THE CORPORATION OF THE CITY OF GRAND FORKS AGENDA – REGULAR MEETING

Monday, October 26, 2015, at 7:00 pm 7217 - 4th Street, City Hall

SUBJECT MATTER

RECOMMENDATION

ITEM

		<u>II EM</u>	SUBJECT MATTER	RECOMMENDATION
1.	CAL	L TO ORDER		
2.	ADC	PTION OF AGENDA		
	a)	Adopt agenda	October 26th, 2015, Regular Meeting agenda	THAT Council adopt the October 26th, 2015, Regular Meeting agenda as presented.
3.	MIN	<u>UTES</u>		
	a)	Adopt minutes October 13th COTW Mtg. Minutes- Not Yet Adopted	October 13th, 2015, Committee of the Whole Meeting minutes	THAT Council adopt the October 13th, 2015, Committee of the Whole Meeting minutes as presented.
	b)	Adopt minutes October 13th Regular Mtg. Minutes- Not Yet Adopted	October 13th, 2015, Regular Meeting minutes	THAT Council adopt the October 13th, 2015, Regular Meeting minutes as presented.
4.		GISTERED PETITIONS AND EGATIONS		
5.	UNF	INISHED BUSINESS		
6.		ORTS, QUESTIONS AND INQUIRIES OM MEMBERS OF COUNCIL		
	a)	Corporate Officer's Report <u>Councillor Butler's Report</u> <u>Councillor Thompson's Report</u> <u>Mayor Konrad's Report</u>	Written reports of Council	THAT all written reports of Council be received.
	b)	Mayor Konrad	Mayor to verbally speak to an option to self-install their own water meter	THAT Council receive for discussion.

7. REPORT FROM COUNCIL'S REPRESENTATIVE TO THE REGIONAL DISTRICT OF KOOTENAY BOUNDARY

a) Corporate Officer's Report

Verbal report from Council's representative to the Regional District of Kootenay Boundary

THAT Councillor Krog's report on the activities of the Regional District of Kootenay Boundary, given verbally at this meeting be received.

8. <u>RECOMMENDATIONS FROM STAFF FOR DECISIONS</u>

 a) Manager of Development and Engineering
 RFD - Mgr. Dev. & Eng. - PA's
 Request for Mortgage of Lease with Community Futures Approval from Council to permit Granby River Mining Company Inc. to enter into a Mortgage of Lease Agreement with Community Futures Development Corporation in order to secure financial funding for plant upgrades at its operations in Grand Forks and approval for the City to enter into a Non-Disturbance Agreement with Community Futures

THAT Council permit Granby River Mining Company Inc. to enter into a Mortgage of Lease Agreement with Community Futures Development Corporation in order to secure financial funding for plant upgrades at its operations in Grand Forks; and FURTHER RESOLVED THAT Council approve the City entering into a Non-Disturbance Agreement with Community Futures.

9. REQUESTS ARISING FROM CORRESPONDENCE

10. **INFORMATION ITEMS**

a) District of Oak Bay
 SOII - District of Oak Bay Letter re
 Deer Mgmt.

Letter of thank you for taking time to meet with representatives from municipalities during UBCM to discuss the challenges of Deer Management in our respective communities

THAT Council receive for information. Copy of letter to be distributed to the Deer Committee.

b) FortisBC
SOII - Fortis BC-Participation in
Strategic Community Energy &
Emissions Planning

Free Strategic Community Energy & Emissions Planning opportunity

THAT Council receive for information. Council determines that the City of Grand Forks participates in the FortisBC offered Strategic Community Energy & Emissions Planning process in 2015 or 2016 to support commitments made as a signatory of the Climate Action Charter.

c) Ministry of Agriculture

SOII - Min. of Agriculture regulating
Agri-Tourism & Farm Retail Sales

Regulating Agri-Tourism and Farm Retail Sales in the Agricultural Land Reserve discussion paper and proposed Minister's Bylaw Standards THAT Council receive for information and consider directing staff, as part of the upcoming Zoning Bylaw update, to include Agri-Tourism, Agri-Tourism Accommodation and Farm Retail Sales as permitted accessory uses in the R4 and R4A zones, if the ALC implements Agri-Tourism, Agri-Tourism Accommodation and Farm Retail Sales as regulatory requirements.

d) Federation of Canadian Municipalities (FCM)
SOII - FCM - Sustainable
Communities Conference in Ottawa

Sustainable Communities Conference in Ottawa, ON, from February 9-11th, 2016 THAT Council receive for information and approve Councillor Ross to attend the Sustainable Communities Conference in Ottawa, ON, in February, 2016, and take advantage of the early registration discount.

11. BYLAWS

 a) Manager of Building Inspections & Bylaw Services
 Bylaw 1957 A-3 - Mgr. of Bylaw Serv.
 - MTI Final Reading with Schedule 12 Amendment Bylaw No. 1957 A-3 to the Municipal Ticketing & Information Bylaw No. 1957 THAT Council receive the Amendment Bylaw No. 1957 A-3 of the Municipal Ticketing & Information Bylaw No. 1957. City Council has given the Bylaw Amendment the first three readings at the September 14, 2015, Regular Meeting. Council may consider giving the Amendment Bylaw No. 1957 A-3 the final reading at the October 26th, 2015, Regular Meeting of City Council.

b) Chief Financial Officer
Bylaw 2018 - CFO - 2016 Permissive
Tax Exemption Bylaw 2018

2016 Annual Tax Exemption Bylaw No. 2018

THAT Council give final reading to Bylaw No. 2018 - 2016 Permissive Tax Exemptions.

- 12. **LATE ITEMS**
- 13. QUESTIONS FROM THE PUBLIC AND THE MEDIA
- 14. **ADJOURNMENT**

THE CORPORATION OF THE CITY OF GRAND FORKS

COMMITTEE OF THE WHOLE MEETING Tuesday, October 13, 2015



D. Allin

S. Bird

W. Kopan

D. Drexler

D. Heriot

D. Popoff

D. Reid

D. Heinrich

R. Shepherd

PRESENT:

MAYOR FRANK KONRAD COUNCILLOR JULIA BUTLER COUNCILLOR NEIL KROG COUNCILLOR COLLEEN ROSS

COUNCILLOR CHRISTINE THOMPSON

CHIEF ADMINISTRATIVE OFFICER
CORPORATE OFFICER
CHIEF FINANCIAL OFFICER
MANAGER OF DEVELOPMENT

AND ENGINEERING

MANAGER OF BUILDING AND

BYLAW SERVICES
MANAGER OF OPERATIONS

DEPUTY MANAGER OF OPERATIONS FIRE CHIEF

CORPORATE ADMINISTRATIVE ASSISTANT

GALLERY

ABSENT:

COUNCILLOR CHRIS HAMMETT

1. CALL TO ORDER

a) The Mayor called the COTW Meeting to order at 9:01 am.

2. <u>COMMITTEE OF THE WHOLE AGENDA</u>

a) Adopt agenda October 13th, 2015, COTW

MOTION: BUTLER

RESOLVED THAT the COTW adopt the October 13th, 2015, COTW Meeting agenda as presented.

CARRIED.

3. REGISTERED PETITIONS AND DELEGATIONS

4. PRESENTATIONS FROM STAFF

Manager of Development & Engineering Services
 Valley Heights Developments application for strata conversion

SUBJECT TO CHANGE

MOTION: KROG

RESOLVED THAT the COTW recommends to Council that they approve the strata conversion application of a commercial/residential building located at 7330 Riverside Drive and direct the Approving Officer to sign the Form T "Endorsement by Approving Officer", certifying that the conversion has been approved in accordance with Section 242 of the Strata Property Act.

CARRIED.

b) Manager of Development & Engineering Services

Application for a Development Variance Permit to request an increase in the ratio of apartments to the principal building from 30% to 50% to allow for the current four apartments upstairs to remain and to comply with the Zoning Bylaw

Discussion:

- CAO spoke on the impact on downtown development, parking, speaking to community, report should be given to Council to be more informed and to come forward in the Spring
- Councillor Butler asked if the report will be done by staff and not farmed out to a consulting firm?
- CAO replied that yes, staff will be doing the report

MOTION: BUTLER

RESOLVED THAT the COTW receives the report and recommends to Council to select one of the presented options at the October 13th, 2015, Regular Meeting of Council.

CARRIED.

MOTION: THOMPSON

RESOLVED THAT the COTW requests staff to prepare a report on the impact of allowing 50% of residential units in the downtown core.

CARRIED.

c) Monthly Highlight Reports from Department Managers Staff request for Council to receive the monthly activity report from department managers

SUBJECT ADOPTED CHANGE

Discussion:

- Councillor Butler asked about the brown water complaints from the 68th Avenue residents and what is the solution?
- Manager of Operations replied that the residents should put concerns in writing in order to track locations
- Councillor Butler said that the water meters that are leaking are being replaced by City Works crews, is there a warranty on them?
- CAO replied yes, there is a warranty and a holdback from Neptune is paying for replacements
- Councillor Butler inquired as to the homeless camps along the riverbanks
- CAO replied that Bylaw Services is dealing with this sensitively and talking with the RCMP about how to deal with this situation
- needles found on City property from drug users should never be handled, call the City Works Yard so that they can be removed with the proper process and disposal
- water meter assessments, which companies, pit meter estimated costs, any contracts signed?
- Manager of Operations stated that they are in the middle of the processes and that three companies came forward and will be presented to Council once all information has been gathered
- fibre optics and communication with Telus re water meters
- when was the water meter program initiated and what was the life cycle?
- CAO said that an engineering recommendation put forward approximately 30 yrs depending on different risks and effects on the meters
- why do the meters only have a two year warranty? what was the predicted operations maintenance of the 30 year projected life cycle?
- CAO replied that this is such a broad impact part of the Asset Management Plan, reaches out to so many areas of the community, spoke with Minister regarding this, social, environmental and financial impacts

MOTION: BUTLER

RESOLVED THAT the COTW receives the monthly activity reports.

CARRIED.

5. REPORTS AND DISCUSSION

a) Chief Administrative OfficerDraft - Asset Management Financial Plan

Discussion:

- Councillor Butler stated that she is in full support of Asset Management, cutting costs, and putting aside for infrastructure repairs is at the top of her priority list; however, feels budget items should be discussed in the public venue. She has some concerns with privatization, asset disposal, and Asset Management BC plan being unrealistic for a \$3 million deficit. She questions 'real time' allotment of tax dollars and spoke about being 'homegrown' and would like to see less contracting out. Public

MOT ADOPTED

Works' workers are the greatest asset and Council should work openly with the Union

- Councillor Thompson would not support privatization of any utilities and infrastructure and would disagree with many of Councillor Butler's comments. Also spoke about amortization of assets
- Councillor Krog stated that Asset Management is an infrastructure platform 'to do something about it'
- it was stated that the City CAO is President Elect on the Public Works Association and Director on Asset Management BC
- open-ended contracts that are outsourced that could be carried out by Public Works
- Councillor Krog replied that the expertise that the City crews do not have in a particular area, we contract out. If we kept it all in-house, more staff would have to be hired
- Councillor Ross suggested that perhaps this would be better called an Asset and Liability Management Plan. There is a cost to extreme comfort living, citizens need to reduce use, and think of next generations, must prioritize
- CAO spoke regarding performance measure values, asset management deals only with what is owned by the City of Grand Forks taxpayer
- Mayor Konrad spoke in regards to 'homegrown' and 'farming out' and that this would be taking away from our staff of their day-to-day duties to maintain our City, and then when project was complete, let staff go because there isn't enough work
- Councillor Butler stated that we are living outside of our means and that Council should be creating their own policies and not being dictated by the private sector
- Mayor Konrad replied that we are being dictated by the Provincial Government because without Asset Management, we would no longer be eligible for grants. We are working on a 50% ratio right now and must bring down the deficit or fall further behind
- lease holder airport concerns with increase proposal
- consultant fees, rate analysis cost, Gas Tax, budget process, Water Rates Committee, performance measures, lawyer fees, water meter costs, pit meter installation costs
- CAO said that there are no open-ended contracts, if meter installation over budget Council will propose an amendment which is required by law
- are we headed for a boondoggle in the blackhole? Can the City complete the water meter project with the money that is left?
- CAO stated that a report will come to Council after the test pieces have been concluded as per the Manager of Operations
- CAO informed that he was part of Asset Management BC as a representative from the City of Grand Forks doing regional contribution under our grant application towards Gas Tax application under funding from UBCM. He went to Cranbrook, Kelowna, and Nelson and had the ability to answer questions regarding Asset Management

MOTION: THOMPSON

RESOLVED THAT the COTW receives the Asset Management Financial Plan Report as presented; and further considers the Plan to be part of the 2016 Five Year Financial Plan.

CARRIED. Councillor Butler is opposed to this MOTION.

The Mayor called a recess at 10:49 am.



6. PROPOSED BYLAWS FOR DISCUSSION

a) Manager of OperationsFees and Charges Amendment Bylaw No. 1958-A1

Discussion:

- airport fees and charges, current rates, night landings, and that Regional District does not contribute to airport costs
- Deputy Manager of Operations explained how the airport fees and charges came about
- an airport lease holder gave suggestions to airport fees and liability insurance, spoke about private owners, land maintenance around hangars, grants from the government, new airport hangar lands and why these are not being released, and fire activity
- Councillor Thompson asked how often does the Medi Vac use the airport?
- Manager of Operations replied approximately 35 times per year
- cost recovery for night landings?
- Manager of Operations replied that there are no cost recoveries
- suggestion was made to install a system for planes to turn on lights at the airport themselves and not have to rely on a City worker to do this, and a shared facility with the Regional District and IHA.
- Nelson, BC airport fee comparison, no night time service in Nelson.
- in 2012 airport fees went up per sq. meter from \$2.00- \$2.37.
- City residents and non-residents, land and building taxes, COPA meetings.

MOTION: THOMPSON

RESOLVED THAT the COTW receive for discussion.

CARRIED.

MOTION: ROSS

RESOLVED THAT the COTW engage RDKB to participate in discussions with regard to sharing costs at the airport and Council directs staff to develop a brief report outlining the cost sharing benefits to the airport.

CARRIED.

MOTION: THOMPSON

RESOLVED THAT the COTW receives the report and further directs staff to present to Council the first three readings of the proposed Fees & Charges Amendment Bylaw 1958-A1 at the October 26. 2015, Regular Meeting of Council.

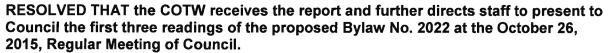
CARRIED.

b) Manager of Operations
Airport Regulation Bylaw No. 2022

Discussion:

- quonsets, liability, UAV (drone) fly zone

MOTION: THOMPSON



CARRIED.

SUBJECT ADOPTED CHANGE

- 7. <u>INFORMATION ITEMS</u>
- 8. CORRESPONDENCE ITEMS
- 9. LATE ITEMS
- 10. REPORTS, QUESTIONS AND INQUIRIES FROM MEMBERS OF THE COUNCIL (VERBAL)
- 11. QUESTION PERIOD FROM THE PUBLIC
- a) drone technology in the future
 - airport lease and unrestricted access, parking space next to hangar possibility?
 - fire fighting provincial research
 - water meter leakage coming from main pipes

12. <u>IN-CAMERA RESOLUTION</u>

a) Chief Administrative Officer
 Immediately following the COTW Meeting, Council will hold an In-Camera Meeting

MOTION: THOMPSON

RESOLVED THAT the COTW recommends Council convene an In-Camera Meeting as outlined under Section 90 of the Community Charter to discuss matters in a closed meeting which are subject to Section 90 (1)(b) personal information about an identifiable individual who is being considered for a municipal award or honour, or who

has offered to provide a gift to the municipality on condition of anonymity; and 90 (1)(c) labour relations or other employee relations; and 90 (1)(e) the acquisition, disposition or expropriation of land or improvements, if the Council considers that disclosure could reasonably be expected to harm the interests of the municipality; and 90 (1)(g) litigation or potential litigation affecting the municipality; and 90 (2)(c) a matter that is being investigated under the Ombudsperson Act of which the municipality has been notified under section 14 of that Act.

BE IT FURTHER RESOLVED THAT persons, other than members, officers, or other persons to whom Council may deem necessary to conduct City business, will be excluded from the In-Camera Meeting.

CARRIED.

13.	ADJOURNMENT			
a)	The Mayor adjourned the COTW Meeting at 12:30 pm.			
MOTI	ON: ROSS			
RESOLVED THAT the COTW Meeting be adjourned at 12:30 pm. CARRIED.				
CER	RTIFIED CORRECT:	CORPORATE ADMINISTRA	ATIVE	
MAVO	OR FRANK KONRAD	ASSISTANT - DAPHNE POI	POFF	



THE CORPORATION OF THE CITY OF GRAND FORKS

REGULAR MEETING OF COUNCIL TUESDAY, OCTOBER 13, 2015

PRESENT: MAYOR FRANK KONRAD

COUNCILLOR JULIA BUTLER COUNCILLOR NEIL KROG COUNCILLOR COLLEEN ROSS

COUNCILLOR CHRISTINE THOMPSON COUNCILLOR MICHAEL WIRISCHAGIN

CHIEF ADMINISTRATIVE OFFICER

CORPORATE OFFICER
CHIEF FINANCIAL OFFICER

MANAGER OF DEVELOPMENT & ENGINEERING

MANAGER OF OPERATIONS

DEPUTY MANAGER OF OPERATIONS

R. Shepherd S. Bird D. Reid

D. Allin

D. Heinrich

D. Drexler

GALLERY

ABSENT: COUNCILLOR CHRIS HAMMETT

1. CALL TO ORDER

a) The Mayor called the meeting to order at 7:00 PM

2. ADOPTION OF AGENDA

a) Adopt agenda
October 13th, 2015, Regular Meeting agenda

MOTION: ROSS / THOMPSON

RESOLVED THAT Council adopt the October 13th, 2015, Regular Meeting agenda as presented.

CARRIED.

3. MINUTES

a) Adopt minutes
September 1st, 2015, Special Meeting to go In-Camera minutes

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MOTION: THOMPSON / BUTLER

RESOLVED THAT Council adopt the September 1st, 2015, Special Meeting to go In-Camera minutes as presented.

CARRIED.

b) Adopt minutes

September 9th, 2015, Special Meeting to go In-Camera minutes

Councillor Butler asked to have the minutes amended to reflect that she was opposed to Section 90 (1) (c), as she felt that discussions relating to the City budget should be discussed in an open public meeting and not to Council, In-Camera, first.

MOTION: THOMPSON / KROG

RESOLVED THAT Council adopt the September 9th, 2015, Special Meeting to go In-Camera minutes as amended.

CARRIED.

c) Adopt minutes
September 14th, 2015, Committee of the Whole Meeting minutes

MOTION: BUTLER / THOMPSON

RESOLVED THAT Council adopt the September 14th, 2015, Committee of the Whole Meeting minutes as presented.

CARRIED.

d) Adopt minutes September 14th, 2015, Regular Meeting minutes

MOTION: KROG / THOMPSON

RESOLVED THAT Council adopt the September 14th, 2015, Regular Meeting minutes as presented.

CARRIED.

4. REGISTERED PETITIONS AND DELEGATIONS

5. UNFINISHED BUSINESS



6. REPORTS, QUESTIONS AND INQUIRIES FROM MEMBERS OF COUNCIL

a) Corporate Officer's Report
 Written reports of Council

Councillor Butler had a question for Councillor Ross regarding the Ministry of Energy and Mines Meeting while she was at the UBCM. Councillor Ross advised the Ministry advised that they will continue to do exploratory work throughout BC which is a concern for her, and she wanted to give Council a heads up.

MOTION: THOMPSON / KROG

RESOLVED THAT all written reports of Council be received.

CARRIED.

7. REPORT FROM COUNCIL'S REPRESENTATIVE TO THE REGIONAL DISTRICT OF KOOTENAY BOUNDARY

Corporate Officer's Report
 Verbal report from Council's representative to the Regional District of Kootenay
 Boundary

Councillor Krog advised that on October 6th, the BEDC met in Grand Forks where the group reviewed a work list that Community Futures was developing. He advised that he will arrange to get the full report on First Class for Council's review. He advised that the group further discussed the Rural Dividend criteria for small communities and of opportunities for rural BC and first nations and that they will be talking further how this will roll out in Grand Forks. He further commented that the main focus of BEDC revolved around three major focus areas - 1) being trails where they discussed a region wide trail strategy and master plan under the economic development umbrella. He reported that Regional District of Kootenay Boundary, CAO, John MacLean and Area E Director, Vicki Gee, met with Regional District of Okanagan Similkameen. where recommendations came out from this meeting. He advised that the RDOS have developed GIS mapping tools that are interactive for both recreation and commuters, and that the cost for these tools are around \$135,000 per year. Further, he added, that a big part of the project is dealing with conflict resolution with land owners. The other two focus points which Councillor Krog briefly touched upon where: 2) an agreement to revisit the agriculture plan; and 3) community forests.

Councillor Krog further advised that the Regional District hasn't yet found another site for the former downtown recycle bins which were displaced upon the arrival of the new fire truck.

MOTION: BUTLER / ROSS

RESOLVED THAT Councillor Krog's report on the activities of the Regional District of Kootenay Boundary, given verbally at this meeting be received.

CARRIED.



8. RECOMMENDATIONS FROM STAFF FOR DECISIONS

Manager of Development & Engineering Services
 Valley Heights Developments application for Strata Conversion

Manager advised that the City received an application for conversion of four apartments as required by the strata act. She advised that the application was applied for in 2013.

MOTION: KROG/BUTLER

RESOLVED THAT Council approve the strata conversion application of a commercial/residential building located at 7330 Riverside Drive and direct the Approving Officer to sign the Form T "Endorsement by Approving Officer", certifying that the conversion has been approved, in accordance with Section 242 of the Strata Property Act.

CARRIED.

Manager of Development & Engineering Services Application for a Development Variance Permit to request an increase in the ratio of apartments to the principal building from 30% to 50% to allow for the current four apartments upstairs to remain and to comply with the Zoning Bylaw

MOTION: KROG / BUTLER

RESOLVED THAT Council considers the Development Variance Permit application and selects option one, as presented.

CARRIED.

MOTION: KROG / ROSS

RESOLVED THAT Staff prepare a report regarding pros and cons that would research the downtown core in relation to a ratio increase of apartments to the principal building.

CARRIED.

Manager of Development & Engineering Services Approval from Council to permit Granby River Mining Company Inc. to enter into a Mortgage of Lease Agreement with Community Futures Development Corporation in order to secure financial funding for plant upgrades at its operations in Grand Forks and approval for the City to enter into a Non-Disturbance Agreement with Community Futures.

Council advised that they would like to know more about the remedies of the agreement, and that there is a concern for the establishment of remediation to the site fifty years down the road. Councillor Ross asked if there was an opportunity to speak with the Ministry in a partnership role.



MOTION: BUTLER / KROG

RESOLVED THAT the matter regarding the Granby River Mining Company Inc. be referred back to Staff for further information before proceeding, and to bring forward at the next Regular Meeting on October 26th, 2015.

CARRIED.

d) Manager of OperationsElectric Vehicle and Charging Update

The Manager of Operations spoke with regard to the charging stations and that Tesla has decided to change the charging station program where municipalities are not provided Electric Charging Stations as previously planned, and further added that a family from Manitoba likes Grand Forks, and have donated one electric car charging station to the community which will be installed by City Hall. Councillor Butler asked if the funds for the electric vehicle could come out of the climate action fund, and was advised that the funds could be used for this project. Councillor Ross objected to this proposal stating that she felt that the climate action funding should not be allocated to a vehicle.

The Chief Administrative Officer advised that the City had budgeted for an SUV for 2015, and in order to reduce our Carbon footprint, purchasing an electric vehicle would seem a viable option as part of the City's fleet. He further advised that Council could choose to defer this decision to the 2016 budgeting process.

MOTION: KROG / THOMPSON

RESOLVED THAT Council approves amending the 2015 Financial Plan from the Equipment Replacement Fund to include the additional costs of up to \$15,000 for the purchase of an electric vehicle.

After a discussion, there was no vote on the above resolution.

MOTION: BUTLER / ROSS

RESOLVED THAT Council chooses to defer the purchase of an electric vehicle to the 2016 Financial Plan and budgeting process.

CARRIED.

9. REQUESTS ARISING FROM CORRESPONDENCE

10. <u>INFORMATION ITEMS</u>

Nadine Heiberg
 Letter regarding Common Law and the City of Grand Forks over the years

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MOTION: ROSS / THOMPSON



RESOLVED THAT Council receive for information.

CARRIED.

b) Meeting minutes

Meeting minutes of June 23rd, August 5th, September 15th, and September 16th held with the Transition Housing Project Steering Committee

MOTION: THOMPSON / BUTLER

RESOLVED THAT Council receive for information.

CARRIED.

Regional District of Okanagan-Similkameen
 Deer Committee Meeting in Penticton, BC on October 21st

Councillor Krog advised that a member of Council should attend the meeting.

MOTION: ROSS / THOMPSON

RESOLVED THAT Council receive for information.

CARRIED.

MOTION: ROSS / THOMPSON

RESOLVED THAT Council approves a representative from Council to attend the Deer meeting.

CARRIED.

d) Sunshine Valley Women's Institute Request to build a sidewalk along the road in front of the Silver Kettle Village MOTION: ROSS / BUTLER

RESOLVED THAT Council receive for information.

CARRIED.

 e) Grand Forks ATV Club Letter of invitation to the Grand Opening for the Bluejoint Recreation Site
 MOTION: KROG / BUTLER

RESOLVED THAT Council receive for information. Council to note the open invitation for October 15th.

CARRIED.

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f) Scott Davis

Letter of concern regarding current Asset Management Plan

MOTION: BUTLER / KROG

RESOLVED THAT Council receive for information.

CARRIED.

g) Visland Media

Alex Miller is requesting a non-binding letter of support for a potential television show based on a reality TV show for an eco-home building competition

Council advised that this would be a great exposure for the community if this came to fruition. The Chief Administrative Officer advised that it would be necessary to amend the Zoning Bylaw and OCP to include an application to allow for this type of zone. He further advised that once they have received the non-binding letter from Council, this will give the catalyst for Visland Media to seek sponsors.

MOTION: KROG/BUTLER

RESOLVED THAT Council receives for information and determines to provide a non-binding letter of support to Visland Media for the proposed tiny eco home series to take place in the City of Grand Forks.

CARRIED.

11. BYLAWS

a) Corporate Services

Council's consideration to approve existing Bylaw No. 1999 as the Election's Bylaw for the upcoming By-Election

MOTION: BUTLER / THOMPSON

RESOLVED THAT Council determines that Bylaw No. 1999, "A bylaw to provide for the determination of various procedures for the conduct of local government elections and other voting", is satisfactory as the bylaw to be utilized for the upcoming by-election.

CARRIED.

Chief Financial Officer
 Bylaw 2020 to Establish Community Works Reserve Fund

MOTION: THOMPSON / BUTLER

RESOLVED THAT Council give final reading to Community Works Reserve Fund Establishment Bylaw 2020, 2015.

CARRIED.

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c) Manager of OperationsWater Regulations Bylaw No. 1973-A1

MOTION: KROG/BUTLER

RESOLVED THAT Council refers Bylaw No. 1973-A1 regarding Water Regulations, to the Regular meeting on November 23rd Regular Meeting.

CARRIED.

d) Manager of Building Inspections & Bylaw Services Amendment Bylaw No. 1957 A-3 to the Municipal Ticketing & Information Bylaw No. 1957

MOTION: ROSS/BUTLER

RESOLVED THAT Bylaw No.1957 A-3, Municipal Ticketing & Information Byalw be referred to next regular meeting on October 26th, 2015, for final reading.

CARRIED.

e) Chief Financial Officer2016 Permissive Tax Exemption Bylaw No. 2018

Councillor Ross advised that she is struggling with the Masonic Building and the Curling Club and would like to see more of a rationale. The Chief Financial Officer advised that the annual tax exemption bylaw has been the status quo and there has been no discussion to do anything different to date. Councillor Thompson asked if the City can afford to grant all of these permissive tax exemptions, and suggested that the City needs to take a long hard look at the process for next year.

MOTION: BUTLER / ROSS

RESOLVED THAT Council give first three readings to Bylaw No. 2018 - 2016 Permissive Tax Exemptions.

CARRIED.

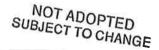
12. LATE ITEMS

13. QUESTIONS FROM THE PUBLIC AND THE MEDIA

SCOTT DAVIS - He spoke with regard to the Asset Management Review, and of the elimination of the three full time outside works positions, and asked how the City will manage to pick up the slack. The Chief Administrative Officer advised that with the changes coming forward - how many people does the City hire to continue to fix our

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failing assets? He spoke about the necessary Capital requirements and that the City has about \$10,000,000 in renewal requirements to address. Mr. Scott further inquired about the elimination of two full time positions from the inside staff; the Chief Administrative Officer spoke about contractual obligations of management and how this determines how the inside organization will look in the future. Mr. Scott spoke about the services that are provided by Public Works and asked that Council give serious consideration when making their decisions on the matter.

SUKIE LAWRENCE - He advised that the Union members are here to witness the issue as a group.

SCOTT DAVIS - Asked if this process is the first step of eliminating the Union in the City? The Mayor advised that the question is derogatory; the Chief Administrative Officer advised that this question is so far removed from the financial situation of the City, that it is not even open for discussion.

LES JOHNSON - He advised that he was curious how the electric vehicle dovetails into the Asset Management program. The Chief Administrative spoke with regard to the triple bottom line and carbon neutrality, and that there is a financial burden to some required replacement of assets.

14.	A	D.	JC	U	R١	۷N	/EI	٧T

a) Meeting adjourned at 8:44 PM

MOTION: BUTLER

RESOLVED THAT the meeting be adjourned at 8:44 PM

CARRIED.

CERTIFIED CORRECT:	
MAYOR FRANK KONRAD	CORPORATE OFFICER - DIANE HEINRICH

Councillor's Report

October 26, 2015

Julia Butler

Questions for staff:

- 1. In the CAO's presentation of Asset Management the report suggested that the next CAO would be promoted from within. Who on staff is preparing to write the Board of Examiner's tests?
- 2. With bylaw 1973 being rescinded in July, there is no bylaw requiring residents to have a water meter installed. By what direction of council are staff contracting out nearly a million dollars in work?

REPORT TO COUNCIL

TO:

Mayor and Council

FROM:

Councillor Christine Thompson

DATE:

October 26, 2015

SUBJECT:

Report to Council

Thursday, October 15th I attended the Small Business Awards/City of Grand Forks Volunteer Appreciation Presentations that was jointly sponsored by Community Futures of the Boundary and the City. The City's plaques presented to each recipient by Mayor Konrad. It was a most enjoyable evening.

I attended a meeting of the Transition Housing Project Steering Committee on October 20th. The preliminary needs assessment report, Housing Needs for the Homeless: Grand Forks B.C. was finalized and it is intended to bring it forward to the Committee of the Whole Meeting on November 9th.

Respectfully submitted,

Councillor Christine Thompson

Mayor's Report

On Thursday, October 15th, our CAO, Mr. Doug Allin and myself attended the Rotary Club breakfast meeting, at the Grand Forks Art gallery. It was my first appearance at this event, and I was very happy to have been invited and be able to participate. Our main presentation and discussion hinged on our Asset Management program, which, I must state, Doug did a great job in his presentation to our attentive audience. Also, in our discussions, were UBCM meetings with Ministers, and how things played out on some of the issues concerning Grand Forks. The meeting was culminated, by the gracious donation by the Rotary Club to the City for the water spray park project. All in all, I found it to be a very interesting meeting.

Also on the same Thursday morning, I attended "Overcoming Barriers", at the Gospel Chapel. I was delighted, to have been able to say a few words on our City's behalf, Council and Staff included, stating that our Organization is already doing our part with different projects geared to this initiative, and we are focusing on Policies, so as to become a Community workplace, that represents the entire Community. The discussions, and speakers, made this event very interesting, and I must say, very enlightening. It is great to be able to be part of these type of events, and I will always try to do my best to be able to participate.

Thursday evening, my wife and I were at the Volunteer awards presentations. It was a very entertaining event, and I was happy to be able to present the awards, on behalf of the City. I met many people from the Community there, some I knew, and others, I was introduced to. My wife and I sat with Councillor Thompson, who was also present,

along with our CAO, Mr. Allin. Again, a very enjoyable and entertaining social event, which I am glad that I attended.

On Saturday October 17th, my wife and I attended the grand opening of one of our new merchants in our Community, Total Pet. I was happy to be able to welcome them, on behalf of the City, and present them with the City's welcoming plaque. My only disappointment, was that our local media folks were not present, to be part of the welcoming event. We really all should try to do our part in welcoming new businesses, as well as recognising existing businesses, so as to get our positive message to promote business out there.

On Tuesday October 20th, I attended the THPSC meeting, and I am pleased to say, that we are making good progress, moving forward on many of its iniatives. I would like to thank everyone, on the Committee, for their hard work and dedication, towards this cause.

Thank you,

Mayor Konrad

REQUEST FOR DECISION

- REGULAR MEETING -



To:

Mayor and Council

From:

Manager of Development and Engineering

Date:

October 26, 2015

Subject:

Approval from Council to permit Granby River Mining Company Inc. to enter into a Mortgage of Lease Agreement with Community Futures Development Corporation in order to secure financial funding for plant upgrades at its operations in Grand Forks and approval for the City to enter into a Non-Disturbance Agreement with

Community Futures.

Recommendation:

RESOLVED THAT COUNCIL permit Granby River Mining

Company Inc. to enter into a Mortgage of Lease
Agreement with Community Futures Development
Corporation in order to secure financial funding for plant
upgrades at its operations in Grand Forks and further
RESOLVED THAT COUNCIL approve the City entering
into a Non-Disturbance Agreement with Community

Futures.

BACKGROUND: A Lease agreement has been in place with the City of Grand Forks for the slag piles for some 50 +/- years. Further, January 1, 2002, The City entered into a Lease Extension, Consolidation and Eighth Modification Agreement with Pacific Abrasives Supply, Inc. and as assigned by way of an Assignment of Lease dated January 1, 2004 among the City of Grand Forks (the "City"), Pacific Abrasives and Supply, Inc. ("Pacific Abrasives") and Granby River Mining Company, Inc, including all amendments and modifications thereto, all extensions, renewals, replacements and restatements thereof and all substitutions therefore, from time to time (the "Lease") for the use, production and sales of the slag minerals.

As per Pacific Abrasives letter dated September 22, 2015, in order for Pacific Abrasives to continue to carry out business by providing a quality product on a timely basis, a major upgrade to plant operations is required. In order to carry out these upgrades, Pacific Abrasives will need to borrow a substantial amount of funds and enter into a Mortgage of Lease with the City and Community Futures.

REQUEST FOR DECISION

— REGULAR MEETING —



Benefits or Impacts of the Recommendation:

General: Provides assurance that Granby River Mining Company Inc. can

> continue to operate, provide a more superior product in a timely and safe manner and provide employment to local residents, vendors and

suppliers.

Strategic Impact: The City of Grand Forks can continue to collect royalties for the slag

materials.

Financial: N/A

Policy/Legislation: Section (8) 1 of the Community Charter gives the municipality the

> capacity, rights, powers and privileges of a natural person, including the power to acquire and dispose of property. Disposal of property also

includes the leasing of property.

Attachments: - Letter from Pacific Abrasives and Supply, Inc. with the background and

details of the requirements for the plant upgrades at its operations in

Grand Forks.

Letter from Granby River Mining Company, Inc. confirming that it has complied with all of its obligations under the current Lease with

the City of Grand Forks.

Copy of the Mortgage of Lease Agreement.

Aerial Photo of the Location of Operations.

Recommendation:

RESOLVED THAT COUNCIL permit Granby River Mining

Company Inc. to enter into a Mortgage of Lease Agreement with Community Futures Development Corporation in order to secure financial funding for plant upgrades at its operations in Grand Forks and further **RESOLVED THAT COUNCIL** approve the City entering

into a Non-Disturbance Agreement with Community

Futures.

REQUEST FOR DECISION

— REGULAR MEETING —



OPTIONS: 1. RESOLVED THAT COUNCIL SUPPORT THE RECOMMENDATION.

2. RESOLVED THAT COUNCIL DOES NOT SUPPORT THE RECOMMENDATION

3. RESOLVED THAT COUNCIL REFERS THE MATTER BACK TO STAFF FOR FURTHER INFORMATION.

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Department Head or CAO	Chief Administrative Officer



PACIFIC ABRASIVES AND SUPPLY, INC.

50 Oak Court, Ste. 210 Danville, CA 94526 (925) 831-9800 Fax (925) 831-9183 Box 667 Grand Forks, B.C. VOH 1Ho Canada (250) 442-3626 FAX (250) 442-3095

September 22, 2015

Sasha J. Bird, AScT Manager of Development and Engineering City of Grand Forks Box 220, 7217 4TH Street Grand Forks, B. C., V0H 1H0

Dear Ms. Bird:

CanAm Minerals, Inc., currently our only customer, has advised there is noticeable and continuing deterioration over the past several years of our product produced for them. In addition, they advise competition from the newly re-activated copper slag source in Anaconda, MT is having an impact on their business due the quality of the Anaconda material.

In order to assist CanAm in these challenges, we will improve our ability to provide quality product on a timely basis. We can accomplish this with expansion and renovation of our storage capacity along with a significant improvement to the material sizing screen decks to produce accurate sizing of the material received from Granby River Mining Co. These changes will not only significantly improve the quality of the product, but we estimate that production, over time, could increase by as much as 20%. In anticipation of this increase, CanAm recently added 35 nearly new 112 ton covered hopper railcars to assure timely and safe delivery of our product.

This is a major project in scope and attached is a summary we hope will provide an insight to the magnitude. This project is being undertaken by Striker Industries of Grand Forks.

With the improvement of the plant, we will continue to provide employment to residents of Grand Forks and local vendors and suppliers as well.

Thank you for your assistance and please let us know if you have any questions or would like additional information.

Yours truly,

Steve Hagman Vice President, and Chief Financial Officer

CC:

Tim Spurgeon

President, CanAm Minerals and Pacific Abrasives
Don McCulloch, Community Futures

Pacific Abrasives & Supply Inc.

New screens and storage for new Ultra-fine product

Scope

- 1. Building Modifications
 - a. Build internal wall east of existing screens
 - i. This will allow us to work safely while the other screens are still running
 - b. Relocate existing north wall
 - i. Move north wall 6' to the north and support off existing silo
 - c. Modify south wall (if required)
 - i. Only if we can't gain enough room by moving north wall

7

- 2. Demolition
- a. Remove (2) shaker screens (approximately 12' x 6' x 6') and their structure
 - b. Remove (2) conveyors (approximately 20' x 3' x 2' and their structure
 - c. Clean-up area in prep for installation of new equipment
- 3. Structural Modifications
- a. Existing Building Structure, are there any modifications required to existing
 - b. Existing Silo may require additional structure to support the shaker screens in their new location
- 4. Existing silo
- a. Install baffle plates in the silo to divide off 1/3 of the volume
 - b. Confirm the internal structure that may interfere
- 5. Modifications to new screens/support frames
 - Inspect the screens to ensure there is no damage
 - b. We may need to modify the mounts and ports on the new screens
 - c. We will need to confirm that the new support frames are adequate to support the new screens and mounting locations will work
- 6. Dust Extraction Piping
 - a. Remove all existing dust extraction piping
 - b. Build new piping sections with routes to accommodate new screens
 - c. Install new piping after new screens are installed
- 7. Installation of new screens
 - a. Install new support structure (confirm build by PA is ok)
 - b. Install new screen units
 - c. Install modified or new conveyors
 - d. Install Chuting to different silos and conveyors

8. Electrical

- a. Confirm power requirements for new shaker screens
- b. Install any required power distribution
- c. Wire up new screens and conveyors
- d. Is there any need to change process controls?

9. Commissioning

- a. Initial testing of equipment
- b. Modifications to equipment (if required)
- c. Final testing
- d. Project Complete

Drawing Requirements

- 1. Overall Site plan
 - a. This will show the over site plan, where the project is taking place on site
- 2. General Arrangement
 - a. General details of the new building layout
 - b. Tank layout and modifications
- 3. Equipment Drawings
 - a. Drawings of new conveyors (if required)
 - b. Model of the new screens and support frames
- 4. Chuting Drawings
 - a. Fabrication drawings for all the new chuting
- 5. P&ID
 - Process and Instrumentation Diagram of the general product flow and controls.
- 6. Other
 - a. Any other fabrication drawings or details as required

Granby River Mining Company, Inc. 50 Oak Court, Suite 210 Danville, CA 94256

September 22, 2015

Corporation of the City of Grand Forks 7217 – 4th Street Grand Forks, BC V0H 1H0

Dear Sirs and Mesdames:

Mortgage of Lease between Community Futures Development Corporation of Boundary Area ("Community Futures") and Granby River Mining Company Inc. (the "Company")

We refer to the Lease Extension, Consolidation and Eighth Modification Agreement dated as of January 1, 2002 between the Corporation of The City of Grand Forks (the "City") and Pacific Abrasives and Supply Inc. ("Pacific Abrasives"), as assigned to the Company by way of an Assignment of Lease dated January 1, 2004 among the City, Pacific Abrasives and the Company, including all amendments and modifications thereto, all extensions, renewals, replacements and restatements thereof and all substitutions therefor, from time to time (the "Lease").

In order to provide financing for plant upgrades at its operations in Grand Forks as described in a separate letter from Pacific Abrasives to the City dated today, Pacific Abrasives has entered into an agreement with Community Futures to borrow up to \$418,000 from Community Futures (the "Loan"). As part of the security being requested by Community Futures for the Loan, the Company has been requested to provide a collateral guarantee and a mortgage of its interest in the Lease.

We confirm that the Company has complied with all of its obligations under the Lease and that the Company is not in breach or default of any term of the Lease.

Yours truly,

Steven Hagman

Vice President, and

Chief Financial Officer

cc:

Tim Spurgeon, President

Don McCulloch, Community Futures

MORTGAGE OF LEASE

DATED AS OF AUGUST 14, 2015

BETWEEN:

COMMUNITY FUTURES DEVELOPMENT CORPORATION OF BOUNDARY AREA

1647 Central Ave., Box 2949 Grand Forks, British Columbia, V0H 1H0 (hereinafter referred to as the "Mortgagee")

AND:

GRANBY RIVER MINING COMPANY INC.

50 Oak Ct, Suite 210
Danville, California, USA 94526
(hereinafter referred to as the "Mortgagor")

1. **DEFINITIONS**

1.1 Definitions

In this Mortgage:

- (a) "Borrower" means Pacific Abrasives and Supply Inc.;
- (b) "Fixture(s)" means all real or personal property whatsoever (whether affixed, mobile or stationary) now or hereafter placed, installed or erected in, on, or under the Leasehold Lands or any part thereof, including without limitation:
 - all buildings, structures, erections, improvements and additions thereto;
 - (ii) all plant, machinery, apparatus, facilities, equipment, goods and other personal property now or hereafter placed, installed or erected in, on or under the Leasehold Lands or any part thereof, or in, on or under any such buildings, structures, erections, improvements and additions, or affixed or attached thereto, including without limitation:
 - (A) all pipes, conduits, services and the like installed in, under the Leasehold Lands for the purposes of providing utilities and other services within the boundaries of the Leasehold Lands or any parcel(s) of land hereafter created out of or comprising the Leasehold Lands;
 - (B) all heating, cooling, plumbing, air-conditioning, air-filtering, ventilating, conveyancing, electrical, lighting,

telecommunications, security, vacuum, sprinkler, fire-fighting, cooking and refrigeration devices, systems and equipment (including without limitation all furnaces, water heaters, hot water tanks, oil and gas burners, motors, electric fixtures, wiring, escalators, elevators, boilers, pressure vessels, stokers, blowers, tanks, gas pipes, radiators, aerials, television antennae, satellite dishes and built-in furniture);

- (C) all fixed mirrors, suspended ceiling tiles, doors, windows and window coverings, including without limitation all awnings, shutters, drapes, blinds and valances; and
- (D) all carpeting and other floor coverings, including without limitation all carpets and floor coverings in all rooms, halls and stairways; and

which is owned by the Mortgagor and is in law a fixture;

- (c) "Interest Rate" has the means set out Section 1.2 hereof;
- (d) "Landlord" means the landlord or lessor under the Lease from time to time;
- (e) "Lands" mean the land(s) legally described as:

PID: 004-837-924 LOT 1 DISTRICT LOT 495SIMILKAMEEN DIVISION YALE DISTRICT PLAN 27381,

PID: 004-837-991 LOT 2 DISTRICT LOTS 494 AND 495 SIMILKAMEEN DIVISION YALE DISTRICT PLAN 27381,

PID: 004-837-975 LOT 4 DISTRICT LOT 495 SIMILKAMEEN DIVISION YALE DISTRICT PLAN 27381

- (f) "Lease" means that certain Lease Extension, Consolidation and Eight Modification Agreement dated as of January 1, 2002 between the Corporation of The City of Grand forks and Pacific Abrasives and Supply Inc. as assigned to the Mortgagor by way of an Assignment of Lease dated January 1, 2004 among the Corporation of the City of Grand Forks, Pacific Abrasives and Supply Inc. and The Mortgagor, and includes all amendments and modifications thereto, all extensions, renewals, replacements and restatements thereof and all substitutions therefor, from time to time;
- (g) "Leasehold Lands" means:
 - (i) the Lands or that portion of the Lands which is demised to the Lessee pursuant to the Lease, as the case may be, including all improvements, appurtenances and every other thing referred to in s. 10 of the Land

Transfer Form Act (British Columbia), as amended or replaced from time to time, if any, demised to the Lessee pursuant to the Lease; and

- (ii) the Fixtures;
- (h) "Lessee" means the lessee or tenant under the Lease or the Mortgagor, as the case may be;
- (i) "Letter of Offer" means the Letter of Offer dated July 21, 2015 between the Mortgagee and Pacific Abrasives and Supply Inc.
- (j) "Mortgagor's Interest" means all of the present and future estate, right, title and interest of the Mortgagor in and to:
 - (i) the Leasehold Lands; and
 - (ii) the Lease,

including all of the benefits and advantages accruing to the Mortgagor under the Lease (including any right or option to renew and any option or right of first refusal to lease or purchase that may be contained therein) and from the Leasehold Lands;

- (k) "Obligations" mean all obligations, debts and liabilities, present or future, direct or indirect, absolute or contingent, matured or not, extended or renewed, at any time owing by the Mortgagor to the Mortgagee or hereafter incurred or arising and whether incurred by or arising from any agreement or dealing between the Mortgagee and the Mortgagor or from any agreement or dealing with any third party by which the Mortgagee may be or become in any manner whatsoever a creditor of the Mortgagor or however otherwise incurred or arising anywhere within or outside Canada and whether the Mortgagor be bound alone or with another or others and whether as principal or surety and any unpaid balance thereof and whether the same is from time to time reduced and thereafter increased, extinguished and thereafter incurred again;
- (1) "Permitted Encumbrances" means nil; and
- (m) "Person" includes an individual, a corporation and a partnership of individuals or corporations or a combination thereof.

1.2 Interest Rate

This Mortgage is given as collateral security for the guarantee by the Mortgagor of the debts and obligations of the Borrower to the Mortgagee. Therefore, the Interest Rate applicable to this Mortgage shall be identical to the Interest Rate applicable to the obligations of the Borrower to the Mortgagee as expressed from time to time in promissory notes owing by the Borrower to the Mortgagee (as replaced, modified, renewed, or extended). The Interest Rate herein shall change without notice to the Borrower upon any change in Interest Rate agreed to

between the Borrower and the Mortgagee and expressed in such promissory notes executed by the Borrower from time to time.

1.3 No Reliance

The Mortgagor does not rely on any representations, warranties, covenants, agreements, conditions or provisos, oral or otherwise, whether made by the Mortgagee or any person acting actually or ostensibly on the Mortgagee's behalf, other than those contained in this Mortgage and unless those representations, warranties, covenants, agreements, conditions and provisos are contained in a supplementary contract in writing duly executed by both the Mortgagor and the Mortgagee, which supplementary contract is expressed to survive the closing of the transaction referred to therein and the registration of this Mortgage.

1.4 Headings

The headings in this Mortgage are inserted for convenience of reference only and will not affect the construction or interpretation of this Mortgage.

1.5 Hereof, Etc.

All references in this Mortgage to the words "hereof", "herein" or "hereunder" will be construed to mean and refer to this Mortgage as a whole and will not be construed to refer only to a specific article, clause, or paragraph of this Mortgage unless the context clearly requires such construction.

1.6 Severability

If any of the terms of this Mortgage are or are held to be unenforceable or otherwise invalid, such holding will not in any way affect the enforceability or validity of the remaining terms of this Mortgage.

1.7 Governing Law

This Mortgage, including any covenants and indemnity of the Covenanter (if any) provided for herein, will be governed by and construed in accordance with the laws of the Province of British Columbia, and each party hereby submits to the jurisdiction of the courts of the Province of British Columbia and agrees to be bound by any Puit, action or proceeding commenced in such courts and by any order or judgment resulting from such suit, action or proceeding; provided that the foregoing will in no way limit the right of the Mortgagee to commence suits, actions or proceedings based on this Mortgage in any other jurisdiction.

1.8 Gender

Wherever the singular or masculine gender is used throughout this Mortgage, the same will be construed as meaning the plural or the feminine or the body corporate or politic where the context or the parties hereto so require.

2. GRANT OF SECURITY

2.1 Grant of Mortgage

For good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by the Mortgagor, the Mortgagor HEREBY DEMISES, SUBLEASES AND MORTGAGES by way of sublease, the Mortgagor's Interest to and in favour of the Mortgagee, TO HAVE AND TO HOLD the same unto the Mortgagee from the date hereof for and during the unexpired residue of the term of the Lease, except the last day thereof, subject only to the Permitted Encumbrances and the proviso for redemption hereinafter contained, to secure payment and performance by the Mortgagor of the Obligations.

2.2 Necessary Consents

The demise, sublease and mortgage of the Mortgagor's Interest created hereby will not become effective until, but will become immediately effective, when all consents necessary for the validity and effectiveness thereof have been obtained.

2.3 Enlargement of Charge

If in the future the Mortgagor acquires any further or greater right, title, estate or interest in the Leasehold Lands, or any part thereof, this Mortgage will extend to such right, title, estate or interest in the Leasehold Lands.

2.4 Assignments

Without in any way affecting or releasing the Mortgagor's liability to the Mortgagee for the payment, observance and performance of its covenants and agreements contained herein and for the consideration aforesaid, the Mortgagor assigns, transfers and sets over to the Mortgagee, as additional security for the payment, observance and performance of the Mortgagor's covenants and agreements contained, all of its right, title, claim, demand and interest whatsoever at law or in equity or otherwise in and to any monies due and payable to the Mortgagor by an expropriating authority upon an expropriation of any or all of the Mortgagor's Interest, provided that such assignment is limited to the amount of the Obligations outstanding at the date the Mortgagor ceases to be the registered owner of that portion of the Mortgagor's Interest affected by any such expropriation. The Mortgagor agrees that it will execute and deliver any such further or additional documentation that the Mortgagee may, in the Mortgagee's sole discretion, deem necessary to effect the above assignment or that is requested by the expropriating authority. The Mortgagor also agrees to forward to the Mortgagee copies of any documentation relating to an expropriation or proposed expropriation of the Mortgagor's Interest, or any portion thereof, forthwith upon its receipt of the same.

3. PAYMENT AND OBSERVANCE

3.1 Taxes

The Mortgagor will, on the due date thereof, pay and satisfy all taxes, rates, levies, charges, rents, assessments and other impositions whatsoever already or hereafter rated, charged, assessed or imposed no matter by whom or by what authority howsoever on the Mortgagor's Interest, or

any part thereof, or the Mortgagor, or the Mortgagee in respect of the Mortgagor's Interest (collectively, the "taxes").

3.2 Enforcement Costs

The Mortgagor will on demand pay all fees, costs, charges and expenses (including without limitation legal fees, costs, charges and expenses on a solicitor and own client basis), which may be incurred by or on behalf of the Mortgagee whether before or after court proceedings are commenced, or whether otherwise incurred, in recovering, collecting, procuring or enforcing payment of any or all the Obligations or in any way enforcing or protecting the security of this Mortgage or enforcing any of the terms of this Mortgage (including but not limited to all travelling expenses of the Mortgagee, the Mortgagee's servants and agents and commissions on collection of rent which may be incurred by or on behalf of the Mortgagee in the taking, recovering and keeping possession of the Mortgagor's Interest or in inspecting the same) and all other amounts generally in any other measure or proceedings taken by or on behalf of the Mortgagee to realize or collect the Obligations, in whole or in part, or to defend or perfect the title of the Mortgagor's Interest, all of which fees, costs, charges, commissions, expenses and other amounts will be a charge under this Mortgage on the Mortgagor's Interest in favour of the Mortgagee and will be payable forthwith by the Mortgagor to the Mortgagee with interest at the interest payable as set out in the Letter of Offer until paid.

4. THE LEASE

4.1 Good Leasehold Title

The Mortgagor has a good leasehold title to the Leasehold Lands.

4.2 Valid and Subsisting

The Lease is a valid and subsisting lease for the term therein set forth and the Mortgagor has a valid and subsisting leasehold estate as lessee or tenant under the Lease, subject only to the terms of the Lease and subject to no lien or encumbrance other than the lien and encumbrance granted by this Mortgage and the Permitted Encumbrances.

4.3 No Defaults

The Lease is in full in force and effect, there are no defaults thereunder, and no event has occurred or is occurring which after notice or passage of time or both will result in such a default.

4.4 Power and Authority to Mortgage

The Mortgagor has full and lawful power and authority to sublet and mortgage the Mortgagor's Interest to the Mortgagee upon and subject to the terms and conditions set forth herein.

4.5 Valid and Enforceable

This Mortgage is lawfully executed and delivered in conformity with the Lease and will remain a valid and enforceable first lien on the Mortgagor's Interest subject to the Permitted Encumbrances.

4.6 Pay Monies Due Under Lease

The Mortgagor will promptly pay, when due and payable, the rent, taxes and all other sums and charges payable by the Mortgagor, as Lessee under the Lease.

4.7 Observance and Performance of Other Terms

The Mortgagor will promptly perform and observe all of the other terms, covenants and conditions required to be performed and observed by the Mortgagor as Lessee under the Lease, within the periods (exclusive of grace periods) provided in the Lease or such lesser periods (exclusive of grace periods) as are provided in this Mortgage, and will do all things necessary to preserve and keep unimpaired the Lessee's rights thereunder.

4.8 Notification of Default under Lease

The Mortgagor will promptly notify the Mortgagee in writing of any breach or default by the Mortgagor or the Landlord under the Lease and will promptly cause a copy of each notice received by the Mortgagor from or on behalf of the Landlord or given by the Mortgagor to the Landlord in respect thereof to be delivered to the Mortgagee when received or given, as the case may be.

4.9 No Termination or Surrender of Lease

The Mortgagor shall take no action nor give any notice which would have the effect of terminating or surrendering or permitting the termination or surrender of the Lease and will notify the Mortgagee promptly in writing after learning of any condition that with or without the passage of time or the giving of any notice might result in a default under or the suspension of or amendment to rights under, or the termination, surrender or purported termination or surrender of the Lease.

4.10 No Modification or Alteration of Lease

The Mortgagor shall not, without the prior written consent of the Mortgagee, modify, alter or suffer or permit any modification or alteration of the Lease.

4.11 Status Certificate

Upon receiving the written request of the Mortgagee, the Mortgagor will promptly obtain from the Landlord and deliver to the Mortgagee a certificate stating that the Lease is in full force and effect, is unmodified or modified as the case may be, that no notice of termination thereon has been served on the Lessee thereunder, stating the date to which the rent has been paid, and stating whether or not there are any defaults thereunder and specifying the nature of such defaults, if any.

4.12 No Consent to Subordination of Lease

The Mortgagor will not consent to any subordination of the Lease to any mortgage of the fee interest of the registered owner of the Lands.

4.13 Defend Title

The Mortgagor will preserve the Mortgagor's Interest and does hereby and will forever warrant and defend the same in favour of the Mortgagee against the claims of all persons and parties whomsoever.

4.14 No Further Subleases or Assignments without Consent

The Mortgagor will not further sublet the Leasehold Lands or assign all or any part of its interest in the Lease without the prior written consent of the Mortgagee. Furthermore, if required by the Mortgagee, the Mortgagor will obtain in each sublease or assignment of the whole or any part of the Mortgagor's Interest granted hereafter, an unconditional acknowledgment that each such sublease or assignment is wholly subject and subordinate to this Mortgage and that the subtenant or assignee thereunder will at any time and from time to time, if and whenever required by the Mortgagee, attorn to and become the tenant or licensee of the Mortgagee or of any purchaser of the Mortgagor's Interest from the Mortgagee in the event of an exercise by the Mortgagee of its power of sale herein, for the then unexpired residue of the term of, and upon all the terms and conditions of, such sublease or assignment.

4.15 Permit Mortgagee to Cure Lease Defaults

The Mortgagor shall execute and deliver, on request of the Mortgagee, such instruments as the Mortgagee may deem useful or require to permit the Mortgagee to cure any default under the Lease or permit the Mortgagee to take such other action as the Mortgagee considers desirable to cure or remedy the matter in default and preserve the interest of the Mortgagee in and to the Mortgagor's Interest.

4.16 Quiet Possession

On default the Mortgagee shall have quiet possession of the Mortgagor's Interest, subject to the terms of the Lease free from all encumbrances save as aforesaid.

4.17 Reversion of Lease in Trust—Power of Attorney

The last day of the term granted by the Lease will be not be included in the demise, sublease and mortgage by way of sublease created hereby, however, subject to the right of redemption contained herein, the Mortgagor will henceforth stand possessed of the reversion of the Lease remaining in the last day of the term granted by the Lease in trust for the Mortgagee and will assign and dispose of the reversion in such manner as the Mortgagee shall by notice in writing direct. In furtherance of the foregoing, the Mortgagor hereby irrevocably appoints the Mortgagee as its substitute to be its attorney during the continuance of this Mortgage as and for its and on its behalf and in its name or otherwise, to assign and convey the reversion of the Lease as the Mortgagee shall at any time direct, and in particular upon any sale made by it under a statutory power or the power of sale herein, the Mortgagor will assign and convey the said reversion to the purchaser and execute all assignments for that purpose. It is hereby declared that the Mortgagee

or other person for the time being entitled to the Obligations may at any time, by deed, remove the Mortgagor or any other person from being a trustee of the reversion of the Lease under the declaration of trust hereinbefore declared, and on the removal of the Mortgagor, or any future trustee thereof, may, by deed, appoint a new trustee or trustees in its place.

4.18 No Renewals, Extensions, etc., without Consent

The Mortgagor will not enter into any renewal, extension, replacement or substitution of the Lease without the prior written consent of the Mortgagee, but it will at all times, so long as any monies remain due under this Mortgage, join and concur with the Mortgagee in all acts and instruments necessary to procure the renewal, from time to time, of the Lease, or any renewals, extensions, replacements or substitutions thereof to be hereafter granted and it will pay all costs, charges and expenses incident to or occasioned by such renewals, extensions, replacement, substitutions thereof. If the Mortgagor shall refuse or neglect to join or concur in any such acts, or to pay such costs, charges and expenses, the Mortgagee may effect such renewals, extensions, replacements or substitutions thereof from time to time in its name or otherwise, and it is hereby agreed that all premiums, sums of money, charges and expenses so paid by the Mortgagee shall stand charged upon the Mortgagor's Interest with interest aforesaid, in addition to all other monies then secured hereby.

4.19 Further Assurances

The Mortgagor will execute such further assurances of the Mortgagor's Interest as the Mortgagee may require including without limitation any and all documents required by the Mortgagee in connection with the *Personal Property Security Act* (British Columbia) as amended or replaced from time to time.

4.20 No Builders' Liens

The Mortgagor will not permit a lien to be acquired or filed against the Mortgagor's interest in the Leasehold Lands under the *Builders Lien Act* (British Columbia), as amended or replaced from time to time, or under any other statute or law at any time in force affecting the Mortgagor's interest in the Leasehold Lands.

4.21 Registration

The Mortgagor agrees that the Mortgagor shall not execute and deliver to the Lessor a form of Lease that is capable of being registered at the Land Titles Office unless, simultaneously with such execution and delivery, the Mortgagor delivers the Mortgagee a copy of this Mortgage duly signed by the Mortgagor and the Lessor in registrable form.

5. INSURANCE

5.1 General

The Mortgagor will forthwith insure (or will cause to keep insured) and during the continuance of this Mortgage will keep insured (or will cause to be kept insured) each and every building, structure, erection, improvement, fixture or replacement thereof (including without limitation all plant, equipment, apparatus, machinery and fixtures of every kind and nature whatsoever) now or hereafter erected on the Leasehold Lands against loss or damage by fire and such other perils and

in such amount(s) as the Mortgagee may reasonably require (including but not limited to boiler insurance, loss of rental income and business interruption insurance).

5.2 Liability Insurance

The Mortgagor will keep and maintain third party liability insurance in an amount satisfactory to the Mortgagee.

5.3 Other Insurance

The Mortgagor will keep and maintain such other insurance as is customarily maintained by persons operating or occupying similar properties in equivalent locations.

5.4 Payment of Loss

All insurance coverage required by the Mortgagee will be issued by insurers in form and upon terms and in amounts acceptable to the Mortgagee, and the Mortgagor will cause the Mortgagee to be named as a loss payee as its interest may appear in respect of the Leasehold Lands on the policy or policies of insurance effected by the Mortgagor, and will cause mortgage clauses in a form approved by the Mortgagee to be included in such policy or policies and will provide evidence of such insurance to the Mortgagee forthwith upon demand.

5.5 Premiums

The Mortgagor will pay all insurance premiums and sums of money necessary for such purposes as the same will become due.

5.6 Assignment

The Mortgagor will, upon written request by the Mortgagee, forthwith assign, transfer and deliver over to the Mortgagee each and every policy or policies of insurance and receipts appertaining thereto.

5.7 Proofs of Insurance

The Mortgagor will forthwith on the happening of any loss or damage furnish to the Mortgagee at the Mortgagor's expense all necessary proofs and do all necessary acts to ensure payment of insurance monies.

5.8 Application of Proceeds

Unless otherwise agreed to by the Mortgagor and the Mortgagee in writing, any insurance monies received may, at the option of the Mortgagee, be applied to a suspense account or in or towards rebuilding, reinstating or repairing all or any portion of the Mortgagor's interest in the Leasehold Lands or be paid to the Mortgagor or any other person appearing by the registered title to be or to have been the owner of the Leasehold Lands or be applied or paid partly in one way and partly in another, or such monies may be applied, in the sole discretion of the Mortgagee, in whole or in part on account of the Obligations, or any part thereof, whether due or not then due.

6. USE, ALTERATIONS, AND REPAIRS

6.1 Use of Leasehold Lands

Except as contemplated by the Letter of Offer, the Mortgagor will not, without the express written consent of the Mortgagee first had and obtained:

- (a) change the present use of the Leasehold Lands; or
- (b) permit the Leasehold Lands to be unoccupied or unused.

6.2 Compliance

The Mortgagor will promptly observe, perform, execute and comply with all laws, rules, requirements, orders, directions, ordinances and regulations of every governmental, municipal, civil authority or agency, concerning the Leasehold Lands and further agrees, at the cost and expense of the Mortgagor, to do and perform all acts and things that may be required at any time hereafter by any such present or future laws, rules, requirements, orders, directions, ordinances and regulations.

6.3 Repair

The Mortgagor will keep the Leasehold Lands and all buildings, structures, erections, improvements and the like now or hereafter constructed thereon in good condition and repair according to the nature and description thereof respectively, and will not commit any act of waste or allow any act of waste to be committed upon the Leasehold Lands.

6.4 Demolition, Alterations

Except as contemplated by the Letter of Offer, the Mortgagor will not, without the prior written consent of the Mortgagee, demolish the whole or any part of the buildings, structures, erections, improvements and the like now or hereafter existing on the Leasehold Lands and will not proceed with any alteration, remodelling, rebuilding or addition thereto or thereof, in whole or in part.

6.5 Inspection

The Mortgagee and any agent of the Mortgagee, may at any time and from time to time enter upon the Leasehold Lands to inspect the Leasehold Lands or any part or parts thereof, at any time the Mortgagee in its sole discretion deems necessary or advisable

7. MORTGAGEE'S ELECTION TO MAKE PAYMENTS AND CURE DEFAULTS

7.1 Payments by Mortgagee

If the Mortgagor fails to make any payment that the Mortgagor has covenanted or agreed to make by the terms of this Mortgage, or to provide proof of the making of any such payment to the Mortgagee upon demand, the Mortgagee may make any such payment.

7.2 Performance by Mortgagee

If the Mortgagor fails to perform any covenant or agreement herein contained on the part of the Mortgagor or to provide proof of performance to the Mortgagee upon demand, the Mortgagee may in its sole discretion perform, or cause to be performed, any such covenant or agreement and may do such acts as it considers are reasonable to protect the interests of the Mortgagee and for such purposes the Mortgagee and its authorized representatives may enter onto the Leasehold Lands. Without limiting the generality of the foregoing, the Mortgagee may:

- (a) insure the Mortgagor's interest in the buildings on the Leasehold Lands in accordance with the provisions hereof if the Mortgagor neglects to insure or to deliver policies and receipts in accordance herewith;
- (b) repair and reinstate the buildings and improvements on the Leasehold Lands if the Mortgagor fails to repair in accordance herewith or with the Lease or demolishes or alters such buildings or improvements in contravention hereof or thereof; and
- (c) without any order or direction of the Mortgagor, pay to contractors, sub-contractors, material men, labourers, and other persons supplying or having a claim for work, services, or materials supplied in and about the construction, repairing, altering or replacing of any buildings, structures, erections or improvements and the like now or hereafter constructed on the Leasehold Lands, any monies due to them for such work, services or materials.

provided that the Mortgagee will not be bound to exercise its rights hereunder and, if the Mortgagee will exercise its rights hereunder, it will not be liable to the Mortgagor for any loss or damage suffered by the Mortgagor as a result of such exercise.

7.3 Entitlement to Equities

If the Mortgagee makes any payment to any creditor of the Mortgagor or any encumbrance holder in respect of the Leasehold Lands pursuant to the provisions hereof, the Mortgagee will be entitled to all equities and securities held by such creditor or encumbrance holder in respect of the indebtedness or encumbrance paid or satisfied.

7.4 Repayment

All payments made and all sums of money expended by the Mortgagee under this Article 7, including incidental costs, charges, expenses and outlays incurred in doing anything under this Article 7, will be forthwith payable by the Mortgagor on demand with interest at the Interest Rate from the time or respective times of the payment thereof until paid, and until paid will be a charge on the Mortgagor's Interest in favour of the Mortgagee prior to all claims thereon subsequent to this Mortgage to the extent permissible by law and may be added to the principal monies then comprising the Obligations as if the same had originally formed part thereof.

7.5 No Prejudice

Nothing done by the Mortgagee in reliance on the provisions of this Article 9 will in any manner prejudice the remedies of the Mortgagee in respect of any default of the Mortgagor or otherwise.

8. DEFAULT AND ACCELERATION

8.1 Default and Acceleration

In the event that:

- (a) at any time any default is made under, or there is a breach of, any covenant or
 promise to pay any of the Obligations at the time and in the manner provided for
 in the instrument creating such obligation; or
- (b) at any time any default is made under, or there is a breach of, any other covenant, promise, term, condition or proviso herein contained; or
- (c) at any time any default is made in the observance or performance of any of the terms of the Letter of Offer; or
- (d) at any time any default is made in the observance or performance of any of the terms of any other security documents given or granted to the Mortgagee as additional or collateral security for the payment of the whole or any portion of the Obligations or the performance of the terms of the Letter of Offer the Mortgagee; or
- (e) any representation or warranty made to the Mortgagee by the Borrower or any other guarantor of the Obligations is found at any time to be incorrect in any material respect; or
- (f) the Mortgagor, without the consent in writing of the Mortgagee, grants or purports to grant any mortgage, charge, lien or interest, whether fixed or floating, upon the Mortgagor's Interest or any part thereof, other than this Mortgage or the Permitted Encumbrances; or
- (g) the Mortgagor uses any of the funds advanced under this Mortgage for any purpose other than as declared to and agreed upon by the Mortgagee; or
- (h) the Mortgagor becomes bankrupt or insolvent or makes or demonstrates an intention to make an assignment for the benefit of its creditors or makes a proposal or takes advantage of any provision of the Bankruptcy and Insolvency Act (Canada) or any other legislation for the benefit of insolvent debtors; or
- (i) any proceedings with respect to the Mortgagor are commenced under the compromise or arrangement provisions of any applicable legislation, or the Mortgagor enters into an arrangement or compromise with any or all of its creditors pursuant to such provisions or otherwise; or
- (j) the Mortgagor ceases, or threatens to cease, to carry on its business as the same is conducted by the Mortgagor from time to time; or
- (k) the Mortgagor is a corporation and:

- (i) the Mortgagor authorizes the purchase of its shares without the prior written consent of the Mortgagee; or
- (ii) a member of the Mortgagor commences an action against the Mortgagor which action relates to this Mortgage; or
- (iii) the Mortgagor carries on any business that it is restricted from carrying on by its constating documents; or
- (iv) an order is made, a resolution is passed or a motion is filed for the liquidation, dissolution or winding-up of the Mortgagor; or
- (v) any proceedings are commenced with respect to it in any jurisdiction under the *Companies' Creditors Arrangement Act* (Canada) or any similar legislation; or
- (vi) there is any change in the beneficial ownership of the shares of the Mortgagor from the ownership of same which exists as of the date hereof; or
- (l) the whole or any portion of the Mortgagor's Interest becomes the subject of expropriation proceedings; or
- (m) the Mortgagor is in default under the Lease and such default gives the Landlord a right to forfeit or terminate the Lease; or
- (n) the Landlord is in default under the Lease and the Mortgagor neglects or refuses to pursue its remedies under the Lease in respect thereof; or
- (o) the Landlord grants a mortgage of its fee simple title to the Leasehold Lands in priority to the Lease and this Mortgage; or
- (p) the Mortgagor surrenders or terminates or purports to surrender or terminate the Lease;

then, and in every such case and in the sole discretion of the Mortgagee:

- the Obligations will forthwith become due and payable without notice in like manner and with like consequences and effects to all intents and purposes whatsoever as if the Balance Due Date had fully come and expired;
- the Mortgagee will have possession of the Mortgagor's Interest free and clear from all encumbrances subject only to the Permitted Encumbrances; and
- (iii) the Mortgagee may exercise any and all remedies to enforce this Mortgage.

Waiver of or failure to enforce at any time or from time to time any of the rights of the Mortgagee hereunder will not prejudice the Mortgagee's rights in the event of any future default or breach.

9. REMEDIES OF MORTGAGEE ON DEFAULT

9.1 Power of Sale

The Mortgagee, on default of any payment required to be made hereunder as and when due, may on one week's written notice enter on and sell, assign, or convey the Mortgagor's Interest or any part or parts thereof. Should default in payment continue for one month, the foregoing power of sale may be exercised without notice and the Mortgagee may sell as aforesaid without entering into possession of the Leasehold Lands.

The Mortgagor agrees that the foregoing power of sale granted hereby will include the power to the Mortgagee to sublease the Leasehold Lands in whole or in part as if such words had been inscribed in this clause as necessary in all appropriate places.

The Mortgagor further agrees that:

- (a) title of a purchaser upon a sale made in professed exercise of the above power will not be liable to be impeached on the ground that no case had arisen to authorize the exercise of such power, or that such power had been improperly or irregularly exercised or that notice had not been given;
- (b) the Mortgagee may sell the whole or any part or parts of the Mortgagor's Interest by public auction or private contract, or partly one and partly the other, on such terms as to credit and otherwise as to the Mortgagee appears most advantageous and for such prices as can reasonably be obtained therefor;
- (c) sales may be made from time to time of portions of the Mortgagor's Interest to satisfy interest or parts of principal monies representing the Obligations overdue, leaving the balance thereof to run at interest payable at the Interest Rate;
- (d) the Mortgagee may make any stipulations as to title or commencement of title, or otherwise, as the Mortgagee will deem proper;
- (e) the Mortgagee may buy in or rescind or vary any contract for sale of any of the Mortgagor's Interest and re-sell, without being answerable for any loss occasioned thereby;
- (f) in the case of a sale on credit the Mortgagee will only be bound to account to the Mortgagor for such monies as have been actually received from the purchaser(s) after the satisfaction of the Mortgagee's claim;
- (g) the Mortgagee may make and execute all agreements and assurances that the Mortgagee deems fit for any of the foregoing purposes and the purchaser at any sale hereunder will not be bound to see to the propriety or regularity thereof;

- (h) no want of notice or of publication, even if required hereby, will invalidate any sale hereunder; and
- (i) the above powers may be exercised by the Mortgagee and against the Mortgagor, and the costs of any abortive sale will become a charge upon the Mortgagor's Interest and bear interest at the Interest Rate until paid.

9.2 Distraint

If default is made in payment of any part of the Obligations at any time herein provided for the payment thereof, it will be lawful for the Mortgagee to, and the Mortgagor hereby grants full power and licence to the Mortgagee to:

- enter, seize and distrain upon any goods of the Mortgagor upon the Leasehold Lands; and
- (b) by distress warrant;

to recover, by way of rent reserved as in the case of a demise of the Leasehold Lands, as much of the Obligations as will from time to time be or remain in arrears or unpaid, together with all costs, charges and expenses of the Mortgagee in connection therewith (including without limitation legal fees, costs, charges and expenses on a solicitor and own client basis).

9.3 No Merger

The obtaining of a judgment or judgments in any action to enforce this Mortgage or any of the covenants herein contained or any covenant contained in any other security for payment of the Obligations including the performance of the obligations herein contained will not operate as a merger of this Mortgage or of the Obligations or any of the said covenants or affect the right of the Mortgagee to interest at the Interest Rate and at the times aforesaid on any monies owing to the Mortgagee under any covenant therein or herein set forth. Any judgment will provide that interest will be computed at the Interest Rate and in the same manner as herein provided until the judgment or judgments will have been fully paid and satisfied.

9.4 Rents

Upon any default or breach by the Mortgagor in the performance or observance of any of the terms of this Mortgage, or of any of the assignments of rents or leases or sub-leases or other deeds or instruments from time to time given by the Mortgagor to the Mortgagee as additional or collateral security for the Obligations, the Mortgagor will refrain from collecting and receiving all rents accruing as aforesaid and, upon notice from the Mortgagee, all subtenants will thereafter pay all such rents to the Mortgagee and any payment made otherwise will not discharge the obligations of such subtenant.

In addition, the Mortgagee will be entitled to have a receiver, receiver-manager or a receiver and manager appointed and, without proof of any ground for his or her appointment other than the said default, to take possession and charge of the Mortgagor's Interest and to fully and effectively operate the Mortgagor's business(es) comprised of the Leasehold Lands or which was conducted thereon by the Mortgagor including, without limiting the generality of the foregoing, the right to rent the Leasehold Lands in whole or in part and receive and collect the rents, issues

and profits thereof under direction of the Court. Any amount so collected by such receiver will be applied under direction of the Court to the payment of any judgment rendered, or amounts found due, according to the terms of this Mortgage including the costs of collection and legal fees, costs, charges and expenses on a solicitor and own client basis.

9.5 Receiver

In addition to the foregoing rights and powers, upon default the Mortgagee may appoint by instrument in writing a receiver, receiver-manager or receiver and manager (herein called the "Receiver") of the Mortgagor's Interest, with or without bond, and may from time to time remove the Receiver and appoint another in his or her stead. A Receiver appointed by the Mortgagee as aforesaid will be deemed to be the agent of the Mortgagor and the Mortgagor will be solely responsible for the Receiver's acts or defaults and the Mortgagee will not be in any way responsible therefor and the Mortgagee will not be liable to the Receiver for the Receiver's remuneration, costs, charges or expenses.

9.6 Powers of Receiver

It is further specifically understood and agreed that the Receiver appointed by the Mortgagee will have the following powers, subject to any limitations in the instrument in writing or any order of a court of competent jurisdiction appointing him or her, namely to:

- (a) take possession of the Mortgagor's Interest;
- (b) sublease the Leasehold Lands or any portion thereof and receive and collect the rents, issues and profits thereof;
- (c) carry on or concur in carrying on the business of the Mortgagor in operating the business comprised of the Leasehold Lands or which is conducted thereon by the Mortgagor;
- (d) pay any or all debts and liabilities in connection with the Mortgagor's Interest;
- (e) sell, assign or lease or concur in selling, assigning or leasing any or all of the Mortgagor's Interest;
- (f) make any arrangements or compromises that the Receiver considers expedient;
- (g) borrow money, upon the security of the whole or any part of the Mortgagor's Interest, to carry on the business of the Mortgagor comprised of the Leasehold Lands or to maintain the whole or any part of the Leasehold Lands in a manner that will be sufficient to obtain the amounts from time to time required in the opinion of the Receiver, and in so doing the Receiver may issue certificates (each herein called a "Receiver's Certificate") that may be payable as the Receiver considers expedient and bear interest as stated therein, and the amounts from time to time payable under any Receiver's Certificate will charge the Mortgagor's Interest in priority to this Mortgage and the Mortgagor hereby charges the Mortgagor's Interest with the debt, if any, owing from time to time under any Receiver's Certificate; and

(h) institute and prosecute all suits, proceedings and actions that the Receiver considers necessary or advisable for the proper protection of the Mortgagor's Interest, to defend all suits, proceedings and actions against the Mortgagor, the Receiver or if applicable, the Mortgagee, to appear in and conduct the prosecution and defence of any suit, proceeding or action then pending or thereafter instituted, and appeal any suit, proceeding or action.

9.7 No Obligation to Marshal

In exercising his or her powers hereunder, any Receiver will be free to deal with the Mortgagor's Interest and any assets of the Mortgagor related thereto in such order or manner as he or she may be directed by the Mortgagee, any rule of law or equity to the contrary notwithstanding, and the Receiver will be under no obligation to marshal in favour of the Mortgagor.

9.8 Application of Revenue

The net revenue received from the Mortgagor's Interest and the net proceeds of sale of the Mortgagor's Interest or any part thereof will be applied by the Receiver, subject to the claims of creditors, if any, ranking in priority to this Mortgage, as follows:

- (a) first, in payment of all costs, charges and expenses of and incidental to the appointment of the Receiver and the exercise by him or her of all or any of the powers aforesaid including the reasonable remuneration of the Receiver and all amounts properly payable to the Receiver;
- (b) second, in payment to the Mortgagee of all costs, charges and expenses due and owing to the Mortgagee hereunder other than the Obligations;
- (c) third, in payment to the Mortgagee of the outstanding Obligations; and
- (e) last, any surplus will be paid to the Mortgagor,

provided that in the event any party claims a charge against all or a portion of the surplus, the Receiver will make such disposition of all or any portion of the surplus as the Receiver deems appropriate in the circumstances.

9.9 Not a Mortgagee in Possession

Neither the provisions of this Mortgage nor the exercise of the powers provided in this Mortgage will render the Mortgagee a mortgagee in possession, and the Mortgagee will not be accountable except for the monies actually received by the Mortgagee.

9.10 Remedies Cumulative

All remedies available to the Mortgagee herein will be in addition to and not restrictive of the remedies of the Mortgagee at law and in equity and by statute.

9.11 Enforcement of Remedies

Each remedy of the Mortgagee may be enforced in priority to or concurrently with or subsequent to any other remedy or remedies of the Mortgagee.

9.12 Realization on Securities

The Mortgagee may realize on various securities and any parts thereof in any order that the Mortgagee may consider advisable, and any realization, whether by foreclosure or sale, on any security or securities will not bar realization on any other security or securities.

10. PRESERVATION OF MORTGAGE AND OTHER SECURITY

10.1 Equity of Redemption

No extension of time given by the Mortgagee to the Mortgagor, nor anyone claiming under the Mortgagor, nor any other dealing by the Mortgagee with the owner of the equity of redemption of the Leasehold Lands or the Mortgagor's Interest, will in any way affect or prejudice the rights or remedies of the Mortgagee against the Mortgagor or any other person liable either in whole or in part for the payment of the Obligations.

10.2 No Apportionment

Every part, lot or strata lot into which the Leasehold Lands are or may hereafter be divided does and will stand as charged with the Obligations and no person will have any right to require the Obligations to be apportioned upon or in respect of any such part, lot or strata lot.

10.3 Fixtures

All Fixtures are deemed to be part of the Leasehold Lands and the security for the Obligations, even though not attached otherwise than by their own weight.

10.4 Partial Release of Mortgage

The Mortgagee may at all times release any part or parts of the Mortgagor's Interest or any other security or any surety for payment of all or any part of the Obligations or may release the Mortgagor or any other person from any covenant or other liability to pay the Obligations or any part thereof, either with or without any consideration therefor and without being accountable for the value thereof or for any monies except those actually received by the Mortgagee, and without thereby releasing any other part of the Leasehold Lands or the Mortgagor's Interest or any other securities or covenants herein contained, it being agreed that, notwithstanding any such release, the Mortgagor's Interest, securities and covenants remaining unreleased will stand charged with the whole of the Obligations.

10.5 Waiver

The Mortgagee may waive any default hereunder, provided that no such waiver, nor any failure to enforce at any time or from time to time any of the rights of the Mortgagee hereunder, will prejudice the Mortgagee's rights in the event of any future default or breach.

10.6 Additional Security

The provisions of this Mortgage and the security of this Mortgage are in addition to, but not in substitution for, any other security now or hereafter held by the Mortgagee for the Obligations or any part thereof.

11. SALE OR TRANSFER

11.1 Due on Sale

Save and except as contemplated by the Letter of Offer and by the Permitted Encumbrances:

- (a) if the Mortgagor's Interest or any part thereof is sold, transferred, conveyed or assigned or otherwise disposed of, or the Mortgagor enters into any agreement to effect any of the foregoing, whether by registered or unregistered instrument and whether for valuable or nominal consideration or otherwise, to a party not first approved in writing by the Mortgagee; or
- (b) if such purchaser, grantee, transferee or assignee should fail to:
 - (i) apply for and receive the Mortgagee's written approval as aforesaid;
 - (ii) if required by the Mortgagee, personally assume all the obligations of the Mortgagor under this Mortgage; and
 - (iii) if required by the Mortgagee, execute an assumption agreement in the form required by the Mortgagee;

then the Mortgagee at its option may declare the Obligations then secured hereby to become immediately due and payable in full and the Mortgagor will pay the same forthwith.

11.2 Meaning of Assigned

The word "assigned" as used in clause 11.1 will include any transfer, sale, assignment, bequest, inheritance, encumbrance or other disposition of shares of any body corporate comprising the Mortgagor, in whole or in part, having the result of changing the identity of the person(s) who during the currency of this Mortgage exercise the effective voting control of such body corporate.

12. LETTER OF OFFER

12.1 Letter of Offer

The provisions of the Letter of Offer which are not expressly restated herein or in any other document or other security documentation which is to be executed and delivered to the Mortgagee by the Mortgagor or any guarantor or covenantor, will survive the execution and registration of this Mortgage and the collateral or other security documents to be delivered herewith. Accordingly there will be no merger of such provisions in this Mortgage or the collateral or other security documents until the parties hereto, by an appropriate instrument in

writing, so declare. Furthermore, if any conflict at any time exists between any term of the Letter of Offer (whether restated herein or not) and any term of this Mortgage, then the term of the Letter of Offer will govern and take precedence. Also, it is understood and agreed that a default under the terms of the Letter of Offer will constitute a default under this Mortgage and will entitle the Mortgage to exercise all of its rights and remedies contained in this Mortgage.

13. MISCELLANEOUS

13.1 Estoppel Certificate

The Mortgagor, within seven (7) days after receipt of a request to do so, will certify to the Mortgagee, or any person designated by the Mortgagee, the amount of the Obligations then due hereunder, the date to which interest is paid, that it has no right of set-off against the Obligations or, if it has such a right of set-off, the amount thereof, and that there have been no amendments hereof or, if there has been any such amendment, specifying it.

13.2 Modifications to Mortgage

In order for any addition to or modification, amendment or variation of this Mortgage to be effective it must be in writing and signed by all parties to this Mortgage.

13.3 Extension, Renewal of Mortgage

Any extension of the term of payment of the Obligations, or any part thereof, and any agreement increasing or decreasing the rate or rates of interest payable on account of the Obligations prior to the execution of the discharge of this Mortgage by the Mortgagee need not be registered in a land title office, but will be effectual and binding on the Mortgagor, the Covenantor (if any) and any other person liable for payment of the Obligations, in whole or in part, and it will not be necessary to register any such agreement in order to retain priority of this Mortgage so altered over any instrument registered as a charge against the Leasehold Lands or Mortgagor's interest in the Leasehold Lands subsequently to the registration of this Mortgage.

13.4 Notice of Demand

Any demand or notice necessary to be given in pursuance of the exercise of the powers and provisions herein contained may be given to the Mortgagor or to any chargeholder by writing signed or purporting to be signed by or on behalf of the Mortgagee.

13.5 Address for Notices

Any notice, demand or other document to be given, or any delivery to be made hereunder shall be effective if in writing and delivered in person and left with, or if telecopied and confirmed by prepaid registered letter addressed to the attention of:

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(a) in the case of the Mortgagee, addressed as follows:

1647 Central Ave Box 2949 Grand Forks, BC V0H 1H0 Attention: Susan Green Fax No: 250.442.5311

(b) in the case of the Mortgagor, addressed as follows:

50 Oak Ct., Suite 210 Danville, California USA 94526

Attention: Barbara A. Spurgeon & Timothy D. Spurgeon

Fax No:

Any notice, demand or other document or delivery so given or made shall be deemed to have been given or made and received at the time of delivery in person or on the business day next following the date of telecopying of the same. Any party hereto may from time to time by notice in writing change his, her, or its address (or in the case of a corporate party, the designated recipient) for the purposes of this section.

13.6 Time of the Essence

Time will be of the essence hereof.

IN WITNESS WHEREOF this Agreement has been executed by the Mortgagor as of the date set out above.

GRANBY RIVER MINING CORPORATION INC.

By: Name:

Title:

By: Name:

Title:

NON-DISTURBANCE AGREEMENT

Between:

The Corporation of the City of Grand Forks
Box 220, 420 Market Avenue, Grand Forks, BC V0H 1H0
(the "Landlord")

And

Community Futures Development Corporation of Boundary Area 1647 Central Avenue, Box 2949, Grand Forks, BC VOH 1H0 (the "Mortgagee")

- 1. The Landlord, being the current landlord under the lease agreement identified as the "Lease" in the Mortgage of Lease (the "Mortgage") to which this Agreement is attached, hereby consents to the granting by the tenant in the Lease (the "Tenant") of the Mortgage of Lease to Community Futures Development Corporation of Boundary Area (the "Mortgagee") as attached hereto. This consent does not extend to any further or other sublease of the Lands (as defined in the Mortgage) or any part of the Lands or to any assignment of the Lease or any further parting of possession of the Lands or any part of them; nor will it be, or be deemed to be, a waiver of the requirement of the consent of the Landlord to any further or other assignment of the Lease or subletting or parting with possession of the Lands in whole or in part.
- 2. The Landlord represents and warrants that to the best of the Landlord's knowledge, information and belief, the Lease is in good standing and the Tenant is not presently in default under the Lease.
- The Landlord covenants and agrees with the Mortgagee that, notwithstanding anything to the contrary in the Lease:
 - a. the Landlord will:
 - i. not terminate the Lease without first advising the Mortgagee in writing of the Tenant's default or breach thereunder and giving the Mortgagee an opportunity to remedy any such default on the same timeframes applicable to the Tenant, as outlined in section 56 of the Lease. If such a breach or default is remedied within the period referred to in this subclause, the Landlord will not terminate the Lease;
 - ii. at the Mortgagee's request, permit the Mortgagee to enter the Lands to cure any default of the Tenant under the Lease; and
 - iii. not unreasonably withhold consent to the assignment or transfer

of the Lease or subletting or other parting with possession of the Lands requested by the Mortgagee, all in accordance with section 41 of the Lease;

- b. if the Tenant is in default under the Mortgage, the Landlord will:
 - i. permit the Mortgagee, without unreasonable hindrance, to exercise its remedies and realize on its security as contemplated in the Mortgage and permitted by law; and
- c. if the Mortgagee takes enforcement proceedings under the Mortgage, the Mortgagee will be liable for:
 - i. the payment of arrears of rent under the Lease that are outstanding;
 - ii. any other breach by the Tenant of any of the Tenant's obligations under the Lease on which the Landlord has given notice to the Mortgagee of the Landlord's intention to act before the commencement of enforcement proceedings by the Mortgagee; and
 - iii. the performance of the Tenant's obligations under the Lease during any period of actual possession of the Lands by the Mortgagee.

4. The Mortgagee and the Landlord covenant and agrees that except as expressly provided for in this Agreement, neither this Agreement nor the Mortgage will

> By: Name: Title:

By: ____ Name: Title:



THE CORPORATION OF THE DISTRICT OF OAK BAY

MUNICIPAL HALL – 2167 OAK BAY AVENUE – VICTORIA, B.C. V8R 1G2 PHONE 250-598-3311 FAX 250-598-9108 WEBSITE: www.oakbay.ca

RECEIVED

OCT 7 2015

THE CORPORATION OF THE CITY OF GRAND FORKS

September 29, 2015

The Honourable Steve Thomson Minister of Forests, Lands, and Natural Resource Operations PO Box 9049 STN Prov Govt Victoria, BC V8W 9E2

Dear Minister Thomson:

I would like to thank your staff for taking the time to meet with representatives from several municipalities during the Union of British Columbia Municipalities (UBCM) Convention to discuss the challenges of Deer Management in our respective communities.

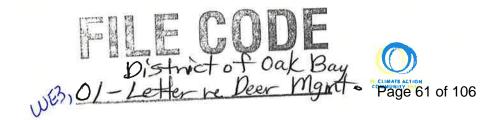
During our meeting Mayor Taft, District of Invermere, noted the greatest concern is for public safety and the problem is escalating by not dealing with what can only be described as more aggressive deer.

Councillor Pateman and Councillor Doughty, from the Town of Princeton, explained to your staff the need to be consistent with messaging of options that are acceptable deer management strategies. They also noted that best practices that include ministry expertise are required. The request for adequate funding to deal appropriately with the management of deer is very important to local municipalities.

In my final comments I mentioned that it is important to have a true partnership with the Province when dealing with Deer Management. Local municipalities are the frontline in this emotionally charged issue and are seeking a commitment from the Province for a structured approach that is supported by expertise and funding resources.

It is important that the message from the Province on the approach to Deer Management be consistently applied in its work with municipalities and the public throughout the province.

We also heard the ministry's response to the UBCM Report and request the Ministry to be more involved and proactive and working in partnership. We thank you for the small steps in funding and agreement on many of these concerns.



We believe moving forward that the best contact on this issue should be through UBCM staff.

Sincerely,

Mayor Nils Jensen District of Oak Bay

cc Mayor Dean McKerracher, District of Elkford Mayor Ed Smith, City of Greenwood Mayor Gerry Taft, District of Invermere

Mayor Frank Konrad, City of Grand Forks
Chair Mark Pendergraft, Regional District of Okanagan-Similkameen
Mayor Frank Armitage, Town of Princeton
Chair Nils Jensen, Capital Regional District
Mayor Randy Kappes, Village of Midway





Natural Resources

Ressources nat Canada





Climate Action Charter

achieve the following goals:

profile; and

"Signatory Local Governments agree to

develop strategies and take actions to

working towards),

i. being carbon neutral in respect of

ii.measuring and reporting on their

iii. creating complete, compact, more

energy efficient rural and urban communities..."

their operations by 2012 (or

community's GHG emissions

Strategic Community Energy & Emissions Planning

To: Kootenay Local Governments in FortisBC electrical service area.

From: Trish Dehnel, Community Energy Association

Date: October 15, 2015 (update to Boundary area communities)

Re: "Free" Strategic Community Energy & Emissions Planning opportunity

Overview

FortisBC and Natural Resources Canada will fund complete Strategic Community Energy & Emissions Planning (SCEEP) for West Kootenay Local Governments situated in the Boundary area of the FortisBC Electric Service area. "Free" SCEEPs will be offered to Local Governments between September 1, 2015 and March 31, 2016. Community Energy Association will adapt and deliver the successful "CEEP QuickStart" program which CEA has delivered to 42 small and mid-sized communities across BC on behalf of BC Hydro. The program typically identifies community electricity and GHG reductions of 5-25% below Business As Usual (BAU).

Each Local Government to participate in the SCEEP process will receive:

- Pre-workshop webinar to help set the stage (with all workshop participants)
- 1 day main development workshop (with local government staff, at least one elected representative from the local government, and key community stakeholders as identified by the Local Government and to include representatives from FortisBC and others e.g. Regional District, Chamber of Commerce, Industry, Transit, School District, Interior Health)
- A draft SCEEP report
- 0.5 day follow-up on report editing workshop (with key municipal staff only)
- 10 hours follow-up support for SCEEP report completion, reports or motions to aid in SCEEP adoption by Council/Board, establishing steering committees, and communications & outreach
- 35 hours follow-up strategic planning & policy (& other), support for implementation of SCEEP identified actions and momentum building to continue community energy and emission reductions. This is essential support to assist the limited capacity of many small and mid-sized local governments.

Budget

Contribution by the Local Government will primarily be in-kind. It requires commitment from Elected Officials and staff to participate in the workshop and then work on implementation of actions. Local Governments are asked to provide meeting catering and venue rental. Maximum cash contribution per Local Government SCEEP to be \$200.

Recommendation

That the Local Government participate in the FortisBC offered Strategic Community Energy & Emissions Planning process in 2015 or 2016 to support commitments made as a signatory of the Climate Action Charter.

Patricia (Trish) Dehnel, MCIP RPP

Community Relations Manager, Community Energy Association pdehnel@communityenergy.bc.ca Direct/Cell 250.505.3246 www.communityenergy.bc.ca





Regulating Agri-tourism and Farm Retail Sales in the Agricultural Land Reserve

DISCUSSION PAPER AND PROPOSED MINISTER'S BYLAW STANDARDS

September 14, 2015

Prepared by: Strengthening Farming Program Innovation and Adaptation Services Branch

Executive Summary

This discussion paper ('white paper') has been prepared by the B.C. Ministry of Agriculture (AGRI) Strengthening Farming Program, Innovation and Adaptation Branch for input on the establishment of a Minister's Bylaw Standard to assist local government bylaw development regarding agri-tourism, agri-tourism accommodation and farm retail sales.

Its preparation follows the 2014 AGRI's consultation on the Agricultural Land Reserve (ALR) Use, Subdivision and Procedure Regulation (ALR USP Regulation) in which local governments expressed strong support for AGRI to provide greater clarity in guidance to local government bylaws on agri-tourism.

The proposed Minister's Bylaw Standard criteria, set out in Part 3.0, result from input contributed by the Agricultural Land Commission (ALC), local governments and the agricultural sector. While the proposed Minister's Bylaw Standard provisions apply to land in the Agricultural Land Reserve (ALR), local governments may also wish to adopt for all agriculturally zoned property.

AGRI invites local governments to review the proposed Minister's Bylaw Standard and provide feedback to the contact listed on page 13 by November 30, 2015. Feedback received will be analysed by AGRI staff, with updates and improvements made to the proposed Minister's Bylaw Standard in preparation for the Minister of Agriculture's (Minister) consideration.

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Introduction

This paper outlines draft criteria to assist local governments in regulating their agri-tourism, agri-tourism accommodation and farm retail sales bylaws, aiming to encourage further discussion on the matter with local governments, the ALC and the farm sector. It is important that the bylaw standard criteria effectively guide local government land use regulations within the context, and intents, of the *Agricultural Land Commission, Farm Practices Protections (Right to Farm)*, and *Local Government* and *Community Charter Acts* and their regulations. The draft criteria reflect analysis undertaken by AGRI staff, previous consultations with local governments, the ALC, industry, and the Ministry of Community, Sport and Cultural Development (CSCD).

1.0 Part one - The Criteria Development Process

This paper explores and proposes land use regulation and policy guidance for local governments to address agri-tourism and farm retail sales issues in their communities, while recognizing these uses are permitted (with exceptions) within the ALR.

Following consultation with stakeholders and approval by the Minister, the bylaw criteria will become a Minister's Bylaw Standard and incorporated within the "Guide for Bylaw Development in Farming Areas" (Bylaw Guide).

1.1 Purpose and Goals

The purposes of establishing land use regulation criteria to address local government concerns regarding agri-tourism and farm retail sales are to:

- 1. Establish a Minister's Bylaw Standard that provides flexibility for local governments to shape agri-tourism activity in their community while ensuring that agriculture in the ALR continues as a priority use;
- 2. Address the needs of the agriculture sector/industry to supplement farming income;
- 3. Minimize the impact of agri-tourism and retail sales on farm practices and farming potential in farming areas;
- 4. Minimize loss and/or fragmentation of farmland due to agri-tourism and retail sales
- 5. Reduce the financial imbalance that results from large scale commercial operations locating inexpensively in the ALR and outcompeting those that have located in appropriate commercial zones; and
- 6. Minimize the risk of agri-tourism and farm retail sales buildings and structures being used for non-farm purposes.

1.2 Stakeholders

Stakeholders involved in developing these Bylaw Standard criteria include:

¹ Under the Local Government Act (Part 26, Division 8, Section 916), the Minister responsible for the Farm Practices Protection (Right to Farm) Act can develop bylaw standards to guide the development of zoning and farm bylaws. Development of provincial standards is intended to promote consistency in the regulation of, and planning for, farming. However, provision has been made under Section 916(3) to allow the standards to differ, if necessary, to respond to BC's diverse farming industry and land base.

- a) Local governments and their Agricultural Advisory Committees (AAC);
- b) Agriculture industry;
- c) ALC;
- d) Strengthening Farming Directors Committee,
- e) CSCD; and
- f) Ministry of Jobs, Tourism and Skills Training.

1.3 Objectives of the Process

The objectives of the process are to:

- 1. Create a set of Bylaw Standard criteria for stakeholder review;
- 2. Consult with stakeholders; and
- 3. Develop a Minister's Bylaw Standard that local governments can apply as regulation or policy.

1.4 Key Steps

The key steps in creating the Minister's Bylaw Standard are:

- 1. Review relevant literature including AGRI and ALC policies;
- 2. Review and compare local government regulations and policies;
- 3. Develop draft criteria;
- 4. Consult with internal and external stakeholders on the draft criteria;
- 5. Revise criteria for consideration by the Minister;
- 6. Seek Minister's approval; and
- 7. Encourage local governments to adopt and apply criteria.

1.5 Current Status (August 2015)

AGRI staff have:

- Reviewed previous agri-tourism and farm retail sales consultations with local governments, industry, the ALC and CSCD;
- Reviewed existing ALC policies on agri-tourism, agri-tourism accommodation and farm retail sales; and,
- Prepared this draft discussion 'white paper' on agri-tourism and farm retail sales land use bylaw guidance for further local government consultations over the 2015/2016 fall and winter.

1.6 Context for Bylaw Standard Establishment

AGRI has initiated Minister's Bylaw Standards in the past for three significant agricultural issues which have been approved by the Minister. AGRI staff use the Minister's Bylaw Standards to encourage local governments to adopt them into their land use bylaws. They are:

- Regulating Medical Marihuana Production Facilities in the ALR (2014);
- Combined Heat and Power Generation at Greenhouses in the ALR (2013); and

• Siting and Size of Residential Uses in the ALR (2011).

These Minister's Bylaw Standards can be found in AGRI's "Guide for Bylaw Development in Farming Areas" with additional information at:

http://www2.gov.bc.ca/gov/content/industry/agriculture-seafood/agricultural-land-and-environment/strengthening-farming/local-government-bylaw-standards-and-farm-bylaws.

2.0 Part two - Background

2.1 Context

Farmers throughout B.C. are looking for options to increase their economic viability, including agri-tourism and farm retail sales. These two particular issues have become more prominent in recent years and local governments are amending their agri-tourism, agri-tourism accommodation and farm retail sales bylaws, sometimes causing frustration with farmers and the public. Sometimes there may be conflicting community views on what actually constitutes agri-tourism activities, and what 'accessory', 'seasonal', and 'temporary' within this context really mean.

While the ALC provides direction regarding agri-tourism and farm retail sales in the ALR, one of the questions asked during the Ministry's 2014 ALR USP Regulation consultation process included agri-tourism, with local governments indicating strong support for AGRI to develop greater clarity in bylaw guidance for agri-tourism. Incorporating analysis from previous consultation, AGRI staff anticipate strong response from stakeholders on the subject.

Ideally, developing this new Minister's Bylaw Standard will assist in balancing stakeholder concerns, minimize community frustration, and provide greater certainty while maintaining the flexibility required for local government community decision making and variation. The proposed Minister's Bylaw Standard applies to property in the ALR. Given, however, that agricultural activity in B.C. takes place both on ALR and non-ALR property, local governments with agriculturally zoned land may also consider adopting it.

2.2 Current Policy, Legislation and Regulation

Agri-tourism and farm retail sales are defined as farm uses by the ALR USP Regulation² of the *Agriculture Land Commission Act* where a farm use means an occupation or use of land for farm purposes, including farming of land, plants and animals and any other similar activity designated as farm use by regulation, and includes a farm operation as defined in the *Farm Practices Protection (Right to Farm) Act*:

- Agri-tourism is a tourist activity, service or facility <u>accessory</u> to ALR land classified as a farm under the *Assessment Act*, if the use is <u>temporary and seasonal</u>, and promotes or markets farm products grown, raised or processed on the farm.
- Farm retail sales if all of the farm product offered for sale is produced on the farm on which the retail sales are taking place, or at least 50% of the retail sales area is limited to the sale of farm products produced on the farm on which the retail sales are taking place

² B.C. Reg. 171/2002 Agricultural Land Reserve Use, Subdivision and Procedure Regulation. Last retrieved August 24, 2015 from http://www.alc.gov.bc.ca/alc/content.page?id=A631A2319799460A98F62978A2FE60E3

and the total area, both indoors and outdoors, used for the retail sales of all products does not exceed 300 m².

Local governments cannot prohibit agri-tourism activities, other than agri-tourism accommodation, or farm retail sales regulated by the ALR USP Regulation unless by a Farm Bylaw designated by the Minister by Section 917 of the *Local Government Act*.

The ALC also publishes several policy documents on agri-tourism, agri-tourism accommodation and farm retail sales with respect to land in the ALR.

"The policies of the Commission provide interpretation and clarification of the regulations; outline guidelines, strategies, rules or positions on various issues and provides clarification and courses of action consistently taken or adopted, formally or informally." - ALC

These ALC policies include their terms of 'seasonal' and 'temporary':

- **Temporary** —means a use or activity in a facility or area that is established and used on a limited time basis for agri-tourism activities. If a building or structure is required for this use, temporary use of the building or structure means a use for agri-tourism for less than 12 months of the year. The building or structure may be used for other permitted uses during the course of, or for the remainder of the year.
- **Seasonal** means a use or activity in a facility or area for less than 12 months of the year.⁴

A recent 2015 B.C. Supreme Court ruling *Heather Hills Farm Society v. Agricultural Land Commission*, addresses the subject of agri-tourism, and in this case whether a particular golf course and sheep pasture is a permitted agri-tourism use. Interestingly, within the reasons for judgement that ultimately dismisses the petition; the judge also references what cannot be described as reasonably temporary, with respect to what is written in the ALR USP Regulation:

[51] The Regulation also requires that an agri-tourism use be temporary and seasonal. A golf course requires alteration of the land in the form of particular landscaping, sand traps, water hazards etc. Photographs that were put into evidence show changes of precisely that kind to the petitioners' property. Those changes must remain in place as long as operation of the golf course continues and cannot reasonably be described as temporary.⁵

The intent of this proposed Bylaw Standard is to provide greater clarity on what constitutes agritourism, agri-tourism accommodation, farm retail sales, and the definitions of temporary and seasonal.

³ ALC. Legislation and Regulation. Last retrieved August 24, 2015 from

http://www.alc.gov.bc.ca/alc/content.page?id=4179ABoF33494261A5B6CEF2A4F8F296

⁴ ALC. Policy #4 Activities designated as Farm Use: Agri-tourism Activities in the ALR, 2003. Last retrieved August 24, 2015 from

http://www.alc.gov.bc.ca/alc/DownloadAsset?assetId=9A907E9B31224D808675BE2E5D78ADBB&filename=policy 4 agri-tourism activities.pdf

⁵ Heather Hills Farm Society v. Agricultural Land Commission, 2015 BCSC 1108

For farm retail sales, the processing/marketing of off-farm products may not be protected under the *Farm Practices Protection Act* unless there are limits prescribed by the Minister under the *Farm Practices Protection Act*. This has implications for farms considering those options.

3.0 Part three - Proposed Set of Criteria

Part three introduces a set of criteria in which local governments would be encouraged to consider when developing or amending their own bylaws on agri-tourism, agri-tourism accommodation and farm retail sales. A rationale is provided for why certain criteria provisions should be introduced and a proposed list is summarized of criteria and definitions.

3.1 Proposed Definitions

Accessory (agritourism)

means that the *agri-tourism* is subordinate to the active *farm operation* on the same lot. *Agri-tourism* uses and activities only augment a farmer's regular farm income, not exceed or replace

Agri-tourism

is travel that combines agricultural or rural settings with products of agricultural operations — all within a tourism experience that is paid for by visitors. It is a tourist activity, service or facility which is accessory to a farm operation, as defined in the Farm Practices Protection (Right to Farm) Act, where the land is classified as a farm under the Assessment Act; and, where the farm is in active operation each year.

Off-farm and non-farm products

means products that are not from the *farm unit* of which the subject property is part.

Regular Seasonal (agri-tourism)

means the occurrence over the same season(s), or at the same time, each year.

Season (agritourism)

means:

one of the four periods of the year: spring, summer, autumn or

winter;

the period of the year when something that regularly occurs every year happens; e.g. pumpkin festival before Halloween;

and/or

the period(s) when most people take their holidays, go to visit

places, or take part in an activity outside of work.

Seasonal (agritourism)

means:

relating to, dependant on, determined by, or characteristic of a

particular season of the year;

fluctuating according to the season; and/or

⁶ For more information, readers may wish to review the September 7, 2011 BC Farm Industry Review Board decision *Maddalozzo v. Pacfic Coast Fruit Products Ltd* last retrieved September 8, 2015 from http://www2.gov.bc.ca/assets/gov/business/natural-resource-industries/agriculture/agriculture-documents/bc-farm-industry-review-board-docs/maddalozzo_v_pcfp_dec_sep7_11.pdf

available, or used, during one or more *seasons*, or at specific times of the year - for less than twelve months of the year.

Small-scale (agritourism)

means to be minor or limited in size, scope, or extent. [Local governments could specify amounts.]

Temporary (agritourism)

means having a limited duration, lasting or designed to last for only a limited time each week, month, or year. E.g. an activity occurs each year at the same time at a nearby festival, or other event, or only a maximum duration of three days at a time.

3.2 Accessory Farm Activity

Local governments should identify agri-tourism as a permitted accessory use in all zones where agriculture or farming is a permitted use. Accessory agri-tourism use in the ALR is subordinate and customarily incidental to the active farm operation on the same lot. Agri-tourism uses and activities only augment a farmer's regular farm income, rather than exceed or replace it.

Table 1. Examples of Agri-Tourism and Farm Incomes

Column A	Column B	
Agri-tourism Income	Farm Income	
Entry or participation fees, tour fees	Primary agricultural production income	
Fees for tours, services and workshops related to	Value-added operations: processing of own farm	
the farm operation	products	
Retail sales of off-farm or non-farm products	Retail sales of own farm products	
Agri-tourism accommodation charges		

To be considered *accessory*, the annual income from *agri-tourism* [Column A] must be no more than the annual regular farm income [Column B]. The ALC may allow a larger proportion of *agri-tourism* activity on a farm, if the farmer applies for a non-farm use approval.

Examples include a farmer intending to regularly host special events such as commercial weddings, conferences or an annual music festival. A local government could decide whether to support those commercial activities in its zoning if it is authorized by the ALC.

3.3 Farm Class

Income from accessory agri-tourism activities is not used to define farm class under the Assessment Act (Sec 23 and Farm Class Reg. 411/95). Income for the purposes of farm class is calculated based on the farm gate amounts for qualifying agricultural products and must be generated in one of two relevant reporting periods (i.e., once every two years).

3.4 Agri-tourism Temporary and Seasonal Use in the ALR

Local governments should regard *agri-tourism* uses as a *temporary* and *seasonal* use. See the definitions for guidance on defining these terms.

3.5 Permitted and ALC approval required agri-tourism activities

Table 2. Tiers of Agri-tourism Activities

Activities	Tier 1 Permitted Agri-tourism activities	Tier 2 Activities/events that require ALC approval
On-farm	 educational tours – general public, school children on-farm marketing, including U-pick and pumpkin patches temporary corn maze or Christmas tree maze agricultural heritage events ranch or farm tours livestock shows harvest festivals on-farm classes and/or workshops related to the farm operation farm stays or B&B on-farm processing facility tours 	 Non-farm-uses and commercial entertainment activities which do not have an agricultural component: e.g., paint ball course, dirt bike trails, all-terrain vehicles trails, mini-train parks, remote control runways, helicopter tours, etc. event and facility rentals concerts, theatre or music festivals commercial weddings, banquets, celebrations and any other commercial assembly activity
Parking	 self-contained, off-road parking some overflow could be on neighbouring farm(s) provided it's for infrequent events, no permanent alterations to the agricultural land, and no resurfacing such as with gravel or asphalt paving allow for school and tour buses on-road parking at the discretion of the local government or Ministry of Transportation in Regional Districts 	Off-site overflow parking that is used on a frequent basis or that requires resurfacing
ALC non-farm use application approval or local government	No local government temporary use or rezoning permits required,; outright use is permitted	ALC non-farm use application approval Local government non-agriculture related activities or

permit requirements • No ALC non-farm use application approval	events may also require a separate zone or temporary use permit Special local government permits per event or per day, or both
---	--

3.6 Agri-tourism Accommodation

Section 3 of the ALR USP Regulation permits *accessory* accommodation for agri-tourism on a farm in the ALR, but allows a local government to regulate and/or prohibit the use.

Where accommodation for agri-tourism is allowed by a local government the following standards are recommended:

- Total developed area for buildings, landscaping and access to the accommodation must be no more than 5% of the parcel area;
- Could include a maximum of 10 sleeping units composed of:
 - Seasonal campsites, seasonal cabins, or bed-and-breakfast (B+B) bedrooms (maximum of four) B+B bedrooms per legal parcel is recommended);
 - Unless ALC consent is received, accommodation must not include cooking facilities because doing so may result in long term rental housing on farm land;
 - The local government could specify the number of persons per unit;
 - Should an operator wish to have more than 10 sleeping units, he/she could apply to the local government and the ALC;
 - On smaller lots, a local government may wish to set a lower number of allowed sleeping units;
 - The BC Building Code should be the minimum standard applied for sleeping units such as cabins.
- Should be located close to the front of the lot, or an adjacent side road, and clustered with the *home plate*(s) of the farm residence(s). A farmer may wish to vary this location to minimise impact on his/her farm.
- Depending on the location of the farm, the *agri-tourism* accommodation may need to be available during more than one *season*, or its availability may vary with the *seasons*; e.g., horseback riding on trails in spring, summer, and fall, and cross-country skiing in the winter.
- Occupation of a lot *by agri-tourism* accommodation are only permitted to be *temporary*, *seasonal*, and/or *regular seasonal*, to a maximum stay per person or per family of 30 consecutive days in any 12 calendar-month period. The ALC may allow longer occupation if the farmer applies for a non-farm use; local zoning would also have to allow it.
- Each local government which permits *agri-tourism* accommodation could develop a monitoring methodology to ensure the occupation meets the above criteria.

3.7 Other Agri-tourism Criteria

3.7.1 Off-street Loading Areas and Parking

Off-street loading areas may be needed to transfer field products to a market stand/shop, and to the customer's vehicle. For criteria, see Part 2 of the "Guide for Bylaw Development in Farming Areas".

All vehicles visiting the *agri-tourism* activities must be parked on site, or as otherwise permitted by the local government. The parking capacity could be based on the average daily vehicle numbers (recommended); local parking bylaws may have a different measure and short term events with large numbers of people may require different parking standards. Overflow parking occurs on public roads should adhere to local bylaws including clearances for emergency vehicles and farm machinery.

For farm site parking overflow situations, *agri-tourism* operators should provide alternate means of transportation, such as shuttles, bicycle parking, or horse corrals and off-site horse trailer parking areas.

To minimise impacting farm land, parking should be along field edges, adjacent to farm roads, farm yard areas near farm structures.

- The parking and loading area surfaces should maximize infiltration of precipitation to limit impacting a farm's ground and surface water; pavement may not be appropriate.
- The depth and type of fill for *agri-tourism* parking and loading areas should facilitate possible future removal e.g., if the *agri-tourism* activity ceases.

3.7.2 Site Layout for Agri-tourism Activities

Site coverage and setbacks for *agri-tourism* structures must follow the standards for farm structures provided in Part 2 of the "Guide for Bylaw Development in Farming Areas". *Agri-tourism* facilities should be located to minimize coverage of farm land and minimise disturbance of the present and potential future operation of the farm, neighbouring farms or nearby urban uses; e.g., close to the road, and/or clustered with other farm structures.

3.7.3 Lights

Floodlights and spotlights for *agri-tourism* activities should be directed away and/or screened from adjacent farms and other land uses.

3.7.4 Signage

Each *agri-tourism* and farm retail operation, and the farm itself, should be allowed at least one sign of at least 1.0 square metre. Normally, signs are located at the farm entrance, but variation should be allowed for different building and site layouts and to ensure traffic safety. Third-party signs and lighting of signs should follow local bylaws.

3.7.5 Noise

Loudspeakers and other noise sources associated with the *agri-tourism* activity could be regulated with local government noise bylaws.

3.8 Farm Retail Sales and Marketing

For on-farm retail marketing, farmers sell their own *farm products*, and may sell some *off-farm or non-farm products* directly from the *farm unit* and may require a retail indoor and/or outdoor sales and display area.

Areas necessary for on-farm retail sales but not calculated as part of the on-farm retail sales area are:

- storage space for products awaiting display and/or bulk sales; larger storage areas may be available in a barn;
- an office area for doing sales and farm-related paperwork;
- washrooms:
- driveways, parking and loading areas; and
- some preparation space where products are put in packages for display or shipping.

Local governments should not limit retail sales area of a farmer's own *farm products* i.e. the *direct farm marketing area*. The ALR USP Regulation does not state an upper limit.

Local government regulations must allow for the possibility of a retail sales area for complementary *off-farm or non-farm products*. The ALR USP Regulation requires at least 50% of the total retail sales area be devoted to that farm's products, and where both *farm products* and *off-farm or non-farm products* being sold, the allowed upper limit of the total of the indoor and outdoor sales area is 300 square metres. This should be adopted by local governments and not reduced.

To develop a larger retail sales area, or to sell less than 50% of that farm's *farm products*, a farmer must have both local government and ALC non-farm use application approval.

3.9 Local Government Permits and Fees

Other than the usual permits and fees required for construction, local governments should only require permits and fees for operations that require a non-farm application to the ALC and should not require the use of temporary (commercial) use permits.

Local governments should only request reimbursement of extra local government costs generated by the event or operation; e.g., policing, fire service, road clean-up, and/or traffic management.

3.10 Commercial Weddings

The use of the ALR for commercial weddings is considered a non-farm use which requires approval of the ALC. Where a farm has received non-farm use approval from the ALC, the local

government may require a rezoning or temporary use permit. Temporary use permits are the preferred method of dealing with this use as the local government can place additional controls on the use that are not possible through zoning. These requirements could include hours of operation.

3.11 Bistros and Restaurants

Bistros, cafes and restaurants are considered in most cases non-farm uses which require non-farm use approval of the ALC. Under specific criteria in the ALR USP Regulation, however, winery, brewery, cidery, distillery, and meadery lounges are permitted which do not require non-farm use approval.

4.0 Ministry Contact Information

Stakeholders are welcome to provide feedback on the content of this discussion by email or letter.

Email: AgriServiceBC@gov.bc.ca

Mailing Address: Ministry of Agriculture, Strengthening Farming Program

1767 Angus Campbell Road

Abbotsford, B.C. Canada V3G 2M3

Page 1 of 1

From:

Colleen Ross

October 20, 2015 10:36:33 AM



Subject:

Sustainable communities and environment conference 2016

To:

Doug Allin 🏻 Sarah Winton

Feb 9-11th 2016 Ottawa. Onto

Hi Doug and Sarah.

I am flying off for 3 weeks, but want to put this back on your radar. I would like to attend that Sustainable Communities (? can't recall exact name at this moment) slated for Feb. 2016 in Ottawa. As this is a central theme to what I do, it would make sense that I attend. Please put this in front of the mayor and ask for council approval so that we can take advantage of the early registration discount.

thank you,

C Ross

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FCM - Program Page 1 of 4





Program

Share This Page



February 9-11, 2016

Streams Innovative and emerging practices Proven good practices

Monday, February 8 | Tuesday, February 9 | Wednesday, February 10 | Thursday, February 11

Monday, February 8

4 - 8 p.m.

Delegate Registration

5 - 6 p.m.

SCC Essentials

6 - 8 p.m.

Social Event: Partners for Climate Protection Pub Social

Back to top

Tuesday, February 9

7 a.m. - 6 p.m.

Delegate Registration

8 - 8:30 a.m.

Continental Breakfast

8:30 a.m. - 4:30 p.m.

Training: Implementing Community-Wide Green Stormwater Infrastructure

8:30 a.m. - 4:30 p.m.

Training: Asset Management for Sustainability: Enabling Integrated Planning and Development Decisions

8:30 a.m. - 4:30 p.m.

Training: Envision®: Unleashing the Power of Lifevele Management

8:30 a.m. - 4:30 p.m.

Training/Study Tour: Cost-Effective and Sustainable Approaches to Brownfield Redevelopment

8:30 a.m. - 4:30 p.m.

Training/Study Tour: Complete Streets in Action: Sustainable Streets for All Road Users

8:30 a.m. - 4:30 p.m.

Training/Study Tour: Best Practice in Wastewater Treatment: Lessons from the Green Municipal Fund and the City of Ottawa 8:30 a.m. - 4:30 p.m. Training: The F-word: Intelligent Failure for a Sustainable Future 12 - 1 p.m. Lunch 1 - 5 p.m. Half-day Training: Applying Tools for Building Resilience in Local Communities 5 - 7 p,m, Welcome Reception Back to top Wednesday, February 10 7 a.m. - 6 p.m. **Delegate Registration** 7:30 a.m. - 4 p.m. **Trade Show** 7:30 - 8:30 a.m. Hot Breakfast 8:30 - 9 a.m. Opening Ceremony 9 - 10 a.m. Opening Keynote 10 - 10:30 a.m. Coffee Break 10:30 a.m. - 12 p.m. Workshop: Exchanging Sustainability Solutions from Around the World 10:30 a.m. - 12 p.m. Workshop: Making Natural Assets Count 10:30 a.m. - 12 p.m. Workshop: The Costs of Not Being Sustainable/Resilient 10:30 a.m. - 12 p.m. Study Tour: Innovative Wastewater and Drinking Water Treatment for Small Communities 12 - 1:30 p.m. Lunch 1:30 - 3:30 p.m. Workshop: Imagining Canada: Enabling Municipal Leadership through the Green Municipal Fund 1:30 - 3:30 p.m. Workshop: To be confirmed 1:30 - 3:30 p.m.

Back to top

Workshop: Lifecycle Assessment as a Standard in Building More Resilient Cities 1:30 - 5 p.m. Study Tour: Agro-Tourism and Sustainable Housing for Small Rural communities 3:30 - 4 p.m. Coffee Break 4 - 5 p.m. Workshop: FCM's Community Infrastructure Partnership Program 4 - 5 p.m. Workshop: Showcasing the 2015 Sustainable Communities Awards Winners 4 - 5 p.m. Workshop: Innovations in Urban Forestry 5 - 7 p.m. Sustainable Communities Awards and PCP Recognition Ceremony Thursday, February 11 7 a.m. - 5 p.m. **Delegate Registration** 7:30 - 8:30 a.m. Continental Breakfast 7:30 a.m. - 4 p.m. Trade Show 8:30 - 10 a.m. Plenary Panel 10 - 10:30 a.m. Coffee Break 10:30 a.m. - 12 p.m. Study Tour: Building Green Residents for Green Buildings 10:30 a.m. - 12 p.m. Workshop: Lean and Green: Efficient Policy Ideas for the Small or Rural Community 10:30 a.m. - 12 p.m. Workshop: Turning Social Capital into Sustainability Success 10:30 a,m, - 12 p,m. Workshop: Community Safety Models 12 - 1:30 p.m. **Lunch and Issues Forum** 1 - 3:30 p.m. Study Tour: Rapid Transit in the City of Ottawa: Past, Present and Future 1:30 - 3:30 p.m.

Workshop: From Crazy to Common Sense: "Radical" Ideas Whose Time Has Come

1:30 - 1:30 p.m.

Workshop: Gamifying Behavior Change: How to Engage Through Technology

1:30 - 3:30 p,m.

Workshop

3:30 - 4 p.m.

Coffee Break

4 - 5:30 p.m.

Closing Plenary

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Page Updated: 08/10/2015 Federation of Canadian Municipalities 24 Clarence Street Ottawa, Ontario K1N 5P3 T. 613-241-5221 F. 613-241-7440

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REQUEST FOR DECISION

— REGULAR MEETING -



To:

Mayor and Council

From:

Manager of Building Inspections & Bylaw Services

Date:

October 15, 2015

Subject:

Amendment Bylaw No. 1957 A-3 to the Municipal Ticketing & Information

Bylaw No. 1957

Recommendation:

RESOLVED THAT COUNCIL receive the Amendment Bylaw No. 1957

A-3 of the Municipal Ticketing & Information Bylaw No. 1957. City Council has given the Bylaw Amendment the first three readings at the September 14, 2015, Regular Meeting. Council may consider giving the Amendment Bylaw No. 1957 A-3 the final reading at the October 26th

2015, Regular Meeting of City Council

BACKGROUND: City council has adopted the Schedule 12 bylaw amendment at the August 17th Regular Council Meeting. The Amendment Bylaw No.1957 A-3 will also be required to complete the bylaw process in order to attach the amended Schedule 12 to the Municipal Ticketing & Information Bylaw No. 1957. As the Schedule was previously introduced staff is proposing that Council give the first three readings of this bylaw amendment at tonight's Council Meeting.

Benefits or Impacts of the Recommendation:

General:

This will allow for better control and enforcement of the bylaw with regard to

Watering Restrictions

Strategic Impact:

N/A

Financial:

N/A

Policy/Legislation:

Council has the authority to amend bylaws.

Attachments:

Amendment Bylaw No. 1957 A-3 and Schedule 12

Recommendation:

RESOLVED THAT COUNCIL receive the Amendment Bylaw No. 1957 A-3 of the Municipal Ticketing & Information Bylaw No. 1957. City Council has given the Bylaw Amendment the first three readings at the September 14, 2015, Regular Meeting. Council may consider giving the Amendment Bylaw No. 1957 A-3 the final reading at the October 26th

2015, Regular Meeting of City Council

REQUEST FOR DECISION — REGULAR MEETING — GRAND FORKS

OPTIONS:

1. RESOLVED THAT COUNCIL RECEIVES THE STAFF REPORT.

2. RESOLVED THAT COUNCIL DOES NOT ACCEPT THE STAFF REPORT.

3. RESOLVED THAT COUNCIL REFERS THE MATTER BACK TO STAFF FOR

FURTHER INFORMATION.

Department Head or CAO

Chief Administrative Officer

THE CORPORATION OF THE CITY OF GRAND FORKS

BYLAW NO. 1957-A3

A Bylaw to Amend the City of Grand Forks Municipal Ticket Information Bylaw No. 1957, 2013

WHEREAS Council may, by bylaw, amend the provisions of the Municipal Ticket Information Bylaw No. 1957, pursuant to the Local Government Act;
AND WHEREAS Council desires to amend the Municipal Ticket Information Bylaw No. 1957, 2013 by adding a Schedule 12, as attached:
NOW THEREFORE Council for the Corporation of the City of Grand Forks, in open meeting assembled, ENACTS , as follows:
 That the Municipal Ticketing Information Bylaw No. 1957, 2013 be amended by adding Schedule 12, as attached:
 That this bylaw may be cited as the "City of Grand Forks Municipal Ticket Information Amendment Bylaw No. 1957-A3, 2015".
READ A FIRST TIME this day of September, 2015.
READ A SECOND TIME this day of September , 2015.
READ A THIRD TIME this day of September, 2015.
FINALLY ADOPTED this day of October, 2015.
Fronk Konrod Mayor
Frank Konrad, Mayor
Diane Heinrich – Corporate Officer

CERTIFICATE

nereby certify the foregoing to be a true copy of Bylaw No. 1957-A3 as passed by t	ne
Municipal Council of the City of Grand Forks on the	
day of October, 2015.	
Corporate Officer for the	
Municipal Council of the City of Grand Forks	

SCHEDULE 12

OF THE MUNICAIPAL TICKETING BYLAW NO. 1957 (Amendment Bylaw 1957, Schedule 12 – A3)

Bylaw No. 1973 "Water Regulations Bylaw"

COLUMN 1	COLUMN 2	COLUMN 3
Stage 1 Regulation Water Outside of Hours		
First Offence	12.12	\$ 50.00
Second Offence	12.12	\$ 100.00
Third Offence	12.12	\$ 150.00
Stage 2 Regulation Water Outside of Hours		
First Offence	12.12	\$ 100.00
Second Offence	12.12	\$ 200.00
Third Offence	12.12	\$ 300.00
Stage 3 Regulation Water Outside of Hours		
First Offence	12.12	\$ 150.00
Second Offence	12.12	\$ 300.00
Third Offence	12.12	\$ 450.00
Stage 4 Regulation – No Watering		
All Offences	12.12	\$ 600.00

REQUEST FOR DECISION

— REGULAR MEETING -



To:

Mayor and Council

From:

Chief Financial Officer

Date:

October 28, 2015

Subject:

2016 Annual Tax Exemption Bylaw No. 2018

Recommendation:

RESOLVED THAT COUNCIL give final reading to Bylaw No. 2018 -

2016 Permissive Tax Exemptions

BACKGROUND:

2016 Annual Tax Exemption Bylaw No. 2018 was presented to the Committee of the Whole on September 14, 2015 for discussion. At the October 13, 2015 Regular Meeting of Council, Council gave first three readings to this bylaw. This bylaw must be passed by October 31, 2015 to exempt properties for 2016.

The bylaw is intended to exempt certain properties used for worship and not-for-profit purposes from taxation in 2016. Authority for this bylaw is given under Section 224 of the Community Charter.

Advertising as required under Section 227 of the Community Charter has been completed on September 16th and September 23rd in the Grand Forks Gazette.

In spring 2016, Council will be presented with a policy regarding permissive tax exemption for review. All organizations affected by this bylaw will be given written notification, as well as notification on the website and in the local newspaper closer to the presentation date.

The bylaw is now presented for final reading.

Benefits or Impacts of the Recommendation:

General: All applicants provide valuable services to the Community. Granting tax

exemptions to these applicants assists the organizations in continuing the operation of their facilities and in providing services to the residents of the

community.

Financial:

Granting permissive tax exemptions to the properties listed above will reduce

taxes collectible by the City by approximately \$31,668

Policy/Legislation:

Section 224 of the Community Charter

Attachments:

2016 Annual Tax Exemption Bylaw No. 2018

Draft letter to organizations currently receiving permissive exemptions

REQUEST FOR DECISION

— REGULAR MEETING -



Recommendation:

RESOLVED THAT COUNCIL give final reading to Bylaw No. 2018 -

2016 Permissive Tax Exemptions

OPTIONS:

1. RESOLVED THAT COUNCILRECEIVES THE STAFF REPORT.

2. RESOLVED THAT COUNCIL DOES NOT ACCEPT THE STAFF REPORT.

3. RESOLVED THAT COUNCIL REFERS THE MATTER BACK TO STAFF FOR

FURTHER INFORMATION.

Department Head or CAO

Chief Administrative Officer

THE CORPORATION OF THE CITY OF GRAND FORKS

BYLAW NO. 2018

A Bylaw to Exempt from Taxation Certain Parcels of Land Used for Religious Worship Purposes, Hospital Purposes, Recreation Purposes and Charitable or Philanthropic Purposes Pursuant to the Provisions of the Community Charter

WHEREAS it is deemed expedient to exempt certain parcels of land from taxation for the fiscal year ended December 31, 2016;

AND WHEREAS subject to the provisions of Section 224 of the <u>Community Charter</u>, the Council may, prior to the 31st day of October in any year, by bylaw, exempt lands and improvements from taxation in the following year;

NOW THEREFORE, that Council of the City of Grand Forks, in open meeting assembled, **ENACTS**, as follows:

- 1. Pursuant to Section 224(2)(f) of the <u>Community Charter</u>, there shall be exempt from taxation for the fiscal year ended December 31, 2016 with respect to land and improvements, the following parcels of land:
 - Lots 1 and 2, Block 36, District Lot 108, S.D.Y.D., Plan 72, located at 920 Central Avenue as shown outlined in bold on a sketch attached hereto and marked as Schedule "A" (United Church); and
 - That portion of Lot 1, District Lot 520, S.D.Y.D., Plan 8653, except Plan H-17064, located at 2826 75th Avenue and described as follows Commencing at the most northerly corner of said Lot 1; thence southeasterly following in the easterly limit of said Lot 1 for 35.50 metres, thence southwesterly, perpendicular to the said easterly limit, for 30.00 metres, thence northwesterly, parallel with the said easterly limit, for 35.50 metres more or less to the intersection with the northerly limit of said Lot 1, thence northeasterly, following in the said northerly limit for 30.00 metres more or less to the point of commencement and containing an area of 1,065 square metres, more or less as shown outlined in bold on a sketch attached hereto and marked as Schedule "B" (Pentecostal Church); and
 - Lots 30, 31 and 32, Block 36, District Lot 108, S.D.Y.D., Plan 72 located at 7249 9th Street as shown outlined in bold on a sketch attached hereto and marked as Schedule "C" (Catholic Church); and

- That portion of Parcel D (KM26760), Block 24, District Lot 108, S.D.Y.D., Plan 23; located at 7252 7th Street as shown outlined in bold on a sketch attached hereto and marked Schedule "D" (Anglican Church); and
- That portion of Lot G, District Lot 380, S.D.Y.D., Plan KAP56079, located at 7048 Donaldson Drive and described as follows commencing in the southerly boundary of said Lot G distant 13 metres from the most westerly corner of said Lot G: thence northerly, parallel with the westerly boundary of said Lot G, for 38.1 metres more or less to intersection with the northerly boundary of said Lot G, thence easterly following in the northerly boundary of said Lot G for 71 metres, thence southerly, parallel with the said westerly boundary, for 38.1 metres more or less to intersection with the said southerly boundary, thence westerly, following in the said southerly boundary for 71 metres more or less to the point of commencement and containing 2705 square metres as shown outlined in bold on a sketch attached hereto and marked as Schedule "E" (Mennonite Brethren Church); and;
- That portion of Parcel A, (X23915), Block 16, District Lot 380, S.D.Y.D., Plan 35 located at 7328 19th Street and described as follows commencing at the most southerly corner of said Parcel "A"; thence northwesterly following in the westerly limit of said Parcel "A", for 17.00 metres; thence northeasterly, perpendicular to the said westerly limit for 24.60 metres; thence southeasterly, parallel with the said westerly limit for 17.00 metres more or less to intersection with the southerly limit of said Parcel "A"; thence southwesterly following in the said southerly limit for 24.60 metres more or less to the point of commencement and containing an area of 418.2 square metres more or less as shown outlined in bold on a sketch attached hereto and marked as Schedule "F" (Christ Lutheran Church of Grand Forks); and;
- That portion of Lot 1, District Lot 108, S.D.Y.D., Plan KAP45199 located at 7525 4th Street and described as follows commencing at the most easterly corner of said Lot 1; thence northerly following in the easterly limit of said Lot 1, for 23.20 metres; thence westerly, parallel with the southerly limit of said Lot 1, for 29.00 metres; thence southerly, parallel with the easterly limit of said Lot 1, for 23.20 metres more or less to intersection with the said southerly limit; thence easterly following in the said southerly limit; thence easterly following in the said southerly limit for 29.00 metres more or less to the point of commencement and containing 672.8 square metres more or less as shown outlined in bold on a sketch attached hereto and marked as Schedule "G" (Grand Forks Christian Centre Church); and

- Commencing at a point in the westerly boundary of Lot 2, District Lot 520, S.D.Y.D., Plan KAP53800, located at 7680 Donaldson Drive and described as follows distant 28.6 metres from the most southerly corner of said Lot 2: thence northerly following in the westerly boundary for 25.1 metres, thence easterly, perpendicular to the said westerly boundary for 35.05 metres more or less to intersection with the easterly boundary of said Lot 2, thence southerly following in the said easterly boundary for 25.1 metres, thence westerly, perpendicular to the said westerly boundary for 35.05 metres more or less to the point of commencement and containing 880 square metres more or less as shown outlined in bold on a sketch attached hereto marked as Schedule "H" (Jehovah's Witnesses Church).
- That portion of Lot 1, D.L. 520 SDYD, Plan KAP77684, measuring 193 square meters on the northerly portion of the lot, and located at 2495 76th Avenue, as shown outlined on a sketch attached hereto marked as Schedule "I" (First Baptist Church Congregation)
- 2. Pursuant to Section 224(2)(h) of the <u>Community Charter</u>, there shall be exempt from taxation for the fiscal year ended December 31, 2016 with respect to land and improvements, the following parcel of land:
 - Lot A, District Lot 520, S.D.Y.D., Plan EEP11735, located at 7649 -22nd Street (Interior Health Authority).
- Pursuant to Section 224(2)(i) of the <u>Community Charter</u>, there shall be exempt from taxation for the fiscal year ended December 31st, 2016 with respect to land and improvements, the following parcels of land:
 - Lot 1, District Lot 380, S.D.Y.D., Plan KAP54909 located at 7230 -21st Street (Grand Forks Curling Club);
- 4. Pursuant to Section 224(2)(a) of the <u>Community Charter</u>, there shall be exempt from taxation for the fiscal year ended December 31st, 2016 with respect to land and improvements, the following parcels of land:
 - Lot 5, Block 10, District Lot 108, S.D.Y.D., Plan 23, located at 366
 Market Avenue (Grand Forks Masonic Building Society); and
 - Lot A, District Lot 108, S.D.Y.D., Plan 38294, located at 978 72nd
 Avenue (Sunshine Valley Little Peoples Centre);
 - Lot 8, Block 25, Plan 23, District Lot 108, S.D.Y.D. located at 686 72nd Avenue (Slavonic Seniors Citizens Centre).

- Lot A (DD LA9161), District Lot 108, S.D.Y.D., Plan 6691, located at 7239 2nd Street (Hospital Auxiliary Thrift Shop)
- Lots 23, 24, 25 and 26, Block 29, District Lot 108, S.D.Y.D., Plan 121, located at 7353 6th Street (Royal Canadian Legion)
- Lots 10 and 17 20, Block 18, Plan 86, District Lot 108, S.D.Y.D. located at 565 71st Avenue (City Park) (Seniors Citizens Centre).
- Parcel B, Block 45, District Lot 108, Plan 72, located at 876 72nd
 Avenue (Phoenix Manor Society).
 - Lot A, Plan 29781, District Lot 108, Land District 54, located on **7130**-9th Street (Boundary Lodge).
- Lot 1, District Lot 108, Plan EPP 32379 located at **7212 Riverside** Drive (Whispers of Hope/BETHS);
- 5. This bylaw may be cited, for all purposes as the "2016 Annual Tax Exemption Bylaw No. 2018".

INTRODUCED this 14th day of September, 2015.

Read a FIRST time this 13th day of October, 2015.

Read a **SECOND** time this 13th day of October, 2015,

Read a **THIRD** time this 13th day of October, 2015.

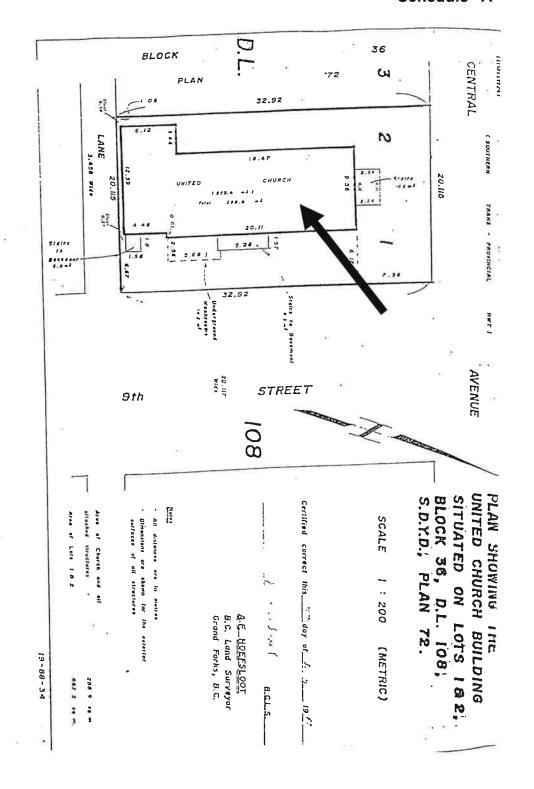
FINALLY ADOPTED this 26th day of October, 2015.

Mayor Frank Konrad	Corporate Officer – Diane Heinrich

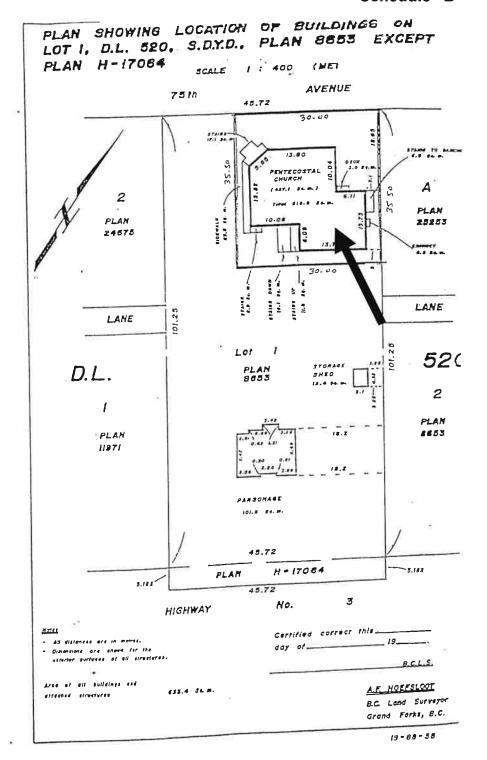
CERTIFICATE

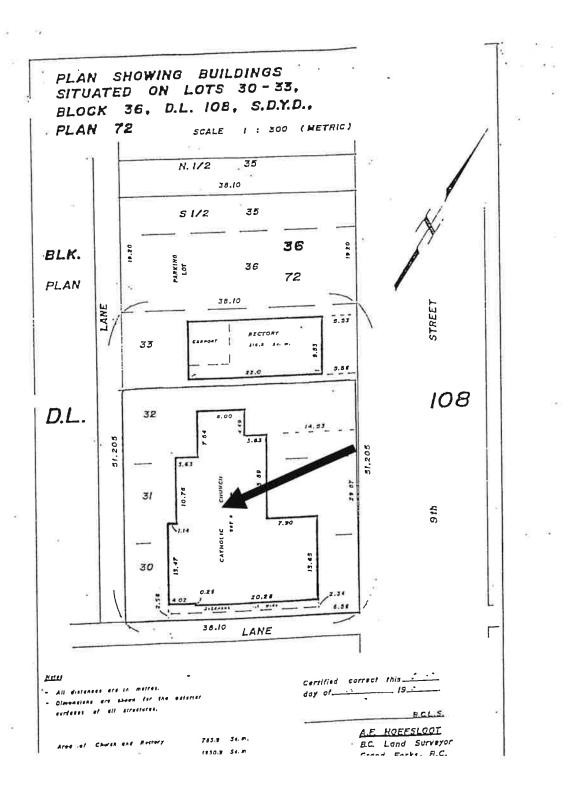
I hereby certify the foregoing to be a true copas as adopted on the day of _	-
Corporate Officer of the Municipa of the City of Grand Fork	

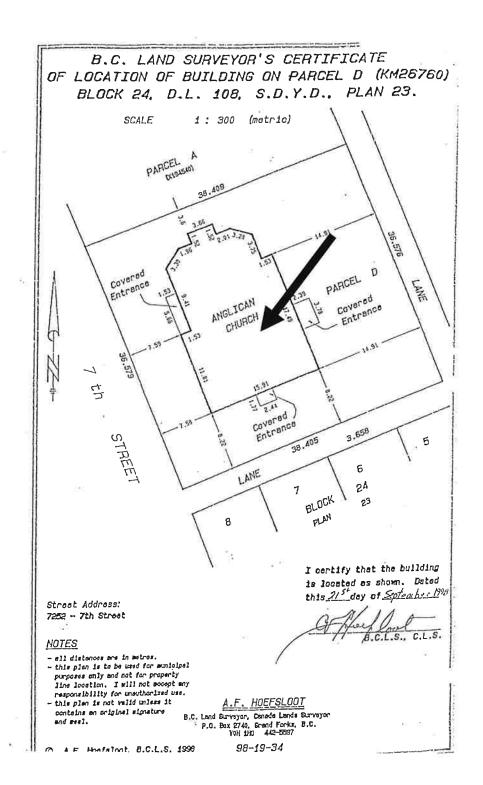
Schedule "A"



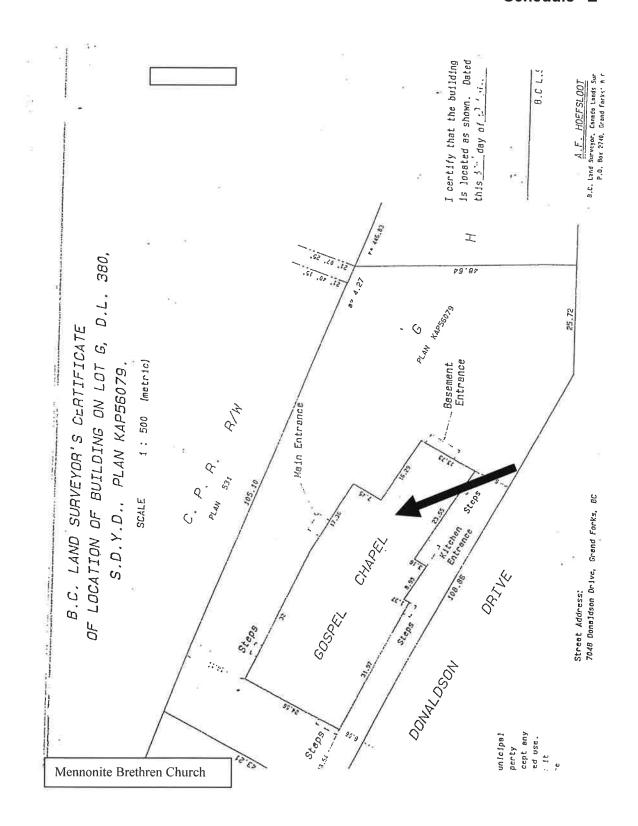
Schedule "B"



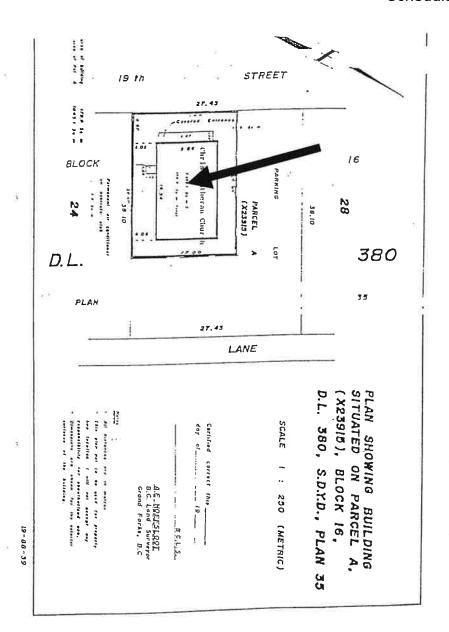




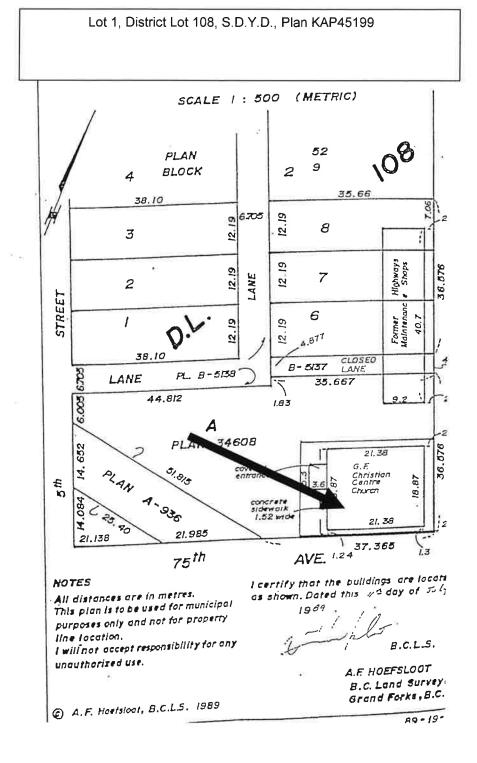
Schedule "E"



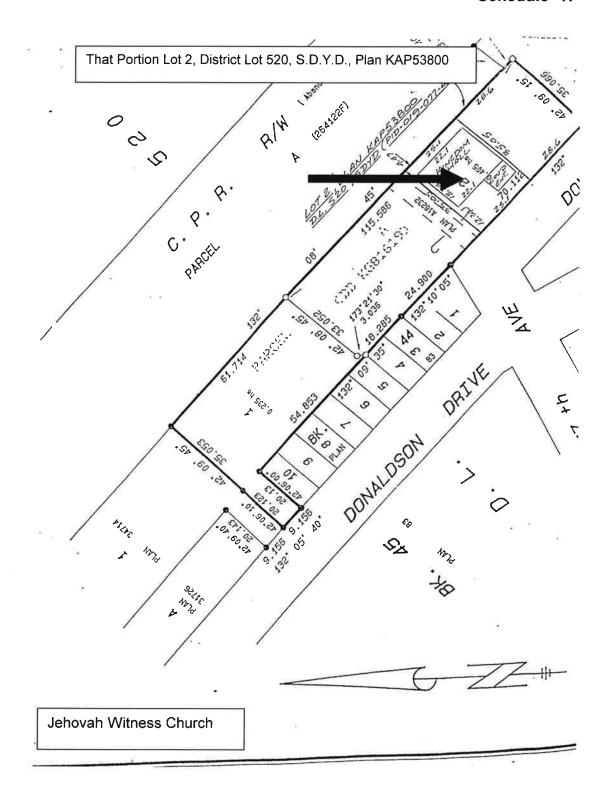
Schedule "F"

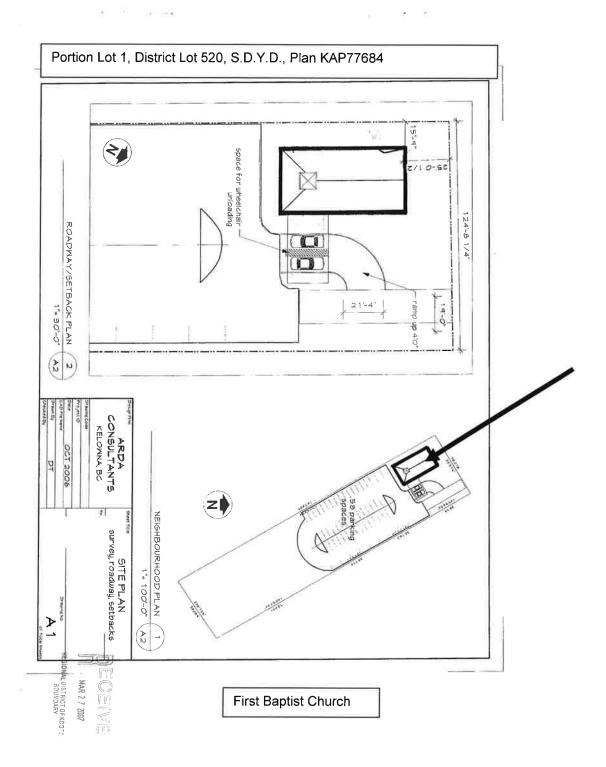


Christ Lutheran Church



Schedule "H"





THE CORPORATION OF THE CITY OF GRAND FORKS





Date, 2016

Permissive Organization PO Box Grand Forks, BC V0H 1H0

Dear Organization;

At the Regular meeting on October 13, 2015 Council gave first three readings to the 2016 Permissive Tax Exemption bylaw. This bylaw is expected to receive final reading on October 26, 2015. This bylaw will exempt your organization from property taxes for the 2016 taxation year.

At the Regular meeting, Council also expressed a desire to thoroughly review the yearly permissive exemptions for the 2017 taxation year. To this end, staff will be presenting a Permissive Exemptions Policy to Council at a Committee of the Whole (COTW) meeting in the spring of 2016 for their approval. This policy will be used as a guideline for Council to allocate the 2017 permissive exemptions. There may be other procedural changes in the 2017 permissive exemption process. The City will send correspondence as soon as the details are known.

You are cordially invited to attend the Committee of the Whole meeting in the spring when this issue is discussed. If you are planning on applying for a 2017 permissive tax exemption, please check the Committee of the Whole agendas posted on the City website to confirm dates of discussion.

If you have any questions regarding permissive tax exemptions, please contact me.

Sincerely,

Roxanne Shepherd, BBA, CGA Chief Financial Officer City of Grand Forks rshepherd@grandforks.ca

Website: www.grandforks.ca Email: info@grandforks.ca Page 106 of 106