

NO: R033

COUNCIL DATE: **FEBRUARY 24, 2014**

REGULAR COUNCIL

TO: **Mayor & Council** DATE: **February 14, 2013**

FROM: **General Manager, Parks, Recreation and Culture** FILE: **0760-20/S**
City Solicitor

SUBJECT: **South Surrey Arts Space – Proposed Partnering and Operating Agreement with Semiahmoo Arts**

RECOMMENDATION

The Parks, Recreation and Culture Department and Legal Services Division recommend that Council:

1. receive this report as information; and
2. approve, subject to compliance with the public notice provisions of the *Community Charter*, the execution by the appropriate City officials of the proposed Partnering and Operating Agreement between the City of Surrey (the “City”) and the Community Arts Council of White Rock and District (“Semiahmoo Arts”), substantially in the form attached to this report as Schedule A and which is generally described in this report.

INTENT

The purpose of this report is to obtain Council’s approval to execute an agreement between the City and Semiahmoo Arts (the Partnering and Operating Agreement) that outlines the operation of the new South Surrey Arts Space.

BACKGROUND

Under the “Build Surrey” program the City of Surrey allocated \$2.1 million for arts-related programming space in South Surrey. Subsequently, based on further community consultation, the Build Surrey Program was amended, authorizing inclusion of arts space in the addition plans for the South Surrey Recreation Centre located off 20th Avenue and 148th Street in the South Surrey Athletic Park. A contract for the South Surrey Recreation Centre addition, including arts space, was subsequently awarded to Taylor Kurtz Architecture + Design Inc.. The construction of 5,300 sq. ft. of space is underway and anticipated to be completed in March, 2014. During the concept design phase of this project the South Surrey & White Rock Arts Society generously donated \$250,000 to the arts component of the project for a total budget of \$2,350,000 million.

Semiahmoo Arts

Semiahmoo Arts was established as a not-for-profit Society on March 28, 1974 and has as its mandate to:

- promote excellence in the arts by coordinating the work and programs of the cultural groups within the Semiahmoo Peninsula;
- stimulating and encouraging the development of cultural projects and activities;
- endeavouring to raise the standards of cultural achievement in the community by broadening the horizons and scope of groups through stimulation of the interchange of art forms and ideas;
- acting as a clearinghouse for information, cultural projects and activities;
- interpreting the work of cultural groups to the community;
- representing the artistic and cultural needs of the community;
- bringing to the attention of Civic, Provincial and Federal Governments the cultural needs of the area and to enlist their financial support where possible;
- coordinating and initiating action when need arises for obtaining recognition, physical needs or monies for the member groups and individual artists;
- having an independent voice to express the cultural and artistic needs and activities of the community as a whole;
- owning, renting or sharing facilities or real property as may be necessary to carry out the objectives of the Society; and
- raising the necessary financial and (or) material resources to enable the Society to carry out its objective of fostering a vibrant sustainable arts community.

The organizations values are:

- **Inspiration** - Fostering creativity in pursuit of an artistic vision of a healthy, whole and vibrant community;
- **Innovation** - Embracing innovation while continuing to support established initiatives;
- **Inclusion** - Ensuring a diversity of arts that appeal and bring joy to people of all ages, cultures and circumstances; and
- **Collaboration** - Developing sustainable partnerships to offer a broad range of programs, services and resources for the arts community.

As they prepare to occupy and animate the new South Surrey Arts Space, the strategic direction of Semiahmoo Arts for 2014 is to focus on the following four initiatives:

1. Developing and strengthening strategic partnerships that will broadly serve the arts community and assist in helping Semiahmoo Arts meet its mandate;
2. Heightening community awareness of the resources and services offered by the Arts Council through various community art projects, linking businesses and artists through Business and the Arts meetings and participation in Culture Days;
3. Preparing and implementing a marketing and communication strategy including a plan that addresses marketing and cross-marketing, a newsletter, website and social media; and
4. Developing a sustainable business plan.

DISCUSSION

City staff and Semiahmoo Arts are proposing for Council consideration a five (5) year operating agreement for the newly constructed South Surrey arts space. Subject to Council approval, the operating agreement will commence on March 24, 2014. Under the terms of the proposed operating agreement, Semiahmoo Arts will pay a nominal prepaid rent (\$100/year) and be responsible for the day-to-day operation, maintenance and programming of the arts space. The City will be responsible for the grounds and building maintenance.

Semiahmoo Arts Board members and staff have been very committed to the success of this project; related actions by Semiahmoo Arts regarding this project include:

- *February, 2011*: a presentation to Council, indicating their interest and support for the South Surrey Arts Space initiative;
- *March – May 2011*: participated, along with other arts groups, in comprehensive community consultations including: World Café workshop, Town Centre Open Houses and an online survey related to the development of the Surrey Cultural Plan. Several South Surrey arts groups put forward their needs through written proposals.
- *June 2011*: attended a Strategic Planning session with all South Surrey arts stakeholder groups and key City staff. All agreed that cultural needs would best be met using a two-phase facility approach. Phase 1 would see dedicated arts space (primarily for visual arts) included in the expansion of the South Surrey Recreation Centre.
- *May 28, 2012*: attended the Surrey Council meeting where Surrey's Cultural Plan was adopted.
- *July 2012*: S.A. supported recommendations to Council to increase the size of the proposed South Surrey Arts facility.
- *Summer/Fall 2012*: participated with other stakeholder groups and City staff in a meeting with the architects to discuss overall facility design, functional space requirements, and furniture, fittings and equipment needs (FF&E). Functional areas include a pottery studio, a visual arts studio, a multipurpose/exhibition space, office and lobby.
- *November 2012 – January 2013*: determined with the City a process and timeline for establishing an agreement as the City's Operator of the Arts Space, and for subsequent usage agreements with stakeholder groups including the South Surrey and White Rock Arts Society, Arts Umbrella, Semiahmoo Potters and the Surrey Y.M.C.A.
- *Jan - Feb 2013*: reviewed the project budget for Furniture, Fittings and Equipment (F.F.E \$110,000), S.A. agreed to seek extra funding for the pottery studio and digital media equipment in order to meet publicly identified arts needs. Semiahmoo Arts successfully applied to the South Surrey Rotary Club for \$18,000 towards media lab equipment and continues to apply for further grants.
- *May 2, 2013*: participates in a South Surrey Arts Space public Open House held at Elgin Hall.
- *June 18, 2013*: provided a project status report to the Culture Development Advisory Committee including their plans for establishing programming partnerships. To date the programming partnerships include the Semiahmoo Potters, South Surrey and White Rock Arts Society, Arts Umbrella and the Surrey Y.M.C.A.

Through the operation of the new South Surrey Arts Space, Semiahmoo Arts will serve the needs of professional and amateur visual artists of all ages working in 2D, 3D and digital media, with instruction and studio time. In addition Semiahmoo Arts will host meetings, rehearsals, special

events and film nights, offer gallery exhibitions, showcase artwork, and provide a meeting place for the arts community and the general public. As operator of the space, Semiahmoo Arts will maintain an office on site. The operation of the South Surrey Arts Space is consistent with the mandate and values of Semiahmoo Arts. The City's proposed agreement with Semiahmoo Arts is consistent with a similar agreement in place with the Arts Council of Surrey, who have been successfully operating the Newton Cultural Centre since September, 2010.

SUSTAINABILITY CONSIDERATIONS

Surrey's Sustainability Charter states:

"Surrey has a network of widely accessible community health and social services, parks, recreation, library and cultural opportunities that promote wellness and active living. The City embraces its cultural diversity and promotes tolerance, social connections and a sense of belonging."

The Charter further states:

"Cultural activities are recognized as an important way for individuals to contribute to their communities. Culture is an essential tool in understanding the values, shared meanings and goals of residents in a community. Wide, inclusive participation in cultural activities contributes to community vitality and supports sustainability."

The development of additional arts space in South Surrey and the proposed operating agreement with Semiahmoo Arts will support the socio-cultural objectives in the City's Sustainability Charter through:

- the introduction of celebratory programs, exhibitions and events of our multicultural heritage and traditional arts (Scope Action SC4: Cultural Awareness in the Community);
- the incorporation of Public Art in each of Surrey's six Town Centres (SC4: Cultural Awareness in the Community);
- initiatives that recognize the importance of digital technology to youth and new cultural practises (SC4: Cultural Awareness in the Community);
- the encouragement of citizen engagement with City planning activities to build community capacity (SC5: Plan for the Social Well Being of Surrey Residents);
- the provision of a range of accessible and affordable cultural services (Goal SC6: Accessible and Appropriately located Services within the City);
- support for local service organizations, in the non-profit (arts) sector for actions that are within the City's mandated responsibilities (Goal SC6: Accessible and Appropriately located Services within the City);
- the development and operation of major arts and heritage facilities in central locations throughout the City (Goal SC 12: Equity in Social Infrastructure Investment);
- promotion of arts and heritage in Surrey (SC4: Cultural Awareness in the Community and SC8: Municipal Outreach, Public Education and Awareness); and
- education and awareness building initiatives that will encourage all sectors of the City to assist in building sustainable cultural components in Surrey (SC8: Municipal Outreach, Public Education and Awareness).

CONCLUSION

South Surrey has an active and vibrant arts community and is served by a well-established Arts Council. Semiahmoo Arts members have been active participants in the planning and

development of the new South Surrey Arts Space and the plans to operate this arts space in collaboration with other local arts groups.

Based on the above discussion, it is recommended that Council approve, subject to compliance with the public notice provisions of the *Community Charter*, the execution by the appropriate City officials of the proposed Partnering and Operating Agreement between the City of Surrey (the “City”) and the Community Arts Council of White Rock and District (“Semiahmoo Arts”) substantially in the form attached to this report as Schedule A and which is generally described in this report.

Laurie Cavan
General Manager
Parks, Recreation and Culture

Craig MacFarlane
City Solicitor

Attachment 1: Partnering and Operating Agreement

PARTNERING & OPERATING AGREEMENT

This Operating Agreement is dated for reference the 25th day of February 2014.

BETWEEN:

CITY OF SURREY
14245 - 56th Avenue
Surrey, B.C.
V3X 3A2

(the "Landlord")

OF THE FIRST PART

AND:

**THE COMMUNITY ARTS COUNCIL OF WHITE ROCK &
DISTRICT**
14600 North Bluff Road
White Rock, B.C.
V4B 3C9

AND:

**THE COMMUNITY ARTS COUNCIL OF WHITE ROCK &
DISTRICT d/b/a/ SEMIAHMOO ARTS**
14600 North Bluff Road
White Rock, B.C.
V4B 3C9

(collectively the "Operator")

OF THE SECOND PART

WITNESSES THAT WHEREAS:

1. The Landlord is the registered owner of the Premises as hereinafter defined;
2. At the time of execution of this Agreement, the Landlord is proceeding with plans to construct Arts Space, as hereinafter defined, for the purpose of being used by various arts groups;

NOW THEREFORE in consideration of the Rent, grants, covenants and agreements hereinafter reserved and contained, the parties hereto grant, covenant and agree as follows:

1. **DEFINITIONS AND SCHEDULES**

1.1 Definitions

In this Agreement, including the recitals hereof and the Schedules attached hereto, the following words and expressions have the following meanings:

- (a) "Additional Rent" means any and all amounts other than the Prepaid Rent required to be paid by the Operator under this Agreement, whether or not same are designated "Additional Rent" or whether or not same are payable to the Landlord, except only any taxes referred to in Section 6.2.
- (b) "Agreement" means this operating agreement executed by the Landlord and the Operator, as amended in writing from time to time.
- (c) "Arts Space" means approximately 5,300 square feet of space within the Building, as shown on the plan attached as Schedule D, that is dedicated for use by various arts groups.
- (d) "Assistance" has the same meaning as in the *Community Charter*, S.B.C. 2003 c. 26.
- (e) "Building" means the South Surrey Recreation Centre, which is constructed on the Lands.
- (f) "Calendar Year" means a period of one (1) year commencing on the 1st day of January in each year during the Term.
- (g) "City" means the City of Surrey, British Columbia, in its capacity as the municipality having jurisdiction over the Premises and any successor in function to the City of Surrey.
- (h) "Commencement Date" means March 24, 2014.
- (i) "Insured Damage" means that part of any damage occurring to any portion of the Premises for which the Landlord is responsible, of which the entire cost of repair is actually recoverable by the Landlord under a policy of insurance in respect of fire and other perils from time to time effected by the Landlord, or, if and to the extent that the Landlord has not insured and is deemed to be a co-insurer or self-insurer under Section 9.1 would have been recoverable had the Landlord effected insurance in respect of perils, to amounts and on terms for which it is deemed to be insured.
- (j) "Lands" means the lands owned by the Landlord currently legally described as: PID 015-151-077, Lot 3, Section 15, Township 1, New Westminster District Plan 83184, Except: Plans LMP36078 and BCP46838.

- (k) "Landlord" means City of Surrey and its successors and assigns as landlord under this Agreement. In Articles that contain a release or other exculpatory provision in favour of the Landlord, "Landlord" includes the councillors, officers, employees and agents of the Landlord.
- (l) "Laws" shall mean all applicable federal, provincial, regional and municipal laws, statutes, regulations, orders, directives or by-laws, including without limitation, all applicable laws, statutes, regulations, orders, directives and by-laws relating to the environment, land use, occupational safety or health.
- (m) "Penalty Rate" means the Prime Rate plus three (3%) percent.
- (n) "Prepaid Rent" has the meaning as defined in Article 3 of this Agreement.
- (o) "Premises" means the Lands and the Building and other structures and improvements erected on the Lands.
- (p) "Prime Rate" means the annual rate of interest established from time to time by the Canadian Imperial Bank of Commerce (or its successor) and declared by the main branch of such bank at Vancouver B.C. from time to time as being that bank's reference rate of interest for commercial Canadian dollar loans made by it in Canada and commonly referred to by it as its Canadian "prime rate".
- (q) "Rent" means the Prepaid Rent and Additional Rent.
- (r) "Taxes" means all taxes, rates, duties, levies, assessments, including school taxes, local improvement rates and other charges which now are or shall or may be levied, assessed or charged against the Arts Space whether municipal, regional, provincial or federal.
- (s) "Term" means the period of time commencing on the Commencement Date and ending on the day which is Five (5) years later. The Term is subject to earlier termination, as set out in Section 14.1, or to renewal as set out in Section 2.3.

1.2 Schedules

All Schedules to this Agreement are incorporated into and form an integral part of this Agreement and are as follows:

SCHEDULE	SUBJECT	SECTION
A	RULES AND REGULATIONS	6.12
A-1	GUIDING PRINCIPLES	2.1

A-2	FACILITY NAMING POLICY	2.2(E)
A-3	SPONSORSHIP POLICY	2.2(E)
B	DIVISION OF MAINTENANCE RESPONSIBILITIES	
	9.1(A)(V)	
		9.2(C)
C	LICENCE AGREEMENT	2.2(C)
D	DESIGN OF ARTS SPACE	1.1(B)
E	LIST OF FURNITURE, FITTINGS AND EQUIPMENT	
	IN ARTS SPACE	8.2(B)
		9.1(C)

2. INTENT, TERM, USE AND SURRENDER

2.1 Intent

The intent of this Agreement is to establish the guidelines under which the Operator will be authorized to operate the Arts Space. The parties agree to conduct themselves in accordance with the principles articulated in the South Surrey Recreation & Arts Centre Guiding Principles, attached as Schedule A-1.

2.2 Use and Name

- (a) The Operator shall use the Arts Space for the purpose of operating a not for profit arts facility for the promotion of arts and culture in the City of Surrey, which includes rehearsals, recitals, galleries, performances, workshops, special events, office space for staff and for purposes incidental thereto (the "Use"), and shall not use nor allow or permit the Arts Space, or any part thereof to be used for any other purpose or use, without the prior written approval of the Landlord.
- (a.1) The Operator will be granted exclusive use of a portion of the corridor areas, as shown outlined in heavy red line on Schedule D, (the "Reserved Area") up to four (4) times per year for the use of special events and related receptions (the "Special Event Dates"). The Special Event Dates will be pre-approved with the City and each date will include up to 4 hours where the Reserved Area will not be accessible to the public. The Operator will be responsible for paying for any additional staff and janitorial costs associated with use of the Arts Space outside of the Building's regular operating hours and/or needs for additional staff.

In addition to the Special Event Dates, the Operator may be granted shared use of the lobby space, if approved by the City. These events would be open to the public and availability for space will be determined having regard for other operational considerations and priorities.

- (a.2) The Operator will be granted exclusive use of the exterior display unit (located in office administration area) and granted access upon request to the City's representative. Requests will be accommodated as necessary to ensure displays are maintained and the Building's administration operations are not impacted.
- (a.3) Keys for access to the Arts Space will be provided to representatives of the Operator, in accordance with a sign-in and sign-out procedure. Access to the Arts Space space outside of regular operating hours will be the responsibility of the Operator to coordinate with the City at the monthly meetings described in Section 5.2. Front counter staff will be able to provide keys to rental groups and instructors as per a sign in and out procedure provided by the Operator.
- (b) Subject to subsection 2.2(c) , the Arts Space shall be available generally to all citizens of the City of Surrey and other members of the public without exclusion or preference. This does not preclude special rates for members of the Operator.
- (c) The Operator shall grant the White Rock and South Surrey Art Society (the "Society") use of the Arts Space by entering into a Licence Agreement substantially in the form attached to this Agreement as Schedule C.
- (d) The Operator shall, by January 31st in each Calendar Year, submit proposed rental fees (excluding programming fees) for review and approval by the Landlord. The Landlord shall not unreasonably withhold its approval of such proposed rental fees and the Landlord's determination will be informed by the Guiding Principles, attached as Schedule A-1. Any changes to the rental fees will be implemented in September during the same Calendar Year. In the event that the Landlord and Operator are unable to agree on rental fees, the rental fees which were in effect during the previous Calendar Year shall be kept unchanged.
- (e) The Operator will have the right to name the Arts Space (including individual rooms within the Arts Space) and to change such name from time to time provided that:
 - (i) the name may include a corporate name as part of the name, but will not include the name or trade name, trade mark or brand name of any business which manufactures or sells alcoholic beverages or tobacco or sexual material;
 - (ii) the name will reflect that the Arts Space is to be used as an Arts & Cultural Centre; and
 - (iii) the name will be in accordance with the Parks, Recreation & Culture Department's Facility Naming Policy, attached as

Schedule A-2, and its Sponsorship Policy, attached as Schedule A-3.

2.3 Renewal

Where the parties agree to do so by mutual consent, the Term of this Agreement may be renewed one (1) time, each renewal being for a five (5) year period.

In accordance with Section 5.2, the Operator and the City shall meet at least six (6) months prior to the end of the Term, and each subsequent renewal term as the case may be, in order to assess the Operator's relationship with art groups that have been using the Arts Space and to determine whether the parties mutually desire to renew the Term of this Agreement. Where the parties do so agree, at least six (6) months before the end of the Term or subsequent renewal term, as the case may be, the Operator shall serve written notice on the City in respect of each such renewal, after which the City shall serve written notice on the Operator consenting to same.

2.4 Surrender by the Operator at Expiry of Term

- (a) At the expiry of the Term or the earlier termination of this Agreement, the Operator shall deliver to the Landlord copies of all maintenance logs, operating manuals, reports and records in the possession or control of the Operator which pertain to the Arts Space.
- (b) At the expiry of the Term, the Operator shall surrender the Arts Space without any payment to the Operator and in the state of repair required to be maintained under this Agreement except for normal wear and tear.
- (c) The Operator covenants that it will upon such expiry or earlier termination leave the Arts Space in a clean and tidy condition.
- (d) Notwithstanding the termination of this Agreement, whether at the expiry of the Term or earlier, the Operator shall remain liable to the Landlord for any default by the Operator during the Term.

2.5 Overholding

If the Operator shall overhold and continue to occupy the Arts Space after the expiry of the Term hereby granted and the Landlord shall accept Rent at the rate hereby reserved, the new tenancy thereby created shall be a tenancy from month to month, and shall be subject to the same covenants and conditions as herein contained. Such new tenancy may be terminated at any time by either the Landlord or the Operator by notice to the other party with the termination date to be set out in the notice and to be at least sixty (60) days after delivery of the notice.

3. RENT

3.1 Rent

The Operator covenants with the Landlord to pay, without any deduction, set-off or abatement whatsoever and without any prior demand therefore the aggregate of following as Rent:

- (a) Prepaid rent of Five Hundred (\$500) Dollars payable 60 days following the Commencement Date; and
- (b) Additional Rent to commence 60 days following the Commencement Date and continue throughout the Term, for such other amounts, charges, costs, and expenses as are required to be paid by the Operator, including but not limited to those amounts, charges, costs, and expenses set out in Article 6 of this Agreement, to the Landlord pursuant to this Agreement in addition to Prepaid Rent.

3.2 Commencement of Rent

The Operator's obligation for payment of Prepaid Rent and Additional Rent shall commence 60 days after the Commencement Date.

3.3 Payments of Rent

Rent will accrue from day to day and any calculation of Rent for a period of less than one year shall be pro-rated on a per diem basis. All payments of Rent shall be paid to the City of Surrey, c/o Real Estate Services Division, 13450 – 104 Avenue Surrey, B.C. V3T 1V8 or at such other place as the Landlord designates in writing, in lawful money of Canada without any prior demand therefore.

3.4 Rent Past Due

If the Operator fails to pay any Rent, or other amount when it is due and payable by the Operator under this Agreement, such unpaid amounts shall bear interest at the Penalty Rate from the due date to the date of payment.

3.5 Taxes on Rent

The Operator shall pay any applicable goods and services taxes, sales taxes or other taxes now or hereafter assessed, levied or imposed, whether on the Landlord or the Operator, in respect of the Rent or the operation of the Arts Space.

4. ENVIRONMENTAL CONCERNS

4.1 Definitions

For the purposes of this Article:

- (a) "Contaminants" means any pollutants, contaminants, deleterious substances, underground or aboveground tanks, asbestos materials, hazardous, corrosive or toxic substances, special waste or waste of any kind or any other substance which is now or hereafter prohibited, controlled or regulated under Environmental Laws;
- (b) "Environmental Laws" means any statutes, laws, regulations, orders, bylaws, standards, guidelines, permits and other lawful requirements of any governmental authority having jurisdiction over the Premises now or hereafter in force relating in any way to the environment, health, occupational health and safety or transportation of dangerous goods, including the principles of common law and equity; and
- (c) "Existing Contaminants" means the Contaminants, if any, existing in or on the Lands as of the Commencement Date.

4.2 Operator's Covenants and Indemnity

The Operator covenants and agrees as follows:

- (a) not to install, store, use and dispose of any Contaminants on the Premises except any Contaminants that are necessary for the normal operation of the Arts Space, and to install, store, use and dispose of all such Contaminants strictly in accordance with applicable Environmental Laws;
- (b) to strictly comply, and cause any person for whom it is in law responsible to comply, with all Environmental Laws regarding the use and occupancy of the Arts Space;
- (c) to promptly notify the Landlord in writing of any release of a Contaminant or any other occurrence or condition at or on the Premises which could contaminate the Premises or subject the Landlord or the Operator to any fines, penalties, orders, investigations or proceedings under Environmental Laws;
- (d) on the expiry or earlier termination of this Agreement or at any time if required by any authority pursuant to Environmental Laws, to remove from the Arts Space all Contaminants and to remediate any contamination of the Premises resulting from Contaminants related to or resulting from use of the Arts Space, in either case brought onto, used at or released from the Premises by the Operator or any person for whom it is in law responsible. The Operator shall perform these obligations promptly at its own cost and in accordance with

Environmental Laws. All such Contaminants shall remain the property of the Operator, notwithstanding any rule of law or other provision of this Agreement to the contrary and notwithstanding the degree of their affixation to the Premises; and

- (e) to indemnify the Landlord and its councillors, directors, officers, employees, agents, successors and assigns, from any and all liabilities, actions, damages, claims, losses, costs, fines, penalties and expenses whatsoever (including all legal and consultants' fees and expenses and the cost of remediation of the Premises) arising from or in connection with:
 - (i) any breach of or non-compliance with the provisions of this Article 4 by the Operator; or
 - (ii) any release or alleged release of any Contaminants at or from the Premises related to or as a result of the use and occupation of the Arts Space by the Operator or any person for whom it is in law responsible or any act or omission of the Operator or any person for whom it is in law responsible.

4.3 Survival

The obligations of the Operator under Article 4 shall survive for Five (5) years following the expiry or earlier termination of this Agreement.

5. LANDLORD'S REPRESENTATIONS AND COVENANTS

5.1 Title

The Landlord represents and warrants that as of the Commencement Date it is the registered owner of the Lands and Premises, free and clear of all liens, charges and encumbrances.

5.2 Coordination Meetings

The Operator shall schedule and attend monthly meetings with the Landlord, as represented by City staff from the Parks, Recreation and Culture Department, in order to discuss operational and programming issues related to the Arts Space.

These monthly meetings may also be attended, at the discretion of the Landlord and the Operator, both acting reasonably, by other arts groups in order to discuss, among other things, coordinating the delivery of arts programs within the City.

In the event that an issue is identified and cannot be resolved to the satisfaction of both parties, the matter will be immediately referred to senior representatives of each party, as described in Section 5.3.

5.3 Annual Review Meetings

Senior representatives of the Landlord and the Operator will meet twice annually, on dates acceptable to both parties, to review compliance with this Agreement and any relevant factors requiring modification.

5.4 Marketing and Advertising

The City agrees to include the program offerings for the Arts Space, as provided by the Operator and its partner groups, in the City's Recreation Guide (which is published four times each Calendar Year). The City will also include the Arts Space' program offerings in the South Surrey Town Centre Recreation Guide Supplement, either at a cost of \$250/page, or as agreed to by the parties on a season by season basis (for example, through the provision of services by the Operator in lieu of monetary payment).

5.5 Commitments made to Society

The Landlord shall honour all commitments of the Operator to the Society, as provided for in Section 2.2(c), if for any reason the Operator is released from, or is unable to perform, its obligations under this Agreement.

If the Society is deprived of any benefit to which it is entitled under Section 2.2(c), as a result of failure by the Operator to perform its obligations, the Landlord shall make reasonable efforts to provide the Society with equivalent use of the Arts Space at a later point in time.

5.6 Programming, Registration & Facility Booking

- (a) The Surrey Arts Centre staff will be responsible for entering and maintaining of programs, printing of class lists, cancellations and any related CLASS requirements. The Operator will pre-arrange access for all program instructors accessing the Arts Space outside of the Building's normal office hours.
- (b) Building staff will offer program registration through the call centre and front counter operations throughout the City. Calling program participants to notify them of cancellations will be the responsibility of the Operator and its instructors
- (c) The Operator will be responsible for all booking of rooms within the Arts Space.

5.7 Arts Space Furnishings

The Landlord shall provide start-up, non-consumable operating furniture, fittings and equipment for the Arts Space with an approximate value of \$110,000 as detailed in Schedule E.

5.8 Provision of Assistance to the Operator

The City agrees to provide the following type of Assistance, subject to all applicable statutory restrictions, to the Operator in connection with the operation and use of the Arts Space:

- (a) permitting the Operator to use the Arts Space for less than market value;
- (b) advertising the Operator's program offerings in the South Surrey Town Centre Recreation Guide Supplement; and
- (c) permitting the provision or secondment of City employees or employee time to participate in Coordination Meetings and Annual Review Meetings as well as working with the Operator on the development of collaborative community cultural programs and to coordinate the delivery of said programs with other City services and programs.

6. OPERATOR'S COVENANTS

The Operator covenants and agrees with the Landlord as follows:

6.1 Payment

The Operator shall pay to the Landlord as and when required hereunder, without any deduction, abatement or set-off of any type or for any reason, all Rent hereby reserved and all other sums to be paid by the Operator to the Landlord hereunder.

6.2 Operator's Taxes

The Operator shall pay when due the Taxes from and after the Commencement Date and thereafter during the Term.

6.3 Delinquent Taxes

If the Operator shall in any year during the Term fail to pay the Taxes under Section 6.2 when due, the Operator shall pay all penalties and interest at the percentage rate or rates established by the City or any other taxing authority for unpaid real property taxes in the City and, in addition thereto, if such be the case, penalties and interest fixed by the City or any other taxing authority for delinquent taxes, but so that the Operator shall only be obligated to pay

such penalties and interest as would be payable by other taxpayers in the City in like case.

6.4 Utility Charges and Business Taxes

The Operator agrees to pay when due, at the Operator's sole expense and for its own account, from and after the Commencement Date and thereafter during the Term:

- (a) all utility charges including, but not limited to gas, electricity, fuel and telephone, rates, and assessments which are properly charged, levied or assessed in connection with the Arts Space or any part thereof;
- (b) all business taxes, license fees and similar taxes which may be charged, levied or assessed in connection with the Arts Space or any part thereof or which are levied or assessed against the Operator, or other person carrying on business therein or therefrom; and
- (c) all other charges and expenses relating to the Arts Space which are the responsibility of the Operator pursuant to this Agreement.

6.5 Landlord to Provide Notices

The Landlord shall forward to the Operator all bills and notices with respect to the payments called for in Article 6 which are received by the Landlord from third parties.

6.6 Evidence of Payment

The Operator shall produce to the Landlord at the request of the Landlord satisfactory evidence of the due payment by the Operator of all payments required to be made by the Operator under this Agreement.

6.7 No Nuisance

The Operator shall not at any time during the Term, use or carry on or permit or suffer to be used, exercised or carried on, in or upon the Premises or any part thereof any noxious, noisome or offensive act, trade, business, occupation or calling, and no act, matter or thing whatsoever shall at any time during the Term be done in or upon the Premises or any part thereof which shall cause an annoyance, be a nuisance to, damage or disturb the adjoining lands and properties.

6.8 No Obstruction

The Operator shall not permit any vehicles belonging to the Operator to cause an obstruction on any roads, driveways in the neighbourhood of the Premises,

or prevent the ingress and egress to occupants of adjacent properties, and will use its best endeavours to ensure that persons doing business with the Operator and its servants and workmen shall not permit any vehicles to cause any such obstruction.

6.9 Compliance with Laws

The Operator shall comply at its own expense with all municipal, provincial, and federal sanitary, fire, safety, liquor and special event laws, bylaws, regulations, and requirements pertaining to the operation and use of the Arts Space, the condition of the improvements, trade fixtures, furniture, and equipment installed therein, and the making by the Operator of any repairs, changes or improvements therein.

6.10 Builders' Liens

The Operator shall promptly pay all charges payable for any work, materials or services that may be done, supplied or performed in respect of the Arts Space by or at the request of or on behalf of the Operator, and shall forthwith take all reasonable steps to discharge any liens in respect of same at any time filed against the Arts Space and shall keep the Arts Space free from such liens and in the event that the Operator fails to do so, the Landlord may, but shall be under no obligation to, pay into court the amount required to obtain a discharge of any such lien in the name of the Landlord or the Operator and any amount so paid together with all disbursements and costs in respect of such proceedings on a solicitor and client basis shall be forthwith due and payable by the Operator to the Landlord as Additional Rent. The Operator shall allow the Landlord to post and keep posted on the Premises any notices that the Landlord may desire to post under the provisions of the *Builders Lien Act*.

6.11 Prohibitions

The Operator shall not allow or permit:

- (a) the installation or operation in any part of the Arts Space or the Arts Space of any video lottery terminals, or machines for playing games of chance with cash prizes (such as slot machines or poker machines);
or
- (b) any part of the Arts Space or the Arts Space to be used for or to offer services or programs aimed at or related to persons convicted of a serious criminal offense, drug treatment, including chemical addiction treatment (e.g. Methadone Clinics) or for entertainment of a sexually explicit nature, such as, by way of example only, striptease, nude dancing or sexually explicit films or videos.

For greater certainty, “entertainment of a sexually explicit nature” is deemed not to include the use of nude models for painting, sketching, sculpting or other similar classes.

6.12 Rules and Regulations

To observe, and to cause its employees, invitees, and others over whom the Operator can reasonably be expected to exercise control to observe the Rules and Regulations attached as Schedule A, and such further reasonable rules and regulations and changes therein as may hereafter be made by the Landlord, of which notice in writing shall be given to the Operator; and all such rules and regulations shall be deemed to be incorporated into and form part of this Agreement.

7. CONDITIONS PRECEDENT

The obligations and duties of the parties as contemplated in this Agreement are subject to the following conditions:

- (a) on or before March 24, 2014, publication of a notice of assistance in accordance with Sections 24 and 94 of the *Community Charter*; and
- (b) on or before March 24, 2014, final approval of this Agreement by both parties and the City’s Municipal Council.

These conditions are for the sole benefit of the City. Unless they are waived or declared fulfilled by written notice given by the City to the Operator on or before the date specified, this Agreement will be at an end and neither party shall have any further obligation to the other.

8. SUBLETTING AND DISPOSITIONS

8.1 Subletting by Operator

The Operator may and is hereby authorized during the Term to licence the Arts Space or any part thereof to groups and individuals, to the extent that such licencing does not conflict with Section 2.2(c), without the prior written consent of the Landlord.

8.2 Assignment by Operator

Except as provided in Section 8.1, the Operator shall not and will not during the Term as hereinafter provided, assign, transfer or sell or otherwise, by any act or deed, cause this Agreement or any interest therein to be assigned, transferred to sold to any Person without the consent in writing of the Landlord, such consent may be unreasonably withheld.

9. INSURANCE AND LIABILITY

9.1 Landlord's Insurance

The Landlord will insure all parts of the physical structure of the Building.

9.2 Operator's Insurance

The Operator shall take out and keep in force during the Term:

- (a) commercial general liability (including bodily injury, death, and property damage) insurance on an occurrence basis with respect to the business carried on, in, or from the Arts Space and the Operator use and occupancy thereof, of not less than \$5,000,000 per occurrence, which insurance shall include the Landlord as an additional insured and shall protect the Landlord in respect of claims by the Operator as if the Landlord were separately insured;
- (b) insurance for all movable property owned by the City that is located within the Arts Space, all as documented in Schedule E, in an amount sufficient to replace all such property; and
- (c) Operator's legal liability insurance in an amount not less than Two Million Dollars (\$2,000,000).

All insurance required to be maintained by the Operator hereunder shall be on terms and with insurers to which the Landlord has no reasonable objection and shall provide that such insurers shall provide to the Landlord 30 days' prior written notice of cancellation or material alteration of such terms. The Operator shall furnish to the Landlord certificates or other evidence acceptable to the Landlord as to the insurance from time to time required to be effected by the Operator and its renewal or continuation in force, either by means of a certified copy of the policy or policies of insurance with all amendments and endorsements or a *certificate* from the Operator's insurer which, in the case of comprehensive general liability insurance, shall provide such information as the Landlord reasonably requires. If the Operator shall fail to take out, renew, and keep in force such insurance the Landlord may do so as the agent of the Operator and the Operator shall repay to the Landlord any amounts paid by the Landlord as premiums forthwith upon demand.

9.3 Limitation of Landlord's Liability

The Operator agrees that:

- (a) the Landlord shall not be liable for any bodily injury to or death of, or loss or damage to any property belonging to, the Operator or its employees, invitees, or licensees or any other person in, on, or about the Premises, or for any interruption of any business carried on in the

Premises, and, without limiting the generality of the foregoing, in no event shall the Landlord be liable:

- (i) for any damage other than Insured Damage or for bodily injury or death of anyone which results from fire, explosion, earthquake, flood, falling plaster, gas, electricity, water, rain, snow, dampness, or leaks from any part of the Premises or from the pipes, appliances, electrical system, plumbing works, roof, subsurface, or other part or parts of the Premises or from the roads and other properties adjacent thereto;
 - (ii) for any damage, injury, or death caused by anything done or omitted by the Operator or any of its servants or agents or by any other tenant or person in or on the Premises;
 - (iii) for the non-observance or the violation of any provision of any of the Rules and Regulations of the Landlord in effect from time to time or of any licence by another user of the Arts Space or any concessionaire, employee, licensee, agent, customer, officer, contractor, or other invitee of any of them, or by anyone else;
 - (iv) for any act or omission (including theft, malfeasance, or negligence) on the part of any agent, contractor, or person from time to time employed by it to perform any work in or about the Premises;
 - (v) for loss or damage, however caused, to money, securities, negotiable instruments, papers, art work, or other valuables of the Operator or any of its servants or agents; and
 - (vi) for the failure to supply interior climate control when prevented from doing so by strikes, the necessity of repairs, any order or regulation of any body having jurisdiction, the failure of the supply of any utility required for the operation thereof, or any other cause beyond the Landlord's reasonable control.
- (b) the Operator releases and discharges the Landlord from any and all actions, causes of action, claims, damages, demands, expenses, and liabilities which the Operator now or hereafter may have, suffer, or incur which arise from any matter for which the Landlord is not liable under subsection 9.3(a).

9.4 Limitation of Operator's Liability

The Landlord releases the Operator from all claims or liabilities in respect of any damage that is Insured Damage, to the extent of the cost of repairing such

damage, but not from injury, loss, or damage which is consequential thereto. For greater clarity, “injury, loss or damage which is consequential thereto” shall be understood to include, but not be limited to, loss of revenue, profits, costs of delay or cancellation or which arises therefrom where the Operator is negligent or otherwise at fault.

9.5 Indemnity of Landlord

Except as provided in Section 9.4, the Operator agrees to indemnify and save harmless the Landlord in respect of all claims for bodily injury or death, property damage, or other loss or damage arising from the conduct of any work by or any act or omission of the Operator or any assignee, subtenant, agent, employee, contractor, invitee, or licensee of the Operator, and in respect of any costs, expenses, and liabilities incurred by the Landlord in connection with or arising out of all such claims, including the expenses of any action or proceeding pertaining thereto, and in respect of any loss, costs, expense, or damage suffered or incurred by the Landlord arising from any breach by the Operator of any of its covenants and obligations under this Agreement. This indemnity shall survive the expiry or termination of this Agreement.

10. REPAIRS AND MAINTENANCE

10.1 Operator’s Repairs

The Operator covenants with the Landlord that:

- (a) The Operator shall at all times during the Term at its own cost and expense:
 - (i) repair, maintain, and keep the Arts Space in good order and repair, as a prudent owner would do;
 - (ii) be responsible to acquire, pay for, repair, maintain, and replace all items identified under Operator’s responsibility in Schedule B attached hereto.

except repairs for which the Landlord is responsible under Section 10.2, the Operator covenants to perform such maintenance and to effect such repairs and maintenance at its own cost and expense as and when necessary or reasonably required so to do by the Landlord.

- (b) Repairs by Designated Tradesmen

The Operator shall, when necessary, and whether upon receipt of notice from the Landlord or not, effect and pay for such maintenance or repairs as may be the responsibility of the Operator under Section

10.1 provided that no maintenance or repairs to the structure, any perimeter wall, the heating, ventilating, air-conditioning, plumbing, electrical, or mechanical equipment, or the floor shall be made without the prior written consent of the Landlord, and in so doing the Operator shall use contractors or other workmen designated or approved by the Landlord in writing, such approval not to be unreasonably withheld or delayed.

(c) Repair at End of Term

At the end of the Term the Operator shall deliver the Arts Space to the Landlord in the condition in which the Operator is required to maintain the Arts Space by the terms of this Agreement, reasonable wear and tear excepted. This provision shall survive the expiration or earlier termination of the Agreement.

For greater certainty, the Operator agrees to, at the end of the Term, ensure that all items listed in Schedule E are present and accounted for within the Arts Space and that, in the event that any item or items listed in Schedule E are missing or damaged, the Operator will deliver replacement items to the Arts Space in a condition acceptable to the Landlord.

It is noted, that upon regular review of this agreement modifications may be made to Schedule E by mutual consent and reflective of current uses.

(d) Landlord's Right to Enter for Repairs

The agents and representatives of the Landlord shall have the right to enter the Premises, including the Arts Space, at all times to examine the same, to make alterations or repairs as they shall deem necessary for the safety, preservation, proper administration, or improvement of the Premises. With pre-planned, schedule operations for access for the above a minimum of 24 hours notice will be provided.

10.2 Landlord's Repair

The Landlord covenants with the Operator:

(a) Structural Repairs

To maintain at its own expense the structure of the roof, foundations, subfloors, flooring finishes, the movable wall in the multi-purpose room and inner and outer walls (including the glass component thereof) of the Building.

(b) Heating, Ventilating, and Air-Conditioning

To ensure that the heating, ventilation and air condition unit(s) (HVAC) perform as per the original design specifications; re:

- (i) volume of air produced;
- (ii) heating and cooling capacity; and
- (iii) that the filters on the units provide the recommended performance.

(c) Maintenance

The Landlord shall be responsible for the repair, maintenance and replacement (if required) of all items identified under Landlord's responsibility in Schedule B attached hereto. The necessity and the timing of the repairs, maintenance and replacements described in Section 10.2 shall be at the discretion of the Landlord, acting reasonably.

Notwithstanding anything in the Agreement to the contrary, if such repairs set forth in this Section 10.2 are required due to the negligent act or omission of the Operator, its contractors, agents, or employees, the Operator shall pay to the Landlord on demand the cost of such repairs as Additional Rental.

10.3 Damage and Destruction

It is agreed between the Landlord and the Operator that in the event of damage to the Arts Space:

- (a) if the damage is such that the Arts Space or any substantial part thereof are rendered not reasonably capable of use and occupancy by the Operator for the purposes of its business for any period of time in excess of 10 days, then:
 - (i) unless the damage was caused by the fault or negligence of the Operator or its employees, invitees, or others under its control, from and after the date of occurrence of the damage and until the Arts Space is again reasonably capable of use and occupancy as aforesaid, Rent shall abate from time to time in proportion to the part or parts of the Arts Space not reasonably capable of use and occupancy, and
 - (ii) unless this Agreement is terminated as hereinafter provided, the Landlord or the Operator, as the case may be (according to the nature of the damage and their respective obligations to repair as provided in Sections 10.1 and 10.2) shall repair such damage with all reasonable diligence, but to the extent that any part of the Arts Space is not reasonably capable of such

use and occupancy by reason of damage which the Operator is obligated to repair hereunder, any abatement of Rent to which the Operator is otherwise entitled hereunder shall not extend later than the time by which, in the reasonable opinion of the Landlord, repairs by the Operator ought to have been completed with reasonable diligence.

- (b) if the Arts Space is substantially damaged or destroyed by any cause to the extent that in the reasonable opinion of the Landlord it cannot be repaired or rebuilt (based on standard hours of construction work) within 90 days after the occurrence of the damage or destruction, then either the Landlord or the Operator may at their respective option, exercisable by written notice to the other party given within 60 days after the occurrence of such damage or destruction, terminate this Agreement, in which event neither the Landlord nor the Operator shall be bound to repair as provided in Sections 10.1 and 10.2, and the Operator shall instead deliver up possession of the Arts Space to the Landlord with reasonable expedition but in any event within 60 days after delivery of such notice of termination, and Rent shall be apportioned and paid to the date upon which possession is so delivered up (but subject to any abatement to which the Operator may be entitled under subsection 10.3(a) by reason of the Arts Space having been rendered in whole or in part not reasonably capable of use and occupancy), but otherwise the Landlord or the Operator as the case may be (according to the nature of the damage and their respective obligations to repair as provided in Sections 10.1 and 10.2) shall repair such damage with reasonable diligence.

10.4 Service Interruptions

The Operator acknowledges to the Landlord that the operation of systems and the availability of facilities may be interrupted from time to time in order to carry out scheduled maintenance, repairs, alterations, replacements, upgrading, and construction or for any other reasonable reason required by the Landlord. Reasonable notice shall be provided by the Landlord to the Operator of such scheduled events.

In the event of a labour disruption, the Landlord agrees to meet with the Operator in order to discuss possibilities for addressing the situation.

For greater certainty, the parties agree that in any circumstance where all or a portion of the Arts Space is unavailable for regular use and occupancy for a period greater than 24 hours, the Landlord shall:

- (a) reimburse the Operator a sum that (in comparison to the Rent) is proportionate to the length of time that the Arts Space is unavailable for use; or

- (b) extend the duration of the Term by a period of time that the Landlord, in its sole discretion, considers reasonable.

The parties agree that, in the event of a service disruption as described in this Section, the Landlord will not be liable to the Operator for lost profits as a result of any such service disruption.

11. REMEDIES OF THE LANDLORD

11.1 Default and Right to Re-Enter

If and whenever:

- (a) the Operator fails to pay any Rent, or other amounts due under the terms of this Agreement twenty one (21) days next after receipt of notice of default in payment of Rent, or other amounts due;
- (b) the Operator fails to observe or perform any of the other terms, covenants or conditions of this Agreement to be observed or performed by the Operator (in this Section 11.1 referred to as a "Non-Monetary Default"), provided the Landlord first gives the Operator thirty (30) days' notice of any such Non-Monetary Default and unless the Operator commences to remedy the same within such thirty (30) day period and thereafter proceeds to remedy the same with reasonable diligence;
- (c) the Operator shall be wound up, or its existence as a society under the Society's Act terminated; or
- (d) in any one Calendar Year more than three (3) notices of default of Rent have been given by the Landlord;

then and in every such case the Landlord in addition to any other rights or remedies it has pursuant to this Agreement or by law, may re-enter and repossess the Arts Space and such relief as may be available at law or in equity to the Operator and provided that, notwithstanding the foregoing, the Landlord shall have no right to re-enter or repossess the Arts Space for any Non-Monetary Default which is minor, or not reasonably likely to prejudice the Landlord in any material way without limiting the Landlord's other remedies for such a Non-Monetary Default.

11.2 Landlord's Right to Cure

Notwithstanding the foregoing and without limiting any other remedies the Landlord may have arising out of this Agreement or at law, upon the happening of a default by the Operator under this Agreement, and the failure to remedy such default within the time limits set forth in Section 11.1, the Landlord shall have the right without any re-entry or termination of this

Agreement, to enter upon the Arts Space and cure or attempt to cure such default (but this shall not obligate the Landlord to cure or attempt to cure any such default or, after having commenced to cure or attempt to cure such default, to continue to do so).

11.3 Termination, Reletting and Damages

In addition to any other rights detailed in Section 11.1 the Landlord may elect to re-enter the Arts Space as provided in Section 11.1, or if it takes possession pursuant to legal proceedings, it may either terminate this Agreement or it may from time to time without terminating this Agreement make such alterations and repairs as are necessary in order to relet the Arts Space or any part thereof for such term or terms (which may be for a term extending beyond the Term) and at such Rent and upon such other terms, covenants and conditions as the Landlord in its sole discretion considers advisable.

11.4 Landlord Expenses

If legal suit is brought for recovery of possession of the Arts Space, for the recovery of Rent, or any other amounts due under this Agreement, or because of the breach of any other terms, covenants or conditions by the Operator to be kept or performed, and a breach is established, the Operator shall pay to the Landlord all reasonable expenses incurred therefore, including legal fees (on a solicitor and client basis), unless a court shall otherwise award.

11.5 Removal of Chattels

In case of removal by the Operator of the goods and chattels of the Operator from the Arts Space, the Landlord may follow same for thirty (30) days.

For greater clarity, the parties agree that any artwork created by art organizations or community groups that is displayed in the Arts Space will remain the property of its respective creator and the Landlord will not be entitled to retain said artwork after the end of the Term.

11.6 Remedies of Landlord Cumulative

The remedies of the Landlord specified in this Agreement are cumulative and are in addition to any remedies of the Landlord at law or equity. No remedy shall be deemed to be exclusive, and the Landlord may from time to time have recourse to one or more of the available remedies specified herein or at law or equity.

12. DISPUTE RESOLUTION

The parties will make reasonable efforts to resolve any dispute, claim, or controversy arising out of this Agreement or related to this Agreement (hereinafter called a "Dispute") using the dispute resolution procedures set out in this Article 12.

12.1 Negotiation

The parties will make reasonable efforts to resolve any Dispute by amicable negotiations and will provide frank, candid and timely disclosure of all relevant facts, information and documents to facilitate negotiations.

12.2 Mediation

If all or any portion of a Dispute cannot be resolved by good faith negotiations within 30 days, either party may by notice to the other party refer the matter to mediation. Within 7 days of delivery of the notice, the parties will mutually agree to appoint a mediator. If the parties fail to agree on the appointment of the mediator, then either party may apply to the British Columbia International Commercial Arbitration Centre for appointment of a mediator. The parties will continue to negotiate in good faith to resolve the Dispute with the assistance of the mediator. The place of mediation will be Surrey, British Columbia. Each party will equally bear the costs of the mediator and other out-of-pocket costs, and each party will bear its own costs of participating in the mediation.

12.3 Arbitration

If all or any portion of a Dispute remains unresolved after completion of mediation pursuant to Section 12.2, then the determination of such Dispute will be determined by a single arbitrator under the *Commercial Arbitration Act* of British Columbia, and any statutory modification or re-enactment thereof. The decision of such arbitrator shall be final and binding upon the parties. The costs of the arbitrator and of facilities for the arbitration shall be borne equally by the parties, except as otherwise stated herein. Except as otherwise provided for herein, the provisions of the said *Commercial Arbitration Act* shall apply.

13. TERMINATION

13.1 Events of Default

This Agreement may be terminated as follows:

- (a) by agreement of the parties;
- (b) by the Landlord, if there is a material default by the Operator of any of the Operator's duties or obligations under this Agreement;
- (c) by the Operator, if there is a material default by the Landlord of any of the Landlord's duties or obligations under this Agreement;

- (d) notwithstanding anything else contained in this Agreement, by the Landlord at the Landlord's sole and absolute discretion upon not less than three (3) months written notice provided to the Operator; or
- (e) notwithstanding anything else contained in this Agreement, by the Operator at the Operator's sole and absolute discretion upon not less than three (3) months written notice provided to the Landlord.

14. APPROVALS, NOTICES ETC.

14.1 Approvals

Where by a provision of this Agreement an approval, consent or agreement of a party (hereinafter called an "Approval") is required, unless the contrary is expressly provided in this Agreement:

- (a) the party whose Approval is required will, within 30 days or such other period of time specified in this Agreement after receipt of a request for Approval which request shall contain reasonable detail, and which request shall conform to the requirements of Section 14.2, give notice to the requesting party either that it gives its Approval, or that it withholds its Approval, setting forth in reasonable detail its reasons for withholding;
- (b) if the notification referred to in Section 14.2 is not given within the applicable period of time, the party whose Approval is requested will be deemed conclusively to have given its Approval in writing;
- (c) unless otherwise provided herein, an Approval may not be unreasonably withheld; and
- (d) where applicable, a dispute as to whether or not the Approval has been unreasonably withheld may be resolved pursuant to Article 11.

14.2 Notices

Notices pursuant to section 12.2(Mediation), section 12.3(Arbitration) and Article 13(Termination) shall be in writing and shall be sufficiently given if mailed in Canada by prepaid registered mail, faxed, or personally delivered, in either case to the addresses as follows:

If to the Landlord:

City of Surrey
13450 – 104 Avenue
Surrey, B.C V3T 1V8
Facsimile No.:
Attn: General Manager, Parks & Recreation

If to the Operator:

Community Arts Council of White Rock and
District
14601 – 20 Avenue
Surrey, B.C.
V4A 9P5

With a copy to the City Solicitor:

City of Surrey
Legal Services Department
13450 – 104 Avenue
Surrey, B.C V3T 1V8
Facsimile No.: 604-599-1613
Attn: City Solicitor

or at such other addresses as the parties shall advise in writing from time to time in the manner aforesaid, and any notice so given shall be deemed to be received by the party to whom it is given, if delivered when delivered, and if mailed by prepaid registered post, other than during an actual or threatened postal disruption, on the fifth (5th) Business Day following the day of mailing,

Any other notices contemplated by this Agreement may be given by courier, e-mail, hand delivery or regular post.

15. EXPROPRIATION

15.1 Expropriation

If during the Term of this Agreement title is taken to the whole or any part of the Premises by any competent authority under the power of eminent domain or by expropriation or by any similar means and such taking in the reasonable opinion of the Landlord and the Operator does not leave a sufficient remainder to constitute an economically viable area, then this Agreement shall terminate in accordance with the applicable provisions of the applicable expropriation Laws once the compensation hereinafter referred to has been paid, and the parties shall be entitled to separately advance their claims for compensation for the loss of their respective interests and to receive and retain such compensation as may be awarded to each respectively.

16. GENERAL

16.1 Number and Gender

All words contained in this Agreement shall be read as the singular or the plural and as the masculine, feminine or neuter gender as may be applicable in the particular context, and shall result in the particular clause being given reasonable interpretation. Words importing person shall also include a body politic or corporation.

16.2 Headings, Index and Captions

The headings to the paragraphs, the index and the captions contained in this Agreement have been inserted as a matter of convenience and for reference and in no way define, limit or enlarge the scope or meaning of this Agreement or any provisions hereof.

16.3 Governing Law and Severability

This Agreement shall be construed and governed by the laws of the Province of British Columbia. All of the provisions of this Agreement are to be construed as covenants and agreements as though the words importing such covenants and agreements were used in each separate paragraph hereof. Should any provisions of this Agreement be illegal or not enforceable they shall be considered separate and several from the Agreement and its remaining provisions shall remain in force and be binding upon the parties hereto as though the illegal or unenforceable provisions had never been included,

16.4 Entire Agreement

This Agreement and any other agreements specifically referred to herein constitute the entire agreement among the parties pertaining to the Arts Space and supersede all prior agreements, understanding, negotiations and discussions, whether oral or written, between the parties.

16.5 Force Majeure

Notwithstanding anything to the contrary in this Agreement if either party shall be bona fide delayed or hindered in or prevented from the performance or observance of any work, term, covenant or act required by this Agreement by reason of strikes, labour troubles, inability to procure materials or services, failure of power, restrictive governmental laws or regulations, riots, insurrection, sabotage, rebellion, war, act of God, legal or administrative tribunal proceedings commenced by third parties, or other reason of *force majeure*, then performance of such work term, covenant or act shall be excused for the period of the delay and the period for the performance of any such work term, covenant or act shall be extended for a period equivalent to the period of such delay including reasonable extensions arising as a result of seasonal conditions resulting from such delays. For greater clarity, the Operator's obligation to pay Rent will be excused during periods of time when, pursuant to this Section 16.5, the Arts Space is unable to be used by members of the public.

16.6 Amendments

No modification, amendment, waiver or termination of this Agreement shall be binding unless executed in writing by the Landlord and the Operator.

16.7 Non-Waiver

No waiver of any of the provisions of this Agreement shall be deemed to be or shall constitute a waiver of any other provision (whether or not similar) nor shall any waiver constitute a continuing waiver unless otherwise provided.

16.8 Calculations

Except as otherwise provided in this Agreement, all calculations required or permitted shall be made on the basis of generally accepted accounting principles and practices applied on a consistent basis.

16.9 Time of Essence

Time shall be of the essence of this Agreement.

16.10 Relationship of Parties

This Agreement shall not be deemed to create any relationship between the parties other than that of landlord and operator as to the Arts Space. For greater certainty, the parties agree that they are not partners or joint venturers and that neither party is the agent nor representative of the other and that each party has no authority to bind the other, and that nothing herein shall derogate from the duties and powers of the City as a municipality.

16.11 Continuation of Certain Obligations

Wherever specifically provided for in this Agreement or if it is necessary for the full implementation of any provision of this Agreement, the obligations of a party shall survive the expiration of the Term or the earlier termination of this Agreement.

16.12 No Voluntary Surrender

The Operator shall not have the right to surrender this Agreement without the prior written consent of the Landlord. The Landlord shall not have the right to surrender this Agreement without due cause and notification of such in writing.

16.13 Further Assurances

Each party agrees to make such further assurances as may be reasonably required from time to time by any other party to more fully implement the true intent and effective function of this Agreement.

16.14 Successors and Assigns

All of the provisions of this Agreement shall be binding upon and enure to the benefit of the parties and their respective successors and permitted assigns.

IN WITNESS WHEREOF the Landlord and the Operator have executed this Agreement as of the date first set forth above.

**COMMUNITY ARTS COUNCIL OF WHITE ROCK & DISTRICT d/b/a/
SEMAHMOO ARTS**, by its authorized signatory(ies)

Rick Muir, President

(Witness to signature)

CITY OF SURREY, by its authorized signatories

Laurie Cavan
General Manager, Parks, Recreation and Culture

(Witness to signature)

SCHEDULE A

RULES AND REGULATIONS

The Operator shall observe the following Rules and Regulations (as amended, modified, or supplemented from time to time by the Landlord as provided in this Agreement):

- (1) The Tenant shall not use or permit the use of the Arts Space in such manner as to create any objectionable noises, odours, or other nuisance or hazard, or breach any applicable provisions of municipal bylaw or other lawful requirements applicable thereto or any requirements of the Landlord's insurers, shall not permit the Arts Space to be used for cooking (except with the Landlord's prior written consent), and shall keep the Arts Space tidy and free from rubbish, shall deposit rubbish in receptacles which are either designated or clearly intended for waste.
- (2) As a precondition to serving, selling or making available any alcoholic beverages on the Premises, the Operator must obtain a Public Special Occasion License.
- (3) The Operator must obtain and maintain throughout the Term of the Agreement a valid City of Surrey business license.
- (4) The Operator shall not abuse, misuse, or damage the Premises or any of the improvements or facilities therein, and in particular shall not deposit rubbish in any plumbing apparatus or use it for other than purposes for which it is intended, and shall not deface or mark any walls or other parts of the Premises.
- (5) No heavy office equipment or safe shall be moved into or about the Premises by or for the Operator unless the consent of the Landlord is first obtained and unless all due care is taken. Such equipment shall be moved upon the appropriate steelbearing plates, skids, or platforms and subject to the Landlord's direction. Hand-trucks and similar appliances shall be equipped with rubber tires and other safeguards approved by the Landlord, and shall be used only by prior arrangement with the Landlord.
- (6) The Operator shall permit and facilitate the entry of the Landlord, or those designated by it, into the Arts Space for the purpose of inspection, and shall not permit access to main header ducts, electrical closets, and other necessary means of access to mechanical, electrical, and other facilities to be obstructed by the placement of furniture or otherwise. The Operator shall not place any additional locks or other security devices upon the doors of the Arts Space without the prior written approval of the Landlord.
- (7) The Operator shall not hang or display any material upon exterior windows or interior common walls which shall cause an annoyance, be a nuisance to adjoining lands and properties or building patrons. This shall not act as censure to the content of art works to be displayed within the Arts Space.
- (8) The Operator shall not erect or permit to be erected any signs, billboards, placards, or advertising not related to the Use upon the Premises without the prior written approval of the Landlord.

- (9) Before an individual is authorized by the Operator to be an instructor or volunteer for children's or youth arts programming on the Premises, the Operator must first ensure that the individual undergoes a criminal record check. at the Operator's or individual's expense. The Landlord has the right to request proof from the Operator of criminal record check completions.

The foregoing Rules and Regulations, as from time to time amended, are not necessarily of uniform application, but may be waived in whole or in part in respect of other users of the Arts Space without affecting their enforceability with respect to the Operator and the Arts Space, and may be waived in whole or in part with respect to the Arts Space without waiving them as to future application to the Arts Space, and the imposition of Rules and Regulations shall not create or imply an obligation of the Landlord to enforce them or create any liability of the Landlord for their non-enforcement.

SCHEDULE A-1

SOUTH SURREY RECREATION & ARTS CENTRE GUIDING PRINCIPLES

The following principles were developed by the representatives of Semiahmoo Arts, South Surrey Recreation Centre Staff and Arts Services Staff (City of Surrey).

We will work together to create a unique arts & recreation centre that:

- welcomes all members of the community and meets their needs for a diversity of services;
- offers a seamless service experience for all customers, that is consistent and positive;
- establishes great partnerships and programming relationships amongst various arts organizations and community groups and maximizes the use of the centre;
- creates a cultural hub where artists can meet to collaborate, practise and showcase their art;
- offers the public a functional gathering place to create, display and experience the arts;
- enhances the visibility of local arts organizations and helps to build their leadership and organizational capacity; and
- promotes accessibility and demonstrates that we value arts, innovation and creativity in our daily lives.

SCHEDULE A-2

PARKS, RECREATION AND CULTURE DEPARTMENT POLICY

SUBJECT: PARK & FACILITIES NAMING

INTENT

To establish a clear Policy for naming parks as well as Parks, Recreation and Culture buildings, assets and amenities.

- A. Destination Parks**
- B. City parks and amenities** tend to be used by a great number of people and whenever possible should bear names which identify their general location or key site features. They could also be named after benefactors or sponsors who have made an extraordinary contribution to the community. (Examples: Bear Creek Park, Stewart Farm House, and Surrey Arts Centre)
- B. Community parks and amenities** tend to be used by the next greatest number of people and should, whenever possible, be given names which identify:
- (a) the community in which they are located (ie: Cloverdale Athletic park, Fleetwood Community Centre);
 - (b) Surrey pioneers known in the area in which the park is located (ie: Lionel Courchene Park);
 - (c) major donors or sponsors (XYZ Company Youth Park);
 - (d) names arising from a community-based selection process (ie: The Garage-South Surrey Youth Centre).
- C. Neighbourhood parks and amenities** tend to be used by fewer people than City and community parks, are more difficult to name for their location, and therefore should be given names recognizing:
- (a) special features or major plant life indigenous to parks (ie: Cottontail tot lot);
 - (b) Surrey pioneers known in the area in which the park is located (ie: Moffat Memorial Park);
 - (c) local street and subdivision names, excluding real estate and development companies (ie: Strawberry Hill Park);
 - (d) significant donors or sponsors, including real estate and development companies who make a significant donation in excess of normal development cost charges;
 - (e) former property owner who donated the land (ie: Bell Park).
 - (f) Natural area linkages and conservation areas may never be developed as parks and should be assigned numbers for reference purposes in accordance

APPROVED BY:


Laurie Cavan, General Manager, Parks, Recreation and Culture

DATE APPROVED:

HOUSEKEEPING DATE: May 2009

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PARKS, RECREATION AND CULTURE DEPARTMENT

POLICY

SUBJECT: PARK & FACILITIES NAMING

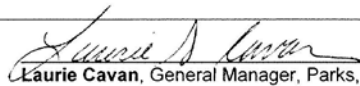
with the grid system used to identify planning/engineering map detail. Where community groups propose to name a greenbelt, these areas may also be treated as neighbourhood parks.

2. Whenever a park has come to be known traditionally but not officially by a name which is not so familiar to the name of an existing park to be confusing, then serious consideration should be given to formal adoption of the traditional name.
3. Consideration may be given to naming parks and amenities after outstanding community volunteers. Consideration may also be given to naming parks and amenities after retired City employees, if the employee has given outstanding service to the City and/or has made a noteworthy contribution to the well-being of the City.
4. Consideration should be given to naming donated park sites and facilities constructed on donated land after the donor.
5. Parks immediately adjacent to existing school sites should bear the same name as the school (neighbourhood and community parks).
6. The preferred methods for selecting a name are:
 - through popular choice either via a petition, school contest, or other form of community involvement;
 - as a result of donation and/or sponsorship.
7. Naming parks or amenities after sponsors can only be done in accordance with the city's Sponsorship Policy.

PRACTICES WHICH SHOULD BE AVOIDED

1. Naming a park or facility after a current politician.
2. Naming a park or facility after a nearby but not immediately adjacent school or institution that may lead to confusion regarding their respective locations.

APPROVED BY:



Laurie Cavan, General Manager, Parks, Recreation and Culture

DATE APPROVED:

HOUSEKEEPING DATE: May 2009

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SCHEDULE A-3

PARKS, RECREATION AND CULTURE DEPARTMENT POLICY MANUAL

SUBJECT: SPONSORSHIP

Specific conditions applicable to the Parks, Recreation and Culture Department have been incorporated into these guidelines.

DEFINITIONS

Corporate Sponsorship:

"a mutually beneficial business arrangement or partnership between the City of Surrey and its Departments, and an external party (individual, company, organization or enterprise), wherein the external party contributes funds, goods or services to a City program, facility, event or activity in return for recognition, acknowledgement or other promotional considerations and wherein all components of the relationship are consistent with City sponsorship policies."

The City:

shall mean the City of Surrey and its Departments.

GENERAL PRINCIPLES

- i) The City of Surrey accepts the principle that external organizations may sponsor portions of or entire approved City programs, events, facilities or activities where such sponsorship is mutually beneficial to both parties and in a manner consistent with all aspects of guidelines and sponsorship policies set by the City. Under the conditions of this Policy, City staff may solicit such Corporate sponsorship for the City.
- ii) All forms of Corporate sponsorship must support the goals, objectives, policies and by-laws of the City of Surrey, including conflict of interest, employee code of conduct, and liability clauses. All sponsorship projects and relationships must be non-partisan, non-racial, non-denominational, non-sexist and non-political.

Recognition provided to sponsors (i.e., in advertising, signage, announcements, etc.) must not take precedence over the City logo or profile. Recognition must be consistent with the scale of each participant's contribution. Where there is a question regarding the scale and impact of Corporate recognition, a review will be conducted and set standards in each individual situation.

APPROVED BY:



General Manager, Parks, Recreation and Culture

DATE APPROVED:

March 17, 1997

HOUSEKEEPING DATE:

October 13, 2005

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PARKS, RECREATION AND CULTURE DEPARTMENT

POLICY MANUAL

SUBJECT: SPONSORSHIP

For each opportunity presented, specifics must be detailed and evaluated regarding the maximum sponsor recognition provided, to ensure the City is not faced with undue commercialism.

iii) Exclusions to Corporate Sponsorship Policy:

- Gifts or unsolicited donations to a Department or the City where no business relationship exists.

Sponsorship proposals forwarded to the City by an external organization whereby the proposed project is experimental and/or innovative. Such projects should be reviewed by the Sponsorship Committee, approved in accordance with Corporate approval guidelines and applied a fixed time frame for involvement. The agreement would include the City's right to offer the sponsorship to other firms at the conclusion of the specified experimental period.

- Sales of advertising or signage space on City owned facilities and printed materials, which involves only the straight purchase of advertising space sold at marketplace rates, and does not imply any reciprocal partnership arrangement.

iv) Restricted Solicitations

Where the intent is to solicit sponsorship from companies whose product or public image may be deemed "sensitive" (i.e. liquor, tobacco, personal care or health products, companies reported to have questionable business practices, etc.) the City must evaluate individually all such sponsorship proposals based on the contents of the proposal. The proposal must be reviewed by the Sponsorship Committee and approved or declined as appropriate. The City reserves the right to reject any such proposals.

v) Open and Competitive Bidding

In accordance with competitive bidding policies, the City must ensure the selection of the most appropriate sponsors who meet the following criteria:

- quality and timeliness of product and service delivery;
- value of product, service and cash provided to the City;

APPROVED BY:



General Manager, Parks, Recreation and Culture

DATE APPROVED:

March 17, 1997

HOUSEKEEPING DATE:

October 13, 2005

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PARKS, RECREATION AND CULTURE DEPARTMENT POLICY MANUAL

SUBJECT: SPONSORSHIP

- cost to the City to service the agreement;
- compatibility of products and services with City policies and standards; and
- marketplace reputation.

Sponsorship arrangements with media organizations represent a special case due to the relatively small number of partnerships available in the community and the appropriateness of selected media for the proposed sponsorship program or activity (i.e., appropriate reach to target market).

The Communications and Public Affairs office and other personnel involved in media buying should be consulted regarding any sponsorship arrangements being considered.

Single sourcing of sponsorship opportunities is appropriate when:

- an externally received project offers an experimental opportunity over a defined period of time;
- it is verified that there is only one interested and suitable potential sponsor.

APPROVAL/AUTHORITY

- i) All sponsorship arrangements and agreements are subject to review and approval by the appropriate designated authorities prior to soliciting of sponsorship contributions. Level of signing authority varies according to the total value of the sponsorship.

Nature of Proposed Sponsorship Agreement	Designated Signing Authority
Agreement with an aggregate annual value of revenues to the City of less than \$25,000	Section Manager
Agreements with an aggregate annual value of revenues to the City of \$25-100,000	Division Manager
Agreements with an aggregate annual value of revenues to the City of \$100-200,000	Department General Manager
Agreements with an aggregate annual value of revenues to the City of \$200,000 - \$350,000	City Manager
Agreements with an aggregate annual value of revenues to the City of over \$350,000	Council

APPROVED BY:



General Manager, Parks, Recreation and Culture

DATE APPROVED:

March 17, 1997

HOUSEKEEPING DATE:

October 13, 2005

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PARKS, RECREATION AND CULTURE DEPARTMENT

POLICY MANUAL

SUBJECT: SPONSORSHIP

- ii) The Legal and/or the Purchasing Divisions must review and approve any sponsorship arrangements:
- when the Departmental authority deems appropriate;
 - when the City is at risk of liability through personal injury or property damage as a result of the sponsorship activity;
 - where the agreement is a result of a tender call or other formal open competitive process through Purchasing.
- iii) All sponsorship agreements must confirm all dates of the sponsorship arrangement, clearly indicating what the sponsor is contributing to the project, the value of that contribution (best market value estimate) and the forms of recognition the City is making available to the sponsor in return. The agreement must be signed by appropriate representatives from both the City and the external organization.

RESPONSIBILITIES

- i) All issues and questions raised by City Departments should be addressed through the Manager, Marketing and Community Relations, Parks, Recreation and Culture Department. The Manager, Marketing and Communications is responsible for:
- providing guidance to all City Departments regarding the interpretation and application of this Policy;
 - providing assistance and advice to Departments regarding sponsorship activities;
 - reviewing and assisting in the development of sponsorship arrangements, as requested; and
 - managing the processes for tracking, sharing and reporting all sponsorship arrangements held by the City Departments.
 - identifying new sponsorship opportunities throughout the City;
 - facilitating the review and revisions of policy.
- ii) All costs and revenues pertaining to a sponsorship arrangement should be included in the approved Departmental budget. Where there are issues regarding the disbursement of sponsorship revenues, the Senior Management Team shall determine the most appropriate allocation.

APPROVED BY:



General Manager, Parks, Recreation and Culture

DATE APPROVED:

March 17, 1997

HOUSEKEEPING DATE:

October 13, 2005

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PARKS, RECREATION AND CULTURE DEPARTMENT POLICY MANUAL

SUBJECT: SPONSORSHIP

THE SPONSORSHIP AGREEMENT

- i) Sponsorship arrangements must provide valuable resources to complement, enhance, promote or maintain City programs, events, activities or facilities. These arrangements must be complementary to the City's advertising, public relations and promotional activities.
- ii) There should be comparability and consistency of sponsor benefits amongst and between proposals.
- iii) The sponsorship opportunity should be presented by the City in the form of a proposal or letter detailing the rights and benefits offered. Prior approval of these proposals is required under the conditions laid out in "General Principles" "(iv)" above.
- iv) The agreement must have a fixed time period.
- v) The agreement must be limited in scope and application to the City or project under consideration, should not involve any form of a risk-sharing venture. The signing of the agreement does not form any kind of joint venture between the two parties.
- vi) Extensions or additions to the original signed agreement are subject to the same approval process as new agreements.
- vii) Long standing sponsorship arrangements that pre-date this Policy may be continued until expiry, upon the review and approval of the appropriate General Manager.

APPROVED BY:



General Manager, Parks, Recreation and Culture

DATE APPROVED:

March 17, 1997

HOUSEKEEPING DATE:

October 13, 2005

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SCHEDULE B

DIVISION OF MAINTENANCE RESPONSIBILITIES

Items	Detailed Breakdown	Landlord	Operator
<u>General</u>			
	Property Taxes	X	
	Water	X	
	Hydro (Landlord will pay and invoice the Operator for use by Arts Space)		X
	Gas (City will invoice the Operator based on use by square foot)		X
	Garbage (City will invoice the Operator based on use by square foot)		X
<u>Insurance</u>			
	Building /Premises /Arts Space	X	
	General Liability / Legal Liability / Contents (for Arts Space)query contents responsibility?		X
<u>External Maintenance</u>			
	Grounds / Lighting / Parking Lot / Snow Removal	X	
	Painting / Washing / Graffiti Removal	X	
	Repairs	X	
	Public Art / Signage	X	
	Pest Control	X	
	Glass Repair & Replacement	X	
<u>Inside Maintenance</u>			
	HVAC	X	
	Plumbing Infrastructure (including Hot Water Tank)	X	
	Lift Maintenance	X	
	Preventative Maintenance Inspection	X	
	Movable Wall	X	
	Interior Signage (normal wear & tear)		X
	Janitorial Services / Painting		X
	Plumbing (Daily Use / Clogs)		X
<u>Electrical</u>			
	Original lighting & wiring – fixture replacement	X	
	Fire systems inspection and maintenance	X	
	Replace lights (bulbs / tubes) / Normal wear & tear		X
<u>Security</u>			
	Alarms system installation & maintenance	X	
	Handicapped door opening	X	
	Monthly monitoring	X	
<u>Equipment</u>			
	Office equipment / Kitchen equipment		X
	Audio /Visual and technical equipment		X
	Phone / Internet system		X
<u>Supplies</u>			
	Office		X
	Janitorial (for Arts Space only)		X
	Arts programming		X

The responsibilities shown in the Operator's column apply only in relation to the Arts Space itself.

DRAFT

SCHEDULE C

INTERIM LICENCE AGREEMENT

THIS INTERIM AGREEMENT dated for reference this _____ day of July, 2012.

BETWEEN:

CITY OF SURREY

14245 – 56 Avenue
Surrey, B.C.
V3X 3A2

(the "City")

OF THE FIRST PART

AND:

SOUTH SURREY AND WHITE ROCK ART SOCIETY

a registered not-for-profit society located at
P.O. Box 75277
White Rock, B.C.
V4B 5L4

(the "Society")

OF THE SECOND PART

WHEREAS:

- A. The City of Surrey (the "City") is the registered owner of certain lands situate within the City of Surrey, bordered by 20th and 24th Avenues and 148th Street, and upon which is a building known as the South Surrey Recreation Centre (the "Rec Centre");
- B. The Rec Centre is located at 14601 – 20th Avenue, Surrey, British Columbia and contains approximately thirty six thousand five hundred (36,500) square feet of space;
- C. The City is proceeding with plans to construct an expansion to the Rec Centre, for the purpose of being used by various arts groups (the "Arts Space Expansion");
- D. The City is in discussions to finalize a lease agreement with an organization (the "Operator") under which the Operator will assume responsibility for operating the Arts Space Expansion (the "Lease Agreement");
- E. Upon execution of the Lease Agreement, the City, the Operator and the Society anticipate entering into a licence agreement with essentially the same terms and conditions as contained in this Interim Agreement (the "Licence Agreement"), but the

City and the Society wish to formalize the Society's permitted use of the Arts Space Expansion before the Lease Agreement is finalized;

NOW THEREFORE this agreement witnesses that in consideration of the sum of One (\$1.00) Dollar and other good and valuable consideration (the receipt and sufficiency of which is hereby acknowledged) and in consideration of the mutual covenants and agreements hereinafter set out the parties agree as follows:

1.0 DEFINITIONS

1.1 The following words and phrases wherever used in this Interim Agreement shall have the meaning hereinafter specified:

"Easel Storage Space" means a lockable area of not less than one hundred twenty (120) square feet within the Arts Space Expansion, provided for the use of the Society, for the purpose of storing easels and other assets that the Society chooses.

"Multi-Purpose Arts Hall" means an area of not less than one thousand six hundred (1600) square feet to be used for, among other things, meetings, exhibitions and workshops.

"Office Space" means an area of not less than one hundred eighty (180) square feet, to be used by the operator of the Arts Space Expansion;

"Seating and Tables" means one hundred twenty (120) folding chairs, capable of being moved on rolling racks, and twenty (20) tables with foldable legs.

"Storage Space" means a lockable area or areas within the Arts Space Expansion that has the capacity to store the Seating and Tables, along with materials incidental to the Society's use of the Arts Space Expansion. Storage Space is deemed to include Easel Storage Space.

"Term" means the Term of this Interim Agreement as defined in Section 3.1.

"Visual Arts Studio" means an area of not less than one thousand three hundred (1,300) square feet to be used for, among other things, painting, drawing and related craft activities.

2.0 GRANT OF LICENCE

2.1 The City hereby grants to the Society the non-exclusive right and licence to enter onto and use the Arts Space Expansion for the purposes of holding meetings, art shows, storing art materials and other related uses in accordance with the terms and conditions of this Interim Agreement.

3.0 TERM

- 3.1 Subject to execution of the Licence Agreement, the term of this Interim Agreement shall be for a period of twenty five (25) years, commencing on the date when the Arts Space Expansion is opened to the public.
- 3.2 Upon execution of the Licence Agreement, this Interim Agreement will be deemed to be immediately terminated and replaced by the Licence Agreement.

4.0 SCHEDULE OF PAYMENT

- 4.1 The Society agrees to pay to the City an annual rent of ONE DOLLAR (\$1.00). The first rent payment shall be payable by the Society on the date when the Arts Space Expansion is opened to the public. Subsequent payments are to be made on the anniversary of this date throughout the Term.
- 4.2 If the Society does not comply with Section 4.1, the City shall provide the Society with written notice to this effect and, upon receipt of such notice, the Society shall provide payment to the City within thirty (30) days.

5.0 USE OF THE ARTS SPACE EXPANSION BY THE SOCIETY

- 5.1 Throughout the Term, the Society shall have and is hereby granted the right to use the Arts Space Expansion, in accordance with the following terms:
 - (a) The City shall permit and hereby grants to the Society use of the Multi-Purpose Arts Hall in the Arts Space Expansion from 6PM to 10PM on the second Monday of each month (except where that date falls on a Canadian or British Columbian statutory holiday, in which case the use shall occur on the third Monday of the month), for the purpose of holding Society meetings;
 - (b) The City shall grant to the Society use of the Multi-Purpose Arts Hall, for the purposes of holding art shows, for thirteen (13) days each year. This use shall be from, where the date is a Canadian or British Columbian statutory holiday, 10AM to 6PM, and, for all other dates, from 9AM to 9PM. The Society shall select the thirteen (13) days from among the following choices:
 - i) Friday, Saturday and Sunday of the week immediately preceding Valentine's Day (February 14);
 - ii) Friday, Saturday and Sunday of the three-day Easter long weekend;
 - iii) Friday, Saturday and Sunday of the third weekend of September;
 - iv) Friday, Saturday, Sunday and Monday of the third week of November, and;
 - v) December 1 – 7, inclusive

and should notify the City of its choices no later than one year in advance of the earliest date it has selected.

As an illustrative example, in order for the Society to be assured of reserving its preferred days for 2016, the Society shall notify the City of its selections in 2015, no later than one (1) year before the first-occurring day desired by the Society for 2016.

The City is permitted to accept reservations from the general public, for any room within the Arts Space Expansion, beginning one year less a day in advance of the date in question (the "General Reservation Period"). During the General Reservation Period, the Multi-Purpose Arts Hall may be reserved by any party, subject to availability.

In the event that, pursuant to this paragraph, the Society wishes to reserve greater than thirteen (13) days in any given year, it may do so by paying the City's standard rental rates for use of the Multi-Purpose Arts Hall on the additional date or dates in question. For clarity, this means that if the Society wished to reserve fourteen (14) days during a year (such as are identified in Section 5.1(b)(i), (iv) and (v)), the Society would be required to pay the ordinary rates prevailing at the time for one (1) day of use.

- (c) The City shall permit and hereby grants to the Society use of the Visual Arts Studio in the Arts Space Expansion each Thursday for an eight (8) hour period, to be determined each year, for the purpose of drop-in or scheduled painting classes;
 - (d) The City shall permit and hereby grants to the Society use of a portion of the Multi-Purpose Arts Hall from 6PM to 10PM on the third Wednesday of each month, for the purpose of holding the Society's board executive meetings; and
 - (e) The City shall permit and hereby grants to the Society use of Easel Storage Space throughout the Term.
- 5.2 Prior to the General Reservation Period, or at any other time as agreed by the parties, the City shall confirm with the Society that the schedule specified in Section 5.1 is acceptable to the Society for the upcoming year. If changes to the schedule are requested by the Society, the City shall make them to the extent possible.
- 5.3 For the purposes of Section 5.2, the schedule in Section 5.1 may be varied or amended by written agreement as negotiated between the Society and the City.
- 5.4 The City shall not unreasonably withhold its consent to scheduling changes requested by the Society pursuant to Section 5.2. For added clarity, the Society shall take precedence over other groups when reserving space within the Arts

Space Expansion, except when the City has already scheduled another group to use the same space on the day(s) and time(s) requested by the Society.

- 5.5 The parties agree to act reasonably, in good faith and to use their best efforts to reach consensus when the Society requests rescheduling of its use of the Arts Space Expansion pursuant to Section 5.2.

6.0 POLICIES

- 6.1 Subject to the terms of this Interim Agreement, the Society will abide by City of Surrey Policies as they relate to the use of the Rec Centre (the "Policies"), which are attached to this Interim Agreement as Appendix "1". In the event that the Society fails to comply with the Policies, the City shall first provide notice of this fact in writing to the Society. Thirty (30) days following such notice, if the Society continues to contravene the Policies, the matter shall be referred to the General Manager of Parks Recreation and Culture (City) and the President of the Society. If these individuals are unable to resolve the dispute, the matter will then be referred to mediation. If the dispute remains unresolved after mediation, the City may take any action that it deems appropriate.

7.0 INSURANCE

- 7.1 The Society shall at its expense, during the whole of the Term, obtain and maintain commercial general liability insurance in an amount not less than Two Million Dollars (\$2,000,000), protecting the City and the Society against claims for personal or bodily injury, death or property damage arising from any accident or occurrence in the Rec Centre, during the times that the Arts Space Expansion is used by the Society, and without limiting the foregoing, with provisions for cross liability and severability of interests. The insurance placed pursuant to this section shall be primary and shall name the City as additional named insureds.
- 7.2 Each policy of insurance provided pursuant to this Interim Agreement shall contain an agreement by the insurer to the effect that it will not cancel or alter or refuse to renew such policy to its expiration, whether by reason of non payment of premium, non-fulfillment of condition or otherwise, except after thirty (30) days' prior written notice to the City.
- 7.3 Coverage shall include the activities and operations conducted by the Society and any person in the Rec Centre performing work on behalf of the Society and those for whom the Society is in law responsible.
- 7.4 The Society shall pay all premiums and monies necessary to maintain all policies of insurance required to be maintained by the Society herein as the same become due, provided that if the Society defaults in the payment of any of the premiums or sums of money, the City may (but will be under no obligation to) upon seven (7) days prior written notice pay the same and the amounts so paid will be added to the sums herein reserved and will be payable

to the City immediately.

- 7.5 The Society shall deliver a City of Surrey Insurance Certificate or copies of any current policies required to be maintained by the Society hereunder to the City immediately after obtaining same.
- 7.6 The Society shall deliver to the City as soon as reasonably feasible, and in any event no later than thirty (30) days prior to the expiry of any policy of insurance placed pursuant to this Agreement, a City of Surrey Insurance Certificate evidencing renewal or replacement of such insurance.
- 7.7 The Society shall be responsible for any deductible that may apply in any of the aforementioned insurance policies for which the Society is responsible.
- 7.8 The Society shall not itself, nor permit others to conduct or carry on any activity in or around the Rec Centre constituting a nuisance or for any unlawful purpose or in any manner which may cause the cancellation of any policy of insurance whether maintained by the City or the Society.

8.0 INDEMNIFICATION

- 8.1 The Society shall indemnify and save harmless the City and any of their agents and employees against all claims, damages, expenses, actions or suits, costs, and liabilities, including fees of solicitors and other professional advisors arising out of:

- any breach, violation or non-performance of any covenant, condition or agreement in this Interim Agreement by the Society;

- any and all claims, demands, actions, suits and other proceedings by whomsoever made or brought against the City by reason of, or arising out of, the death or injury of any person or person or the damage or destruction of any property while in the Rec Centre or any part or parts thereof, where such death or injury or damage or destruction was caused or contributed to by any act or omission on the part of the Society, their agents, contractors, servants, employees, sub-contractors, invitees, or licensees or by any of the Society's use, possession, operation or occupancy of the Rec Centre or any part or parts thereof or otherwise, howsoever and notwithstanding that such may give rise in law to an action in negligence or for other tortious liability;

and the City, as appropriate, may add the amount of such loss, damage, costs and liabilities to the sums herein reserved and the amount so added shall be payable immediately to the relevant party.

9.0 COMPLIANCE WITH LAWS

- 9.1 The Society shall comply at all times during the term of this Interim Agreement with all laws, statutes, by-laws, ordinances, regulations or other lawful requirements of any governmental authority having jurisdiction.

10.0 OTHER AGREEMENTS

- 10.1 The City hereby reserves the right to grant other agreements and dispositions of the Arts Space Expansion for the times that the Arts Space Expansion is not used by the Society and the Society hereby consents to any such agreement.

- 10.2 The Society agrees that:

the rights granted under this Interim Agreement do not constitute any interest in the Arts Space Expansion or entitle the Society to exclusive possession of the Arts Space Expansion;

the Society's rights under this Interim Agreement are at all time subject to the rights and interest of the City as owner of the Rec Centre;

the City may use the Rec Centre at any time for any purpose relating to the conduct of the City's business and for operating and maintaining the City's works and facilities on the Rec Centre or on adjacent lands. Should the City's use conflict with any use granted to the Society pursuant to Article 5 of this Interim Agreement, the City shall advise the Society of such conflict and the Society shall be granted additional days (equal to the time used by the City) later in the same year, or the following year(s), to be chosen by the Society, subject to pre-existing reservations by other users.

11.0 SUCCESSION

- 11.1 The rights granted to the Society under this Interim Agreement may not be sublicenced, assigned or otherwise transferred without the express written consent of the City.
- 11.2 This Interim Agreement sets forth all of the covenants, conditions, agreements, and understandings between the City and the Society. Except as herein otherwise provided, no subsequent alteration, amendment, change or addition to this Interim Agreement shall be binding upon the City or the Society unless reduced to writing and signed by them.
- 11.3 Save as otherwise herein provided, in the event that either party hereto in the performance of an act shall be delayed by Force Majeure, then performance of such act shall be excused for the period of the delay and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay.

12.0 NOTICE

- 12.1 Any notice, demand, request or other instrument which may be or is required to be given under this Interim Agreement, shall be delivered in person or sent by registered mail postage prepaid or by courier or by facsimile and shall be addressed:

If to the City:

City of Surrey
14245 – 56 Avenue
Surrey, B.C.
V3X 3A2
Facsimile No. _____
Attn: General Manager, Parks, Recreation and
Culture

If to the Society:

South Surrey and White Rock Art Society
P.O. Box 75277
White Rock, B.C.
V4B 5L4
Email Address: info@artsociety.ca
Attn: President and Executive Council

or at such other address as the City or the Society may designate by written notice. Any such notice, demand, request or consent shall be deemed to have been given or made on the day upon which it is delivered, or if mailed, then on the third business day following the date of the mailing, and either party may at any time give notice in writing to the other of any change of address, and after the giving of such notice the address therein specified shall be deemed to be the address of such party.

13.0 HEADINGS

- 13.1 The section and article numbers appearing in this Interim Agreement are inserted only as a matter of convenience and in no way limit the scope or intent of such paragraphs and articles of this Interim Agreement.

14.0 GOVERNING LAW

- 14.1 This Interim Agreement shall be construed and governed by the laws of the Province of British Columbia.

15.0 RELATIONSHIP OF PARTIES

- 15.1 The City and the Society are agreed that nothing contained in this Interim Agreement nor any acts of the City or the Society shall be deemed to create any partnership, agency or coventure relationship between them.

16.0 WAIVER

- 16.1 No condoning, excusing or overlooking by the City or the Society of any default, breach or non-observance by the Society or the City at any time or times in respect of any covenant, proviso or condition herein contained shall operate as a condoning, excusing or overlooking of any continuing or subsequent default, breach or non-observance, or so as to defeat or affect in any way the rights of the City or the Society herein in respect of any such continuing or subsequent default or breach, and no waiver shall be inferred

from or implied by anything done or omitted by the City or the Society save only expressed waivers in writing. All rights and remedies of the parties in this Interim Agreement shall be cumulative and not alternative.

IN WITNESS WHEREOF, the parties have caused this Interim Agreement, which shall enure to the benefit of and be binding upon the successors of the respective parties, to be signed and entered as of the date first mentioned above.

CITY OF SURREY

by its authorized signatory:

Laurie Cavan
General Manager, Parks, Recreation and Culture

SOUTH SURREY AND WHITE ROCK ART SOCIETY

by its authorized signatories:

Sandra Wagstaff
President

Jacquie Janzen Yee
Treasurer

APPENDIX "1"

PARKS, RECREATION AND CULTURE POLICY

SUBJECT: CODE OF CONDUCT FOR FACILITIES

PURPOSE

The purpose of this Policy is to prevent harassment and abuse in parks, recreation and culture facilities and programs through the development and implementation of prevention strategies.

POLICY STATEMENT

Surrey Parks, Recreation and Culture Department works to provide residents with safe parks, recreation and culture facilities and programs. The City will work to create supportive, positive environments for Surrey residents participating in activities associated with the Parks, Recreation and Culture Department.

The City will share information and resources with community groups to support their ability to create safe and positive environments for participants, staff, volunteers, officials, coaches and spectators.

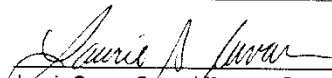
The Parks, Recreation and Culture Department will develop, implement and evaluate strategies that help to create safe and positive environments.

Included in this commitment is an understanding that organizations that use City facilities must take PRIMARY responsibility for the behaviour of all associated with them, including but not limited to participants, staff, volunteers, officials, coaches and spectators.

CODE OF CONDUCT

Surrey Parks, Recreation and Culture Department believes in providing an environment in which all individuals are treated with respect and where all activity is safe, promoting equal opportunities and prohibiting discriminatory practices.

APPROVED BY:



Laurie Cavan, General Manager, Parks, Recreation & Culture

DATE APPROVED: October 1, 2003

HOUSEKEEPING DATE: June, 2006, June 2010

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PARKS, RECREATION AND CULTURE POLICY

SUBJECT: CODE OF CONDUCT FOR FACILITIES

This Code of Conduct identifies the standard of behaviour that is expected of all members, including participants, coaches, parents, leaders, directors, volunteers, staff and spectators. *These key people are referred to as 'All' in the Code of Conduct.

1. Respect the dignity and spirit of all participants.
2. Treat all participants fairly and equitably.
3. Engage in Fair Play by respecting the rules of the activity and/or the facility.
4. Do not take part in or tolerate behaviour that frightens, embarrasses, demoralizes or negatively affects the self-esteem of anyone.
5. Promote language and behaviour that encourages participation.
6. Abusive, disrespectful or violent language or actions by anyone will not be tolerated.
7. Respect public property and the property of others.

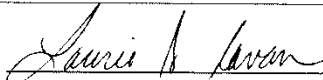
GUIDING PRINCIPLES

1. Participation in Parks, Recreation and Culture programs is an important element in the human development process.
2. A safe and positive environment provides maximum enjoyment and benefits from participation in Parks, Recreation and Culture activities.
3. Adherence to Surrey Parks, Recreation and Culture's Code of Conduct will work to create a safe and positive environment.
4. Abusive, disrespectful, or violent behaviours, such as verbal threats and insults, attempts to intimidate, as well as physical assault will not be tolerated.
5. Positive and safe environments for all participants, staff, volunteers, officials, coaches, and spectators will be promoted through education and training.

GOALS OF THE POLICY

1. To provide safe parks, recreation and cultural programs and services.
2. To decrease unsafe behaviours amongst participants, volunteers, staff, coaches, officials and spectators.

APPROVED BY:



Laurie Cavan, General Manager, Parks, Recreation & Culture

DATE APPROVED:

October 1, 2003

HOUSEKEEPING DATE:

June, 2006, June 2010

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PARKS, RECREATION AND CULTURE POLICY

SUBJECT: CODE OF CONDUCT FOR FACILITIES

3. To increase the level of understanding amongst everyone of the importance of creating positive and supportive environments for Parks, Recreation and Culture activities.
4. To provide and promote Surrey Parks, Recreation and Culture's Code of Conduct guidelines to community organizations, staff, participants, spectators, volunteers and officials
5. To promote life-long participation in activities associated with the Parks, Recreation and Culture Department.

What is Unsafe and Inappropriate Conduct?

Unsafe and inappropriate conduct can include but is not limited to the following:

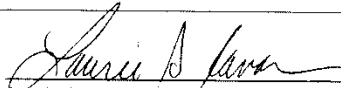
- Verbal assaults/ put downs/ name calling
- Threats and attempts to intimidate
- Throw articles in a deliberate or aggressive manner
- Aggressively approaches another individual
- Physical striking of another individual
- Attempts to provoke or incite violence in others
- Engagement in a course of offensive comment or conduct
- Display of abusive or offensive materials, words, images

These behaviours can be intentional or unintentional and can be between, but are not limited to, coach to participant, staff to participant, participant to participant, participant to volunteer, spectator to participant.

Enforcement Component

The individual(s) and/or organizations who do not adhere to the Code of Conduct will be requested to leave the facility immediately. Depending on the severity of the incident, a further ban from all City facilities may be imposed by the General Manager of Parks, Recreation and Culture or designate under the City of Surrey's Facilities Suspension Policy, Child Protection Policy and/or Violence and

APPROVED BY:



Laurie Cavan, General Manager, Parks, Recreation & Culture

DATE APPROVED:

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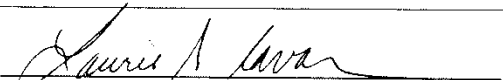
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PARKS, RECREATION AND CULTURE POLICY

SUBJECT: CODE OF CONDUCT FOR FACILITIES

Unsportsmanlike Conduct Policy or any and all other related policies of the Parks, Recreation and Culture Department. Recognizing that many groups have their own constitutions or rules dealing with inappropriate conduct, these groups are given the opportunity to deal with the situation internally. Staff may be required if the particular situation demands the interpretation and use of Parks, Recreation and Culture policies. The Surrey Parks, Recreation and Culture Department Code of Conduct in Facilities Policy will automatically apply for those groups that don't have a code of conduct policy of their own.

APPROVED BY:


Laurie Cavan, General Manager, Parks, Recreation & Culture

DATE APPROVED:

October 1, 2003

HOUSEKEEPING DATE:

June, 2006, June 2010

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SCHEDULE D



Department Legend

- ARTS
- COMMON
- FITNESS



SCHEDULE E

South Surrey Arts Space – Proposed Start-up Furniture, Fittings and Equipment

Location	Area in sq.ft	Item Description	QTY	Unit Price	Budget Price	Deferred Items	Quoted Price	Specification	Comments
Arts Office (204)	167	Desks with overhead storage	2	\$800.00	\$1,600.00				
		Chairs	2	\$100.00	\$200.00				
		PC	2	\$1,075.00	\$2,150.00				
		Telephones	2	\$210.00	\$420.00				Provided by Semiahoo Arts
		Visitor Chairs	2	\$100.00		\$200.00			
		Lockable storage / filing cabinet	1	\$500.00		\$500.00			2 drawers
Pottery Storage (213)	143	Open Shelving	4	\$500.00	\$2,000.00				
Kiln Room (214)	251	Skutt KM Kilns	2	\$4,070.00	\$8,140.00			KM-1231-3PK, 208V, 3 phase	Greenbarn Pottery Supplies Donated by Semiahoo
		Skutt KM Kilns	2	\$0.00	\$0.00			Model KM 1027-3	Potters - to be refurbished
		Shelving	3	\$500.00	\$1,500.00				
		Kiln stilts	72	\$7.00	\$504.00				Kiln shelves and Posts are part of same package with Stilts
Pottery (215)	1427	Storage carts 6' tall - portable	3	\$1,000.00	\$3,000.00				Check Depth?
		Storage carts 4' tall - portable	2	\$500.00	\$1,000.00				
		Kiln shelves 1/2 shelves (10 per kiln)	40	\$85.00		\$3,400.00			
		Kiln Posts	60	\$7.00		\$420.00			
		Heat Gloves	2	\$85.00	\$170.00				
		Kiln tool kit	1	\$1,000.00	\$1,000.00				
		Dollies	6	\$600.00	\$3,600.00				
		Ohaus Scale - triple beam balance	1	\$400.00		\$400.00			
		Electric wheels	13	\$1,300.00	\$16,900.00			Shimpo VL Whisper	
		Potters adjustable stools	14	\$100.00	\$1,400.00				4 adjustable and 10 regular
		Glazing tables			\$0.00				
		- long higher height (36")	1	\$1,000.00	\$1,000.00			36"	
		- short standard height (29")	1	\$1,000.00	\$1,000.00				
		Wedging tables - large standard height	2	\$1,000.00	\$2,000.00				1 standard, 1 child height or adjustable legs
		Hand building table - large, higher height	1	\$1,000.00	\$1,000.00			36"	
		Slab roller table - large, standard height	1	\$2,000.00	\$2,000.00				30" roller
		Glaze seive - large	2	\$550.00	\$1,100.00			clay roller	
Clay extruder	1	\$1,000.00	\$1,000.00				inclusive of dies		
Garbage Collector	4	\$500.00	\$2,000.00						
Bar fridge	1	\$500.00		\$500.00					
Microwave	1	\$200.00		\$200.00					
Shelves	LS	\$5,000.00	\$5,000.00				14" - 24" deep, 6' built in, 5 lockable units		
Shimpo Banding Wheels	LS	\$600.00	\$600.00						

SSRC FF&E - Arts

Location	Area in sq.ft	Item Description	QTY	Unit Price	Budget Price	Deferred Items	Quoted Price	Specification	Comments	
Visual Arts (216)	1297	Built in overhead screen	1	\$1,000.00	\$1,000.00					
		Projector - portable	1	\$1,000.00		\$1,000.00				
		Projector cart	1	\$500.00		\$500.00				
		Wireless headset	1	\$300.00		\$300.00				
		Folding table standard height	10	\$200.00	\$2,000.00			light, smooth surface		
		Folding table child height	4	\$200.00	\$800.00					
		Stackable chairs - adult	20	\$50.00	\$1,000.00					
		Dollie for adult chairs	1	\$100.00	\$100.00					
		Stackable chairs - child	14	\$50.00	\$700.00					
		Dollie for child chairs	1	\$100.00	\$100.00					
		Storage shelving	3	\$500.00	\$1,500.00				18" deep, 36"-40" height	
		Bar Fridge	1	\$500.00		\$500.00				
		Microwave	1	\$200.00		\$200.00				
		Dollie for table	1	\$100.00	\$100.00					
Easel Storage (217)	114	Shelving	LS	\$2,000.00	\$2,000.00				Reduce to 1 open shelving for boxes - Floor Mounted	
M.P. Storage (218)	218	Shelving	LS	\$2,000.00	\$2,000.00				Floor Mounted	
VA Storage (219)	104	Lockable shelves	LS	\$1,000.00	\$1,000.00					
		Easles - Children	10	\$100.00	\$1,000.00					
		Easles - Adults	15	\$400.00	\$6,000.00					
Media (221)		Shelving / storage	LS	\$500.00	\$500.00				Shelving above Cart	
AV (222)	15	Shelving	LS	\$500.00	\$500.00					
M.P. Room (223)	1640	Chairs - adult	120	\$50.00	\$6,000.00					
		Chair dollies	8	\$30.00	\$240.00			15 chairs per dolly		
		Tables - large rectangular	20	\$150.00	\$3,000.00					
		Tables - large round	6	\$250.00	\$1,500.00					
		Tables - tall cocktail	6	\$250.00	\$1,500.00					
		Table dollies - rectangular	2	\$200.00	\$400.00					
		Table dollies - round	1	\$250.00	\$250.00					
		Bar Fridge	1	\$500.00	\$500.00					
		Portable coat rack	2	\$500.00	\$1,000.00					
		Projector - ceiling mounted	1	\$1,000.00	\$1,000.00					
		Projector - portable	1	\$1,000.00	\$1,000.00					
		Projector cart	1	\$500.00	\$500.00					
		Screen - ceiling mounted	2	\$1,000.00	\$1,000.00		\$1,000.00			1 Deferred
		Wireless headset	1	\$200.00	\$200.00					
	5376	TOTAL			\$98,674.00	\$9,120.00				
		Available Budget			\$ 112,358					
		Budget Variance			\$ 13,684					

