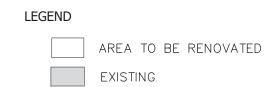


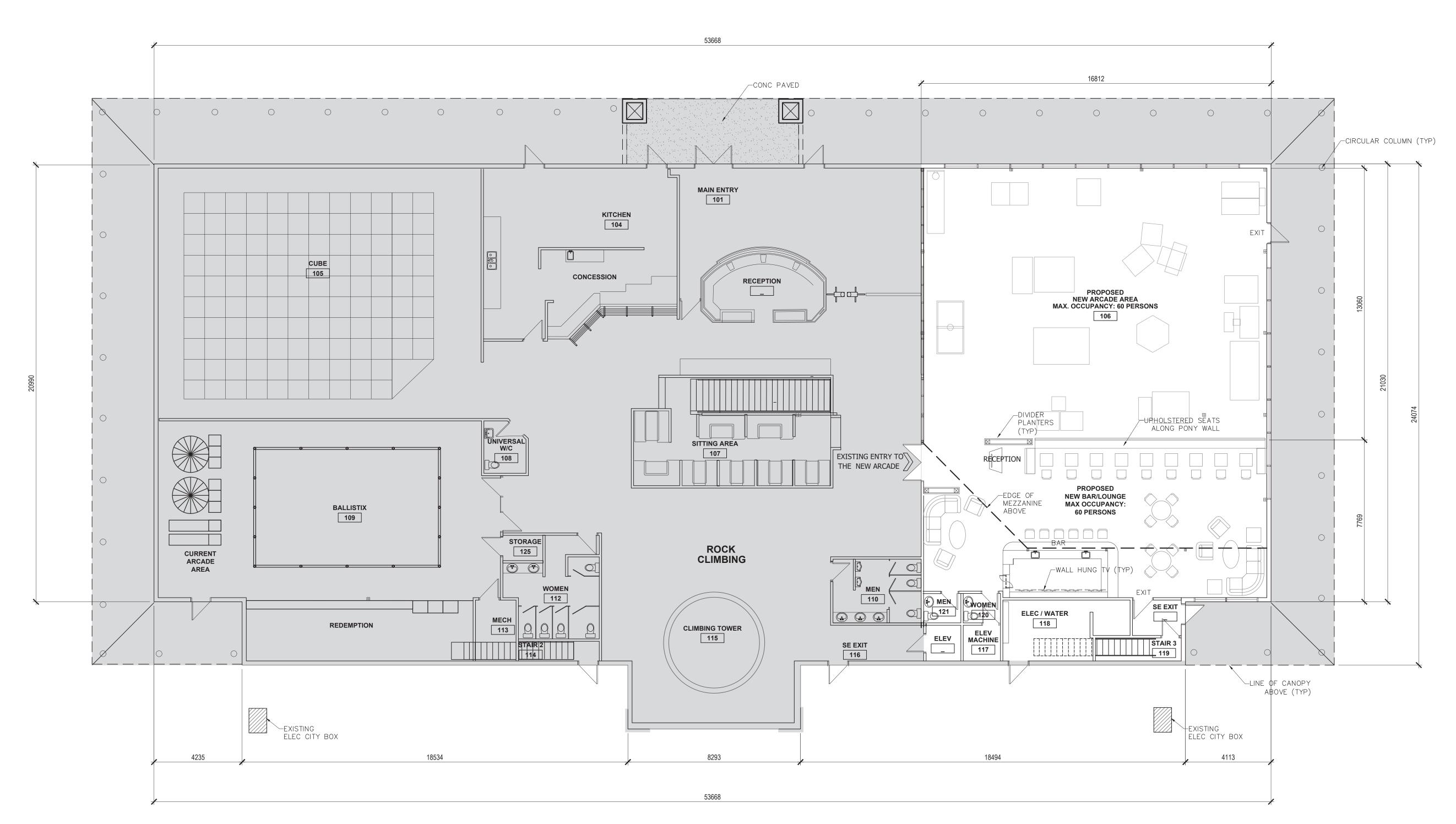
MAX. OCCUPANCY LOAD
TOTAL BUILDING OCCUPANCY: 400 PERSONS

MAX. RENOVATION AREA OCUPANCY LOAD
ARCADE AREA: 60 PERSONS
BAR/LOUNGE AREA: 60 PERSONS

BAR/LOUNGE AREA: 60 PERSONS TOTAL: 120 PERSONS

RENOVATION AREA: 339m2



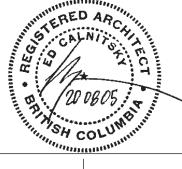


1 PROPOSED MAIN FLOOR RENOVATION PLAN
1:100



ARCHITECTURE I INTERIOR DESIGN 124 NASSAU ST. N, WINNIPEG, MB R3L 2H1 T. (204) 453-6441 F. (204) 453-3392 E. info@calnitskyarchitects.com

CONSULTANT



5 4 3 2 1 1 NO. REVISION DATE BY

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VARIATIONS AND MODIFICATIONS TO WORK SHALL NOT BE PERMITTED WITHOUT WRITTEN PERMISSION OF THE ARCHITECT.

PROJECT TITLE

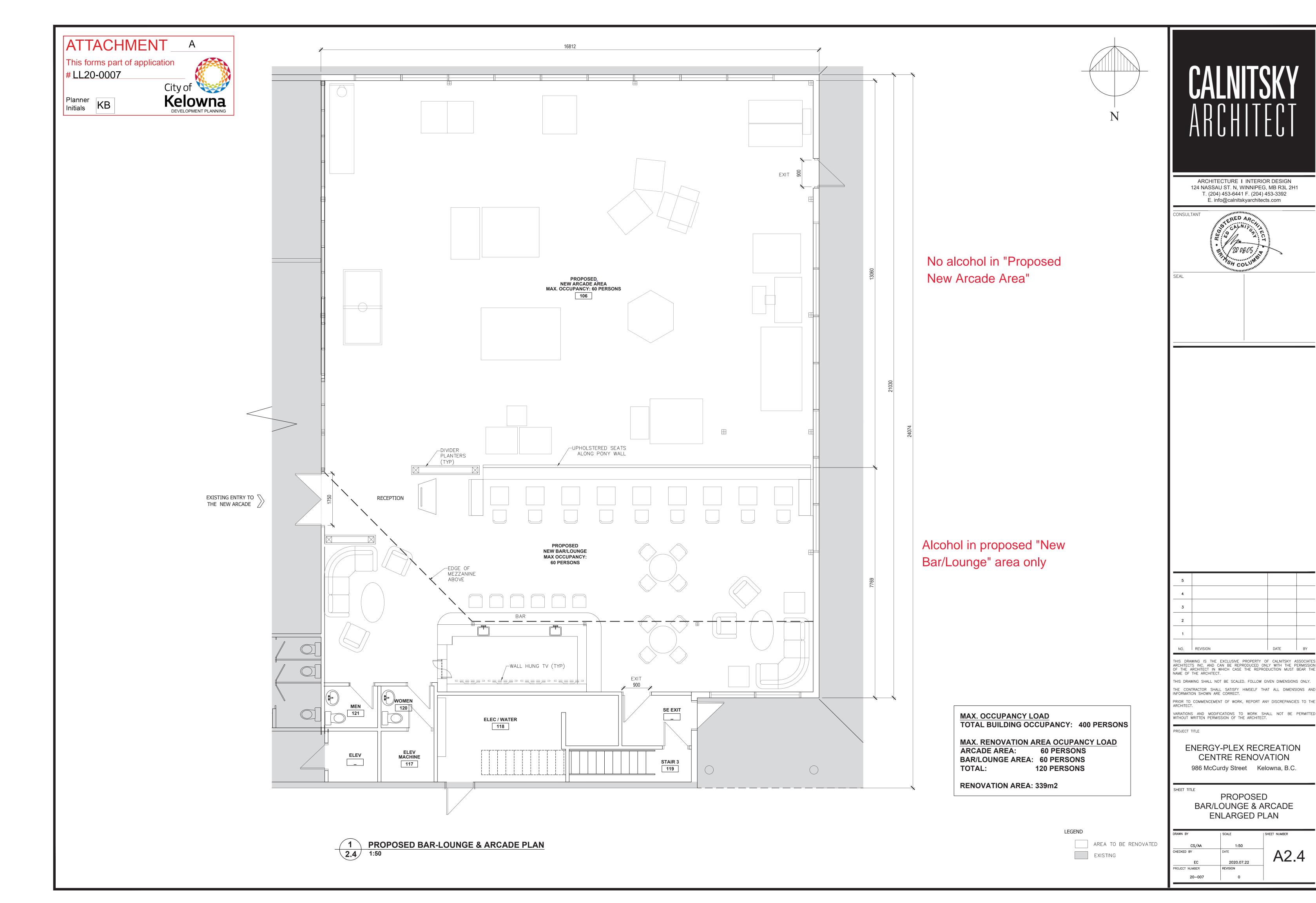
ENERGY-PLEX RECREATION CENTRE RENOVATION

986 McCurdy Street Kelowna, B.C.

EET TITLE

PROPOSED MAIN FLOOR PLAN RENOVATION

DRAWN BY	SCALE	SHEET NUMBER
CS/AA	1:100	
CHECKED BY	DATE	A23
EC	2020.07.22	72.3
PROJECT NUMBER	REVISION	
20-007	0	







Letter of intent for application Liquor Primary License

From "Indoor Playground" to "Entertainment Centre"

Energyplex is Kelowna's largest locally owned and family-run indoor recreation centre. Activities include the cube, ballistix, rock climbing, trampoline gym, arcade area, skytrax, laser tag and bungy trampolines (seasonal). Energyplex started in 2008 and has developed it's variety of activities year over year. The first 3 years the business was not profitable and after a change in course by the end of 2011 the Energyplex increased revenues by approximately 180% until mid 2018. From 2019 onwards, several conditions negatively impacted the profitability of our company.

- 1. Continued increase of the minimum wage year over year
- 2. Lease of \$250,000 per year
- 3. Steep increase in insurance premiums from \$25K (2018) to \$50K (2019) to \$75K (2020)
- 4. Negative publicity on Market Place CBC with a documentary about the dangers of trampoline parks in October 2018
- 5. Competition by the opening of Airhouse Trampoline park
- 6. Mild weather during Summer months (no rain and mild warm weather) in 2019
- 7. Extreme revenue decline due to Covid-19 crisis starting in February and leading to closure in March 2020 resulting in operational losses to-date

Before Covid-19, the gymnastics area was a play area for many children at the same time. Due to most of the above reasons and the social distancing rules that are into effect the concept of this area needs to be changed.

To conclude we need to increase our revenue in order to bounce back towards a viable business.

My family and I evaluated our business model by making a business plan to go forward with. Because of the above reasons as well as our research, it is our strong belief that the gymnastics area with trampolines, airbag and inflatable obstacle course are not part of a sustainable future for our business. We think that Kelowna needs more entertainment for adults and students. It is our goal to create an entertainment centre that is attractive to all ages and various markets (local, tourism, corporate) from small to large groups.

Research has shown us of a very successful entertainment center concept in the United States where the business focuses on activities for all ages and opens during evening hours. The critical success factor is the presence of a sizable arcade area in combination with a bar/lounge.

The proposed changes will provide great value to the community. First of all, it will create a social gathering place for all ages and for different purpose visits. It will add to the value of McCurdy Corner as an entertainment hub. We also feel there are not many active facilities for all ages. With our new





concept we anticipate that adults as well as parents with older children, as well as corporate events, will come to the Energyplex to have a great time together. Our facility is conveniently located on McCurdy Corner with ample parking and is easily reachable by own and public transportation. It is close to neighborhoods including Rutland, Glenmore and the University without being directly beside houses. We would like to start with increasing our opening hours on Thursday to Sunday nights until 11 pm and see how our plan is accepted. The McCurdy Corner has contracted security. Furthermore our facility has 30 cameras for everyone's safety. Energyplex has created jobs to over 35 people over the last 11 years. Our facility helps boost the local economy and its recreational value helps promote social bonds. Energyplex supports the local community by donating to all fundraiser requests and we will continue to do so.

Last but not least we also feel that with these proposed changes the Energyplex, which is so hardly hit by Covid-19, will be sustainable for the future.

My wife and I both have 30+ years in hospitality management experience in Europe, the Caribbean and since 2011 in Kelowna BC. Our experiences include hotel management, food & beverage management, financial management, own and operating of a bar/restaurant, teaching hospitality/restaurant management in college. Currently we are operating the Energyplex.

We respectfully ask you to help us maintain and transform our business by supporting us with the application of a Liquor Primary License in combination with the endorsement for minors in the facility. Please find attached the current floor plans of the main and second floor of our facility. Combined the centre has about 23,000 sqft of guest areas. The current gymnastics area (east side of the building) is about 3,600 sqft. This is the area that we would like to transform into an arcade area annex bar/lounge area. For the proposed bar/Lounge area you will also find a floor plan attached.

The Parcel Identifier (PID) of the lot that Energyplex is located on is 024-570-591 and the location is zoned for liquor service.

Prior to sending the application for the Liquor Primary License (Application form LCRB001) I would appreciate your assistance with the following:

- Support from the City of Kelowna for our plan
- Completion of part 8 of the LCRB001 form by your department

I hope that we can count on your support to help our business trough these difficult times by approving of our plans.

Feel free to reach out to me in case you have any further questions or concerns.

Kindly,

Erik Brouwer Owner