



Committee of the Whole

penticton.ca

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

Tuesday, June 5, 2018
Recessed from the Regular Council Meeting at 1:00 p.m.

1. **Call Committee of the Whole to Order**
2. **Adoption of Agenda**
3. **Delegations and Community Recognition**
 - 3.1 Delegation – BC Seniors Week – June 3 – 9, 2018
Mignonne Wood, Penticton Seniors' Drop-In Centre 1
 - 3.2 Official Community Plan - Commercial & Industrial Capacity Study
Ben Johnson, Special Projects Manager 2-6
James Smerdon and Russell Whitehead, Colliers International
4. **Adjourn to Regular Meeting of Council**

MAY - 9 2018

penticton.ca

Request to Appear as a DelegationPreferred Council Meeting Date: June 5th, 2018

Second choice(s): _____

Subject matter: BC Seniors' Week

Name of person(s) making presentation:

Mignonne Wood (PSDIC-Secretary)Address: #59 3333 South Main Phone: _____
Penticton Email: _____**Please provide details of your presentation or request of Council here:** (or provide a detailed attachment)

June 3 – 9, 2018 has been designated BC Seniors' Week by the provincial government. Its purpose is for communities to acknowledge and celebrate the diversity of our older population, and to increase public awareness of the integral part seniors play in our communities.

The Penticton Seniors' Drop-In Centre (PSDIC) is a valuable community resource that serves over 900 adults aged 50+ in the Penticton area. It is our goal to be more visible in promoting the important role that we play in supporting seniors in our community.

Our presentation will describe: Who we Are; What we Do; Who we Serve; and Future Directions for the PSDIC. We will also describe our expectations of the City of Penticton to work with us, as an interested partner, to ensure that the PSDIC will continue to meet the changing needs of mature adults in Penticton - now and in the future.

Please note:

- This form and submissions will become part of the public record.
- The Mayor has the authority to determine if the subject matter warrants the delegation to appear before Council and may determine at which meeting.
- Please submit this completed form at your earliest convenience. Written Requests to Appear are to be received by the Corporate Officer, no later than noon Monday, one week prior to the Council meeting. Please include a copy of all materials that will be discussed.
- If you'd like to share a PowerPoint with Council, email it to the Corporate Officer by 9:30 a.m. Wednesday prior to the Council meeting to be included with the Agenda.
- We recommend you bring backup PowerPoint files with you on a memory stick.
- Delegations are limited to 5 minutes.



DRAFT REPORT

City of Penticton

Commercial and Industrial Capacity Study

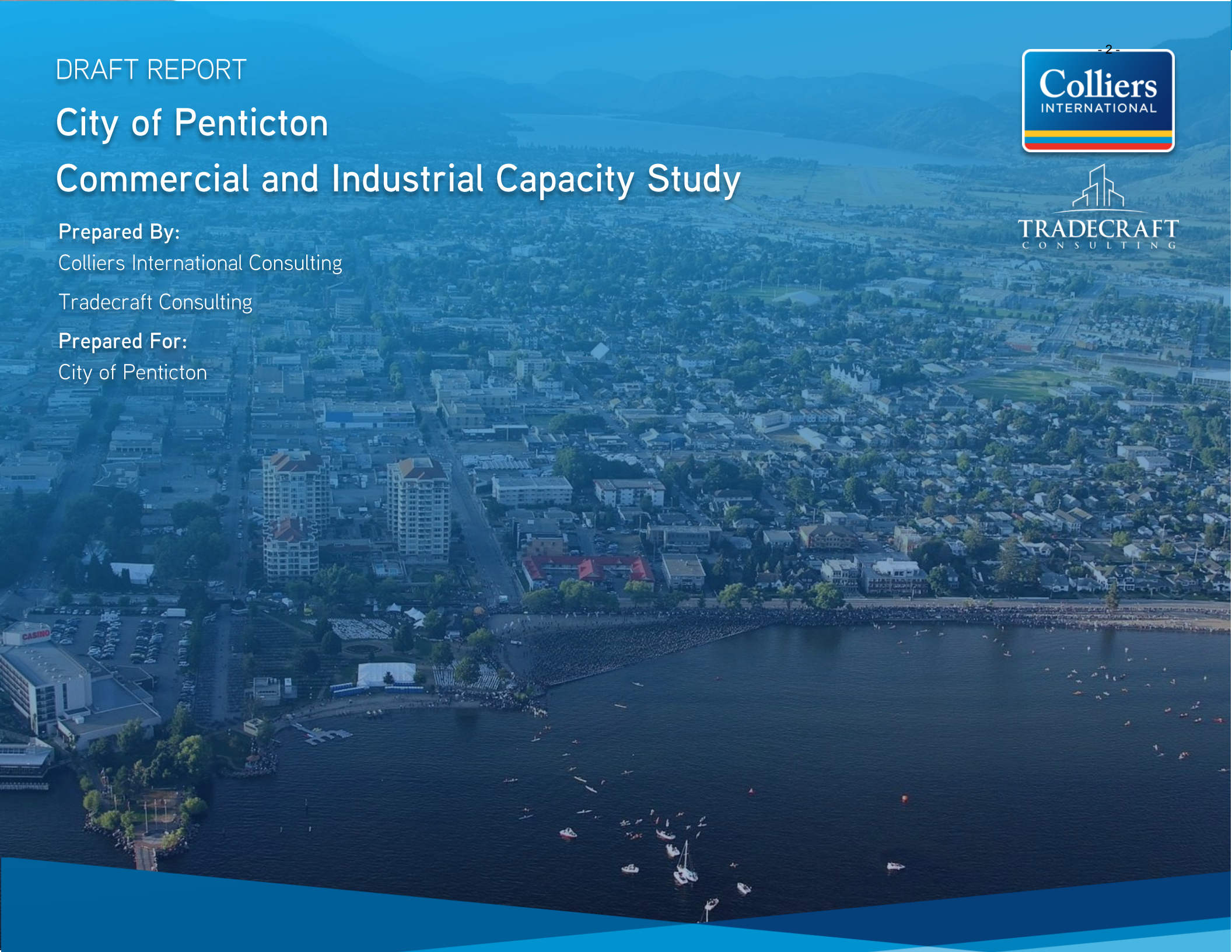
Prepared By:

Colliers International Consulting

Tradecraft Consulting

Prepared For:

City of Penticton

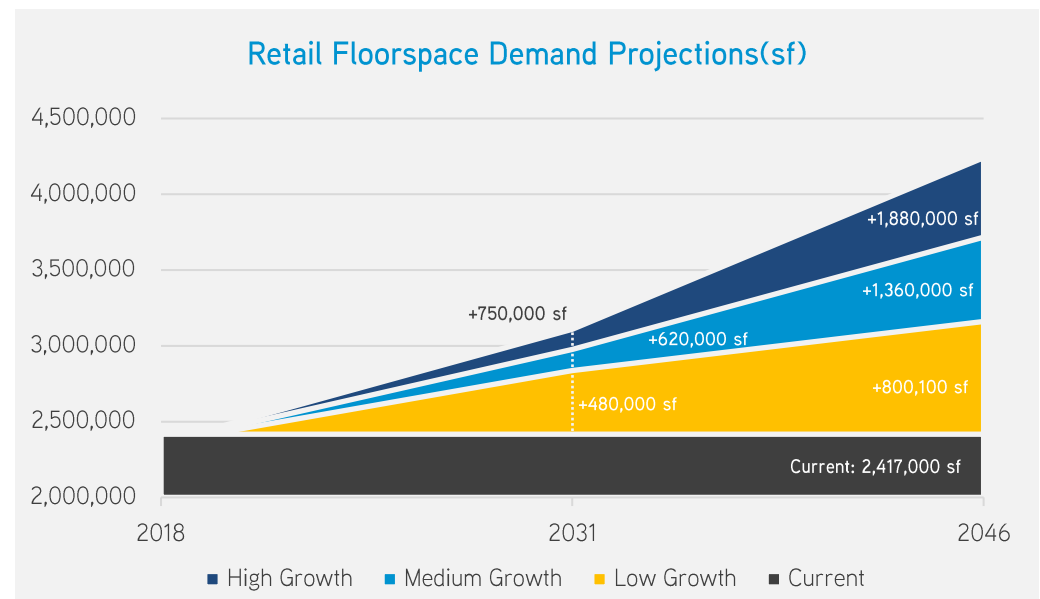


Executive Summary

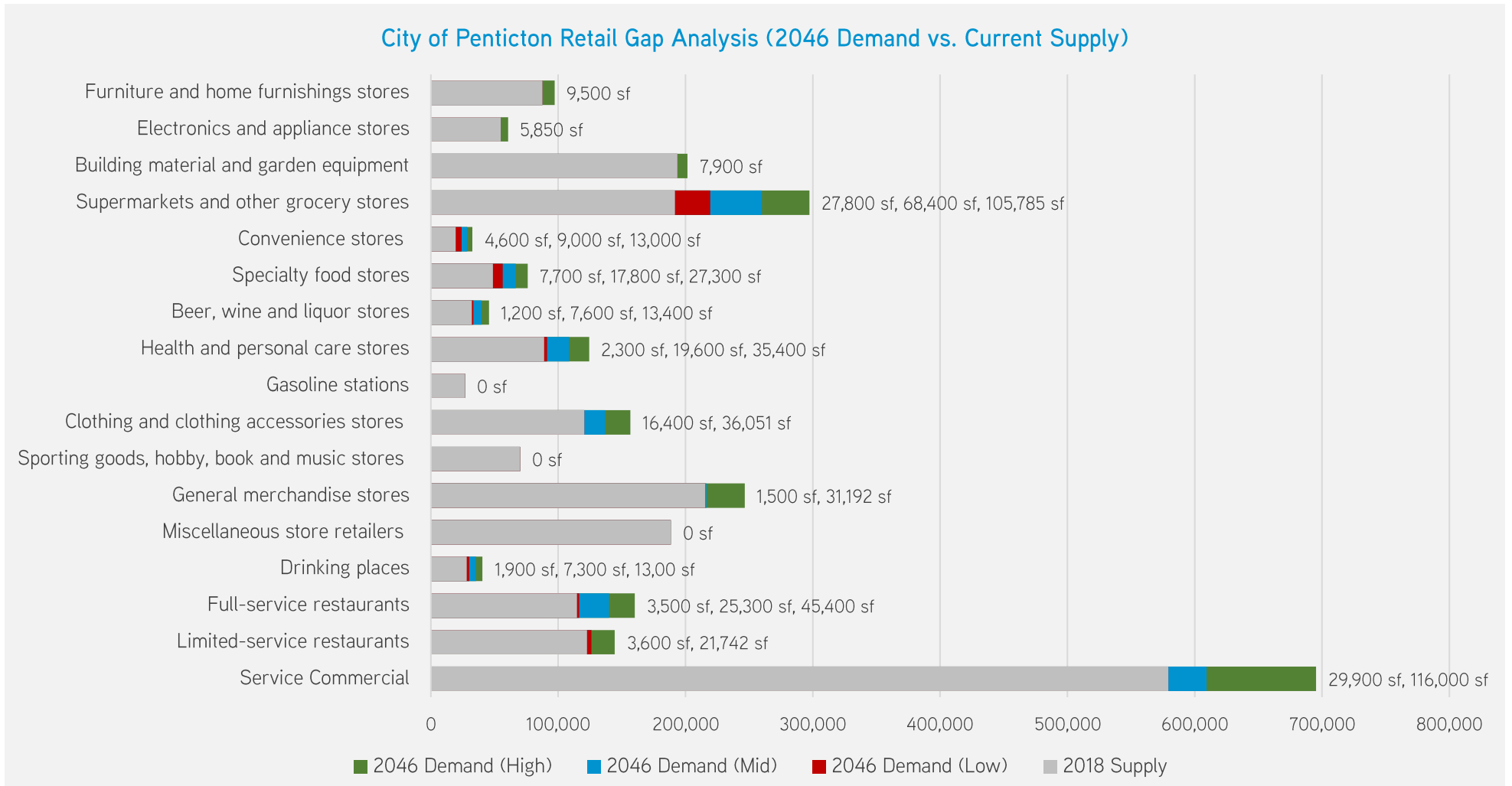
To better understand future demand for commercial and industrial real estate within the City of Penticton, Colliers has assessed the City’s current retail, industrial, and office inventory, projected population and employment growth under low, medium, and high growth scenarios, expected changes to demographic and economic patterns, and the gap between future demand and current supply. The following findings and key implications arose from the study:

Retail Market

- › Future retail development in the City of Penticton could be supported by three sources of demand; primary trade area, secondary trade area, and inflow, including seasonal visitation. The primary trade area generally does not exceed a 20 to 30-minute drive from Downtown Penticton and includes residents who conduct their day-to-day shopping almost exclusively in Penticton.
- › Residents of the secondary trade area travel to Penticton on a more infrequent basis for larger purchases such as appliances, automobiles, recreational sports, etc. These residents will generally drive up to 60 minutes to conduct these purchases, and typically make their other more frequent purchases closer to home.
- › In addition to the PTA and STA, a significant amount of demand for retail will be generated by the City of Penticton’s seasonal visitors. This will be primarily focused among food & convenience retail categories.
- › Based on an analysis of the existing retail inventory within Penticton, population projections, retail expenditure profiles, and market shares of each trade area, the City of Penticton is expected to possess demand for an additional 49,000 sf of retail floorspace in the low population growth scenario, 206,000 in the medium growth scenario, and 480,000 sf in the high growth scenario by 2046.
- › Retail categories that are expected to have the greatest potential for new development include service commercial, supermarkets, and food & beverage, which have the potential to fill an additional approximate 116,000 sf, 106,000 sf, and 79,000 sf, respectively by 2046 in the high growth scenario.

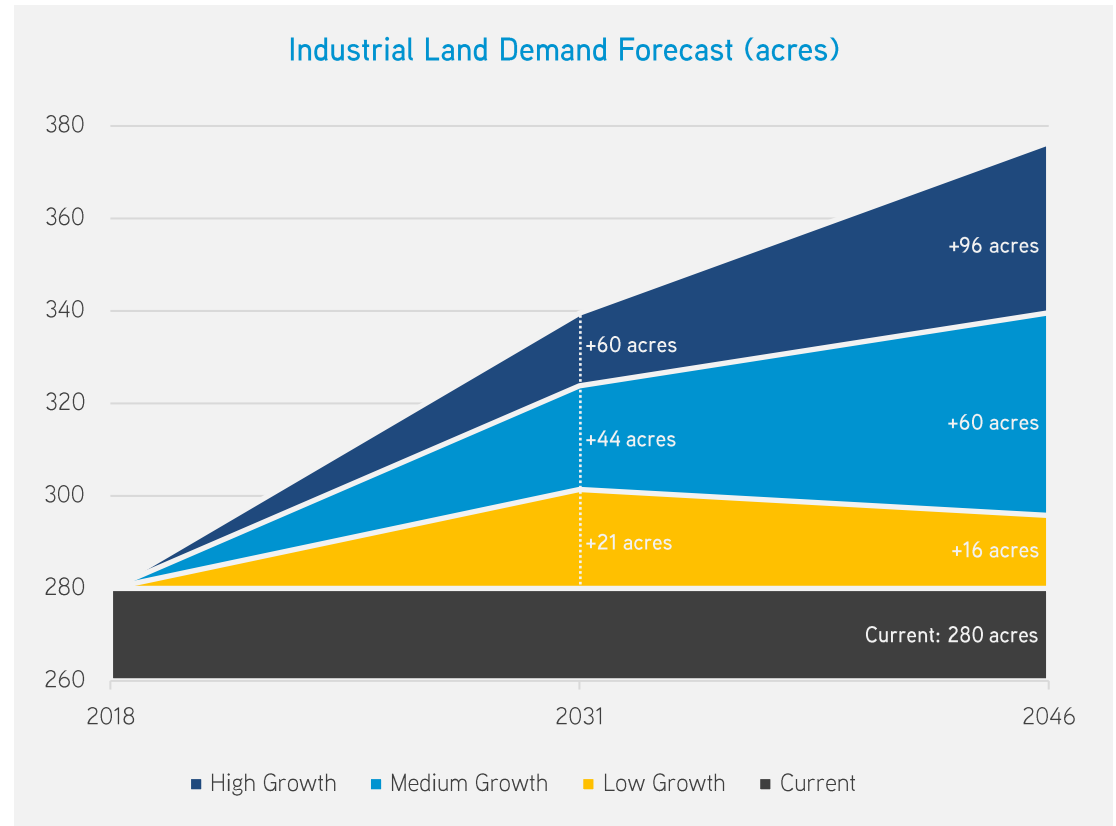


- > Under the mid-growth scenario, the City would still possess demand for an additional 68,000 sf of grocery floorspace, 36,000 sf of food & beverage floorspace (restaurants, bars, etc.), 30,000 sf of general service commercial floorspace, and 71,000 sf of additional retail floorspace.
- > In order to avoid becoming oversupplied with retail, which would likely result in increased vacancy rates in regions such as Downtown, Colliers recommends that the City focus on the low and mid-growth scenarios. This conservative amount of additional retail floorspace would likely resulting in decreased overall vacancy rates, increased sales performance, and a more lively and vibrant downtown core.



Industrial Market

- > Over the next 30 years, the City of Penticton’s Industrial market is expected to grow, with a focus on agriculture, food processing, bioproducts, and cannabis production.
- > By 2046, growth in these sectors is expected to result in demand for an additional 16 acres of industrial land in the low growth scenario, 60 acres in the medium growth scenario, and 96 acres in the high growth scenario.
- > The demand for Industrial land in the region is already becoming evident, with Sunniva Inc. recently announcing plans to build two greenhouse facilities nearby in the OK Falls Industrial Park, where the Weyerhouser Mill was formerly located. This facility will feature approximately 714,000 sf dedicated to two cannabis greenhouses, and 26,000 sf of administrative space, producing approximately 200 skilled and semi-skilled jobs.
- > Due to the City’s geographical restrictions limiting future expansion of industrial lands, the surplus demand under the low, medium, and high growth scenarios would likely need to be accommodated by intensifying existing land or fulfilled by industrial supply in OK Falls or PIB land.



Office Market

- › Located primarily in the downtown area, the City of Penticton’s office market is composed of Class C and D office space with relatively small amounts of Class B and A space. The tenant make up primarily consists of smaller, local and regional serving establishments in offices ranging from 1,000 to 5,000 sf.
- › The City of Penticton office market has experienced a relatively stagnant period in recent years, with some businesses beginning to consolidate their office space and several employment sectors experiencing negative job growth over the last 15 years.
- › The lack of significant recent growth in office-using sectors within the City of Penticton is notable and supports anecdotal insights provided through stakeholder engagement sessions claiming little demand for this real estate.
- › Despite the currently soft office market, in the long-term it is estimated that employers will require a growing number of new workers due to a variety of factors including the need to fill positions vacated by retiring workers. The rapidly growing technology sector may also contribute to demand for new Class A office space in Penticton, particularly due to the City’s relative affordability and livability compared to larger markets such as Kelowna.
- › By 2046, the City of Penticton is expected to experience demand for an additional 40,000 sf of office floorspace in the low growth scenario, 147,000 sf in the medium growth scenario, and 265,000 sf in the high growth scenario. The demand surplus does not include currently vacant office floorspace, as Colliers expects the majority of additional floorspace demand to be primarily among Class A office space rather than the existing vacant Class C and D office space.

