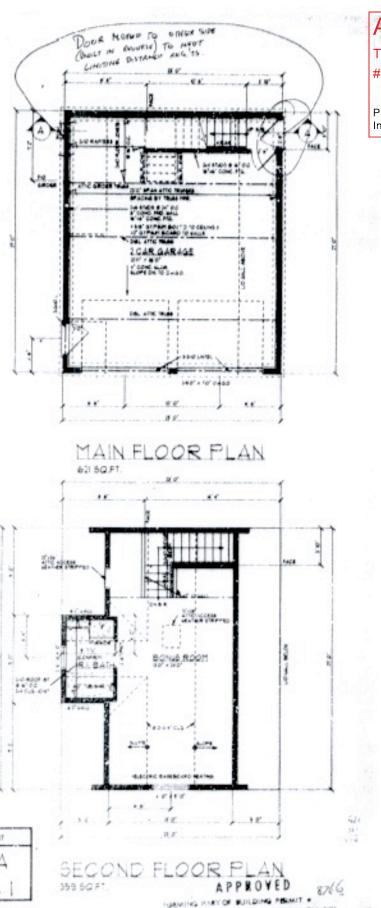




4.88 m /16 ft

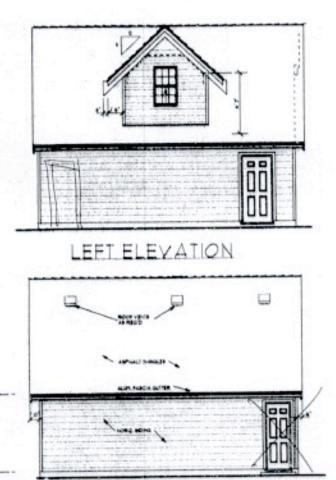


Total area: 38.65 sq m / 416 sq ft



THOSE DRAWINGS SHALL REMAIN ON STILL MANLANA TO CITE BULDING PERFECTORS (IT)





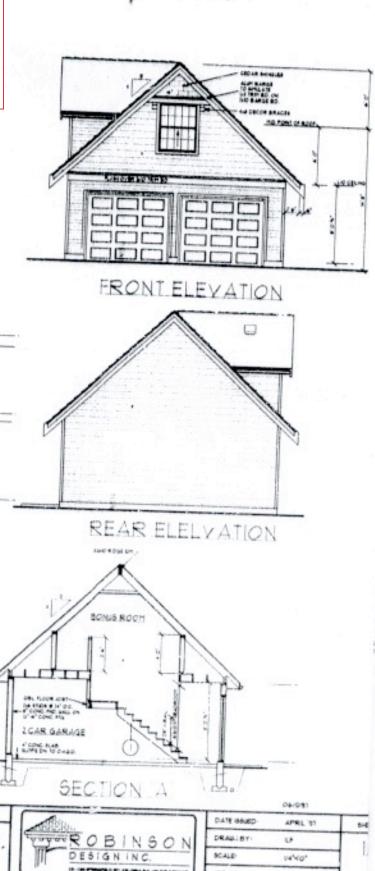
RIGHT ELEVATION

GARAGE PLAN 'C'

CONTRIGHT

CONTR















CITY OF KELOWNA

BYLAW NO. 11463 Z17-0054 – 4610 Darin Place

A bylaw to amend the "City of Kelowna Zoning Bylaw No. 8
--

The Municipal Council of the City of Kelowna, in open meeting assembled, enacts as follows:

- 1. THAT City of Kelowna Zoning Bylaw No. 8000 be amended by changing the zoning classification of Lot 5 District Lot 357 ODYD Plan KAP57058 located on Darin Place, Kelowna, B.C., from the RU1 Large Lot Housing zone to the RU1c Large Lot Housing with Carriage House zone.
- 2. This bylaw shall come into full force and effect and is binding on all persons as and from the date of adoption.

Read a first time by the Municipal Council this

Considered at a Public Hearing on the

Read a second and third time by the Municipal Council this

Adopted by the Municipal Council of the City of Kelowna this

Mayor
•
City Clerk

REPORT TO COUNCIL



Date: August 28, 2017

RIM No. 1250-30

To: City Manager

From: Community Planning Department (TB)

Application: OCP16-0023 Z16-0068 Owner: Cabianca Holdings Ltd., Inc.

No, BC0496656

Address: 4609 Lakeshore Road Applicant:

Novation Design Studio

Subject: Official Community Plan Amendment, Rezoning

S₂RES – Single / Two Unit Residential

Existing OCP Designation: PARK – Major Park / Open Space (Public)

Proposed OCP Designation: MRL – Multiple Unit Residential (Low Density)

PARK – Major Park/ Open Space (Public)

Existing Zone: RU1 – Large Lot Housing

Proposed Zone: RM2 – Low Density Row Housing

P3 - Parks & Open Space

1.0 Recommendation

THAT Official Community Plan Map Amendment Application No. OCP16-0023 to amend Map 4.1 in the Kelowna 2030 – Official Community Plan Bylaw No. 10500 by changing the Future Land Use designation of portions of Lot A, DL 167, ODYD, Plan KAP85172, except Plan EPP52184, located at 4609 Lakeshore Road, Kelowna, BC from the S2RES - Single / Two Unit Residential designation to the MRL – Multiple Unit Residential (Low Density) designation, as shown on Map "A" attached to the Report from the Community Planning Department dated August 28, 2017, be considered by Council;

AND THAT Rezoning Application No. Z16-0068 to amend the City of Kelowna Zoning Bylaw No. 8000 by changing the zoning classification of portions of Lot A, DL 167, ODYD, Plan KAP85172, except Plan EPP52184, located at 4609 Lakeshore Road, Kelowna, BC from the RU1 – Large Lot Housing zone to the RM2 – Low Density Row Housing zone and P3 – Parks & Open Space as shown on Map "B" attached to the Report from the Community Planning Department dated August 28, 2017 be considered by Council;

AND THAT the Official Community Plan Map Amending Bylaw and the Rezoning Bylaw be forwarded to a Public Hearing for further consideration;

AND THAT Council considers the Public Hearing public process to be appropriate consultation for the *Purpose* of Section 879 of the *Local Government Act*, as outlined in the Report from the Community Planning Department dated August 28, 2017;

AND THAT final adoption of the Official Community Plan Map Amending Bylaw and the Rezoning Bylaw be considered subsequent to the applicant being required to register on the subject property a Section 219 no disturb/no build restrictive covenant to ensure the ongoing protection of Environmentally Sensitive Areas;

AND THAT final adoption of the Official Community Plan Map Amending Bylaw and the Rezoning Bylaw be considered subsequent to the dedication of an approximate 15.0 m riparian area along Bellevue Creek as measured from top of bank and attuned to maintain a minimum 1.5 m setback from all proposed buildings;

AND THAT final adoption of the Rezoning Bylaw be considered subsequent to the outstanding conditions of approval as set out in Schedule "A" attached to the Report from the Community Planning Department dated August 28, 2017;

AND FURTHER THAT final adoption of the Official Community Plan Map Amending Bylaw and the Rezoning Bylaw be considered subsequent to a Staff-issued Natural Environment Development Permit;

AND FURTHER THAT final adoption of the Official Community Plan Map Amending Bylaw and the Rezoning Bylaw be considered in conjunction with Council's consideration of Development Permit for Form and Character for the subject property.

2.0 Purpose

To amend the Official Community Plan to change the future land use designation on the subject property from S2RES – Single / Two Unit Residential to MRL – Multiple Unit Residential (Low Density), and to rezone the subject property from RU1 – Large Lot Housing to RM2 – Low Density Row Housing and P3 – Parks & Open Space to facilitate the development of low density row housing.

3.0 Community Planning

Community Planning supports the Official Community Plan (OCP) Amendment and subsequent rezoning to facilitate the development of low density row housing at 4609 Lakeshore Rd. The proposed development increases density and housing diversity in the neighbourhood, while preserving and protecting the Environmentally Sensitive Areas (ESA).

The development is consistent with OCP objectives regarding Compact Urban Growth by increasing density in an area of the City that has existing infrastructure and services. It is anticipated the increase in density will help support nearby commercial uses and municipal services such as transit and nearby parks. Rezoning to RM2 – Low Density Row Housing is consistent with the OCP Policy of Sensitive Infill by providing ensuring a building height of 2 stories consistent with that of the existing single family area to the east.

As a function of this development, the applicant will be protecting two Environmentally Sensitive Areas (ESA) on the subject property; a spring-fed creek at the north-east corner, and the Bellevue Creek riparian area on the south portion. The spring-fed creek at the north-east corner will be protected through the use of a Section 219 Restrictive Covenant for no-disturb consistent with the Environmental Assessment that was completed in April 2017. The riparian area on the south portion of the property along Bellevue Creek will be dedicated to the City ensuring long term protection and maintenance of the ESA.

Staff has reviewed the OCP application, and it may move forward without affecting either the City's Financial Plan or Waste Management Plan.

4.0 Proposal

4.1 Background

In 2007 an OCP Amendment and Rezoning application was submitted to rezone the subject property to C2 for the development of a professional building. It was not supported by Staff and was ultimately turned down by Council as it was inconsistent with existing land use policies. Subsequent inquiries over the years regarding commercial development on the property have not been favorable. As per Staff recommendation, a new applicant has come forward with a residential proposal that does not include any commercial.

The applicant applied in September 2016, and in preliminary staff reviews it was determined that an unmapped creek was located on the north-western corner of the property. As such, the applicant hired an Environmental Consultant to determine the appropriate riparian setback along the creek, and amended the proposed site plan to accommodate these setbacks.

4.2 <u>Project Description</u>

The proposed OCP Amendment and Rezoning would facilitate the creation of low density row housing on the northern portion of the property (as per Map "A"). The southern portion of the property along Bellevue Creek has a Future Land Use of Park, and as such that portion of the property will be rezoned P3 - Parks & Open Space (as per Map "B") to protect the ESA and riparian area along the creek. A Section 219 Restrictive Covenant will be placed on the property to protect the ESA along the unmapped creek along the northwestern corner. An approximate 15.0m riparian area dedication along the south property line bordering Bellevue Creek will ensure long term preservation and protection of the ESA.

The proposed OCP Amendment is in line with supporting higher density residential development in a Compact Urban Form, where infrastructure already exists and transit is a viable transportation option. The proposed zone is in line with OCP Policy of Sensitive Infill, and the increased density will help support nearby commercial uses and contribute to housing diversity.

The proposed development includes 12 three-bedroom townhome units within 3 buildings. The property is accessed from McClure Road, and all parking is located within double garages with room for visitor parking in the driveways of the units. The buildings have been kept to a modest 2 storeys to be sensitive to the average heights within the Single Family Dwelling neighbourhood. The units along Lakeshore are ground-oriented to provide an interaction between the public and private realm at a pedestrian level. Ample outdoor space is provided in rooftop garden spaces, and high quality exterior finishes have been selected.

Should Council support the OCP Amendment and Rezoning on the subject property, Staff will work with the applicant to issue a Natural Environment Development Permit; and a Development Permit for the Form and Character will be brought before Council for consideration. There are no requested variances at this time.

5.0 Site Context

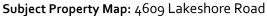
The subject property is located on the corner of McClure Road and Lakeshore Road, north of Bellevue Creek. Nearby is the Surtees' property which is currently under a Heritage Revitalization Agreement Application which would allow increased commercial uses while protecting heritage assets and

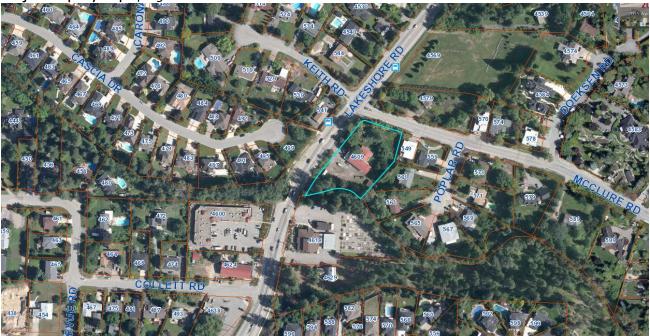
contributing to the Linear Park network. There is modest neighbourhood commercial located nearby, with the majority of the neighbourhood is containing single family dwellings.

The location is serviced with transportation options including an active transportation corridor and a BC Transit Route. It is in close proximity to Lake Okanagan, local parks, and schools. It earns a WalkScore of 42 based on current amenities in the area. It is anticipated this walk score will increase as more density and commercial uses are developed in the area.

Specifically, adjacent land uses are as follows:

Orientation	Zoning	Land Use
North	RU1 – Large Lot Housing	Single Family Dwelling
East	RU1 – Large Lot Housing	Single Family Dwelling
South	P2 – Educational & Minor Institutional	Religious Assembly
West	RU1 – Large Lot Housing	Single Family Dwelling





5.1 Zoning Analysis Table

Zoning Analysis Table				
CRITERIA	RM2 ZONE REQUIREMENTS	PROPOSAL		
Development Regulations				
Floor Area Ratio	0.70	0.39		
Site Coverage (Buildings)	50%	28%		
Site Coverage (Buildings, Driveways, & Parking)	55%	43%		
Height	9.5 m / 2.5 storeys	7.0 m / 2 storeys		
Front Yard	1.5 m	1.5 M		
Side Yard (east)	4.0 m	4.1 m		
Side Yard (west)	1.5 M	1.5 M		
Rear Yard	7.5 m	15.0 m		
Other Regulations				
Minimum Parking Requirements	24 spaces	30 spaces		
Private Open Space	375 m²	1500 m²		

6.0 Current Development Policies

6.1 <u>Kelowna Official Community Plan (OCP)</u>

Development Process

Compact Urban Form.¹ Develop a compact urban form that maximizes the use of existing infrastructure and contributes to energy efficient settlement patterns. This will be done by increasing densities (approximately 75 - 100 people and/or jobs located within a 400 metre walking distance of transit stops is required to support the level of transit service) through development, conversion, and re-development within Urban Centres (see Map 5.3) in particular and existing areas as per the provisions of the Generalized Future Land Use Map 4.1.

Sensitive Infill. ² Encourage new development or redevelopment in existing residential areas to be sensitive to or reflect the character of the neighborhood with respect to building design, height and siting.

Protection Measures.³ Protect and preserve environmentally sensitive areas using one or more of the following measures, depending on which measures are appropriate to a given situation:

Ensure setbacks on adjacent developments are adequate to maintain the integrity of
the ESA and to minimize hazards created at the interface between natural areas and
development. For example, ensure housing is setback an adequate distance adjacent to
an interface area with potential tree, rockfall, flooding or fire hazards.

OCP Amendment Applications. Ensure all development is consistent with the

¹ City of Kelowna Official Community Plan, Policy 5.2.3 (Development Process Chapter).

² City of Kelowna Official Community Plan, Policy 5.22.6 (Development Process Chapter).

³ City of Kelowna Official Community Plan, Policy 5.15.7 (Development Process Chapter).

vision, goals and objectives of the OCP.

7.0 Technical Comments

7.1 <u>Building & Permitting Department</u>

- Development Cost Charges (DCC's) are required to be paid prior to issuance of any Building Permit(s)
- Placement permits are required for any sales or construction trailers that will be on site. The location(s) of these are to be shown at time of development permit application.
- A Hoarding permit is required and protection of the public from the staging area and the new building area during construction. Location of the staging area and location of any cranes should be established at time of DP.
- A Building Code analysis is required for the structure at time of building permit applications, but the following items may affect the form and character of the building(s):
 - Any security system that limits access to exiting needs to be addressed in the code analysis by the architect.
 - Roof hatches are not allowed under the Building Code to access the town homes
 patio roofs. Access doors on vertical hinges c/w landings are required. Refer to
 comments from the fire department as well.
 - Roofs must be designed for adequate loading of plants and planter boxes which may require the review of a structural engineer.
- Full Perimeter guardrails are required for all roof top decks. The drawings provided don't clearly
 identify these requirements, but will be reviewed at time of building permit application. The
 appearance of these guards may affect the form and character of the building. Please provide
 connection details of the guards as they connect to the roof structure and how the roof
 membrane is affected
- Full Plan check for Building Code related issues will be done at time of Building Permit applications. Please indicate how the requirements of NAFS are being applied to this structure.

7.2 <u>Development Engineering Department</u>

Please see attached Schedule "A".

7.3 Fire Department

- Construction fire safety plan is required to be submitted and reviewed prior to construction and updated as required.
- Engineered Fire Flow calculations are required to determine fire hydrant requirements as per the City of Kelowna Subdivision Bylaw #7900. New hydrants on this property shall be operational prior to the start of construction and shall be deemed a private hydrant

⁴ City of Kelowna Official Community Plan, Objective 5.39 (Development Process Chapter).

- All buildings shall be addressed off of the street it is accessed from. One main address off of McClure access and unit numbers for the strata.
- Fire Department access is to be met as per BCBC 3.2.5. if the road is over 90 metres long, a turnaround facility shall be constructed.
- Approved Fire Department steel lock box acceptable to the Department is required by the entrance and shall be flush mounted should there be a gate.
- All requirements of the City of Kelowna Fire and Life Safety Bylaw 10760 shall be met
- Requirements of section 9.10.19 Smoke Alarms and Carbon Monoxide alarms of the BCBC 2012 are to be met

7.4 FortisBC Electric

• There are FortisBC Inc (Electric) ("FBC(E)") primary distribution facilities along Lakeshore Road and McClure Road. Based on the plans submitted, it is unclear whether adequate space has been provided to accommodate the transformation required to service the proposed development. It is recommended that FBC(E) be contacted as soon as possible to determine servicing and land rights requirements for the proposed design. The applicant is responsible for costs associated with any change to the subject property's existing service, if any, as well as the provision of appropriate land rights where required.

8.o Application Chronology

Date of Application Received: September 27, 2016
Date Public Consultation Completed: November 11, 2016
Date of Revised Drawings Received: August 8, 2017

Report prepared by: Trisa Brandt, Planner

Reviewed by: Terry Barton, Urban Planning Manager

Approved for Inclusion: Ryan Smith, Community Planning Department Manager

Attachments:

Map "A": OCP Amendment

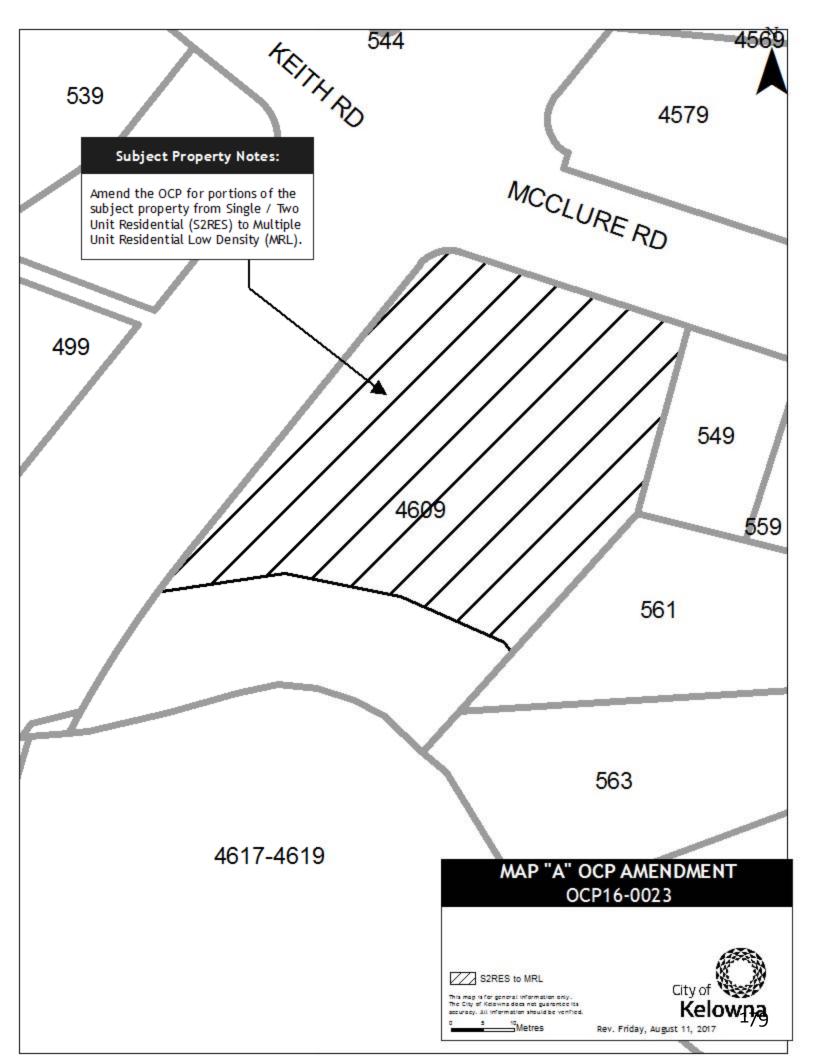
Map "B": Zoning Bylaw Amendment

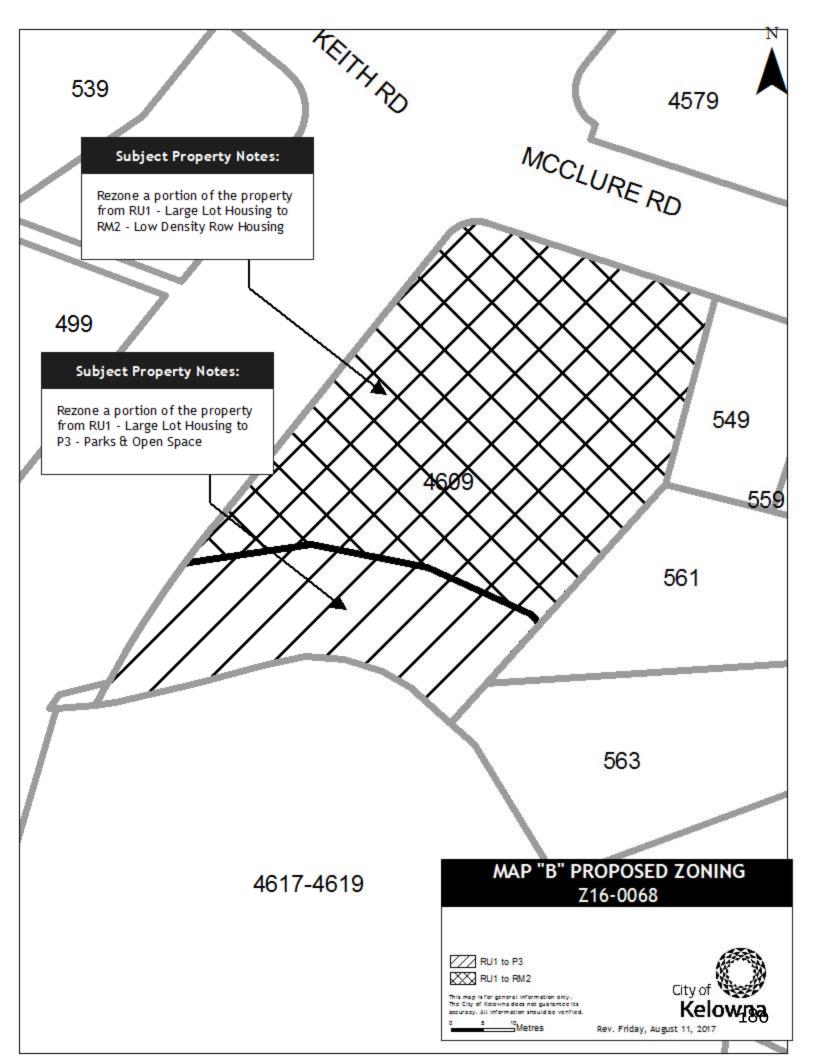
Site Plan

Conceptual Elevations Conceptual Renderings

Landscape Plan

Schedule "A": Development Engineering Memorandum





SYMBOL LEGEND: GENERAL NOTES:

- IN THE CASE OF DISCREPANCY, THE DESIGNER IS TO BE NOTHED BEFORE URDER, CAN COMMENCE. COMMENCEMENT OF CONSTRUCTION SHALL CONSTITUTE ACCEPTANCE OF CONCITIONS AS SATISF.
 - REFER TO MEDWAIDAL DRIVINGS FOR FINAL PLUMBING AND HIADLAYOUT AND SPECIFICATIONS REFER TO ELECTRICAL DRIVINGS FOR FINAL LIBHT, OUTLETS AND ELECTRICAL PANEL LOCATIONS SPEC.

TOTAL SOURCE CONTROL OF CONTROL O

- REFER TO CIVIL DRAWINGS FOR OFFSITE CONSTRUCTION AND FINAL, SITE DRAWAGE LAYO
- REFER TO LANDSCAPE DRAWINGS FOR FINAL LANDSCAPE LAYOUT. REFER TO STRUCTURAL DRAWINGS FOR FINAL WALLIALDGRIRGOFFOOLUMN LAYOUT AND SPEI
- THE CHRIBITI B.C.B.C. 2012, IT'S RECURBAKENTS AND ALL ACENDA. SHALL FORM AN INTEGRAL P THESE DRAWNINGS, ALL CONSTRUCTION MATERIALS AND PROCEDURES SHALL COMPIENT OTHER STHAMBARDS.
 - 2. ALL WORK TO CONFORM TO LOCAL BYLAMS AND DEVELOPMENT PERMIT REQUIREMENTS.
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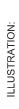
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- THE CONTRACTOR / CLEWTS TO NFORM THE DESIGNER IN WRITING 24 HOURS PRIOR TO S CONSTRUCTION OF THE PROJECT.
 - THE SUB-CONTRACTOR IS TO CHECK ALL DIMENSIONS AFFECTION HIS TRADE AND IN THE CASE O DISCREPANCY THE CONTRACTOR IS TO BE NOTHED BEFORE WORK CAN COMMENCE.

DRAWING INDEX:

CONSULTANTS:

40.00 A1.01 A1.02 A1.02 A2.02 A2.03 A2.03 A2.03 A2.03











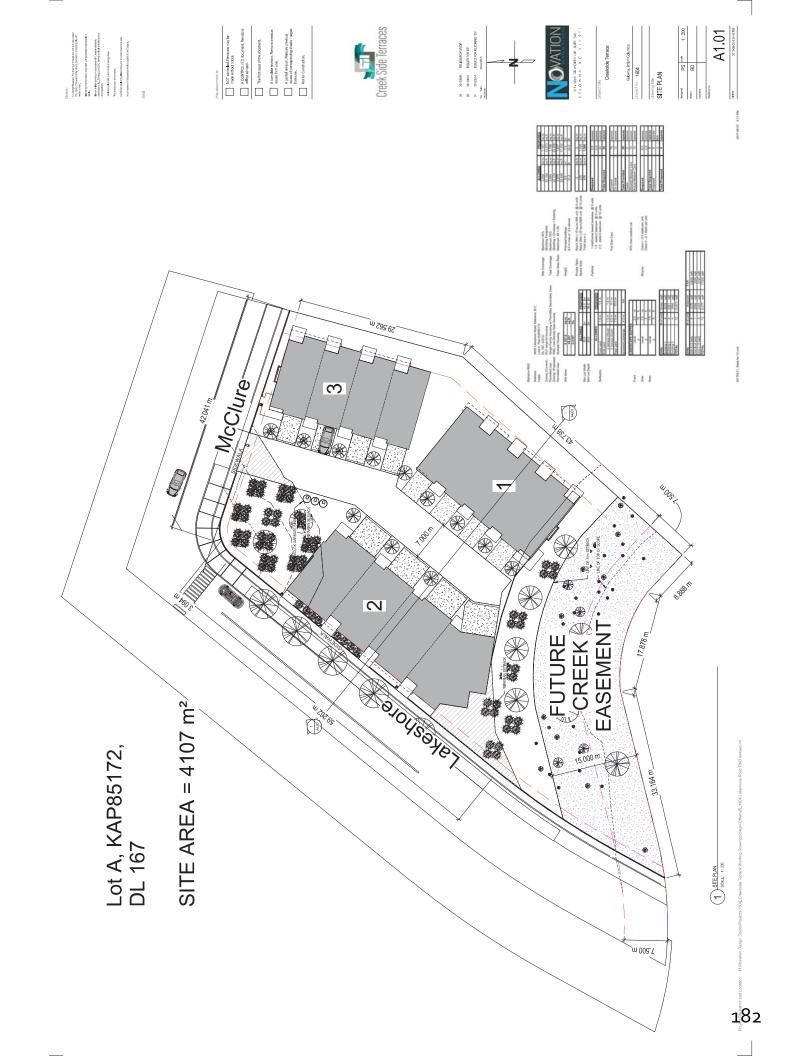


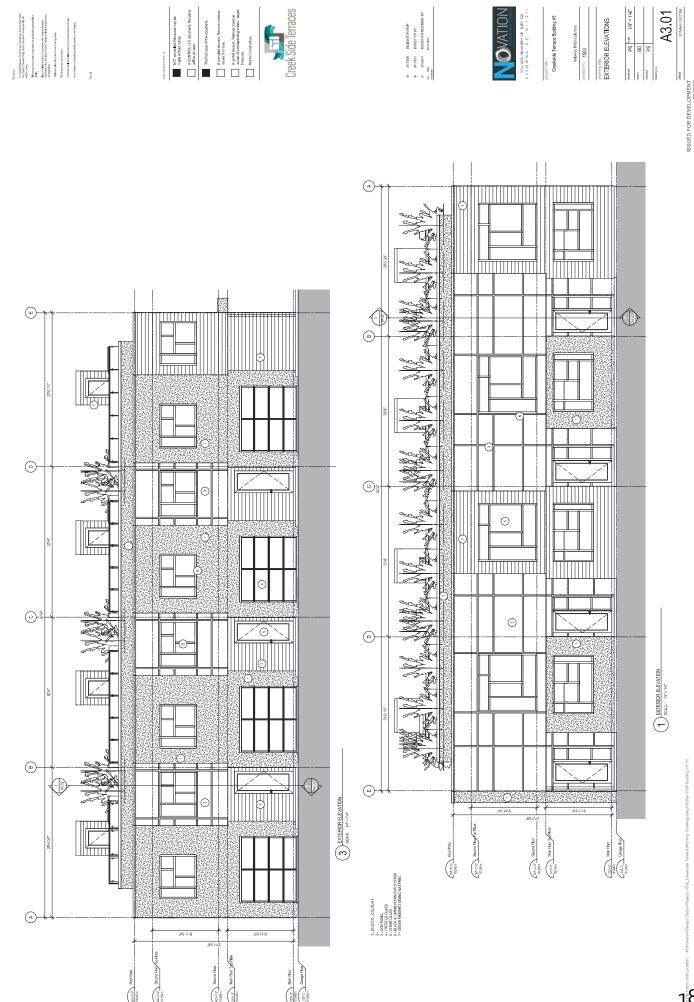


PROJECT INFORMATION AND DRAWINGS INDEX

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181



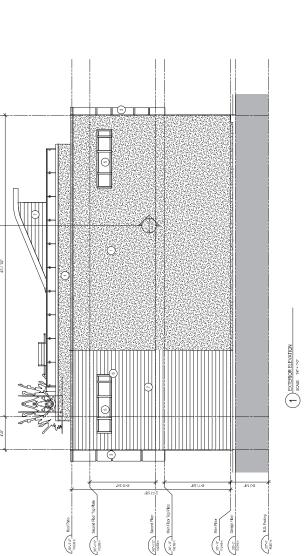


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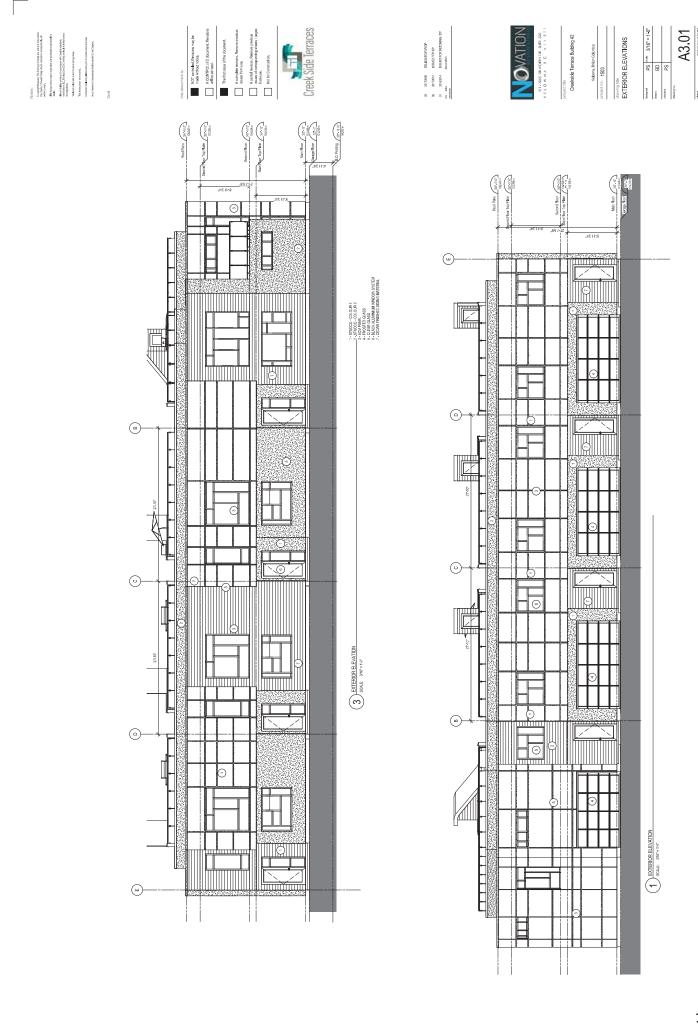
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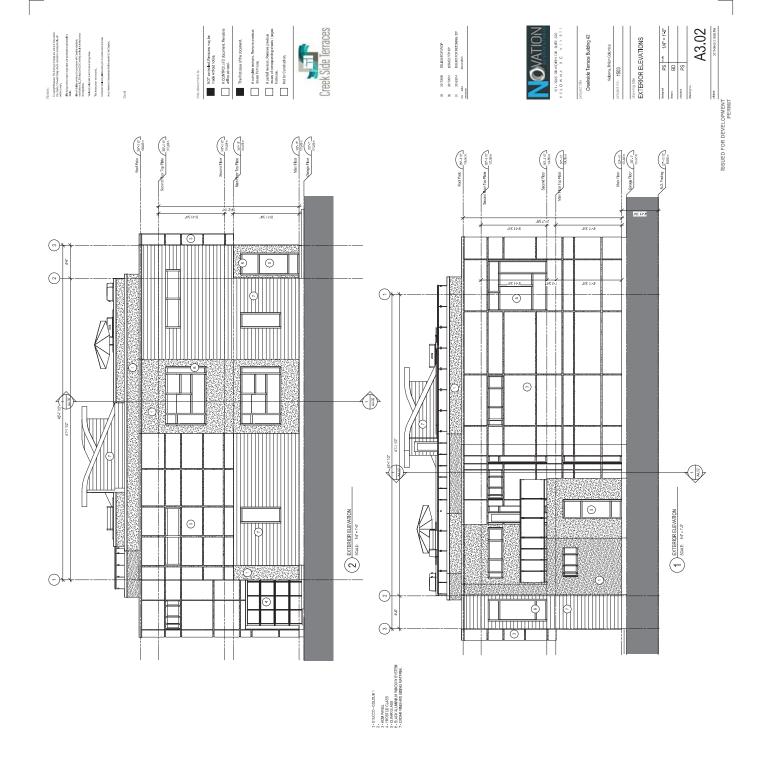


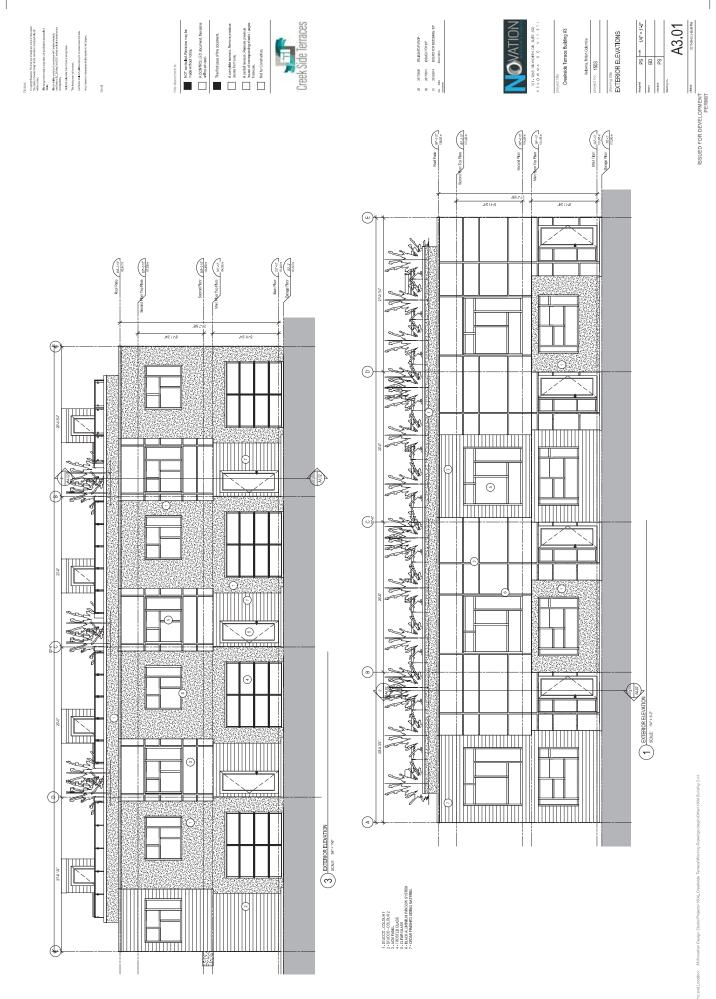
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EXTERIOR ELEVATIONS

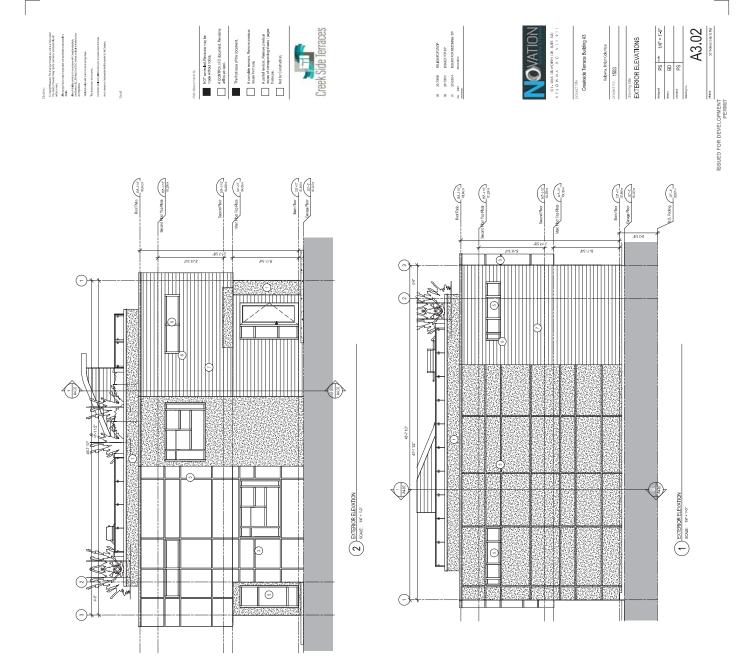
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2 - ACM PAREL
5 - ACM PAREL
6 - FORSTED GAASS
6 - CLERK GLASS
7 - CPELA CHANNING WINDOW SYSTEM
7 - CPELA CHANNING WINDOW

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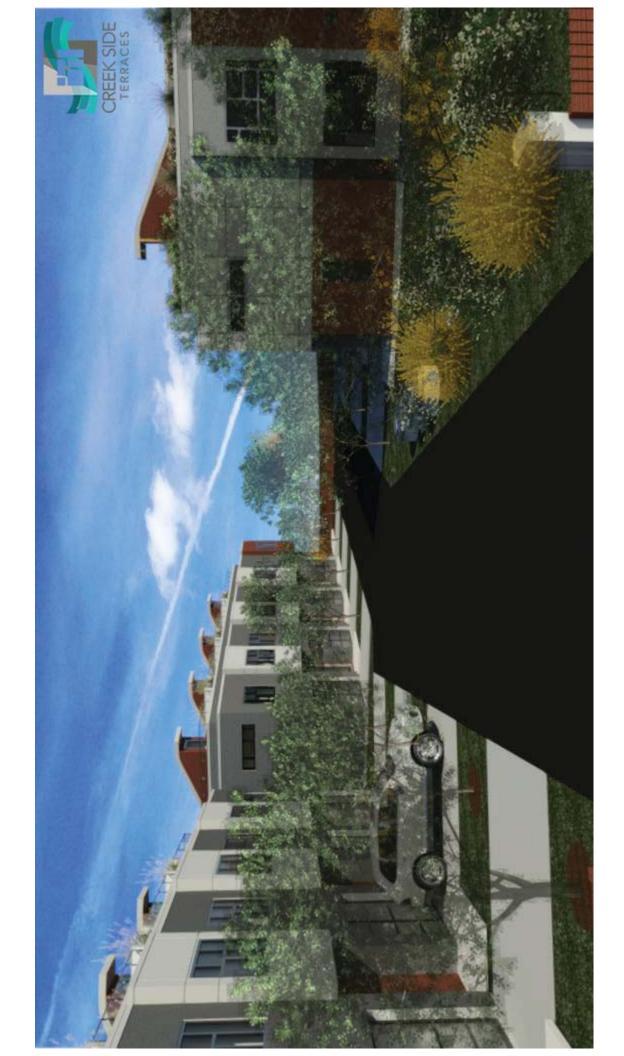


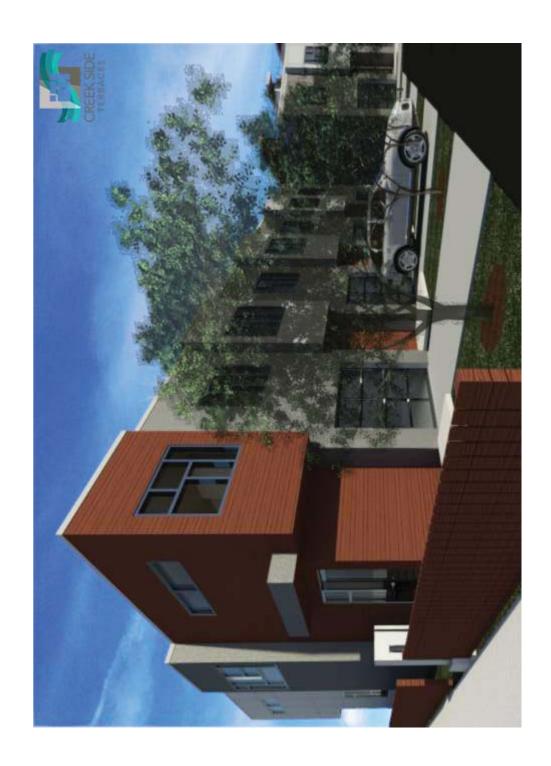


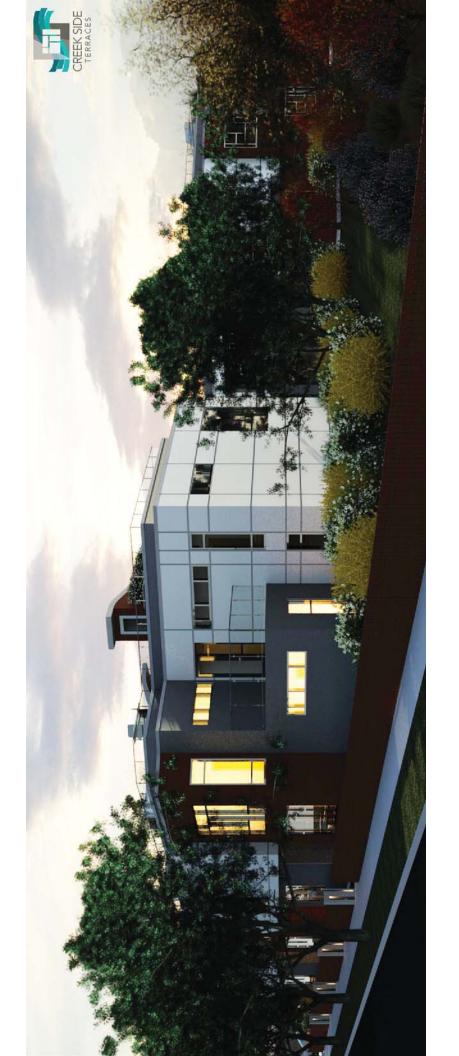
















CREEKSIDE TERRACES

CONCEPTUAL LANDSCAPE PLAN

KELOWNIA, BC

ISSUED FOR REVIEW ONLY



WATER CONSERVATION / IRRIGATION PLAN

















MEMORANDUM

Date:

November 21, 2016

File No.:

Z16-0068

To:

Community Planning (TB)

From:

Development Engineering Manager (SM)

Subject:

4609 Lakeshore Road

RM3

The Development Engineering Department has the following comments and requirements associated with this rezoning application. The road and utility upgrading requirements outlined in this report will be a requirement of this development.

The Development Engineering Technologist for this project is Sergio Sartori

1. Domestic Water and Fire Protection

- (a) The existing lot is serviced with 25mm diameter water service. The developer's consulting mechanical engineer will determine the domestic and fire protection requirements of this proposed development and establish hydrant requirements and service needs. The estimated cost of this construction for bonding purposes is \$12,000.00
- (b) The applicant, at his cost, will arrange for the removal of the existing service on Lakeshore Rd and the installation of one new larger metered water service. The new service should tie in to the main on McClure Rd.
- (c) The developer must obtain the necessary permits and have all existing utility services disconnected prior to removing or demolishing the existing structures. The City of Kelowna water meter contractor must salvage existing water meters, prior to building demolition. If water meters are not salvaged, the developer will be invoiced for the meters.

2. Sanitary Sewer

(a) The existing lot is serviced with a 100mm diameter sanitary service. The developer's consulting mechanical engineer will determine the requirements of this proposed development and establish the required size and preferred location of the new service. Only one service will be permitted for this development. The applicant, at his cost, will arrange for the removal of the existing small diameter service and the installation of a new larger service. The new service should tie in to the main on McClure Rd. The estimated cost of this construction for bonding purposes is \$10,000.00

3. Storm Drainage

(a) The developer must engage a consulting civil engineer to provide a storm water management plan for the site, which meets the requirements of the Subdivision, Development and Servicing Bylaw No. 7900. The storm water management plan

This forms part of application
OCP16-0023
Z16-0068
City of

must also include provision of lot grading plan, minimaling basement elevative (MBE), if applicable, and provision of a storm development and / or recommendations for onsite drainage containment and disposal systems. The existing lot is not serviced. Only one service will be permitted for this development. The applicant, at his cost, will arrange the installation of one overflow service if required. The estimated cost of this construction for bonding purposes is \$5,000.00

4. Road Improvements

- (a) Lakeshore Road has been upgraded to an urban standard along the full frontage of this proposed development. The existing driveway letdown must be removed and replaced with curb & gutter, landscaped boulevard complete with street trees, separate sidewalk and re-location or adjustment of utility appurtenances if required to accommodate the upgrading construction. The estimated cost of this construction for bonding purposes is \$7,000.00
- (b) McClure Road must be upgraded to an urban standard along the full frontage of this proposed development, including curb and gutter, sidewalk, landscaped boulevard complete with street trees, storm drainage system including catch basins, manholes and pavement removal and replacement, street lighting and relocation or adjustment of utility appurtenances if required to accommodate the upgrading construction. The estimated cost of this construction for bonding purposes is \$33,000.00

5. Road Dedication and Subdivision Requirements

- (a) Grant statutory rights-of-way if required for utility services.
- (b) If any road dedication or closure affects lands encumbered by a Utility right-of-way (such as Hydro, Telus, Gas, etc.) please obtain the approval of the utility. Any works required by the utility as a consequence of the road dedication or closure must be incorporated in the construction drawings submitted to the City's Development Manager.

6. Electric Power and Telecommunication Services

The electrical and telecommunication services to this building must be installed in an underground duct system, and the building must be connected by an underground service. It is the developer's responsibility to make a servicing application with the respective electric power, telephone and cable transmission companies to arrange for these services, which would be at the applicant's cost.

8. Design and Construction

- (a) Design, construction supervision and inspection of all off-site civil works and site servicing must be performed by a Consulting Civil Engineer and all such work is subject to the approval of the City Engineer. Drawings must conform to City standards and requirements.
- (b) Engineering drawing submissions are to be in accordance with the City's "Engineering Drawing Submission Requirements" Policy. Please note the number of sets and drawings required for submissions.



- (c) Quality Control and Assurance Plans must be provided in accordance with Subdivision, Development & Servicing Bylaw No. Schedule 3).
- (d) A "Consulting Engineering Confirmation Letter" (City document 'C') must be completed prior to submission of any designs.
- (e) Before any construction related to the requirements of this subdivision application commences, design drawings prepared by a professional engineer must be submitted to the City's Development Engineering Department. The design drawings must first be "Issued for Construction" by the City Engineer. On examination of design drawings, it may be determined that rights-of-way are required for current or future needs.

9. Servicing Agreements for Works and Services

- (a) A Servicing Agreement is required for all offsite works and services on City lands in accordance with the Subdivision, Development & Servicing Bylaw No. 7900. The applicant's Engineer, prior to preparation of Servicing Agreements, must provide adequate drawings and estimates for the required works. The Servicing Agreement must be in the form as described in Schedule 2 of the bylaw.
- (b) Part 3, "Security for Works and Services", of the Bylaw, describes the Bonding and Insurance requirements of the Owner. The liability limit is not to be less than \$5,000,000 and the City is to be named on the insurance policy as an additional insured.

10. Other Engineering Comments

- (a) Provide all necessary Statutory Rights-of-Way for any utility corridors as required.
- (b) If any road dedication affects lands encumbered by a Utility right-of-way (such as Terasen, etc.) please obtain the approval of the utility prior to application for final subdivision approval. Any works required by the utility as a consequence of the road dedication must be incorporated in the construction drawings submitted to the City's Development Manager.

11. Geotechnical Report

- a) Provide a comprehensive geotechnical report prepared by a Professional Engineer competent in the field of hydro-geotechnical engineering to address the items below: NOTE: The City is relying on the Geotechnical Engineer's report to prevent any damage to property and/or injury to persons from occurring as a result of problems with soil slippage or soil instability related to this proposed development.
 - Overall site suitability for development.
 - Presence of ground water and/or springs.
 - Presence of fill areas.
 - Presence of swelling clays.
 - Presence of sulphates.
 - Potential site erosion.
 - Provide specific requirements for footings and foundation construction.
 - Provide specific construction design sections for roads and utilities over and above the City's current construction standards.

This forms part of application # OCP16-0023 Z16-0068 City of Planner Initials TB Kelowna COMMUNITY PLANNING

12. Bonding and Levy Summary

(a) Bonding

Water service upgrades \$12,000
Sanitary sewer service upgrades \$10,000
Storm overflow services \$5,000
Lakeshore Rd frontage improvements \$7,000
McClure Rd frontage improvements \$33,000
Total Bonding \$67,000.00

NOTE: The bonding amount shown above are comprised of estimated construction costs escalated by 140% to include engineering design and contingency protection and are provided for information purposes only. The owner should engage a consulting civil engineer to provide detailed designs and obtain actual tendered construction costs if he wishes to do so. Bonding for required off-site construction must be provided and may be in the form of cash or an irrevocable letter of credit, in an approved format.

The owner must also enter into a servicing agreement in a form provided by the City.

13. <u>Development Permit and Site Related Issues</u>

- (a) Access and Manoeuvrability
 - (i) Indicate on the site, the locations of loading bays as well as the garbage and recycle bins.
 - (ii) Access to the site will be permitted from McClure Road and shall be a minimum 15m from the property line of Lakeshore Rd.

14. Administration Charge

An administration charge will be assessed for processing of this application, review and approval of engineering designs and construction inspection. The administration charge is calculated as (3.5% of Total Off-Site Construction Cost plus GST)

Steve Muenz, P. Eng.

Development Engineering Manager

SS

MEMORANDUM

Date:

November 21, 2016

File No.:

OCP16-0023

To:

Community Planning (TB)

From:

Development Engineering Manager (SM)

Subject:

4609 Lakeshore Road

The Development Engineering Branch comments and requirements regarding this OCP amendment application are as follows:

1. General

All the offsite infrastructure and services upgrades are addressed in the Rezoning Engineering Report under file Z16-0068.

Steve Muenz, P. Eng.

Development Engineering Manager

SS

MEMORANDUM

Date:

November 21, 2016

File No.:

DP16-0249

To:

Community Planning (TB)

From:

Development Engineer Manager (SM)

Subject:

4609 Lakeshore Road

The Development Engineering comments and requirements regarding this Development Permit application are as follows:

1. General.

a) All the offsite infrastructure and services upgrades are addressed in the Development Engineering Report under file Z16-0068.

Steve Muerz, P. Eng.

Development Engineering Manager

SS

BYLAW NO. 11468

Official Community Plan Amendment No. OCP16-0023 4609 Lakeshore Road

A bylaw to amend the "Kelowna 2030 – Official Community Plan Bylaw No. 10500".

The Municipal Council of the City of Kelowna, in open meeting assembled, enacts as follows:

THAT Map 4.1 – GENERALIZED FUTURE LAND USE of the "Kelowna 2030 – Official Community Plan Bylaw No. 10500" be amended by changing the Generalized Future Land Use designation of portions of Lot A, DL 167, ODYD, Plan KAP85172, except Plan EPP52184, "As per Map "A" attached to and forming part of this bylaw" located on 4609 Lakeshore Road, Kelowna, B.C., from the S2RES - Single / Two Unit Residential designation to the MRL – Multiple Unit Residential (Low Density) designation.
This bylaw shall come into full force and effect and is binding on all persons as and from the date of adoption.
first time by the Municipal Council this
ered at a Public Hearing on the
second and third time by the Municipal Council this
ed by the Municipal Council of the City of Kelowna this

Mayor

City Clerk

BYLAW NO. 11469 Z16-0068 – 4609 Lakeshore Road

A bylaw to amend the "City of Kelowna Zoning Bylaw No. 8000".

The Municipal Council of the City of Kelowna, in open meeting assembled, enacts as follows:

- 1. THAT City of Kelowna Zoning Bylaw No. 8000 be amended by changing the zoning classification of portions of Lot A, DL 167, ODYD, Plan KAP85172, except Plan EPP52184, "As per Map "B" attached to and forming part of this bylaw" located on Lakeshore Road, Kelowna, B.C., from the RU1 Large Lot Housing zone to the RM2 Low Density Row Housing zone and P3 Parks & Open Space zone.
- 2. This bylaw shall come into full force and effect and is binding on all persons as and from the date of adoption.

3300 5. 330 pt. 5	
Read a first time by the Municipal Council this	
Considered at a Public Hearing on the	
Read a second and third time by the Municipal Council	this
Adopted by the Municipal Council of the City of Kelowr	na this
	Mayor
	City Clerk

REPORT TO COUNCIL



Date: August 28, 2017

RIM No. 1250-30

To: City Manager

From: Community Planning Department (AC)

Application: Z17-0060 Owner: CK16 Property Group Ltd.

BC1098771

Address: 3050 Sexsmith Rd Applicant: Protech Consulting - Grant

Maddock

Subject: Rezoning Application

Existing OCP Designation: IND-L – Industrial Limited

Existing Zone: A1 – Agriculture

Proposed Zone: 16 – Low Impact Transitional Industrial

1.0 Recommendation

THAT Rezoning Application No. Z17-0060 to amend the City of Kelowna Zoning Bylaw No. 8000 by changing the zoning classification of Lot 30, Section 3, Township 23, ODYD, Plan 18861, located at 3050 Sexsmith Rd, Kelowna, BC from the A1 – Agriculture Zone to the I6 – Low Impact Transitional Industrial Zone, be considered by Council;

AND THAT the Zone Amending Bylaw be forwarded to a Public Hearing for further consideration;

AND THAT final adoption of the Zone Amending Bylaw be subsequent to the following:

• To the outstanding conditions identified in Attachment "A" associated with the report from the Community Planning Department dated July 11th 2017.

2.0 Purpose

To consider a rezoning application on the subject property from the A1 – Agriculture Zone to the I6 – Low Impact Transitional Industrial Zone.

3.0 Community Planning

Staff support the rezoning application from the A1 zone to the I6 zone. The Official Community Plan (OCP) designates the property as Industrial Limited (IND-L) which was created for the I6 zone.

The Industrial – Limited Future Land Use (IND-L) designation was established in 2011 after public consultation associated with the 2030 OCP review. The IND-L designation and I6 zone allow for a range of low-impact industrial land uses that are intended to act as a transition between the general industrial areas to the south and east and the rural residential areas to the north and west. The permitted uses, development regulations, screening requirements, parking restrictions, outdoor storage restrictions, and other regulations in the I6 zone are designed to mitigate the industrial uses on nearby residential, rural and agricultural uses in this area.

4.0 Proposal

4.1 <u>Project Description</u>

If the rezoning is supported by Council, the project will need a form and character development permit which will also be considered by Council. The applicant is proposing to build a multi-phased industrial development. The ultimate plan is to have 4 industrial buildings. The south-west building is the first building to be built. Currently, Staff are not tracking any variances associated with their proposal.

4.2 Site Context

The subject parcel is located within the Arab/Appaloosa area. The subject property is designated as Industrial – Transitional (IND-T) in the OCP and the lot is within the Permanent Growth Boundary. Specifically, the adjacent land uses are as follows:

Orientation	Zoning	Land Use
North	A1 - Agriculture	Agriculture/industrial/residential
East	A1 – Agriculture & I6 – Low Impact Transitional Industrial	Agriculture/industrial/residential
South	12 – General Industrial	Industrial
West	A1 - Agriculture	Agriculture/industrial/residential



4.3 Zoning Analysis Table

The zoning analysis table shows the requirements of the proposed zone compared to the proposal:

Zoning Analysis Table				
CRITERIA	Proposed I6			
	Development Regulations			
Buildings				
Max FAR	n/a	No Limit		
Max Site Coverage	8.8%	50%		
Max Height	7.6m	2 ½ stories & 9.5 m		
Min Front Yard Setback	4.5 m	4.5 m 6.0 m for garages / carports		
Min Side Yard Setback (east) Min Side Yard Setback (west)	43. m 4.5m	 3.0 m for residential bldgs. 4.5 m for industrial bldgs. 7.5 m for industrial bldgs. when adjacent to a non-industrial future land use. 		
Rear Yard	66.6m	 7.5 m for all bldgs. 30.0 m when adjacent to a non-industrial future land use. 		
	Other Regu	lations		

	Outdoor S	torage
	Proposed	16
Location	n/a	Not permitted in the setback areas and shall be consolidated into a single area per lot
	Minimum Lands	scape buffer
	Proposed	16
Front	3.0 m	3.0m
Rear	opaque barrier	3.0m or opaque barrier
Side (east)	opaque barrier	3.0m or opaque barrier
Side (west)	opaque barrier	3.0m or opaque barrier
	Parkir	ng
	Proposed 16	
Parking lots over 50 vehicles – Minimum landscape island	n/a	2m ² per parking stall = 314 m ²
	Outdoor D	Display
Proposed I6		16
Location	n/a	Outdoor display / sales (& non-accessory parking) shall not encroach into the landscape areas

5.0 Current Development Policies

5.1 <u>Kelowna Official Community Plan (OCP)</u>

Development Process

Compact Urban Form.¹ Develop a compact urban form that maximizes the use of existing infrastructure and contributes to energy efficient settlement patterns. This will be done by increasing densities (approximately 75 - 100 people and/or jobs located within a 400 metre walking distance of transit stops is required to support the level of transit service) through development, conversion, and re-development within Urban Centres (see Map 5.3) in particular and existing areas as per the provisions of the Generalized Future Land Use Map 4.1.

Sensitive Infill.² Encourage new development or redevelopment in existing residential areas to be sensitive to or reflect the character of the neighbourhood with respect to building design, height, and siting.

Industrial Land Use Policies

Objective 5.28.3 Focus industrial development to areas suitable for industrial use.

Industrial Supply Protection. Protect existing industrial lands from conversion to other land uses by not supporting the rezoning of industrial land to preclude industrial activities unless there are environmental reasons for encouraging a change of use.

Secondary Housing in Light Industrial Areas. Consider the limited expansion of housing as a secondary use within industrial buildings in light or transitional industrial areas.

¹ City of Kelowna Official Community Plan, Policy 5.3.2 (Development Process Chapter).

² City of Kelowna Official Community Plan, Policy 5.22.6, Chapter 5 (Development Process Chapter).

³ City of Kelowna Official Community Plan, Objective 5.28, Chapter 10 (Development Process Chapter).

⁴ City of Kelowna Official Community Plan, Policy 5.28.1, Chapter 5 (Development Process Chapter).

⁵ City of Kelowna Official Community Plan, Policy 2, Objective 5.29, Chapter 5 (Development Process Chapter).

Public and private open space. ⁶ Design industrial developments to include outdoor break areas, green space, bicycle racks, skylights and windows in work areas, and linkages to recreational opportunities (e.g. linear parks).

Transitional Industrial Design Guidelines.⁷

In areas designated for Industrial – Limited use, these guidelines must be considered as well as all other guidelines in this section.

Policy #	Description		
1 oney "	Industrial development adjacent to residential land uses must be planned, landscaped and		
18.1	screened to maintain the privacy of residential uses.		
10.3	Where new industrial development is occurring adjacent to residential uses, window openings		
18.2	shall be placed to reduce the opportunity for overlook and be off set from residential		
	windows.		
18.3	Unfinished concrete block shall not be used as an exterior building material for principal		
10.5	facades or where the façade faces a residential land use.		
18.4	Where loading doors face the street, they shall be set back from the main building plane.		
18.5	The primary entrance of the main building on site should face the roadway.		
18.6	Where security concerns limit windows and other openings, building design should employ		
10.0	other design techniques to avoid creating long blank walls.		
18.7	Rooftop screening of mechanical and electrical equipment must be provided using materials		
10.7	consistent with the treatment of principal facades.		
All lighting shall be oriented facing the site, pointed in a downward direction and			
10.0	at the lowest practical elevation to minimize light trespass over surrounding properties.		
18.9	Tall, broadcast or flood lights are not permitted.		
	Where possible, parking and outdoor storage should be located behind buildings or other		
18.10	structures. Where parking and storage is not behind buildings, it must be screened with		
	landscaping or fencing.		
18.11	Unpaved parking and storage surfaces should be made dust free through design or treatment.		

6.0 Technical Comments

6.1 <u>Development Engineering Department</u>

See attached memorandum dated July 11th 2017.

6.2 <u>Building & Permitting Department</u>

- 1. Development Cost Charges (DCC's) are required to be paid prior to issuance of any Building Permit(s).
- 2. Demolition Permit required for any existing structures
- 3. Placement permits are required for any sales or construction trailers that will be on site. The location(s) of these are to be shown at time of development permit application.

⁶ City of Kelowna Official Community Plan, Policy 7.5, Chapter 14 (Urban Design Development Permit Areas).

⁷ City of Kelowna Official Community Plan, Chapter 14 (Urban Design Development Permit Areas).

- 4. Fire resistance ratings are required for storage, janitor and/or garbage enclosure room(s) / area(s). The drawings submitted for building permit is to clearly identify how this rating will be achieved and where these area(s) are located.
- 5. A Hoarding permit is required and protection of the public from the staging area and the new building area during construction. Location of the staging area and location of any cranes should be established at time of DP.
- 6. A Building Code analysis is required for the structure at time of building permit applications, but the following items may affect the form and character of the building(s):
 - a. Any alternative solution must be accepted by the Chief Building Inspector prior to the release of the Building Permit
 - b. Location, Heights, Colors of mechanical systems and the required screening are to be determined at time of DP
 - c. Any security system that limits access to exiting needs to be addressed in the code analysis by the architect.
 - d. If there is to be a caretaker unit located on this lot it should be defined as part of the DP.
- 7. A Geotechnical report is required to address the sub soil conditions and site drainage at time of building permit application. Minimum building elevations are required to be established prior to the release of the Development Permit. If a soil removal or deposit permit is required, this must be provided at time of Development Permit application.
- 8. We strongly recommend that the developer have his professional consultants review and prepare solutions for potential impact of this development on adjacent properties. Any damage to adjacent properties is a civil action which does not involve the city directly. The items of potential damage claims by adjacent properties are items like settlement of foundations (preload), damage to the structure during construction, undermining & underpinning of existing foundation, additional snow drift on neighbour roofs, excessive noise from mechanical units, vibration damage during foundation preparation work, water infiltration systems, etc.
- 9. Size and location of all signage to be clearly defined as part of the development permit. This should include the signage required for the building addressing to be defined on the drawings per the bylaws on the permit application drawings.
- 10. An exit analysis is required as part of the code analysis at time of building permit application. The exit analysis is to address travel distances within the units and all corridors, number of required exits per area, door swing direction, handrails on each side of exit stairs, width of exits, spatial calculation for any windows in exit stairs, etc.
- 11. Washroom requirements for base building are to be addressed in the building permit application. This will be addressed at time of building permit application
- 12. Full Plan check for Building Code related issues will be done at time of Building Permit applications. Please indicate how the requirements of Radon mitigation and NAFS are being applied to this complex at time of permit application.

6.3 <u>Fire Department</u>

- 1. Construction fire safety plan is required to be submitted and reviewed prior to construction and updated as required. Template at Kelowna.ca
- 2. Should a hydrant be required on this property it shall be operational prior to the start of construction and shall be deemed a private hydrant 225 L/Sec is required for Industrial
- 3. This building shall be addressed off of the street it is accessed from with unit numbers

- 4. A fire safety plan as per section 2.8 BCFC is required at occupancy. The fire safety plan and floor plans are to be submitted for approval in AutoCAD Drawing format on a CD
- 5. Fire Department access is to be met as per BCBC 3.2.5. including the main entrance to be within 3-15 metres from the closest access route. Is Road B to be the required turn around as the access road exceeds 90
- 6. Approved Fire Department steel lock box acceptable to the fire dept. is required by the fire dept. entrance and shall be flush mounted
- 7. All requirements of the City of Kelowna Fire and Life Safety Bylaw 10760 shall be met for communications and high buildings
- 8. Fire alarm system is to be monitored by an agency meeting the CAN/ULC S₅61 Standard.
- 9. Contact Fire Prevention Branch for fire extinguisher requirements and placement.
- 10. Fire department connection is to be within 45M of a fire hydrant unobstructed.
- 11. Ensure FD connection is clearly marked and visible from the street
- 12. sprinkler zone valves shall be accessible as per fire prevention bylaw (10760) no higher than 7 feet.
- 13. dumpster/refuse container must be 3 meters from structures or overhangs or in a rated room in a parkade
- 14. Upon completion, an owners certificate and copy of NFPA 25 shall be provided for the sprinkler system.

7.0 Application Chronology

Date of Application Received: July 7th 2017 Date Public Consultation Completed: July 8th 2017

Report prepared by: Adam Cseke, Planner Specialist Reviewed by: Terry Barton, Urban Planning Manager

Approved for Inclusion: Ryan Smith, Community Planning Department Manager

Attachments:

Attachment 'A' Development Engineering Memo dated July 11th 2017 Initial Architectural Drawing Package

AC

Initials

CITY OF KELOWNA

MEMORANDUM

Date:

July 11, 2017

File No.:

Z16-0060

To:

Planning & Development Services Department (AC)

From:

Development Engineer Manager (JK)

Subject:

3050 Sexsmith Rd., Lots 30, Plan 18861

A1 - 16

Development Engineering has the following comments and requirements associated with this application rezone the subject property from A-1 to I6 are as follows:

1. General

a) Access to the subject lots must ultimately be achieved off of Palomino Road as Sexsmith Road is designated as a 4 lane arterial and access will be restricted. Until such time that Palomino Road is built, the subject property is granted access onto Sexsmith Road under the condition.

2. Geotechnical Study

We recommend that a comprehensive geotechnical study be undertaken over the subject property. The geotechnical study should be undertaken by a Professional Engineer or a Geoscientist competent in this field. This study should analyse the soil characteristics and suitability for development of the requested zoning. As well, the study should address drainage patterns including the identification of ground water and the presence of any surface springs and the suitability of the lands for disposal of site generated storm drainage. In addition this study must describe soil sulphate contents, the presence or absence of swelling clays.

3. Sanitary Sewer System

- a) The developer's consulting mechanical engineer will determine the development requirements of the proposed development and establish the service needs. Only one service per lot will be permitted for this development. There is an existing 100mm PVC sanitary service to lot.
- a) The Connection Area #35 charge is currently set by Bylaw at \$19,700 per Single Family Equivalent (SFE). This Bylaw is currently under review for an update that will be presented to Council in 2016.

determined by the following formula: the first 0.36 acres of developed land or portion thereof equals 1 SFE. Thereafter 2.8 SFE's per acre of developed land.

The assessed value is 4.33 Acres is \$85,301.00



Z16-0060 July 11, 2017

4. Water Servicing Requirements

Page 2 of 4

This development is within the service area of the Glenmore Ellison Irrigation District (GEID). The developer is required to make satisfactory arrangements with the GEID for these items. All charges for service connection and upgrading costs are to be paid directly to the GEID. The developer is required to provide a confirmation that the district is capable of supplying fire flow in accordance with the City of Kelowna current Bylaws and Policies.

5. Storm Drainage

A comprehensive site drainage management plan and design to comply with the City's drainage design and policy manual By-Law 7900 is required.

6. Road Improvements

- a.) The frontage of Sexsmith Road will be upgraded to a full 4 lane arterial urban standard in accordance with Bylaw 7900, complete with curb and gutter, storm works, sidewalk, fillet paving, landscaped and irrigated boulevard, lane markings, street lighting, removal and/or relocation existing utilities as may be required, etc. This construction will be deferred until Sexsmith Road is upgraded to a 4 lane standard and a cash in lieu of construction payment of \$23,700.00 is required for the combined frontage of the subject property.
- b.) Palomino Road at the rear of the property will be constructed to a full urban Standard (SS-R5) in accordance with Bylaw 7900, complete with curb, gutter, sidewalk, fillet paving, storm drainage works which extends and connects to the municipal system, landscaped and irrigated boulevard, lane markings, street lighting, removal and/or relocation existing utilities as may be required, etc. The developer is responsible for contributing for their half of Palomino road for the combined frontage of the subject property. The cash in lieu of construction for these works is \$39,550.00

7. Road Dedication and Subdivision Requirements

- (a) The developer is required dedicate 5m of roadway fronting Sexsmith Road to achieve the 4 lane arterial urban standard width in accordance with Bylaw 7900
- (b) Grant Statutory Rights Of Way if required for utility services.
- (c) If any road dedication or closure affects lands encumbered by a Utility right-of-way (such as Hydro, Telus, Gas, etc.) please obtain the approval of the utility. Any works required by the utility as a consequence of the road dedication or closure must be incorporated in the construction drawings submitted to the City's Development Manager.

8. Power and Telecommunication Services

The services to this development are to be installed underground. It is the developer's responsibility to make a servicing application to the respective utility companies. The utility companies are then required to obtain the city's approval before commencing their works.

9. Design and Construction

- a) Design, construction supervision and inspection of all off-site civil works and site servicing must be performed by a Consulting Civil Engineer and all such work is subject to the approval of the City Engineer. Drawings must conform to City standards and requirements.
- b) Engineering drawing submissions are to be in accordance with the City's "Engineering Drawing Submission Requirements" Policy. Please note the number of sets and drawings required for submissions.
- c) Quality Control and Assurance Plans must be provided in accordance with the Subdivision, Development & Servicing Bylaw No. 7900 (refer to Part 5 and Schedule 3).
- d) A "Consulting Engineering Confirmation Letter" (City document 'C') must be completed prior to submission of any designs.
- e) Before any construction related to the requirements of this subdivision application commences, design drawings prepared by a professional engineer must be submitted to the City's Works & Utilities Department. The design drawings must first be "Issued for Construction" by the City Engineer. On examination of design drawings, it may be determined that rights-of-way are required for current or future needs.

10. Servicing Agreements for Works and Services

- a) A Servicing Agreement is required for all works and services on City lands in accordance with the Subdivision, Development & Servicing Bylaw No. 7900. The applicant's Engineer, prior to preparation of Servicing Agreements, must provide adequate drawings and estimates for the required works. The Servicing Agreement must be in the form as described in Schedule 2 of the bylaw.
- b) Part 3, "Security for Works and Services", of the Bylaw, describes the Bonding and Insurance requirements of the Owner. The liability limit is not to be less than \$5,000,000 and the City is to be named on the insurance policy as an additional insured.

11. DCC Credits

None of the required improvements qualify for DCC credit consideration, as these levies are collected as cash in lieu.

12. Bonding and Levies Summary

Levies

Sexsmith Road upgrades Palomino Road construction Connection. Area #35 \$23,700.00 \$39,550.00 \$85,301.00

Total levies

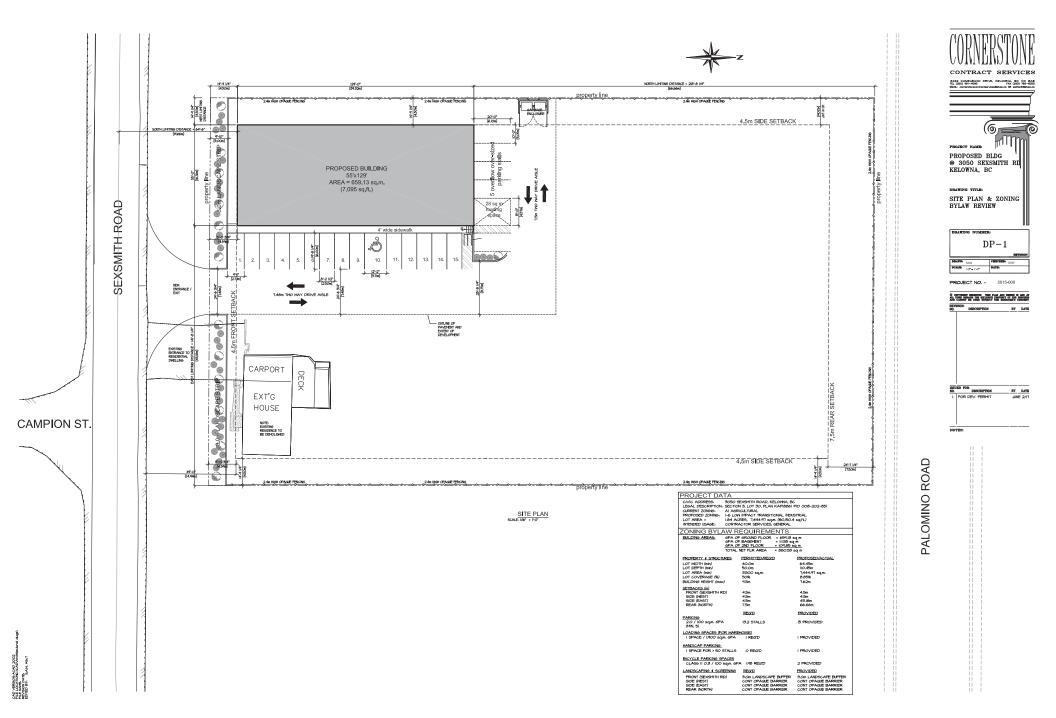
\$148,551.00

James Kay D. Eng.

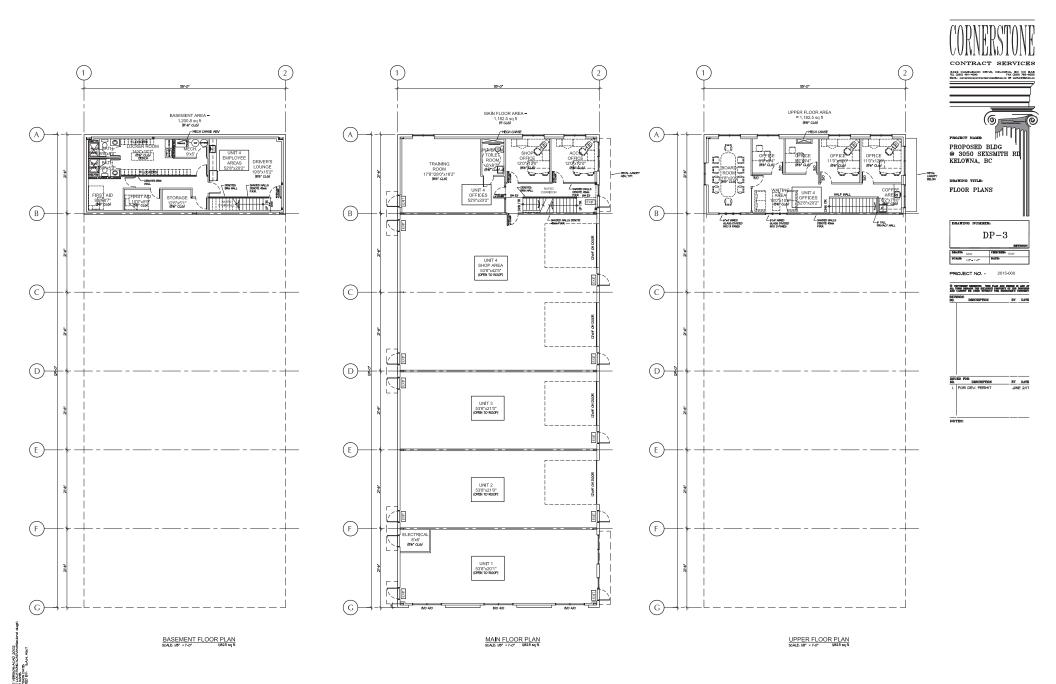
Development Engineering Manager

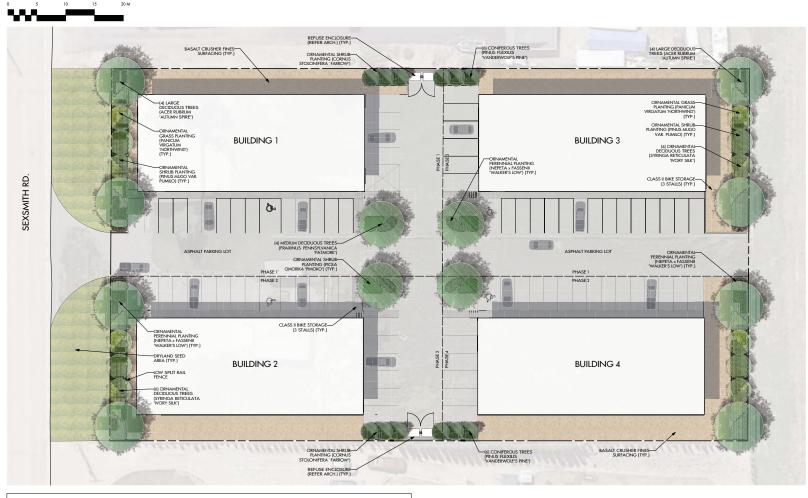
R/C













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 \bigcirc

PROJECT TITLE

AARDVARK INDUSTRIAL COMPLEX

3050 Sexsmith Road Kelawna, BC

DRAWING TITLE

CONCEPTUAL LANDSCAPE PLAN

1 17.03.17 Development Permit 2	ISSI	JED FOR/ REVIS	SION
-	1	17.03.17	Development Permit
	2		
3	3		

DESIGN BY SP DRAWN BY SR CHECKED BY FB	DESIGN BY SP DRAWN BY SR CHECKED BY FB DATE MAR. 17, 2017	PROJECT NO	17027
DRAWN BY SR CHECKED BY FB	DRAWN BY SR CHECKED BY FB DATE MAR. 17, 2017		
CHECKED BY FB	CHECKED BY FB DATE MAR. 17, 2017		
	DATE MAR. 17, 2017		

SEAL



L1/2

ISSUED FOR REVIEW ONLY
Cappeight Reserved. This drawing is the property of Clandscape Architecture Limited and shall not be sept each! or to tendered without permission.

NOTES

PLANT MATERIAL AND CONSTRUCTION METHODS SHALL MEET OR EXCEED B.C.L.N.A. STANDARDS.

2. ALL SOFT IANDSCAPE AREAS SHALL BE WATERED BY A FULLY AUTOMATIC TIMED UNDERGROUND IRRICATION SYSTEM.

3. TREE AND SHRUB BEDS TO BE DRESSED IN A MINIMUM 50mm WOOD MULCH. DO NOT PLACE WEED MAT UNDERNEATH TREE AND SHRUB BEDS.

TREE AND SHRUB BEDS TO RECEIVE A MINIMUM 300mm DEPTH TOPSOIL PLACEMENT.

5. TURF AREAS FROM SOD SHALL BE NO. 1 GRADE GROWN FROM CERTIFIED SEED OF IMPROVED CULTIVARS REGISTERED FOR SALE IN S. C. AND SHALL BE TOLERANT OF DROUGHT CONDITIONS. A NUMBLIM OF 100m. DEPTH OF GROWNED, MEDIUM IS REQUIRED BENEATH TURF AREAS. TURF AREAS SHALL MEET EXISTING GRADES AND HARD SURFACES FURD.

6. DRYLAND SEED AREAS TO RECEIVE A MINIMUM OF 50mm DEPTH TOPSOIL PLACEMENT

HYDROSEEDING APPLICATION RATE (DRYLAND SEED AREA W. SLOPE 2:1 OR LESS)
NATIVE SEED
DRYLAND SEED MIXTURE
FERTILIZER
BI-BI-BI-B2, 50% SUJPHINE COAITED UREA
MUICH
CANFOR ÉCOPIBRE PLUS TAC
2,800KG/PIECTARE
GUAR
S G-MAX
5,6 P-MX

THE PRECEDING HYDROSEEDING MIXTURE IS TO BE APPLIED TO THE DRYLAND SEED AREA AS SHOWN ON THE DRAWING. SEED MIX TO BE CERTIFIED #1 GRADE BY AGRICULTURE CANADA. REFER MANUFACTURE'S SPECIFICATIONS FOR PRODUCT DELIVERY, STORAGE & PROTECTION.

PLANT LIST





1. IBRIGATION PRODUCTS AND INSTALLATION METHODS SHALL MEET OR EXCEED THE REQUIREMENTS OF THE WATER USE REGULATION BYLAW NO. 10480 AND THE SUPPLEMENTARY SPECIFICATIONS IN THE CITY OF KELOWNA BYLAW 7900 (PART 6, SCHEDULE 5).

2. THE IRRIGATION SYSTEM SHALL MEET THE REQUIREMENTS, REGULATIONS, AND BYLAWS OF THE WATER PURVEYOR 3. THE IRRIGATION SYSTEM SHALL BE EQUIPPED WITH AN APPROVED BACKFLOW PREVENTION DEVICE, WATER METER, AND SHUT OFF VALVE LOCATED OUTSIDE THE BUILDING ACCESSIBLE TO THE CITY.

4. AN APPROVED SMART CONTROLLER SHALL BE INSTALLED. THE IRRIGATION SCHEDULING TIMES SHALL UTILIZE A MAXIMUM ET VALUE OF 7" / MONTH (KELOWNA JULY ET), TAKING INTO CONSIDERATION SOIL TYPE, SLOPE, AND MICROCLIMATE.

5. DRIP LINE AND EMITTERS SHALL INCORPORATE TECHNOLOGY TO LIMIT ROOT INTRUSION.

6. IRRIGATION SLEEVES SHALL BE INSTALLED TO ROUTE IRRIGATION LINES UNDER HARD SURFACES AND FEATURES.

7. IRRIGATION PIPE SHALL BE SIZED TO ALLOW FOR A MAXIMUM FLOW OF 1.5m /SEC.

8. A FLOW SENSOR AND MASTER VALVE SHALL BE CONNECTED TO THE CONTROLLER AND PROGRAMMED TO STOP FLOW TO THE SYSTEM IN CASE OF AN IRRIGATION WATER LEAK.

IRRIGATION LEGEND

ZONE #1: HIGH EFFICIENCY SUBSURFACE DRIP IRRIGATION FOR MODERATE WATER USE FLANTING AREAS TOTAL AREA: 6.16 sg.m. MICROCUMATE SOLTH EXPOSURE, PARTIALLY SHADED BY TREES ESTIMATED ANNUAL WATER USE: 89 cu.m.

ZONE #1: HIGH EFFICIENCY SUBSURFACE DRIP IRRIGATION FOR MODERATE WATER USE PLANTING AREAS TOTAL AREA: 161 st.m. MICROCILIMATE: NORTH EXPOSURE, PARTIALLY SHADED BY TREES ESTIMATED ANNUAL WATER USE: 87 cum.

ZONE #1: HIGH EFFICIENCY SUBSURFACE DRIP IRRIGATION FOR MODERATE WATER USE PLANTING AREAS TOTAL AREA: Like 4gm. MICROCILMATE: SOLIH EXPOSURE, PARTIALLY SHADED BY TREES ESTIMATED ANNUAL WATER USE: 80 cum.

WATER CONSERVATION CALCULATIONS

LANDSCAPE MAXIMUM WATER BUDGET (WB) = 1003 cu.m. / year ESTIMATED LANDSCAPE WATER USE (WU) =259 cu.m. / year

WATER BALANCE = 744 cum. / year
*REFER ATTACHED IRRIGATION APPLICATION FOR DETAILED CALCULATIONS



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AARDVARK INDUSTRIAL COMPLEX

Kelowna, BC

WATER CONSERVATION/ IRRIGATION PLAN

1	17.03.17	Development Permit	
2			
3			
4			

DATE	MAR. 17, 2017
CHECKED BY	FB
DRAWN BY	SR
DESIGN BY	SP
PROJECT NO	17027



ISSUED FOR REVIEW ONLY



Friday March 17, 2017

Aardvark Industrial Complex - 3050 Sexsmith

CK16 Property Group

PO Box 27031Willow Park, Kelowna, BC

Attn: Mike Jakab

Re: Proposed Aardvark Industrial Complex – 3050 Sexsmith – Preliminary Cost Estimate for Bonding

Dear Mike:

Please be advised of the following preliminary cost estimate for bonding of the proposed landscape works shown in the Aardvark Industrial Complex – 3050 Sexsmith conceptual landscape plan dated 17.03.17;

Phase 1

• 386 square metres (4, 155 square feet) of improvements = \$9,436.50

Phase 2

• 385 square metres (4, 144 square feet) of improvements = \$9,435.50

Phase 3

116 square metres (1,259 square feet) of improvements = \$9,128.00

Phase 4

116 square metres (1,259 square feet) of improvements = \$9,128.00

This preliminary cost estimate is inclusive of trees, shrubs, mulch, dryland seed, topsoil & irrigation.

You will be required to submit a performance bond to the City of Kelowna in the amount of 125% of the preliminary cost estimate. Please do not hesitate to contact me with any questions about the landscape plan.

Best regards,

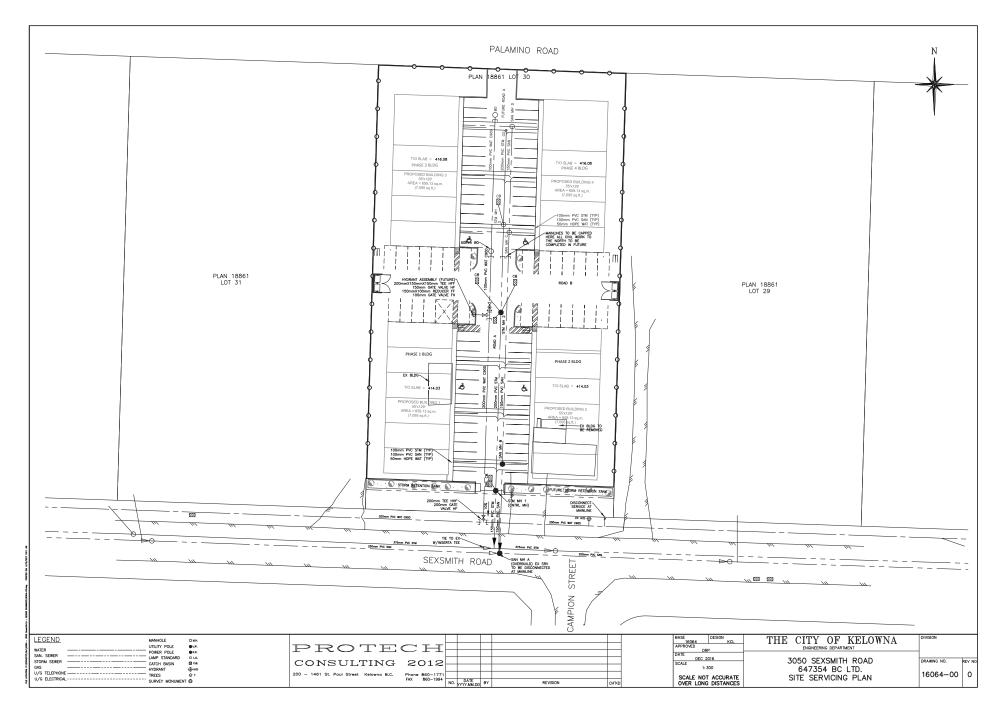
Steve Petryshyn, MBCSLA, CSLA, CID

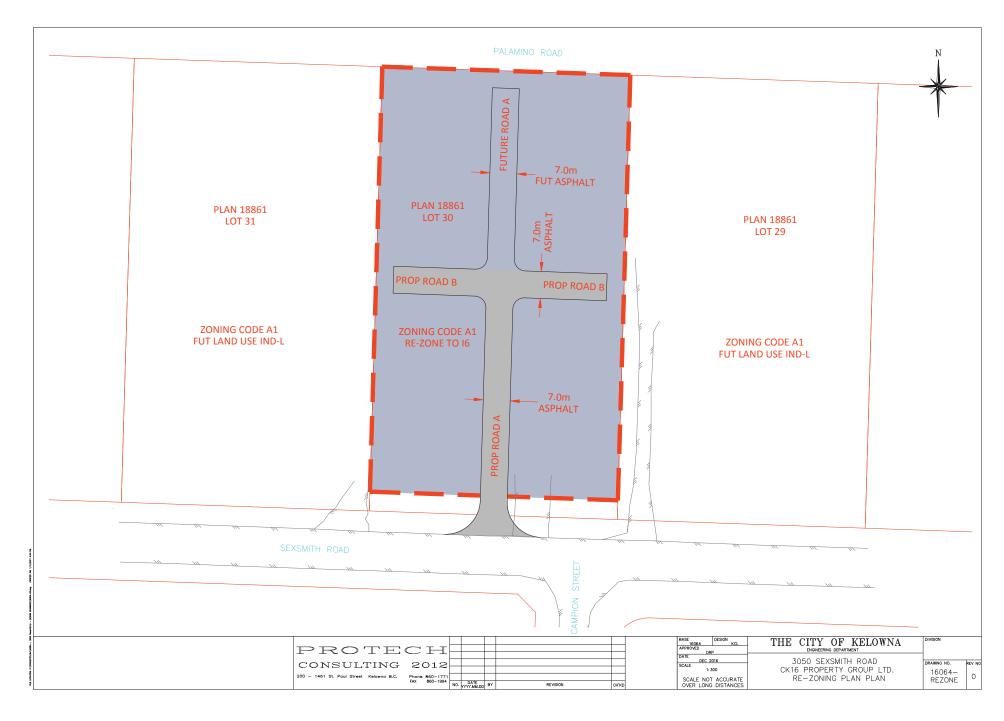
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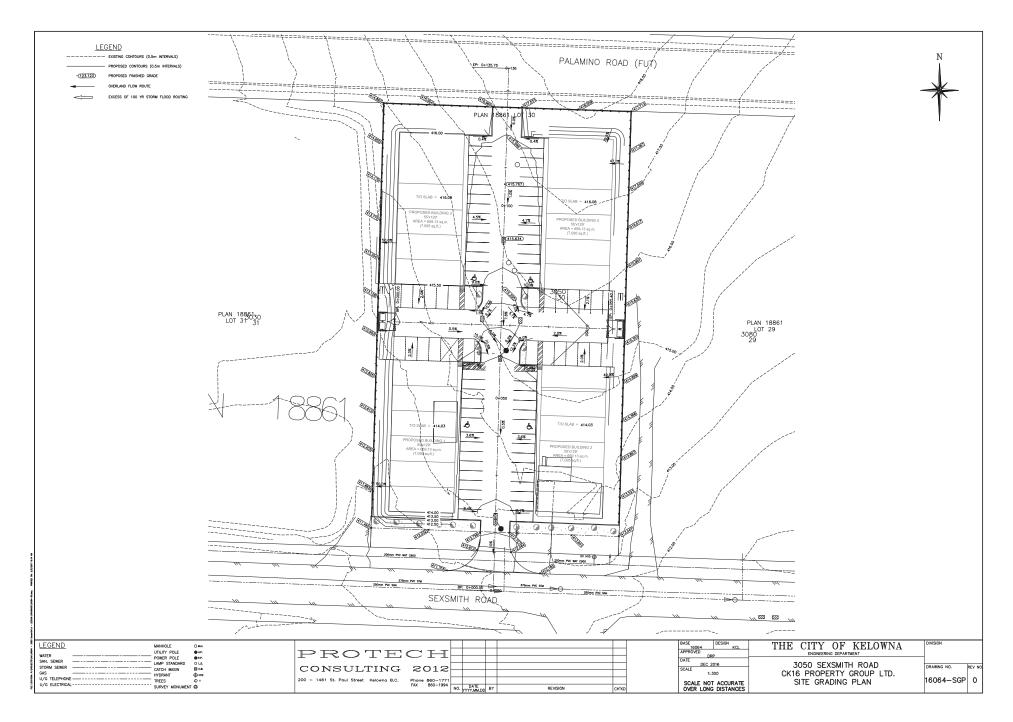
Outland Design Landscape Architecture

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outlanddesign.ca









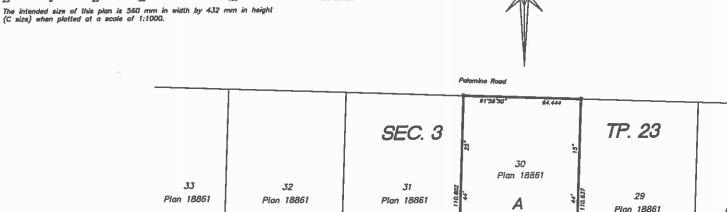
PLAN EPP69014 28 Plan 18861 GCM 96H2128 DATUM NADBS(CSRS)(V 4.0.0.8C.1) UTM ZONE 11 NORTH UTM NORTHWIG 55,32278,819 UTM EASTING 327848,808 PONT COMBRED FACTOR & SOCOOL ESTIMATED HORIZONTAL POSTIGNAL ACCURACY 0.02 METRES

REFERENCE PLAN OF LOT 30 SEC. 3 TP. 23 O.D.Y.D. PLAN 18861.

PURSUANT TO SECTIONS 107 AND 100(1)(a) OF THE LAND TITLE ACT.

BCGS 82E.084





CCM DENTE 130 DATUM MADES(CSRS)(V 4.0.0.8C.1)
UTM ZONE 11 MORTH
UTM MORTHING 55.32305.855
UTM EASTING 327226.778 POINT COMBINED FACTOR 0.9999043 ESTIMATED HORIZONTAL POSTTIONAL ACCURACY 0.03 METRES

120,141 84"50"35"

#1'38'45"

128.055 423.481 CHICKATED

Sexsmith Road

0.713 ML

road

322.2 m2

64,450

84.432

92'29'40°

LEGEND

All distances are in metres.

- Iron Post Found o Iron Post Set
- Control Monument Found

Grid bearings are derived from observations between geodetic control manuments 96H2126 and 96H2130.

Integrated survey area No. 4 - Kelowna NAD83 (CSRS) V 4.0.0.8C.I.

The UTM coordinates and estimated horizontal positional occuracy achieved are derived from the MASCOT published coordinates and standard deviations for geodetic control monuments 5641276 and 9642130.

This pion shows horizontal ground-level distances unless otherwise specified. To compute grid distances, multiply ground-level distances by the average combined factor of 0.9999032 which has been derived from geodetic con

This plan lies within the Central Okanagan Regional District.

This plan lies within the jurisdiction of the approving officer for the City of Kelowna.

The field survey represented by this plan was completed on the 3rd day of January, 2017. Douglas A. Godderd, BCLS 588.

17241 EPP69014 FB 392

D.A. Goddard Land Surveying Inc. 103-1358 ST. PAUL STREET KELOWNA PHONE 250-783-3733

CITY OF KELOWNA

BYLAW NO. 11465 Z17-0060 — 3050 Sexsmith Road

A bylaw to amend the "City of Kelowna Zoning Bylaw No. 8000".

The Municipal Council of the City of Kelowna, in open meeting assembled, enacts as follows:

- 1. THAT City of Kelowna Zoning Bylaw No. 8000 be amended by changing the zoning classification of Lot 30 Section 3 Township 23 ODYD Plan 18861 loacated on Sexsmith Road, Kelowna, B.C., from the A1 Agriculture zone to the I6 Low Impact Transitional Industrial zone.
- 2. This bylaw shall come into full force and effect and is binding on all persons as and from the date of adoption.

Read a first time by the Municipal Council this	
Considered at a Public Hearing on the	
Read a second and third time by the Municipal Council	this
Approved under the Transportation Act this	
(Approving Officer – Ministry of Transportation)	
Adopted by the Municipal Council of the City of Kelow	na this
	Mayor
	City Clerk

REPORT TO COUNCIL



Date: August 28th, 2017

RIM No. 1250-40

To: City Manager

From: Community Planning Department (JR)

Application: LUC17-0002/Z17-0049 **Owner:** Derek L & Tammy L Cartier

Address: 521 Curlew Drive Applicant: Urban Options Planning &

Permits

Subject: Land Use Contract Discharge and Rezoning Application (LUC 77-1002)

Existing OCP Designation: S2RES – Single / Two Unit Residential

Existing Zone: RR1 – Rural Residential 1

Proposed Zone: RU1c – Large Lot Housing with Carriage House

1.0 Recommendation

THAT Application No. LUC 17-0002 to discharge LUC77-1002 from Lot 15 Section 24 Township 28 SDYD Plan 32591 located at 521 Curlew Drive, Kelowna, BC, be considered by Council;

AND THAT Rezoning Application No. Z17-0049 to amend the City of Kelowna Zoning Bylaw No. 8000 by changing the zoning classification for 521 Curlew Drive, Kelowna, BC from the RR1 – Rural Residential 1 zone to RU1c – Large Lot Housing with Carriage House be considered by Council;

AND FURTHER THAT the Land Use Contract Discharge and Zone Amending Bylaws be forwarded to a Public Hearing for further consideration;

2.0 Purpose

To consider a Land Use Contract discharge and rezoning of the subject property from RR1 – Rural Residential 1 to RU1c – Large Lot Housing with Carriage House.

3.0 Community Planning

The applicant is proposing to rezone the subject property to facilitate the construct of a carriage house. However, the parcel is currently under the regulation of a Land Use Contract (LUC) which does not permit the construction of a carriage house and so the LUC needs to be discharged. The LUC (LUC77-1022) was created in 1978 and permitted 168 total residential parcels in the neighbourhood. Further, the LUC stipulates that the provisions of Zoning Bylaw No. 4500 A4 – Rural Residential regulations apply to the development of the land whereby carriage houses are not permitted. Community Planning staff supports

the request to discharge the LUC and rezone the property as the underlying RR1 zone is not appropriate. Rezoning will provide the property with an appropriate zone and will facilitate the construction the proposed carriage house. The LUC will be discharged in accordance with Council Policy No. 282 (Strategy for Elimination of Remaining Land Use Contracts).

In conformance with Council Policy No. 282, Staff will bring a bylaw terminating the Land Use Contract from the remainder 167 parcels within the Upper Mission Area of Kelowna. This is a separate process from the discharge of an LUC, as termination eliminates the LUC one year after Council adoption (whereas a discharge is immediate).

4.0 Proposal

4.1 <u>Background</u>

The Province first experimented with contract zoning in 1971. The Land Use Contract was a tool that entered into use in the 1970's before it was eliminated on November 15th 1978. The purpose of the tool was to allow local governments to arrive at agreements with specific developers to grant development rights over and above what was allowed under current zoning. This was typically done in exchange for commitments by developers to help finance the infrastructure costs of development.

However, issues have arisen, specifically with the continued application of land use contracts as they supersede any subsequent bylaw dealing with land use and development including: Zoning Bylaws, Development Cost Charge Bylaws, and Development Permits. From 1978 to 2014, municipalities or the owners of the land could not unilaterally discharge, cancel, or modify the land use contract without the other party's consent. The Local Government Act was amended in 2014 stating all land use contracts in the province need to be terminated as of June 30th 2024. This provides property owners with ten years to complete any development authorized by their land use contract unless the LUC is terminated prior to that date. By June 20th 2022, local governments must have appropriate zoning regulations in place to replace land use contracts upon their termination. However, due to this requirement of the Local Government Act, staff are recommending whenever a property owner applies to change land uses within an LUC, that staff initiate the process to eliminate the whole LUC. This approach will help alleviate the future work load of eliminating and rezoning all LUC's at one time.

In addition, local governments must provide notice to each owner that the termination of land use contract is occurring 1 year after adoption and must provide notice of what the new zoning regulations are that apply to the land.

4.2 Project Description

The applicant is proposing to rezone the subject property to RU1c – Large Lot Housing with Carriage House to facilitate the construction of a carriage house. The existing LUC needs to be discharged prior to supporting the rezoning and construction of the carriage house.

4.3 Site Context

The subject property has a total area of 1255 m² and is located on Curlew Drive, and is connected to community sewer. The property and the surrounding area is designated S2RES – Single / Two Unit Residential in the Official Community Plan. The LUC applies to 168 parcels which front onto Curlew Drive, Curlew Court, Lark St, Wren Place, and Stellar Drive.

Specifically, adjacent land uses are as follows:

Orientation	Zoning	Land Use
North	LUC 77-1002 RR1 – Rural Residential 1	Residential Subdivision
East	LUC 77-1002 RR1 – Rural Residential 1	Residential Subdivision
South	CD2 – Kettle Valley	Residential Subdivision
West	LUC 77-1002 RR1 – Rural Residential 1	Residential Subdivision

LUC Area Map: Curlew Drive



5.0 Current Development Policies

5.1 Kelowna Official Community Plan (OCP)

Development Process

Compact Urban Form.¹ Develop a compact urban form that maximizes the use of existing infrastructure and contributes to energy efficient settlement patterns. This will be done by increasing densities (approximately 75 - 100 people and/or jobs located within a 400 metre walking distance of transit stops is required to support the level of transit service) through development, conversion, and re-development within Urban Centres (see Map 5.3) in particular and existing areas as per the provisions of the Generalized Future Land Use Map 4.1.

¹ 5.5.2 Development Process – Compact Urban Form

5.2 <u>Council Policy No. 282 – Strategy for Elimination of Remaining Land Use Contracts</u>

Council Policy No. 282.2 Includes the following statement:

That the City of Kelowna initiate proceedings to discharge the contacts subject to consultation with affected owners of the land and subject to prior approval by council with regard to affected contracts;

6.o Technical Comments

6.1 <u>Building & Permitting Department</u>

- Development Cost Charges (DCC's) are required to be paid prior to issuance of any Building Permits.
- A third party work order may be required with the Development Engineering Department for an upgraded water line and sewage connection. These requirements are to be resolved prior to issuance of the Building Permit.
- HPO (Home Protection Office) approval or release is required at time of Building Permit application.
- At time of Building Permit application, the spatial calculations are to be provided from the designer.
- Full Plan check for Building Code related issues will be done at time of Building Permit applications. Please indicate how the requirements of Radon mitigation and NAFS are being applied to this complex at time of permit application.

6.2 <u>Bylaw Services</u>

No concerns

6.3 <u>Development Engineering Department</u>

See Schedule A

6.4 <u>Interior Health</u>

No concerns

6.5 Fire Department

- No concerns with LUC Discharge and Zoning
- Requirements of section 9.10.19 Smoke Alarms and Carbon Monoxide alarms of the BCBC 2012 are to be met.
- All units shall have a posted address on Curlew Drive
- If a fence is ever constructed between the units a clear width of 1100mm is required to be maintained for access
- Maintain access to the carriage house from Curlew Dr

² City of Kelowna Council Policy 282 Strategy for Elimination of Remaining Land Use Contracts.

7.0 Application Chronology

Date of Application Received: May 29, 2017
Date of Public Consultation Completed: July 3, 2017

Prepared by: Jenna Ratzlaff, Planner

Reviewed by: Terry Barton, Urban Planning Manager

Approved for Inclusion: Ryan Smith, Community Planning Department Manager

Attachments:

Schedule 'A': Development Engineering Memo

Schedule 'B': Plans

CITY OF KELOWNA

MEMORANDUM

Date:

July 12, 2017

File No.:

Z17-0049

To:

Land Use Management Department (JR)

From:

Development Engineering Manager

Subject:

521 Curlew Drive Lot 15 Plan 32591

RU1c

Carriage House

Development Engineering has the following requirements associated with this application.

Domestic Water and Sanitary Sewer 1.

This property is currently serviced with a 19mm-diameter water service. The service will be adequate for this application. One metered water service will supply both the main residence and the suite.

The property is within Water Extended Service Area 14. An additional \$2,014.50 (0.5 of \$4,029.00 ESA 14 charge) is required. Valid until 29-09-2017

2. Sanitary Sewer

Our records indicate that this property is currently serviced with a 100mm-diameter sanitary sewer service complete with inspection chamber (IC). No service upgrades are required for this application.

Electric Power and Telecommunication Services 3.

It is the applicant's responsibility to make a servicing application with the respective electric power, telephone and cable transmission companies to arrange for service upgrades to these services which would be at the applicant's cost.

4. Access and Parking Requirements

The proposed parking module location for the Carriage House must meet bylaw requirements.

James Kay, P. Eng.

Development Engineering Manager

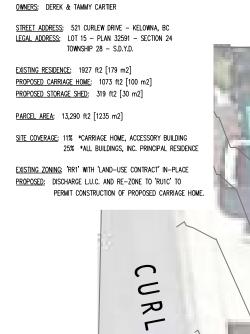


CARTIER RESIDENCE

PROPOSED CARRIAGE HOME AT 521 CURLEW DRIVE - KELOWNA, BC

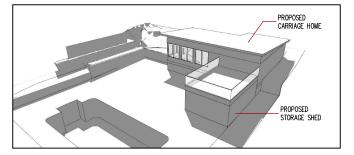


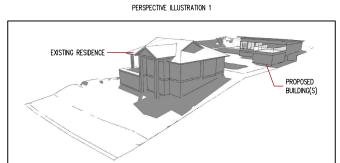


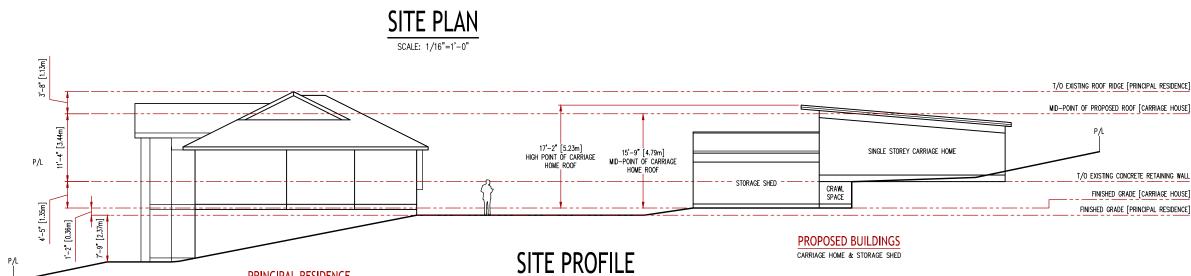




PRINCIPAL RESIDENCE EXISTING







SCHEDULE

В

City of

This forms part of application

LUC17-0002 Z17-00049

JR

Planner Initials 521 Curlew Drive, Kelowna BC





Front view of the subject property.





Planned location for the carriage house. Existing pool shed with be removed. Mechanical will be relocated into new storage shed.







CITY OF KELOWNA BYLAW NO. 11466

Discharge of Land Use Contract LUC77-1002 (P1861) 521 Curlew Drive

WHEREAS a land use (the "Land Use Contract") is registered at the Kamloops Land Title Office under number P1861 against lands in the City of Kelowna particularly known and described as Lot 15, Section 24, Township 28, SDYD, Plan 32591 (the "Lands"), located at 521 Curlew Drive, Kelowna, B.C.;

WHEREAS Section 546 of the *Local Government Act* provides that a land use contract that is registered in a Land Title Office may be discharged in the manner specified in the Land Use Contract, by bylaw following a public hearing on the proposed bylaw;

NOW THEREFORE, the Municipal Council of the City of Kelowna, in open meeting assembled, enacts as follows:

- 1. This Bylaw may be cited for all purposes as "Land Use Contract LUC77-1002 Discharge Bylaw".
- 2. The Land Use Contract is hereby cancelled and of no further force and effect and the City of Kelowna is hereby authorized and empowered to apply for the discharge of the Land Use Contract from the Lands.

Read a first time by the Municipal Council this	
Considered at a Public Hearing on the	
Read a second and third time by the Municipal Council this	
Adopted by the Municipal Council of the City of Kelowna this	
	Mayor
	City Clerk

CITY OF KELOWNA

BYLAW NO. 11467 Z17-0049 — 521 Curlew Drive

A bylaw to amend the "City of Kelowna Zoning Bylaw No. 8
--

The Municipal Council of the City of Kelowna, in open meeting assembled, enacts as follows:

- 1. THAT City of Kelowna Zoning Bylaw No. 8000 be amended by changing the zoning classification of Lot 15 Section 24 Township 28 SDYD Plan 32591 located on Curlew Drive, Kelowna, B.C., from the RR1 Rural Residential 1 zone to the RU1c Large Lot Housing with Carriage House zone.
- 2. This bylaw shall come into full force and effect and is binding on all persons as and from the date of adoption.

Read a first time by the Municipal Council this

Considered at a Public Hearing on the

Read a second and third time by the Municipal Council this

Adopted by the Municipal Council of the City of Kelowna this

Mayor
•
City Clerk

REPORT TO COUNCIL



Date: August 28, 2017

RIM No. 1250-30

To: City Manager

From: Community Planning Department (LB)

Prodev GP Ltd., Inc.No. A87135

Application: OCP16-0004 / TA11-0010 / Z16-0030 **Owner:** 1378310 Alberta Ltd., Inc.No.

A77231

Address: 2755 McCurdy Road **Applicant:** Optus Advisors Inc.

Subject: Official Community Plan Amendment & Rezoning Application

Existing OCP Designation: REP – Resource Protection Area

PARK – Major Park / Open Space (Public)

MRL – Multiple Unit Residential (Low Density)

Proposed OCP Designation: REP – Resource Protection Area

PARK – Major Park / Open Space (Public)

Existing Zone: A1 – Agriculture 1

Proposed Zone: A1 – Agriculture 1

RHM4 - Hillside Cluster Multiple Housing

1.0 Recommendation

THAT Council receives, for information, the Report from the Community Planning Department dated August 28, 2017 with respect to Official Community Plan Amendment Application OCP11-0011, Zoning Bylaw Text Amendment Application No. TA11-0010 and Rezoning Application Z11-0069 for the property located at 2755 McCurdy Road;

AND THAT Bylaws No. 10875 (OCP11-0011), 10877 (Z11-0069) and 10886 (Housing Agreement) be forwarded for rescindment consideration and the files be closed;

AND THAT Official Community Plan Map Amendment Application No. OCP16-0004 to amend Map 4.1 in the Kelowna 2030 – Official Community Plan Bylaw No. 10500 by changing the Future Land Use designation of portions of Lot 1 District Lots 124 and 415 ODYD Plan KAP84653 Except Plan EPP45174, located at 2755 McCurdy Road, Kelowna, BC, from the REP – Resource Protection Area designation to the MRL – Multiple Unit Residential (Low Density) designation, as shown on Map "A" attached to the Report from the Community Planning Department dated August 28, 2017, be considered by Council;

AND THAT Council considers the Public Information Session public process to be appropriate consultation for the purpose of Section 475 of the *Local Government Act*, as outlined in the Report from the Community Planning Department dated August 28, 2017;

AND THAT Bylaw No. 10876 (TA11-0010) be forwarded for rescindment consideration of second and third readings;

AND THAT Rezoning Application No. Z16-0030 to amend the City of Kelowna Zoning Bylaw No. 8000 by changing the zoning classification of portions of Lot 1 District Lots 124 and 415 ODYD Plan KAP84653 Except Plan EPP45174, located at 2755 McCurdy Road, Kelowna, BC, from the A1 – Agriculture 1 zone to the RHM4 – Hillside Cluster Multiple Housing zone, as shown on Map "B" attached to the Report from the Community Planning Department dated August 28, 2017, be considered by Council;

AND THAT the Official Community Plan Map Amending Bylaw, the Text Amendment Bylaw and the Rezoning Bylaw be forwarded to a Public Hearing for further consideration;

AND THAT final adoption of the Rezoning Bylaw be considered subsequent to the conditions of approval as set out in Schedule "A" attached to the Report from the Community Planning Department dated August 28, 2017;

AND THAT final adoption of the Rezoning Bylaw be considered subsequent to the conditions of approval as set out in Schedule "B" attached to the Report from the Community Planning Department dated August 28, 2017;

AND THAT final adoption of the Rezoning Bylaw be considered subsequent to registration of a Section 219 restrictive covenant limiting the number of units to be constructed on the property prior to a traffic impact assessment being conducted;

AND THAT final adoption of the Rezoning Bylaw be considered subsequent to approval from the Ministry of Transportation and Infrastructure;

AND THAT final adoption of the Rezoning Bylaw be considered subsequent to the issuance of a Hazardous Condition and Natural Environment Development Permit by the Community Planning Department Manager;

AND FURTHER THAT final adoption of the Rezoning Bylaw be considered subsequent to the issuance of a Preliminary Layout Review Letter and final subdivision approval by the Approving Officer.

2.0 Purpose

To amend the Official Community Plan ad Zoning Bylaw No. 8000 to change the future land use designation of, and to rezone portions of the subject property to facilitate a 153 unit multiple unit residential hillside development.

3.0 Community Planning

Staff support the requested amendments and rezoning to facilitate multiple unit residential development, known as Terreno, on a portion of the subject property. The proposed development represents a significant change in the future land use designation from REP – Resource Protection Area to MRL – Multiple Unit Residential (Low Density), and staff considered the application against the objectives of the Official Community Plan (OCP) as well as other major City policy documents. This evaluation involved reviewing the proposal based on its impact on urban development patterns, infrastructure, and the environmental and hillside context.

General Merits

While the proposed development was not anticipated within the timeframe of the OCP, it is within the Permanent Growth Boundary (PGB) and does provide several community benefits, namely the dedication of the majority of the property to the City. A portion of this dedicated land will be used to accommodate the future extension of the Central Okanagan Multi-Modal Corridor (COMC) running north-south through the subject property. Since the precise alignment for this corridor is yet to be determined, the proposed dedication allows a high degree of flexibility for the City when detailed design of the corridor is pursued. The dedicated lands will also provide for the extension and upgrade of McCurdy Road to full urban standard in the future. Beyond these transportation needs, the dedication protects additional land along Mill Creek for habitat preservation, enhancement of riparian areas, and improvements to the linear park corridor. It also affords opportunities to formalize recreational trails for public use, with connections to Dilworth Mountain Park and the future Okanagan Rail Corridor.

Urban Development

The OCP strategy for growth and development in the City is built around the concept of creating complete communities by directing development towards Urban and Village Centres. This concept represents good planning practice that aims to capitalize on the advantages provided by denser centres. While the subject property is within the PGB, it is not within either an Urban Centre or a Village Centre.

In the case of the proposed development, the nearest accessible Urban Centre is the Midtown Urban Centre, which is more than 3 km away by vehicle. Pedestrian access by trails reduces this distance to approximately 1.2 km. The eventual extension of McCurdy Road will bring the Rutland Urban Centre to within 1.8 km by vehicle. Walkability measurement standards are typically considered to be a 400 m and 800 m radii from key destinations, representing walking times of approximately 5 minutes and 10 minutes, respectively. Based on these standards, and considering future development in the area, it is unlikely that future residents of the proposed development would be within convenient walking distance of many amenities and services, beyond convenience commercial uses and recreational trails.

In addition, full development of McCurdy Road is outside of the 20-year timeframe of the OCP, and is not identified in the Transit Future Plan for any transit service. Therefore, for at least 20 years, the development will be accessible by vehicles exclusively from Mount Baldy Drive, and, as a result, is relatively isolated from necessary employment and services typically found in Urban Centres, except by trail.

Infrastructure

The OCP 20-Year Major Road Network & Road Classification Plan shows McCurdy Road extending westward to connect to Rifle Road at Silver Place. The Plan anticipates only land acquisition, not construction, within the timeframe of the OCP. As part of the proposed rezoning, the applicant will dedicate the future alignment of McCurdy Road through the site, and pay cash-in-lieu for the City to construct the road at a future date. Land acquisition for the section of the eventual McCurdy Road connection between Rifle Road and the subject property has not been completed.

Without the ultimate alignment of McCurdy Road complete, all access to the proposed development will be from Mount Baldy Drive, which is a major collector road. As part of this application, Mount Baldy Drive will be upgraded and extended along the frontage of the subject property. The Traffic Impact Study for the previous application in 2011 identified the need for a traffic signal at the intersection of Mount Baldy Drive and Dilworth Drive / Rifle Road prior to the construction of any more than 200 units. The subject application proposes 153 units, a substantial reduction from the 343 units previously proposed for the site, and as such,

signalization of the intersection is not required. A restrictive covenant will be registered on title limiting the development to 153 units, or requiring a new Traffic Impact Study should additional units be proposed.

Staff also note the timing of this development may put pressure on the City to construct the McCurdy Road extension earlier than anticipated. This will be reviewed through the capital planning process in future years. Despite this consideration, staff have reviewed this application, and it may proceed without affecting either the City's Financial Plan or Waste Management Plan.

Environmental & Hillside Context

Dedication of the eastern portion of the property to the City provides for significant community benefits for future transportation connections and protection of riparian areas along Mill Creek. This land also offers opportunities for recreational trails through the site.

The new hillside cluster zone has the goal of facilitating high quality, sensitive hillside development, and the applicant has expended time and effort to create a sensitive hillside community. The results are evident in the design, layout and siting of the proposal, which features buildings that step back in accordance with the natural slope, minimize grading, and maximize the preservation of environmentally sensitive and visually significant features. Environmental restoration will be required for natural areas that are disturbed as part of the development process.

Public Consultation

As staff understand it, the applicant completed public consultation in accordance with Council Policy No. 367. The applicant team held a public open house on July 31, 2017 where display boards presented project information and members of the applicant team were available to answer questions. A total of 1,679 invitations were mailed out to nearby postal routes, including and extending beyond the required notification area. The applicant confirmed that 15 people attended the open house. Approximately five raised concerns about increased traffic to Mount Baldy Drive, and a few attendees asked about the existing trail network. Aside from those concerns with traffic, the applicant reported that most attendees indicated support for the general appearance of the development.

Text Amendment

The purpose of the RHM4 – Hillside Cluster Multiple Housing zone is to provide for comprehensively planned clusters of low rise, low density apartment housing with urban services. The goal is to minimize impacts of development on the natural environment, topography, open space, and visual character of Kelowna. It is consistent with the MRL future land use designation as per the OCP, and building forms may include low rise apartments, stacked townhouses and townhouses. To improve building articulation and integration into hillside areas, the RHM4 zone has specific regulations pertaining to height and step backs, differentiating it from other low density multiple dwelling housing zones that also fit within the MRL designation.

On July 29, 2014, Council gave third reading to Bylaw No. 10876 for the text amendment to introduce the RHM4 zone. Should Council support this OCP Amendment and Rezoning application, final adoption of Bylaw No. 10876 is required in conjunction with adoption of the Rezoning Bylaw.

Conditions of Adoption

Should Council choose to support this application, the applicant must address several items prior to adoption of the Rezoning Bylaw, summarized as follows:

Complete engineering and servicing requirements, as noted in Schedule "A";

- Complete parks requirements, as noted in Schedule "B", including the subdivision and transfer of land to the City;
- Register a covenant limiting the number of units to be constructed on the property to 153 prior to a traffic impact study being conducted;
- Apply for and receive issuance of a Hazardous Condition and Natural Environment Development Permit related to subdivision and development of the property; and
- Apply for and receive issuance of a Preliminary Layout Review Letter and final subdivision approval by the Approving Officer.

Following bylaw adoption, Urban Design Development Permits would be required for the form and character of the proposed development. It is expected the developer would use the conceptual plans submitted as part of this application to form the basis of future development on the site, in keeping with the RHM4 zone.

4.0 Proposal

4.1 Background

Previous Development Application

In 2011, an application was made to amend the future land use designation and rezone the subject property to allow for multiple unit residential development. The proposal that ultimately went before Council was for 343 units in row housing and low-rise apartment buildings. The area to be rezoned for development generally covered the same portion of the property as the current application, with more buildings and greater density across the development clusters.

Following Public Hearing on July 29, 2014, Council gave second and third readings to Official Community Plan Map Amending Bylaw No. 10875 and Rezoning Bylaw No. 10877 for the subject property, under applications OCP11-0011 and Z11-0069, respectively. The applicant chose not to move forward with that application, cancelling it in May 2016 and submitting a new development proposal under the subject application. Staff are requesting that Council rescind all readings on the above-noted bylaws.

In conjunction with the previous development proposal, Text Amendment application TA11-0010 was made to create the new RHM4 zone. The previous applicant worked closely with staff to develop a zone that allows for low density multiple unit residential development in hillside settings. Council gave second and third readings to Zoning Bylaw Text Amending Bylaw No. 10876 on July 29, 2014. Should Council choose to support the subject OCP amendments and rezoning, staff are requesting that the Text Amending Bylaw be adopted in conjunction with the Rezoning Bylaw.

A portion of land was previously hooked with the subject property across Mill Creek, north of the Marshall Business Park. This land was subdivided from the subject property in 2015, following authorization from the Agricultural Land Commission for subdivision in the ALR.

Infrastructure Considerations

The City's 20-Year Servicing Plan & Financing Strategy uses the OCP as a guide to plan for future infrastructure needs. Where the OCP anticipates significant growth and development, the 20-Year Servicing Plan will ensure that infrastructure is in place to accommodate such growth. Knowing this, contemplating a significant development outside of what is expected in the OCP becomes challenging, as it may require reconsideration of elements of the 20-Year Servicing Plan. This can have far-reaching consequences to other plans and documents, such as the Development Cost Charge (DCC) Bylaw.

This is a significant development outside of the OCP, and as part of the 2011 applications, the applicant and staff applied substantial resources to consider transportation infrastructure requirements, as well as water and sanitary services. After review, staff did not feel that any of the infrastructure requirements warranted revision of the DCC program.

4.2 Project Description

The applicant is seeking to develop a total of 153 multiple unit residential dwelling units on the site in a mix of row housing and low-rise apartment housing over three phases, known as Terreno. Development is concentrated on the west side of the lot between the western property line and the existing gas utility right-of-way. The proposed development area is approximately 7.0 hectares, with the remaining 18.4 hectares to be dedicated to the City for park and transportation purposes or protected as open space under restrictive covenant. The units are divided between four general clusters on three proposed properties.

Lot Description	Location	Units	Site Features
Lot A (Phase I)	North of McCurdy Road	45 unit apartment	South-facing draw and
1.85 ha (4.57 ac)	extension	building	tributary of Mill Creek
		9 townhouse units	along southern
			boundary
Lot B (Phase II)	South of McCurdy Road	24 unit apartment	North-facing slopes and
1.31 ha (3.24 ac)	extension	building	draw
Lot C (Phase III)	Knoll to southern	27 unit apartment	Well-defined knoll in the
3.87 ha (9.56 ac)	development boundary	building	north portion and south-
		18 unit apartment	facing draw in the south
		building	portion
		30 townhouse units	

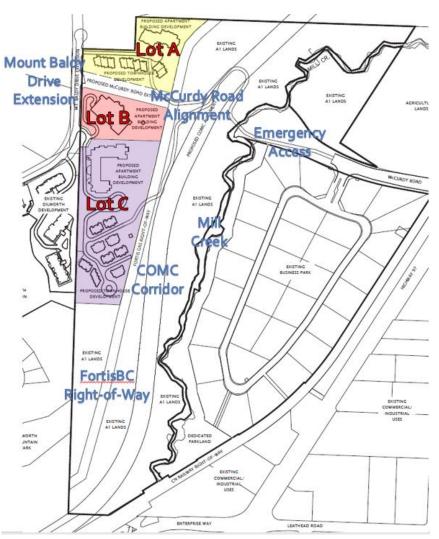
The applicant will be responsible for constructing and dedicating an extension of Mount Baldy Drive along the frontage of this development, and this will serve as access for all three lots. Strata roads will connect the various development clusters within the site, with an emergency access road across Mill Creek to the existing terminus of McCurdy Road to the east.

The alignment of McCurdy Road through the subject property will be dedicated to the City, and the applicant will pay cash-in-lieu for the construction of this portion of McCurdy Road to full arterial standard. Until such time that construction is warranted, it will remain as an emergency access, which also provides a pedestrian and cycling connection to Highway 97 and rapid transit service.

In addition to the dedication of the McCurdy Road extension, the remaining land will be dedicated to the City under the existing REP designation and A1 zone. This will serve both park and transportation purposes, with parkland along Mill Creek and land for the future COMC alignment, which is planned to run north-south through the property between the gas utility right-of-way and Mill Creek. The undevelopable land south of Lot C may either be dedicated to the City or be retained in private ownership with restrictive covenants to prohibit development on these steep slopes.

The development and road network have been designed and sited to minimize impacts on the prominent hillside and the natural environment. Grading will be minimized and suitable landscaping will be required to mitigate the visual impact where exposed cuts or fill slopes are needed. The building design will be sensitive to the hillside context, featuring reduced massing and increased building articulation in accordance with the RHM4 zone and applicable design quidelines. Significant riparian restoration will also be required along Mill Creek to compensate for the environmental impacts of the development and extension of McCurdy Road.

Based on preliminary engineering work, water and sanitary services are expected to be extended from Highway 97 along the future McCurdy Road alignment to service the property. The site is within the Black Mountain



Irrigation District (BMID) water service area, and a booster station is needed to provide adequate flows to the site. The development is expected to tie into new City sanitary infrastructure at the intersection of Highway 97 and McCurdy Road.

4.3 Site Context

The subject property is located in the City's Highway 97 Sector between the Dilworth Mountain development to the west and Mill Creek to the east. The property is approximately 25.4 ha (62.8 ac) in area and is undeveloped, aside from some farm buildings in the northeast portion that were part of the original Marshall Feedlot. The property contains a mix of knolls and draws in the west, steep slopes through the centre, and relatively flat land in the east towards Mill Creek. The property is bisected by a statutory right-of-way for a FortisBC gas pipeline, which runs roughly parallel to the Creek.

The majority of the property is located within the PGB, with the exception of the northeast portion. All proposed development is within the limits of the PGB. Additionally, most of the property east of the utility right-of-way is within the Agricultural Land Reserve (ALR), and no development is proposed in this area.

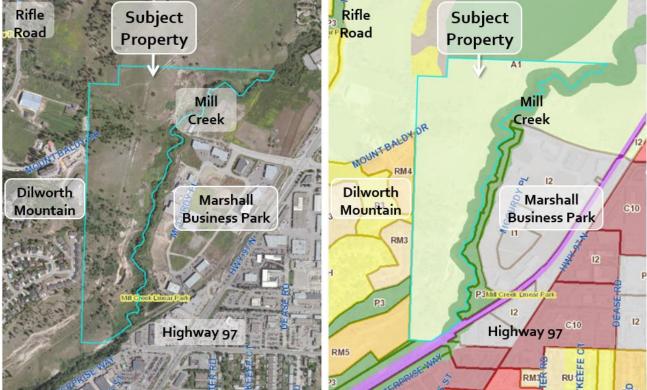
The subject parcel has Future Land Use designations of REP – Resource Protection Area and PARK – Major Park and Open Space, and is currently zoned A1 – Agriculture 1. Adjacent land uses are as follows:

Orientation	Zoning	Land Use	
North	A1 – Agriculture 1	Open space	
	As Agriculturos	Mill Creek	
East	A1 – Agriculture 1	Agriculture	
EdSt	P ₃ – Parks and Open Space	Mill Creek Linear Park	
	I2 – General Industrial	Industrial (Marshall Business Centre)	
	A1 – Agriculture 1	Former CN rail line	
South	A1 – Agriculture 1	Open space	
300011	P ₃ – Parks and Open Space		
	RM5 – Medium Density Multiple Housing	Vacant land	
	P ₃ – Parks and Open Space	Dilworth Mountain Park	
West	RM ₃ – Low Density Multiple Housing	Multiple dwelling housing (Monashee Rise	
	Kivi3 – Low Delisity Moltiple Hoosing	townhouses)	
	RM4 – Transitional Low Density Housing	Multiple dwelling housing (Dilworth Heights	
Rivi4 – Halisitiolial Low Delisity Housii		apartments)	
	A1 – Agriculture 1	Agriculture	

Map 1: Subject Property

Rifle

Map 2: Surrounding Designations & Zoning



- 7.0 Current Development Policies
- 7.1 Kelowna Official Community Plan (OCP)

Chapter 5: Development Process

Objective 5.2 Develop sustainably.

Policy 5.2.3 Complete Suburbs. Support a mix of uses within Kelowna's suburbs (see Map 5.1 - Urban Core Area), in accordance with "Smart Growth" principles to ensure complete communities. Uses that should be present in all areas of the City (consistent with Map 4.1 - Future Land Use Map), at appropriate locations, include: commercial, institutional, and all types of residential uses (including affordable and special needs housing) at densities appropriate to their context. Building heights in excess of four storeys will not be supported within the suburban areas, unless provided for by zoning existing prior to adoption of OCP Bylaw 10500.

Policy 5.2.4 Complete Communities. Support the development of complete communities with a minimum intensity of approximately 35 - 40 people and/or jobs per hectare to support basic transit service - a bus every 30 minutes.

Objective 5.3 Focus development to designated growth areas.

Policy 5.3.1 Permanent Growth Boundary. Establish a Permanent Growth Boundary as identified on Map 4.1 and Map 5.2. The City of Kelowna will support development of property outside the Permanent Growth Boundary for more intensive use only to the extent permitted as per the OCP Future Land Use designations in place as of initial adoption of OCP Bylaw 10500, except for Agri-Business designated sites or as per Council's specific amendment of this policy. The Permanent Growth Boundary may be reviewed as part of the next major OCP update.

Policy 5.3.2 Compact Urban Form. Develop a compact urban form that maximizes the use of existing infrastructure and contributes to energy efficient settlement patterns. This will be done by increasing densities (approximately 75 - 100 people and/or jobs located within a 400 metre walking distance of transit stops is required to support the level of transit service) through development, conversion, and redevelopment within Urban Centres (see Map 5.3) in particular and existing areas as per the provisions of the Generalized Future Land Use Map 4.1.

Policy 5.3.3 Phasing. Require development to proceed in a logical, sequential order, concurrently with availability of required urban services.

Objective 5.10 Ensure opportunities are available for greater use of active transportation and transit to: improve community health; reduce greenhouse gas emissions; and increase resilience in the face of higher energy prices.

Policy 5.10.1 Maximize Pedestrian / Cycling Connectivity. Require that pedestrian and cyclist movement and infrastructure be addressed in the review and approval of all City and private sector developments, including provision of sidewalks and trails and recognition of frequently used connections and informal pedestrian routes. With new developments, require dedication of on-site walking and cycling paths where necessary to provide links to adjacent parks, schools, transit stops, recreation facilities, employment nodes, cul-de-sacs and large activity areas.

Objective 5.14 Provide parks for a diversity of people and a variety of uses.

Policy 5.14.2 Dedication of Linear Parks. At subdivision and rezoning for all development types secure a minimum 10-metre wide linear corridor for public access as included in Table 5.1 Linear Park – Public Access and/or are shown on Map 5.9 – Linear Corridors / Paths. The 10-metre wide corridor may be in addition to,

and outside, any riparian management area requirements imposed through the Environmental Development Permit (see Chapter 12) requirements of the OCP. On the private property side of the public access corridor, the City may, as necessary, consider stipulating additional "no disturb" zones. Lot line adjustments or other subdivision applications not resulting in the creation of new lots suitable for the construction of buildings permitted under the applicable zoning will be considered exempt from this policy. Linear trail corridors can have the following tenure which will be determined by staff at the time of subdivision or rezoning:

- Titled property in the name of the city as a park, protected area, or
- Road reserve right of way; or
- Statutory right of way.

Objective 5.15 Ensure environmentally sustainable development.

Policy 5.15.3 Environmentally Sensitive Area Linkages. Ensure that development activity does not compromise the ecological function of environmentally sensitive areas and maintains the integrity of plant and wildlife corridors.

Policy 5.15.12 Steep Slopes. Prohibit development on steep slopes (+30% or greater for a minimum distance of 10 metres) except where provided for in ASPs adopted or subdivisions approved prior to adoption of OCP Bylaw 10500.

Policy 5.15.13 Access Through Steep Slopes. Discourage roads (public or private) through +30% slope areas intended to access lands beyond, except in cases where it can be demonstrated the road will be sensitively integrated (visual and aesthetic impacts minimized) with the natural environment and will present no hazards to persons or property, environmental threats or unreasonable servicing or maintenance challenges.

Objective 5.22 Ensure context sensitive housing development.

Policy 5.22.1 Cluster Housing. Require new residential development to be in the form of cluster housing on / or near environmentally sensitive areas and areas of steeper slopes to lessen site disturbance and environmental impact on those areas identified on the Future Land Use Map 4.1 as single-two unit residential hillside. Steeply sloped areas should be retained as natural open space, public or private. The intent of the clustering would be to preserve features identified through the Development Permit process that otherwise might be developed and to maximize open space in order to:

- a. Protect environmentally sensitive areas of a development site and preserve them on a permanent basis utilizing the most appropriate tools available;
- b. Facilitate creative and flexible site design that is sensitive to the land's natural features and adaptive to the natural topography;
- c. Decrease or minimize non-point source (i.e. asphalt roofs, driveways and parking) pollution impacts by reducing the amount of impervious surfaces in site development;
- d. Promote overall cost savings on infrastructure installation and maintenance; and
- e. Provide opportunities for social interaction, walking and hiking in open space areas.

Policy 5.22.11 Housing Mix. Support a greater mix of housing unit size, form and tenure in new multi-unit residential and mixed use developments.

Objective 5.33 Protect and enhance local agriculture.

Policy 5.33.1 Protect Agricultural Land. Retain the agricultural land base by supporting the ALR and by protecting agricultural lands from development, except as otherwise noted in the City of Kelowna Agricultural Plan. Ensure that the primary use of agricultural land is agriculture, regardless of parcel size.

Objective 5.39 Ensure all development is consistent with the vision, goals and objectives of the OCP.

Policy 5.39.2 Servicing Plan. The 20 Year Servicing Plan and Financing Strategy has been developed assuming that growth will occur as noted in this Official Community Plan. Development in locations or of types not anticipated in this plan may trigger a requirement for an impact study to be prepared at developer expense so that impacts on the 20 Year Servicing Plan and Financing Strategy can be identified and addressed. The impact studies, may include, but will not necessarily be limited to preparation of advance road plans that identify all vehicle, transit, cycle route, and trail linkages and provide a mix of trail, local, collector and major roads necessary to create a balanced road system on and off-site.

Chapter 7: Infrastructure

Objective 7.8 Provide more active transportation infrastructure to: increase resilience in the face of higher energy prices; improve community health; and reduce greenhouse gas emissions.

Policy 7.8.3 New Residential Developments. Ensure that new residential developments and subdivisions have active transportation links to the nearest arterial or major collector roads at developer cost.

Policy 7.8.9 Utility and R.O.W. Corridors. Seek cooperation for the pedestrian / bicyclist use of utility and right-of-way corridors. Should the right-of-way no longer be needed for utility purposes, the City would seek to preserve these corridors for future linear paths as part of the pedestrian and bicycle networks.

Objective 7.12 Provide active and passive parks for a diversity of people and a variety of uses.

Policy 7.12.2 Natural Area Parks and Open Space. Provide a city-wide network of natural area parks which meet the following criteria:

- Contains representative Okanagan ecosystems;
- Contains areas of outstanding natural beauty (including areas with high visual sensitivity and high visual vulnerability, such as rocky outcrops, ridge lines, silt slopes, canyons, and water edges);
- The land area is contiguous and forms part of a larger open space network
- Contains conservation areas;
- Protects viewshed corridors; and
- Where appropriate, trails which maximize public safety while minimizing human impact on the most sensitive and vulnerable areas.

To achieve the above, the City will need to acquire land. In determining what land to acquire, the City will assess:

- Costs / benefits to ensure the City is receiving a public asset, rather than a maintenance liability;
- Liability from natural and manmade natural hazards (falling rocks, debris, hazardous trees, fuel modification etc.) to ensure hazards are mitigated in advance of acquisition;
- Maintenance access to ensure it is acceptable; and
- Opportunities for linear trails, view points, staging areas etc. to ensure availability of a public recreation component.

8.o Technical Comments

Development Engineering

• See Attachment 3: Schedule "A" dated May 29, 2017.

Fire Department

• No concerns with zoning. Will comment on each development stage of the various proposed properties.

FortisBC - Electric

• There are FortisBC Inc (Electric) primary distribution facilities along Mt. Baldy Drive and McCurdy Road. However, due to the size and configuration of the subject property, it is likely that extension work will be required to bring service to potential building sites, the cost of which may be significant. To date, arrangements have not been completed to meet the requirements to service the proposed development. The applicant is responsible for costs associated with any change to the subject property's existing service, if any, as well as the provision of appropriate land rights where required.

FortisBC – Gas

- Please be advised FortisBC has reviewed the above mentioned referral. Please be advised that we
 have no objection to this proposal. It has been noted that there are a few proposed access road
 crossings over FortisBC right-of-way. The proposal for construction of these access roads will
 require an engineering analysis and may require a pipeline inspection/upgrade. All costs must be
 borne by the applicant. In order to assess the proposal to construct the access roads, please kindly
 provide the following:
 - Geotechnical report should confirm the depth of the gas pipeline, soil types involved and confirm the impact of the proposed works over the gas pipeline in terms of vertical and horizontal ground movement.
 - How will the proposed works affect the gas pipeline in totality.
 - Provide complete civil drawings showing plan and profile view in relation to FortisBC gas pipeline.
 - Cross-sections in relation to FortisBC gas pipeline.
 - Design elevations.
- In order to construct the access roads, the FortisBC transmission pressure gas pipeline needs to be inspected and/or upgraded. Since the works are initiated by the applicant, all costs will be borne by the applicant.
- Geo-technical investigation works will be required to get the above data. Please kindly submit a
 permit application through our new and quick automated permit system at
 www.fortisbc.com/rightofway. If you have any questions please call 1-877-599-0996. A FortisBC
 inspector must be onsite during all works. FortisBC suggests that investigation works are done on
 top of the gas pipeline at every 10m but it is up to the discretion of the applicant/contractor.
- The customer will need to apply for a permit within 10m or crossing the transmission pressure
 pipeline or within the right of way. They can use our new system at
 www.fortisbc.com/rightofway. No blasting, rock hammering activities should be done within the

vicinity of the FortisBC gas pipeline. The stockpiling of excavated building or other materials within the right of way is prohibited. There is no deterioration of soil stability or drainage patterns within or adjacent to the right of way. No preloading within or adjacent to the right of way.

Interior Health

• An initial review has been completed and no health impacts associated with this proposal have been identified. As such, our interests are unaffected by this development proposal.

Parks & Buildings Planning

• See Attachment 4: Schedule "B" dated June 28, 2017.

Ministry of Transportation and Infrastructure

• Preliminary Approval is granted for the rezoning for one year (from October 27, 2016) pursuant to Section 52(3)(a) of the *Transportation Act*.

School District No. 23

• No objections to the application as proposed. If approved and moves forward to building permit phase, it will trigger the School Site Acquisition Charge which applies to residential development where new (additional) residential lots or dwellings are created through subdivision or new construction. Further details on the charge can be found in Division 10.1 of the *Local Government Act*.

9.0 Application Chronology

Date of Application Received: May 19, 2016
Date Public Consultation Completed: July 31, 2017

Report prepared by: Laura Bentley, Planner II

Reviewed & Approved for

Inclusion by: Ryan Smith, Community Planning Department Manager

Attachments:

Attachment 1: Map "A" OCP Amendments

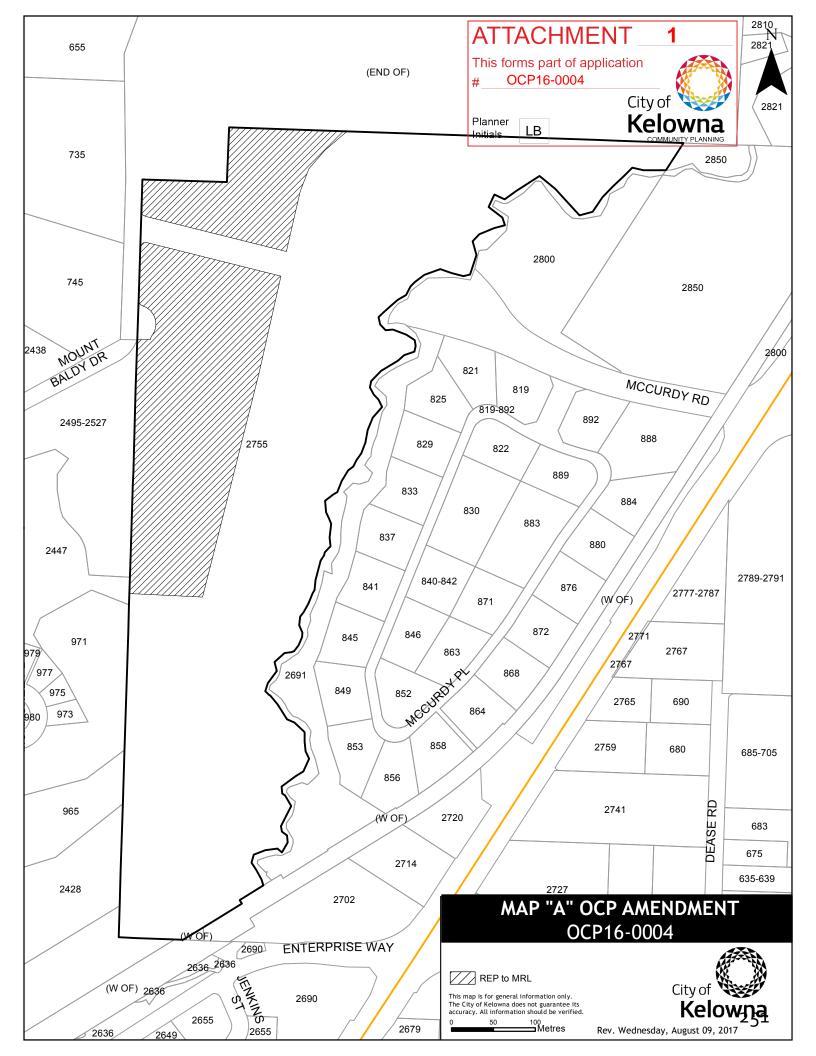
Attachment 2: Map "B" Rezoning

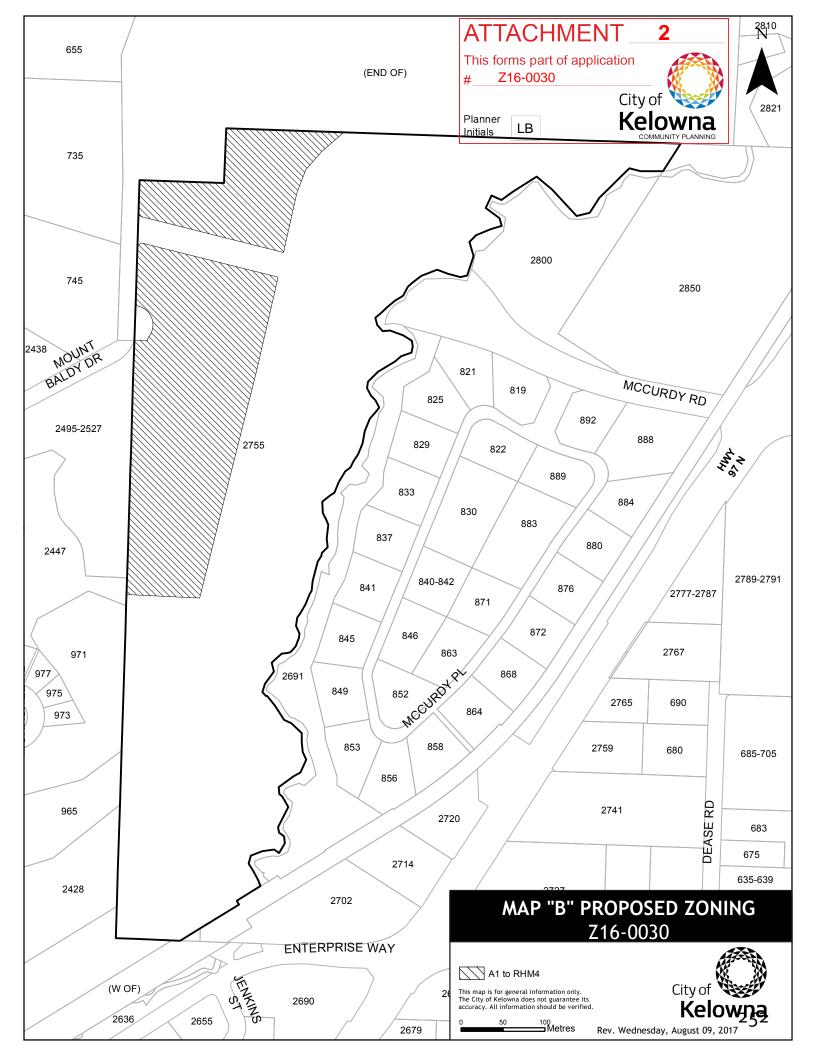
Attachment 3: Schedule "A" Development Engineering Memorandum Attachment 4: Schedule "B" Parks & Buildings Planning Memorandum

Attachment 5: Zoning Bylaw Text Amending Bylaw No. 10876

Attachment 6: Proposed Development Plan

Attachment 7: Public Information Meeting Report





This forms part of application # OCP16-0004 / Z16-0030 City of Planner Initials LB Kelowna Community Planning A This forms part of application # Z16-0030 City of

Kelown

CITY OF KELOWNA

MEMORANDUM

Date:

May 29, 2017

File No.:

Z16-0030

To:

Planning & Development Services (LB)

From:

Development Engineering Manager (PI)

Subject:

2755 McCurdy Rd.

A1 to RM3 & RM5

Planner

Initials

LB

The Development Engineering Department has the following comments and requirements associated with this rezoning application. The road and utility upgrading requirements outlined in this report will be a requirement of this development. The Development Engineering Technologist for this project is Ryan O'Sullivan

The Development Services Branch comments and requirements regarding this application to rezone the subject property from A1 to RM3 & RM5 are as follows:

1. General.

- a) Provide easements and Right of Ways as required.
- b) The property cannot be further developed until the extension of Mt Baldy Dr. Right of way and McCurdy Rd. road dedication has been completed.

2. Geotechnical Study.

A comprehensive Geotechnical Study is required, which is to be prepared by a Professional Engineer competent in the field of geotechnical engineering, the study is to address the following:

- Overall site suitability for the proposed development.
- Slope analysis (i.e. 0-10 %, 10-20 %, 20-30% and over 30 %).
- Presence of ground water and/or springs.
- Presence of fill areas.
- Presence of swelling clays.
- Presence of sulfates.
- Potential site erosion.
- Provide specific requirements for footings and foundation construction.
- Provide specific construction design sections for roads and utilities over and above the City's current construction standards

3. <u>Domestic water and fire protection.</u>

- (a) The property is located within the Black Mountain Irrigation District (BMID) service area. The water system must be capable of supplying domestic and fire flow demands of the project in accordance with the Subdivision, Development & Servicing Bylaw. The developer is responsible, if necessary, to arrange with BMID staff for any service improvements and the decommissioning of existing services. Only one water service will be permitted to a consolidated lot.
- (b) A water meter is mandatory for each property and must be installed inside the building on the water service inlet as required by the City Plumbing Regulation and Water Regulation bylaws. The developer or building contractor must purchase the meter from the City at the time of application for a building permit from the Inspection Services Department, and prepare the meter setter at his cost. Boulevard landscaping, complete with underground irrigation system, must be integrated with the on-site irrigation system.
- (c) Boulevard landscape irrigation system, must be integrated with the on-site irrigation system.

4. Sanitary Sewer.

- a) The developer's consulting civil engineer will determine sanitary sizing and design for this development. Depending on Sizing Developer to tie into new Manhole at the intersection of McCurdy and Hwy 97.
- b) New 200mm PVC main to be extended to MT Baldy Dr. and Future McCurdy Rd intersection. In exchange for the works at McCurdy Rd. and Hwy 97 Sanitary works installed by City of Kelowna.
- c) Perform a downstream capacity analysis of the City's Sanitary Sewer system based on the proposed development unit count.

5. Drainage.

a) The developer is to provide an overall Storm Water Management Plan for the entire parent parcel of land which meets the requirements of the City Subdivision Development and Servicing Bylaw 7900. The overall Storm Water Management Plan sets the maximum storm release rate for the subject property and the development of the property will require a Storm Water Management Plan that will respect the maximum release rates.

6. Power and Telecommunication Services.

The services to this development are to be installed underground. It is the developer's responsibility to make a servicing application to the respective utility companies. The utility companies are then required to obtain the city's approval before commencing their works.

7. Street lights.

Street lights must be installed on all fronting roads as per bylaw requirements. Design drawings to include level of illumination plan.

8. <u>Development Permit and Site Related Issues</u>

- a) Direct the roof drains into on-site rock pits or splash pads.
- b) An MSU standard size vehicle must be able to manoeuvre onto and off the site without requiring a reverse movement onto public roadways. If the development plan intends to accommodate larger vehicles movements should also be illustrated on the site plan.
- c) The access to this site must be from Mt Baldy Dr. and not McCurdy Road.
- d) A restrictive covenant will be placed on title as a condition of rezoning that says anything more than the 154 units will require a TIA for this development.

9. Road improvements.

- (a) Mt Baldy Drive must be upgraded and extended with road dedication and constructed to SS-R12 urban standard along the full frontage of this proposed development, including curb and gutter, sidewalk, drainage system including catch basins, manholes and pavement removal and replacement and re-location or adjustment of utility appurtenances if required to accommodate the upgrading construction.
- (b) The future McCurdy Rd. Right of Way must be dedicated to road right of way and one-time cash payment in lieu of construction must be collected from the applicant for future construction by the City. The cash-in-lieu amount is determined based on developer's civil engineer and to be approved by Development Engineering Manager not including utility service cost.
- (c) Upgrades to McCurdy Rd. fronting this development will be deferred. Therefore, cashin-lieu of immediate construction is required and the City will initiate the work later, on its own construction schedule. Developer will provide Cash-in-lieu based on a stage 1 SS-R9 urban standard along the full frontage of this proposed development, including curb and gutter, medians, sidewalk, drainage system including catch basins, manholes and utility appurtenances if required to accommodate the upgrading construction.
- (d) The future access roads Right of Way must be dedicated to road right of way and be constructed to SS-R4 urban standard along the full frontage of this proposed development, including curb and gutter, sidewalk, drainage system including catch basins, manholes and pavement removal and replacement and re-location or adjustment of utility appurtenances if required to accommodate the upgrading construction. A SS-R17 cul-de-sac must be constructed on any access road end.
- (e) Both emergency access roads must be constructed to SS_R2 standards. Emergency access must be provided from both Cul-de-sacs. Possible north Cul-de-sac to existing McCurdy Rd. with this work involves crossing of Mill Creek and a MOE section 9 approval is required.

10. Road Dedication and Subdivision Requirements

- (a) Grant Statutory Rights of Way if required for utility services.
- (b) Dedicated full 20m right of way for Mt Baldy Dr. extension.
- (c) Dedicate full 30m right of way for McCurdy Rd
- (d) Dedicate full 15m right of way for all access roads

- (e) Emergency access road must be constructed SS_R2 standards from both bulbs.
- (f) If any road dedication or closure affects lands encumbered by a Utility right-of-way (such as Hydro, TELUS, Gas, etc.) please obtain the approval of the utility. Any works required by the utility as a consequence of the road dedication or closure must be incorporated in the construction drawings submitted to the City's Development Manager.

11. Survey Monuments and Iron Pins

If any legal survey monuments or property iron pins are removed or disturbed during construction, the developer will be invoiced a flat sum of \$1,200.00 per incident to cover the cost of replacement and legal registration. Security bonding will not be released until restitution is made.

12. <u>Design and Construction</u>

- a) Design, construction supervision and inspection of all off-site civil works and site servicing performed by a Consulting Civil Engineer and all such work is subject to the approval of the City Engineer. Drawings must conform to City standards and requirements.
- b) Engineering drawing submissions are to be in accordance with the City's "Engineering Drawing Submission Requirements" Policy. Please note the number of sets and drawings required for submissions.
- c) Quality Control and Assurance Plans must be provided in accordance with the Subdivision, Development & Servicing Bylaw No. 7900 (refer to Part 5 and Schedule 3).
- d) A "Consulting Engineering Confirmation Letter" (City document 'C') must be completed prior to submission of any designs.
- e) Before any construction related to the requirements of this subdivision application commences, design drawings prepared by a professional engineer must be submitted to the City's Works & Utilities Department. The design drawings must first be "Issued for Construction" by the City Engineer. On examination of design drawings, it may be determined that rights-of-way are required for current or future needs.

13. Servicing Agreements for Works and Services

- a) A Servicing Agreement is required for all works and services on City lands in accordance with the Subdivision, Development & Servicing Bylaw No. 7900. The applicant's Engineer, prior to preparation of Servicing Agreements, must provide adequate drawings or reports and estimates for the required works. The Servicing Agreement must be in the form as described in Schedule 2 of the bylaw.
- b) Part 3, "Security for Works and Services", of the Bylaw, describes the Bonding and Insurance requirements of the Owner. The liability limit is not to be less than \$5,000,000 and the City is to be named on the insurance policy as an additional insured.

\$5,000,000 and the City is to be named on the insurance policy as an additional insured.

14. Other Engineering Comments

- (a) Provide all necessary Statutory Rights-of-Way for any utility corridors required, including those on proposed or existing City Lands.
- (b) If any road dedication affects lands encumbered by a Utility right-of-way (such as Terasen, etc.) please obtain the approval of the utility prior to application for final subdivision approval. Any works required by the utility as a consequence of the road dedication must be incorporated in the construction drawings submitted to the City's Development Manager.

15. Electric Power and Telecommunication Services

The electrical and telecommunication services to this building must be installed in an underground duct system, and the building must be connected by an underground service. It is the developer's responsibility to make a servicing application with the respective electric power, telephone and cable transmission companies to arrange for these services, which would be at the applicant's cost.

16. Development Permit and Site Related Issues

- (a) Access and Manoeuvrability
 - (i) An MSU standard size vehicle must be able to manoeuvre onto and off the site without requiring a reverse movement onto public roadways.
 - (ii) Indicate on the site, the locations of loading bays as well as the garbage and recycle bins.

17. Administration Charge

An administration charge will be assessed for processing of this application, review and approval of engineering designs and construction inspection. The administration charge is calculated as (3.5% of Total Off-Site Construction Cost plus GST).

Steve Muenz, P. Eng.

Development Engineering Manager

'RO

Planner

Initials

LB

CITY OF KELOWNA MEMORANDUM

Date: June 28th, 2017

File No.: Z16-0030 – OCP11-0011

To: Suburban and Rural Planning (LB)

From: Park and Landscape Planner (LC)

Subject: 2755 McCurdy Road – Terreno Development - Lot A, plan KAP83361, District

Lots 124 and 415 except plan KAP83915, and closed road shown on plan

KAP District Lot 124 ODYD.

Infrastructure Planning, Parks Planning, comments and requirements regarding this rezoning application:

1. Parks & Public Places Requirements.

- a) The applicant will transfer the land area called 'Parkland Dedication' of ~6.59 ha to the City for park objectives as shown on the applicant's Development Area plan L0-3; the land shall be transferred to the City under the existing A1 zone. The applicant will transfer the land area called 'Potential Parkland' of ~7.45 ha to the City as natural area, as it is undevelopable due to its steep topography. Alternatively, the land area called 'Potential Parkland' must be placed under a no-build/no-disturb covenant.
- b) The land transferred to the City shall be kept in a natural, undisturbed condition except where approved by the City. Natural, undisturbed condition means no damage to natural vegetation; no regrading; no material and construction storage; and/or no contractor equipment parking. In order to minimize impacts of adjacent development activity these no disturb areas should be delineated with temporary fencing as per page 20 of the Parkland Acquisition Guidelines which can be found at:

https://www.kelowna.ca/sites/files/1/docs/parks-rec/2010 parkland acquisition guidelines.pdf

c) While trail construction by the developer will not be a requirement, the applicant will be required prove out a trail connection between the existing Dilworth Mountain Park in the west, to the existing gas ROW in the east. The trail must be to City of Kelowna Class 6 trail standards, (see page 14 of the Linear Parks Master Plan https://www.kelowna.ca/sites/files/1/docs/parks-rec/2009-11-18 linear parks master plan-web.pdf), without the construction of any structures (steps, staircases etc.). The preferred trail alignment will run parallel to the existing contour lines as much as possible but it may be necessary to include some switchbacks

- d) Any publicly accessible trails within the development area will be required to be placed under a statutory ROW. Signage installed to be per City of Kelowna standard.
- e) The applicant will be required to obtain an RPF, or recognized equivalent, to develop and implement a plan to reduce potential wildfire hazards. The plan will address fuel reduction, forest health and the protection of significant characteristics of the forested area. The plan and work will be reviewed and approved by the City prior to undertaking any work. All approved recommendations of the RPF's report shall be implemented prior to transfer in ownership of the lands to the City of Kelowna.

The site may potentially include hazardous trees as determined by a registered professional forester (RFP) or recognized equivalent. Removal of hazardous trees to ensure adequate public safety must be conducted by the developer. All tree removals need to be identified in the Development Permit Application.

Note: access to natural area parkland for City of Kelowna maintenance operations to be planned for during site subdivision.

- f) The owner will be required to delineate the private property lines adjacent to public lands. The treatment and details will be reviewed by the City as part of the Development Permit Application.
- g) Buildings must be set back 10 metres from steep slope edges per City of Kelowna Wildfire Interface Area Guidelines (2030 Official Community Plan)
- h) All disturbed slopes that are not "landscaped" will be seeded with an appropriate native grassland seed mix to prevent establishment of noxious weeds. Developer to contact Parks Services to determine an appropriate seed mix. If the first application is not successful, the applicant must be prepared to re-seed several times until a grass cover is established.
- i) A 'Hazardous Conditions Development Permit' and 'Environmental Development Permit' will be required with consideration given to rock fall, environmental fencing, and protection against invasive species and erosion during and after construction.

ATTACHMENT 5 This forms part of application # OCP16-0004 / Z16-0030 City of Planner Initials LB Kelowna COMMUNITY PLANNING

CITY OF KELOWNA BYLAW NO. 10876

Text Amendment No. TA11-0010-Amendment to the City of Kelowna Zoning Bylaw No. 8000 - RHM4 - Hillside Cluster Multiple Housing Zone

The Municipal Council of the City of Kelowna, in open meeting assembled, enacts that the City of Kelowna Zoning Bylaw No. 8000 be amended as follows:

- 1. THAT **Table of Contents, Section 13: Urban Residential Zones** be amended by adding in the following in its appropriate location:
 - "13.17 RHM4 Hillside Cluster Multiple Housing"
- 2. AND THAT Section 1 General Administration, 1.3 Zoning Map, 1.3.1 be amended by adding in its appropriate location the following:

RHM4 Hillside Cluster Multiple Housing

- 3. AND THAT Section 13 Urban Residential Zones be ameneded by adding in a new Section 13.17 RHM4 Hillside Cluster Multiple Housing Zone as attached too and forming part of this bylaw as Schedule "A";
- 4. This bylaw may be cited for all purposes as "Bylaw No. 10876, being TA11-0010 RHM4 Hillside Cluster Multiple Housing Zone to Zoning Bylaw No. 8000".
- 5. This bylaw shall come into full force and effect and is binding on all persons as and from the date of adoption.

Read a first, second and third time by the Municipal Council this 14th day of July, 2014.

Adopted by the Municipal Council of the City of Kelowna this

Mayor
 City Clerk

13.17 RHM4 - Hillside Cluster Multiple Housing

13.17.1 Purpose

To provide a zone for comprehensively planned clusters of low rise, low density apartment housing with urban services, typically in a strata format. The express goal is to minimize the impacts of development on the natural environment, topography, open space, and visual character of Kelowna. Site wide density including areas of voluntary dedication and protection is to be generally consistent with Multiple Unit Residential (Low Density) Official Community Plan future land use designation; however, the form and character of development may include low density apartment housing.

13.17.2 Definitions

Despite conflicting definitions found elsewhere in this bylaw, the following definitions shall apply for the purposes of interpreting the regulations of this zone:

HEIGHT means, with respect to a building, the maximum vertical distance above a straight line drawn between the lowest corner of the front of the approved Building Envelope Covenant and the lowest corner of the rear of the approved Building Enveloped Covenant measured to the highest point of the structure of a non-sloping roof, or the mid-point of a sloping roof, excluding those structures identified in Section 6.6.1 of this bylaw.

13.17.3 Principal Uses

- (a) multiple dwelling housing
- (b) boarding or lodging housing
- (c) congregate housing
- (d) group home, major
- (e) supportive housing

13.17.4 Secondary Uses

- (a) agriculture, urban
- (b) care centres, major
- (c) home based businesses, minor
- (d) community recreation services

13.17.5 Buildings and Structures Permitted

- (a) apartment housing
- (b) row housing
- (c) stacked row housing
- (d) permitted accessory buildings and structures

13.17.6 Subdivision Regulations

- (a) The minimum site width is 30.0 m.
- (b) The minimum **site depth** is 30.0 m.
- (c) The minimum site area is 5000 m^2 .

13.17.7 Development Regulations

(a) The maximum floor area ratio is 0.5. Maximum density may be calculated using the original site area, but is dependent on the protection (dedicated or covenanted) of environmentally sensitive features, hazardous condition areas (including slopes greater than 30%), and visually significant features. It is possible that the maximum density may not be achievable on the resulting developable areas.

Where at least 75% parking spaces are provided totally beneath habitable space of a principal building, beneath useable common amenity areas, or in a garage/carport providing that in all cases, the parking spaces are screened from public view, the floor area ratio may be increased by 0.05.

- (b) The maximum site coverage is 50% and together with the areas of driveways and parking areas shall not exceed 60%. Those areas dedicated, covenanted or otherwise protected may not be used in calculating site coverage.
- (c) The minimum site front yard is 3.0m except that it is 4.5m, measured from the back of curb or sidewalk, whichever is closest, for any part of a building over the lesser of 7.5m or 2 storeys.
- (d) The minimum site side yard is 4.5m, except that it is 6.0m for any part of a building over the lesser of 7.5m or 2 storeys.
- (e) The minimum site rear yard is 7.5m, except that it is 9.0 m for any part of a building over the lesser of 7.5m or 2 storeys.
- (f) Dwellings or groups of dwellings must be separated by a minimum of 4.5 m. Vehicle parking or storage is not permitted in this area.
- (g) Accessory buildings and structures shall be set back 1.5m from any lot line, and shall be a minimum of 4.5m from any principal residential building.

13.17.8 Building Form and Massing

- (a) For **apartment housing**, the following Building Form and Massing regulations shall apply, with the intent of providing a flexible approach to building height while improving building articulation standards:
 - i. The maximum height is 13.0m. Where a principal building is located entirely on a natural bench having a natural grade of less than 20%, the maximum height is the lesser of 13.0m or 3 storeys. See Diagram 13.9.

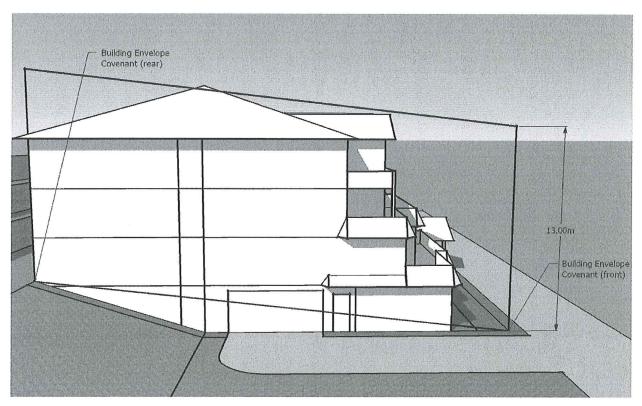


Diagram 13.9: 13m Maximum Height As Measured From Straight Line Between Building Envelope Points

ii. The maximum height of any vertical wall element facing down-slope is the lesser of 7.5m or 2 storeys, above which the down-slope building face must be stepped back by a minimum average cumulative depth of 6.0m. Where a principal building is located entirely on a natural bench having a natural grade of less than 20%, no down-slope step back is required. See Diagram 13.10.

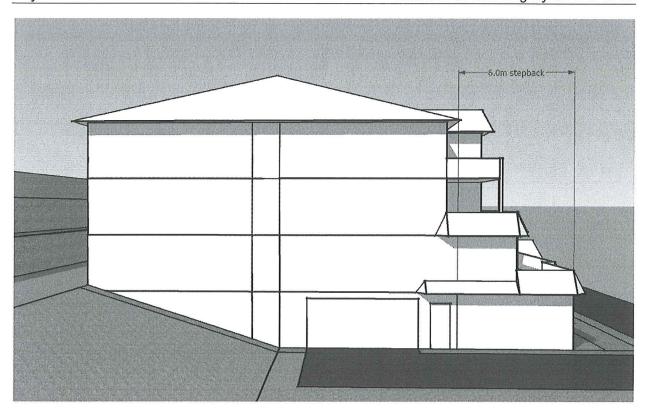


Diagram 13.10: Downslope Building Articulation

- (b) For **row housing** or **stacked row housing**, the following Building Form and Massing regulations shall apply:
 - i. The maximum height is 9.5m, except it is 4.5m for accessory buildings. See Diagram 13.11.

Diagram 13.11: 9.5m Maximum Height As Measured From Straight Line Between Building Envelope Points

ii. The maximum height of any vertical wall element facing a front yard, rear yard or flanking street (including walkout basements) is the lesser of 7.5 m or 2 storeys above which the building face must be stepped back a minimum of 2.1 m. A maximum of 30% of the length of the building elevation may exceed 7.5 m in height to a maximum of 9.5m, provided that a deck and roof structure projecting a minimum of 3.0 m from the face of the wall breaks up the wall face. No wall face directly above or below the deck and roof structure may exceed 5.0m in height. See Diagram 13.12.

Diagram 13.12: Downslope Building Articulation

iii. All decks (including the supporting posts or columns) shall not exceed 4.5 m or 1 storey in height inclusive of any support structure or retaining wall (within a horizontal distance of 1.2 m). Height will be

- measured from the grade at the base of the deck, post, or column to the highest point of the deck, exclusive of railings.
- iv. No horizontal wall face may exceed 7.5 m in length after which the wall face must be staggered or offset by a minimum of 0.45 m in a side yard, and by 1.2 m in a front yard, rear yard, or flanking street. See Diagram 13.12.
- v. A maximum of 6 ground oriented dwelling units per building is permitted.

13.17.9 Other Regulations

- (a) A minimum area of 7.5 m² of private open space shall be provided per bachelor dwelling, congregate housing bedroom or group home bedroom, 15.0 m² of private open space shall be provided per 1 bedroom dwelling, and 25.0 m² of private open space shall be provided per dwelling with more than 1 bedroom. Despite Section 2.3.3, private open space may also include recreational trails and natural areas directly accessible by residents.
- (b) No continuous building frontage shall exceed 40.0 m for a building 3 storeys or greater, or 65.0m for a 2 storey building. An accessory building containing recreational amenities for the use of all residents shall conform to the setback requirements for principal buildings.
- (c) In addition to the regulations listed above, other regulations may apply. These include the general development regulations of Section 6 (accessory development, yards, projections into yards, lighting, stream protection, etc.), the landscaping and fencing provisions of Section 7, the parking and loading regulations of Section 8, and the specific use regulations of Section 9.

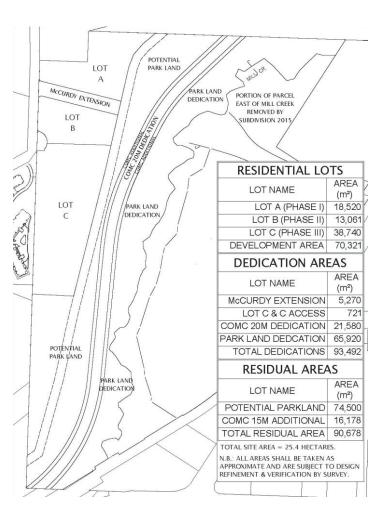
REZONING & OCP AMENDMENT

PURPOSE

Prodev Limited Partnership and 1378310 Alberta Ltd. wish to develop 153 townhouse and apartment units on lands located in the Glenmore/Clifton/Dilworth Sector of Kelowna between Mill Creek and Mount Baldy Drive. The proposed development would generally be bordered by existing residential development to the west, the Fortis Gas right-of-way to the east, agricultural land to the north and potential park land to the south. The site falls within the Permanent Growth Boundary and lies immediately adjacent to the Core Area as defined by the 2030 Official Community Plan.

The proposed development area constitutes 7.0 hectares of land within an overall property of 25.4 hectares.

The proposed development area constitutes 7.0 hectares of land within an overall property of 25.4 hectares. Of the remaining portions, a thirty-five meter wide right-of-way would be dedicated to the City of Kelowna for the construction of the proposed COMC arterial. This dedication would be under the terms of an existing covenant. In addition, lands lying between the abovementioned right-of-way and Mill Creek would be dedicated to the City of Kelowna as park land. This would also be done under the terms of an existing covenant. An additional portion of the property lying between the proposed lots A and B and extending from the Fortis rightof-way to Mt. Baldy Drive would



PRODEV LIMITED PARTNERSHIP & 1378310 ALBERTA LTD.



The proposed development would contain 153 apartment and townhouse units...

be dedicated to provide a road reserve for future extension of McCurdy Road to connect with Mount Baldy Road. Remaining portions of the site, located between the COMC right-of-way and the proposed development area, would be the subject of discussions with the City of Kelowna with the potential for the sale of this remainder to supplement the park land already slated for dedication.

The proposed development would contain 153 apartment and townhouse units divided between three lots. A 45 unit apartment building and 9 townhouses would be sited in Lot A, located on the portion of the site north of the proposed McCurdy Road reserve. Immediately south of this proposed reserve would be Lot B, a parcel with a single 24 unit apartment building. South of this would be Lot C, composed of



two apartment buildings of 27 and 18 units sharing a parking structure on the knoll, and a 30 unit townhouse development on land to the south.



Each development lot will be zoned RHM4. Lands outside the development area would retain the current A1 zoning with the exception of the proposed parkland which would be designated P3.

The residual lands totaling 18.4 ha will remain in Agriculture A1 and Parkland zoning.

Where practical within each lot, portions of the site will be set aside as natural open space. These will either be lands preserved in their natural condition or restored to resemble that condition. The result will be that significant portion of the 7.0 hectare development area would remain as natural open space. These open space areas would be located predominantly on slopes facing the City core and be contiguous with the undeveloped residual lands.

FUTURE LAND CONSIDERATIONS

The Lands that are the subject of this application currently comprise a single title in fee simple private ownership. A copy of the Certificate of Title is enclosed.

Proposed Subdivision

The development proposed contemplates subdivision and creation of three development parcels totaling 7.0 ha with rezoning suitable for strata residential development. The remaining lands totaling 18.4 ha will remain in Agriculture A1 and Parkland zoning.

These remaining lands are subject to two Covenants in favor the City of Kelowna:

Covenant LB105210 – Highway Reservation Agreement: The City of Kelowna shall be entitled to dedication of a highway corridor for the Central Okanagan Bypass of thirty five (35) meters in width (estimated to be 2.16 ha) to be conveyed at the City's request. Compensation of \$10.76 per square meter shall be paid to the land owner for the highway area within the reserve in excess of twenty (20) meters in width.



Easements over these newly created public lands permitting recreational usage and storm water drainage for the proposed development are requested.

Covenant LB105212 – Park Reserve: The City of Kelowna shall be entitled to the dedication of the Park Reserve in the area between Mill Creek and the road dedication for the Central Okanagan Bypass. Based on the proposed highway location the Park Reserve area is estimated to be 7.4 ha.

After deducting the areas identified in the two Covenants, the residual A1 land area will be approximately 7.5 ha. It is proposed that these lands be acquired by the City of Kelowna at fair market value, or for other considerations amenable to both the Owners and the City, and be combined with the Covenant areas and lands set asside for access right-of-ways to create a city owned public



amenity/transportation area of 18.4 ha. Easements over these newly created public lands permitting recreational usage and storm water drainage for the proposed development are requested.

The lands referred to in this section are illustrated in the figure on page one of this section.

Mt. Baldy Right of Way Acquisition

The Mt. Baldy Drive right-of-way required to service this development contemplates the acquisition of additional lands from two adjoining landowners. Approximately 529 square meters will be acquired from the owner of Plan 35886, Lot 4 and approximately 4,859 square



meters will be acquired from the owner of Plan 36774, Lot A. Agreements to purchase will be finalized with each owner upon receipt of COK land use approval and prior to subdivision application.

DIRECT COMMUNITY BENEFITS

Traffic impacts are anticipated to be minimal

The public benefits offered by this development proposal are described below:

Transportation

The proposed development secures for the City of Kelowna a right-of-way and a road reserve necessary to the extension of the civic road network. A 35-meter-wide right-of-way for the proposed COMC will be dedicated as per Covenant LB105210 cited above. Land falling between Lots A and B will be dedicated as a road reserve for the extension of McCurdy Road. Land will be dedicated at the western junction of Lots B and C to create a right-of-way for access. Lands outside the site will be purchased and dedicated for the extension of Mount

Baldy Drive. Traffic impacts are anticipated to be minimal and COK Transportation and Engineering have advised that a Traffic Impact Assessment is not required at this time.

Park Dedication

The proposed development will result in 6.6 hectares of land being transferred to the City for

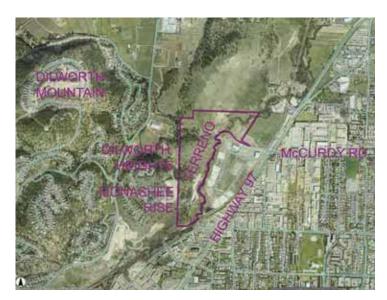




use as park. An additional 7.5 hectares would be offered to the City for purchase. This represents a potential 14.1 hectare increase in City park land that would not only provide a contiguous link with the existing park network on Dilworth Mountain but would connect that park system to the riparian areas of Mill Creek, preserving the highly visible slopes above Mill Creek as a both a public amenity and a habit.

SITE & CONTEXT

The site is currently in a largely undeveloped state, characterized by a central knoll and slopes that descend to Mill Creek. There is limited tree cover on the slopes, with the majority of the site being covered by grassland. The banks and lands immediately adjacent to Mill Creek are heavily vegetated.



The Dilworth Heights, an

apartment building development composed of four three storey structures, and Monashee Rise, a duplex development, are immediately west of the site. These developments are zoned RM4 and RM3 respectively. A single family home, on a lot under A1 zoning, is located west of the proposed Mount Baldy Road extension. Lands to the north are undeveloped with an A1 zoning. To the east, beyond Mill Creek, and to the south are lands with various commercial and industrial zones.



The site falls within the Permanent Growth

Boundary.



OCP & Planning Context



Current Generalized Future Land Use Map

The site falls within the Permanent Growth Boundary and lies immediately adjacent to the Core Area as defined by the 2030 Official Community Plan. It is located within the Glenmore-Clifton-Dilworth sector. The proposed design assists the City in realizing several objectives outlined in the OCP. Among these is the creation of a linear park along the west side of Mill Creek, complementing existing parkland on the east side (OCP table 5.1). The land to be dedicated is well in excess of the 10 meters wide corridor prescribed in 5.14.2 and has the potential to be supplemented by a connection to



The
development
also addresses
appropriate
sections of the
OCP Residential
Land Use
Policies.

the park lands above on Dilworth Mountain. In addition to the park land dedication, land will also be dedicated to meet the requirements for road reserves as prescribed under the same section. This will allow the City to improve road connectivity and efficiency in the area.

The development also addresses appropriate sections of the OCP Residential Land Use Policies. In areas of challenging topography, the built form will either be cluster housing (Lots A and C) or apartment housing (Lots A, B and C) which allows for preservation of slopes and sensitive areas in accordance with 5.22.1. Further, structures and roadways will be placed to ensure that, in addition to those areas dedicated for park, significant portions of each lot will be preserved as contiguous open space. As a consequence, the majority of the property will retain its existing character at the end of the development cycle.

The proposed extension of the McCurdy Road, to be undertaken by the City and facilitated by the dedication of the necessary road reserve would provide a direct link between the site and the City core. In addition the dedication of the COMC right-of-way respects the City's long term transportation goals.

The Terreno plan balances development with preservation, creating a community with an emphasis on retaining natural environment, connections to park amenities and access to trails. It is consistent with the objectives of the OCP and compatible with Kelowna's vision of the future.

Zoning

Currently the site is zoned as A1. It is anticipated that after subdivision, the portions of the site between the COMC right-of-way and the Mill Creek will become P3 area. The development areas would be divided into three parcels with RHM4 zoning. The remaining portions would remain as A1.



Environmental

The development areas would be divided into three parcels with RHM4 zoning.

While no development occurs without some disruption to the natural environment, every effort has been made to site proposed roads and structures so as to minimize site disturbance. In addition, proposed restoration areas and storm water management practices will serve to reinforce most valuable ecosystems on the site. Detention, controlled release and infiltration of storm water from the developed area will assist in maintaining water flows and ground water recharge in this area.

Above the riparian area, disturbed slope will be returned to the semblance of a natural condition and the landscaping adjacent to development will be sensitive to surrounding environment, respecting natural plant pallets and incorporating drought tolerant materials in keeping with City of Kelowna guidelines. The intention is to blend the built and the natural environment into a seamless whole.

Walking and Cycling

The development plan anticipates pedestrian connections between each development lot and well used trail running along the Fortis Gas right-of-way. It further anticipates the potential for the City to build a trail connecting the Fortis trail to the park network on Dilworth Mountain. This trail link would be located south of Lot C. This would increase both the utility and the number of users on the Fortis trail.

It should be noted that, although the trail on the Fortis Gas right-of-way is used by the general public as a recreational amenity, it is located on private property. This portion of the site is not part of the land dedications required by existing covenants.



Access to the trail on the Fortis right-of-way will be greatly improved by the proposed emergency access road connecting to the existing McCurdy stub. This will allow both pedestrians and cyclists to easy cross Mill Creek and enjoy the Dilworth highlands.

SITE PLANNING STRATEGY

The proposed development seeks to cluster structures and integrate them into the exiting land forms so as to minimize site disruption and preserve existing slopes. In order to minimize visual impact from the core area, the apartment buildings are located so as to be partially obscured by existing land forms from various angles. The use of natural colors and textures will allow the buildings to blend with their surroundings.

... development seeks to cluster structures and integrate them into the exiting land forms...





Major access to Lots B and C will be provided by an access road running west of the central knoll. This will hide it entirely from the City core area. The road access to Lot A will be similarly hidden by topography.

The following drawings represent design intent only but will be subject to adjustment and refinement.

LOT A - TOWNHOUSE / APARTMENT DEVELOPMENT



The Lot A occupies 1.85 hectares (4.57 acres) of land and contains a water channel along its southwestern edge. This site will contain one apartment building with 45 moderately sized apartments on its north portion and 9 townhouses south of a central access road connecting to an extension of Mount Baldy Road.



While the slope of the ground below the proposed townhouses is moderate, varying from 8 to 12 percent, the proposed location for the apartment building is steeper, approaching 29 percent in some areas. The steeper site conditions and an adjacent ridge to the east, allow the apartment building to be tucked back into the slope, reducing its visual impact when viewed from the core area below.



The townhouses will maintain appropriate clearances from the water channel to the southwest and preservation / restoration areas will be established in order to ensure the continued health of this feature.

The design of the buildings will emphasize articulated facades and natural colors. Buffer plantings and appropriate landscape treatments will provide filtered views of the development and connect it to the natural landscape.



The development would be provided with a pathway connection to the existing public trail on the Fortis gas right-of-way and connection through it to a variety of recreational opportunities including the Dilworth park system.

LOT B - LARGER SIZE APARTMENTS

The Lot B occupies 1.31 hectares (3.24 acres) of land between the knoll and the proposed McCurdy Road extension. A 24 unit building with larger, quality apartments is proposed for this site...think, "ranchers in the sky". Vehicular access would be from the proposed extension of Baldy Mountain Road.



This site has a general slope of less than 4:1, allowing for construction of the proposed building without the need for extensive retention works and allowing for the retention of natural grade



and tree stands to the east of the proposed building. This building will have an articulated facade well punctuated by decks and balconies.

Preserved tree stands to the east will mitigate views of this building from the City core. Proposed tree clusters along the north property line would mitigate views of this building from the proposed McCurdy Road extension. More formal tree plants along the entry drive would filter views from the existing, adjacent apartment buildings.

The development would be provided with a pathway connection to the existing public trail on the Fortis gas right-of-way and connection through it to a variety of recreational opportunities including the Dilworth park system. This walkway will also provide access to an outdoor seating and recreation area.

Lot C - KNOLL TOWNHOUSES

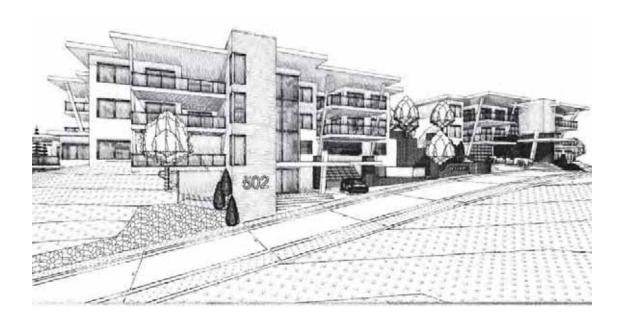
The Lot C occupies 3.87 hectares (9.56 acres) which encompasses both the highest and lowest proposed building sites in this development

Knoll Apartment Buildings

The knoll, located in the northern portion of Lot C, and centrally within the proposed development as a whole, will be the site of two apartment buildings which share a common parking structure. A 27 unit building will be located on the northwest portion of the knoll. An 18 unit building will be located on the southwest. The underground parking structure will be located on the west side. Access will be from a private road, also to the west.



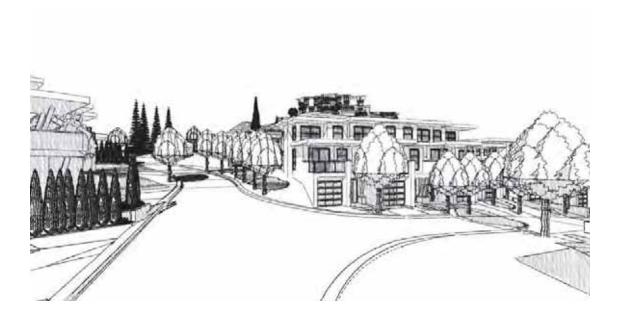
This configuration will leave the eastern slope of the knoll, which faces the City core, undisturbed by development. The geometry of the knoll itself will significantly limit the visibility of the apartments buildings from the core and make it impossible for the buildings to be viewed in their entirety form any surrounding property. In addition, the design of the buildings is slopeadaptive, allowing them to sink into the natural contours of the land.



The Vale Townhouses

To the south of the knoll is a natural bowl located immediately below the existing Dilworth Heights apartment development. This will be the site of 30 townhouse units arranged to take best advantage of the existing topography. Both uphill and downhill townhouse models will be used to create the best fit. Vehicular access would be from the north via a private road leading down from the Baldy Mountain Drive, the same road providing access to the knoll development.





The amenities would include a pathway link to the existing trail on the Fortis gas right-of-way. Through this connection, residents would have access to a variety of recreational opportunities including hiking and cycling.

CONCLUSION

Terreno completes the local patterns of development, provides necessary linkages and meets OCP objectives. The dedication of a future rights-of-way for the COMC, dedication of a road reserve for extension of McCurdy Road, and the purchase of land for the right-or-way for the Mount Baldy Road extension, will provide the City with greater connectivity in the road grid.

The proposed built areas of the site are complimentary to the adjacent housing and sited to minimize disruption. They allow the retention of the greatest amount of visible slope and provide the opportunity for the City to create a high value park. The dedication of park land,

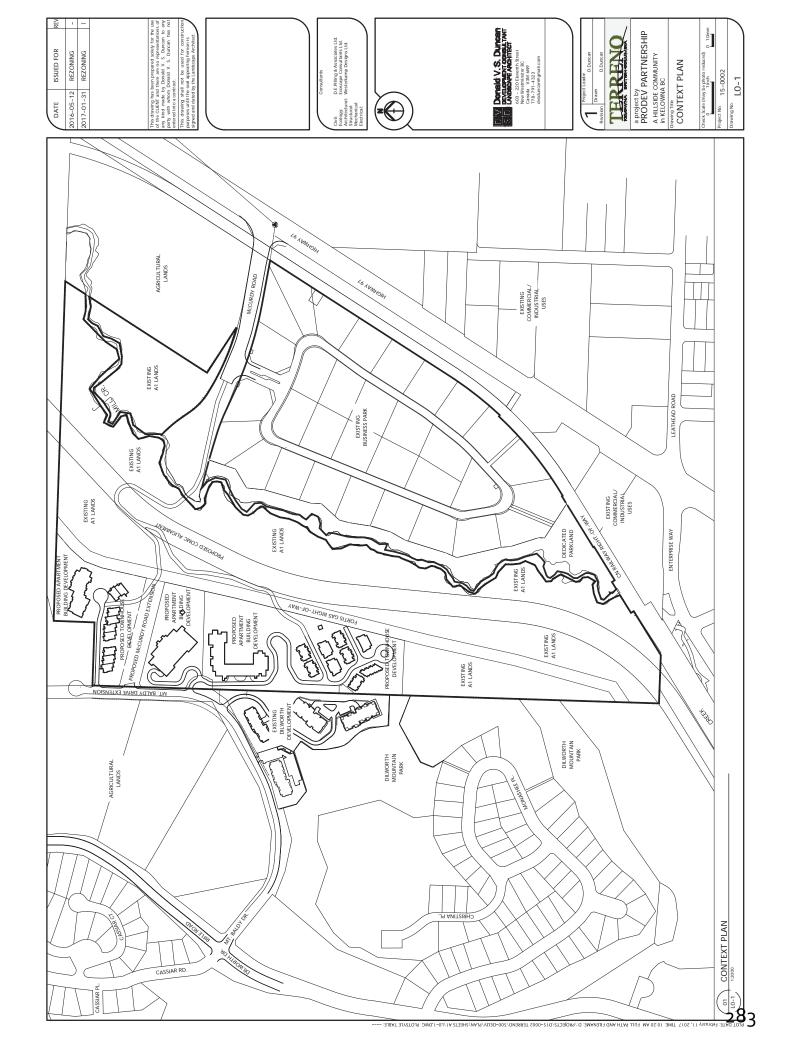


offer of additional land for sale as park assists in creating a contiguous park network extending from Mill Creek throughout Dilworth Mountain.

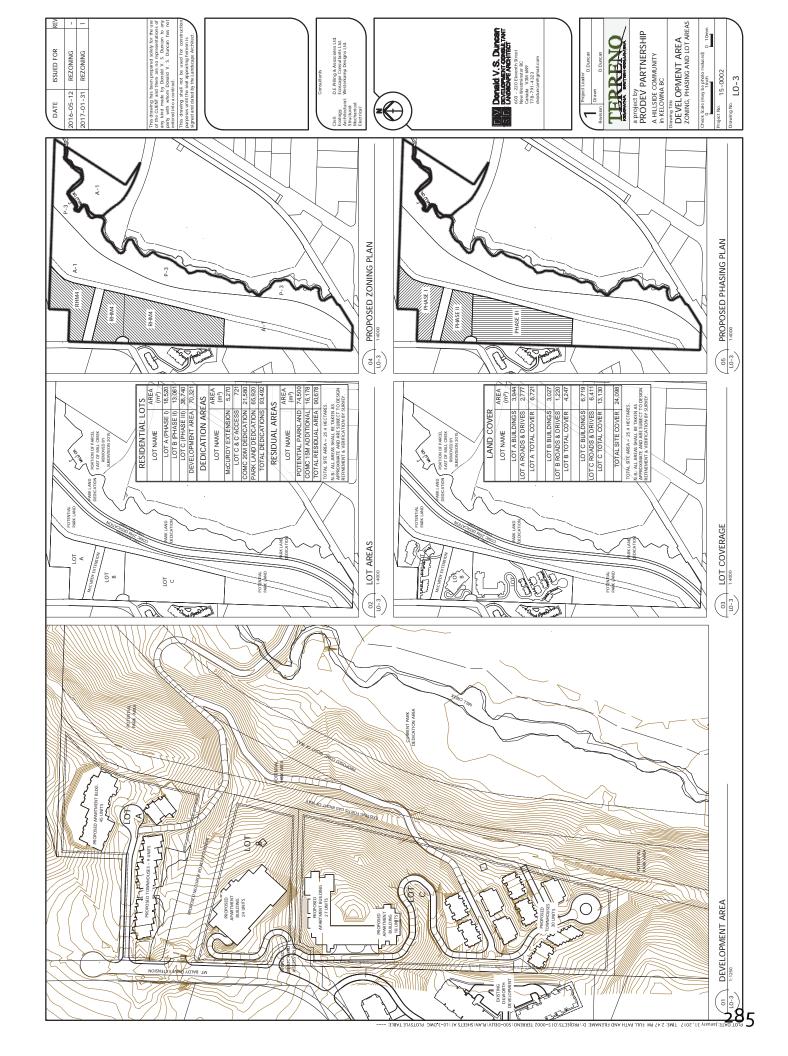
The anticipated built forms will be harmonious with their environment and sites so as to fit into the natural land forms. When complete, Terreno will define one edge of the Dilworth neighbourhood. It will create a gracious interface with the natural environment and continuity with the civic fabric beyond. It will also expand the Kelowna housing inventory and expand the civic tax base.

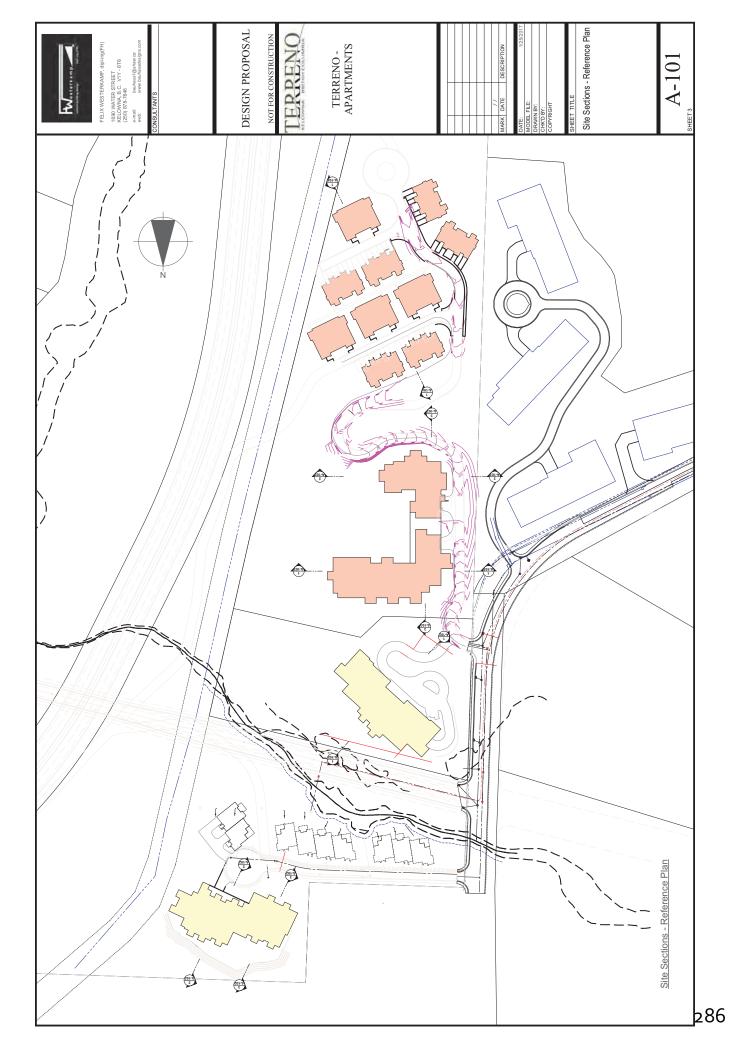
In combination, the issues highlighted above demonstrate the benefits this development accrues to the surrounding neighbourhood and the City as a whole. Terreno represents a gain for Kelowna and its residents, past and future.

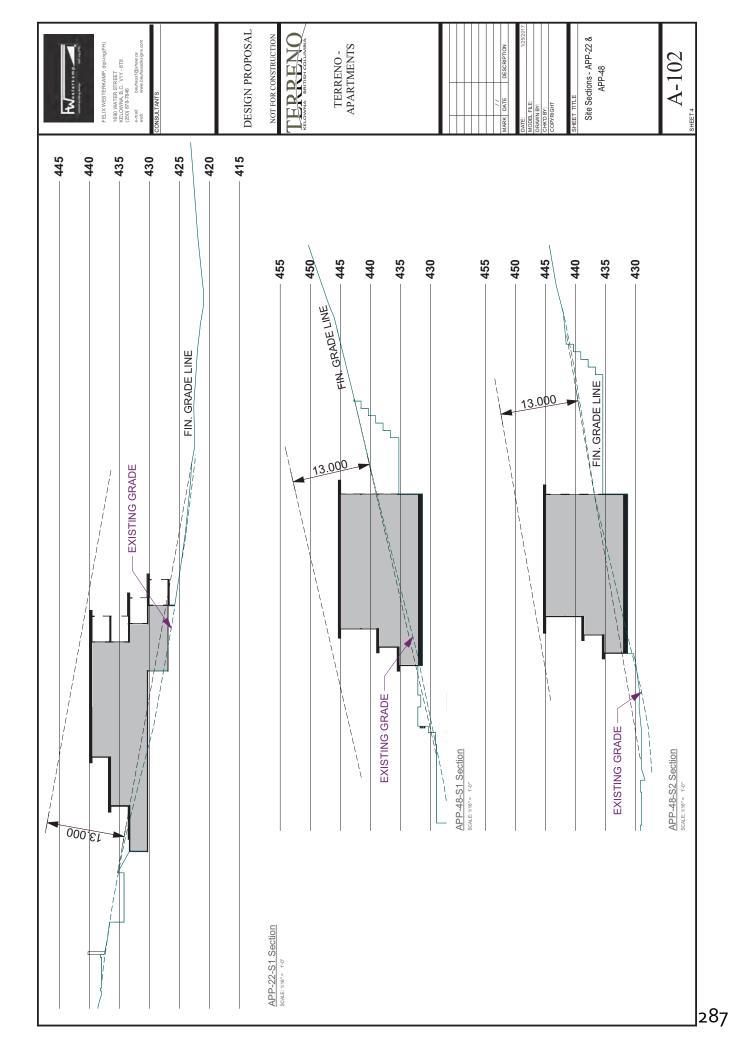


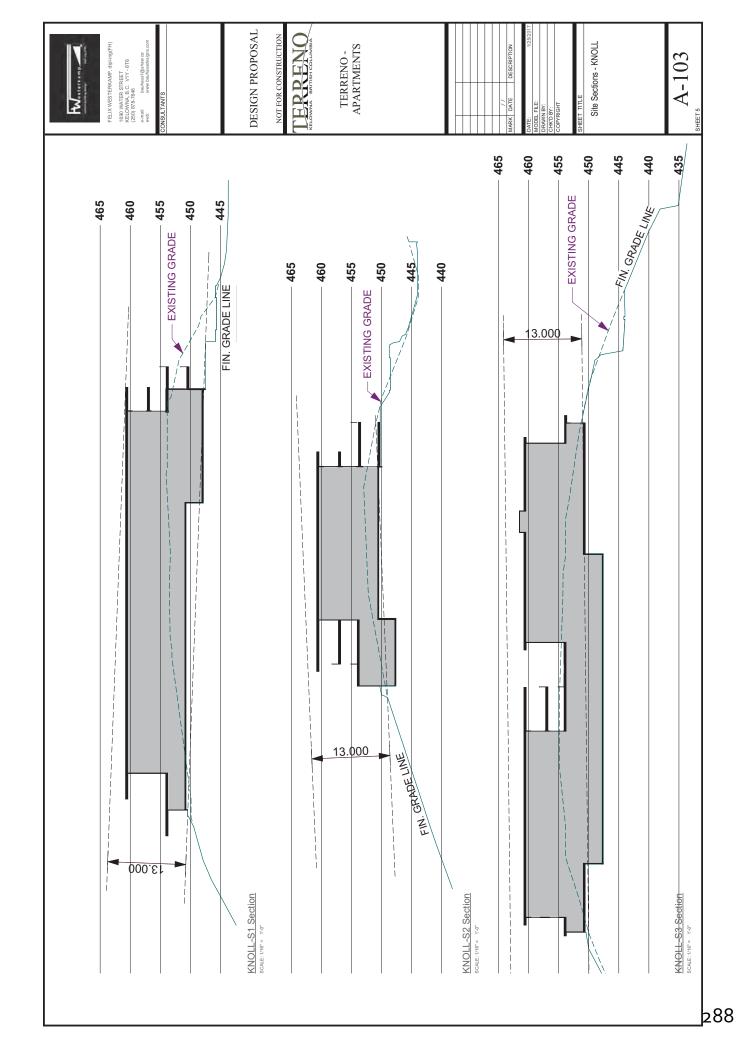


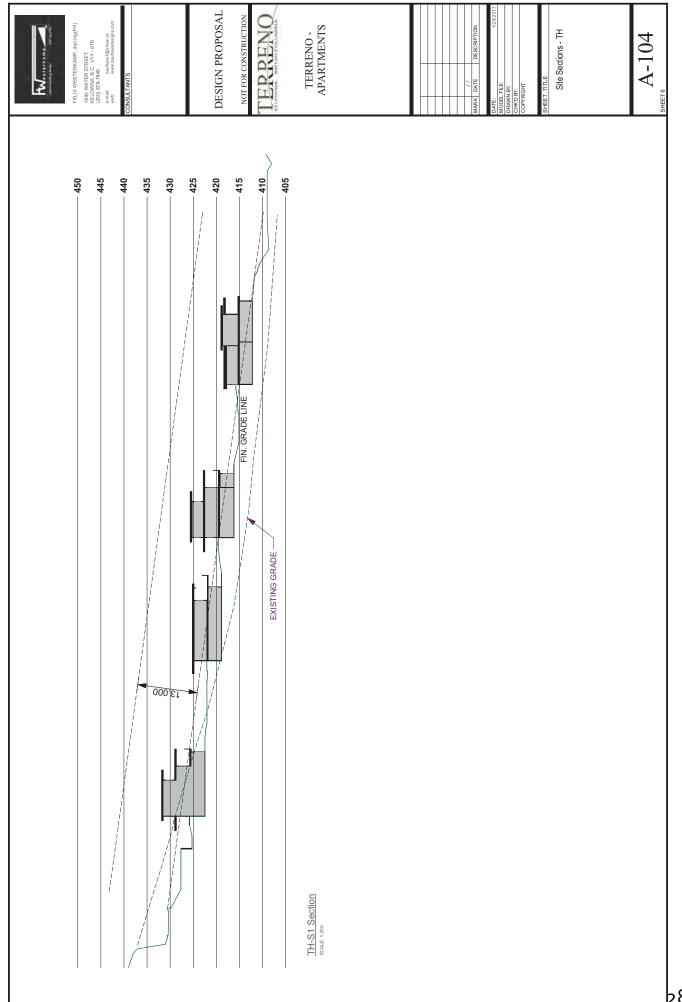


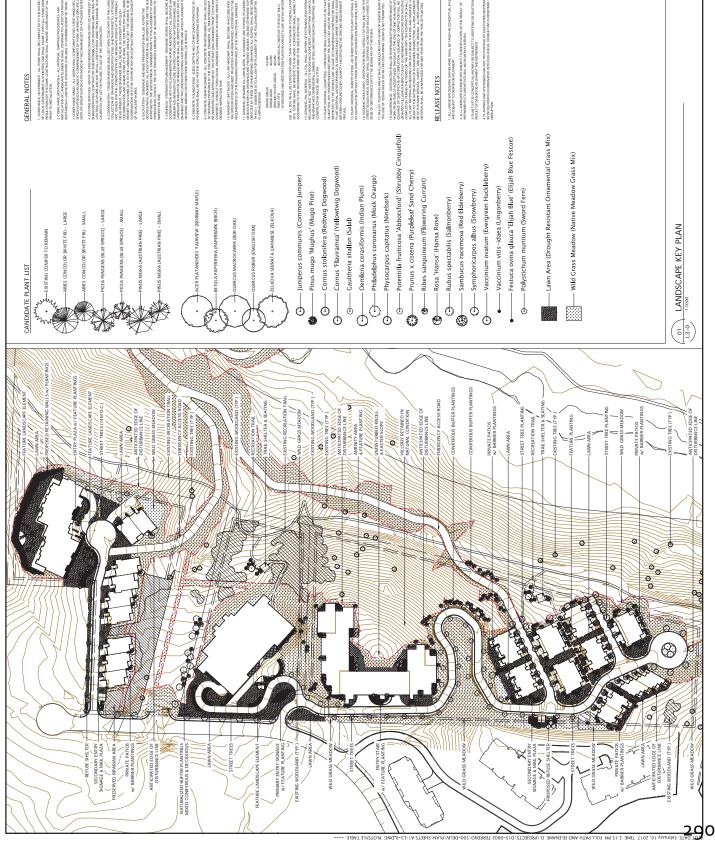












ISSUED FOR REZONING REZONING 2016-05-12 2017-01-31 DATE

PRELIMINARY FOR DISCUSSION ONLY



TERRENO

a project by PRODEV PARTNERSHIP A HILLSIDE COMMUNITY IN KELOWNA BC LANDSCAPE KEY PLAN AND GENERAL INFORMATION

15-0002

wing No. L3-0





Public Information Meeting Report

Context

The proposed TERRENO development site is located on the eastern slopes of Dilworth Mountain, descending and levelling out to Mill Creek at the east property line. The western extent of McCurdy Road terminates at the northern one-third of the site at Mill Creek. The site is bound to the east by an industrial park, to the west by residential low-rise apartment buildings, to the north by ALR land and future Mount Baldy park area and to the south by Highway 97.

A Development Proposal application to amend the OCP and rezone 27% of the property to low-density residential use was submitted to the City of Kelowna on February 14, 2017. On June 8, 2017, City planning staff confirmed the requirement for a Public Information Meeting prior to Council's first reading of the Bylaw.

(Note – Subsequent to the Public Information Session the Planning Department advised that First Reading of the Bylaw was scheduled for August 28, 2017 and Public Hearing and Second and Third reading of the Bylaw was scheduled for September 12, 2017).

Invitations and Distribution

On July 12, 2017, CSEK Creative coordinated the printing and mailing of 1,679 postcard invitations to households within Postal Codes V1X and V1V which overlapped the required 300 meter notification area. Appendix A shows both sides of the 4"x6" postcard that was confirmed delivered by Canada Post (Statement of Mailing # C158168086). Included on the postcards were the meeting location, time of meeting, purpose of meeting, and map showing the location of the subject site. Also, Appendix A shows the maps of the delivery areas in Kelowna's V1V and V1X postal code catchment area.

A personal invitation was sent by email to the General Manager of Development at Emil Anderson Construction, developers of the multi-family apartment buildings to the west of the subject site.

It should also be noted that two standard City of Kelowna Development Proposal signs were installed on July 21, 2017 alerting neighbours of the application.



Location

The meeting was held at the Kelowna Ramada Inn & Conference Centre located on Harvey Ave/Enterprise and Dilworth Drive. Given the lack of meeting space directly adjacent to the subject property, it was deemed reasonable to hold the meeting in an obvious and convenient location. The Ramada provided ample parking 3.5km from the subject site in a location readily passed by those traveling to and from downtown. If desired, the Ramada was also easily accessible by transit (#3 Bus).

Time and Duration

The Marshall West Public Information Meeting was officially scheduled between 5pm and 8pm on a Monday, July 31, 2017. Visitors arrived early and conversations with neighbors took place between approximately 445pm and 730pm. This window of time was deemed appropriate for capturing both the "after-work" and "after-dinner" crowds.

Displays and Information

Eight display boards on easels and on a large screen television visual images were shown in the meeting room of the Ramada to provide details of the development proposal application.

Attached are copies of the eight boards that were displayed provided the following information:

- 1. Site Location & Neighborhood Context
- 2. Site Conditions and Aerial Photography
- 3. The Plan site plan of proposed subdivision, buildings and roads
- 4. The Plan Lot A Showing 9 Townhouses and 45 Unit Condominium
- 5. The Plan Lot B Showing a single 24 Unit Condominium
- 6. The Plan Lot C Showing a 45 Unit Condominium built around the summit of the "knoll" and 30 Townhouse in the hollow to the south of the "knoll".
- 7. Parks, Trails, Parkland and Transportation Covenants
- 8. TERRENO Development Visualization photo-realistic rendering of development looking west from Hwy 97

The Applicant, Terrence Johnston from OPTUS Advisors Inc. and Peter Lacey from Prodev Limited Partnership, one of the land owners were present at the Public Meeting to answer questions and provide information about the displays and proposal.

A HILLSIDE COMMUNITY 2755 McCurdy Road

Visitors and Comments

Over the course of approximately 3.5hours, 15 neighbours of the subject site from 11 households attended the public

information meeting. A signed list of those in attendance is attached.

Of the 15 visitors, approximately 5 indicated concerns about increased traffic to Mt Baldy Drive. About 3 of these

individuals reside in Cassiar Meadows, a townhouse and apartment strata at 2425 Mt Baldy Drive on the southeast

corner of Dilworth Drive. Of particular concern was the safety of those turning south on Dilworth Drive from Mt Baldy

Drive. It was indicated that a Traffic Study had been completed previously and the owner's traffic consultant has

suggested reduction in speed limits and/or other traffic calming measure to mitigate potential hazards at that

intersection given this pre-existing condition. The City of Kelowna traffic engineering has requested that improvements

to the intersection be examined if future development exceeds the density proposed in this application. Several in

attendance suggested that a traffic circle be considered for the intersection.

Another 3 to 4 visitors asked questions about impacts to the existing trail network on the subject site. Concerns were

raised about impacts to connectivity and trail access. When it was explained that the rezoning process would

formalize trails currently on private property and enhance the trails and networks, all individuals appeared content and

even happy with the effect to the trials.

Beyond those visitors concerned with traffic issues, most indicated support for the development's aesthetics noted that

the planning was performed in a way that integrated well with the existing hillside.

The owners of the 2 ALR land parcels to the west of the subject property were unable to attend but in follow up

conversations they indicated support of the development proposal.

Submitted by:

Terrence Johnston

OPTUS ADVISORS INC.

Applicant

Date: August 8, 2017

APPENDIX A - INVITATIONS AND DISTRIBUTION

LOTB

APARTMEN'

YOUR INVITED PUBLIC INFORMATION MEETING

LOT C

When: Monday July 31st, 2017

5:00pm - 8:00pm

Where: Kelowna Ramada Hotel & Conference Centre

2170 Harvey Avenue Kelowna (conference room as presented on meeting room reader board)

Why: Rezoning and OCP

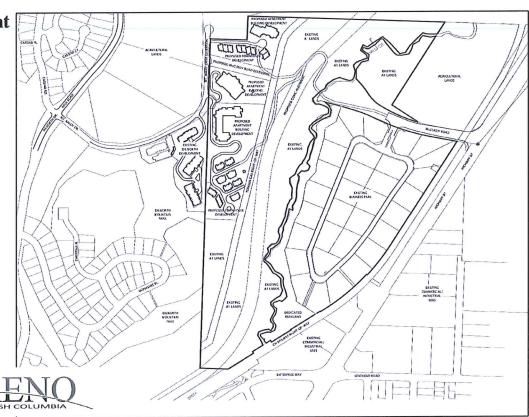
amendment of Terreno site to residential and park use



LOT A APARTMENT

LOT A
TOWNHOUSES

Development Location





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Kelowna**Now** stuff that matters www.KelownaNow.com



KamloopsBCNow stuff that matters www.KamloopsBCNow.com

Begin forwarded message:

From: Rob Cupello < rcupello @pulsegroup.ca>

Subject: Fwd: Service Ticket # 122558981 - status re: eSOM C158168086

Date: July 25, 2017 at 10:43:41 AM PDT **To:** Nikki Csek <nikki@csekcreative.com>

From Canada Post for Terreno

Rob Cupello

VP Business Development

Now with Offices in Kelowna, Kamloops, and Salmon Arm

t: 250.862.8010 t/f: 1.866.862.8010 f: 250.862.8069 e: rcupello@csekcreative.com



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CREATIVE MARKETING | CUSTOM DESIGN | WEB APP DEVELOPMENT | MEDIA PLANNING & BUYING | BRANDING | PRINT SERVICES & ADVERTISING www.csekcreative.com

From: DONOTREPLY_NEPASREPONDRE@CANADAPOST [mailto:DONOTREPLY NEPASREPONDRE@CANADAPOST.CA]

Sent: July 25, 2017 11:17 AM

To: akrawchuk@quantumgraphics.ca

Subject: Service Ticket # 122558981 - status re: eSOM C158168086

**** DO NOT DELETE / NE PAS SUPPRIMER ***** {ticketno:[122558981]}

**** DO NOT DELETE/ NE PAS SUPPRIMER *****

Good morning Ann,

As requested, here are the delivery details for eSOM C158168086:

00001 Planned deposit date: 2017/07/07 Actual Deposit date 2017/07/11

622 pces

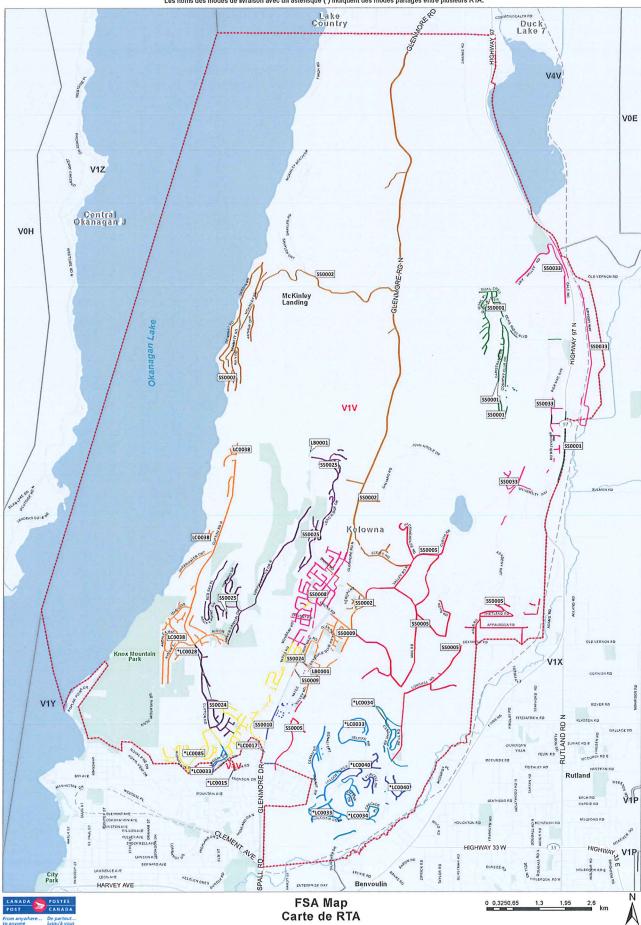
Delivery Start Date: 2017/07/12
Delivery End date: 2017/07/14

00002 Planned deposit date: 2017/07/07 Actual Deposit date 2017/07/11

1,057 pces

Delivery Start Date: 2017/07/12 Delivery End date: 2017/07/14

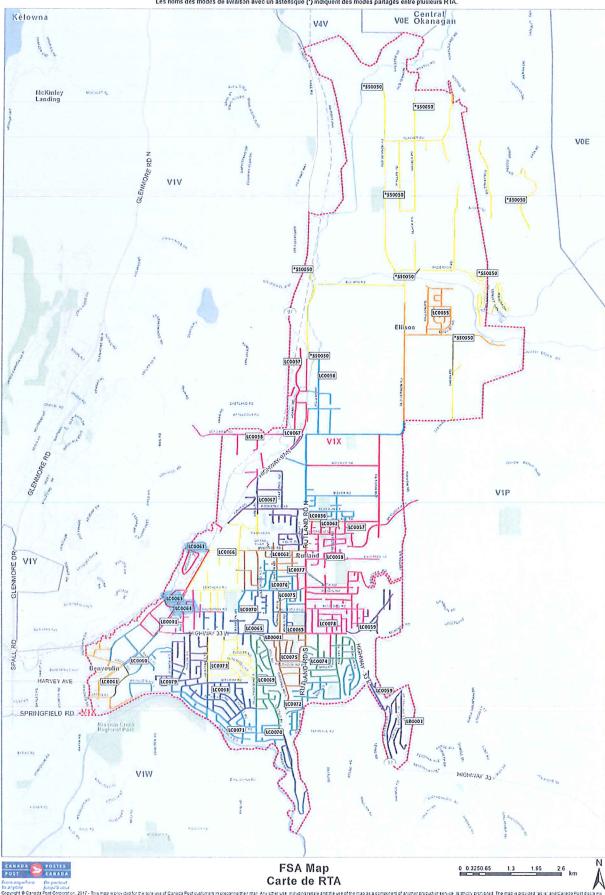
Regards, Henry Canada Post Commercial Service Network 1-866-757-5480 The Delivery Mode names that have an asterisk (*) indicate Modes that are split between more than one (1) FSA. Les noms des modes de livraison avec un astérisque (*) indiquent des modes partagés entre plusieurs RTA.



Copyright © Canada Post Corporation, 2017 - This map is provided for the sole use of Canada Post customers in preparing their mail. Any other use, including resale and the use of the map as a component of another product or service, is strictly prohibited. The map is provided "as is" and Canada Post disclar usy warrangy whatsoever. The map must be used only during the validity period and must be destroyed following the expiry of such validity period. If no validity period is indicated on the map, the map must be destroyed 50 days from the date you obtained the map from Householder Counts & Maps.

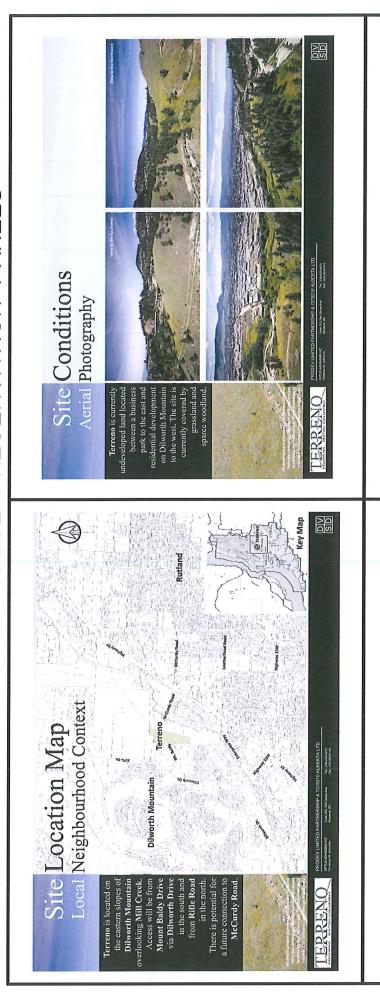
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The Delivery Mode names that have an asterisk (*) Indicate Modes that are split between more than one (1) FSA. Les noms des modes de livraison avec un astérisque (*) Indiquent des modes partagés entre plusieurs RTA.



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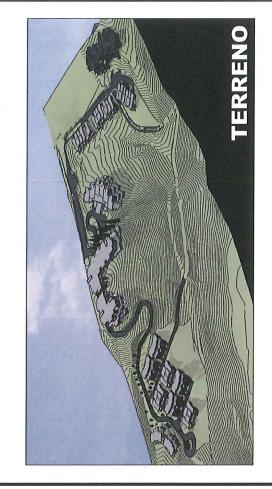
TERRENO OPEN HOUSE PRESENTATION PANELS

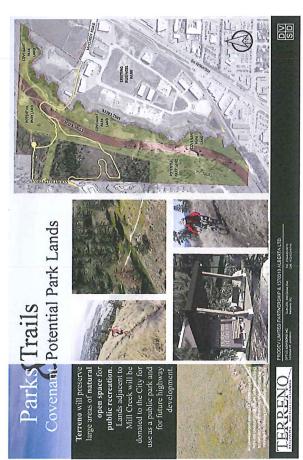












TERRENO OPEN HOUSE - JULY 31, 2017 RAMADA INN

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	ADDRESS	3249 Bypa 2005A BE	979 Monasher Di	, ,	747 CASSIAR CAT 778 H1780410 03501942 @ HOTIMAIL. COM.	, 985 Monadas Pl.		789 Cassial Rd	189 Casin Cart	14-941 Mariagos	14-971 Monoduse	2355 cascada		
ATTENDEES	NAME	John May	LINTE (Albert & Tilles	Dale potomino	Dearing Matthews	M. Cocker	Peter Wylle			Kein Brits	Pinny Vey		

CITY OF KELOWNA BYLAW NO. 10875

Official Community Plan Amendment No. OCP11-0011 - PRODEV GP LTD and 1378310 Alberta Ltd 2755 McCurdy Road

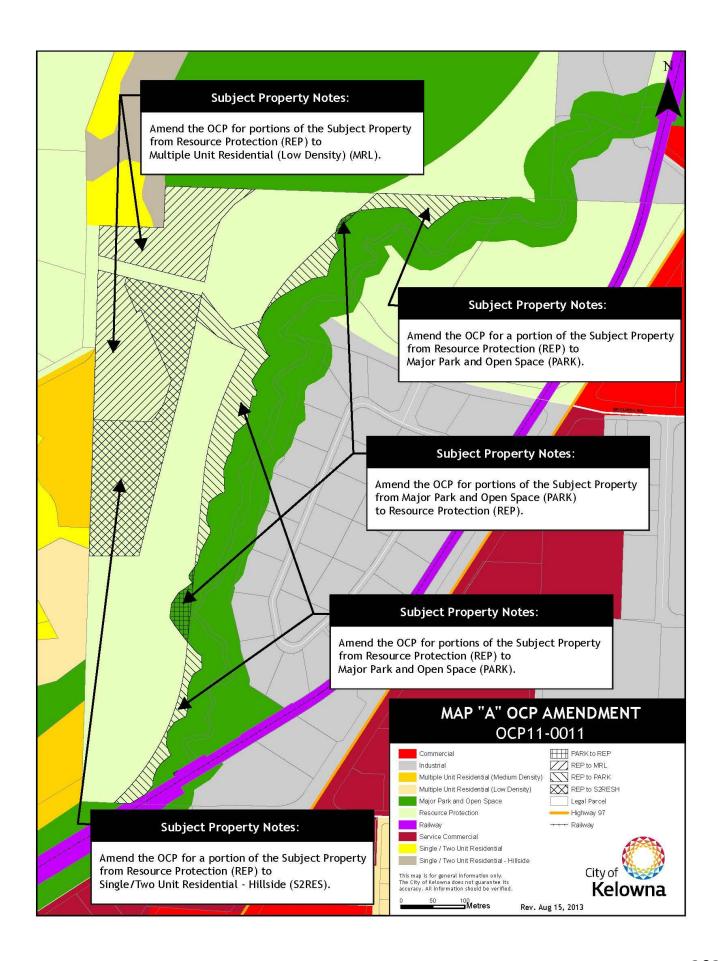
A bylaw to amend the "Kelowna 2030 - Official Community Plan Bylaw No. 10500".

The Municipal Council of the City of Kelowna, in open meeting assembled, enacts as follows:

- 1. THAT Map 4.1 **GENERALIZED FUTURE LAND USE** of "*Kelowna 2030* Official Community Plan Bylaw No. 10500" be amended by changing the Generalized Future Land Use designation of portions of Lot 1, District Lots 124 & 415, ODYD, Plan KAP84653 located on 2755 McCurdy Road, Kelowna, B.C., from the REP Resource Protection Area and PARK Major Park and Open Space designations to the S2RES Single/Two Unit Residential, MRL Multiple Unit Residential (low density), REP Resource Protection Area and PARK Major Park and Open Space designations as per Map "A" attached to and forming part of this bylaw;
- 2. This bylaw shall come into full force and effect and is binding on all persons as and from the date of adoption.

Read a first time by the Municipal Council this 14 th day of July, 2014.
Considered at a Public Hearing on the 29 th day of July, 2014.
Read a second and third time by the Municipal Council this 29 th day of July, 2014.
Readings rescinded by the Municipal Council of the City of Kelowna this

	Mayor
_	City Clerk



CITY OF KELOWNA

BYLAW NO. 10876

Text Amendment No. TA11-0010-Amendment to the City of Kelowna Zoning Bylaw No. 8000 - RHM4 - Hillside Cluster Multiple Housing Zone

The Municipal Council of the City of Kelowna, in open meeting assembled, enacts that the City of Kelowna Zoning Bylaw No. 8000 be amended as follows:

- 1. THAT **Table of Contents, Section 13: Urban Residential Zones** be amended by adding in the following in its appropriate location:
 - "13.17 RHM4 Hillside Cluster Multiple Housing"
- 2. AND THAT **Section 1 General Administration, 1.3 Zoning Map**, 1.3.1 be amended by adding in its appropriate location the following:

	N A A	lillaida Olivatan Midtinla I lavaina	
I R F	M4	Hillside Cluster Multiple Housing	
		morae eracier manipie rieacing	

- 3. AND THAT Section 13 Urban Residential Zones be ameneded by adding in a new Section 13.17 RHM4 Hillside Cluster Multiple Housing Zone as attached too and forming part of this bylaw as Schedule "A";
- 4. This bylaw may be cited for all purposes as "Bylaw No. 10876, being TA11-0010 RHM4 Hillside Cluster Multiple Housing Zone to Zoning Bylaw No. 8000".
- 5. This bylaw shall come into full force and effect and is binding on all persons as and from the date of adoption.

Read a first time by the Municipal Council this 14th day of July, 2014.

Considered at a Public Hearing on the 29th day of July, 2014.

Read a second and third time by the Municipal Council this 29th day of July, 2014.

Second and third readings rescinded by the Municipal Council this

Considered at a Public Hearing on

Read a second and third time by the Municipal Council this

Adopted by the Municipal Council of the City of Kelowna this

Mayor
City Clerk

13.17 RHM4 - Hillside Cluster Multiple Housing

13.17.1 Purpose

To provide a zone for comprehensively planned clusters of low rise, low density apartment housing with urban services, typically in a strata format. The express goal is to minimize the impacts of development on the natural environment, topography, open space, and visual character of Kelowna. Site wide density including areas of voluntary dedication and protection is to be generally consistent with Multiple Unit Residential (Low Density) Official Community Plan future land use designation; however, the form and character of development may include low density apartment housing.

13.17.2 Definitions

Despite conflicting definitions found elsewhere in this bylaw, the following definitions shall apply for the purposes of interpreting the regulations of this zone:

HEIGHT means, with respect to a building, the maximum vertical distance above a straight line drawn between the lowest corner of the front of the approved Building Envelope Covenant and the lowest corner of the rear of the approved Building Enveloped Covenant measured to the highest point of the structure of a non-sloping roof, or the mid-point of a sloping roof, excluding those structures identified in Section 6.6.1 of this bylaw.

13.17.3 Principal Uses

- (a) multiple dwelling housing
- (b) boarding or lodging housing
- (c) congregate housing
- (d) group home, major
- (e) supportive housing

13.17.4 Secondary Uses

- (a) agriculture, urban
- (b) care centres, major
- (c) home based businesses, minor
- (d) community recreation services

13.17.5 Buildings and Structures Permitted

- (a) apartment housing
- (b) row housing
- (c) stacked row housing
- (d) permitted accessory buildings and structures

13.17.6 Subdivision Regulations

- (a) The minimum **site width** is 30.0 m.
- (b) The minimum **site depth** is 30.0 m.
- (c) The minimum site area is 5000 m^2 .

13.17.7 Development Regulations

(a) The maximum floor area ratio is 0.5. Maximum density may be calculated using the original site area, but is dependent on the protection (dedicated or covenanted) of environmentally sensitive features, hazardous condition areas (including slopes greater than 30%), and visually significant features. It is possible that the maximum density may not be achievable on the resulting developable areas.

Where at least 75% parking spaces are provided totally beneath habitable space of a principal building, beneath useable common amenity areas, or in a garage/carport providing that in all cases, the parking spaces are screened from public view, the floor area ratio may be increased by 0.05.

- (b) The maximum site coverage is 50% and together with the areas of driveways and parking areas shall not exceed 60%. Those areas dedicated, covenanted or otherwise protected may not be used in calculating site coverage.
- (c) The minimum site front yard is 3.0m except that it is 4.5m, measured from the back of curb or sidewalk, whichever is closest, for any part of a building over the lesser of 7.5m or 2 storeys.
- (d) The minimum site side yard is 4.5m, except that it is 6.0m for any part of a building over the lesser of 7.5m or 2 storeys.
- (e) The minimum site rear yard is 7.5m, except that it is 9.0 m for any part of a building over the lesser of 7.5m or 2 storeys.
- (f) Dwellings or groups of dwellings must be separated by a minimum of 4.5 m. Vehicle parking or storage is not permitted in this area.
- (g) Accessory buildings and structures shall be set back 1.5m from any lot line, and shall be a minimum of 4.5m from any principal residential building.

13.17.8 Building Form and Massing

- (a) For **apartment housing**, the following Building Form and Massing regulations shall apply, with the intent of providing a flexible approach to building height while improving building articulation standards:
 - i. The maximum height is 13.0m. Where a principal building is located entirely on a natural bench having a natural grade of less than 20%, the maximum height is the lesser of 13.0m or 3 storeys. See Diagram 13.9.

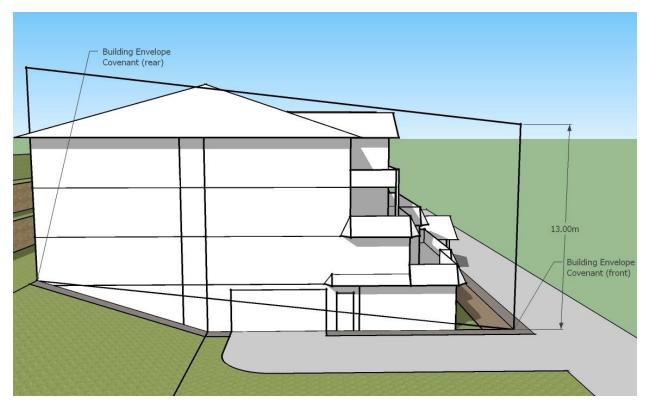


Diagram 13.9: 13m Maximum Height As Measured From Straight Line Between Building Envelope Points

ii. The maximum height of any vertical wall element facing down-slope is the lesser of 7.5m or 2 storeys, above which the down-slope building face must be stepped back by a minimum average cumulative depth of 6.0m. Where a principal building is located entirely on a natural bench having a natural grade of less than 20%, no down-slope step back is required. See Diagram 13.10.

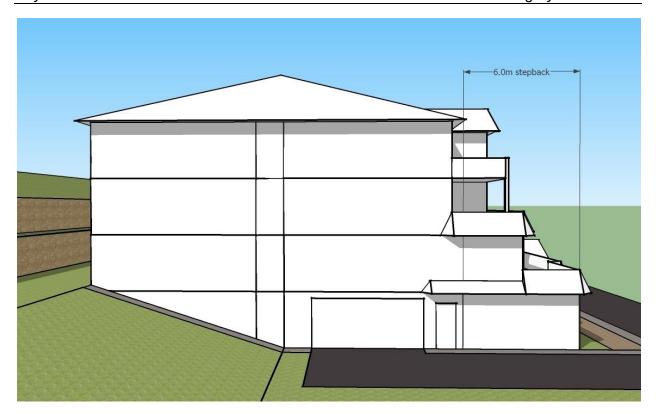


Diagram 13.10: Downslope Building Articulation

- (b) For **row housing** or **stacked row housing**, the following Building Form and Massing regulations shall apply:
 - i. The maximum height is 9.5m, except it is 4.5m for accessory buildings. See Diagram 13.11.

Diagram 13.11: 9.5m Maximum Height As Measured From Straight Line

Between Building Envelope Points

ii. The maximum height of any vertical wall element facing a front yard, rear yard or flanking street (including walkout basements) is the lesser of 7.5 m or 2 storeys above which the building face must be stepped back a minimum of 2.1 m. A maximum of 30% of the length of the building elevation may exceed 7.5 m in height to a maximum of 9.5m, provided that a deck and roof structure projecting a minimum of 3.0 m from the face of the wall breaks up the wall face. No wall face directly above or below the deck and roof structure may exceed 5.0m in height. See Diagram 13.12.

Diagram 13.12: Downslope Building Articulation

iii. All decks (including the supporting posts or columns) shall not exceed 4.5 m or 1 storey in height inclusive of any support structure or retaining wall (within a horizontal distance of 1.2 m). Height will be

- measured from the grade at the base of the deck, post, or column to the highest point of the deck, exclusive of railings.
- iv. No horizontal wall face may exceed 7.5 m in length after which the wall face must be staggered or offset by a minimum of 0.45 m in a side yard, and by 1.2 m in a front yard, rear yard, or flanking street. See Diagram 13.12.
- v. A maximum of 6 ground oriented dwelling units per building is permitted.

13.17.9 Other Regulations

- (a) A minimum area of 7.5 m² of private open space shall be provided per bachelor dwelling, congregate housing bedroom or group home bedroom, 15.0 m² of private open space shall be provided per 1 bedroom dwelling, and 25.0 m² of private open space shall be provided per dwelling with more than 1 bedroom. Despite Section 2.3.3, private open space may also include recreational trails and natural areas directly accessible by residents.
- (b) No continuous building frontage shall exceed 40.0 m for a building 3 storeys or greater, or 65.0m for a 2 storey building. An accessory building containing recreational amenities for the use of all residents shall conform to the setback requirements for principal buildings.
- (c) In addition to the regulations listed above, other regulations may apply. These include the general development regulations of Section 6 (accessory development, yards, projections into yards, lighting, stream protection, etc.), the landscaping and fencing provisions of Section 7, the parking and loading regulations of Section 8, and the specific use regulations of Section 9.

CITY OF KELOWNA

BYLAW NO. 10877 Z11-0069 - PRODEV GP LTD and 1378310 Alberta Ltd 2755 McCurdy Road

A bylaw to amend the "City of Kelowna Zoning Bylaw No. 8000".

The Municipal Council of the City of Kelowna, in open meeting assembled, enacts as follows:

- 1. THAT City of Kelowna Zoning Bylaw No. 8000 be amended by changing the zoning classification of portions of Lot 1, District Lots 124 & 415, ODYD, Plan KAP84653 located on 2755 McCurdy Road, Kelowna, B.C., from the A1 Agriculture 1 zone to the P3 Parks and Open Space, RH3 Hillside Cluster Housing, RHM4 Hillside Cluster Multiple Housing and A1 Agriculture 1 zones as per Map "B" attached to and forming part of this bylaw.
- 2. This bylaw shall come into full force and effect and is binding on all persons as and from the date of adoption.

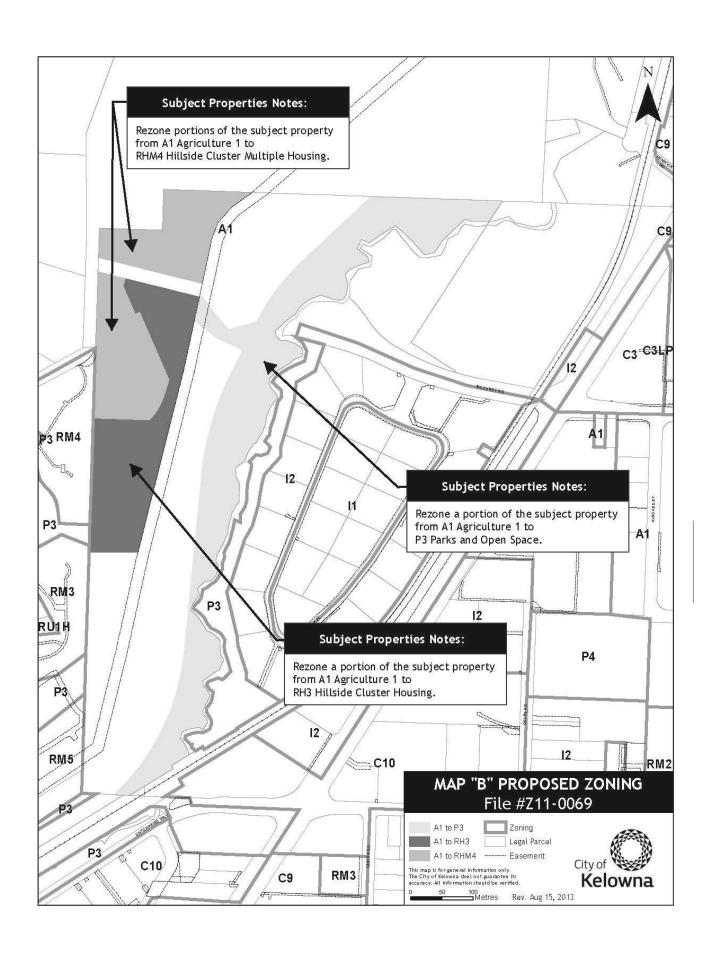
Read a first time by the Municipal Council this 14th day of July, 2014.

Considered at a Public Hearing on the 29th day of July, 2014.

Read a second and third time by the Municipal Council this 29th day of July, 2014.

Readings rescinded by the Municipal Council of the City of Kelowna this

Mayor
,
City Clerk



CITY OF KELOWNA

BYLAW NO. 10886

Housing Agreement Authorization Bylaw PRODEV GP LTD Inc. No. A87135 and 1378310 Alberta Ltd Inc. No. A77231 2755 McCurdy Road

Whereas pursuant to Section 905 of the *Local Government Act*, a local government may, by bylaw, enter into a housing agreement.

Therefore, the Municipal Council of the City of Kelowna, in open meeting assembled, enacts as follows:

- 1. The Municipal Council hereby authorizes the City of Kelowna to enter into a Housing Agreement with PRODEV GP LTD Inc. No. A87135 and 1378310 Alberta Ltd Inc. No. A77231 for the lands known as Lot 1, District Lots 124 and 415, ODYD, Plan KAP84653 located on 2755 McCurdy Road, Kelowna, B.C., a true copy of which is attached to and forms part of this bylaw as Appendix "A".
- 2. The Mayor and City Clerk are hereby authorized to execute the attached agreement as well as any conveyances, deeds, receipts or other documents in connection with the attached agreement.
- 3. This bylaw shall come into full force and effect and is binding on all persons as and from the date of adoption.

Read a first, second and third time by the Municipal Council this 14th day of July, 2014.

Readings rescinded by the Municipal Council of the City of Kelowna this

Mayor
 City Claul
City Clerk

PURPOSE-BUILT RENTAL HOUSING AGREEMENT

THIS AGREEMENT dated for reference July 21, 2013 affects:

LEGAL DESCRIPTION OF PROPERTY SUBJECT TO THE AGREEMENT:

PID: 027-196-101 Lot 1 District Lots 124 and 415 Osoyoos Division Yale District Plan KAP84653

("Land")

And is

BETWEEN:

PRODEV GP LTD., Inc. No. A87135 2800, 715 5th Avenue SW Calgary, AB T2P 2X6, and

1378310 ALBERTA LTD., Inc. No. A77231 12220 Stony Plain Road Edmonton, AB T5N 2X6

(collectively, "Owner")

AND:

CITY OF KELOWNA, a local government incorporated pursuant to the *Community Charter* and having its offices at 1435 Water Street, Kelowna, B.C. V1Y 1J4

("City")

GIVEN THAT:

- A. The Owner has applied to the City for rezoning of the Lands to permit the construction of a housing complex that will include purpose-built rental housing units, as defined in this Agreement, on certain lands more particularly described in this Agreement;
- B. The City may, pursuant to section 905(1) of the *Local Government Act*, enter into an agreement with an owner of land that includes terms and conditions regarding the occupancy, tenure, and availability of the housing units on the land or construction on land;
- C. The Owner and the City wish to enter into this Agreement to provide for purpose-built rental housing on the terms and conditions set out in this Agreement, and agree that this Agreement is a housing agreement under s. 905 of the *Local Government Act*; and
- The City has, by bylaw, authorized the execution of this Agreement and the Owner has duly authorized the execution of this Agreement;

This Agreement is evidence that in consideration of \$1.00 paid by the City to the Owner (the receipt of which is acknowledged by the Owner) and in consideration of the promises exchanged below, the City and Owner agree,

as a housing agreement between the Owner and the City under s. 905(1) of the Local Government Act, as follows:

ARTICLE 1 INTERPRETATION

1.1 Definitions -

"Area D" means that portion of the Land shown as "D" on Schedule "A" attached hereto;

"Caregiver" means an individual who provides assistance with the performance of the personal functions and activities necessary for daily living that a person is unable to perform efficiently for himself or herself;

"City" means the City of Kelowna;

"Dwelling Unit" means accommodation providing sleeping rooms, washrooms, and no more than one kitchen, intended for domestic use, and used or intended to be used permanently or semi permanently for a Household. This use does not include a room in a hotel or a motel;

"Household" means

- (a) a person;
- two or more persons related by blood, marriage, or adoption; or associated through foster care, all living together in one dwelling unit as a single household using common cooking facilities;
- (c) a group of not more than five persons, including boarders, who are not related by blood, marriage, or adoption, or associated through foster care, all living together in one dwelling unit as a single household using common cooking facilities; or
- (d) a combination of (b) and (c), provided that the combined total does not include more than 3 persons unrelated by blood, marriage or adoption or associated through foster care; all living together in one dwelling unit as a single household using common cooking facilities;

In addition, a household may also include up to one Caregiver or nanny;

"Land" means the land described herein;

"LTO" means the Kamloops Land Title Office or its successor;

"Official Community Plan" means the City of Kelowna Official Community Plan Bylaw No. 7600, or its successor bylaw;

"Owner" means the registered owner of the Lands from time to time and any parcels into which the Lands are subdivided;

"Purpose-Built Rental Housing" means strata lots or a self-contained building(s) containing Dwelling Units that are intended to be used only for rental purposes to tenants who will reside in the identified dwelling unit:

"Tenancy Agreement" means a tenancy agreement as defined in, and subject to, the *Residential Tenancy Act*; and

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"Tenant" means a Household occupying a Rental Unit pursuant to a Tenancy Agreement.

1.2 Interpretation - In this Agreement:

- reference to the singular includes a reference to the plural, and vice versa, unless the context requires otherwise;
- (b) article and section headings have been inserted for ease of reference only and are not to be used in interpreting this Agreement;
- (c) reference to a particular numbered section or article, or to a particular lettered Schedule, is a reference to the correspondingly numbered or lettered article, section or Schedule of this Agreement;
- (d) if a word or expression is defined in this Agreement, other parts of speech and grammatical forms of the same word or expression have corresponding meanings;
- (e) the word "enactment" has the meaning given in the Interpretation Act on the reference date of this Agreement;
- (f) reference to any enactment includes any regulations, orders or directives made under the authority of that enactment;
- (g) reference to any enactment is a reference to that enactment as consolidated, revised, amended, re-enacted or replaced, unless otherwise expressly provided;
- (h) the provisions of s. 25 of the *Interpretation Act* with respect to the calculation of time apply;
- (i) time is of the essence;
- (j) all provisions are to be interpreted as always speaking;
- (k) reference to a "party" is a reference to a party to this Agreement and to their respective successors, assigns, trustees, administrators and receivers;
- (I) reference to a "day", "month", "quarter" or "year" is a reference to a calendar day, calendar month, calendar quarter or calendar year, as the case may be, unless otherwise expressly provided;
- (m) the definitions given in the City of Kelowna Zoning Bylaw No. 8000, or its successor bylaw, and the Official Community Plan apply for the purposes of this Agreement; and
- any act, decision, determination, consideration, consent or exercise of discretion by a party, or other person, as provided in this Agreement must be performed, made or exercised acting reasonably.

1.3 Purpose of Agreement - The Owner and the City agree that:

- (a) this Agreement is intended to serve the public interest by providing for occupancy of a certain number of Dwelling Units, of the kinds provided for in this Agreement, that are in demand in the City of Kelowna but that are not readily available; and
- (b) damages are not an adequate remedy to the City in respect of any breach of this Agreement by the

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Owner, such that the Owner agrees the City should be entitled to an order for specific performance, injunction or other specific relief respecting any breach of this Agreement by the Owner

ARTICLE 2 HOUSING AGREEMENT AND LAND USE RESTRICTIONS

- 2.0 Land Use Restrictions The Owner and the City herby covenant and agree as follows:
 - (a) The Land must be used only in accordance with this Agreement;
 - (b) The Owner will design, construct and maintain strata lots, a building, buildings, or a portion of a building or buildings providing 17 Dwelling Units as Purpose-Built Rental Housing within Area D;
 - (d) The Owner will designate 17 of the Dwelling Units on Area D as Purpose-Built Rental Housing by written notice delivered to the City, which is irrevocable by the Owner upon receipt by the City of the written notice, but no designation is effective unless and until the City confirms in writing that the location of the Dwelling Units are approved by the City for the Purpose-Built Rental Housing, acting reasonably as a local government.
- 2.1 Partial Release If not all the Dwelling Units on the Land are to be used as Purpose-Built Rental Housing, the Owner will not apply for a release of registered notice of this Agreement pursuant to section 2.2 in respect of any Dwelling Unit, and the Municipality will be under no obligation to provide such release, unless at the time that the Owner applies for the release
 - (a) the Owner is not in breach of any of its obligations under this Agreement;
 - (b) the Purpose-Built Rental Housing Dwelling Units within Area D have been designated as Purpose-Built Rental Housing and occupancy permits for those Purpose-Built Rental Housing Dwelling Units have been issued by the City; and
 - (c) those Purpose-Built Rental Housing Dwelling Units have been issued by the City and those Purpose-Built Rental Housing Dwelling Units are used and always have been used, occupied and transferred in compliance with this Agreement.

Notwithstanding the foregoing, the Owner may apply for a release of this Agreement pursuant to section 2.2 in respect of the first 155 dwelling units built on the Land which need not be Purpose-Built Rental Housing.

- 2.2 Process for Partial Release Subject to section 2.1, at the request of the Owner and at the Owner's sole expense, the City will deliver to the Owner releases of notice of this Agreement in registrable form for each portion of the Land not within Area D and each Dwelling Unit that:
 - (a) is a separate legal parcel; and
 - (b) is not a Purpose-Built Rental Housing Dwelling Unit,

provided that, if that portion of the Lands containing the Purpose-Built Rental Housing Dwelling Units is subdivided under the *Strata Property Act*, the City may withhold delivery of any release against units in Area D that are not Purpose-Built Rental Housing Dwelling Units under this section unless:

(c) the Owner has filed a Rental Disclosure Statement pursuant to section 139 of the Strata Property Act designating each Purpose-Built Rental Housing Dwelling Unit as a rental strata lot with a rental

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period expiry date no earlier than 10 years from the date of stratification; and

(d) the strata corporation created by the filing of the strata plan over Area D has the following contained within its bylaws:

"Strata Lots are subject to a Housing Agreement with the City of Kelowna. No action shall be taken by the owners or the strata corporation to restrict or limit the terms of the Housing Agreement, including, but not limited to, amendment to these bylaws".

ARTICLE 3 HOUSING AGREEMENT AND TRANSFER RESTRICTIONS

- 3.0 Purchaser Qualifications The City and the Owner agree as follows:
 - (a) the Owner must not sell or transfer, or agree to sell or transfer, any interest in any strata lot or building containing Dwelling Unit(s) that are Purpose-Built Rental Housing on the Land other than a full interest in the fee simple title to an agency or individual that will continue to ensure that the identified 17 Dwelling Unit(s) that are Purpose-Built Rental Housing are available in accordance with this Agreement.
- **3.1** Use and Occupancy For Purpose-Built Rental Housing Dwelling Unit The Owner agrees with the City as follows:
 - (a) the Owner must rent or lease each Purpose-Built Rental Housing Dwelling Unit on the Land, and in no event may the Owner himself or herself occupy a Purpose-Built Rental Housing Dwelling Unit;
 - (b) the Owner must specify in every Tenancy Agreement the existence of this Agreement and the occupancy restrictions applicable to a Purpose-Built Rental Housing Dwelling Unit, and attach a copy of this Agreement to every Tenancy Agreement; and
 - (c) the Owner will deliver a copy of the Tenancy Agreement for each Purpose-Built Rental Housing Dwelling Unit to the City upon demand.
- **3.2** Prospective Tenants The Owner will be solely responsible for screening prospective Tenants. For greater certainty, the Owner agrees that the City is not responsible for, and makes no representation to the Owner regarding, the suitability of any prospective Tenant.

ARTICLE 4 GENERAL

- 4.1 Notice of Housing Agreement For clarity, the Owner acknowledges and agrees that:
 - (a) this Agreement constitutes a housing agreement entered into under s. 905 of the Local Government Act;
 - (b) the City is requiring the Owner to file a notice of housing agreement in the LTO against title to the Land; and
 - (c) once such a notice is filed, this Agreement binds all persons who acquire an interest in the Land.
- 4.2 No Effect On Laws or Powers This Agreement does not

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- (a) affect or limit the discretion, rights, duties or powers of the City under any enactment or at common law, including in relation to the use or subdivision of land,
- impose on the City any legal duty or obligation, including any duty of care or contractual or other legal duty or obligation, to enforce this Agreement,
- (c) affect or limit any enactment relating to the use or subdivision of land, or
- (d) relieve the Owner from complying with any enactment, including in relation to the use or subdivision of land.
- 4.3 Management The Owner covenants and agrees that it will furnish good and efficient management of the Purpose-Built Rental Housing Dwelling Units and will permit representatives of the City to inspect the Purpose-Built Rental Housing Dwelling Units at any reasonable time, subject to the notice provisions of the Residential Tenancy Act. The Owner further covenants and agrees that it will maintain the Purpose-Built Rental Housing Dwelling Units in a satisfactory state of repair and fit for habitation and will comply with all laws, including health and safety standards applicable to the Land. Notwithstanding the foregoing, the Owner acknowledges and agrees that the City, in its absolute discretion, may require the Owner, at the Owner's expense, to hire a person or company with the skill and expertise to manage the Purpose-Built Rental Housing Dwelling Units.
- 4.4 Notice Any notice which may be or is required to be given under this Agreement must be in writing and either be delivered or sent by facsimile transmission. Any notice which is delivered is to be considered to have been given on the first day after it is dispatched for delivery. Any notice which is sent by fax transmission is to be considered to have been given on the first business day after it is sent. If a party changes its address or facsimile number, or both, it must promptly give notice of its new address or facsimile number, or both, to the other party as provided in this section.
- 4.5 Agreement Runs With the Land Every obligation and covenant of the Owner in this Agreement constitutes both a contractual obligation and a covenant granted by the Owner to the City in respect of the Land and this Agreement burdens the Land and runs with it and binds the Owner's successors in title and binds every parcel into which it is consolidated or subdivided by any means, including by subdivision or by strata plan under the Strata Property Act.
- **4.6 Limitation on Owner's Obligations** The Owner is only liable for breaches of this Agreement that occur while the Owner is the registered owner of the Land.
- 4.7 Release The Owner by this Agreement releases and forever discharges the City and each of its elected officials, officers, directors, employees and agents, and its and their heirs, executors, administrators, personal representatives, successors, and assigns, from and against all claims, demands, damages, actions, or causes of action by reason of or arising out of advice or direction respecting the ownership, lease, operation or management of the Land or the Dwelling Units which has been or at any time after the commencement of this Agreement may be given to the Owner by all or any of them. This clause will survive the termination of this Agreement.
- **4.8 Joint Venture** Nothing in this Agreement will constitute the Owner as the agent, joint venturer, or partner of the City or give the Owner any authority to bind the City in any way.
- 4.9 Waiver An alleged waiver of any breach of this Agreement is effective only if it is an express waiver in writing of the breach. A waiver of a breach of this Agreement does not operate as a waiver of any other breach of this Agreement.

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- 4.10 Further Acts The Owner shall do everything reasonably necessary to give effect to the intent of this Agreement, including execution of further instruments.
- 4.11 Severance If any part of this Agreement is held to be invalid, illegal or unenforceable by a court having the jurisdiction to do so, that part is to be considered to have been severed from the rest of this Agreement and the rest of this Agreement remains in force unaffected by that holding or by the severance of that part.
- 4.12 Equitable Remedies The Owner acknowledges and agrees that damages would be an inadequate remedy for the City for breach of this Agreement and that the public interest strongly favours specific performance, injunctive relief (mandatory or otherwise), or other equitable relief, as the only adequate remedy for a default under this Agreement.
- **4.13 No Other Agreements** This Agreement is the entire agreement between the parties regarding its subject and it terminates and supersedes all other agreements and arrangements regarding its subject.
- 4.14 Amendment This Agreement may be discharged, amended or affected only by an instrument duly executed by both the Owner and the City.
- 4.15 Enurement This Agreement binds the parties to it and their respective successors, heirs, executors and administrators. Reference in this Agreement to the "City" is a reference also to the elected and appointed officials, employees and agents of the City.
- **Deed and Contract** By executing and delivering this Agreement each of the parties intends to create both a contract and a deed executed and delivered under seal.

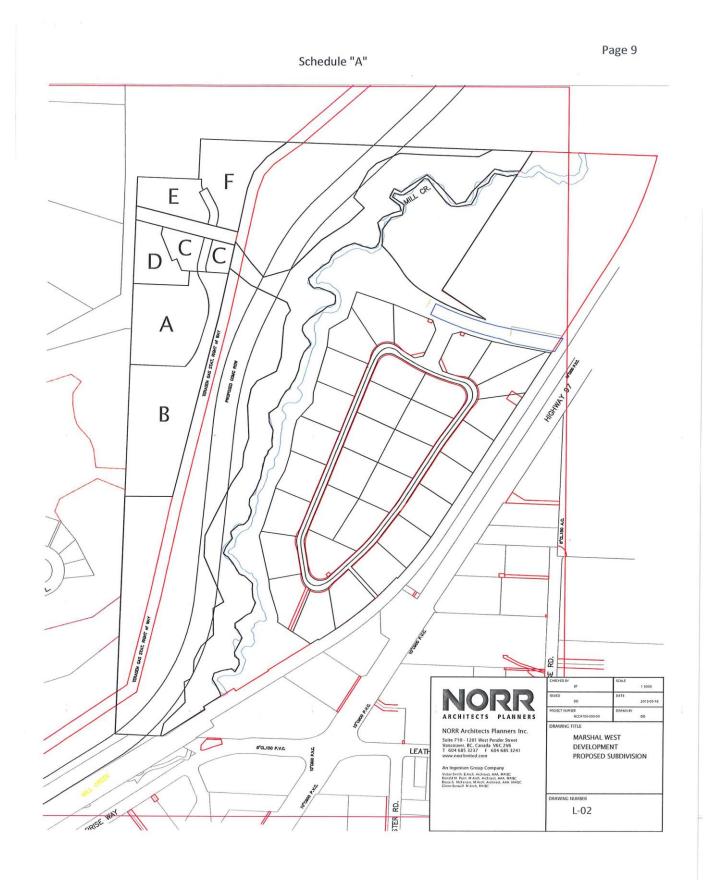
IN WITNESS WHEREOF the parties hereunto have executed this Agreement on the date and year first above written.

the presence of)	PRODEV GP LTD. by its authorized signatories:
Signature of Witness)	
Print Name LOUIS PIERRE CORRIVEAU Student-At-Law Warren Sinclaic UP	Peter LAUZY Print Name: PRESIDENT
Address 4911 515 Street Red Deer	
Occupation 403-343-3320	Print Name:

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SIGNED, SEALED & DELIVERED in) the presence of:	1378310 ALBERTA LTD. by its authorized signatories:	
PRATHAVAN P. VENKATRAMAN BARRISTER & SOLICITOR Print Name And FOR OATHS IN AND FOR THE PROVINCE OF ALBERTA 333 9811 34 MC.	Print Name:	
Address Comented As.) LANYER Occupation	Print Name:	
SIGNED, SEALED & DELIVERED in) the presence of:	CITY OF KELOWNA by its authorized signatories:	
Signature of Witness)	Mayor	
Print Name)	City Clerk	
Address)		
Occupation		

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CITY OF KELOWNA BYLAW NO. 11472

Official Community Plan Amendment No. OCP16-0004 2755 McCurdy Road

A bylaw to amend the "Kelowna 2030 - Official Community Plan Bylaw No. 10500".

The Municipal Council of the City of Kelowna, in open meeting assembled, enacts as follows:

- 1. THAT Map 4.1 **GENERALIZED FUTURE LAND USE** of "*Kelowna 2030* Official Community Plan Bylaw No. 10500" be amended by changing the Generalized Future Land Use designation of portions Lot 1, District Lots 124 and 415, ODYD, Plan KAP84653 except Plan EPP45174, located on 2755 McCurdy Road, Kelowna, B.C., from the REP Resource Protection Area designation to the MRL Multiple Unit Residential (Low Density) designation as per Map "A" attached to and forming part of this bylaw;
- 2. This bylaw shall come into full force and effect and is binding on all persons as and from the date of adoption.

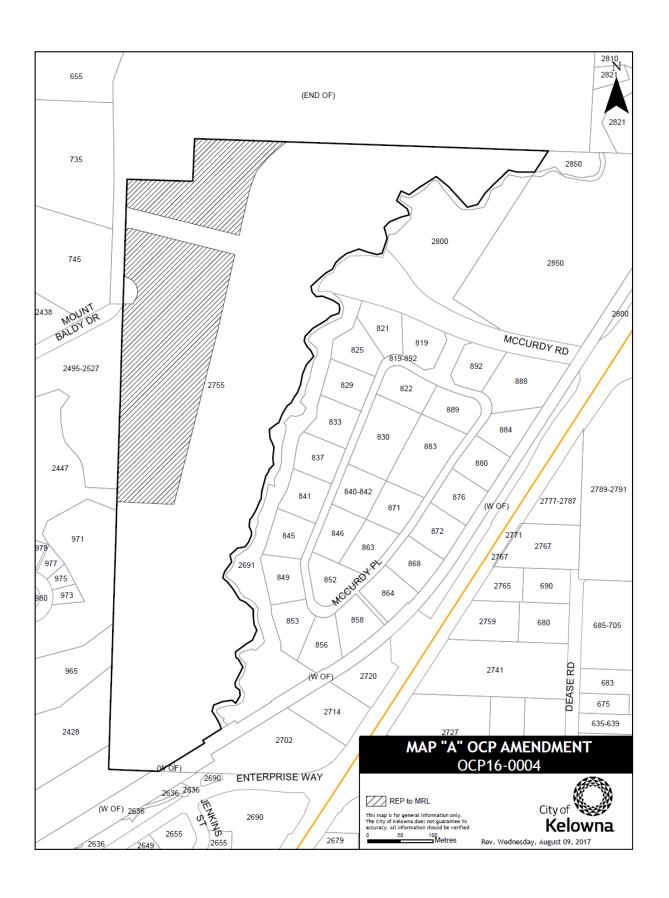
Read a first time by the Municipal Council this

Considered at a Public Hearing on the

Read a second and third time by the Municipal Council this

Adopted by the Municipal Council of the City of Kelowna this

Mayor
City Clerk



CITY OF KELOWNA

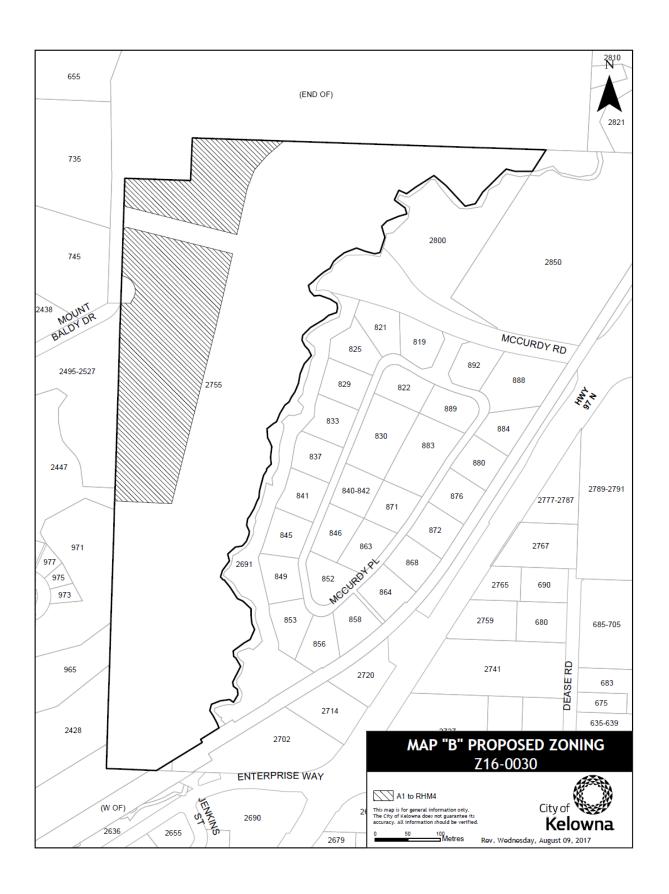
BYLAW NO. 11473 Z16-0030 2755 McCurdy Road

A bylaw to amend the "City of Kelowna Zoning Bylaw No. 8000".

The Municipal Council of the City of Kelowna, in open meeting assembled, enacts as follows:

- 1. THAT City of Kelowna Zoning Bylaw No. 8000 be amended by changing the zoning classification of portions of Lot 1, District Lots 124 and 415, ODYD, Plan KAP846453 except Plan EPP45174 located on 2755 McCurdy Road, Kelowna, B.C., from the A1 Agriculture 1 zone to the RHM4 Hillside Cluster Multiple Housing zone as shown on Map "B" attached to and forming part of this bylaw;
- 2. This bylaw shall come into full force and effect and is binding on all persons as and from the date of adoption.

Read a first time by the Municipal Council this	
Considered at a Public Hearing on the	
Read a second and third time by the Municipal Counci	cil this
Approved under the Transportation Act this	
(Approving Officer – Ministry of Transportation)	
Adopted by the Municipal Council of the City of Kelov	wna this
	Mayor
	City Clerk



CITY OF KELOWNA

BYLAW NO. 11420 Z17-0008 — 1420 Inkar Road

A bylaw to amend the "City of Kelowna Zoning Bylaw No. 8000".

The Municipal Council of the City of Kelowna, in open meeting assembled, enacts as follows:

- 1. THAT City of Kelowna Zoning Bylaw No. 8000 be amended by changing the zoning classification of Lot C, Section 19, Township 26, ODYD, Plan 23622 located on Inkar Road, Kelowna, B.C., from the RU1 Large Lot Housing zone to the RU6 Two Dwelling Housing zone.
- 2. This bylaw shall come into full force and effect and is binding on all persons as and from the date of adoption.

date of adoption.	
Read a first time by the Municipal Council this 12 th day of June, 2017.	
Considered at a Public Hearing on the 27 th day of June, 2017.	
Read a second and third time by the Municipal Council this 27 th day of June, 2017.	
Approved under the Transportation Act this 27 th day of July, 2017.	
Blaine Garrison (Approving Officer – Ministry of Transportation)	
Adopted by the Municipal Council of the City of Kelowna this	
	Mayor
	City Clerk

CITY OF KELOWNA

BYLAW NO. 11440 TA16-0002 — General Housekeeping Amendments

A bylaw to amend the "City of Kelowna Zoning Bylaw No. 8000".

The Municipal Council of the City of Kelowna, in open meeting assembled, enacts as follows:

- 1. THAT Section 1 General Administration Section 18 Comprehensive Development Zones be amended by:
 - a) Adding in its appropriate location under Section 13- Urban Residential the following:

RU ₇	Infill Housing
b) deleting	g the following:
CD25	Capri Centre Comprehensive Development Zone
And replaci	ng it with:
CD ₂ 6	Capri Centre Comprehensive Development Zone
c) Adding	the following in its appropriate location:
CD ₂₇	Valley Land Subdivision

- 2. AND THAT **Section 2 Interpretation** be amended by:
 - a) Addind a new definition for "AGRICULTURAL LAND COMMISSION (ALC)" in its appropriate location that reads as follows:
 - "AGRICULTURAL LAND COMMISSION (ALC) means the provincial governing body assigned to administer regulations and policies which relate to the preservation of agricultural land. The ALC was previously referred to as the Land Reserve Commission (LRC), and references as such in this Bylaw should be deemed to now refer to the Agricultural Land Commission (ALC), as applicable."
 - b) Deleting the following definition of **AUTOMOTIVE RENTALS** that reads:
 - "AUTOMOTIVE RENTALS means an establishment where new and used vehicles are rented and may also include the sales and servicing of vehicles as ancillary uses."
 - c) Deleting the definition for "Land Reserve Commission" in its entirety that reads:
 - **"LAND RESERVE COMMISSION (LRC)** means the provincial governing body assigned to administer regulations and policies which relate to the preservation of agricultural land. The LRC was previously referred to as the Agricultural Land Commission (ALC), and references as such in this Bylaw should be deemed to now refer to the **Land Reserve Commission (LRC)**, as applicable."

- d) Deleting all references throughout the bylaw of "Land Reserve Commission" or "LRC" and replacing it with "Agricultural Land Commission" or "ALC" as appropriate;
- "laundries" from the "PERSONAL e) Deleting the word definition **SERVICES** STABLISHEMENTS" and replace it with the word "laundromats";
- f) Deleting the definition name "RETAIL STORE CONVENIENCE" and replacing it with "RETAIL STORE, CONVENIENCE";
- q) Adding a new definition in its appropriate location for URBAN RESIDENTIAL ZONES that reads:
 - "URBAN RESIDENTIAL ZONES are any zones described in Section 13 of this Bylaw or any CD zone in which the predominant use, as determined by its general purpose and list of permitted uses, is of an urban residential nature."
- AND THAT Section 7 Minimum Landscape Buffer, 7.6.1 (e) be amended by deleting the following:

"This standard may be replaced or modified as a result of conditions of a decision by the Land Reserve Commission. The buffer area shall not be included in the required setback for Rural and Urban Residential zones."

And replacing it with:

"This standard may be replaced or modified as a result of conditions of a decision by the Agricultural Land Commission. The buffer area shall be in addition to the required setback for Rural and Urban Residential zones."

- 4. AND THAT Section 11 Agricultural Zone, 11.1.3 Secondary Uses be amended by deleting subsection "(g) care centres, intermediate" and replacing it with "(g) child care centre, minor".
- 5. AND THAT Section 13 Urban Residential Zones, 13.14 RH1 Hillside Large Lot Residential, 13.14.4 Secondary Uses be amended by deleting "care centres, minor" and replacing it with "child care centre, minor";
- 6. AND THAT Section 13 Urban Residential Zones, 13.15 RH2 Hillside Two Dwelling Housing, 13.15.4 Secondary Uses be amended by deleting "care centres, minor" and replacing it with "child care centre, minor";
- 7. AND THAT Section 13 Urban Residential Zones, 13.16 RH3 -Hillside Cluster Housing, 13.16.4 Secondary Uses be amended by deleting "care centres, minor" and replacing it with "child care centre, minor";
- 8. AND THAT Section 13 Urban Residential Zones, RU7 Infill Housing be amended by:
 - a) Deleting the title "RU7 Infill Housing" and replacing it with "13.17 RU7 Infill Housing';

 - b) Deleting "1.2 Permitted Uses" and replacing it with "13.17.2 Permitted Uses";
 c) Deleting "1.3 Secondary Uses" and replacing it with "13.17.3 Secondary Uses";
 - d) Deleting "1.4 Buildings and Structures Permitted" and replacing it with "13.17.4 Buildings and Structures Permitted",
 - e) Deleting "1.5 Subdivision Regulations" and replacing it with "13.17.5 Subdivision Regulations";
 - f) Deleting "1.6 Development Regulations" and replacing it with "13.17.6 Development Regulations";
 - g) Deleting "1.7 Density Regulations" and replacing it with "13.17.7 Density Regulations";
 - h) Deleting "1.8 Other Regulations" and replacing it with "13.17.8 Other Regulations"; and

- i) Adding Section 13 Urban Residential Zones, RU7 Infill Housing after Section 13 Urban Residential Zones RU6 Two Dwelling Housing/RU6b Two Dwelling Housing withBoarding or Lodging House.
- 9. AND THAT Section 14 Commercial Zones, 14.3 C3 Community Commercial, 14.3.2 Principal Uses be amended by adding in its appropriate location a new subparagraph "temporary shelter services" and renumbering all subsequent subparagraphs;
- 10. AND THAT Section 14 Commercial Zones, 14.9 C9– Tourist Commercial, 14.9.2 Principal Uses be amended by adding in its appropriate location a new subparagraph "temporary shelter services" and renumbering all subsequent subparagraphs;
- 11. AND THAT Section 14 Commercial Zones, 14.10 C10– Service Commercial, 14.10.2 Principal Uses be amended by adding in its appropriate location a new subparagraphs for "supportive housing" and "temporary shelter services" and renumbering all subsequent subparagraphs;
- 12. AND THAT Section 15 Industrial Zones, 15.2 I2 General Industrial, 15.2.2 Principal Uses be amended by adding in its appropriate location a new subparagraph "temporary shelter services" and renumbering all subsequent subparagraphs;
- 13. AND THAT Section 15 Industrial Zones, 15.4 I4 Central Industrial, 15.4.2 Principal Uses be amended by adding in its appropriate location a new subparagraph "temporary shelter services" and renumbering all subsequent subparagraphs;
- 14. AND THAT Section 16 Public & Institutional Zones, 16.2 P2 Education and Minor Institutional, 16.2.2 Principal Uses be amended by adding in its appropriate location a new subparagraphs for "supportive housing" and "temporary shelter services" and renumbering all subsequent subparagraphs;
- 15. AND THAT Schedule B Comprehensive Development Zones, CD25 Capri Centre Comprehensive Development Zone, be amended by:
 - a) Deleting the title "CD25 Capri Centre Comprehensive Development Zone" and replacing it with "CD26 – Capri Centre Comprehensive Development Zone";
 - b) Deleting in 1.3 Design Guidelines the following:

"The CD 25 - Capri Comprehensive Development 25 Zone has been designated as a Development Permit Area by "Kelowna 2030 – Official Community Plan Bylaw No. 10500" for the purpose of guiding the form and character of development. The guidelines applicable to the CD 25 – Capri Comprehensive Development 25 Zone are annexed to this Bylaw as Annexure "1" and entitled "CD 25 Development Area Guidelines."

And replacing it with:

"The CD 26 - Capri Comprehensive Development 26 Zone has been designated as a Development Permit Area by "Kelowna 2030 – Official Community Plan Bylaw No. 10500" for the purpose of guiding the form and character of development. The guidelines applicable to the CD 26 – Capri Comprehensive Development 26 Zone are annexed to this Bylaw as Annexure "1" and entitled "CD 26 Development Area Guidelines."

	c)	Adding the word "The" before the words "Principal uses in this zone are:" in 1.4 Principal Uses;
	d)	Deleting in 1.4 Principal Uses the following:
		"(g) care centres, major (h) Child Care"
		And replace it with:
		"(g) child care centres, major"
		and renumber subsequent subparagraphs.
	e)	Deleting in 1.5 Secondary Uses the following:
		"(b) care centres, minor"
		And replacing it with:
		"(b) child care centres, minor"
	f)	Deleting in 1.14 Parking and Loading the reference to "CD25" in sub-paragraph (a) and (b) and replacing it with "CD26"; and
	g)	Deleting from the Capri Centre Design Guidelines, "Annexure 1 CD25 – Development Area Guidelines" and replacing it with "Annexure 1 CD26– Development Area Guidelines".
16.		is bylaw shall come into full force and effect and is binding on all persons as and from the date of option.
Read a	first	time by the Municipal Council this 24 th day of July, 2017.
Consid	erec	l at a Public Hearing on the
Read a	sec	ond and third time by the Municipal Council this 15 th day of August, 2017.
Approv	/ed ι	under the Transportation Act this 16 th day of August, 2017.
Aud	drie	Henry
(Appro	ving	Officer-Ministry of Transportation)
Adopte	ed by	y the Municipal Council of the City of Kelowna this
		THI A YOU
		City Clerk

Report to Council



Date: August 28, 2017

File: 1140-50

To: City Manager

From: Shayne Dyrdal, Senior Airport Finance & Corporate Services Manager

Subject: New Vehicle Rental Concession Licences at Kelowna International Airport and Resulting

Amendments to the Airport Fees Bylaw No. 7982

Report Prepared by: Toni McQueenie, Airport Administration Manager

Recommendation:

THAT Council receives, for information, the report from the Senior Airport Finance & Corporate Services Manager dated August 28, 2017 with respect to the new Vehicle Rental Concession Licences and amendments to Airport Fees Bylaw;

AND THAT Bylaw No. 11454 being Amendment No. 31 to the City of Kelowna Airport Fees Bylaw No. 7982 be forwarded for reading consideration;

AND THAT Council authorizes the City to enter into the following Vehicle Rental Concession Licences with the following companies in the forms attached to the report of the Senior Airport Finance & Corporate Services Manager dated August 28, 2017, effective October 1, 2017:

- 1. Devon Transport Ltd. doing business as Budget Rent A Car
- 2. Aviscar, Inc.
- 3. Enterprise Rent-A-Car Canada Company doing business as Enterprise Rent-A-Car;
- 4. Hertz Canada Limited

AND FURTHER THAT the Mayor and City Clerk be authorized to execute the Licences on behalf of the City of Kelowna.

Purpose:

To amend the Airport Fees Bylaw and to award vehicle rental concession licences at Kelowna International Airport.

Background:

The vehicle rental companies that operate on site at Kelowna International Airport (YLW) currently pay a concession fee of the greater of 11% of annual gross revenue or an annual minimum guarantee, together with additional amounts for parking stalls, counter space, service centre space, and use of the automotive fuel system.

YLW recommends increasing the concession fee paid by the on-site vehicle rental companies to the greater of 12% of annual gross revenue or an annual minimum guarantee (MAG). Based on comparison with other airports in Canada, the proposed increase in the concession rate from 11% to 12% is consistent with similar-sized airports and is in line with YLW's low-cost airport model.

A Negotiated Request for Proposal (NRFP) was issued with respect to the Vehicle Rental Concessions at YLW for the time period September 1, 2017 to August 31st, 2022. The NRFP closed on June 22, 2017 and six submissions were received and approved by the City's Purchasing Department to proceed with evaluation. At the conclusion of the evaluation, the four highest ranking proponents became the Preferred Proponents and were eligible for contract negotiation. Negotiations included requests for supplementary information to clarify the Preferred Proponent's proposal.

The proposals were ranked based on the aggregate of the MAGs for both the five-year term and the two optional one-year renewal terms submitted by the Preferred Proponents, as follows:

Devon Transport Ltd. doing business as Budget Rent A Car	\$5,460,000.00
Aviscar, Inc.	\$5,170,992.00
Enterprise Rent-A-Car Canada Company doing business as	\$4,748,919.86
Enterprise Rent-A-Car	
Hertz Canada Limited	\$4,600,414.00

As shown in the table below, the MAGs submitted by the four Preferred Proponents increased \$1.2M from the MAGs currently in place. In addition, the MAGs that would become effective October 1, 2017, would be \$622K more than the fees earned in 2016.

The following table summarizes the MAGs submitted by the four Preferred Proponents, rounded to the nearest dollar:

Company	Current	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
Budget	657,000	744,000	756,000	768,000	780,000	792,000	804,000	816,000
Avis	270,000	635,004	666,996	699,996	735,000	771,996	810,996	851,004
Enterprise	212,004	597,737	627,508	658,529	690,845	724,508	724,767	725,026
Hertz	0	625,104	650,103	650,103	650,104	675,000	675,000	675,000
Previous	291,600	0	0	0	0	0	0	0
Proponent								
TOTAL	1,430,604	2,601,845	2,700,607	2,776,628	2,855,949	2,963,504	3,014,763	3,067,030

In 2016, YLW earned \$1,979,830 in vehicle rental percentage/MAG fees. As of June 30, 2017, YLW had earned \$991,833 in vehicle rental percentage/MAG fees, in comparison to \$908,250 during the same period in 2016.

Schedule E – Operational Plan has been removed from each of the copies of the Vehicle Rental Concession Licences attached to this Report to protect third party business information; however,

these schedules form part of the Vehicle Rental Concession Licences between the City and the Preferred Proponents.

Proposed Changes to Bylaw No. 7982:

The change required to section 15 of Kelowna Airport Fees Bylaw No. 7982 is:

15a. ON AIRPORT CAR RENTAL CONCESSION FEES

		Currently reads:	Propose to read:
15a.1	CONCESSION FEE	The greater of 11% of the annual gross revenue or a tendered annual minimum guarantee.	The greater of 12% of the annual gross revenue or a tendered annual minimum guarantee.

15.b 1. ON AIRPORT CAR RENTAL LICENSEE RECOVERY FEES

	<u>Currently reads:</u>	Propose to read:
15.b 1. ON AIRPORT CAR RENTAL LICENSEE RECOVERY FEES	Licensees may incorporate a recovery fee not to exceed 12.36% into customer rental agreements.	Licensees may incorporate a recovery fee not to exceed 13.64% into customer rental agreements.

The airport is also proposing to increase the fee for the off-airport vehicle rental licence from 8% to 9%, consistent with the increase for on-site vehicle rental licences. The corresponding change required to Section 16 of Kelowna Airport Fees Bylaw 7982 is:

16. OFF AIRPORT CAR RENTAL LICENCES

	<u>Currently reads:</u>	Propose to read:
16. OFF AIRPORT CAR RENTAL LICENCES	The fee for off-airport car rental licenses offering shuttle service between the airport and off-airport car rental offices shall be 8% of gross revenue.	The fee for off-airport car rental licences offering shuttle service between the airport and off airport car rental offices shall be 9% of gross revenue.

Financial/Budgetary Considerations:

The NRFPs have been approved by the City's Purchasing Manager. The total guaranteed minimum concession fee to the City of Kelowna will be \$13,898,533.03 over the five-year term of the licences.

Internal Circulation:

Corinne Boback – Legislative Coordinator George King o Financial Planning Manager Jasmine Patrick – Communications Advisor

Considerations not applicable to this report: Legal/Statutory Procedural Requirements: N/A Legal/Statutory Authority: N/A Existing Policy: N/A

Personnel Implications: N/A

External Agency/Public Comments: N/A

Communications Comments: N/A Alternate Recommendation: N/A

Submitted by:

S. Dyrdal

Senior Airport Finance & Corporate Services Manager

Approved for inclusion:

Sam Samaddar, Airport Director
Ron Mattiussi, City Manager

cc: Corinne Boback – Legislative Coordinator
Jackie Dueck – Controller, Financial Services
Jasmine Patrick – Communications Advisor
Genelle Davidson – Divisional Director, Financial Services

Lori Evans, Senior Buyer

VEHICLE RENTAL CONCESSION AGREEMENT

THIS AGREEM	EN I dated for reference the day of, 2017 is
BETWEEN:	
	CITY OF KELOWNA, 1435 Water Street, Kelowna, B.C. V1Y 1J4
	(the "City")
AND:	
	DEVON TRANSPORT LTD, DBA BUDGET CAR & TRUCK RENTAL, 2501 Kenworth Road, Nanaimo, BC V9T 3M4
	(the "Subtenant")

WHEREAS:

A. By a lease dated December 19, 1979 (the "Head Lease") between the City and Her Majesty the Queen in Right of Canada (the "Head Landlord"), as represented by the Minister of Transport (the "Minister"), the Head Landlord leased to the City the following lands, on the terms and conditions set out in the Head Lease:

Parcel Identifier: 009-459-014

Lot 3 District Lots 32 and 120 and of Section 14 Township 23 Osoyoos Division Yale District Plan

11796

Parcel Identifier: 013-949-101

Lot B District Lot 122 Osoyoos Division Yale District Plan 41159

Parcel identifier: 011-518-189

Lot 7 Section 14 Township 23 Osoyoos Division Yale District Plan 1502 Except Plan H16596

(collectively the "Lands");

- B. The City and the Head Landlord amended the Head Lease on November 8, 1983, January 14, 1985, October 31, 1986, January 19, 1990, November 29, 1990, May 26, 1994, June 14, 1994, February 16, 1996, and July 24, 2015;
- C. The Lands are used for the purpose of operating and maintaining the Kelowna International Airport (the "Airport"), and the City has constructed a terminal building on the Lands for use in connection with the Airport (the "Terminal Building");
- D. The City has agreed to sublease to the Subtenant a portion of the Lands and Terminal Building for the purpose of operating a vehicle rental concession;
- E. As required under section 4 of the Head Lease, the written consent of the Head Landlord is required for this Agreement;

F. In accordance with section 26 of the *Community Charter*, the City has posted and published notice of its intention to sublease the Premises to the Subtenant;

NOW THEREFORE THIS AGREEMENT WITNESSES that, in consideration of the rents, covenants, and agreements to be paid, observed, and performed by the Subtenant, and other good and valuable consideration (the receipt and sufficiency of which are hereby expressly acknowledged) the City and the Subtenant covenant and agree as follows:

Definitions

- 1. In this Agreement:
 - a. "Airport Director" means the person holding that position, or acting in the capacity of the Airport Director of the Airport;
 - b. "Gross Revenue" has the meaning set out in Schedule B;
 - c. "Premises" means that portion of the Lands and the Terminal Building shown highlighted in yellow on the sketches attached as Schedule A, and includes the counter space, vehicle parking spaces, kiosk space and vehicle service center space as shown in Schedule A;
 - d. "Vehicle" means an automobile, motorcycle, van, truck and any other vehicle propelled, driven, or drawn other than by muscular power.

Sublease

2. The City subleases the Premises to the Subtenant for the Term, and the Subtenant subleases the Premises from the City for the Term, on and subject to the terms and conditions of this Agreement.

Condition Precedent

- 3. The City's obligation to sublease the Premises and the Subtenant's obligation to sublease the Premises from the City are subject to the following condition precedent:
 - a. On or before the Commencement Date, the City will have obtained the Head Landlord's written consent to this Agreement, as required pursuant to section 4 of the Head Lease.

The City and the Subtenant agree that the condition precedent in subsection a. above is for the benefit of both the City and the Subtenant and may not be waived. If that condition is not satisfied by the date specified, this Agreement is at an end.

Term

4. The term of this Agreement (the "Term") is five (5) years, commencing on October 1, 2017 (the "Commencement Date") and expiring on September 30, 2022 (the "Expiry Date").

- 5. If the Subtenant shall hold over after the expiration of the Term or after the expiration of the last renewal thereof, and the City shall accept rent, the new tenancy thereby created shall be a tenancy from month to month and not a tenancy from year to year, and the Subtenant shall pay as rent during the time of such occupancy an amount to be determined at the reasonable discretion of the City, and shall be subject to the covenants and conditions herein contained so far as the same are applicable to a tenancy from month to month. Any such over holding month to month tenancy may be terminated by the City by providing thirty (30) days notice in writing
- 6. If, at the expiration of the Term, all Rent or other sums or charges due or payable have been fully paid and the Subtenant has on its part observed and performed all the covenants, provisos, conditions and reservations herein contained, the City may, at its sole discretion, grant to the Subtenant an extension of this Agreement for a second term not exceeding one (1) year commencing in like manner, and, at the expiration of such second term may grant to the Subtenant an extension of this Agreement for a third term not exceeding one (1) year commencing in like manner, subject always to the covenants, provisos, conditions and reservations herein contained. The City shall provide written notice to the Subtenant of its intention to grant an extention of this Agreement at least ninety (90) days prior to the end of the Term and, if applicable, any renewal term.

Rent

- 7. The Subtenant shall pay to the City all amounts required by the City of Kelowna Airport Fees Bylaw No. 7982 (the "Bylaw"), as amended from time to time, including the concession fee, counter space fee, vehicle parking stall fee, remote lot vehicle parking stall fee, service centre fee, and the automotive fuel system fee, as set out in the Bylaw (together, the "Rent"). For certainty, as of the Commencement Date the Rent shall be as set out below:
 - a. An annual minimum guarantee, for the periods and in the amounts listed below, or 12% of the Gross Revenue for the periods listed below, whichever is the greater amount:
 - i. from October 1, 2017 to September 30, 2018, an annual sum of \$744,000.00, payable in equal monthly installments;
 - ii. from October 1, 2018 to September 30, 2019, an annual sum of \$756,000.00, payable in equal monthly installments;
 - iii. from October 1, 2019 to September 30, 2020, an annual sum of \$768,000.00, payable in equal monthly installments;
 - iv. from October 1, 2020 to September 30, 2021, an annual sum of \$780,000.00, payable in equal monthly installments;
 - v. from October 1, 2021 to September 30, 2022, an annual sum of \$792,000.00, payable in equal monthly installments;
 - vi. in the event the first option to extend the Term for one additional year is entered into, from October 1, 2022 to September 30, 2023, an annual sum of \$804,000.00, payable in equal monthly installments;

- vii. in the event the second option to extend the Term for one additional year is entered into, from October 1, 2023 to September 30, 2024, an annual sum of \$816,000.00, payable in equal monthly installments.
- b. For the use and occupancy of the counter space: Four-hundred and Seventy-Seven dollars and 24 cents (\$477.24) per square metre per annum.
- c. For the use of the ready vehicle parking spaces: Forty dollars (\$40.00) per month, for each of the parking spaces designated by the Airport Director for parking of the Subtenant's vehicles.
- d. For the use of the vehicle rental service center space: One-hundred and thirty-nine dollars and fifteen cents (\$139.15) per square metre per annum.
- e. For the use of the remote vehicle parking spaces: Thirty dollars (\$30.00) per month, for each of the parking spaces designated by the Airport Director for parking of the Subtenant's vehicles.
- f. For use of automotive fuel system: The cost of the fuel to the City plus an administration fee of eleven percent (11%).
- 8. Rent referred to in section 7.a. shall be paid by the Subtenant in monthly instalments and shall become due and payable within fifteen (15) days after the last day of each month during the Term of this Agreement. The Subtenant shall submit to the Airport Director a duly completed Airport Vehicle Rental Concession Revenue and Payment Report in the form attached as Schedule C, signed by an authorized signing officer of the Subtenant, upon which the percentage payments under this Agreement shall be calculated. The Subtenant shall remit to the City in accordance with the provisions hereof the required percentage of all Gross Revenue derived by the Subtenant from its operations hereunder whether such Gross Revenue is actually paid or is due and payable only, and notwithstanding any loss sustained by the Subtenant with respect to such Gross Revenue as a result of theft, defalcation or any other cause whatsoever.
- 9. Rent referred to in sections 7.b., c., d., and e. will be invoiced by the City on a monthly basis and will become due and payable on the 1st of each month for which the Premises are occupied. Rent referred to in section 7.f. will be invoiced as a recovery and is due and payable the last day of the month following the date of the invoice (e.g. March 24th invoice, payment due April 30th).
- 10. The Subtenant hereby waives and renounces any and all existing and future claims, offsets, and compensation against any Rent and agrees to pay such Rent regardless of any claim, offset, or compensation which may be asserted by the Subtenant or on its behalf.
- 11. All payments by the Subtenant to the City under this Agreement shall be applied toward such amounts then outstanding as the City determines and the City may subsequently alter the application of any such payment.
- 12. The parties acknowledge and agree that the Rent set out in section 7 above includes the provision of reasonable supply of electricity, water, heat, air conditioning, and general cleaning and

sanitation services to the Premises, notwithstanding which the Subtenant shall not have nor make any claim or demand, nor bring any action or suit or petition against the City or any of its officers, servants, or agents for any damage or harm which the Subtenant may sustain by reason of any temporary suspension, interruption, or discontinuance of such services, in whole or in part, from whatever cause arising.

- 13. The Subtenant acknowledges and agrees that the cost of electricity consumed in that portion of the Premises comprising the service centre, as shown in Schedule A (the "Service Centre"), is shared equally among the car rental concessionaires occupying space in the Service Centre. The Subtenant further acknowledges and agrees that it is responsible for all other utility costs, in particular all telephone, cable, and internet costs.
- 14. The Subtenant acknowledges and agrees that if the Service Centre is relocated during the Term, the cost of water used at the new Service Centre location will be shared among the car rental concessionaires occupying space in the new Service Centre.
- 15. The Subtenant acknowledges and agrees that during the Term the City may institute a customer facility charge ("CFC") that will be applied to each customer's rental car agreement. The CFC will be collected by the Subtenant and remitted to the City on a monthly basis within fifteen (15) days after the last day of each month the CFC is in effect.

Financial Statements and Record Keeping

- 16. The Subtenant covenants and agrees with the City as follows:
 - a. that during the currency of this Sublease, the Subtenant shall cause to be kept, books and records of all revenue and expenses, such books and records to be kept in accordance with Canadian Generally Accepted Accounting Principles or International Financial Reporting Standards. The Subtenant shall retain these books and records for a period of two (2) years following the expiry of this Agreement;
 - b. on or before the fifteenth (15th) day of each month of the Term, the Subtenant shall supply to the Airport Director, in a format deemed satisfactory by the Airport Director, an itemized statement of Gross Revenue for the preceding month, upon which the percentage Rent payments under section 7.a. of this Agreement are calculated;
 - c. that within ninety (90) days of the end of each year of this Agreement, and within ninety (90) days of the Expiry Date, the Subtenant shall submit to the City an audited annual statement of Gross Revenue relating to the operations under this Agreement. The audited annual statement of Gross Revenues shall contain an unqualified independent auditor's report signed by the licensed Chartered Professional Accountant(s) that completed the audit;
 - d. if the Subtenant fails to submit the statements referred to in section 16.c within the specified time, the Airport Director may cause to have the statements prepared in accordance with Section 17, in which case the Subtenant shall, forthwith upon receipt of appropriate accounts,

- reimburse the City for all expenses connected therewith plus twenty percent (20%) of such expense;
- e. that the Subtenant shall also provide, in addition to the documents referred to in a., b., and c. above, such financial statements as may be requested by the Airport Director from time to time.

Audit and Inspection

17. The Subtenant agrees that the books of the Subtenant shall be open for audit and inspection and for taking extracts therefrom at all times, during business hours, by the accredited officers of the City. The Subtenant shall prepare and keep adequate books and records which shall show all transactions by the Subtenant. The cost of any audit performed pursuant to this clause shall be borne by the City, provided, however, that should the results of such audits reveal a discrepancy of more than THREE PERCENT (3%) between the Gross Revenue reported in accordance with Schedule C herein and the Gross Revenue as determined by such audits then the full cost of such audits shall be borne by the Subtenant.

Disclosure of Gross Revenue Information

18. It is understood and agreed that in the concluding year of this Agreement and at any time after its termination, the City may publish the annual total of the Gross Revenues reported by the Subtenant in each year of this Agreement for the purpose of public information, along with a breakdown of such Gross Revenues.

Security Deposit

- 19. Prior to the Commencement Date, the Subtenant shall provide to the City a security deposit in the amount of one quarter (1/4) of the highest annual minimum guarantee during the Term, specifically one hundred and ninety eight thousand dollars (\$198,000) (the "Security Deposit") in the form of an irrevocable letter of credit, in the format attached hereto as Schedule D. The Security Deposit will be retained by the City for the Term of this Agreement or until this Agreement comes to an end, whichever comes first. The Security Deposit shall be returned to the Subtenant, provided that if the Subtenant fails to pay any portion of the Rent due and/or impairs, damages or injures the Premises or any part thereof during the Term of this Agreement, the City may draw on the Security Deposit and may apply the funds or any part thereof to the arrears of sums and/or towards the repair of such damage. The application of the Security Deposit by the City shall not constitute a waiver nor in any way defeat or affect the rights of the City in terms of this Agreement or any and all other rights and remedies which the City has by law. Failure to provide the Security Deposit as required herein may result in immediate termination of this Agreement without compensation to the Subtenant.
- 20. The Subtenant asserts that the Security Deposit provided pursuant to section 19 is not subject to any existing encumbrance, charge, or security agreement.
- 21. The Subtenant covenants and agrees that it will not assign, encumber nor attempt to assign or encumber the Security Deposit provided pursuant to section 19 and that the City shall not be bound by any such assignment, encumbrance, attempted assignment or attempted encumbrance.

Concession Fees

- 22. The City agrees to allow the Subtenant to incorporate "concession fees" not to exceed 13.64% of Gross Revenues into customer rental agreements provided the Subtenant does not state or imply that the extra charge was, directly or indirectly, a fee, charge, surcharge, or tax imposed or levied on the customer by the City or by, on behalf of, or in any way connected with the Airport.
- 23. Notwithstanding section 22, the Subtenant shall not impose any fee or charge on its customers which is referred to or identified on any contract or invoice, or orally by the agents of the Subtenant, or by signs, notices or pamphlets posted at the Airport or otherwise made available to customers, including any form of verbal advice either in person or through any form of telecommunications, as being directly or indirectly a fee, charge, surcharge or tax imposed or levied by the City on the customer. The City shall be entitled to post a disclaimer in a prominent location on the Premises stating that any of the Subtenant's fees or charges are not being imposed on customers by the City, directly or indirectly.

Conduct of Business and Services Provided by the Subtenant

- 24. The Subtenant shall only use and occupy the Premises for the purpose of operating a vehicle rental concession and for no other purpose whatsoever.
- 25. No vehicles used by the Subtenant to provide the vehicle rental service at the Airport shall at any point in time be more than three (3) years old.
- 26. At all times during the currency of this Agreement, the vehicles used by the Subtenant to provide the vehicle rental service at the Airport shall be maintained in proper working condition and repair at the sole expense of the Subtenant.
- 27. At all times during the currency of this Agreement, the Subtenant shall have, available upon request, an adequate number (as reasonably determined by the Airport Director) of infant- and child-restraint systems for use in the vehicles provided at the Airport. All such systems must be clean, in proper working condition and meet the Canadian Motor Vehicle Safety Standards.
- 28. The Subtenant shall provide and maintain at the Airport a level of service and a range of types of vehicles together with appropriate prices charged therefor, which are comparable to those offered by the Subtenant at other locations within the area served by the Airport, all to the reasonable satisfaction of the Airport Director.
- 29. The Subtenant shall post its normal hours of operation, as approved from time to time by the Airport Director, in a prominent location within the counter space.
- 30. The Subtenant shall service the counters from fifteen (15) minutes before the first scheduled flight until fifteen (15) minutes after the last scheduled commercial flight, it being understood that the Airport Director may from time to time change these requirements upon providing reasonable notice to the Subtenant.
- 31. The Subtenant shall implement the operational proposal attached as Schedule E (the "Operational Proposal"). Any significant future proposed changes to the Operational Proposal, which is

- attached as Schedule E, must be approved by the Airport Director prior to implementation within a reasonable period of time.
- 32. The Subtenant shall provide customers with appropriate guidance and wayfinding to the rental car ready lot as reasonably deemed necessary by the Airport Director and especially during peak travel times including, but not limited to, the December holiday season, Spring Break and July.
- 33. The Subtenant shall pay at the prevailing rates the costs for all electrical energy used in connection with electrical plug-ins that are provided in the parking spaces. In those instances, when the consumption of the electrical energy for plug-ins is not measured by separate meters, the Airport Director shall determine the applicable rate on the basis of cost comparison.
- 34. The Subtenant shall ensure all vehicle movements are completed in a safe manner while meeting all local, provincial and federal rules and regulations and all airport policies outlined by the Airport Director from time to time. The Subtenant shall be directly responsible for the actions of its employees in regards to these matters. Any breach of this section 34 will be considered a default of the Subtenant's obligations under this Agreement, triggering the City's right of re-entry and termination for default.

Subtenant's Covenants

- 35. The Subtenant covenants and agrees with the City:
 - a. to promptly pay when due, Rent and any other amounts required to be paid by it under this Agreement;
 - b. to promptly pay when due all amounts required to be paid by it pursuant to the Bylaw, including the automotive fuel system fee;
 - c. to only use and occupy the Premises for the purpose of carrying on the Subtenant's vehicle rental concession, and for no other purpose whatsoever;
 - d. to take possession of and occupy the Premises on the Commencement Date and commence to carry on business in the Premises no later than 15 days after the Commencement Date;
 - e. to carry on the Subtenant's vehicle rental concession operation in a safe, proper and first-class manner as befits a corporation operating within a municipal airport facility, with trained and certified staff, and not to undertake any activities or display any posters, art or printed material or play any music that is not appropriate to a public facility;
 - f. not to commit or permit any waste or injury to the Premises (including any drainage system, sanitary sewer system, or other facility provided for the protection of the general public or the operation of the Airport, any Leasehold Improvements and the trade fixtures therein), or any overloading of the floors thereof, or any conduct which impedes or, in the opinion of the City acting reasonably, could constitute a nuisance to the City, any other occupant of the Terminal Building, or anyone else;

- g. not to discharge, cause or permit to be discharged or howsoever to pass into the sewer systems, storm drains, or surface drainage facilities at the Airport or elsewhere any deleterious material, noxious, contaminated, or poisonous substances, all as determined by the City, whose decision shall be final, it being expressly understood and agreed that, in the event of a discharge or escape of any such deleterious material, noxious, contaminated, or poisonous substance under the control of the Subtenant, all clean-up costs incurred by the City shall be paid by the Subtenant;
- h. not to carry on any other use or manner of use which annoys or interferes with the operations of any other occupant of the Terminal Building or, in the opinion of the City acting reasonably, may have an adverse impact on the reputation of the Airport;
- i. not to do, omit to do, or permit to be done or omitted to be done upon the Premises anything which would cause the City's cost of insurance to be increased (and, without waiving the foregoing prohibition, the City may demand, and the Subtenant shall pay to the City upon demand, the amount of any such increase of cost caused by anything so done or omitted to be done) or which shall cause any policy of insurance to be subject to cancellation;
- j. not to permit the Premises to become untidy, unclean, unsightly, or hazardous, or permit unreasonable quantities of waste or refuse to accumulate therein;
- k. to provide complete and proper arrangements for the sanitary handling and disposal away from the Airport of all trash and other refuse resulting from the Subtenant's operations, all to the reasonable satisfaction of the Airport Director. Piling of boxes, barrels or other similar items shall not be permitted in any public area at the Airport;
- I. to comply at its own expense with all applicable local government, provincial, federal, or any other governing body whatsoever laws, bylaws, regulations, and requirements pertaining to the operation and use of the Premises, the condition of the Leasehold Improvements, trade fixtures, furniture, and equipment installed therein, and the making by the Subtenant of any repairs, changes or improvements therein, and to comply with all instructions given by the Airport Director (including with respect to safety and fire prevention);
- m. to abide by and comply with all regulations regarding the environment, traffic control, airport security, sanitation and all other regulations and directives relative to the management and operation of the Airport;
- n. to permit ingress and egress to and from the Premises by any person by use of fire exit doors in case of fire or emergency;
- o. to observe, and to cause its agents, officers, employees, invitees, and others over whom the Subtenant can reasonably be expected to exercise control to observe all rules and regulations which may be made or otherwise imposed by the City, of which notice in writing shall be given to the Subtenant, and all such rules and regulations shall be deemed to be incorporated into and form part of this Agreement;
- p. not to paint, display, inscribe, place, or affix any sign, symbol, notice, or lettering of any kind anywhere outside the Premises (whether on the outside or inside of the Terminal Building) or within the Premises so as to be visible from the outside of the Premises, except as expressly

- approved in writing by the City as to design, size, and location, such approval not to be unreasonably withheld. Such identification sign shall be installed by the Subtenant at its own expense;
- q. not to contaminate or permit the contamination of the Premises, the Terminal Building, the Lands or surrounding area with any hazardous substances and should such contamination occur, to undertake all necessary remediation at the cost of the Subtenant;
- r. to permit the City (after giving reasonable notice to the Subtenant) from time to time to enter and to have its authorized agents, employees, and contractors enter the Premises for any purpose and the Subtenant shall provide free and unimpeded access and shall not be entitled to compensation for any inconvenience, nuisance, or discomfort caused, but the City shall proceed to the extent reasonably possible so as to minimize interference with the Subtenant's use and enjoyment of the Premises;
- s. to accept U.S. currency in payment for goods or services hereunder at such rates of exchange as may be determined by the Airport Director from time to time. The exchange rate so determined will be equal to the "buy" rate set by a chartered bank, determined by the Airport Director:
- t. to inform the public of the applicable U.S. currency by displaying signs indicating the said rate in a prominent location within the Premises;
- u. to accept debit and credit cards in payment for goods or services hereunder, in accordance with directives as may be given from time to time by the Airport Director. The Subtenant shall be responsible for obtaining and thereafter maintaining, at its own expense, all credit and debit card processing equipment necessary for the provision of a credit and debit card service;
- v. to take all reasonable precautions to ensure the safety of all persons using the Premises; and
- w. to promptly cause to be discharged any builders' lien which may be filed against the title to the Lands, and to comply at all times with the *Builders Lien Act* (British Columbia) in respect of any improvements, work, or other activities undertaken in, on, or to the Premises.

Service to Persons with Disabilities

- 36. The Subtenant shall have available at the Airport a sufficient number of hand-control systems to fill all reservations for hand-control-equipped vehicles which are received 24 hours or more before the vehicle is to be delivered to the customer, but in any event the Subtenant shall have not less than two hand controls at the Airport.
 - Where a reservation is received 24 hours or more before the vehicle is to be delivered to the customer and the Subtenant does not provide a hand-control-equipped vehicle, then the Subtenant shall arrange for convenient, alternative transportation until such time as a vehicle with hand controls is made available. The Subtenant shall pay the cost of the alternative transportation to the extent that such cost exceeds the cost of renting the vehicle with hand controls. This provision does not apply if at the time the reservation is received, the Subtenant has entered into rental agreements for its hand-control-equipped vehicles for the entire period the hand-control-equipped vehicle is required.

For any reservation which is not received 24 hours or more before the vehicle is to be delivered to the customer, the Subtenant will undertake its best efforts to provide hand-control-equipped vehicles if, at the time the reservation is received, a hand-control system is available for the entire period the vehicle is required.

The Subtenant acknowledges and agrees that the Airport Director may from time to time, within reason, change these requirements in response to changes in passenger volumes, upon giving reasonable notice to the Subtenant.

- 37. The Subtenant shall provide hand-control systems at no additional cost to the customer.
- 38. The Subtenant shall permit guide dogs to accompany the disabled passenger in the seating area of the rental vehicle and at no additional charge.
- 39. Hand controls provided by the Subtenant shall meet all Canadian Standards Association (CSA) and other applicable certifications and standards set by regulatory agencies and Provincial licensing bodies. Where the hand controls are permanently installed in the vehicles used at the Airport, the Subtenant shall provide appropriate inspection certificates attesting to the mechanical reliability of the vehicles.
- 40. The Subtenant shall post signs in the counter space and kiosks within the Premises, where applicable, to indicate the availability of services for persons with disabilities. Such signs shall be of a form and content as may be approved by the Airport Director and shall be posted in such location as the Airport Director may determine.
- 41. If there is a demonstrated demand, the Subtenant will undertake its best efforts to add to its vehicle rental fleet vehicles which are accessible by persons with disabilities using a mobility device including a wheelchair or scooter for personal transportation. The accessible vehicles shall meet all federal and provincial safety certifications and standards and shall be provided at no additional cost to persons with disabilities.
- 42. The Subtenant shall provide its employees and agents who may interact with the travelling public at the Airport with the level of training required, as reasonably specified by the Airport Director, to ensure that its personnel possess the knowledge, skills and attitudes necessary to assist persons with disabilities in an effective and sensitive manner.
- 43. All such training shall comply with the Personnel Training Regulations for the Assistance of Persons with Disabilities Regulations (the "Regulations") issued by the *Canada Transportation Act*. The Subtenant shall ensure that all personnel shall complete their initial training within sixty (60) days after the commencement of their duties as well as receive periodic refresher training sessions throughout the Term, appropriate to the requirements of their function.
- 44. The Subtenant shall keep its training program current and available for inspection by the Airport Director, National Transportation Agency, and the general public. The training program shall

- contain the information set out in the Regulations. The training program shall be submitted to the Airport Director at the commencement of this Agreement and the Subtenant shall submit to the Airport Director any changes made to the training program during the currency of this Agreement.
- 45. The Subtenant shall provide its employees and agents responsible for the installation of equipment necessary to accommodate persons with special needs with training on the installation, maintenance and operation of such equipment.

Accessories

- 46. Prior to the Commencement Date, the Subtenant shall submit for the Airport Director's reasonable approval a listing of all vehicle accessories or additional features ("such accessories") which will be made available at the Commencement Date of this Agreement. Within five days of receiving a written request from the Airport Director, the Subtenant shall submit to the Airport Director a listing of all such accessories made available at the point in time indicated in the written request.
- 47. The Subtenant may offer such accessories, provided they are attached to, or are used in, or are built into the vehicle.
- 48. The Subtenant agrees that the rental of such accessories shall be included with the rental of a vehicle, and that such accessories shall at no time be rented out separately unless approved by the Airport Director and under a licence which is separate from this Agreement.
- 49. The Subtenant further agrees that all rent or charges for such accessories shall be included in the vehicle rental contract.

Prices

- 50. Prior to the commencement of this Agreement, the Subtenant shall submit to the Airport Director a schedule of the prices to be in effect on the Commencement Date, if different from those prices set out in the Subtenant's Operational Proposal, a copy of which is attached as Schedule E. Within five (5) days of receiving a written request from the Airport Director, the Subtenant shall submit to the Airport Director a schedule of the prices in effect at the point in time indicated in the written request.
- 51. Prices posted for vehicle rental services at the Airport must be displayed in a manner approved by the Airport Director.

Consultant Services

52. If at any time the City becomes aware that the prices for vehicle rental services at the Airport are not comparable to those charged in the area served by the Airport (with due regard for operating cost differences resulting from operation at the Airport), or if the City becomes aware that the level of service provided, and/or the type of vehicles available at the Airport is not comparable to similar establishments in such area, the City may at the expense of the Subtenant employ a recognized consultant (the "Consultant") for review and assessment.

- 53. If the Consultant concludes that the prices for vehicle rental services, or the level of service provided, or the type of vehicles available at the Airport are not comparable to those in the area served by the Airport, the Airport Director may request, by notice in writing to the Subtenant, that the necessary corrective action be taken; provided, however, that the Subtenant shall be given a reasonable opportunity to defend against the Consultant's findings. Such corrective action shall be effected by the Subtenant within a reasonable period of time, having regard to the nature of the improvements which the Airport Director determines to be necessary.
- 54. It is expressly understood and agreed by the Subtenant that where the Subtenant is unable, to the satisfaction of the Airport Director, to refute the findings of the Consultant, the Subtenant shall give effect to the recommendations made by the Airport Director, in his/her notice. Failure to implement such recommendations within a reasonable time, to the satisfaction of the Airport Director, shall be treated as a breach of this Agreement and be subject to the provisions of section 104.

Advertising and Displays

- 55. The Airport Director reserves the right to rule upon displays and advertising signs within the Premises, and the Subtenant shall conform to the aesthetic standards of the Terminal Building and to any directive which may be introduced from time to time by the Airport Director. No electrical sign of any kind may be installed without the prior approval in writing of the Airport Director, such approval not to be unreasonably withheld.
- 56. The Subtenant shall obtain the written approval of the City, in advance, of all signs and similar advertising material, including lettering and other advertising media erected, installed or placed upon the exterior of the Premises or within the Premises to the extent that such signs are visible from outside the Premises, such approval not to be unreasonably withheld. The cost of installing, maintaining, changing and removing all signs shall be borne by the Subtenant.
- 57. The Subtenant covenants and agrees that it will use the name Kelowna International Airport in all advertising of its operations hereunder, in all promotional material and on all letterheads and stationery.
- 58. The Subtenant may advertise, promote and/or display for sale, within the confines of the Premises, only those products or services that relate directly and exclusively to its operations hereunder and any advertisement, promotion and/or display for sale must indicate that those products or services can only be obtained with the rental of a vehicle, unless such products or services are provided under a separate agreement and approved by the Airport Director.
- 59. Any revenues or benefits derived directly or indirectly by the Subtenant from the advertisement, promotion and/or display of goods and services by a third party will be considered as revenue and shall be included in the Gross Revenue reported by the Subtenant.

Official Languages

Where the Airport is deemed to have significant demand, as deemed by the Airport Director and communicated to the Subtenant by the Airport Director, the Subtenant covenants:

- a. to comply with the *Official Languages Act* and Regulations and the City's policy on Official Languages;
- b. to display or make available to members of the public, in both official languages, all printed and written material including signs, notices, and other information in connection with its operations hereunder and, where applicable, to provide services by other means (including self-service equipment in both official languages);
- c. during every shift of operations in the Premises which is used for the serving of the public, to have sufficient staff on duty to provide oral response capability in both official languages within a reasonable period of time; and
- d. to clearly demonstrate to members of the public that these bilingual services are available in either official language of their choice.

Notwithstanding any other remedy available to the City, if a breach of section 60.b. occurs, the City may terminate this Agreement or enter the Premises and provide the printed and written material in both official languages, in which event the Subtenant shall pay, as additional Rent, the cost of providing such printed material or written material plus twenty percent (20%) of such cost. For certainty, if a breach of either section 60.a., c., or d. occurs, the City may terminate this Agreement.

Operational Concepts

- 61. The Subtenant agrees that during the currency of this Agreement it shall adhere to and perform each and every one of its undertakings and representations set out in its Operational Proposal, a copy of which is attached as Schedule E. The Subtenant further covenants and agrees that any failure to comply with this requirement shall constitute a breach of the conditions of this Agreement for the purpose of section 104. Any significant future proposed changes to the Operational Proposal, which is attached as Schedule E, must be approved by the Airport Director prior to implementation.
- 62. During the currency of this Agreement, the Subtenant has the right to introduce any new products, services or accessories not included in the Operational Proposal referred to in section 61, but such introduction shall be subject to the prior approval of the Airport Director.

Personnel

- 63. The Subtenant shall engage suitable personnel to efficiently provide and maintain the required standard of services. Such personnel will be acting as ambassadors for the Airport and professionalism and personal appearance must be of a high standard at all times. Local personnel shall be employed to the extent practical and consistent with reasonable efficiency and economy, all as reasonably determined by and to the satisfaction of the Airport Director.
- 64. The Subtenant acknowledges and agrees that the car rental operations set out in this Agreement shall be performed by the Subtenant and by any other employee, agent, subcontractor or representative of the Subtenant (collectively, the "Subtenant's Personnel"). The Subtenant shall not employ any person to carry out the car rental operation at the Facility if that person has been convicted of a criminal or summary conviction offence that is related to that employment. The Subtenant's Personnel shall be under the exclusive supervision of the Subtenant. All responsibility

- and authority for hiring, training, supervision, direction, compensation, discipline, termination, and administration of the Subtenant's Personnel, and any and all costs or expenses related thereto, rest exclusively with the Subtenant.
- 65. The Subtenant shall pay for the parking at the Airport of its employees' vehicles, at the prevailing rates.
- 66. The Subtenant shall ensure that its employees and agents respect all rules and regulations at the Airport including those pertaining to speed and traffic.
- 67. The Subtenant shall ensure all of its personnel receive customer service training and participate in campus wide customer service initiatives as approved and required by the Airport Director from time to time, and the Subtenant shall maintain records of such training to be made available for inspection by the Airport Director throughout the Term.
- 68. If the Airport Director determines that national security is involved, he/she may instruct the Subtenant to provide information concerning any person or persons employed by the Subtenant at the Premises and may require the removal of any person or persons from the Premises. The Subtenant shall comply immediately with instructions from the Airport Director pursuant to this clause.

Quiet Possession

69. The City shall permit the Subtenant, so long as the Subtenant is not in default of the Subtenant's obligations under this Agreement, to peaceably possess and enjoy the Premises for the Term, without interference or disturbance from the City or those claiming by, from or under the City, except for the City's express rights under this Agreement to enter upon and use the Premises or to permit others to do so.

Licences, Permits, Etc.

- 70. The Subtenant shall procure and maintain in good standing, at its cost and expense, such licences, permits or approvals from federal, provincial, municipal or other government authorities, and such private permits as may be necessary to enable the Subtenant to conduct its operations hereunder.
- 71. Failure by the Subtenant to procure such licences, permits or approvals or such private permits will not relieve the Subtenant from paying the amounts prescribed under this Agreement from the Commencement Date. In the event the Subtenant fails by 12.01 a.m. on the Commencement Date to procure such licences, permits or approvals or such private permits, and fails to notify the City by the above deadline that such licences, permits or approvals or such private permits have been obtained, this Agreement shall, at the option of the City, be terminated without any further notice or delay.

Enforcement

72. Notwithstanding the provisions of section 104 any failure by the Subtenant to comply with the requirements set forth in sections 16, 17, 34, 35(u), 36 through 45, and 76 through 79 shall constitute a breach of the conditions of this Agreement and shall be subject to the cancellation of this Agreement under the following conditions:

In the event of a breach by the Subtenant of any of the aforementioned requirements, and provided reasonable steps have not been taken to cure such breach within thirty (30) days from the date of notice in writing thereof from the City to the Subtenant, the City may terminate this Agreement by giving the Subtenant thirty (30) days written notice of intention to terminate, during which time the Subtenant will no longer be permitted to cure such breach, and thereupon after the expiration of such period of notification, this Agreement shall be terminated without any further notice or delay.

Change of Name and Corporate Identity

- 73. The Subtenant agrees to operate a vehicle rental concession at the Airport during the term of this Agreement under the trade name of:
 - **Budget Car and Truck Rentals**
 - and shall not use any other trade name without the prior written consent of the City.
- 74. The Subtenant agrees to notify the City of any change in the ownership or control of the Subtenant or in its board of directors within thirty (30) days of such a change coming into effect.

Franchise Agreement

75. Where the Subtenant is a franchisee under a franchise agreement pertaining to the Subtenant's operations hereunder, the Subtenant agrees to notify the City forthwith in writing of any cancellation of such franchise agreement.

Prohibited Activities

- 76. The City will not permit the parking of any rental vehicle by the Subtenant within the short term and long term public parking lots at the Airport nor any overflow, employee or other parking locations at the Airport, other than those specified in this Agreement, unless specific written authorization is provided by the Airport Director.
- 77. The City will not permit the Subtenant or any of its customers to deliver or surrender any rental vehicle in any location other than the Premises.
- 78. The City will not permit cleaning or maintenance of vehicles in the rental vehicle ready lot parking area of the Premises.
- 79. The Subtenant acknowledges and agrees that all driving lanes and walkways in the vehicle rental Service Center must be kept clear at all times for the efficient operation of the Service Center. The Subtenant shall ensure that its rental vehicles and any other of its vehicles do not park in any such areas at any time. Any vehicles which are so parked whether by the Subtenant's employees or customers will be towed without notice at the Subtenant's expense which charges shall be paid to the City as additional fees on demand.

City's Covenants

80. The City covenants and agrees with the Subtenant:

- a. to permit the Subtenant and its employees and customers to have the license and use during hours that the Terminal Building is open, in common with others entitled thereto, of the common parking areas, sidewalks, entrances, lobbies, stairways, and corridors of the Terminal Building giving access to the Premises (subject to any rules and regulations established by the City from time to time), and the provisions of this Agreement will apply to the license granted in this section to the extent those provisions can apply; and
- b. to permit the Subtenant and its employees and invitees in common with others entitled thereto to use the public washrooms in the Terminal Building.

Subtenant's Acknowledgments and Agreements

- 81. Acknowledgement of Head Lease The Subtenant acknowledges and agrees that this Agreement is subject to the Head Lease and all of its terms, restrictions, and limitations, and the Subtenant has no greater interest in the Premises than the City under the Head Lease and, to the extent that any right or benefit conferred by this Agreement contravenes or is incompatible with the Head Lease, such right or benefit will be amended or modified so as not to contravene or be incompatible with the Head Lease.
- 82. Security The City shall have no responsibility whatsoever for the security of the Subtenant's property on the Premises, the sole responsibility for which rests with the Subtenant, and the Subtenant hereby releases the City from all claims, actions, damages, liabilities, losses, costs, and expenses whatsoever as may be suffered by the Subtenant arising from or related to the Subtenant's failure to secure its property on the Premises. For clarity, the Subtenant shall secure the Premises by locking all doors and windows to the Premises at the end of its daily operations, but may not install other security systems or features on the Premises such as separate alarm systems or security cameras without the prior written consent of the City.
- 83. Material Disclosures The Subtenant acknowledges that the City has made the material disclosures in respect of the Premises and this Agreement listed in Schedule F.
- 84. Changes to Passenger Traffic Patterns and Location The Subtenant acknowledges that the configuration of the Terminal Building may be in a state of flux during the currency of this Agreement due to traffic shifts or a Terminal Building renovation program, and that therefore the City cannot guarantee that the present pattern of passenger traffic adjacent to the counter space or relocated Premises, or any future pattern, will be permanent for all or any portion of the Term. Because of construction, or for other reasons, the City may find it desirable and in the best interests of the travelling public to make changes in the passenger traffic pattern and erect temporary structures, walls or partitions. The Subtenant hereby acknowledges and agrees that it shall have no claim whatsoever against the City for any changes or disruptions that may be made and/or arise as a result of a Terminal Building renovation program.
- 85. Car-Sharing The Subtenant acknowledges and agrees that the City may enter into agreements with car sharing entities.

Repair, Damage and Destruction

86. The Subtenant covenants with the City:

- a. to keep in a good and reasonable state of repair and consistent with the general standards of airports of similar age in British Columbia, the Premises including all Leasehold Improvements and all trade fixtures therein and all glass therein other than glass portions of exterior walls, but with the exception of structural members or elements of the Premises;
- b. that the City may enter and view the state of repair (without having any obligation to do so), and that the Subtenant will repair according to notice in writing, and that the Subtenant will leave the Premises in a good and reasonable state of repair; and
- c. that if any part of the Terminal Building, including the systems for interior climate control and for the provision of utilities, becomes out of repair, damaged, or destroyed through the negligence or misuse of the Subtenant or its employees, invitees, or others over which the Subtenant can reasonably be expected to exercise control, the Subtenant shall carry out such repairs and replacements as the City considers necessary, to the satisfaction of the City, failing which the City may carry out those repairs and replacements and the expense of all such repairs and replacements necessitated thereby shall be reimbursed to the City by the Subtenant promptly upon demand.

Abatement and Termination in Event of Damage or Destruction

- 87. It is agreed between the City and the Subtenant that in the event of damage to the Premises or to the Terminal Building:
 - a. if the damage is such that the Premises or a substantial part of them are rendered not reasonably capable of use and occupancy by the Subtenant for the purposes of its business for any period of time in excess of seven (7) days, then:
 - i. if the damage was not caused by the fault or negligence of the Subtenant or the Subtenant's directors, members, officers, employees, agents, contractors, subcontractors, customers, invitees and others for whom it is responsible (the "Subtenant's Responsible Persons"), then from and after the date of occurrence of the damage and until the Premises are again reasonably capable of use and occupancy as aforesaid, Rent shall abate from time to time in proportion to the part or parts of the Premises not reasonably capable of use and occupancy, and
 - ii. unless this Agreement is terminated as hereinafter provided, if the damage was caused by the fault or negligence of the Subtenant or the Subtenant's Responsible Persons, then the Subtenant shall repair such damage for which it is responsible with all reasonable diligence, and

b. if either:

- i. the Premises, or
- ii. 25% or more of the Terminal Building

are substantially damaged or destroyed by any cause then the City may at its option, exercisable by written notice to the Subtenant given within sixty (60) days after the occurrence of such damage or destruction, terminate this Agreement, without limiting the Subtenant's

liability for damage or destruction which it may have caused, and the Subtenant shall deliver up possession of the Premises to the City with reasonable expedition but in any event within sixty (60) days after delivery of such notice of termination, in a clean, neat, uncontaminated and vacant condition and Rent shall be apportioned and paid to the date upon which possession is so delivered up but subject to any abatement to which the Subtenant may be entitled.

Worker Safety and Compensation

- 88. Compliance with Worker Safety and Compensation Laws The Subtenant shall, in its use of and activities on the Premises, comply with all statutes, regulations, and orders from time to time in force respecting worker safety and compensation, and, upon request from the City, provide evidence of any required registration under any statute, regulation or order respecting worker safety and compensation.
- 89. The Subtenant shall, for the purposes of the *Workers Compensation Act* (British Columbia), and for the duration of the Term:
 - a. do everything that is reasonably practicable to establish and maintain a system or process that will ensure compliance with the *Workers Compensation Act* and its regulations, as required to ensure the health and safety of all persons at the Premises; and
 - b. have at least one employee (the "Individual") attend the City's health and safety orientation prior to the Commencement Date. The Subtenant acknowledges and agrees that it will arrange for each of its employees working at the Airport to attend health and safety orientation provided by the Subtenant, which will cover the same topics as the City's health and safety orientation, within thirty (30) days of the Commencement Date or the employee's commencement of employment.

Fixtures and Improvements

90. Installation of Fixtures and Improvements - Except for furniture and equipment not of the nature of fixtures, the Subtenant shall not make, erect, install, or alter any fixtures, improvements, installations, alterations, or additions (the "Leasehold Improvements") in the Premises or in other premises in the Terminal Building or in the Airport without the prior written consent of the City, which consent may be withheld in the sole discretion of the City. In making, erecting, installing, or altering any Leasehold Improvements or trade fixtures, the Subtenant shall comply with all construction guidelines established by the City from time to time, shall obtain all required building and occupancy permits, shall not alter or interfere with any installations which have been made by the City without the prior written approval of the City and, in no event, shall alter or interfere with window coverings installed by the City on exterior windows. The Subtenant's request for any approval hereunder shall be in writing and accompanied by a reasonably detailed description of the contemplated work and, where appropriate, plans, working drawings, and specifications thereof. Any out-of-pocket expense incurred by the City in connection with any such approval shall be paid by the Subtenant. All work to be performed in the Premises shall be performed by competent contractors and subcontractors of whom the City shall have approved in its sole discretion. All such work shall be subject to inspection by and the reasonable supervision of the City and shall be performed in accordance with any reasonable conditions or regulations imposed by the City and

- completed in good and workmanlike manner in accordance with the description of the work approved by the City.
- 91. Liens In connection with the making, erection, installation, or alteration of Leasehold Improvements and trade fixtures, and all other work or installations made by or for the Subtenant in the Premises, the Subtenant shall comply with all of the provisions of the *Builders Lien Act* (British Columbia) and amendments thereto, and other statutes from time to time applicable thereto (including any provision requiring or enabling the retention of portions of any sums payable by way of holdback), shall permit the City to take all steps to enable the City to obtain the benefit of the provisions of the *Builders Lien Act* (including the filing of a notice in the land title office) and, except as to any lawful holdback, shall promptly pay all accounts relating thereto.
- 92. Encumbrances The Subtenant shall not create any mortgage, conditional sale agreement, general security agreement under the *Personal Property Security Act* (British Columbia) and amendments thereto, or other encumbrance in respect of its Leasehold Improvements or trade fixtures, or permit any such mortgage, conditional sale agreement, general security agreement under the *Personal Property Security Act*, or other encumbrance to attach to the Premises.
- 93. Discharge of Liens If and when any builders' or other lien for work, labour, services or materials supplied to or for the Subtenant or for the cost of which the Subtenant may be in any way liable or claims therefore shall arise or be filed or any such mortgage, conditional sale agreement, general security agreement under the *Personal Property Security Act*, or other encumbrance shall attach, the Subtenant shall within twenty (20) days after receipt of notice thereof procure the discharge thereof, including any certificate of action registered in respect of any lien, by payment or giving security or in such other manner as may be required or permitted by law, and failing which the City may in addition to all other remedies avail itself of its remedy under section 104 and may make any payments required to procure the discharge of any such liens or encumbrances, and shall be entitled to be reimbursed by the Subtenant as provided in section 104, and its right to reimbursement shall not be affected or impaired if the Subtenant shall then or subsequently establish or claim that any lien or encumbrance so discharged was without merit, or excessive, or subject to any abatement, setoff, or defence.
- 94. Removal of Fixtures and Improvements All Leasehold Improvements in or upon the Premises shall immediately upon affixation be and become the City's property without compensation therefor to the Subtenant. Except to the extent otherwise expressly agreed by the City in writing, no Leasehold Improvements, trade fixtures, furniture, or equipment shall be removed by the Subtenant from the Premises either during or at the expiration or sooner termination of the Term, except that:
 - a. the Subtenant may at the end of the Term remove its trade fixtures;
 - b. the Subtenant shall at the end of the Term remove such of the Leasehold Improvements and trade fixtures as the City shall require to be removed; and
 - c. the Subtenant shall remove its furniture and equipment at the end of the Term, and also during the Term in the usual and normal course of its business where such furniture or equipment has become excess for the Subtenant's purposes or the Subtenant is substituting new furniture and equipment.

The Subtenant shall, in the case of every removal either during or at the end of the Term, immediately make good any damage caused to the Premises by the installation and removal.

- 95. Alterations by City The City reserves the right from time to time to:
 - a. make any deletions, changes, and additions to the equipment, appliances, pipes, plumbing, wiring conduits, ducts, shafts, structures, and facilities of every kind throughout the Terminal Building, including the Premises;
 - b. alter the location and nature of common areas of the Terminal Building, make reductions therein, erect additions thereto, and extend any part thereof provided there is no detrimental effect on access to the Premises; and
 - c. make alterations and additions to the Terminal Building, which may result in a change of location of the vehicle rental counter locations;

and in exercising any such rights, the City will take reasonable steps to minimize any interference caused to the Subtenant's operations in the Premises, but by exercising any such rights, the City shall not be deemed to have constructively evicted the Subtenant or otherwise to be in breach of this Agreement, nor shall the Subtenant be entitled to any abatement of Rent or other compensation from the City.

Insurance and Liability

- 96. Subtenant's Insurance The Subtenant shall obtain and maintain during the Term insurance in accordance with the requirements of Schedule G. For clarity, the insurance requirements set out in Schedule G are minimum requirements and are not to be interpreted in a manner that limits the Subtenant's obligations under this Agreement and the Subtenant shall be responsible for obtaining and maintaining such additional insurance as would a prudent tenant having similar obligations and interests to those of the Subtenant under the terms of this Agreement.
- 97. Insurance Certificates At the time of execution of this Agreement and at other reasonable times requested by the City, the Subtenant shall furnish to the City certificates in the form attached as Schedule G1 or other evidence acceptable to the City as to the insurance from time to time required to be effected by the Subtenant and its renewal or continuation in force, either by means of a certified copy of the policy or policies of insurance with all amendments and endorsements or a certificate from the Subtenant's insurer which, in the case of commercial general liability insurance, shall provide such information as the City reasonably requires.
- 98. City May Affect Insurance If the Subtenant shall fail to take out, renew, and keep in force such insurance the City may do so as the agent of the Subtenant and the Subtenant shall repay to the City any amounts paid by the City as premiums forthwith upon demand.
- 99. Limitation of City's Liability The Subtenant agrees that, except for claims, actions, damages, liabilities, costs and expenses caused by or arising from the City's use of the Premises or in respect of any wrongful or negligent acts by the City:
 - a. the City shall not be liable for any bodily injury to or death of, or loss or damage to any property belonging to the Subtenant or its employees, invitees, or subtenants or any other

person in, on, or about the Terminal Building or the Land, or for any interruption of any business carried on in the Premises, or for any consequential loss at all, and, without limiting the generality of the foregoing, in no event shall the City be liable:

- i. for any damage or bodily injury or death of anyone which results from fire, explosion, earthquake, flood, falling plaster, steam, gas, electricity, water, rain, snow, dampness, or leaks from any part of the Premises or from the pipes, appliances, electrical system, plumbing works, roof, subsurface, or other part or parts of the Terminal Building or Land or from the streets, lanes, and other properties adjacent thereto,
- ii. for any damage, injury, or death caused by anything done or omitted by the Subtenant or any of its servants or agents or by any other subtenant or person in the Terminal Building,
- iii. for the non-observance or the violation of any provision of any of the rules and regulations of the City in effect from time to time or of any lease by another subtenant of premises in the Terminal Building or any concessionaire, employee, subtenant, agent, customer, officer, contractor, or other invitee of any of them, or by anyone else,
- iv. for any act or omission (including theft, malfeasance, or negligence) on the part of any agent, contractor, or person from time to time employed by the City to perform janitorial services, security services, supervision, or any other work in or about the Terminal Building,
- v. for loss or damage, however caused, to money, securities, negotiable instruments, papers, or other valuables of the Subtenant or any of its servants or agents, or
- vi. for any bodily injury, death, or damage to property arising from the use of, or any happening in or about, any elevator, and
- b. the Subtenant releases and discharges the City from any and all actions, causes of action, claims, damages, demands, expenses, and liabilities which the Subtenant now or hereafter may have, suffer, or incur which arise from any matter for which the City is not liable under subsection a. above.
- 100. Indemnity of City The Subtenant agrees to indemnify and save harmless the City from and against all claims, demands, actions, causes of action, expenses, losses, costs, damages or other harm of whatsoever kind suffered or incurred by the City in respect of bodily injury, death, property loss, property damage, or other consequential loss or damage arising from or related to or connected with:
 - a. the use or occupation of the Premises, the Terminal Building, the Land, or surrounding areas by the Subtenant or the Subtenant's Responsible Persons;
 - b. the granting of this Agreement;
 - c. any default or breach by the Subtenant of its obligations under this Agreement; or
 - d. any act, omission, negligence or wrong of the Subtenant or the Subtenant's Responsible Persons.

This indemnity shall survive the expiry or termination of this Agreement, but does not extend to any claims, actions, damages, liabilities, costs and expenses caused by or arising from the City's use of the Premises or in respect of any wrongful or negligent acts by the City, the Head Landlord or those for whom the City or the Head Landlord is responsible for at law.

Subordination, Attornment, Registration, and Certificates

- 101. City Sale or Financing of Terminal Building The Subtenant agrees with the City that the rights of the City under this Agreement may be mortgaged, charged, transferred, or assigned to a purchaser or purchasers, or to a mortgagee or trustee for bond holders, and in the event of a sale or of default by the City under any mortgage, trust deed, or trust indenture and the purchaser, mortgagee, or trustee, as the case may be, duly entering into possession of the Terminal Building or the Premises, the Subtenant agrees to attorn to and become the subtenant of such purchaser or purchasers, mortgagee, or trustee under the terms of this Agreement and agrees to execute and deliver promptly whenever requested by the City or by such mortgagee an instrument of attornment as may be required of it.
- 102. Certificates The Subtenant agrees with the City that the Subtenant shall promptly whenever requested by the City from time to time execute and deliver to the City and, if required by the City, to any mortgagee (including any trustee under a trust deed or a trust indenture) or prospective purchaser (as designated by the City) a certificate in writing as to the status of this Agreement at that time, including as to whether it is in full force and effect, is modified or unmodified, confirming the rental payable hereunder and the state of the accounts between the City and Subtenant, the existence or non-existence of defaults, and any other matter pertaining to this Agreement as to which the City shall request a certificate.
- 103. Assignment by City In the event of the sale by the City of the Terminal Building or a portion thereof containing the Premises or the assignment by the City of this Agreement or any interest of the City hereunder, and to the extent that such purchaser or assignee has assumed the covenants and obligations of the City hereunder, the City shall, without further written agreement, be freed and relieved of liability upon such covenants and obligations.

Subtenant's Default, Remedies of City, and Surrender

- 104. Remedying by City, Non-payment, and Interest In addition to all the rights and remedies of the City available to it in the event of any default hereunder by the Subtenant, either by any other provision of this Agreement or by statute or the general law, the City:
 - a. shall have the right at all times to remedy or attempt to remedy any default of the Subtenant (without being obligated to do so), and in so doing may make any payments due or alleged to be due by the Subtenant to third parties and may enter upon the Premises to do any work or other things therein, and in such event all expenses of the City in remedying or attempting to remedy such default together with an administrative charge equal to 15% of the total of such expenses shall be payable by the Subtenant to the City forthwith upon demand;
 - b. shall have the same rights and remedies in the event of any non-payment by the Subtenant of any amounts payable by the Subtenant under any provisions of this Agreement as in the case of non-payment of Rent;

- c. if the Subtenant shall fail to pay any Rent promptly when due, shall be entitled to interest thereon at a rate of 18% per annum; and
- d. shall be entitled to be reimbursed by the Subtenant, and the Subtenant shall forthwith pay the City, the amount of all costs and expenses (including, without limitation, legal costs on a solicitor and own-client basis) incurred by the City in connection with the default or in efforts to enhance any of the rights, or to seek any of the remedies, to which the City is or may be entitled hereunder.
- 105. Remedies Cumulative The City may from time to time resort to any or all of the rights and remedies available to it in the event of any default hereunder by the Subtenant, either by any provision of this Agreement or by statute or the general law, all of which rights and remedies are intended to be cumulative and not alternative, as the express provisions hereunder as to certain rights and remedies are not to be interpreted as excluding any other or additional rights and remedies available to the City by statute or the general law.
- 106. Right of Re-entry on Default Provided and it is expressly agreed that:
 - a. if and whenever the Rent hereby reserved or other monies payable by the Subtenant or any part thereof, whether lawfully demanded or not, are unpaid and the Subtenant shall have failed to pay such Rent or other monies within ten (10) days after the City has given to the Subtenant notice requiring such payment; or
 - b. if the Subtenant should breach or fail to observe and perform any of the covenants, agreements, provisos, conditions, rules, or regulations and other obligations on the part of the Subtenant to be kept, observed, or performed hereunder and such breach or failure continues for ten (10) days after the City has given the Subtenant notice thereof; or
 - c. if without the written consent of the City the Premises shall be used by any other persons than the Subtenant or its permitted assigns or for any purpose other than that for which the Premises were leased, or occupied by any persons whose occupancy is prohibited by this Agreement; or
 - d. if the Premises shall be vacated or abandoned or remain unoccupied for ten (10) days or more while capable of being occupied; or
 - e. if the Term or any of the goods and chattels of the Subtenant shall at any time be seized in execution or attachment; or
 - f. if a receiver or receiver-manager is appointed of the business or property of the Subtenant; or
 - g. if the Subtenant shall make any assignment for the benefit of creditors or any bulk sale, become bankrupt or insolvent or take the benefit of any statute now or hereafter in force for bankrupt or insolvent debtors or shall take any steps or suffer any order to be made for its winding-up or other termination of its corporate existence; or
 - h. if the Subtenant should fail to stay in good standing with the Registrar of Companies by filing annual reports and otherwise; or

- i. if any policy of insurance upon the Terminal Building from time to time effected by the City shall be cancelled or about to be cancelled by the insurer by reason of the use or occupation of the Premises by the Subtenant or any assignee, subtenant, or Subtenant of the Subtenant or anyone permitted by the Subtenant to be upon the Premises and the Subtenant after receipt of notice in writing from the City shall have failed to take such immediate steps in respect of such use or occupation as shall enable the City to reinstate or avoid cancellation of (as the case may be) such policy of insurance; or
- j. if the City shall have become entitled to terminate this Agreement or to re-enter the Premises under any provision hereof;

then and in every such case it shall be lawful for the City thereafter to enter into and upon the Premises or any part thereof in the name of the whole and the same to have again, repossess, and enjoy as of its former estate, anything in this Agreement to the contrary notwithstanding. The City may use such force as it may deem necessary for the purpose of gaining admittance to and retaking possession of the Premises, and the Subtenant hereby releases the City from all actions, proceedings, claims, and demands whatsoever for and in respect of any such forcible entry or any loss or damage in connection therewith.

- 107. Termination and Re-entry If and whenever the City becomes entitled to re-enter upon the Premises under any provision of this Agreement, the City, in addition to all other rights and remedies, shall have the right to terminate this Agreement by giving to the Subtenant or by leaving upon the Premises notice in writing of such termination. Thereupon, this Agreement and the Term shall terminate, and the Subtenant shall immediately deliver up possession of the Premises to the City in accordance with section 113.
- 108. Certain Consequences of Termination and Re-entry If the City re-enters the Premises or if this Agreement is terminated by reason of any event set out in section 106, then without prejudice to the City's other rights and remedies:
 - a. the provisions of this Agreement which relate to the consequences of termination, and the provisions of this Agreement as they apply with respect to acts, events, and omissions which occurred prior to the termination, shall all survive such termination;
 - b. in addition to the payment by the Subtenant of Rent and other payments for which the Subtenant is liable under this Agreement, Rent for the current month and the next ensuing three months shall immediately become due and be paid by the Subtenant or the person then controlling the Subtenant's affairs (without limiting the City's right to claim damages for loss of future rent); and
 - c. the Subtenant or person then controlling the affairs of the Subtenant shall pay to the City on demand such reasonable expenses as the City has incurred, and a reasonable estimate of the expenses the City expects to incur, in connection with the re-entering, terminating, re-letting, collecting sums due or payable by the Subtenant, and storing and realizing upon assets seized, including without limitation brokerage fees, legal fees, and disbursements, the expenses of cleaning and making and keeping the Premises in good order, and the expenses of repairing the Premises and preparing them for re-letting.

- 109. Waiver of Distress and Bankruptcy - The Subtenant waives the benefit of any present or future statute taking away or limiting the City's right of distress and covenants and agrees that notwithstanding any such statute none of the goods and chattels of the Subtenant on the Premises or at any other location at any time during the Term shall be exempt from levy by distress for rent in arrears. The Subtenant will not sell, dispose of, or remove any of the fixtures, goods, or chattels of the Subtenant from or out of the Premises during the Term without the consent of the City, unless the Subtenant is substituting new fixtures, goods, or chattels of equal value or is bona fide disposing of individual items which have become excess for the Subtenant's purposes. The Subtenant will be the owner of its fixtures, goods, and chattels and will not permit them to become subject to any lien, mortgage, charge, or encumbrances. The Subtenant agrees that it will not, without the City's consent, repudiate or disclaim or attempt to repudiate or disclaim or seek any order to permit it to repudiate or disclaim this Agreement in any bankruptcy, insolvency, reorganization, or other proceeding or court application, and, if required by the City, waives in favour of the City the benefit of section 65.2 of the Bankruptcy and Insolvency Act (Canada), as amended, and any provision of similar import.
- 110. Re-letting and Sale of Personalty Whenever the City becomes entitled to re-enter upon the Premises under any provision of this Agreement, the City, in addition to its other rights, shall have the right as agent of the Subtenant to enter the Premises and re-let them (for a term or terms shorter or longer than the balance of the Term, granting reasonable concessions in connection therewith), and to receive the rent therefore, and as the agent of the Subtenant to take possession of any furniture or other property thereon, and to sell the same at public or private sale without notice, and to apply the proceeds thereof and any rent derived from re-letting the Premises upon account of the Rent due and to become due under this Agreement, and the Subtenant shall be liable to the City for the deficiency, if any.
- 111. Termination of Head Lease Upon termination of the Head Lease for any reason (including default by the City), this Agreement will immediately terminate without any compensation payable to the Subtenant.
- 112. Notwithstanding section 111, if:
 - a. the termination of the Head Lease is not in any manner disputed;
 - b. the City has yielded up vacant possession of the Premises to the Head Landlord;
 - c. immediately preceding the termination of the Head Lease, all airport subleases, including this Agreement, are in full force and effect and the sublessees, including the Subtenant, at the termination of the Head Lease, are not in default or breach of their respective subleases;
 - d. the Head Landlord is not legally prohibited by reason of defect in title, adverse possession, or otherwise from fulfilling the terms of any of the airport subleases, including this Agreement;

then this Agreement shall, at the Head Landlord's option, be deemed to have been assigned to the Head Landlord, thereby creating a new lessor/lessee relationship under the terms and conditions of this Agreement; provided, however, that the Head Landlord reserves the option to amend the new lease therein created from time to time in accordance with policy or policies in effect at that time.

113. Surrender on Termination – Forthwith upon the termination of this Agreement, whether by effluxion of time or otherwise, the Subtenant shall vacate and deliver up possession of the Premises in a neat, clean, tidy, uncontaminated and vacant state and in good and substantial repair in accordance with the Subtenant's obligation under this Agreement to repair the Premises, but subject to the Subtenant's rights and obligations in respect of removal in accordance with section 94. At the same time the Subtenant shall surrender to the City at the place then fixed for the payment of Rent all keys and other devices which provide access to the Premises, the Terminal Building, or any part thereof and shall inform the City of all combinations to locks, safes, and vaults, if any, in the Premises.

Subtenant's Tax Obligations

- 114. The Subtenant covenants with the City to pay to the City or other taxing authority or authorities having jurisdiction, all taxes, rates, duties, levies, and assessments whatsoever, whether local government or otherwise, which are levied, imposed or assessed against or in respect of the Premises, or which are from time to time levied, imposed, or assessed in the future in addition or in lieu thereof, including those levied, imposed, or assessed for education, schools, specified areas and local improvements. The Subtenant acknowledges that notwithstanding that the Land is owned by the Head Landlord and leased to the City, the Subtenant, as a non-municipal occupier of that Land is liable to pay property taxes on the Premises.
- 115. Without limiting section 114 above, the Subtenant covenants with the City to pay when due, all taxes, business taxes, business license fees, and other taxes, rates, duties or charges levied, imposed, or assessed by lawful authority in respect of the use and occupancy of the Premises by the Subtenant, the business or businesses carried on therein, or the equipment, machinery, or fixtures brought therein by or belonging to the Subtenant, or to anyone occupying the Premises with the Subtenant's consent, or from time to time levied, imposed, or assessed in the future in addition or in lieu thereof, and to pay to the City upon demand the portion of any tax, rate, duty, or charge levied or assessed upon the Land and Terminal Building that is attributable to any equipment, machinery, or fixtures on the Premises which are not the property of the City or which may be removed by the Subtenant.
- 116. The Subtenant shall pay to the City goods and services tax (or similar replacement tax) in accordance with the applicable legislation at the same time as the amounts to which such goods and services tax apply are payable to the City under the terms of this Agreement or upon demand at such other time or times as the City from time to time determines. Notwithstanding any other section of this Agreement, the amount payable by the Subtenant under this section 116 shall be deemed not to be Rent, but the City shall have the same remedies for and rights of recovery of such amount as it has for recovery of Rent under this Agreement.
- 117. Whenever requested by the City, the Subtenant will deliver to the City receipts for payment of all taxes, rates, duties, levies, and assessments payable by the Subtenant and furnish such other information in connection therewith as the City may reasonably require.

No Assignment or Sublease by Subtenant

118. The Subtenant may not assign this Agreement or the benefit of this Agreement, or sublet the Premises or any part of the Premises, without the prior written consent of the City, nor may the Subtenant charge, mortgage, or encumber, or purport to charge, mortgage, or encumber the

Subtenant's interest in the Premises or this Agreement without the prior written consent of the City. The City may withhold such consents at its sole discretion and without reason. The Subtenant shall be responsible for all costs associated with any assignment or sublease of the Premises, including the City's associated legal and administrative costs.

119. The acceptance of any Rent from or the performance of any obligation hereunder by a person other than the Subtenant shall not be construed as an admission by the City of any right, title, or interest of such person as a subtenant, assignee, transferee, or otherwise in the place and stead of the Subtenant.

Miscellaneous

- 120. Registration of Agreement The City is under no obligation to at any time deliver this Agreement or any instrument creating this Agreement to the Subtenant in a form registrable under the *Land Title Act* (British Columbia).
- 121. Waiver Waiver by the City of any breach by the Subtenant of any of its obligations under this Agreement shall not be considered to be a waiver of any subsequent default or continuing default by the Subtenant. Failure by the City to take any action in respect of any breach of any Subtenant obligation under this Agreement by the Subtenant shall not be considered to be a waiver of such obligation.
- 122. Payments Generally All payments, including interest, required to be made by the Subtenant to the City under the terms of this Agreement shall be:
 - a. payable in lawful money of Canada;
 - b. paid to the City at the office of the City or at such other place as the City may designate from time to time in writing;
 - made when due hereunder, without the need for prior demand and without any set-off, abatement or deduction;
 - d. applied towards amounts outstanding in such a manner as the City sees fit; and
 - e. deemed to be rent (if not Rent), in partial consideration for which this Agreement is entered into, and shall be payable and recoverable as rent, and the City shall have all of the rights and remedies against the Subtenant for default in making any such payment which may not be expressly designated as rent, as the City has for a default in payment of Rent.
- 123. Part Payment The acceptance by the City of a part payment of any sums required to be paid hereunder shall not constitute waiver or release of the right of the City to payment in full of such sums.
- 124. Conditions All of the Subtenant's obligations under this Agreement shall be deemed and construed to be both conditions and covenants as though the words specifically expressing covenants or conditions or used in each separate provision respecting each such obligation.
- 125. No Joint Venture Nothing contained in this Agreement creates the relationship of principal and

agent or of partnership, joint venture or business enterprise or entity between the parties or gives the Subtenant any power or authority to bind the City in any way.

126. Interpretation - In this Agreement:

- a. references to the Subtenant shall be read with such changes in gender as may be appropriate, depending upon whether the Subtenant is a male or female person or a firm or corporation. If the Subtenant is comprised of more than one person or entity, then each such person and entity is jointly and severally bound by the representations, warranties, agreements, and covenants of the Subtenant herein and any notice given or deemed to have been given at any time to any such person or entity shall be deemed to have been given at the same time to each other person and entity;
- b. a particular numbered section or lettered Schedule is a reference to the correspondingly numbered section or lettered Schedule of this Agreement;
- c. an "enactment" is a reference to an enactment as that term is defined in the *Interpretation Act* (British Columbia) on the day this Agreement is made;
- d. any enactment is a reference to that enactment as amended, revised, consolidated or replaced;
- e. section headings are inserted for ease of reference and are not to be used in interpreting this Agreement;
- f. a "party" is a reference to a party to this Agreement;
- g. time is of the essence; and
- h. where the word "including" is followed by a list, the contents of the list shall not circumscribe the generality of the expression immediately preceding the word "including".
- 127. Notices Where any notice, request, direction or other communication (any of which is a "Notice") is to be given or made by a party under the Agreement, it shall be in writing and is effective if delivered in person or sent by mail to the address above. A Notice is deemed given if delivered in person, when delivered or if by mail, five (5) days following deposit with Canada Post. A party may change its address or fax number by giving notice to the other party under this section.
- 128. Extraneous Agreements The Subtenant acknowledges that there are no covenants, representations, warranties, agreements, or conditions expressed or implied relating to this Agreement or the Premises save as expressly set out in this Agreement. This Agreement may not be modified except by an agreement in writing executed by the City and the Subtenant.
- 129. City and Head Landlord Discretion Wherever in this Agreement the approval or consent of the City or Head Landlord is required, some act or thing is to be done to the City or Head Landlord's satisfaction, the City or Head Landlord are entitled to form an opinion, or the City or Head Landlord is given the sole discretion:
 - a. the relevant provision is not deemed to have been fulfilled or waived unless the approval, consent, opinion or expression of satisfaction is in writing signed by the City and the Head

Landlord as required, or their authorized representative;

- b. the approval, consent, opinion or satisfaction is in the discretion of the City or Head Landlord as required;
- c. sole discretion is deemed to be the sole, absolute and unfettered discretion of the City or Head Landlord as required; and
- d. no public law duty of procedural fairness or principle of natural justice shall have any application to such approval, consent, opinion, satisfaction or discretion.
- 130. No Effect on Laws or Powers Nothing contained or implied herein prejudices or affects the City's rights and powers in the exercise of its functions under the *Community Charter* (British Columbia), the *Local Government Act* (British Columbia), or any other enactment to the extent the same are applicable to the Premises, all of which may be fully and effectively exercised in relation to the Premises as if this Agreement had not been fully executed and delivered.
- 131. Severability If any portion of this Agreement is held invalid by a court of competent jurisdiction, the invalid portion shall be severed and the decision that it is invalid shall not affect the validity of the remainder of the Agreement.
- 132. Successors and Assigns This Agreement and everything herein contained shall enure to the benefit of and be binding upon the successors and assigns of the City and the permitted successors and permitted assigns of the Subtenant.
- 133. Governing Law This Agreement shall be governed by and construed in accordance with the laws in force in the province of British Columbia. The venue of any proceedings taken in respect of or under this Agreement shall be Kelowna, British Columbia as long as such venue is permitted by law, and the Subtenant shall consent to any application by the City to change the venue to Kelowna, British Columbia of any proceedings taken elsewhere.
- 134. Frustration Notwithstanding the occurrence or existence of any event or circumstance or the non-occurrence of any event or circumstance, and so often and for so long as the same may occur or continue which, but for this section, would frustrate or void this Agreement, and notwithstanding any statutory provision to the contrary, the obligations and liabilities of the Subtenant hereunder shall continue in full force and effect as if such event or circumstance had not occurred or existed.
- 135. Acceptance The Subtenant accepts this sublease of the Premises, to be held by it as subtenant, and subject to the conditions, restrictions, and covenants of this Agreement. The acceptance of possession of the Premises shall be conclusive evidence as against the Subtenant that, as of the Commencement Date, the City had duly completed all work required to be completed by the City prior to the Commencement Date and the Premises were in good order and satisfactory condition for the commencement of the work and business of the Subtenant.
- 136. Bribes The Subtenant hereby confirms that it has not, nor has any person on its behalf, given, promised or offered to any official or employee of the City for or with a view to obtaining the sublease granted herein any bribe, gift or other inducement and that it has not, nor has any person on its behalf, employed any person to solicit or secure the sublease granted herein upon any agreement for a commission, percentage, brokerage, or contingent fee.

- 137. House of Commons No Member of the House of Commons of Canada shall be admitted to any share or part of the sublease granted herein, or to any benefit to arise therefrom.
- 138. Counterparts This Agreement may be executed by the parties in counterpart, and the counterparts may be delivered by facsimile or email transmittal.
- 139. The following are the Schedules to this agreement and form an integral part of this Agreement:

Schedule A – Reduced Copy of Drawings of Premises

Schedule B - Definition of Gross Revenue

Schedule C – Airport Vehicle Rental Concession Revenue and Payment Report

Schedule D - Form of Irrevocable Letter of Credit

Schedule E - Operational Proposal

Schedule F - Material Disclosure

Schedule G and G1 - Insurance Requirements

If anything in Appendix E contravenes or is incompatible with the terms and the conditions of the Agreement, the Agreement will take precedence.

As evidence of their agreement to be bound by the above terms, the City and the Subtenant have each executed this Agreement below on the respective dates written below:

CITY OF KELOWNA by its authorized signatories:

Mayor:			
Clerk:	 	 	_
Date:			

DEVON TRANSPORT LTD., DBA BUDGET CAR & TRUCK RENTAL by its authorized signatories:

/ Willow

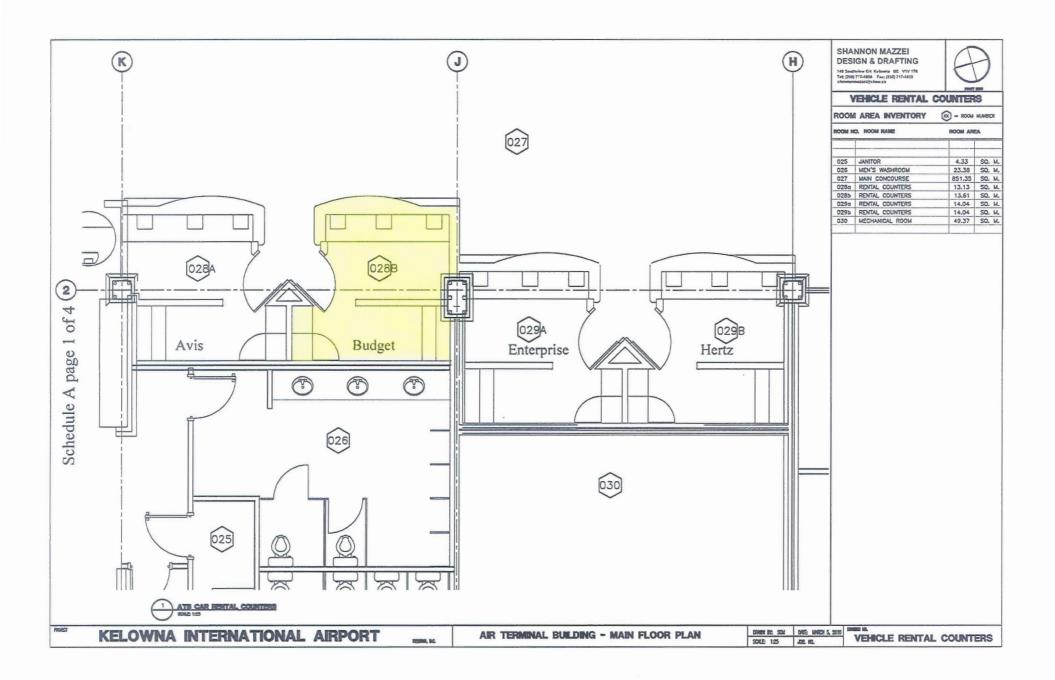
Name: Barrie G

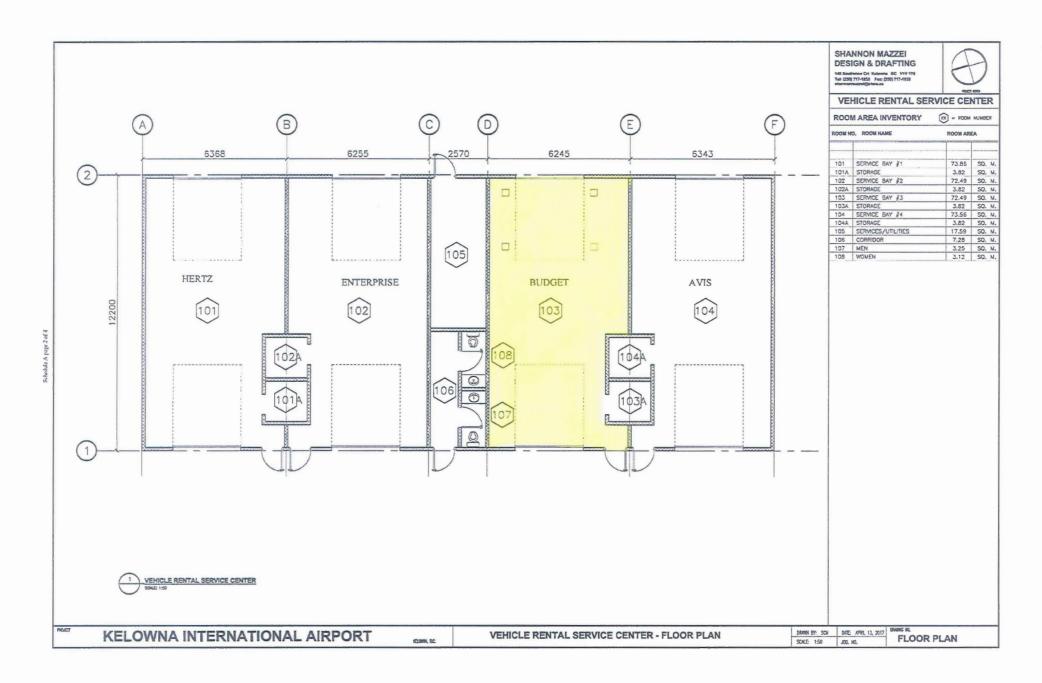
Date: 08/14/2017

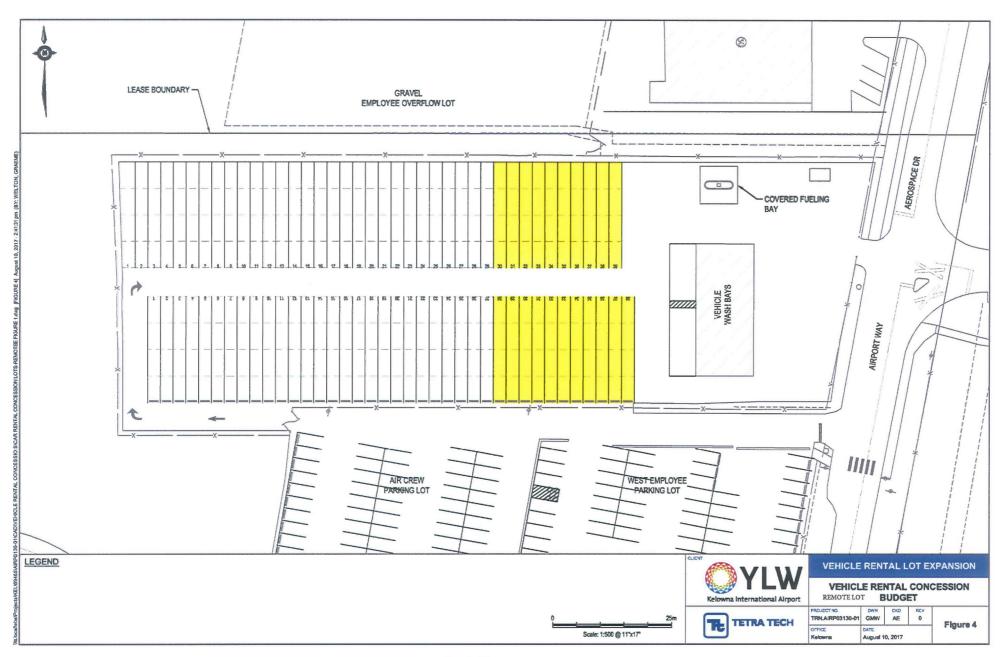
Page 31 of 31

SCHEDULE A

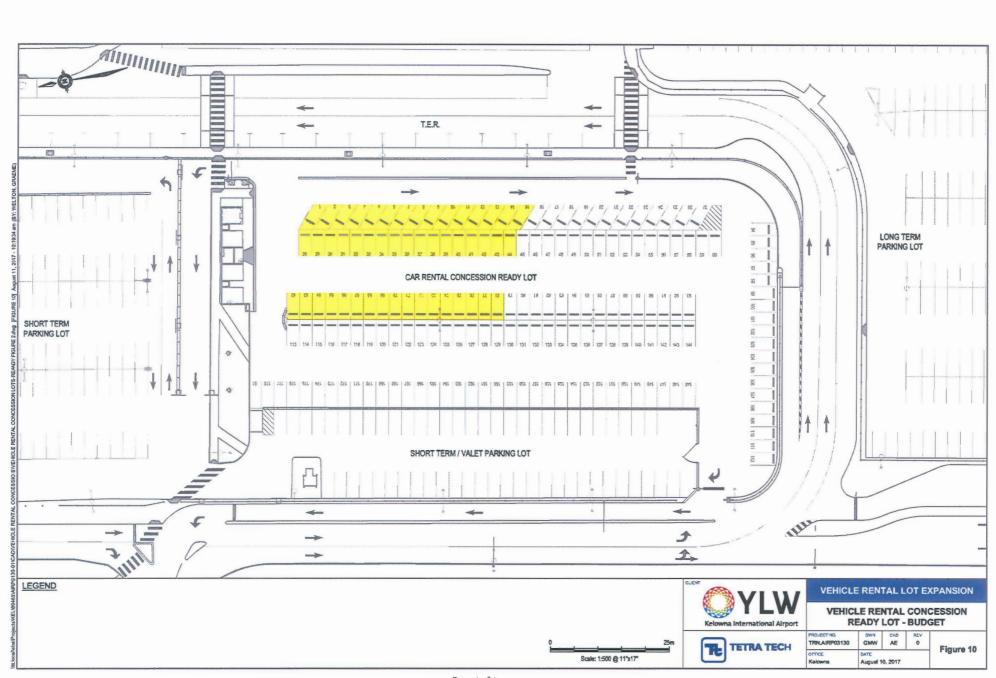
DRAWINGS OF PREMISES







Page 3 of 4



Page 4 of 4

SCHEDULE B

DEFINITION OF GROSS REVENUE

1. In this Agreement, Gross Revenue means the total revenue derived from all rental contracts opened or entered into at the Airport as reported by the Subtenant to the satisfaction of the City.

A vehicle leased at the Airport may be exchanged for another vehicle held at some other location. Where there is no break in the service supplied by the Subtenant, the total revenue from both vehicles is considered as part of the original contract written at the Airport and included in the Gross Revenue.

Vehicle rental business operators at airports, in addition to renting their own vehicles, frequently rent vehicles situated at an airport but which are owned by another location. The vehicle rental business operators in these circumstances split or share the revenue derived from such contracts in what is known as a "rent-back", "send-back" or "shared revenue" arrangement. For the purpose of calculating the sums reserved under this Agreement, the entire revenue from the contract is to be included in the Gross Revenue and reported to the City.

For purposes of illustration only, the following are the most common types of charges normally found in vehicle rental contracts:

- (a) Charges assessed on a "per kilometre" basis;
- (b) Fixed rental charges imposed on a time basis (hourly, daily, monthly, yearly);
- (c) Charges commonly referred to as "drop-off charges" or "intercity fees";
- (d) Charges for all types of insurance coverage including Collision Damage Waiver Charges;
- (e) Charges for "accessories" or "additional features", which include but are not limited to air conditioning, roof racks, (but does not include charges for child- and infant-restraint systems, if any);
- (f) Commissions received by the Subtenant from the suppliers of accessories;
- (g) Reimbursement of expenses, such as maintenance and tire repairs. Such credits are not to be deducted when determining the gross revenue of the contract. See Section 3 below relative to gasoline supplied by the Subtenant or purchased by the customer.
- (h) Fees associated with the sale of gift certificates; and
- (i) any fees or charges imposed on customers as a recovery by the Subtenant of any fees paid to the City.
- Charges excluded from Gross Revenue are as follows:

- (a) all sales and goods and services taxes at the retailer level, the amount of which is determined by the amount of sales made and which is required to be collected and accounted for to any federal, provincial or municipal authority;
- (b) where a commercial discount is applied to a contract, such discount will be taken into consideration and deducted from the Gross Revenue;
- charges in the vehicle rental contract which the customer has requested the Subtenant to pay on the customer's behalf and for which payment is recovered at the time the rental contract is settled or closed, will be referred to as "Third Party Charges". Third Party Charges as shown in the contract will be excluded from the Gross Revenue calculation. Third Party Charges include, but are not limited to, the payment of a parking ticket, toll fee, towing fee or impound fee on behalf of a customer;
- (d) where a service call is made by a customer to the vehicle rental location, the service call charges will be excluded from the determination of Gross Revenue. For example, where a customer loses the keys for a rented vehicle and phones the Subtenant to obtain a duplicate set;
- (e) monies received from customers as reimbursement to the Subtenant for damages caused to a vehicle by accident or mishap do not form part of the Gross Revenue where such charges have been added to or included in the contract;
- (f) any customer facility charge, as defined in Section 15 of the Agreement.

For certainty, losses from bad debts are considered to be a normal business expense and shall not be deducted from Gross Revenue.

- 3. With respect to gasoline supplied by the Subtenant or purchased by the customer, the following types of contracts are known to prevail:
 - (a) Fuel Recharge where the customer bears the cost of gasoline. Under these contracts the charges by the Subtenant to top up the tank are not to be included when determining Gross Revenue; and
 - (b) Fuel Service Option (or similar name) rental and mileage with gasoline included or prepaid. Under these contracts revenues are not to be deducted when determining Gross Revenue.

SCHEDULE C

CONCESSION REVENUE AND PAYMENT REPORT



1-5533 Airport Way Kelowna, BC V1V 1S1 250 807-4300 ylw.kelowna.ca

Vehicle Revenue

Revenue

VEHICLE RENTAL			
CONCESSION REVENUE AND PAYM	ENT REPORT		
REPORTING COMPANY:	REPORTING MONTH:		
GST REGISTRATION NUMBER:			
ACCUMULATED GROSS REVENUE P	REVIOUSLY REPORTED		
(excluding GST)		1	
Distance Charges	2		
Time Charges	3		
Drop Off Charges	4		
Collision Damage Waiver			
& Other Ins. Charges	5		
Concession Fees @ 12%	6		
Other Charges	7		
Total Gross M	8_\$		
ACCUMULATED GROSS REVENUE TO (Sum of 1 and 8)	O DATE (exc. GST)	9_\$ -	
FEE AT 12% OF GROSS REVENUE TO	10_\$ -		
MINIMUM GUARANTEED OWED O	11		
ACCUMULATED FEE PREVIOUSLY PA	12		
CURRENT FEE (10 OR 11 whichever	13		
CURRENT MONTH FEE PREPAID IF A	14		
FEES PAYABLE THIS MONTH (13 - 14	15_\$ -		
GST PAYABLE (5% of 15)	16 \$ -		
TOTAL OWING THIS MONTH	17_\$ -		
Certified Correct			
Date	Signature	Title	

SCHEDULE D

ACCEPTABLE FORM OF LETTER OF CREDIT

Date:
(Name of Bank)
(Address of Bank)

City of Kelowna City Hall 1435 Water Street Kelowna, BC V1Y 1J4

Dear Sirs: Re: (Project or City File #)

At the request of (legal name of Subtenant), we hereby establish in your favour our irrevocable letter of credit for a sum not exceeding (amount).

This credit shall be available to you by sight drafts drawn on the (Name and Address of Bank) when supported by your written demand for payment made upon us.

This Letter of Credit is required in connection with an undertaking by (the owner(s) / authorized agent) to perform certain works and services required by you.

We specifically undertake not to recognize any notice of dishonor of any sight draft that you shall present to us for payment under this Letter of Credit.

You may make partial drawings or full drawings at any time.

We shall honour your demand without inquiring whether you have a right as between yourself and our customer.

This credit will expire on (date) subject to the condition hereinafter set forth.

It is a condition of this credit that it shall be deemed to be automatically extended, without amendment, for one year from the present or any future expiry date hereof, unless 30 (thirty) days prior to such expiry date, we notify you in writing, by registered mail, that we elect not to consider this credit to be renewable for an additional period. Upon receipt of such notice, you may draw hereunder by means of your written demand for payment.

Our reference for this Letter of Credit is	·
This credit is subject to the uniform of International Chamber of Commerce, Pa	customs and practice for Documentary Credits (2007 Revision, pris, France, Publication No. 600)
(Bank Signatures)	(Bank Signatures)

SCHEDULE E

OPERATIONAL PROPOSAL

SCHEDULE E

LIST OF MATERIAL DISCLOSURES

Potential Hazards including, but not limited to

- a) Underground power, gas, fiber-optic, telephone, etc.
- b) Shoring and excavations (cave in, engulfment, entrapment)
- c) Biological hazards (sewage, needles)
- d) Gases (H2S, natural gas, methane, carbon monoxide, LEL)
- e) Traffic
- f) Overhead hazards (power, trees, falling materials)
- g) Backing up equipment and trucks
- h) Utilities (gas, power, water)
- i) Hazardous materials (asbestos, lead, silica, VOC's)
- j) Working at heights (3m/10ft)
- k) Entering confined spaces
- l) Slips and trips
- m) Power tools
- n) Hand tools
- o) Lifting and carrying
- p) Poor lighting
- q) Limited access and egress
- r) Fire
- s) Fumes (diesel gas, paints, oils, solvents)
- t) Noise
- u) Fecal matter (bird, mouse droppings)
- v) Workplace violence and/or bullying
- w) Thermal stress (cold and heat)
- x) First aid situation
- y) Working with or around mobile equipment or vehicles
- z) Ladders, scaffolds and work platforms
- aa) Used needles
- bb) Insects (ticks, bees, flies, mosquitoes, etc.)
- cc) Thermal stress (cold and heat)
- dd) Working near water (streams, creeks)
- ee) Overhead trees (large branches potential to break and fall)
- ff) Uneven terrain (hills, paths, brush)
- gg) Small ride on engine equipment
- hh) Small engine equipment hand held
- ii) Lifting and carrying
- jj) Working alone
- kk) Serious inclement weather events (tornado, earthquake, lightning, thunderstorms, hail)
- II) Inclement weather events (fog, dust storms, wind, rain)
- mm) Aggressive animals (dogs, raccoons, marmots, badgers, bears, cougars, snakes)
- nn) Playground hazards (pinch points, sharp edges, slippery surfaces, children)
- oo) Working with or around mobile equipment

- pp) Engine exhaust
- qq) Welding fumes
- rr) Grinding (airborne material)
- ss) Welding flash
- tt) Tripping hazards
- uu) Moving heavy equipment
- vv) Open floor pit
- ww) Overhead obstruction
- xx) Chemical fumes (diesel, gas, paints, oil, solvents)
- yy) High pressure air/liquid
- zz) Personnel issues/potential for workplace violence and/or bullying
- aaa) Vehicle hoist

SCHEDULE G

INSURANCE REQUIREMENTS

1. Subtenant to Provide

The Subtenant shall procure and maintain, at its own expense and cost, the insurance policies listed in section 2 of this Schedule G, with limits no less than those shown in the respective items, unless the City advises in writing that it has determined that the exposure to liability justifies less limits. The insurance policy or policies shall be maintained continuously during the Term.

2. <u>Insurance</u>

As a minimum, the Subtenant shall, without limiting its obligations or liabilities under any other contract with the City, procure and maintain, at its own expense and cost, the following insurance policies:

- 2.1 Worker's compensation insurance covering all employees of the Subtenant engaged in this Agreement, services and/or occupancy in accordance with statutory requirements of the province or territory having jurisdiction over such employees;
- 2.2 Commercial General Liability Insurance:
 - a. commercial general liability (including bodily injury, death, and property damage) insurance on an occurrence basis with respect to the business carried on, in, or from the Premises and the Subtenant's use and occupancy thereof, of not less than \$5,000,000.00 per occurrence (or such greater reasonable amount as the City may require from time to time), which insurance shall include the City as an additional insured and shall protect the City in respect of claims by the Subtenant as if the City were separately insured;
 - b. including coverage for Products/Completed Operations, Blanket Contractual, Contractor's Protective, Personal Injury, Contingent Employer's Liability, Broad Form Property Damage, and Non-Owned Automobile Liability; and
 - c. including a Cross Liability clause providing that the inclusion of more than one Insured shall not in any way affect the rights of any other Insured hereunder, in respect to any claim, demand, suit or judgment made against any other Insured.
- 2.3 Automobile Liability Insurance covering all motor vehicles, owned, operated and used or to be used by the Subtenant directly or indirectly in the performance of the Sublease. The Limit of Liability shall not be less than \$5,000,000 inclusive, for loss or damage including personal injuries and death resulting from any one accident or occurrence.

2.4 Crime/Employee Dishonesty

a. The Subtenant's insurance will reimburse the Subtenant for loss arising out of the Subtenant's indemnification of the City for any dishonest or fraudulent act(s) committed by the Subtenant's Responsible Persons, acting alone or in collusion with others, but only

when and to the extent that the Subtenant is liable for such indemnification pursuant to the terms of this Agreement. The Limit of Liability shall not be less than \$150,000 inclusive, for loss resulting from any one occurrence.

b. This insurance is for the Subtenant's benefit only. It provides no right or benefits to any other person or organization, including the City. Any claim for loss that is covered pursuant to the above paragraph must be presented by the Subtenant.

2.5 Property Insurance:

and if the City shall require the same from time to time, then also:

- a. tenant's fire insurance in an amount not less than the actual cash value of the Premises, as determined by the City;
- b. insurance upon all plate glass in or which forms a boundary of the Premises in an amount sufficient to replace all such glass; and
- c. insurance in such amounts as may be reasonably required by the City in respect of fire and such other perils, including sprinkler leakage, as are from time to time defined in the usual extended coverage endorsement covering the Subtenant's trade fixtures and the furniture and equipment of the Subtenant and all Leasehold Improvements in the Premises, and which insurance shall include the City as an additional insured as the City's interest may appear with respect to the insured Leasehold Improvements and provided that any proceeds recoverable in the event of loss to Leasehold Improvements shall be payable to the City, but the City agrees to make available such proceeds toward the repair or replacement of the insured property if this Agreement is not terminated under any other provision hereof.

3. Insurance Policies

Except the Automobile Liability Insurance required in section 2.3 and the Crime/Employee Dishonesty Insurance in section 2.4, all other insurance required in sections 2.2 and 2.5 are to be maintained by the Subtenant hereunder shall be on terms and with insurers to which the City has no reasonable objection and shall provide that the City is named as an additional insured thereunder and that said policies are primary without any right of contribution from any insurance otherwise maintained by the City, and that such insurers shall provide to the City 30 days' prior written notice of cancellation or material alteration of such terms.

4. <u>Subtenant's Contractor and Agents</u>

The Subtenant shall require each of its contractor's and agent's that make use of the Premises or provide services to the Subtenant at the Premises provide comparable insurance to that set forth under section 2.

5. Other Insurance

After reviewing the Subtenant's certificates of insurance, the City may, within reason, require other insurance or alterations to any applicable insurance policies in force during the Term and will give

notifications of such requirement. Where other insurances or alterations to any insurance policies in force are required by the City and result in increased insurance premium, such increased premium shall be at the Subtenant's expense.

6. Additional Insurance

The Subtenant may take out such additional insurance, as it may consider necessary and desirable. All such additional insurance shall be at no expense to the City.

7. Insurance Companies

All insurance, which the Subtenant is required to obtain with respect to this contract, shall be with insurance companies registered in and licensed to underwrite such insurance in the province of British Columbia.

8. Failure to Provide

If the Subtenant fails to do all or anything which is required of it with regard to insurance, the City may do all that is necessary to effect and maintain such insurance, and any monies expended by the City shall be repayable by and recovered from the Subtenant.

9. Nonpayment of Losses

The failure or refusal to pay losses by any insurance company providing insurance on behalf of the Subtenant shall not be held to waive or release the Subtenant from any of the provisions of the insurance requirements or this Agreement, with respect to the liability of the Subtenant otherwise. Any insurance deductible maintained by the Subtenant under any of the insurance policies is solely for its account and any such amount incurred by the City will be recovered from the Subtenant as stated in section 8.



SCHEDULE G-1 CERTIFICATE OF INSURANCE

1435 Water Street Kelowna, BC V1Y 1J4 250 469-8500 kelowna.ca

	City staff to complete prior to circulation	
City Dept.:		
Dept. Contact: _		
Project/Contract	/Event:	
riojeci/contract	/Event.	

Insured	Name:				
	Address:	-			
Broker	Name:				
	Address:		-		
ocation and nature of	f operation and/c	or contract reference to	o which this C	ertificate appl	ies:
Vehicle rental concess	ion operation at I	Kelowna International A	Airport.		
			Poli	y Dates	
Type of Insurance	_	Company & Policy Number	Effective	Expiry	Limits of Liability/Amounts
Section 1					Bodily Injury and Property Damage
Commercial Gene	eral Liability				
including:					\$ <u>5,000,000</u> Inclusive
 Products/Comple 					\$ Aggregate
Blanket Contracti					\$ Deductible
Contractor's Protein	ective;				
Personal Injury;	7 12 135				
Contingent Emplo	, , , ,				
Broad Form Prop	,				
Non-Owned Auto Non-Owned Auto	•				
Cross Liability Cla	use				De dile lei con end Duen ente December
Section 2 Automobile Liability					Bodily Injury and Property Damage \$ <u>5,000,000</u> Inclusive
Section 3					\$150,000 per occurrence
Crime/Employee Dish	onesty				
L. Any Deductib the sole respo The City of Ke	le or Reimburser nsibility of the Ir lowna is named	nsured named above. as an Additional Insure	l in the policy ed. (Section 1	shall not applonly)	o reflect the following: ly to the City of Kelowna and shall be to the City of Kelowna.
Print Name	Ti	tle		Company (I	nsurer or Broker)
 Signature of Author	 ized Signatory			Date	

DOJ Approved Template Dec 13, 2012

VEHICLE RENTAL CONCESSION AGREEMENT

	·
BETWI	EEN:
	CITY OF KELOWNA, 1435 Water Street, Kelowna, B.C. V1Y 1J4
	(the "City")
AND:	
	ENTERPRISE RENT-A-CAR CANADA COMPANY dba ENTERPRISE RENT-A-CAR, 13160 88 Avenue, Surrey, BC V3W 3K3
	(the "Subtenant")
WHER	EAS:
A.	By a lease dated December 19, 1979 (the "Head Lease") between the City and Her Majesty the

THIS AGREEMENT dated for reference the _____ day of ______, 2017 is

Parcel Identifier: 009-459-014

set out in the Head Lease:

Lot 3 District Lots 32 and 120 and of Section 14 Township 23 Osoyoos Division Yale District Plan

Queen in Right of Canada (the "Head Landlord"), as represented by the Minister of Transport (the "Minister"), the Head Landlord leased to the City the following lands, on the terms and conditions

11796

Parcel Identifier: 013-949-101

Lot B District Lot 122 Osoyoos Division Yale District Plan 41159

Parcel identifier: 011-518-189

Lot 7 Section 14 Township 23 Osoyoos Division Yale District Plan 1502 Except Plan H16596

(collectively the "Lands");

- B. The City and the Head Landlord amended the Head Lease on November 8, 1983, January 14, 1985, October 31, 1986, January 19, 1990, November 29, 1990, May 26, 1994, June 14, 1994, February 16, 1996, and July 24, 2015;
- C. The Lands are used for the purpose of operating and maintaining the Kelowna International Airport (the "Airport"), and the City has constructed a terminal building on the Lands for use in connection with the Airport (the "Terminal Building");
- D. The City has agreed to sublease to the Subtenant a portion of the Lands and Terminal Building for the purpose of operating a vehicle rental concession;
- E. As required under section 4 of the Head Lease, the written consent of the Head Landlord is required for this Agreement;

F. In accordance with section 26 of the *Community Charter*, the City has posted and published notice of its intention to sublease the Premises to the Subtenant;

NOW THEREFORE THIS AGREEMENT WITNESSES that, in consideration of the rents, covenants, and agreements to be paid, observed, and performed by the Subtenant, and other good and valuable consideration (the receipt and sufficiency of which are hereby expressly acknowledged) the City and the Subtenant covenant and agree as follows:

Definitions

- 1. In this Agreement:
 - a. "Airport Director" means the person holding that position, or acting in the capacity of the Airport Director of the Airport;
 - b. "Gross Revenue" has the meaning set out in Schedule B;
 - c. "Premises" means that portion of the Lands and the Terminal Building shown highlighted in yellow on the sketches attached as Schedule A, and includes the counter space, vehicle parking spaces, kiosk space and vehicle service center space as shown in Schedule A;
 - d. "Vehicle" means an automobile, motorcycle, van, truck and any other vehicle propelled, driven, or drawn other than by muscular power.

Sublease

2. The City subleases the Premises to the Subtenant for the Term, and the Subtenant subleases the Premises from the City for the Term, on and subject to the terms and conditions of this Agreement.

Condition Precedent

- 3. The City's obligation to sublease the Premises and the Subtenant's obligation to sublease the Premises from the City are subject to the following condition precedent:
 - a. On or before the Commencement Date, the City will have obtained the Head Landlord's written consent to this Agreement, as required pursuant to section 4 of the Head Lease.

The City and the Subtenant agree that the condition precedent in subsection a. above is for the benefit of both the City and the Subtenant and may not be waived. If that condition is not satisfied by the date specified, this Agreement is at an end.

Term

4. The term of this Agreement (the "Term") is five (5) years, commencing on October 1, 2017 (the "Commencement Date") and expiring on September 30, 2022 (the "Expiry Date").

- 5. If the Subtenant shall hold over after the expiration of the Term or after the expiration of the last renewal thereof, and the City shall accept rent, the new tenancy thereby created shall be a tenancy from month to month and not a tenancy from year to year, and the Subtenant shall pay as rent during the time of such occupancy an amount to be determined at the reasonable discretion of the City, and shall be subject to the covenants and conditions herein contained so far as the same are applicable to a tenancy from month to month. Any such over holding month to month tenancy may be terminated by the City by providing thirty (30) days notice in writing
- 6. If, at the expiration of the Term, all Rent or other sums or charges due or payable have been fully paid and the Subtenant has on its part observed and performed all the covenants, provisos, conditions and reservations herein contained, the City may, at its sole discretion, grant to the Subtenant an extension of this Agreement for a second term not exceeding one (1) year commencing in like manner, and, at the expiration of such second term may grant to the Subtenant an extension of this Agreement for a third term not exceeding one (1) year commencing in like manner, subject always to the covenants, provisos, conditions and reservations herein contained. The City shall provide written notice to the Subtenant of its intention to grant an extention of this Agreement at least ninety (90) days prior to the end of the Term and, if applicable, any renewal term.

Rent

- 7. The Subtenant shall pay to the City all amounts required by the City of Kelowna Airport Fees Bylaw No. 7982 (the "Bylaw"), as amended from time to time, including the concession fee, counter space fee, vehicle parking stall fee, remote lot vehicle parking stall fee, service centre fee, and the automotive fuel system fee, as set out in the Bylaw (together, the "Rent"). For certainty, as of the Commencement Date the Rent shall be as set out below:
 - a. An annual minimum guarantee, for the periods and in the amounts listed below, or 12% of the Gross Revenue for the periods listed below, whichever is the greater amount:
 - i. from October 1, 2017 to September 30, 2018, an annual sum of \$597,736.50, payable in equal monthly installments;
 - ii. from October 1, 2018 to September 30, 2019, an annual sum of \$627,508.37, payable in equal monthly installments;
 - iii. from October 1, 2019 to September 30, 2020, an annual sum of \$658,528.60, payable in equal monthly installments;
 - iv. from October 1, 2020 to September 30, 2021, an annual sum of \$690,845.28, payable in equal monthly installments;
 - v. from October 1, 2021 to September 30, 2022, an annual sum of \$724,508.28, payable in equal monthly installments;
 - vi. in the event the first option to extend the Term for one additional year is entered into, from October 1, 2022 to September 30, 2023, an annual sum of \$724,767.04, payable in equal monthly installments;

- vii. in the event the second option to extend the Term for one additional year is entered into, from October 1, 2023 to September 30, 2024, an annual sum of \$725,025.79, payable in equal monthly installments.
- b. For the use and occupancy of the counter space: Four-hundred and Seventy-Seven dollars and 24 cents (\$477.24) per square metre per annum.
- c. For the use of the ready vehicle parking spaces: Forty dollars (\$40.00) per month, for each of the parking spaces designated by the Airport Director for parking of the Subtenant's vehicles.
- d. For the use of the vehicle rental service center space: One-hundred and thirty-nine dollars and fifteen cents (\$139.15) per square metre per annum.
- e. For the use of the remote vehicle parking spaces: Thirty dollars (\$30.00) per month, for each of the parking spaces designated by the Airport Director for parking of the Subtenant's vehicles.
- f. For use of automotive fuel system: The cost of the fuel to the City plus an administration fee of eleven percent (11%).
- 8. Rent referred to in section 7.a. shall be paid by the Subtenant in monthly instalments and shall become due and payable within fifteen (15) days after the last day of each month during the Term of this Agreement. The Subtenant shall submit to the Airport Director a duly completed Airport Vehicle Rental Concession Revenue and Payment Report in the form attached as Schedule C, signed by an authorized signing officer of the Subtenant, upon which the percentage payments under this Agreement shall be calculated. The Subtenant shall remit to the City in accordance with the provisions hereof the required percentage of all Gross Revenue derived by the Subtenant from its operations hereunder whether such Gross Revenue is actually paid or is due and payable only, and notwithstanding any loss sustained by the Subtenant with respect to such Gross Revenue as a result of theft, defalcation or any other cause whatsoever.
- 9. Rent referred to in sections 7.b., c., d., and e. will be invoiced by the City on a monthly basis and will become due and payable on the 1st of each month for which the Premises are occupied. Rent referred to in section 7.f. will be invoiced as a recovery and is due and payable the last day of the month following the date of the invoice (e.g. March 24th invoice, payment due April 30th).
- 10. The Subtenant hereby waives and renounces any and all existing and future claims, offsets, and compensation against any Rent and agrees to pay such Rent regardless of any claim, offset, or compensation which may be asserted by the Subtenant or on its behalf.
- 11. All payments by the Subtenant to the City under this Agreement shall be applied toward such amounts then outstanding as the City determines and the City may subsequently alter the application of any such payment.
- 12. The parties acknowledge and agree that the Rent set out in section 7 above includes the provision of reasonable supply of electricity, water, heat, air conditioning, and general cleaning and

sanitation services to the Premises, notwithstanding which the Subtenant shall not have nor make any claim or demand, nor bring any action or suit or petition against the City or any of its officers, servants, or agents for any damage or harm which the Subtenant may sustain by reason of any temporary suspension, interruption, or discontinuance of such services, in whole or in part, from whatever cause arising.

- 13. The Subtenant acknowledges and agrees that the cost of electricity consumed in that portion of the Premises comprising the service centre, as shown in Schedule A (the "Service Centre"), is shared equally among the car rental concessionaires occupying space in the Service Centre. The Subtenant further acknowledges and agrees that it is responsible for all other utility costs, in particular all telephone, cable, and internet costs.
- 14. The Subtenant acknowledges and agrees that if the Service Centre is relocated during the Term, the cost of water used at the new Service Centre location will be shared among the car rental concessionaires occupying space in the new Service Centre.
- 15. The Subtenant acknowledges and agrees that during the Term the City may institute a customer facility charge ("CFC") that will be applied to each customer's rental car agreement. The CFC will be collected by the Subtenant and remitted to the City on a monthly basis within fifteen (15) days after the last day of each month the CFC is in effect.

Financial Statements and Record Keeping

- 16. The Subtenant covenants and agrees with the City as follows:
 - a. that during the currency of this Sublease, the Subtenant shall cause to be kept, books and records of all revenue and expenses, such books and records to be kept in accordance with Canadian Generally Accepted Accounting Principles or International Financial Reporting Standards. The Subtenant shall retain these books and records for a period of two (2) years following the expiry of this Agreement;
 - b. on or before the fifteenth (15th) day of each month of the Term, the Subtenant shall supply to the Airport Director, in a format deemed satisfactory by the Airport Director, an itemized statement of Gross Revenue for the preceding month, upon which the percentage Rent payments under section 7.a. of this Agreement are calculated;
 - c. that within ninety (90) days of the end of each year of this Agreement, and within ninety (90) days of the Expiry Date, the Subtenant shall submit to the City an audited annual statement of Gross Revenue relating to the operations under this Agreement. The audited annual statement of Gross Revenues shall contain an unqualified independent auditor's report signed by the licensed Chartered Professional Accountant(s) that completed the audit;
 - d. if the Subtenant fails to submit the statements referred to in section 16.c within the specified time, the Airport Director may cause to have the statements prepared in accordance with Section 17, in which case the Subtenant shall, forthwith upon receipt of appropriate accounts,

- reimburse the City for all expenses connected therewith plus twenty percent (20%) of such expense;
- e. that the Subtenant shall also provide, in addition to the documents referred to in a., b., and c. above, such financial statements as may be requested by the Airport Director from time to time.

Audit and Inspection

17. The Subtenant agrees that the books of the Subtenant shall be open for audit and inspection and for taking extracts therefrom at all times, during business hours, by the accredited officers of the City. The Subtenant shall prepare and keep adequate books and records which shall show all transactions by the Subtenant. The cost of any audit performed pursuant to this clause shall be borne by the City, provided, however, that should the results of such audits reveal a discrepancy of more than THREE PERCENT (3%) between the Gross Revenue reported in accordance with Schedule C herein and the Gross Revenue as determined by such audits then the full cost of such audits shall be borne by the Subtenant.

Disclosure of Gross Revenue Information

18. It is understood and agreed that in the concluding year of this Agreement and at any time after its termination, the City may publish the annual total of the Gross Revenues reported by the Subtenant in each year of this Agreement for the purpose of public information, along with a breakdown of such Gross Revenues.

Security Deposit

- 19. Prior to the Commencement Date, the Subtenant shall provide to the City a security deposit in the amount of one quarter (1/4) of the highest annual minimum guarantee during the Term, specifically one hundred and eighty one thousand one hundred and twenty seven dollars and seven cents (\$181,127.07) (the "Security Deposit") in the form of an irrevocable letter of credit, in the format attached hereto as Schedule D. The Security Deposit will be retained by the City for the Term of this Agreement or until this Agreement comes to an end, whichever comes first. The Security Deposit shall be returned to the Subtenant, provided that if the Subtenant fails to pay any portion of the Rent due and/or impairs, damages or injures the Premises or any part thereof during the Term of this Agreement, the City may draw on the Security Deposit and may apply the funds or any part thereof to the arrears of sums and/or towards the repair of such damage. The application of the Security Deposit by the City shall not constitute a waiver nor in any way defeat or affect the rights of the City in terms of this Agreement or any and all other rights and remedies which the City has by law. Failure to provide the Security Deposit as required herein may result in immediate termination of this Agreement without compensation to the Subtenant.
- 20. The Subtenant asserts that the Security Deposit provided pursuant to section 19 is not subject to any existing encumbrance, charge, or security agreement.
- 21. The Subtenant covenants and agrees that it will not assign, encumber nor attempt to assign or encumber the Security Deposit provided pursuant to section 19 and that the City shall not be bound by any such assignment, encumbrance, attempted assignment or attempted encumbrance.

Concession Fees

- 22. The City agrees to allow the Subtenant to incorporate "concession fees" not to exceed 13.64% of Gross Revenues into customer rental agreements provided the Subtenant does not state or imply that the extra charge was, directly or indirectly, a fee, charge, surcharge, or tax imposed or levied on the customer by the City or by, on behalf of, or in any way connected with the Airport.
- 23. Notwithstanding section 22, the Subtenant shall not impose any fee or charge on its customers which is referred to or identified on any contract or invoice, or orally by the agents of the Subtenant, or by signs, notices or pamphlets posted at the Airport or otherwise made available to customers, including any form of verbal advice either in person or through any form of telecommunications, as being directly or indirectly a fee, charge, surcharge or tax imposed or levied by the City on the customer. The City shall be entitled to post a disclaimer in a prominent location on the Premises stating that any of the Subtenant's fees or charges are not being imposed on customers by the City, directly or indirectly.

Conduct of Business and Services Provided by the Subtenant

- 24. The Subtenant shall only use and occupy the Premises for the purpose of operating a vehicle rental concession and for no other purpose whatsoever.
- 25. No vehicles used by the Subtenant to provide the vehicle rental service at the Airport shall at any point in time be more than three (3) years old.
- 26. At all times during the currency of this Agreement, the vehicles used by the Subtenant to provide the vehicle rental service at the Airport shall be maintained in proper working condition and repair at the sole expense of the Subtenant.
- 27. At all times during the currency of this Agreement, the Subtenant shall have, available upon request, an adequate number (as reasonably determined by the Airport Director) of infant- and child-restraint systems for use in the vehicles provided at the Airport. All such systems must be clean, in proper working condition and meet the Canadian Motor Vehicle Safety Standards.
- 28. The Subtenant shall provide and maintain at the Airport a level of service and a range of types of vehicles together with appropriate prices charged therefor, which are comparable to those offered by the Subtenant at other locations within the area served by the Airport, all to the reasonable satisfaction of the Airport Director.
- 29. The Subtenant shall post its normal hours of operation, as approved from time to time by the Airport Director, in a prominent location within the counter space.
- 30. The Subtenant shall service the counters from fifteen (15) minutes before the first scheduled flight until fifteen (15) minutes after the last scheduled commercial flight, it being understood that the Airport Director may from time to time change these requirements upon providing reasonable notice to the Subtenant.
- 31. The Subtenant shall implement the operational proposal attached as Schedule E (the "Operational Proposal"). Any significant future proposed changes to the Operational Proposal, which is

- attached as Schedule E, must be approved by the Airport Director prior to implementation within a reasonable period of time.
- 32. The Subtenant shall provide customers with appropriate guidance and wayfinding to the rental car ready lot as reasonably deemed necessary by the Airport Director and especially during peak travel times including, but not limited to, the December holiday season, Spring Break and July.
- 33. The Subtenant shall pay at the prevailing rates the costs for all electrical energy used in connection with electrical plug-ins that are provided in the parking spaces. In those instances, when the consumption of the electrical energy for plug-ins is not measured by separate meters, the Airport Director shall determine the applicable rate on the basis of cost comparison.
- 34. The Subtenant shall ensure all vehicle movements are completed in a safe manner while meeting all local, provincial and federal rules and regulations and all airport policies outlined by the Airport Director from time to time. The Subtenant shall be directly responsible for the actions of its employees in regards to these matters. Any breach of this section 34 will be considered a default of the Subtenant's obligations under this Agreement, triggering the City's right of re-entry and termination for default.

Subtenant's Covenants

- 35. The Subtenant covenants and agrees with the City:
 - a. to promptly pay when due, Rent and any other amounts required to be paid by it under this Agreement;
 - b. to promptly pay when due all amounts required to be paid by it pursuant to the Bylaw, including the automotive fuel system fee;
 - c. to only use and occupy the Premises for the purpose of carrying on the Subtenant's vehicle rental concession, and for no other purpose whatsoever;
 - d. to take possession of and occupy the Premises on the Commencement Date and commence to carry on business in the Premises no later than 15 days after the Commencement Date;
 - e. to carry on the Subtenant's vehicle rental concession operation in a safe, proper and first-class manner as befits a corporation operating within a municipal airport facility, with trained and certified staff, and not to undertake any activities or display any posters, art or printed material or play any music that is not appropriate to a public facility;
 - f. not to commit or permit any waste or injury to the Premises (including any drainage system, sanitary sewer system, or other facility provided for the protection of the general public or the operation of the Airport, any Leasehold Improvements and the trade fixtures therein), or any overloading of the floors thereof, or any conduct which impedes or, in the opinion of the City acting reasonably, could constitute a nuisance to the City, any other occupant of the Terminal Building, or anyone else;

- g. not to discharge, cause or permit to be discharged or howsoever to pass into the sewer systems, storm drains, or surface drainage facilities at the Airport or elsewhere any deleterious material, noxious, contaminated, or poisonous substances, all as determined by the City, whose decision shall be final, it being expressly understood and agreed that, in the event of a discharge or escape of any such deleterious material, noxious, contaminated, or poisonous substance under the control of the Subtenant, all clean-up costs incurred by the City shall be paid by the Subtenant;
- h. not to carry on any other use or manner of use which annoys or interferes with the operations of any other occupant of the Terminal Building or, in the opinion of the City acting reasonably, may have an adverse impact on the reputation of the Airport;
- i. not to do, omit to do, or permit to be done or omitted to be done upon the Premises anything which would cause the City's cost of insurance to be increased (and, without waiving the foregoing prohibition, the City may demand, and the Subtenant shall pay to the City upon demand, the amount of any such increase of cost caused by anything so done or omitted to be done) or which shall cause any policy of insurance to be subject to cancellation;
- j. not to permit the Premises to become untidy, unclean, unsightly, or hazardous, or permit unreasonable quantities of waste or refuse to accumulate therein;
- k. to provide complete and proper arrangements for the sanitary handling and disposal away from the Airport of all trash and other refuse resulting from the Subtenant's operations, all to the reasonable satisfaction of the Airport Director. Piling of boxes, barrels or other similar items shall not be permitted in any public area at the Airport;
- to comply at its own expense with all applicable local government, provincial, federal, or any other governing body whatsoever laws, bylaws, regulations, and requirements pertaining to the operation and use of the Premises, the condition of the Leasehold Improvements, trade fixtures, furniture, and equipment installed therein, and the making by the Subtenant of any repairs, changes or improvements therein, and to comply with all instructions given by the Airport Director (including with respect to safety and fire prevention);
- m. to abide by and comply with all regulations regarding the environment, traffic control, airport security, sanitation and all other regulations and directives relative to the management and operation of the Airport;
- n. to permit ingress and egress to and from the Premises by any person by use of fire exit doors in case of fire or emergency;
- o. to observe, and to cause its agents, officers, employees, invitees, and others over whom the Subtenant can reasonably be expected to exercise control to observe all rules and regulations which may be made or otherwise imposed by the City, of which notice in writing shall be given to the Subtenant, and all such rules and regulations shall be deemed to be incorporated into and form part of this Agreement;
- p. not to paint, display, inscribe, place, or affix any sign, symbol, notice, or lettering of any kind anywhere outside the Premises (whether on the outside or inside of the Terminal Building) or within the Premises so as to be visible from the outside of the Premises, except as expressly

approved in writing by the City as to design, size, and location, such approval not to be unreasonably withheld. Such identification sign shall be installed by the Subtenant at its own expense;

- q. not to contaminate or permit the contamination of the Premises, the Terminal Building, the Lands or surrounding area with any hazardous substances and should such contamination occur, to undertake all necessary remediation at the cost of the Subtenant;
- r. to permit the City (after giving reasonable notice to the Subtenant) from time to time to enter and to have its authorized agents, employees, and contractors enter the Premises for any purpose and the Subtenant shall provide free and unimpeded access and shall not be entitled to compensation for any inconvenience, nuisance, or discomfort caused, but the City shall proceed to the extent reasonably possible so as to minimize interference with the Subtenant's use and enjoyment of the Premises;
- s. to accept U.S. currency in payment for goods or services hereunder at such rates of exchange as may be determined by the Airport Director from time to time. The exchange rate so determined will be equal to the "buy" rate set by a chartered bank, determined by the Airport Director;
- t. to inform the public of the applicable U.S. currency by displaying signs indicating the said rate in a prominent location within the Premises;
- u. to accept debit and credit cards in payment for goods or services hereunder, in accordance with directives as may be given from time to time by the Airport Director. The Subtenant shall be responsible for obtaining and thereafter maintaining, at its own expense, all credit and debit card processing equipment necessary for the provision of a credit and debit card service;
- v. to take all reasonable precautions to ensure the safety of all persons using the Premises; and
- w. to promptly cause to be discharged any builders' lien which may be filed against the title to the Lands, and to comply at all times with the *Builders Lien Act* (British Columbia) in respect of any improvements, work, or other activities undertaken in, on, or to the Premises.

Service to Persons with Disabilities

36. The Subtenant shall have available at the Airport a sufficient number of hand-control systems to fill all reservations for hand-control-equipped vehicles which are received 24 hours or more before the vehicle is to be delivered to the customer, but in any event the Subtenant shall have not less than two hand controls at the Airport.

Where a reservation is received 24 hours or more before the vehicle is to be delivered to the customer and the Subtenant does not provide a hand-control-equipped vehicle, then the Subtenant shall arrange for convenient, alternative transportation until such time as a vehicle with hand controls is made available. The Subtenant shall pay the cost of the alternative transportation to the extent that such cost exceeds the cost of renting the vehicle with hand controls. This provision does not apply if at the time the reservation is received, the Subtenant has entered into rental agreements for its hand-control-equipped vehicles for the entire period the hand-control-equipped vehicle is required.

For any reservation which is not received 24 hours or more before the vehicle is to be delivered to the customer, the Subtenant will undertake its best efforts to provide hand-control-equipped vehicles if, at the time the reservation is received, a hand-control system is available for the entire period the vehicle is required.

The Subtenant acknowledges and agrees that the Airport Director may from time to time, within reason, change these requirements in response to changes in passenger volumes, upon giving reasonable notice to the Subtenant.

- 37. The Subtenant shall provide hand-control systems at no additional cost to the customer.
- 38. The Subtenant shall permit guide dogs to accompany the disabled passenger in the seating area of the rental vehicle and at no additional charge.
- 39. Hand controls provided by the Subtenant shall meet all Canadian Standards Association (CSA) and other applicable certifications and standards set by regulatory agencies and Provincial licensing bodies. Where the hand controls are permanently installed in the vehicles used at the Airport, the Subtenant shall provide appropriate inspection certificates attesting to the mechanical reliability of the vehicles.
- 40. The Subtenant shall post signs in the counter space and kiosks within the Premises, where applicable, to indicate the availability of services for persons with disabilities. Such signs shall be of a form and content as may be approved by the Airport Director and shall be posted in such location as the Airport Director may determine.
- 41. If there is a demonstrated demand, the Subtenant will undertake its best efforts to add to its vehicle rental fleet vehicles which are accessible by persons with disabilities using a mobility device including a wheelchair or scooter for personal transportation. The accessible vehicles shall meet all federal and provincial safety certifications and standards and shall be provided at no additional cost to persons with disabilities.
- 42. The Subtenant shall provide its employees and agents who may interact with the travelling public at the Airport with the level of training required, as reasonably specified by the Airport Director, to ensure that its personnel possess the knowledge, skills and attitudes necessary to assist persons with disabilities in an effective and sensitive manner.
- 43. All such training shall comply with the Personnel Training Regulations for the Assistance of Persons with Disabilities Regulations (the "Regulations") issued by the *Canada Transportation Act*. The Subtenant shall ensure that all personnel shall complete their initial training within sixty (60) days after the commencement of their duties as well as receive periodic refresher training sessions throughout the Term, appropriate to the requirements of their function.
- 44. The Subtenant shall keep its training program current and available for inspection by the Airport Director, National Transportation Agency, and the general public. The training program shall

- contain the information set out in the Regulations. The training program shall be submitted to the Airport Director at the commencement of this Agreement and the Subtenant shall submit to the Airport Director any changes made to the training program during the currency of this Agreement.
- 45. The Subtenant shall provide its employees and agents responsible for the installation of equipment necessary to accommodate persons with special needs with training on the installation, maintenance and operation of such equipment.

Accessories

- 46. Prior to the Commencement Date, the Subtenant shall submit for the Airport Director's reasonable approval a listing of all vehicle accessories or additional features ("such accessories") which will be made available at the Commencement Date of this Agreement. Within five days of receiving a written request from the Airport Director, the Subtenant shall submit to the Airport Director a listing of all such accessories made available at the point in time indicated in the written request.
- 47. The Subtenant may offer such accessories, provided they are attached to, or are used in, or are built into the vehicle.
- 48. The Subtenant agrees that the rental of such accessories shall be included with the rental of a vehicle, and that such accessories shall at no time be rented out separately unless approved by the Airport Director and under a licence which is separate from this Agreement.
- 49. The Subtenant further agrees that all rent or charges for such accessories shall be included in the vehicle rental contract.

Prices

- 50. Prior to the commencement of this Agreement, the Subtenant shall submit to the Airport Director a schedule of the prices to be in effect on the Commencement Date, if different from those prices set out in the Subtenant's Operational Proposal, a copy of which is attached as Schedule E. Within five (5) days of receiving a written request from the Airport Director, the Subtenant shall submit to the Airport Director a schedule of the prices in effect at the point in time indicated in the written request.
- 51. Prices posted for vehicle rental services at the Airport must be displayed in a manner approved by the Airport Director.

Consultant Services

52. If at any time the City becomes aware that the prices for vehicle rental services at the Airport are not comparable to those charged in the area served by the Airport (with due regard for operating cost differences resulting from operation at the Airport), or if the City becomes aware that the level of service provided, and/or the type of vehicles available at the Airport is not comparable to similar establishments in such area, the City may at the expense of the Subtenant employ a recognized consultant (the "Consultant") for review and assessment.

- 53. If the Consultant concludes that the prices for vehicle rental services, or the level of service provided, or the type of vehicles available at the Airport are not comparable to those in the area served by the Airport, the Airport Director may request, by notice in writing to the Subtenant, that the necessary corrective action be taken; provided, however, that the Subtenant shall be given a reasonable opportunity to defend against the Consultant's findings. Such corrective action shall be effected by the Subtenant within a reasonable period of time, having regard to the nature of the improvements which the Airport Director determines to be necessary.
- 54. It is expressly understood and agreed by the Subtenant that where the Subtenant is unable, to the satisfaction of the Airport Director, to refute the findings of the Consultant, the Subtenant shall give effect to the recommendations made by the Airport Director, in his/her notice. Failure to implement such recommendations within a reasonable time, to the satisfaction of the Airport Director, shall be treated as a breach of this Agreement and be subject to the provisions of section 104.

Advertising and Displays

- 55. The Airport Director reserves the right to rule upon displays and advertising signs within the Premises, and the Subtenant shall conform to the aesthetic standards of the Terminal Building and to any directive which may be introduced from time to time by the Airport Director. No electrical sign of any kind may be installed without the prior approval in writing of the Airport Director, such approval not to be unreasonably withheld.
- The Subtenant shall obtain the written approval of the City, in advance, of all signs and similar advertising material, including lettering and other advertising media erected, installed or placed upon the exterior of the Premises or within the Premises to the extent that such signs are visible from outside the Premises, such approval not to be unreasonably withheld. The cost of installing, maintaining, changing and removing all signs shall be borne by the Subtenant.
- 57. The Subtenant covenants and agrees that it will use the name Kelowna International Airport in all advertising of its operations hereunder, in all promotional material and on all letterheads and stationery.
- 58. The Subtenant may advertise, promote and/or display for sale, within the confines of the Premises, only those products or services that relate directly and exclusively to its operations hereunder and any advertisement, promotion and/or display for sale must indicate that those products or services can only be obtained with the rental of a vehicle, unless such products or services are provided under a separate agreement and approved by the Airport Director.
- 59. Any revenues or benefits derived directly or indirectly by the Subtenant from the advertisement, promotion and/or display of goods and services by a third party will be considered as revenue and shall be included in the Gross Revenue reported by the Subtenant.

Official Languages

60. Where the Airport is deemed to have significant demand, as deemed by the Airport Director and communicated to the Subtenant by the Airport Director, the Subtenant covenants:

- a. to comply with the *Official Languages Act* and Regulations and the City's policy on Official Languages;
- b. to display or make available to members of the public, in both official languages, all printed and written material including signs, notices, and other information in connection with its operations hereunder and, where applicable, to provide services by other means (including self-service equipment in both official languages);
- c. during every shift of operations in the Premises which is used for the serving of the public, to have sufficient staff on duty to provide oral response capability in both official languages within a reasonable period of time; and
- d. to clearly demonstrate to members of the public that these bilingual services are available in either official language of their choice.

Notwithstanding any other remedy available to the City, if a breach of section 60.b. occurs, the City may terminate this Agreement or enter the Premises and provide the printed and written material in both official languages, in which event the Subtenant shall pay, as additional Rent, the cost of providing such printed material or written material plus twenty percent (20%) of such cost. For certainty, if a breach of either section 60.a., c., or d. occurs, the City may terminate this Agreement.

Operational Concepts

- 61. The Subtenant agrees that during the currency of this Agreement it shall adhere to and perform each and every one of its undertakings and representations set out in its Operational Proposal, a copy of which is attached as Schedule E. The Subtenant further covenants and agrees that any failure to comply with this requirement shall constitute a breach of the conditions of this Agreement for the purpose of section 104. Any significant future proposed changes to the Operational Proposal, which is attached as Schedule E, must be approved by the Airport Director prior to implementation.
- 62. During the currency of this Agreement, the Subtenant has the right to introduce any new products, services or accessories not included in the Operational Proposal referred to in section 61, but such introduction shall be subject to the prior approval of the Airport Director.

Personnel

- 63. The Subtenant shall engage suitable personnel to efficiently provide and maintain the required standard of services. Such personnel will be acting as ambassadors for the Airport and professionalism and personal appearance must be of a high standard at all times. Local personnel shall be employed to the extent practical and consistent with reasonable efficiency and economy, all as reasonably determined by and to the satisfaction of the Airport Director.
- 64. The Subtenant acknowledges and agrees that the car rental operations set out in this Agreement shall be performed by the Subtenant and by any other employee, agent, subcontractor or representative of the Subtenant (collectively, the "Subtenant's Personnel"). The Subtenant shall not employ any person to carry out the car rental operation at the Facility if that person has been convicted of a criminal or summary conviction offence that is related to that employment. The Subtenant's Personnel shall be under the exclusive supervision of the Subtenant. All responsibility

- and authority for hiring, training, supervision, direction, compensation, discipline, termination, and administration of the Subtenant's Personnel, and any and all costs or expenses related thereto, rest exclusively with the Subtenant.
- 65. The Subtenant shall pay for the parking at the Airport of its employees' vehicles, at the prevailing rates.
- 66. The Subtenant shall ensure that its employees and agents respect all rules and regulations at the Airport including those pertaining to speed and traffic.
- 67. The Subtenant shall ensure all of its personnel receive customer service training and participate in campus wide customer service initiatives as approved and required by the Airport Director from time to time, and the Subtenant shall maintain records of such training to be made available for inspection by the Airport Director throughout the Term.
- 68. If the Airport Director determines that national security is involved, he/she may instruct the Subtenant to provide information concerning any person or persons employed by the Subtenant at the Premises and may require the removal of any person or persons from the Premises. The Subtenant shall comply immediately with instructions from the Airport Director pursuant to this clause.

Quiet Possession

69. The City shall permit the Subtenant, so long as the Subtenant is not in default of the Subtenant's obligations under this Agreement, to peaceably possess and enjoy the Premises for the Term, without interference or disturbance from the City or those claiming by, from or under the City, except for the City's express rights under this Agreement to enter upon and use the Premises or to permit others to do so.

Licences, Permits, Etc.

- 70. The Subtenant shall procure and maintain in good standing, at its cost and expense, such licences, permits or approvals from federal, provincial, municipal or other government authorities, and such private permits as may be necessary to enable the Subtenant to conduct its operations hereunder.
- 71. Failure by the Subtenant to procure such licences, permits or approvals or such private permits will not relieve the Subtenant from paying the amounts prescribed under this Agreement from the Commencement Date. In the event the Subtenant fails by 12.01 a.m. on the Commencement Date to procure such licences, permits or approvals or such private permits, and fails to notify the City by the above deadline that such licences, permits or approvals or such private permits have been obtained, this Agreement shall, at the option of the City, be terminated without any further notice or delay.

Enforcement

72. Notwithstanding the provisions of section 104 any failure by the Subtenant to comply with the requirements set forth in sections 16, 17, 34, 35(u), 36 through 45, and 76 through 79 shall constitute a breach of the conditions of this Agreement and shall be subject to the cancellation of this Agreement under the following conditions:

In the event of a breach by the Subtenant of any of the aforementioned requirements, and provided reasonable steps have not been taken to cure such breach within thirty (30) days from the date of notice in writing thereof from the City to the Subtenant, the City may terminate this Agreement by giving the Subtenant thirty (30) days written notice of intention to terminate, during which time the Subtenant will no longer be permitted to cure such breach, and thereupon after the expiration of such period of notification, this Agreement shall be terminated without any further notice or delay.

Change of Name and Corporate Identity

- 73. The Subtenant agrees to operate a vehicle rental concession at the Airport during the term of this Agreement under the trade name of:
 - Enterprise Rent-A-Car
 - and shall not use any other trade name without the prior written consent of the City.
- 74. The Subtenant agrees to notify the City of any change in the ownership or control of the Subtenant or in its board of directors within thirty (30) days of such a change coming into effect.

Franchise Agreement

75. Where the Subtenant is a franchisee under a franchise agreement pertaining to the Subtenant's operations hereunder, the Subtenant agrees to notify the City forthwith in writing of any cancellation of such franchise agreement.

Prohibited Activities

- 76. The City will not permit the parking of any rental vehicle by the Subtenant within the short term and long term public parking lots at the Airport nor any overflow, employee or other parking locations at the Airport, other than those specified in this Agreement, unless specific written authorization is provided by the Airport Director.
- 77. The City will not permit the Subtenant or any of its customers to deliver or surrender any rental vehicle in any location other than the Premises.
- 78. The City will not permit cleaning or maintenance of vehicles in the rental vehicle ready lot parking area of the Premises.
- 79. The Subtenant acknowledges and agrees that all driving lanes and walkways in the vehicle rental Service Center must be kept clear at all times for the efficient operation of the Service Center. The Subtenant shall ensure that its rental vehicles and any other of its vehicles do not park in any such areas at any time. Any vehicles which are so parked whether by the Subtenant's employees or customers will be towed without notice at the Subtenant's expense which charges shall be paid to the City as additional fees on demand.

City's Covenants

80. The City covenants and agrees with the Subtenant:

- a. to permit the Subtenant and its employees and customers to have the license and use during hours that the Terminal Building is open, in common with others entitled thereto, of the common parking areas, sidewalks, entrances, lobbies, stairways, and corridors of the Terminal Building giving access to the Premises (subject to any rules and regulations established by the City from time to time), and the provisions of this Agreement will apply to the license granted in this section to the extent those provisions can apply; and
- b. to permit the Subtenant and its employees and invitees in common with others entitled thereto to use the public washrooms in the Terminal Building.

Subtenant's Acknowledgments and Agreements

- 81. Acknowledgement of Head Lease The Subtenant acknowledges and agrees that this Agreement is subject to the Head Lease and all of its terms, restrictions, and limitations, and the Subtenant has no greater interest in the Premises than the City under the Head Lease and, to the extent that any right or benefit conferred by this Agreement contravenes or is incompatible with the Head Lease, such right or benefit will be amended or modified so as not to contravene or be incompatible with the Head Lease.
- 82. Security The City shall have no responsibility whatsoever for the security of the Subtenant's property on the Premises, the sole responsibility for which rests with the Subtenant, and the Subtenant hereby releases the City from all claims, actions, damages, liabilities, losses, costs, and expenses whatsoever as may be suffered by the Subtenant arising from or related to the Subtenant's failure to secure its property on the Premises. For clarity, the Subtenant shall secure the Premises by locking all doors and windows to the Premises at the end of its daily operations, but may not install other security systems or features on the Premises such as separate alarm systems or security cameras without the prior written consent of the City.
- 83. Material Disclosures The Subtenant acknowledges that the City has made the material disclosures in respect of the Premises and this Agreement listed in Schedule F.
- 84. Changes to Passenger Traffic Patterns and Location The Subtenant acknowledges that the configuration of the Terminal Building may be in a state of flux during the currency of this Agreement due to traffic shifts or a Terminal Building renovation program, and that therefore the City cannot guarantee that the present pattern of passenger traffic adjacent to the counter space or relocated Premises, or any future pattern, will be permanent for all or any portion of the Term. Because of construction, or for other reasons, the City may find it desirable and in the best interests of the travelling public to make changes in the passenger traffic pattern and erect temporary structures, walls or partitions. The Subtenant hereby acknowledges and agrees that it shall have no claim whatsoever against the City for any changes or disruptions that may be made and/or arise as a result of a Terminal Building renovation program.
- 85. Car-Sharing The Subtenant acknowledges and agrees that the City may enter into agreements with car sharing entities.

Repair, Damage and Destruction

86. The Subtenant covenants with the City:

- to keep in a good and reasonable state of repair and consistent with the general standards of airports of similar age in British Columbia, the Premises including all Leasehold Improvements and all trade fixtures therein and all glass therein other than glass portions of exterior walls, but with the exception of structural members or elements of the Premises;
- b. that the City may enter and view the state of repair (without having any obligation to do so), and that the Subtenant will repair according to notice in writing, and that the Subtenant will leave the Premises in a good and reasonable state of repair; and
- c. that if any part of the Terminal Building, including the systems for interior climate control and for the provision of utilities, becomes out of repair, damaged, or destroyed through the negligence or misuse of the Subtenant or its employees, invitees, or others over which the Subtenant can reasonably be expected to exercise control, the Subtenant shall carry out such repairs and replacements as the City considers necessary, to the satisfaction of the City, failing which the City may carry out those repairs and replacements and the expense of all such repairs and replacements necessitated thereby shall be reimbursed to the City by the Subtenant promptly upon demand.

Abatement and Termination in Event of Damage or Destruction

- 87. It is agreed between the City and the Subtenant that in the event of damage to the Premises or to the Terminal Building:
 - a. if the damage is such that the Premises or a substantial part of them are rendered not reasonably capable of use and occupancy by the Subtenant for the purposes of its business for any period of time in excess of seven (7) days, then:
 - i. if the damage was not caused by the fault or negligence of the Subtenant or the Subtenant's directors, members, officers, employees, agents, contractors, subcontractors, customers, invitees and others for whom it is responsible (the "Subtenant's Responsible Persons"), then from and after the date of occurrence of the damage and until the Premises are again reasonably capable of use and occupancy as aforesaid, Rent shall abate from time to time in proportion to the part or parts of the Premises not reasonably capable of use and occupancy, and
 - ii. unless this Agreement is terminated as hereinafter provided, if the damage was caused by the fault or negligence of the Subtenant or the Subtenant's Responsible Persons, then the Subtenant shall repair such damage for which it is responsible with all reasonable diligence, and

b. if either:

- i. the Premises, or
- ii. 25% or more of the Terminal Building

are substantially damaged or destroyed by any cause then the City may at its option, exercisable by written notice to the Subtenant given within sixty (60) days after the occurrence of such damage or destruction, terminate this Agreement, without limiting the Subtenant's

liability for damage or destruction which it may have caused, and the Subtenant shall deliver up possession of the Premises to the City with reasonable expedition but in any event within sixty (60) days after delivery of such notice of termination, in a clean, neat, uncontaminated and vacant condition and Rent shall be apportioned and paid to the date upon which possession is so delivered up but subject to any abatement to which the Subtenant may be entitled.

Worker Safety and Compensation

- 88. Compliance with Worker Safety and Compensation Laws The Subtenant shall, in its use of and activities on the Premises, comply with all statutes, regulations, and orders from time to time in force respecting worker safety and compensation, and, upon request from the City, provide evidence of any required registration under any statute, regulation or order respecting worker safety and compensation.
- 89. The Subtenant shall, for the purposes of the *Workers Compensation Act* (British Columbia), and for the duration of the Term:
 - a. do everything that is reasonably practicable to establish and maintain a system or process that will ensure compliance with the *Workers Compensation Act* and its regulations, as required to ensure the health and safety of all persons at the Premises; and
 - b. have at least one employee (the "Individual") attend the City's health and safety orientation prior to the Commencement Date. The Subtenant acknowledges and agrees that it will arrange for each of its employees working at the Airport to attend health and safety orientation provided by the Subtenant, which will cover the same topics as the City's health and safety orientation, within thirty (30) days of the Commencement Date or the employee's commencement of employment.

Fixtures and Improvements

90. Installation of Fixtures and Improvements - Except for furniture and equipment not of the nature of fixtures, the Subtenant shall not make, erect, install, or alter any fixtures, improvements, installations, alterations, or additions (the "Leasehold Improvements") in the Premises or in other premises in the Terminal Building or in the Airport without the prior written consent of the City, which consent may be withheld in the sole discretion of the City. In making, erecting, installing, or altering any Leasehold Improvements or trade fixtures, the Subtenant shall comply with all construction guidelines established by the City from time to time, shall obtain all required building and occupancy permits, shall not alter or interfere with any installations which have been made by the City without the prior written approval of the City and, in no event, shall alter or interfere with window coverings installed by the City on exterior windows. The Subtenant's request for any approval hereunder shall be in writing and accompanied by a reasonably detailed description of the contemplated work and, where appropriate, plans, working drawings, and specifications thereof. Any out-of-pocket expense incurred by the City in connection with any such approval shall be paid by the Subtenant. All work to be performed in the Premises shall be performed by competent contractors and subcontractors of whom the City shall have approved in its sole discretion. All such work shall be subject to inspection by and the reasonable supervision of the City and shall be performed in accordance with any reasonable conditions or regulations imposed by the City and

- completed in good and workmanlike manner in accordance with the description of the work approved by the City.
- 91. Liens In connection with the making, erection, installation, or alteration of Leasehold Improvements and trade fixtures, and all other work or installations made by or for the Subtenant in the Premises, the Subtenant shall comply with all of the provisions of the *Builders Lien Act* (British Columbia) and amendments thereto, and other statutes from time to time applicable thereto (including any provision requiring or enabling the retention of portions of any sums payable by way of holdback), shall permit the City to take all steps to enable the City to obtain the benefit of the provisions of the *Builders Lien Act* (including the filing of a notice in the land title office) and, except as to any lawful holdback, shall promptly pay all accounts relating thereto.
- 92. Encumbrances The Subtenant shall not create any mortgage, conditional sale agreement, general security agreement under the *Personal Property Security Act* (British Columbia) and amendments thereto, or other encumbrance in respect of its Leasehold Improvements or trade fixtures, or permit any such mortgage, conditional sale agreement, general security agreement under the *Personal Property Security Act*, or other encumbrance to attach to the Premises.
- 93. Discharge of Liens If and when any builders' or other lien for work, labour, services or materials supplied to or for the Subtenant or for the cost of which the Subtenant may be in any way liable or claims therefore shall arise or be filed or any such mortgage, conditional sale agreement, general security agreement under the *Personal Property Security Act*, or other encumbrance shall attach, the Subtenant shall within twenty (20) days after receipt of notice thereof procure the discharge thereof, including any certificate of action registered in respect of any lien, by payment or giving security or in such other manner as may be required or permitted by law, and failing which the City may in addition to all other remedies avail itself of its remedy under section 104 and may make any payments required to procure the discharge of any such liens or encumbrances, and shall be entitled to be reimbursed by the Subtenant as provided in section 104, and its right to reimbursement shall not be affected or impaired if the Subtenant shall then or subsequently establish or claim that any lien or encumbrance so discharged was without merit, or excessive, or subject to any abatement, setoff, or defence.
- 94. Removal of Fixtures and Improvements All Leasehold Improvements in or upon the Premises shall immediately upon affixation be and become the City's property without compensation therefor to the Subtenant. Except to the extent otherwise expressly agreed by the City in writing, no Leasehold Improvements, trade fixtures, furniture, or equipment shall be removed by the Subtenant from the Premises either during or at the expiration or sooner termination of the Term, except that:
 - a. the Subtenant may at the end of the Term remove its trade fixtures;
 - b. the Subtenant shall at the end of the Term remove such of the Leasehold Improvements and trade fixtures as the City shall require to be removed; and
 - c. the Subtenant shall remove its furniture and equipment at the end of the Term, and also during the Term in the usual and normal course of its business where such furniture or equipment has become excess for the Subtenant's purposes or the Subtenant is substituting new furniture and equipment.

The Subtenant shall, in the case of every removal either during or at the end of the Term, immediately make good any damage caused to the Premises by the installation and removal.

- 95. Alterations by City The City reserves the right from time to time to:
 - a. make any deletions, changes, and additions to the equipment, appliances, pipes, plumbing, wiring conduits, ducts, shafts, structures, and facilities of every kind throughout the Terminal Building, including the Premises;
 - b. alter the location and nature of common areas of the Terminal Building, make reductions therein, erect additions thereto, and extend any part thereof provided there is no detrimental effect on access to the Premises; and
 - c. make alterations and additions to the Terminal Building, which may result in a change of location of the vehicle rental counter locations;

and in exercising any such rights, the City will take reasonable steps to minimize any interference caused to the Subtenant's operations in the Premises, but by exercising any such rights, the City shall not be deemed to have constructively evicted the Subtenant or otherwise to be in breach of this Agreement, nor shall the Subtenant be entitled to any abatement of Rent or other compensation from the City.

Insurance and Liability

- 96. Subtenant's Insurance The Subtenant shall obtain and maintain during the Term insurance in accordance with the requirements of Schedule G. For clarity, the insurance requirements set out in Schedule G are minimum requirements and are not to be interpreted in a manner that limits the Subtenant's obligations under this Agreement and the Subtenant shall be responsible for obtaining and maintaining such additional insurance as would a prudent tenant having similar obligations and interests to those of the Subtenant under the terms of this Agreement.
- 97. Insurance Certificates At the time of execution of this Agreement and at other reasonable times requested by the City, the Subtenant shall furnish to the City certificates in the form attached as Schedule G1 or other evidence acceptable to the City as to the insurance from time to time required to be effected by the Subtenant and its renewal or continuation in force, either by means of a certified copy of the policy or policies of insurance with all amendments and endorsements or a certificate from the Subtenant's insurer which, in the case of commercial general liability insurance, shall provide such information as the City reasonably requires.
- 98. City May Affect Insurance If the Subtenant shall fail to take out, renew, and keep in force such insurance the City may do so as the agent of the Subtenant and the Subtenant shall repay to the City any amounts paid by the City as premiums forthwith upon demand.
- 99. Limitation of City's Liability The Subtenant agrees that, except for claims, actions, damages, liabilities, costs and expenses caused by or arising from the City's use of the Premises or in respect of any wrongful or negligent acts by the City:
 - a. the City shall not be liable for any bodily injury to or death of, or loss or damage to any property belonging to the Subtenant or its employees, invitees, or subtenants or any other

person in, on, or about the Terminal Building or the Land, or for any interruption of any business carried on in the Premises, or for any consequential loss at all, and, without limiting the generality of the foregoing, in no event shall the City be liable:

- i. for any damage or bodily injury or death of anyone which results from fire, explosion, earthquake, flood, falling plaster, steam, gas, electricity, water, rain, snow, dampness, or leaks from any part of the Premises or from the pipes, appliances, electrical system, plumbing works, roof, subsurface, or other part or parts of the Terminal Building or Land or from the streets, lanes, and other properties adjacent thereto,
- ii. for any damage, injury, or death caused by anything done or omitted by the Subtenant or any of its servants or agents or by any other subtenant or person in the Terminal Building,
- iii. for the non-observance or the violation of any provision of any of the rules and regulations of the City in effect from time to time or of any lease by another subtenant of premises in the Terminal Building or any concessionaire, employee, subtenant, agent, customer, officer, contractor, or other invitee of any of them, or by anyone else,
- iv. for any act or omission (including theft, malfeasance, or negligence) on the part of any agent, contractor, or person from time to time employed by the City to perform janitorial services, security services, supervision, or any other work in or about the Terminal Building,
- v. for loss or damage, however caused, to money, securities, negotiable instruments, papers, or other valuables of the Subtenant or any of its servants or agents, or
- vi. for any bodily injury, death, or damage to property arising from the use of, or any happening in or about, any elevator, and
- b. the Subtenant releases and discharges the City from any and all actions, causes of action, claims, damages, demands, expenses, and liabilities which the Subtenant now or hereafter may have, suffer, or incur which arise from any matter for which the City is not liable under subsection a. above.
- 100. Indemnity of City The Subtenant agrees to indemnify and save harmless the City from and against all claims, demands, actions, causes of action, expenses, losses, costs, damages or other harm of whatsoever kind suffered or incurred by the City in respect of bodily injury, death, property loss, property damage, or other consequential loss or damage arising from or related to or connected with:
 - a. the use or occupation of the Premises, the Terminal Building, the Land, or surrounding areas by the Subtenant or the Subtenant's Responsible Persons;
 - b. the granting of this Agreement;
 - c. any default or breach by the Subtenant of its obligations under this Agreement; or
 - d. any act, omission, negligence or wrong of the Subtenant or the Subtenant's Responsible Persons.

This indemnity shall survive the expiry or termination of this Agreement, but does not extend to any claims, actions, damages, liabilities, costs and expenses caused by or arising from the City's use of the Premises or in respect of any wrongful or negligent acts by the City, the Head Landlord or those for whom the City or the Head Landlord is responsible for at law.

Subordination, Attornment, Registration, and Certificates

- 101. City Sale or Financing of Terminal Building The Subtenant agrees with the City that the rights of the City under this Agreement may be mortgaged, charged, transferred, or assigned to a purchaser or purchasers, or to a mortgagee or trustee for bond holders, and in the event of a sale or of default by the City under any mortgage, trust deed, or trust indenture and the purchaser, mortgagee, or trustee, as the case may be, duly entering into possession of the Terminal Building or the Premises, the Subtenant agrees to attorn to and become the subtenant of such purchaser or purchasers, mortgagee, or trustee under the terms of this Agreement and agrees to execute and deliver promptly whenever requested by the City or by such mortgagee an instrument of attornment as may be required of it.
- 102. Certificates The Subtenant agrees with the City that the Subtenant shall promptly whenever requested by the City from time to time execute and deliver to the City and, if required by the City, to any mortgagee (including any trustee under a trust deed or a trust indenture) or prospective purchaser (as designated by the City) a certificate in writing as to the status of this Agreement at that time, including as to whether it is in full force and effect, is modified or unmodified, confirming the rental payable hereunder and the state of the accounts between the City and Subtenant, the existence or non-existence of defaults, and any other matter pertaining to this Agreement as to which the City shall request a certificate.
- 103. Assignment by City In the event of the sale by the City of the Terminal Building or a portion thereof containing the Premises or the assignment by the City of this Agreement or any interest of the City hereunder, and to the extent that such purchaser or assignee has assumed the covenants and obligations of the City hereunder, the City shall, without further written agreement, be freed and relieved of liability upon such covenants and obligations.

Subtenant's Default, Remedies of City, and Surrender

- 104. Remedying by City, Non-payment, and Interest In addition to all the rights and remedies of the City available to it in the event of any default hereunder by the Subtenant, either by any other provision of this Agreement or by statute or the general law, the City:
 - a. shall have the right at all times to remedy or attempt to remedy any default of the Subtenant (without being obligated to do so), and in so doing may make any payments due or alleged to be due by the Subtenant to third parties and may enter upon the Premises to do any work or other things therein, and in such event all expenses of the City in remedying or attempting to remedy such default together with an administrative charge equal to 15% of the total of such expenses shall be payable by the Subtenant to the City forthwith upon demand;
 - b. shall have the same rights and remedies in the event of any non-payment by the Subtenant of any amounts payable by the Subtenant under any provisions of this Agreement as in the case of non-payment of Rent;

- c. if the Subtenant shall fail to pay any Rent promptly when due, shall be entitled to interest thereon at a rate of 18% per annum; and
- d. shall be entitled to be reimbursed by the Subtenant, and the Subtenant shall forthwith pay the City, the amount of all costs and expenses (including, without limitation, legal costs on a solicitor and own-client basis) incurred by the City in connection with the default or in efforts to enhance any of the rights, or to seek any of the remedies, to which the City is or may be entitled hereunder.
- 105. Remedies Cumulative The City may from time to time resort to any or all of the rights and remedies available to it in the event of any default hereunder by the Subtenant, either by any provision of this Agreement or by statute or the general law, all of which rights and remedies are intended to be cumulative and not alternative, as the express provisions hereunder as to certain rights and remedies are not to be interpreted as excluding any other or additional rights and remedies available to the City by statute or the general law.
- 106. Right of Re-entry on Default Provided and it is expressly agreed that:
 - a. if and whenever the Rent hereby reserved or other monies payable by the Subtenant or any part thereof, whether lawfully demanded or not, are unpaid and the Subtenant shall have failed to pay such Rent or other monies within ten (10) days after the City has given to the Subtenant notice requiring such payment; or
 - b. if the Subtenant should breach or fail to observe and perform any of the covenants, agreements, provisos, conditions, rules, or regulations and other obligations on the part of the Subtenant to be kept, observed, or performed hereunder and such breach or failure continues for ten (10) days after the City has given the Subtenant notice thereof; or
 - c. if without the written consent of the City the Premises shall be used by any other persons than the Subtenant or its permitted assigns or for any purpose other than that for which the Premises were leased, or occupied by any persons whose occupancy is prohibited by this Agreement; or
 - d. if the Premises shall be vacated or abandoned or remain unoccupied for ten (10) days or more while capable of being occupied; or
 - e. if the Term or any of the goods and chattels of the Subtenant shall at any time be seized in execution or attachment; or
 - f. if a receiver or receiver-manager is appointed of the business or property of the Subtenant; or
 - g. if the Subtenant shall make any assignment for the benefit of creditors or any bulk sale, become bankrupt or insolvent or take the benefit of any statute now or hereafter in force for bankrupt or insolvent debtors or shall take any steps or suffer any order to be made for its winding-up or other termination of its corporate existence; or
 - h. if the Subtenant should fail to stay in good standing with the Registrar of Companies by filing annual reports and otherwise; or

- i. if any policy of insurance upon the Terminal Building from time to time effected by the City shall be cancelled or about to be cancelled by the insurer by reason of the use or occupation of the Premises by the Subtenant or any assignee, subtenant, or Subtenant of the Subtenant or anyone permitted by the Subtenant to be upon the Premises and the Subtenant after receipt of notice in writing from the City shall have failed to take such immediate steps in respect of such use or occupation as shall enable the City to reinstate or avoid cancellation of (as the case may be) such policy of insurance; or
- j. if the City shall have become entitled to terminate this Agreement or to re-enter the Premises under any provision hereof;

then and in every such case it shall be lawful for the City thereafter to enter into and upon the Premises or any part thereof in the name of the whole and the same to have again, repossess, and enjoy as of its former estate, anything in this Agreement to the contrary notwithstanding. The City may use such force as it may deem necessary for the purpose of gaining admittance to and retaking possession of the Premises, and the Subtenant hereby releases the City from all actions, proceedings, claims, and demands whatsoever for and in respect of any such forcible entry or any loss or damage in connection therewith.

- 107. Termination and Re-entry If and whenever the City becomes entitled to re-enter upon the Premises under any provision of this Agreement, the City, in addition to all other rights and remedies, shall have the right to terminate this Agreement by giving to the Subtenant or by leaving upon the Premises notice in writing of such termination. Thereupon, this Agreement and the Term shall terminate, and the Subtenant shall immediately deliver up possession of the Premises to the City in accordance with section 113.
- 108. Certain Consequences of Termination and Re-entry If the City re-enters the Premises or if this Agreement is terminated by reason of any event set out in section 106, then without prejudice to the City's other rights and remedies:
 - a. the provisions of this Agreement which relate to the consequences of termination, and the provisions of this Agreement as they apply with respect to acts, events, and omissions which occurred prior to the termination, shall all survive such termination;
 - b. in addition to the payment by the Subtenant of Rent and other payments for which the Subtenant is liable under this Agreement, Rent for the current month and the next ensuing three months shall immediately become due and be paid by the Subtenant or the person then controlling the Subtenant's affairs (without limiting the City's right to claim damages for loss of future rent); and
 - c. the Subtenant or person then controlling the affairs of the Subtenant shall pay to the City on demand such reasonable expenses as the City has incurred, and a reasonable estimate of the expenses the City expects to incur, in connection with the re-entering, terminating, re-letting, collecting sums due or payable by the Subtenant, and storing and realizing upon assets seized, including without limitation brokerage fees, legal fees, and disbursements, the expenses of cleaning and making and keeping the Premises in good order, and the expenses of repairing the Premises and preparing them for re-letting.

- 109. Waiver of Distress and Bankruptcy - The Subtenant waives the benefit of any present or future statute taking away or limiting the City's right of distress and covenants and agrees that notwithstanding any such statute none of the goods and chattels of the Subtenant on the Premises or at any other location at any time during the Term shall be exempt from levy by distress for rent in arrears. The Subtenant will not sell, dispose of, or remove any of the fixtures, goods, or chattels of the Subtenant from or out of the Premises during the Term without the consent of the City, unless the Subtenant is substituting new fixtures, goods, or chattels of equal value or is bona fide disposing of individual items which have become excess for the Subtenant's purposes. The Subtenant will be the owner of its fixtures, goods, and chattels and will not permit them to become subject to any lien, mortgage, charge, or encumbrances. The Subtenant agrees that it will not, without the City's consent, repudiate or disclaim or attempt to repudiate or disclaim or seek any order to permit it to repudiate or disclaim this Agreement in any bankruptcy, insolvency, reorganization, or other proceeding or court application, and, if required by the City, waives in favour of the City the benefit of section 65.2 of the Bankruptcy and Insolvency Act (Canada), as amended, and any provision of similar import.
- 110. Re-letting and Sale of Personalty Whenever the City becomes entitled to re-enter upon the Premises under any provision of this Agreement, the City, in addition to its other rights, shall have the right as agent of the Subtenant to enter the Premises and re-let them (for a term or terms shorter or longer than the balance of the Term, granting reasonable concessions in connection therewith), and to receive the rent therefore, and as the agent of the Subtenant to take possession of any furniture or other property thereon, and to sell the same at public or private sale without notice, and to apply the proceeds thereof and any rent derived from re-letting the Premises upon account of the Rent due and to become due under this Agreement, and the Subtenant shall be liable to the City for the deficiency, if any.
- 111. Termination of Head Lease Upon termination of the Head Lease for any reason (including default by the City), this Agreement will immediately terminate without any compensation payable to the Subtenant.
- 112. Notwithstanding section 111, if:
 - a. the termination of the Head Lease is not in any manner disputed;
 - b. the City has yielded up vacant possession of the Premises to the Head Landlord;
 - c. immediately preceding the termination of the Head Lease, all airport subleases, including this Agreement, are in full force and effect and the sublessees, including the Subtenant, at the termination of the Head Lease, are not in default or breach of their respective subleases;
 - d. the Head Landlord is not legally prohibited by reason of defect in title, adverse possession, or otherwise from fulfilling the terms of any of the airport subleases, including this Agreement;

then this Agreement shall, at the Head Landlord's option, be deemed to have been assigned to the Head Landlord, thereby creating a new lessor/lessee relationship under the terms and conditions of this Agreement; provided, however, that the Head Landlord reserves the option to amend the new lease therein created from time to time in accordance with policy or policies in effect at that time.

113. Surrender on Termination – Forthwith upon the termination of this Agreement, whether by effluxion of time or otherwise, the Subtenant shall vacate and deliver up possession of the Premises in a neat, clean, tidy, uncontaminated and vacant state and in good and substantial repair in accordance with the Subtenant's obligation under this Agreement to repair the Premises, but subject to the Subtenant's rights and obligations in respect of removal in accordance with section 94. At the same time the Subtenant shall surrender to the City at the place then fixed for the payment of Rent all keys and other devices which provide access to the Premises, the Terminal Building, or any part thereof and shall inform the City of all combinations to locks, safes, and vaults, if any, in the Premises.

Subtenant's Tax Obligations

- 114. The Subtenant covenants with the City to pay to the City or other taxing authority or authorities having jurisdiction, all taxes, rates, duties, levies, and assessments whatsoever, whether local government or otherwise, which are levied, imposed or assessed against or in respect of the Premises, or which are from time to time levied, imposed, or assessed in the future in addition or in lieu thereof, including those levied, imposed, or assessed for education, schools, specified areas and local improvements. The Subtenant acknowledges that notwithstanding that the Land is owned by the Head Landlord and leased to the City, the Subtenant, as a non-municipal occupier of that Land is liable to pay property taxes on the Premises.
- 115. Without limiting section 114 above, the Subtenant covenants with the City to pay when due, all taxes, business taxes, business license fees, and other taxes, rates, duties or charges levied, imposed, or assessed by lawful authority in respect of the use and occupancy of the Premises by the Subtenant, the business or businesses carried on therein, or the equipment, machinery, or fixtures brought therein by or belonging to the Subtenant, or to anyone occupying the Premises with the Subtenant's consent, or from time to time levied, imposed, or assessed in the future in addition or in lieu thereof, and to pay to the City upon demand the portion of any tax, rate, duty, or charge levied or assessed upon the Land and Terminal Building that is attributable to any equipment, machinery, or fixtures on the Premises which are not the property of the City or which may be removed by the Subtenant.
- 116. The Subtenant shall pay to the City goods and services tax (or similar replacement tax) in accordance with the applicable legislation at the same time as the amounts to which such goods and services tax apply are payable to the City under the terms of this Agreement or upon demand at such other time or times as the City from time to time determines. Notwithstanding any other section of this Agreement, the amount payable by the Subtenant under this section 116 shall be deemed not to be Rent, but the City shall have the same remedies for and rights of recovery of such amount as it has for recovery of Rent under this Agreement.
- 117. Whenever requested by the City, the Subtenant will deliver to the City receipts for payment of all taxes, rates, duties, levies, and assessments payable by the Subtenant and furnish such other information in connection therewith as the City may reasonably require.

No Assignment or Sublease by Subtenant

118. The Subtenant may not assign this Agreement or the benefit of this Agreement, or sublet the Premises or any part of the Premises, without the prior written consent of the City, nor may the Subtenant charge, mortgage, or encumber, or purport to charge, mortgage, or encumber the

Subtenant's interest in the Premises or this Agreement without the prior written consent of the City. The City may withhold such consents at its sole discretion and without reason. The Subtenant shall be responsible for all costs associated with any assignment or sublease of the Premises, including the City's associated legal and administrative costs.

119. The acceptance of any Rent from or the performance of any obligation hereunder by a person other than the Subtenant shall not be construed as an admission by the City of any right, title, or interest of such person as a subtenant, assignee, transferee, or otherwise in the place and stead of the Subtenant.

Miscellaneous

- 120. Registration of Agreement The City is under no obligation to at any time deliver this Agreement or any instrument creating this Agreement to the Subtenant in a form registrable under the *Land Title Act* (British Columbia).
- 121. Waiver Waiver by the City of any breach by the Subtenant of any of its obligations under this Agreement shall not be considered to be a waiver of any subsequent default or continuing default by the Subtenant. Failure by the City to take any action in respect of any breach of any Subtenant obligation under this Agreement by the Subtenant shall not be considered to be a waiver of such obligation.
- 122. Payments Generally All payments, including interest, required to be made by the Subtenant to the City under the terms of this Agreement shall be:
 - a. payable in lawful money of Canada;
 - b. paid to the City at the office of the City or at such other place as the City may designate from time to time in writing;
 - c. made when due hereunder, without the need for prior demand and without any set-off, abatement or deduction;
 - d. applied towards amounts outstanding in such a manner as the City sees fit; and
 - e. deemed to be rent (if not Rent), in partial consideration for which this Agreement is entered into, and shall be payable and recoverable as rent, and the City shall have all of the rights and remedies against the Subtenant for default in making any such payment which may not be expressly designated as rent, as the City has for a default in payment of Rent.
- 123. Part Payment The acceptance by the City of a part payment of any sums required to be paid hereunder shall not constitute waiver or release of the right of the City to payment in full of such sums.
- 124. Conditions All of the Subtenant's obligations under this Agreement shall be deemed and construed to be both conditions and covenants as though the words specifically expressing covenants or conditions or used in each separate provision respecting each such obligation.
- 125. No Joint Venture Nothing contained in this Agreement creates the relationship of principal and

agent or of partnership, joint venture or business enterprise or entity between the parties or gives the Subtenant any power or authority to bind the City in any way.

126. Interpretation - In this Agreement:

- a. references to the Subtenant shall be read with such changes in gender as may be appropriate, depending upon whether the Subtenant is a male or female person or a firm or corporation. If the Subtenant is comprised of more than one person or entity, then each such person and entity is jointly and severally bound by the representations, warranties, agreements, and covenants of the Subtenant herein and any notice given or deemed to have been given at any time to any such person or entity shall be deemed to have been given at the same time to each other person and entity;
- b. a particular numbered section or lettered Schedule is a reference to the correspondingly numbered section or lettered Schedule of this Agreement;
- c. an "enactment" is a reference to an enactment as that term is defined in the *Interpretation Act* (British Columbia) on the day this Agreement is made;
- d. any enactment is a reference to that enactment as amended, revised, consolidated or replaced;
- e. section headings are inserted for ease of reference and are not to be used in interpreting this Agreement;
- f. a "party" is a reference to a party to this Agreement;
- g. time is of the essence; and
- h. where the word "including" is followed by a list, the contents of the list shall not circumscribe the generality of the expression immediately preceding the word "including".
- 127. Notices Where any notice, request, direction or other communication (any of which is a "Notice") is to be given or made by a party under the Agreement, it shall be in writing and is effective if delivered in person or sent by mail to the address above. A Notice is deemed given if delivered in person, when delivered or if by mail, five (5) days following deposit with Canada Post. A party may change its address or fax number by giving notice to the other party under this section.
- 128. Extraneous Agreements The Subtenant acknowledges that there are no covenants, representations, warranties, agreements, or conditions expressed or implied relating to this Agreement or the Premises save as expressly set out in this Agreement. This Agreement may not be modified except by an agreement in writing executed by the City and the Subtenant.
- 129. City and Head Landlord Discretion Wherever in this Agreement the approval or consent of the City or Head Landlord is required, some act or thing is to be done to the City or Head Landlord's satisfaction, the City or Head Landlord are entitled to form an opinion, or the City or Head Landlord is given the sole discretion:
 - a. the relevant provision is not deemed to have been fulfilled or waived unless the approval, consent, opinion or expression of satisfaction is in writing signed by the City and the Head

Landlord as required, or their authorized representative;

- b. the approval, consent, opinion or satisfaction is in the discretion of the City or Head Landlord as required;
- c. sole discretion is deemed to be the sole, absolute and unfettered discretion of the City or Head Landlord as required; and
- d. no public law duty of procedural fairness or principle of natural justice shall have any application to such approval, consent, opinion, satisfaction or discretion.
- 130. No Effect on Laws or Powers Nothing contained or implied herein prejudices or affects the City's rights and powers in the exercise of its functions under the *Community Charter* (British Columbia), the *Local Government Act* (British Columbia), or any other enactment to the extent the same are applicable to the Premises, all of which may be fully and effectively exercised in relation to the Premises as if this Agreement had not been fully executed and delivered.
- 131. Severability If any portion of this Agreement is held invalid by a court of competent jurisdiction, the invalid portion shall be severed and the decision that it is invalid shall not affect the validity of the remainder of the Agreement.
- 132. Successors and Assigns This Agreement and everything herein contained shall enure to the benefit of and be binding upon the successors and assigns of the City and the permitted successors and permitted assigns of the Subtenant.
- 133. Governing Law This Agreement shall be governed by and construed in accordance with the laws in force in the province of British Columbia. The venue of any proceedings taken in respect of or under this Agreement shall be Kelowna, British Columbia as long as such venue is permitted by law, and the Subtenant shall consent to any application by the City to change the venue to Kelowna, British Columbia of any proceedings taken elsewhere.
- 134. Frustration Notwithstanding the occurrence or existence of any event or circumstance or the non-occurrence of any event or circumstance, and so often and for so long as the same may occur or continue which, but for this section, would frustrate or void this Agreement, and notwithstanding any statutory provision to the contrary, the obligations and liabilities of the Subtenant hereunder shall continue in full force and effect as if such event or circumstance had not occurred or existed.
- 135. Acceptance The Subtenant accepts this sublease of the Premises, to be held by it as subtenant, and subject to the conditions, restrictions, and covenants of this Agreement. The acceptance of possession of the Premises shall be conclusive evidence as against the Subtenant that, as of the Commencement Date, the City had duly completed all work required to be completed by the City prior to the Commencement Date and the Premises were in good order and satisfactory condition for the commencement of the work and business of the Subtenant.
- 136. Bribes The Subtenant hereby confirms that it has not, nor has any person on its behalf, given, promised or offered to any official or employee of the City for or with a view to obtaining the sublease granted herein any bribe, gift or other inducement and that it has not, nor has any person on its behalf, employed any person to solicit or secure the sublease granted herein upon any agreement for a commission, percentage, brokerage, or contingent fee.

- 137. House of Commons No Member of the House of Commons of Canada shall be admitted to any share or part of the sublease granted herein, or to any benefit to arise therefrom.
- 138. Counterparts This Agreement may be executed by the parties in counterpart, and the counterparts may be delivered by facsimile or email transmittal.
- 139. The following are the Schedules to this agreement and form an integral part of this Agreement:

Schedule A – Reduced Copy of Drawings of Premises

Schedule B - Definition of Gross Revenue

Schedule C – Airport Vehicle Rental Concession Revenue and Payment Report

Schedule D - Form of Irrevocable Letter of Credit

Schedule E – Operational Proposal

Schedule F - Material Disclosure

Schedule G and G1 - Insurance Requirements

If anything in Appendix E contravenes or is incompatible with the terms and the conditions of the Agreement, the Agreement will take precedence.

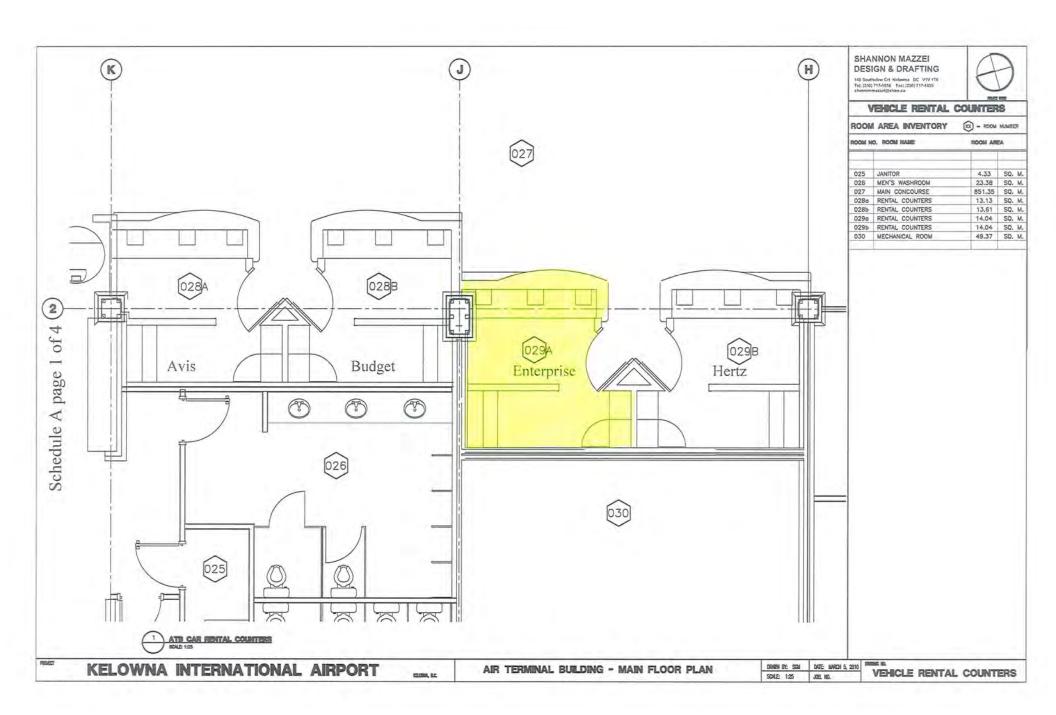
As evidence of their agreement to be bound by the above terms, the City and the Subtenant have each executed this Agreement below on the respective dates written below:

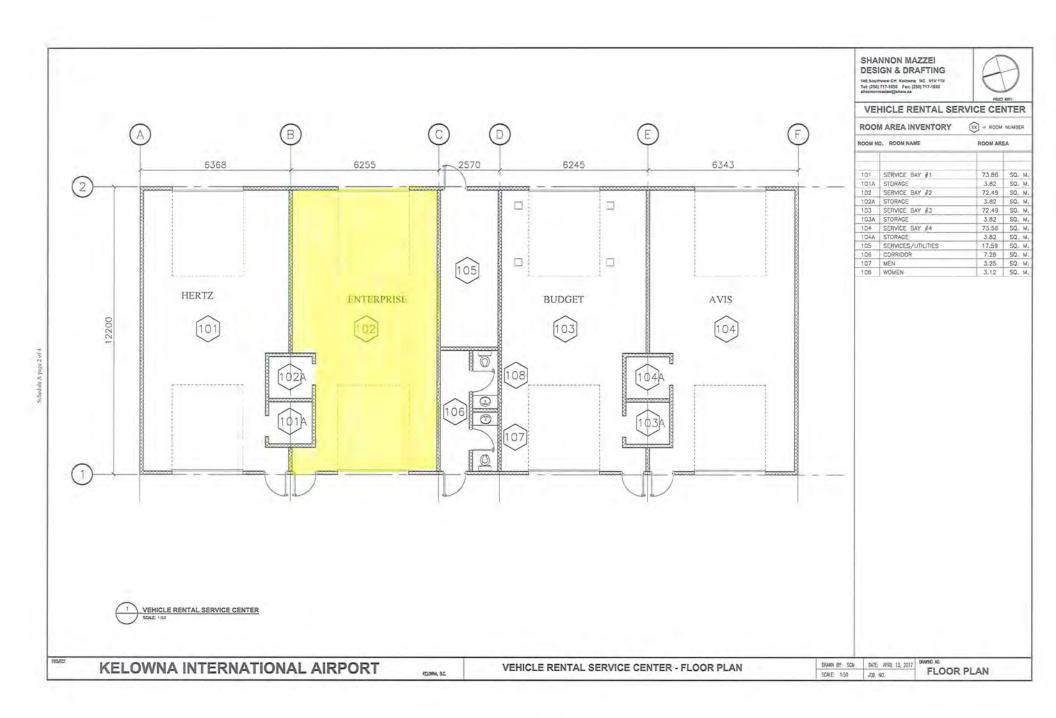
CITY OF KELOWNA by its authorized signatories:

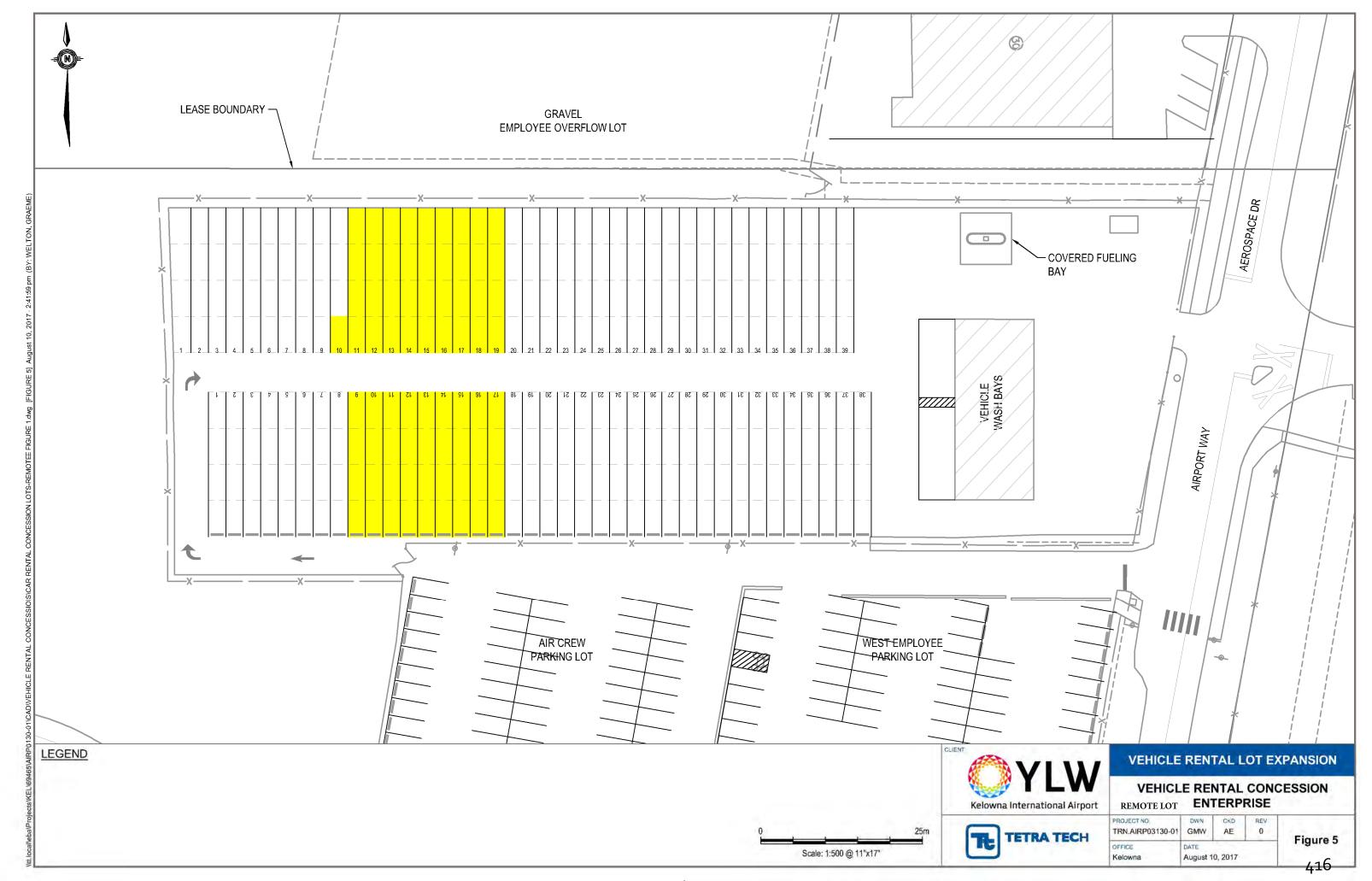
Mayor:		
Clerk:		
Date:		
Enterprise Rent-A-Car Canada Company dba Enterprise Rent-A-Car E	y its authorized sign	atories:
Name: Rick/Short, Director and President		
Name: Boyd Sumner, Vice President/General Manager		
Date: August 14, 2017		

SCHEDULE A

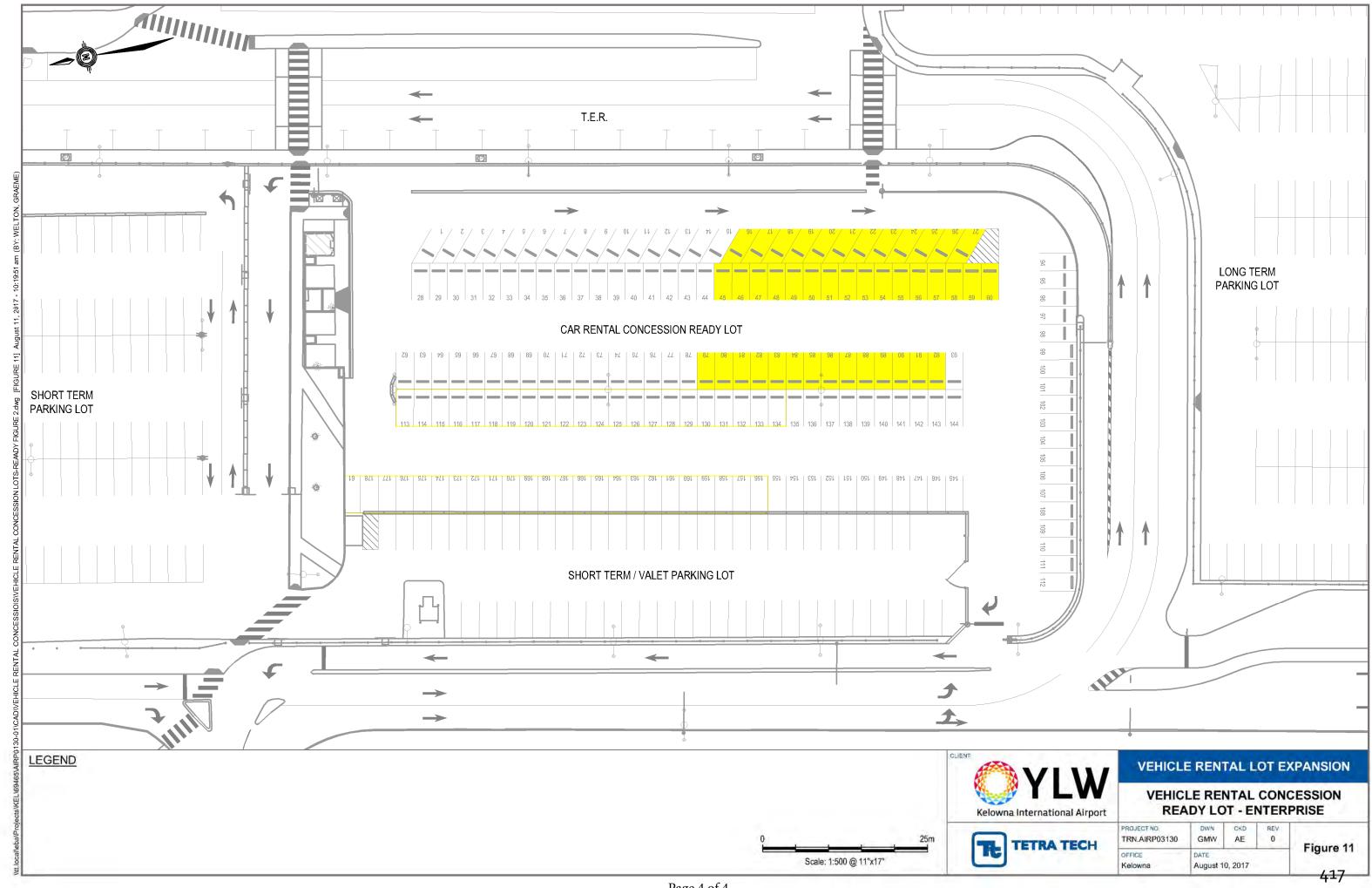
DRAWINGS OF PREMISES







Page 3 of 4



SCHEDULE B

DEFINITION OF GROSS REVENUE

1. In this Agreement, Gross Revenue means the total revenue derived from all rental contracts opened or entered into at the Airport as reported by the Subtenant to the satisfaction of the City.

A vehicle leased at the Airport may be exchanged for another vehicle held at some other location. Where there is no break in the service supplied by the Subtenant, the total revenue from both vehicles is considered as part of the original contract written at the Airport and included in the Gross Revenue.

Vehicle rental business operators at airports, in addition to renting their own vehicles, frequently rent vehicles situated at an airport but which are owned by another location. The vehicle rental business operators in these circumstances split or share the revenue derived from such contracts in what is known as a "rent-back", "send-back" or "shared revenue" arrangement. For the purpose of calculating the sums reserved under this Agreement, the entire revenue from the contract is to be included in the Gross Revenue and reported to the City.

For purposes of illustration only, the following are the most common types of charges normally found in vehicle rental contracts:

- (a) Charges assessed on a "per kilometre" basis;
- (b) Fixed rental charges imposed on a time basis (hourly, daily, monthly, yearly);
- (c) Charges commonly referred to as "drop-off charges" or "intercity fees";
- (d) Charges for all types of insurance coverage including Collision Damage Waiver Charges;
- (e) Charges for "accessories" or "additional features", which include but are not limited to air conditioning, roof racks, (but does not include charges for child- and infant-restraint systems, if any);
- (f) Commissions received by the Subtenant from the suppliers of accessories;
- (g) Reimbursement of expenses, such as maintenance and tire repairs. Such credits are not to be deducted when determining the gross revenue of the contract. See Section 3 below relative to gasoline supplied by the Subtenant or purchased by the customer.
- (h) Fees associated with the sale of gift certificates; and
- (i) any fees or charges imposed on customers as a recovery by the Subtenant of any fees paid to the City.
- 2. Charges excluded from Gross Revenue are as follows:

- (a) all sales and goods and services taxes at the retailer level, the amount of which is determined by the amount of sales made and which is required to be collected and accounted for to any federal, provincial or municipal authority;
- (b) where a commercial discount is applied to a contract, such discount will be taken into consideration and deducted from the Gross Revenue;
- (c) charges in the vehicle rental contract which the customer has requested the Subtenant to pay on the customer's behalf and for which payment is recovered at the time the rental contract is settled or closed, will be referred to as "Third Party Charges". Third Party Charges as shown in the contract will be excluded from the Gross Revenue calculation. Third Party Charges include, but are not limited to, the payment of a parking ticket, toll fee, towing fee or impound fee on behalf of a customer;
- (d) where a service call is made by a customer to the vehicle rental location, the service call charges will be excluded from the determination of Gross Revenue. For example, where a customer loses the keys for a rented vehicle and phones the Subtenant to obtain a duplicate set;
- (e) monies received from customers as reimbursement to the Subtenant for damages caused to a vehicle by accident or mishap do not form part of the Gross Revenue where such charges have been added to or included in the contract;
- (f) any customer facility charge, as defined in Section 15 of the Agreement.

For certainty, losses from bad debts are considered to be a normal business expense and shall not be deducted from Gross Revenue.

- 3. With respect to gasoline supplied by the Subtenant or purchased by the customer, the following types of contracts are known to prevail:
 - (a) Fuel Recharge where the customer bears the cost of gasoline. Under these contracts the charges by the Subtenant to top up the tank are not to be included when determining Gross Revenue; and
 - (b) Fuel Service Option (or similar name) rental and mileage with gasoline included or prepaid. Under these contracts revenues are not to be deducted when determining Gross Revenue.

SCHEDULE C

CONCESSION REVENUE AND PAYMENT REPORT



1-5533 Airport Way Kelowna, BC V1V 1S1 250 807-4300 ylw.kelowna.ca

Vehicle Revenue

Revenue

CONCESSION REVENUE AND PAYME	NT REPORT			
REPORTING COMPANY: GST REGISTRATION NUMBER:		REPORTING MONTH:		
ACCUMULATED GROSS REVENUE PR	REVIOUSLY REPORTED			
(excluding GST)		1		
Distance Charges	2			
Time Charges	3			
Drop Off Charges	4			
Collision Damage Waiver				
& Other Ins. Charges	5			
Concession Fees @ 12%	6			
Other Charges	7			
Total Gross Mo	onthly Revenue (2 - 6)	8_\$	-	
ACCUMULATED GROSS REVENUE TO	DATE (exc. GST)	9_\$	_	
(Sum of 1 and 8)	(- <u>- '</u>		
FEE AT 12% OF GROSS REVENUE TO	DATE (#9)	10 \$		
MINIMUM GUARANTEED OWED OV	ER PROLAPSED TIME	11		
ACCUMULATED FEE PREVIOUSLY PAID TO DATE		12		
CURRENT FEE (10 OR 11 whichever is highest minus 12)		13		
CURRENT MONTH FEE PREPAID IF AI	NY	14		
FEES PAYABLE THIS MONTH (13 - 14)		15 \$	-	
GST PAYABLE (5% of 15)		16 \$	-	
TOTAL OWING THIS MONTH		17 \$	-	
Certified Correct				
Date	Signature	Title		

SCHEDULE D

ACCEPTABLE FORM OF LETTER OF CREDIT

Date:
(Name of Bank)
(Address of Bank)

City of Kelowna City Hall 1435 Water Street Kelowna, BC V1Y 1J4

Dear Sirs: Re: (Project or City File #)

At the request of (legal name of Subtenant), we hereby establish in your favour our irrevocable letter of credit for a sum not exceeding (amount).

This credit shall be available to you by sight drafts drawn on the (Name and Address of Bank) when supported by your written demand for payment made upon us.

This Letter of Credit is required in connection with an undertaking by (the owner(s) / authorized agent) to perform certain works and services required by you.

We specifically undertake not to recognize any notice of dishonor of any sight draft that you shall present to us for payment under this Letter of Credit.

You may make partial drawings or full drawings at any time.

We shall honour your demand without inquiring whether you have a right as between yourself and our customer.

This credit will expire on (date) subject to the condition hereinafter set forth.

It is a condition of this credit that it shall be deemed to be automatically extended, without amendment, for one year from the present or any future expiry date hereof, unless 30 (thirty) days prior to such expiry date, we notify you in writing, by registered mail, that we elect not to consider this credit to be renewable for an additional period. Upon receipt of such notice, you may draw hereunder by means of your written demand for payment.

Our reference for this Letter of Credit is _	
This credit is subject to the uniform cu International Chamber of Commerce, Pari	stoms and practice for Documentary Credits (2007 Revision, is, France, Publication No. 600)
(Bank Signatures)	(Bank Signatures)

SCHEDULE E

OPERATIONAL PROPOSAL

SCHEDULE F

LIST OF MATERIAL DISCLOSURES

Potential Hazards including, but not limited to

- a) Underground power, gas, fiber-optic, telephone, etc.
- b) Shoring and excavations (cave in, engulfment, entrapment)
- c) Biological hazards (sewage, needles)
- d) Gases (H2S, natural gas, methane, carbon monoxide, LEL)
- e) Traffic
- f) Overhead hazards (power, trees, falling materials)
- g) Backing up equipment and trucks
- h) Utilities (gas, power, water)
- i) Hazardous materials (asbestos, lead, silica, VOC's)
- j) Working at heights (3m/10ft)
- k) Entering confined spaces
- l) Slips and trips
- m) Power tools
- n) Hand tools
- o) Lifting and carrying
- p) Poor lighting
- q) Limited access and egress
- r) Fire
- s) Fumes (diesel gas, paints, oils, solvents)
- t) Noise
- u) Fecal matter (bird, mouse droppings)
- v) Workplace violence and/or bullying
- w) Thermal stress (cold and heat)
- x) First aid situation
- y) Working with or around mobile equipment or vehicles
- z) Ladders, scaffolds and work platforms
- aa) Used needles
- bb) Insects (ticks, bees, flies, mosquitoes, etc.)
- cc) Thermal stress (cold and heat)
- dd) Working near water (streams, creeks)
- ee) Overhead trees (large branches potential to break and fall)
- ff) Uneven terrain (hills, paths, brush)
- gg) Small ride on engine equipment
- hh) Small engine equipment hand held
- ii) Lifting and carrying
- jj) Working alone
- kk) Serious inclement weather events (tornado, earthquake, lightning, thunderstorms, hail)
- II) Inclement weather events (fog, dust storms, wind, rain)
- mm) Aggressive animals (dogs, raccoons, marmots, badgers, bears, cougars, snakes)
- nn) Playground hazards (pinch points, sharp edges, slippery surfaces, children)
- oo) Working with or around mobile equipment

- pp) Engine exhaust
- qq) Welding fumes
- rr) Grinding (airborne material)
- ss) Welding flash
- tt) Tripping hazards
- uu) Moving heavy equipment
- vv) Open floor pit
- ww) Overhead obstruction
- xx) Chemical fumes (diesel, gas, paints, oil, solvents)
- yy) High pressure air/liquid
- zz) Personnel issues/potential for workplace violence and/or bullying
- aaa) Vehicle hoist

SCHEDULE G

INSURANCE REQUIREMENTS

1. <u>Subtenant to Provide</u>

The Subtenant shall procure and maintain, at its own expense and cost, the insurance policies listed in section 2 of this Schedule G, with limits no less than those shown in the respective items, unless the City advises in writing that it has determined that the exposure to liability justifies less limits. The insurance policy or policies shall be maintained continuously during the Term.

2. <u>Insurance</u>

As a minimum, the Subtenant shall, without limiting its obligations or liabilities under any other contract with the City, procure and maintain, at its own expense and cost, the following insurance policies:

- 2.1 Worker's compensation insurance covering all employees of the Subtenant engaged in this Agreement, services and/or occupancy in accordance with statutory requirements of the province or territory having jurisdiction over such employees;
- 2.2 Commercial General Liability Insurance:
 - a. commercial general liability (including bodily injury, death, and property damage) insurance on an occurrence basis with respect to the business carried on, in, or from the Premises and the Subtenant's use and occupancy thereof, of not less than \$5,000,000.00 per occurrence (or such greater reasonable amount as the City may require from time to time), which insurance shall include the City as an additional insured and shall protect the City in respect of claims by the Subtenant as if the City were separately insured;
 - including coverage for Products/Completed Operations, Blanket Contractual, Contractor's Protective, Personal Injury, Contingent Employer's Liability, Broad Form Property Damage, and Non-Owned Automobile Liability; and
 - c. including a Cross Liability clause providing that the inclusion of more than one Insured shall not in any way affect the rights of any other Insured hereunder, in respect to any claim, demand, suit or judgment made against any other Insured.
- 2.3 Automobile Liability Insurance covering all motor vehicles, owned, operated and used or to be used by the Subtenant directly or indirectly in the performance of the Sublease. The Limit of Liability shall not be less than \$5,000,000 inclusive, for loss or damage including personal injuries and death resulting from any one accident or occurrence.

2.4 Crime/Employee Dishonesty

a. The Subtenant's insurance will reimburse the Subtenant for loss arising out of the Subtenant's indemnification of the City for any dishonest or fraudulent act(s) committed by the Subtenant's Responsible Persons, acting alone or in collusion with others, but only

when and to the extent that the Subtenant is liable for such indemnification pursuant to the terms of this Agreement. The Limit of Liability shall not be less than \$150,000 inclusive, for loss resulting from any one occurrence.

b. This insurance is for the Subtenant's benefit only. It provides no right or benefits to any other person or organization, including the City. Any claim for loss that is covered pursuant to the above paragraph must be presented by the Subtenant.

2.5 Property Insurance:

and if the City shall require the same from time to time, then also:

- a. tenant's fire insurance in an amount not less than the actual cash value of the Premises, as determined by the City;
- b. insurance upon all plate glass in or which forms a boundary of the Premises in an amount sufficient to replace all such glass; and
- c. insurance in such amounts as may be reasonably required by the City in respect of fire and such other perils, including sprinkler leakage, as are from time to time defined in the usual extended coverage endorsement covering the Subtenant's trade fixtures and the furniture and equipment of the Subtenant and all Leasehold Improvements in the Premises, and which insurance shall include the City as an additional insured as the City's interest may appear with respect to the insured Leasehold Improvements and provided that any proceeds recoverable in the event of loss to Leasehold Improvements shall be payable to the City, but the City agrees to make available such proceeds toward the repair or replacement of the insured property if this Agreement is not terminated under any other provision hereof.

3. Insurance Policies

Except the Automobile Liability Insurance required in section 2.3 and the Crime/Employee Dishonesty Insurance in section 2.4, all other insurance required in sections 2.2 and 2.5 are to be maintained by the Subtenant hereunder shall be on terms and with insurers to which the City has no reasonable objection and shall provide that the City is named as an additional insured thereunder and that said policies are primary without any right of contribution from any insurance otherwise maintained by the City, and that such insurers shall provide to the City 30 days' prior written notice of cancellation or material alteration of such terms.

4. Subtenant's Contractor and Agents

The Subtenant shall require each of its contractor's and agent's that make use of the Premises or provide services to the Subtenant at the Premises provide comparable insurance to that set forth under section 2.

5. Other Insurance

After reviewing the Subtenant's certificates of insurance, the City may, within reason, require other insurance or alterations to any applicable insurance policies in force during the Term and will give

notifications of such requirement. Where other insurances or alterations to any insurance policies in force are required by the City and result in increased insurance premium, such increased premium shall be at the Subtenant's expense.

6. Additional Insurance

The Subtenant may take out such additional insurance, as it may consider necessary and desirable. All such additional insurance shall be at no expense to the City.

7. <u>Insurance Companies</u>

All insurance, which the Subtenant is required to obtain with respect to this contract, shall be with insurance companies registered in and licensed to underwrite such insurance in the province of British Columbia.

8. Failure to Provide

If the Subtenant fails to do all or anything which is required of it with regard to insurance, the City may do all that is necessary to effect and maintain such insurance, and any monies expended by the City shall be repayable by and recovered from the Subtenant.

9. Nonpayment of Losses

The failure or refusal to pay losses by any insurance company providing insurance on behalf of the Subtenant shall not be held to waive or release the Subtenant from any of the provisions of the insurance requirements or this Agreement, with respect to the liability of the Subtenant otherwise. Any insurance deductible maintained by the Subtenant under any of the insurance policies is solely for its account and any such amount incurred by the City will be recovered from the Subtenant as stated in section 8.



Insured

SCHEDULE G-1

CERTIFICATE OF INSURANCE

City staff to complete prior to circulation
City Dept.:
Dept. Contact:
Project/Contract/Event:

1435 Water Street Kelowna, BC V1Y 1J4 250 469-8500 kelowna.ca

Name:

Signature of Authorized Signatory			Date	
Print Name Ti	tle		Company (l	nsurer or Broker)
It is understood and agreed that the police Any Deductible or Reimburser the sole responsibility of the Ir The City of Kelowna is named 30 days prior written notice of	ment Clause contained nsured named above. as an Additional Insure	l in the policy ed. (Section 1	shall not appl only)	y to the City of Kelowna and shall be
Section 3 Crime/Employee Dishonesty				\$150,000 per occurrence
Section 2 Automobile Liability				Bodily Injury and Property Damage \$ <u>5,000,000</u> Inclusive
 Contractor's Protective; Personal Injury; Contingent Employer's Liability; Broad Form Property Damage; Non-Owned Automobile; Cross Liability Clause. 				
Section 1 Commercial General Liability including: Products/Completed Operations; Blanket Contractual;				\$ 5,000,000 Inclusive \$ Aggregate \$ Deductible
Type of Insurance	Company & Policy Number	Effective	Expiry	Limits of Liability/Amounts
Vehicle rental concession operation at	Kelowna International A			
Address: Location and nature of operation and/o	or contract reference to	o which this C	ertificate appli	es:
Broker Name:				
Address:				

VEHICLE RENTAL CONCESSION AGREEMENT

dav of

, 2017 is

	,
BETWE	EN:
	CITY OF KELOWNA, 1435 Water Street, Kelowna, B.C. V1Y 1J4
	(the "City")
AND:	
	AVISCAR INC., 1 Convair Drive East, Etobicoke, ON M9W 6Z9
	(the "Subtenant")
WHERE	AS:
Α.	By a lease dated December 19, 1979 (the "Head Lease") between the City and Her Majesty the Queen in Right of Canada (the "Head Landlord"), as represented by the Minister of Transport (the "Minister"), the Head Landlord leased to the City the following lands, on the terms and conditions set out in the Head Lease:
	Parcel Identifier: 009-459-014 Lot 3 District Lots 32 and 120 and of Section 14 Township 23 Osoyoos Division Yale District Plar 11796
	Parcel Identifier: 013-949-101 Lot B District Lot 122 Osoyoos Division Yale District Plan 41159

Parcel identifier: 011-518-189

THIS AGREEMENT dated for reference the

Lot 7 Section 14 Township 23 Osoyoos Division Yale District Plan 1502 Except Plan H16596

(collectively the "Lands");

- B. The City and the Head Landlord amended the Head Lease on November 8, 1983, January 14, 1985, October 31, 1986, January 19, 1990, November 29, 1990, May 26, 1994, June 14, 1994, February 16, 1996, and July 24, 2015;
- C. The Lands are used for the purpose of operating and maintaining the Kelowna International Airport (the "Airport"), and the City has constructed a terminal building on the Lands for use in connection with the Airport (the "Terminal Building");
- D. The City has agreed to sublease to the Subtenant a portion of the Lands and Terminal Building for the purpose of operating a vehicle rental concession;
- E. As required under section 4 of the Head Lease, the written consent of the Head Landlord is required for this Agreement;

F. In accordance with section 26 of the *Community Charter*, the City has posted and published notice of its intention to sublease the Premises to the Subtenant;

NOW THEREFORE THIS AGREEMENT WITNESSES that, in consideration of the rents, covenants, and agreements to be paid, observed, and performed by the Subtenant, and other good and valuable consideration (the receipt and sufficiency of which are hereby expressly acknowledged) the City and the Subtenant covenant and agree as follows:

Definitions

- 1. In this Agreement:
 - a. "Airport Director" means the person holding that position, or acting in the capacity of the Airport Director of the Airport;
 - b. "Gross Revenue" has the meaning set out in Schedule B;
 - c. "Premises" means that portion of the Lands and the Terminal Building shown highlighted in yellow on the sketches attached as Schedule A, and includes the counter space, vehicle parking spaces, kiosk space and vehicle service center space as shown in Schedule A;
 - d. "Vehicle" means an automobile, motorcycle, van, truck and any other vehicle propelled, driven, or drawn other than by muscular power.

Sublease

2. The City subleases the Premises to the Subtenant for the Term, and the Subtenant subleases the Premises from the City for the Term, on and subject to the terms and conditions of this Agreement.

Condition Precedent

- 3. The City's obligation to sublease the Premises and the Subtenant's obligation to sublease the Premises from the City are subject to the following condition precedent:
 - a. On or before the Commencement Date, the City will have obtained the Head Landlord's written consent to this Agreement, as required pursuant to section 4 of the Head Lease.

The City and the Subtenant agree that the condition precedent in subsection a. above is for the benefit of both the City and the Subtenant and may not be waived. If that condition is not satisfied by the date specified, this Agreement is at an end.

Term

4. The term of this Agreement (the "Term") is five (5) years, commencing on October 1, 2017 (the "Commencement Date") and expiring on September 30, 2022 (the "Expiry Date").

- 5. If the Subtenant shall hold over after the expiration of the Term or after the expiration of the last renewal thereof, and the City shall accept rent, the new tenancy thereby created shall be a tenancy from month to month and not a tenancy from year to year, and the Subtenant shall pay as rent during the time of such occupancy an amount to be determined at the reasonable discretion of the City, and shall be subject to the covenants and conditions herein contained so far as the same are applicable to a tenancy from month to month. Any such over holding month to month tenancy may be terminated by the City by providing thirty (30) days notice in writing
- 6. If, at the expiration of the Term, all Rent or other sums or charges due or payable have been fully paid and the Subtenant has on its part observed and performed all the covenants, provisos, conditions and reservations herein contained, the City may, at its sole discretion, grant to the Subtenant an extension of this Agreement for a second term not exceeding one (1) year commencing in like manner, and, at the expiration of such second term may grant to the Subtenant an extension of this Agreement for a third term not exceeding one (1) year commencing in like manner, subject always to the covenants, provisos, conditions and reservations herein contained. The City shall provide written notice to the Subtenant of its intention to grant an extention of this Agreement at least ninety (90) days prior to the end of the Term and, if applicable, any renewal term.

Rent

- 7. The Subtenant shall pay to the City all amounts required by the City of Kelowna Airport Fees Bylaw No. 7982 (the "Bylaw"), as amended from time to time, including the concession fee, counter space fee, vehicle parking stall fee, remote lot vehicle parking stall fee, service centre fee, and the automotive fuel system fee, as set out in the Bylaw (together, the "Rent"). For certainty, as of the Commencement Date the Rent shall be as set out below:
 - a. An annual minimum guarantee, for the periods and in the amounts listed below, or 12% of the Gross Revenue for the periods listed below, whichever is the greater amount:
 - i. from October 1, 2017 to September 30, 2018, an annual sum of \$635,004.00, payable in equal monthly installments;
 - ii. from October 1, 2018 to September 30, 2019, an annual sum of \$666,996.00, payable in equal monthly installments;
 - iii. from October 1, 2019 to September 30, 2020, an annual sum of \$699,996.00, payable in equal monthly installments;
 - iv. from October 1, 2020 to September 30, 2021, an annual sum of \$735,000.00, payable in equal monthly installments;
 - v. from October 1, 2021 to September 30, 2022, an annual sum of \$771,996.00, payable in equal monthly installments;
 - vi. in the event the first option to extend the Term for one additional year is entered into, from October 1, 2022 to September 30, 2023, an annual sum of \$810,996.00, payable in equal monthly installments;

- vii. in the event the second option to extend the Term for one additional year is entered into, from October 1, 2023 to September 30, 2024, an annual sum of \$851,004.00, payable in equal monthly installments.
- b. For the use and occupancy of the counter space: Four-hundred and Seventy-Seven dollars and 24 cents (\$477.24) per square metre per annum.
- c. For the use of the ready vehicle parking spaces: Forty dollars (\$40.00) per month, for each of the parking spaces designated by the Airport Director for parking of the Subtenant's vehicles.
- d. For the use of the vehicle rental service center space: One-hundred and thirty-nine dollars and fifteen cents (\$139.15) per square metre per annum.
- e. For the use of the remote vehicle parking spaces: Thirty dollars (\$30.00) per month, for each of the parking spaces designated by the Airport Director for parking of the Subtenant's vehicles.
- f. For use of automotive fuel system: The cost of the fuel to the City plus an administration fee of eleven percent (11%).
- 8. Rent referred to in section 7.a. shall be paid by the Subtenant in monthly instalments and shall become due and payable within fifteen (15) days after the last day of each month during the Term of this Agreement. The Subtenant shall submit to the Airport Director a duly completed Airport Vehicle Rental Concession Revenue and Payment Report in the form attached as Schedule C, signed by an authorized signing officer of the Subtenant, upon which the percentage payments under this Agreement shall be calculated. The Subtenant shall remit to the City in accordance with the provisions hereof the required percentage of all Gross Revenue derived by the Subtenant from its operations hereunder whether such Gross Revenue is actually paid or is due and payable only, and notwithstanding any loss sustained by the Subtenant with respect to such Gross Revenue as a result of theft, defalcation or any other cause whatsoever.
- 9. Rent referred to in sections 7.b., c., d., and e. will be invoiced by the City on a monthly basis and will become due and payable on the 1st of each month for which the Premises are occupied. Rent referred to in section 7.f. will be invoiced as a recovery and is due and payable the last day of the month following the date of the invoice (e.g. March 24th invoice, payment due April 30th).
- 10. The Subtenant hereby waives and renounces any and all existing and future claims, offsets, and compensation against any Rent and agrees to pay such Rent regardless of any claim, offset, or compensation which may be asserted by the Subtenant or on its behalf.
- 11. All payments by the Subtenant to the City under this Agreement shall be applied toward such amounts then outstanding as the City determines and the City may subsequently alter the application of any such payment.
- 12. The parties acknowledge and agree that the Rent set out in section 7 above includes the provision of reasonable supply of electricity, water, heat, air conditioning, and general cleaning and

sanitation services to the Premises, notwithstanding which the Subtenant shall not have nor make any claim or demand, nor bring any action or suit or petition against the City or any of its officers, servants, or agents for any damage or harm which the Subtenant may sustain by reason of any temporary suspension, interruption, or discontinuance of such services, in whole or in part, from whatever cause arising.

- 13. The Subtenant acknowledges and agrees that the cost of electricity consumed in that portion of the Premises comprising the service centre, as shown in Schedule A (the "Service Centre"), is shared equally among the car rental concessionaires occupying space in the Service Centre. The Subtenant further acknowledges and agrees that it is responsible for all other utility costs, in particular all telephone, cable, and internet costs.
- 14. The Subtenant acknowledges and agrees that if the Service Centre is relocated during the Term, the cost of water used at the new Service Centre location will be shared among the car rental concessionaires occupying space in the new Service Centre.
- 15. The Subtenant acknowledges and agrees that during the Term the City may institute a customer facility charge ("CFC") that will be applied to each customer's rental car agreement. The CFC will be collected by the Subtenant and remitted to the City on a monthly basis within fifteen (15) days after the last day of each month the CFC is in effect.

Financial Statements and Record Keeping

- 16. The Subtenant covenants and agrees with the City as follows:
 - a. that during the currency of this Sublease, the Subtenant shall cause to be kept, books and records of all revenue and expenses, such books and records to be kept in accordance with Canadian Generally Accepted Accounting Principles or International Financial Reporting Standards. The Subtenant shall retain these books and records for a period of two (2) years following the expiry of this Agreement;
 - b. on or before the fifteenth (15th) day of each month of the Term, the Subtenant shall supply to the Airport Director, in a format deemed satisfactory by the Airport Director, an itemized statement of Gross Revenue for the preceding month, upon which the percentage Rent payments under section 7.a. of this Agreement are calculated;
 - c. that within ninety (90) days of the end of each year of this Agreement, and within ninety (90) days of the Expiry Date, the Subtenant shall submit to the City an audited annual statement of Gross Revenue relating to the operations under this Agreement. The audited annual statement of Gross Revenues shall contain an unqualified independent auditor's report signed by the licensed Chartered Professional Accountant(s) that completed the audit;
 - d. if the Subtenant fails to submit the statements referred to in section 16.c within the specified time, the Airport Director may cause to have the statements prepared in accordance with Section 17, in which case the Subtenant shall, forthwith upon receipt of appropriate accounts,

- reimburse the City for all expenses connected therewith plus twenty percent (20%) of such expense;
- e. that the Subtenant shall also provide, in addition to the documents referred to in a., b., and c. above, such financial statements as may be requested by the Airport Director from time to time.

Audit and Inspection

17. The Subtenant agrees that the books of the Subtenant shall be open for audit and inspection and for taking extracts therefrom at all times, during business hours, by the accredited officers of the City. The Subtenant shall prepare and keep adequate books and records which shall show all transactions by the Subtenant. The cost of any audit performed pursuant to this clause shall be borne by the City, provided, however, that should the results of such audits reveal a discrepancy of more than THREE PERCENT (3%) between the Gross Revenue reported in accordance with Schedule C herein and the Gross Revenue as determined by such audits then the full cost of such audits shall be borne by the Subtenant.

Disclosure of Gross Revenue Information

18. It is understood and agreed that in the concluding year of this Agreement and at any time after its termination, the City may publish the annual total of the Gross Revenues reported by the Subtenant in each year of this Agreement for the purpose of public information, along with a breakdown of such Gross Revenues.

Security Deposit

- Prior to the Commencement Date, the Subtenant shall provide to the City a security deposit in the amount of one quarter (1/4) of the highest annual minimum guarantee during the Term, specifically one hundred and ninety two thousand nine hundred and ninety nine dollars (\$192,999.00) (the "Security Deposit") in the form of an irrevocable letter of credit, in the format attached hereto as Schedule D. The Security Deposit will be retained by the City for the Term of this Agreement or until this Agreement comes to an end, whichever comes first. The Security Deposit shall be returned to the Subtenant, provided that if the Subtenant fails to pay any portion of the Rent due and/or impairs, damages or injures the Premises or any part thereof during the Term of this Agreement, the City may draw on the Security Deposit and may apply the funds or any part thereof to the arrears of sums and/or towards the repair of such damage. The application of the Security Deposit by the City shall not constitute a waiver nor in any way defeat or affect the rights of the City in terms of this Agreement or any and all other rights and remedies which the City has by law. Failure to provide the Security Deposit as required herein may result in immediate termination of this Agreement without compensation to the Subtenant.
- The Subtenant asserts that the Security Deposit provided pursuant to section 19 is not subject to any existing encumbrance, charge, or security agreement.
- The Subtenant covenants and agrees that it will not assign, encumber nor attempt to assign or encumber the Security Deposit provided pursuant to section 19 and that the City shall not be bound by any such assignment, encumbrance, attempted assignment or attempted encumbrance.

Concession Fees

- 22. The City agrees to allow the Subtenant to incorporate "concession fees" not to exceed 13.64% of Gross Revenues into customer rental agreements provided the Subtenant does not state or imply that the extra charge was, directly or indirectly, a fee, charge, surcharge, or tax imposed or levied on the customer by the City or by, on behalf of, or in any way connected with the Airport.
- 23. Notwithstanding section 22, the Subtenant shall not impose any fee or charge on its customers which is referred to or identified on any contract or invoice, or orally by the agents of the Subtenant, or by signs, notices or pamphlets posted at the Airport or otherwise made available to customers, including any form of verbal advice either in person or through any form of telecommunications, as being directly or indirectly a fee, charge, surcharge or tax imposed or levied by the City on the customer. The City shall be entitled to post a disclaimer in a prominent location on the Premises stating that any of the Subtenant's fees or charges are not being imposed on customers by the City, directly or indirectly.

Conduct of Business and Services Provided by the Subtenant

- 24. The Subtenant shall only use and occupy the Premises for the purpose of operating a vehicle rental concession and for no other purpose whatsoever.
- 25. No vehicles used by the Subtenant to provide the vehicle rental service at the Airport shall at any point in time be more than three (3) years old.
- 26. At all times during the currency of this Agreement, the vehicles used by the Subtenant to provide the vehicle rental service at the Airport shall be maintained in proper working condition and repair at the sole expense of the Subtenant.
- 27. At all times during the currency of this Agreement, the Subtenant shall have, available upon request, an adequate number (as reasonably determined by the Airport Director) of infant- and child-restraint systems for use in the vehicles provided at the Airport. All such systems must be clean, in proper working condition and meet the Canadian Motor Vehicle Safety Standards.
- 28. The Subtenant shall provide and maintain at the Airport a level of service and a range of types of vehicles together with appropriate prices charged therefor, which are comparable to those offered by the Subtenant at other locations within the area served by the Airport, all to the reasonable satisfaction of the Airport Director.
- 29. The Subtenant shall post its normal hours of operation, as approved from time to time by the Airport Director, in a prominent location within the counter space.
- 30. The Subtenant shall service the counters from fifteen (15) minutes before the first scheduled flight until fifteen (15) minutes after the last scheduled commercial flight, it being understood that the Airport Director may from time to time change these requirements upon providing reasonable notice to the Subtenant.
- 31. The Subtenant shall implement the operational proposal attached as Schedule E (the "Operational Proposal"). Any significant future proposed changes to the Operational Proposal, which is

- attached as Schedule E, must be approved by the Airport Director prior to implementation within a reasonable period of time.
- 32. The Subtenant shall provide customers with appropriate guidance and wayfinding to the rental car ready lot as reasonably deemed necessary by the Airport Director and especially during peak travel times including, but not limited to, the December holiday season, Spring Break and July.
- The Subtenant shall pay at the prevailing rates the costs for all electrical energy used in connection with electrical plug-ins that are provided in the parking spaces. In those instances, when the consumption of the electrical energy for plug-ins is not measured by separate meters, the Airport Director shall determine the applicable rate on the basis of cost comparison.
- 34. The Subtenant shall ensure all vehicle movements are completed in a safe manner while meeting all local, provincial and federal rules and regulations and all airport policies outlined by the Airport Director from time to time. The Subtenant shall be directly responsible for the actions of its employees in regards to these matters. Any breach of this section 34 will be considered a default of the Subtenant's obligations under this Agreement, triggering the City's right of re-entry and termination for default.

Subtenant's Covenants

- 35. The Subtenant covenants and agrees with the City:
 - a. to promptly pay when due, Rent and any other amounts required to be paid by it under this Agreement;
 - b. to promptly pay when due all amounts required to be paid by it pursuant to the Bylaw, including the automotive fuel system fee;
 - c. to only use and occupy the Premises for the purpose of carrying on the Subtenant's vehicle rental concession, and for no other purpose whatsoever;
 - d. to take possession of and occupy the Premises on the Commencement Date and commence to carry on business in the Premises no later than 15 days after the Commencement Date;
 - to carry on the Subtenant's vehicle rental concession operation in a safe, proper and first-class manner as befits a corporation operating within a municipal airport facility, with trained and certified staff, and not to undertake any activities or display any posters, art or printed material or play any music that is not appropriate to a public facility;
 - f. not to commit or permit any waste or injury to the Premises (including any drainage system, sanitary sewer system, or other facility provided for the protection of the general public or the operation of the Airport, any Leasehold Improvements and the trade fixtures therein), or any overloading of the floors thereof, or any conduct which impedes or, in the opinion of the City acting reasonably, could constitute a nuisance to the City, any other occupant of the Terminal Building, or anyone else;

- g. not to discharge, cause or permit to be discharged or howsoever to pass into the sewer systems, storm drains, or surface drainage facilities at the Airport or elsewhere any deleterious material, noxious, contaminated, or poisonous substances, all as determined by the City, whose decision shall be final, it being expressly understood and agreed that, in the event of a discharge or escape of any such deleterious material, noxious, contaminated, or poisonous substance under the control of the Subtenant, all clean-up costs incurred by the City shall be paid by the Subtenant;
- h. not to carry on any other use or manner of use which annoys or interferes with the operations of any other occupant of the Terminal Building or, in the opinion of the City acting reasonably, may have an adverse impact on the reputation of the Airport;
- not to do, omit to do, or permit to be done or omitted to be done upon the Premises anything which would cause the City's cost of insurance to be increased (and, without waiving the foregoing prohibition, the City may demand, and the Subtenant shall pay to the City upon demand, the amount of any such increase of cost caused by anything so done or omitted to be done) or which shall cause any policy of insurance to be subject to cancellation;
- j. not to permit the Premises to become untidy, unclean, unsightly, or hazardous, or permit unreasonable quantities of waste or refuse to accumulate therein;
- k. to provide complete and proper arrangements for the sanitary handling and disposal away from the Airport of all trash and other refuse resulting from the Subtenant's operations, all to the reasonable satisfaction of the Airport Director. Piling of boxes, barrels or other similar items shall not be permitted in any public area at the Airport;
- to comply at its own expense with all applicable local government, provincial, federal, or any other governing body whatsoever laws, bylaws, regulations, and requirements pertaining to the operation and use of the Premises, the condition of the Leasehold Improvements, trade fixtures, furniture, and equipment installed therein, and the making by the Subtenant of any repairs, changes or improvements therein, and to comply with all instructions given by the Airport Director (including with respect to safety and fire prevention);
- m. to abide by and comply with all regulations regarding the environment, traffic control, airport security, sanitation and all other regulations and directives relative to the management and operation of the Airport;
- n. to permit ingress and egress to and from the Premises by any person by use of fire exit doors in case of fire or emergency;
- o. to observe, and to cause its agents, officers, employees, invitees, and others over whom the Subtenant can reasonably be expected to exercise control to observe all rules and regulations which may be made or otherwise imposed by the City, of which notice in writing shall be given to the Subtenant, and all such rules and regulations shall be deemed to be incorporated into and form part of this Agreement;
- p. not to paint, display, inscribe, place, or affix any sign, symbol, notice, or lettering of any kind anywhere outside the Premises (whether on the outside or inside of the Terminal Building) or within the Premises so as to be visible from the outside of the Premises, except as expressly

approved in writing by the City as to design, size, and location, such approval not to be unreasonably withheld. Such identification sign shall be installed by the Subtenant at its own expense;

- q. not to contaminate or permit the contamination of the Premises, the Terminal Building, the Lands or surrounding area with any hazardous substances and should such contamination occur, to undertake all necessary remediation at the cost of the Subtenant;
- r. to permit the City (after giving reasonable notice to the Subtenant) from time to time to enter and to have its authorized agents, employees, and contractors enter the Premises for any purpose and the Subtenant shall provide free and unimpeded access and shall not be entitled to compensation for any inconvenience, nuisance, or discomfort caused, but the City shall proceed to the extent reasonably possible so as to minimize interference with the Subtenant's use and enjoyment of the Premises;
- s. to accept U.S. currency in payment for goods or services hereunder at such rates of exchange as may be determined by the Airport Director from time to time. The exchange rate so determined will be equal to the "buy" rate set by a chartered bank, determined by the Airport Director;
- t. to inform the public of the applicable U.S. currency by displaying signs indicating the said rate in a prominent location within the Premises;
- u. to accept debit and credit cards in payment for goods or services hereunder, in accordance with directives as may be given from time to time by the Airport Director. The Subtenant shall be responsible for obtaining and thereafter maintaining, at its own expense, all credit and debit card processing equipment necessary for the provision of a credit and debit card service;
- v. to take all reasonable precautions to ensure the safety of all persons using the Premises; and
- w. to promptly cause to be discharged any builders' lien which may be filed against the title to the Lands, and to comply at all times with the *Builders Lien Act* (British Columbia) in respect of any improvements, work, or other activities undertaken in, on, or to the Premises.

Service to Persons with Disabilities

36. The Subtenant shall have available at the Airport a sufficient number of hand-control systems to fill all reservations for hand-control-equipped vehicles which are received 24 hours or more before the vehicle is to be delivered to the customer, but in any event the Subtenant shall have not less than two hand controls at the Airport.

Where a reservation is received 24 hours or more before the vehicle is to be delivered to the customer and the Subtenant does not provide a hand-control-equipped vehicle, then the Subtenant shall arrange for convenient, alternative transportation until such time as a vehicle with hand controls is made available. The Subtenant shall pay the cost of the alternative transportation to the extent that such cost exceeds the cost of renting the vehicle with hand controls. This provision does not apply if at the time the reservation is received, the Subtenant has entered into rental agreements for its hand-control-equipped vehicles for the entire period the hand-control-equipped vehicle is required.

For any reservation which is not received 24 hours or more before the vehicle is to be delivered to the customer, the Subtenant will undertake its best efforts to provide hand-control-equipped vehicles if, at the time the reservation is received, a hand-control system is available for the entire period the vehicle is required.

The Subtenant acknowledges and agrees that the Airport Director may from time to time, within reason, change these requirements in response to changes in passenger volumes, upon giving reasonable notice to the Subtenant.

- 37. The Subtenant shall provide hand-control systems at no additional cost to the customer.
- 38. The Subtenant shall permit guide dogs to accompany the disabled passenger in the seating area of the rental vehicle and at no additional charge.
- 39. Hand controls provided by the Subtenant shall meet all Canadian Standards Association (CSA) and other applicable certifications and standards set by regulatory agencies and Provincial licensing bodies. Where the hand controls are permanently installed in the vehicles used at the Airport, the Subtenant shall provide appropriate inspection certificates attesting to the mechanical reliability of the vehicles.
- The Subtenant shall post signs in the counter space and kiosks within the Premises, where applicable, to indicate the availability of services for persons with disabilities. Such signs shall be of a form and content as may be approved by the Airport Director and shall be posted in such location as the Airport Director may determine.
- If there is a demonstrated demand, the Subtenant will undertake its best efforts to add to its vehicle rental fleet vehicles which are accessible by persons with disabilities using a mobility device including a wheelchair or scooter for personal transportation. The accessible vehicles shall meet all federal and provincial safety certifications and standards and shall be provided at no additional cost to persons with disabilities.
- 42. The Subtenant shall provide its employees and agents who may interact with the travelling public at the Airport with the level of training required, as reasonably specified by the Airport Director, to ensure that its personnel possess the knowledge, skills and attitudes necessary to assist persons with disabilities in an effective and sensitive manner.
- 43. All such training shall comply with the Personnel Training Regulations for the Assistance of Persons with Disabilities Regulations (the "Regulations") issued by the *Canada Transportation Act*. The Subtenant shall ensure that all personnel shall complete their initial training within sixty (60) days after the commencement of their duties as well as receive periodic refresher training sessions throughout the Term, appropriate to the requirements of their function.
- The Subtenant shall keep its training program current and available for inspection by the Airport Director, National Transportation Agency, and the general public. The training program shall

- contain the information set out in the Regulations. The training program shall be submitted to the Airport Director at the commencement of this Agreement and the Subtenant shall submit to the Airport Director any changes made to the training program during the currency of this Agreement.
- The Subtenant shall provide its employees and agents responsible for the installation of equipment necessary to accommodate persons with special needs with training on the installation, maintenance and operation of such equipment.

Accessories

- Prior to the Commencement Date, the Subtenant shall submit for the Airport Director's reasonable approval a listing of all vehicle accessories or additional features ("such accessories") which will be made available at the Commencement Date of this Agreement. Within five days of receiving a written request from the Airport Director, the Subtenant shall submit to the Airport Director a listing of all such accessories made available at the point in time indicated in the written request.
- 47. The Subtenant may offer such accessories, provided they are attached to, or are used in, or are built into the vehicle.
- The Subtenant agrees that the rental of such accessories shall be included with the rental of a vehicle, and that such accessories shall at no time be rented out separately unless approved by the Airport Director and under a licence which is separate from this Agreement.
- 49. The Subtenant further agrees that all rent or charges for such accessories shall be included in the vehicle rental contract.

Prices

- Prior to the commencement of this Agreement, the Subtenant shall submit to the Airport Director a schedule of the prices to be in effect on the Commencement Date, if different from those prices set out in the Subtenant's Operational Proposal, a copy of which is attached as Schedule E. Within five (5) days of receiving a written request from the Airport Director, the Subtenant shall submit to the Airport Director a schedule of the prices in effect at the point in time indicated in the written request.
- Prices posted for vehicle rental services at the Airport must be displayed in a manner approved by the Airport Director.

Consultant Services

If at any time the City becomes aware that the prices for vehicle rental services at the Airport are not comparable to those charged in the area served by the Airport (with due regard for operating cost differences resulting from operation at the Airport), or if the City becomes aware that the level of service provided, and/or the type of vehicles available at the Airport is not comparable to similar establishments in such area, the City may at the expense of the Subtenant employ a recognized consultant (the "Consultant") for review and assessment.

- 53. If the Consultant concludes that the prices for vehicle rental services, or the level of service provided, or the type of vehicles available at the Airport are not comparable to those in the area served by the Airport, the Airport Director may request, by notice in writing to the Subtenant, that the necessary corrective action be taken; provided, however, that the Subtenant shall be given a reasonable opportunity to defend against the Consultant's findings. Such corrective action shall be effected by the Subtenant within a reasonable period of time, having regard to the nature of the improvements which the Airport Director determines to be necessary.
- 54. It is expressly understood and agreed by the Subtenant that where the Subtenant is unable, to the satisfaction of the Airport Director, to refute the findings of the Consultant, the Subtenant shall give effect to the recommendations made by the Airport Director, in his/her notice. Failure to implement such recommendations within a reasonable time, to the satisfaction of the Airport Director, shall be treated as a breach of this Agreement and be subject to the provisions of section 104.

Advertising and Displays

- The Airport Director reserves the right to rule upon displays and advertising signs within the Premises, and the Subtenant shall conform to the aesthetic standards of the Terminal Building and to any directive which may be introduced from time to time by the Airport Director. No electrical sign of any kind may be installed without the prior approval in writing of the Airport Director, such approval not to be unreasonably withheld.
- The Subtenant shall obtain the written approval of the City, in advance, of all signs and similar advertising material, including lettering and other advertising media erected, installed or placed upon the exterior of the Premises or within the Premises to the extent that such signs are visible from outside the Premises, such approval not to be unreasonably withheld. The cost of installing, maintaining, changing and removing all signs shall be borne by the Subtenant.
- 57. The Subtenant covenants and agrees that it will use the name Kelowna International Airport in all advertising of its operations hereunder, in all promotional material and on all letterheads and stationery.
- The Subtenant may advertise, promote and/or display for sale, within the confines of the Premises, only those products or services that relate directly and exclusively to its operations hereunder and any advertisement, promotion and/or display for sale must indicate that those products or services can only be obtained with the rental of a vehicle, unless such products or services are provided under a separate agreement and approved by the Airport Director.
- 59. Any revenues or benefits derived directly or indirectly by the Subtenant from the advertisement, promotion and/or display of goods and services by a third party will be considered as revenue and shall be included in the Gross Revenue reported by the Subtenant.

Official Languages

60. Where the Airport is deemed to have significant demand, as deemed by the Airport Director and communicated to the Subtenant by the Airport Director, the Subtenant covenants:

- a. to comply with the *Official Languages Act* and Regulations and the City's policy on Official Languages;
- b. to display or make available to members of the public, in both official languages, all printed and written material including signs, notices, and other information in connection with its operations hereunder and, where applicable, to provide services by other means (including self-service equipment in both official languages);
- c. during every shift of operations in the Premises which is used for the serving of the public, to have sufficient staff on duty to provide oral response capability in both official languages within a reasonable period of time; and
- d. to clearly demonstrate to members of the public that these bilingual services are available in either official language of their choice.

Notwithstanding any other remedy available to the City, if a breach of section 60.b. occurs, the City may terminate this Agreement or enter the Premises and provide the printed and written material in both official languages, in which event the Subtenant shall pay, as additional Rent, the cost of providing such printed material or written material plus twenty percent (20%) of such cost. For certainty, if a breach of either section 60.a., c., or d. occurs, the City may terminate this Agreement.

Operational Concepts

- 61. The Subtenant agrees that during the currency of this Agreement it shall adhere to and perform each and every one of its undertakings and representations set out in its Operational Proposal, a copy of which is attached as Schedule E. The Subtenant further covenants and agrees that any failure to comply with this requirement shall constitute a breach of the conditions of this Agreement for the purpose of section 104. Any significant future proposed changes to the Operational Proposal, which is attached as Schedule E, must be approved by the Airport Director prior to implementation.
- 62. During the currency of this Agreement, the Subtenant has the right to introduce any new products, services or accessories not included in the Operational Proposal referred to in section 61, but such introduction shall be subject to the prior approval of the Airport Director.

Personnel

- 63. The Subtenant shall engage suitable personnel to efficiently provide and maintain the required standard of services. Such personnel will be acting as ambassadors for the Airport and professionalism and personal appearance must be of a high standard at all times. Local personnel shall be employed to the extent practical and consistent with reasonable efficiency and economy, all as reasonably determined by and to the satisfaction of the Airport Director.
- 64. The Subtenant acknowledges and agrees that the car rental operations set out in this Agreement shall be performed by the Subtenant and by any other employee, agent, subcontractor or representative of the Subtenant (collectively, the "Subtenant's Personnel"). The Subtenant shall not employ any person to carry out the car rental operation at the Facility if that person has been convicted of a criminal or summary conviction offence that is related to that employment. The Subtenant's Personnel shall be under the exclusive supervision of the Subtenant. All responsibility

- and authority for hiring, training, supervision, direction, compensation, discipline, termination, and administration of the Subtenant's Personnel, and any and all costs or expenses related thereto, rest exclusively with the Subtenant.
- 65. The Subtenant shall pay for the parking at the Airport of its employees' vehicles, at the prevailing rates.
- 66. The Subtenant shall ensure that its employees and agents respect all rules and regulations at the Airport including those pertaining to speed and traffic.
- 67. The Subtenant shall ensure all of its personnel receive customer service training and participate in campus wide customer service initiatives as approved and required by the Airport Director from time to time, and the Subtenant shall maintain records of such training to be made available for inspection by the Airport Director throughout the Term.
- 68. If the Airport Director determines that national security is involved, he/she may instruct the Subtenant to provide information concerning any person or persons employed by the Subtenant at the Premises and may require the removal of any person or persons from the Premises. The Subtenant shall comply immediately with instructions from the Airport Director pursuant to this clause.

Quiet Possession

The City shall permit the Subtenant, so long as the Subtenant is not in default of the Subtenant's obligations under this Agreement, to peaceably possess and enjoy the Premises for the Term, without interference or disturbance from the City or those claiming by, from or under the City, except for the City's express rights under this Agreement to enter upon and use the Premises or to permit others to do so.

Licences, Permits, Etc.

- 70. The Subtenant shall procure and maintain in good standing, at its cost and expense, such licences, permits or approvals from federal, provincial, municipal or other government authorities, and such private permits as may be necessary to enable the Subtenant to conduct its operations hereunder.
- 71. Failure by the Subtenant to procure such licences, permits or approvals or such private permits will not relieve the Subtenant from paying the amounts prescribed under this Agreement from the Commencement Date. In the event the Subtenant fails by 12.01 a.m. on the Commencement Date to procure such licences, permits or approvals or such private permits, and fails to notify the City by the above deadline that such licences, permits or approvals or such private permits have been obtained, this Agreement shall, at the option of the City, be terminated without any further notice or delay.

Enforcement

72. Notwithstanding the provisions of section 104 any failure by the Subtenant to comply with the requirements set forth in sections 16, 17, 34, 35(u), 36 through 45, and 76 through 79 shall constitute a breach of the conditions of this Agreement and shall be subject to the cancellation of this Agreement under the following conditions:

In the event of a breach by the Subtenant of any of the aforementioned requirements, and provided reasonable steps have not been taken to cure such breach within thirty (30) days from the date of notice in writing thereof from the City to the Subtenant, the City may terminate this Agreement by giving the Subtenant thirty (30) days written notice of intention to terminate, during which time the Subtenant will no longer be permitted to cure such breach, and thereupon after the expiration of such period of notification, this Agreement shall be terminated without any further notice or delay.

Change of Name and Corporate Identity

73. The Subtenant agrees to operate a vehicle rental concession at the Airport during the term of this Agreement under the trade name of:

Avis Rent a Car

and shall not use any other trade name without the prior written consent of the City.

74. The Subtenant agrees to notify the City of any change in the ownership or control of the Subtenant or in its board of directors within thirty (30) days of such a change coming into effect.

Franchise Agreement

75. Where the Subtenant is a franchisee under a franchise agreement pertaining to the Subtenant's operations hereunder, the Subtenant agrees to notify the City forthwith in writing of any cancellation of such franchise agreement.

Prohibited Activities

- The City will not permit the parking of any rental vehicle by the Subtenant within the short term and long term public parking lots at the Airport nor any overflow, employee or other parking locations at the Airport, other than those specified in this Agreement, unless specific written authorization is provided by the Airport Director.
- 77. The City will not permit the Subtenant or any of its customers to deliver or surrender any rental vehicle in any location other than the Premises.
- 78. The City will not permit cleaning or maintenance of vehicles in the rental vehicle ready lot parking area of the Premises.
- 79. The Subtenant acknowledges and agrees that all driving lanes and walkways in the vehicle rental Service Center must be kept clear at all times for the efficient operation of the Service Center. The Subtenant shall ensure that its rental vehicles and any other of its vehicles do not park in any such areas at any time. Any vehicles which are so parked whether by the Subtenant's employees or customers will be towed without notice at the Subtenant's expense which charges shall be paid to the City as additional fees on demand.

City's Covenants

80. The City covenants and agrees with the Subtenant:

- a. to permit the Subtenant and its employees and customers to have the license and use during hours that the Terminal Building is open, in common with others entitled thereto, of the common parking areas, sidewalks, entrances, lobbies, stairways, and corridors of the Terminal Building giving access to the Premises (subject to any rules and regulations established by the City from time to time), and the provisions of this Agreement will apply to the license granted in this section to the extent those provisions can apply; and
- b. to permit the Subtenant and its employees and invitees in common with others entitled thereto to use the public washrooms in the Terminal Building.

Subtenant's Acknowledgments and Agreements

- 81. Acknowledgement of Head Lease The Subtenant acknowledges and agrees that this Agreement is subject to the Head Lease and all of its terms, restrictions, and limitations, and the Subtenant has no greater interest in the Premises than the City under the Head Lease and, to the extent that any right or benefit conferred by this Agreement contravenes or is incompatible with the Head Lease, such right or benefit will be amended or modified so as not to contravene or be incompatible with the Head Lease.
- 82. Security The City shall have no responsibility whatsoever for the security of the Subtenant's property on the Premises, the sole responsibility for which rests with the Subtenant, and the Subtenant hereby releases the City from all claims, actions, damages, liabilities, losses, costs, and expenses whatsoever as may be suffered by the Subtenant arising from or related to the Subtenant's failure to secure its property on the Premises. For clarity, the Subtenant shall secure the Premises by locking all doors and windows to the Premises at the end of its daily operations, but may not install other security systems or features on the Premises such as separate alarm systems or security cameras without the prior written consent of the City.
- 83. Material Disclosures The Subtenant acknowledges that the City has made the material disclosures in respect of the Premises and this Agreement listed in Schedule F.
- 84. Changes to Passenger Traffic Patterns and Location The Subtenant acknowledges that the configuration of the Terminal Building may be in a state of flux during the currency of this Agreement due to traffic shifts or a Terminal Building renovation program, and that therefore the City cannot guarantee that the present pattern of passenger traffic adjacent to the counter space or relocated Premises, or any future pattern, will be permanent for all or any portion of the Term. Because of construction, or for other reasons, the City may find it desirable and in the best interests of the travelling public to make changes in the passenger traffic pattern and erect temporary structures, walls or partitions. The Subtenant hereby acknowledges and agrees that it shall have no claim whatsoever against the City for any changes or disruptions that may be made and/or arise as a result of a Terminal Building renovation program.
- 85. Car-Sharing The Subtenant acknowledges and agrees that the City may enter into agreements with car sharing entities.

Repair, Damage and Destruction

86. The Subtenant covenants with the City:

- a. to keep in a good and reasonable state of repair and consistent with the general standards of airports of similar age in British Columbia, the Premises including all Leasehold Improvements and all trade fixtures therein and all glass therein other than glass portions of exterior walls, but with the exception of structural members or elements of the Premises;
- b. that the City may enter and view the state of repair (without having any obligation to do so), and that the Subtenant will repair according to notice in writing, and that the Subtenant will leave the Premises in a good and reasonable state of repair; and
- c. that if any part of the Terminal Building, including the systems for interior climate control and for the provision of utilities, becomes out of repair, damaged, or destroyed through the negligence or misuse of the Subtenant or its employees, invitees, or others over which the Subtenant can reasonably be expected to exercise control, the Subtenant shall carry out such repairs and replacements as the City considers necessary, to the satisfaction of the City, failing which the City may carry out those repairs and replacements and the expense of all such repairs and replacements necessitated thereby shall be reimbursed to the City by the Subtenant promptly upon demand.

Abatement and Termination in Event of Damage or Destruction

- 87. It is agreed between the City and the Subtenant that in the event of damage to the Premises or to the Terminal Building:
 - a. if the damage is such that the Premises or a substantial part of them are rendered not reasonably capable of use and occupancy by the Subtenant for the purposes of its business for any period of time in excess of seven (7) days, then:
 - i. if the damage was not caused by the fault or negligence of the Subtenant or the Subtenant's directors, members, officers, employees, agents, contractors, subcontractors, customers, invitees and others for whom it is responsible (the "Subtenant's Responsible Persons"), then from and after the date of occurrence of the damage and until the Premises are again reasonably capable of use and occupancy as aforesaid, Rent shall abate from time to time in proportion to the part or parts of the Premises not reasonably capable of use and occupancy, and
 - ii. unless this Agreement is terminated as hereinafter provided, if the damage was caused by the fault or negligence of the Subtenant or the Subtenant's Responsible Persons, then the Subtenant shall repair such damage for which it is responsible with all reasonable diligence, and

b. if either:

- i. the Premises, or
- ii. 25% or more of the Terminal Building

are substantially damaged or destroyed by any cause then the City may at its option, exercisable by written notice to the Subtenant given within sixty (60) days after the occurrence of such damage or destruction, terminate this Agreement, without limiting the Subtenant's

liability for damage or destruction which it may have caused, and the Subtenant shall deliver up possession of the Premises to the City with reasonable expedition but in any event within sixty (60) days after delivery of such notice of termination, in a clean, neat, uncontaminated and vacant condition and Rent shall be apportioned and paid to the date upon which possession is so delivered up but subject to any abatement to which the Subtenant may be entitled.

Worker Safety and Compensation

- 88. Compliance with Worker Safety and Compensation Laws The Subtenant shall, in its use of and activities on the Premises, comply with all statutes, regulations, and orders from time to time in force respecting worker safety and compensation, and, upon request from the City, provide evidence of any required registration under any statute, regulation or order respecting worker safety and compensation.
- 89. The Subtenant shall, for the purposes of the *Workers Compensation Act* (British Columbia), and for the duration of the Term:
 - a. do everything that is reasonably practicable to establish and maintain a system or process that will ensure compliance with the *Workers Compensation Act* and its regulations, as required to ensure the health and safety of all persons at the Premises; and
 - b. have at least one employee (the "Individual") attend the City's health and safety orientation prior to the Commencement Date. The Subtenant acknowledges and agrees that it will arrange for each of its employees working at the Airport to attend health and safety orientation provided by the Subtenant, which will cover the same topics as the City's health and safety orientation, within thirty (30) days of the Commencement Date or the employee's commencement of employment.

Fixtures and Improvements

Installation of Fixtures and Improvements - Except for furniture and equipment not of the nature 90. of fixtures, the Subtenant shall not make, erect, install, or alter any fixtures, improvements, installations, alterations, or additions (the "Leasehold Improvements") in the Premises or in other premises in the Terminal Building or in the Airport without the prior written consent of the City, which consent may be withheld in the sole discretion of the City. In making, erecting, installing, or altering any Leasehold Improvements or trade fixtures, the Subtenant shall comply with all construction guidelines established by the City from time to time, shall obtain all required building and occupancy permits, shall not alter or interfere with any installations which have been made by the City without the prior written approval of the City and, in no event, shall alter or interfere with window coverings installed by the City on exterior windows. The Subtenant's request for any approval hereunder shall be in writing and accompanied by a reasonably detailed description of the contemplated work and, where appropriate, plans, working drawings, and specifications thereof. Any out-of-pocket expense incurred by the City in connection with any such approval shall be paid by the Subtenant. All work to be performed in the Premises shall be performed by competent contractors and subcontractors of whom the City shall have approved in its sole discretion. All such work shall be subject to inspection by and the reasonable supervision of the City and shall be performed in accordance with any reasonable conditions or regulations imposed by the City and

- completed in good and workmanlike manner in accordance with the description of the work approved by the City.
- 91. Liens In connection with the making, erection, installation, or alteration of Leasehold Improvements and trade fixtures, and all other work or installations made by or for the Subtenant in the Premises, the Subtenant shall comply with all of the provisions of the *Builders Lien Act* (British Columbia) and amendments thereto, and other statutes from time to time applicable thereto (including any provision requiring or enabling the retention of portions of any sums payable by way of holdback), shall permit the City to take all steps to enable the City to obtain the benefit of the provisions of the *Builders Lien Act* (including the filing of a notice in the land title office) and, except as to any lawful holdback, shall promptly pay all accounts relating thereto.
- 92. Encumbrances The Subtenant shall not create any mortgage, conditional sale agreement, general security agreement under the *Personal Property Security Act* (British Columbia) and amendments thereto, or other encumbrance in respect of its Leasehold Improvements or trade fixtures, or permit any such mortgage, conditional sale agreement, general security agreement under the *Personal Property Security Act*, or other encumbrance to attach to the Premises.
- 93. Discharge of Liens If and when any builders' or other lien for work, labour, services or materials supplied to or for the Subtenant or for the cost of which the Subtenant may be in any way liable or claims therefore shall arise or be filed or any such mortgage, conditional sale agreement, general security agreement under the *Personal Property Security Act*, or other encumbrance shall attach, the Subtenant shall within twenty (20) days after receipt of notice thereof procure the discharge thereof, including any certificate of action registered in respect of any lien, by payment or giving security or in such other manner as may be required or permitted by law, and failing which the City may in addition to all other remedies avail itself of its remedy under section 104 and may make any payments required to procure the discharge of any such liens or encumbrances, and shall be entitled to be reimbursed by the Subtenant as provided in section 104, and its right to reimbursement shall not be affected or impaired if the Subtenant shall then or subsequently establish or claim that any lien or encumbrance so discharged was without merit, or excessive, or subject to any abatement, setoff, or defence.
- 94. Removal of Fixtures and Improvements All Leasehold Improvements in or upon the Premises shall immediately upon affixation be and become the City's property without compensation therefor to the Subtenant. Except to the extent otherwise expressly agreed by the City in writing, no Leasehold Improvements, trade fixtures, furniture, or equipment shall be removed by the Subtenant from the Premises either during or at the expiration or sooner termination of the Term, except that:
 - a. the Subtenant may at the end of the Term remove its trade fixtures;
 - b. the Subtenant shall at the end of the Term remove such of the Leasehold Improvements and trade fixtures as the City shall require to be removed; and
 - c. the Subtenant shall remove its furniture and equipment at the end of the Term, and also during the Term in the usual and normal course of its business where such furniture or equipment has become excess for the Subtenant's purposes or the Subtenant is substituting new furniture and equipment.

The Subtenant shall, in the case of every removal either during or at the end of the Term, immediately make good any damage caused to the Premises by the installation and removal.

- 95. Alterations by City The City reserves the right from time to time to:
 - a. make any deletions, changes, and additions to the equipment, appliances, pipes, plumbing, wiring conduits, ducts, shafts, structures, and facilities of every kind throughout the Terminal Building, including the Premises;
 - b. alter the location and nature of common areas of the Terminal Building, make reductions therein, erect additions thereto, and extend any part thereof provided there is no detrimental effect on access to the Premises; and
 - c. make alterations and additions to the Terminal Building, which may result in a change of location of the vehicle rental counter locations;

and in exercising any such rights, the City will take reasonable steps to minimize any interference caused to the Subtenant's operations in the Premises, but by exercising any such rights, the City shall not be deemed to have constructively evicted the Subtenant or otherwise to be in breach of this Agreement, nor shall the Subtenant be entitled to any abatement of Rent or other compensation from the City.

Insurance and Liability

- 96. Subtenant's Insurance The Subtenant shall obtain and maintain during the Term insurance in accordance with the requirements of Schedule G. For clarity, the insurance requirements set out in Schedule G are minimum requirements and are not to be interpreted in a manner that limits the Subtenant's obligations under this Agreement and the Subtenant shall be responsible for obtaining and maintaining such additional insurance as would a prudent tenant having similar obligations and interests to those of the Subtenant under the terms of this Agreement.
- 97. Insurance Certificates At the time of execution of this Agreement and at other reasonable times requested by the City, the Subtenant shall furnish to the City certificates in the form attached as Schedule G1 or other evidence acceptable to the City as to the insurance from time to time required to be effected by the Subtenant and its renewal or continuation in force, either by means of a certified copy of the policy or policies of insurance with all amendments and endorsements or a certificate from the Subtenant's insurer which, in the case of commercial general liability insurance, shall provide such information as the City reasonably requires.
- 98. City May Affect Insurance If the Subtenant shall fail to take out, renew, and keep in force such insurance the City may do so as the agent of the Subtenant and the Subtenant shall repay to the City any amounts paid by the City as premiums forthwith upon demand.
- 99. Limitation of City's Liability The Subtenant agrees that, except for claims, actions, damages, liabilities, costs and expenses caused by or arising from the City's use of the Premises or in respect of any wrongful or negligent acts by the City:
 - a. the City shall not be liable for any bodily injury to or death of, or loss or damage to any property belonging to the Subtenant or its employees, invitees, or subtenants or any other

person in, on, or about the Terminal Building or the Land, or for any interruption of any business carried on in the Premises, or for any consequential loss at all, and, without limiting the generality of the foregoing, in no event shall the City be liable:

- i. for any damage or bodily injury or death of anyone which results from fire, explosion, earthquake, flood, falling plaster, steam, gas, electricity, water, rain, snow, dampness, or leaks from any part of the Premises or from the pipes, appliances, electrical system, plumbing works, roof, subsurface, or other part or parts of the Terminal Building or Land or from the streets, lanes, and other properties adjacent thereto,
- ii. for any damage, injury, or death caused by anything done or omitted by the Subtenant or any of its servants or agents or by any other subtenant or person in the Terminal Building,
- iii. for the non-observance or the violation of any provision of any of the rules and regulations of the City in effect from time to time or of any lease by another subtenant of premises in the Terminal Building or any concessionaire, employee, subtenant, agent, customer, officer, contractor, or other invitee of any of them, or by anyone else,
- iv. for any act or omission (including theft, malfeasance, or negligence) on the part of any agent, contractor, or person from time to time employed by the City to perform janitorial services, security services, supervision, or any other work in or about the Terminal Building,
- v. for loss or damage, however caused, to money, securities, negotiable instruments, papers, or other valuables of the Subtenant or any of its servants or agents, or
- vi. for any bodily injury, death, or damage to property arising from the use of, or any happening in or about, any elevator, and
- b. the Subtenant releases and discharges the City from any and all actions, causes of action, claims, damages, demands, expenses, and liabilities which the Subtenant now or hereafter may have, suffer, or incur which arise from any matter for which the City is not liable under subsection a. above.
- 100. Indemnity of City The Subtenant agrees to indemnify and save harmless the City from and against all claims, demands, actions, causes of action, expenses, losses, costs, damages or other harm of whatsoever kind suffered or incurred by the City in respect of bodily injury, death, property loss, property damage, or other consequential loss or damage arising from or related to or connected with:
 - a. the use or occupation of the Premises, the Terminal Building, the Land, or surrounding areas by the Subtenant or the Subtenant's Responsible Persons;
 - b. the granting of this Agreement;
 - c. any default or breach by the Subtenant of its obligations under this Agreement; or
 - d. any act, omission, negligence or wrong of the Subtenant or the Subtenant's Responsible Persons.

This indemnity shall survive the expiry or termination of this Agreement, but does not extend to any claims, actions, damages, liabilities, costs and expenses caused by or arising from the City's use of the Premises or in respect of any wrongful or negligent acts by the City, the Head Landlord or those for whom the City or the Head Landlord is responsible for at law.

Subordination, Attornment, Registration, and Certificates

- 101. City Sale or Financing of Terminal Building The Subtenant agrees with the City that the rights of the City under this Agreement may be mortgaged, charged, transferred, or assigned to a purchaser or purchasers, or to a mortgagee or trustee for bond holders, and in the event of a sale or of default by the City under any mortgage, trust deed, or trust indenture and the purchaser, mortgagee, or trustee, as the case may be, duly entering into possession of the Terminal Building or the Premises, the Subtenant agrees to attorn to and become the subtenant of such purchaser or purchasers, mortgagee, or trustee under the terms of this Agreement and agrees to execute and deliver promptly whenever requested by the City or by such mortgagee an instrument of attornment as may be required of it.
- 102. Certificates The Subtenant agrees with the City that the Subtenant shall promptly whenever requested by the City from time to time execute and deliver to the City and, if required by the City, to any mortgagee (including any trustee under a trust deed or a trust indenture) or prospective purchaser (as designated by the City) a certificate in writing as to the status of this Agreement at that time, including as to whether it is in full force and effect, is modified or unmodified, confirming the rental payable hereunder and the state of the accounts between the City and Subtenant, the existence or non-existence of defaults, and any other matter pertaining to this Agreement as to which the City shall request a certificate.
- 103. Assignment by City In the event of the sale by the City of the Terminal Building or a portion thereof containing the Premises or the assignment by the City of this Agreement or any interest of the City hereunder, and to the extent that such purchaser or assignee has assumed the covenants and obligations of the City hereunder, the City shall, without further written agreement, be freed and relieved of liability upon such covenants and obligations.

Subtenant's Default, Remedies of City, and Surrender

- 104. Remedying by City, Non-payment, and Interest In addition to all the rights and remedies of the City available to it in the event of any default hereunder by the Subtenant, either by any other provision of this Agreement or by statute or the general law, the City:
 - a. shall have the right at all times to remedy or attempt to remedy any default of the Subtenant (without being obligated to do so), and in so doing may make any payments due or alleged to be due by the Subtenant to third parties and may enter upon the Premises to do any work or other things therein, and in such event all expenses of the City in remedying or attempting to remedy such default together with an administrative charge equal to 15% of the total of such expenses shall be payable by the Subtenant to the City forthwith upon demand;
 - b. shall have the same rights and remedies in the event of any non-payment by the Subtenant of any amounts payable by the Subtenant under any provisions of this Agreement as in the case of non-payment of Rent;

- c. if the Subtenant shall fail to pay any Rent promptly when due, shall be entitled to interest thereon at a rate of 18% per annum; and
- d. shall be entitled to be reimbursed by the Subtenant, and the Subtenant shall forthwith pay the City, the amount of all costs and expenses (including, without limitation, legal costs on a solicitor and own-client basis) incurred by the City in connection with the default or in efforts to enhance any of the rights, or to seek any of the remedies, to which the City is or may be entitled hereunder.
- 105. Remedies Cumulative The City may from time to time resort to any or all of the rights and remedies available to it in the event of any default hereunder by the Subtenant, either by any provision of this Agreement or by statute or the general law, all of which rights and remedies are intended to be cumulative and not alternative, as the express provisions hereunder as to certain rights and remedies are not to be interpreted as excluding any other or additional rights and remedies available to the City by statute or the general law.
- 106. Right of Re-entry on Default Provided and it is expressly agreed that:
 - a. if and whenever the Rent hereby reserved or other monies payable by the Subtenant or any part thereof, whether lawfully demanded or not, are unpaid and the Subtenant shall have failed to pay such Rent or other monies within ten (10) days after the City has given to the Subtenant notice requiring such payment; or
 - b. if the Subtenant should breach or fail to observe and perform any of the covenants, agreements, provisos, conditions, rules, or regulations and other obligations on the part of the Subtenant to be kept, observed, or performed hereunder and such breach or failure continues for ten (10) days after the City has given the Subtenant notice thereof; or
 - c. if without the written consent of the City the Premises shall be used by any other persons than the Subtenant or its permitted assigns or for any purpose other than that for which the Premises were leased, or occupied by any persons whose occupancy is prohibited by this Agreement; or
 - d. if the Premises shall be vacated or abandoned or remain unoccupied for ten (10) days or more while capable of being occupied; or
 - e. if the Term or any of the goods and chattels of the Subtenant shall at any time be seized in execution or attachment; or
 - f. if a receiver or receiver-manager is appointed of the business or property of the Subtenant; or
 - g. if the Subtenant shall make any assignment for the benefit of creditors or any bulk sale, become bankrupt or insolvent or take the benefit of any statute now or hereafter in force for bankrupt or insolvent debtors or shall take any steps or suffer any order to be made for its winding-up or other termination of its corporate existence; or
 - h. if the Subtenant should fail to stay in good standing with the Registrar of Companies by filing annual reports and otherwise; or

- i. if any policy of insurance upon the Terminal Building from time to time effected by the City shall be cancelled or about to be cancelled by the insurer by reason of the use or occupation of the Premises by the Subtenant or any assignee, subtenant, or Subtenant of the Subtenant or anyone permitted by the Subtenant to be upon the Premises and the Subtenant after receipt of notice in writing from the City shall have failed to take such immediate steps in respect of such use or occupation as shall enable the City to reinstate or avoid cancellation of (as the case may be) such policy of insurance; or
- j. if the City shall have become entitled to terminate this Agreement or to re-enter the Premises under any provision hereof;

then and in every such case it shall be lawful for the City thereafter to enter into and upon the Premises or any part thereof in the name of the whole and the same to have again, repossess, and enjoy as of its former estate, anything in this Agreement to the contrary notwithstanding. The City may use such force as it may deem necessary for the purpose of gaining admittance to and retaking possession of the Premises, and the Subtenant hereby releases the City from all actions, proceedings, claims, and demands whatsoever for and in respect of any such forcible entry or any loss or damage in connection therewith.

- Termination and Re-entry If and whenever the City becomes entitled to re-enter upon the Premises under any provision of this Agreement, the City, in addition to all other rights and remedies, shall have the right to terminate this Agreement by giving to the Subtenant or by leaving upon the Premises notice in writing of such termination. Thereupon, this Agreement and the Term shall terminate, and the Subtenant shall immediately deliver up possession of the Premises to the City in accordance with section 113.
- 108. Certain Consequences of Termination and Re-entry If the City re-enters the Premises or if this Agreement is terminated by reason of any event set out in section 106, then without prejudice to the City's other rights and remedies:
 - a. the provisions of this Agreement which relate to the consequences of termination, and the provisions of this Agreement as they apply with respect to acts, events, and omissions which occurred prior to the termination, shall all survive such termination;
 - b. in addition to the payment by the Subtenant of Rent and other payments for which the Subtenant is liable under this Agreement, Rent for the current month and the next ensuing three months shall immediately become due and be paid by the Subtenant or the person then controlling the Subtenant's affairs (without limiting the City's right to claim damages for loss of future rent); and
 - c. the Subtenant or person then controlling the affairs of the Subtenant shall pay to the City on demand such reasonable expenses as the City has incurred, and a reasonable estimate of the expenses the City expects to incur, in connection with the re-entering, terminating, re-letting, collecting sums due or payable by the Subtenant, and storing and realizing upon assets seized, including without limitation brokerage fees, legal fees, and disbursements, the expenses of cleaning and making and keeping the Premises in good order, and the expenses of repairing the Premises and preparing them for re-letting.

- Waiver of Distress and Bankruptcy The Subtenant waives the benefit of any present or future 109. statute taking away or limiting the City's right of distress and covenants and agrees that notwithstanding any such statute none of the goods and chattels of the Subtenant on the Premises or at any other location at any time during the Term shall be exempt from levy by distress for rent in arrears. The Subtenant will not sell, dispose of, or remove any of the fixtures, goods, or chattels of the Subtenant from or out of the Premises during the Term without the consent of the City, unless the Subtenant is substituting new fixtures, goods, or chattels of equal value or is bona fide disposing of individual items which have become excess for the Subtenant's purposes. The Subtenant will be the owner of its fixtures, goods, and chattels and will not permit them to become subject to any lien, mortgage, charge, or encumbrances. The Subtenant agrees that it will not, without the City's consent, repudiate or disclaim or attempt to repudiate or disclaim or seek any order to permit it to repudiate or disclaim this Agreement in any bankruptcy, insolvency, reorganization, or other proceeding or court application, and, if required by the City, waives in favour of the City the benefit of section 65.2 of the Bankruptcy and Insolvency Act (Canada), as amended, and any provision of similar import.
- Re-letting and Sale of Personalty Whenever the City becomes entitled to re-enter upon the Premises under any provision of this Agreement, the City, in addition to its other rights, shall have the right as agent of the Subtenant to enter the Premises and re-let them (for a term or terms shorter or longer than the balance of the Term, granting reasonable concessions in connection therewith), and to receive the rent therefore, and as the agent of the Subtenant to take possession of any furniture or other property thereon, and to sell the same at public or private sale without notice, and to apply the proceeds thereof and any rent derived from re-letting the Premises upon account of the Rent due and to become due under this Agreement, and the Subtenant shall be liable to the City for the deficiency, if any.
- 111. Termination of Head Lease Upon termination of the Head Lease for any reason (including default by the City), this Agreement will immediately terminate without any compensation payable to the Subtenant.
- 112. Notwithstanding section 111, if:
 - a. the termination of the Head Lease is not in any manner disputed;
 - b. the City has yielded up vacant possession of the Premises to the Head Landlord;
 - c. immediately preceding the termination of the Head Lease, all airport subleases, including this Agreement, are in full force and effect and the sublessees, including the Subtenant, at the termination of the Head Lease, are not in default or breach of their respective subleases;
 - d. the Head Landlord is not legally prohibited by reason of defect in title, adverse possession, or otherwise from fulfilling the terms of any of the airport subleases, including this Agreement;

then this Agreement shall, at the Head Landlord's option, be deemed to have been assigned to the Head Landlord, thereby creating a new lessor/lessee relationship under the terms and conditions of this Agreement; provided, however, that the Head Landlord reserves the option to amend the new lease therein created from time to time in accordance with policy or policies in effect at that time.

Surrender on Termination – Forthwith upon the termination of this Agreement, whether by effluxion of time or otherwise, the Subtenant shall vacate and deliver up possession of the Premises in a neat, clean, tidy, uncontaminated and vacant state and in good and substantial repair in accordance with the Subtenant's obligation under this Agreement to repair the Premises, but subject to the Subtenant's rights and obligations in respect of removal in accordance with section 94. At the same time the Subtenant shall surrender to the City at the place then fixed for the payment of Rent all keys and other devices which provide access to the Premises, the Terminal Building, or any part thereof and shall inform the City of all combinations to locks, safes, and vaults, if any, in the Premises.

Subtenant's Tax Obligations

- 114. The Subtenant covenants with the City to pay to the City or other taxing authority or authorities having jurisdiction, all taxes, rates, duties, levies, and assessments whatsoever, whether local government or otherwise, which are levied, imposed or assessed against or in respect of the Premises, or which are from time to time levied, imposed, or assessed in the future in addition or in lieu thereof, including those levied, imposed, or assessed for education, schools, specified areas and local improvements. The Subtenant acknowledges that notwithstanding that the Land is owned by the Head Landlord and leased to the City, the Subtenant, as a non-municipal occupier of that Land is liable to pay property taxes on the Premises.
- 115. Without limiting section 114 above, the Subtenant covenants with the City to pay when due, all taxes, business taxes, business license fees, and other taxes, rates, duties or charges levied, imposed, or assessed by lawful authority in respect of the use and occupancy of the Premises by the Subtenant, the business or businesses carried on therein, or the equipment, machinery, or fixtures brought therein by or belonging to the Subtenant, or to anyone occupying the Premises with the Subtenant's consent, or from time to time levied, imposed, or assessed in the future in addition or in lieu thereof, and to pay to the City upon demand the portion of any tax, rate, duty, or charge levied or assessed upon the Land and Terminal Building that is attributable to any equipment, machinery, or fixtures on the Premises which are not the property of the City or which may be removed by the Subtenant.
- 116. The Subtenant shall pay to the City goods and services tax (or similar replacement tax) in accordance with the applicable legislation at the same time as the amounts to which such goods and services tax apply are payable to the City under the terms of this Agreement or upon demand at such other time or times as the City from time to time determines. Notwithstanding any other section of this Agreement, the amount payable by the Subtenant under this section 116 shall be deemed not to be Rent, but the City shall have the same remedies for and rights of recovery of such amount as it has for recovery of Rent under this Agreement.
- 117. Whenever requested by the City, the Subtenant will deliver to the City receipts for payment of all taxes, rates, duties, levies, and assessments payable by the Subtenant and furnish such other information in connection therewith as the City may reasonably require.

No Assignment or Sublease by Subtenant

118. The Subtenant may not assign this Agreement or the benefit of this Agreement, or sublet the Premises or any part of the Premises, without the prior written consent of the City, nor may the Subtenant charge, mortgage, or encumber, or purport to charge, mortgage, or encumber the

Subtenant's interest in the Premises or this Agreement without the prior written consent of the City. The City may withhold such consents at its sole discretion and without reason. The Subtenant shall be responsible for all costs associated with any assignment or sublease of the Premises, including the City's associated legal and administrative costs.

119. The acceptance of any Rent from or the performance of any obligation hereunder by a person other than the Subtenant shall not be construed as an admission by the City of any right, title, or interest of such person as a subtenant, assignee, transferee, or otherwise in the place and stead of the Subtenant.

Miscellaneous

- 120. Registration of Agreement The City is under no obligation to at any time deliver this Agreement or any instrument creating this Agreement to the Subtenant in a form registrable under the *Land Title Act* (British Columbia).
- 121. Waiver Waiver by the City of any breach by the Subtenant of any of its obligations under this Agreement shall not be considered to be a waiver of any subsequent default or continuing default by the Subtenant. Failure by the City to take any action in respect of any breach of any Subtenant obligation under this Agreement by the Subtenant shall not be considered to be a waiver of such obligation.
- 122. Payments Generally All payments, including interest, required to be made by the Subtenant to the City under the terms of this Agreement shall be:
 - a. payable in lawful money of Canada;
 - b. paid to the City at the office of the City or at such other place as the City may designate from time to time in writing;
 - c. made when due hereunder, without the need for prior demand and without any set-off, abatement or deduction;
 - d. applied towards amounts outstanding in such a manner as the City sees fit; and
 - e. deemed to be rent (if not Rent), in partial consideration for which this Agreement is entered into, and shall be payable and recoverable as rent, and the City shall have all of the rights and remedies against the Subtenant for default in making any such payment which may not be expressly designated as rent, as the City has for a default in payment of Rent.
- 123. Part Payment The acceptance by the City of a part payment of any sums required to be paid hereunder shall not constitute waiver or release of the right of the City to payment in full of such sums.
- 124. Conditions All of the Subtenant's obligations under this Agreement shall be deemed and construed to be both conditions and covenants as though the words specifically expressing covenants or conditions or used in each separate provision respecting each such obligation.
- No Joint Venture Nothing contained in this Agreement creates the relationship of principal and

agent or of partnership, joint venture or business enterprise or entity between the parties or gives the Subtenant any power or authority to bind the City in any way.

126. Interpretation - In this Agreement:

- a. references to the Subtenant shall be read with such changes in gender as may be appropriate, depending upon whether the Subtenant is a male or female person or a firm or corporation. If the Subtenant is comprised of more than one person or entity, then each such person and entity is jointly and severally bound by the representations, warranties, agreements, and covenants of the Subtenant herein and any notice given or deemed to have been given at any time to any such person or entity shall be deemed to have been given at the same time to each other person and entity;
- b. a particular numbered section or lettered Schedule is a reference to the correspondingly numbered section or lettered Schedule of this Agreement;
- c. an "enactment" is a reference to an enactment as that term is defined in the *Interpretation Act* (British Columbia) on the day this Agreement is made;
- d. any enactment is a reference to that enactment as amended, revised, consolidated or replaced;
- e. section headings are inserted for ease of reference and are not to be used in interpreting this Agreement;
- f. a "party" is a reference to a party to this Agreement;
- g. time is of the essence; and
- h. where the word "including" is followed by a list, the contents of the list shall not circumscribe the generality of the expression immediately preceding the word "including".
- 127. Notices Where any notice, request, direction or other communication (any of which is a "Notice") is to be given or made by a party under the Agreement, it shall be in writing and is effective if delivered in person or sent by mail to the address above. A Notice is deemed given if delivered in person, when delivered or if by mail, five (5) days following deposit with Canada Post. A party may change its address or fax number by giving notice to the other party under this section.
- 128. Extraneous Agreements The Subtenant acknowledges that there are no covenants, representations, warranties, agreements, or conditions expressed or implied relating to this Agreement or the Premises save as expressly set out in this Agreement. This Agreement may not be modified except by an agreement in writing executed by the City and the Subtenant.
- 129. City and Head Landlord Discretion Wherever in this Agreement the approval or consent of the City or Head Landlord is required, some act or thing is to be done to the City or Head Landlord's satisfaction, the City or Head Landlord are entitled to form an opinion, or the City or Head Landlord is given the sole discretion:
 - a. the relevant provision is not deemed to have been fulfilled or waived unless the approval, consent, opinion or expression of satisfaction is in writing signed by the City and the Head

Landlord as required, or their authorized representative;

- b. the approval, consent, opinion or satisfaction is in the discretion of the City or Head Landlord as required;
- c. sole discretion is deemed to be the sole, absolute and unfettered discretion of the City or Head Landlord as required; and
- d. no public law duty of procedural fairness or principle of natural justice shall have any application to such approval, consent, opinion, satisfaction or discretion.
- 130. No Effect on Laws or Powers Nothing contained or implied herein prejudices or affects the City's rights and powers in the exercise of its functions under the *Community Charter* (British Columbia), the *Local Government Act* (British Columbia), or any other enactment to the extent the same are applicable to the Premises, all of which may be fully and effectively exercised in relation to the Premises as if this Agreement had not been fully executed and delivered.
- 131. Severability If any portion of this Agreement is held invalid by a court of competent jurisdiction, the invalid portion shall be severed and the decision that it is invalid shall not affect the validity of the remainder of the Agreement.
- 132. Successors and Assigns This Agreement and everything herein contained shall enure to the benefit of and be binding upon the successors and assigns of the City and the permitted successors and permitted assigns of the Subtenant.
- 133. Governing Law This Agreement shall be governed by and construed in accordance with the laws in force in the province of British Columbia. The venue of any proceedings taken in respect of or under this Agreement shall be Kelowna, British Columbia as long as such venue is permitted by law, and the Subtenant shall consent to any application by the City to change the venue to Kelowna, British Columbia of any proceedings taken elsewhere.
- 134. Frustration Notwithstanding the occurrence or existence of any event or circumstance or the non-occurrence of any event or circumstance, and so often and for so long as the same may occur or continue which, but for this section, would frustrate or void this Agreement, and notwithstanding any statutory provision to the contrary, the obligations and liabilities of the Subtenant hereunder shall continue in full force and effect as if such event or circumstance had not occurred or existed.
- 135. Acceptance The Subtenant accepts this sublease of the Premises, to be held by it as subtenant, and subject to the conditions, restrictions, and covenants of this Agreement. The acceptance of possession of the Premises shall be conclusive evidence as against the Subtenant that, as of the Commencement Date, the City had duly completed all work required to be completed by the City prior to the Commencement Date and the Premises were in good order and satisfactory condition for the commencement of the work and business of the Subtenant.
- 136. Bribes The Subtenant hereby confirms that it has not, nor has any person on its behalf, given, promised or offered to any official or employee of the City for or with a view to obtaining the sublease granted herein any bribe, gift or other inducement and that it has not, nor has any person on its behalf, employed any person to solicit or secure the sublease granted herein upon any agreement for a commission, percentage, brokerage, or contingent fee.

- 137. House of Commons No Member of the House of Commons of Canada shall be admitted to any share or part of the sublease granted herein, or to any benefit to arise therefrom.
- 138. Counterparts This Agreement may be executed by the parties in counterpart, and the counterparts may be delivered by facsimile or email transmittal.
- 139. The following are the Schedules to this agreement and form an integral part of this Agreement:

Schedule A – Reduced Copy of Drawings of Premises

Schedule B – Definition of Gross Revenue

Schedule C – Airport Vehicle Rental Concession Revenue and Payment Report

Schedule D - Form of Irrevocable Letter of Credit

Schedule E – Operational Proposal

Schedule F - Material Disclosure

Schedule G and G1 - Insurance Requirements

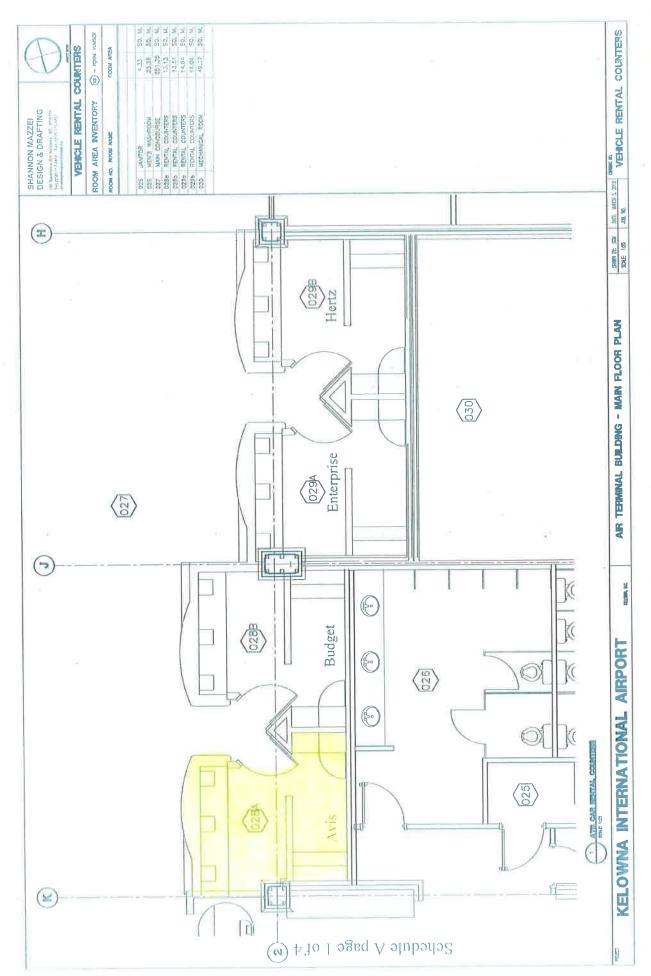
If anything in Appendix E contravenes or is incompatible with the terms and the conditions of the Agreement, the Agreement will take precedence.

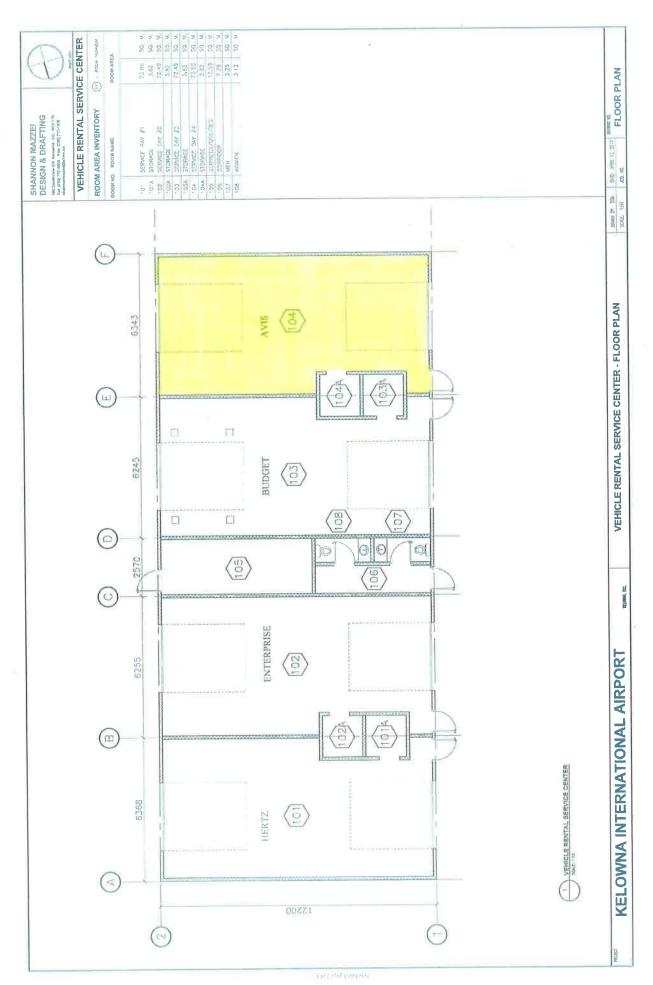
As evidence of their agreement to be bound by the above terms, the City and the Subtenant have each executed this Agreement below on the respective dates written below:

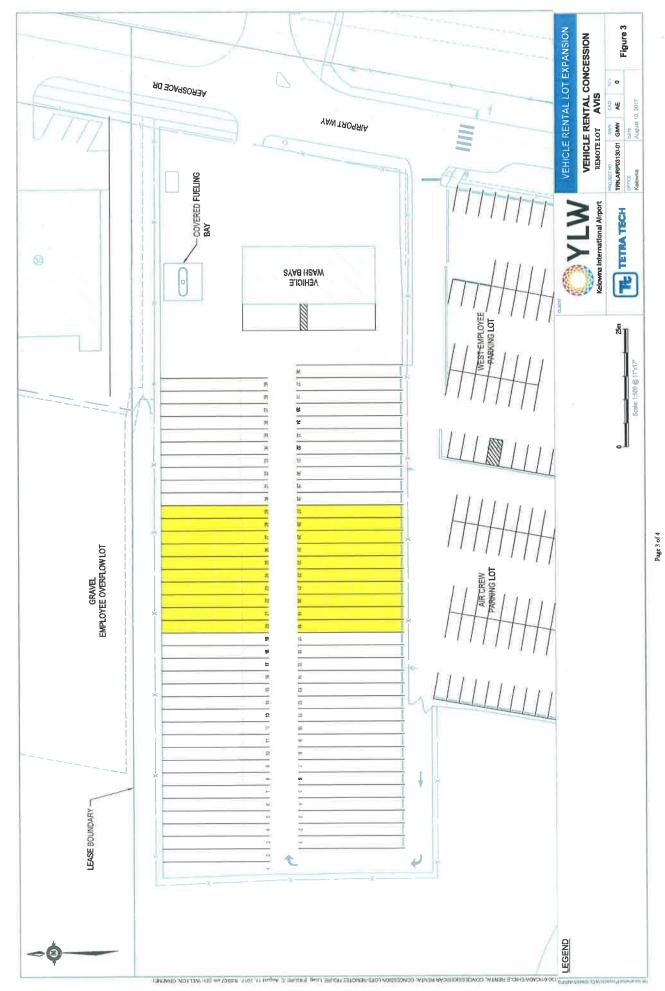
CITY OF KELOWNA by its authorized signatories:

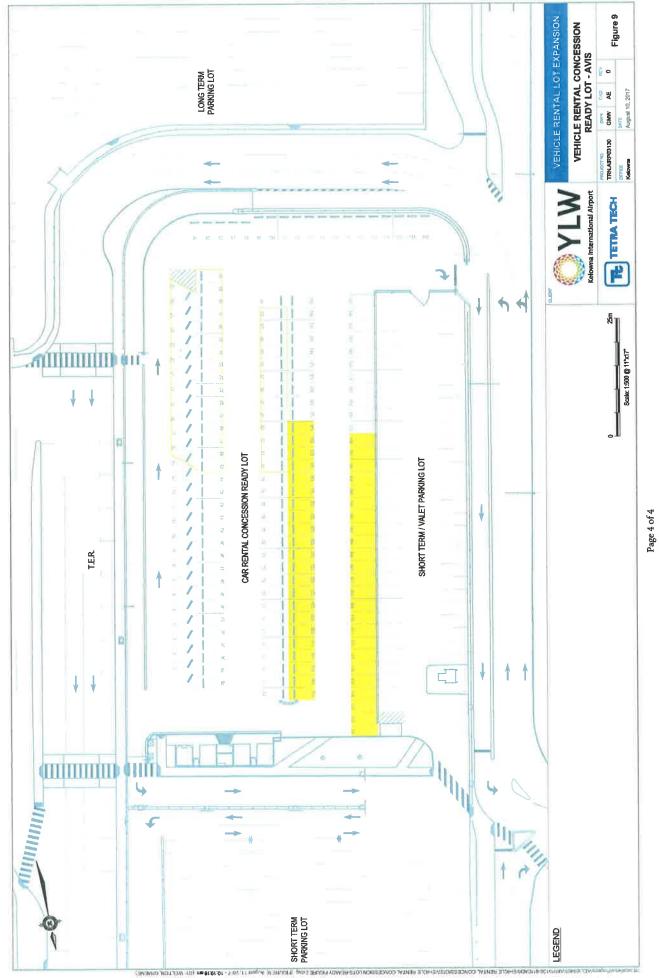
Mayor:
Clerk:
Date:
Name: Jon Zuser
Name:
Date: 4 2017

SCHEDULE A DRAWINGS OF PREMISES









SCHEDULE B

DEFINITION OF GROSS REVENUE

1. In this Agreement, Gross Revenue means the total revenue derived from all rental contracts opened or entered into at the Airport as reported by the Subtenant to the satisfaction of the City.

A vehicle leased at the Airport may be exchanged for another vehicle held at some other location. Where there is no break in the service supplied by the Subtenant, the total revenue from both vehicles is considered as part of the original contract written at the Airport and included in the Gross Revenue.

Vehicle rental business operators at airports, in addition to renting their own vehicles, frequently rent vehicles situated at an airport but which are owned by another location. The vehicle rental business operators in these circumstances split or share the revenue derived from such contracts in what is known as a "rent-back", "send-back" or "shared revenue" arrangement. For the purpose of calculating the sums reserved under this Agreement, the entire revenue from the contract is to be included in the Gross Revenue and reported to the City.

For purposes of illustration only, the following are the most common types of charges normally found in vehicle rental contracts:

- (a) Charges assessed on a "per kilometre" basis;
- (b) Fixed rental charges imposed on a time basis (hourly, daily, monthly, yearly);
- (c) Charges commonly referred to as "drop-off charges" or "intercity fees";
- (d) Charges for all types of insurance coverage including Collision Damage Waiver Charges;
- (e) Charges for "accessories" or "additional features", which include but are not limited to air conditioning, roof racks, (but does not include charges for child- and infant-restraint systems, if any);
- (f) Commissions received by the Subtenant from the suppliers of accessories;
- (g) Reimbursement of expenses, such as maintenance and tire repairs. Such credits are not to be deducted when determining the gross revenue of the contract. See Section 3 below relative to gasoline supplied by the Subtenant or purchased by the customer.
- (h) Fees associated with the sale of gift certificates; and
- (i) any fees or charges imposed on customers as a recovery by the Subtenant of any fees paid to the City.
- 2. Charges excluded from Gross Revenue are as follows:

- (a) all sales and goods and services taxes at the retailer level, the amount of which is determined by the amount of sales made and which is required to be collected and accounted for to any federal, provincial or municipal authority;
- (b) where a commercial discount is applied to a contract, such discount will be taken into consideration and deducted from the Gross Revenue;
- charges in the vehicle rental contract which the customer has requested the Subtenant to pay on the customer's behalf and for which payment is recovered at the time the rental contract is settled or closed, will be referred to as "Third Party Charges". Third Party Charges as shown in the contract will be excluded from the Gross Revenue calculation. Third Party Charges include, but are not limited to, the payment of a parking ticket, toll fee, towing fee or impound fee on behalf of a customer;
- (d) where a service call is made by a customer to the vehicle rental location, the service call charges will be excluded from the determination of Gross Revenue. For example, where a customer loses the keys for a rented vehicle and phones the Subtenant to obtain a duplicate set;
- (e) monies received from customers as reimbursement to the Subtenant for damages caused to a vehicle by accident or mishap do not form part of the Gross Revenue where such charges have been added to or included in the contract;
- (f) any customer facility charge, as defined in Section 15 of the Agreement.

For certainty, losses from bad debts are considered to be a normal business expense and shall not be deducted from Gross Revenue.

- 3. With respect to gasoline supplied by the Subtenant or purchased by the customer, the following types of contracts are known to prevail:
 - (a) Fuel Recharge where the customer bears the cost of gasoline. Under these contracts the charges by the Subtenant to top up the tank are not to be included when determining Gross Revenue; and
 - (b) Fuel Service Option (or similar name) rental and mileage with gasoline included or prepaid. Under these contracts revenues are not to be deducted when determining Gross Revenue.

SCHEDULE C

CONCESSION REVENUE AND PAYMENT REPORT



1-5533 Airport Way Kelowna, BC V1V 1S1 250 807-4300 ytw.kelowna.ca

Vehicle Revenue

Revenue

VEHICLE RENTAL
CONCESSION REVENUE AND PAYMENT REPORT

REPORTING COMPANY:		REPORTING MONTH:	
GST REGISTRATION NUMBER:			
ACCUMULATED GROSS REVENUE PR (excluding GST)	REVIOUSLY REPORTED	1	
Distance Charges Time Charges Drop Off Charges Collision Damage Waiver & Other Ins. Charges Concession Fees @ 12% Other Charges	2 3 4 5 6		
Total Gross Monthly Revenue (2 - 6)		8_\$	*
ACCUMULATED GROSS REVENUE TO DATE (exc. GST) (Sum of 1 and 8)		9_\$	<u>×</u>
FEE AT 12% OF GROSS REVENUE TO DATE (#9)		10_\$	
MINIMUM GUARANTEED OWED OVER PROLAPSED TIME		11	
ACCUMULATED FEE PREVIOUSLY PA	12		
CURRENT FEE (10 OR 11 whichever	13		
CURRENT MONTH FEE PREPAID IF ANY		14	
FEES PAYABLE THIS MONTH (13 - 14	15_\$	2	
GST PAYABLE (5% of 15)	16 \$	×_	
TOTAL OWING THIS MONTH		17_\$	8
Certified Correct			
Date	Signature	Title	

SCHEDULE D

ACCEPTABLE FORM OF LETTER OF CREDIT

Date: (Name of Bank) (Address of Bank)

City of Kelowna City Hall 1435 Water Street Kelowna, BC V1Y 1J4

Dear Sirs:

Re: (Project or City File #)

At the request of (legal name of Subtenant), we hereby establish in your favour our irrevocable letter of credit for a sum not exceeding (amount).

This credit shall be available to you by sight drafts drawn on the (Name and Address of Bank) when supported by your written demand for payment made upon us.

This Letter of Credit is required in connection with an undertaking by (the owner(s) / authorized agent) to perform certain works and services required by you.

We specifically undertake not to recognize any notice of dishonor of any sight draft that you shall present to us for payment under this Letter of Credit.

You may make partial drawings or full drawings at any time.

We shall honour your demand without inquiring whether you have a right as between yourself and our customer.

This credit will expire on (date) subject to the condition hereinafter set forth.

It is a condition of this credit that it shall be deemed to be automatically extended, without amendment, for one year from the present or any future expiry date hereof, unless 30 (thirty) days prior to such expiry date, we notify you in writing, by registered mail, that we elect not to consider this credit to be renewable for an additional period. Upon receipt of such notice, you may draw hereunder by means of your written demand for payment.

(Bank Signatures)	(Bank Signatures)
This credit is subject to the uniform customs International Chamber of Commerce, Paris, Fran	and practice for Documentary Credits (2007 Revision, ice, Publication No. 600)
Our reference for this Letter of Credit is	

SCHEDULE E OPERATIONAL PROPOSAL

SCHEDULE F

LIST OF MATERIAL DISCLOSURES

Potential Hazards including, but not limited to

- a) Underground power, gas, fiber-optic, telephone, etc.
- b) Shoring and excavations (cave in, engulfment, entrapment)
- c) Biological hazards (sewage, needles)
- d) Gases (H2S, natural gas, methane, carbon monoxide, LEL)
- e) Traffic
- f) Overhead hazards (power, trees, falling materials)
- g) Backing up equipment and trucks
- h) Utilities (gas, power, water)
- i) Hazardous materials (asbestos, lead, silica, VOC's)
- j) Working at heights (3m/10ft)
- k) Entering confined spaces
- Slips and trips
- m) Power tools
- n) Hand tools
- o) Lifting and carrying
- p) Poor lighting
- q) Limited access and egress
- r) Fire
- s) Fumes (diesel gas, paints, oils, solvents)
- t) Noise
- u) Fecal matter (bird, mouse droppings)
- v) Workplace violence and/or bullying
- w) Thermal stress (cold and heat)
- x) First aid situation
- y) Working with or around mobile equipment or vehicles
- z) Ladders, scaffolds and work platforms
- aa) Used needles
- bb) Insects (ticks, bees, flies, mosquitoes, etc.)
- cc) Thermal stress (cold and heat)
- dd) Working near water (streams, creeks)
- ee) Overhead trees (large branches potential to break and fall)
- ff) Uneven terrain (hills, paths, brush)
- gg) Small ride on engine equipment
- hh) Small engine equipment hand held
- ii) Lifting and carrying
- jj) Working alone
- kk) Serious inclement weather events (tornado, earthquake, lightning, thunderstorms, hail)
- II) Inclement weather events (fog, dust storms, wind, rain)
- mm) Aggressive animals (dogs, raccoons, marmots, badgers, bears, cougars, snakes)
- nn) Playground hazards (pinch points, sharp edges, slippery surfaces, children)
- oo) Working with or around mobile equipment

- pp) Engine exhaust
- qq) Welding fumes
- rr) Grinding (airborne material)
- ss) Welding flash
- tt) Tripping hazards
- uu) Moving heavy equipment
- vv) Open floor pit
- ww) Overhead obstruction
- xx) Chemical fumes (diesel, gas, paints, oil, solvents)
- yy) High pressure air/liquid
- zz) Personnel issues/potential for workplace violence and/or bullying
- aaa) Vehicle hoist

SCHEDULE G

INSURANCE REQUIREMENTS

1. Subtenant to Provide

The Subtenant shall procure and maintain, at its own expense and cost, the insurance policies listed in section 2 of this Schedule G, with limits no less than those shown in the respective items, unless the City advises in writing that it has determined that the exposure to liability justifies less limits. The insurance policy or policies shall be maintained continuously during the Term.

2. Insurance

As a minimum, the Subtenant shall, without limiting its obligations or liabilities under any other contract with the City, procure and maintain, at its own expense and cost, the following insurance policies:

- 2.1 Worker's compensation insurance covering all employees of the Subtenant engaged in this Agreement, services and/or occupancy in accordance with statutory requirements of the province or territory having jurisdiction over such employees;
- 2.2 Commercial General Liability Insurance:
 - a. commercial general liability (including bodily injury, death, and property damage) insurance on an occurrence basis with respect to the business carried on, in, or from the Premises and the Subtenant's use and occupancy thereof, of not less than \$5,000,000.00 per occurrence (or such greater reasonable amount as the City may require from time to time), which insurance shall include the City as an additional insured and shall protect the City in respect of claims by the Subtenant as if the City were separately insured;
 - b. including coverage for Products/Completed Operations, Blanket Contractual, Contractor's Protective, Personal Injury, Contingent Employer's Liability, Broad Form Property Damage, and Non-Owned Automobile Liability; and
 - c. including a Cross Liability clause providing that the inclusion of more than one Insured shall not in any way affect the rights of any other Insured hereunder, in respect to any claim, demand, suit or judgment made against any other Insured.
- 2.3 Automobile Liability Insurance covering all motor vehicles, owned, operated and used or to be used by the Subtenant directly or indirectly in the performance of the Sublease. The Limit of Liability shall not be less than \$5,000,000 inclusive, for loss or damage including personal injuries and death resulting from any one accident or occurrence.

2.4 Crime/Employee Dishonesty

a. The Subtenant's insurance will reimburse the Subtenant for loss arising out of the Subtenant's indemnification of the City for any dishonest or fraudulent act(s) committed by the Subtenant's Responsible Persons, acting alone or in collusion with others, but only

when and to the extent that the Subtenant is liable for such indemnification pursuant to the terms of this Agreement. The Limit of Liability shall not be less than \$150,000 inclusive, for loss resulting from any one occurrence.

b. This insurance is for the Subtenant's benefit only. It provides no right or benefits to any other person or organization, including the City. Any claim for loss that is covered pursuant to the above paragraph must be presented by the Subtenant.

2.5 Property Insurance:

and if the City shall require the same from time to time, then also:

- a. tenant's fire insurance in an amount not less than the actual cash value of the Premises, as determined by the City;
- b. insurance upon all plate glass in or which forms a boundary of the Premises in an amount sufficient to replace all such glass; and
- c. insurance in such amounts as may be reasonably required by the City in respect of fire and such other perils, including sprinkler leakage, as are from time to time defined in the usual extended coverage endorsement covering the Subtenant's trade fixtures and the furniture and equipment of the Subtenant and all Leasehold Improvements in the Premises, and which insurance shall include the City as an additional insured as the City's interest may appear with respect to the insured Leasehold Improvements and provided that any proceeds recoverable in the event of loss to Leasehold Improvements shall be payable to the City, but the City agrees to make available such proceeds toward the repair or replacement of the insured property if this Agreement is not terminated under any other provision hereof.

3. <u>Insurance Policies</u>

Except the Automobile Liability Insurance required in section 2.3 and the Crime/Employee Dishonesty Insurance in section 2.4, all other insurance required in sections 2.2 and 2.5 are to be maintained by the Subtenant hereunder shall be on terms and with insurers to which the City has no reasonable objection and shall provide that the City is named as an additional insured thereunder and that said policies are primary without any right of contribution from any insurance otherwise maintained by the City, and that such insurers shall provide to the City 30 days' prior written notice of cancellation or material alteration of such terms.

4. Subtenant's Contractor and Agents

The Subtenant shall require each of its contractor's and agent's that make use of the Premises or provide services to the Subtenant at the Premises provide comparable insurance to that set forth under section 2.

5. Other Insurance

After reviewing the Subtenant's certificates of insurance, the City may, within reason, require other insurance or alterations to any applicable insurance policies in force during the Term and will give

notifications of such requirement. Where other insurances or alterations to any insurance policies in force are required by the City and result in increased insurance premium, such increased premium shall be at the Subtenant's expense.

6. Additional Insurance

The Subtenant may take out such additional insurance, as it may consider necessary and desirable. All such additional insurance shall be at no expense to the City.

7. <u>Insurance Companies</u>

All insurance, which the Subtenant is required to obtain with respect to this contract, shall be with insurance companies registered in and licensed to underwrite such insurance in the province of British Columbia.

8. Failure to Provide

If the Subtenant fails to do all or anything which is required of it with regard to insurance, the City may do all that is necessary to effect and maintain such insurance, and any monies expended by the City shall be repayable by and recovered from the Subtenant.

Nonpayment of Losses

The failure or refusal to pay losses by any insurance company providing insurance on behalf of the Subtenant shall not be held to waive or release the Subtenant from any of the provisions of the insurance requirements or this Agreement, with respect to the liability of the Subtenant otherwise. Any insurance deductible maintained by the Subtenant under any of the insurance policies is solely for its account and any such amount incurred by the City will be recovered from the Subtenant as stated in section 8.



SCHEDULE G-1 CERTIFICATE OF INSURANCE

1435 Water Street Kelowna, BC V1Y 1J4 250 469-8500 kelowna.ca

City staff to complete prior to circulation	
City Dept.:	
Dept. Contact:	
Project/Contract/Event:	

	·	·			
Insured	Name:				
	Address:				
Broker	Name:				
	Address:				
ocation and nature of				ertificate appli	es:
Vehicle rental concession	on operation at i	Kelowna International A	Airport.		
			Poli	cy Dates	
Type of Insurance		Company & Policy Number	Effective	Expiry	Limits of Liability/Amounts
Section 1					Bodily Injury and Property Damage
Commercial Gene	ral Liability				t F 000 000 Inclusive
including:Products/Complet	ed Operations				\$ <u>5,000,000</u> Inclusive \$ Aggregate
Blanket Contractu					\$ Deductible
Contractor's Prote					
Personal Injury;					
Contingent Emplo	ver's Liability;			1	
Broad Form Prope					
Non-Owned Automobile;					
 Cross Liability Class 	use.		140		
Section 2					Bodily Injury and Property Damage
Automobile Liability					\$ <u>5,000,000</u> Inclusive
Section 3					\$150,000 per occurrence
Crime/Employee Disho	onesty				
	e or Reimburser	nent Clause contained			o reflect the following: ly to the City of Kelowna and shall be
		isured named above. as an Additional Insure	ad (Section 1	only)	
					to the City of Kelowna.
				-	•
Print Name	Ti	tle		Company (I	nsurer or Broker)
Signature of Authori	zed Signatory			Date	

DOJ Approved Template Dec 13, 2012

VEHICLE RENTAL CONCESSION AGREEMENT

THIS A	GREEMENT dated for reference the day of, 2017 is				
BETWE	EEN:				
	CITY OF KELOWNA, 1435 Water Street, Kelowna, B.C. V1Y 1J4				
	(the "City")				
AND:					
	AVISCAR INC., 1 Convair Drive East, Etobicoke, ON M9W 6Z9				
	(the "Subtenant")				
WHER	EAS:				
Α.	By a lease dated December 19, 1979 (the "Head Lease") between the City and Her Majesty the Queen in Right of Canada (the "Head Landlord"), as represented by the Minister of Transport (the "Minister"), the Head Landlord leased to the City the following lands, on the terms and conditions set out in the Head Lease:				
	Parcel Identifier: 009-459-014 Lot 3 District Lots 32 and 120 and of Section 14 Township 23 Osoyoos Division Yale District F 11796				
	Parcel Identifier: 013-949-101 Lot B District Lot 122 Osoyoos Division Yale District Plan 41159				

Parcel identifier: 011-518-189

Lot 7 Section 14 Township 23 Osoyoos Division Yale District Plan 1502 Except Plan H16596

(collectively the "Lands");

- B. The City and the Head Landlord amended the Head Lease on November 8, 1983, January 14, 1985, October 31, 1986, January 19, 1990, November 29, 1990, May 26, 1994, June 14, 1994, February 16, 1996, and July 24, 2015;
- C. The Lands are used for the purpose of operating and maintaining the Kelowna International Airport (the "Airport"), and the City has constructed a terminal building on the Lands for use in connection with the Airport (the "Terminal Building");
- D. The City has agreed to sublease to the Subtenant a portion of the Lands and Terminal Building for the purpose of operating a vehicle rental concession;
- E. As required under section 4 of the Head Lease, the written consent of the Head Landlord is required for this Agreement;

F. In accordance with section 26 of the *Community Charter*, the City has posted and published notice of its intention to sublease the Premises to the Subtenant;

NOW THEREFORE THIS AGREEMENT WITNESSES that, in consideration of the rents, covenants, and agreements to be paid, observed, and performed by the Subtenant, and other good and valuable consideration (the receipt and sufficiency of which are hereby expressly acknowledged) the City and the Subtenant covenant and agree as follows:

Definitions

- 1. In this Agreement:
 - a. "Airport Director" means the person holding that position, or acting in the capacity of the Airport Director of the Airport;
 - b. "Gross Revenue" has the meaning set out in Schedule B;
 - c. "Premises" means that portion of the Lands and the Terminal Building shown highlighted in yellow on the sketches attached as Schedule A, and includes the counter space, vehicle parking spaces, kiosk space and vehicle service center space as shown in Schedule A;
 - d. "Vehicle" means an automobile, motorcycle, van, truck and any other vehicle propelled, driven, or drawn other than by muscular power.

Sublease

2. The City subleases the Premises to the Subtenant for the Term, and the Subtenant subleases the Premises from the City for the Term, on and subject to the terms and conditions of this Agreement.

Condition Precedent

- 3. The City's obligation to sublease the Premises and the Subtenant's obligation to sublease the Premises from the City are subject to the following condition precedent:
 - a. On or before the Commencement Date, the City will have obtained the Head Landlord's written consent to this Agreement, as required pursuant to section 4 of the Head Lease.

The City and the Subtenant agree that the condition precedent in subsection a. above is for the benefit of both the City and the Subtenant and may not be waived. If that condition is not satisfied by the date specified, this Agreement is at an end.

Term

4. The term of this Agreement (the "Term") is five (5) years, commencing on October 1, 2017 (the "Commencement Date") and expiring on September 30, 2022 (the "Expiry Date").

- 5. If the Subtenant shall hold over after the expiration of the Term or after the expiration of the last renewal thereof, and the City shall accept rent, the new tenancy thereby created shall be a tenancy from month to month and not a tenancy from year to year, and the Subtenant shall pay as rent during the time of such occupancy an amount to be determined at the reasonable discretion of the City, and shall be subject to the covenants and conditions herein contained so far as the same are applicable to a tenancy from month to month. Any such over holding month to month tenancy may be terminated by the City by providing thirty (30) days notice in writing
- 6. If, at the expiration of the Term, all Rent or other sums or charges due or payable have been fully paid and the Subtenant has on its part observed and performed all the covenants, provisos, conditions and reservations herein contained, the City may, at its sole discretion, grant to the Subtenant an extension of this Agreement for a second term not exceeding one (1) year commencing in like manner, and, at the expiration of such second term may grant to the Subtenant an extension of this Agreement for a third term not exceeding one (1) year commencing in like manner, subject always to the covenants, provisos, conditions and reservations herein contained. The City shall provide written notice to the Subtenant of its intention to grant an extention of this Agreement at least ninety (90) days prior to the end of the Term and, if applicable, any renewal term.

Rent

- 7. The Subtenant shall pay to the City all amounts required by the City of Kelowna Airport Fees Bylaw No. 7982 (the "Bylaw"), as amended from time to time, including the concession fee, counter space fee, vehicle parking stall fee, remote lot vehicle parking stall fee, service centre fee, and the automotive fuel system fee, as set out in the Bylaw (together, the "Rent"). For certainty, as of the Commencement Date the Rent shall be as set out below:
 - a. An annual minimum guarantee, for the periods and in the amounts listed below, or 12% of the Gross Revenue for the periods listed below, whichever is the greater amount:
 - i. from October 1, 2017 to September 30, 2018, an annual sum of \$635,004.00, payable in equal monthly installments;
 - ii. from October 1, 2018 to September 30, 2019, an annual sum of \$666,996.00, payable in equal monthly installments;
 - iii. from October 1, 2019 to September 30, 2020, an annual sum of \$699,996.00, payable in equal monthly installments;
 - iv. from October 1, 2020 to September 30, 2021, an annual sum of \$735,000.00, payable in equal monthly installments;
 - v. from October 1, 2021 to September 30, 2022, an annual sum of \$771,996.00, payable in equal monthly installments;
 - vi. in the event the first option to extend the Term for one additional year is entered into, from October 1, 2022 to September 30, 2023, an annual sum of \$810,996.00, payable in equal monthly installments;

- vii. in the event the second option to extend the Term for one additional year is entered into, from October 1, 2023 to September 30, 2024, an annual sum of \$851,004.00, payable in equal monthly installments.
- b. For the use and occupancy of the counter space: Four-hundred and Seventy-Seven dollars and 24 cents (\$477.24) per square metre per annum.
- c. For the use of the ready vehicle parking spaces: Forty dollars (\$40.00) per month, for each of the parking spaces designated by the Airport Director for parking of the Subtenant's vehicles.
- d. For the use of the vehicle rental service center space: One-hundred and thirty-nine dollars and fifteen cents (\$139.15) per square metre per annum.
- e. For the use of the remote vehicle parking spaces: Thirty dollars (\$30.00) per month, for each of the parking spaces designated by the Airport Director for parking of the Subtenant's vehicles.
- f. For use of automotive fuel system: The cost of the fuel to the City plus an administration fee of eleven percent (11%).
- 8. Rent referred to in section 7.a. shall be paid by the Subtenant in monthly instalments and shall become due and payable within fifteen (15) days after the last day of each month during the Term of this Agreement. The Subtenant shall submit to the Airport Director a duly completed Airport Vehicle Rental Concession Revenue and Payment Report in the form attached as Schedule C, signed by an authorized signing officer of the Subtenant, upon which the percentage payments under this Agreement shall be calculated. The Subtenant shall remit to the City in accordance with the provisions hereof the required percentage of all Gross Revenue derived by the Subtenant from its operations hereunder whether such Gross Revenue is actually paid or is due and payable only, and notwithstanding any loss sustained by the Subtenant with respect to such Gross Revenue as a result of theft, defalcation or any other cause whatsoever.
- 9. Rent referred to in sections 7.b., c., d., and e. will be invoiced by the City on a monthly basis and will become due and payable on the 1st of each month for which the Premises are occupied. Rent referred to in section 7.f. will be invoiced as a recovery and is due and payable the last day of the month following the date of the invoice (e.g. March 24th invoice, payment due April 30th).
- 10. The Subtenant hereby waives and renounces any and all existing and future claims, offsets, and compensation against any Rent and agrees to pay such Rent regardless of any claim, offset, or compensation which may be asserted by the Subtenant or on its behalf.
- 11. All payments by the Subtenant to the City under this Agreement shall be applied toward such amounts then outstanding as the City determines and the City may subsequently alter the application of any such payment.
- 12. The parties acknowledge and agree that the Rent set out in section 7 above includes the provision of reasonable supply of electricity, water, heat, air conditioning, and general cleaning and

sanitation services to the Premises, notwithstanding which the Subtenant shall not have nor make any claim or demand, nor bring any action or suit or petition against the City or any of its officers, servants, or agents for any damage or harm which the Subtenant may sustain by reason of any temporary suspension, interruption, or discontinuance of such services, in whole or in part, from whatever cause arising.

- 13. The Subtenant acknowledges and agrees that the cost of electricity consumed in that portion of the Premises comprising the service centre, as shown in Schedule A (the "Service Centre"), is shared equally among the car rental concessionaires occupying space in the Service Centre. The Subtenant further acknowledges and agrees that it is responsible for all other utility costs, in particular all telephone, cable, and internet costs.
- 14. The Subtenant acknowledges and agrees that if the Service Centre is relocated during the Term, the cost of water used at the new Service Centre location will be shared among the car rental concessionaires occupying space in the new Service Centre.
- 15. The Subtenant acknowledges and agrees that during the Term the City may institute a customer facility charge ("CFC") that will be applied to each customer's rental car agreement. The CFC will be collected by the Subtenant and remitted to the City on a monthly basis within fifteen (15) days after the last day of each month the CFC is in effect.

Financial Statements and Record Keeping

- 16. The Subtenant covenants and agrees with the City as follows:
 - a. that during the currency of this Sublease, the Subtenant shall cause to be kept, books and records of all revenue and expenses, such books and records to be kept in accordance with Canadian Generally Accepted Accounting Principles or International Financial Reporting Standards. The Subtenant shall retain these books and records for a period of two (2) years following the expiry of this Agreement;
 - b. on or before the fifteenth (15th) day of each month of the Term, the Subtenant shall supply to the Airport Director, in a format deemed satisfactory by the Airport Director, an itemized statement of Gross Revenue for the preceding month, upon which the percentage Rent payments under section 7.a. of this Agreement are calculated;
 - c. that within ninety (90) days of the end of each year of this Agreement, and within ninety (90) days of the Expiry Date, the Subtenant shall submit to the City an audited annual statement of Gross Revenue relating to the operations under this Agreement. The audited annual statement of Gross Revenues shall contain an unqualified independent auditor's report signed by the licensed Chartered Professional Accountant(s) that completed the audit;
 - d. if the Subtenant fails to submit the statements referred to in section 16.c within the specified time, the Airport Director may cause to have the statements prepared in accordance with Section 17, in which case the Subtenant shall, forthwith upon receipt of appropriate accounts,

- reimburse the City for all expenses connected therewith plus twenty percent (20%) of such expense;
- e. that the Subtenant shall also provide, in addition to the documents referred to in a., b., and c. above, such financial statements as may be requested by the Airport Director from time to time.

Audit and Inspection

17. The Subtenant agrees that the books of the Subtenant shall be open for audit and inspection and for taking extracts therefrom at all times, during business hours, by the accredited officers of the City. The Subtenant shall prepare and keep adequate books and records which shall show all transactions by the Subtenant. The cost of any audit performed pursuant to this clause shall be borne by the City, provided, however, that should the results of such audits reveal a discrepancy of more than THREE PERCENT (3%) between the Gross Revenue reported in accordance with Schedule C herein and the Gross Revenue as determined by such audits then the full cost of such audits shall be borne by the Subtenant.

Disclosure of Gross Revenue Information

18. It is understood and agreed that in the concluding year of this Agreement and at any time after its termination, the City may publish the annual total of the Gross Revenues reported by the Subtenant in each year of this Agreement for the purpose of public information, along with a breakdown of such Gross Revenues.

Security Deposit

- Prior to the Commencement Date, the Subtenant shall provide to the City a security deposit in the amount of one quarter (1/4) of the highest annual minimum guarantee during the Term, specifically one hundred and ninety two thousand nine hundred and ninety nine dollars (\$192,999.00) (the "Security Deposit") in the form of an irrevocable letter of credit, in the format attached hereto as Schedule D. The Security Deposit will be retained by the City for the Term of this Agreement or until this Agreement comes to an end, whichever comes first. The Security Deposit shall be returned to the Subtenant, provided that if the Subtenant fails to pay any portion of the Rent due and/or impairs, damages or injures the Premises or any part thereof during the Term of this Agreement, the City may draw on the Security Deposit and may apply the funds or any part thereof to the arrears of sums and/or towards the repair of such damage. The application of the Security Deposit by the City shall not constitute a waiver nor in any way defeat or affect the rights of the City in terms of this Agreement or any and all other rights and remedies which the City has by law. Failure to provide the Security Deposit as required herein may result in immediate termination of this Agreement without compensation to the Subtenant.
- The Subtenant asserts that the Security Deposit provided pursuant to section 19 is not subject to any existing encumbrance, charge, or security agreement.
- The Subtenant covenants and agrees that it will not assign, encumber nor attempt to assign or encumber the Security Deposit provided pursuant to section 19 and that the City shall not be bound by any such assignment, encumbrance, attempted assignment or attempted encumbrance.

Concession Fees

- 22. The City agrees to allow the Subtenant to incorporate "concession fees" not to exceed 13.64% of Gross Revenues into customer rental agreements provided the Subtenant does not state or imply that the extra charge was, directly or indirectly, a fee, charge, surcharge, or tax imposed or levied on the customer by the City or by, on behalf of, or in any way connected with the Airport.
- 23. Notwithstanding section 22, the Subtenant shall not impose any fee or charge on its customers which is referred to or identified on any contract or invoice, or orally by the agents of the Subtenant, or by signs, notices or pamphlets posted at the Airport or otherwise made available to customers, including any form of verbal advice either in person or through any form of telecommunications, as being directly or indirectly a fee, charge, surcharge or tax imposed or levied by the City on the customer. The City shall be entitled to post a disclaimer in a prominent location on the Premises stating that any of the Subtenant's fees or charges are not being imposed on customers by the City, directly or indirectly.

Conduct of Business and Services Provided by the Subtenant

- 24. The Subtenant shall only use and occupy the Premises for the purpose of operating a vehicle rental concession and for no other purpose whatsoever.
- 25. No vehicles used by the Subtenant to provide the vehicle rental service at the Airport shall at any point in time be more than three (3) years old.
- 26. At all times during the currency of this Agreement, the vehicles used by the Subtenant to provide the vehicle rental service at the Airport shall be maintained in proper working condition and repair at the sole expense of the Subtenant.
- 27. At all times during the currency of this Agreement, the Subtenant shall have, available upon request, an adequate number (as reasonably determined by the Airport Director) of infant- and child-restraint systems for use in the vehicles provided at the Airport. All such systems must be clean, in proper working condition and meet the Canadian Motor Vehicle Safety Standards.
- 28. The Subtenant shall provide and maintain at the Airport a level of service and a range of types of vehicles together with appropriate prices charged therefor, which are comparable to those offered by the Subtenant at other locations within the area served by the Airport, all to the reasonable satisfaction of the Airport Director.
- 29. The Subtenant shall post its normal hours of operation, as approved from time to time by the Airport Director, in a prominent location within the counter space.
- 30. The Subtenant shall service the counters from fifteen (15) minutes before the first scheduled flight until fifteen (15) minutes after the last scheduled commercial flight, it being understood that the Airport Director may from time to time change these requirements upon providing reasonable notice to the Subtenant.
- 31. The Subtenant shall implement the operational proposal attached as Schedule E (the "Operational Proposal"). Any significant future proposed changes to the Operational Proposal, which is

- attached as Schedule E, must be approved by the Airport Director prior to implementation within a reasonable period of time.
- 32. The Subtenant shall provide customers with appropriate guidance and wayfinding to the rental car ready lot as reasonably deemed necessary by the Airport Director and especially during peak travel times including, but not limited to, the December holiday season, Spring Break and July.
- The Subtenant shall pay at the prevailing rates the costs for all electrical energy used in connection with electrical plug-ins that are provided in the parking spaces. In those instances, when the consumption of the electrical energy for plug-ins is not measured by separate meters, the Airport Director shall determine the applicable rate on the basis of cost comparison.
- 34. The Subtenant shall ensure all vehicle movements are completed in a safe manner while meeting all local, provincial and federal rules and regulations and all airport policies outlined by the Airport Director from time to time. The Subtenant shall be directly responsible for the actions of its employees in regards to these matters. Any breach of this section 34 will be considered a default of the Subtenant's obligations under this Agreement, triggering the City's right of re-entry and termination for default.

Subtenant's Covenants

- 35. The Subtenant covenants and agrees with the City:
 - a. to promptly pay when due, Rent and any other amounts required to be paid by it under this Agreement;
 - b. to promptly pay when due all amounts required to be paid by it pursuant to the Bylaw, including the automotive fuel system fee;
 - c. to only use and occupy the Premises for the purpose of carrying on the Subtenant's vehicle rental concession, and for no other purpose whatsoever;
 - d. to take possession of and occupy the Premises on the Commencement Date and commence to carry on business in the Premises no later than 15 days after the Commencement Date;
 - e. to carry on the Subtenant's vehicle rental concession operation in a safe, proper and first-class manner as befits a corporation operating within a municipal airport facility, with trained and certified staff, and not to undertake any activities or display any posters, art or printed material or play any music that is not appropriate to a public facility;
 - f. not to commit or permit any waste or injury to the Premises (including any drainage system, sanitary sewer system, or other facility provided for the protection of the general public or the operation of the Airport, any Leasehold Improvements and the trade fixtures therein), or any overloading of the floors thereof, or any conduct which impedes or, in the opinion of the City acting reasonably, could constitute a nuisance to the City, any other occupant of the Terminal Building, or anyone else;

- g. not to discharge, cause or permit to be discharged or howsoever to pass into the sewer systems, storm drains, or surface drainage facilities at the Airport or elsewhere any deleterious material, noxious, contaminated, or poisonous substances, all as determined by the City, whose decision shall be final, it being expressly understood and agreed that, in the event of a discharge or escape of any such deleterious material, noxious, contaminated, or poisonous substance under the control of the Subtenant, all clean-up costs incurred by the City shall be paid by the Subtenant;
- h. not to carry on any other use or manner of use which annoys or interferes with the operations of any other occupant of the Terminal Building or, in the opinion of the City acting reasonably, may have an adverse impact on the reputation of the Airport;
- not to do, omit to do, or permit to be done or omitted to be done upon the Premises anything which would cause the City's cost of insurance to be increased (and, without waiving the foregoing prohibition, the City may demand, and the Subtenant shall pay to the City upon demand, the amount of any such increase of cost caused by anything so done or omitted to be done) or which shall cause any policy of insurance to be subject to cancellation;
- j. not to permit the Premises to become untidy, unclean, unsightly, or hazardous, or permit unreasonable quantities of waste or refuse to accumulate therein;
- k. to provide complete and proper arrangements for the sanitary handling and disposal away from the Airport of all trash and other refuse resulting from the Subtenant's operations, all to the reasonable satisfaction of the Airport Director. Piling of boxes, barrels or other similar items shall not be permitted in any public area at the Airport;
- to comply at its own expense with all applicable local government, provincial, federal, or any other governing body whatsoever laws, bylaws, regulations, and requirements pertaining to the operation and use of the Premises, the condition of the Leasehold Improvements, trade fixtures, furniture, and equipment installed therein, and the making by the Subtenant of any repairs, changes or improvements therein, and to comply with all instructions given by the Airport Director (including with respect to safety and fire prevention);
- m. to abide by and comply with all regulations regarding the environment, traffic control, airport security, sanitation and all other regulations and directives relative to the management and operation of the Airport;
- n. to permit ingress and egress to and from the Premises by any person by use of fire exit doors in case of fire or emergency;
- o. to observe, and to cause its agents, officers, employees, invitees, and others over whom the Subtenant can reasonably be expected to exercise control to observe all rules and regulations which may be made or otherwise imposed by the City, of which notice in writing shall be given to the Subtenant, and all such rules and regulations shall be deemed to be incorporated into and form part of this Agreement;
- p. not to paint, display, inscribe, place, or affix any sign, symbol, notice, or lettering of any kind anywhere outside the Premises (whether on the outside or inside of the Terminal Building) or within the Premises so as to be visible from the outside of the Premises, except as expressly

approved in writing by the City as to design, size, and location, such approval not to be unreasonably withheld. Such identification sign shall be installed by the Subtenant at its own expense;

- q. not to contaminate or permit the contamination of the Premises, the Terminal Building, the Lands or surrounding area with any hazardous substances and should such contamination occur, to undertake all necessary remediation at the cost of the Subtenant;
- r. to permit the City (after giving reasonable notice to the Subtenant) from time to time to enter and to have its authorized agents, employees, and contractors enter the Premises for any purpose and the Subtenant shall provide free and unimpeded access and shall not be entitled to compensation for any inconvenience, nuisance, or discomfort caused, but the City shall proceed to the extent reasonably possible so as to minimize interference with the Subtenant's use and enjoyment of the Premises;
- s. to accept U.S. currency in payment for goods or services hereunder at such rates of exchange as may be determined by the Airport Director from time to time. The exchange rate so determined will be equal to the "buy" rate set by a chartered bank, determined by the Airport Director;
- t. to inform the public of the applicable U.S. currency by displaying signs indicating the said rate in a prominent location within the Premises;
- u. to accept debit and credit cards in payment for goods or services hereunder, in accordance with directives as may be given from time to time by the Airport Director. The Subtenant shall be responsible for obtaining and thereafter maintaining, at its own expense, all credit and debit card processing equipment necessary for the provision of a credit and debit card service;
- v. to take all reasonable precautions to ensure the safety of all persons using the Premises; and
- w. to promptly cause to be discharged any builders' lien which may be filed against the title to the Lands, and to comply at all times with the *Builders Lien Act* (British Columbia) in respect of any improvements, work, or other activities undertaken in, on, or to the Premises.

Service to Persons with Disabilities

36. The Subtenant shall have available at the Airport a sufficient number of hand-control systems to fill all reservations for hand-control-equipped vehicles which are received 24 hours or more before the vehicle is to be delivered to the customer, but in any event the Subtenant shall have not less than two hand controls at the Airport.

Where a reservation is received 24 hours or more before the vehicle is to be delivered to the customer and the Subtenant does not provide a hand-control-equipped vehicle, then the Subtenant shall arrange for convenient, alternative transportation until such time as a vehicle with hand controls is made available. The Subtenant shall pay the cost of the alternative transportation to the extent that such cost exceeds the cost of renting the vehicle with hand controls. This provision does not apply if at the time the reservation is received, the Subtenant has entered into rental agreements for its hand-control-equipped vehicles for the entire period the hand-control-equipped vehicle is required.

For any reservation which is not received 24 hours or more before the vehicle is to be delivered to the customer, the Subtenant will undertake its best efforts to provide hand-control-equipped vehicles if, at the time the reservation is received, a hand-control system is available for the entire period the vehicle is required.

The Subtenant acknowledges and agrees that the Airport Director may from time to time, within reason, change these requirements in response to changes in passenger volumes, upon giving reasonable notice to the Subtenant.

- 37. The Subtenant shall provide hand-control systems at no additional cost to the customer.
- 38. The Subtenant shall permit guide dogs to accompany the disabled passenger in the seating area of the rental vehicle and at no additional charge.
- 39. Hand controls provided by the Subtenant shall meet all Canadian Standards Association (CSA) and other applicable certifications and standards set by regulatory agencies and Provincial licensing bodies. Where the hand controls are permanently installed in the vehicles used at the Airport, the Subtenant shall provide appropriate inspection certificates attesting to the mechanical reliability of the vehicles.
- The Subtenant shall post signs in the counter space and kiosks within the Premises, where applicable, to indicate the availability of services for persons with disabilities. Such signs shall be of a form and content as may be approved by the Airport Director and shall be posted in such location as the Airport Director may determine.
- 41. If there is a demonstrated demand, the Subtenant will undertake its best efforts to add to its vehicle rental fleet vehicles which are accessible by persons with disabilities using a mobility device including a wheelchair or scooter for personal transportation. The accessible vehicles shall meet all federal and provincial safety certifications and standards and shall be provided at no additional cost to persons with disabilities.
- 42. The Subtenant shall provide its employees and agents who may interact with the travelling public at the Airport with the level of training required, as reasonably specified by the Airport Director, to ensure that its personnel possess the knowledge, skills and attitudes necessary to assist persons with disabilities in an effective and sensitive manner.
- 43. All such training shall comply with the Personnel Training Regulations for the Assistance of Persons with Disabilities Regulations (the "Regulations") issued by the *Canada Transportation Act*. The Subtenant shall ensure that all personnel shall complete their initial training within sixty (60) days after the commencement of their duties as well as receive periodic refresher training sessions throughout the Term, appropriate to the requirements of their function.
- The Subtenant shall keep its training program current and available for inspection by the Airport Director, National Transportation Agency, and the general public. The training program shall

- contain the information set out in the Regulations. The training program shall be submitted to the Airport Director at the commencement of this Agreement and the Subtenant shall submit to the Airport Director any changes made to the training program during the currency of this Agreement.
- 45. The Subtenant shall provide its employees and agents responsible for the installation of equipment necessary to accommodate persons with special needs with training on the installation, maintenance and operation of such equipment.

Accessories

- Prior to the Commencement Date, the Subtenant shall submit for the Airport Director's reasonable approval a listing of all vehicle accessories or additional features ("such accessories") which will be made available at the Commencement Date of this Agreement. Within five days of receiving a written request from the Airport Director, the Subtenant shall submit to the Airport Director a listing of all such accessories made available at the point in time indicated in the written request.
- 47. The Subtenant may offer such accessories, provided they are attached to, or are used in, or are built into the vehicle.
- The Subtenant agrees that the rental of such accessories shall be included with the rental of a vehicle, and that such accessories shall at no time be rented out separately unless approved by the Airport Director and under a licence which is separate from this Agreement.
- 49. The Subtenant further agrees that all rent or charges for such accessories shall be included in the vehicle rental contract.

Prices

- Prior to the commencement of this Agreement, the Subtenant shall submit to the Airport Director a schedule of the prices to be in effect on the Commencement Date, if different from those prices set out in the Subtenant's Operational Proposal, a copy of which is attached as Schedule E. Within five (5) days of receiving a written request from the Airport Director, the Subtenant shall submit to the Airport Director a schedule of the prices in effect at the point in time indicated in the written request.
- Prices posted for vehicle rental services at the Airport must be displayed in a manner approved by the Airport Director.

Consultant Services

If at any time the City becomes aware that the prices for vehicle rental services at the Airport are not comparable to those charged in the area served by the Airport (with due regard for operating cost differences resulting from operation at the Airport), or if the City becomes aware that the level of service provided, and/or the type of vehicles available at the Airport is not comparable to similar establishments in such area, the City may at the expense of the Subtenant employ a recognized consultant (the "Consultant") for review and assessment.

- 53. If the Consultant concludes that the prices for vehicle rental services, or the level of service provided, or the type of vehicles available at the Airport are not comparable to those in the area served by the Airport, the Airport Director may request, by notice in writing to the Subtenant, that the necessary corrective action be taken; provided, however, that the Subtenant shall be given a reasonable opportunity to defend against the Consultant's findings. Such corrective action shall be effected by the Subtenant within a reasonable period of time, having regard to the nature of the improvements which the Airport Director determines to be necessary.
- 54. It is expressly understood and agreed by the Subtenant that where the Subtenant is unable, to the satisfaction of the Airport Director, to refute the findings of the Consultant, the Subtenant shall give effect to the recommendations made by the Airport Director, in his/her notice. Failure to implement such recommendations within a reasonable time, to the satisfaction of the Airport Director, shall be treated as a breach of this Agreement and be subject to the provisions of section 104.

Advertising and Displays

- The Airport Director reserves the right to rule upon displays and advertising signs within the Premises, and the Subtenant shall conform to the aesthetic standards of the Terminal Building and to any directive which may be introduced from time to time by the Airport Director. No electrical sign of any kind may be installed without the prior approval in writing of the Airport Director, such approval not to be unreasonably withheld.
- The Subtenant shall obtain the written approval of the City, in advance, of all signs and similar advertising material, including lettering and other advertising media erected, installed or placed upon the exterior of the Premises or within the Premises to the extent that such signs are visible from outside the Premises, such approval not to be unreasonably withheld. The cost of installing, maintaining, changing and removing all signs shall be borne by the Subtenant.
- 57. The Subtenant covenants and agrees that it will use the name Kelowna International Airport in all advertising of its operations hereunder, in all promotional material and on all letterheads and stationery.
- The Subtenant may advertise, promote and/or display for sale, within the confines of the Premises, only those products or services that relate directly and exclusively to its operations hereunder and any advertisement, promotion and/or display for sale must indicate that those products or services can only be obtained with the rental of a vehicle, unless such products or services are provided under a separate agreement and approved by the Airport Director.
- 59. Any revenues or benefits derived directly or indirectly by the Subtenant from the advertisement, promotion and/or display of goods and services by a third party will be considered as revenue and shall be included in the Gross Revenue reported by the Subtenant.

Official Languages

60. Where the Airport is deemed to have significant demand, as deemed by the Airport Director and communicated to the Subtenant by the Airport Director, the Subtenant covenants:

- a. to comply with the *Official Languages Act* and Regulations and the City's policy on Official Languages;
- b. to display or make available to members of the public, in both official languages, all printed and written material including signs, notices, and other information in connection with its operations hereunder and, where applicable, to provide services by other means (including self-service equipment in both official languages);
- c. during every shift of operations in the Premises which is used for the serving of the public, to have sufficient staff on duty to provide oral response capability in both official languages within a reasonable period of time; and
- d. to clearly demonstrate to members of the public that these bilingual services are available in either official language of their choice.

Notwithstanding any other remedy available to the City, if a breach of section 60.b. occurs, the City may terminate this Agreement or enter the Premises and provide the printed and written material in both official languages, in which event the Subtenant shall pay, as additional Rent, the cost of providing such printed material or written material plus twenty percent (20%) of such cost. For certainty, if a breach of either section 60.a., c., or d. occurs, the City may terminate this Agreement.

Operational Concepts

- The Subtenant agrees that during the currency of this Agreement it shall adhere to and perform each and every one of its undertakings and representations set out in its Operational Proposal, a copy of which is attached as Schedule E. The Subtenant further covenants and agrees that any failure to comply with this requirement shall constitute a breach of the conditions of this Agreement for the purpose of section 104. Any significant future proposed changes to the Operational Proposal, which is attached as Schedule E, must be approved by the Airport Director prior to implementation.
- 62. During the currency of this Agreement, the Subtenant has the right to introduce any new products, services or accessories not included in the Operational Proposal referred to in section 61, but such introduction shall be subject to the prior approval of the Airport Director.

Personnel

- 63. The Subtenant shall engage suitable personnel to efficiently provide and maintain the required standard of services. Such personnel will be acting as ambassadors for the Airport and professionalism and personal appearance must be of a high standard at all times. Local personnel shall be employed to the extent practical and consistent with reasonable efficiency and economy, all as reasonably determined by and to the satisfaction of the Airport Director.
- 64. The Subtenant acknowledges and agrees that the car rental operations set out in this Agreement shall be performed by the Subtenant and by any other employee, agent, subcontractor or representative of the Subtenant (collectively, the "Subtenant's Personnel"). The Subtenant shall not employ any person to carry out the car rental operation at the Facility if that person has been convicted of a criminal or summary conviction offence that is related to that employment. The Subtenant's Personnel shall be under the exclusive supervision of the Subtenant. All responsibility

- and authority for hiring, training, supervision, direction, compensation, discipline, termination, and administration of the Subtenant's Personnel, and any and all costs or expenses related thereto, rest exclusively with the Subtenant.
- 65. The Subtenant shall pay for the parking at the Airport of its employees' vehicles, at the prevailing
- 66. The Subtenant shall ensure that its employees and agents respect all rules and regulations at the Airport including those pertaining to speed and traffic.
- 67. The Subtenant shall ensure all of its personnel receive customer service training and participate in campus wide customer service initiatives as approved and required by the Airport Director from time to time, and the Subtenant shall maintain records of such training to be made available for inspection by the Airport Director throughout the Term.
- 68. If the Airport Director determines that national security is involved, he/she may instruct the Subtenant to provide information concerning any person or persons employed by the Subtenant at the Premises and may require the removal of any person or persons from the Premises. The Subtenant shall comply immediately with instructions from the Airport Director pursuant to this clause.

Quiet Possession

The City shall permit the Subtenant, so long as the Subtenant is not in default of the Subtenant's obligations under this Agreement, to peaceably possess and enjoy the Premises for the Term, without interference or disturbance from the City or those claiming by, from or under the City, except for the City's express rights under this Agreement to enter upon and use the Premises or to permit others to do so.

Licences, Permits, Etc.

- 70. The Subtenant shall procure and maintain in good standing, at its cost and expense, such licences, permits or approvals from federal, provincial, municipal or other government authorities, and such private permits as may be necessary to enable the Subtenant to conduct its operations hereunder.
- 71. Failure by the Subtenant to procure such licences, permits or approvals or such private permits will not relieve the Subtenant from paying the amounts prescribed under this Agreement from the Commencement Date. In the event the Subtenant fails by 12.01 a.m. on the Commencement Date to procure such licences, permits or approvals or such private permits, and fails to notify the City by the above deadline that such licences, permits or approvals or such private permits have been obtained, this Agreement shall, at the option of the City, be terminated without any further notice or delay.

Enforcement

72. Notwithstanding the provisions of section 104 any failure by the Subtenant to comply with the requirements set forth in sections 16, 17, 34, 35(u), 36 through 45, and 76 through 79 shall constitute a breach of the conditions of this Agreement and shall be subject to the cancellation of this Agreement under the following conditions:

In the event of a breach by the Subtenant of any of the aforementioned requirements, and provided reasonable steps have not been taken to cure such breach within thirty (30) days from the date of notice in writing thereof from the City to the Subtenant, the City may terminate this Agreement by giving the Subtenant thirty (30) days written notice of intention to terminate, during which time the Subtenant will no longer be permitted to cure such breach, and thereupon after the expiration of such period of notification, this Agreement shall be terminated without any further notice or delay.

Change of Name and Corporate Identity

73. The Subtenant agrees to operate a vehicle rental concession at the Airport during the term of this Agreement under the trade name of:

Avis Rent a Car

and shall not use any other trade name without the prior written consent of the City.

74. The Subtenant agrees to notify the City of any change in the ownership or control of the Subtenant or in its board of directors within thirty (30) days of such a change coming into effect.

Franchise Agreement

75. Where the Subtenant is a franchisee under a franchise agreement pertaining to the Subtenant's operations hereunder, the Subtenant agrees to notify the City forthwith in writing of any cancellation of such franchise agreement.

Prohibited Activities

- The City will not permit the parking of any rental vehicle by the Subtenant within the short term and long term public parking lots at the Airport nor any overflow, employee or other parking locations at the Airport, other than those specified in this Agreement, unless specific written authorization is provided by the Airport Director.
- 77. The City will not permit the Subtenant or any of its customers to deliver or surrender any rental vehicle in any location other than the Premises.
- 78. The City will not permit cleaning or maintenance of vehicles in the rental vehicle ready lot parking area of the Premises.
- 79. The Subtenant acknowledges and agrees that all driving lanes and walkways in the vehicle rental Service Center must be kept clear at all times for the efficient operation of the Service Center. The Subtenant shall ensure that its rental vehicles and any other of its vehicles do not park in any such areas at any time. Any vehicles which are so parked whether by the Subtenant's employees or customers will be towed without notice at the Subtenant's expense which charges shall be paid to the City as additional fees on demand.

City's Covenants

80. The City covenants and agrees with the Subtenant:

- a. to permit the Subtenant and its employees and customers to have the license and use during hours that the Terminal Building is open, in common with others entitled thereto, of the common parking areas, sidewalks, entrances, lobbies, stairways, and corridors of the Terminal Building giving access to the Premises (subject to any rules and regulations established by the City from time to time), and the provisions of this Agreement will apply to the license granted in this section to the extent those provisions can apply; and
- b. to permit the Subtenant and its employees and invitees in common with others entitled thereto to use the public washrooms in the Terminal Building.

Subtenant's Acknowledgments and Agreements

- 81. Acknowledgement of Head Lease The Subtenant acknowledges and agrees that this Agreement is subject to the Head Lease and all of its terms, restrictions, and limitations, and the Subtenant has no greater interest in the Premises than the City under the Head Lease and, to the extent that any right or benefit conferred by this Agreement contravenes or is incompatible with the Head Lease, such right or benefit will be amended or modified so as not to contravene or be incompatible with the Head Lease.
- 82. Security The City shall have no responsibility whatsoever for the security of the Subtenant's property on the Premises, the sole responsibility for which rests with the Subtenant, and the Subtenant hereby releases the City from all claims, actions, damages, liabilities, losses, costs, and expenses whatsoever as may be suffered by the Subtenant arising from or related to the Subtenant's failure to secure its property on the Premises. For clarity, the Subtenant shall secure the Premises by locking all doors and windows to the Premises at the end of its daily operations, but may not install other security systems or features on the Premises such as separate alarm systems or security cameras without the prior written consent of the City.
- 83. Material Disclosures The Subtenant acknowledges that the City has made the material disclosures in respect of the Premises and this Agreement listed in Schedule F.
- 84. Changes to Passenger Traffic Patterns and Location The Subtenant acknowledges that the configuration of the Terminal Building may be in a state of flux during the currency of this Agreement due to traffic shifts or a Terminal Building renovation program, and that therefore the City cannot guarantee that the present pattern of passenger traffic adjacent to the counter space or relocated Premises, or any future pattern, will be permanent for all or any portion of the Term. Because of construction, or for other reasons, the City may find it desirable and in the best interests of the travelling public to make changes in the passenger traffic pattern and erect temporary structures, walls or partitions. The Subtenant hereby acknowledges and agrees that it shall have no claim whatsoever against the City for any changes or disruptions that may be made and/or arise as a result of a Terminal Building renovation program.
- 85. Car-Sharing The Subtenant acknowledges and agrees that the City may enter into agreements with car sharing entities.

Repair, Damage and Destruction

86. The Subtenant covenants with the City:

- a. to keep in a good and reasonable state of repair and consistent with the general standards of airports of similar age in British Columbia, the Premises including all Leasehold Improvements and all trade fixtures therein and all glass therein other than glass portions of exterior walls, but with the exception of structural members or elements of the Premises;
- b. that the City may enter and view the state of repair (without having any obligation to do so), and that the Subtenant will repair according to notice in writing, and that the Subtenant will leave the Premises in a good and reasonable state of repair; and
- c. that if any part of the Terminal Building, including the systems for interior climate control and for the provision of utilities, becomes out of repair, damaged, or destroyed through the negligence or misuse of the Subtenant or its employees, invitees, or others over which the Subtenant can reasonably be expected to exercise control, the Subtenant shall carry out such repairs and replacements as the City considers necessary, to the satisfaction of the City, failing which the City may carry out those repairs and replacements and the expense of all such repairs and replacements necessitated thereby shall be reimbursed to the City by the Subtenant promptly upon demand.

Abatement and Termination in Event of Damage or Destruction

- 87. It is agreed between the City and the Subtenant that in the event of damage to the Premises or to the Terminal Building:
 - a. if the damage is such that the Premises or a substantial part of them are rendered not reasonably capable of use and occupancy by the Subtenant for the purposes of its business for any period of time in excess of seven (7) days, then:
 - i. if the damage was not caused by the fault or negligence of the Subtenant or the Subtenant's directors, members, officers, employees, agents, contractors, subcontractors, customers, invitees and others for whom it is responsible (the "Subtenant's Responsible Persons"), then from and after the date of occurrence of the damage and until the Premises are again reasonably capable of use and occupancy as aforesaid, Rent shall abate from time to time in proportion to the part or parts of the Premises not reasonably capable of use and occupancy, and
 - ii. unless this Agreement is terminated as hereinafter provided, if the damage was caused by the fault or negligence of the Subtenant or the Subtenant's Responsible Persons, then the Subtenant shall repair such damage for which it is responsible with all reasonable diligence, and

b. if either:

- i. the Premises, or
- ii. 25% or more of the Terminal Building

are substantially damaged or destroyed by any cause then the City may at its option, exercisable by written notice to the Subtenant given within sixty (60) days after the occurrence of such damage or destruction, terminate this Agreement, without limiting the Subtenant's

liability for damage or destruction which it may have caused, and the Subtenant shall deliver up possession of the Premises to the City with reasonable expedition but in any event within sixty (60) days after delivery of such notice of termination, in a clean, neat, uncontaminated and vacant condition and Rent shall be apportioned and paid to the date upon which possession is so delivered up but subject to any abatement to which the Subtenant may be entitled.

Worker Safety and Compensation

- 88. Compliance with Worker Safety and Compensation Laws The Subtenant shall, in its use of and activities on the Premises, comply with all statutes, regulations, and orders from time to time in force respecting worker safety and compensation, and, upon request from the City, provide evidence of any required registration under any statute, regulation or order respecting worker safety and compensation.
- 89. The Subtenant shall, for the purposes of the *Workers Compensation Act* (British Columbia), and for the duration of the Term:
 - a. do everything that is reasonably practicable to establish and maintain a system or process that will ensure compliance with the *Workers Compensation Act* and its regulations, as required to ensure the health and safety of all persons at the Premises; and
 - b. have at least one employee (the "Individual") attend the City's health and safety orientation prior to the Commencement Date. The Subtenant acknowledges and agrees that it will arrange for each of its employees working at the Airport to attend health and safety orientation provided by the Subtenant, which will cover the same topics as the City's health and safety orientation, within thirty (30) days of the Commencement Date or the employee's commencement of employment.

Fixtures and Improvements

Installation of Fixtures and Improvements - Except for furniture and equipment not of the nature 90. of fixtures, the Subtenant shall not make, erect, install, or alter any fixtures, improvements, installations, alterations, or additions (the "Leasehold Improvements") in the Premises or in other premises in the Terminal Building or in the Airport without the prior written consent of the City, which consent may be withheld in the sole discretion of the City. In making, erecting, installing, or altering any Leasehold Improvements or trade fixtures, the Subtenant shall comply with all construction guidelines established by the City from time to time, shall obtain all required building and occupancy permits, shall not alter or interfere with any installations which have been made by the City without the prior written approval of the City and, in no event, shall alter or interfere with window coverings installed by the City on exterior windows. The Subtenant's request for any approval hereunder shall be in writing and accompanied by a reasonably detailed description of the contemplated work and, where appropriate, plans, working drawings, and specifications thereof. Any out-of-pocket expense incurred by the City in connection with any such approval shall be paid by the Subtenant. All work to be performed in the Premises shall be performed by competent contractors and subcontractors of whom the City shall have approved in its sole discretion. All such work shall be subject to inspection by and the reasonable supervision of the City and shall be performed in accordance with any reasonable conditions or regulations imposed by the City and

- completed in good and workmanlike manner in accordance with the description of the work approved by the City.
- 91. Liens In connection with the making, erection, installation, or alteration of Leasehold Improvements and trade fixtures, and all other work or installations made by or for the Subtenant in the Premises, the Subtenant shall comply with all of the provisions of the *Builders Lien Act* (British Columbia) and amendments thereto, and other statutes from time to time applicable thereto (including any provision requiring or enabling the retention of portions of any sums payable by way of holdback), shall permit the City to take all steps to enable the City to obtain the benefit of the provisions of the *Builders Lien Act* (including the filing of a notice in the land title office) and, except as to any lawful holdback, shall promptly pay all accounts relating thereto.
- 92. Encumbrances The Subtenant shall not create any mortgage, conditional sale agreement, general security agreement under the *Personal Property Security Act* (British Columbia) and amendments thereto, or other encumbrance in respect of its Leasehold Improvements or trade fixtures, or permit any such mortgage, conditional sale agreement, general security agreement under the *Personal Property Security Act*, or other encumbrance to attach to the Premises.
- 93. Discharge of Liens If and when any builders' or other lien for work, labour, services or materials supplied to or for the Subtenant or for the cost of which the Subtenant may be in any way liable or claims therefore shall arise or be filed or any such mortgage, conditional sale agreement, general security agreement under the *Personal Property Security Act*, or other encumbrance shall attach, the Subtenant shall within twenty (20) days after receipt of notice thereof procure the discharge thereof, including any certificate of action registered in respect of any lien, by payment or giving security or in such other manner as may be required or permitted by law, and failing which the City may in addition to all other remedies avail itself of its remedy under section 104 and may make any payments required to procure the discharge of any such liens or encumbrances, and shall be entitled to be reimbursed by the Subtenant as provided in section 104, and its right to reimbursement shall not be affected or impaired if the Subtenant shall then or subsequently establish or claim that any lien or encumbrance so discharged was without merit, or excessive, or subject to any abatement, setoff, or defence.
- 94. Removal of Fixtures and Improvements All Leasehold Improvements in or upon the Premises shall immediately upon affixation be and become the City's property without compensation therefor to the Subtenant. Except to the extent otherwise expressly agreed by the City in writing, no Leasehold Improvements, trade fixtures, furniture, or equipment shall be removed by the Subtenant from the Premises either during or at the expiration or sooner termination of the Term, except that:
 - a. the Subtenant may at the end of the Term remove its trade fixtures;
 - b. the Subtenant shall at the end of the Term remove such of the Leasehold Improvements and trade fixtures as the City shall require to be removed; and
 - c. the Subtenant shall remove its furniture and equipment at the end of the Term, and also during the Term in the usual and normal course of its business where such furniture or equipment has become excess for the Subtenant's purposes or the Subtenant is substituting new furniture and equipment.

The Subtenant shall, in the case of every removal either during or at the end of the Term, immediately make good any damage caused to the Premises by the installation and removal.

- 95. Alterations by City The City reserves the right from time to time to:
 - a. make any deletions, changes, and additions to the equipment, appliances, pipes, plumbing, wiring conduits, ducts, shafts, structures, and facilities of every kind throughout the Terminal Building, including the Premises;
 - b. alter the location and nature of common areas of the Terminal Building, make reductions therein, erect additions thereto, and extend any part thereof provided there is no detrimental effect on access to the Premises; and
 - c. make alterations and additions to the Terminal Building, which may result in a change of location of the vehicle rental counter locations;

and in exercising any such rights, the City will take reasonable steps to minimize any interference caused to the Subtenant's operations in the Premises, but by exercising any such rights, the City shall not be deemed to have constructively evicted the Subtenant or otherwise to be in breach of this Agreement, nor shall the Subtenant be entitled to any abatement of Rent or other compensation from the City.

Insurance and Liability

- 96. Subtenant's Insurance The Subtenant shall obtain and maintain during the Term insurance in accordance with the requirements of Schedule G. For clarity, the insurance requirements set out in Schedule G are minimum requirements and are not to be interpreted in a manner that limits the Subtenant's obligations under this Agreement and the Subtenant shall be responsible for obtaining and maintaining such additional insurance as would a prudent tenant having similar obligations and interests to those of the Subtenant under the terms of this Agreement.
- 97. Insurance Certificates At the time of execution of this Agreement and at other reasonable times requested by the City, the Subtenant shall furnish to the City certificates in the form attached as Schedule G1 or other evidence acceptable to the City as to the insurance from time to time required to be effected by the Subtenant and its renewal or continuation in force, either by means of a certified copy of the policy or policies of insurance with all amendments and endorsements or a certificate from the Subtenant's insurer which, in the case of commercial general liability insurance, shall provide such information as the City reasonably requires.
- 98. City May Affect Insurance If the Subtenant shall fail to take out, renew, and keep in force such insurance the City may do so as the agent of the Subtenant and the Subtenant shall repay to the City any amounts paid by the City as premiums forthwith upon demand.
- 99. Limitation of City's Liability The Subtenant agrees that, except for claims, actions, damages, liabilities, costs and expenses caused by or arising from the City's use of the Premises or in respect of any wrongful or negligent acts by the City:
 - a. the City shall not be liable for any bodily injury to or death of, or loss or damage to any property belonging to the Subtenant or its employees, invitees, or subtenants or any other

person in, on, or about the Terminal Building or the Land, or for any interruption of any business carried on in the Premises, or for any consequential loss at all, and, without limiting the generality of the foregoing, in no event shall the City be liable:

- i. for any damage or bodily injury or death of anyone which results from fire, explosion, earthquake, flood, falling plaster, steam, gas, electricity, water, rain, snow, dampness, or leaks from any part of the Premises or from the pipes, appliances, electrical system, plumbing works, roof, subsurface, or other part or parts of the Terminal Building or Land or from the streets, lanes, and other properties adjacent thereto,
- ii. for any damage, injury, or death caused by anything done or omitted by the Subtenant or any of its servants or agents or by any other subtenant or person in the Terminal Building,
- iii. for the non-observance or the violation of any provision of any of the rules and regulations of the City in effect from time to time or of any lease by another subtenant of premises in the Terminal Building or any concessionaire, employee, subtenant, agent, customer, officer, contractor, or other invitee of any of them, or by anyone else,
- iv. for any act or omission (including theft, malfeasance, or negligence) on the part of any agent, contractor, or person from time to time employed by the City to perform janitorial services, security services, supervision, or any other work in or about the Terminal Building,
- v. for loss or damage, however caused, to money, securities, negotiable instruments, papers, or other valuables of the Subtenant or any of its servants or agents, or
- vi. for any bodily injury, death, or damage to property arising from the use of, or any happening in or about, any elevator, and
- b. the Subtenant releases and discharges the City from any and all actions, causes of action, claims, damages, demands, expenses, and liabilities which the Subtenant now or hereafter may have, suffer, or incur which arise from any matter for which the City is not liable under subsection a. above.
- 100. Indemnity of City The Subtenant agrees to indemnify and save harmless the City from and against all claims, demands, actions, causes of action, expenses, losses, costs, damages or other harm of whatsoever kind suffered or incurred by the City in respect of bodily injury, death, property loss, property damage, or other consequential loss or damage arising from or related to or connected with:
 - a. the use or occupation of the Premises, the Terminal Building, the Land, or surrounding areas by the Subtenant or the Subtenant's Responsible Persons;
 - b. the granting of this Agreement;
 - c. any default or breach by the Subtenant of its obligations under this Agreement; or
 - d. any act, omission, negligence or wrong of the Subtenant or the Subtenant's Responsible Persons.

This indemnity shall survive the expiry or termination of this Agreement, but does not extend to any claims, actions, damages, liabilities, costs and expenses caused by or arising from the City's use of the Premises or in respect of any wrongful or negligent acts by the City, the Head Landlord or those for whom the City or the Head Landlord is responsible for at law.

Subordination, Attornment, Registration, and Certificates

- 101. City Sale or Financing of Terminal Building The Subtenant agrees with the City that the rights of the City under this Agreement may be mortgaged, charged, transferred, or assigned to a purchaser or purchasers, or to a mortgagee or trustee for bond holders, and in the event of a sale or of default by the City under any mortgage, trust deed, or trust indenture and the purchaser, mortgagee, or trustee, as the case may be, duly entering into possession of the Terminal Building or the Premises, the Subtenant agrees to attorn to and become the subtenant of such purchaser or purchasers, mortgagee, or trustee under the terms of this Agreement and agrees to execute and deliver promptly whenever requested by the City or by such mortgagee an instrument of attornment as may be required of it.
- 102. Certificates The Subtenant agrees with the City that the Subtenant shall promptly whenever requested by the City from time to time execute and deliver to the City and, if required by the City, to any mortgagee (including any trustee under a trust deed or a trust indenture) or prospective purchaser (as designated by the City) a certificate in writing as to the status of this Agreement at that time, including as to whether it is in full force and effect, is modified or unmodified, confirming the rental payable hereunder and the state of the accounts between the City and Subtenant, the existence or non-existence of defaults, and any other matter pertaining to this Agreement as to which the City shall request a certificate.
- 103. Assignment by City In the event of the sale by the City of the Terminal Building or a portion thereof containing the Premises or the assignment by the City of this Agreement or any interest of the City hereunder, and to the extent that such purchaser or assignee has assumed the covenants and obligations of the City hereunder, the City shall, without further written agreement, be freed and relieved of liability upon such covenants and obligations.

Subtenant's Default, Remedies of City, and Surrender

- 104. Remedying by City, Non-payment, and Interest In addition to all the rights and remedies of the City available to it in the event of any default hereunder by the Subtenant, either by any other provision of this Agreement or by statute or the general law, the City:
 - a. shall have the right at all times to remedy or attempt to remedy any default of the Subtenant (without being obligated to do so), and in so doing may make any payments due or alleged to be due by the Subtenant to third parties and may enter upon the Premises to do any work or other things therein, and in such event all expenses of the City in remedying or attempting to remedy such default together with an administrative charge equal to 15% of the total of such expenses shall be payable by the Subtenant to the City forthwith upon demand;
 - b. shall have the same rights and remedies in the event of any non-payment by the Subtenant of any amounts payable by the Subtenant under any provisions of this Agreement as in the case of non-payment of Rent;

- c. if the Subtenant shall fail to pay any Rent promptly when due, shall be entitled to interest thereon at a rate of 18% per annum; and
- d. shall be entitled to be reimbursed by the Subtenant, and the Subtenant shall forthwith pay the City, the amount of all costs and expenses (including, without limitation, legal costs on a solicitor and own-client basis) incurred by the City in connection with the default or in efforts to enhance any of the rights, or to seek any of the remedies, to which the City is or may be entitled hereunder.
- 105. Remedies Cumulative The City may from time to time resort to any or all of the rights and remedies available to it in the event of any default hereunder by the Subtenant, either by any provision of this Agreement or by statute or the general law, all of which rights and remedies are intended to be cumulative and not alternative, as the express provisions hereunder as to certain rights and remedies are not to be interpreted as excluding any other or additional rights and remedies available to the City by statute or the general law.
- 106. Right of Re-entry on Default Provided and it is expressly agreed that:
 - a. if and whenever the Rent hereby reserved or other monies payable by the Subtenant or any part thereof, whether lawfully demanded or not, are unpaid and the Subtenant shall have failed to pay such Rent or other monies within ten (10) days after the City has given to the Subtenant notice requiring such payment; or
 - b. if the Subtenant should breach or fail to observe and perform any of the covenants, agreements, provisos, conditions, rules, or regulations and other obligations on the part of the Subtenant to be kept, observed, or performed hereunder and such breach or failure continues for ten (10) days after the City has given the Subtenant notice thereof; or
 - c. if without the written consent of the City the Premises shall be used by any other persons than the Subtenant or its permitted assigns or for any purpose other than that for which the Premises were leased, or occupied by any persons whose occupancy is prohibited by this Agreement; or
 - d. if the Premises shall be vacated or abandoned or remain unoccupied for ten (10) days or more while capable of being occupied; or
 - e. if the Term or any of the goods and chattels of the Subtenant shall at any time be seized in execution or attachment; or
 - f. if a receiver or receiver-manager is appointed of the business or property of the Subtenant; or
 - g. if the Subtenant shall make any assignment for the benefit of creditors or any bulk sale, become bankrupt or insolvent or take the benefit of any statute now or hereafter in force for bankrupt or insolvent debtors or shall take any steps or suffer any order to be made for its winding-up or other termination of its corporate existence; or
 - h. if the Subtenant should fail to stay in good standing with the Registrar of Companies by filing annual reports and otherwise; or

- i. if any policy of insurance upon the Terminal Building from time to time effected by the City shall be cancelled or about to be cancelled by the insurer by reason of the use or occupation of the Premises by the Subtenant or any assignee, subtenant, or Subtenant of the Subtenant or anyone permitted by the Subtenant to be upon the Premises and the Subtenant after receipt of notice in writing from the City shall have failed to take such immediate steps in respect of such use or occupation as shall enable the City to reinstate or avoid cancellation of (as the case may be) such policy of insurance; or
- j. if the City shall have become entitled to terminate this Agreement or to re-enter the Premises under any provision hereof;

then and in every such case it shall be lawful for the City thereafter to enter into and upon the Premises or any part thereof in the name of the whole and the same to have again, repossess, and enjoy as of its former estate, anything in this Agreement to the contrary notwithstanding. The City may use such force as it may deem necessary for the purpose of gaining admittance to and retaking possession of the Premises, and the Subtenant hereby releases the City from all actions, proceedings, claims, and demands whatsoever for and in respect of any such forcible entry or any loss or damage in connection therewith.

- Termination and Re-entry If and whenever the City becomes entitled to re-enter upon the Premises under any provision of this Agreement, the City, in addition to all other rights and remedies, shall have the right to terminate this Agreement by giving to the Subtenant or by leaving upon the Premises notice in writing of such termination. Thereupon, this Agreement and the Term shall terminate, and the Subtenant shall immediately deliver up possession of the Premises to the City in accordance with section 113.
- 108. Certain Consequences of Termination and Re-entry If the City re-enters the Premises or if this Agreement is terminated by reason of any event set out in section 106, then without prejudice to the City's other rights and remedies:
 - a. the provisions of this Agreement which relate to the consequences of termination, and the provisions of this Agreement as they apply with respect to acts, events, and omissions which occurred prior to the termination, shall all survive such termination;
 - b. in addition to the payment by the Subtenant of Rent and other payments for which the Subtenant is liable under this Agreement, Rent for the current month and the next ensuing three months shall immediately become due and be paid by the Subtenant or the person then controlling the Subtenant's affairs (without limiting the City's right to claim damages for loss of future rent); and
 - c. the Subtenant or person then controlling the affairs of the Subtenant shall pay to the City on demand such reasonable expenses as the City has incurred, and a reasonable estimate of the expenses the City expects to incur, in connection with the re-entering, terminating, re-letting, collecting sums due or payable by the Subtenant, and storing and realizing upon assets seized, including without limitation brokerage fees, legal fees, and disbursements, the expenses of cleaning and making and keeping the Premises in good order, and the expenses of repairing the Premises and preparing them for re-letting.

- Waiver of Distress and Bankruptcy The Subtenant waives the benefit of any present or future 109. statute taking away or limiting the City's right of distress and covenants and agrees that notwithstanding any such statute none of the goods and chattels of the Subtenant on the Premises or at any other location at any time during the Term shall be exempt from levy by distress for rent in arrears. The Subtenant will not sell, dispose of, or remove any of the fixtures, goods, or chattels of the Subtenant from or out of the Premises during the Term without the consent of the City, unless the Subtenant is substituting new fixtures, goods, or chattels of equal value or is bona fide disposing of individual items which have become excess for the Subtenant's purposes. The Subtenant will be the owner of its fixtures, goods, and chattels and will not permit them to become subject to any lien, mortgage, charge, or encumbrances. The Subtenant agrees that it will not, without the City's consent, repudiate or disclaim or attempt to repudiate or disclaim or seek any order to permit it to repudiate or disclaim this Agreement in any bankruptcy, insolvency, reorganization, or other proceeding or court application, and, if required by the City, waives in favour of the City the benefit of section 65.2 of the Bankruptcy and Insolvency Act (Canada), as amended, and any provision of similar import.
- Re-letting and Sale of Personalty Whenever the City becomes entitled to re-enter upon the Premises under any provision of this Agreement, the City, in addition to its other rights, shall have the right as agent of the Subtenant to enter the Premises and re-let them (for a term or terms shorter or longer than the balance of the Term, granting reasonable concessions in connection therewith), and to receive the rent therefore, and as the agent of the Subtenant to take possession of any furniture or other property thereon, and to sell the same at public or private sale without notice, and to apply the proceeds thereof and any rent derived from re-letting the Premises upon account of the Rent due and to become due under this Agreement, and the Subtenant shall be liable to the City for the deficiency, if any.
- 111. Termination of Head Lease Upon termination of the Head Lease for any reason (including default by the City), this Agreement will immediately terminate without any compensation payable to the Subtenant.
- 112. Notwithstanding section 111, if:
 - a. the termination of the Head Lease is not in any manner disputed;
 - b. the City has yielded up vacant possession of the Premises to the Head Landlord;
 - c. immediately preceding the termination of the Head Lease, all airport subleases, including this Agreement, are in full force and effect and the sublessees, including the Subtenant, at the termination of the Head Lease, are not in default or breach of their respective subleases;
 - d. the Head Landlord is not legally prohibited by reason of defect in title, adverse possession, or otherwise from fulfilling the terms of any of the airport subleases, including this Agreement;

then this Agreement shall, at the Head Landlord's option, be deemed to have been assigned to the Head Landlord, thereby creating a new lessor/lessee relationship under the terms and conditions of this Agreement; provided, however, that the Head Landlord reserves the option to amend the new lease therein created from time to time in accordance with policy or policies in effect at that time.

Surrender on Termination – Forthwith upon the termination of this Agreement, whether by effluxion of time or otherwise, the Subtenant shall vacate and deliver up possession of the Premises in a neat, clean, tidy, uncontaminated and vacant state and in good and substantial repair in accordance with the Subtenant's obligation under this Agreement to repair the Premises, but subject to the Subtenant's rights and obligations in respect of removal in accordance with section 94. At the same time the Subtenant shall surrender to the City at the place then fixed for the payment of Rent all keys and other devices which provide access to the Premises, the Terminal Building, or any part thereof and shall inform the City of all combinations to locks, safes, and vaults, if any, in the Premises.

Subtenant's Tax Obligations

- 114. The Subtenant covenants with the City to pay to the City or other taxing authority or authorities having jurisdiction, all taxes, rates, duties, levies, and assessments whatsoever, whether local government or otherwise, which are levied, imposed or assessed against or in respect of the Premises, or which are from time to time levied, imposed, or assessed in the future in addition or in lieu thereof, including those levied, imposed, or assessed for education, schools, specified areas and local improvements. The Subtenant acknowledges that notwithstanding that the Land is owned by the Head Landlord and leased to the City, the Subtenant, as a non-municipal occupier of that Land is liable to pay property taxes on the Premises.
- 115. Without limiting section 114 above, the Subtenant covenants with the City to pay when due, all taxes, business taxes, business license fees, and other taxes, rates, duties or charges levied, imposed, or assessed by lawful authority in respect of the use and occupancy of the Premises by the Subtenant, the business or businesses carried on therein, or the equipment, machinery, or fixtures brought therein by or belonging to the Subtenant, or to anyone occupying the Premises with the Subtenant's consent, or from time to time levied, imposed, or assessed in the future in addition or in lieu thereof, and to pay to the City upon demand the portion of any tax, rate, duty, or charge levied or assessed upon the Land and Terminal Building that is attributable to any equipment, machinery, or fixtures on the Premises which are not the property of the City or which may be removed by the Subtenant.
- 116. The Subtenant shall pay to the City goods and services tax (or similar replacement tax) in accordance with the applicable legislation at the same time as the amounts to which such goods and services tax apply are payable to the City under the terms of this Agreement or upon demand at such other time or times as the City from time to time determines. Notwithstanding any other section of this Agreement, the amount payable by the Subtenant under this section 116 shall be deemed not to be Rent, but the City shall have the same remedies for and rights of recovery of such amount as it has for recovery of Rent under this Agreement.
- 117. Whenever requested by the City, the Subtenant will deliver to the City receipts for payment of all taxes, rates, duties, levies, and assessments payable by the Subtenant and furnish such other information in connection therewith as the City may reasonably require.

No Assignment or Sublease by Subtenant

118. The Subtenant may not assign this Agreement or the benefit of this Agreement, or sublet the Premises or any part of the Premises, without the prior written consent of the City, nor may the Subtenant charge, mortgage, or encumber, or purport to charge, mortgage, or encumber the

Subtenant's interest in the Premises or this Agreement without the prior written consent of the City. The City may withhold such consents at its sole discretion and without reason. The Subtenant shall be responsible for all costs associated with any assignment or sublease of the Premises, including the City's associated legal and administrative costs.

119. The acceptance of any Rent from or the performance of any obligation hereunder by a person other than the Subtenant shall not be construed as an admission by the City of any right, title, or interest of such person as a subtenant, assignee, transferee, or otherwise in the place and stead of the Subtenant.

Miscellaneous

- 120. Registration of Agreement The City is under no obligation to at any time deliver this Agreement or any instrument creating this Agreement to the Subtenant in a form registrable under the *Land Title Act* (British Columbia).
- 121. Waiver Waiver by the City of any breach by the Subtenant of any of its obligations under this Agreement shall not be considered to be a waiver of any subsequent default or continuing default by the Subtenant. Failure by the City to take any action in respect of any breach of any Subtenant obligation under this Agreement by the Subtenant shall not be considered to be a waiver of such obligation.
- 122. Payments Generally All payments, including interest, required to be made by the Subtenant to the City under the terms of this Agreement shall be:
 - a. payable in lawful money of Canada;
 - b. paid to the City at the office of the City or at such other place as the City may designate from time to time in writing;
 - c. made when due hereunder, without the need for prior demand and without any set-off, abatement or deduction;
 - d. applied towards amounts outstanding in such a manner as the City sees fit; and
 - e. deemed to be rent (if not Rent), in partial consideration for which this Agreement is entered into, and shall be payable and recoverable as rent, and the City shall have all of the rights and remedies against the Subtenant for default in making any such payment which may not be expressly designated as rent, as the City has for a default in payment of Rent.
- 123. Part Payment The acceptance by the City of a part payment of any sums required to be paid hereunder shall not constitute waiver or release of the right of the City to payment in full of such sums.
- 124. Conditions All of the Subtenant's obligations under this Agreement shall be deemed and construed to be both conditions and covenants as though the words specifically expressing covenants or conditions or used in each separate provision respecting each such obligation.
- 125. No Joint Venture Nothing contained in this Agreement creates the relationship of principal and

agent or of partnership, joint venture or business enterprise or entity between the parties or gives the Subtenant any power or authority to bind the City in any way.

126. Interpretation - In this Agreement:

- a. references to the Subtenant shall be read with such changes in gender as may be appropriate, depending upon whether the Subtenant is a male or female person or a firm or corporation. If the Subtenant is comprised of more than one person or entity, then each such person and entity is jointly and severally bound by the representations, warranties, agreements, and covenants of the Subtenant herein and any notice given or deemed to have been given at any time to any such person or entity shall be deemed to have been given at the same time to each other person and entity;
- b. a particular numbered section or lettered Schedule is a reference to the correspondingly numbered section or lettered Schedule of this Agreement;
- c. an "enactment" is a reference to an enactment as that term is defined in the *Interpretation Act* (British Columbia) on the day this Agreement is made;
- d. any enactment is a reference to that enactment as amended, revised, consolidated or replaced;
- e. section headings are inserted for ease of reference and are not to be used in interpreting this Agreement;
- f. a "party" is a reference to a party to this Agreement;
- g. time is of the essence; and
- h. where the word "including" is followed by a list, the contents of the list shall not circumscribe the generality of the expression immediately preceding the word "including".
- 127. Notices Where any notice, request, direction or other communication (any of which is a "Notice") is to be given or made by a party under the Agreement, it shall be in writing and is effective if delivered in person or sent by mail to the address above. A Notice is deemed given if delivered in person, when delivered or if by mail, five (5) days following deposit with Canada Post. A party may change its address or fax number by giving notice to the other party under this section.
- 128. Extraneous Agreements The Subtenant acknowledges that there are no covenants, representations, warranties, agreements, or conditions expressed or implied relating to this Agreement or the Premises save as expressly set out in this Agreement. This Agreement may not be modified except by an agreement in writing executed by the City and the Subtenant.
- 129. City and Head Landlord Discretion Wherever in this Agreement the approval or consent of the City or Head Landlord is required, some act or thing is to be done to the City or Head Landlord's satisfaction, the City or Head Landlord are entitled to form an opinion, or the City or Head Landlord is given the sole discretion:
 - a. the relevant provision is not deemed to have been fulfilled or waived unless the approval, consent, opinion or expression of satisfaction is in writing signed by the City and the Head

Landlord as required, or their authorized representative;

- b. the approval, consent, opinion or satisfaction is in the discretion of the City or Head Landlord as required;
- c. sole discretion is deemed to be the sole, absolute and unfettered discretion of the City or Head Landlord as required; and
- d. no public law duty of procedural fairness or principle of natural justice shall have any application to such approval, consent, opinion, satisfaction or discretion.
- 130. No Effect on Laws or Powers Nothing contained or implied herein prejudices or affects the City's rights and powers in the exercise of its functions under the *Community Charter* (British Columbia), the *Local Government Act* (British Columbia), or any other enactment to the extent the same are applicable to the Premises, all of which may be fully and effectively exercised in relation to the Premises as if this Agreement had not been fully executed and delivered.
- 131. Severability If any portion of this Agreement is held invalid by a court of competent jurisdiction, the invalid portion shall be severed and the decision that it is invalid shall not affect the validity of the remainder of the Agreement.
- 132. Successors and Assigns This Agreement and everything herein contained shall enure to the benefit of and be binding upon the successors and assigns of the City and the permitted successors and permitted assigns of the Subtenant.
- 133. Governing Law This Agreement shall be governed by and construed in accordance with the laws in force in the province of British Columbia. The venue of any proceedings taken in respect of or under this Agreement shall be Kelowna, British Columbia as long as such venue is permitted by law, and the Subtenant shall consent to any application by the City to change the venue to Kelowna, British Columbia of any proceedings taken elsewhere.
- 134. Frustration Notwithstanding the occurrence or existence of any event or circumstance or the non-occurrence of any event or circumstance, and so often and for so long as the same may occur or continue which, but for this section, would frustrate or void this Agreement, and notwithstanding any statutory provision to the contrary, the obligations and liabilities of the Subtenant hereunder shall continue in full force and effect as if such event or circumstance had not occurred or existed.
- 135. Acceptance The Subtenant accepts this sublease of the Premises, to be held by it as subtenant, and subject to the conditions, restrictions, and covenants of this Agreement. The acceptance of possession of the Premises shall be conclusive evidence as against the Subtenant that, as of the Commencement Date, the City had duly completed all work required to be completed by the City prior to the Commencement Date and the Premises were in good order and satisfactory condition for the commencement of the work and business of the Subtenant.
- 136. Bribes The Subtenant hereby confirms that it has not, nor has any person on its behalf, given, promised or offered to any official or employee of the City for or with a view to obtaining the sublease granted herein any bribe, gift or other inducement and that it has not, nor has any person on its behalf, employed any person to solicit or secure the sublease granted herein upon any agreement for a commission, percentage, brokerage, or contingent fee.

- 137. House of Commons No Member of the House of Commons of Canada shall be admitted to any share or part of the sublease granted herein, or to any benefit to arise therefrom.
- 138. Counterparts This Agreement may be executed by the parties in counterpart, and the counterparts may be delivered by facsimile or email transmittal.
- 139. The following are the Schedules to this agreement and form an integral part of this Agreement:

Schedule A – Reduced Copy of Drawings of Premises

Schedule B – Definition of Gross Revenue

Schedule C – Airport Vehicle Rental Concession Revenue and Payment Report

Schedule D - Form of Irrevocable Letter of Credit

Schedule E - Operational Proposal

Schedule F - Material Disclosure

Schedule G and G1 - Insurance Requirements

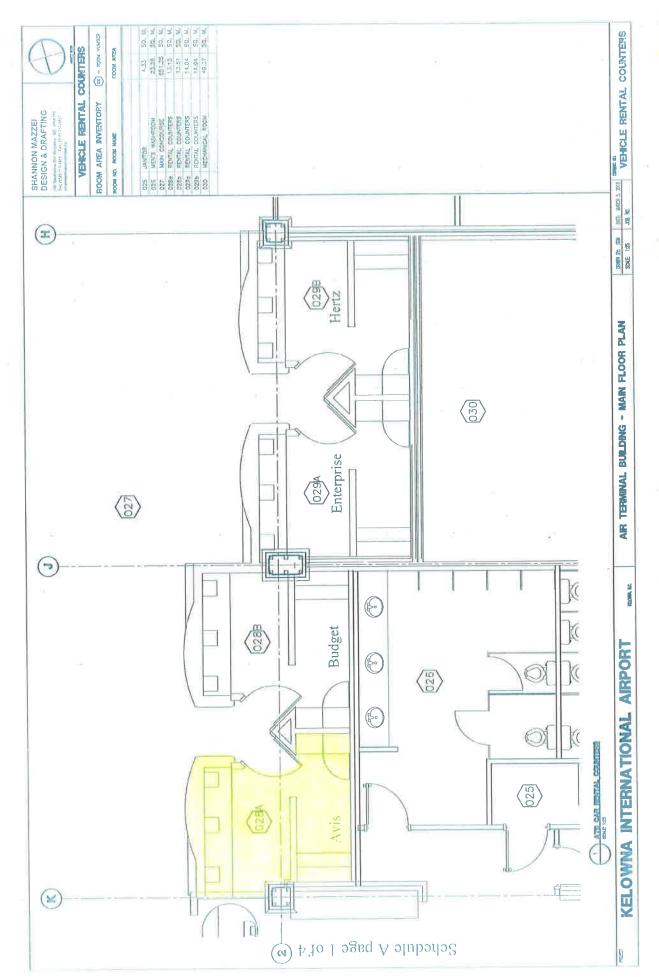
If anything in Appendix E contravenes or is incompatible with the terms and the conditions of the Agreement, the Agreement will take precedence.

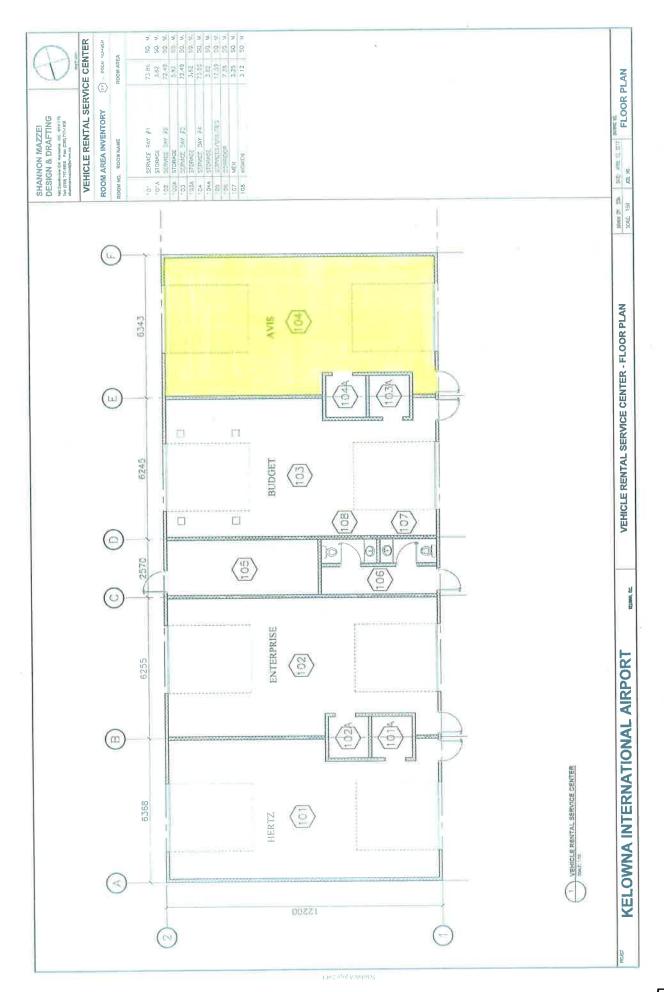
As evidence of their agreement to be bound by the above terms, the City and the Subtenant have each executed this Agreement below on the respective dates written below:

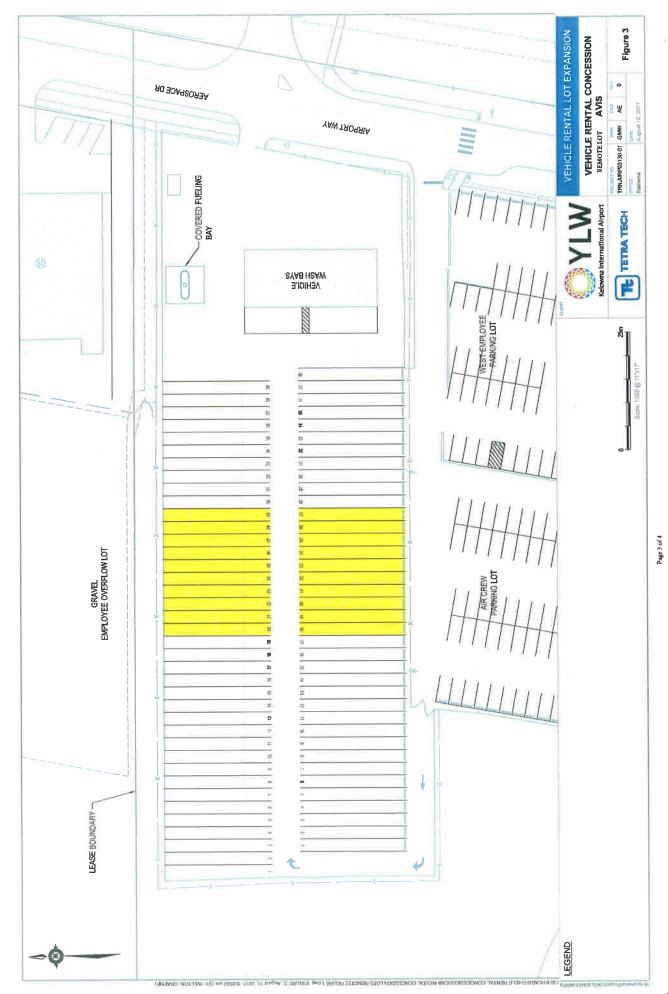
CITY OF KELOWNA by its authorized signatories:

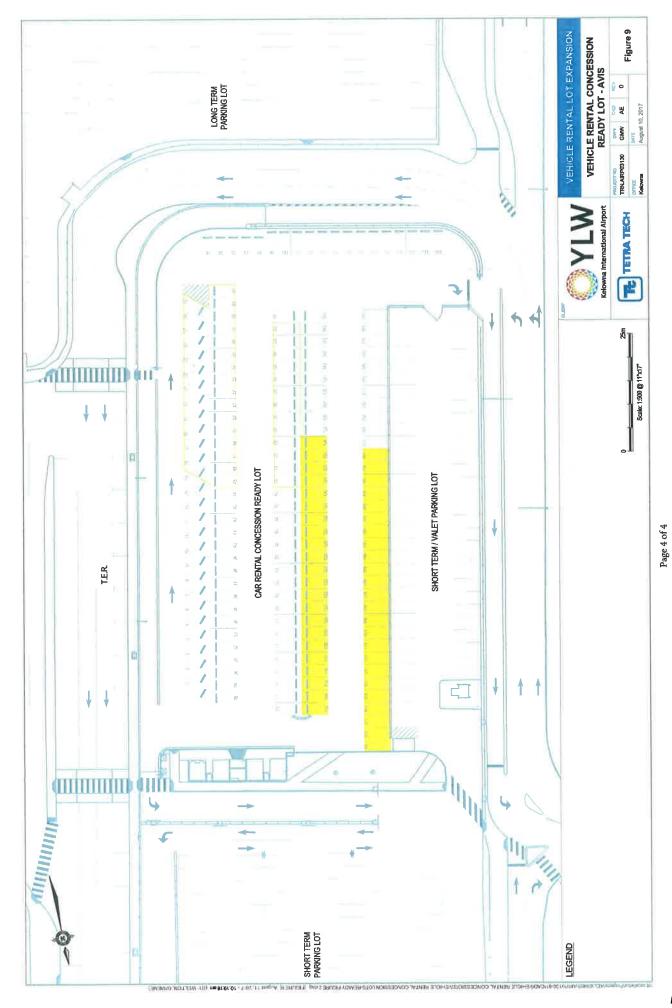
Mayor:	
Clerk:	
Date:	<u> </u>
Name: JON ZUG	DILL ON DOXAGOGOR
Name:	:
Date: August M	2017

SCHEDULE A DRAWINGS OF PREMISES









SCHEDULE B

DEFINITION OF GROSS REVENUE

1. In this Agreement, Gross Revenue means the total revenue derived from all rental contracts opened or entered into at the Airport as reported by the Subtenant to the satisfaction of the City.

A vehicle leased at the Airport may be exchanged for another vehicle held at some other location. Where there is no break in the service supplied by the Subtenant, the total revenue from both vehicles is considered as part of the original contract written at the Airport and included in the Gross Revenue.

Vehicle rental business operators at airports, in addition to renting their own vehicles, frequently rent vehicles situated at an airport but which are owned by another location. The vehicle rental business operators in these circumstances split or share the revenue derived from such contracts in what is known as a "rent-back", "send-back" or "shared revenue" arrangement. For the purpose of calculating the sums reserved under this Agreement, the entire revenue from the contract is to be included in the Gross Revenue and reported to the City.

For purposes of illustration only, the following are the most common types of charges normally found in vehicle rental contracts:

- (a) Charges assessed on a "per kilometre" basis;
- (b) Fixed rental charges imposed on a time basis (hourly, daily, monthly, yearly);
- (c) Charges commonly referred to as "drop-off charges" or "intercity fees";
- (d) Charges for all types of insurance coverage including Collision Damage Waiver Charges;
- (e) Charges for "accessories" or "additional features", which include but are not limited to air conditioning, roof racks, (but does not include charges for child- and infant-restraint systems, if any);
- (f) Commissions received by the Subtenant from the suppliers of accessories;
- (g) Reimbursement of expenses, such as maintenance and tire repairs. Such credits are not to be deducted when determining the gross revenue of the contract. See Section 3 below relative to gasoline supplied by the Subtenant or purchased by the customer.
- (h) Fees associated with the sale of gift certificates; and
- (i) any fees or charges imposed on customers as a recovery by the Subtenant of any fees paid to the City.
- 2. Charges excluded from Gross Revenue are as follows:

- (a) all sales and goods and services taxes at the retailer level, the amount of which is determined by the amount of sales made and which is required to be collected and accounted for to any federal, provincial or municipal authority;
- (b) where a commercial discount is applied to a contract, such discount will be taken into consideration and deducted from the Gross Revenue;
- charges in the vehicle rental contract which the customer has requested the Subtenant to pay on the customer's behalf and for which payment is recovered at the time the rental contract is settled or closed, will be referred to as "Third Party Charges". Third Party Charges as shown in the contract will be excluded from the Gross Revenue calculation. Third Party Charges include, but are not limited to, the payment of a parking ticket, toll fee, towing fee or impound fee on behalf of a customer;
- (d) where a service call is made by a customer to the vehicle rental location, the service call charges will be excluded from the determination of Gross Revenue. For example, where a customer loses the keys for a rented vehicle and phones the Subtenant to obtain a duplicate set;
- (e) monies received from customers as reimbursement to the Subtenant for damages caused to a vehicle by accident or mishap do not form part of the Gross Revenue where such charges have been added to or included in the contract;
- (f) any customer facility charge, as defined in Section 15 of the Agreement.

For certainty, losses from bad debts are considered to be a normal business expense and shall not be deducted from Gross Revenue.

- 3. With respect to gasoline supplied by the Subtenant or purchased by the customer, the following types of contracts are known to prevail:
 - (a) Fuel Recharge where the customer bears the cost of gasoline. Under these contracts the charges by the Subtenant to top up the tank are not to be included when determining Gross Revenue; and
 - (b) Fuel Service Option (or similar name) rental and mileage with gasoline included or prepaid. Under these contracts revenues are not to be deducted when determining Gross Revenue.

SCHEDULE C

CONCESSION REVENUE AND PAYMENT REPORT



CONCESSION REVENUE AND PAYMENT REPORT

VEHICLE RENTAL

TOTAL OWING THIS MONTH

Certified Correct

Date

1-5533 Airport Way Kelowna, BC V1V 1S1 250 807-4300 ylw.kelowna.ca

Vehicle Revenue

Revenue

REPORTING COMPANY:	REPORTING MONTH:		
GST REGISTRATION NUMBER:		-	
ACCUMULATED GROSS REVENUE PR	EVIOUSLY REPORTED		
(excluding GST)		1	
Distance Charges	2		
Time Charges	3		
Drop Off Charges	4		
Collision Damage Waiver			
& Other Ins. Charges	5		
Concession Fees @ 12%	6		
Other Charges	J		
Total Gross Mo	onthly Revenue (2 - 6)	8 \$	*
ACCUMULATED GROSS REVENUE TO (Sum of 1 and 8)	DATE (exc. GST)	9_\$	*
FEE AT 12% OF GROSS REVENUE TO	DATE (#9)	10_\$	
MINIMUM GUARANTEED OWED OV	ER PROLAPSED TIME	11	
ACCUMULATED FEE PREVIOUSLY PA	ID TO DATE	12	
CURRENT FEE (10 OR 11 whichever	s highest minus 12)	13	
CURRENT MONTH FEE PREPAID IF A	NY	14	
FEES PAYABLE THIS MONTH (13 - 14)		15_\$	2
GST PAYABLE (5% of 15)		16 \$	*

Signature

17 \$

Title

SCHEDULE D

ACCEPTABLE FORM OF LETTER OF CREDIT

Date: (Name of Bank) (Address of Bank)

City of Kelowna City Hall 1435 Water Street Kelowna, BC V1Y 1J4

Dear Sirs:

Re: (Project or City File #)

At the request of (legal name of Subtenant), we hereby establish in your favour our irrevocable letter of credit for a sum not exceeding (amount).

This credit shall be available to you by sight drafts drawn on the (Name and Address of Bank) when supported by your written demand for payment made upon us.

This Letter of Credit is required in connection with an undertaking by (the owner(s) / authorized agent) to perform certain works and services required by you.

We specifically undertake not to recognize any notice of dishonor of any sight draft that you shall present to us for payment under this Letter of Credit.

You may make partial drawings or full drawings at any time.

We shall honour your demand without inquiring whether you have a right as between yourself and our customer.

This credit will expire on (date) subject to the condition hereinafter set forth.

It is a condition of this credit that it shall be deemed to be automatically extended, without amendment, for one year from the present or any future expiry date hereof, unless 30 (thirty) days prior to such expiry date, we notify you in writing, by registered mail, that we elect not to consider this credit to be renewable for an additional period. Upon receipt of such notice, you may draw hereunder by means of your written demand for payment.

Our reference for this Letter of Credit is	
This credit is subject to the uniform customs and International Chamber of Commerce, Paris, France, F	
(Bank Signatures)	(Bank Signatures)

SCHEDULE E OPERATIONAL PROPOSAL

Schedule E

TENDER FORM

APPENDIX 5: REVISED

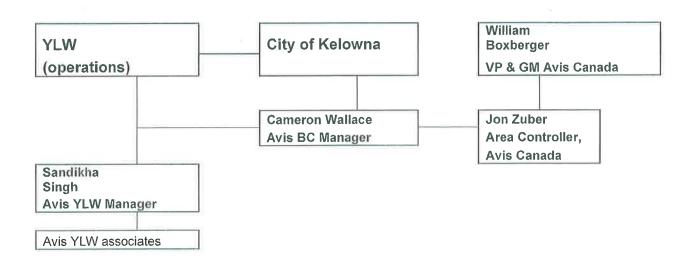
AIRPORT VEHICLE RENTALS LICENCE OPERATIONAL PROPOSAL FOR AVISCAR INC.

A DESCRIPTION OF AVIS GOODS and SERVICES:

Avis Car Rental and its subsidiaries operate one of the world's best-known car rental brands with approximately 5,500 locations in more than 165 countries. Avis offers short term rental vehicle needs to the individual consumer as well as corporate programs for large use needs. The fleet is diverse to meet almost all vehicle needs ranging from small compact cars to mini vans to cargo vans. Avis continues to be a leader in innovation and is experimenting with car share, driverless cars, and personal mobile applications.

ORGANIZATION STRUCTURE

All daily operational issues, bulletins, and planning will be handled by Local Avis management. All YLW SON Notices shall continue to be distributed via email to Cameron Wallace (Cameron.wallace@avis.com) plus emailed to Sandhika Singh (sandhikasingh@gmail.com), Avis YLW Manager from which all Avis YLW staff are informed. All other items such as leases, payments, future development and planning will be directed to the Cameron Wallace, Avis BC Manager;



SCHEDULE F

LIST OF MATERIAL DISCLOSURES

Potential Hazards including, but not limited to

- a) Underground power, gas, fiber-optic, telephone, etc.
- b) Shoring and excavations (cave in, engulfment, entrapment)
- c) Biological hazards (sewage, needles)
- d) Gases (H2S, natural gas, methane, carbon monoxide, LEL)
- e) Traffic
- f) Overhead hazards (power, trees, falling materials)
- g) Backing up equipment and trucks
- h) Utilities (gas, power, water)
- i) Hazardous materials (asbestos, lead, silica, VOC's)
- j) Working at heights (3m/10ft)
- k) Entering confined spaces
- l) Slips and trips
- m) Power tools
- n) Hand tools
- o) Lifting and carrying
- p) Poor lighting
- q) Limited access and egress
- r) Fire
- s) Fumes (diesel gas, paints, oils, solvents)
- t) Noise
- u) Fecal matter (bird, mouse droppings)
- v) Workplace violence and/or bullying
- w) Thermal stress (cold and heat)
- x) First aid situation
- y) Working with or around mobile equipment or vehicles
- z) Ladders, scaffolds and work platforms
- aa) Used needles
- bb) Insects (ticks, bees, flies, mosquitoes, etc.)
- cc) Thermal stress (cold and heat)
- dd) Working near water (streams, creeks)
- ee) Overhead trees (large branches potential to break and fall)
- ff) Uneven terrain (hills, paths, brush)
- gg) Small ride on engine equipment
- hh) Small engine equipment hand held
- ii) Lifting and carrying
- jj) Working alone
- kk) Serious inclement weather events (tornado, earthquake, lightning, thunderstorms, hail)
- II) Inclement weather events (fog, dust storms, wind, rain)
- mm) Aggressive animals (dogs, raccoons, marmots, badgers, bears, cougars, snakes)
- nn) Playground hazards (pinch points, sharp edges, slippery surfaces, children)
- oo) Working with or around mobile equipment

- pp) Engine exhaust
- qq) Welding fumes
- rr) Grinding (airborne material)
- ss) Welding flash
- tt) Tripping hazards
- uu) Moving heavy equipment
- vv) Open floor pit
- ww) Overhead obstruction
- xx) Chemical fumes (diesel, gas, paints, oil, solvents)
- yy) High pressure air/liquid
- zz) Personnel issues/potential for workplace violence and/or bullying
- aaa) Vehicle hoist

SCHEDULE G

INSURANCE REQUIREMENTS

1. Subtenant to Provide

The Subtenant shall procure and maintain, at its own expense and cost, the insurance policies listed in section 2 of this Schedule G, with limits no less than those shown in the respective items, unless the City advises in writing that it has determined that the exposure to liability justifies less limits. The insurance policy or policies shall be maintained continuously during the Term.

2. Insurance

As a minimum, the Subtenant shall, without limiting its obligations or liabilities under any other contract with the City, procure and maintain, at its own expense and cost, the following insurance policies:

- 2.1 Worker's compensation insurance covering all employees of the Subtenant engaged in this Agreement, services and/or occupancy in accordance with statutory requirements of the province or territory having jurisdiction over such employees;
- 2.2 Commercial General Liability Insurance:
 - a. commercial general liability (including bodily injury, death, and property damage) insurance on an occurrence basis with respect to the business carried on, in, or from the Premises and the Subtenant's use and occupancy thereof, of not less than \$5,000,000.00 per occurrence (or such greater reasonable amount as the City may require from time to time), which insurance shall include the City as an additional insured and shall protect the City in respect of claims by the Subtenant as if the City were separately insured;
 - b. including coverage for Products/Completed Operations, Blanket Contractual, Contractor's Protective, Personal Injury, Contingent Employer's Liability, Broad Form Property Damage, and Non-Owned Automobile Liability; and
 - c. including a Cross Liability clause providing that the inclusion of more than one Insured shall not in any way affect the rights of any other Insured hereunder, in respect to any claim, demand, suit or judgment made against any other Insured.
- 2.3 Automobile Liability Insurance covering all motor vehicles, owned, operated and used or to be used by the Subtenant directly or indirectly in the performance of the Sublease. The Limit of Liability shall not be less than \$5,000,000 inclusive, for loss or damage including personal injuries and death resulting from any one accident or occurrence.

2.4 Crime/Employee Dishonesty

a. The Subtenant's insurance will reimburse the Subtenant for loss arising out of the Subtenant's indemnification of the City for any dishonest or fraudulent act(s) committed by the Subtenant's Responsible Persons, acting alone or in collusion with others, but only

when and to the extent that the Subtenant is liable for such indemnification pursuant to the terms of this Agreement. The Limit of Liability shall not be less than \$150,000 inclusive, for loss resulting from any one occurrence.

b. This insurance is for the Subtenant's benefit only. It provides no right or benefits to any other person or organization, including the City. Any claim for loss that is covered pursuant to the above paragraph must be presented by the Subtenant.

2.5 Property Insurance:

and if the City shall require the same from time to time, then also:

- a. tenant's fire insurance in an amount not less than the actual cash value of the Premises, as determined by the City;
- b. insurance upon all plate glass in or which forms a boundary of the Premises in an amount sufficient to replace all such glass; and
- c. insurance in such amounts as may be reasonably required by the City in respect of fire and such other perils, including sprinkler leakage, as are from time to time defined in the usual extended coverage endorsement covering the Subtenant's trade fixtures and the furniture and equipment of the Subtenant and all Leasehold Improvements in the Premises, and which insurance shall include the City as an additional insured as the City's interest may appear with respect to the insured Leasehold Improvements and provided that any proceeds recoverable in the event of loss to Leasehold Improvements shall be payable to the City, but the City agrees to make available such proceeds toward the repair or replacement of the insured property if this Agreement is not terminated under any other provision hereof.

3. <u>Insurance Policies</u>

Except the Automobile Liability Insurance required in section 2.3 and the Crime/Employee Dishonesty Insurance in section 2.4, all other insurance required in sections 2.2 and 2.5 are to be maintained by the Subtenant hereunder shall be on terms and with insurers to which the City has no reasonable objection and shall provide that the City is named as an additional insured thereunder and that said policies are primary without any right of contribution from any insurance otherwise maintained by the City, and that such insurers shall provide to the City 30 days' prior written notice of cancellation or material alteration of such terms.

4. Subtenant's Contractor and Agents

The Subtenant shall require each of its contractor's and agent's that make use of the Premises or provide services to the Subtenant at the Premises provide comparable insurance to that set forth under section 2.

5. Other Insurance

After reviewing the Subtenant's certificates of insurance, the City may, within reason, require other insurance or alterations to any applicable insurance policies in force during the Term and will give

notifications of such requirement. Where other insurances or alterations to any insurance policies in force are required by the City and result in increased insurance premium, such increased premium shall be at the Subtenant's expense.

6. Additional Insurance

The Subtenant may take out such additional insurance, as it may consider necessary and desirable. All such additional insurance shall be at no expense to the City.

7. Insurance Companies

All insurance, which the Subtenant is required to obtain with respect to this contract, shall be with insurance companies registered in and licensed to underwrite such insurance in the province of British Columbia.

8. Failure to Provide

If the Subtenant fails to do all or anything which is required of it with regard to insurance, the City may do all that is necessary to effect and maintain such insurance, and any monies expended by the City shall be repayable by and recovered from the Subtenant.

Nonpayment of Losses

The failure or refusal to pay losses by any insurance company providing insurance on behalf of the Subtenant shall not be held to waive or release the Subtenant from any of the provisions of the insurance requirements or this Agreement, with respect to the liability of the Subtenant otherwise. Any insurance deductible maintained by the Subtenant under any of the insurance policies is solely for its account and any such amount incurred by the City will be recovered from the Subtenant as stated in section 8.



SCHEDULE G-1 CERTIFICATE OF INSURANCE

1435 Water Street Kelowna, BC V1Y 1J4 250 469-8500 kelowna.ca

City staff to complete p	rior to circulation
City Dept.:	
Dept. Contact:	
Project/Contract/Event:	

Insured	Name:				
	Address:				
Broker	Name:				
	Address:				
			biah thia C	autiGasta senti	
Location and nature of Vehicle rental concess				ertincate appii	es:
Venicle rental concessi	ion operation at i	(Clowing international)	p 0 c.		
			Poli	cy Dates	
Type of Insurance		Company & Policy Number	Effective	Expiry	Limits of Liability/Amounts
Section 1					Bodily Injury and Property Damage
Commercial Gene including:	ral Liability				\$ <u>5,000,000</u> Inclusive
 Products/Complet 	ed Operations:				\$ Aggregate
Blanket Contractu				1	\$ Deductible
Contractor's Prote	ective;		ľ		
 Personal Injury; 					
Contingent Emplo					
Broad Form Prope			1		
Non-Owned AutoCross Liability Class			1.2	1	
Section 2	036.				Bodily Injury and Property Damage
Automobile Liability					\$ <u>5,000,000</u> Inclusive
Section 3					\$150,000 per occurrence
Crime/Employee Disho	onesty				
It is understood and agr	eed that the polic	cy/policies noted above	shall contain	amendments to	o reflect the following:
					y to the City of Kelowna and shall be
		sured named above.			
•		as an Additional Insur			h- 4b - City - £ 1/ -
3. 30 days prior w	vritten notice of	material change and/	or cancellation	i will be given	to the City of Kelowna.
Print Name	Ti	tle		Company (I	nsurer or Broker)
Signature of Authori	zed Signatory			Date	

DOJ Approved Template Dec 13, 2012

CITY OF KELOWNA

BYLAW NO. 11454

Amendment No. 31 to Airport Fees Bylaw No. 7982

The Municipal Council of the City of Kelowna, in open meeting assembled, enacts that the City of Kelowna Airport Fees Bylaw No. 7982 be amended as follows:

- 1. THAT **Section 15a.** ON AIRPORT CAR RENTAL CONCESSION FEES, Section 15a.1 be deleted that reads "The greater of 11% of the annual gross revenue or a tendered annual minimum guarantee." and be replaced with "The greater of 12% of the annual gross revenue or a tendered annual minimum guarantee."
- 2. AND THAT **Section 15b. ON AIRPORT CAR RENTAL LICENSEE RECOVERY FEES**, Section 15a.1 be deleted that reads "Licensees may incorporate a recovery fee not to exceed 12.36% into customer rental agreements." and be replaced with "Licensees may incorporate a recovery fee not to exceed 13.64% into customer rental agreements."
- 3. AND THAT **Section 16.** OFF AIRPORT CAR RENTAL LICENCES, be deleted that reads "The fee for off-airport car rental licences offering shuttle service between the airport and off airport car rental offices shall be 8% of gross revenue." and be replaced with "The fee for off-airport car rental licences offering shuttle service between the airport and off airport car rental offices shall be 9% of gross revenue."
- 4. This bylaw may be cited for all purposes as "Bylaw No. 11454, being Amendment No. 31 to Airport Fees Bylaw No. 7982."
- 5. This bylaw shall come into full force and effect and is binding on all persons as and from the date of adoption.

Read a first, second and third time by the Municipal Council this

Adopted by the Municipal Council of the City of Kelowna this

Mayor
City Clark
City Clerk

Report to Council



Date: August 28, 2017

File: 1840-01

To: City Manager

From: Robert Parlane, Parks & Buildings Planning Manager

Subject: Community for All, City Parks and Buildings Assessments

Report prepared by: Bruno Carneiro and Tanvi Patel, Parks and Buildings Planning Summer Students

Recommendation:

THAT Council receives, for information, the report from Parks and Buildings Planning Manager dated August 28, 2017, with respect to the Community for All, City Parks and Buildings Assessments.

Purpose:

To present a comprehensive report outlining the Community for All, City Parks and Buildings Assessments program.

Background:

The City of Kelowna's Community for All Action Plan was endorsed by Council in 2016. The plan identifies areas to adapt policies, plans and programs to respond to the evolving needs of our community. This Plan includes 31 actions to help create a city that is healthy, safe, active and inclusive for seniors, children and those with diverse abilities.

Two of the City-led actions that arose from this Plan include an All Ages and Abilities Parks Assessment, and an All Ages and Abilities City Buildings Assessment, collectively called the "Community for All, City Parks and Buildings Assessment".

These two actions will help the City evaluate the suitability of City parks and buildings to meet the needs of seniors, young children, and those with diverse abilities. As Kelowna's population ages, mobility, accessibility and social participation becomes more challenging for many. Therefore, it is important to create public spaces that are accessible and where social connections can be made.

In 2017, the City of Kelowna received a UBCM Age-Friendly Community Planning Grant to complete these two recommendations. Led by the Parks and Buildings Planning department, assessment criteria

were created through research done on globally recognized best practice and planning documents. Additionally, stakeholder engagement was completed to take into consideration the needs of seven defined user groups that included:

- Seniors generally,
- caregivers with babies and/or toddlers,
- caregivers with adults challenged in any manner,
- people who are deaf or hard of hearing,
- people who are blind or visually impaired,
- people with cognitive, memory or learning challenges,
- and people with mobility challenges.

Through this process the assessment criteria were refined and formatted into checklists, one for parks and one for buildings.

Parks and Buildings Planning hired two summer students to complete the task of assessing City parks and buildings using the checklists. Training was provided to the summer students both by staff and by volunteers with varying experience, in order for the students to have sound knowledge of best practices, an empathetic view on each user group, and critical thinking.

The students have successfully assessed 157 parks and 76 buildings in our portfolio. The collected data will be used by Parks and Buildings Planning staff to identify priorities for improved access within City owned properties, as well as supporting future grant applications for improved access as they arise in the future.

Further, the Rick Hansen Foundation (RHF) reached out to the City of Kelowna over the summer to discuss their pilot program which includes accessibility audits for buildings and public spaces. Their assessments place a specific focus on those with mobility challenges, vision challenges, and those who are deaf or hard of hearing. As part of their pilot, RHF is reaching out to municipalities across Canada offering free assessments for a selection of parks and buildings. Staff is currently using our assessment to identify a number of parks and buildings for assessment by the RHF. This will complement the work done by Parks and Buildings Planning students in two ways: it will provide staff the ability to compare results from assessments done by an outside source to our own assessments, and it will provide access to new grant opportunities from RHF which would be applied to improving our parks and buildings.

The information collected in the assessments has been shared with the People in Motion Organization for their online Accessibility Inventory, which helps residents and visitors find accessible resources in the Central Okanagan. Additionally, the assessments will be shared with the other Community for All partners, so that key organizations such as Interior Health, UBCO and Okanagan College may choose to undertake similar assessments.

In order to forge a culture for all ages and abilities, it's essential that the needs of all our residents are incorporated into City planning and projects. The Community for All, Parks and Buildings Assessment is one way to demonstrate the City's leadership in building an inclusive community for all.

Internal Circulation:

Divisional Director, Infrastructure
Divisional Director, Active Living and Culture Park and Landscape Planner
Sustainability Coordinator

Parks Services Manager Buildings Services Manager Infrastructure Delivery, Senior Project Manager

Considerations not applicable to this report:
Legal/Statutory Authority:
Legal/Statutory Procedural Requirements:
Existing Policy:
Financial/Budgetary Considerations:
Personnel Implications:
Communications Comments:
Alternate Recommendation:
Submitted by:
R. Parlane,
Parks & Buildings Planning Manager
Approved for inclusion: A. Newcombe, Divisional Director, Infrastructure

Attachments: Community for All, City Parks and Buildings Assessments Presentation

cc: Divisional Director, Infrastructure
Divisional Director, Active Living and Culture
Sustainability Coordinator
Parks Services Manager
Buildings Services Manager
Infrastructure Delivery, Senior Project Manager
Park and Landscape Planner





Background

Community for All Parks and Building Assessments

- City Parks Assessments
- ▶ City Buildings Assessments

Funded by the 2017 UBCM Age-Friendly Planning and Project Grant





Community for All

Vision: A city that is healthy, safe, active & inclusive for seniors, children and those with diverse abilities



Recent Successes

City of Kelowna

Rutland Centennial





- ▶ Playground surface fully accessible by wheelchairs and strollers
- Variety of equipment suitable for those with visible or hearing disabilities

Recent Successes



Boyce-Gyro and Rotary Beach Wheelchairs





► These are designed to manoeuvre across sand and provide easy entry into the water

Recent Successes



Pool Lifts





► Access to pools in H2o, Parkinson Recreation Centre, Rutland YMCA

Assessment Deliverables



Gather and compile site-specific information related to accessibility for all ages and abilities in City parks and buildings

Recommendations for improvement, including prioritization for implementation



Munson Pond Park



Project Scope

157 City Parks

- ▶ City-wide parks
- Recreation parks
- Community parks
- Neighborhood parks

Plus some selected natural areas



Cedar Creek Park



Project Scope

76 City Buildings

- City-managed public service, cultural and entertainment buildings
- Parks washrooms and fieldhouses
- Sports clubs located in city-owned buildings



Landfill Administration Building



Project Scope

User Groups

- Seniors
- Parents with babies and/or toddlers
- Deaf or hard of hearing
- ▶ Blind or visually impaired
- People with cognitive, memory or learning challenges
- People with a mobility challenge
- Caregivers for persons challenged in any manner





City Park: Staff/stakeholder park experience











Learning from Lived Experience...



Assessment Structure

Based on:

- ▶ BC Building Code
- Stakeholder engagement
- City of Kelowna Guidelines for Accessibility in Outdoor Spaces
- City of Calgary Access Design Guidelines
- World Health Organization Checklist of Essential Features of Age-friendly Cities





Parks (218 checklist items)

- Major assessment areas
 - ▶ Vehicular access
 - ▶ Paths of travel
 - ► Site furniture
 - Signage and way finding
 - Park amenities
 - Social connectedness



Waterfront Park

Buildings Assessment



- ▶ Buildings (244 checklist items)
 - Major Assessment Areas
 - Vehicular access
 - Building entrances
 - Interior paths of travel
 - Washrooms & change rooms
 - Signage and interior features
 - Assembly areas and theatres
 - Recreational facilities
 - ► Social connectedness



Parkinson Activity Center



Assessment Findings



Rotary Centre for the Arts

City of Kelowna

Playgrounds in parks

- ▶ 51% of parks have playgrounds
- ► Observed public usage was high



Naito Park



Transit coverage

► Roughly 70% of city parks and 82% of public buildings assessed have a transit stop located within 500 metres



Transit near Mission Recreation Park



Clean, well maintained, and welcoming parks

► The majority of city parks have environments which encourage social interactions



Barlee Park



Automatic door openers

▶ 80% of major city public buildings offer automatic door openers



Parkinson Recreation Center



Elevators and vertical transportation

- ▶ 100% of elevators in city managed buildings are accessible and up to building code
- ▶ 80% of multiple storey buildings have elevators or accessible elevating devices

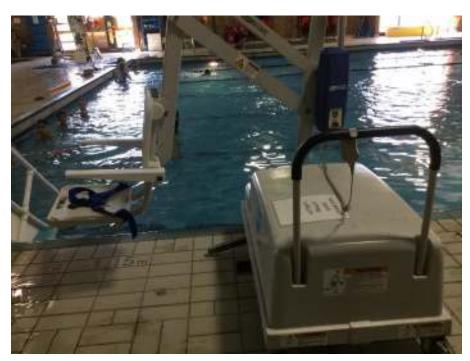


Parkinson Activity Center



Recreational facilities and exercise areas

- ▶ 100% of public pools are provided with lifts
- ▶ 100% of public gyms have accessible exercise equipment







H₂O



Playground accessibility

 20% of City playgrounds in city-wide, community, and recreational parks provide accessible surfaces and/or equipment



Mission Recreation Park



Passenger loading zones

▶ 20% of public buildings and about 4% of parks have marked passenger loading zones



Capital News Center



Pathways to amenities

▶ 50% of City parks do not have pathways to site furniture



City Park



Assistive listening systems

> 7% of City buildings used for public speaking or performance provide assistive listening systems



Kelowna Library

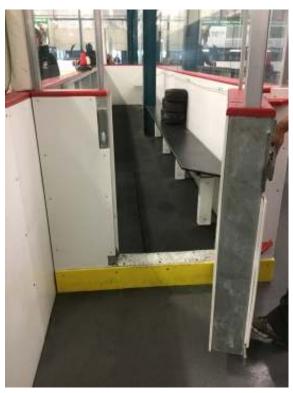


Recreational facilities

▶ Provision for sledge hockey could be considered







Rutland Arena



Signage and wayfinding

▶ 10% of City public buildings have some sort of tactile signage



Rutland Family YMCA







Sutton Glen Community Gardens





Share data and promote assessments with other Community for All partners

- ▶ People in Motion
- ▶ Interior Health
- University of British Columbia (Okanagan)
- Okanagan College



Next Steps...

Rick Hansen Foundation collaboration

- Accessibility Certification Program
- > 7 parks, 7 buildings





Next Steps...

Feedback from the different user groups

Use the collected data to prioritize improvements to existing infrastructure

Use the acquired knowledge to inform the design of new capital projects



Questions?

For more information, visit **kelowna.ca**.

Report to Council



Date: August 28, 2017

File: 1140-50

To: City Manager

From: M. Olson, Manager, Property Management

Subject: Library Parkade Commercial Lease – Pizza Studio

Recommendation:

THAT Council approves the City entering into a ten-year Lease Agreement, with Gem Hospitality Group Inc. and PS Restaurants Inc., for the purpose of operating a pizza studio restaurant, with the option to renew for two (2) additional five (5) year terms, in the form attached to the Report of the Manager Property Management, dated August 28, 2017;

AND THAT the Manager, Property Management be authorized to execute all documents necessary to complete the transaction.

Purpose:

That Council approve the lease agreement between the City of Kelowna and Gem Hospitality Group Inc. to be assigned to PS Restaurants Inc. (dba Pizza Studio) for the lease of +/- 1,485 sq. ft. in the recently completed retail space located in the Library Parkade expansion.

Background:

The City-owned Library Parkade, located at 1360 Ellis Street, has been recently expanded to include an additional 4,285 sf of commercial retail space at street level. After an advertising campaign by HM Commercial, Pizza Studio has submitted an offer to lease the southernmost end cap unit.

The Pizza Studio franchise business is currently experiencing a period of growth as it is expanding into the Canadian market. Pizza Studio currently has 30 locations across the United States and 3 locations that have recently opened in Ontario with 2 more opening soon.

A summary of the proposed Lease Agreement with the Pizza Studio is shown in the table below:

Lease Component	Description	
Lease Area	1,485 square feet	
Term	10 years	
Renewal Consideration	2 x 5 years	
Rent	\$22 psf. (years 1-5) \$25 psf. (years 6-10)	
Lease Costs	Tenant to pay proportionate share of operating costs	

The negotiated lease rate of \$22.00/sf in the first 5 years, increasing to \$25.00/sf over the remainder of the ten-year term is supported by market research as provided by the City's real estate broker, HM Commercial.

Staff believe the Pizza Studio will complement the area's unique blend of services. Background information related to the company is attached as Schedule B to this report.

Legal/Statutory Authority:

Community Charter, Sec. 26 – Disposal of Municipal Property

Legal/Statutory Procedural Requirements:

Community Charter, Sec. 94 – Notice Requirements

Financial/Budgetary Considerations:

Total annual revenue for lease years 1 to 5 is estimated to be \$32,670 and years 6 to 10 are estimated to be \$37,125; revenue related to the lease will be allocated to the Parking Reserve.

The commission payable to HM Commercial estimated to be approximately \$7,500 (inclusive of GST), and will be funded by Parking Services (7540.252.1270.*.*.000.10.).

Considerations not applicable to this report:

Internal Circulation:

Existing Policy:

Personnel Implications:

External Agency/Public Comments:

Communications Comments:

Alternate Recommendation:

Submitted by: M. Olson, Manager, Property Management

Approved for inclusion: D. Edstrom, Director, Real Estate

Attachments:

- 1.
- Schedule A Lease Agreement Schedule B Company Information/Design Schedule C PowerPoint 2.
- 3.
- cc: D. Duncan, Manager, Parking Services
 - G. Filafilo, Manager, Accounting Operations

MUNICIPAL FACILITY LEASE

(COMMERCIAL)

BETWEEN:

CITY OF KELOWNA, a municipal corporation having Offices at 1435 Water Street, Kelowna, B.C. V1Y 1J4

(the "Landlord")

OF THE FIRST PART

AND:

PS RESTAURANTS INC. (Ontario Corp. No. 2529892), 1120 Brevick Place, Mississauga, Ontario, L4W 3Y5, d.b.a. Pizza Studio

(the "Tenant")

OF THE SECOND PART

AND:

660685 B.C. LTD. (Inc. No. BC0987234), c/o Drysdale Bacon McStravick, #211 – 1015 Austin Avenue, Coquitlam, B.C. V3K 3N9

(the "Guarantor")

OF THE THIRD PART

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- 3. Term
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- 14. Subordination, Attornment, Registration, and Certificates
- 15. Occurrence of Default
- 16. Tenant's Default, Remedies of Landlord and Surrender
- 17. Miscellaneous
- 18. Guarantee

THIS LEASE, dated the 1st day of September, 2017, is made and entered into by the Landlord and the Tenant named herein who, in consideration of the covenants herein contained, agree as follows:

1. BASIC TERMS, SCHEDULES, AND DEFINITIONS

1.1 The following is a summary of certain basic Lease provisions, which are referred to in subsequent provisions of this Lease. In the event of a conflict between the contents of this summary and the remaining provisions of this Lease, the remaining provisions will govern:

(a)	Landlord: Address of Landlord:	CITY OF KELOWNA City Hall, 1435 Water Street Kelowna, B.C. V1Y 1J4 Fax: 250-862-3349 Email: molson@kelowna.ca
(b)	Tenant: Address of Tenant:	PS RESTAURANTS INC., d.b.a. Pizza Studio 1120 Brevick Place Mississauga, ON L4W 3Y5
(c)	Premises:	Unit 103 – 1360 Ellis Street, Kelowna, British Columbia, V1Y 2A2 (see Schedule A-1)
(d)	Rentable Area:	approximately 1,485 square feet of ground floor space (to be verified by Landlord upon completion of demising wall)
(e)	Initial Term: Commencement Date:	10 years The earlier of February 1, 2018 and the date on which the Tenant begins to conduct business in the Premises, provided that if such date is not the first day of a month the Commencement Date will be deemed to be the first day of the next month following such date
(f)	Renewal Term (if any):	Two renewals of 5 years each in accordance with section 3.2 of this Lease
(g)	Annual Base Rent + Tax:	Lease Years \$ per square foot per annum 1 to 5 \$22.00 5 to 10 \$25.00
(h)	Security/Performance Deposit:	Equal to two (2) months Annual Base Rent, prepaid by the Tenant in accordance with section 4.7 of this Lease
(i)	Permitted Use:	Licensed pizza sit-down and take-out restaurant under the firm name and style of Pizza Studio
(j)	Parking	Two assigned parking spaces in the Library Parkade,

The foregoing Basic Terms are approved by the parties. Each reference in this Lease to any of the Basic Terms shall be construed to include the provisions set forth above as well as all of the additional terms and conditions of the applicable sections of this Lease where such Basic Terms are more fully set forth.

to be determined by the Landlord

1.2 Schedules

All Schedules to this Lease are incorporated into and form an integral part of this Lease and are as follows:

SCHEDULE SUBJECT

A-1 Site Plan of Premises

A-2 Sketch of Patio Licence Area

B Definitions

C Rules and Regulations

D Landlord & Tenant Responsibility Checklist

E Certificate of Insurance

1.3 Definitions

In this Lease, the words, phrases and expressions set forth in Schedule B are used with the meanings defined therein.

2. LEASE OF PREMISES AND LICENCE OF PATIO LICENCE AREA

2.1 Lease of Premises

In consideration of the rents, covenants, and agreements hereinafter reserved and contained on the part of the Tenant to be paid, observed, and performed, the Landlord hereby demises and leases to the Tenant, and the Tenant leases from the Landlord, the Premises.

2.2 Patio Licence

In connection with the lease of the Premises granted by section 2.1 above, the Landlord further grants to the Tenant a licence to use and occupy the Patio Licence Area during the Term, provided that the Tenant is not at any time in material default of this Lease. The Tenant shall allow access to and over the Patio Licence Area as may be reasonably required for pedestrians to move freely and easily to and from the Premises and across such common areas and facilities. To the extent applicable, all provisions of this Lease apply to the Patio Licence Area and the licence granted by this section 2.2, except for the payment of Annual Base Rent and Additional Rent. For certainty, the Tenant shall not be required to pay Annual Base Rent or Additional Rent for the Patio Licence Area during the Term or any renewals thereof. Without limiting the foregoing, in connection with the licence of the Patio Licence Area granted by this section 2.2, the Tenant shall:

- (a) obtain and maintain all required "user" permits from the City of Kelowna and any other municipal or governmental authority having jurisdiction;
- (b) not install any railings, patio furniture, umbrellas, signage or any other items on the Patio Licence Area unless the Tenant has submitted all plans and specifications to the Landlord and has obtained the Landlord's prior written approval, not to be unreasonably withheld or delayed;
- (c) pay all costs and expenses associated with the installation, maintenance, and replacement of railings in the Patio Licence Area;
- (d) pay all costs associated with fixturing the Patio Licence Area (including chairs, tables, bar, umbrellas, etc.) and ensure that all such fixtures comply with the Landlord's design criteria; and
- (e) be solely responsible for all maintenance, repair, and clean-up of the Patio Licence Area throughout the Term.

2.3 Parking

In connection with the lease of the Premises granted by section 2.1 above, the Landlord further grants to the Tenant a licence to use the parking spaces set out in sub-clause 1.1(j) during the Term and any renewal terms, provided that the Tenant is not at any time in material default of this Lease.

3. TERM

3.1 Term

The Term of this Lease and the related licences described in sections 2.2 and 2.3 above, shall be for the initial term of ten (10) years, beginning on the Commencement Date, and subject to earlier termination or renewal on the terms and conditions as set out herein.

3.2 Option to Renew

The Landlord covenants with the Tenant that if:

- (a) the Tenant gives notice to the Landlord that the Tenant wishes to obtain renewal of this Lease, such notice to be given not later than 6 months prior to the expiration of the initial Term of 10 years; and
- (b) at the time of giving such notice, the Tenant is not in breach of any covenant or condition herein contained and which has not been remedied; and
- (c) the Tenant has duly and regularly throughout the initial Term of 10 years observed and performed the covenants and conditions herein contained,

then the Landlord shall grant to the Tenant at the Tenant's expense two renewals of the Premises for the Renewal Term(s) of 5 years each, upon the same terms and conditions, not including Annual Base Rent and Additional Rent as are herein contained. The Annual Base Rent payable during any Renewal Term shall be the greater of the Annual Base Rent payable during the preceding 12 months of the Term (or the previous Renewal Term) and the then fair market rental value of the Premises as at the commencement of the Renewal Term having regard to the rent payable for similar premises of a similar design, age, and nature in Kelowna, British Columbia. In the event that the Landlord and the Tenant are unable to agree upon the fair market rental value of the Premises as at the commencement of a Renewal Term within 90 days prior to the commencement of that Renewal Term, either the Landlord or the Tenant may, by notice in writing to the other, require that such fair market rental value be determined by arbitration conducted by a single arbitrator pursuant to the *Arbitration Act* (British Columbia).

The lease may be renewed twice for a total of 20 years including the original Term.

4. RENT

4.1 Rent

The Tenant shall yield and pay to the Landlord, in the manner outlined in clause 4.2, at the office of the Landlord's accounts payable division, or at such other place as the Landlord may direct in writing, during the Term in lawful money of Canada without any set-off, abatement, compensation, or deduction whatsoever on the days and at the times hereinafter specified, Rent which shall include the aggregate of the sums specified in sub-clauses (a) and (b) below:

(a) Annual Base Rent

Annual Base Rent in the amount per annum set out in sub-clause 1.1(g) for each respective Lease Year.

(b) Additional Rent

The Tenant acknowledges and agrees that this Lease shall be a completely carefree net lease for the Landlord and that the Tenant shall pay for its own account all costs, expenses, charges or outlays of any kind arising from, relating to, or affecting the Premises as well as its share of any kind arising from, relating to, or affecting the Premises. Without limiting the generality of the foregoing, the Tenant shall pay to the Landlord as Additional Rent in each Lease Year the aggregate of:

- (i) the Tenant's proportionate share of property taxes;
- (ii) the Tenant's proportionate share of insurance costs;
- (iii) a charge for supplying electricity, water, gas, and any other utilities to the Premises, unless separately metered;
- (iv) the Tenant's proportionate share of salaries and wages and all independent service contract and supplies incurred in cleaning, maintenance, garbage collection and disposal, operation, security, landscape repair and maintenance, snow removal, and traffic control;
- (v) the Tenant's proportionate share of repairs and maintenance of all or any portion of the Land and the building located thereon. Including without limitation the common areas and facilities;
- (vi) such other amounts as may be set forth in this Lease.

4.2 Payment of Rent

The Rent provided for in this Article shall be paid by the Tenant as follows:

(a) Annual Base Rent

The Annual Base Rent shall be paid in equal consecutive monthly instalments, in the amounts set out in sub-clause 1.1(g), in advance on the first day of each and every month during the Term. The first monthly instalment of the Annual Base Rent shall be paid by the Tenant on the Commencement Date. Where the Commencement Date is the first day of a month such instalment shall be in respect of such month; where the Commencement Date is not the first day of a calendar month, the Annual Base Rent for the period from the Commencement Date to the first day of the next ensuing calendar month shall be pro-rated on a per diem basis and paid on the Commencement Date and the first regular instalment of the Annual Base Rent shall be paid on the first day of the first full calendar month of the Term. Thereafter, subsequent monthly instalments shall each be paid in advance on the first day of each ensuing calendar month during the Term.

(b) Additional Rent Payments

The Landlord may estimate all items included in the Additional Rent and the Tenant shall pay such estimate in monthly equal installments. The Landlord shall compute the Tenant's actual proportionate share of Additional Rent and reconcile and bill, or reimburse, as the case may be, the difference billed to the Tenant each Lease Term.

(c) Payment Format

The Tenant agrees to pay all Rent via Bank Transfer on a monthly basis.

4.3 Rent for Irregular Periods

All Rent reserved herein shall be deemed to accrue from day-to-day, and if for any reason it shall become necessary to calculate the Annual Base Rent for irregular periods of less than one year an appropriate pro-rata adjustment shall be made on a daily basis in order to compute the Annual Base Rent for such irregular period.

4.4 Application of Payments

All payments by the Tenant to the Landlord under this Lease shall be applied toward such amounts then outstanding hereunder as the Landlord determines and the Landlord may subsequently alter the application of any such payment.

4.5 Net Lease

Without limiting section 4.1(b), the Tenant Acknowledges and agrees that it is intended that this Lease shall be a completely net lease for the Landlord except as shall be otherwise provided in the specific provisions contained in this Lease, and that the Landlord shall not be responsible during the Term for any costs, charges, expenses, and outlays of any nature whatsoever arising from or relating to the specific provisions contained in this Lease, and the Tenant shall pay all charges, impositions, and costs of every nature and kind relating to the Premises whether or not referred to herein and whether or not within the contemplation of the Landlord or the Tenant, and the Tenant covenants with the Landlord accordingly.

4.6 Interest on Overdue Rent

Overdue Rent payments shall be interest at the current Bank of Canada lending rate effective from the date the amount is due.

4.7 Security Deposit

The Tenant has deposited the Security Deposit with the Landlord. The Security Deposit will be held by the Landlord as security for the faithful performance by the Tenant of all of the provisions of this Lease to be performed and observed by the Tenant. If the Tenant fails to pay Rent or otherwise defaults with respect to any provision of this Lease, the Landlord may use, apply or retain all or any portion of the Security Deposit for the payment of any Rent in default, or for the payment of any other expense which the Landlord may incur by reason of the Tenant's default, or to compensate the Landlord for any loss or damage which the Landlord may suffer thereby. If the Landlord so uses or applies all or any portion of the Security Deposit, the Tenant will within 10 days after demand therefor deposit cash with the Landlord in an amount sufficient to restore the Security Deposit to the full amount thereof. If the Tenant performs all of the Tenant's obligations hereunder, the Security Deposit, or so much thereof as has not yet been applied by the Landlord, will be returned to the Tenant at the expiration of the Term, after the Tenant has vacated the Premises in accordance with the provisions of this Lease. No trust relationship is created herein between the Landlord and the Tenant with respect to the Security Deposit.

5. TENANT'S COVENANTS

5.1 Tenant's Covenants

The Tenant covenants with the Landlord as follows:

(a) Rent

To pay the Rent on the days and in the manner provided herein and to pay all other amounts, charges, costs, and expenses as are required to be paid by the Tenant to the Landlord or to others under this Lease.

(b) Occupancy and Permitted Use

To take possession of and occupy the Premises and commence to carry on business in all or substantially all of the Premises no later than 30 days after the Commencement Date, to use the Premises only for the purpose set out in clause 1(i) herein and not for any other purpose.

(c) Waste and Nuisance

Not to commit or permit: any waste or injury to the Premises including the Leasehold Improvements and the trade fixtures therein; any overloading of the floors thereof; any conduct which impedes or, in the opinion of the Landlord acting reasonably, could constitute a nuisance to the Landlord or anyone else; any other use or manner of use which, in the opinion of the Landlord acting reasonably, may have an adverse impact on the reputation of the Premises.

(d) Insurance Risks

Not to do, omit to do, or permit to be done or omitted to be done upon the Premises anything which would cause the Landlord's cost of insurance to be increased (and, without waiving the foregoing prohibition, the Landlord may demand, and the Tenant shall pay to the Landlord upon demand, the amount of any such increase of cost caused by anything so done or omitted to be done) or which shall cause any policy of insurance to be subject to cancellation.

(e) Cleanliness

Not to permit the Premises to become untidy, unsightly, or hazardous, or permit unreasonable quantities of waste or refuse to accumulate therein, and at the end of each business day to leave the Premises in a clean and neat condition, to the satisfaction of the Landlord.

(f) Compliance with Laws

To comply at its own expense with all municipal, provincial, and federal laws, bylaws, regulations, and requirements pertaining to the operation and use of the Premises, the condition of the Leasehold Improvements, trade fixtures and equipment installed therein, and the making by the Tenant of any repairs, changes or improvements therein.

(g) Installations

To permit the Landlord during the Term, at the Tenant's cost, to install any equipment in or make alterations to the Premises necessary to comply with the requirements of any statute, law, bylaw, ordinance, order, or regulation referred to in sub-clause 5.1(f) and imposed after completion of the Landlord's original construction of the Premises.

(h) Overholding

That if the Tenant shall continue to occupy the Premises after the expiration of this Lease without any further written agreement and without objection by the Landlord, the Tenant shall be a monthly tenant at a monthly base rent equal to 125% of the Annual Base Rent payable by the Tenant as set forth in Article 4 during the last month of the Term. The monthly tenancy shall be (except as to the length of tenancy) subject to the provisions and conditions herein set out.

(i) Signs

Not to display, place, or affix any sign except in accordance with the regulations of the Landlord. Notwithstanding the foregoing, the Tenant may display signage on the exterior of the Premises with no signage rent payable to the Landlord, so long as such signage does not interfere with the signage of other tenants of the Landlord, and all such signage, including all design work and signboards, shall be supplied and installed at the Tenant's sole cost and expense.

(j) Inspection and Access

To permit the Landlord at any time and from time to time to enter and to have its authorized agents, employees, and contractors enter the Premises for the purpose of inspection or making repairs, alterations, or improvements to the Premises as the Landlord may deem necessary or desirable, or as the Landlord may be required to make by law. The Landlord shall be allowed to take into the Premises all material which may be required for such purpose and the rent reserved shall in no way abate while such repairs, alterations or improvements are being made by reason of interruption of the business of the Tenant. The Landlord shall exercise reasonable diligence as to minimize the disturbance or interruption of the Tenant's operation.

(k) Showing Premises

To permit the Landlord and its authorized agents and employees to show the Premises to prospective tenants during the normal business hours of the last three months of the Term.

(I) Rules and Regulations

The Tenant shall comply at all times with the rules and regulations attached as Schedule "C", as those rules and regulations may be amended, modified or supplemented by the Landlord from time to time throughout the Term.

6. LANDLORD'S COVENANTS

6.1 Landlord's Covenants

The Landlord covenants with the Tenant as follows:

(a) Quiet Enjoyment

Provided the Tenant pays the Rent hereby reserved and performs its other covenants herein contained, the Tenant shall and may peaceably possess and enjoy the Premises for the Term hereby granted, without any interruption or disturbance from the Landlord or its assigns, or any other person or persons lawfully, claiming by, from, through, or under the Landlord.

7. REPAIR, DAMAGE, AND DESTRUCTION

7.1 Landlord's Repairs

The Landlord covenants with the Tenant that the Landlord will maintain the Premises according to the terms set out in the Landlord & Tenant Responsibility Checklist attached as Schedule D. Unauthorized repairs, except in a bona fide emergency, will not be reimbursed

7.2 Tenant's Repairs

The Tenant covenants with the Landlord:

- (a) subject to sub-clause 7.1 and 7.3(b) to keep in a good and reasonable state of repair subject to reasonable wear and tear, the Premises including all Leasehold Improvements and all trade fixtures therein and all glass including all glass portions of exterior walls; and
- (b) that the Landlord may enter and view the state of repair (without having any obligation to do so), and that the Tenant will repair according to notice in writing, and that the Tenant will leave the Premises and the Patio Licence Area in a good and reasonable state of repair, allowing for reasonable wear and tear.

7.3 Abatement and Termination

It is agreed between the Landlord and the Tenant that in the event of damage to the Premises:

- (a) if the damage is such that the Premises or any substantial part thereof are rendered not reasonably capable of use and occupancy by the Tenant for the purposes of its business for any period of time in excess of 10 days, then:
 - (i) unless the damage was caused by the fault of negligence of the Tenant or its employees, or others under its control and the damage is not covered by insurance, from and after the date of occurrence of the damage and until the Premises are again reasonably capable of use and occupancy as aforesaid, Rent shall abate from time to time in proportion to the part or parts of the Premises not reasonably capable of use and occupancy; and
 - (ii) unless this Lease is terminated as hereinafter provided, the Landlord or the Tenant, as the case may be (according to the nature of the damage and their respective obligations to repair as provided in clauses 7.1 and 7.2) shall repair such damage with all reasonable diligence, but to the extent that any part of the Premises is not reasonably capable of such use and occupancy by reason of damage which the Tenant is obligated to repair hereunder, any abatement of Rent to which the Tenant is otherwise entitled hereunder shall not extend later than the time by which, in the reasonable opinion of the Landlord, repairs by the Tenant ought to have been completed with reasonable diligence; and
- (b) if the Premises are substantially damaged or destroyed by any cause to the extent such that in the reasonable opinion of the Landlord they cannot be repaired or rebuilt (based on standard hours of construction work) within 240 days after the occurrence of the damage or destruction, then either the Landlord or Tenant may at its option,

exercisable by written notice to the Tenant or Landlord, given within 60 days after the occurrence of such damage or destruction, terminate this Lease, in which event neither the Landlord nor the Tenant shall be bound to repair as provided in clauses 7.1 and 7.2, and the Tenant shall instead deliver up possession of the Premises and Patio Licence Area to the Landlord with reasonable expedition but in any event within 60 days after delivery of such notice of termination, and Rent shall be apportioned and paid to the date upon which possession is so delivered up (but subject to any abatement to which the Tenant may be entitled under sub-clause 7.3(a) by reason of the Premises having been rendered in whole or in part not reasonably capable of use and occupancy), but otherwise the Landlord or the Tenant as the case may be (according to the nature of the damage and their respective obligations to repair as provided in clauses 7.1 and 7.2) shall repair such damage with reasonable diligence.

7.4 Service Interruptions

The Tenant acknowledges to the Landlord that the operation of systems and the availability of facilities for which the Landlord is responsible under clause 7.1 may be interrupted from time to time in cases of accident and emergency, in order to carry out maintenance, repairs, alterations, replacements, and upgrading, or for any other reasonable reason required by the Landlord.

8. TAXES AND OTHER COSTS

8.1 Tenant Tax Obligation

The Tenant covenants with the Landlord:

- (a) to pay when due, all property Taxes, business Taxes, business license fees, and other Taxes, rates, duties or charges levied, imposed, or assessed by lawful authority in respect of the use and occupancy of the Premises by the Tenant, the business or businesses carried on therein, or the equipment, machinery, or fixtures brought therein by or belonging to the Tenant, or to anyone occupying the Premises with the Tenant's consent, or from time to time levied, imposed, or assessed in the future in addition or in lieu thereof, and to pay the Landlord upon demand the portion of any tax, rate, duty, or charge levied or assessed upon the Premises that is attributable to any equipment, machinery, or fixtures on the Premises which are not the property of the Landlord or which may be removed by the Tenant;
- (b) to pay promptly to the Landlord when demanded or otherwise due hereunder all Taxes in respect of all Leasehold Improvements in the Premises.

8.2 Goods and Services Tax

In accordance with the applicable legislation the Goods and Services Tax applies to this Lease as per the terms contained herein.

9. UTILITIES AND ADDITIONAL SERVICES

9.1 Utilities

The Tenant shall be responsible for all aspects of, including payment of costs related to, utilities and services of whatever nature or kind required in connection with the Premises and the conduct by the Tenant of the Tenant's business as described herein including without limitation, water, telephone, sewer, hydro, power, heating, air conditioning, garbage disposal, snow clearing, and maintenance of the immediately surrounding areas. The Tenant shall be responsible for obtaining and maintaining a gas

operating permit. The Tenant shall be responsible for obtaining and maintaining an electrical operating permit. The Tenant is responsible for informing the Property Manager, Real Estate and Building Services of the permits and who the Field Safety Representative is.

10. LICENSES, ASSIGNMENTS, AND SUBLETTING

10.1 General

- (a) It is understood and agreed that the Tenant may assign this Lease or sublet to: (1) any affiliate or subsidiary of the Tenant, (2) the franchisor of the Pizza Studio franchise system, or (3) any franchisee of the Pizza Studio system, without first obtaining the Landlord's consent, but with written notice to the Landlord.
- (b) Subject to subsection (a) above, it is understood and agreed that the Tenant may not assign this Lease, or sublease the Premises, to any other party without the written consent of the Landlord, such consent not to be unreasonably withheld. Unless the Landlord has consented to such sub-tenancy, assignment or transfer in accordance with this Article 10, the acceptance of any Rent or the performance of any obligation hereunder by any person other than the Tenant shall not be construed as an admission by the Landlord of any right, title, or interest of such person as a sub-tenant, assignee, transferee or otherwise in the place and stead of the Tenant.

Assignment and Subletting

Subject to subsection (a) above, the Tenant shall not, without first obtaining the written consent of the Landlord, assign this Lease or sublet the whole or any part of the Premises, unless:

- (a) it shall have received or procured a bona fide written offer to take an assignment or sub-lease which is not inconsistent with, and the acceptance of which would not breach any provision of, this Lease if this clause is complied with, and which the Tenant has determined to accept subject to this section being complied with; and
- (b) it shall have first requested and obtained the consent in writing of the Landlord thereto.

10.2 Request for Consent

Any required request for such consent shall be in writing and accompanied by a true copy of such offer, and the Tenant shall furnish to the Landlord all information available to the Tenant and requested by the Landlord as to the responsibility, reputation, financial standing, and business of the proposed assignee or sub-tenant. Within 30 days after the receipt by the Landlord of such request for consent and of all information which the Landlord shall have requested hereunder (and if no such information has been requested, within 30 days after receipt of such request for consent) the Landlord shall have the right upon written notice to the Tenant to:

- (a) in the case of a proposed sub-lease, either sublet from the Tenant any portion of the Premises proposed to be sublet for the Term for which such portion is proposed to be sublet but at the same Annual Base Rent and Additional Rent as the Tenant is required to pay to the Landlord under this Lease for such portion or, if the proposed sub-lease is for all or substantially all of the remainder of the Term, terminate this Lease as it pertains to the portion of the Premises so proposed by the Tenant to be sublet; or
- (b) in the case of a proposed assignment, terminate this Lease, provided the Tenant shall be entitled to withdraw its request for consent in such event.

10.3 If Landlord Terminates

If the Landlord terminates this Lease in accordance with clause 10.2 with respect to all or a portion of the Premises, such termination shall be effective on the date stipulated in the notice of termination which shall not be less than 60 days or more than 90 days following the giving of such notice, and the Tenant shall surrender the whole or part, as the case may be, of the Premises in accordance with such notice, and Rent shall be apportioned and paid to the date of surrender and, if a part only of the Premises is surrendered, Rent payable under clause 4.1 shall thereafter abate proportionately.

10.4 Terms of Assignment

Subject to clause 10.1(a), the Tenant shall assign or sublet, as the case may be, only upon the terms set out in the offer submitted to the Landlord as aforesaid and not otherwise. As a condition of every assignment or sublease, whether or not the Landlord's consent is required, the assignee or sub-tenant, as the case may be, shall agree (and will be deemed to have agreed) with the Landlord to observe the obligations of the Tenant under this Lease as the same relate to the space assigned or sublet (except, in the case of a sub-lease, the Tenant's covenant to pay Rent) by entering into an assumption agreement with the Landlord and the Tenant, in the Landlord's then-standard form, and shall pay the Landlord's then-current processing charge and solicitor's fees and disbursements for preparing such agreement. The Tenant further agrees that, in the event of any assignment or subletting, the Tenant shall be responsible for Improvements and all other expenses, costs, and charges with respect to or arising out of any such assignment or subletting. Notwithstanding any such consent being given by the Landlord and such assignment or subletting being effected, the Tenant shall remain bound to the Landlord for the fulfilment of all the terms, covenants, conditions, and agreements herein contained in the case of a sublet, and shall remain bound to the Landlord pursuant to Section 13.15 in the case of an assignment of this Lease. Any consent by the Landlord to any assignment or subletting shall not constitute a waiver of the requirement for consent by the Landlord to any subsequent assignment or subletting by either the Tenant or any assignee or sub-tenant.

10.5 Landlord Not to Unreasonably Withhold Consent

If the Tenant complies with clauses 10.3 and 10.4 and the Landlord does not exercise an option provided to the Landlord under clause 10.2, then the Landlord's consent to a proposed assignment or sublet shall not be unreasonably withheld. The Tenant acknowledges that the Landlord shall not be liable to the Tenant in damages, where, in giving good faith consideration to any request of the Tenant hereunder, it withholds its consent to a proposed assignment or sublease.

10.6 Terms of Consent

If the Landlord consents in writing to an assignment or sub-lease as contemplated herein, the Tenant may complete such assignment or sub-lease subject to the following covenants and conditions:

- (a) no assignment or sub-lease shall be valid and no assignee or sub-tenant shall take possession of the Premises or any part thereof until an executed duplicate original of such assignment or sub-lease has been delivered to the Landlord; and
- (b) all "Excess Rent", as hereinafter defined, derived from such assignment or sub-lease shall be payable to the Landlord. The Excess Rent shall be deemed to be and shall be paid by the Tenant to the Landlord as Rent. The Tenant shall pay the Excess Rent to the Landlord immediately as and when such Excess Rent is receivable by the Tenant.

As used herein, "Excess Rent" means the amount by which the total money and other economic consideration to be paid by the assignee or sub-tenant as a result of an assignment or sub-lease, whether denominated as Rent or otherwise, exceeds, in the aggregate, the total amount of Annual Base Rent and

Additional Rent which the Tenant is obligated to pay to the Landlord under this Lease, pro-rated for the portion of the Premises being assigned or sublet, less the reasonable costs paid by the Tenant for additional improvements installed in the portion of the Premises subject to such assignment or sub-lease by the Tenant at the Tenant's sole cost and expense for the specific assignee or sub-tenant in question, reasonable leasing costs (such as brokers' commissions and the fees payable to the Landlord under clause 10.1) paid by the Tenant in connection with such assignment or sub-lease, and the amount of Annual Base Rent and Additional Rent the Tenant is obligated to pay the Landlord under this Lease, pro-rated for the portion of the Premises being assigned or sublet that is not occupied or used by the Tenant, until the date of such assignment or sub-lease. In determining the amounts to be deducted from Excess Rent in each monthly payment period in respect of the Tenant's costs of assigning or sub-leasing, such costs shall be amortized without interest over the Term (in the case of an assignment) or Term of the sub-lease (in the case of a sub-lease) on a straight line basis.

11. FIXTURES AND IMPROVEMENTS

11.1 Installation of Fixtures and Improvements

The Tenant will not make, erect, install, or alter any Leasehold Improvements in the Premises, any safe or special lock in the Premises, or any apparatus for illumination, air conditioning, cooling, heating, refrigerating, or ventilating the Premises, in any case without having requested and obtained the Landlord's prior written approval, which the Landlord shall not unreasonably withhold. In making, erecting, installing, or altering any Leasehold Improvements the Tenant shall comply with the tenant construction guidelines as established by the Landlord from time to time, and shall obtain all required building and occupancy permits and comply with all laws of all authorities having jurisdiction. The Tenant's request for any approval hereunder shall be in writing and be accompanied by a reasonably detailed description of the contemplated work and, where appropriate, plans, working drawings, and specifications. All work to be performed in the Premises shall be performed by competent contractors and subcontractors and shall be performed and completed in a good and workmanlike manner.

11.2 Liens and Encumbrances on Fixtures and Improvements

In connection with the making, erection, installation, or alteration of Leasehold Improvements and trade fixtures, and all other work or installations made by or for the Tenant in the Premises, the Tenant shall comply with all of the provisions of the *Builders Lien Act*, S.B.C. 1997, c. 45 and amendments thereto, and other statutes from time to time applicable thereto (including any provision requiring or enabling the retention of portions of any sums payable by way of holdbacks), shall permit the Landlord to take all steps to enable the Landlord to obtain the benefit of the provisions of the *Builders Lien Act*, and, except as to any lawful holdback, shall promptly pay all accounts relating thereto. The Tenant shall not create any mortgage, conditional sale agreement, general security agreement under the *Personal Property Security Act*, R.S.B.C. 1996, c. 359 and amendments thereto, or other encumbrance in respect of its Leasehold Improvements or trade fixtures, or permit any such mortgage, conditional sale agreement, general security agreement under the *Personal Property Security Act*, or other encumbrance to attach to the Premise; provided that the Tenant may do so in respect to any bank financing that it seeks etc.

11.3 Discharge of Liens and Encumbrances

If and when any builders' or other lien for work, labour, service, or materials supplied to or for the Tenant or for the cost of which the Tenant may be in any way liable or claims therefore shall arise or be filed or any such mortgage, conditional sale agreement, general security agreement under the *Personal Property Security Act*, or other encumbrance shall attach, the Tenant shall within 20 days after receipt of notice thereof procure the discharge thereof, including any certificate of action registered in respect of any lien, by payment or giving security or in such other manner as may be required or permitted by law, and failing which the Landlord may in addition to all other remedies hereunder avail itself of its remedy under clause 16.1 and may make any payments required to procure the discharge of any such liens or encumbrances,

and shall be entitled to be reimbursed by the Tenant as provided in clause 16.1, and its right to reimbursement shall not be affected or impaired if the Tenant shall then or subsequently establish or claim that any lien or encumbrance so discharged was without merit or excessive or subject to any abatement, set-off, or defence.

11.4 Removal of Fixtures and Improvements

All Leasehold Improvements in or upon the Premises shall immediately upon termination or expiration of this Lease be and become the Landlord's property without compensation therefore to the Tenant. Except to the extent otherwise expressly agreed by the Landlord in writing, no Leasehold Improvements shall be removed by the Tenant from the Premises or the Patio Licence Area either during or at the expiration or sooner termination of the Term, except that:

- (a) the Tenant may at the end of the Term remove its trade fixtures;
- (b) the Tenant shall at the end of the Term remove such of the Leasehold Improvements and trade fixtures as the Landlord shall require to be removed; and
- (c) the Tenant shall remove its furniture and equipment at the end of the Term, and also during the Term in the usual and normal course of its business where such furniture or equipment has become excess for the Tenant's purposes or the Tenant is substituting therefore new furniture and equipment.
- (d) all Leasehold Improvements shall be insured by the Tenant as described in Section 12.2 (b) unless otherwise agreed in writing by the Landlord.

The Tenant shall, in the case of every removal either during or at the end of the Term, immediately make good any damage caused to the Premises or the Patio Licence Area by the installation and removal, reasonable wear and tear excepted.

11.5 Alterations by Landlord

The Landlord reserves the right from time to time to make alterations and additions to the Premises, provided that in exercising any such rights, the Landlord will take reasonable steps to minimize any interference cause to the Tenant's operations in the Premises , but by exercising any such rights, the Landlord shall not be deemed to have constructively evicted the Tenant or otherwise to be in breach of this Lease, nor shall the Tenant be entitled to any abatement of Rent or other compensation from the Landlord.

12. INSURANCE AND LIABILITY

12.1 Tenant To Provide

The Tenant shall procure and maintain, at its own expense and cost, the insurance policies listed in section 12.2 of this Lease, with limits no less than those shown in the respective items, unless in connection with the performance of some particular part of the agreement, services and/or occupancy the Landlord advises in writing that it has determined that the exposure to liability justifies less limits. The insurance policy or policies shall be maintained continuously from commencement of this agreement, services and/or occupancy until the date that the Landlord certifies in writing completion of the agreement, services and/or occupancy or such further period as may be specified by the Landlord.

12.2 Insurance

As a minimum, the Tenant shall, without limiting its obligations or liabilities under any other contract with the Landlord, procure and maintain, at its own expense and cost, the following insurance policies:

(a) Workers' Compensation Insurance

Covering all employees of the Tenant at the Premises in accordance with the statutory requirements of the province or territory having jurisdiction over such employees.

- (b) Comprehensive General Liability Insurance
 - (i) providing for an inclusive limit of not less than \$5,000,000.00 for each occurrence or accident;
 - (ii) providing for all sums which the Tenant shall become legally obligated to pay for damages because of bodily injury (including death at any time resulting there from) sustained by any person or persons or because of damage to or destruction of property caused by an occurrence or accident arising out of or related to this Lease, activities and/or occupancy or any operations carried on in connection with this Lease;
 - (iii) including coverage for Products/Completed Operations, Blanket Contractual, Contractor's Protective, Personal Injury, Contingent Employer's Liability, Broad Form Property Damage, and Non-Owned Automobile Liability;
 - (iv) including a Cross Liability clause providing that the inclusion of more than one Insured shall not in any way affect the rights of any other Insured hereunder, in respect to any claim, demand, suit or judgement made against any other Insured.

12.3 Automobile Liability Insurance

Covering all motor vehicles, owned, operated and used or to be used by the Tenant directly or indirectly in connection with this Lease and the use and occupancy of the Premises and the Patio Licence Area. The Limit of Liability shall not be less than \$2,000,000 inclusive, for loss or damage including personal injuries and death resulting from any one accident or occurrence.

12.4 The Landlord Named As Additional Insured

The policies required by sections 12.1, 12.2 and 12.3 above shall provide that the Landlord is named as an Additional Insured thereunder and that said policies are primary without any right of contribution from any insurance otherwise maintained by the Landlord.

12.5 Tenant's Sub-contractors

The Tenant shall require each of its sub-contractors to provide comparable insurance to that set forth under section 12.22 of this Lease.

12.6 Certificates of Insurance

The Tenant agrees to submit Certificates of Insurance in the form attached as Schedule E for itself and all of its sub-contractors to the Landlord prior to commencement of the Fixturing Period, and thereafter promptly upon request by the Landlord from time to time during the Term. Such certificates shall provide that 30 days' written notice shall be given to the Landlord, prior to any material changes or cancellations of any such policy or policies.

12.7 Other Insurance

After reviewing the Tenant's Certificates of Insurance, the Landlord may require other insurance or alterations to any applicable insurance policies in force during the period of this Lease and will give notifications of such requirement. Where other insurances or alterations to any insurance policies in force are required by the Landlord and result in increased insurance premium, such increased premium shall be at the Tenant's expense.

12.8 Additional Insurance

The Tenant may take out such additional insurance as it may consider necessary and desirable. All such additional insurance shall be at no expense to the Landlord. The Tenant shall ensure that all of its subcontractors are informed of and comply with the Landlord's requirements set out in this Lease.

12.9 Insurance Companies

All insurance, which the Tenant is required to obtain with respect to this Lease, shall be with insurance companies registered in and licensed to underwrite such insurance in the Province of British Columbia.

12.10 Failure to Provide

If the Tenant fails to do all or anything which is required of it with regard to insurance, the Landlord may do all that is necessary to effect and maintain such insurance, and any monies expended by the Landlord shall be repayable by and recovered from the Tenant. The Tenant expressly authorizes the Landlord to deduct from any monies owing the Tenant, any monies owing by the Tenant to the Landlord.

12.11 Non-payment of Losses

The failure or refusal to pay losses by any insurance company providing insurance on behalf of the Tenant or any sub-contractor shall not be held to waive or release the Tenant or sub-contractor from any of the provisions of the insurance requirements or this Lease, with respect to the liability of the Tenant otherwise. Any insurance deductible maintained by the Tenant or any sub-contractor under any of the insurance policies is solely for their account and any such amount incurred by the Landlord will be recovered from the Tenant as stated in section 12.10 of this Lease.

12.12 Indemnification and Hold Harmless Clause

The Tenant must indemnify and hold harmless the Landlord, its elected officials, officers, agents and employees, from and against all liabilities, losses, damages, personal injury, death, property loss or damage, actions, causes of action, costs (including legal fees and costs) or expenses in connection with loss of, or damage or injury (including death) to, any person or property that occurs during the Term of this Lease, whether suffered, incurred or made by the Tenant or an employee of the Tenant or other party for whom the Tenant is responsible and caused through a willful or negligent act or omission or other actionable wrong of the Tenant, its officers, agents, employees, or subcontractors, or any of their officers, agents or employees, and at its expense the Tenant must defend any and all actions and pay all damages and legal costs and other costs arising therefrom to the extent of its sole or partial fault as determined by a court of competent jurisdiction or other mutually agreed alternative dispute resolution body, apportionment or reimbursement of any such costs not attributed solely or partially to the fault of the Tenant as determined by a court of competent jurisdiction or other mutually agreed alternative dispute resolution body shall be made only following the binding determination by a court of competent jurisdiction or other mutually agreed alternative dispute resolution body.

13. ENVIRONMENTAL MATTERS

13.1 Definitions

For the purposes of this Section and Lease, the following terms shall have the following meanings:

- (a) "Contaminants" means any radioactive materials, asbestos materials, urea formaldehyde, underground or above ground tanks, pollutants, contaminants, deleterious substances, dangerous substances or goods, hazardous, corrosive or toxic substances, special waste or waste of any kind or any other substance the storage, manufacture, disposal, treatment, generation, use, transport, remediation or Release into the Environment of which is now or hereafter prohibited, controlled or regulated under Environmental Laws;
- (b) "Environment" includes the air (including all layers of the atmosphere), land (including soil, sediment deposited on land, fill and lands submerged under water) and water (including oceans, lakes, rivers, streams, ground water and surface water);
- (c) "Environmental Laws" means any statutes, laws, regulations, orders, bylaws, standards, guidelines, permits and other lawful requirements of any federal, provincial, municipal or other governmental authority having jurisdiction over the Premises now or hereafter in force with respect in any way to the Environment, health, occupational health and safety, product liability or transportation of dangerous goods, including the principles of common law and equity; and
- (d) "Release" includes any release, spill, leak, pumping, pouring, emission, emptying, discharge, injection, escape, leaching, migration, disposal or dumping.

13.2 Tenant's Representations and Warranties

The Tenant represents and warrants to the Landlord, and acknowledges that the Landlord is relying on such representations and warranties in entering into this Lease, that as of the date of this Lease:

- (a) except as disclosed to the Landlord in writing, the Tenant is not, and has never been, subject to any charge, conviction, notice of defect or non-compliance, work order, pollution abatement order, remediation order or any other or proceeding under any Environmental Laws; and
- (b) except as disclosed to and approved in writing by the Landlord, the Tenant's business at the Premises does not involve the sale, storage, manufacture, disposal, handling, treatment, generation, use, transport, refinement, processing, production, remediation, Release into the Environment of, or any other dealing with any Contaminants.

If any of the representations and warranties contained in this section are untrue or incorrect in any material respect, the same shall constitute a breach of this Agreement by the Tenant and shall be subject to the provisions of Section 16.1 of this Agreement.

13.3 Condition of Premises

The Landlord agrees to indemnify and save harmless the Tenant for any and all costs associated with preexisting Contaminants on the Premises and the removal thereof from the Premises.

13.4 Use of Contaminants

The Tenant shall not use or permit to be used all or any part of the Premises for the sale, storage, manufacture, disposal, handling, treatment, generation, use, transport, refinement, processing, production, remediation, Release into the Environment of, or any other dealing with, any Contaminants, without the prior written consent of the Landlord, which consent may be unreasonably and arbitrarily withheld. Without limiting the generality of the foregoing, the Tenant shall in no event use, and does not plan or intend to use, the Premises to dispose of, handle or treat any Contaminants in a manner that, in whole or in part, would cause the Premises, or any adjacent property to become a contaminated site under Environmental Laws.

13.5 Compliance with Environmental Laws

The Tenant shall promptly and strictly comply, and cause any person for whom it is in law responsible to comply, with all Environmental Laws regarding the use and occupancy of the Premises under or pursuant to this Agreement, including without limitation obtaining all required permits or other authorizations.

13.6 Evidence of Compliance

The Tenant shall, at the Landlord's request from time to time, provide the Landlord with a certificate of a senior officer of the Tenant certifying that the Tenant is in compliance with all Environmental Laws and that no adverse environmental occurrences have taken place at the Premises, other than as disclosed in writing to the Landlord.

13.7 Confidentiality of Environmental Reports

The Tenant shall maintain all environmental site investigations, assessments, audits and reports relating to the Premises in strict confidence and shall not disclose their terms or existence to any third party (including without limitation, any governmental authority) except as required by law, to the Tenant's professional advisers and lenders on a need to know basis or with the prior written consent of the Landlord, which consent may be unreasonably withheld.

13.8 Records

The Tenant shall maintain at the Premises all environmental and operating documents and records, including permits, licences, orders, approvals, certificates, authorizations, registrations and other such records, relating to the operations at the Premises, which may be reviewed by the Landlord at any time during the Term on twenty-four (24) hours' prior written notice, except in the case of an emergency, when no prior notice shall be required.

13.9 Access by Landlord

Without relieving the Tenant of any of its obligations under this Lease, the Tenant shall, at such reasonable times as the Landlord requires, permit the Landlord to enter and inspect the Premises and the operations conducted at the Premises, to conduct tests and environmental investigations, to remove samples from the Premises, to examine and make copies of any documents or records relating to the Premises, to interview the Tenant's employees and to take such steps as the Landlord deems necessary for the safety and preservation of the Premises.

13.10 Authorizations

The Tenant shall promptly provide to the Landlord on request such written authorizations as the Landlord may require from time to time to make inquiries of any governmental authorities regarding the Tenant's compliance with Environmental Laws.

13.11 Notices

The Tenant shall promptly notify the Landlord in writing of:

- (a) any Release of a Contaminant or any other occurrence or condition at the Premises, the Land, or any adjacent property which could subject the Tenant, the Landlord, the Land or the Premises to any fines, penalties, orders or proceedings under Environmental Laws;
- (b) any charge, order, investigation or notice of violation or non-compliance issued against the Tenant or relating to the operations at the Premises under any Environmental Laws; and
- (c) any notice, claim, action or other proceeding by any third party against the Tenant or in respect of the Premises concerning the Release or alleged Release of Contaminants at or from the Premises.

The Tenant shall notify the appropriate regulatory authorities of any Release of any Contaminants at or from the Premises in accordance with Environmental Laws and failure by the Tenant to do so shall authorize, but not obligate, the Landlord to notify the regulatory authorities.

13.12 Removal of Contaminants

Prior to the expiry or earlier termination of this Lease or at any time if requested by the Landlord or required by any governmental authority pursuant to Environmental Laws, the Tenant shall, promptly at its own cost and in accordance with Environmental Laws, remove from the Premises any and all Contaminants which the Tenant introduced onto the Premises, and remediate any contamination of the Premises, the Land, or any adjacent property resulting from Contaminants, in either case brought onto, or used at the Premises by the Tenant or any person for whom it is in law responsible. For greater certainty, the foregoing obligations of the Tenant shall include, without limitation, the treatment of water (including surface and ground water) and the remediation by removal of any soils containing Contaminants at levels exceeding the standards set as acceptable at the time of remediation by the applicable governmental authority, being with respect to soils, the standard applicable to property used for commercial purposes and with respect to water, as determined by the governmental authority given the character and use of water in the area of the Premises. Any soil so removed shall be promptly replaced by soil free of Contaminants at concentrations above the standard described in the preceding sentence. The Tenant shall provide to the Landlord full information with respect to any remedial work performed pursuant to this section and shall comply with the Landlord's requirements with respect to such work. The Tenant shall use a qualified environmental consultant approved by the Landlord to perform the remediation. The Tenant shall, at its own cost, obtain such approvals and certificates from the B.C. Ministry of Environment, Lands & Parks in respect of the remediation as are required under Environmental Laws or required by the Landlord, including without limitation a certificate of compliance evidencing completion of the remediation satisfactory to the Ministry. The Tenant agrees that if the Landlord reasonably determines that the Landlord, its property, its reputation, the Land, or the Premises is placed in any jeopardy by the requirement for any such remedial work, the Landlord may, but shall be under no obligation to, undertake itself such work or any part thereof at the cost of the Tenant.

13.13 Ownership of Contaminants

Notwithstanding any rule of law to the contrary, any Contaminants or Leasehold Improvements or goods containing Contaminants brought onto, used at, or Released from, the Premises by the Tenant or any person for whom it is in law responsible shall be and remain the sole and exclusive property of the Tenant and shall not become the property of the Landlord, notwithstanding the degree of their affixation to the

Premises and notwithstanding the expiry or earlier termination of this Lease. This section supersedes any other provision of this Lease to the contrary.

13.14 Indemnity

The Tenant shall indemnify and save harmless the Landlord and its directors, officers, shareholders, employees, agents, successors and assigns, from any and all liabilities, actions, damages, claims, remediation cost recovery claims, losses, costs, orders, fines, penalties and expenses whatsoever (including without limitation, the full amount of all consulting and legal fees and expenses on a solicitor-client basis and the costs of removal, treatment, storage and disposal of Contaminants and remediation of the Premises, and any adjacent property) which may be paid by, incurred by or asserted against the Landlord or its directors, officers, shareholders, employees, agents, successors or assigns, during or after the Term (or any renewal thereof), arising from or in connection with any breach of or non-compliance with the provisions of this Section 13 by the Tenant or arising from or in connection with:

- (a) any legal or administrative action, proceeding, investigation, demand, claim or notice of any third party, including without limitation any governmental authority, against any one or more of them pursuant to or under Environmental Laws; or
- (b) any Release or alleged Release of any Contaminants (introduced by the Tenant onto the Premises) at or from the Premises into the Environment,

related to or as a result of the use and occupation of the Premises by the Tenant or those for whom it is in law responsible or any act or omission of the Tenant or any person for whom it is in law responsible.

13.15 Survival of Tenant's Obligations

The obligations of the Tenant under this Section 13 (including, without limitation, the Tenant's indemnity, its obligation to remove and remediate Contaminants and its covenant of confidentiality) shall survive the expiry or earlier termination of this Lease. The obligations of the Tenant under this Section 13 are in addition to, and shall not limit, the obligations of the Tenant contained in other provisions of this Lease.

14. SUBORDINATION, ATTORNMENT, REGISTRATION, AND CERTIFICATES

14.1 Tenant's Covenants

The Tenant agrees with the Landlord that:

(a) Sale or Financing of Premises

The rights of the Landlord under this Lease may be mortgaged, charged, transferred, or assigned to a purchaser or purchasers, or to a mortgagee or trustee for bond holders, and in the event of a sale or of default by the Landlord under any mortgage, trust deed, or trust indenture and the purchaser, mortgagee, or trustee, as the case may be, duly entering into possession of the Premises, the Tenant agrees to attorn to and become the tenant of such purchaser or purchasers, mortgagee, or trustee under the terms of this Lease.

(b) Registration

The Tenant agrees that the Landlord shall not be obliged to deliver this Lease in form registrable under the *Land Title Act*, R.S.B.C. 1996, c. 250 and covenants and agrees with the Landlord not to register this Lease. If the Tenant desires to register under the *Land Title Act*, then all costs of preparing and registering all documents in connection therewith are to be borne by the Tenant.

(c) Certificates

The Tenant agrees with the Landlord that the Tenant shall promptly whenever requested by the Landlord from time to time execute and deliver to the Landlord and, if required by the Landlord, to any mortgagee (including any trustee under a trust deed or trust indenture) or prospective purchaser (as designated by the Landlord) a certificate in writing as to the status of this Lease at that time, including as to whether it is in full force and effect, is modified or unmodified, confirming the rental payable hereunder and the state of the accounts between the Landlord and Tenant, the existence or non-existence of defaults, and any other matters pertaining to this Lease as to which the Landlord shall request a certificate. If the Tenant fails to do so within seven days after the Tenant receives the form of certificate, the Tenant hereby irrevocably and conclusively authorizes the Landlord to complete, execute, and deliver the certificate for, on behalf of, in the name of, and as agent of, the Tenant.

(d) Assignment by Landlord

In the event of the sale by the Landlord of the Premises or the assignment by the Landlord of this Lease or any interest of the Landlord hereunder, and to the extent that such purchaser or assignee has assumed the covenants and obligations of the Landlord hereunder, the Landlord shall, without further written agreement, be freed and relieved of liability upon such covenants and obligations.

15. OCCURRENCE OF DEFAULT

15.1 Unavoidable Delay

Except as herein otherwise expressly provided, if and whenever and to the extent that either the Landlord or the Tenant shall be prevented, delayed, or restricted in the fulfilment of any obligations hereunder in respect of the supply or provision of any service or utility, the making any repair, the doing of any work or any other thing (other than the payment of Rent) by reason of civil commotion, war-like operation, invasion, rebellion, hostilities, sabotage, strike, or work stoppage, or being unable to obtain any material, service, utility, or labour required to fulfill such obligation or by reason of any statute, law, or regulation of or inability to obtain permission from any governmental authority having lawful jurisdiction preventing, delaying, or restricting such fulfilment, or by reason of other unavoidable occurrence other than lack of funds, the time for fulfilment of such obligation shall be extended during the period in which such circumstance operates to prevent, delay, or restrict the fulfilment thereof, and the other party to this Lease shall not be entitled to compensation for any inconvenience, nuisance, or discomfort thereby occasioned, nor shall Rent abate; but nevertheless the Landlord will use reasonable efforts to maintain services essential to the use and enjoyment of the Premises .

15.2 No Admission

The acceptance of any Rent from or the performance of any obligation hereunder by a person other than the Tenant shall not be construed as an admission by the Landlord of any right, title, or interest of such person as a sub-tenant, assignee, transferee, or otherwise in the place and stead of the Tenant.

15.3 Part Payment

The acceptance by the Landlord of a part payment of any sums required to be paid hereunder shall not constitute waiver or release of the right of the Landlord to payment in full of such sums.

16. TENANT'S DEFAULT, REMEDIES OF LANDLORD, AND SURRENDER

16.1 Remedying by Landlord, Non-payment, and Interest

In addition to all the rights and remedies of the Landlord available to it in the event of any default hereunder by the Tenant, either by any other provision of this Lease or by statute or the general law, and the event of default is not remedied within the respective time period for doing so, the Landlord:

- (a) shall have the right at all times to remedy or attempt to remedy any default of the Tenant, and in so doing may make any payments due or alleged to be due by the Tenant to third parties and may enter upon the Premises to do any work or other things therein, and in such event all expenses of the Landlord in remedying or attempting to remedy such default together with an administrative charge equal to 15% of the total of such expenses shall be payable by the Tenant to the Landlord forthwith upon demand;
- (b) shall have the same rights and remedies in the event of any non-payment by the Tenant of any amounts payable by the Tenant under any provision of this Lease as in the case of non-payment of Rent.

16.2 Remedies Cumulative

The Landlord and the Tenant may from time to time resort to any or all of the rights and remedies available to it in the event of any default hereunder by the Tenant or the Landlord, as the case may be, either by any provision of this Lease of by statute or the general law, all of which rights and remedies are intended to be cumulative and not alternative, as the express provisions hereunder as to certain rights and remedies are not to be interpreted as excluding any other or additional rights and remedies available to the Landlord or the Tenant, as the case may be, by statute or the general law.

16.3 Right of Re-entry on Default

Provided and it is expressly agreed that:

- (a) if and whenever the Rent hereby reserved or other moneys payable by the Tenant or any part thereof, whether lawfully demanded or not, are unpaid and the Tenant shall have failed to pay such Rent or other moneys within five days after the Landlord has given to the Tenant written notice requiring such payment; or
- (b) if the Tenant shall breach or fail to observe and perform any of the covenants, agreements, provisos, conditions, rules, regulations or other obligations on the part of the Tenant to be kept, observed, or performed hereunder and such breach or failure continues for 10 days after the Landlord has given the Tenant written notice thereof; or
- (c) if without the written consent of the Landlord the Premises shall be used by any other persons than the Tenant or its permitted assigns or permitted sub-tenants or for any purpose other than that for which the Premises were leased, or occupied by any persons whose occupancy is prohibited by this Lease; or
- (d) if the Premises shall be vacated or abandoned or remain unoccupied for 15 days or more while capable of being occupied; or
- (e) if any of the goods and chattels of the Tenant shall at any time be seized in execution or attachment; or

- (f) if a receiver or receiver-manager is appointed of the business or property of the Tenant, or if the Tenant shall make any assignment for the benefit of creditors or any bulk sale, become bankrupt or insolvent or take the benefit of any statute now or hereafter in force for bankrupt or insolvent debtors or (if a corporation) shall take any steps or suffer any order to be made for its winding-up or other termination of its corporate existence; or
- (g) if any policy of insurance upon the Premises from time to time effected by the Landlord shall be cancelled or about to be cancelled by the insurer by reason of the use or occupation of the Premises by the Tenant or any assignee, sub-tenant, or licensee of the Tenant or anyone permitted by the Tenant to be upon the Premises and the Tenant after receipt of notice in writing from the Landlord shall have failed to take such immediate steps in respect of such use or occupation as shall enable the Landlord to reinstate or avoid cancellation of (as the case may be) such policy of insurance; or
- (h) if the Landlord shall have become entitled to Terminate this Lease or to re-enter the Premises under any provision hereof;

then and in every such case it shall be lawful for the Landlord thereafter to enter into and upon the Premises or any part thereof in the name of the whole and the same to have again, repossess, and enjoy as of its former estate, anything in this Lease to the contrary notwithstanding. The Landlord may use such force as it may deem necessary for the purpose of gaining admittance to and re-taking possession of the Premises, and the Tenant hereby releases the Landlord from all actions, proceedings, claims, and demands whatsoever for and in respect of any such forcible entry or any loss or damage in connection therewith.

16.4 Termination and Re-entry

If and whenever the Landlord becomes entitled to re-enter upon the Premises under any provision of this Lease, the Landlord, in addition to all other rights and remedies, shall have the right to terminate this Lease by giving to the Tenant or by leaving upon the Premises notice in writing of such termination. Thereupon, this Lease and the term shall terminate, and the Tenant shall immediately deliver up possession of the Premises and the Patio Licence Area to the Landlord in accordance with clause 16.9.

16.5 Certain Consequences of Termination and Re-entry

If the Landlord re-enters the Premises and the Patio Licence Area or if this Lease is terminated by reason of any event set out in clause 16.3 or 16.5, then without prejudice to the Landlord's other rights and remedies:

- (a) the provisions of this Lease which relate to the consequences of termination, and the provisions of this Lease as they apply with respect to acts, events, and omissions which occurred prior to the termination, shall all survive such termination;
- (b) in addition to the payment by the Tenant of Rent and other payments for which the Tenant is liable under this Lease, Rent for the current month and the next ensuing three months shall immediately become due and be paid by the Tenant or the person then controlling the Tenant's affairs; and
- (c) the Tenant or person then controlling the affairs of the Tenant shall pay to the Landlord on demand such reasonable expenses as the Landlord has incurred, and a reasonable estimate of the Landlord of expenses the Landlord expects to incur, in connection with the re-entering, terminating, re-letting, collecting sums due or payable by the Tenant, and storing and realizing upon assets seized, including without limitation brokerage

fees, legal fees, and disbursements, the expenses of cleaning and making and keeping the Premises and the Patio Licence Area in good order, and the expenses of repairing the Premises and preparing them for re-letting.

16.6 Waiver of Distress and Bankruptcy

The Tenant will not sell, dispose of, or remove any other fixtures, goods, or chattels of the Tenant from or out of the Premises during the Term without the consent of the Landlord, unless the Tenant is substituting new fixtures, goods, or chattels of equal value or is bona fide disposing of individual items which have become excess for the Tenant's purposes; and the Tenant will be the Landlord or lessee of its fixtures, goods, and chattels and will not permit them to become subject to any lien, mortgage, charge, or encumbrance.

16.7 Re-letting and Sale of Personalty

Whenever the Landlord becomes entitled to re-enter upon the Premises under any provision of this Lease, the Landlord, in addition to its other rights, shall have the right as agent of the Tenant to enter the Premises and re-let them (for a term or terms shorter or longer than the balance of the Term, granting reasonable concessions in connection therewith), and to receive the Rent therefore, and as the agent of the Tenant to take possession of any furniture or other property thereon, and to sell the same at public or private sale without notice, and to apply the proceeds thereof and any rent derived from re-letting the Premises upon account of the Rent due and to become due under this Lease, and the Tenant shall be liable to the Landlord for the deficiency, if any.

16.8 Surrender on Termination

Forthwith upon the termination of this Lease, whether by effluxion of time or otherwise, the Tenant shall vacate and deliver up possession of the Premises in a neat and tidy state and in good and substantial repair in accordance with the Tenant's obligation under this Lease to repair the Premises, but subject to the Tenant's rights and obligations in respect of removal in accordance with clause 11.4, and subject to reasonable wear and tear. At the same time, the Tenant shall surrender to the Landlord at the place then fixed for the payment of Rent all keys and other devices which provide access to the Premises, or any part thereof and shall inform the Landlord of all combinations to locks, safes, and vaults, if any, in the Premises.

17. MISCELLANEOUS

17.1 Notices

Any notice required or contemplated by any provision of this Lease shall be given in writing, and if to the Landlord, either delivered to an executive officer of the Landlord or delivered or mailed (by prepaid registered mail) to the Landlord at the address set out in sub-clause 1.1(a), or if the Landlord has given the Tenant notice of another address in Canada to which notices to the Landlord under this Lease are to be given, then to the last such address of which the Tenant has been given notice; and if to the Tenant, either delivered to the Tenant personally (or to a partner or officer of the Tenant if the Tenant is a firm or corporation) or delivered or mailed (by prepaid registered mail) to the Tenant at the Premises. Every such notice shall be deemed to have been given when delivered or, if mailed as aforesaid, upon the third business day after the day of mailing thereof in Canada provided that if mailed, should there be a mail strike, slowdown, or other labour dispute which might affect delivery of such notice between the time of mailing and the actual receipt of notice, then such notice shall only be effective if actually delivered.

17.2 Extraneous Agreements

The Tenant acknowledges that there are no covenants, representations, warranties, agreements, or conditions expressed or implied relating to this Lease, the Premises save as expressly set out in this Lease and in any agreement to lease in writing between the Landlord and the Tenant pursuant to which this Lease has been executed. In the event of any conflict between the terms of this Lease and such agreement to lease, the terms of this Lease shall prevail. This Lease may not be modified except by an agreement in writing executed by the Landlord and the Tenant, and no verbal agreements or conversations with any officer, agent, or employee of the Landlord, either before or after the execution of this agreement, shall affect or modify any of the terms or obligations herein contained.

17.3 Time of Essence

Time shall be of the essence in this Lease.

17.4 Enurement

This Lease and everything herein contained shall enure to the benefit of and be binding upon the successors and assigns of the Landlord and its heirs, executors, and administrators and the permitted successors and permitted assigns of the Tenant.

17.5 References to Tenant

References to the Tenant shall be read with such changes in gender as may be appropriate, depending upon whether the Tenant is a male or female person or a firm or corporation. If the Tenant is comprised of more than one person or entity, then each such person and entity is jointly and severally bound by the representations, warranties, agreements, and covenants of the Tenant herein and any notice given or deemed to have been given at any time to any such person or entity shall be deemed to have been given at the same time to each other such person and entity.

17.6 Waiver

No condoning, excusing, or overlooking by the Landlord or Tenant of any default, breach, or nonobservance by the Tenant or the Landlord at any time or times in respect of any covenant, proviso, or condition herein contained shall operate as a waiver of the Landlord's or the Tenant's rights hereunder in respect of any continuing or subsequent default, breach, or non-observance or so as to defeat or affect in any way the rights of the Landlord or the Tenant herein in respect of any such continuing or subsequent default or breach, and no acceptance of Rent by the Landlord subsequent to a default by the Tenant (whether or not the Landlord knows of the default) shall operate as a waiver by the Landlord, and no waiver shall be inferred from or implied by anything done or omitted by the Landlord or the Tenant save only express waiver in writing.

17.7 Governing Law and Severability

This Lease shall be governed by and construed in accordance with the laws in force in the province of British Columbia. The venue of any proceedings taken in respect of or under this Lease shall be Kelowna, British Columbia as long as such venue is permitted by law, and the Tenant shall consent to any application by the Landlord to change the venue to Kelowna, British Columbia of any proceedings taken elsewhere. The Landlord and the Tenant agree that all the provisions of this Lease are to be construed as covenants and agreements as though the words importing such covenants and agreements were used in each separate section hereof. Should any provision or provisions of this Lease be illegal or not enforceable, it or they shall be considered separate and severable from the Lease and its remaining provisions shall remain in force and be binding upon the parties as though the said provision or provisions had never been included.

17.8 Captions

The captions appearing in this Lease have been inserted as a matter of convenience and for reference only and in no way define, limit, or enlarge the scope or meaning of this Lease or of any provision thereof.

17.9 Acceptance

The Tenant accepts this Lease, to be held by it as tenant, and subject to the conditions, restrictions, and covenants above set forth. The acceptance of possession of the Premises shall be conclusive evidence as against the Tenant that at the Commencement Date of the Term the Landlord had duly completed all work required to be completed by the Landlord prior to the Commencement Date of the Term and the Premises were in good order and satisfactory condition for the commencement of the work and business of the Tenant, latent and structural defects excepted.

17.10 Deposit

If the Landlord is holding any deposit in connection with this Lease, then unless the Landlord agreed in writing to different arrangements at the time the Landlord received the deposit, the deposit shall be held by the Landlord on a non-interest bearing basis to be applied to the Annual Base Rent for that month of the Term during which Annual Base Rent is first payable hereunder.

17.11 Expropriation

If at any time during the Term the interest of the Tenant under this Lease or the whole or any part of the Premises shall be taken by any lawful power or authority by the right of expropriation, the Landlord shall promptly give written notice of such expropriation to the Tenant and may at its option give notice to the Tenant terminating this Lease on the date when the Tenant or Landlord is required to yield up possession thereof to the expropriating authority. Upon such termination, or upon termination by operation of law, as the case may be, the Tenant shall immediately surrender the Premises and all its interest therein, Rent shall abate and be apportioned to the date of termination, the Tenant shall forthwith pay to the Landlord the apportioned Rent and all other amounts which may be due to the Landlord up to the date of termination, and clause 16.9 shall apply. The Tenant shall have no claim upon the Landlord for the value of its property or the unexpired Term of this Lease, but the parties shall each be entitled to separately advance their claims for compensation for the loss of their respective interests in the Premises, and the parties shall each be entitled to receive and retain such compensation as may be awarded to each respectively. If an award of compensation made to the Landlord specifically includes an award to the Tenant, the Landlord shall account therefore to the Tenant. In this clause the word "expropriation" shall include a sale by the Landlord to an authority with powers of expropriation, in lieu of or under threat of expropriation.

17.12 Statutory Functions

Nothing contained herein shall impair or affect in any way the exercise by the Landlord of its functions and authority under any enactment, constating document, law, bylaw, resolution or other source of authority.

18. GUARANTEE

18.1 Grant of Guarantee/Indemnity

In consideration of the Landlord granting this Lease to the Tenant and for other good and valuable consideration, the receipt and sufficiency of which the Guarantor acknowledges, the Guarantor unconditionally agrees with the Landlord as follows:

- (a) the Guarantor will, for a period of two (2) years commencing on the Commencement Date, upon demand given by the Landlord to the Guarantor:
 - (i) pay any Rent and other amounts payable by the Tenant under this Lease;
 - (ii) perform all of the obligations of the Tenant under this Lease; and
 - (iii) indemnify and save harmless the Landlord from any loss, cost, or damage, including consequential loss and costs on a solicitor and own client basis, suffered by the Landlord arising out of any failure by the Tenant to pay any Rent or other amounts payable, or to perform any of the obligations of the Tenant under this Lease, or arising out of the failure by the Tenant to complete performance of its obligations under this Lease;
- (b) the indemnity given above is absolute and unconditional, and without limiting the generality of the foregoing, the liability of the Guarantor will not be considered to have been released, waived or in any way affected by any of the following:
 - (j) any extension of time, indulgence or modification, which the Landlord may extend to the Tenant or make with the Tenant from time to time in connection with the performance of any of the Tenant's obligations under this Lease;
 - (ii) any waiver by, or neglect or failure of, the Landlord to enforce any term of this Lease;
 - (iii) any assignment of this Lease, or any subletting of the Premises, in whole or in part, or other transfer by the Tenant, or by any trustee, receiver, or liquidator of the Tenant or of the Guarantor;
 - (iv) any act or omission by the Landlord with respect to matters contained in this Lease;
 - (v) any consent that the Landlord may give to any assignment of the Lease or any subletting of the Premises or other transfer;
 - (vi) any amendment to this Lease, whether consented to or known by the Guarantor;
 - (vii) any winding up, amalgamation, bankruptcy, or receivership of the Tenant, any execution proceedings taken against the Tenant, or any release or discharge of the Tenant in any receivership, bankruptcy, winding-up, or other creditor's proceeding;
 - (viii) the filing by the Tenant of a proposal or a notice of intention to file a proposal or the repudiation, resiliation or disclaimer of this Lease by the Tenant or any

other person pursuant to the *Bankruptcy and Insolvency Act*, as amended or substituted from time to time;

- (ix) any surrender of the Lease by the Tenant, or by any trustee, receiver or liquidator of the Tenant, whether or not consented to by the Landlord;
- (x) any creditor or debtor proceeding applicable to the Tenant, including any assignment by the Tenant for the benefit of its creditors and any application by the Tenant to obtain protection from its creditors;
- (xi) any repossession and subletting of the Premises, except that any proceeds received by the Landlord, after deducting all costs and expenses of repossessing and subletting, will be credited from time to time by the Landlord to the account of the Tenant, and the Guarantor will pay to the Landlord, on demand, the difference between the amount of the payment received and the amount payable by the Tenant under this Lease if the amount received is less than the amount payable by the Tenant under this Lease; or
- (xii) the expiration or sooner termination of the Term of this Lease or any renewal or extension of the Term, however arising, including without limitation by operation of law or resulting from the exercise of a trustee in bankruptcy's statutory right to disclaim any interest in this Lease and surrender possession of the Premises with or without the consent of the Landlord;
- (c) the Guarantor waives any notice of amendment of this Lease or of non-performance, non-payment, or non-observance on the part of the Tenant of any provision of this Lease from time to time;
- (d) if there is any default by the Tenant under this Lease, the Guarantor waives any right to require the Landlord to:
 - (i) proceed against the Tenant or pursue any right or remedy of the Landlord under this Lease;
 - (ii) proceed against or realize upon any security granted by the Tenant in favour of the Landlord; or
 - (iii) pursue any other remedy available to the Landlord,

and the Landlord will have the right to enforce its rights under this clause 18.1 despite the acceptance by the Landlord of additional security from the Tenant and despite the release or discharge of the Tenant or any other guarantor by the Landlord, or by others, or by operation of any law;

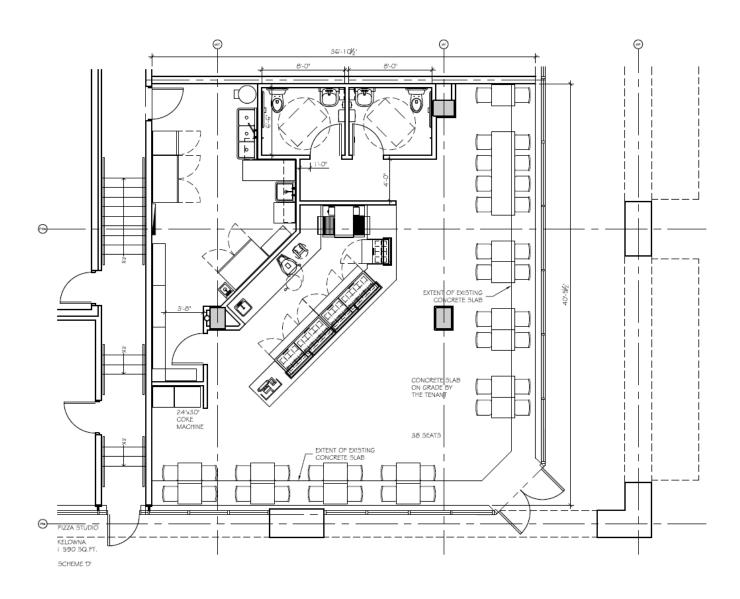
- (e) no action or proceeding brought or instituted under this clause 18.1 and no recovery under that action or proceeding will be a bar or defence to any further action or proceeding that may be brought under this clause 18.1 by reason of any further default under this clause 18.1 or in the performance by the Tenant of any term of this Lease;
- (f) without limiting the generality of the foregoing, the Guarantor will be bound by the terms of this Lease in the same manner as if the Guarantor were the Tenant named in this Lease; and

(g) any communication to be given to the Guarantor under this clause 18.1 will be in writing and delivered by hand or registered mail to the address of the Guarantor set out on the front page of this Lease, or to such other address as the Guarantor may designate in writing to the Landlord from time to time. Any communication to the Guarantor will be deemed to have been given and received on the day of hand delivery or on the third business day after registered mailing. In the event of a disruption or an impending or threatened disruption in the postal service, every communication to the Guarantor will be delivered by hand.

IN WITNESS WHEREOF the parties have executed this Lease.

CITY OF KELOWNA, by its Authorized) Signatories:)	
)	Witness
Mayor)	
)	Address
City Clerk)	Occupation
)	Occupation
)	Date
PS RESTAURANTS INC., by its)	
Authorized Signatories:)	
DocuSigned by:	Witness
<u>Name:</u> 36514C74E3	
)	Address
Name:	
)	Occupation
)	Date
660685 B.C. LTD., by its Authorized)	
Signatories:)	
DocuSigned by:	Witness
Name:)	
)	Address
Name:	
)	Occupation
)	
)	Date

SCHEDULE A-1 PLAN OF THE LEASED PREMISES



SCHEDULE A-2

SKETCH OF THE PATIO LICENCE AREA

To be Inserted

SCHEDULE B

DEFINITIONS

In this Lease, the following expressions shall have the following meanings:

"Additional Rent" means all sums of money to be paid by the Tenant, whether to the Landlord or otherwise under this Lease, except for Annual Base Rent and Goods and Services Tax payable by the Tenant.

"Annual Base Rent" means the annual Rent set out in sub-clause 1.1(g) and payable by the Tenant as set forth in clause 4.2.

"Basic Terms" means those terms set out in clause 1.1.

"Commencement Date" means the date the term commences as set forth in or determined under subclause 1.1(e) and subject to clause 3.2.

"Fixturing Period" means a 90-day period, commencing October 1, 2017, during which the Tenant may complete its Leasehold Improvements.

"Goods and Services Tax" or "GST" means and includes any and all sales Taxes, value added Taxes, business transfer Taxes, or any other Taxes imposed on the Landlord or the Tenant from time to time in respect of the Rent payable by the Tenant to the Landlord under this Lease or the Rental of the Premises or the provision of any goods, services, or utilities whatsoever by the Landlord to the Tenant under this Lease, whether characterized as a Goods and Services Tax, sales Tax, value added Tax, business transfer Tax, or otherwise.

"Land" means that parcel of land at 1360 Ellis Street in Kelowna, British Columbia, more particularly described as PID: 028-910-915, Parcel A (being a consolidation of Lots 1 and 2 See CA2747117) District Lot 139 Osoyoos Division Yale District Plan KAP57837.

"Lease Year" means, in the case of the first Lease Year, the period beginning on the Commencement Date and terminating 12 months from the last day of the calendar month in which the Commencement Date occurs (except that if the Commencement Date occurs on the first day of a calendar month, the first Lease Year shall terminate on the day prior to the first anniversary of the Commencement Date) and, in the case of each subsequent Lease Year, means each 12-month period after the first Lease Year.

"Leasehold Improvements" means all fixtures, improvements, installations, alterations, and additions now and from time to time hereafter made, erected or installed, whether by the Tenant, and the Landlord or anyone else, in the Premises, including all partitions however fixed (including movable partitions) and all wall-to-wall carpeting with the exception of such carpeting where laid over vinyl tile or other finished floor and affixed so as to be readily removable without damage, but excluding trade fixtures and unattached free-standing furniture and equipment.

"Patio Licence Area" means that portion of the Land shown outlined in bold on Schedule A-2.

"Premises" means Unit 103 in the building located at 1360 Ellis Street, Kelowna, British Columbia, as set out in sub-clause 1.1(c) and shown on Schedule A-1.

"Rent" means and includes the Annual Base Rent, Additional Rent, and all other sums payable by the Tenant to the Landlord under this Lease except for Goods and Services Tax payable by the Tenant.

"Security Deposit" means the amount set forth in sub-clause 1.1(h) of this Lease.

"Taxes" means all Taxes, rates, duties, levies, and assessments whatsoever, whether municipal, parliamentary, or otherwise, which are levied, imposed, or assessed against or in respect of the Premises, the Land, which are from time to time levied, imposed or assessed in the future in addition or in lieu thereof, including, without limitation, those levied, imposed, or assessed for education, schools and local improvements.

"Term" means the Term of this Lease set forth in sub-clause 1.1(e) and any renewal or extension thereof and any period of permitted overholding.

SCHEDULE C

RULES AND REGULATIONS

The Tenant shall observe the following Rules and Regulations (as amended, modified, or supplemented from time to time by the Landlord as provided in the Lease):

- The Tenant shall not use or permit the use of the Premises in such manner as to create any objectionable noises, odours, or other nuisance or hazard, or breach any applicable provisions of municipal bylaw or other lawful requirements applicable thereto or any requirements of the Landlord's insurers and shall keep the Premises tidy and free from rubbish, and shall leave the Premises at the end of each business day in a neat and tidy condition.
- The Tenant shall not abuse, misuse, or damage the Premises or any of the improvements or facilities therein, and in particular shall not deposit rubbish in any plumbing apparatus or use it for other than purposes for which it is intended, and shall not deface or mark any walls or other parts of the Premises.
- The Tenant shall not perform, patronize, or (to the extent under its control) permit any canvassing, soliciting, or peddling in the Building.
- The Tenant shall not do anything that causes damage to the Building or in any way impairs the rights of the Landlord as owner of the Building.
- The Tenant shall permit the entry of the Landlord at reasonable times into the Premises for the purposes of inspection and other lawful purposed.
- 6. The Tenant shall refer to the Building only by the name from time to time designated by the Landlord for it and shall use such name only for the business address of the Premises and not for any promotion or other purpose.

The foregoing Rules and Regulations, as from time to time amended, are not necessarily of uniform application, but may be waived in whole or in part in respect of other tenants without affecting their enforceability with respect to the Tenant and the Premises, and may be waived in whole or in part with respect to the Premises without waiving them as to future application to the Premises, and the imposition of Rules and Regulations shall not create or imply an obligation of the Landlord to enforce them or create any liability of the Landlord for their non-enforcement.

SCHEDULE D

Tenant Responsibility Checklist					
PS RESTAURANTS INC.	Provided by the Landlord, Cost	Provided by the Landlord, Cost	Provided by the Tenant, Cost	Provided by the Tenant, cost	
	borne by	borne by	borne by	borne by	Does
	the	the	the	the	not
	Landlord	Tenant	Landlord	tenant	apply
Boiler operating permits					X
Electrical field safety representative				Х	
Electrical operating permit				Х	
Electrical system preventative maintenance				Х	
Electrical system repairs				Х	
Electrical/lights - lamp & tube replacement				Х	
Elevator equipment repairs	X				
Elevator maintenance contract	X				
Elevator operating permits	X				
Emergency lighting testing & repairs				Х	
Exterior doors, windows, facades, etc.				Х	
Fire alarm system repairs				Х	
Fire alarm system testing & inspection contracts				Х	
Fire extinguisher monthly & annual inspections				Х	
Fire safety plan and fire drills				Х	
Fire sprinkler system repairs				Х	
Fire sprinkler system testing and inspection contracts				Х	
Furnishings (maintain & replace)				Х	
Garbage removal		Х			
HVAC preventative maintenance				Х	
HVAC repairs				Х	
Insurance – automotive				Х	
Insurance – liability				Х	
Insurance - property, building	х				
Insurance - tenant owned furnishings & fixtures				Х	
Insurance - tenant owned operation equipment, computers, & furnishings				х	
Interior walls, flooring, doors, ceilings, etc.				Х	
Internet				Х	
Janitorial services & supplies				Х	
Kitchen Exhaust Hood preventative maintenance				Х	
Kitchen Exhaust Hood repairs				Х	
Kitchen Hood Fire suppression system preventative				Х	

maintenance				
Kitchen Hood Fire suppression repairs			X	
Kitchen Hood Fire suppression testing			Х	
Landscape maintenance				Х
Licences & permits			X	
Parking lots - lighting, parking lines, sweeping, asphalt, signage, drainage etc.	Х			
Pest control			Х	
Plumbing system preventative maintenance			Х	
Plumbing system repairs			Х	
Recycling program			X	
Roof inspection & maintenance	X			
Roof repairs	X			
Security system			X	
Signage			Х	
Snow removal			Х	
Taxes		х		
Telephone			Х	
Tenant improvements			Х	
Tenant improvements - Maintenance			Х	
Tree removal				Х
Utilities – electricity			Х	
Utilities - natural gas			Х	
Utilities – propane			Х	
Utilities - water, sewer		Х		
Vandalism (exterior)	Х			
Vandalism (interior)			Х	
Window Cleaning (exterior)	Х			
Window Cleaning (interior)			Х	

t Revision History:		
Description	Revised by	Date
	t Revision History: Description	

SCHEDULE E



CERTIFICATE OF INSURANCE

City staff to complete prior to circulation

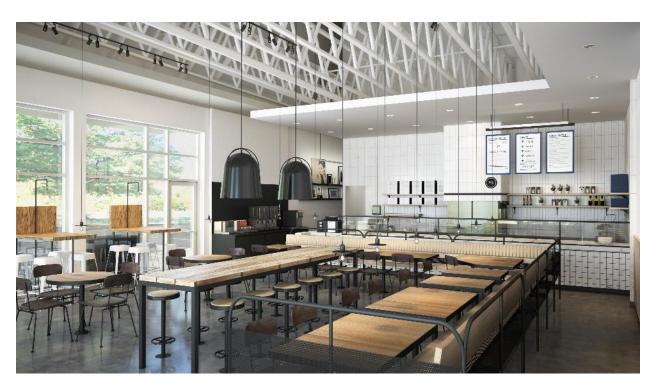
Kelowna				
<u>Insured</u> Name	2:			
Addre	ess:			
Broker Name	2:			
Addre	ess:			
Location and nature of oper	ation and/or contract referenc	ce to which this	Certificate ap	plies:
		Doli	icy Dates	
Type of Insurance	Company & Policy Number	Effective	Expiry	Limits of Liability/Amounts
Section 1 Comprehensive General Liabil including: Products/Completed Operations; Blanket Contractual; Contractor's Protective; Personal Injury; Contingent Employer's Liability; Broad Form Property Dar Non-Owned Automobile; Cross Liability Clause.				Bodily Injury and Property Damage \$ 2.000,000
Section 2 Automobile Liability				Bodily Injury and Property Damage
Additional Elabitity				\$ <u>2,000,000</u> Inclusive
 Any Deductible or R sole responsibility o The City of Kelowna 	nat the policy/policies noted abeimbursement Clause contain f the Insured named above. is named as an Additional Insured notice of material change at Title	ed in the policy ured.	shall not appl on will be give	y to the City of Kelowna and shall be the
Signature of Authorized Sign			_	te
Signature of Authorized Sign	ator y		νa	ite

SCHEDULE B

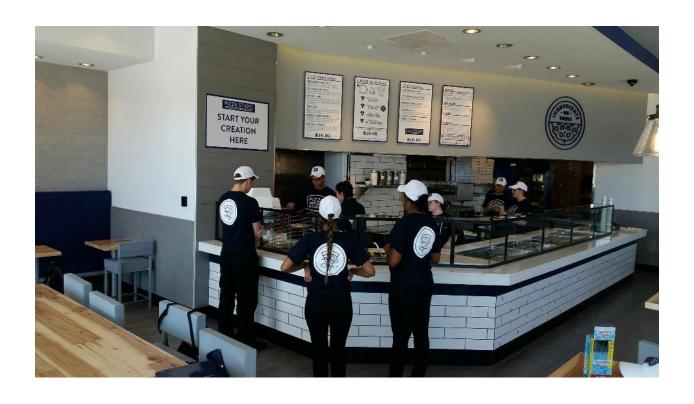
Corporate Website – http://pizzastudiocanada.com/

Example Pictures:



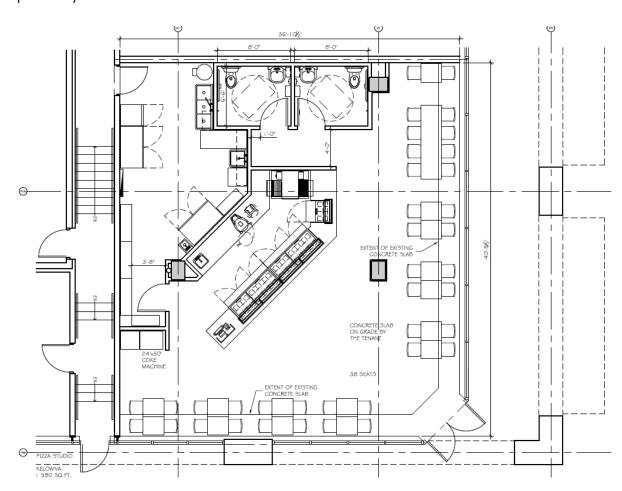








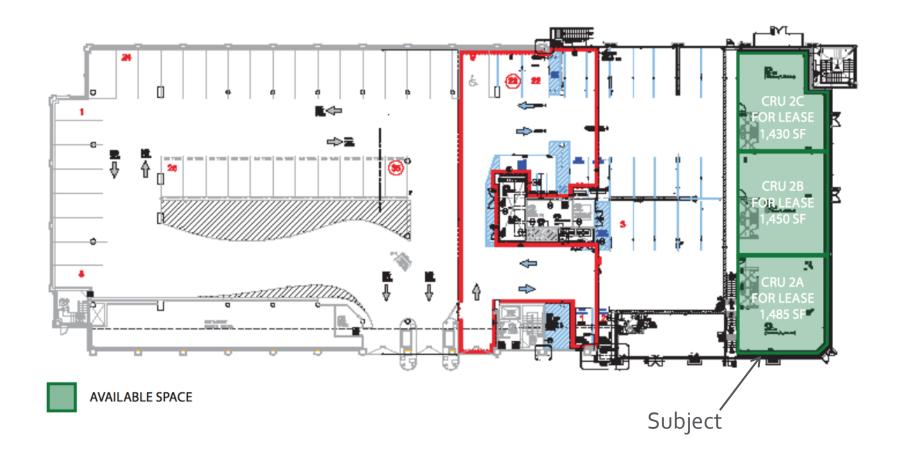
Proposed Layout:





Context Map







Background

- ➤ The Library Parkade has been recently expanded and includes 4,285 sf of leasable commercial retail space at street level
- After an advertising campaign by HM Commercial,
 Pizza Studio has submitted an offer to lease the southernmost end cap unit
- Pizza Studio is currently expanding into the Canadian market
- ➤ Pizza Studio currently has 30 locations across the US & 3 have recently opened in Ontario (2 opening soon)

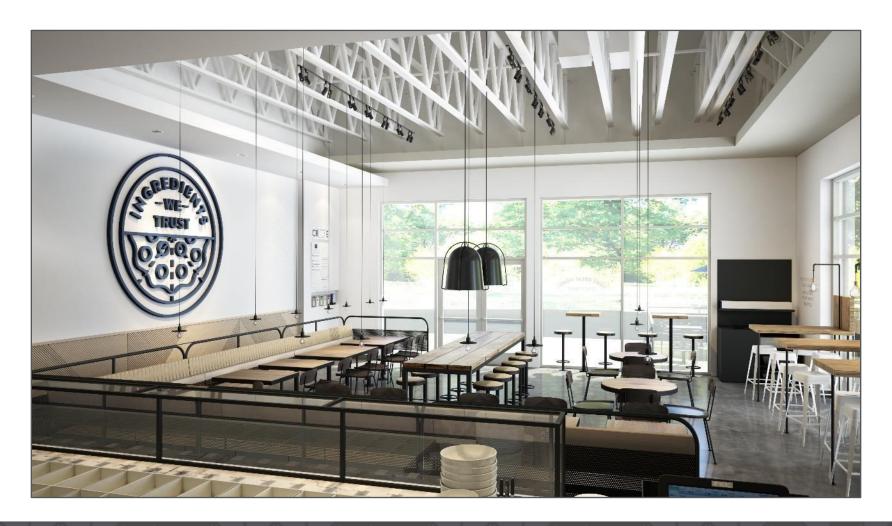


Lease Highlights

Lease Component	Description
Lease Area	1,485 square feet
Term	10 years
Renewal Consideration	2 x 5 years
Rent	\$22 psf. (years 1-5) \$25 psf. (years 6-10)
Lease Costs	Tenant to pay proportionate share of operating costs



Example Pictures



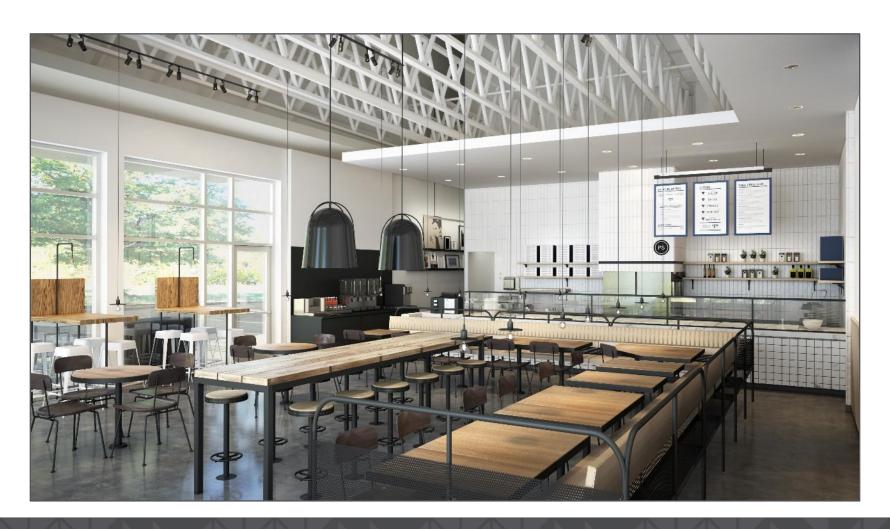


Example Pictures





Example Pictures





Questions?

For more information, visit **kelowna.ca**.

Report to Council



Date: August 28, 2018

File: 0710-60

To: City Manager

From: Rafael Villarreal, Manager, Integrated Transportation

Subject: BikeBC Grant Matching Funds

Recommendation:

THAT Council receives for information the report from the Integrated Transportation Manager dated August 28, 2017 regarding funding changes for the Okanagan Rail Trail project;

AND THAT Council approves the use of Community Work Funds reserve and Arterial Roads reserve in the total amount of \$777,435 to match BikeBC grant funds for the Okanagan Rail Trail project.

AND THAT the 2017 Financial Plan be amended to reflect these changes.

Purpose:

The Bike BC grant for the Okanagan Rail Trail project requires matching City of Kelowna funding. Staff are recommending these funds come from the Community Work Funds Reserve and the Arterial Roads Reserve.

Background:

As per the report presented to Council in December 12, 2016, the City successfully received the BikeBC Provincial grant funding to fund 50 per cent of eligible cost-shareable capital work towards the Phase 1 construction of the Okanagan Rail Trail. The Bike BC Program grant funds will be provided to the City once the projects are completed to a maximum of \$777,435 or 50% of the total eligible projects costs, whichever is less.

Internal Circulation:

Divisional Director, Infrastructure Financial Planning Manager Budget Supervisor Manager, Grant & Partnerships Manager, Infrastructure Engineering Project Manager, Inter-jurisdictional Team (ITD)

Financial/Budgetary Considerations:

The 2017 Financial Plan will need to be amended to reflect the use of \$548,200 from the Community Work Funds reserve and \$229,215 from the Arterial Roads general reserve to match BikeBC Grant funds for the Okanagan Rail Trail project. The contribution of the monies received from the Central Okanagan Foundation will be received as deferred funding and used for the 2018 phase of the Okanagan Rail Trail projects.

·	
Considerations not applications	Requirements: mments: s:
Submitted by:	
R. Villarreal, Manager, Inte	A. Newcombe, Director, Infrastructure
Divisional Director, Fir Department Manager, Manager, Grant & Part Manager, Infrastructur	mmunications & Information Services nance Infrastructure Delivery nerships