Public Hearing

to be held at
City of Penticton Cleland Theatre
325 Power Street, Penticton, B.C.

Monday, May 11, 2015
at 6:00 p.m.

Mayor Calls Public Hearing to Order for “Zoning Amendment Bylaw No. 2015-24”

DCO Reads Opening Statement and Introduction of Bylaw

1. “Zoning Amendment Bylaw No. 2015-24” (325 Power Street)

Purpose: To amend Zoning Bylaw No. 2011-23 as follows:

Add 13.1.4.2: In the case of Lot 1, District Lot 2, Group 7, Similkameen Division Yale (Formerly Yale Lytton) District Plan KAP58604, Except Plans KAP87244 and KAP87245, located at 325 Power Street, ‘tourist accommodation’ shall be permitted.

Notice: The Public Hearing was advertised in the Penticton Western News on Friday, May 1, 2015 and Wednesday, May 6, 2015 (pursuant to the Local Government Act).

DCO Correspondence received regarding the Zoning Amendment attached (as of noon Wednesday, May 6, 2015)

Mayor Requests the Planning Manager describe the proposed amendments

Mayor Invitation to applicant for comment or elaboration on the application

Mayor Invites those in attendance to present their views

Mayor Invites Council members to ask questions

Mayor Invites applicants to respond to questions and those in attendance may provide new additional information

PUBLIC HEARING for “Zoning Amendment Bylaw No. 2015-24” is terminated and no new information can be received on this matter.
Regular Council Meeting  
held at City of Penticton Council Chambers  
171 Main Street, Penticton, B.C.  

Monday, April 20, 2015  
Following the Public Hearing at 6:00 p.m.  

Resolutions  

8.4  
**Zoning Amendment Bylaw No. 2015-24**  
Re: 325 Power Street  

231/2015  

It was MOVED and SECONDED  
THAT Council give first reading to “Zoning Amendment Bylaw No. 2015-24”, a bylaw to add the use ‘tourist accomodation’ as a site specific use on Lot 1, Plan KAP58604, District Lot 2, Similkameen Division Yale District, Group 7, located at 325 Power Street; AND THAT a public open house be held to elicit comment from the public prior to the Public Hearing.  

CARRIED UNANIMOUSLY
Date: April 20th, 2015
File No: RZ PL2015-029
To: Chuck Loewen, Acting City Manager
From: Blake Laven, Planning Manager
Address: 325 Power Street
Subject: Zoning Amendment Bylaw 2015-24

Staff Recommendation

THAT Council give first reading to “Zoning Amendment Bylaw 2015-24, a bylaw to add the use ‘tourist accommodation’ as a site specific use on Lot 1, District Lot 2, Group 7, Similkameen Division Yale (Formerly Yale Lytton) District, Plan KAP58604 except Plans KAP87244 and KAP87245, located at 325 Power Street;

AND THAT a public open house be held to elicit comment from the public prior to the Public Hearing.

Background

The Penticton Trade and Convention Centre (PTCC), at 60,000 square feet of flexible meeting and exhibit space is the largest such facility in the province, outside of Vancouver. While many events are hosted there every year, the building is underutilized. Feedback from groups looking to host large conferences at the facility have commented that the lack of an attached hotel to the convention centre has been the biggest limiting factor in booking events there. Furthermore, the lack of premium hotel accommodations in Penticton has been cited as an impediment to the attraction of tourists and visitors to the city.

The City’s Economic Development Office has identified an opportunity to add a premium hotel as an amenity to the convention centre (Attachment 1). The proposal would see a request for “expressions of interest” to go out to the hotel community to garner support for a partnership with the City for development of a hotel on this property. The exact location of the hotel on the property has not been determined at this time, as the proposal is in its early stages.

The convention centre property is currently zoned P1 (Public Assembly). The P1 zone does not currently permit ‘tourist accommodation’ as a permitted use. So prior to putting out an expression of interest, staff are recommending that an amendment to the zoning bylaw be supported by Council to add the use ‘tourist accommodation’ to the property. This will mitigate some risk for firms submitting an expression of interest for the project and allow the public the opportunity to meaningfully engage in the process.

With that in mind, staff are also recommending that prior to a formal public hearing on the proposal that a public open house be held to elicit comment from the public on the scale of the tourist accommodation portion and the potential location on the site for the use. The open house will be a drop-in format with background information and opportunities for the public to add comments and express concerns.

Proposal
That the use ‘tourist accommodation’ be added as a site specific use to the P1 zone by adding the following Section to Bylaw 2011-23:

Add:

13.1.4 **SITE SPECIFIC PROVISIONS**

In addition to the **uses** listed above:

2. In the case of Lot 1, District Lot 2, Group 7, Similkameen Division Yale (Formerly Yale Lytton) District, Plan KAP58604 except Plans KAP87244 and KAP87245 located at 325 Power Street, ‘tourist accommodation’, shall be permitted.

**Financial implication**

At this time there will only be minimal costs related to the public open house and subsequent public hearing. Those costs include preparation of presentation materials and public notice. Staff do not anticipate those costs to exceed a few thousand dollars.

**Technical review**

A full technical review is not possible at this time as no formal development proposal has been submitted. Issues such as utility servicing, parking and traffic movement will be reviewed during a further stage of the project if the zoning amendment is successful.

**Analysis**

The Penticton Trade and Convention Centre is a significant City owned asset that is currently being underutilized. Large conference centres such as the PTCC can add substantively to a local economy. Pairing the facility with a hotel would help to maximize the facility and attract larger functions and events to the city.

The proposal to pre-zone this property is an interim step in the ‘expression of interest’ process. Support for the zoning amendment does not lessen the City or Council’s ability to direct this process in the future as ownership will remain with the City and as owners of the property any conditions of operation and development rest solely with the City.

For these reasons staff are recommending that Council give first reading to the zoning amendment bylaw and to direct staff to host a public open house to seek input on the project from the public.

**Alternate recommendations**

#1
THAT Council move forward with an official Public Hearing on May 4th, 2015, rather than holding the open house first.

#2
THAT Council not move ahead with the proposal.
Attachments

Attachment A – Subject property location map
Attachment B – Detailed site plan of subject property
Attachment C – Letter of support from Economic Development Office
Attachment D – Bylaw

Respectfully submitted,

Blake Laven,
Planning Manager

Approvals

Acting City Manager

CAL
April 15, 2015

Attention: Council,

Re: Attraction of a Premium Hotel

As part of the 2015 budget process, funding was allocated to the recruitment and attraction of a premium hotel. This initiative supports the ongoing economic viability of the Penticton Trade and Convention Centre (PTCC) as well as the growth of tourism and spinoff benefits.

The availability of premium hotel accommodation has been identified as a key issue for the City and impediment to its economic growth. Organizations such as the Chamber of Commerce identified the requirement in the Be Bold Initiatives. The Penticton Trade and Convention Centre (PTCC) as well as by conference organizers have indicated that the lack of a collocated convention hotel was a substantial contributing factor to the loss of a number of conventions including the loss of a major convention (UBCM).

While there are hotel options available within the City limits, the lack of premium lodging affects the ability to attract tourists, visitors and to build the season. Hotel occupancy rates, according to PKF Hospitality reports indicate an occupancy rate of 52.5% (Oct YTD 2014) the lowest in the province of BC.

The City of Penticton owns the 27 acre South Okanagan Event Complex property which houses the PTCC, a visitor centre amongst other buildings. This property is convenient to the beach, downtown and other amenities such as the golf course.

In order to attract a premium convention centre hotel, potential developers will seek to minimize the risk for their project. Alternatively, the developers will require a risk premium to offset unknown costs of the project. One of the biggest uncertainties in attracting a hotel is the rezoning risk. Lack of appropriate zoning affects timelines. Uncertain timelines add costs to a project due to financing costs and incremental building costs should construction be deferred or impacted by weather as well as overall certainty of the project.

The approval of appropriate zoning on the convention centre site would improve the prospects for a successful development. This site is not currently zoned for hotel development. It is zoned as ** P1 Public Assembly **

As such, a public process to amend the zoning would be required before any development could proceed. It is advisable to have appropriate zoning to attract the most prospective developers.

The change in zoning does not create an obligation to proceed. The City would retain control of the site. Development concepts would be vetted through a public process such as an expression of interest.

Colleen Pennington
Economic Development Officer
City of Penticton

** As verbally clarified by the EDO at the April 20, 2015 Meeting of Council. **
The Corporation of the City of Penticton

Bylaw No. 2015-24

A Bylaw to Amend Zoning Bylaw 2011-23

WHEREAS the Council of the City of Penticton has adopted a Zoning Bylaw pursuant to the Local Government Act;

AND WHEREAS the Council of the City of Penticton wishes to amend Zoning Bylaw 2011-23;

NOW THEREFORE BE IT RESOLVED that the Municipal Council of the City of Penticton, in open meeting assembled, hereby ENACTS AS FOLLOWS:

1. **Title:**
   
   This bylaw may be cited for all purposes as “Zoning Amendment Bylaw 2015-24”.

2. **Amendment:**
   
   2.1 Zoning Bylaw 2011-23 is hereby amended as follows:
      
      Add 13.1.4 SITE SPECIFIC PROVISIONS
      
      In addition to the uses listed above:
      
      .2 In the case of Lot 1, District Lot 2, Group 7, Similkameen Division Yale (Formerly Yale Lytton) District Plan KAP58604, Except Plans KAP87244 and KAP87245, located at 325 Power Street, ‘tourist accommodation’ shall be permitted.

   2.2 Schedule ‘A’ attached hereto forms part of this bylaw.

READ A FIRST time this 20 day of April, 2015
A PUBLIC HEARING was held this 11 day of May, 2015
READ A SECOND time this day of , 2015
READ A THIRD time this day of , 2015
RECEIVED the approval of the Ministry of Transportation on the day of , 2015
ADOPTED this day of , 2015

Notice of intention to proceed with this bylaw was published on the 1 day of May, 2015 and the 6 day of May, 2015 in the Penticton Western newspaper, pursuant to Section 94 of the Community Charter.

Andrew Jakubeit, Mayor

Dana Schmidt, Corporate Officer
Site Specific Zoning Amendment

To add ‘tourist accommodation’ as a site specific permitted use at 325 Power Street

City of Penticton – Schedule ‘A’

Zoning Amendment Bylaw No. 2015-24

Date: ___________________ Corporate Officer: ___________________
RE: Public Hearing May 11, 2015 @ Clelland Theatre

May: 5,2015  
Name: Jake Kimberley  
Address: 404 160 Lakeshore Drive W  
Penticton BC  
V2A 9C2

I wish to make a submission to the above Public Hearing re; The City's Economic Development Officers initiative to rezone City property, West side of Convention Centre on Westminster Ave from Parkland (Baseball diamond) to Commercial (Hotel development). My reasoning for submission; Not an appropriate site for a major 5 star hotel.

G. Jake Kimberley.