



FOR IMMEDIATE RELEASE

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Conditional agreement reached for the purchase of the CP rail corridor between Armstrong and Sicamous

The Board of Directors of the Regional District of North Okanagan (RDNO) has authorized the execution of a Conditional Purchase and Sale Contract for the CP Rail corridor that runs from Sicamous and Armstrong, excluding a number of sections owned by the Splitsin, in partnership with the Columbia Shuswap Regional District (CSRD).

While the agreement is subject to a final, satisfactory legal and environmental examination of the property by the Regional District partners, along with the establishment of the necessary bylaws to purchase and operate the property, RDNO Board Chair, Bob Fleming, is cautiously optimistic: "We have achieved two of the key steps toward this potential purchase, being the successful contract negotiation with CP, and the required one-third funding contribution from a senior level of government," said Fleming. "The next step will be an Alternative Approval Process, which is necessary to provide the RDNO with the authority to establish a North Okanagan / Shuswap Rail Trail service and borrow the required \$2.17 Million dollars to finalize the purchase." The RDNO participants included in the service area are: electoral areas of "D" and "F"; the City of Armstrong; the City of Enderby; the Village of Lumby; and the Township of Spallumcheen.

In partnership with Splitsin and their segments of rail corridor, this proposed land acquisition is intended to ensure public ownership of a key linear corridor that could be used for recreational opportunities, including walking and cycling, while retaining it for future transportation and economic development needs. There is also long-term potential to connect this corridor to the Okanagan Rail Trail, which is currently under development and connects the City of Kelowna to the District of Coldstream.

The total cost of the purchase is \$6.5 million dollars, and with the Provincial Government's contribution of \$2.17 Million dollars announced in March 2017, the RDNO and the CSRD have agreed to split the remaining cost on a 50:50 basis, each paying \$2.17 Million dollars.

Both Regional Districts are proposing to fund their contribution through borrowing, which will require elector authorization through an alternate approval process. The CSRD has proposed to fund \$1,838,384 from borrowing, with the remaining portions coming from the Sicamous/Area "E" Economic Opportunity Fund (\$250,000), and a the Revelstoke/Area "B" Economic Opportunity Fund (\$100,000). "This opportunity is a great fit for funding from the Economic Opportunity Funds," says CSRD Chair Rhona Martin. "We expect that this corridor will result in some significant Tourism revenue." The proposed CSRD service area includes the City of Salmon Arm, the District of Sicamous, and CSRD electoral areas "E," "D," "C," and "F." The RDNO has proposed to borrow the full portion of their contribution, and- will be conducting their AAP for the entire proposed RDNO service area, with more voting information expected to be available in

MEMBER MUNICIPALITIES:
CITY OF ARMSTRONG
DISTRICT OF COLDSTREAM
CITY OF ENDERBY

VILLAGE OF LUMBY
TOWNSHIP OF SPALLUMCHEEN
CITY OF VERNON

ELECTORAL AREAS:
"B" – SWAN LAKE
"C" – B.X. DISTRICT
"D" – LUMBY (RURAL)

"E" – CHERRYVILLE
"F" – ENDERBY (RURAL)

May, 2017. Repayment of the RDNO's loan is proposed over twenty years, so it is estimated that the total annual payment will be \$159,000 a year (based on 3.5%).

For further information, please call 250.550.3700.