REPORT TO COUNCIL Memorandum

Date: December 15, 2025	File: 530.20/Rpts					
To: Council	From: Chief Administrative Officer					
Re: Barriere Chamber of Commerce – Storage Space						

Purpose

To provide Council with background information on discussions with the Barriere and Area Chamber of Commerce (the Chamber) regarding the storage space in the Barriere Business Center (BBC).

Background

In October and November 2025, District staff began discussions with the Chamber about the usage of the storage space within the BBC. This particular storage space was intended as secure off-site storage for the sole use of the District when the BBC layout was designed. However, over the past year, the Chamber has temporarily been using the space to store some of their items.

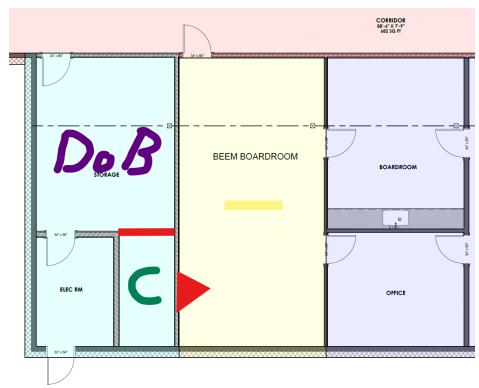
Further, challenges seem to arise with the lease agreement that is in place with the Chamber compared to the actual layout maps that were provided, highlighting a discrepancy in square footage, depending on how the maps are viewed. To discuss this space issue and a few other items, Staff met with the President and the Office Manager for the Chamber in late November to seek a mutually agreeable compromise to the various items.

Below are the Chamber prepared notes. District Staff had input into the notes and have provided further comments via email to the Chamber to ensure all items were documented. Some District comments remained in the information below to provide context on the District's position.

Storage Space

It is suggested that a wall be erected in the current storage area to create a space of approx. 100 sq. ft. A door could be installed between the Flume boardroom and the storage room to ensure Chamber members/employees could not access the secure portion of the DOB's area. A ceiling will need to be installed in the 100 sq. ft. area for security requirements of the DOB. The Chamber will consider being responsible for the material costs of this renovation to their area (1/2 of the wall and a door plus ceiling materials) in their 100 sq. ft. area. The DOB would be responsible for the installation and related costs. Once the DOB has a cost quote for the Chamber's portion, it will be provided to the Chamber. The DOB is welcomed to use Chamber members to complete the renovation if they deem it appropriate. There is an understanding that it may not be appropriate for continuity reasons etc. Both the DOB mayor/council and the Chamber Board of Directors will be consulted independently, and we will speak about it with each other again once that occurs to see if this plan-in-principle is approved. It is understood that the change is hoped to have occurred by early in 2026...December 2025 if possible.

<u>DOB comment:</u> The below rough sketch shows the proposed reconfiguration as suggested by the Chamber:



Red Triangle = Door, Red Line = partition wall, small space is for the Chamber, large space is for DoB secure storage.

Storage Space Consideration:

THAT Council directs staff to support the Chamber's request to create a small storage space for their use as provided in the sketch drawing, AND THAT the large storage space be adequately secured for District of Barriere use only, AND FURTHER THAT Council authorizes these construction expenses, estimated at up to \$7,500 to be funded from operations with the costs to be shared with the Barriere Chamber of Commerce as deemed reasonable by Staff.

Open House / Stakeholder meeting and Survey

- In the second quarter of 2026 between March and June, the Chamber will host
 a collaborative stakeholder meeting for businesses, stakeholders, and Simpcw First Nations
 to help determine the needs of the area and discuss economic development opportunities.
 DOB and the Chamber will collaborate on the stakeholder list to be completed on or before
 the end of January 2026.
- The Chamber will send out a survey to businesses, stakeholders, Simpcw First Nations, and the public to help understand, among other things, why people live in Kamloops (or elsewhere) but work in Barriere. Why don't they live in Barriere? Also, if it's housing issues, what type of housing needs are there for example, rentals vs. owning, 1 bedroom, 2 bedroom, 3 or more, if owning up to \$200K, up to 400K, up to 600K, or above, etc.

Building Management

- The Chamber Manager will show Unit 4 to prospective renters as requested and share related information with the DOB. The DOB will create a FAQ's sheet(s) of information for the Chamber Manager to answer questions. This will occur until the space is rented (fingers crossed) or the term of the lease. No additional payment will be forthcoming to the Chamber for this service as it falls under building management.
- The District will work on a contact list for various potential facility related scenarios.
- <u>DOB comment:</u> The District is also working on a "cheat sheet" regarding the Unit 4 lease/rental right now.

Thompson Rivers University

Learning Center: currently the Learning Center is not an actual center and Thompson Rivers
University is not sub-letting from the Chamber. No physical alterations of the area are
required. If this arrangement changes to utilize a designated space needing space division
walls for use by a sub-letter on a semi-permanent basis sub-lease instead of the current
more ad-hoc solution for TRU, a written request should be sent to Council to consider
approval of such utilization prior to the sub-leasing of the space.

Wayfinding Project

- In regard to the Wayfinding Project, the Chamber is coordinating it in collaboration with the DOB. The current \$50,000 is for Phase 1 of the project. Approximately \$40,000 will go to TRUE Consulting. \$5000 will go to the Chamber and \$5000 will go to the DOB. Once we go to Phase 2, financial discussions will occur to determine further fund sharing. We will follow the steps laid out by TRUE. Jamie Mosdell will be copied along with Tasha and Daniel on emails regarding this project. There's an understanding that the Wayfinding Project needs to be completed by May 2026 under the grant requirements. The District is working on a simple agreement to formalize the proposed project in writing and intends to send a draft to the Chamber within 2 weeks. We will try to codify these requirements in an agreement.
- <u>DOB comment:</u> The DOB would not take any funds from the project, the DOB would simply contribute less as others are covering some of the costs.
- <u>DOB comment:</u> The District is working on an agreement right now and should have a draft to you by end of the week.

REDIP

 Should the REDIP be approved, some of the funds will cover at least part of Phase 2 of the Wayfinding Project. We will have further financial discussions if the REDIP grant is approved early in 2026. This will result in a written and negotiated understanding of responsibilities, accountability and financial supports drafted by the DOB. Additionally, if the REDIP is not granted to DOB, further discussions will be needed to determine next steps.

Documentation / Future Agreements

 Both the DOB and the Chamber would appreciate more forms of written documentation between them in the future. Not so many that we're buried in paperwork and spending hours debating the document but enough to ensure that our agreements are clear and able to be referred back to as needed.

Next Steps

- Regarding the Storage Space, Council would need to approve the use of operational funds to procure materials and contractors as needed to create the dedicated spaces.
- Other items would be brought back to Council as needed.

Attachments

1. Chamber Lease Agreement – current – dated June 1, 2024

Prepared by:

D. Drexler, Chief Administrative Officer

THIS **LEASE** made effective the 1st day of June, 2024.

BETWEEN:

THE DISTRICT OF BARRIERE, a local government incorporated under the laws of British Columbia and having an office at BOX 219, 4936 BARRIERE TOWN ROAD, BARRIERE, BC V0E 1E0

(hereinafter called the "Landlord")

OF THE FIRST PART

AND:

BARRIERE AND AREA CHAMBER OF COMMERCE, an entity established under the laws of Canada and having an office at 4605 Barriere Town Road, BC V0E 1E0

(hereinafter called the "Tenant")

OF THE SECOND PART

WITNESSETH that in consideration of the rents, covenants, and agreements hereinafter reserved and contained on the part of the Landlord and the Tenant to be respectively paid, kept, observed and performed the Landlord and the Tenant covenant and agree each with the other as follows:

1 PREMISES

1.1 The Landlord does demise and lease unto the Tenant and the Tenant does hereby take on lease from the Landlord, the premises comprising an area of 2070 square feet, more or less, in the building (the "Building") located at 4605 Barriere Town Road, Barriere, more particularly described as:

Parcel Identifier: 018-718-990

LOT 1, PLAN KAP52101, DISTRICT LOT 1445, KAMLOOPS DIV OF YALE LAND DISTRICT.

(the "Property") and shown outlined in bold on the Sketch Plan(s) attached hereto as Schedule "B" (hereinafter referred to as the "Premises").

The Total Rentable Area of the Property is 8,953 square feet ("Total Rentable Area") and the "Premises" represent 23.12% thereof (the "Tenant's Proportionate Share").

2 TERM AND RENEWAL

- 2.1 This Lease and the rent shall commence on June 1, 2024 for a term of one (5) years and terminating on May 31, 2029 (the "Term").
- 2.2 The Tenant shall have no right of renewal. If the at the end of the Term, the Tenant is not then in default of its material obligations under the Lease, the Landlord will negotiate in good faith with the Tenant to enter into a new lease, which shall contain similar covenants

and provisos contained in this Lease, with the Basic Rent being equivalent to the then fair market rent for similar premises in a similar location.

3 INTENT CLAUSE

3.1 Subject to the provisions of this Lease, the Landlord and the Tenant agree that it is their mutual intention that this Lease shall be a completely carefree net lease for the Landlord, and that the Landlord shall not be responsible during the term of the Lease for any costs, charges, expenses or outlays of any nature whatsoever arising from or relating to the Premises or the contents thereof, excepting only carbon taxes, the Landlord's income tax in respect of income received from leasing the Premises, or any other taxes which are now or may hereafter be personal to the Landlord, and any payments to be made in connection with any mortgage or mortgages affecting the Premises and those other charges specifically enumerated in Schedule "A" attached hereto and designated "Provided by Landlord, Costs Included in Basic Rent".

4 BASIC RENT

- The Tenant covenants to pay to the Landlord during the Term of the Lease rent (the "Basic Rent") in the sum of \$1.00 + GST per annum, payable annually by July 1st.
- The Tenant shall not be required to pay Basic Rent or Additional Rent during the first month of the Term of the Lease (the "Rent Free Period").

5 ADDITIONAL RENT - PROPERTY AND OPERATING COSTS AND EXPENSES

- 5.1 The Tenant covenants with the Landlord to pay as rent in addition to the Basic Rent referred to in Section 4.1, the Tenant's Proportionate Share of all the property and operating costs and expenses relating to the Premises including, but not limited to, those set out and calculated in accordance with Schedule "A" attached hereto, but excluding structural or foundational repairs, costs of remedying construction inadequacies with respect to the landlord's improvements, structural defects, and all such costs determined by separate assessment or otherwise incurred for the exclusive benefit of the premises leased by the Tenant or any other tenant of the Property and billed to and paid for directly by the Tenant or such other tenant (hereinafter collectively referred to as "Additional Rent"). The Additional Rent shall be paid by the Tenant to the Landlord monthly in addition to the Basic Rent or within ten (10) days of invoice, whichever is the earlier date.
- Property and operating costs shall include all assessments, promotions, fees, levies, and outstanding penalties payable to the District of Barriere for the Premises, all utilities, municipal and otherwise (unless separately metered), all licenses required for the Premises and the operation of the Tenant's business. All insurance premiums paid by the Landlord with respect to the Premises, any heating, hydro, ventilation, air conditioning, sprinkler systems, service contracts for the Premises, fire department service costs, and any equipment repair, maintenance, or replacement relating to the Premises, except as otherwise noted in this Lease. The Tenant acknowledges and agrees that property and operating costs are variable and may change from year to year.
- 5.3 With respect to the property tax portion of the property and operating costs, the Landlord and the Tenant agree that as of the date of this Lease, the Premises are taxable unless the Tenant qualifies for a permissive exemption.
- 5.4 For any renewal of this Lease, prior to the commencement of each year of any renewal term, the Landlord will provide the Tenant with a pre-estimate of the operating costs relating to the Premises for the ensuing year. Within Ninety (90) days of the end of each year of

the Term or additional Term as the case may be the Landlord will deliver to the Tenant a statement of the actual operating costs and taxes and the Tenant's Proportionate Share, and thereafter any excess payment by the Tenant will be immediately reimbursed by the Landlord and any shortfall will immediately be paid to the Landlord by the Tenant. Upon request by the Tenant made within ninety (90) days of delivery of the annual statement, the Landlord shall provide or make reasonably available to the Tenant such supporting documentation, including copies of material invoices, reasonably necessary to substantiate the calculations by the Landlord in such statement.

The Tenant agrees to pay to the Landlord all taxes required to be paid on any portion of the Basic Rent or Additional Rent (including but not limited to GST) to be paid at the same time that the Basic Rent or Additional Rent is payable.

6 USE

- 6.1 The Premises shall be used solely for Chamber of Commerce business and ancillary activities
- 6.2 The Tenant shall not do or permit to be done at the Premises anything which may:
 - (a) cause damage to the Premises;
 - (b) cause injury or annoyance to occupants of neighbouring premises;
 - (c) make void or voidable any insurance upon the Premises; or
 - (d) constitute a breach of any by-law, statute, order or regulation of any municipal, provincial, or other competent authority relating to the Premises.
- 6.3 The Landlord shall not do or permit to be done at the Property anything which may constitute a breach of any by-law, statute, order or regulation of any municipal, provincial, or other competent authority relating to the Property.

7 SECOND MONTH'S RENT AND SECURITY DEPOSIT

7.1 The Tenant agrees to pay to the Landlord or its authorized agent the following amounts prior to the commencement of the Term:

7.2 The Security Deposit will be returned without interest to the Tenant within thirty (30) days

Security Deposit \$0.00

- of the completion of the Term or renewal thereof provided that all terms, covenants and conditions of the Lease have been complied with and the Premises are left clean and in good condition, reasonable wear and tear excepted.
- 7.3 The Landlord may set off against the Security Deposit the amount of any damage or loss suffered by the Landlord as a result of the failure of the Tenant to fulfill its obligations under this Lease. The Landlord shall have thirty (30) days following the end of Term or earlier termination of the Lease in order to determine any such loss or damage.

8 INTEREST ON AMOUNTS IN ARREARS

All Basic Rent, Additional Rent or other amounts owing to the Landlord under this Lease in arrears and all sums paid by the Landlord for expenses incurred which should have been paid by the Tenant shall bear interest from the date payment was due, or made, or the expense incurred at a rate of ten percent (10%) per annum.

9 RENT PAYEE

9.1 Unless otherwise directed in writing by the Landlord, all payments to be made by the Tenant under this Lease are to be made payable to:

DISTRICT OF BARRIERE

BOX 219, 4936 BARRIERE TOWN ROAD, BARRIERE, BC V0E 1E0

10 BUSINESS TAX

10.1 The Tenant further agrees to pay all business, sales, machinery or other taxes, charges and license fees levied or imposed by any competent authority in respect to the Tenant's income, business, sales, assets, leasing or otherwise, and any federal sales or Goods and Services Tax which may be levied as a percentage of any rent.

11 INSURANCE RISK

- 11.1 The Tenant shall pay for any increase in the fire or other insurance rate of the Property if caused by the Tenant's use of the Premises.
- 11.2 If any insurer under any insurance policy covering any part of the Property or any occupant thereof cancels or threatens to cancel its insurance policy or reduces or threatens to reduce coverage under such policy by reason of the use of the Premises by the Tenant or by any assignee or subtenant of the Tenant, or by anyone permitted by the Tenant to be on the Premises, the Tenant shall remedy such condition within 48 hours after notice thereof by the Landlord.

12 MAINTENANCE AND REPAIRS

- 12.1 The Tenant covenants that during the Term of the lease and any extension thereof the Tenant will at its own expense (to the extent that no new construction warranty is available to the Landlord), maintain the Premises (including improvements, trade fixtures, overhead doors, passage doors, windows and plate glass) in good condition and repair and promptly perform all normal Tenant repairs, including but not limited to, those repairs identified in Schedule "A", provided that improvements and repairs which are not day to day repairs shall not be made without the prior written consent of the Landlord, such consent not to be unreasonably withheld.
- 12.2 The Tenant shall permit the Landlord or a person authorized by the Landlord to enter the Premises during business hours upon reasonable notice to examine the condition thereof and view the state of repairs:
 - (a) and if upon such examination repairs are found to be necessary, written notice of the repairs required shall be given to the Tenant by or on behalf of the Landlord

- and the Tenant shall make the necessary repairs within the time specified in the notice;
- (b) and if the Tenant refuses or neglects to keep the Premises in good repair the Landlord may, but shall not be obliged to, make any necessary repairs, and shall be permitted to enter the Premises, by itself or its servants or agents, for the purpose of effecting the repairs without being liable to the Tenant for any loss, damage or inconvenience to the Tenant in connection with the Landlord's entry and repairs, and if the Landlord makes repairs the Tenant shall pay the cost of them as Additional Rent within ten (10) days of invoice by the Landlord.
- 12.3 Upon the expiry of the Term or other determination of this Lease, the Tenant agrees to peaceably surrender the Premises, including any alternations or additions made thereto, to the Landlord in a state of good repair, reasonable wear and tear, damage by fire and any other perils against which the Landlord is required to insure for pursuant to the terms of this Lease, and repairs and maintenance for which the Landlord is responsible pursuant to the terms of this Lease.
- The Tenant shall give immediate written notice to the Landlord of any substantial damage that occurs to the Premises from any cause, of which the Tenant becomes aware.

13 **INSURANCE**

- 13.1 During the Term of the Lease and any extension thereof the Tenant shall at its own costs, take out and maintain general liability insurance, insurance upon all glass and plate glass in the Premises, fire insurance on its fixtures and stock-in-trade to the full insurable value thereof and Tenant general liability insurance all in amounts and in form acceptable to the Landlord. The Landlord shall be named as first loss payee pursuant to such policy of insurance and the Tenant shall, prior to the commencement of the term of this Lease and on each anniversary date thereafter and upon request by the Landlord at any other time, provide the Landlord with proof of such insurance in a form acceptable to the Landlord.
- During the Term of the Lease and any renewal thereof the Landlord shall at its own costs, take out and maintain in the name of the Landlord, the following insurance:
 - (a) insurance on the Property, its income therefrom, and the machinery, boilers, pressure vessels and equipment contained therein (other than insurance on any property which the Tenant is obliged to insure under the provisions of Section 13.1 and other than any insurance which other tenants are obliged to maintain under the provisions of their leases), in such amounts and with such insurers as would a prudent landlord;
 - (b) liability insurance for injury, death and property damage in such amounts as would a prudent landlord; and
 - (c) such other insurance with respect to the Property and Building, and improvements, equipment and other property thereon owned or operated by the Landlord or for which the Landlord is legally liable, in such manner and form, with such companies and such coverages and in such amounts as would a prudent landlord.

14 RULES AND REGULATIONS

14.1 The Tenant and all persons entering the Premises with the Tenant's authority or permission shall comply with all such rules and regulations as the Landlord may reasonably deem necessary for the good reputation, safety, care, cleanliness and appearance of the

Premises and Common Areas of the property and shall comply with motor vehicle parking regulations, all of which form part of this Lease whether in existence at the time of this Lease or made by the Landlord from time to time, so long as such rules and regulations do not discriminate against the Tenant. In the event of any conflict or inconsistency between such rules and regulations and the provisions of this Lease, the provisions of this Lease shall prevail.

15 **RENOVATIONS**

- 15.1 If the Tenant desires, the Tenant covenants with the Landlord to renovate and/or redecorate the Premises at the Tenant's expense, provided that any renovations or redecoration shall not be undertaken without the prior written consent of the Landlord, such consent not to be unreasonably withheld. In conjunction with the entering into of this Lease, the Tenant covenants to complete the Tenant's Improvements as set out in Schedule "C" attached hereto and the Landlord hereby provides its consent to such Tenant's Improvements, such consent not to be unreasonably withheld. Provided further that no projecting or overhanging signs shall be permitted and any signs erected or to be erected by the Tenant must be approved in writing by the Landlord prior to installation, such approval not to be unreasonably withheld.
- The Tenant agrees, at its own expense, and by whatever means may be reasonably necessary, immediately to obtain the release or discharge of any encumbrance that may be registered against the Landlord's property in connection with any additions or alterations to the Premises made by the Tenant or in connection with any other activity of the Tenant.
- 15.3 The Tenant will indemnify and save harmless the Landlord from and against any and all manner of claims or liens for wages or materials, or for damage to persons or property caused during the removal of any fixtures installed by the Tenant, or in the making of or in connection with any repairs, alterations, installations and additions which the Tenant shall make or cause to be made on the Premises; and the Tenant agrees that the Landlord shall be entitled to register a Notice of Interest under the *Builders' Lien Act* in the Land Title Office as against the title to the Property and if desired by the Landlord to post and keep posted on the Premises any notice that it may desire to post under the provisions of the *Builders' Lien Act*.

16 FIXTURES AND LEASEHOLD IMPROVEMENTS

- 16.1 All fixtures, chattels and equipment on the Premises at the commencement of the Term of this Lease are deemed to be the fixtures, chattels and equipment of the Landlord and shall remain as such regardless of the use thereof by the Tenant.
- The Tenant, at its own expense, is to provide, install and maintain the lighting fixtures required by it and to complete all Tenant's work including display lighting and fixtures. All work performed by the Tenant upon the Premises shall be done in a good workmanlike manner with first class materials, and in compliance with such reasonable rules and regulations as the Landlord or its agents or contractors may make.
- All fixtures, trade fixtures, equipment and other items installed onto the Premises by the Tenant shall be deemed to be fixtures and shall immediately become the property of the Landlord without compensation to the Tenant upon their being installed on the Premises. Provided, however, that the Tenant shall be at liberty to remove the trade fixtures so installed by the Tenant at any time prior to the expiry of the Lease by effluxion of time, provided that the Tenant is not in default hereunder. If the Tenant is in default hereunder, or in the event that the Lease shall end as a result of default by the Tenant, then such trade fixtures shall remain the property of the Landlord and shall not be removable by the Tenant.

- Notwithstanding anything else in this Section, at the end of this Lease, the Tenant shall remove any fixtures or additions as the Landlord may reasonably require to be removed.
- All leasehold improvements made to the Premises after the commencement of this Lease may at the Landlord's option, upon termination of this Lease, be and become the Landlord's property without compensation in any manner to the Tenant. No leasehold improvements shall be removed by the Tenant from the Premises either during or at the expiration or sooner termination of the term of this Lease except that the Tenant shall, at the expiry or earlier termination of the term, removed such of the leasehold improvements as the Landlord requires the Tenant to remove, and the Tenant shall repair any damage caused to the Premises by the removal of such leasehold improvements.
- The Tenant covenants that should it intend to remove the Tenant's fixtures or the leasehold improvements in accordance with subsection 16.3 and 16.4 respectively, it shall, prior to such removal, notify the Landlord of such intention. The Landlord shall then be at liberty to view, the Premises and require that the Tenant post a bond in a sum, which in the sole opinion of the Landlord, is necessary, to repair the Premises so as to place them in the condition which they were in prior to the placement or installation of the Tenant's fixtures or leasehold improvements. Such bond shall be drawn on a bonding company acceptable to the Landlord and such bond shall be payable and capable of being drawn upon by the Landlord at any time so the Landlord may effect such repairs as are necessary to repair any damage caused by the removal of the Tenant's fixtures or the leasehold improvements as the case may be.
- The Tenant covenants and agrees that upon removal of the Tenant's fixtures or leasehold improvements in accordance with subsection 16.3 and 16.4 hereof, the Tenant shall repair any damages caused by their installation or removal.

17 <u>USE OF PREMISES</u>

- 17.1 The Tenant covenants to conduct its business in and use the whole of the Premises continuously throughout the Term of the Lease and any extension thereof.
- 17.2 The Tenant acknowledges that given the nature of the Property, it is especially important that parking areas at the front of the Building be left available for customers of the tenants of the Building. Accordingly, the Landlord may prohibit the Tenant and its officers and employees from parking anywhere in the Property. The Tenant agrees that there are no designated or reserved parking areas for the Tenant.
- 17.3 The use and occupation of the Premises by the Tenant will include the non-exclusive licence to use, in common with others so entitled, the Common Areas and Facilities, subject to this Lease and to the exclusive control, management, and direction of the Landlord. The Common Areas and Facilities will at all times be subject to the exclusive control and management of the Landlord and will be provided or designated by the Landlord from time to time for the general use by or for the benefit of the Tenant and its employees, invitees, and licensees in common with the other tenants of the Landlord and such others as may be designated by the Landlord. The Landlord has the right from time to time to establish, modify, and enforce rules and regulations with respect to the Common Areas and Facilities, including those related to their use, maintenance, and operation, and the rules and regulations in all respects will be observed and performed by the Tenant and the employees, invitees, and licensees of the Tenant.
- 17.4 The Tenant will do, observe, and perform all of its obligations and all matters and things necessary or expedient to be done, observed, or performed by the Tenant by virtue of any law, statute, bylaw, including any strata bylaws in the case of a strata property, ordinance, regulation, or lawful requirements of any government authority or any public utility lawfully

acting under statutory authority, and all demands and notices in pursuance of them whether given to the Tenant or the Landlord and in any manner or degree affecting the exercise or fulfilment of any right or obligation arising under or as a result of this Lease and affecting the Premises and the use of them by the Tenant. If any such demand or notice is given, lawfully requiring the execution of works by reason of anything done, omitted, or permitted by the Tenant, then:

- (a) if such notice is given to the Tenant, the Tenant will promptly deliver it or a true copy of it to the Landlord and the Tenant will promptly execute, at its own expense, to the satisfaction of the Landlord and the person giving such notice, all such works as the Landlord may approve in writing in order to comply with the requirements of that notice; and
- (b) if such notice is given to the Landlord, the Landlord will notify the Tenant and thereupon the Tenant will promptly execute, at its own expense, to the satisfaction of the Landlord and the person giving such notice, all such works as the Landlord and the person giving such notice may require in order to comply with the requirements of the notice.

Notwithstanding the foregoing, the Landlord will have the right to execute any such works and the Tenant will give to the Landlord all necessary access to the Premises and other facilities for such purpose and the Tenant will, on demand by the Landlord, pay to the Landlord all costs and expenses incurred by the Landlord in executing and performing any and all such works.

18 SERVICES

- 18.1 The Tenant agrees that in addition to the payment of Basic Rent and Additional Rent, it will provide the Services as set out in Schedule "D". The Services will be performed as follows:
 - (a) as the Landlord may direct, in accordance with standards set by the Landlord and to the satisfaction of the Landlord;
 - (b) with that degree of care, skill, and diligence normally applied in the performance of services of a similar nature; and
 - in conformance with the latest practices, standards, codes, and criteria outlined in the Landlord bylaws and in all pertinent laws, rules, regulations, policies, procedures, and practices applicable at the time of performance.
- The Landlord, for any reason, in its sole discretion, and at any time, may suspend the Tenant's performance of the Services for a specified or unspecified period of time by providing written notice to the Tenant. Upon receiving such notice, the Tenant will immediately suspend all Services hereunder.
- The Services set out in Schedule "D" will be reviewed at least annually for the term of the lease and may be amended upon agreement in writing by both parties.

19 ACTS OF DEFAULT AND LANDLORD'S REMEDIES

- 19.1 An "Act of Default" has occurred when:
 - (a) the Tenant has failed to pay rent for a period of 15 consecutive days, regardless of whether demand for payment has been made or not;

- (b) the Tenant has breached its covenants or failed to perform any of its obligations under this Lease and has failed to rectify the situation or taken steps to rectify the situation within 15 days; and
 - the Landlord has given notice specifying the nature of the default and the steps required to correct it; and
 - (ii) the Tenant has failed to correct the default within 15 days as required by the notice;
- (c) if during the Term or other occupation of the Premises by the Tenant:
 - (i) any of the goods, chattels, fixtures, and/or equipment of the Tenant on the Premises are seized or taken into execution or attachment by a creditor of the Tenant, the Tenant makes an assignment for the benefit of creditors or a bulk sale from the Premises other than a bulk sale to an Assignee or Sub-Lessee pursuant to an Assignment or Sub-Lease which under Section 26 was consented to or did not require a consent;
 - (ii) a receiver or receiver manager is appointed to control the conduct of the business of the Tenant or appointed over all or a portion of the assets of the Tenant such appointment being effected either by way of instrument appointment or Court appointment;
 - (iii) the Tenant becomes bankrupt or insolvent or takes the benefit of an Act now or hereafter in force for bankrupt or insolvent debtors or makes a proposal under the *Bankruptcy and Insolvency Act* or other Act or an informal proposal for compromise or extension of time for repayment of its indebtedness to its creditors, and the same is not dismissed or stayed within thirty (30) days of such event;
 - (iv) if the Tenant is a corporation, it has taken action with a view to windingup, dissolution or liquidation;
 - (v) the Tenant has committed any act or neglected to do anything with the result that a Construction Lien or other encumbrance is registered against the Landlord's property and the Tenant has not taken reasonable action to remove same within 15 days of being notified of the circumstances (other than a lien or encumbrance with respect to the Landlord's Improvements); or
 - (vi) the Tenant without the written consent of the Landlord abandons the Premises or sells or disposes of goods, chattels, fixtures and/or equipment of the Tenant or removes any of such goods, chattels, fixtures and/or equipment from the Premises so there would not, in the event of an abandonment, sale or disposal be sufficient goods on the Premises available for a distraint by the Landlord to satisfy all rents due or accruing due hereunder:
- (d) any insurance policy is cancelled or not renewed by reason of the use or occupation of the Premises, or by reason of non-payment of premiums; or

- (e) the Premises are used by any other person or persons (other than a Permitted Transferee) or for any other purpose than as provided for in the Lease without the written consent of the Landlord.
- 19.2 When an Act of Default on the part of the Tenant has occurred the Landlord shall have the right to:
 - (a) demand the current month's rent together with the remaining rent due for the Term, all of which shall become due and payable immediately as accelerated rent; or
 - (b) terminate this Lease; or
 - (c) re-enter the Premises and deal with them as it may choose; or
 - (d) any one or more of the above.
- 19.3 If the Landlord elects to re-enter as herein provided, it may either terminate this Lease or it may from time to time without terminating the Tenant's obligations under this Lease, make alterations and repairs considered by the Landlord necessary to facilitate a reletting, and relet the Premises or any part thereof as agent of the Tenant for such term or terms and at such rental or rentals and upon such other terms and conditions as the Landlord in its reasonable discretion considers advisable. Upon each reletting all rent and other moneys received by the Landlord from the reletting will be applied, first to the payment of any costs and expenses of such reletting including brokerage, professional and solicitor's fees and the costs of any alterations and repairs, second to the payment of indebtedness other than rent due hereunder from the Tenant, and third to the payment of rent due and unpaid hereunder. The residue, if any, will be held by the Landlord and applied to payment of future rent as it becomes due and payable.
- 19.4 If the rent received from the reletting during a month is less than the rent to be paid during that month by the Tenant, the Tenant will pay the deficiency to the Landlord. The deficiency will be calculated and paid monthly. No re-entry by the Landlord shall be construed as an election on its part to terminate this Lease unless a written notice of that intention is given to the Tenant. Notwithstanding a reletting without termination, the Landlord may elect at any time to terminate this Lease for a previous breach. If the Landlord terminates this Lease for any breach, in addition to other remedies it may have, it may recover from the Tenant all damages it incurs by reason of the breach, including the costs of recovering the Premises, reasonable professional and solicitor's fees, and the worth at the time of the termination of the excess, if any, of the amount of rent and charges equivalent to rent reserved in this Lease for the remainder of the Term over the then reasonable rental value of the Premises for the remainder of the Term, all of which amounts immediately will be due and payable by the Tenant to the Landlord.
- 19.5 If, because an Act of Default has occurred, the Landlord exercises its right to terminate this Lease and re-enter the Premises prior to the end of the Term, the Tenant shall nevertheless be liable for payment of rent and all other amounts payable by the Tenant in accordance with the provisions of this Lease until the Landlord has re-let the Premises or otherwise dealt with the Premises in such manner that the cessation of payments by the Tenant will not result in loss to the Landlord and the Tenant covenants and agrees to pay to the Landlord until the expiry date of the Term of this Lease any difference between the amount of rent agreed to be paid for the Term hereby granted and the amount of rent any new tenant pays to the Landlord;
- 19.6 The Landlord may recover the accelerated rent in the same manner as rent hereby reserved and in arrears and the option to terminate the Lease will be deemed to have been exercised if the Landlord or its agent gives written notice to that effect to the Tenant.

- 19.7 If, when an Act of Default has occurred, the Landlord chooses not to terminate the Lease and re-enter the Premises, the Landlord shall have the right to take any and all necessary steps to rectify any or all Acts of Default of the Tenant and to charge the reasonable costs of such rectification to the Tenant and to recover the costs as rent.
- 19.8 If, when an Act of Default has occurred, the Landlord chooses to waive its right to exercise the remedies available to it under this Lease or at law, the waiver shall not constitute condonation of the Act of Default, nor shall the waiver be pleaded as an estoppel against the Landlord to prevent it from exercising its remedies with respect to a subsequent Act of Default.
- 19.9 No covenant, term, or condition of this Lease shall be deemed to have been waived by the Landlord unless the waiver is in writing.

20 <u>LANDLORD MAY PERFORM TENANT'S OBLIGATIONS</u>

20.1 If the Tenant fails to perform an obligation of the Tenant under this Lease, the Landlord may perform the obligations and for that purpose may enter upon the Premises on not less than five (5) days prior notice to the Tenant or without notice in the case of an emergency and do such things in respect of the Premises as the Landlord considers necessary. The Tenant will pay as additional rent all expenses incurred by or on behalf of the Landlord under this section plus ten percent (10%) for overhead upon presentation of a bill therefor. The Landlord will not be liable to the Tenant for loss or damage resulting from such action by the Landlord unless caused by the negligence of the Landlord or another person for whose negligence the Landlord is responsible in law.

21 QUIET ENJOYMENT

21.1 If the Tenant pays the rent and other sums herein provided when due and observes and performs all of the terms, covenants and conditions on the Tenant's part to be observed and performed hereunder the Tenant shall peaceably and quietly hold and enjoy the Premises for the Term hereby demised without hinderance or interruption by the Landlord or any other person lawfully claiming by, through or under the Landlord, subject, nevertheless, to the terms, covenants and conditions of this Lease.

22 LEGAL EXPENSES

22.1 If the Landlord brings an action against the Tenant arising from an alleged breach of a covenant or condition in this Lease to be complied with by the Tenant and the Court establishes that the Tenant is in breach of the covenant or condition, the Tenant will pay to the Landlord all reasonable expenses incurred by the Landlord in the action including reasonable legal fees (on a solicitor/client basis) and disbursements.

23 HEALTH ACT

23.1 The Tenant covenants that uses which are noxious or otherwise undesirable because of smoke, noise, dirt, glare, odour, radiation or electrical interference or which are an offensive trade within the meaning of the *Public Health Act* (British Columbia), as amended, shall not be permitted on the Premises.

24 LOSS OR DAMAGES TO PREMISES

24.1 If the Premises or the Property are damaged, destroyed or rendered inaccessible or unsafe to access, in whole or in part, by fire or other peril, then the following provisions shall apply:

- (a) if the damage, destruction or inaccessibility renders the Premises unfit for occupancy and impossible to repair or rebuild using reasonable diligence within 180 days from the happening of such damage, destruction or inaccessibility (as determined by the Landlord's architect, acting reasonably), then the Term hereby granted shall cease from the date the damage, destruction or inaccessibility occurred, and the Tenant shall immediately surrender the remainder of the Term and give possession of the Premises to the Landlord, and the rent from the time of the surrender shall abate;
- (b) if the Premises can with reasonable diligence be repaired and rendered fit for occupancy within 180 days from the happening of the damage, destruction or inaccessibility, but the damage, destruction or inaccessibility renders the Premises wholly unfit for occupancy (as determined by the Landlord's architect, acting reasonably), and the Landlord, in its sole discretion, decides to effect such repairs and gives notice thereof to the Tenant within 30 days from the happening of such damage, destruction or inaccessibility, then the rent hereby reserved shall not accrue after the day that such damage, destruction or inaccessibility occurred, or while the process of repair is going on, and the Landlord shall repair the Premises with all reasonable speed, and the Tenant's obligation to pay rent shall resume immediately after the necessary repairs have been completed; provided, however, that if the Landlord, in its sole discretion, decides not to effect such repairs and gives written notice thereof to the Tenant within 30 days of the date of the damage or destruction, the damage, destruction or inaccessibility shall be deemed to be incapable of repair within 180 days and the provisions of subsection 24.1(a) shall apply;
- (c) if the Premises can be repaired within 180 days as aforesaid, but the damage, destruction or inaccessibility is such that the Premises are capable of being partially used, then until such damage, destruction or inaccessibility has been repaired, the Tenant shall continue in possession and the rent shall abate proportionately.
- 24.2 There shall be no abatement from or reduction of the rent payable by the Tenant, nor shall the Tenant be entitled to claim against the Landlord for any damages, general or special, caused by fire, water, sprinkler systems, partial or temporary failure or stoppage of services or utilities which the Landlord is obliged to provide according to this Lease, from any cause whatsoever, unless caused by the negligence of the Landlord or those for whom it is in law responsible.

25 HOLDING OVER

25.1 If the Tenant shall hold over after the expiration of the Term hereby granted and the Landlord shall accept rent, the new tenancy thereby created shall be a tenancy from month to month and not a tenancy from year to year and shall be subject to cancellation by either party upon one clear months' notice mailed by certified mail or delivered by hand. The resultant monthly tenancy shall be subject to all terms and conditions of this Lease except those regarding the Term and the Basic Rent. The Basic Rent for the resultant monthly tenancy shall be One Hundred and Twenty-five (125%) percent of the Basic Rent payable in the last month of the Term or Renewal Term as the case may be.

26 ASSIGNMENT OR SUBLETTING

The Tenant shall not otherwise assign this Lease or sublet the whole or any part of the Premises unless it first obtains the consent of the Landlord in writing, which consent shall not be unreasonably withheld.

- Assignments or subletting to the following assignees or subletters shall not constitute an assignment requiring consent under this Lease (the "Permitted Transferees"):
 - (a) to a wholly owned subsidiary or affiliate of the Tenant; or
 - (b) following a change of control of the Tenant.
- 26.3 The consent of the Landlord to any assignment or subletting shall not operate as a waiver of the necessity for consent to any subsequent assignment or subletting.
- 26.4 Any consent granted by the Landlord shall be conditional upon:
 - the assignee, sublessee or occupant executing a written agreement directly with the Landlord agreeing to be bound by all the terms of this Lease as if the assignee, sublessee or occupant had originally executed this Lease as a Tenant;
 - (b) the Tenant not then being in default of any of the provisions of this Lease; and
 - (c) the payment of Two Hundred Fifty (\$250.00) Dollars from the Tenant to the Landlord as payment for the administrative costs arising for such assignment or subletting.
- Any consent given by the Landlord to any assignment or other disposition of the Tenant's interest in this Lease or in the Premises shall not relieve the Tenant from its covenants, agreements, and obligations under this Lease, including the obligation to pay the Basic Rent and Additional Rent as provided for herein.

FOR LEASE NOTICES

27.1 The Tenant will allow "For Sale" and/or "For Lease" notices to be placed and remain on the Premises in a conspicuous location for the period commencing ninety (90) days prior to the expiration of this Lease (unless the Tenant has exercised its option to renew the Lease), and will allow prospective purchasers or tenants to enter and inspect the Premises during normal business hours and on reasonable notice from the Landlord during the said ninety (90) days.

28 NOTICE

The Landlord and Tenant hereby agree that any notice hereby required shall be regularly given and properly received forty-eight (48) hours after it addressed and mailed by certified mail as hereinafter set forth:

To the Landlord Attn: District of Barriere

4936 Barriere Town Rd., Barriere, BC V0E 1E0

To the Tenant: Attn: Barriere & District Chamber of Commerce

Box 1190, Barriere, BC V0E 1E0

29 REGISTRATION OF LEASE

29.1 In the event that the Tenant wishes to register this Lease or a short form of lease with respect thereto, under the *Land Title Act* the Tenant may do so, and all costs including survey expense, legal fees, etc., shall be for the account of the Tenant.

- 30.1 The words importing the singular number only shall include the plural, and vice versa, and words importing the masculine gender shall include the feminine gender and vice versa, and words importing persons shall include firms and corporations and vice versa;
- 30.2 Unless the context otherwise requires, the word "Landlord" and the word "Tenant" wherever used herein shall be construed to include the executors, administrators, successors and assigns of the Landlord and Tenant, respectively;
- Where there are two or more Tenants bound by the same covenants herein contained, their obligations shall be joint and several;

31 SPECIAL PROVISIONS

31.1 The Tenant will be responsible for all renovation costs relating to work initiated by the Tenant.

32 ENTIRE AGREEMENT

32.1 This Lease constitutes the entire agreement between the parties hereto and there are no representations, warranties, covenants or terms except as contained herein. No amendment shall be made to this Lease unless it is made in writing, executed by both parties.

IN WITNESS WHEREOF the said parties have hereunto set their hands and seals the day and year first above written.

THE DISTRICT OF BARRIERE

by its authorized signatory:

x Print name: Tasha Buchanan, Acting CAO

BARRIERE AND AREA CHAMBER OF COMMERCE by its authorized signatory:

x Bill KERSHAW
Print name:

{06025742.2}

SCHEDULE "A"

PROPERTY AND OPERATING COSTS

	Items Included and	Provided by Landlord	Provided by Landlord	Provided by Tapant
	Extra to Basic Rent	Provided by Landlord Cost Included in Basic Rent	Provided by Landlord Cost as Additional Rent paid by Tenant	Provided by Tenant Cost Borne by Tenant
1.	Fuel		х	
2,,	Property taxes		х	
3.	Electricity		х	
4.	(a) Water/Sewer (b) Garbage	X X		
5.	Disposal of Recyclables Generated from the Premises			х
6,,	Internet/Wi-Fi			х
7.	Parking Lot Maintenance	х		
8.	Common Area Lighting and Lamp, Tube, and Ballast Replacement	х		
9.	Roof and Exterior Maintenance	x		
10.	Maintenance & Repair Heating/Cooling System		x	
11,	Plate Glass Insurance/Maintenance for the Premises			х
12,	Lamp, Tube and Ballast Replacement for the Premises			x
13.	Insurance on Property		х	

14.	Maintenance - Common Areas and Landscape	х		
15,,	Maintenance and Repair -Common Areas Including Plumbing & Electrical Panel	х		
16,	Maintenance and Repair – Premises Plumbing & Electrical			х
17.	Overhead and Passage Doors in Common Areas, Repairs and Maintenance	х		
18.	Passage Doors in Premises			х
19.	Exterior Window Cleaning (x2) annually	х		
20.	Janitorial and Supply Common Areas including washrooms	x		
21.	Janitorial and Supply of the Premises			х
22.	Structural Repairs	x	Ē.	
23.	All other costs related to the Premises			x
24.	All other costs related to the Property	x		

SCHEDULE "B"

(ATTACH PLAN)

SCHEDULE "C"

Tenant's Improvements

SCHEDULE "D"

The Services

For the purposes of this Lease, the "Services" to be provided by the Tenant to the Landlord during the Term are defined as follows:

Property management services in respect of operation, maintenance and management of the Property including, without limitation:

- first point of contact for security monitoring, including responding to all alarm calls;
- coordinate and schedule all bookings for boardrooms and common areas;
- act as the initial contact person with all tenants of the Property;
- supervising the Property generally to safeguard against potential damage to the Property or harm to existing tenants;
- communicating with Landlord staff, including in relation to any issues or problems relating to the Property or any tenants;
- coordinate and supervise any custodial contractors hired by the Landlord to clean common areas of the Property and ensure the Property is in a clean and orderly condition;
- coordinate and supervise any contractors hired by the Landlord to carryout Property maintenance, painting, and repairs to common areas;
- coordinate and supervise contractors hired by the Landlord for exterior maintenance including snow removal;
- keep regular and accurate records of Services provided under this Lease; and
- provide regular updates to the Landlord on the status of all Services provided.