

Feasibility Study

Kicking Horse Lifestyle Centre

October 2009



Grant Thornton

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Dear Rob:

Re: Feasibility Study – Kicking Horse Lifestyle Centre

In accordance with the terms of our engagement, we have completed a Feasibility Study for a proposed lifestyle centre to be located adjacent to the Provincial Visitor Information Centre in Golden.

This report has been prepared for the Golden and Area Initiatives Board, and is intended to be used to support the development of the project and to secure financing for the development and operations of the facility. The information contained within this report should not be used for any purpose other than that disclosed herein.

We thank you for your co-operation and assistance during this assignment and appreciate the opportunity to work with you. If we may be of any further assistance, please contact us at your convenience.

Yours sincerely,

Grant Thornton LLP

Doug Bastin, CMC
Partner, Grant Thornton Consulting

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Scope of assignment

Project description

The Golden Areas and Initiatives Society (“GAI”) is exploring the opportunity to develop a multi-purpose activity centre (the “Kicking Horse Lifestyle Centre” or the “KHLCC” or the “subject property”) that addresses community needs within the context of a facility which promotes visitor attraction. As a result, a study was commissioned to assess the feasibility of the project, from a market and financial perspective.

The resulting facility and its associated programming must:

- satisfy specific community benefit conditions associated with the Crown land lease; and,
- ensure a core, self-generated revenue stream.

Methodology

The work program for this engagement consisted of the following steps.

1. Benchmark review of potentially similar multi-purpose (community owned/operated) activity and lifestyle centres.
2. Identification of key programming elements (and functional issues concerning access and egress).
3. Identification of operational revenues and expenses (including consideration of capital development opportunities through name sponsorship, accessing potential granting agencies).
4. Preparation of an interim report (including recommendations).
5. Stakeholder interviews.
6. Preparation of a facility concept design (architectural rendering of facility/site relationship, required physical footprint, space planning elements and initial creative approach – material and general aesthetic); this should complement the adjacent Provincial Visitor Information Centre (“PVIC”).
7. Preparation of a final report and presentation of the study results.

Summary of findings and conclusions

The following findings and conclusions relate to Grant Thornton's review of the market for the proposed Kicking Horse Lifestyle Centre in Golden.

1. The Kicking Horse Lifestyle Centre will be well-located, particularly in relation to visitor traffic. The site proposed for the KHLC is suitable for its intended use as it has excellent access and visibility and is of a sufficient size to accommodate the proposed building program. The proposed facilities are required to meet the growing demand for recreational services within the community, to attract new visitors, and to provide an additional attraction for existing visitors.
2. The primary trade area for the proposed development is defined as Golden and Rural Area A, which have a combined population of approximately 7,200. However, significant opportunity exists to expand the trade area population and tourist visitation. For example:
 - The WaveLoch feature presents opportunities to draw residents from a greater geographical area than a standard indoor aquatic/leisure facility; and,
 - The proposed KHLC is consistent with the area's focus on tourism and the expansion of the product offering to encourage visitors to stay longer.
3. The comprehensive development program contemplated for the proposed lifestyle centre is consistent with recent industry trends, as it includes:
 - A combination of integrated facility components;
 - Meeting/multipurpose space and lease space;
 - Multiple revenue sources; and,
 - A key feature to draw people (WaveLoch).
4. The provision of well-designed community recreation facilities that meet the needs of residents is essential to the quality of life of a community. In addition, the provision of these types of facilities helps to attract new residents and keep existing residents in the community.
5. The proposed KHLC, with the WaveLoch, is projected to realize approximately 101,000 visits for its aquatic component in its first year of operation. This visitation level is significantly higher than that realized by comparable facilities which do not have WaveLoch.

6. Key features of the concept and building program recommended for KHLC are as follows.
 - The aquatic and health and wellness theme is central to the concept.
 - The building size is proposed at 24,220 square feet.
 - Key facility components include the aquatic centre, theatre/multi-purpose room, health and wellness space, food and beverage venue, a living roof and alternative power source.
7. The financial performance of the proposed KHLC, over its first five years of operations, is projected as follows.

Projected Financial Performance – Subject Property			
	Year 1	Year 3	Year 5
Total operating revenue (000s)	\$784.1	\$822.4	\$861.7
Income before debt service (000s)	\$6.4	\$13.4	\$19.6
Income before debt service (%)	0.8%	1.6%	2.3%

8. The capital cost estimate for the KHLC, based on the building program outlined herein, is \$11,857,000.
9. There are a number of potential funding sources available for projects similar to the KHLC. However, access to these funds is often competitive; therefore an organized approach to soliciting funds is required.
10. Based on the current community needs and its focus on tourism and the attraction of visitors, the proposed KHLC is feasible from a market perspective.

Subject site and proposed facility

Introduction

This section of the report briefly describes the attributes of the subject site and the key characteristics of the proposed KHLIC.

Site description

As outlined in the original Request for Proposals, the subject site is a two-hectare parcel of Crown land which is under the administrative jurisdiction of the Integrated Land Management Bureau (“ILMB”). The Crown has indicated that the Town of Golden (the “Town”) may be eligible to lease this land if a number of conditions related to use of the land are met.

There are two types of tenure potentially available to the Town: a Free Crown Grant and a Nominal Rent Tenure. In this case, the Town would be applying for a Free Crown Grant, which provides for the transfer of land ownership from the Crown to the municipality. The proposed use of the Crown land must meet several criteria which are outlined in the Crown Land Use Operations Policy document included as Appendix A. Of particular note when considering this project are criteria related to ensuring the use of the land helps meet community needs, while not competing directly with private sector businesses in the community.

It should be noted that the adjacent PVIC is situated on Crown land granted to the municipality through a “Free Crown Grant” tenure.

The subject site is situated adjacent to the PVIC and the Trans Canada Highway in Golden, BC. The site has an excellent view location and excellent visibility for highway traffic. It is also one of the first commercial development sites encountered on approach from the east.

A copy of a site map is included as Appendix B.

Facility description

Key elements that have been identified by GAI for possible inclusion in the Kicking Horse Lifestyle Centre are summarized below.

Key Element	Preliminary Concept
Aquatic Elements	<ul style="list-style-type: none"> • WaveLoch Surf Park (indoor – Canada's only) • Community swimming pool (zero depth, lanes for club training, lazy river and similar engaging programming components) • Spa/Holistic Health Practitioners
Meeting Rooms/Conference Facilities	<ul style="list-style-type: none"> • A large conference/multi-purpose presentation room
Interpretive Elements	<ul style="list-style-type: none"> • Possible inclusion of geological/environmental highlights (e.g., Columbia Wetlands, Burgess Shale fossil bed) through interpretive panels/display
Revenue Generation	<ul style="list-style-type: none"> • Leasing of space (e.g., spa operator, restaurant operator) • Conference/meeting room rental • Admissions to pool • Taxation support for the community aquatic centre operations and programming (Town of Golden/Columbia Shuswap Regional District)

Source: Golden and Areas Initiatives Society

This complement of facilities and the associated programming should satisfy the community benefit conditions associated with the Crown land lease, ensure diverse revenue stream and complement the adjacent PVIC.

Conclusion

The proposed lifestyle centre will be well-located. The site proposed for the KHLC is suitable for its intended use as it has excellent access and visibility and is of a sufficient size to accommodate the proposed building program.

The proposed facilities are required to meet the growing demand for recreational services within the community, and to attract visitors to the community or to stay in the community longer.

Trade area population review

Introduction

This section of the report documents key trade area factors that could impact the performance of the proposed lifestyle centre, particularly with regard to population size and distribution.

Columbia Shuswap Regional District

The Columbia Shuswap Regional District (“CSRD”) encompasses a geographically diverse area of 30,180 square kilometres (11,652 square miles), with a 2001 population estimated at 50,150 (a density of 1.7 persons per square kilometre).

Most of the CSRD’s population is concentrated in the western end of the region around Shuswap Lake and in pockets eastward along Highway 1 to the Alberta border.

About 30,630 residents (61% of the population) are located in four municipalities. A further 18,760 residents (37%) live in unincorporated areas, and the remaining 760 residents (2%) are on Indian Reserves.

Within the CSRD there are six electoral areas that cover the unincorporated areas of the regional district, including:

- Area A – Golden-Columbia;
- Area B – Revelstoke-Columbia;
- Area C – South Shuswap;
- Area D – Falkland-Salmon Valley;
- Area E – Sicamous-Malakwa; and,
- Area F – North Shuswap-Seymour Arm.

Electoral area A – Golden-Columbia

Rural Area A is the largest of the CSRD’s six electoral areas, covering an area of 13,736 square kilometres (5,303 square miles), or 45.5% of the CSRD’s entire land area. Nearly all of the population in this vast area is concentrated in the unincorporated area immediately surrounding the Town of Golden, which is one of the CSRD’s four municipalities. Area A’s estimated 2001 population of 3,260 is 6.5% of the regional district total, and represents a population density of 0.2 people per square kilometre. This is the second lowest population density in the CSRD.

Town of Golden

The Town of Golden is the smallest municipality in the CSRD, covering just 11.7 square kilometres (4.5 square miles), which is 0.04% of the regional district total. Golden's population of 4,180 (8.3% of the regional total) gives it the highest population density in the CSRD, with 357.3 people per square kilometre.

In its Community Profile, Golden is described as:

"...a vibrant community on the move, rapidly diversifying, with tourism playing an increasingly important role. Golden is attracting people who want to experience a real community in a natural and unspoiled outdoor arena.

Thriving companies, an industrial stronghold, tourism and a growing service sector all showcase an economically balanced community, and an alternative to the themed tourism destination. Ask anyone why they live here and their answer will be the people, the sense of community and the outstanding quality of life."

The proposed KHLC is consistent with the community profile as it will enhance the overall community by offering quality recreation, leisure and health facilities to residents and visitors.

Populations and distances to select communities

The following tables illustrate the population of cities and towns within approximately 250 kilometres of Golden and Rural Area A, as well as smaller communities proximate to Golden.

Populations and Distances to Selected Communities				
Community	Population	Distance to Golden	Direction	Within CSRD
Golden & Rural Area A, BC	7,219	0 km	NA	Yes
Field, BC	200 (www.field.ca)	55 km	E	Yes
Radium Hot Springs, BC	973 (BC Stats, 2008)	105 km	S	No (East Kootenay Regional District)
Invermere, BC	3,539 (BC Stats, 2008)	123 km	SE	No (East Kootenay Regional District)
Banff, AB	8,721 (Town of Banff, 2009)	139 km	E	No
Revelstoke, BC	7,261 (BC Stats, 2008)	148 km	W	Yes
Canmore, AB	12,008 (Municipal census, 2008)	162 km	E	No
Sicamous, BC	3,057 (BC Stats, 2008)	221 km	W	Yes
Kimberly, BC	6,512 (BC Stats, 2008)	233 km	SE	No (East Kootenay Regional District)
Cranbrook, BC	18,947 (BC Stats, 2008)	246 km	SE	No (East Kootenay Regional District)
Salmon Arm, BC	16,993 (BC Stats, 2008)	247 km	W	Yes
Calgary, AB	1,042,892 (Civic census, 2007)	265 km	E	No

Distances to Community Nearby Golden (Populations Not Available)				
Community	Population	Distance to Golden	Direction	Within CSRD
Edelweiss, BC	NA	6 km	N	Yes
Nicholson, BC	NA	8 km	S	Yes
Glenogle, BC	NA	10 km	E	Yes
Moberly, BC	NA	10 km	N	Yes
Horse Creek, BC	NA	13 km	SE	Yes
Forde, BC	NA	18 km	NW	Yes
Blaeberry, BC	NA	18 km	N	Yes
Palliser, BC	NA	18 km	E	Yes

Based on projections prepared for the CSRD by BC Stats, the regional district's population is projected to grow by 8.4% over the next ten years.

Conclusion

Based on the above statistics for community/city population and the relative distance of each from Golden, we have concluded the trade area and trade area population for the proposed lifestyle centre is:

- Town of Golden 3,959
- Rural Area A 3,260
- 7,219

However, significant opportunity exists to expand the trade area population and tourist visitation due to the following factors.

- The WaveLoch has the ability to draw residents from a greater geographical area than a standard indoor aquatic/leisure facility.
- The proposed KHLC is consistent with the area's focus on tourism and the expansion of the product offering to encourage visitors to stay longer.

Comparable facilities

Introduction

As highlighted in the Phase I reporting, comparable facilities research was conducted to identify facility characteristics which could be used as a reference for the development and operation of the proposed facility.

Comparable properties

Recreation centres

In Phase I of this project, we conducted detailed interviews with 13 lifestyle/multipurpose/aquatic centres, of which seven were considered to be comparable to the proposed KHLC. The seven comparable facilities included:

- Lunenburg County Lifestyle Centre (Nova Scotia)
- Bingemans (Ontario)
- Jasper Activity & Aquatic Centre (Alberta)
- Woodhouse Park Lifestyle Centre (UK)
- Winsford Lifestyle Centre (UK)
- Portway Lifestyle Centre (UK)
- Revelstoke Aquatic Centre (BC)

It should be noted that there was not one facility that was directly comparable to the KHLC as described in the Request for Proposals that GAI issued. The above-noted seven facilities were considered similar in terms of:

- A relatively small trade area population; and,
- Provision of one or more of the facility components proposed by the KHLC.

A detailed summary of these facilities is included as Appendix C.

Facilities with WaveLoch

In addition to our research into lifestyle/multipurpose/aquatic centres, we reviewed the facilities and performance of five recreation facilities which include WaveLoch. The five facilities reviewed include:

- Mission Recreation Centre (Flow Rider – Single)
- Republic Missouri Aquatic Facility (Flow Rider – Single)
- Electric City Waterpark (Flow Rider – Single)
- The Salomon Centre (Flow Rider – Double)

- Wave House San Diego (Flow Barrel, Flow Rider)

A detailed summary of these five facilities with WaveLoch is included as Appendix D.

Key performance factors

The following points highlight the key performance factors for the lifestyle/multipurpose/aquatic centres reviewed:

- A combination of integrated facility components is preferred;
- Meeting/multi-purpose space and lease space to complement core facility components;
- Area population base is a key driver of profitability;
- Multiple revenue sources is also critical; and,
- WaveLoch presents opportunities to draw local area residents and tourists to the area, creating additional revenue generating opportunities for a facility.

In terms of actual financial performance, the groups of facilities researched, recreation centres and aquatic facilities with WaveLoch, had the following financial metrics:

- the recreation centres typically realize an annual operating loss (before debt service) of between \$100,000 and \$500,000; and,
- the facilities with WaveLoch typically realize an annual operating profit (before debt service) of between \$10,000 and \$600,000.

Conclusion

Based on the results of our research, the comprehensive development program contemplated for the proposed lifestyle centre in Golden is consistent with industry trends. The one exception is the “interpretive component”. Based on the research, these types of facilities typically do not offer an interpretive component; however, this does not mean that an interpretive component should not be included in the KHLC.

Market trends and user needs

Introduction

This section of the report provides a brief summary of the market trends related to recreation/lifestyle centres and community stakeholder interviews related to demand for the proposed KHLC.

Market trends

The provision of well-designed community recreation facilities that meet the needs of residents is essential to the quality of life of a community. As noted by the BC Recreation and Parks Association:

Healthy, active people who are positively interacting with other members of the community enhance not only their individual lives but the social fabric of the community....The data clearly shows that people who recreate are healthier than those who do not [this, in turn has implications on health care costs].¹

In addition to quality of life and benefits related to reduction in health care costs, the provision of attractive, appealing recreation/lifestyle facilities can contribute to efforts to:

- Keep existing residents in the community;
- Attract new residents to the community; and,
- Provide an additional attraction for existing and potential tourists in the region.

For these reasons, it is important for communities to develop and support attractive recreation/community/lifestyle facilities that meet the needs of residents, while also serving as an attraction for visitors to the region.

Stakeholder needs/concerns

Interviews were conducted to gain an understanding of needs and/or concerns of stakeholders and various user groups. It should be noted that a comprehensive community stakeholder consultation process was not conducted, as this was not within the scope of the assignment. GAI provided the list of stakeholders to be interviewed. Key themes related to the interview results are presented below. A list of stakeholders interviewed is provided in Appendix E.

Aquatic component

- Based on the interviews, there appears to be considerable demand for aquatic facilities and services in Golden. However, there is also concern about the financial implications of developing and

¹ Investing in Healthy Communities through Recreation Infrastructure, Submission by the BC Recreation and Parks Association to the Ministry of Tourism, Sport and the Arts, November 2005, p. 3.

operating a new aquatic centre. Many of the respondents indicated that it will be important for the facility to realize a return on investment.

- There appears to be existing and potential demand from Golden's Swim Club for an indoor pool, particularly for indoor training.
- Many of the stakeholders interviewed expressed concern about the proposed location for the KHLC. Suggestions provided by selected respondents to potentially overcome the issue of location, include:
 - Adapting transit schedules and routes to accommodate the needs of residents, specifically students, youth and families;
 - Developing a bike and/or walking trail to/from the proposed location, potentially through the extension of existing Rotary Trails; and,
 - Ensuring aquatic services include unique and marketable products such as those proposed as part of the KHLC's concept (e.g., WaveLoch) to motivate residents to make the trip to the Centre.
- Two tourism professionals indicated that, from a tourism perspective, the proposed aquatic elements, in particular the WaveLoch technology, will draw visitors, including those from the Kicking Horse Mountain Resort. In addition, these services will complement Golden's existing tourism products, especially in the winter season.

Multi-purpose room/meeting space

- The majority of respondents indicated that there are already several multi-purpose and smaller meeting rooms available within Golden that meet the needs of businesses, non-profit organizations and associations. With regard to meeting space, these respondents stated there is a greater demand for a larger conference/convention facility that can accommodate more than 300 people and that features breakout rooms.
- Two respondents indicated that, with regard to location, the site was suitable for a larger conference/convention facility. These respondents felt that, although accommodation services would not be directly attached to the Centre, a number of hotels and motels are situated in close enough proximity to meet the needs of user groups and that these existing accommodation operators are in need of the economic benefits that could potentially be generated from a larger conference/convention facility.
- Specific amenities/features identified by respondents that are required in association with a multi-purpose room or a conference/convention facility include catering services, audio visual equipment and a board room.

Health/wellness lifestyle theme

- The majority of respondents were supportive of the KHLC projecting a health and wellness lifestyle theme by housing a range of alternative health and wellness practitioners. Respondents felt that such a lifestyle theme would strongly complement the existing outdoor adventure and recreation image and strategic directions of Golden.

- Respondents indicated that the KHLC could serve as a relaxation and “clean-up” facility for those participating in outdoor adventure sports and would add diversity to Golden’s existing tourism products and businesses.

Leased space (including alternative health/wellness practitioners)

- Types of businesses that the majority of respondents believed would potentially lease space and could potentially attract enough customers if based in the Centre include:
 - Food and beverage operators, specifically a high-quality restaurant that features quality views and a patio;
 - Souvenir gift shop associated with an interpretive component;
 - Larger, full service wellness and alternative health businesses (e.g., fitness centre, yoga studio, spa operator); and,
 - Smaller tourism operators (e.g., rafting, hiking and boating operators) that could potentially use the space for administrative, receiving and booking purposes.

Interpretive/education component

- Most of the respondents were supportive of, and believed that potential demand exists for, interpretive and/or education components within the proposed KHLC. Respondents indicated that the types of user groups that would likely use interpretive and/or education services at the KHLC include visitors, residents and school groups (elementary, secondary and post-secondary).

Other comments

- The Centre needs to consist of highly marketable products and services that are unique and of interest to both residents and visitors.
- High quality, strategic marketing of the Centre needs to be a priority in order to attract both residents and visitors.
- There needs to be a strong and clear connection between the PVIC and the proposed KHLC. There needs to be easy and evident access to the KHLC from the PVIC.
- Kicking Horse Culture would potentially use the proposed Centre for a satellite gallery if the Centre is able to generate enough demand from visitors and residents.
- The overall concept of the proposed KHLC should be “fleshed out” and considered from an “out-of-the-box” perspective with regard to the best use of the land base.

Conclusion

There appears to be considerable support for the KHLC concept as envisioned, with the following reservations:

- Stakeholders expressed concern about the proposed location for the KHLC, particularly in relation to transportation and access. However, at the same time, several stakeholders provided suggestions with regard to how these concerns may be addressed.

- Stakeholders stressed the need for financial return on investment for the KHLC.

The results of the stakeholder interviews, together with the comparable facilities research presented earlier, and the aquatic component demand analysis discussed in the next section, are important inputs with regard to the proposed KHLC concept and facility recommendations, presented later in this report.

Aquatic component demand analysis

Introduction

The aquatic component will be the primary revenue driver for the KHLC. If the aquatic component is not feasible, the overall facility will not be feasible. This section of the report presents the projected demand/utilization for the aquatic component of the proposed KHLC.

Projected demand/utilization – aquatic component

Utilization estimates for the aquatic components of the KHLC are presented in the table below. The estimates are summarized based on the following categories.

1. Pool – General Admissions (resident population)

The first category presents a utilization estimate for the aquatic centre/indoor pool, assuming that the WaveLoch is not included in the KHLC. Demand is generated primarily by the Golden and Rural Area A population (approximately 7,219 people). The estimate was derived based on industry benchmarks relating population size to indoor pool utilization in British Columbia communities, in addition to the demand analysis conducted for the Golden Aquatic Centre Feasibility Study (page 10).²

Estimated utilization: 60,000 people annually

2. Pool and WaveLoch – Incremental General Admissions (resident population)

The second category presents an estimate of the incremental increase in utilization from the Golden area population resulting from the addition of the WaveLoch Flow Rider to the KHLC aquatic centre. The estimate was derived by assessing the Golden area population in relation to the experience of a community with a similarly-sized local population where WaveLoch Flow Rider technology was incorporated into an aquatic centre.

Estimated incremental utilization: 10,000 people annually

3. Pool and WaveLoch – New General Admissions (winter and summer tourists)

The third category presents an estimate of new demand generated by tourists to the region as a result of the addition of the WaveLoch Flow Rider to the KHLC aquatic centre. The estimate was derived based on estimates of winter and summer visitation to the region, particularly focusing on the proportion of visitors comprised of families.

Estimated new utilization: 31,000 people annually

² Please see Golden Aquatic Centre – Feasibility Study, The Columbia Shuswap Regional District, July 26, 2007, page 10.

Summary of Pool and WaveLoch – Total General Admissions

The estimated total utilization for the pool and for the pool with the WaveLoch is shown below.

Estimated utilization:	Pool	<i>60,000 people annually</i>
	Pool & WaveLoch	<i>101,000 people annually</i>

KHLC Utilization Estimates for Aquatic Components

Facility Component	# People	Market	Underlying Research
1. Pool – General Admission (assuming no WaveLoch)	60,000	<ul style="list-style-type: none"> Mainly local residents 	<ul style="list-style-type: none"> Industry benchmarks relating population size to indoor pool use
2. Pool and WaveLoch – General Admission	10,000	<ul style="list-style-type: none"> Local residents Incremental local demand due to WaveLoch 	<ul style="list-style-type: none"> Based on assessment of Golden area population, using experience of a community with a similarly-sized local population where WaveLoch was incorporated into an aquatic centre
3. Pool and WaveLoch – General Admission	31,000	<ul style="list-style-type: none"> Winter and summer tourists New demand due to WaveLoch 	<ul style="list-style-type: none"> Based on assessment of skier visits and summer visitors to Golden area Factoring in estimated proportion of family versus adult only visitors, assuming that KHLC will have stronger appeal for the family market

Source: Grant Thornton LLP research and analysis

Conclusion

Based on the results of the user group interviews and on industry benchmarks for aquatic facility visitation, the proposed KHLC, with the WaveLoch, is projected to realize and estimated 101,000 annual visits for its aquatic component. Note that, if the WaveLoch Flow Rider is not included in the KHLC, the annual visits for the aquatic component will likely be much lower (e.g., approximately 60,000).

Concept & facilities recommendations

Introduction

The original concept presented by GAI – together with the preceding research and analysis related to the comparables, stakeholder interviews, and the aquatic facility demand analysis – provided a basis for developing the facility concept and building program, presented in this section.

Concept and building program and size

The aquatic and health and wellness theme is central to the KHLC. The proposed facility components are summarized in the table below. At this time, the majority of the facility is to be operated “in-house”, or possibly through a contract arrangement with an operator. The exception is the retail, health/wellness and food and beverage space which would be leased out. The interpretive/education element has not been included in the building program at this time, as information pertaining to this user group’s interest in leasing space at the KHLC could not be obtained. However, this could be investigated in the future. Concept diagrams for the proposed KHLC are presented in Exhibit I.

Proposed KHLC Facility Components

Facility Component	Description	Operating Model
Aquatic Centre	<ul style="list-style-type: none"> • 6-Lane Lap Pool • Flow Rider (WaveLoch) • Therapeutic Leisure Pool • Hot Pool (indoor) • Lazy River and Bubble Pit • On-deck Seating and Viewing Area • Change Rooms 	<ul style="list-style-type: none"> • In-house operation
Theatre/Multipurpose	<ul style="list-style-type: none"> • 50 seats 	<ul style="list-style-type: none"> • In-house operation
Health/Wellness/Retail	<ul style="list-style-type: none"> • Retail Space • Health/Wellness Space (for several practitioners, who may lease space on a rotating basis) 	<ul style="list-style-type: none"> • Leased space (generating ongoing lease revenue)
Food and Beverage	<ul style="list-style-type: none"> • Food and beverage: 50 seats 	
Living Roof	<ul style="list-style-type: none"> • Featuring native plant species, wetland, interpretive walk 	<ul style="list-style-type: none"> • In-house operation
Alternative Power	<ul style="list-style-type: none"> • Wind turbine 	<ul style="list-style-type: none"> • In-house

Facility Component	Description	Operating Model
Features	<ul style="list-style-type: none"> Solar power/hot water panels 	operation
External Deck and Hot Tubs	<ul style="list-style-type: none"> Sun deck Two hot tubs Space for an external waterslide (for possible future development) 	<ul style="list-style-type: none"> In-house operation
Parking	<ul style="list-style-type: none"> Surface parking for 64 vehicles Large vehicle parking (tour buses) 	<ul style="list-style-type: none"> In-house operation

The total size of the KHLC as proposed is 24,220 square feet. A breakdown of the facility size by component is presented below.

Proposed KHLC Facility Size (Interior Components)

Facility Component	Size (Sq. Ft.)
Aquatic Centre	17,791
Theatre/Multipurpose	1,020
Health/Wellness/Retail	2,310
Food and Beverage	1,571
Gross-up/Circulation	1,528
Area Total (gross)	24,220

Conclusions

Based on the research and analysis completed for this study, the building program and concept outlined above is recommended. The building program and concept support the needs of the community and provide a facility that is feasible from a market perspective.

Revenue and expense projections

Introduction

The following section details the projected revenues and expenses for the subject property, including the facts and assumptions upon which these are based. Revenue and expense projections are based upon the market demand projections discussed earlier in this report.

Exhibit II presents the Statement of Projected Revenue and Expenses, Exhibit III presents a Summary of Projected Revenues, and Exhibit IV presents Projected Revenue per Unit.

User fee sensitivity analysis

Grant Thornton conducted a user fee sensitivity analysis to determine the average, blended user fee that would need to be charged for the proposed KHLC to break-even or realize an operating profit. The following table illustrates the impact of the higher user fees on admission revenue for the pool and Flow Rider together.

Proposed KHLC User Fee Sensitivity Analysis Summary (Aquatic Centre Component)

	Typical User Fees (est.) (BC Towns)	Recommended User Fees
Blended User Fee – Pool Admission Only	\$3.00	\$4.50
Blended User Fee – Pool and Flow Rider Admission	\$6.00	\$8.00
Admission Revenue* (Year 1)	\$480,200	\$661,200

Source: Grant Thornton LLP analysis

* Does not include revenue from Programs/Lessons/Special Events, Theatre Rentals, and Lease Space.

Revenue

The projected revenues for the KHLC are comprised of the following:

- Admissions revenue, as discussed above (using the “Recommended User Fees”);
- Programs/lessons/special events; and,
- Theatre rental and lease revenue.

Based on the revenue assumptions highlighted in Exhibit IV, Exhibit III summarizes the projected facility revenues. In Year 1, total facility operating revenue is projected at approximately \$784,100. By Year 5, total facility operating revenue is projected to increase to \$861,700 as a result of inflation and increased awareness about the facility which is anticipated to occur over time.

A breakdown of the projected facility revenues for Year 1 of operations is as follows:

Pool admissions	\$661,200
Programs/lessons/special events	72,900
Theatre rental	15,000
Lease space rental	35,000
	<u>\$784,100</u>

Operating expenses

Operating expenses for the KHLC are comprised of the following:

- Pool expenses
- WaveLoch maintenance expenses
- Other operating expenses
- Liability insurance

Based on the actual operating performance of comparable facilities, with and without WaveLoch, operating expenses for a leisure complex where aquatics is the major facility component range between 80% and 250% of total facility revenue.

Operating expenses projected for KHLC in Year 1 of operations are approximately \$777,700, or 99% of total facility revenue. By Year 5, operating expenses are projected to increase, however, they are projected to decrease slightly, as a percentage of total revenue; in Year 5, operating expenses are projected at \$842,100, or 98% of total revenue.

A breakdown of the projected facility operating expenses for Year 1 of operations is as follows:

Pool	\$612,000
WaveLoch ³	61,200
Other, including insurance	104,500
	<u>\$777,700</u>

Income before debt service

Over the term of the projections, income before debt service is projected to range from \$6,400 in Year 1 to \$19,600 in Year 5. The table below summarizes the projected financial performance of the subject property over the first three years of operation.

Projected Financial Performance – Subject Property			
	Year 1	Year 3	Year 5
Total operating revenue (000s)	\$784.1	\$822.4	\$861.7
Income before debt service (000s)	\$6.4	\$13.4	\$19.6
Income before debt service (%)	0.8%	1.6%	2.3%

³ Incremental expenses associated with the addition of Wave Loch FlowRider are approximately 10% of aquatic centre expenses, based on research related to existing facilities.

Debt service

To accurately assess any investment opportunity, the investor needs to consider its cost of funds, or borrowing cost. To calculate the annual financing cost for the project we assumed that 100% of the capital cost is financed over a term of 20 years, using the Municipal Finance Rate of 4.65%.

Based on the above assumptions, the annual interest cost for the proposed KHLC, exclusive of the impact of any government grants, is \$551,400. If grant funding to assist with the capital development costs is secured, this will reduce annual interest costs. Potential funding sources, including grant programs, are discussed in the next section of the report.

Capital costs and potential funding sources

Introduction

This section of the report provides an estimate of the capital costs of KHLC, based on the key programming elements identified and the high-level concept design presented in Exhibit I. This section also provides the results of our research on potential funding sources for the proposed lifestyle centre.

Capital cost estimate

To estimate the capital costs of the KHLC, we reviewed the actual development costs of several newer facilities and had the architect, Len Brown, prepare his estimate of the capital costs, based on the recommended building program.

A breakdown of the capital cost estimate for KHLC is as follows:

Building	\$ 8,873,000
Site preparation	500,000
Soft costs & contingency	<u>2,484,000</u>
	<u>\$11,857,000</u>

Potential funding sources

To identify potential funding sources for the development of KHLC, we reviewed a variety of provincial and federal programs as well as various other funding opportunities.

Grant funds

Although many funding programs exist, at the time of our research a number of the programs were “fully allocated”. Therefore, these funds may not be available again until some undetermined date in the future. The programs that are currently available include:

1. Infrastructure Stimulus Fund, BC:
 - <http://www.buildingcanada-chantierscanada.gc.ca/creating-creation/isf-fsi-guide-eng.html>
2. Green Infrastructure Fund:
 - <http://www.buildingcanada-chantierscanada.gc.ca/creating-creation/gif-fiv-eng.html>

3. Infrastructure Planning Grant Program:

- http://www.cd.gov.bc.ca/lgd/infra/infrastructure_grants/infrastructure_planning_grant.htm

4. Towns for Tomorrow:

- http://www.townsfortomorrow.gov.bc.ca/program_description.html

5. 2010 Legacies Now, “Measuring Up”:

- http://www.2010legaciesnow.com/measuring_up/

Other funding options

There is a wide variety of other funding options to investigate and consider, including:

- Traditional bank financing , with Town guarantee;
- The Municipal Finance Authority (“MFA”);
- Corporate sponsorships;
- Resort Municipality Tax Transfer Program; and,
- Entities such as Western Economic Diversification and the Columbia Basin Trust.

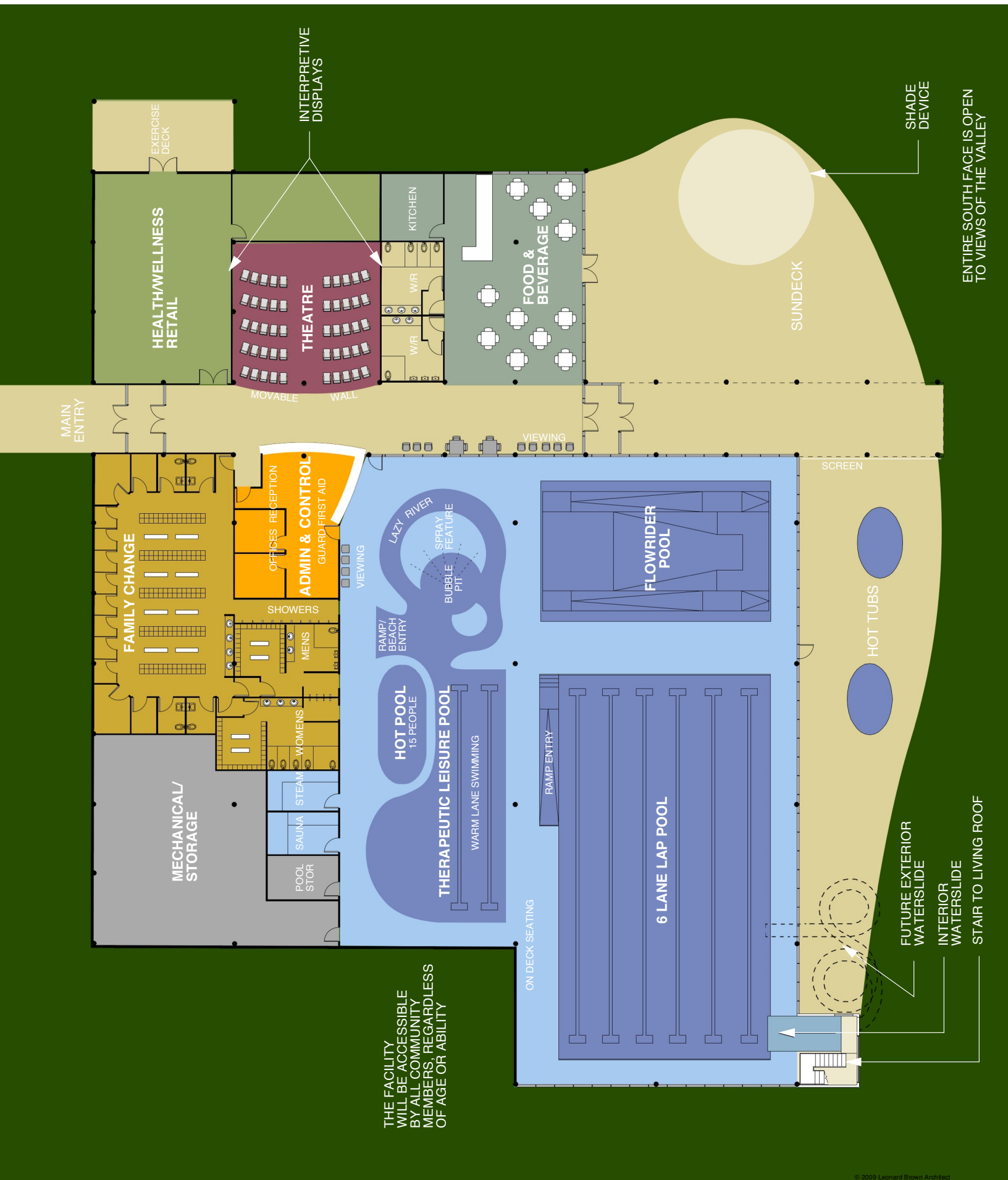
The approach to obtaining funding commitments would be to solicit the various grant opportunities while at the same time discussing corporate sponsorship/naming rights. Once these sources have been exhausted, then approach the other organizations/programs identified before traditional financing or MFA financing is considered.

Conclusion

The capital cost estimate of \$11.85 million is representative of the cost to develop a high quality aquatic and health and leisure facility. The funding options are many and need to be approached in an organized and coordinated fashion to attract as much financial support as possible.

Exhibits

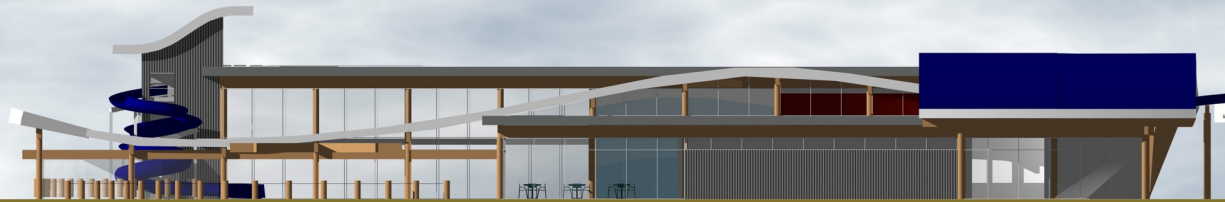
Exhibit I	Facility Concept Drawings
Exhibit II	Statement of Projected Revenue and Expenses
Exhibit III	Summary of Projected Revenues
Exhibit IV	Revenue Assumptions



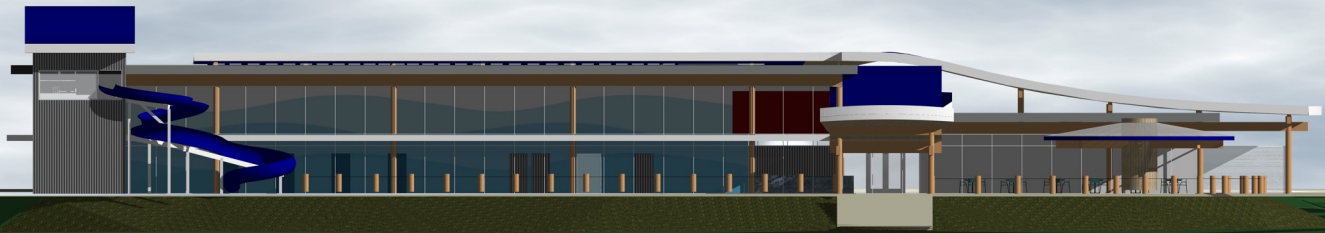




NORTH ELEVATION



EAST ELEVATION

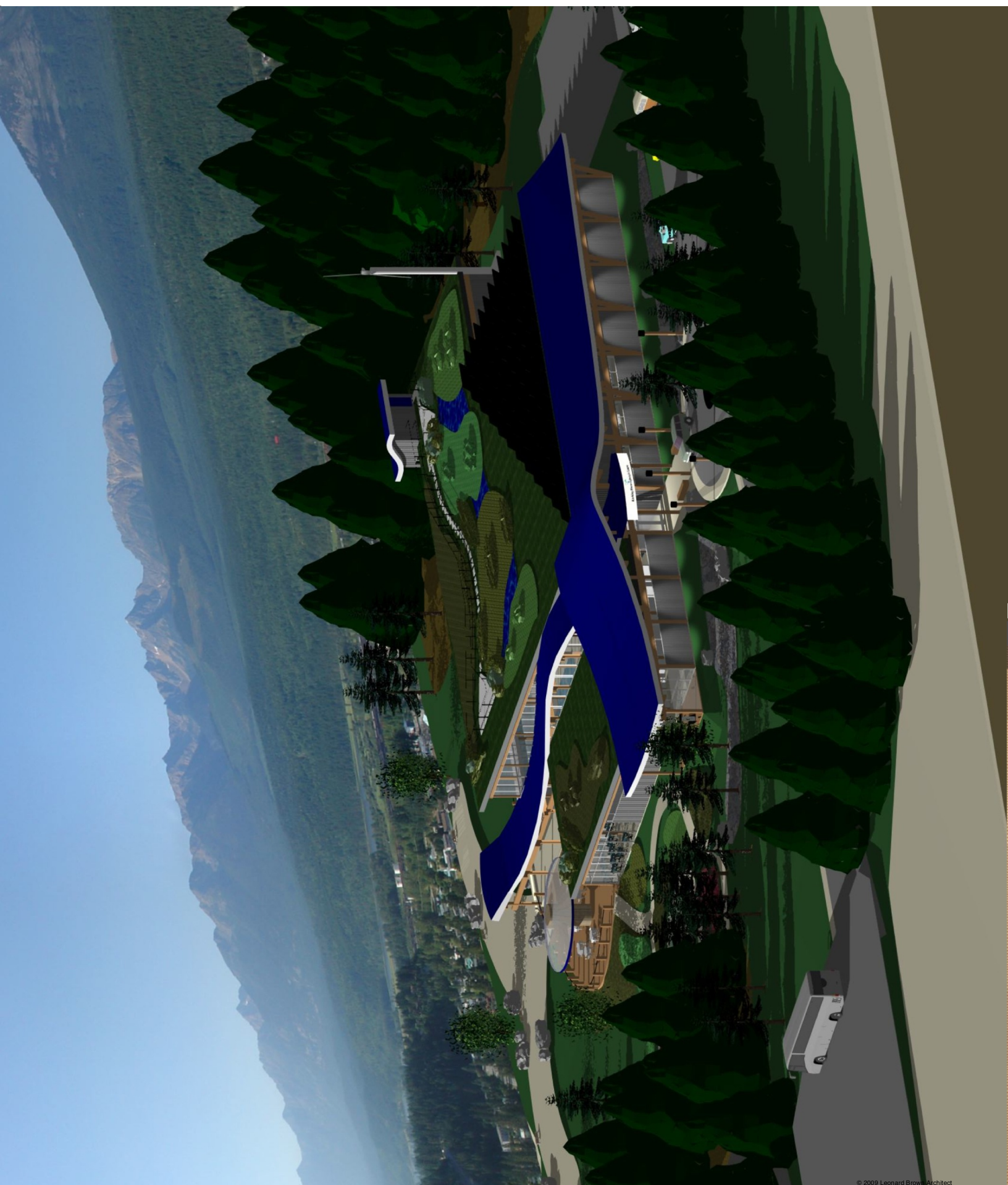


SOUTH ELEVATION

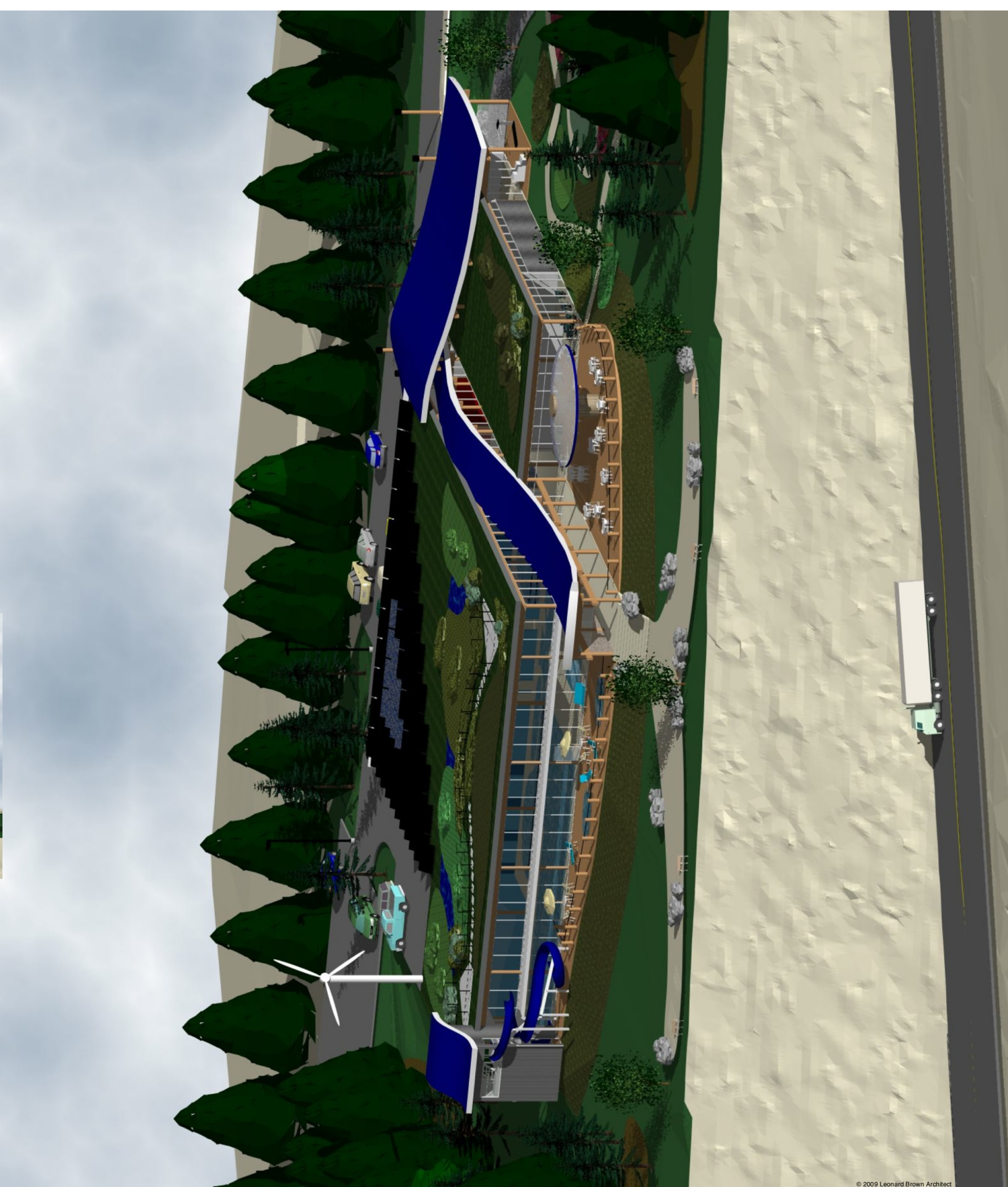


WEST ELEVATION

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VIEW FROM FRONT ENTRY



VIEW INTO POOL AREA

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PROPOSED KICKING HORSE LIFESTYLE CENTRE

Exhibit II

Statement of Projected Revenues and Expenses

Year Ended December 31

	Year 1	%	Year 2	%	Year 3	%	Year 4	%	Year 5	%
		of revenue		of revenue		of revenue		of revenue		of revenue
OPERATING REVENUE - VARIABLE										
Pool	\$ 270,000	34.4%	\$ 277,000	36.1%	\$ 284,000	36.1%	\$ 291,000	36.1%	\$ 298,000	36.0%
Programs/Lessons/Special Events	72,900	9.3%	74,800	9.5%	76,700	9.8%	78,600	10.0%	80,500	10.3%
WaveLoch Flow Rider	391,200	49.9%	401,100	53.5%	411,100	54.9%	421,500	56.3%	432,000	57.7%
Theatre Rental	15,000	1.9%	15,300	2.0%	15,600	2.1%	15,900	2.1%	16,200	2.2%
Total Variable Operating Revenue	749,100	95.5%	768,200	95.6%	787,400	95.7%	807,000	95.8%	826,700	95.9%
OPERATING REVENUE - FIXED										
Lease Revenue	35,000	4.5%	35,000	4.4%	35,000	4.3%	35,000	4.2%	35,000	4.1%
Total Operating Revenue	784,100	100.0%	803,200	100.0%	822,400	100.0%	842,000	100.0%	861,700	100.0%
EXPENSES										
Operating Expenses - Pool	612,000	78.1%	624,200	77.7%	636,700	77.4%	649,400	77.1%	662,400	76.9%
Operating Expenses - WaveLoch (additional)	61,200	7.8%	62,400	8.0%	63,600	8.1%	64,900	8.3%	66,200	8.4%
Operating Expenses - Other Components	67,000	8.5%	68,300	8.7%	69,700	8.9%	71,100	9.1%	72,500	9.2%
Liability Insurance (additional due to WaveLoch)	37,500	4.8%	38,000	4.7%	39,000	4.7%	40,000	4.8%	41,000	4.8%
Total Expenses	777,700	99.2%	792,900	98.7%	809,000	98.4%	825,400	98.0%	842,100	97.7%
Income before Debt Service and Taxes	\$ 6,400	0.8%	\$ 10,300	1.3%	\$ 13,400	1.6%	\$ 16,600	2.0%	\$ 19,600	2.3%
Interest Expense ¹	551,400	70.3%	551,400	68.7%	551,400	67.0%	551,400	65.5%	551,400	64.0%
Income (Loss) before Taxes	\$ (545,000)	-69.5%	\$ (541,100)	-67.4%	\$ (538,000)	-65.4%	\$ (534,800)	-63.5%	\$ (531,800)	-61.7%

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Note:

¹ Municipal Debentures, at assumed interest rate of 4.65% APR, per current rates of the Municipal Finance Authority, September 3, 2009; and, 20 year amortization period.

PROPOSED KICKING HORSE LIFESTYLE CENTRE**Exhibit III****Projected Revenue**

Year Ended December 31

	Year 1	Year 2	Year 3	Year 4	Year 5
POOL - GENERAL ADMISSION					
	\$ 270,000	\$ 277,000	\$ 284,000	\$ 291,000	\$ 298,000
Pool General Admission - Total Revenue	270,000	277,000	284,000	291,000	298,000
POOL PROGRAMS/LESSONS/SPECIAL EVENTS					
	\$ 72,900	\$ 74,800	\$ 76,700	\$ 78,600	\$ 80,500
Programs/Lessons/Special Events - Total Revenue	72,900	74,800	76,700	78,600	80,500
POOL & WAVELOCH - UPCHARGE					
	\$ 63,000	\$ 64,600	\$ 66,200	\$ 67,900	\$ 69,600
Pool & WaveLoch Upcharge - Total Revenue	63,000	64,600	66,200	67,900	69,600
POOL & WAVELOCH - NEW DEMAND					
	\$ 328,200	\$ 336,500	\$ 344,900	\$ 353,600	\$ 362,400
Pool & WaveLoch New Demand - Total Revenue	328,200	336,500	344,900	353,600	362,400
MULTIPURPOSE THEATRE - RENTALS					
	\$ 15,000	\$ 15,300	\$ 15,600	\$ 15,900	\$ 16,200
Total Multipurpose Theatre Rentals - Total Revenue	\$ 15,000	\$ 15,300	\$ 15,600	\$ 15,900	\$ 16,200
LEASE					
Restaurant	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
Health/wellness centre	25,000	25,000	25,000	25,000	25,000
Total Lease Revenue	\$ 35,000	\$ 35,000	\$ 35,000	\$ 35,000	\$ 35,000
TOTAL REVENUE	\$ 784,100	\$ 803,200	\$ 822,400	\$ 842,000	\$ 861,700

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PROPOSED KICKING HORSE LIFESTYLE CENTRE

Exhibit IV

Projected Revenue per Unit

Year Ended December 31

	Year 1	Year 2	Year 3	Year 4	Year 5
Inflation factor		2%	2%	2%	2%
POOL GENERAL ADMISSION (residents)					
Blended rate (youth, teens, adults, seniors, passes, etc.)	\$ 4.50	\$ 4.59	\$ 4.68	\$ 4.78	\$ 4.87
POOL & WAVELOCH UPCHARGE (residents)					
\$3.50 upcharge on pool admission	\$ 3.50	\$ 3.57	\$ 3.64	\$ 3.71	\$ 3.79
POOL & WAVELOCH TOTAL CHARGE (new demand from residents & tourists)					
Blended rate (youth, teens, adults, seniors, passes, etc.)	\$ 8.00	\$ 8.16	\$ 8.32	\$ 8.49	\$ 8.66
MULTIPURPOSE THEATRE - RENTALS					
Local Meetings & Presentations	\$300.00	\$306.00	\$ 312.12	\$318.36	\$324.73
LEASE RATES - REVENUE PER SQUARE FOOT					
Restaurant	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00
Health/wellness centre	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00

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Appendices

Appendix A – Crown Land Use Operations Policy

Appendix B – Site Map

Appendix C – Comparable Facilities Research Summary

Appendix D – WaveLoch Facilities

Appendix E – List of Stakeholders Interviewed



Land Use Operational Policy Community and Institutional Land Use

NAME OF LAND POLICY: Community and Institutional Land Use

APPLICATION: This policy applies to:

- Free Crown Grants; and
- Nominal Rent Tenures.

ISSUANCE: Assistant Deputy Minister
Crown Land Administration Division

IMPLEMENTATION: Ministry of Agriculture and Lands

REFERENCES: *Land Act* (Ch. 245, R.S.B.C., 1996)
School Act (Ch. 412, R.S.B.C., 1996)
Assessment Act (Ch 20, R.S.B.C., 1996)
Society Act (Ch. 433, R.S.B.C., 1996)
Taxation (Rural Area) Act (Ch. 448, R.S.B.C., 1996)
Cemetery and Funeral Services Act (Ch. 45, R.S.B.C., 1996)
Forest Act (Ch. 157, R.S.B.C., 1996)
Local Government Act (Ch. 323, R.S.B.C., 1996)
Federal Income Tax Act (R.S.C. 1985, c. 1 (5th Supp.))

RELATIONSHIP TO PREVIOUS LAND POLICY: This policy replaces the previous Community and Institutional policy dated August 16, 2004

POLICY AMENDMENT: Any formal request for an amendment to this policy is to be directed in writing to the Director, Land Program Services Branch, Crown Land Administration Division.



Warren Mitchell
A/Assistant Deputy Minister
Crown Land Administration Division
Ministry of Agriculture and Lands

Date

APPROVED AMENDMENTS:		
Effective Date	Briefing Note /Approval	Summary of Changes:
June 9, 2004	CAS Minute of April 13, 2004	Changes made to reflect new Government policy on FCGs and Nominal Rent Tenures. Note: Web links will be activated once all land policies are finalized and posted on the web site at the end of July 2004.
June 15, 2004	Ward Trotter A/Director Policy and Economic Development Branch	Statutory Rights of Way added as a tenure type available under this policy.
August 16, 2004	Ward Trotter A/Director Policy and Economic Development Branch	Template language updated as a result of the Policy and Procedures Re-write Project.
October 21, 2005		Policy changed to reflect new agency names and responsibilities
March 10, 2006	Briefing Note 138745	Appendix added to address Public Wharves within the NRT program.
March 1, 2008	BN	Policy updated to reflect changes to the Ministry Sponsorship Guide approved under BN 151231

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1. POLICY APPLICATION

This policy applies to:

1. **Free Crown Grants (FCGs)**, which are free transfers of Crown land from the province to public sector organizations, such as regional governments and school boards (see definitions below); and
2. New **Nominal Rent Tenures (NRTs)**, which are leases and licences of occupation of Crown land that are provided to charities, non-profit organizations and public sector organizations for a token or nominal amount of rent. (see definitions below)
3. Management and **renewal of existing NRTs** issued under previous policies.
4. Crown land tenures for **community or institutional** purposes with **market rent**.
5. Sale of Crown land for **community or institutional** purposes at **market value**.

Where there are special policies or procedures for community and institutional applications for a particular land use, they will be contained in the relevant land use policy, such as [Aggregates and Quarry Materials](#) policy or [Communication Sites](#) policy.

The italicized text in this document represents information summarized from standard Crown land management policies and procedures. This material has been inserted where it provides necessary direction or context. As well, website links offer access to the full text of the relevant land management policies and procedures. Text in standard script is applicable to this policy only.

2. PRINCIPLES AND GOALS

Provincial employees act in accordance with applicable legal requirements when making decisions. The Guiding Principles are a summary of key administrative and contract law principles which guide provincial employees.

This policy is part of a series of policies that have been developed to help provincial staff use business and legal principles to achieve the government's goals with respect to the management of Crown land in a manner that is provincially consistent, fair and transparent. To that end, this policy also serves as a communication tool to help the public understand how the Province of BC makes decisions respecting Crown land.

FCG and NRT Program Policy serves to support the community, social and economic goals of the Province of British Columbia by making parcels of Crown land available for community and institutional uses. It enables the use and disposition of Crown land for health, education, public safety, community infrastructure, transportation and public facilities that benefit the public-at-large. The FCG and NRT Program provides opportunities for local economic diversification, a supportive social fabric and healthy communities.

Sales and tenures will be managed in accordance with generally accepted accounting principles. Government will be accountable for in-kind contributions to community and institutional initiatives. When Crown land is provided for less than market value, government is accountable for the value of the land or tenure and the alignment of the proposed use with government objectives.

3. DEFINITIONS

Authorizing Agency means the provincial ministry responsible for the specific land use authorization.

Book Costs refers to any costs incurred by the province in order to prepare a parcel of land for FCG or NRT use, including but not limited to development, advertising and appraisal costs.

Community Organization means a registered charity or non-profit organization which is an incorporated society pursuant to the *Society Act*, is exempt from property taxes, and is exempt from income taxes.

Community Use means the use of Crown land for the purpose of providing a beneficial community service such as the advancement of education or alleviation of poverty, or other public benefit.

Concessionary Value means the value of the annual rentals for the entire tenure term (discounted by the appropriate rate) minus the actual amount charged (generally \$1) (see Appendix 2 Financial Guidelines).

Free Crown Grant means a written instrument issued pursuant to Section 51 of the *Land Act*, which conveys Crown land in fee simple and free of charge (other than book costs, see above).

Market value is the most probable value which a property should bring in a competitive and open market under all conditions requisite to a fair sale and assuming the price is not affected by undue stimulus. Market value may be determined by BC Assessment, internally by the Authorizing Agency or by an independent land appraisal.

Government Agency refers to a government corporation, an improvement district incorporated under the *Local Government Act*, agency established by bylaw, such as park or recreation commission or fire department; or similar bodies established by and accountable to provincial, regional or municipal government by way of enactment or bylaw and authorized to perform a specific public purpose.

Institutional Use means the use of Crown land for purely public-oriented purposes by local government and other incorporated organizations which, pursuant to statute, as expressly authorized to provide a specific community service.

Local Government means a municipality, regional district or First Nations acting as a local government for the purposes of this policy.

Municipality means a municipality as defined in the *Local Government Act*.

Nominal Rent Tenure means a lease or licence of occupation that is provided for a token or nominal amount of rent.

Non-Profit Society means a society incorporated under the *Society Act*.

Public Sector Organization refers to a government ministry or agency, the Greater Vancouver Transportation Authority or a non-commercial government corporation.

Registered Charity means a society incorporated under the *Society Act* that holds a current charitable tax number from the Government of Canada.

4. ABBREVIATIONS

DMCERD - Deputy Ministers Committee on Environment and Resource Development

FCG - Free Crown Grant

MAL - Ministry of Agriculture and Lands

NRT - Nominal Rent Tenure

5. ELIGIBILITY

5.1 Organizations Eligible for FCGs

To be eligible for a FCG, an applicant must be:

- A public sector organization;
- A local government; or
- A First Nations band, band corporation or tribal council that has been incorporated under the laws of BC or Canada, or recognized by special status, are considered a local government for the purposes of this policy.

5.2 Organizations Eligible for NRTs

To be eligible for a NRT, an applicant must be:

- A public sector organization;
- A local government;
- A First Nation (Indian band, band corporation or tribal council); or
- A Community Organization.

To qualify for a NRT, a Community Organization should be open to the entire community or provide a benefit to the entire community.

A list of types of examples of eligible non-profit societies is included in Appendix 3.

Religious organizations are not eligible for new NRTs and will be referred to appropriate Crown land use policy for other opportunities regarding land tenure or sales. Seasonal camps operated by religious organizations will be eligible for renewal of existing NRTs.

5.3 Eligible (and not eligible) Land Uses

- (a) FCGs and NRTs are intended for institutional uses that benefit the public or community uses that help eligible organizations to provide valuable community services.
- (b) FCGs and NRTs are intended for uses that are consistent with government's objectives and strategies.
- (c) A FCG or NRT to a First Nation must be for off-reserve Crown land and must be required to serve the community living on-reserve
- (d) FCGs and NRTs are only available for land purposes that cannot be effectively fulfilled using the existing land holdings of the applicant.
- (e) The entire parcel applied for under this policy must be necessary for the public use specified in the application.
- (f) Crown land is also available for sale or tenure at market value where the particular use does not meet the requirements for a FCG or NRT (e.g. where ministry sponsorship can not be obtained).
- (g) Public wharves that charge fees or rents under the NRT program (See Appendix 5)

Land acquisition for uses such as schools, universities, colleges and health facilities may be acquired through the capital planning process and are not captured under the FCG or NRT program. Contact the appropriate ministry responsible for more information regarding these land uses.

Land uses that, in the opinion of the province, compete directly with private-sector businesses may not be eligible. For example, an application from a yacht club to establish a marina that would compete with an existing private marina in the area would most likely not be accepted nor recommended for approval for a FCG or NRT. Similarly, a municipal golf course that competes with private golf courses would most likely not be accepted nor recommended for approval.

The community environment must be considered when deciding whether the proposed use will compete with private sector operations, or provide a unique service.

Recreation societies may be eligible either as Community Organizations under this policy, or as commercial recreation organizations under the [Guided Adventure Tourism](#) policy. Eligibility will be determined on a case-by-case basis, according to the circumstances of the community environment.

5.4 Tenure Restrictions for Some Land Uses

The form of tenure is restricted for the following land uses:

- **Cemeteries:** Disposition under this policy is by FCG only. Only applications from First Nations, local governments or public sector agencies will be accepted.
- **Waste disposal sites:** Dispositions to local government are preferably by FCG, with a restrictive covenant limiting the use to waste disposal purposes.
- **Waste collection sites:** Lease or licence tenure is preferred.

6. FORM OF LAND ALLOCATION

Refer to Appendix 1 for a summary of the forms and terms of Crown land allocation available for community and institutional uses.

For more detailed standard policy information, see [Form of Crown Land Allocation](#).

6.1 Licence of Occupation

A licence of occupation may be issued where minimal improvements are proposed, where short-term tenure is required, where there are multiple users of a site (e.g. communication sites), and in remote areas where survey costs are prohibitive. It may also be used to allow development to proceed while awaiting completion of survey requirements for a lease or right of way.

A licence of occupation conveys fewer rights than a lease. It conveys non-exclusive use for the purpose described, is not a registerable interest that can be mortgaged, and does not require a survey.

A licence of occupation does not allow the tenure holder to curtail public access over the licence area except where it would impact the licencees' right to use the land as per the licence document. Government may authorize overlapping and layering of tenures.

For NRTs over \$100,000 a licence may be considered for terms of:

- 10 years or less for projects that are not expected to require ongoing use of Crown land; or
- 30 years for projects that are expected to require ongoing use of Crown land.

6.2 Lease

A lease should be issued where long term tenure is required, where substantial improvements are proposed, and/or where definite boundaries are required in order to avoid conflicts.

The tenure holder has the right to modify the land and/or construct improvements as specified in the tenure contract. The tenure holder is granted quiet enjoyment of the area (exclusive use).

A legal survey will generally be required at the applicant's expense to define the tenured area. A lease is a registerable interest in the land that is mortgageable.

The standard term for a lease is 30 years.

Lease is the normal form of tenure used to allocate Crown land to Community Organizations for projects that are expected to require the ongoing, long-term use of Crown land.

6.3 Statutory Right of Way

A statutory right of way is normally used to authorize linear uses of Crown land for transportation, communication, energy production and utility developments.

The tenure holder is granted a legal right of passage over the land for a specific purpose.

Statutory right of way for major activities are normally issued for so long as is required. Shorter tenures are issued where the investments are lower, the use is of a shorter duration, or as defined under a specific program.

A legal survey will be required at the applicant's expense to define the tenured area.

6.4 Crown Grants

FCGs are available only to local governments and public sector organizations. Crown Grants at market value may be issued to parties that are not eligible for FCGs, if the proposed site meets specific criteria and the use is considered suitable by government agencies and other affected interests.

Where improvements, including the removal of merchantable timber, are required in order to carry out the intended public purpose, the Authorizing Agency has the discretion to initiate issuance of a lease or licence of occupation followed by conversion of this tenure to a FCG when improvements are completed. The tenure provisions may include stumpage charges for timber removal. Conversion arrangements should be clearly outlined in the relevant Order in Council, Cabinet Decision Note and/or briefing materials.

7. PRICING AND VALUATION POLICY

7.1 Administrative Fees

Application fees for tenures, and other administrative fees, are payable to the Province of BC. These fees are set out in the fee schedules contained in the [Land Act Fees Regulation](#).

7.2 NRTs

Leases, licences of occupation and statutory rights of way issued under this policy or its predecessors, are charged a nominal rental of \$1.00, prepaid for the entire term of the tenure. (See appendix 5 for special procedures for public wharfs)

Stumpage charges for timber removal may apply (see section 9.6).

Parties which do not qualify for NRTs may be able to have their land use tenured under another land use policy that utilizes market rate tenures. Rent in these cases will be charged at the rate specified in the appropriate policy.

7.3 FCGs

FCGs are made free of charge, except for the following:

- application and administrative fees;
- assessed value of merchantable timber that is not reserved for the Crown;
- improvement costs including buildings and other developments created with public funds; and
- book costs incurred by the province.

7.4 Crown Grants at Market Value

Crown land may be purchased at market value for community or institutional purposes where the particular use does not meet the requirements for a FCG or NRT.

8. ALLOCATION PROCESSES

Processes for FCGs and NRTs are summarized in a STEP by STEP process in Appendix 4.

8.1 Ministry Sponsorship

Ministry sponsorship is required for:

- all FCG's regardless of the fair market value of the land;
- NRT's for a term of 30 years or more which have a fair market land value greater than \$100,000;
- NRT's for a term of greater than one year and less than 30 years where the rent that would normally be paid for the lease, licence of occupation or statutory right of way is \$100,000 or more for the term of the tenure ("the concessionary value"); or
- NRT's that are considered by government to be controversial or have significant issues associated with them (i.e. regardless of term or value).

Sponsorship is not required for:

- NRT's for a term of one year or less;
- NRT's where the fair market value of the land is less than \$100,000; or
- NRT's with a "concessionary value" of less than \$100,000.

In cases where sponsorship is required, a letter requesting sponsorship is required at the time of application.

Projects of public sector organizations that have already been approved through the capital planning process of a government ministry do not require sponsorship. Contact the appropriate ministry for more information (e.g., Ministry of Advanced Education, Ministry of Education).

The applicant provides the necessary information on the proposed project, including at minimum:

- the location and legal description of the property
- the proposed purpose or use planned for the land
- the proposed length of tenure term
- details on how your proposed project meets the Province's standard [selection criteria](#) and any additional criteria the sponsor ministry may have.

The sponsor ministry will then:

- apply the government-approved selection criteria to applications that are consistent with their ministry's mandate and service plan commitments, to ensure that the applications support government's broader strategic goals;
- make a decision to sponsor or not to sponsor the application; and
- work with the Authorizing Agency to confirm the value of the potential FCG or NRT.

In cases where sponsorship is required, a letter requesting sponsorship is required at the time of application. If the applicant does not obtain ministry sponsorship, the applicant may apply for a [standard tenure](#) or sale at market value under the appropriate Crown land use policy.

8.2 Pre-Application Valuation

The Authorizing Agency will determine and provide the following information to the sponsoring ministry:

- The market value of the land;
- The value of any associated book costs (note these costs are subject to change and will be finalized prior to issuance of the FCG or NRT);
- The concessionary value of a NRT (if applicable).

Appendix 2 provides guidelines for calculating the fair market value and concessionary value of FCGs and NRTs.

8.3 Applications

New and replacement tenures are normally offered in response to individual applications.

8.3.1 Application Package

Applications must be complete before they can be accepted for processing.

In cases where sponsorship is required, a letter requesting sponsorship is a required part of a complete application package.

All applications for which the end-use requires construction of improvements, must be accompanied by an outline of proposed operations, indicating the nature and location of improvements, and proposed operating schedules.

Applicants must justify the Crown land requirement in relation to their other land holdings. Applications must include a letter from the council, board, or authorized spokesperson to confirm that the applicant can not effectively utilize existing land holdings for the intended public use.

Applications will include a written explanation of why all of the land applied for under this policy is required for the intended public use.

8.3.2 Application Acceptance

New applications will be reviewed for acceptance based on application package completeness, compliance with policy and program criteria, preliminary statusing, and other information which may be available to provincial staff. The acceptance review is to be completed within 7 calendar days. Applications that are not accepted will be returned to the applicant.

In cases where sponsorship is required, a letter requesting sponsorship is a required part of a complete application package.

8.3.3 Clearance/Statusing

After acceptance, provincial staff undertakes a detailed land status of the specific area under application to ensure all areas are available for disposition under the Land Act and to identify potential issues.

8.3.4 Referrals

Referrals are a formal mechanism to solicit written comments on an application from recognized agencies and groups. Referrals are initiated as per legislated responsibilities and formal agreements developed with other provincial and federal government agencies. Referrals may also be used to address the interests of local governments and First Nations. Referral agencies, organizations and identified special interest groups provide their responses to the Authorizing Agency within 30 days (45 days for First Nations).

If the adjudication process identifies significant issues or conflicts that cannot be resolved by the Authorizing Agency and the sponsoring ministry, the issue(s) may be referred to the Deputy Ministers Committee on Environment and Resource Development for resolution (see 8.3.10).

8.3.5 Advertising/Notification

At the time of application acceptance, provincial staff will notify applicants if advertising is required and provide the necessary instructions.

Upland Owner Consent

Owners of waterfront property have certain “riparian rights” which include the right of access to and from the upland ([see Riparian Rights and Public Foreshore Use in the Administration of Aquatic Crown Land](#)). Provincial staff will advise applicants if there is a need to obtain a letter indicating the upland owner’s consent to their application.

Adjacent Owner Notification

New applications to tenure foreshore adjacent to privately owned property, including Indian Reserves, are brought to the adjacent property owner's attention through referrals or direct contact. In certain circumstances, provincial staff may advise applicants that there is a need to obtain a letter indicating adjacent owner’s consent to their application.

8.3.6 Aboriginal Interests Consideration

The Authorizing Agency is responsible for ensuring the province’s obligations to First Nations are met in the disposition of Crown land. Provincial staff carry out consultations in accordance with the consultation guidelines of the Province to identify the potential for aboriginal rights or title over the subject property and to determine whether infringement of either might occur.

The Authorizing Agency is not responsible for the financial obligations associated with any First Nation accommodation resulting from a FCG or NRT. The sponsoring ministry or applicant is responsible for these obligations. In addition the costs related to FN accommodation can not be booked against the FCG/NRT budget allocations in the Crown Land Account.

8.3.7 Field Inspections

Field inspection means the on-site evaluation of a parcel of Crown land by provincial staff. The need to conduct a field inspection will vary and the decision to make an inspection ultimately lies with the Authorizing Agency.

8.3.8 Decision/Report

a) NRTs that do not require ministry sponsorship

The applicant will be notified in writing of the government’s decision. [Reasons for Decision](#) are posted on the relevant website.

b) Sponsored Free Crown Grants and NRTs

Cabinet determines whether sponsored FCG and NRT applications are approved.

If a sponsored application is approved, the Authorizing Agency prepares a Cabinet Decision Note supporting the application and an Order in Council Package (if the application is for a FCG). If an application does not pass the adjudication process, then the Authorizing Agency and the sponsoring ministry will jointly prepare a Cabinet Decision Note setting out the advantages and disadvantages of the application.

The Cabinet Decision Note will be forwarded to MAL for review and processing through to Cabinet Operations. MAL will notify the Authorizing Agency once Cabinet Operations has informed MAL (and the sponsoring ministry as appropriate) of the decision.

The Authorizing Agency will then provide written notification of the decision to the applicant within 14 calendar days of receiving formal notification of the decision of Cabinet.

8.3.9 Processing Time

For NRTs that do not require ministry sponsorship, standard processing time requirements apply.

For applications that require a decision of Cabinet, the processing time clock stops when the cabinet decision package is submitted to Cabinet Operations.

8.3.10 Dispute Resolution

If the adjudication process identifies significant issues or conflicts, the Authorizing Agency will advise the applicant, the sponsoring ministry and other affected ministries. Issues that cannot be resolved by the Authorizing Agency and the sponsoring ministry may be taken to the Deputy Ministers Committee on Environment and Resource Development (DMCERD) for resolution. The Authorizing Agency or the sponsoring ministry may initiate the DMCERD process.

8.3.11 Issuing Documents

If the application is approved, tenure documents are offered to the applicant. All preconditions must be satisfied prior to the Authorizing Agency signing the documents. It is the applicant's responsibility to obtain all necessary approvals before placing improvements or commencing operations on the tenure.

In cases where a decision of Cabinet is required, no offer or announcement will be made until the Order in Council or Decision Note has been signed.

The Authorizing Agency will provide offer documents to the applicant within 14 calendar days of receiving formal notification of the decision of Cabinet. In doing so the Authorizing Agency will have fulfilled the joint communication requests set out in section 9.7.

Restrictions on FCGs

For all FCG dispositions, land use is limited to a specified public purpose. Compliance is assured by placing a reversionary clause within the Crown grant and use of restrictive covenants. The land is returned to the Crown in the event that it is no longer used for the specified public purpose.

If the holder of an existing FCG wants to use the land of purposes that require the removal of covenants, the holder may apply to purchase the land at market value.

Restrictions on NRTs

When a lease, licence of occupation or statutory right of way is issued to a Community Organization, a special proviso is to be included in the tenure document, which specifies that upon dissolution of the organization, the tenure may be terminated at the option of the Crown.

9. TENURE ADMINISTRATION

9.1 Insurance

A tenure holder is generally required to purchase, and is responsible for maintaining during the term of the tenure, a minimum level of public liability insurance specified in the tenure document. The province may make changes to the insurance requirements and request copies of insurance policies at any time during the term of the tenure.

9.2 Security/Performance Guarantee

A security deposit or bond may be required to be posted by the tenure holder where any improvements on, or changes to, the land are proposed. The security deposit is collected to insure compliance and completion by the tenure holder of all the obligations and requirements specified in the tenure. Some examples where such security may be used are for any type of clean-up or reclamation of an area, and/or to ensure compliance with development requirements.

A requirement for a performance guarantee for *Land Act* dispositions may be made at the discretion of the Authorizing Agency. A guarantee is not normally required for NRTs.

9.3 Assignment and Sub-Tenuring

Assignment is the transfer of the tenure holder's interest in the land to a third party by sale, conveyance or otherwise. Sub-tenuring means an interest in the Crown land granted by a tenant of that Crown land rather than the owner (the Province).

Assignment or sub-tenuring requires the prior written consent of the Authorizing Agency. The assignee or sub-tenure holder must meet eligibility requirements. The Authorizing Agency may refuse the assignment of existing tenures if the details of the assignment or sub-tenure are not acceptable to the province.

Assignment of a lease, licence of occupation or statutory right of way allocated under this policy or its predecessors is subject to the prior consent of the province and the assignee's conformance with the eligibility requirements of this policy.

9.4 Tenure Replacement

Replacement tenure means a subsequent tenure document issued to the tenure holder for the same purpose and area.

In most cases, tenure holders may apply for a tenure replacement at any time following the mid-term of the tenure. Replacement of tenures is at the Authorizing Agency's discretion. The province may decline to replace a tenure, or may alter the terms and conditions of a replacement tenure. For tenure terms and conditions see Section 6.

9.5 Monitoring and Enforcement

Tenure terms and conditions, including requirements contained in approved management/development plans, act as the basis for monitoring and enforcing specific performance requirements over the life of the tenure.

9.6 Timber Administration

Timber removal that is required to carry out the intended public purpose for which a FCG is to be issued, may be completed within the term of an interim lease or licence of occupation.

When a FCG is made for land containing merchantable timber:

- a reservation may be placed in the grant requiring the grantee (or successors) to pay for any timber removed; or
- the assessed value of the timber may be charged at the time the grant is issued.

9.7 Communication and Publicity

The Authorizing Agency is responsible to coordinate a communications strategy with the sponsoring ministry and Public Affairs Bureau (via communication staff). A joint agency press release is optional for an NRT, at the discretion of the Authorizing Agency.

10. VARIANCE

Any decision that would vary from this policy must be made by the Assistant Deputy Minister, Crown Land Administration Division, Ministry of Agriculture and Lands.

Appendix 1. Community/Institutional Policy Summary

TENURE	ELIGIBILITY	TERM	VALUATION	PRICING	METHOD OF DISPOSITION
Licence of Occupation NRT	Public Sector Organization, Local Government, First Nation or Community Organization	10 years or 30 years (may be issued for less than 10 years)	Appraised Market Value (or BCA actual land value) of the land; plus current value of any improvement or calculate concessionary value if market value is < \$100, 000	\$1.00 prepaid for full tenure term for NRT In either case, stumpage charges may apply See special procedures for public wharves.	Application (letter of request sponsorship may be required for NRT)
Lease NRT	Public Sector Organization, Local Government, First Nation or Community Organization	30 years	Appraised Market Value (or BCA actual land value) of the land; plus current value of any improvement	\$1.00 prepaid for full tenure term for NRT In either case, stumpage charges may apply See special procedures for public wharves	Application (letter of request for sponsorship required for NRT)
Statutory Right of Way NRT	Public Sector Organization, Local Government, First Nation or Community Organization	30 years	Appraised Market Value (or BCA actual land value) of the land; plus current value of any improvement	\$1.00 prepaid for full tenure term for NRT In either case, stumpage charges may apply	Application (letter of request for sponsorship may be required for NRT)
FCG	Public Sector Organization, Local Government	Perpetuity (or as long as the land is used for the specified public purpose)	Appraised Market Value of the land; plus Value of unreserved merchantable timber.	Application fees; plus Book costs; plus Value of unreserved merchantable timber; plus current value of any improvements	Application with a letter of request for sponsorship
Crown Grant	Public Sector Organization, Local Government, or Community Organization	Perpetuity	Appraised Market Value of the land; plus Value of unreserved merchantable timber; plus current value of any improvements.	Application fees; plus Market value of land and improvements; plus value of unreserved merchantable timber.	Application

See Appendix 2: Financial Guidelines

Appendix 2: Financial Guidelines

This Appendix provides guidelines for calculating the market value and concessionary value of FCGs and NRTs for the purpose of recording transactions against ministry budgetary allocations in the Crown Land Account.

The Authorizing Agency will determine the market value based on standard procedures, see [Appraisals](#).

2.1 FCGs

The value of a FCG includes:

- the market value of the land
- the assessed value of merchantable timber that is not reserved for the Crown;
- the current value of any improvements including buildings and other developments created with public funds.

The actual amount charged for a FCG will reflect all book costs incurred by the province (development costs, advertising, appraisals, etc.).

2.2 NRTs

The concessionary value of a NRT is the difference between market rent and the actual amount charged for the NRT.

Principles:

The following principles must be applied:

1. NRTs must be recorded in the fiscal year that the Order in Council approving the NRT is signed;
2. The full term must be recorded. For example, a ten year tenure must include the full ten years when calculating the concessionary value;
3. The NRT must be discounted to reflect the time value of money, see [Pricing](#) procedure, section 5.4;
4. There is no requirement to record NRTs where the concessionary value or market value of the land is less than \$100,000.

Assumptions:

Assumptions will be made when determining which NRTs will be recorded and which calculations will be used. Assumptions will be made because;

- A large number of annual leases, license of occupations or statutory rights of way involved;
 - NRTs do not reflect cash or commercial exchange; and
 - Most NRTs are issued for standard 10 or 30 year terms.
1. The concessionary value of a NRT will never exceed the value of the land itself. Recording a NRT for more than the land value would be inconsistent with policy of

the Office of the Comptroller General which treats NRTs as disposals. This assumption enables land values to be considered first in the concessionary value calculation. Consequently, there is no need to calculate the concessionary value of a property with a market value of less than \$100,000.

2. Thirty years is the point at which cumulative tenure rent payments are assumed to equal the value of the land. Therefore, the value of a NRT with a term of 30 or more years can be calculated as the market value of the land.
3. For the purposes of community and institutional use, the annual market rent is calculated at 5% of the market value of the property. Crown land tenure pricing tends to range between 3.5% and 8% of land value. Five percent represents the average of market rent.

Examples

The following examples illustrate how to determine the concessionary value using the principles and assumptions above:

1. Lease of a property with a market value of \$65,000.
 - Calculation of the concessionary value is unnecessary because it can be assumed to be no greater than \$65,000 and
 - NRTs with a concessionary value of less than \$100,000 do not need to be recorded.
2. 30 year lease is granted for a property with a market value of \$350,000.

The concessionary value can be assumed to be \$350,000 because value of the lease is assumed to equal the value of the land when a lease is for 30 years. There is no need for calculation.
3. A ten-year tenure for a property with a market value of \$125,000.
 - The annual rent is \$6,250 (5% of \$125,000)
 - The discounted rent for the ten year term is \$[XX],0000 (Present value based on a discount rate of [Y])
 - The actual rent paid is \$1.
 - The concessionary value is \$[ZZ],000 (\$[XX],000 - \$1).

Appendix 3: Examples of Eligible Non-Profit Society

Examples of eligible types of not-profit societies include:

- First Nations and Band societies
- Airport societies
- Community Agricultural and Fair societies
- Community Amateur Radio and TV societies
- Community Service organizations – Lion's Club, Kinsmen Club, Rotary Club
- Fisheries Enhancement societies
- Habitat Enhancement societies
- Health, Care and Treatment societies
- Historical, Museum and Arts societies
- Local Indoor and outdoor Recreation organizations (athletic and sport societies; hiking and cross-country ski clubs; recreation commissions; nature societies; boating and marina societies)
- Senior Citizen societies
- Rifle, Gun and Archery Range societies
- Rod and Gun clubs
- School Outdoor Education societies
- University and College Alma Mater societies
- Volunteer Firefighters associations
- Water User societies
- Women's and Youth Shelter societies
- Youth Camp organizations – Boy Scouts, Girl Guides
- Youth Groups – Boys and Girls Clubs, YMCA

Appendix 4: Process Summary

FCG Process

- STEP 1** ▶ Applicant obtains and reviews the application guide, FCG forms and other information available from the website or the nearest regional office.
- STEP 2** ▶ Applicant will provide an application, development plan, application fee, and a letter requesting sponsorship
- ▶ Applicant provides the necessary information on the proposed project, including at minimum:
- the location and legal description of the property
 - the proposed purpose or use planned for the land
 - details on how your proposed project meets the Province's standard selection criteria and any additional criteria the sponsor ministry may have.
 - the Authorizing Agency will forward all necessary information to sponsor ministry on behalf of the applicant
- ▶ The sponsor ministry will then:
- review the application package and determine if it will sponsor the application and will notify the applicant of the decision
 - work with the Authorizing Agency to determine the market value of the potential FCG and any associated book costs incurred by the province.
- ▶ Applicants that receive a letter of support from the sponsoring ministry proceed to Step 3.
- ▶ Applicants who do not obtain ministry sponsorship may consider applying to purchase or tenure the Crown land at market value.
- STEP 3** ▶ The Authorizing Agency will seek additional information that may be required during the decision-making process. Timely responses will allow the process to advance.
- STEP 4** ▶ If Cabinet approves the application, the Authorizing Agency and the sponsor ministry will notify the applicant and provide a FCG letter of offer
- ▶ Written acceptance of the offer is required; upon receipt, a FCG for the approved specified purpose will be issued to the client organization
- ▶ The sponsor ministry and the Authorizing Agency will coordinate any public announcements with the client organization.

NRT Process

- STEP 1**
- ▶ Applicant obtains and reviews the application guide, NRT forms and information available from the website or the nearest regional office.
 - ▶ The Authorizing Agency advises applicant on general eligibility and whether application requires a sponsor ministry.
 - ▶ If the NRT application does not require ministry sponsorship (either the market value of the land or the concessionary value are less than \$100,000; or, the term of tenure sought is one year or less) go to Step 3. The Authorizing Agency will process as per the standard application processing procedures.
- STEP 2**
- ▶ If the application requires ministry sponsorship, the applicant will provide an application, development plan, application fee, and a letter requesting sponsorship
 - ▶ The applicant provides the necessary information on the proposed project, including at minimum:
 - location and legal description of the property
 - proposed purpose or use planned for the land
 - proposed length of tenure term –standard terms are 10 and 30 years.
 - the Authorizing Agency will forward all necessary information to sponsor ministry on behalf of the applicant
 - ▶ The sponsor ministry will then:
 - review the application package and determine if it will sponsor the application and will notify the applicant of the decision
 - work with the Authorizing Agency to confirm the value of the NRT.
 - ▶ Once the applicant receives a letter of support from the sponsoring ministry, the applicant proceeds to Step 3.
 - ▶ If the applicant does not obtain ministry sponsorship, the applicant may apply to the Authorizing Agency for a standard tenure at market rent.
- STEP 3**
- ▶ The Authorizing Agency may request additional information that is required during the decision-making process. Timely responses will allow the process to advance.
- STEP 4**
- ▶ If the NRT application is approved (a Cabinet decision for all NRTs requiring ministry sponsorship), the Authorizing Agency and the sponsor ministry will notify the applicant and provide a letter of offer.
 - ▶ Written acceptance of the offer is required; upon receipt a NRT for the approved specified purpose will be issued to the client organization.
 - ▶ The sponsor ministry and the Authorizing Agency may want to coordinate any public announcements with the client organization.

Appendix 5: Public Wharves within the NRT Program

Public Wharves refers to wharves owned by local government or eligible community groups to provide non-commercial marine-based access to the public. This can include limited commercial operations.

A number of public wharves were divested as part of the federal government's Small Craft Harbours Program and are operated by local governments or non-profit organizations as Nominal Rent Tenures (NRT's).

NRT's are not intended to be commercial operations or to be associated with commercial operations. Where long term or permanent moorage is being provided, an applicant should apply for a marina tenure to ensure a level playing field with commercial marina operators in the area.

Temporary moorage and other marine access, however, is an acceptable use of a nominal rent tenure for a public wharf facility as it provides a general benefit to the community. Fees charged for such services will not automatically trigger a requirement for a change in pricing to reflect the commercial nature of the use or a change to another tenure program.

Applications for a nominal rent tenure for a public wharf must be accompanied by a management plan that states what the annual operating costs are estimated to be, broken down into maintenance and operation including staff salaries, and the estimated amount and source of revenue.

The amount of revenue permitted to be generated should not be greater than that required to maintain and operate the facility. In the case of organizations or local governments which maintain more than one wharf facility, the expenses and revenues for each facility should be considered separate from the others. This is consistent with other cost-recovery models used by government, i.e., the regulation for cost-recovery for forest recreation sites.

A notarized financial accounting listing sources of revenue and total revenue, as well as nature and amount of total expenses must be submitted annually, no later than 30 days after the anniversary date of the tenure.

The lessee must provide copies of all sublease agreements with commercial operators such as water taxis and float plane operators for approval on a case by case basis. These types of commercial service will be allowed only where they are vital to a community and cannot be reasonably provided at an alternative location.

Under the nominal rent tenure program, no ancillary commercial uses such as restaurants, food concessions, ice plants, boat or other equipment rentals or sales are permitted on public wharves. Disposition of petroleum products from public wharves is a commercial operation.

Commercial operations on public wharves may be permitted, provided the tenure holder applies to amend the nominal rent tenure to permit the requested type(s) of commercial operation. The tenure holder will then be charged \$500 or 5% of the revenue from the commercial enterprise whichever is greater.

As Nominal Rent Tenures expire, they will be replaced under this new policy (and any subsequent amendments to the Community and Institutional Land Use Policy), and this may result in participatory rents where applicable.



2 hectare parcel



BC Visitor Center

APPENDIX C - 1
PROPOSED KICKING HORSE LIFESTYLE CENTRE
SUMMARY OF COMPARABLE FACILITIES

FACILITY LOCATION AND DESCRIPTION

#	Facility	Location	Population	Indoor or Outdoor	Opening Date	Cost	Size	Ownership, Management	Residents or Tourists Focus	Capital Funding Sources	Financial Information
1	The Salomon Center (Adventure Activity Center)	Ogden, Utah	<ul style="list-style-type: none"> 81,605 (Ogden) Ogden is approximately a 45 min drive from Salt Lake City, population 1,800,000. 	Indoor (Year Round)	2007	\$21 million	125,000 sq. ft. First floor: 66,000 sq. ft. Second floor: 59,000 sq. ft	Owned by the City but managed by Gold's Gym under a 21 year lease. Areas of the center are sub-leased to Fat Cats, physical therapist and a dance studio.	Both	<ul style="list-style-type: none"> Sales tax increment financing Lease revenues approx. \$9.8 million 	<i>Projected Annual Operating Surplus (2007)</i> <ul style="list-style-type: none"> Double Flowrider - \$70,000 Gold's Gym - \$560,000 Wind tunnel - \$430,000 Climbing wall - \$53,000
2	Wave House (Waterpark and Entertainment Facility; Headquarters for Wave House)	San Diego, CA	<ul style="list-style-type: none"> 1,366,895 (San Diego) 	Both (Year Round)	2005	Approx. \$13 million	40,000 sq. ft.	Owned and operated by Wave House	Both (50% residents; 50% visitors)	<ul style="list-style-type: none"> Private investment 	<i>Annual Revenue</i> <ul style="list-style-type: none"> \$6,325,000
3	Mission Recreation Centre (Municipal Aquatic Facility)	Kelowna, BC	<ul style="list-style-type: none"> 118,507 (Kelowna) 180,114 (Central Okanagan Regional District) 	Indoor (Year Round)	April, 2009	\$46 million	8,920 sq. ft.	Owned by the City of Kelowna. Managed by the YM-YWCA	Residents	<ul style="list-style-type: none"> General Fund Surplus Electrical Surplus Statutory Reserves General Reserves Provincial govt grants Debenture borrowing 	<i>Facility Operating Surplus/Loss</i> <ul style="list-style-type: none"> Unknown; recently opened
4	Republic Missouri	Republic,	<ul style="list-style-type: none"> 9,936 (Republic) 	Outdoor	2005	\$4.4	TBD	Owned and operated	Both (44%	<ul style="list-style-type: none"> ¼ cent sales tax 	<i>Facility Operating Surplus</i>

#	Facility	Location	Population	Indoor or Outdoor	Opening Date	Cost	Size	Ownership, Management	Residents or Tourists Focus	Capital Funding Sources	Financial Information
	Aquatic Facility/Center (Municipal Aquatic Facility)	Missouri	<ul style="list-style-type: none"> 160,640 (County) (within 20 min drive of Aquatic Facility) Republic is approximately a 30 min drive from Springfield, population of 150,000. 	(Seasonal)		million		by Republic Parks and Recreation department	residents; 56% non-residents within 100 miles radius)	income (generates \$400,000 annually)	<ul style="list-style-type: none"> 2005 - \$83,800 2006 - \$64,850 2007 - \$10,380 2008 - \$38,160
5	Electric City Waterpark (Outdoor Municipal Aquatic Facility)	Great Falls, Montana	<ul style="list-style-type: none"> 62,000 (Great Falls) 	Outdoor (Seasonal)	2002 (Flowrider first opened at the Park)	TBD	TBD	Owned and operated by the City of Great Falls	Residents	<ul style="list-style-type: none"> General Fund 	<i>Estimated Facility Operating Loss (2008)</i> <ul style="list-style-type: none"> \$500,000
6	Lunenburg County Lifestyle Center (County Multi-purpose Center)	Bridgewater, Nova Scotia	<ul style="list-style-type: none"> 7,950 (Bridgewater) 26,000 (Municipality of the District of Lunenburg) 48,000 (Lunenburg Country) 	Indoor (Year Round)	2011	\$31.5 million	20 acre site	Owned and managed by the Lunenburg Country Lifestyle Centre Society. Governed by a six member Board of Directors	Residents (County)	<ul style="list-style-type: none"> Town of Bridgewater, Municipality of the District of Lunenburg and Corporate and Community Fundraising (\$10.5 million) Government of Nova Scotia (\$10 million) Organization, foundation and government programs (\$11 million) 	<i>Estimated Facility Operating Loss</i> <ul style="list-style-type: none"> Year One, projected loss of \$227,000 The aquatic facility may not operate with a surplus Arena is likely to operate with a surplus Multi-purpose space, administrative space and common areas do not typically generate significant revenue
7	Bingemans	Kitchener,	<ul style="list-style-type: none"> 204,688 (Kitchener) 	Both	1960	TBD	TBD	Privately owned and	Both	<ul style="list-style-type: none"> TBD 	<ul style="list-style-type: none"> TBD

#	Facility	Location	Population	Indoor or Outdoor	Opening Date	Cost	Size	Ownership, Management	Residents or Tourists Focus	Capital Funding Sources	Financial Information
	(Private Recreation and Conference Center)	Ontario	<ul style="list-style-type: none"> • 451,235 (Metropolitan area, including Waterloo and Cambridge) • Approximately 1.5 hours drive to Toronto, population 1,250,000 	(Year Round)				operated by Bingemans			
8	Jasper Activity and Aquatic Centres (2 Facilities) (Municipal recreation and aquatic facilities)	Jasper, Alberta	<ul style="list-style-type: none"> • 4,650 (Jasper) • Located within a national park • Approximately 3 hrs drive from Banff and 3.5 hrs from Edmonton 	Both (Year Round)	TBD	TBD	TBD	Owned and operated by the Municipality of Jasper	Resident Possibly Tourists (TBD)	<ul style="list-style-type: none"> • TBD 	<ul style="list-style-type: none"> • TBD
9	American Mountaineering Center (Research, education, and information about the mountain environment facility)	Golden, Colorado	<ul style="list-style-type: none"> • 18,000 (Golden) 	Indoor (Year Round)	1993	\$4.2 million renovation to an existing high school	47,000 sq. ft	Owned and operated by the American Alpine Club and the Colorado Mountain Club	Both	<ul style="list-style-type: none"> • Member Dues • Outdoor industry donations • Local foundations, including the Golden Civic Foundation 	<i>Facility Operating Loss</i> <ul style="list-style-type: none"> • 2008 – Operated at a loss of \$135,200 • 2004 to 2007 – Typically broke even
10	Woodhouse Park Lifestyle Centre (Arts and sports facility and multi purpose conference, party and training Centre)	Wythenshawe (Manchester City, UK)	<ul style="list-style-type: none"> • 66,000 (Manchester City) 	Indoor (Year Round)	2006	£4.61 million.	TBD	Owned by Manchester City. Managed by Willow Park Housing Trust	Both	<ul style="list-style-type: none"> • £1.9 million - Manchester City • £1.2 million -m Sport England's Active England Programme • £750,000 - Neighbourhood Renewal Fund • £760,000 -Willow Park Housing Trust 	<ul style="list-style-type: none"> • TBD
11	Winsford Lifestyle	Winsford,	<ul style="list-style-type: none"> • 29,683 (Windsford) 	Indoor (Year	Spring	TBD	TBD	Owned and operated	Resident	<ul style="list-style-type: none"> • TBD 	<ul style="list-style-type: none"> • TBD

#	Facility	Location	Population	Indoor or Outdoor	Opening Date	Cost	Size	Ownership, Management	Residents or Tourists Focus	Capital Funding Sources	Financial Information
	Centre (Multi-purpose venue with both leisure and theatre facilities)	UK		Round)	2009			by Cheshire West and Chester City			
12	Portway Lifestyle Centre (Health, well being and leisure facility)	Sandwell, UK	<ul style="list-style-type: none"> • 282,901 (Sandwell) 	Indoor (Year Round)	Summer 2011	TBD	TBD	Owned by in partnership between Sandwell Council, Sandwell Primary Care Trust, Sandwell Leisure Trust and Sandwell Local Improvement Finance Trust (LIFT) Company.	Resident	<ul style="list-style-type: none"> • TBD 	<ul style="list-style-type: none"> • TBD
13	Revelstoke Aquatic Centre	Revelstoke, BC	<ul style="list-style-type: none"> • 7,261 (Revelstoke) 	Indoor (Year Round)	March 2005	\$6.5 million	1,642 square metre		Resident	<ul style="list-style-type: none"> • Borrowed \$3.4 mill from MFA @ 4.55% interest 	2008 Budget: <ul style="list-style-type: none"> • \$298,400 revenues • \$789,000 expenses • 38% recovery (excluding debt repayment)

APPENDIX C - 2
PROPOSED KICKING HORSE LIFESTYLE CENTRE
SUMMARY OF COMPARABLE FACILITIES

FACILITY COMPONENTS

#	Facility	Facility Components/Amenities											
		Wave Loch	Large Pool	River	Water Slides	Other Aquatic	Meeting and Conference Space	Interpretive Centre	Spa/Fitness/Health Services	Food and Beverage	Retail	Leases	Other
1	The Salomon Center (Adventure Activity Center)	Yes (Double Flowrider)	No	No	No	No	No	No	Yes (Golds Gym, Physical Therapist)	Yes (Costa Vida, The Pizza Factory, Striker's Grill)	Yes	Yes (all facility leased from the City; includes subleases)	Yes (Wind Tunnel, Dance Studio, Fat Cats Bowling, Billiard, Arcade, Mini Golf, Climbing Wall)
2	Wave House (Waterpark and Entertainment Facility)	Yes (FlowRider, FlowBarrell, Action River)	Yes (50 m, 20 Yard Lane Pool)	Yes	No	No	Yes (30,000 sq. ft.)	Yes	Yes (Athletic Club and Spa)	Yes (Bar & Grill, North Shore Café, Patio Grill)	Yes	Yes (Food and Beverage)	Yes (Belmont Park, Concert Stage, Golf)
3	Mission Recreation Centre (Municipal Aquatic Facility)	Yes (Single Flowrider)	Yes (50 m Olympic Pool)	Yes (3 m Wide River Run)	Yes (3 Waterslides)	Yes (2 Whirl Pools, Wave Pool, Steam Room)	No	No	Yes	Yes (Jugo Juice)	No	Yes (Food and Beverage)	Yes (Children's Play Area)
4	Republic Missouri Aquatic Facility/Center (Municipal Aquatic Facility)	Yes (Single Flowrider)	Yes (25 Yard Lap Pool with 6 Lanes)	No	Yes (2 Waterslides)	Yes (Play Structure Area)	No	No	Yes (Steam Room)	Yes (Concession)	Yes (Pro Shop)	No	Yes (Children's Play Area, Locker Room)
5	Electric City Waterpark (Outdoor Municipal Aquatic Facility)	Yes (Single Flowrider)	Yes	Yes (Lazy River)	Yes (2 Waterslides from a Tower 20ft High)	Yes (Children's Waterplay Area, Locker Room and Showers)	No	No	No	Yes (Concession)	No	No	No
6	Lunenburg County Lifestyle Center (County Multi-purpose Center)	No	Yes (25 m, 6 Lane Pool)	No	No	Yes (Leisure Free Form Pool, Therapy Pool, Equipment, Storage, Staff Space, Change Rooms)	Yes (Dividable Multi-purpose Space, Kitchen/Bar, Storage, Senior Lounge Area, Child Minding Space)	No	Yes (Therapy pool)	Yes (Food Court Area)	No	No	Yes (2 Ice Surfaces, Lobby and Public Area, Library, Reading Lounge, Games Room, Administration Space)

#	Facility	Facility Components/Amenities											
		Wave Loch	Large Pool	River	Water Slides	Other Aquatic	Meeting and Conference Space	Interpretive Centre	Spa/Fitness/Health Services	Food and Beverage	Retail	Leases	Other
7	Bingemans (Private Recreation and Conference Center)	No	No	No	Yes (Speed Slides, Twister Slides, Torpedo Bay Slides)	Yes (Wave Pool, Hot Tub, Children's Wading Pool, Spray 'N Play)	Yes (40,000 + sq. ft.)	No	No	Yes (Catering, Concessions)	TBD	TBD	Yes (Golf, Funworks Indoor Playground, Screampark, Go-karts, Paintball, Beach Volleyball, Camping)
8	Jasper Activity and Aquatic Centres (Municipal recreation and aquatic facilities)	No	Yes (25 m, 6 Lane Pool)	No	Yes (50 m Waterslide)	Yes (Hot Tub, Steam Room, Shallow wading pool, Family Change Rooms)	Yes (Multi-Purpose Hall, Arena, Log Cabin)	No	Yes (Fitness Centre, Steam Room, Hot Tub)	Yes (Concession)	No	No	Yes (Curling Rink, Arena, Climbing Wall, Squash and Tennis Courts, Skatepark, Ball Diamonds)
9	American Mountaineering Center (Research, education, and information about the mountain environment facility)	No	No	No	No	No	Yes (375 seat Auditorium)	Yes (Museum, Interpretive Displays, Auditorium Library, Research and Education Laboratory)	No	No	Yes (Mountaineering Equipment and Publications)	Yes (Office Space to Outward Bound and Climbing for Life)	Yes (Climbing Wall)
10	Woodhouse Park Lifestyle Centre (Arts and sports facility and multi purpose conference, party and training Centre)	No	No	No	No	No	Yes (Board, Interview and Meeting Rooms)	No	No	Yes (Cyber Café, Bar)	No	Yes (Food and Beverage)	Yes (Training Room, Sports Hall, Dance Studio, Music Studio)
11	Winsford Lifestyle Centre (Multi-purpose venue with both leisure and theatre facilities)	No	Yes (25 m Swimming Pool)	No	No	Yes (Teaching Pool, Steam Room, Sauna)	Yes (Theatre and Sports Hall, Function Room, Main Hall, Interview Rom, Meeting Room)	No	Yes (48 Fitness Stations and Free Weights, Sauna, Steam room)	Yes (Small Cafe, Fully Licensed Bar, Cyber Cafe)	No	Yes (Food and Beverage)	Yes (Dance Studio, Squash Courts)
12	Portway Lifestyle Centre (Health, well being and leisure facility)	No	No	No	No	Yes	Yes (Sports Hall)	No	Yes (Hydrotherapy Pool, Gym, Weight Area, GP Surgery and Tivdale Family Practice Services)	Yes (Cafeteria)	No	No	Yes (Sports Hall, Dance Studio, Climbing Wall, Centre for Excellence for People with Disabilities)

#	Facility	Facility Components/Amenities											
		Wave Loch	Large Pool	River	Water Slides	Other Aquatic	Meeting and Conference Space	Interpretive Centre	Spa/Fitness/Health Services	Food and Beverage	Retail	Leases	Other
13	Revelstoke Aquatic Centre	No	Yes (25 m Lap Pool)	Yes (Lazy River)	Yes	Yes (Sauna, Steam Room, Family Change Rooms, Tots Pool, Swirl Pool, Vortex, Bubble Pit, Spray Arch, Raindrop Unit)	Yes (Multipurpose Space)	No	Yes (Fitness Room, Sauna, Steam Room)	Yes (Snack Bar)			Yes (Climbing Wall)

APPENDIX D
PROPOSED KICKING HORSE LIFESTYLE CENTRE
SUMMARY OF COMPARABLE FACILITIES, Wave Loch Inc. Products

Facility Details	Location and Population	Wave Loch Product(s) and Other Amenities	Indoor/Outdoor (Operating Season)	Wave Loch Product Programs	Key User Groups	Development Cost, Capital Financing and Operating Surplus/Loss
<p><i>Facility</i> Wave House</p> <p><i>Type of Facility</i></p> <ul style="list-style-type: none"> • Waterpark and entertainment facility • World headquarters for Wave House <p><i>Opening Date</i> 2005</p> <p><i>Ownership and Management</i> Privately owned and managed by Wave House</p> <p><i>Size</i> 40,000 sq. ft.</p>	<p><i>Location</i> San Diego, California</p> <p><i>Population</i></p> <ul style="list-style-type: none"> • 1,366, 895 (San Diego) • 3,000,000 (Local population within 1hr drive) <p><i>Community Characteristics</i></p> <ul style="list-style-type: none"> • Outdoor beach and surf destination • 30,000,000 visitors annually 	<p><i>Wave Loch Product(s)</i></p> <ul style="list-style-type: none"> • Flowrider • FlowBarrel <p><i>Other Aquatic Amenities</i></p> <ul style="list-style-type: none"> • 50 m pool <p><i>Other Amenities</i></p> <ul style="list-style-type: none"> • Conference and meeting space (30,000 sq. ft.) • Athletic Club and Spa • Box Office • Stage • Parking for Wave House and Mission Beach • Belmont Park (Fairgrounds) <p><i>Food and Beverage</i></p> <ul style="list-style-type: none"> • Bar & Grill • North Shore Café • Patio Grill 	Both (Year Round)	<ul style="list-style-type: none"> • Summer surf school and lessons • Swimming lessons and swimfit programs • Rentals • Surf and board sport competitions • Live music and professional concerts • Movie premiers • Group parties • Children parties • Wave shows • Corporate VIP events • Themed events • Product launches • Beach parties (e.g., Sundaze) • Personal training • Fitness classes • Nutritional programs 	<ul style="list-style-type: none"> • 50% locals • 50% tourists • 6% of Belmont Park (Fairground) visitors • Professional boarding athletes • Young Adults • Teenagers • Families • Corporate and private groups 	<p><i>Cost</i> Approximately \$13 million</p> <p><i>Capital Financing</i> Private investment</p> <p><i>Operating Surplus/Loss</i></p> <ul style="list-style-type: none"> • \$6,325,000 annual revenue • \$23.00 average spend per person
<p><i>Facility</i> The Salomon Center</p> <p><i>Type of Facility</i> Adventure Activity Center</p> <p><i>Opening Date</i> 2007</p>	<p><i>Location</i> Ogden, Utah</p> <p><i>Population</i></p> <ul style="list-style-type: none"> • 81,605 (Ogden) • Ogden is approximately a 45 min drive from Salt Lake City, population 1,800,000. 	<p><i>Wave Loch Product(s)</i></p> <ul style="list-style-type: none"> • Double Flowrider <p><i>Other Amenities</i></p> <ul style="list-style-type: none"> • Gold's Gym • iFLY Utah-vertical wind tunnel where people fly • FatCats Fun center 32-lane bowling alley, billiards, arcade 	Indoor (Year Round)	<ul style="list-style-type: none"> • Rentals • Dayriding • Flowrider Competition Event • Premium Flowboard sales and rentals 	<ul style="list-style-type: none"> • Residents • Tourists (approx. 10%) • Boarding athletes • Young Adults • Teenagers • Families • Corporate and private groups 	<p><i>Cost</i> \$21 million (full facility)</p> <p><i>Capital Financing</i></p> <ul style="list-style-type: none"> • Sales tax increment financing • Lease revenues approx. \$9.8 million

Facility Details	Location and Population	Wave Loch Product(s) and Other Amenities	Indoor/Outdoor (Operating Season)	Wave Loch Product Programs	Key User Groups	Development Cost, Capital Financing and Operating Surplus/Loss
<i>Ownership and Management</i> • Owned by the City but managed by Gold’s Gym under a 21 year lease. Areas of the center are sub-leased to Fat Cats, physical therapist and a dance studio	<i>Community Characteristics</i> • Recreation mountain community • Centre for skiing and adventure sports • Gateway to three major ski resorts	games, bumper cars, mini golf • iRock Utah (Climbing Wall) • The Dance Establishment (Dance school for children and adults) <i>Food and Beverage</i> • Costa Vida • The Pizza Factory • Striker’s Grill				<i>Projected Operating Surplus/Loss (Flowrider)</i> • 2007 - \$70,000 • 2008 - \$80,000 • 2009 - \$92,100
<i>Facility</i> Mission Recreation Centre <i>Type of Facility</i> Municipal Aquatic Facility <i>Opening Date</i> April, 2009 <i>Ownership and Management</i> • Owned by the City of Kelowna • Managed by the YM-YWCA	<i>Location</i> Kelowna, BC <i>Population</i> • 118,507 (Kelowna) • 180,114 (Central Okanagan Regional District) <i>Community Characteristics</i> • Lake community • Sport tourism community • Centre for outdoor watersports (e.g., kayaking, canoeing, sailing, wakeboarding, windsurfing, etc.)	<i>Wave Loch Product(s)</i> • Single Flowrider <i>Other Aquatic Amenities</i> • 50 m Olympic sized pool • 3 m wide River Run • 3 water slides • Wave pool • 2 whirl pools • Children play area • Fitness centre-1100 sq m • Waterpark <i>Food and Beverage</i> • Jugo Juice Kiosk	Indoor (Year Round)	• Member and public use • Teen surf camp • Flowrider rentals and group bookings	• Residents • Tourists • Teens and youth • Local Wakeboarders Club – Monday and Wednesday evenings for the next 6 months • Provincial Wakesurfers Club – every two weeks from 8-11pm	<i>Cost</i> \$46 million (full facility) <i>Capital Financing</i> • General Fund Surplus • Electrical Surplus • Statutory Reserves • General Reserves • Provincial govt grants • Debenture borrowing <i>Operating Surplus/Loss</i> • Unknown; Centre recently opened

Facility Details	Location and Population	Wave Loch Product(s) and Other Amenities	Indoor/Outdoor (Operating Season)	Wave Loch Product Programs	Key User Groups	Development Cost, Capital Financing and Operating Surplus/Loss
<p><i>Facility</i> Republic Missouri Aquatic Facility/Center</p> <p><i>Type of Facility</i> Outdoor Municipal Aquatic Facility</p> <p><i>Opening Date</i> 2005</p> <p><i>Ownership and Management</i></p> <ul style="list-style-type: none"> Owned and operated by Republic Parks and Recreation department 	<p><i>Location</i> Republic, Missouri</p> <p><i>Population</i></p> <ul style="list-style-type: none"> 9,936 (Republic) 160,640 (County) (within 20 min drive of Aquatic Facility) Republic is approximately a 30 min drive from Springfield, population of 150,000. <p><i>Community Characteristics</i></p> <ul style="list-style-type: none"> Small, growing community. 	<p><i>Wave Loch Product(s)</i></p> <ul style="list-style-type: none"> Single Flowrider <p><i>Other Aquatic Amenities</i></p> <ul style="list-style-type: none"> Zero Depth Entry Play Structure Area Therapy Area Children's Play area Two Slides 25 Yard Lap Pool with 6 Lanes Locker room <p><i>Food and Beverage</i></p> <ul style="list-style-type: none"> Concession Catering for parties 	Outdoors (Seasonal, May 23 to Sept 7)	<ul style="list-style-type: none"> Public use Swimming lessons Swim team use Special events (dive in movie, family fun night) FlowRider competition 	<p>2008</p> <ul style="list-style-type: none"> 57,854 total visitors Residents – 44% of daily admissions Non-residents – 56% of daily admissions Non-residents travel from 100 miles away to use the Flowrider (original target market was non-residents coming from 25 miles away). Teens and youth Families Boarders 	<p><i>Cost</i></p> <p>\$4.4 million (full facility)</p> <p><i>Capital Financing</i></p> <ul style="list-style-type: none"> ¼ cent sales tax income (generates \$400,000 annually) <p><i>Operating Surplus/Loss</i></p> <ul style="list-style-type: none"> 2005 - \$83,800 2006 - \$64,850 2007 - \$10,380 2008 - \$38,160
<p><i>Facility</i> Electric City Waterpark</p> <p><i>Type of Facility</i> Outdoor Municipal Aquatic Facility</p> <p><i>Opening Date</i> 2002 (Flowrider first opened at the Park)</p> <p><i>Ownership and Management</i></p> <ul style="list-style-type: none"> Owned and operated by the City of Great Falls 	<p><i>Location</i> Great Falls, Montana</p> <p><i>Population</i></p> <ul style="list-style-type: none"> 62,000 (Great Falls) <p><i>Community Characteristics</i></p> <ul style="list-style-type: none"> Home to nine museums and interpretive centres Two close-by State Parks Variety of outdoor recreation opportunities Regional shopping center Western Art Capital of the World 	<p><i>Wave Loch Product(s)</i></p> <ul style="list-style-type: none"> Single Flowrider <p><i>Other Aquatic Amenities</i></p> <ul style="list-style-type: none"> Outdoor swimming pool (Mitchell Pool) Power Tower Plunge - 2 waterslides that start from a tower 20 ft high. Little Squirts Soak Zone - children's water play <p><i>Food and Beverage</i></p> <ul style="list-style-type: none"> Concession 	Outdoor (Seasonal)	<ul style="list-style-type: none"> Junior lifeguards Swimming lessons Special events / promotions <ul style="list-style-type: none"> RiverFest Celebrity Flowrider Competition All Comers Swim Meet Rock'n the Wave 	<ul style="list-style-type: none"> Residents Visitors Families Recreation enthusiasts 	<p><i>Cost</i></p> <ul style="list-style-type: none"> N/A <p><i>Capital Financing</i></p> <ul style="list-style-type: none"> General Fund <p><i>Operating Surplus/Loss</i></p> <ul style="list-style-type: none"> Required nearly \$500,000 in subsidies in 2008.

Appendix E

List of Community Stakeholders Interviewed

Introduction

- This document presents a list of key community contacts and stakeholders (provided by Rob Miller, GAI) interviewed in order to gather input related to the overall concept and potential use for the proposed Kicking Horse Lifestyle Centre (the “Centre”).
- Interviews were conducted via telephone by Sara Mimick, Grant Thornton LLP. The majority of interviews were conducted in April, 2009.

Interviewees

GAI Board of Directors

- Randy Priest, President, GAI Board of Directors
- Karen Cathcart, Vice President, GAI Board of Directors
- Ron Oszust, Secretary, GAI Board of Directors
- Flex Demmon, Treasurer, GAI Board of Directors
- Steve Paccagnan, Director, GAI Board of Directors
- Gary Frey, Director, GAI Board of Directors
- Chris Hambruch, Director, GAI Board of Directors

Other

- Jann Arlt, Golden Dolphin Swim Club
- Lisa Reinders, Leisure Services Manager, Town of Golden
- Michael Dalzell, Director of Real Estate, Sales and Marketing, Kicking Horse Mtn Resort
- Mike Cantle, Retired Citizen
- Miro Micovsky, Manager, Tourism Golden
- Phil Taylor, CAO, Town of Golden
- Jon Wilsgard, Clerk, Town of Golden
- Ruth Kowalski, Manager, Chamber of Commerce
- Bill Usher, Executive Director, Kicking Horse Culture
- Maria Walther, Executive Director, Golden Women's Centre
- Brenda Managh, Executive Director, Early Childhood Coalition