



Agenda

penticton.ca

Regular Council Meeting
to be held at
City of Penticton Council Chambers
171 Main Street, Penticton, B.C.

Tuesday, January 9, 2018
at 1:00 p.m.

1. **Call Regular Council Meeting to Order**
2. **Introduction of Late Items**
3. **Adoption of Agenda**
4. **Adoption of Minutes:**
 - 4.1 Minutes of the December 19, 2017 Committee of the Whole 1-2 Receive
 - 4.2 Minutes of the December 19, 2017 Public Hearing 3-5 Receive
 - 4.3 Minutes of the December 19, 2017 Regular Council Meeting 6-12 Adopt
5. **Committee and Board Reports**
6. **Correspondence**
 - 6.1 SILGA – Call for Nominations 2018 13-14
 - 6.2 SILGA – Call for Resolutions for 2018 Convention 15-16
7. **Staff Reports:**
 - CO 7.1 Heritage & Museum Committee 2018 Terms of Reference 17-20
Staff Recommendation: THAT Council approve the 2018 Terms of Reference for the Heritage and Museum Committee.
 - CFO 7.2 ITU Multisport World Festival - Wrap Up 21-26
Staff Recommendation: THAT Council approve the re-allocation of unused in-kind expenditures for Challenge Penticton of \$15,104 to the ITU Festival;
AND THAT Council direct staff to net the remaining overage of in-kind expenditures of \$7,379 against the \$10,000 cash instalment payable to ITU and disburse the remaining \$2,621 upon receipt of financial statements; AND THAT Council direct staff to incorporate learnings from the ITU Festival into future major events including the 2018 Super League Triathlon.

LA	7.3	<p>BC Wine Authority Surrender of Lease Re: Travel Penticton – 5 year lease proposal <u>Staff Recommendation:</u> THAT Council direct Mayor and Corporate Officer to execute a Surrender of Lease for the BC Wine Authority that would terminate their existing Lease with the City and authorize payment from the Land Administration budget to the BC Wine Authority the sum of \$19,528 for moving expenses; AND THAT Council approve a new Lease Agreement for Travel Penticton Society for a portion of the building located at 888 Westminster Avenue (Approximately 1,727 sq. ft.) for a five year term with an option to renew at a market rate of \$20,566 plus additional rent and applicable taxes inclusive of consumer price index (CPI) increases per annum; AND THAT Council direct Mayor and Corporate Officer to execute the Lease Agreement with Travel Penticton.</p>	27-65
DDS	7.4	<p>Smart Cities Challenge – City of Penticton <u>Staff Recommendation:</u> THAT Council support the development of a submission for the Smart Cities Challenge for the \$10M prize for communities with a population under 500,000; AND THAT Council authorize up to a maximum of \$10,000 to be spent on the application submission from the City's 2018 Economic Development Budget.</p>	66-104
DDS	7.5	<p>Mobile Retail Vending <u>Staff Recommendation:</u> THAT Council support amendments to the Mobile Food Vending License Program to allow for a maximum of three (3) Mobile Retail Trucks to be located in accordance with the requirements of the Zoning Bylaw and Business Licence Bylaw in the following locations:</p> <ul style="list-style-type: none"> • Power Street – 1 retail truck at a time • Gyro Park – 1 retail truck at a time • Skaha Lake – 1 retail truck at a time in each location 	105-112
DDS	7.6	<p>Zoning Amendment Bylaw No. 2018-02 Re: 237 Phoenix Avenue <u>Staff Recommendation:</u> THAT "Zoning Amendment Bylaw No. 2018-02", a bylaw to Rezone Lot 4 District Lot 5 Group 7 Similkameen Division Yale (Formerly Yale-Lytton) District Plan 10974, located at 237 Phoenix Avenue from R1 (Large Lot Residential) to RD1 (Duplex Housing), be given first reading and be forwarded to the January 23, 2018 Public Hearing; AND THAT prior to adoption of "Zoning Amendment Bylaw No. 2018-02", a 5.0m by 5.0m southwest corner cut on the subject property is registered with the Land Title Office.</p>	113-129

8. Reconsideration of Bylaws and Permits:

8.1	<p>Zoning Amendment Bylaw No. 2017-48 Development Variance Permit PL2017-7944 Re: 190 Bassett Street</p>	<p>130-131 132-133</p>	<p>Adopt Approve</p>
8.2	<p>Development Variance Permit PL 2017-8037 Re: 461 Eckhardt Avenue West (related to Zoning Amendment Bylaw No. 2017-65 that was adopted December 5)</p>	134-135	Approve
8.3	<p>Development Variance Permit PL2017-7989 Re: 703 Forestbrook Drive (related to Zoning Amendment Bylaw No. 2017-53 that was adopted December 5)</p>	136-137	Approve
8.4	<p>2018-2022 Five Year Financial Plan Bylaw No. 2017-79</p>	138-140	Adopt

9. Notice of Motion

10. **Business Arising**

11. **Council Round Table**

12. **Public Question Period**

13. **Adjourn to In-Camera Meeting**

Resolution: THAT Council adjourn to a closed meeting of Council pursuant to the provisions of the Community Charter section 90 (1) as follows:

- (a) personal information about an identifiable individual who holds or is being considered for a position as an officer, employee or agent of the municipality or another position appointed by the municipality;*
- (c) labour relations or other employee relations;*
- (d) the security of the property of the municipality.*

Committee of the Whole
held at City of Penticton Council Chambers
171 Main Street, Penticton, B.C.

Tuesday, December 19, 2017
Recessed from the Regular Council Meeting at 1:00 p.m.

Present: Mayor Jakubeit
Councillor Picton
Councillor Watt
Councillor Sentes
Councillor Konanz
Councillor Martin

Absent: Councillor Sayeed

Staff: Jim Bauer, Chief Financial Officer
Dana Schmidt, Corporate Officer
Mitch Moroziuk, General Manager of Infrastructure
Anthony Haddad, Director of Development Services
Angie Collison, Deputy Corporate Officer

1. Call to order

The Mayor called the Committee of the Whole meeting to order at 1:01 p.m.

2. Adoption of Agenda

It was MOVED and SECONDED

THAT the agenda for the Committee of the Whole meeting held on December 19, 2017 be adopted as presented.

CARRIED UNANIMOUSLY

3. Delegations and Staff Presentations:

3.1 Smart Cities Challenge

Keith Macintyre provided Council with an overview of the Smart Cities Challenge and requested a commitment from Council.

4. Adjourn to Regular Meeting

It was MOVED and SECONDED

THAT Council adjourn the Committee of the Whole meeting held December 19, 2017 at 1:19 p.m. and reconvene the Regular Meeting of Council.

CARRIED UNANIMOUSLY

Certified correct:

Confirmed:

Dana Schmidt
Corporate Officer

Andrew Jakubeit
Mayor

Public Hearing
City of Penticton, Council Chambers
171 Main Street, Penticton, B.C.

Tuesday, December 19, 2017
at 6:00 p.m.

- Present:** Mayor Jakubeit
Councillor Watt
Councillor Picton
Councillor Konanz
Councillor Sentes
Councillor Martin
- Absent:** Councillor Sayeed
- Staff:** Dana Schmidt, Corporate Officer
Jim Bauer, Chief Financial Officer
Mitch Moroziuk, General Manager of Infrastructure
Anthony Haddad, Director of Development Services
Blake Laven, Planning Manager
Angie Collison, Deputy Corporate Officer

1. Call to order

Mayor Jakubeit called the public hearing to order at 6:02 p.m. for Zoning Amendment Bylaw No. 2017-75 and Zoning Amendment Bylaw No. 2017-78. He explained that the public hearing was being held to afford all persons who considered themselves affected by the proposed bylaw an opportunity to be heard before Council.

The Corporate Officer read the opening statement and introduced the purpose of the bylaw. She then explained that the public hearing was being held to afford all persons who considered themselves affected by the proposed bylaws and related DVP an opportunity to be heard before Council. She further indicated that the public hearing was advertised pursuant to the *Local Government Act*.

2. "Zoning Amendment Bylaw No. 2017-75" (453 Eckhardt Avenue West)

The purpose of "Zoning Amendment Bylaw No. 2017-75" is to amend Zoning Bylaw No. 2017-08 as follows:

Rezone Lot 11, District Lot 4, Group 7 Similkameen Division Yale (Formerly Yale-Lytton) District Plan 937, located at 453 Eckhardt Avenue West from RD2 (Duplex Housing: Lane) to RM2 (Low Density Multiple Housing).

The applicant is proposing to construct a secondary duplex on the property fronting the lane.

The Corporate Officer advised that no letters have been received after the printing of the agenda.

DELEGATIONS

Mayor Jakubeit asked the public for the first time if anyone wished to speak to the application.

- Jared Spencer, Churchill Avenue, one of the owners of the property, building rental property.

Mayor Jakubeit asked the public for the second time if anyone wished to speak to the application.

- Art Iceday, Brooks Place, in fill, extra charges for infrastructure, paid for by the developer or taxpayers?
- Brigid Kemp, Warren Avenue West, condensed vs density? Reducing size.

Mayor Jakubeit asked the public for the third and final time if anyone wished to speak to the application.

- No one spoke.

The public hearing for "Zoning Amendment Bylaw No. 2017-75" was terminated at 6:10 p.m. and no new information can be received on this matter.

3. "Zoning Amendment Bylaw No. 2017-78" (935 Forestbrook Drive)

The purpose of "Zoning Amendment Bylaw No. 2017-78" is to amend Zoning Bylaw No. 2017-08 as follows:

Rezone Lot A, District Lot 294, Similkameen Division Yale District, Plan 14463, located at 935 Forestbrook Drive from R2 (Small Lot Residential) to P2 (Parks and Recreation) and RM3 (Medium Density Multiple Housing).

To facilitate trail development along Penticton Creek by way of a land exchange between the subject property and neighbouring property, the City is seeking to rezone the city-owned parcel.

The Corporate Officer advised that no letters have been received after the printing of the agenda.

DELEGATIONS

Mayor Jakubeit asked the public for the first time if anyone wished to speak to the application.

- Art Iceday, Brooks Place, asked about pathway along Creek.

Mayor Jakubeit asked the public for the second time if anyone wished to speak to the application.

- Gary Stevenson, Forestbrook Drive, asked about land swap and parking.

Mayor Jakubeit asked the public for the third and final time if anyone wished to speak to the application.

- No one spoke.

The public hearing for "Zoning Amendment Bylaw No. 2017-78" was terminated at 6:15 p.m. and no new information can be received on this matter.

Certified correct:

Confirmed:

Dana Schmidt
Corporate Officer

Andrew Jakubeit
Mayor

Regular Council Meeting
held at City of Penticton Council Chambers
171 Main Street, Penticton, B.C.

Tuesday, December 19, 2017
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Councillor Picton
Councillor Sentes
Councillor Konanz
Councillor Martin
Councillor Watt
- Absent:** Councillor Sayeed
- Staff:** Jim Bauer, Chief Financial Officer
Mitch Moroziuk, General Manager of Infrastructure
Dana Schmidt, Corporate Officer
Anthony Haddad, Director of Development Services
Angie Collison, Deputy Corporate Officer

1. Call to Order

The Mayor called the Regular Council meeting to order at 1:01 p.m.

2. Introduction of Late Items

3. Adoption of Agenda

It was MOVED and SECONDED

THAT Council adopt the agenda for the Regular Council meeting held on December 19, 2017 as presented.

CARRIED UNANIMOUSLY

4. Recess to Committee of the Whole

Council recessed to a Committee of the Whole Meeting at 1:01 p.m.

5. Reconvene the Regular Council Meeting

Council reconvened the Regular Council Meeting at 1:19 p.m.

6. Adoption of Minutes:

6.1 Minutes of the December 5, 2017 Regular Council Meeting

710/2017

It was MOVED and SECONDED

THAT Council adopt the minutes of the December 5, 2017 Regular Council Meeting as presented.

CARRIED UNANIMOUSLY

6.2 Minutes of the November 28, 2017 Special Council Meeting

711/2017

It was MOVED and SECONDED

THAT Council adopt the minutes of the November 28, 2017 Special Council Meeting as presented.

CARRIED UNANIMOUSLY

6.3 Minutes of the November 29, 2017 Special Council Meeting

712/2017

It was MOVED and SECONDED

THAT Council adopt the minutes of the November 29, 2017 Special Council Meeting as presented.

CARRIED UNANIMOUSLY

6.4 Minutes of the November 30, 2017 Special Council Meeting

713/2017

It was MOVED and SECONDED

THAT Council adopt the minutes of the November 30, 2017 Special Council Meeting as presented.

CARRIED UNANIMOUSLY

7. Committee and Board Reports

7.1 Official Community Plan Task Force Minutes of November 16, 2017

714/2017

It was MOVED and SECONDED

THAT Council receive the draft minutes of the Official Community Plan Task Force meeting of November 16, 2017.

CARRIED UNANIMOUSLY

7.2 Penticton Creek Restoration Committee Minutes of November 24, 2017

715/2017

It was MOVED and SECONDED

THAT Council receive the draft minutes of the Penticton Creek Restoration Committee meeting of November 24, 2017.

CARRIED UNANIMOUSLY

7.3 Arts, Creative and Cultural Innovations Committee Minutes of December 1, 2017

716/2017

It was MOVED and SECONDED

THAT Council receive the draft minutes of the Arts, Creative and Cultural Innovations Committee meeting of December 1, 2017.

CARRIED UNANIMOUSLY

8. Correspondence

8.1 Greyhound Canada Transportation ULC

717/2017

It was MOVED and SECONDED

THAT Council receive the correspondence dated December 7, 2017 from Greyhound Canada Transportation ULC.

CARRIED UNANIMOUSLY

9. Staff Reports:

9.1 December 2017 Master Plan Penticton Creek

718/2017

It was MOVED and SECONDED

THAT Council adopt the Mould Engineering December 2017 Master Plan Penticton Creek Restoration as a guiding document for works associated with Penticton Creek.

CARRIED UNANIMOUSLY

719/2017

It was MOVED and SECONDED

THAT Council support expanding the scope of the Penticton Creek Restoration Committee in 2018 to include aspects of planning, restoration and flood protection issues in Ellis Creek.

CARRIED UNANIMOUSLY

9.2 Heritage & Museum Committee

It was MOVED no seconder

THAT Council reinstate the Heritage and Museum Committee as an official Council committee and direct staff to invite past members to continue on the Committee.

720/2017

It was MOVED and SECONDED

THAT Council direct staff to continue with the Heritage and Museum Committee as an ad-hoc committee, administered through the Museum Manager and Director, Recreation and Facilities.

DEFEATED

Mayor Jakubeit, Councillors Watt, Sentes, and Picton, Opposed

721/2017

It was MOVED and SECONDED

THAT Council reinstate the Heritage and Museum Committee as an official Council committee and direct staff to advertise for membership.

DEFEATED

Councillors Picton, Konanz and Martin, Opposed

722/2017

It was MOVED and SECONDED

THAT Council reinstate the Heritage and Museum Committee as an official Council committee and direct the committee to oversee its own administration.

CARRIED

Councillors Watt and Sentes, Opposed

9.3 2018-2022 Five Year Financial Plan Bylaw No. 2017-79

723/2017

It was MOVED and SECONDED

THAT Council give first, second and third reading to "2018-2022 Five Year Financial Plan Bylaw No. 2017-79".

CARRIED
Councillor Konanz, Opposed

9.4 Penticton District Emergency Program Society Licence to Use Renewal
Re: 251 Dawson Avenue (portion)

724/2017

It was MOVED and SECONDED

THAT Council approve a renewal of the Licence to Use to the Penticton and District Emergency Program Society (PDEPS) for a portion of the building located at 251 Dawson Ave. (approximately 3,400 sq. ft.) for a five (5) year term with the introduction of a 90 day escape clause at a rate of \$1.00 for the term; AND THAT Council direct staff to advertise the intention to provide assistance pursuant to Section 24 of the *Community Charter*; AND THAT Council authorize the Mayor and Corporate Officer to execute the Licence to Use.

CARRIED UNANIMOUSLY

9.5 Granular Sludge Pilot Project - AECOM

725/2017

It was MOVED and SECONDED

THAT Council endorses the City working with AECOM on a Granular Sludge Pilot Project at the Advanced Waste Water Plant.

CARRIED UNANIMOUSLY

9.6 Water Transmission System Upgrades Tender
Re: Budget Amendment

726/2017

It was MOVED and SECONDED

THAT Council approve a budget increase of \$350,000 to CAP10024-W50 from the City's Water Reserve to fund 2017-Tender-15 Water Transmission System Upgrades; AND THAT Council direct staff to proceed with the tender award for the Water Transmission System Upgrades to the low bidder Cantex-Okanagan Construction Ltd.

CARRIED UNANIMOUSLY

9.7 Memorandum of Understanding with BC Housing
Re: Housing Provider Assistance Program

727/2017

It was MOVED and SECONDED

THAT Council approve the attached Memorandum of Understanding for the development of supported modular housing in Penticton as part of the provincial rapid housing response program. AND THAT the Mayor and Corporate Officer are authorized to enter into the agreement on behalf of the City;

AND THAT Council support, in principle, the use of funds from the City's Affordable Housing Reserve Fund to establish a program to assist the City's not-for-profit housing providers in preparing for expected provincial and federal housing funding announcements.

CARRIED UNANIMOUSLY

10. Public Question Period

11. Recess Meeting

Council recessed the Regular Council Meeting at 2:48 p.m.

12. Reconvene the Regular Council Meeting at 6:00 p.m.

Council reconvened the Regular Council Meeting at 6:17 p.m.

13. Reconsideration of Bylaws and Permits

13.1 Zoning Amendment Bylaw No. 2017-75
Re: 453 Eckhardt Avenue West

728/2017

It was MOVED and SECONDED

THAT Council give second and third reading to "Zoning Amendment Bylaw No. 2017-75".

CARRIED UNANIMOUSLY

13.2 Zoning Amendment Bylaw No. 2017-78
Re: 935 Forestbrook Drive

729/2017

It was MOVED and SECONDED

THAT Council give second and third reading to "Zoning Amendment Bylaw No. 2017-78";
AND THAT Council adopt "Zoning Amendment Bylaw No. 2017-78".

CARRIED UNANIMOUSLY

13.3 Fees and Charges Amendment Bylaw No. 2017-77
Re: Nuisance Abatement Fees

730/2017

It was MOVED and SECONDED

THAT Council adopt "Fees and Charges Amendment Bylaw No. 2017-77".

CARRIED UNANIMOUSLY

14. Land Matters

Councillor Picton declared a conflict of interest and left the meeting at 6:19 p.m.

14.1 Development Variance Permit PL2017-8101
Re: Lots 2 – 10, 19 – 22 Hawthorn Drive

Delegations/Submissions:

- Greg Deuschle, Cedar Road, property backs onto retaining wall, would like to see retaining wall stepped.
- Hugh Deuschle, Cedar Road, would you buy a lot that looked at a straight retaining wall?

731/2017

It was MOVED and SECONDED

THAT Council refer the retaining wall variance for Lots 2 – 10, 19 – 22, Hawthorn Drive to staff for further evaluation.

CARRIED UNANIMOUSLY

Councillor Picton returned to the meeting at 6: 39 p.m.

14.2 Development Variance Permit PL2017-8102
Re: Lots 1 – 27, Avery Heights

Delegations/Submissions:

- Greg Deuschle, live next door, who allowed 22ft high retaining wall, drive up and look at wall, requested details regarding existing retaining wall.
- Hugh Deuschle, asked about building permit for existing retaining wall.
- Cory Parsons, for applicant, using allen blocks for retaining walls.

732/2017

It was MOVED and SECONDED

THAT Council approve “Development Variance Permit PL2017-8102” for Lots 1-27 District Lot 2710 Similkameen Division Yale District Plan EPP62484, located along Avery Place and Evergreen Drive as highlighted in red in Attachment A, a permit to increase the maximum height of a retaining wall within a required yard from 1.2m to 2.5m; AND THAT staff be directed to issue “Development Variance Permit PL2017-8102.”

CARRIED UNANIMOUSLY

14.3 Development Variance Permit PL2017-8103
Re: 4039 Lakeside Road

Delegations/Submissions:

- Robert Battiston, Marine Drive, West Vancouver, owner, spoke in support of the application.
- Lynn Kelsey, Oakville Street, give OCP committee chance to look at this.
- Brigid Kemp, Warren Avenue, boundaries of other properties, sitting empty? Other requests coming forward to develop those lands?

733/2017

It was MOVED and SECONDED

THAT Council approve “Development Variance Permit PL2017-8103” for Lot 22 Block 209 District Lot 190 Similkameen Division Yale District Plan 466, located at 4039 Lakeside Road, a permit to increase the height of a retaining wall within any required yards from 1.2m to 2.0m, to decrease the minimum front yard from 6.0m to 3.0m, to decrease the minimum south interior side yard of a principle building from 1.5m to 0.9m and to decrease the requirement for a driveway to be located 0.5m from a property line to 0.2m from a property line as per Section 12.8 of the City of Penticton Subdivision and Development Bylaw No. 2004-81; AND THAT staff be directed to issue “Development Variance Permit PL2017-8103.”

CARRIED
Councillor Sentes, Opposed

14.4 Street Naming (The Ridge) Bylaw No. 2017-80
Re: Antler Drive, Deer Crescent, Elk Street, Fawn Court

734/2017

It was MOVED and SECONDED

THAT Council give first, second and third reading to “Street Naming (The Ridge) Bylaw No. 2017-80” AND THAT the bylaw be sent to the Heritage and Museum Committee for comment before adoption.

CARRIED UNANIMOUSLY

15. Notice of Motion

16. Business Arising

Business Arising from the December 19, 2017 Committee of the Whole delegation regarding Smart Cities Challenge:

735/2017

It was MOVED and SECONDED

THAT Council support in principle submitting an application for the Smart City challenge;
AND THAT Council direct staff to work with Mr. MacIntyre to develop a proposal that can come back to Council in January on the approach to develop the application for the \$10 million Smart City Prize.

CARRIED UNANIMOUSLY

17. Council Round Table

18. Public Question Period

19. Adjournment

736/2017

It was MOVED and SECONDED

THAT Council adjourn the Regular Council meeting held on Tuesday, December 19, 2017 at 8:18 p.m.

CARRIED UNANIMOUSLY

Certified correct:

Confirmed:

Dana Schmidt
Corporate Officer

Andrew Jakubeit
Mayor

SILGA Southern Interior Local Government Association

December 14, 2017

To: All SILGA Members

Re: SILGA Convention – Call for Nominations 2018

As per the Constitution of the Southern Interior Local Government Association (amended 2017), the “Call for Nominations” is now going out to all member Mayors, Councillors, Regional Chairs and Directors who wish to seek a position on the SILGA Executive for the 2018/2019 term. Elections are to be held at the SILGA Convention in Revelstoke on April 26, 2018.

Offices to be filled are President, 1st Vice President, 2nd Vice President and seven Directors. One member of the SILGA board must be an Electoral Area Director of a member Regional District. All positions are for one year. Those presently serving may run for another term if they so wish.

Excerpt from the SILGA constitution regarding new voting procedures:

7.10 The election of Officers to the Executive shall be held at the Annual General Meeting on a first ballot and that of the Directors at Large subsequently on a second ballot. Any candidate that is unsuccessful in obtaining an Officer position on the first ballot may become a candidate for a Director at Large position on the second ballot.

7.11 If, in the election of the Officers to the Executive on the first ballot, an Electoral Area Director of a regional district is elected, the Director at Large positions will then be filled by the candidates with the most votes.

7.12 If, in the election of the Officers to the Executive on the first ballot, an Electoral Area Director of a regional district is not elected, then in the election of the Directors at Large, the candidate - of those candidates that are Electoral Area Directors of a regional district - with the most votes will be elected as a Director at Large and the balance of the Director at Large positions will be filled by the remaining candidates with the most votes. If only one Electoral Area Director of a regional district candidate runs for a Director at Large position, that candidate will be acclaimed.

Deadline for nominations is Monday, February 26, 2018. You will be asked to complete a biography and submit a photo for the printing of the official Nominating Committee Report to be contained in the Convention Package.

The SILGA nomination committee is chaired by Past President Chad Eliason, Salmon Arm.

All those interested in serving are asked to contact Councillor Eliason at 250-804-9874 or by email at chadeliason@gmail.com. All information should be forwarded to both Councillor Eliason and the SILGA office (yoursilga@gmail.com).

Alison Slater
SILGA Executive Director

SILGA *Southern Interior Local Government Association*

December 14, 2017

To: All SILGA Members

Call for Resolutions for 2018 Convention

The SILGA Annual General Meeting and Convention is scheduled to be held in Revelstoke from April 24th to April 27th, 2018. The SILGA Constitution requires that resolutions to be considered at the Annual Meeting are to be received by the Secretary-Treasurer no later than 60 days prior to this meeting. Friday, February 23, 2018 will be the deadline for receipt of resolutions.

If your local government wishes to submit a resolution for consideration at the 2018 SILGA Convention, please forward by email your resolution to yoursilga@gmail.com. Any background information on the resolution would be helpful. Each resolution should be endorsed by the sponsoring Member's Municipal Council or Regional Board. The resolution should be relative to regional issues and should not pertain to a finite local interest.

If you do not receive a confirmation email regarding your resolution, please contact the SILGA office at 250 851 6653.

For information on how to properly write a resolution please refer to the UBCM website below.

<http://www.ubcm.ca/EN/main/resolutions/resolutions/resolutions-procedures.html>

Resolutions not received by February 23rd will be considered late resolutions and must go through the following procedures to be considered at the AGM.

Late Resolutions

- (1) Resolutions submitted following the expiry of the regular deadline noted in section 10.4 shall be considered "Late Resolutions" and shall comply with all other submission requirements, except that a copy of the resolution shall be provided to SILGA by noon on the Friday preceding the date of the Annual General Meeting. The resolutions committee will meet on the Tuesday preceding the Annual General Meeting to provide recommendations as to whether the late resolution(s) should be brought to the Members for inclusion in the resolution debate. All late resolutions must be adopted by a Special Resolution of the Member Representatives in attendance at the Annual General Meeting to be included in the discussion.
- (2) Late resolutions will be reviewed by the Resolutions Committee prior to the Meeting and only those of a subject matter which could not have been submitted by the normal deadline date outlined in section 10.4 will be considered.

SILGA Southern Interior Local Government Association

- (3) Late Resolutions shall be available for discussion after resolutions printed in the resolutions book have been considered.
- (4) Late Resolutions admitted for plenary discussion shall be dealt with in the order presented in the Late Resolutions report.
- (5) In the event that a late resolution is recommended to be admitted for discussion, the sponsoring member of the late resolution shall produce sufficient copies for distribution to the Members at the Annual General Meeting.
- (6) The Late Resolution will, after reading, be properly before the meeting, and the regular procedures for handling resolutions will apply.

Alison Slater
Executive Director, SILGA

Council Report

penticton.ca

Date: January 9, 2018
To: Peter Weeber, Chief Administrative Officer
From: Dana Schmidt, Corporate Officer
Subject: **Heritage & Museum Committee 2018 Terms of Reference**

File No:

Staff Recommendation

THAT Council approve the 2018 Terms of Reference for the Heritage & Museum Committee.

Analysis

At the December 19th Council meeting, the following resolution was carried:

That Council reinstate the Heritage and Museum Committee as an official Council committee and direct the committee to oversee its own administration.

Following this decision, staff have invited past members to join the committee, advertised for new members and made an amendment to the committee's terms of reference.

The amendment changes the administrative support from a corporate services responsibility to the responsibility of the GM of Recreation and Facilities and / or the Museum Curator or designate.

Alternate recommendations

THAT Council direct staff to amend the Heritage & Museum Committee 2018 Terms of Reference prior to approval.

Attachments

Attachment A – Heritage & Museum Committee 2018 Draft Terms of Reference

Respectfully submitted,

Dana Schmidt
Corporate Officer

Approval

Chief Administrative
Officer

PW

2017-2018 Terms of Reference Heritage & Museum Committee

1. The Committee shall consist of **NINE (9)** voting members appointed by City Council for a term ending December 31, 2018. Preference will be given for:
 - One (1) Shatford Centre and Okanagan School of the Arts representative
 - One (1) Leir House representative
 - One (1) Penticton Library representative
 - One (1) Okanagan College representative
 - One (1) School District 67 representative
 - One (1) SS Sicamous Society representative
 - One (1) Penticton Indian Band representative
 - Two (2) at-large members of the Community on the basis of their knowledge or an interest in arts and culture that could include, but is not limited to:
 - Aboriginal groups
 - Students and youth
 - Educators, teachers, professors – currently employed or otherwise
 - Archivist
 - Conservationist
 - Business community
2. The Committee Members shall appoint a Chair and Vice-Chair at the first meeting of each year.
3. Role of Council Representatives:
 - One (1) Representative
 - Non-Voting Member
 - Liaison to City Council
4. A majority of appointed voting members shall constitute a quorum.
5. The General Manager of Recreation and Facilities and the Penticton Museum & Archives Curator/Manager or designates, shall attend committee meetings to provide operational and administrative support to the Committee.
6. The Committee shall meet on a regular basis but not less than four (4) times per year.

7. The Committee's mandate is to make recommendations to the Council on all matters referred to the Committee, including:
 - The Committee undertakes to promote the interests of the Penticton Museum & Archives, SS Sicamous Society, Shatford Centre and Okanagan School of the Arts, Leir House and other educational and knowledge-based sectors desiring support, such as the Penticton Library, Okanagan College and School District 67.
 - The Committee will provide leadership and/or support to the Penticton Museum & Archives, SS Sicamous Marine Museum, the Shatford Centre, Leir House and other educational and knowledge-based sectors desiring leadership and input with respect to:
 - Planning and design of exhibits;
 - Programs and events;
 - Partnership and collaborative undertakings;
 - Promotions;
 - Long-range planning.
 - The Committee will use the City's Heritage Strategy as its basis for advising City Council and its boards, agencies, commissions, committees or staff, developers and citizens when reasonable and provide objective advice and guidance on heritage issues as needed.
 - The Committee will respect the existing governance and direction provided to the Penticton Library, Okanagan College and School District 67 and Penticton Indian Band, and will tap into their collective insight and expertise to better inform the community's heritage and knowledge resources.
 - The Committee, for each initiative it proposes to execute, research, develop and propose funding source options for consideration, including, but not limited to, corporate sponsorship, community partnerships, grants, awards and municipal funding.
 - The Committee will review all requests for assistance from community groups and organizations and recommend appropriate actions to Council.
 - The Committee will recommend actions which promote increased collaboration and communication between heritage and knowledge groups.
 - The Committee undertakes to research, develop and propose a heritage/cultural tourism initiative or event in line with the City's vision and for consideration by the City.
 - The Committee will analyze current capacity, existing utilization, market demand and projected needs of City-owned heritage and knowledge amenities in accordance with asset management plans for the City of Penticton, and make recommendations on achieving net neutrality on City operating budget.
 - Although not a design or planning committee (and will not be asked to make decisions around urban design or urban planning), the Committee will advise on guidelines and developments that pertain to or affect priority items on the heritage list.
 - The Committee will recommend actions, education and marketing initiatives which promote increased public awareness and participation in community heritage resources and knowledge.
 - The Committee will establish sub-committees as deemed necessary to research, develop and propose initiatives to the Committee concerning heritage and knowledge-based activities.
 - The Committee will not participate in operational matters respecting the City of Penticton.

8. Disqualification from Office

If an advisory committee member is continuously absent from committee meetings for a period of three (3) consecutive regularly scheduled meetings, unless the absence is because of illness or with the leave of the committee members, Council may choose to replace the member. The person who held the office is disqualified from holding office on any advisory committee of the City of Penticton for a period of one year.

9. Should a Closed meeting be held by the Committee, members must keep in confidence, any information considered in any part of said meeting until such time as the information is released to the public as lawfully authorized or required. Should the municipality suffer loss or damage due to contravention of confidentiality, the municipality may recover damages from the person(s) for the loss or damage.

10. Closed Meeting – no meeting or part thereof shall be closed to the public except in accordance with Section 90 of the *Community Charter*.

11. The Mayor will sign all correspondence initiated by the Committee on behalf of the City of Penticton.

12. For certainty, the rules and procedures of Council Procedure Bylaw No. 2016-35 and all amendments thereto shall be observed as far as may be applicable.

Council Report

penticton.ca

Date: January 9, 2018
To: Peter Weeber, Chief Administrative Officer
From: Jim Bauer, Chief Financial Officer
Subject: **ITU Multisport World Festival (ITU) Wrap Up**

File No:

Staff Recommendation

THAT Council approve the re-allocation of unused in-kind expenditures for Challenge Penticton of \$15,104 to the ITU Festival;

AND THAT Council direct Staff to net the remaining overage of in-kind expenditures of \$7,379 against the \$10,000 cash instalment payable to ITU and disburse the remaining \$2,621 upon receipt of financial statements;

AND THAT Council direct staff to incorporate learnings from the ITU Festival into future major events including the 2018 Super League Triathlon.

Background

The ITU Multisport Festival held from August 18-27 brought over 3,567 athletes to the City from 41 Countries. As reported at the November 7 Council meeting the festival generated an estimated \$8.7 million in economic impact to the community.

The ITU Festival was originally to receive a total of \$250,000 in support from the City (\$125,000 cash and \$125,000 in-kind). The 2018 Challenge was to receive a total of \$110,000 in-kind support from the City. Prior to the ITU Festival the organizer requested a re-allocation of support from the Challenge Event to the ITU Festival to cover additional anticipated costs. On July 18 Council approved a budget re-allocation from the Challenge event of \$65,000 to the ITU event increasing the in-kind support for the ITU Festival to \$190,000 and reducing the Challenge in-kind support to \$45,000.

The ITU contract stipulates that the City will release the final \$10,000 cash instalment upon delivery of reports, financial statements and presentation to Council.

Analysis

In-Kind expenditures

City staff tracks the in-kind costs of the ITU Festival including park rentals, catering and event rentals, street cleaning, parking and RCMP expenses. After the event is completed a reconciliation is done of actual costs versus budget; results from 2017 are included in the table below.

In Kind	Challenge	ITU	Total
Amended Budget	45,000	190,000	235,000
Actual Costs	29,896	212,483	242,379
Under/(Over)	15,104	- 22,483	- 7,379
Remaining Cash payment			10,000
Recommended Disbursement			2,621

ITU Festival in-kind expenditures were over budget by \$22,483, however the Challenge event came under budget by \$15,104 for a net overage of \$7,379. The higher costs for ITU were largely the result of greater attendance than initially anticipated. Staff are recommending the in-kind overage be netted against the remaining cash instalment to be paid out and the balance of \$2,621 be released to the event organizer.

The ITU event organizer has met the requirement for reporting to Council, however financial statements have not yet been received for final review by City staff. Financial statements are expected by mid-January.

Upon receipt and review of the financial statements the final cash payment of \$2,621 will be paid.

Event Improvements:

Although by all accounts the event was a great success based on the number of participants and the economic impact it brought to the community, there are a number of areas where challenges were encountered. City staff conducted an internal review to learn from the event so improvements can be made for future major events such as the Super League Triathlon.

Key areas where improvements are required include:

Road permitting, parks, esplanade and trail routes, finance, communications and coordination.

See attachment A for detailed learnings and recommendations

Alternate recommendations

THAT Council direct staff with an alternate approach to settle the additional costs incurred for the ITU Festival.

Attachments

Attachment A - ITU Learnings and Recommendations

Respectfully submitted,



Jim Bauer
Chief Financial Officer

Approvals

Director, Recreation & Facilities <i>BTK</i>	CAO PW
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ITU Learnings and Recommendations

Learnings	Recommendations
Road Permitting	
Concerns regarding route selection (high traffic roads and intersections, challenges with EMS vehicles)	Have Engineering Department work with event organizers in setting the route and providing feedback on trouble areas and making alternate route recommendations; ensure Fire, Police and BC Ambulance have input
Short repeating course routes limit the span of road closure thus less impact across the City but have higher impacts on congestion (ie difficult to get a break in athletes to let traffic through)	Thorough consideration of route selection is imperative
Significant traffic congestion on long course day	Communicate the approved detour routes to Google, Magellan and Garmin so that these are available to assist motorists find their way through the City during events
	Consider defining fixed routes for road events so that detour routes and signage can be established and provide greater certainty for event organisers, motorists emergency services and adjacent property owners - this may not be optimal for event organizers and not necessary with more time and effort on proactive planning of routes
	Install mandatory detour signs for all events
Concerns from businesses regarding limited/closed access	Consult with businesses on the proposed route before confirming route; assist with problem solving with businesses to mitigate impacts
Impacts to resident areas could be significant (ie Red Wing, Apartment Complexes, etc.)	Identify potential impacts with resident areas and problem solve early to mitigate impacts
Conflict with other City permitted booking (wedding Munson Mountain)	City booking staff to communicate large events to all groups booking on the same dates; City booking staff to be aware of route and road closure impacts to inform other bookings early in the year
Initial road closure on Tuesday August 15 on Lakeshore was not organized very well and public frustrated with Lakeshore being closed	Better signage and traffic control required

Confusion on who was supposed to open and close the Link Road	Ensure the schedule for opening/closing the Link Road is established and communicated to the appropriate people (need to identify who is responsible for this job)
Concerns on how late the road permitting was finalized	Need to determine a strategy to ensure Ministry of Transportation does not slow the process with their approvals; need to have appropriate and mutually agreed upon timelines set in advance and upheld.
Parks	
Timing conflicts with setting up stage	City staff need to discuss set up scheduling with event organizers to identify appropriate timing for stage set up
Garbage cans went missing from Gyro Park and KVR	Need a strategy to ensure security of garbage cans
Challenges with the depth of water on the swim course for setting up buoys	Need extra rope or consider route in a shallower water
City prepared GPS layout of course and City survey staff used to confirm buoy locations; fortunate to have calm waters	Need to plan to re-set course on race day if there are overnight winds
Some turf wear and tear	Need to consider length of time event is in a park with no watering and amount of time of between events to ensure adequate time and maintenance for recovery
Removal of Moduloc fence after the event before staff had time to take out bleacher caused issues with staff having to work on roadway without adequate traffic control	City staff need to discuss take down scheduling with event organizers to identify appropriate timing
Esplanade and Trail Routes	
Some concerns about property ownership and access approval for some of the route	Ensure entire route is reviewed to ensure proper approvals are in place for all sections of the route
No permitting or approvals are currently available for City property that is not a bookable park or road	Set up a process for permitting areas such as trails and the Esplanade
Concern of stability and environmental impacts of use of the Esplanade	Require geotechnical review of these lands before permitting use; should the City be allowing races/events on environmentally sensitive-Riparian areas? Need to determine who is responsible for the costs of geotech review (event organizer?)
Parking	
Parking changes for residences seemed to generate a lot of complaints	Any public notification to parkers needs to be on formal branding paper ideally co-branded between the city and the event so that it assures the public that it has been vetted/approved and it is legitimate. Residents needed more warning for parking changes...ie: more than 1 day notice is required. (2-4 days at min.)
Towing was an issue for the ITU event	Need to include parking/towing communication strategy

Finance	
Information to Finance on costs too late	Ensure the budget is put in much earlier in regards to in kind services
Many staff not coding time to the in-kind account	Supervisors to ensure staff are coding their time appropriately
Parks staff time that was required at the last minute on race day was not allocated to original in-kind budget	Ensure event organizers request staff requirements on event days during in-kind budget setting
Communications	
Issues with communication protocols on events days	Ensure a clear and easy process for communications between event organizers and the City
	Ensure adequate City resources to manage calls leading up to the event and 24/7 during event from event organizers, public, businesses, residents, stakeholders, etc.
ITU Communications Director had 7 different points of contact with the City in the 24 months leading up to the event	City to establish point person for Communications Director
Some disconnect between ITU and City Events Manager	City Events Manager to sit on event Local Organizing Committee
Businesses not adequately communicated with	Determine whose responsibility this is; create standardized communications with businesses regarding events, road closures, impact messaging etc.
Dual sponsorship of both Travel Penticton and City of Penticton made it confusing to know who took the lead on what / Missed opportunity to leverage sponsorship to the fullest	These events are sponsored for the purpose of attracting tourists. Needs to be a partnership with Travel Penticton. Not sure both should sponsor. No event should be recommended that is not endorsed by Travel Penticton and with a commitment to leverage sponsorship and provide support.
Overall event communications	City and Event Communications staff to work together to develop a Communications Plan; determine what needs to be communicated, who is responsible for building the materials, confirmation on brand standards, where information should be communicated, who is responsible for execution, appropriate timelines, etc.

Council Report

penticton.ca

Date: January 9, 2018
To: Peter Weeber, Chief Administrative Officer
From: Peter Wallace, Land Administrator
Address: 888 Westminster Avenue, Penticton, B.C.

File No: 2380-20 (BC Wine)

**Subject: BC Wine Authority Surrender of Lease
Travel Penticton - 5 year Lease Proposal**

Staff Recommendation

THAT Council direct Mayor and Corporate Officer to execute a Surrender of Lease for the BC Wine Authority that would terminate their existing Lease with the City and authorize payment from the Land Administration budget to the BC Wine Authority the sum of \$19,528 for moving expenses;

AND THAT Council approve a new Lease Agreement for Travel Penticton Society for a portion of the building located at 888 Westminster Avenue (Approximately 1,727 sq. ft.) for a five year term with an option to renew at a market rate of \$20,566 plus additional rent and applicable taxes inclusive of consumer price index (CPI) increases per annum;

AND THAT Council direct Mayor and Corporate Officer to execute the Lease Agreement with Travel Penticton.

Background

In spring 2017 Travel Penticton approached City Council with a request for \$300,000 in funding to be utilized towards the purchase of a building to accommodate Travel Penticton. City staff were directed to find a solution to address Travel Penticton's accommodation needs. Staff identified a City owned facility located at 888 Westminster Avenue as a suitable location for Travel Penticton. Given the property was currently under lease to the BC Wine Authority with a lease expiring December 31, 2018, the City negotiated an arrangement with BC Wine Authority to surrender their lease 12 months early in exchange for the City compensating them the cost of moving their operations to another location. The cost of this move has been finalized at \$19,528.00 including the disassembly and relocation of two large custom refrigeration units.

Financial implication

During the 2018 Budget process \$30,000 was authorized for leasehold improvements to 888 Westminster Avenue to facilitate the requirements for Travel Penticton. These improvements include a bathroom upgrade, exterior lighting and other general improvements to the building.

Analysis

The moving costs and building improvements are minimal in comparison to the initial requested funding of \$300,000 for the purchase of a new building to accommodate Travel Penticton.

Attachments

Attachment A – Surrender of Lease – BC Wine Authority

Attachment B –5 year Lease Agreement – Travel Penticton

Respectfully submitted,



Peter Wallace
Land Administrator

Approvals

CFO & Director <i>JWB</i>	Chief Administrative Officer PW
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Attachment A – Surrender of Lease – BC Wine Authority

SURRENDER OF LEASE

THIS AGREEMENT dated December 31st, 2017.

BETWEEN:

THE CORPORATION OF THE CITY OF PENTICTON
171 Main Street
Penticton, BC V2A 5A9

(the "Landlord")

OF THE FIRST PART

AND:

BRITISH COLUMBIA WINE AUTHORITY
888 Westminster Avenue
Penticton, British Columbia, V2A 8S3

(the "Tenant")

OF THE SECOND PART

BACKGROUND

- A. By a lease ("Lease") dated November 29th, 2013 *between* **THE CORPORATION OF THE CITY OF PENTICTON** ("Landlord") and **BRITISH COLUMBIA WINE AUTHORITY** ("Tenant") for a term ("Term") of **FIVE (5) years** commencing on January 1, 2014, together with certain rights of renewal set out in the Lease, that portion of the building constructed on the lands and premises located in 888 Westminister Avenue, Penticton, British Columbia, more particularly known and described as: 023-678-356 Lot 1, DL 2, Group 7, Similkameen Division Yale (Formerly Yale Lytton) District Plan KAP58604 Except Plans KAP87244 and KAP87245 ("Lands") shown on the plan attached as Schedule A to the Lease (the "Premises").
- B. The Tenant wishes to surrender the Lease and the Landlord has agreed to accept the surrender of the Lease on the terms of this agreement ("Agreement").

AGREEMENTS

In consideration of the sum of **NINETEEN THOUSAND FIVE HUNDRED TWENTY EIGHT DOLLARS (\$19,528.00)** representing move out fees and costs, and other good and valuable consideration paid by each of the parties to the other (the receipt and sufficiency of which is hereby acknowledged by each party) and the covenants and agreements contained in this Agreement, the parties agree each with the other as follows:

1. Surrender by Tenant

Effective at 12:00:00 a.m. on December 31, 2017 ("Effective Date"), the Tenant surrenders to the Landlord the Lease and any right or interest of the Tenant under the Lease, the unexpired Term of the Lease, and any right of the Tenant to occupy the Premises, with the intent that all of these rights will merge into the reversion of the Lease and be forever extinguished. **However**, it has been agreed by the Landlord and the Tenant that in the event that the Tenant shall require a few extra move out days that this will be granted to the Tenant at no cost to the Tenant. *

2. Release of Tenant's Interest

As of the Effective Date, the Tenant releases and discharges any interest it may have in the Premises.

3. Representation of Tenant

The Tenant represents to the Landlord that it has the right and authority to surrender the Lease and the Tenant's interest in the Premises and that the Tenant:

- (a) has not granted any mortgage, lien, or charge in connection with the Lease, or any interest of the Tenant in the Premises arising under the Lease; and
- (b) is not aware of any third party claims against the Tenant, the Lease, or the Premises that may give rise to any mortgage, lien, or charge in connection with the Lease, or any interest of the Tenant in the Premises arising under the Lease.

4. Mutual Release

Except for any liabilities of the Tenant arising before the Effective Date, the Landlord releases and discharges the Tenant and the Guarantor from any liability arising under the Lease.

The Tenant releases and discharges the Landlord from and against any claims, actions, causes of action, suits, costs, damages or expenses arising from or in connection with the Lease, the Tenant's use and occupancy of the Premises under the Lease, or any interference with the Tenant's use and occupancy of the Premises, whether by the Landlord or a third party.

5. Removal of Furniture

The Tenant will, not later than 31st day of December, 2017, remove from the Premises its furniture, furnishings, equipment and coolers, repairing any damage caused by the removal, and will leave the Premises in a clean and tidy condition as required under Article 15.8 page 19 of the Lease. As indicated in clause 1 above, that if the Tenant shall require a few extra move out days that this request shall be granted to the Tenant.

6. Further Steps

The Landlord and the Tenant agree to execute all documents and to take such steps as may be required to register any necessary notice of this Agreement in the appropriate land title office. The cost of preparing and registering such documents will be borne by the Tenant.

7. Time of Essence

The parties agree that time is of the essence of this Agreement.

8. Enurement

This Agreement will enure to the benefit of and be binding upon each of the parties and their respective successors and permitted assigns.

IN WITNESS WHEREOF the parties hereto have set their hands of the day and year first above written.

**THE CORPORATION OF THE CITY OF)
PENTICTON** by its authorized signatories:)

_____)
Andrew Jakubeit, Mayor)

_____)
Dana Schmidt, Corporate Officer)

**BRITISH COLUMBIA WINE AUTHORITY)
by its authorized signatory(ies):)**


_____)
Name:)

THIS LEASE, dated the _____ day of _____, 2018 is made and entered into by the Landlord and Tenant named herein who, in consideration of the covenants herein contained, agree as follows:

1. Basic Terms, Schedules, and Definitions

1.1 Basic Terms

- (a) Landlord: **THE CORPORATION OF THE CITY OF PENTICTON**

Address of Landlord: 171 Main Street, Penticton, B.C. V2A 5A9

- (b) Tenant: **TRAVEL PENTICTON SOCIETY**

Address of Tenants: 888 Westminster Avenue West, Penticton,
B.C. V2A 8S3

- (c) Leased Premises: That part of the Building as shown highlighted in yellow on Schedule A, located on the Land known as 888 Westminister Avenue West, Penticton, British Columbia and legally described as:

Parcel Identifier: 023-678-356

Lot 1, District Lot 2, Group 7, Similkameen Division Yale (Formerly Yale Lytton) District, Plan KAP58604 Except Plans KAP87244 And KAP87245

- (d) Rentable Area: 1,727 sq. ft. square feet
- (e) Term: five (5) years with an option to renew for an additional five (5) year upon mutual agreement of the terms:

Term 1:

January 1, 2018 to December 31, 2022

Option to Renew Term:

January 1, 2023 to December 31, 2027

Commencement Date: February 15, 2018

Access to the Building is granted at starting January 1, 2018 for the purpose of completing leasehold improvements, but in no event shall business operations commence at the site prior to the Commencement Date.

- (f) Annual Rent: 20,566.00 plus GST
- (g) Permitted Use: Office and Operation of a Tourist Information Centre.
- (h) Fixturing Period - 60 days January 1, 2018 to February 15, 2018
(Lease commencement February 15, 2018)

The foregoing Basic Terms are approved by the parties. Each reference in this Lease to any of the Basic Terms shall be construed to include the provisions set forth above as well as all of the additional terms and conditions of the applicable sections of this Lease where such Basic Terms are more fully set forth.

1.2 Schedules

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

- Schedule A: Floor Plan of Leased Premises
- Schedule B: Exterior Plan – Location of Storage Container (8x8)
- Schedule C: Definitions
- Schedule D: Rules & Regulations
- Schedule E: Landlord's Works

1.3 Definitions

In this Lease, the words, phrases and expressions set forth in Schedule B have the meanings defined therein.

2.1 Premises

In consideration of the rents, covenants, and agreements hereinafter reserved and contained on the part of the Tenant to be paid, observed, and performed, the Landlord hereby demises and leases to the Tenant, and the Tenant leases from the Landlord, the Leased Premises.

3.1 Term

The Term of this Lease shall be for the period set out in subclause 1.1(e), beginning on the Commencement Date.

4.1 Rent

The Tenant shall pay the Leased Payment to the Landlord, at the office of the Landlord, or at such other place as the Landlord may direct in writing, during the Term in lawful money of Canada without any setoff, abatement, compensation, or

deduction whatsoever on the days and at the times hereinafter specified, Rent which shall include the aggregate of the sums specified in subclauses (a) and (b) below:

(a) Annual Base Rent

The annual base rent for first **Lease Year**, the **Minimum Rent** will be \$20,566.00 plus applicable taxes.

At the end of the first Lease Year, the Minimum Rent will increase by the BC Consumer Price Index for the previous year.

The annual base rent for Term 2 shall be at Market Value as determined by an independent appraiser. Provided however, in no event shall the current Annual Base Rent be less than the current Base Rent for the previous term. Should the Tenant not agree with the value indicated by the appraiser they will be entitled to obtain their own Appraisal from an Appraiser Accredited by the Appraisal Institute of Canada and the Lease Rate shall be the average of the two appraisals.

(b) Additional Rent

In addition to the Rent, specified elsewhere in this Lease, the Tenant will pay, as Additional Rent the Tenant's Proportionate of Operating Costs.

Additional Rent of One thousand dollars (\$1,000.00) per month will be charged for Year 1 (no tax)

- (i) the Tenant's Proportionate Share, based on the percentage square footage of leased space, of Operational Cost including: Utilities, Electric, Water and Gas; Insurance; Maintenance cost, excluding HVAC, Roof and Structure, but including routine maintenance. Janitorial services for the main interior common areas, to be arranged and paid for by Travel Penticton Society.

The Additional Rent for Year 2 and onward, will be set by December 31, of each year and be calculated based on the actual costs of items listed above incurred during the period November 1 to October 31. All costs will be prorated as a percentage of the rentable area divided by the Total Rentable Area of the building. The Additional Rent calculation for each coming year will be provided to the Tenant on or before December 31.

4.2 Fixturing Period

The Landlord will provide access to the Premises to the Tenant for the Fixturing Period. Upon delivery of the Premises to the Tenant, the Tenant will complete or cause to be completed the Tenant's Work, including all fixturing and all stocking of the Premises and other work required to permit the Tenant to open for business. The Tenant acknowledges and agrees that the Landlord may require access to the Premises during the Fixturing Period in order to carry out and complete the Landlord's Work in the Premises. Upon the Landlord delivering possession of the Premises to the Tenant for completion of the Tenant's Work, the Tenant will observe and perform all of the provisions of this Lease except those that require payment of Minimum Rent, the Tenant's Proportionate Share of Operating Costs/Property Taxes. During the Fixturing Period, the Tenant will also take out and keep in full force insurance acceptable to the Landlord, acting reasonably, which insurance will include the Landlord as a named insured and will protect the Landlord in respect of any claims by the Tenant as if the Landlord was separately insured.

4.3 Payment of Rent and Additional Rent

The Rent provided for in this Article 4 shall be paid by the Tenant as follows:

- (a) The Annual Base Rent and Additional Rent shall be paid in equal consecutive monthly installments in accordance with Clause 4.1 in advance on the first day of each and every month during the Term commencing February 15, 2018. (No rent or additional rent will be charged for the initial 1.5 month fixturing period, January and February 15, 2018.
- (b) The Landlord will compute and deliver to the Tenant a good faith estimate of the Tenant's Proportionate Share of Operating Costs for each successive Lease Year or other fiscal period or periods adopted by the Landlord from time to time, as the case may be.
- (c) Post-dated Cheques

If requested by the Landlord from time to time, the Tenant will provide to the Landlord without prejudice to any other right or remedy of the Landlord a series of cheques, post-dated to the respective due dates of payments, for the amounts of the Rent and additional rent.

4.4 Waiver of Offset

The Tenant hereby waives and renounces any and all existing and future claims, offsets, and compensation against any Rent and agrees to pay such Rent regardless of any claim, offset, or compensation which may be asserted by the Tenant or on its behalf.

4.4 Application of Payments

All payments by the Tenant to the Landlord under this Lease shall be applied toward such amounts then outstanding hereunder as the Landlord determines and the Landlord may subsequently alter the application of any such payment.

5. Tenant's Covenants

The Tenant covenants with the Landlord as follows:

5.1 Rent

To pay the Rent on the days and in the manner provided herein and to pay all other amounts, charges, costs, and expenses as required to be paid by the Tenant to the Landlord or to others under the terms of this Lease;

5.2 Taxes

To pay and discharge when due all applicable taxes, levies, charges and assessments now or hereafter assessed, levied or charged which relate to the Land or any improvements thereon (herein called "**Realty Taxes**") This Lease will be registered with BC Assessment Authority who will complete an assessment of the value of the lease area and the Tenant will be billed directly for Property taxes as outlined in Section 8;

5.2 Occupancy and Permitted Use

To take possession of and occupy the Leased Premises and commence to carry on business in all or substantially all of the Leased Premises no later than 30 days after the Commencement Date, to use the Leased Premises only for the purpose set out in subclause 1.1(g) and not to use or permit to be used the Leased Premises or any part thereof for any other purpose;

5.3 Waste and Nuisance

Not to commit or permit any waste or injury to the Building or the Leased Premises including the Leasehold Improvements and the trade fixtures therein; any overloading of the floors thereof; any conduct which impedes or, in the opinion of

the Landlord acting reasonably, could impede the business of any other occupant of the Building or which constitutes or, in the opinion of the Landlord acting reasonably, could constitute a nuisance to the Landlord, any other occupant of the Building, or anyone else; or any other use or manner of use which annoys or interferes with the operations of any other occupant of the Building or, in the opinion of the Landlord acting reasonably, may have an adverse impact on the reputation of the Building.

5.4 Insurance Risks

Not to do, omit to do, or permit to be done or omitted to be done upon the Leased Premises anything which would cause the Landlord's cost of insurance to be increased (and, without waiving the foregoing prohibition, the Landlord may demand, and the Tenant shall pay to the Landlord upon demand, the amount of any such increase of cost caused by anything so done or omitted to be done) or which shall cause any policy of insurance to be subject to cancellation.

5.5 Cleanliness

Not to permit the Leased Premises to become untidy, unsightly, or hazardous, or permit unreasonable quantities of waste or refuse to accumulate therein.

5.6 Compliance with Laws

To comply at its own expense with all municipal, provincial, and federal sanitary, fire, and safety laws, bylaws, regulations, and requirements pertaining to the operation and use of the Leased Premises, the condition of the Leasehold Improvements, trade fixtures, furniture, and equipment installed therein, and the making by the Tenant of any repairs, changes or improvements therein.

5.7 Installations

To permit the Landlord during the Term, at the Tenant's cost, to install any equipment in or make alterations to the Leased Premises necessary to comply with the requirements of any statute, law, bylaw, ordinance, order, or regulation referred to in clause 5.6 and to permit ingress and egress to and from the Leased Premises by the Landlord or by other tenants of the Landlord or by their respective employees, servants, workmen, and invitees, by use of fire exit doors in case of fire or emergency.

5.8 Rules and Regulations

To observe, and to cause its employees, invitees, and others over whom the Tenant can reasonably be expected to exercise control to observe the Rules and Regulations attached as Schedule C, and such further and other reasonable rules and regulations and amendments and changes therein as may hereafter be made by the Landlord, of which

notice in writing shall be given to the Tenant; and all such rules and regulations shall be deemed to be incorporated into and form part of this Lease.

5.9 Overholding

That if the Tenant shall continue to occupy the Leased Premises after the expiration of this Lease without any further written agreement and without objection by the Landlord, the Tenant shall be a monthly tenant at a monthly base rent equal to 130% of the monthly installment of Annual Base Rent and Additional Rent payable by the Tenant as set forth in Article 4 during the last month of the Term and (except as to length of tenancy) on and subject to the provisions and conditions herein set out.

5.10 Signs

Without the Landlord's prior written consent, such consent not be unreasonably withheld not to paint, display, inscribe, place, or affix any sign, symbol, notice, or lettering of any kind anywhere outside the Leased Premises (whether on the outside or inside of the Building) or within the Leased Premises so as to be visible from the outside of the Leased Premises, with the exception only of a building standard identification sign at or near the entrance of the Leased Premises containing only the name of the Tenant and to be subject to the approval of the Landlord as to design, size, and location. Such identification sign shall be installed at the expense of the Tenant, and the Landlord reserves the right to install the sign as an Additional Service.

5.11 Inspection and Access

To permit the Landlord at any reasonable time and from time to time to enter and to have its authorized agents, employees, and contractors enter the Leased Premises for the purpose of inspection, maintenance, or making repairs, alterations, or improvements to the Leased Premises or the Building, or to have access to utilities and services or to determine the electric light and power consumption by the Tenant in the Leased Premises, and the Tenant shall provide free and unimpeded access for the purpose, and shall not be entitled to compensation for any inconvenience, nuisance, or discomfort caused thereby, but the Landlord in exercising its rights hereunder shall proceed to the extent reasonably possible so as to minimize interference with the Tenant's use and enjoyment of the Leased Premises.

6 Landlord's Covenants

The Landlord covenants with the Tenant as follows:

6.1 Quiet Enjoyment

Provided the Tenant pays the rent hereby reserved and performs its other covenants herein contained, the Tenant shall and may peaceably possess and enjoy the Leased Premises for the Term hereby granted, without any interruption or disturbance from the Landlord or its assigns, or any other person or persons lawfully claiming by, from, through, or under the Landlord.

6.2 Interior Climate Control

To provide to the Leased Premises at all times, by means of a system for heating, cooling, filtering, and circulating air and processed air in such quantities, at such temperatures as shall maintain in the Leased Premises conditions of reasonable temperature and comfort in accordance with good standards of interior climate control generally pertaining at the date of this Lease applicable to similar buildings based on normal occupancy of premises for office purposes. The Landlord shall have no responsibility for any inadequacy of performance of the system unless the Landlord is negligent in maintaining or operating the system. The Tenant acknowledges that the initial balancing of the system may take up to one year after the Commencement Date. The Tenant acknowledges that the comfort of the Tenant will be reduced if the Leased Premises include installed partitions or other installations in locations which interfere with the proper operation of the said system or if window coverings on exterior windows are not fully closed while such windows are exposed to direct sunlight. The Tenant agrees that the Landlord shall have no responsibility to provide for the removal of smoke, dust, or odours which originate from within the Leased Premises.

6.3 Entrances, Lobbies, and Other Common Areas

To permit the Tenant and its employees and invitees to have the use at all times in common with others entitled thereto of the common entrances, lobbies of the Building giving access to the Leased Premises (subject to the Rules and Regulations set out in Schedule C and such other reasonable limitations as the Landlord may from time to time impose).

6.4 Utilities

The cost of utilities servicing is paid by the Landlord with the prorated portion charged back to the tenants as Additional Rent - Operational Cost.

7. Repair, Damage, and Destruction

7.1 Landlord's Repairs

The Landlord covenants with the Tenant:

- (a) subject to subclause 7.3(b), to keep in a good and reasonable state of repair, and consistent with the general standards of office buildings of similar age and character in Penticton, British Columbia:
 - (i) the Building (other than the Leased Premises and premises of other tenants) including the foundation, roof, exterior walls including glass portions thereof, the systems for interior climate control, entrances, from time to time provided for use in common by the Tenant and other tenants of the Building and the systems provided for bringing utilities to the Leased Premises, and
 - (ii) the structural members or elements of the Leased Premises; and
- (b) to repair defects in construction performed or installations made by the Landlord in the Leased Premises and Insured Damage.

7.2 Tenant's Repairs

The Tenant covenants with the Landlord:

- (a) subject to subclause 7.3(b), to keep in a good and reasonable state of repair and consistent with the general standards of office buildings of similar age and location in Penticton, British Columbia, Leased Premises including all Leasehold Improvements and all trade fixtures therein and all glass therein other than glass portions of exterior walls thereof, but with the exception of structural members or elements of the Leased Premises, defects in construction performed or installations made by the Landlord and Insured Damage therein;
- (b) that the Landlord may enter at reasonable times and view the state of repair, and that the Tenant will repair according to notice in writing, and that the Tenant will leave the Leased Premises in a good and reasonable state of repair, subject always to the exceptions referred to in subclause 7.2(a); and
- (c) that if any part of the Building including the systems for interior climate control and for the provision of utilities becomes out of repair, damaged, or destroyed through the negligence or misuse of the Tenant or its employees, invitees, or others over which the Tenant can reasonably be expected to exercise control, the expense of repairs or replacements necessitated thereby shall be reimbursed to the Landlord promptly upon demand.

7.3 Abatement and Termination

It is agreed between the Landlord and the Tenant that in the event of damage to the Leased Premises or to the Building:

- (a) if the damage is such that the Leased Premises or any substantial part thereof are rendered not reasonably capable of use and occupancy by the Tenant 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 Tenant or its employees, invitees, or others under its control, from and after the date of occurrence of the damage and until the Leased Premises are 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 Leased Premises not reasonably capable of use and occupancy, and
 - (ii) unless this Lease is terminated as hereinafter provided, the Landlord or the Tenant, as the case may be (according to the nature of the damage and their respective obligations to repair as provided in clauses 7.1 and 7.2) shall repair such damage with all reasonable diligence, but to the extent that any part of the Leased Premises is not reasonably capable of such use and occupancy by reason of damage which the Tenant is obligated to repair hereunder, any abatement of Rent to which the Tenant is otherwise entitled hereunder shall not extend later than the time by which, in the reasonable opinion of the Landlord, repairs by the Tenant ought to have been completed with reasonable diligence; and
- (b) if either:
 - (i) the Leased Premises, or
 - (ii) premises, whether of the Tenant or other tenants of the Building, comprising in the aggregate 25% or more of the Rentable Area of the Building

are substantially damaged or destroyed by any cause to the extent such that in the reasonable opinion of the Landlord they cannot be repaired or rebuilt (based on standard hours of construction work) within 240 days after the occurrence of the damage or destruction, then the Landlord may at its option, exercisable by written notice to the Tenant given within 60 days after the occurrence of such damage or destruction, terminate this Lease, in which event neither the Landlord nor the Tenant shall be bound to repair as provided in clauses 7.1 and 7.2, and the Tenant shall instead

deliver up possession of the Leased Premises 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 Tenant may be entitled under subclause 7.3(a) by reason of the Leased Premises having been rendered in whole or in part not reasonably capable of use and occupancy), but otherwise the Landlord or the Tenant as the case may be (according to the nature of the damage and their respective obligations to repair as provided in clauses 7.1 and 7.2) shall repair such damage with reasonable diligence.

7.4 Service Interruptions

The Tenant acknowledges to the Landlord that the operation of systems and the availability of facilities may be interrupted from time to time in cases of accident and emergency, in order to carry out maintenance, repairs, alterations, replacements, and upgrading, or for any other reasonable reason required by the Landlord. During periods of such interruption, any obligation of the Landlord to provide access to such systems and facilities or common areas of the Building shall be suspended and clause 14.1 shall apply.

8. Taxes

8.1 Property Taxes

The Tenant will pay the Property Taxes as assessed by the BC Assessment Authority based on the terms of the lease. Until BCAA has assessed the leased property and a taxes are levied, the Landlord reserves the right, acting reasonably, but otherwise in its sole and unfettered discretion, to allocate and adjust Property Taxes on an equitable basis among the tenants and other occupants of the Building. Nothing herein will compel or require the Landlord to adjust, continue to adjust or to make the same determination or allocation of Property Taxes from year to year or in any Lease Year.

8.2 Goods and Services Tax

The Tenant shall pay to the Landlord in accordance with the applicable legislation at the same time as the amounts to which such tax apply are payable to the Landlord under the terms of this Lease or upon demand at such other time or times as the Landlord from time to time determines. The Landlord will provide the Tenant with its Goods and Services Tax registration number. Notwithstanding any other section of this Lease, the amount payable by the Tenant under this clause shall be deemed not to be Rent, but the Landlord shall have the same remedies for and rights of recovery of such amount as it has for recovery of Rent under this Lease.

9. Utilities and Additional Services

9.1 Additional Services

If the Tenant requires any services to the Leased Premises, wishes to move furniture or equipment or make repairs or alterations within the Leased Premises, or requires other service in the Leased Premises, then the Landlord may at its option, by way of Additional Services, provide or have its designated agents or contractors provide such service. The Cost of Additional Services provided shall be paid to the Landlord by the Tenant from time to time promptly upon receipt of invoices therefor from the Landlord.

9.2 Energy Conservation

The Tenant covenants with the Landlord:

- (a) that the Tenant will cooperate with the Landlord in the conservation of all forms of energy in the Building, including without limitation the Leased Premises;
- (b) that the Tenant will comply with all laws, bylaws, regulations, and orders relating to the conservation of energy and affecting the Leased Premises or the Building; and
- (c) that the Tenant will at its own cost and expense comply with all reasonable requests and demands of the Landlord made with a view to such energy conservation.

The Landlord shall not be liable to the Tenant in any way for any loss, costs, damages, or expenses, whether direct or consequential, paid, suffered, or incurred by the Tenant as a result of any reduction in the services provided by the Landlord to the Tenant or to the Building as a result of the Landlord's compliance with such laws, bylaws, regulations, or orders.

10.1 Licenses, Assignments, and Sublettings

The Tenant shall not suffer or permit any part of the Leased Premises to be sublet, assigned, used or occupied by any persons other than the Tenant, and the employees of the Tenant, or suffer or permit any part of the Leased Premises to be used or occupied by any licensee, franchisee, or concessionaire, or suffer or permit any persons to be upon the Leased Premises other than the Tenant, and their respective employees, customers, and others having lawful business with them without written consent of the Landlord, such consent not to be unreasonably withheld.

11. Fixtures and Improvements

11.1 Installation of Fixtures and Improvements

The Tenant will not make, erect, install, or alter any Leasehold Improvements or trade fixtures in the Leased Premises, any safe or special lock in the Leased Premises, or any apparatus for illumination, air-conditioning, cooling, heating, refrigerating, or ventilating the Leased Premises, in any case without having requested and obtained the Landlord's prior written approval, which the Landlord shall not unreasonably withhold. In making, erecting, installing, or altering any Leasehold Improvements or trade fixtures, the Tenant shall comply with the tenant construction guidelines as established by the Landlord from time to time, shall obtain all required building and occupancy permits, shall not alter or interfere with any installations which have been made by the Landlord without the prior written approval of the Landlord. The Tenant's request for any approval hereunder shall be in writing and accompanied by a reasonably detailed description of the contemplated work and, where appropriate, plans, working drawings, and specifications thereof. All work to be performed in the Leased Premises shall be performed by competent contractors and subcontractors of whom the Landlord shall have approved (such approval not to be unreasonably withheld). All such work may be subject to inspection by and the reasonable supervision of the Landlord.

11.2 Liens and Encumbrances on Fixtures and Improvements

In connection with the making, erection, installation, or alteration of Leasehold Improvements and trade fixtures, and all other work or installations made by or for the Tenant in the Leased Premises, the Tenant shall comply with all of the provisions of the *Builders Lien Act*, S.B.C. 1997, c.45 and amendments thereto, and other statutes from time to time applicable thereto (including any provision requiring or enabling the retention of portions of any sums payable by way of holdbacks), shall permit the Landlord to take all steps to enable the Landlord to obtain the benefit of the provisions of the *Builders Lien Act*, and, except as to any lawful holdback, shall promptly pay all accounts relating thereto. The Tenant shall not create any mortgage, conditional sale agreement, general security agreement under the *Personal Property Security Act*, R.S.B.C. 1996, c.359 and amendments thereto, or other encumbrance in respect of its Leasehold Improvements or trade fixtures, or permit any such mortgage, conditional sale agreement, general security agreement under the *Personal Property Security Act*, or other encumbrance to attach to the Leased Premises. If and when any builders' or other lien for work, labour, services, or materials supplied to or for the Tenant or for the cost of which the Tenant may be in any way liable or claims therefor shall arise or be filed or any such mortgage, conditional sale agreement, general security agreement under the *Personal Property Security Act*, or other encumbrance shall attach, the Tenant shall within 20 days after receipt of notice thereof procure the discharge thereof, including any certificate of action registered in respect of any lien, by payment or giving security or in such other manner as may be required or permitted by law, and

failing which the Landlord may in addition to all other remedies hereunder avail itself of its remedy under clause 15.1 and may make any payments required to procure the discharge of any such liens or encumbrances, and shall be entitled to be reimbursed by the Tenant as provided in clause 15.1, and its right to reimbursement shall not be affected or impaired if the Tenant shall then or subsequently establish or claim that any lien or encumbrance so discharged was without merit or excessive or subject to any abatement, setoff, or defence.

11.3 Removal of Fixtures and Improvements

All Leasehold Improvements and trade fixtures in or upon the Leased Premises shall immediately upon affixation be and become the Landlord's property without compensation therefor to the Tenant. Except to the extent otherwise expressly agreed by the Landlord in writing, no Leasehold Improvements or trade fixtures shall be removed by the Tenant from the Leased Premises either during or at the expiration or sooner termination of the Term, except that the Tenant shall remove its furniture and equipment at the end of the Term, and also during the Term in the usual and normal course of its business where such furniture or equipment has become excess for the Tenant's purposes or the Tenant is substituting therefor new furniture and equipment. The Tenant shall, in the case of every removal of furniture or equipment either during or at the end of the Term, immediately make good any damage caused to the Leased Premises by the installation and removal.

11.4 Alterations by Landlord

Subject to Clause 17 the Landlord reserves the right from time to time to:

- (a) make any deletions, changes, and additions to the equipment, appliances, pipes, plumbing, wiring conduits, ducts, shafts, structures, and facilities of every kind throughout the Building, including the Leased Premises;
- (b) alter the location and nature of common areas of the Building, including Service Areas, make reductions therein, erect additions thereto, and extend any part thereof; and
- (c) make alterations and additions to the Building;

and in exercising any such rights, the Landlord will take reasonable steps to minimize any interference caused to the Tenant's operations in the Leased Premises, but by exercising any such rights, the Landlord shall not be deemed to have constructively evicted the Tenant or otherwise to be in breach of this Lease, nor shall the Tenant be entitled to any abatement of rent or other compensation from the Landlord.

12. Insurance and Liability

12.1 Landlord's Insurance

The Landlord shall be deemed to have insured (for which purpose it shall be a co-insurer, if and to the extent that it shall not have insured) the Building and all improvements and installations made by the Landlord in the Leased Premises, except to the extent hereinafter specified, in respect of perils and to amounts and on terms and conditions which from time to time are insurable at a reasonable premium and which are normally insured by reasonably prudent owners of properties similar to the Building, as from time to time determined at reasonable intervals (but which need not be determined more often than annually) by insurance advisors selected by the Landlord, and whose written opinion shall be conclusive. Upon the request of the Tenant from time to time the Landlord will furnish a statement as to the perils in respect of which and the amounts to which it has insured the Building. The Landlord may maintain such other insurance in such amounts and upon such terms as would normally be carried by a prudent owner.

12.2 Tenant's Insurance

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

- (a) comprehensive 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 Leased Premises and the Tenant's use and occupancy thereof, of not less than \$5,000,000 per occurrence, which insurance shall be without right of subrogation and include the Landlord as a named insured and shall protect the Landlord in respect of claims by the Tenant as if the Landlord were separately insured; and
- (b) insurance in such amounts as may be reasonably required by the Landlord in respect of fire and such other perils, including sprinkler leakage, as are from time to time defined in the usual extended coverage endorsement covering the Tenant's trade fixtures and the furniture and equipment of the Tenant and (except as to Insured Damage) all Leasehold Improvements in the Leased Premises, and which insurance shall include the Landlord as a named insured as the Landlord's interest may appear with respect to the insured Leasehold Improvements and provided that any proceeds recoverable in the event of loss to Leasehold Improvements shall be payable to the Landlord, but the Landlord agrees to make available such proceeds toward the repair or replacement of the insured property if this Lease is not terminated under any other provision hereof;

All insurance required to be maintained by the Tenant 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 Tenant 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 Tenant 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 Tenant's insurer which, in the case of comprehensive general liability insurance, shall provide such information as the Landlord reasonably requires. If the Tenant shall fail to take out, renew, and keep in force such insurance the Landlord may do so as the agent of the Tenant and the Tenant shall repay to the Landlord any amounts paid by the Landlord as premiums forthwith upon demand.

12.3 Limitation of Landlord's Liability

The Tenant 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 Tenant or its employees, invitees, or licensees or any other person in, on, or about the Building or the Land, or for any interruption of any business carried on in the Leased 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, steam, gas, electricity, water, rain, snow, dampness, or leaks from any part of the Leased Premises or from the pipes, appliances, electrical system, plumbing works, roof, subsurface, or other part or parts of the Building or Land or from the streets, lanes, and other properties adjacent thereto,
 - (ii) for any damage, injury, or death caused by anything done or omitted by the Tenant or any of its servants or agents or by any other tenant or person in the Building,
 - (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 lease by another tenant of premises in the Building 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 janitorial services, security

services, supervision, or any other work in or about the Leased Premises or the Building,

- (v) for loss or damage, however caused, to money, securities, negotiable instruments, papers, or other valuables of the Tenant or any of its servants or agents,
 - (vi) for the failure to supply interior climate control or elevator service 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, or
 - (vii) for any bodily injury, death, or damage to property arising from the use of, or any happening in or about, any elevator; and
- (b) the Tenant releases and discharges the Landlord from any and all actions, causes of action, claims, damages, demands, expenses, and liabilities which the Tenant now or hereafter may have, suffer, or incur which arise from any matter for which the Landlord is not liable under subclause 12.3(a), notwithstanding that negligence or other conduct of the Landlord or anyone for whose conduct the Landlord is responsible may have caused or contributed to such matter.

12.4 Limitation of Tenant's Liability

The Landlord releases the Tenant 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 or which arises therefrom where the Tenant is negligent or otherwise at fault.

12.5 Indemnity of Landlord

Except as provided in clause 12.4, the Tenant agrees to indemnify and save harmless the Landlord, its elected and appointed officials and employees, 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 Tenant or any assignee, subtenant, agent, employee, contractor, invitee, or licensee of the Tenant, and in respect of all 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 Tenant of any of its covenants and obligations under this Lease. This indemnity shall survive the expiry or termination of this Lease.

13.1 Registration

The Landlord shall have no obligation to execute and deliver this Lease in registerable form, provided however that if the Tenant pays all costs, expenses, fees and taxes in connection with the registration of this Lease in the appropriate Land Title Office and the costs of any plans required for such registration, the Landlord shall execute and deliver this Lease in registerable form.

14. Occurrence of Default

14.1 Unavoidable Delay

Except as herein otherwise expressly provided, if and whenever and to the extent that either the Landlord or the Tenant shall be prevented, delayed, or restricted in the fulfillment of any obligations hereunder in respect of the supply or provision of any service or utility, the making of any repair, the doing of any work or any other thing (other than the payment of Rent) by reason of civil commotion, war-like operation, invasion, rebellion, hostilities, sabotage, strike, or work stoppage, or being unable to obtain any material, service, utility, or labour required to fulfill such obligation or by reason of any statute, law, or regulation of or inability to obtain any permission from any governmental authority having lawful jurisdiction preventing, delaying, or restricting such fulfillment, or by reason of other unavoidable occurrence other than lack of funds, the time for fulfillment of such obligation shall be extended during the period in which such circumstance operates to prevent, delay, or restrict the fulfillment thereof, and the other party to this Lease shall not be entitled to compensation for any inconvenience, nuisance, or discomfort thereby occasioned, nor shall rent abate; but nevertheless the Landlord will use reasonable efforts to maintain services essential to the use and enjoyment of the Leased Premises.

14.2 No Admission

The acceptance of any rent from or the performance of any obligation hereunder by a person other than the Tenant shall not be construed as an admission by the Landlord of any right, title, or interest of such person as a subtenant, assignee, transferee, or otherwise in the place and stead of the Tenant.

14.3 Part Payment

The acceptance by the Landlord of a part payment of any sums required to be paid hereunder shall not constitute waiver or release of the right of the Landlord to payment in full of such sums.

15. Tenant's Default, Remedies of Landlord, and Surrender

15.1 Remediating by Landlord, Non-payment, and Interest

In addition to all the rights and remedies of the Landlord available to it in the event of any default hereunder by the Tenant, either by any other provision of this Lease or by statute or the general law, the Landlord:

- (a) shall have the right at all times to remedy or attempt to remedy any default of the Tenant, and in so doing may make any payments due or alleged to be due by the Tenant to third parties and may enter upon the Leased Premises to do any work or other things therein, and in such event all expenses of the Landlord in remediating or attempting to remedy such default together with an administrative charge equal to 15% of the total of such expenses shall be payable by the Tenant to the Landlord forthwith upon demand;
- (b) shall have the same rights and remedies in the event of any non-payment by the Tenant of any amounts payable by the Tenant under any provision of this Lease as in the case of non-payment of Rent;
- (c) if the Tenant shall fail to pay any Rent promptly when due, shall be entitled, if it shall demand it, to interest thereon at a rate of 3% per annum in excess of the Prime Rate; and
- (c) shall be entitled to be reimbursed by the Tenant, and the Tenant shall forthwith pay the Landlord, the amount of all costs and expenses (including, without limitation, legal costs on a solicitor and own-client basis) incurred by the Landlord in connection with the default or in efforts to enforce any of the rights, or to seek any of the remedies, to which the Landlord is or may be entitled hereunder.

15.2 Remedies Cumulative

The Landlord may from time to time resort to any or all of the rights and remedies available to it in the event of any default hereunder by the Tenant, either by any provision of this Lease or by statute or the general law, all of which rights and remedies are intended to be cumulative and not alternative, as the express provisions hereunder as to certain rights and remedies are not to be interpreted as excluding any other or additional rights and remedies available to the Landlord by statute or the general law.

15.3 Right of Re-entry on Default

Provided and it is expressly agreed that if and whenever the Rent hereby reserved or other moneys payable by the Tenant or any part thereof, whether lawfully

demanded or not, are unpaid and the Tenant shall have failed to pay such Rent or other moneys within five days after the Landlord has given to the Tenant notice requiring such payment; or if the Tenant shall breach or fail to observe and perform any of the covenants, agreements, provisos, conditions, rules, or regulations and other obligations on the part of the Tenant to be kept, observed, or performed hereunder and such breach or failure continues for 10 days after the Landlord has given the Tenant notice thereof; or if without the written consent of the Landlord the Leased Premises shall be used by any other persons than the Tenant or its permitted assigns or permitted subtenants or for any purpose other than that for which the Leased Premises were leased, or occupied by any persons whose occupancy is prohibited by this Lease; or if the Leased Premises shall be vacated or abandoned or remain unoccupied for 15 days or more while capable of being occupied; or if the Term or any of the goods and chattels of the Tenant shall at any time be seized in execution or attachment; or if a receiver or receiver-manager is appointed of the business or property of the Tenant; or if the Tenant shall make any assignment for the benefit of creditors or any bulk sale, become bankrupt or insolvent or take the benefit of any statute now or hereafter in force for bankrupt or insolvent debtors or (if a corporation) shall take any steps or suffer any order to be made for its winding-up or other termination of its corporate existence; or if any policy of insurance upon the Building from time to time effected by the Landlord shall be cancelled or about to be cancelled by the insurer by reason of the use or occupation of the Leased Premises by the Tenant or any assignee, subtenant, or licensee of the Tenant or anyone permitted by the Tenant to be upon the Leased Premises and the Tenant after receipt of notice in writing from the Landlord shall have failed to take such immediate steps in respect of such use or occupation as shall enable the Landlord to reinstate or avoid cancellation of (as the case may be) such policy of insurance; or if the Landlord shall have become entitled to terminate this Lease or to re-enter the Leased Premises under any provision hereof; then and in every such case it shall be lawful for the Landlord thereafter to enter into and upon the Leased Premises or any part thereof in the name of the whole and the same to have again, repossess, and enjoy as of its former estate, anything in this Lease to the contrary notwithstanding. The Landlord may use such force as it may deem necessary for the purpose of gaining admittance to and re-taking possession of the Leased Premises, and the Tenant hereby releases the Landlord from all actions, proceedings, claims, and demands whatsoever for and in respect of any such forcible entry or any loss or damage in connection therewith.

15.4 Termination and Re-entry

If and whenever the Landlord becomes entitled to re-enter upon the Leased Premises under any provision of this Lease, the Landlord, in addition to all other rights and remedies, shall have the right to terminate this Lease by giving to the Tenant or by leaving upon the Leased Premises notice in writing of such termination. Thereupon, this Lease and the Term shall terminate, and the Tenant shall immediately deliver up possession of the Leased Premises to the Landlord in accordance with clause 15.8.

15.5 Certain Consequences of Termination and Re-entry

If the Landlord re-enters the Leased Premises or if this Lease is terminated by reason of any event set out in clause 15.3, then without prejudice to the Landlord's other rights and remedies:

- (a) the provisions of this Lease which relate to the consequences of termination, and the provisions of this Lease as they apply with respect to acts, events, and omissions which occurred prior to the termination, shall all survive such termination;
- (b) in addition to the payment by the Tenant of Rent and other payments for which the Tenant is liable under this Lease, Rent for the current month and the next ensuing three months shall immediately become due and be paid by the Tenant or the person then controlling the Tenant's affairs; and
- (c) the Tenant or person then controlling the affairs of the Tenant shall pay to the Landlord on demand such reasonable expenses as the Landlord has incurred, and a reasonable estimate of the Landlord of expenses the Landlord expects to incur, in connection with the re-entering, terminating, re-letting, collecting sums due or payable by the Tenant, and storing and realizing upon assets seized, including without limitation brokerage fees, legal fees, and disbursements, the expenses of cleaning and making and keeping the Leased Premises in good order, and the expenses of repairing the Leased Premises and preparing them for re-letting.

15.6 Waiver of Distress and Bankruptcy

The Tenant waives the benefit of any present or future statute taking away or limiting the Landlord's right of distress and covenants and agrees that notwithstanding any such statute none of the goods and chattels of the Tenant on the Leased Premises at any time during the Term shall be exempt from levy by distress for rent in arrears. The Tenant will not sell, dispose of, or remove any of the fixtures, goods, or chattels of the Tenant from or out of the Leased Premises during the Term without the consent of the Landlord, unless the Tenant is substituting new fixtures, goods, or chattels of equal value or is bona fide disposing of individual items which have become excess for the Tenant's purposes; and the Tenant will be the owner of its fixtures, goods, and chattels and will not permit them to become subject to any lien, mortgage, charge, or encumbrance. The Tenant agrees that it will not, without the Landlord's consent, repudiate or disclaim or attempt to repudiate or disclaim or seek any order to permit it to repudiate or disclaim this Lease in any bankruptcy, insolvency, reorganization, or other proceeding or court application, and, if required by the Landlord, waives in favour of the Landlord the

benefit of s.65.2 of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c.B-3 as amended, and any provision of similar import.

15.7 Re-letting and Sale of Personalty

Whenever the Landlord becomes entitled to re-enter upon the Leased Premises under any provision of this Lease, the Landlord, in addition to its other rights, shall have the right as agent of the Tenant to enter the Leased Premises and re-let them (for a term or terms shorter or longer than the balance of the Term, granting reasonable concessions in connection therewith), and to receive the rent therefor, and as the agent of the Tenant to take possession of any furniture or other property thereon, and to sell the same at public or private sale without notice, and to apply the proceeds thereof and any rent derived from re-letting the Leased Premises upon account of the rent due and to become due under this Lease, and the Tenant shall be liable to the Landlord for the deficiency, if any.

15.8 Surrender on Termination

Forthwith upon the termination of this Lease, whether by effluxion of time or otherwise, the Tenant shall vacate and deliver up possession of the Leased Premises in a neat and tidy state and in good and substantial repair in accordance with the Tenant's obligation under this Lease to repair the Leased Premises, but subject to the Tenant's rights and obligations in respect of removal in accordance with clause 11.3. At the same time the Tenant shall surrender to the Landlord at the place then fixed for the payment of Rent all keys and other devices which provide access to the Leased Premises, the Building, or any part thereof and shall inform the Landlord of all combinations to locks, safes, and vaults, if any, in the Leased Premises.

16. Miscellaneous

16.1 Notices

Whenever it is required or desired that either party shall deliver or serve a notice on the other, delivery or service shall be deemed to be satisfactory if and deemed to have occurred when:

- a) Delivered personally to the Clerk of the Landlord, and if to the Tenant, delivered personally to an officer of the Tenant, on the date of such service, or
- b) mailed by prepaid registered mail, on the date received or on the sixth day after receipt of mailing by any Canada Post office, whichever is the earlier, so long as the notice is mailed to the party at the address provided in this Lease or to whatever address the party may from time to time provide to the other party.

6.2 Extraneous Agreements

The Tenant acknowledges that there are no covenants, representations, warranties, agreements, or conditions expressed or implied relating to this Lease or the Leased Premises save as expressly set out in this Lease and in any agreement to lease in writing between the Landlord and the Tenant pursuant to which this Lease has been executed. In the event of any conflict between the terms of this Lease and such agreement to lease, the terms of this Lease shall prevail. This Lease may not be modified except by an agreement in writing executed by the Landlord and the Tenant.

16.3 Time of Essence

Time shall be of the essence of this Lease.

16.4 Successors and Assigns

This Lease and everything herein contained shall enure to the benefit of and be binding upon the successors and assigns of the Landlord and the permitted successors and permitted assigns of the Tenant. References to the Tenant shall be read with such changes in gender as may be appropriate, depending upon whether the Tenant is a male or female person or a firm or corporation. If the Tenant is comprised of more than one person or entity, then each such person and entity is jointly and severally bound by the representations, warranties, agreements, and covenants of the Tenant herein and any notice given or deemed to have been given at any time to any such person or entity shall be deemed to have been given at the same time to each other such person and entity.

16.5 Frustration

Notwithstanding the occurrence or existence of any event or circumstance or the non-occurrence of any event or circumstance, and so often and for so long as the same may occur or continue which, but for this clause, would frustrate or void this Lease, and notwithstanding any statutory provision to the contrary, the obligations and liabilities of the Tenant hereunder shall continue in full force and effect as if such event or circumstance had not occurred or existed.

16.7 Waiver

No condoning, excusing, or overlooking by the Landlord or Tenant of any default, breach, or non-observance by the Tenant or the Landlord at any time or times in respect of any covenant, proviso, or condition herein contained shall operate as a waiver of the Landlord's or the Tenant's rights hereunder in respect of any continuing or subsequent default, breach, or non-observance or so as to defeat or affect in any way the rights of the Landlord or the Tenant herein in respect of any such continuing or subsequent default or breach, no acceptance of rent by the

Landlord subsequent to a default by the Tenant (whether or not the Landlord knows of the default) shall operate as a waiver by the Landlord, and no waiver shall be inferred from or implied by anything done or omitted by the Landlord or the Tenant save only express waiver in writing.

16.8 Governing Law and Severability

This Lease shall be governed by and construed in accordance with the laws in force in the province of British Columbia. The venue of any proceedings taken in respect of or under this Lease shall be Penticton or Kelowna, British Columbia as long as such venue is permitted by law, and the Tenant shall consent to any application by the Landlord to change the venue to either Penticton or Kelowna, British Columbia of any proceedings taken elsewhere. The Landlord and the Tenant agree that all the provisions of this Lease are to be construed as covenants and agreements as though the words importing such covenants and agreements were used in each separate section hereof. Should any provision or provisions of this Lease be illegal or not enforceable, it or they shall be considered separate and severable from the Lease and its remaining provisions shall remain in force and be binding upon the parties as though the said provision or provisions had never been included.

16.9 Captions

The captions appearing in this Lease have been inserted as a matter of convenience and for reference only and in no way define, limit, or enlarge the scope or meaning of this Lease or of any provision thereof.

16.10 Acceptance

Except for latent defects and deficiencies agreed to between the Landlord and the Tenant prior to signing of this Lease, the Tenant has inspected the Leased Premises prior to execution of this Lease and acknowledges that the Leased Premises are fit for the use by the Tenant for the purposes permitted in Clause 1.1(g). The tenant specifically acknowledges the Landlord has made no representation or warranty with respect to the Leased Premises or as to the fitness of the Leased Premises for the use referred to herein.

17. Control of Common Areas

Designated Parking Areas

17.1 The Landlord will designate 5 specific portions of the parking areas set aside for the use of the Tenants, employees and/or patrons of the Building.

IN WITNESS WHEREOF the parties have executed this Lease.

THE CORPORATION OF THE CITY OF PENTICTON

by its authorized signatories:

Andrew Jakubeit, Mayor

Dana Schmidt, Corporate Officer

TRAVEL PENTICTON SOCIETY

by its authorized signatories:

Print Name

Signature

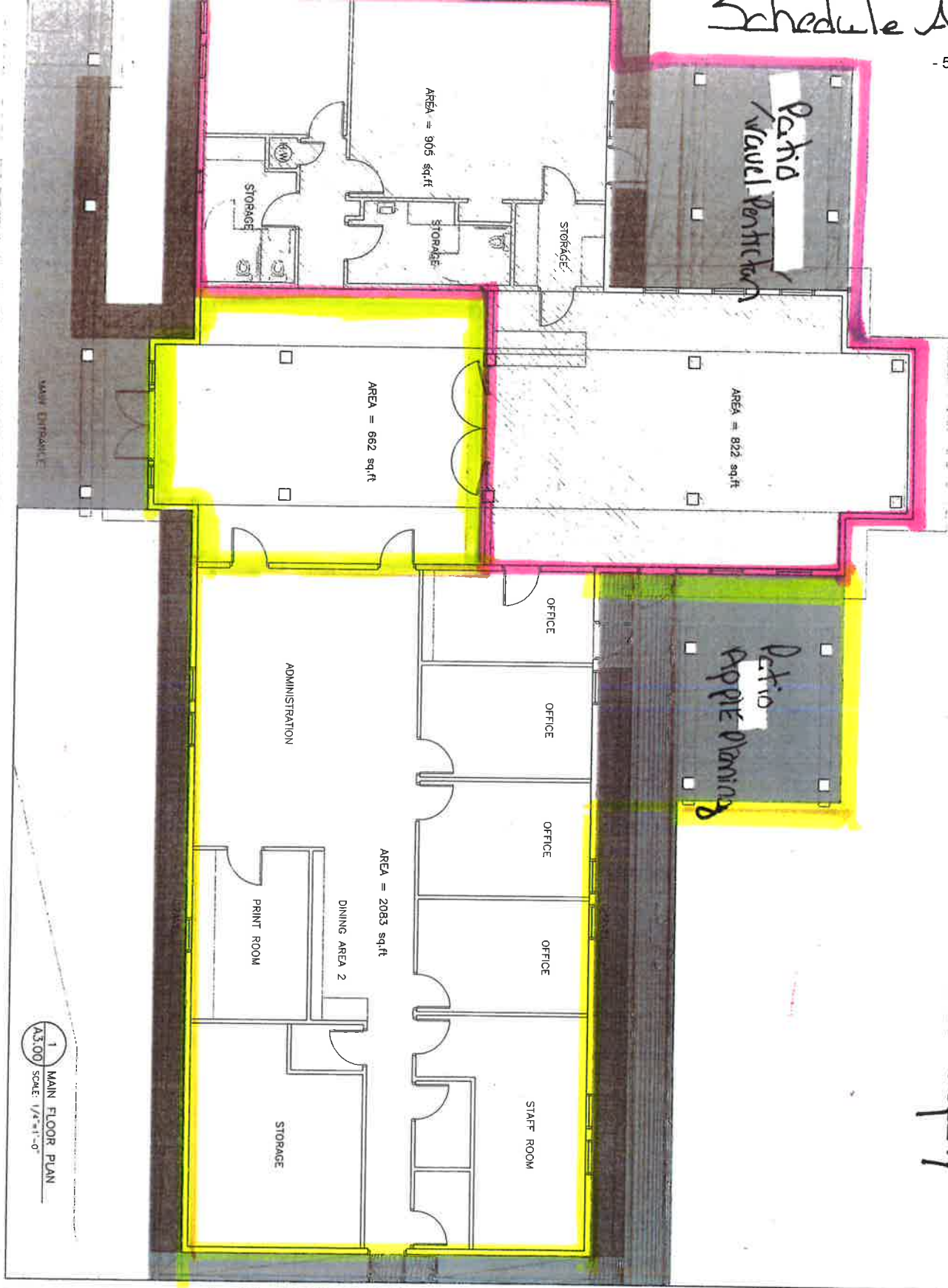
Print Name

Signature

Witnessed to Both Signatories by:

Print Name

Signature



/ Vaucl Ventilation
 Apple Dining
 Common Property

1 MAIN FLOOR PLAN
A3.00 SCALE: 1/4" = 1'-0"

DATE: 07/21/2009
 DRAWN BY: [Name]
 CHECKED BY: [Name]
 PROJECT: [Name]

WARNING: THE NORTH ARROW AND DIMENSIONS SHALL BE VERIFIED PRIOR TO CONSTRUCTION.

A3.00

BC WINE AUTHORITY

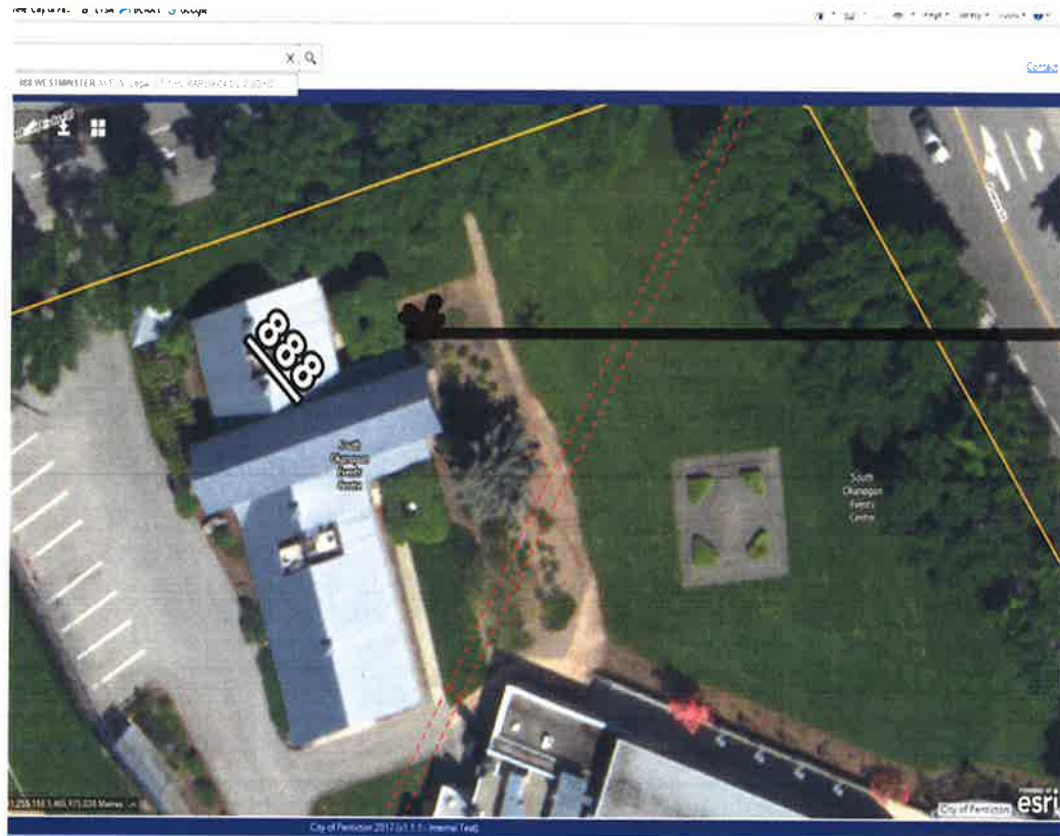
Revised Drawing: This drawing is for informational purposes only and does not constitute a contract. The contract is the approved set of drawings and specifications.

NO.	DATE	DESCRIPTION



1000 WEST 10TH AVENUE
 SUITE 200
 VANCOUVER, BC V6H 2G6
 TEL: 604.681.1111
 FAX: 604.681.1112
 WWW.MEIKLEJOHN.COM

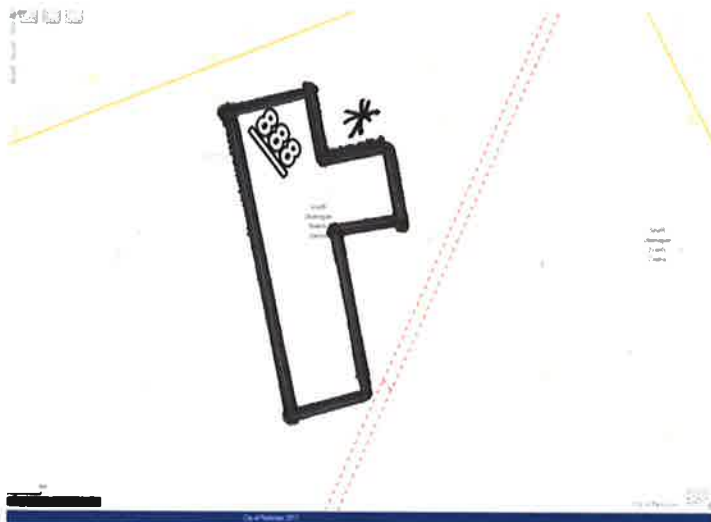
SCHEDULE B



Storage
Container

*8 x 8 Storage Container Location

Under the south side concrete patio under
the pergola, concealed with lattice



Schedule C

To Lease of Premises at the South side of 888 Westminster Avenue West, Penticton, British Columbia

Definitions

In this Lease the following expressions shall have the following meanings:

"Additional Rent" means all sums of money to be paid by the Tenant, whether to the Landlord or otherwise under this Lease, except for Annual Base Rent and Goods and Services Tax payable by the Tenant and includes the Tenant's Proportionate Share of Operating Costs and Property Taxes, and all other amounts that may be payable or reimbursable to the Landlord, including, without limitation, all interest, and penalties payable by the Tenant, whether or not such amounts are referred to as Rent or Additional Rent or otherwise, as herein provided;

"Additional Services" means the services and supervision supplied by the Landlord and referred to in clause 9.1 or in any other provision hereof as Additional Services; any other services which from time to time the Landlord supplies to the Tenant and which are additional to other services that the Landlord has agreed to supply under this Lease and to like provisions of other leases of the Building, or that the Landlord may elect to supply as included within the standard level of services available to tenants generally and in addition to those normally supplied; the provision of labour and supervision in connection with the moving of any furniture or equipment of the Tenant; the making of any repairs or alterations for the Tenant; and the provision to the Tenant or the Leased Premises of maintenance or other services not normally furnished to tenants or other leasable premises generally; and "Additional Service" means any such service;

"Annual Base Rent" means the annual rent set out in subclause 1.1(f) and payable by the Tenant as set forth in subclause 4.1(a);

"Basic Terms" means those terms set out in clause 1.1, some of which are more particularly defined in this Schedule B;

"Building" means that certain building and those certain areas and improvements to be constructed on the Land and all additions and replacements thereto;

"Commencement Date" means the date the Term commences, which is the earlier:

- (i) the date of opening of the Tenant's business in any part of the Premises; and
- (ii) the first day following the expiry of the Fixturing Period;

“Common Areas” means all those parts of the Building which are not leased to any tenant of the Building which are provided or designated from time to time by the Landlord for the use by or benefit of the Tenant, its employees, customers and other invitees in the manner and for the purpose permitted by this Lease, in common with others entitled to the use or benefit of such areas and facilities and, without limiting the generality of the foregoing, Common Areas include the roof, the roof membrane and the roof deck, foundations, sub-floor, bearing walls, structural columns and beam, exterior wall assemblies, including weather walls; driveways and parking areas; and related areas; pedestrian sidewalks; landscaped and planted areas; public seating and service areas; corridor; stairways and ramps; electrical, telephone, meter, valve, mechanical, storage and other service rooms; fire prevention, security and communication systems; pylon, pedestal and other general signs; columns; pipes, electrical, plumbing, drainage, security and life support systems; building automation systems as well as the structures housing the same (including the mechanical, heating, ventilating and air conditioning (if any) systems of the Building); mechanical and all other installations or services located therein or related thereto;

"Cost of Additional Services" shall mean in the case of Additional Services provided by the Landlord a reasonable charge made therefor by the Landlord which shall not exceed the cost of obtaining such services from independent contractors, and in the case of Additional Services provided by independent contractors the Landlord's total cost of providing Additional Services to the Tenant including the cost of all labour (including salaries, wages, and fringe benefits) and materials and other direct expenses incurred, the cost of supervision and other indirect expenses capable of being allocated thereto (such allocation to be made upon a reasonable basis) and all other out-of-pocket expenses made in connection therewith including amounts paid to independent contractors, plus an administration fee equal to 15% of each component thereof;

“Fixturing Period” means the period of days set out in Section 1.1(h);

"Goods and Services Tax" means and includes any and all goods and services taxes, sales taxes, value added taxes, business transfer taxes, or any other taxes imposed on the Landlord or the Tenant from time to time in respect of the Rent payable by the Tenant to the Landlord under this Lease or the rental of the Leased Premises or the provision of any goods, services, or utilities whatsoever by the Landlord to the Tenant under this Lease, whether characterized as a goods and services tax, sales tax, value added tax, business transfer tax, or otherwise;

"Insured Damage" means that part of any damage occurring to any portion of the Leased Premises for which the Landlord is responsible, of which the entire cost of repair, less deductibles, 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 clause 12.1, 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;

"Rent" means and includes the Annual Base Rent, Additional Rent, and all other sums payable by the Tenant to the Landlord under this Lease except for goods and services tax payable by the Tenant;

"Service Areas" shall mean the area of corridors, lobbies, refuse areas, air-cooling rooms, fan rooms, janitor's closets, telephone, meter, mechanical, and electrical closets, and other closets serving the Leased Premises;

"Taxes" means all taxes, rates, duties, levies, and assessments whatsoever, whether municipal, parliamentary, or otherwise, which are levied, imposed, or assessed against or in respect of the Building, the Land, or upon the Landlord in respect thereof, or which are from time to time levied, imposed, or assessed in the future in addition or in lieu thereof, including those levied, imposed, or assessed for education, schools, and local improvements, and includes all costs and expenses (including legal and other professional fees and interest and penalties on deferred payments) incurred by the Landlord in contesting, resisting, or appealing any taxes, rates, duties, levies, or assessments, but excludes taxes and license fees in respect of any business carried on by tenants and occupants of the Building and taxes upon the income of the Landlord to the extent such taxes are not levied in lieu of taxes, rates, duties, levies, and assessments against the Building or the Land or upon the Landlord in respect thereof;

"Tax Cost" for any calendar year means an amount equal to the aggregate, without duplication, of all Taxes in respect of such calendar year;

"Tenant's Share" means the fraction, the numerator of which is the Rentable Area of the Leased Premises and the denominator of which is the Total Rentable Area;

"Term" means the term of this Lease set forth in subclause 1.1(e) and any renewal or extension thereof and any period of permitted overholding; and

"Total Rentable Area" means the total Rentable Area of the Building, whether rented or not, calculated as nearly as possible as if the Building were entirely occupied by tenants renting whole floors. The calculation of the Total Rentable Area, whether rented or not, shall be adjusted from time to time to give effect to any structural change in the Building.

"Land" means that parcel of land, more particularly described as:

Parcel Identifier: 023-678-356

Lot 1, District Lot 2, Group 7, Similkameen Division Yale (Formerly Yale Lytton) District, Plan KAP58604 Except Plans KAP87244 And KAP87245

"Landlord" means the person executing this Lease and includes its successors and assigns;

"Lease Year" means each 365 day period after the commencement date.

"Leased Premises" means that portion of the Building having the municipal address set out in subclause 1.1(c), containing the aggregate number of square feet, more or less, of Rentable Area which is set out in subclause 1.1(d) and having the appropriate location and configuration shown in yellow on the plan attached as Schedule A. The exterior face of the Building and any space in the Leased Premises used for passageways to other premises, stacks, shafts, pipes, conduits, ducts, or other building facilities, heating, electrical, plumbing, air conditioning, and other Building systems supplied by the Landlord for use in common with other tenants are expressly excluded from the Leased Premises;

"Leasehold Improvements" means all fixtures, improvements, installations, alterations, and additions now or from time to time hereafter made, erected, or installed, whether by the Tenant, the Landlord or anyone else, in the Leased Premises or in other premises in the Building with the exception of trade fixtures and furniture and equipment not of the nature of fixtures, but includes all partitions however fixed (including movable partitions) and includes all wall-to-wall carpeting with the exception of such carpeting where laid over vinyl tile or other finished floor and affixed so as to be readily removable without damage;

"Operating Costs" means the aggregate of all direct and indirect costs, established in accordance with this Lease, incurred or charged by or on behalf of the Landlord on account of the ownership, administration, operation, maintenance, repair and replacements to the Building and for services provided generally to the tenants thereof, including without duplication or limitation:

- i. landscape maintenance
- ii. parking lot maintenance, including asphalt and concrete repair, parking lot striping and signage;
- iii. the cost of Common Area lighting, including utilities and repair and maintenance of lamp standards and related facilities.
- iv. the cost of the supplies, materials and labour used by the Landlord in the operation, repair, or maintenance of the Common Area and the Building.

"Prime Rate" means that rate of interest declared from time to time by Royal Bank of Canada or its successor as its prime rate for determining the interest payable on its

Schedule D

Rules and Regulations

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

1. The sidewalks, entry passages, fire escapes, common stairways, driveways, loading areas, parking areas and Common Facilities will not be obstructed by any of the Tenants or used by them for any other purpose other than for ingress and egress to and from their respective premises and for parking and loading, as designated by the Landlord. The Tenant will not place or allow to be placed in the corridors or public stairways or elsewhere on or about the Common Areas any waste paper, dust, garbage, refuse or anything whatever that would tend to make them unclean or untidy.
2. The Tenant shall not use or permit the use of the Leased Premises 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 Leased Premises to be used for cooking (except with the Landlord's prior written consent) or for sleeping, shall keep the Leased Premises tidy and free from rubbish, shall deposit rubbish in receptacles which are either designated or clearly intended for waste.
3. The Tenant shall, in cooperation with the other Tenants keep free of debris, ice or snow accumulating within fifteen (15) feet of its main entrance.
4. The entrances, lobbies, and other facilities of the Building are for use only for access to the Leased Premises and other parts of the Building and the Tenant shall not obstruct or misuse such facilities or permit them to be obstructed or misused by its agents, employees, invitees, or others under its control.
5. The Tenant shall not abuse, misuse, or damage the Leased 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 Leased Premises.
6. No heavy office equipment or safe shall be moved into or about the Building by or for the Tenant unless the consent of the Landlord is first obtained and all due care is taken. Such equipment shall be moved upon the appropriate steel bearing plates, skids, or platforms and subject to the Landlord's direction, and at such times, by such means, and by such persons as the Landlord shall have approved.
7. The Tenant shall permit and facilitate the entry of the Landlord, or those designated by it, into the Leased Premises for the purpose of inspection, repair and shall not permit access to main header ducts, janitorial and 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 Tenant shall not place any additional locks or other security devices upon the doors of the Leased Premises without the prior written approval of the Landlord and subject to any conditions imposed by the Landlord for the maintenance of necessary access.

8. No Tenant, its clerks or servants, will make or commit any improper noises in the Common Areas or interfere in any way with other Tenants or those having business with them.
9. No aerial or antenna will be erected on the roof or exterior walls or the Premises or the Building, without in each instance the written consent of the Landlord. Any aerial or antenna so installed without such written consent will be subject to removal without notice at the expense of the tenant who is responsible for its installation.
10. The Tenant will not do or permit anything to be done in their premises or bring or keep anything therein which will in any way increase the risk of fire, or obstruct or interfere with the rights of other Tenants, or violate or act at variance with the laws relating to fires or with the regulations of the Fire Department or the Board of Health or other competent governmental authority, and will immediately notify the Landlord of any potential risk or actual incident relating to this.

The foregoing Rules and Regulations, as from time to time amended, are not necessarily of uniform application, but may be waived except for those relating to building security, in whole or in part in respect of other tenants without affecting their enforceability with respect to the Tenant and the Leased Premises, and may be waived in whole or in part with respect to the Leased Premises without waiving them as to future application to the Leased Premises, 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 E

LANDLORD'S WORKS:

Installation of one washroom and one handicap washroom, which would include demising walls, electrical, plumbing, piping, equipment, fixtures, etc.

Removal of window film east and west windows

Apply upgrade reflective film for east and west windows

Restrain all exterior timbers

Upgrade all exterior lights to LED including upgrade to spotlights

Exterior Clean up

Onsite parking signage

Council Report

penticton.ca

Date: January 9, 2018
To: Peter Weeber, Chief Administrative Officer
From: Anthony Haddad, Director of Development Services
Jim Bauer, Chief Financial Officer
Subject: **Smart Cities Challenge – City of Penticton**

File No: RMS

Staff Recommendation

THAT Council support the development of a submission for the Smart Cities Challenge for the \$10M prize for communities with a population under 500,000;

AND THAT Council authorize up to a maximum of \$10,000 to be spent on the application submission from the City's 2018 Economic Development Budget.

Background

The Smart Cities Challenge (SCC) is a pan-Canadian competition, initiated through the Federal Ministry of Infrastructure and Communities and is open to communities of all sizes, including municipalities, regional governments and Indigenous communities (First Nations, Métis and Inuit). The Challenge encourages communities to adopt a smart cities approach to improve the lives of their residents through innovation, data and connected technology.

Communities will be competing for the following prizes:

- One prize of up to \$50 million open to all communities, regardless of population;
- Two prizes of up to \$10 million open to all communities with populations under 500,000 people; and
- One prize of up to \$5 million open to all communities with populations under 30,000 people.

A smart cities approach aims to achieve meaningful outcomes for residents by leveraging the fundamental benefits that data and connected technology have to offer:

Openness

When communities make their data truly accessible, usable, and barrier-free, their decision-making processes become transparent, empowering citizens and strengthening the relationship between residents and public organizations.

Integration

Data and connected technology empower communities to break down silos that exist within local governments and public organizations.

Transferability

When tools and technological approaches are open-source, transparent, and standardized, they can be used by communities across the country, no matter their size or capacity.

Collaboration

Connected technology enables communities to bring traditional and non-traditional partners together to collaborate.

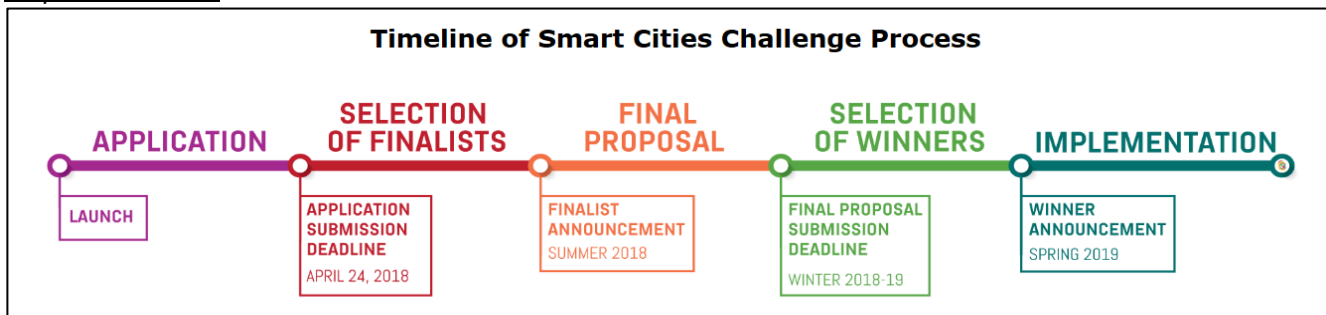
To begin, each community will need to define its Challenge Statement. The Challenge Statement is a single sentence that defines the outcome or outcomes a community aims to achieve by implementing its smart cities proposal. The Challenge Statement must be measurable, ambitious, and achievable through the proposed use of data and connected technology.

Applicants will need to begin the Smart Cities Challenge process by engaging with residents about the most pressing issues their community faces. These consultations will help applicants define their Challenge Statements. With their Challenge Statements established, applicants will develop the ideas and activities that will make up their preliminary Smart Cities Challenge proposal.

Once applications are screened for eligibility, Infrastructure Canada will post the summaries on a public website. Applicants will be required to post the full versions online. Eligible applications will be reviewed by experts from inside and outside government and will then be evaluated by an independent Jury. The Jury will select finalists by summer 2018. Each of these finalists will receive a \$250,000 grant to develop their final proposal.

A complete outlined of the project requirements are provided in Attachment A – the Application Guide, however the following graphic provides a summary of the timeline.

Proposed Timeline



Council Resolution

At the Committee of the Whole Meeting on December 19, 2017, Council heard from Keith McIntyre, a local technology professional, requesting that Council support the community in making an application to Infrastructure Canada.

Council, at its Regular meeting on December 19, 2017, passed the following resolution:

735/2017 **It was MOVED and SECONDED**

THAT Council support in principle submitting an application for the Smart City challenge;

AND THAT Council direct staff to work with Mr. MacIntyre to develop a proposal that can come back to Council in January on the approach to develop the application for the \$10 million Smart City Prize.

CARRIED UNANIMOUSLY

Staff have met with a number of local community professionals over the past month and have seen an increased level of support in the community for making an application, and the following report provided a summary of the project plan and engagement strategy to develop a submission by the April 24, 2018 deadline.

Alignment with Council Priorities

It will be important for the Smart Cities Challenge to align with Council's Priorities and while through engagement with the community, a range of challenges will be identified, Council's priorities will need to be clearly articulated through this process. The following provides a summary of some key strategies within each Priority area and further work will be required to align the eventual challenge statement with these areas.

Community Building

- Ensure City services are customer focused, sustainable, effective and relevant.

Economic Vitality

- Invest in the development of strategic partnerships locally, regionally, with First Nations, governments, industry and the business community.

Environmental Sustainability

- Integration of environmental, social and economic values in decision making processes.

Social Development

- Remove physical and social barriers which impede the full participation of all citizens in every aspect of community life.

Good Governance

- Provide services that support quality of life, protect our health, enhance public safety, and promote economic and social well-being in our community.

Fiscal Sustainability

- Undertake asset management to ensure the sustainability of municipal infrastructure.

Existing Smart City Initiatives

The City of Penticton is already a leader as a smart city through work completed in the past and currently underway. The Smart Cities initiative falls within the scope of both Information Technology and Economic Development, but impacts the larger community and all city departments.

- IT Strategy: The City's IT department have developed a 5 Year IT Strategy to enable the City to leverage technology to the fullest and provide direction on the specific steps it needs to take over the next five years to achieve this success.
- GIS Strategy: The City's IT department, in co-ordination with many City departments, have developed a long term strategy to support good decisions based on quality information and to use geospatial technologies and data to engage and communicate with the public, external stakeholders, Council and City Staff to foster buy-in to activities and plans of the City.
- TELUS Fibre project in 2017: Telus began rolling out fibre optic cable to Penticton residences and businesses. The project, slated to finish in early 2018, will bring some of the fastest internet speeds in Canada to the city. At this time speeds of 250Mb/s both upload and download are available under the PureFibre network, but the infrastructure is future-proofed to be able to handle speeds up to 1Gig per second. Reliable and fast connectivity is increasingly important to businesses looking to stay competitive in the global marketplace.
- Economic Development: Recent studies commissioned by the Economic Development Department have provided the city with valuable regional insights into investment opportunities, Sector strengths, and labour market challenges and projections. With this data, it has been possible to identify clusters of industry sectors where Penticton and region have unique strengths that can be leveraged for community prosperity. In addition, the Department has built innovative solutions such as PentictonWorks which markets Penticton as a relocation destination for remote workers, and StartHereOkanagan.com which is a job matching platform for local employers seeking skilled labour that simultaneously delivers real time data on labour supply and demand via analyzing website traffic. These two projects help the department understand the trends within the workforce and the needs of our local employers in order to help ensure jobs are filled as quickly as possible. The data can also be used to assist post-secondary training programs to better align with local employment requirements. Armed with the recent Census statistics and now local insights, the Economic Development Department is focussed on delivery of market intelligence to the community via a new Dashboard website in 2018.
- Building / Licence process modernization: The Development Services decisions have continually focused on process improvement and the 2018 modernization projects will take it to another level, with the aim of moving to a fully on-line application system. This will result in staff productivity improvements, customer service enhancements and time and cost savings for our community.
- Community Growth Planning: The City's growth policies focus the majority of residential growth within the core of our community providing for smart planning for infrastructure needs, community health and long term sustainability.
- Penticton's Tech Community is growing – Two Economic Impact assessment of the Okanagan Tech Sector have been completed, one in 2013 and the next in 2015. Results showed a 30% growth in the sector and an impressive 1.3 billion dollars' worth of direct economic impact to the region. Of the 600+ businesses identified in the study, almost 10% were based in the South Okanagan. Since 2015 the sector has continued to develop and mature in Penticton. Local tech entrepreneur Keith MacIntyre started a monthly networking event in 2016 which has seen consistent and growing turnout at every event. His monthly column in the newspaper gives insights into the sector developments and resources available. The PentictonWorks remote worker attraction project continues to identify newly relocated residents who are employed in tech around the world and are working from Penticton. Penticton is home to startups and mature businesses in technology, such as

Windward Software who is headquartered in Penticton but supports teams in the US, Philippines and Australia. In terms of areas of specialty, Penticton tech businesses are involved in areas such as gaming, healthcare, agriculture, viticulture, elite sports performance, education, data analytics, network security, system administration, web design, software development, and programmable hardware, just to name a few.

Project Plan – Smart Cities Challenge

The deadline for the submission of the Smart Cities application is April 24, 2018, which does not leave much time for submitting a proposal. Penticton, however is in a unique position in that it has undertaken significant engagement with the community over the past 2-3 years and a number of community wide challenges have been identified. This community feedback has been compiled through the various engagement events and is summarized in Attachment B.

The other unique benefit of what our application has going for it, is the quick response from the City’s growing Tech-community to assist in putting this application together. To have a talented group of community members that live and work in Penticton and are invested in supporting this community initiative is an opportunity that should not be taken for granted.

Working with local community members, the development of the proposed project plan for the creation of the submission is as follows:

Timeline	Smart City Action	Smart City Deliverable
January – February	Community Engagement	<ul style="list-style-type: none"> • Community events • Public feedback opportunities • Workshops • Alignment with OCP engagement process from Jan-March 018 • What is a Smart City? – education component • Development of Challenge Statement
February – March	Development of Challenge Statement	<ul style="list-style-type: none"> • Compilation of recent historical challenges identified through community engagement • Amalgamation of community engagement results • Creation of Smart Cities application package
April 2 nd 2018	Draft submission	<ul style="list-style-type: none"> • Due date for proposed submission document
April 10 th 2018	Final submission	<ul style="list-style-type: none"> • Council Report deadline for completion of application submission package
April 17 th 2018	Council Report	<ul style="list-style-type: none"> • Council Resolution in support of City of Penticton Application
April 24 th 2018	Submission Deadline	<ul style="list-style-type: none"> • Complete application submitted

Community Engagement to Identify the Challenge

One of the criteria for the Smart Cities Challenge is involvement of the community. The City has an opportunity to integrate the needs of the Smart Cities Challenge with the work of the Official Community Plan. Community engagement activities for the OCP are increasing in January and the scope and timing

aligns perfectly with Smart Cities Challenge. The following is a summary of how the two activities can integrate and align to meet the needs of both initiatives:

- Through earlier engagement activities, staff consulted over 1,200 citizens to understand what they think are some of the biggest challenges facing the community. The results of this work can be provided to the Smart Cities team to narrow down the focus of the challenge statement.
- The shapeyourcitypenticton.ca website offers the functionality desired by the Smart Cities Challenge team and can provide a central hub for residents to seek out information about the challenge and participate online.
- In January, staff are planning a multi-day exposition to invite citizens to explore the themes identified in the earlier engagement phases. The City is arranging to have a temporary space to showcase displays and host workshops and open houses to involve the community. As part of this exposition, the Smart Cities team can have a space to invite citizens to share their thoughts on the challenge statement and the solution.
- Once the Smart Cities identify a draft challenge statement, engagement activities for the challenge can be supported independently of the Official Community Plan. At this stage, the emphasis will be on getting the community excited about the challenge statement and demonstrating community support as part of the application. Smart Cities Challenge team members have ideas about community-wide events to distinguish Penticton’s application from other cities. Major events will require resourcing for advertising and logistics.

A range of concerns and challenges have been identified (Attachment B) that will provide for a sound starting point for the Smart cities Challenge engagement focus. As opposed to starting from scratch, this information will be used as a basis for community feedback during the first phase of the application submission.

Our community partners, through the work initiated by Keith McIntyre, will also be responsible for promoting and engaging with various sectors of the community. The City cannot succeed alone on a project of this scale, and it will be with the assistance of community members that makes this process a positive one for the community.

In addition to the engagement results completed to date, staff will be working closely with The Community Foundation to determine how the work completed through their recent Vital Signs reports can be integrated into the development of the challenge statement for the Smart Cities Challenge.

Evaluation Basis

The evaluation of the application submission will be weighted as follows, which shows the importance of defining the challenge and involving the community in identification of what the challenge statement will be.

Evaluation Basis		Weighting %
Problem Definition		
Defined Challenge (Q 3)		40
Outcome(s) (Q 4)		
Community Involvement (Q 5)		15

Preliminary Proposal		
Proposal – activities/projects (Q 6)		15
Link to Community Goals, Strategies (Q 7)		5
Community Readiness (Q 8)		10
Use of \$250k grant (Q 9)		5
Partners Involved (Q 10)		10
Total		100

The application submission will need to respond appropriately to each of these evaluation criteria.

Partners

Critical to the success of the City’s submission will be the commitment of partners to assist, not only the development of the proposal, but the eventual application submission, should the City be successful in moving onto the next stage. Over the next three months, staff and the community leaders will work to engage a range of local stakeholders to partner with the City of Penticton in making the application, including:

- Okanagan College
- Accelerate Okanagan
- UBC Okanagan
- Local business community
- Penticton youth
- Community Foundation
- Seniors
- Participants in the OCP review process

Financial / Resourcing

In order to complete the application submission by April 24, 2018, staff believe that the assistance of some consulting may be required to ensure that all of the requirements are met, to the satisfaction of the Federal Government. Within the approved Economic Development budget for 2018, consulting fees exist for use on projects that come up throughout the year, that relate specifically to Economic Development priorities. The Smart Cities challenge aligns with a range of Economic Development priorities, including Communication, Collaboration and both business retention and attraction. Staff believe that up to \$10,000 would be required to complete the application submission and should be allocated from the existing budget.

The majority of the work undertaken to develop the application submission will be completed by staff and the community members that are volunteering their time toward this project. With the OCP engagement process already planned for January to March 2018, efficiencies will also be able to be gained with the community engagement component of this process.

Next Steps

Should Council support the staff recommendation, engagement will commence with the community to identify the Challenge Statement for the Smart Cities Challenge.

Penticton has for long been known as a retirement community and a place that does not necessarily support new and innovative ideas. Over the past 5 years, that has changed and our community is in the midst of a fascinating time in development of our community. Not only are we looking to plan for the next 20-30 years of community growth, the efforts put in to engage with the community to find out what they long term needs and challenges are, is at the forefront of all processes. New talent is continually arriving into Penticton, knowing that our community is set up for long term success and a place to set up a long term legacy. It is these individuals, families and professionals that will drive the next phase of Penticton’s history and one that we, as a local government, should partner with to support our growth and identify solutions to our community challenges.

Staff believe that this Federal grant opportunity provides a unique chance for our community to highlight many innovations currently underway, not only within our municipal forces, but within the community at large. It is these innovations and those that will come forward through this process that will assist our community in meeting the challenge set forward through the Smart Cities Challenge.

Alternative Recommendations

- 1. THAT Council provide staff with an alternative direction for the Smart Cities Challenge.

Attachments

Attachment A: Smart Cities Challenge – Application Guide

Attachment B: Community Engagement – Challenges Identified through OCP Engagement

Respectfully submitted,

Anthony Haddad, MCIP, RPP
Director of Development Services

Approvals

Director	CFO	CAO
<i>AH</i>	<i>JWB</i>	PW

Attachment 'A' – Smart Cities Challenge Application Guide

Applicant Guide

Message from the Minister

It is with great excitement that we kick off the Smart Cities Challenge.

Across the country, communities large and small are bursting with new ideas. As Minister of Infrastructure and Communities, I have been privileged to meet with leaders from coast-to-coast-to-coast and hear their bold and innovative plans to improve the quality of life for their residents. Through the Smart Cities Challenge, we will help bring these ideas and plans to life, and find solutions that achieve real and positive outcomes.

As a former city councillor, I know first-hand that local leadership understands best what their communities need. They are the first to hear about traffic congestion, trouble accessing services, or challenges with public transit. The Smart Cities Challenge will ask those leaders to team up with pioneering businesses, academia, and civic organizations to design innovative solutions to their most pressing challenges using data and connected technologies.

Canada's diverse and inclusive communities are the ideal place for new ideas to flourish. By bringing together different perspectives and diverse backgrounds it becomes easy to look at problems from a different angle. And when those talented people come together in pursuit of a common goal, they can come up with inspired solutions that will have a real and tangible impact.

I am challenging leaders to be bold and think outside-the-box. I want you to approach the Challenge through a lens of transparency, experimentation, inclusiveness, empowerment, and knowledge-sharing. And above all, I want you to think about what will have the biggest impact on the people who call your communities home.

I cannot wait to see what you come up with.

The Honourable Amarjeet Sohi
Minister of Infrastructure and Communities

Smart Cities Challenge overview

The Smart Cities Challenge is a competition open to all municipalities, local or regional governments, and Indigenous communities (First Nations, Inuit, and Métis) across Canada.

This Challenge will inspire communities across the country to define their future with the help of their residents through the use of a smart cities approach.

Winning communities will be awarded with prize money to help implement their smart cities proposals.

Infrastructure Canada is engaging Indigenous leaders, communities and organizations to finalize the design of a competition specific to Indigenous communities that will reflect their unique realities and issues. Indigenous communities are also eligible to compete for all the prizes in the current competition using the process and timelines outlined in this Guide.

What is a smart cities approach?

A smart cities approach aims to achieve meaningful outcomes for residents by leveraging the fundamental benefits that data and connected technology have to offer:

- **Openness**
When communities make their data truly accessible, usable, and barrier-free, their decision-making processes become transparent, empowering citizens and strengthening the relationship between residents and public organizations.
- **Integration**
Data and connected technology empower communities to break down silos that exist within local governments and public organizations.
- **Transferability**
When tools and technological approaches are open-source, transparent, and standardized, they can be used by communities across the country, no matter their size or capacity.
- **Collaboration**
Connected technology enables communities to bring traditional and non-traditional partners together to collaborate.

The Challenge Statement

To begin, each community will define its Challenge Statement.

The Challenge Statement is a single sentence that defines the outcome or outcomes a community aims to achieve by implementing its smart cities proposal. The Challenge Statement must be measurable, ambitious, and achievable through the proposed use of data and connected technology. Below, for illustrative purposes only, are examples of Challenge Statements, ideas of the kinds of smart cities activities or projects that could address them, and indicators on how progress might be measured.

Example 1: “Feel safe and secure”

Challenge Statement: The neighbourhood in our community with the highest crime rate will become safer than the national average.

Smart cities activities or projects:

- Establish enriched after-school programming for at-risk youth, providing them with access to technologies (digital design, 3D printing, coding) and opportunities to develop essential skills through gamification.
- Create an online platform for reporting and tracking incidents of crime that integrates resident input and city crime data.
- Install smart lighting and detection technology, integrated with first responder services, to address issues around safety and security.

Indicators of progress toward outcomes:

- Reduction in incidents reported in areas where smart lighting is installed
- Increase in attendance rates at after-school programming
- “Fear of crime” levels among residents reduced to below the national average
- Crime rate reduced to below the national average

Example 2: “Earn a good living”

Challenge Statement: After years of decline, our community will transform a former industrial neighbourhood into one of the top locations in Canada for economic growth.

Smart cities activities or projects:

- Create a single mobile app to connect people and businesses to community services, with built-in measurement of response times, user satisfaction, and feedback.
- Deliver online and digitally-enabled training programs through the local library to help workers adapt to the changing marketplace.
- Create a living lab to test new, inclusive, digitally-enabled approaches to increasing livability, harnessing ideas from online citizen engagement, and making results available through an open data portal.

Indicators of progress toward outcomes:

- Increase in usage rates and customer feedback on the mobile app
- Reduction in response times for service requests
- Increase in attendance rates and satisfaction feedback at online training and retraining programs
- Increase in level of private sector investment and new jobs

Example 3: “Move around my community”

Challenge Statement: Our community will ensure that every senior who is able to live independently at home is empowered to do so.

Smart cities activities or projects:

- Leverage geospatial and population data to better plan public transit stops close to those with greater need, and re-route traffic to create safe walking zones.
- Create a mobile app to help aging residents and their caregivers better coordinate transportation to and from different points of care and service.

- Offer wearable sensors for seniors connected to healthcare providers as a part of a pilot project to promote healthy lifestyles, encourage walking, and enable the continuous, real-time monitoring of activity levels.

Indicators of progress toward outcomes:

- Increase in mobile app usage rate
- Increase in adoption rate of wearables among seniors
- Reduction in average and maximum walking distance to transit
- Reduction in visits to emergency rooms by seniors
- Rate of seniors living independently increases by 25 percent

Example 4: “Enjoy a healthy environment”

Challenge Statement: Our community will implement preventative measures to reduce flood damage risk by 40 percent and provide every resident of at-risk areas with access to these measures.

Smart cities activities or projects:

- Deploy environmental sensors to monitor water flow amounts.
- Implement an integrated, AI-enabled, flood warning decision support system to forecast and mitigate the impacts of floods.
- Develop a user-friendly online application that uses information provided by the decision support system to alert local residents of dangerous river flow activity, in addition to providing information on preventative measures and links to social media forums.
- Work with local news and radio stations to provide frequent updates or alerts on water levels to inform residents who do not have mobile connectivity.

Indicators of progress toward outcomes:

- Faster response times by public services such as emergency responders, public works and transportation authorities
- Year on year reduction in flood risk, as determined by assessments conducted by an accredited third-party organization
- Reduction in actual or modelled flood damage costs
- Increase in dissemination of preventative measures through use of the application by residents
- Data generated is used as a basis for new land-use planning policies, resulting in increased climate-resilient growth and development

Example 5: “Be empowered and included in society”

Challenge Statement: Our community will ensure that every person without a home has access to nightly shelter, and will connect 100 percent of vulnerable residents with the services, activities, and programs that are known to reduce the risk of homelessness.

Smart cities activities or projects:

- Create a mobile-enabled digital platform that connects community not-for-profits, first responders, and municipal service providers with real-time information on shelters that have space.
- Equip shelters and service centres with customizable tools to enable online learning and help residents get trained and find jobs.
- Create an online platform to connect residents at risk of becoming homeless with personalized community services.

Indicators of progress toward outcomes:

- Increase in adoption and usage rates of the mobile-enabled digital platform
- Number of people turned away from shelters in the community on any given night is reduced to zero
- Increase in the percentage of shelter users that participates in online learning opportunities
- Reduction in rates of episodic or chronic shelter users
- Increase in adoption and usage rates of the online platform, including referral rates by participating community services

Example 6: “Live an active and healthy life”

Challenge Statement: Our community will become 50 percent more active and healthy, and achieve a measurable decrease in chronic disease.

Smart cities activities or projects:

- Create a sports and recreation “meet-up” app, allowing people to organize games, races, exercise, and training sessions spontaneously, and to reserve community facilities.
- Gamify healthy lifestyle choices, linking wearable activity trackers with real-world incentives, such as reward points.
- Create an online marketplace connecting local food growers with participating food preparers, including those in community buildings such as schools, hospitals, and government buildings.

Indicators of progress toward outcomes:

- Increase in usage rate of the meet-up app
- Increase in usage rates of community facilities
- Year on year increase in gamification participation
- Reduction in rates of adverse health outcomes associated with a lack of activity

Who can apply?

The Smart Cities Challenge is open to communities of all sizes across Canada. Applicants must represent an identifiable community and must be responsible for services in that community.

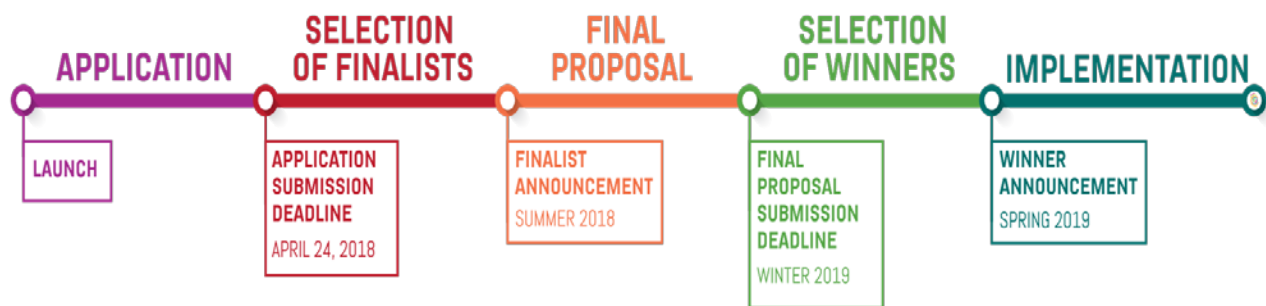
The following organizations can participate in the Smart Cities Challenge:

- Municipalities and local or regional governments established by or under provincial or territorial statute.
- Indigenous communities including First Nations, Inuit, and Métis communities (such as First Nation band and Tribal Councils, and communities under Self-Government Agreement, Comprehensive Land Claim Agreement or the Métis nation).
- A combination of organizations listed above.

A community or group of communities can only submit one application in this competition.

Communities that intend to apply are encouraged to contact [Infrastructure Canada](#) early on to confirm their eligibility.

Process and Timeline



Communities are encouraged to contact [Infrastructure Canada](#) with any questions regarding the process.

Infrastructure Canada is engaging Indigenous leaders, communities and organizations to finalize the design of a competition specific to Indigenous communities that will reflect their unique realities and issues. Indigenous communities are also eligible to compete for all the prizes in the current competition using the process and timelines outlined in this guide.

Application

Applicants should begin the Smart Cities Challenge process by engaging with residents about the most pressing issues their community faces. These consultations will help applicants define their Challenge Statements.

With their Challenge Statements established, applicants will develop the ideas and activities that will make up their preliminary Smart Cities Challenge proposal. The questions that will appear in the application form, information on how to fill it out, and evaluation criteria are provided in the [Appendix: Application Instructions](#) of this guide.

Applicants have until April 24, 2018 to complete and submit their applications on the [Impact Canada Challenge Platform](#).

Applicants are encouraged to contact [Infrastructure Canada](#) with questions about eligibility and other application requirements prior to the deadline.

When appropriate, questions asked and answered will be made available on the [Platform](#).

Selection of Finalists

Once applications are screened for eligibility, Infrastructure Canada will post the summaries on the [Platform](#). Applicants will be required to post the full versions online.

Eligible applications will be reviewed by experts from inside and outside government and will then be evaluated by an independent Jury.

The Jury will select finalists by Summer 2018. Each of these finalists will receive a \$250,000 grant to develop their final proposal.

Final Proposal

Finalists will develop fully-implementable final proposals that outline all design, planning, and project management components of their plans. Each final proposal must present a strong business case with clearly established milestones and measurable outcomes. Finalists will also outline their data and reporting strategy, making appropriate links to Infrastructure Canada's Climate Lens and Community Benefits Reporting Framework. The Climate Lens will only apply to proposals related to climate change mitigation and climate change adaptation.

As they develop their final proposals, finalists will also formalize partnerships with organizations that will help them implement their projects, and will establish project governance structures.

These final proposals are due in Winter 2019. The deadline and evaluation criteria for final proposals will be made public at the time of the announcement of finalists.

Selection of Winners

Infrastructure Canada will post all final proposals on the [Platform](#).

Similar to the applications, final proposals will be reviewed by experts and then evaluated by the Jury. Their evaluations will focus on project feasibility, strength of the business case, and clear links to the outcomes established in the Challenge Statement.

The Jury will select winners by Spring 2019.

Implementation

Winners will receive prize money through contribution agreements with Infrastructure Canada. Payments will be made once projects attain milestones that demonstrate progress towards outcomes.

Throughout implementation, winners will maintain close contact with Infrastructure Canada. Winners will continually monitor their progress and, if course corrections are necessary, they will work with Infrastructure Canada to make them.

Depending on the nature and scope of the final proposal, implementation is expected to span between 2-5 years.

Lessons learned from the entire Smart Cities Challenge process will be gathered from all participants and shared with Canadian communities.

Prizes

Prizes in the current competition:

One prize of up to \$50 million
Open to all communities, regardless of population

Two prizes of up to \$10 million each
Open to all communities with populations under 500,000 people [Footnote *](#)

One prize of up to \$5 million
Open to all communities with populations under 30,000 people [Footnote *](#)

Infrastructure Canada is engaging Indigenous leaders, communities and organizations to finalize the design of a competition specific to Indigenous communities that will reflect their unique realities and issues. Indigenous communities are also eligible to compete for all the prizes in the current competition.

Prize money will be awarded through contribution agreements with Infrastructure Canada. [Footnote 1](#)

Applicants are encouraged to solicit additional funds from other resources to strengthen the impact and reach of their proposals.

Applicants who do not win one competition can submit a new or improved application to subsequent competitions.

The Smart Cities Challenge includes three competitions, the first one wrapping up in the Spring of 2019.

Selection of Finalists and Winners

Finalist and winners will be determined by a panel of jury members.

The Jury will be comprised of accomplished individuals from across the country who are publicly recognized in their field, have a strong track record of leadership, and have a demonstrated interest in public issues or public service. Infrastructure Canada will strive to reflect gender parity and the diversity of the Canadian population in the Jury composition.

Jury members will be selected by the Minister of Infrastructure and Communities following an open and transparent competitive process.

Privacy Notification

Personal information provided in the application form is collected for purposes relating to the Smart Cities Challenge in accordance with the Impact Canada Initiative. Individuals have the right to the protection and correction of, and access to, their personal information under the *Privacy Act*. Full details with respect to the collection, use, disclosure, and retention of personal information are described in the Outreach Activities (PSU 938) and Public Communications (PSU 914) personal information banks as found in [Infrastructure Canada's Info Source](#). Should you have concerns about the INFC's handling of your personal information you have a right to file a complaint with the Privacy Commissioner of Canada.

Consent and Release Form and Confidential Annex

As transparency and knowledge-sharing is a core tenet of the Smart Cities Challenge, all information submitted to the competition will be made publicly available. Summaries of all eligible applications will be posted on the Impact Canada Challenge Platform in both official languages. In addition, all applicants will be required to post the full versions of their applications online in the language of their choice. Applicants will therefore be required to sign a *Consent and Release* form as part of their application.

There may be some circumstances where an applicant may wish to make select details of their application confidential (e.g. third party information). In this case, a "confidential annex" can be included in the application.

Communications Protocol

All applicants will be required to follow a communications protocol with Infrastructure Canada, which identifies roles and responsibilities of the Government of Canada, the applicants and finalists of the Smart Cities Challenge. The full protocol will be available as part of the application form. A separate communications protocol will be provided to winners of each competition.

Contact Information

Applicants are encouraged to contact [Infrastructure Canada](#) early in the process of developing their applications to ask questions and ensure they are on the right track.

When appropriate, questions asked and answers provided will be made available on the [Impact Canada Challenge Platform](#).

Follow the Smart Cities Challenge on [Twitter](#) and [Facebook](#) to get the latest news about the Smart Cities Challenge. To join the conversation on smart cities, use #smartcitiesCanada on Twitter.

To learn more about how the Smart Cities Challenge advances the Investing in Canada Plan as well as about Infrastructure Canada and its other programs, visit the [Infrastructure Canada website](#).

Email: infc.sc-vi.infc@canada.ca

Twitter: https://twitter.com/INFC_eng

Facebook: <https://www.facebook.com/TransportandInfrastructureinCanada/>

Impact Canada Challenge Platform: <https://impact.canada.ca/en/challenges/smart-cities>

Infrastructure Canada website: <http://www.infrastructure.gc.ca/plan/cities-villes-eng.html>

Appendix: Application Instructions

Section I: Applicant information

This section will be used to validate your eligibility as an applicant. This section will be posted online once the application is screened in.

Question 1:

Please provide the following information on your community.

- Name of community:
- Province/Territory:
- Population:
- Indigenous community: Yes/No

Tips

Applicant organizations must represent their community in an official capacity and be responsible for delivering services in that community. The following organizations are eligible to apply:

- Municipalities and local or regional governments established by or under provincial or territorial statute;

- Indigenous communities including First Nations, Inuit and Métis communities (such as band councils, Tribal Councils, and First Nation, and communities under Self-Government Agreement or Comprehensive Land Claim Agreement); or
- A combination of organizations listed above.

Population is based on the [2016 Census subdivisions](#).

One or more communities may partner on an application (add each community separately). Regional entities should have the support of their component communities.

Question 2:

Please select a prize category.

- \$50 million (all population sizes)
- \$10 million (population under 500,000 residents)
- \$5 million (population under 30,000 residents)

Tips

You can select only one prize category:

- Communities of all sizes may select the \$50 million prize.
- Only communities under 500,000 residents may select the \$10 million prize.
- Only communities under 30,000 residents may select the \$5 million prize.

For example:

- A community of 1 million residents may select the \$50 million prize, but not the \$10 million or the \$5 million prize.
- A community of 100,000 residents may select the \$50 million or the \$10 million prize, but not the \$5 million prize.
- A community of 10,000 residents may select the \$50 million, \$10 million, or \$5 million prize.
- An Indigenous community of any size may select any of the prizes.
- A community of 10,000 residents partnering with a community of 100,000 residents (i.e. cumulative population of 110,000 residents) may select the \$50 million or the \$10 million prize, but not the \$5 million prize.
- An Indigenous community partnering with another Indigenous community, regardless of their population sizes, may select any of the prizes.
- An Indigenous community of 7,000 residents partnering with a non-Indigenous community of 25,000 residents (i.e. cumulative population of 32,000 residents) may select the \$50 million or the \$10 million prize, but not the \$5 million.

Population is based on the [2016 Census subdivisions](#). If the application is from multiple communities, the cumulative population determines eligibility.

The selected prize category should also correspond to the scope and scale of projects to be funded from the prize amount, as described in your preliminary proposal.

Section II: Preliminary proposal

This is the only section in the application that will be evaluated. This section will be posted online once the application is screened in. The evaluation criteria and weighting for each component of this section is stated for your reference. Please ensure that your responses are as comprehensive and precise as possible, and contact [Infrastructure Canada](#) if you have any questions or concerns.

Sub-section 1 – Problem definition (Total of 55/100)

Question 3:

Please define your Challenge Statement in a single sentence that guides your preliminary proposal. It should describe the outcome (or outcomes) you hope to achieve. (50 words max)

Tips

Your Challenge Statement should define the outcome or outcomes that address(es) an important problem in your community and should state what you aim to achieve by implementing your proposal. The outcomes must be measurable, ambitious, and achievable through the proposed use of data and connected technology.

Evaluation criteria

- Challenge Statement is ambitious, measurable, and achievable through the proposed use of data and connected technology

Weighting

40/100 (questions 3-4)

Question 4:

Please describe the outcome (or outcomes) your proposal seeks to achieve by elaborating on your Challenge Statement. (2,500 words max)

This section should include:

- Specific goals you hope to achieve by implementing your proposal, justifying both the level of ambition and the achievability of the outcome (or outcomes) sought.
- Baseline data and evidence to establish the current state with respect to the metrics used in your Challenge Statement, and context around the outcome (or outcomes) sought.
- Evidence to support the selection of this/these outcome (or outcomes) over others, in reference to the needs of the community.
- Rationale for applying a smart city approach to achieving the identified outcome (or outcomes).
- Strategy for measuring progress toward outcome (or outcomes) and achievement of outcome (or outcomes).

Tips

Preliminary proposals should demonstrate how data and connected technology can achieve a meaningful and measurable outcome (or outcomes) for residents. Information in this section should facilitate the evaluation of your Challenge Statement, both of which make up the highest-weighted factor in the selection of finalists.

Evaluation criteria

- Outcome (or outcomes) reflect(s) the true needs of the community, as demonstrated through a compelling body of data and evidence
- Outcome (or outcomes) is/are ambitious and achievable
- Outcome (or outcomes) is meaningful for the community and its residents
- The role of a smart city approach in achieving the outcome (or outcomes) is/are clearly explained, and serves as a rationale for selecting the particular outcome (or outcomes)
- Outcome (or outcomes) is/are measurable

Weighting

40/100 (questions 3-4)

Question 5:

Please describe how your community residents have shaped your Challenge Statement. Describe your plans for continuing to engage and involve them in your final proposal going forward. (1,500 words max)

This section should include:

- Descriptions of previous engagement with residents, businesses, organizations, and other stakeholders on topics related to the Challenge Statement.
- Descriptions of feedback that came to light through past engagement processes.
- Links between the Challenge Statement and engagement feedback.
- Evidence of efforts made to be inclusive and to represent the community's diversity.
- Plans to sustain engagement through the development and implementation of the final proposal.

Tips

Meaningful engagement of residents should be done at every stage of the Challenge process. Engagement with residents and other stakeholders can be part of a broader process (e.g. town hall, public consultation, citizen advisory committee), but the problems discussed should contribute to shaping your preliminary proposal.

Information in this section should demonstrate that the outcome (or outcomes) set out in the Challenge Statement reflects the concerns and needs of the residents, and that the results of the consultations and engagement activities will inform and guide the development of the final proposal going forward.

Evaluation criteria

- Relevant consultations and engagement activities took place, exhibiting efforts to:
 - incorporate residents' input into the development of the Challenge Statement
 - take into account the views of various stakeholders in the community in refining the outcome (or outcomes)
 - encourage high participation by advertising widely and being accessible (timing, accessibility of information, physical accessibility, etc.)
 - include diverse views and represent a cross-section of the community
- Plans to sustain community engagement through the development and implementation are included and adequate

Weighting

15/100

Sub-section 2 – Preliminary proposal details (Total of 45/100)

Question 6:

Please describe your preliminary proposal and its activities or projects. (2,000 words max)

This section should include:

- Planned activities or projects to achieve the outcome (or outcomes) set out in the Challenge Statement.
- Clear links from the identified projects to the attainment of the outcome (or outcomes).
- Scope and size of each planned project in your preliminary proposal, describing how it is feasible and suitable for achieving the outcome (or outcomes) in a manner that is impactful for the community, ambitious, and transformative.
- Measures put in place to 1) make the proposal open, interoperable, scalable, and replicable or a description of your plan to do so going forward for the benefit of your own community and other communities in Canada; and 2) enable other uses of the technology, innovation, and data in your proposal.

Tips

Preliminary proposals may contain more than one project to achieve the outcome (or outcomes) identified in the Challenge Statement. Projects may seek to address different aspects of the problem. The projects could be pursued independently, but each should contribute to achieving the outcome (or outcomes) identified in the Challenge Statement. The logic connecting projects to outcomes must be clear. The description could draw on research, lessons learned, experiences from other communities, previous efforts, etc.

For example: a Challenge Statement aimed at achieving outcomes in the areas of homelessness could encompass a project that help people who are already homeless (e.g. mobile applications to connect first responders and community service providers and enable rapid matching of services to the urgent needs of homeless people) as well

a project that helps people at risk of becoming homeless (e.g. broadband-enabled distance learning opportunities at community centres).

While this competition of the Smart Cities Challenge is awarding a limited number of prizes, the process aims to achieve a much broader impact. It is therefore essential that the winning proposals are scalable and replicable for other communities, enabling the sharing of what has been demonstrated to work. The use of open data approaches, industry standards, open architecture, and systems is encouraged.

Evaluation criteria

- Preliminary proposal qualifies as a smart city proposal: it achieves positive outcomes for residents by leveraging connected technology and data
- Preliminary proposal has the potential to achieve the outcome (or outcomes) through the smart city approach
- Implementation is feasible given its scope and size
- Scope and size are suited to achieving the expected outcome in a manner that is:
 - impactful for the community: preliminary proposal identifies a problem that is measurable at the onset and outcome (or outcomes) that can be measured during implementation; data either exists or can be collected to form a baseline for measuring progress
 - ambitious: scope and size are significant, but not excessive, and are appropriate for the applicant and the prize category sought
 - transformative: preliminary proposal components, processes, and mechanisms support deep, systemic, and sustainable change with the potential for large-scale impact for community residents
- Proposal is, or will be, open, interoperable, scalable, and replicable:
 - To the extent possible, preliminary proposal incorporates open standards and is interoperable with existing infrastructure, etc.
 - To the extent possible, preliminary proposal does not lock-in a community with a specific vendor in a way that hinders the community and other communities from leveraging the data for other uses through open data and in-house analytics
 - Preliminary proposal is pertinent, adaptable, and suitable for other parts of the community and other Canadian communities of various profiles that are seeking similar outcomes
 - Proposed solutions are robust, flexible, and can accommodate changing circumstances (e.g. population growth)
 - Preliminary proposal components reflect a forward-thinking approach (e.g. choosing solutions that will serve what may come and not just the most economic option to address present needs)
 - Proposal's technology, innovation, and data serve or enable (or will serve or enable) other purposes (e.g. implementation of the proposal lays the groundwork for other more advanced technological solutions)

Weighting

15/100

Question 7:

Please describe the ways in which your preliminary proposal supports your community's medium and long-term goals, strategies, and plans. (500 words max)

To supplement your response, please provide any relevant documents and make clear linkages and references.

Tips

Your preliminary proposal must be aligned to an existing or planned vision that has the components of a smart cities approach (i.e. data and connected technology). The development and implementation of its activities or projects must take place under that context. Your preliminary proposal should be related to or embodied in initiatives, plans, frameworks, etc. that are already in progress in your community.

Evaluation criteria

- Preliminary proposal is well-aligned with a larger smart cities vision for the community (e.g. the implementation of the proposal complements other initiatives)
- Preliminary proposal complements ongoing, past, or planned efforts to achieve the outcome (or outcomes), aside from the preliminary proposal
- Preliminary proposal is ambitious relative to current or previous initiatives

Weighting

5/100

Question 8:

Please describe your community's readiness and ability to successfully implement your proposal. (1,000 words max)

This section should include:

- Experience with implementing complex projects (i.e. multi-stakeholder, multi-dimensional) that span multiple business lines and functional units.
- Structures, processes, and practices in place or planned for managing and implementing complex projects that span multiple business lines and functional units.
- Organizational strengths and potential weaknesses for managing and implementing a smart city proposal, and plans to address weaknesses to ensure successful proposal management and implementation.

Tips

You should continue to develop your state of readiness as you proceed with the competition. You should describe your state of readiness at this point in time as evidenced by your experience with advancing complex projects and the preparations you have made or plan to make to implement your proposal.

Information in this section could include establishing or assigning dedicated senior positions with accountabilities to manage and enable organization-wide innovation. It could also involve creating dedicated teams, such as innovation labs, to facilitate the planning and executing of experimental or innovative projects.

Where applications are from multiple communities, describe the mechanisms through which various players (e.g. municipal departments, service delivery agents) involved in the proposal have been or will be managed.

Evaluation criteria

- Applicant has implemented smart city or other complex projects in the past, which have yielded positive results and lessons learned
- Applicant has put in place or plans to have organizational structures, processes, and practices to implement the proposal
- Applicant has put in measures or has plans to address potential organizational weaknesses

Weighting

10/100

Question 9:

Describe your plan for using the \$250,000 grant, should you be selected as a finalist. Provide a high-level breakdown of spending categories and an accompanying rationale. (500 words max)

Tips

The grant should only be used for activities that relate directly to the development of your final proposal. These can include staffing, professional services, feasibility assessments, capacity building, small-scale pilots, community engagement and communications, data, and relevant training.

In their final proposals, finalists will be required to report on how the grant was actually spent.

Evaluation criteria

- Plans to use the grant reflect an appropriate use of funds, and a sensible balance between bringing in outside help and building capacity within the organization
- Applicant is aware of gaps in its ability to implement, and has begun to or plans to address these gaps through the grant or by other means (e.g. building management capacity and IT talent, creating dedicated resources or teams to champion innovation, supplementing other sources of funding devoted to experimentation and innovation)

Weighting

5/100

Question 10:

Describe the partners that are or will be involved in your proposal. Where partners are not yet determined, describe the process for selecting them. (500 words max)

This section should include:

- A description of existing partners (what type of organization, what they do, etc.), their relevance, and expected contribution to the outcome (or outcomes).
- Where partners are not yet determined or where it is anticipated that additional partners are required, describe the process for selecting them.

Tips

Partners who are involved should be those necessary for the success of the proposal. Partners can be from areas such as private sector, not-for-profit, public utilities, research/academia, civil society, public or national organizations/groups, and project incubators.

Communities do not necessarily need to establish commercial relationships with technology vendors or service providers at this stage. Rather, this section should provide information on the processes (e.g. procurement strategies) that are in place to bring them on board at a later stage.

Evaluation criteria

- Overall partnership development approach is described, some partners are identified, and all major players are brought on board (confirmation of the exact capacity not required at this point, but they have indicated their willingness and interest in committing to the proposal)
- All identified and planned partners are relevant and have clear roles and responsibilities in the execution of the proposal (expected contributions such as skills, expertise, and resources are included as available)
- As appropriate, partnerships involve diverse types of organizations
- Should gaps in the partnership approach be noticed, processes are in place to bring on additional partners reflect sound practices and appropriate roles and responsibilities

Weighting

10/100

Question 11 (confidential annex):

Please provide, if and only if required, confidential third party information. Information provided in this section will be exempt from the requirement to be posted online. (500 words max)

Third party information in this section should be supplemental to the information provided elsewhere in the application and be limited to those details that are deemed confidential. Please clearly indicate which question(s) the information provided in this section relates to.

Tips

One of the goals of the Smart Cities Challenge is to encourage as much transparency as possible among applicants, potential applicants of future rounds, other communities, stakeholders, and with the general public.

Summaries of applications with links to the full versions of eligible applications and supporting materials will be posted online to promote transparency and knowledge-sharing.

This is the only question in Section II of the application that is exempt from the requirement to post online.

Evaluation criteria

- Information to be considered in the evaluation of the questions it relates to
- Only confidential third party information is included

Section III: Other requirements

This section has no bearing on the evaluation, but is required to complete the application. This section is not required to be posted online with the exception of questions 12 and 13.

Question 12:

Provide a 200-word summary of your preliminary proposal. You may also provide an image that represents your preliminary proposal.

This summary, along with your Challenge Statement, will be posted online in both official languages.

You have the option of providing the summary in both official languages. If you provide it in one official language, Infrastructure Canada will translate it prior to posting online.

Tips

This is your opportunity to showcase your preliminary proposal to audiences interested in smart cities projects across the country and internationally. Make sure you include the major components of your preliminary proposal to attract the attention of readers, including potential partners in developing your final proposal. Do not restate your Challenge Statement, as Infrastructure Canada will use it as the title of your summary.

If the optional image is provided, it will appear online next to your Challenge Statement and summary.

Question 13:

Provide a link to the online location where you will post the full version of your application.

Tips

To meet the Smart Cities Challenge goal of openness and transparency and to encourage dialogue among residents and stakeholders, all eligible applications will be required to be posted online by the applicant.

Question 14:

In accordance with your governance structure, provide evidence of the commitment to your preliminary proposal from your community's leadership. This can be a letter of support with signatures from your mayor(s), chief(s), or equivalent or a council resolution, a band council resolution, etc.

Tips

This document should clearly demonstrate the commitment of community leadership to the outcome (or outcomes) set out in the Challenge Statement and to following through with the proposal throughout the competition. It could outline elements such as the community's suitability as a candidate in the Smart Cities Challenge, readiness to be in the national and international spotlight as a smart city, commitment from the organization to provide the necessary political and logistical support, alignment with the local or regional focus and vision, reference to council resolutions, etc.

If there is more than one community, a single, consolidated document is required (e.g. provide a single support letter signed by each of the communities' mayor, chief, or equivalent).

Question 15:

Please identify the point of contact for the application.

- Name:
- Title and affiliation:
- Phone number:
- Email address:

Tips

This point person will liaise and communicate with Infrastructure Canada throughout the competition and must have the ability and authority to speak on behalf of the applicant

on all matters relating to the application. This information may be updated at any time by the applicant by contacting Infrastructure Canada.

Where the application is from multiple communities, a single lead is required.

Question 16:

Read the Privacy Notification, Consent and Release form, and Communications Protocol and indicate your agreement.

Section IV: Survey questions

This section has no bearing on the evaluation, but is required to complete the application. This section is not required to be posted online. This information is meant to help Infrastructure Canada better understand the profile of applicants, collect baseline data about communities, and improve and adjust the Smart Cities Challenge process in the future. This information may be publicized for statistical analysis and reporting purposes, but only aggregates will be used (i.e. communities will not be identified). You may provide estimates wherever information is approximate or unavailable.

Question 17:

Please provide the following information about your organization.

- 2017 full-time equivalents (FTEs):
 - Number of total FTEs
 - Percentage of total FTEs devoted to innovation
- 2017 operating and capital budgets:
 - Total operating budget
 - Percentage of total operating budget devoted to innovation
 - Total capital budget
 - Percentage of total capital budget devoted to innovation

Tips

This information will not be assessed, but will help Infrastructure Canada to establish a baseline of applicants' overall investments in innovation. A key goal of the Smart Cities Challenge is for communities to strengthen and develop their capacity in this area. By collecting data at the outset, we will be able to measure progress. If definitive data is not available, you are encouraged to provide estimated figures.

Innovation refers to the delivery of new or significantly improved services; the development of new or significantly improved processes that contribute to the efficiency and effectiveness of operations; or the development of new or significantly improved organizational structures or external partnerships to better manage, set, and meet strategic objectives.

For example, innovation could include management time devoted to improving service delivery and efficiency of the organization, experimentation with new solutions,

investments in new technology, etc., but not administrative tasks, overhead, maintenance, ongoing operations, regular capital replacements, etc.

Information in this section should refer to the applicant organization (i.e. the municipality, local or regional government, or Indigenous community organization). Only provide quantitative information here (numbers for FTEs and dollar amounts for budgets). For the purpose of this question, 1.0 FTE is equivalent to \$80,000 in salary including benefits. FTE figures can be fractional, representing the portion of time spent by staff on these areas.

If your application is being submitted by multiple communities, add each community separately.

Question 18:

Please select the focus area of your preliminary proposal.

If your preliminary proposal seeks to achieve outcomes that span more than one area, you may choose up to two.

- Economic opportunity
- Empowerment and inclusion
- Environmental quality
- Healthy living and recreation
- Mobility
- Safety and security

Tips

Infrastructure Canada wants to better understand the priorities of communities that are applying to the Smart Cities Challenge. While your community will no doubt have priorities across all of the areas listed, we are asking you to select no more than two as the primary areas of focus for your Smart Cities Challenge application.

Economic opportunity: residents are supported by a thriving local economy. Examples of outcomes in this area could include: increased employment opportunities; reductions in processing times for business permits; improvements in skill levels in the local labour force; etc.

Empowerment and inclusion: residents are supported and given the opportunity to participate in the community. Examples of outcomes in this area could include: reduced homelessness rates; reductions in the number of institutionalized children and youth; better integration of newcomers, refugees, youth, seniors, visible minorities, etc. in the community; opportunities to participate in, and to be informed about, the democratic process/decisions affecting the community; etc.

Environmental quality: residents are able to enjoy a healthy environment. Examples of outcomes in this area could include: reduced greenhouse gas emissions; reductions in environmental contaminant levels; habitat preservation or renewal; etc.

Healthy living and recreation: residents are able to live an active and healthy life. Examples of outcomes in this area could include: increased access to recreational programming; availability of remote health services; reduction in adverse health outcomes, etc. Mobility: residents can move freely within their community. Examples of outcomes in this area could include: increased accessibility to public transportation; reduced first mile/last mile gaps; reduction of congestion; etc.

Safety and security: residents live in a safe and secure community. Examples of outcomes in this area could include: reduced crime rates; increased safety for women; improved emergency response times; etc.

Question 19:

Select all the community system/service areas expected to be implicated in your preliminary proposal.

There is no limit to the number of community systems/service areas you may select.

- Arts and culture
- Economic development
- Education and training
- Emergency services and enforcement
- Environment
- Land use planning and development
- Public health
- Recreation and parks
- Roads and transportation
- Social services
- Waste
- Water and wastewater
- Other: please specify

Tips

Infrastructure Canada would like to understand the relative distribution of community systems and service areas in Smart Cities Challenge applications. These are some common systems and services that communities have in place. There is no limit to how many you can select – you are encouraged to mobilize and connect different community systems and services to achieve your outcome.

Arts and culture can include language, libraries, and heritage.

Economic development can include job creation, economic diversification, talent attraction, tourism promotion, investment attraction programs, innovation centres, incubators, and accelerators.

Education and training can include schools, colleges and universities, adult education, and training programs.

Emergency services and enforcement can include fire, paramedic, or police services, and emergency preparedness.

Environment can include climate change mitigation and adaptation, disaster mitigation, natural asset management, biodiversity and habitat preservation, and greenspaces.

Land use planning and development can include permitting and zoning and related by-laws.

Public health can include clinics, hospitals, and healthy living programs, responses to public health emergencies, and animal and pest control.

Recreation and parks can include facilities and services related to community centres, fitness, and sport.

Roads and transportation can include parking, road safety, public transit, road and sidewalk maintenance, traffic, transportation planning, trails, bike lanes, waterways, air transit to remote communities.

Social services can include housing, children's services, employment and financial assistance, services for seniors, immigrants, and youth, and food security.

Waste can include waste collection, dumps, recycling programs and facilities, waste reduction and management.

Water and wastewater can include sewers, wells and septic systems, drinking water, and water in the environment (wetlands, greenspace, beaches, rivers, streams).

Question 20:

Select all the technologies expected to be implicated in your preliminary proposal.

There is no limit to the number of technologies you may select.

- Artificial intelligence (AI)
- Assistive technology
- Augmented reality (AR) or Virtual reality (VR)
- Autonomous and connected vehicles
- Big data analytics
- Cloud computing
- Enterprise solutions
- Environmental monitoring
- Geospatial
- Health or Medical technology
- Internet of Things (IoT)
- Mobile applications
- Networks
- Open data platforms
- Payment platforms
- Sensors

- Video analytics
- Wearables
- Other: please specify

Tips

Infrastructure Canada is interested in understanding the range of technologies that communities are considering as part of their Smart Cities Challenge applications. These are some technologies commonly associated with smart city projects.

There is no limit to how many you can select as you are encouraged to use different technologies to achieve your outcome (or outcomes).

Attachment 'B' – Community Engagement Summary 2015-2017

Penticton OCP Community Visioning Engagement Feedback February – May 2017

Engagement Events	
Valentine's Day Blitz	February 14
Penticton Home Show	March 3 & 4
Library Board	February 22
Wednesday Women's Group	April 19
OCP Task Force	April 20
Soupateria	May 4
Community Market	May 6 & 13
Penticton Community Centre	May 10
Rotary of Penticton	May 17
Cannery Brewing	May 18
Seniors' Drop-in Centre	May 28
Pen Hi Leadership Class	May 29
Total Contacts: 714	

- 1,100** In-person contacts
- 350** People engaged in may
- 1,100** Visits to Shape Your City Penticton
- 10,000+** Facebook visits and Twitter impressions

Community Engagement May – December 2017

Pecha Kucha

Concerns – General

- Affordability
- Budget cuts in school districts
- City Council out of touch with the residents
- City will not meet full potential
- Closing Schools
- Confidential agreement not to be used to hide civic financial mistakes
- Council out of tune with residents
- Curmudgeons, particularly from the 55+ demographic will continue to dominate municipal conversations
- Demographics
- Eventual ghost town?
- Ghost town
- Have to balance people, environment and business (smart growth)
- Is there something wrong with a quiet, relaxing community? Kelowna has a lot of activity
- Lack of involvement/connection between First Nations Community
- Lack of youth
- Lack of youth influence in community decisions
- Lack of youth input
- Leave it alone
- Maintain small town feel
- Our demographic reality
- Overpopulated
- Penticton becomes more like Kelowna. Big money, big attitude, extreme segmented zones
- Penticton will lose its charm if we don't preserve the quieter space, neighbourhoods and parks for the health of the people
- Quality of infrastructure
- Robust enough to deal with issues as they emerge
- Stagnation
- Taxes
- That the older demographics will continue to feel that Penticton is a retirement resort community
- Unwillingness to spend on infrastructure upgrades including greenspaces
- Young people will not stay or be happy with their living condition

Concerns – Economy

- "Proper" revitalization
- A council that votes "No" to economic progress
- Businesses closing
- Charge tourists nickel and dimes
- Cost of living vs. ability to make a living
- Dependency on tourism only
- Good paying jobs
- Lack of job opportunities (hard to support families)
- Lack of tourist attractions
- Not enough hotels to support all the tourism especially on the Skaha end to include the whole town
- Not enough tourism
- Nothing being developed on the other side of the bridge (need permission from Indian Band)
- Penticton can adapt to emerging markets, economics and lifestyles in a responsible manner
- Preserve land for tourists (RV parks and hotels)
- Secure, good paying jobs
- Shallow/seasonal economic base
- Too much focus on wineries, casinos, economic growth
- Too weighted on tourism
- Uncontrolled VRBO regulation

Concerns – Environment

- Clean water in the spring
- Enhancing/maintaining contact with nature
- Extinction of wildlife. Pressure on cougars
- Fires
- Flooding [x2]
- Forest fires
- Less damage to environment please
- Little-to-no greenspace
- Maintaining greenspace
- Once you pave over greenspace, it's gone forever.
- Park space gets privatized
- Parks will be commercialized - not acceptable
- Protect Skaha Bluffs as world renowned area
- Protect the green space
- Remove the deer herds. They have not existed here in such abundance because they are fenced out of the vineyards and orchards
- Save our parks
- Tree removal
- Water
- Water quality
- Water quantity

Concerns – Housing

- Homelessness - they need house (creative solutions need) and support to stay there
- A lot of homeless with nowhere to go
- Affordable and appealing housing for families (not tiny homes with no green space)
- Affordable housing [x4]
- Affordable housing and growth for young families
- Affordable housing for purchase and rent
- Affordable housing for young families
- Affordable rental
- Homeless rate in Penticton
- Homelessness [x2]
- Homelessness & vagrants
- Housing affordability
- No houses
- No housing for homeless
- No low-income housing

Concerns – Planning & Development

- Continuing sprawl
- Densification is misguided. Reduce financial expectations
- Densification should still have a bit of yard, parking, sidewalk
- Densification without proper planning
- Development at the expense of the people
- Development of "hilly" areas too fast, no convinced this is good for owners/environment - slides, slope stability, fire
- Inappropriate density decisions
- Inflation in real estate market
- Keep away from high density housing
- Less sprawl
- Long-term implications for infrastructure and community costs of development
- Losing Penticton's history (always building new Condos etc...)
- Need to density but not like big cities
- No family homes left, developers bidding up prices for duplexes and densification
- No hotels on parkland
- No more towers - don't block view of hills
- No more development on Lakeshore!
- Out of date infrastructure
- Parking: build new condos never enough parking space
- Poor community planning (i.e., Lakeside Hotel)
- Stand still on development
- Subsidizing business use of private land and facilities
- That you don't put a lot of high rise buildings into Penticton. Too much congestion as it is (traffic starting to look like Kelowna)
- Too much commercialization
- Ugly houses and public places

Concerns – Recreation & Parks

- Development of park space
- Lack of indoor activities
- Less commercialization of our green spaces
- Memorial and McLaren ice rinks
- Never allow long term leases in our parks
- No commercialization of Skaha Park
- No large buildings in Skaha Lake Parks
- No waterslides
- Not enough winter activities
- Possible loss of Memorial Arena without anything replacing it
- Skaha Marina parking \$5. Have to have
- The future of Memorial Arena (we want to keep it)

Concerns – Safety

- Crime [x7]
- Crime & lack of punishment
- Drugs [x2]
- Drugs and crime are bad. We need more police.
- Drugs and needles and garbage in parks and wooded areas
- High rate of property crime and substance use issues
- Nighttime walking
- No more bike thefts
- Old people driving
- RCMP visibility - walk abouts, build relationship with community please
- Safety concerns downtown
- Scary people on the streets
- Shut down Highlander Motel
- Soupateria Street
- Theft
- Too much crime against properties
- Try to curtail the drug/theft cycle, which has become so prevalent

Concerns – Services

- Lack of childcare
- Lack of resources for mental health
- Resident-focused amenities as a priority

Concerns – Social

- Adverse secondary impacts of jail (social, effect on investment climate)
- Cascades casino
- Casino and bad influence it will have on community
- Divide between youth and other citizens
- Division in community
- Homeless
- Lack of events brought into the SOEC
- Love all the festivals etc. Need more volunteers though. Will the young people step up?
- More investment in art rather than education
- Ratio of tourists to year-round residents
- Rising income gap
- Social dysfunction (addictions, etc.)
- Suicidal rates within Youth in Penticton
- That we will not be able to support our seniors (bc a lot more seniors than use)
- Too much resistance from older generations. Not enough young involvement.

Concerns – Sustainability

- Climate change [x2]
- Climate change
- Drought
- Food security
- Need for alternative green energy source
- Sustainable

Concerns – Transportation

- Fix Kinney & Main intersection
- Keep our beaches free from parking meters
- Keep parking free at parks
- Lack of free parking downtown & beaches
- Lack of safe sidewalk & crosswalks for my kids to walk on to school
- Maintain roads
- Minimal parking at SOEC
- Need a turning lane from Oakville Street
- No long-term traffic solutions
- No more short city buses - not always enough room for people who are not ambulatory
- No parking meters on Lakeshore
- No pay parking on beach
- Parking downtown (a parkade?)
- Parking issues
- Poor design - cobblestones for path not road
- Poor transportation system
- Residential downtown with no vision for parking & transit
- Restrict/control car/motorcycle traffic on Lakeshore
- Sparse parking that is spread out
- Too much traffic and nowhere to park
- Traffic
- Traffic-oriented, not people-oriented
- We need parking at SOEC and Casino

Council Report

penticton.ca

Date: January 9, 2018
To: Peter Weeber, Chief Administrative Officer
From: Anthony Haddad, Director of Development Services

File No: RMS4300

Subject: Mobile Retail Vending

Staff Recommendation

THAT Council support amendments to the Mobile Food Vending License Program to allow for a maximum of three (3) Mobile Retail Trucks to be located in accordance with the requirements of the Zoning Bylaw and Business Licence Bylaw in the following locations:

- Power Street – 1 retail truck at a time
- Gyro Park – 1 retail truck at a time
- Skaha Lake – 1 retail truck at a time in each location

Strategic priority objective

Economic Vitality – Develop policy that supports business development, attracts investment and diversifies our economy.

Background

Council, at its meeting on March 21st 2017 passed the following resolution with regards to Mobile Retail Vending:

191/2017 It was **MOVED** and **SECONDED**

THAT Council support the creation of a one-year pilot program for Mobile Retail Vending as part of the Mobile Food Vending License Program for 2017 that allows for:

- A maximum of two mobile retail vendors to be in operation at any one time in any of the locations approved for Mobile Food Vending, except the 'Gyro hub' or 'Winnipeg St & Lakeshore' locations.
- All applicable fees associated with Mobile Food Vending Licenses and business Licences be paid for 2017;

AND THAT Council direct staff deny approval for any mobile retail vending operations within vacant commercial sites in the Downtown 'Core' for 2017, as identified in Attachment C;

AND FURTHER THAT staff report back to Council in fall 2017 with a summary of issues and recommendations.

CARRIED UNANIMOUSLY

Council, at its meeting on May 23rd 2017 passed the following resolution with regards to Mobile Retail Vending, as an update to the decision made in March:

310/2017 **It was MOVED and SECONDED**

THAT Council support an amendment to the one-year pilot program for Mobile Retail Vending endorsed on March 21, 2017 to include: a location for one Mobile Retail Vending truck at a time along the north-west corner of Power Street and Lakeshore Drive; and two locations for Mobile Retail Vending trucks in the Gyro Hub location.

CARRIED

Councillor Sentes, Opposed

Council directed staff to monitor the one-year pilot program to identify issues throughout the 2017 season and report back at the end of the season. The following report provides an update as to the outcomes of the pilot program and provides recommendations for moving forward in 2018 and beyond.

Summary of 2017 Pilot Program

Implementation of the approved pilot program commenced in May 2017, with only one of the two retail truck vendors making an application to take part in the 2017 season. Chic Mobile Boutique was the only applicant and was approved in accordance with the requirements of the Mobile Food Vending Program. The two locations that were used for the pilot program were located at Power Street and within Gyro Park location and based on the response from the vendor; they were seen as being successful. Like many businesses in 2017, the impacts of the rising lake level and smoky skies played a role in impacting potential business for the operator. The two original locations endorsed by Council in the parking lots near Skaha Park were not utilized by the retail vending truck.

Shortly after the program was approved, staff received a letter of concern from an existing retail businesses in the 100 block of Main Street, with concerns in line with those of the Downtown Penticton Association, specific to the impact on existing retailers in the downtown core.

The location at Power Street & Lakeshore Drive provided for increased pedestrian traffic and worked well with the adjacent businesses and food vendors. The location for the retail truck was within an existing parking space, and there were some issues with the width of the truck, so to fit the space more appropriately, the truck would park with 2 wheels over the curb, to limit its impact on Power Street.

The Gyro Park location, while not available for the entire season as a result of events that take place (which the retail trucks can often be part of), was used well considering the infrastructure that exists in the space

that was designed for this type of activity to occur. Often a food truck would co-locate with the retail truck to provide an additional amenity for the community and tourists to take advantage of during the year.

Staff did not receive any complaints throughout the season from any members of the public with regards to the mobile retail vendor. Some early logistics were worked through the vending truck operator with regards to the Power Street location, however generally the pilot program ran smoothly without any significant issues. It was also important to ensure that the retail vendors kept the sales within the confines of the existing truck.

During the course of the season, staff received requests from mobile retail vendors from communities outside of Penticton to see how they could be part of the program moving forward. They were advised of the status of the pilot program and advised to wait until Council reviewed options for 2018 and beyond. Many of the vendors did note that many of their communities did not allow the retail trucks in their communities and were interested to see this process move forward in our community.

From the vending truck operator's perspective, the only requested change would be for the electrical charge that is required as part of the vending program. The Power Street location did not have any underground power, and a generator was used instead. The operator felt that because there was no power at this location, it was not appropriate for her to pay the electrical charge requirement.

One success noted by the vending truck operator is that they are now in the process of setting up a permanent location within a vacant space in the downtown core within the 400 block of Main Street. One of the benefits of this type of program is that entrepreneurs often start with this smaller format type of mobile retail space and if it is successful it can turn into a long term permanent venture where the entire community can benefit.

Proposal

Based on the information collected during the pilot program, and feedback gathered over the past year, the following proposal is being brought forward for Council's consideration, as a permanent amendment to the Mobile Food Vending Licence Program:

Maximum Number of Retail Vending Trucks:

While the pilot program would have ideally had the two retail trucks take part in it, staff feel as though expanding the program to a maximum of three for the 2018 year will not have an unreasonable impact.

Locations for Vending Trucks:

The two locations that were used in 2017 are proposed to be continued with for the 2018 season and beyond. With the addition of one more retail truck, the two locations down at Skaha Lake may also be viable.

- Locations
 - o Power Street – 1 retail truck at a time
 - o Gyro Park – 1 retail truck at a time

- Skaha Park Location – 1 retail trucks at a time in each location

Locals First Approach:

Staff believe that the mobile retail vending program provides an opportunity for locals to start a new business. This is what was discovered with the two that currently operate (to staff's knowledge) in the city, and the one that took advantage of the pilot program in 2017. The addition of one more opportunity to be part of the program, taking it to a maximum of three (3), is considered to allow for the locations that have been identified to be provided with a variety of amenities during the tourist season.

Staff believe, however, that as opposed to allowing mobile retail trucks from out of town to come into Penticton, that first preference should be given to those residing in Penticton that may want to participate. Through the application process, staff will review and assign the three placements to local residents, and if not filled assign to other applicants that may be from out of town.

This proposal is considered to help support our local economy and provide an opportunity for local entrepreneurs to succeed in our community.

Zoning and Business Licence Bylaws

- Retain existing requirements within the Zoning and Business Licence Bylaws

Program Update

As opposed to using the Food Vending Program for 2018, staff will be creating a separate program for Retail Trucks, should Council support the proposal, which in the long run will be less confusing for the vendors.

Applications will be available online on January 15, 2018. All applications due on March 1, 2018 and all vendors will be notified of their acceptance by March 12, 2018. Payment and all required documents are due on April 2, 2018. Vendors will be able to vend from April 2, 2018 to December 31, 2018.

Mobile Retail Vending Licenses will be awarded based on, but not limited to:

- Returning vendors in good standing;
- City of Penticton residents;
- Consideration of previous vending agreements with the City;
- Consideration of proximity to direct competition operating from a building and impact on neighborhood;
- Visual appearance of the vending truck.

Analysis

The proposed changes, based on the pilot program, are considered minor and respectful to the needs of the existing business community. Although there is a retail presence in the 100 block of Main Street, support for

the continuation of allowing retail trucks in the Gyro Park location is considered appropriate. Limiting it to one truck at a time will offset potential retail conflicts that may exist with permanent businesses. Staff have consulted with the Downtown Penticton Association and they do not have any objection to the one retail vendor being able to be located in the Gyro Park through street.

Increasing the number of retail trucks to three will provide an opportunity for other local entrepreneurs to take advantage of this program. Should Council support the proposed changes, staff will continue to monitor the program’s success on an annual basis and report back to Council should any issues arise.

Alternate recommendations

- 1. THAT Council direct staff in an alternative manner.

Council could set certain hours of operations for the retail trucks in the two locations proposed, outside the main operating hours of stores in the downtown core, or even limit the use of these locations to certain days – Sundays for example, when some retail establishments are closed, to reduce potential conflicts that have been identified by the DPA.

Should Council wish to see alternative locations in the downtown for the mobile retail vendors, then they should advise staff accordingly so that they can be permitted through the proposed pilot program.

- 2. THAT Council not support the proposed locations for mobile retail vending trucks.

As outlined in the staff report, the locations proposed come with their issues and should Council not deem these two locations appropriate, they should deny the request for mobile retail vending at this time.


Attachments

Attachment A – Proposed Retail Truck Vending Locations

Respectfully submitted,

Anthony Haddad
Director of Development Services

Approvals

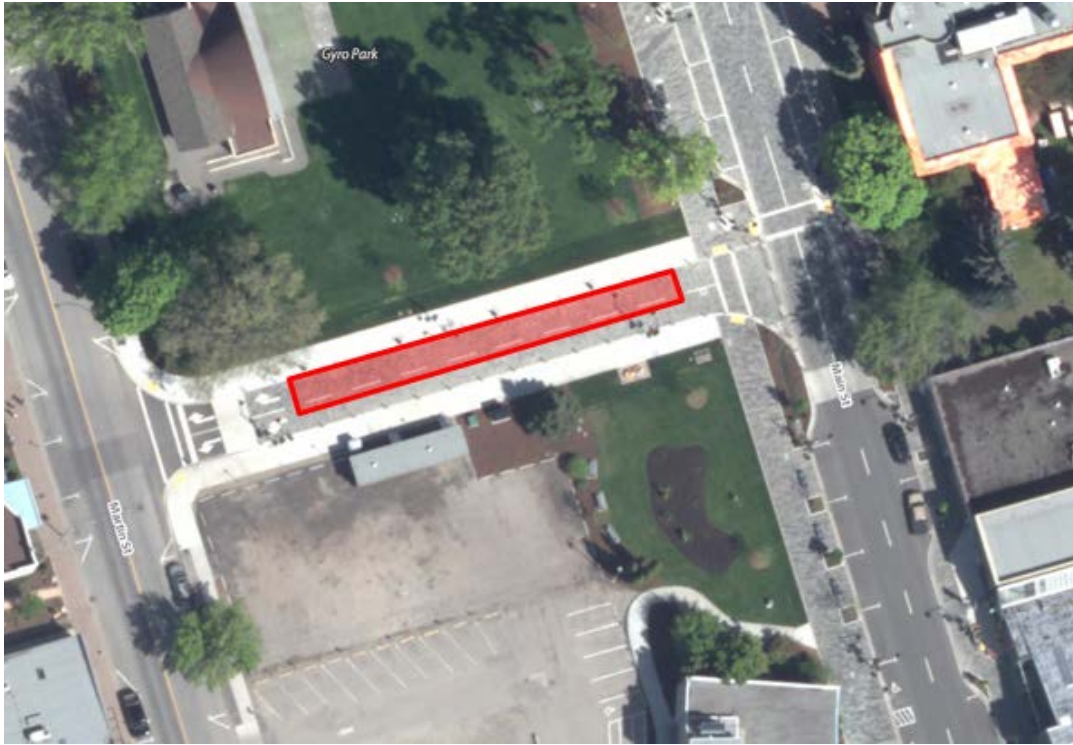
<p>Director</p> 	<p>CAO</p> <p>PW</p>
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Attachment A – Additional Retail Truck Vending Locations Requested

Power Street



Gyro Park Location



Skaha Lake Locations



Council Report

penticton.ca

Date: January 9, 2018
To: Peter Weeber, Chief Administrative Officer
From: Randy Houle, Planner I
Address: 237 Phoenix Avenue
Subject: **Zoning Amendment Bylaw No. 2018-02**

File No: RZ PL2017-8114

Staff Recommendation

Zoning Amendment

THAT "Zoning Amendment Bylaw No. 2018-02", a bylaw to Rezone Lot 4 District Lot 5 Group 7 Similkameen Division Yale (Formerly Yale-Lytton) District Plan 10974, located at 237 Phoenix Avenue from R1 (Large Lot Residential) to RD1 (Duplex Housing), be given first reading and be forwarded to the January 23, 2018 Public Hearing;

AND THAT prior to adoption of "Zoning Amendment Bylaw No. 2018-02", a 5.0m by 5.0m southwest corner cut on the subject property is registered with the Land Title Office.

Background

The subject property (Attachment A) is zoned R1 (Large Lot Residential) and designated by the City's Official Community Plan (OCP) as LR (Low Density Residential). Photos of the site are included as Attachment D. The lot is 1007.0m (10,840ft²) in area and features a single family dwelling which will be demolished. Surrounding properties are primarily zoned R1 (Large Lot Residential), RD1 (Duplex Housing) and C7 (Service Commercial). Surrounding properties are designated by the OCP as LR (Low Density Residential) and SC (Service Commercial).

Proposal

The applicant is proposing to construct a side by side duplex on the subject property. Each unit will be two storeys with an approximate floor area of 2500ft² plus a garage and decks. The conceptual floor plan features a garage, living area and bedroom on the main level with a kitchen and two bedrooms on the upper level. Since a duplex is not a permitted use in the current zone, an amendment is required to Zoning Bylaw 2017-08 to rezone the subject property from R1 (Large Lot Residential) to RD1 (Duplex Housing). At this time, the applicant is not proposing variances to any City bylaws.

Technical Review

This application was forwarded to the City’s Technical Planning Committee and reviewed by the Engineering and Public Works departments. A 5.0m by 5.0m southwest corner cut will be a condition of zoning approval to help improve safety and visibility concerns. A 1.9m road dedication along Greer Street was identified through the review process but the City sees little strategic purpose this will serve to the road network, especially given that sidewalk already exists on the west side of the street. At the building permit stage, the developer is required to provide fixture counts to determine if upgrades to the water and sewer connections will be required given the density increase. As per City of Penticton Building Bylaw 94-95 section 7.1.5, storm water/drainage is to be maintained on site. If the request for the zoning amendment is supported, BC Building Code and City bylaw provisions, such as height restrictions, will apply.

Development Statistics

The following table outlines the proposed development statistics on the plans submitted with the rezoning application:

Item	Requirement RD1 zone (no lane)	Proposed
Maximum Lot Coverage:	50%	42%
Maximum Density:	NA	NA
Minimum Lot Width:	22.0m	37.0m
Minimum Lot Area:	750.0m ²	1007.0m ²
Vehicle Parking:	1 space per dwelling unit (2 total)	4 spaces
Required Setbacks		
Front yard (south, Phoenix Avenue):	6.0m	6.0m
Rear yard (north):	6.0m	6.0m
Exterior yard (west, Greer Street):	3.0m	3.0m
Interior yard (east):	1.5m	1.5m
Maximum Building Height:	10.5m (three storeys)	two storeys
Other Information:	Subject property is not located within a Development Permit Area. As such, a development permit is not required.	

Analysis

Zoning Amendment

Support “Zoning Amendment Bylaw No. 2018-02”

The subject lands are designated as Low Density (LR) Residential by the City’s Official Community Plan. The OCP states that “when reviewing applications to allow duplexes within the LR designation, Council and staff should consider overall neighbourhood character and locating duplexes in areas that meet the following guidelines:”

- a) areas with existing duplexes;

- b) areas in close proximity to multiple family, commercial or institutional uses.
- c) predominately in single family areas undergoing redevelopment.
- d) duplexes shall have a high aesthetic value and be consistent with the character of the recipient neighbourhood.

With those guidelines in mind, staff can provide the following points:

- The surrounding neighbourhood features three duplexes; one to the east, one across Phoenix Avenue and one along Huth Avenue as depicted in Attachment H.
- The proposed development is in close proximity to commercial zoned properties.
- The proposal is in a neighbourhood of an older building stock, with some minor re-development occurring in the form of additions and duplex construction.
- The conceptual rendering submitted with the application is of high aesthetic value with brick and large picture windows. Although the modern design will add a different look to the neighbourhood, it is anticipated that re-development will occur in this area in some form or another in the next decade.

Staff feel that it is reasonable to densify this property given the location's proximity to commercial and industrial nodes as well as the KVR trail and other transit routes. Two parking spaces are proposed for each duplex with ample street parking in the area. An alternative to a duplex would be subdividing the property in half with a minor variance to the minimum lot area to allow for a single family dwelling to be constructed on each lot. These dwellings would be required to meet interior yard setbacks making them narrower and less amenity space. Staff feel that a duplex is a better fit for the property and will achieve the same number of units. The conceptual site plan (Attachment E) shows that a sizeable duplex can be constructed on the subject property without any variances. The proposal will go back to Council for approval if any variances are proposed after zoning approval. If the applicant does not follow through with the development, the existing dwelling will still conform to the RD1 (Duplex Housing) zone as a single family dwelling is a permitted use.

Given the information presented above, staff recommends that Council support "Zoning Amendment Bylaw No. 2018-02" and forward the application to the January 23, 2018 Public Hearing for comments from the public.

Deny/Refer Zoning Amendment

Council may consider that the proposed amendment is not suitable for this site. If this is the case, Council should deny the bylaw amendment. Alternatively, Council may wish to refer the matter back to staff to work with the applicant with any direction that Council considers appropriate. Council may also consider including this property in a development permit area to ensure the eventual building design will blend in well with the existing neighbourhood and that landscaping requirements are met.

Alternate Recommendations

1. THAT Council deny first reading of "Zoning Amendment Bylaw No. 2018-02".
2. THAT Council refer the bylaw back to staff.

Attachments


Attachment A: Subject Property Location Map

- Attachment B: Zoning Map
- Attachment C: OCP Map
- Attachment D: Photos of Subject Property
- Attachment E: Conceptual Site Plan
- Attachment F: Conceptual Rendering
- Attachment G: Conceptual Floor Plans
- Attachment H: Surrounding Duplexes
- Attachment I: Letter of Intent
- Attachment J: Zoning Amendment Bylaw No. 2018-02

Respectfully submitted,

Randy Houle
Planner I

Approvals

DDS 	CAO PW
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Attachment A – Subject Property Location Map



Figure 1: Subject Property Location Map

Attachment B – Zoning Map

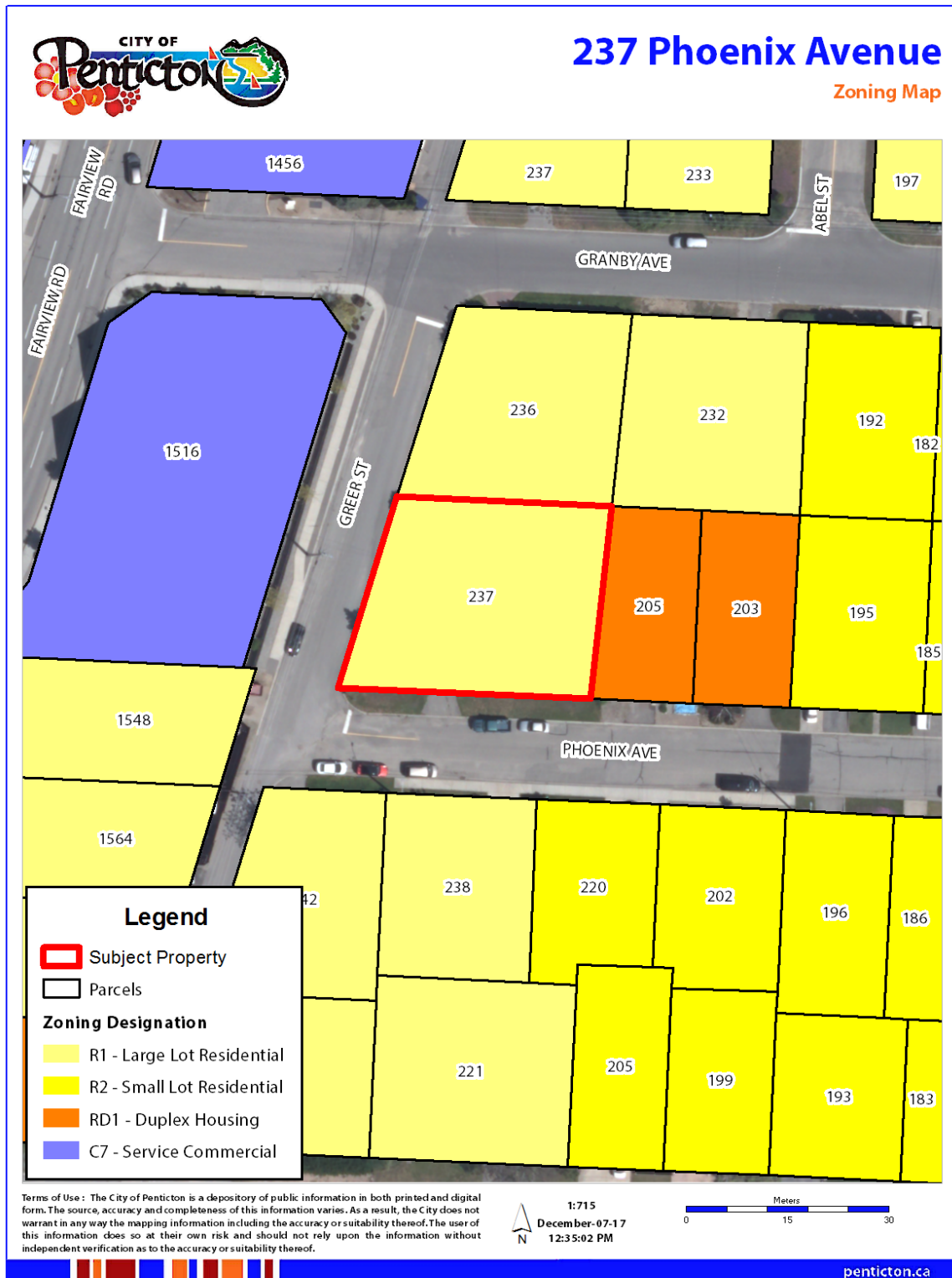


Figure 2: Zoning Map

Attachment C- OCP Map

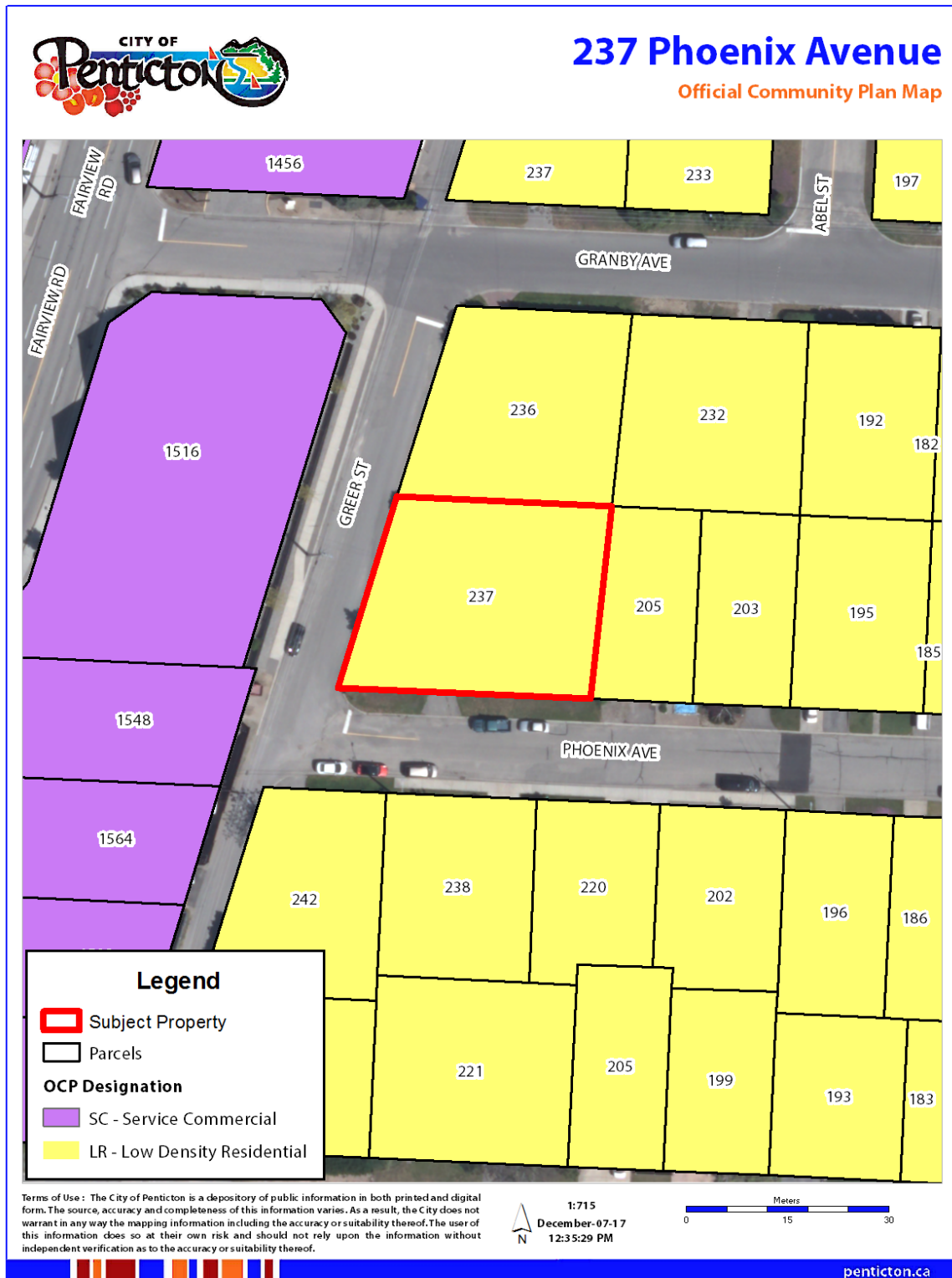


Figure 3: OCP Map

Attachment D – Photos of Subject Property



Figure 4: South View (from Phoenix Avenue)



Figure 5: South View showing proximity to east duplexes



Figure 6: West View (from Greer Street)



Figure 7: West View showing proximity to north neighbour

Attachment E – Conceptual Site Plan

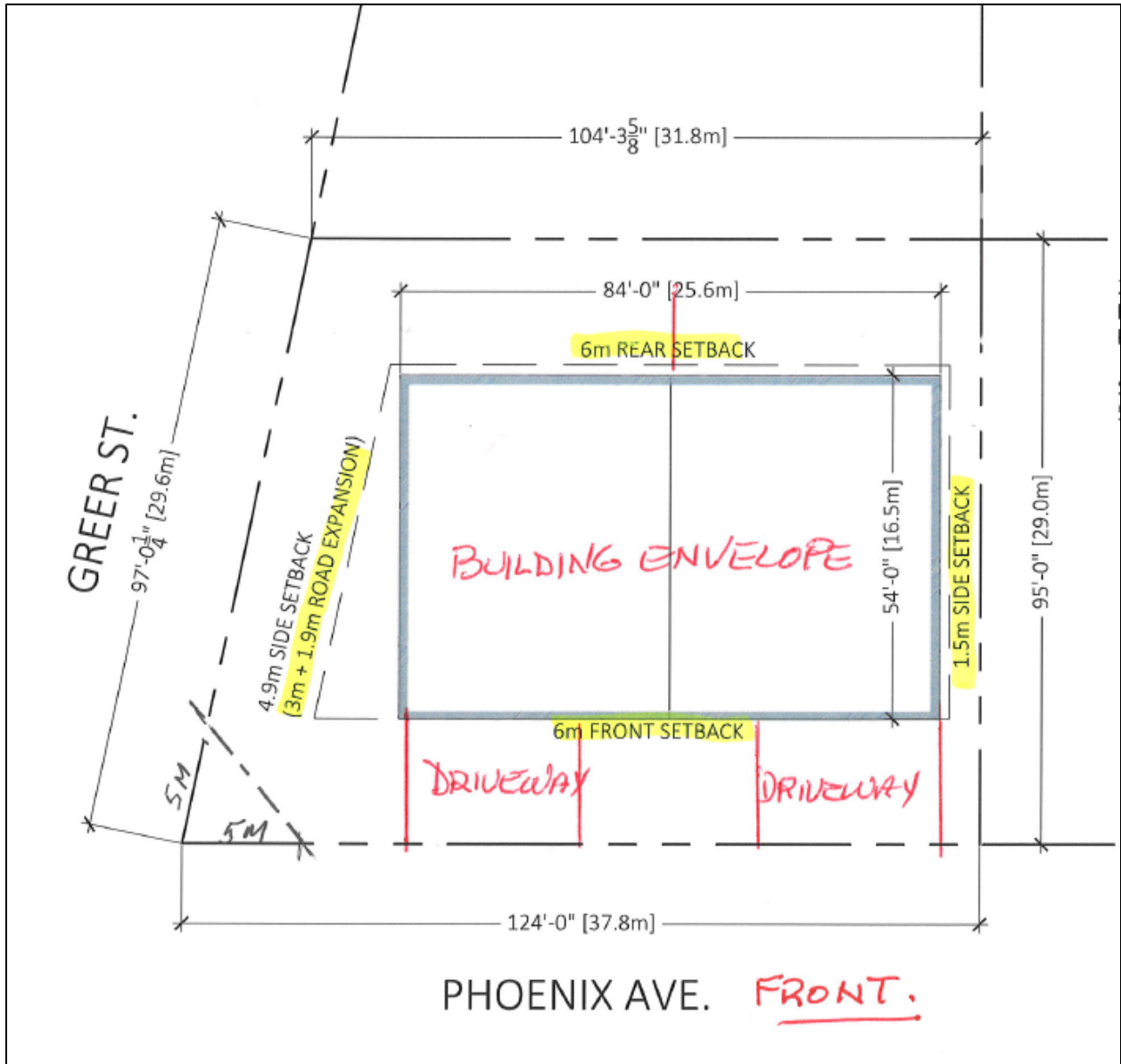


Figure 8: Conceptual Site Plan

Attachment F – Conceptual Rendering

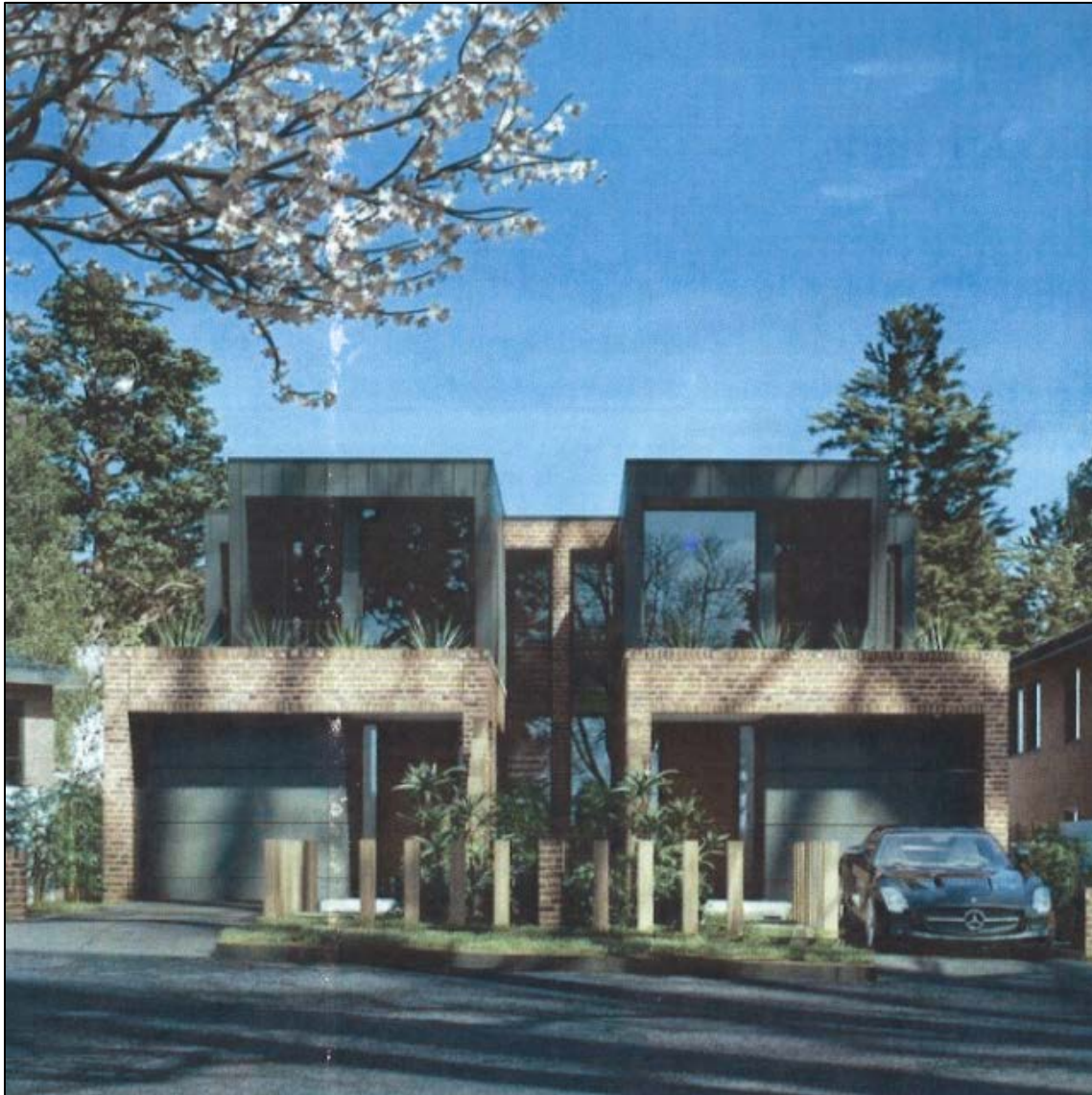


Figure 9: Proposed Concept for proposed development (View from Phoenix Avenue)

Attachment G – Conceptual Floor Plans

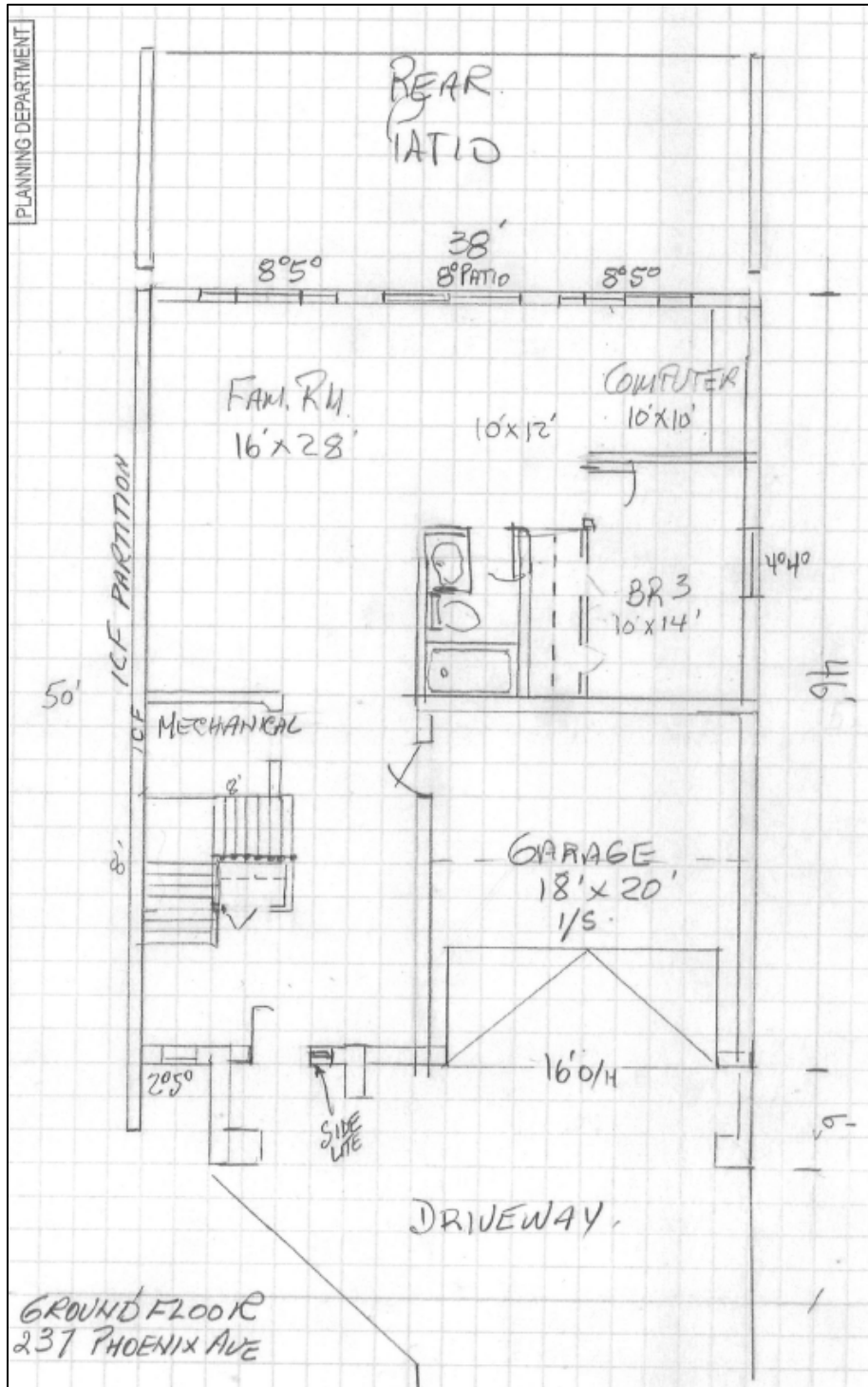


Figure 10: Main Floor Plan

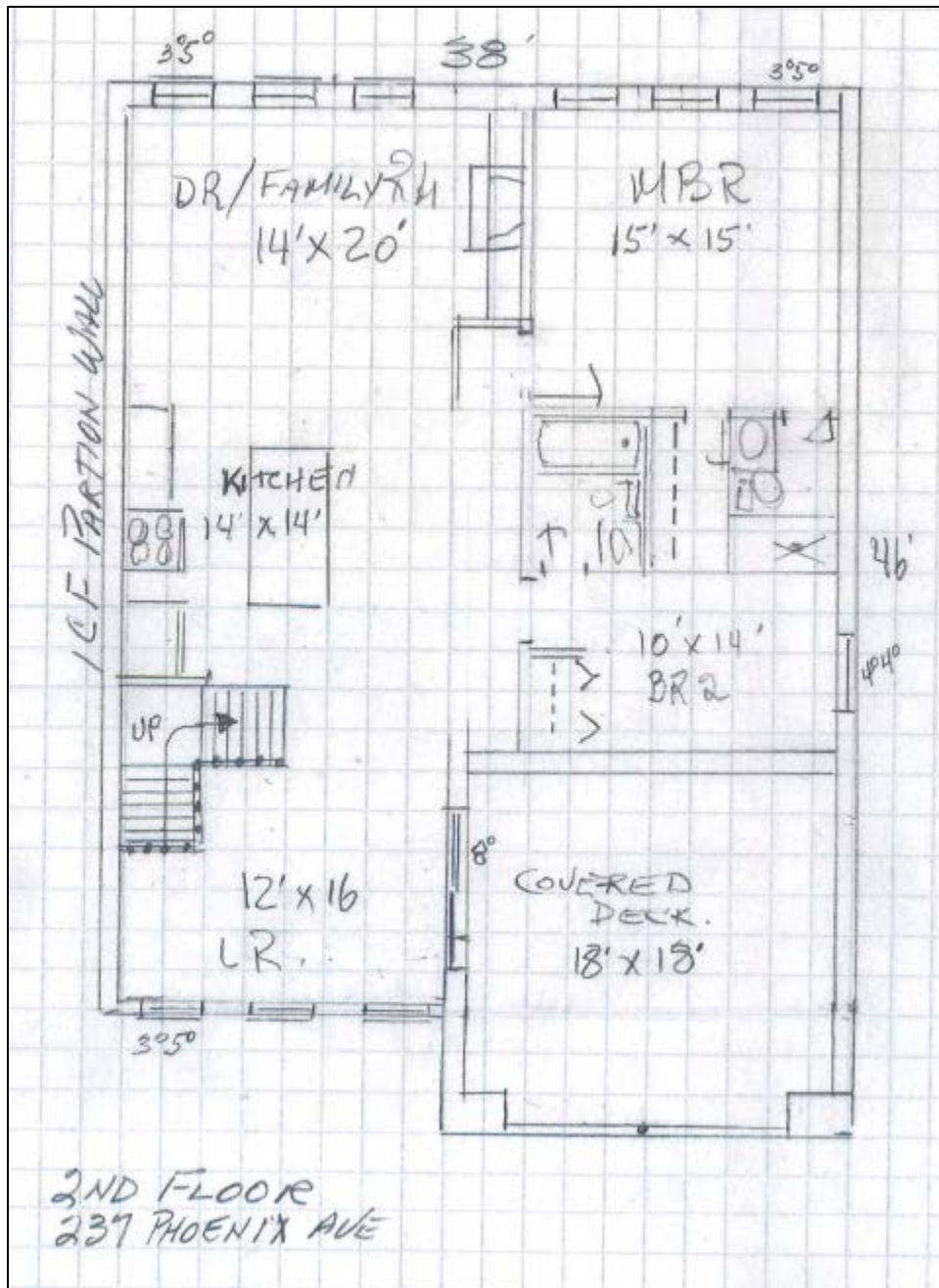


Figure 11: Second Floor Plan

Attachment H – Surrounding Duplexes



Figure 12: Surrounding Duplexes

Attachment I – Letter of Intent

November 27, 2017

Attention: City of Penticton Planning Department

Zoning change application: R-1 change to RD1

Subject Property: 237 Phoenix Ave. City of Penticton Lot 4, Plan KAP10974

We herewith request rezoning for the above noted property located at 237 Phoenix Ave.

There is currently an older home on the subject property that has deteriorated beyond reasonable repair. It is our intention to remove the existing home to replace it with a slightly upscale duplex that will be attractively finished and will be in keeping with the trend on this street to replace older homes with modern new homes.

The subject property is currently zoned R-1, however the property immediately to the East of our property is zoned RD1.

I have attached an example exterior picture of the type of home we plan to place on the subject property. I have also added a hand drawing of the proposed floor plan which would be mirrored to fit both sides of the planned duplex.

We request our application to change to RD1 zoning to accommodate duplex construction be viewed favorably by the City Planning Department. If you have any questions please don't hesitate to contact me.

Ron Dyck

On behalf of owners Dave Kampe and Joe Cuzzocrea

Figure 13: Letter of Intent

Bylaw No. 2018-02

A Bylaw to Amend Zoning Bylaw 2017-08

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

AND WHEREAS the Council of the City of Penticton wishes to amend Zoning Bylaw 2017-08;

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 No. 2018-02".

2. **Amendment:**

2.1 Zoning Bylaw 2017-08 is hereby amended as follows:

Rezone Lot 4 District Lot 5 Group 7 Similkameen Division Yale (Formerly Yale-Lytton) District Plan 10974, located at 237 Phoenix Avenue from R1 (Large Lot Residential) to RD1 (Duplex Housing).

2.2 Schedule 'A' attached hereto forms part of this bylaw.

READ A FIRST time this	day of	, 2018
A PUBLIC HEARING was held this	day of	, 2018
READ A SECOND time this	day of	, 2018
READ A THIRD time this	day of	, 2018
RECEIVED the approval of the Ministry of Transportation on the	day of	, 2018
ADOPTED this	day of	, 2018

Notice of intention to proceed with this bylaw was published on the ___ day of ___, 2018 and the ___ day of ___, 2018 in the Penticton Western newspaper, pursuant to Section 94 of the *Community Charter*.

<p>Approved pursuant to section 52(3)(a) of the <i>Transportation Act</i> this _____ day of _____, 2018</p> <p>_____</p> <p>for Minister of Transportation & Infrastructure</p>

Andrew Jakubeit, Mayor

Dana Schmidt, Corporate Officer

237 Phoenix Avenue – Rezone from R1 (Large Lot Residential) to RD1 (Duplex Housing) - 129 -



City of Penticton – Schedule 'A'

Zoning Amendment Bylaw No. 2018-02

Date: _____

Corporate Officer: _____

Bylaw No. 2017-48

A Bylaw to Amend Zoning Bylaw 2017-08

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

AND WHEREAS the Council of the City of Penticton wishes to amend Zoning Bylaw 2017-08;

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 No. 2017-48".

2. Amendment:

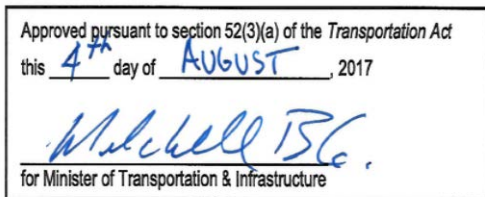
2.1 Zoning Bylaw 2017-08 is hereby amended as follows:

Rezone Lot 15, District Lot 2 Group 7 Similkameen Division Yale (Formerly Yale-Lytton) District Plan 3467, located at 190 Bassett Street and to Rezone Lot 16, District Lot 2 Group 7 Similkameen Division Yale (Formerly Yale-Lytton) District Plan 3467, located at 196 Bassett Street from R2 (Small Lot Residential) to RM2 (Low Density Multiple Housing).

2.2 Schedule 'A' attached hereto forms part of this bylaw.

READ A FIRST time this	18	day of	July, 2017
A PUBLIC HEARING was held this	1	day of	August, 2017
READ A SECOND time this	1	day of	August, 2017
READ A THIRD time this	1	day of	August, 2017
RECEIVED the approval of the	4	day of	August, 2017
Ministry of Transportation on the			
ADOPTED this		day of	, 2017

Notice of intention to proceed with this bylaw was published on the 21 day of July, 2017 and the 26 day of July, 2017 in the Penticton Western newspaper, pursuant to Section 94 of the Community Charter.



Andrew Jakubeit, Mayor

Dana Schmidt, Corporate Officer

Rezone 190 and 196 Bassett Street From R2 (Small Lot Residential) to RM2 (Low Density Multiple Housing)

- 131 -



City of Penticton – Schedule 'A'

Zoning Amendment Bylaw No. 2017-48

Date: _____

Corporate Officer: _____

Development Variance Permit

Permit Number: DVP PL2017-7944

Brentview Developments Ltd., Inc.
Penticton BC, V2A 5L1

Conditions of Permit

1. This permit is issued subject to compliance with all of the bylaws of the City, except as specifically varied or supplemented by this Permit.
2. This permit applies to:

Legal: Lot A District Lot 2 Group 7 Similkameen Division Yale (Formerly Yale-Lytton) District Plan EPP75205
Civic: 190 Bassett Street
PID: 030-328-772
3. This permit has been issued in accordance with Section 498 of the *Local Government Act*, to vary the following sections of Zoning Bylaw 2017-08 to allow for the construction of a seven-unit townhouse development as shown in the plans attached as Schedule A.
 - Section 10.8.2.3: To increase the maximum lot coverage from 40% to 49%.
 - Section 10.8.2.8.i: To decrease the minimum exterior side yard from 4.5m to 3.0m.
 - Section 10.8.2.9: To decrease the minimum rear yard from 6.0m to 0m.

General Conditions

4. In accordance with Section 501 of the *Local Government Act*, the lands subject to this permit shall be developed in general accordance with this permit and the plans attached as Schedule A.
5. In accordance with Section 504 of the *Local Government Act*, if the holder of this permit does not commence the development authorized by this permit within 2 years of the date of this permit, this permit shall lapse.
6. **This permit is not a building permit. In order to proceed with this development, the holder of this permit must hold a valid building permit issued by the Building Inspection Department.**
7. This permit does not constitute any other municipal, provincial or federal approval. The holder of this permit is responsible to obtain any additional municipal, federal, or provincial approvals prior to commencing the development authorized by this permit.

8. This permit does not include off-site infrastructure costs that may be required at the building permit stage, such as Development Cost Charges (DCC's), road improvements and electrical servicing. There may be substantial infrastructure and servicing costs payable at a later date. For more information on servicing and infrastructure requirements please contact the Development Engineering Department at (250) 490-2501. For more information on electrical servicing costs, please contact the Electric Utility at (250) 490-2535.

Authorized by City Council, the 9th day of January, 2018

Issued this ____ day of _____, 2018

Dana Schmidt,
Corporate Officer

Development Variance Permit

Permit Number: DVP PL2017-8037

Penticton BC,

Conditions of Permit

1. This permit is issued subject to compliance with all of the bylaws of the City, except as specifically varied or supplemented by this Permit.
2. This permit applies to:

Legal: Lot 12 District Lot 4 Group 7 Similkameen Division Yale (Formerly Yale Lytton) District Plan 937 Except Plan EPP77355
Civic: 461 Eckhardt Avenue West
PID: 006-687-792
3. This permit has been issued in accordance with Section 498 of the *Local Government Act*, to vary the following sections of Zoning Bylaw 2017-08 to allow for the construct of two side-by-side duplexes.
 - Section 5.3.1: to waive the requirements to provide trees and shrubs in the landscape buffer area.
 - Section 10.8.2.7.i: to reduce the minimum interior side yard of a principal building from 3.0m to 1.5m.

General Conditions

4. In accordance with Section 501 of the *Local Government Act*, the lands subject to this permit shall be developed in general accordance with this permit and the plans attached as Schedule A.
5. In accordance with Section 504 of the *Local Government Act*, if the holder of this permit does not commence the development authorized by this permit within 2 years of the date of this permit, this permit shall lapse.
6. **This permit is not a building permit. In order to proceed with this development, the holder of this permit must hold a valid building permit issued by the Building Inspection Department.**
7. This permit does not constitute any other municipal, provincial or federal approval. The holder of this permit is responsible to obtain any additional municipal, federal, or provincial approvals prior to commencing the development authorized by this permit.
8. This permit does not include off-site infrastructure costs that may be required at the building

permit stage, such as Development Cost Charges (DCC's), road improvements and electrical servicing. There may be substantial infrastructure and servicing costs payable at a later date. For more information on servicing and infrastructure requirements please contact the Development Engineering Department at (250) 490-2501. For more information on electrical servicing costs, please contact the Electric Utility at (250) 490-2535.

Authorized by City Council, the ___ day of ____, 2018

Issued this ___ day of _____, 2018

Dana Schmidt,
Corporate Officer



Development Variance Permit

Permit Number: DVP PL2017-7989

Penticton BC

Conditions of Permit

1. This permit is issued subject to compliance with all of the bylaws of the City, except as specifically varied or supplemented by this Permit.
2. This permit applies to:

Legal: Lot 16 District Lot 249 Similkameen Division Yale District Plan 3578 Except Plan EPP76836
Civic: 703 Forestbrook Drive
PID: 010-843-400
3. This permit has been issued in accordance with Section 498 of the *Local Government Act*, to vary the following section of Zoning Bylaw 2017-08 to allow for the construction of a multi-family development as shown in the plans attached as Schedule A.
 - Section 10.8.2.9: to reduce the minimum rear yard from 6.0m to 3.3m.

General Conditions

4. In accordance with Section 501 of the *Local Government Act*, the lands subject to this permit shall be developed in general accordance with this permit and the plans attached as Schedule A.
5. In accordance with Section 504 of the *Local Government Act*, if the holder of this permit does not commence the development authorized by this permit within 2 years of the date of this permit, this permit shall lapse.
6. **This permit is not a building permit. In order to proceed with this development, the holder of this permit must hold a valid building permit issued by the Building Inspection Department.**
7. This permit does not constitute any other municipal, provincial or federal approval. The holder of this permit is responsible to obtain any additional municipal, federal, or provincial approvals prior to commencing the development authorized by this permit.

8. This permit does not include off-site infrastructure costs that may be required at the building permit stage, such as Development Cost Charges (DCC's), road improvements and electrical servicing. There may be substantial infrastructure and servicing costs payable at a later date. For more information on servicing and infrastructure requirements please contact the Development Engineering Department at (250) 490-2501. For more information on electrical servicing costs, please contact the Electric Utility at (250) 490-2535.

Authorized by City Council, the __ day of _____, 2018

Issued this _____ day of _____, 2018

Dana Schmidt,
Corporate Officer

The Corporation of the City of Penticton

Bylaw No. 2017-79

A bylaw to adopt the five year financial plan

WHEREAS the *Community Charter* states a municipality must have a financial plan that is adopted annually, by bylaw, before the annual property tax bylaw is adopted;

AND WHEREAS the planning period for a financial plan is five (5) years, that period being the year in which the plan is specified to come into force and the following four (4) years;

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 as "2018-2022 Five Year Financial Plan Bylaw No. 2017-79".

2. Purpose

Schedule "A" and Schedule "B" attached hereto and forming part of this bylaw shall be the Five Year Financial Plan of the City of Penticton for the period of January 1, 2018 to December 31, 2022.

READ A FIRST time this	19	day of	December, 2017
READ A SECOND time this	19	day of	December, 2017
READ A THIRD time this	19	day of	December, 2017
ADOPTED this		day of	, 2017

Andrew Jakubeit, Mayor

Dana Schmidt, Corporate Officer

Schedule A

	2018 Budget	2019 Projection	2020 Projection	2021 Projection	2022 Projection
Revenue					
Taxation	(53,575,138)	(55,638,494)	(57,784,523)	(60,016,545)	(62,336,706)
Sale of Services	(6,850,424)	(6,881,903)	(6,896,816)	(6,932,683)	(6,969,499)
Electric Utility Fees	(42,075,442)	(43,335,543)	(44,633,405)	(45,970,158)	(47,346,968)
Sewer Utility Fees	(5,615,077)	(6,178,775)	(6,653,300)	(6,692,009)	(6,712,253)
Water Utility Fees	(8,466,692)	(8,817,919)	(9,201,250)	(9,601,446)	(10,019,248)
Fiscal Services	(3,032,443)	(3,033,713)	(3,034,991)	(3,035,278)	(3,035,573)
Grants	(1,560,898)	(1,623,320)	(1,623,320)	(1,623,320)	(1,623,320)
Other Revenues	(12,338,848)	(12,208,338)	(12,270,724)	(12,281,337)	(12,304,093)
Development Cost Charges	(600,000)	(600,000)	(600,000)	(600,000)	(600,000)
Donations	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)
	<u>(134,124,961)</u>	<u>(138,328,005)</u>	<u>(142,708,330)</u>	<u>(146,762,775)</u>	<u>(150,957,660)</u>
Expense					
General Operating	70,581,741	71,106,432	72,842,435	74,457,734	76,023,916
Electric Operating	37,138,460	36,206,355	37,609,191	39,053,053	40,073,471
Sewer Operating	4,726,304	4,805,587	4,817,541	4,915,810	4,736,055
Water Operating	3,995,240	4,030,214	4,153,704	4,184,822	4,213,195
	<u>116,441,744</u>	<u>116,148,588</u>	<u>119,422,872</u>	<u>122,611,420</u>	<u>125,046,636</u>
Annual Surplus	(17,683,217)	(22,179,417)	(23,285,458)	(24,151,355)	(25,911,024)
Capital					
General Capital	8,798,825	11,881,565	24,654,518	23,359,241	18,728,821
Electric Capital	3,305,287	1,551,681	1,373,674	2,082,282	1,643,589
Sewer Capital	2,677,000	6,769,200	2,503,875	6,828,051	4,325,000
Water Capital	3,407,250	5,543,335	8,198,500	4,389,600	3,246,300
	<u>18,188,362</u>	<u>25,745,780</u>	<u>36,730,567</u>	<u>36,659,175</u>	<u>27,943,710</u>
Debt Proceeds	(1,635,040)	(702,000)	(3,677,197)	-	-
Land Proceeds	(1,000,000)	(200,000)	(200,000)	(200,000)	(200,000)
Principal repayments	2,982,421	2,026,347	2,443,004	2,528,880	2,530,793
Transfer to/from surplus/reserve	(852,526)	(4,690,710)	(12,010,916)	(14,836,699)	(4,363,480)
Financial Plan Balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Schedule B

Current Revenue Portions by Funding Source for Operating (excluding borrowing and transfers form reserve/surplus):

Taxation	31,540,871	23.52%
Grants in Lieu	254,519	0.19%
Business & Local Improvement Levy	403,875	0.30%
Collections for Other Governments	21,375,873	15.94%
Sale of Services	6,850,424	5.11%
Electric Utility Fees	42,075,442	31.37%
Sewer Utility Fees	5,615,077	4.19%
Water Utility Fees	8,466,692	6.31%
Other Revenue	12,338,848	9.20%
Fiscal Services	3,032,443	2.26%
Grants	1,560,898	1.16%
Donations	10,000	0.01%
Development Cost Charges	600,000	0.45%
	<u>134,124,961</u>	<u>100.00%</u>

Current Property Class Multiples:

<u>Ratio</u>	<u>2018 Est</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Residential	1.000	1.000	1.000	1.000
Utilities	5.930	5.930	5.000	4.028
Light Industry	1.580	1.580	1.580	1.524
Business	1.580	1.580	1.580	1.625
Rec/Non-Profit	1.390	1.390	1.350	1.350
Farm	2.060	2.060	2.250	2.760

The ratios in this chart are based on the 2016 calculations. Council will review the business multiplier in April when they set the tax rates.

Use of Permissive Tax Exemptions

In 2016, Council passed Bylaw 2016-57 to exempt certain properties from taxation in the next three years (2017-2019). In 2017, Council passed amending Bylaw 2017-61 to exempt certain properties from taxation in 2018. The Bylaw contains the list of properties and the estimated amount of tax revenue forgone (\$485,263). The list of properties includes religious institutions, historical societies, recreational facilities, and service organizations that form a valuable part of our community. These organizations have demonstrated to Council that their services support our residents and community.