Agenda

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

Tuesday, June 18, 2019
at 1:00 p.m.

1. **Call Regular Council Meeting to Order**

2. **Introduction of Late Items**

3. **Adoption of Agenda**

4. **Recess to Committee of the Whole**

5. **Reconvene the Regular Council Meeting**

6. **Adoption of Minutes:**

   6.1 Minutes of the June 4, 2019 Regular Council Meeting — 1-5 — Adopt

7. **Consent Agenda:**

   7.1 Minutes:
   - Minutes of the June 4, 2019 Committee of the Whole Meeting
   - Minutes of the June 4, 2019 Public Hearing Meeting

   Staff Recommendation: THAT Council approve the Consent Agenda. — 6-10

8. **Committee and Board Reports:**

   8.1 Parks and Recreation Advisory Committee Minutes of April 11, 2019 — 11-13

   Recommendation: THAT Council receive into the record the Parks and Recreation Advisory Committee Minutes of April 11, 2019.
   Committee Recommendation: THAT Council include the Penticton Oxbows in the master planning process for the 2020 budget.
   Committee Recommendation: THAT Council consider additional safety lighting for Gyro Park as part of the 2020 budget deliberations; AND THAT the Parks and Recreation Advisory Committee recommend Council consider the installation of permanent washrooms instead of the temporary mobile washrooms as part of the 2020 budget.
   Committee Recommendation: THAT the Parks and Recreation Advisory Committee recommends to Council that should future funding become available for outdoor fitness equipment, that staff, in consultation with the Parks and Recreation Advisory Committee identify a suitable location for the installation.

9. **Correspondence**

9.1 Penticton Lawn Bowling Club – letter of support 14-16

Recommendation: THAT Council send a letter of support for the Penticton Lawn Bowing Club revitalization program grant-funding request with New Horizons.

10. **Staff Reports:**

Bauer 10.1 2018 Annual Report 17-112 Sub/Que

Staff Recommendation: THAT Council receive into the record the 2018 Annual Report as circulated.

Campbell 10.2 Statement of Financial Information 113-128

Staff Recommendation: THAT Council accepts the Statement of Financial Information for the fiscal year ending December 31, 2018.

Ingram 10.3 Procurement Policy Update 129-136

Staff Recommendation: THAT Council rescind the Purchasing Policy dated May 4, 2015; AND THAT Council endorse the new Procurement Policy dated June 18, 2019.

Chapman 10.4 Budget Amendment – Revitalization of Reach 3A Upper and 3B of Penticton Creek 137-138

Staff Recommendation: THAT Council amend the 2019 budget to provide $159,000 as matching funds for the design for the revitalization of Penticton Creek Reach 3A Upper and 3B with the funds coming from capital reserve.

Kassian & Laven 10.5 Climate Action Reporting for 2018 and updates on future Climate Action works 139-166

Staff Recommendation: THAT Council receive into the record the report titled "Climate Action Reporting for 2018 and updates on future Climate Action works" dated June 18, 2019.

Lockwood 10.6 Mayor and Council Remuneration Task Force Recommendations 167-182

Task Force Recommendations:

1. THAT Council adjust the rate of remuneration for Mayor and Council each year to offset the additional 1/3 taxation being incurred since January 1, 2019, and that Mayor and Council be retroactively compensation to January 1, 2019.

2. THAT benefits continue to be made available to Council, but that 100% of the cost be borne by the individual Councillors.

3. THAT Council adjust the gross remuneration of the Mayor by five percent (5%) (an increase of $275.00 mo.) and that the adjustment be made retroactive to January 1, 2019.
Note: this increase is to be made in addition to #1 and #5.

4. THAT Council adjust the gross remuneration of Councillors by eight percent (8%) (an increase of $148.00 mo.) and that the adjustment be made retroactive to January 1, 2019.
Note: this increase is to be made in addition to #1 and #5.

5. THAT Council direct staff to amend 'Council Indemnity Bylaw No. 2002-35' so that subsequent to any adjustments being made to the gross remuneration of Mayor and Council, that Council rates of remuneration continue to be tied to the Consumer Price Index (CPI) annually.

6. THAT Council direct a review of the base remuneration of Mayor and Councillors again before the end of 2025.

7. THAT Council implement the meal per diem scale outlined in Appendix 'A' and amend 'Council Indemnity Bylaw No. 2002-35' to reflect this change, and that no retroactive action be applied to this recommendation.

8. THAT Council direct staff to amend 'Council Indemnity Bylaw No. 2002-35' to round Expense Account dollars each year to the nearest $100.
Note: This recommendation is dependent upon the balance of the Expense Account not being paid out (see #9).

9. THAT Council direct staff to amend 'Council Indemnity Bylaw No. 2002-35' to eliminate the current practice of paying out any remaining surplus to Councillors.

10. THAT Council make a recommendation to UBCM to undertake a study to determine the appropriate issues to be considered in determining the remuneration for mayors and councilors throughout British Columbia and to create guidelines to assist councils with making informed decisions on this challenging topic.
11. THAT Council direct staff to design a process whereby attendance of the City of Penticton's Mayor and Councillors at Council and committee meetings be reported in open Council on a quarterly basis.

Hodges 10.7 Traffic Amendment Bylaw No. 2019-23 183-208
Re: Cycling Without Age – request to utilize sidewalks
Staff Recommendation: THAT Council support the request from 'Cycling Without Age' to use the City's Multi-Use Pathways such as the KVR, Trail Penticton Creek Trail, Okanagan lake multi-use path, Skaha Lake Park and all Bike lanes;
AND THAT Council deny the request from 'Cycling Without Age' for permission to utilize City sidewalks, boulevards and pathways for cycling;
AND THAT Council direct staff to work with 'Cycling Without Age' to identify the best on-road routes available to accommodate their desired routing;
AND THAT Council give first, second and third reading to "Traffic Amendment Bylaw 2019-23", bylaw that amends Traffic Bylaw 94-39 to include the definition of Motor Assisted Cycle and updates the definition of Cycle to include Motor Assisted Cycle.

11. **Public Question Period**

12. **Recess to a Closed Meeting:**
Resolution: THAT Council recess to a closed meeting of Council pursuant to the provisions of the Community Charter section 90 (1) as follows:
(c) labour relations or other employee relations;
(g) litigation or potential litigation affecting the municipality;
(j) information that is prohibited, or information that if it were presented in a document would be prohibited, from disclosure under section 21 of the Freedom of Information and Protection of Privacy Act;
(k) negotiations and related discussions respecting the proposed provision of a municipal service that are at their preliminary stages and that, in the view of the Council, could reasonably be expected to harm the interests of the municipality if they were held in public.

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

14. **Bylaws and Permits:**

Laven	14.1	Zoning Amendment Bylaw No. 2019-03	209-210	Adopt
		Development Variance Permit 2018-8274 Re: 964 Dynes Avenue	211-212	Approve
Laven	14.2	Zoning Amendment Bylaw No. 2019-12 Re: 434 Lakeshore Drive West	213-214	Adopt
Laven	14.3	Zoning Amendment Bylaw No. 2019-17 Re: 1652 Fairview Road	215-216	Adopt
Moroziuk	14.4	Fees and Charges Amendment Bylaw No 2019-22 Re: Appendix 27 Transit	217-219	Adopt

15. **Land Matters:**

Laven 15.1 Local Government Support for Cannabis Retail Stores 220-251

Staff Recommendation: THAT Council direct staff to send recommendations of support to the British Columbia Liquor and Cannabis Regulation Branch (LCRB) for non-medical cannabis retail store licenses, in accordance with Council Policy, for the following properties:

- *101 – 437 Martin Street (Green Essence)*
- *465 Main Street (Greenery Cannabis Boutique)*
- *101 – 130 Nanaimo Avenue W (Bluewater Cannabis)*
- *101 - 94 Ellis Street (Green Light Cannabis)*
- *103 – 2050 Main Street (Zen Canna)*
- *103 – 3502 Skaha Lake Road (Southside Cannabis Market)*
- *104 – 1652 Fairview Road (Fairview Cannabis Corner)*

AND THAT each recommendation include the following comments:

- *The proposed location meets local government bylaw requirements and is in-line with the adopted Council policy for cannabis retail sales and as such no negative impacts are anticipated;*
- *The views of the public were captured during a public comment period; and*
- *The local government recommends that the application be approved because of compliance with local regulations and policies.*

Haddad 15.2 Development Variance Permit PL2019-8537 252-262 Del/Sub

Re: 253 Norton Street

Staff Recommendation: THAT Council approve "Development Variance Permit PL2019-8537", for Lot A District Lot 202 Similkameen Division Yale District Plan KAP83201, located at 253 Norton Street, a permit to decrease the minimum lot area for each of the four proposed phases of the townhouse development on the subject property from 1400m^2 to 437m.^{2}

AND THAT staff be directed to issue "Development Variance Permit PL2019-8537".

THAT Council direct funds in the 2020 Capital Budget to extend the sidewalk being installed by the developer to connect to the existing sidewalk on the south side of Westminster Avenue E (approximately $20,000).

Laven 15.3 Zoning Amendment Bylaw No. 2018-24 263-290

Re: 468 Lower Bench Road

Staff Recommendation: Option 1: THAT Council adopt "Zoning Amendment Bylaw No. 2018-24".

Option 2: THAT Council rescind second and third reading of "Zoning Amendment Bylaw No. 2018-24" and give second reading as amended to "Zoning Amendment Bylaw No. 2018-24", excluding those portions of the property that are not within the ALR from the bylaw, and forward the amended bylaw to the July 16, 2019 Public Hearing.

Option 3: THAT Council refer the bylaw to the new Agricultural Advisory Committee for advice prior to consideration of bylaw adoption.

Option 4: THAT Council deny fourth reading of the bylaw, and that "Zoning Amendment Bylaw No. 2018-24" be closed and abandoned.

Laven 15.4 Zoning Amendment Bylaw No. 2019-24 291-299

Re: cash in lieu

Staff Recommendation: THAT "Zoning Amendment Bylaw No. 2019-24", a bylaw that amends the 'cash-in-lieu of parking' and 'parking reductions for providing co-operative cars' provisions of the zoning bylaw, be given first reading;

AND THAT Council refer "Zoning Amendment Bylaw No. 2019-24" to the "Economic Prosperity and Development Services Advisory Committee" for comment prior to second reading.

Laven 15.5 Zoning Amendment Bylaw No. 2019-25 300-314
Re: 1050 Churchill Avenue
Staff Recommendation: THAT "Zoning Amendment Bylaw No. 2019-25", a bylaw to add the following section to the R1 (Large Lot Residential) zone: 10.1.3.8 – "In the case of Lot A, District Lot 3 Group 7 SDY (Formerly Yale-Lytton) District Plan KAP74500, except Plan KAP89094, located at 1050 Churchill Avenue, a Bed and Breakfast Home shall be permitted", be given first reading and be forwarded to the July 2, 2019 Public Hearing;
AND THAT prior to adoption of "Zoning Amendment Bylaw No. 2019-25", frontage works including curbing and stormwater management are secured.
THAT Council direct funds in the 2020 Capital Budget to extend the curb and gutter being installed by the developer to connect to the infrastructure on Riverside Drive (approximately $11,000).

16. **Notice of Motion**

16.1 From Councillor Sentes on June 4, 2019: 315-317 Memo

THAT Council direct staff to research and report back in the fall with the steps to reduce the use of plastic bags in Penticton.

17. **Business Arising**

From the June 18 Committee of the Whole delegation:

3.1 $10aDay Child Care Plan
Recommendation: THAT Council send a letter of support for the $10aDay Child Care Plan initiative.

18. **Council Round Table**

19. **Public Question Period**

20. **Adjournment**

Minutes

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

Tuesday, June 4, 2019
at 1:00 p.m.

Present: Mayor Vassilaki
Councillor Bloomfield
Councillor Kimberley
Councillor Regehr
Councillor Robinson
Councillor Sentes
Councillor Watt

Staff: Donny van Dyk, Chief Administrative Officer
Angie Collison, Corporate Officer
Anthony Haddad, Director of Development Services
Jim Bauer, Chief Financial Officer (arrived at 6:13 p.m.)
Mitch Moroziuk, General Manager of Infrastructure (left at 1:53 p.m.)
Bregje Kozak, Director Recreation & Facilities (left at 1:53 p.m.)
Caitlyn Anderson, Deputy Corporate Officer

1. Call to Order

The Mayor called the Regular Council Meeting to order at 1:00 p.m.

2. Introduction of Late Items

3. Adoption of Agenda

273/2019 **It was MOVED and SECONDED**
THAT Council adopt the agenda for the Regular Council Meeting held on June 4, 2019 as amended to include item 10.3.

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 1:29 p.m.

6. Adoption of Minutes:

6.1 Minutes of the May 21, 2019 Regular Meeting of Council

274/2019 **It was MOVED and SECONDED**
THAT Council adopt the minutes of the May 21, 2019 Regular Meeting of Council as presented.
CARRIED UNANIMOUSLY

7. Consent Agenda:

275/2019 **It was MOVED and SECONDED**
THAT Council approve the Consent Agenda.
CARRIED UNANIMOUSLY

8. Committee and Board Reports

9. Correspondence

10. Staff Reports:

10.1 BC Transit City of Penticton Annual Operating Agreement 2019-2020

276/2019 **It was MOVED and SECONDED**
THAT Council authorize the Mayor and Corporate Officer to execute the 2019 2020 Annual Operating Agreement Conventional and Custom Transit as contained in Attachment "A".
CARRIED UNANIMOUSLY

10.2 Fees and Charges Amendment Bylaw No. 2019-22 - Appendix 27 Transit

277/2019 **It was MOVED and SECONDED**
THAT Council give first, second and third reading to "Fees and Charges Amendment Bylaw No. 2019-22", a Bylaw to amend Fees and Charges Bylaw No. 2014-07 to include within Appendix 27 - Transit, fees and charges for the RDOS Route 70 Penticton to Kelowna.
CARRIED UNANIMOUSLY

10.3 Public Washroom Schedule Changes

278/2019 **It was MOVED and SECONDED**
THAT Council receive into record the report titled "Public Washroom Schedule Changes" dated June 4, 2019.
CARRIED UNANIMOUSLY

11. Public Question Period

12. Recess to a Closed Meeting:

279/2019 **It was MOVED and SECONDED**
THAT Council recess at 1:53 p.m. to a closed meeting of Council pursuant to the provisions of the Community Charter section 90 (1) as follows:
(c) labour relations or other employee relations.
CARRIED UNANIMOUSLY

13. Reconvene the Regular Council Meeting following the Public Hearing at 6:00 p.m.

Council reconvened the Regular Council Meeting at 6:13 p.m.

14. Bylaws and Permits

14.1 Zoning Amendment Bylaw No. 2019-16
Re: 595 Carmi Avenue

280/2019 **It was MOVED and SECONDED**
THAT Council give second and third reading to "Zoning Amendment Bylaw No. 2019-16";
AND THAT Council adopt "Zoning Amendment Bylaw No. 2019-16".

CARRIED UNANIMOUSLY

14.2 Zoning Amendment Bylaw No. 2019-17
Re: 1652 Fairview Road

281/2019 **It was MOVED and SECONDED**
THAT Council give second and third reading to "Zoning Amendment Bylaw No. 2019-17".

CARRIED UNANIMOUSLY

14.3 Bylaw Notice Enforcement Amendment Bylaw No. 2019-18
Municipal Ticketing Information Amendment Bylaw No. 2019-19
Re: Smoking Regulations Bylaw

282/2019 **It was MOVED and SECONDED**
THAT Council adopt "Bylaw Notice Enforcement Amendment Bylaw No. 2019-18";
AND THAT Council adopt "Municipal Ticketing Information Amendment Bylaw No. 2019-19"

CARRIED UNANIMOUSLY

The meeting recessed at 6:18 p.m. and reconvened at 6:21p.m.

14.4 Good Neighbour Amendment Bylaw No. 2019-20
Bylaw Notice Enforcement Amendment Bylaw No. 2019-21

283/2019 **It was MOVED and SECONDED**
THAT Council adopt "Good Neighbour Amendment Bylaw No. 2019-20";
AND THAT Council adopt "Bylaw Notice Enforcement Amendment Bylaw No. 2019-21".

CARRIED
Councillors Bloomfield and Watt, Opposed

15. Land Matters

15.1 Development Variance Permit PL2019-8499
Re: 340 Sudbury Avenue

Delegations/Submissions:

- No one spoke.

284/2019 **It was MOVED and SECONDED**

THAT Council approve "Development Variance Permit PL2019-8499" for Lot 21, District Lot 189, Similkameen Division Yale District, Plan 996, located at 340 Sudbury Avenue, a permit to vary the following sections of Zoning Bylaw No. 2017-08:

1. Section 10.1.2.5: to reduce the minimum front yard setback from 6.0m to 3.0m; and
2. Section 10.1.2.6.i: to reduce the minimum interior side yard setback for a principal building from 1.5m to 1.2m.

AND THAT approval of "Development Variance Permit PL2019-8499" be conditional of the frontage of the property being landscaped and screened as per Attachment 'F' (Proposed Site Plan) of this report at the cost of the applicant.

CARRIED UNANIMOUSLY

15.2 Development Variance Permit PL2019-8501
Re: 1712 Ridgedale Avenue

Delegations/Submissions:

- No one spoke.

285/2019 **It was MOVED and SECONDED**

THAT Council approve "Development Variance Permit PL2019-8501" for Lot 5, District Lot 2710, Similkameen Division Yale District, Plan 8796, Except Plan 20465, located at 1712 Ridgedale Avenue, a permit to vary the following sections of Zoning Bylaw No. 2017-08:
1. Section 8.2.3.5: to allow the siting of a carriage house in the R1 zone to be located closer to the front lot line than the principal dwelling; and
2. Section 8.2.4.3: to allow vehicle access to the carriage house to be from the street (Ridgedale Avenue).

CARRIED UNANIMOUSLY

16. Notice of Motion:

16.1 From Councillor Regehr on May 21, 2019

286/2019 **It was MOVED and SECONDED**

THAT Council direct Staff to review the Development Cost Charges for Public Open Spaces and compare to similar sized municipalities in the Okanagan;
AND THAT Staff review the cost of living increases that might be applied to all classifications within the Development Cost Charges Bylaw;
AND THAT Staff provide Council with an amending Development Cost Charges bylaw that addresses Public Open Spaces with a timeline of up to one year.

CARRIED
Councillors Bloomfield, Watt and Sentes, Opposed

16.2 Councillor Sentes provided the following Notice of Motion for consideration at the June 18, 2019 Regular Meeting of Council:

THAT Council direct staff to research and report back in the fall with the steps to reduce the use of plastic bags in Penticton.

17. Business Arising

18. Council Round Table

19. Public Question Period

20. Adjournment

287/2019 **It was MOVED and SECONDED**
THAT Council adjourn the Regular Council meeting held on Tuesday, June 4, 2019 at 7:53 p.m.

CARRIED UNANIMOUSLY

Certified correct:

_____
Angie Collison
Corporate Officer

Confirmed:

_____
John Vassilaki
Mayor

Minutes

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

Tuesday, June 4, 2019
Recessed from the Regular Council Meeting at 1:00 p.m.

Present: Mayor Vassilaki
Councillor Bloomfield
Councillor Kimberley
Councillor Regehr
Councillor Robinson
Councillor Sentes
Councillor Watt

Staff: Donny van Dyk, Chief Administrative Officer
Angie Collison, Corporate Officer
Anthony Haddad, Director of Development Services
Mitch Moroziuk, General Manager of Infrastructure
Bregje Kozak, Director Recreation & Facilities
Caitlyn Anderson, 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 June 4, 2019 be adopted as presented.

CARRIED UNANIMOUSLY

3. **Delegations and Staff Presentations:**

3.1 Pride Week Proclamation – June 10-16, 2019

Mayor Vassilaki presented John Archer with a proclamation for June 10-16, 2019 as Pride Week.

3.2 Pathways Addiction Resource Centre Programs and Services

Daryl Meyers, Executive Director for Pathways Addiction Resource Centre provided Council with an update on the programs and services they offer in Penticton.

4. **Adjourn to Regular Meeting**

It was MOVED and SECONDED
THAT Council adjourn the Committee of the Whole meeting held June 4, 2019 at 1:29 p.m. and reconvene the Regular Meeting of Council.

CARRIED UNANIMOUSLY

Certified correct:

_____
Angie Collison
Corporate Officer

Confirmed:

_____
John Vassilaki
Mayor

Minutes

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Public Hearing

Held at City of Penticton, Council Chambers
171 Main Street, Penticton, B.C.

Tuesday, June 4, 2019
at 6:00 p.m.

Present: Mayor Vassilaki
Councillor Bloomfield
Councillor Kimberley
Councillor Regehr
Councillor Robinson
Councillor Sentes
Councillor Watt

Staff: Donny van Dyk, Chief Administrative Officer
Angie Collison, Corporate Officer
Jim Bauer, Chief Financial Officer
Anthony Haddad, Director of Development Services
Blake Laven, Planning Manager
Caitlyn Anderson, Deputy Corporate Officer

1. Call to order

Mayor Vassilaki called the public hearing to order at 6:00 p.m. for Zoning Amendment Bylaw No. 2019-16 and Zoning Amendment Bylaw No. 2019-17. He explained that the public hearing was being held to afford all persons who considered themselves affected by the proposed bylaws an opportunity to be heard before Council.

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

2. <u>"Zoning Amendment Bylaw No. 2019-16" (595 Carmi Avenue)</u>

The purpose of "Zoning Amendment Bylaw No. 2019-16" is to amend Zoning Bylaw No. 2017-08 as follows:

> Rezone Lot 13, District Lot 250 Similkameen Division Yale District Plan 6505, located at 595 Carmi Avenue from C2 (Neighbourhood Commercial) to C3 (Mixed Use Commercial).

The applicant is proposing to rezone the subject property to C3 (Mixed Use Commercial) to allow for a retail store, which includes the pharmacy use.

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

DELEGATIONS

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

- No one spoke.

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

- Lynn Kelsey, Oakville Street, concern is for traffic pattern, clear signage for no left turn.

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

- Allan Jorganson, tenant at 595 Carmi Avenue, spoke in support of the application.
- Tanya Gobelle, pharmacist and applicant, goal is to have own pharmacy, it will improve property and traffic flow. McElhanney Engineering is hired to mitigate traffic flow and improve alley access.
- Tyson, with the hospital being completed, room for growth across the street for pharmacy.
- Brigid Kemp, Warren Avenue West, another pharmacist in area, two will support the needs.
- Rachel Rustue, tenant at 595 Carmi Avenue, spoke in support of the application.

The public hearing for "Zoning Amendment Bylaw No. 2019-16" was terminated at 6:08 p.m. and no new information can be received on this matter.

3. "Zoning Amendment Bylaw No. 2019-17" (1652 Fairview Road)

The purpose of "Zoning Amendment Bylaw No. 2019-17" is to amend Zoning Bylaw No. 2017-08 as follows:

To add the following site specific provisions to 11.7 C7 – Service Commercial section 11.7.4:
.5 In the case of Lot 15, DL 5, Group 7, Similkameen Division Yale (Formerly Yale Lytton) District Plan 28077, located at 1652 Fairview Road, 'cannabis retail store' shall be permitted.

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

DELEGATIONS

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

- No one spoke.

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

- Lynn Kelsey, Oakville Street, asked if there was another proposed cannabis store in the same location and asked the process for how many stores are allowed.

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

- Darren Moffat, applicant, the location is not within close proximately to schools, there is ample parking and reduced exposure of cannabis to youth.

The public hearing for "Zoning Amendment Bylaw No. 2019-17" was terminated at 6:12 p.m. and no new information can be received on this matter.

Certified correct:

_____
Angie Collison
Corporate Officer

Confirmed:

_____
John Vassilaki
Mayor

Minutes

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Parks and Recreation Advisory Committee Meeting

Held at City of Penticton Committee Room A
171 Main Street, Penticton, B.C.

Thursday, April 11, 2019
at 3:00 p.m.

Present: Isaac Gilbert, Chair
Tyson Bull
Donna Ritchie
Gary Dean
Lesley Chapman
Robert Ross
Lee Davidson
Laura Harp
Peter Osborne
Michaela Wooldridge
Shona Schleppe
Councillor Kimberley

Staff: Len Robson, Public Works Manager
Anthony Haddad, Director of Development Services
Ben Johnson, Manager, Special Projects (left the meeting at 4:23 p.m.)
JoAnne Kleb, Engagement Strategist
Sheri Raposo, Land Administrator (left the meeting at 4:10 p.m.)
Caitlyn Anderson, Deputy Corporate Officer

Guests: Julia Barber, Penticton Indian Band Representative

1. **Call to Order:**

The Parks and Recreation Advisory Committee was called to order by the chair at 3:01 p.m.

2. **Introduction of Late Items**

3. **Adoption of Agenda:**

It was MOVED and SECONDED
THAT the Parks and Recreation Advisory Committee adopt the agenda for the meeting held on April 11, 2019 as presented.

CARRIED UNANIMOUSLY

4. **Adoption of Minutes:**

It was MOVED and SECONDED
THAT the Parks and Recreation Advisory Committee adopt the minutes of the March 14, 2019 Parks and Recreation Advisory Committee as circulated.

CARRIED UNANIMOUSLY

5. **Delegations:**

5.1 Coyote Cruises

Mike Campol, Diana Stirling and Derek George presented to the Committee their vision for Coyote Cruises. The current building requires upgrades to form a relationship with the Penticton Indian Band and they are looking for a long-term lease. Coyote Cruises currently operates under a 5 year License to Use and are requesting a 20 year lease, which includes more parcels of land and part of part of a public park. They discussed their timeline and the next steps, which includes community engagement.

It was MOVED and SECONDED
THAT the Parks and Recreation Advisory Committee recommend that Coyote Cruises move to Community Engagement.

CARRIED UNANIMSOULY

5.2 Penticton Oxbows – Friends of the Oxbows

Rick McKelvey and Randy Manuel presented to the Committee an overview of the Penticton Oxbows. The explained what oxbows are and how they came about as well as the reason to why they are important to save wildlife.

The Director of Development Services mentioned it is a natural park area, however it's not designated as one of the twelve 'designated parks' in the City of Penticton.

It was MOVED and SECONDED
THAT the Parks and Recreation Advisory Committee recommend to Council to include the Penticton Oxbows in the master planning process for the 2020 budget.

CARRIED UNANIMOUSLY

6. **Business Arising from Prior Meetings:**

6.1 Site Walk at Skaha Park Date

Discussion took place, two dates were determined, and a doodle poll will be sent out.

Shona Schleppe left the meeting at 4:29 p.m.

7. **New Business:**

7.1 Council Initiative from March 19, 2019 – Gyro Park

The Public Works Manager provided an overview of Gyro Park with the potential for fitness equipment and lighting, including the prices.

Potential for the city owned parking lot south of Gyro Park to be turned into a green space and have a playground and fitness equipment there.

It was MOVED and SECONDED
THAT the Parks and Recreation Advisory Committee recommend to Council that should future funding become available for outdoor fitness equipment, that staff, in consultation with the Parks and Recreation Advisory Committee identify a suitable location for the installation;
AND THAT Council consider additional safety lighting for Gyro Park as part of the 2020 budget deliberations.

DEFEATED
Laura Harp, Lesley Chapman, Tyson Bull, Michaela Wooldridge, Donna Ritchie and Lee Davidson, Opposed

It was MOVED and SECONDED
THAT Council consider additional safety lighting for Gyro Park as part of the 2020 budget deliberations;
AND THAT the Parks and Recreation Advisory Committee recommend Council consider the installation of permanent washrooms instead of the temporary mobile washrooms as part of the 2020 budget.

CARRIED UNANIMOUSLY

It was MOVED and SECONDED
THAT the Parks and Recreation Advisory Committee recommends to Council that should future funding become available for outdoor fitness equipment, that staff, in consultation with the Parks and Recreation Advisory Committee identify a suitable location for the installation.

CARRIED UNANIMOUSLY

7.2 Skaha Lake Engagement Strategy Review

The Engagement Specialist provided an overview of the Skaha Lake Engagement Strategy review and the steps that are required to create an engagement plan. The Engagement Specialist will be continuing to give updates to the committee.

8. **Council Outcome**

9. **Next Meeting:**

The next Parks and Recreation Advisory Committee Meeting will be decided at a later date.

8. **Adjournment:**

It was MOVED and SECONDED
THAT the Parks and Recreation Advisory Committee adjourn the meeting held on Thursday April 11, 2019 at 5:53 p.m.

CARRIED UNANIMOUSLY

Certified Correct:

Caitlyn Anderson
Deputy Corporate Officer

Angie Collison

From:	Ron Crawford <
Sent:	June-06-19 7:57 AM
To:	Angie Collison
Cc:	Larry Bechard; Myrna McLaren
Subject:	Re: Letter of Support from Council
Attachments:	draft letter from mayor.docx; New Horizons grant application.pdf

Hi Angie,

Thank you very much for your quick response. I have attached a draft of a letter that you can use to refine your response.

To fully understand our application, we are embarking on a program to revitalize the club. At one time the club had 118 members and last year this had reduced to 60. We hope to introduce the game to many more Seniors. Lawn bowling is low impact sport that also gives the benefit of mild exercise along with the social benefit received from being part of a social network. We do not have final numbers for the complete program yet but expect to apply for funding over a three year period of approximately $90,000.00. This application is for the first phase of our program. Penticton Lawn Bowling Club to my knowledge has never applied for grants before. However our clubhouse requires a makeover and our equipment is old and dated and this is why we require funding. Member dues generally only cover annual operating expenses.

I have also attached a draft copy of our New Horizons For Seniors grant application. You will notice in the application that we have also included items that we wish to apply for from the City. These numbers are not final yet, but I hope to firm them up in the next few days and we will submit an application when your program opens up in July. The New Horizons grant limits the annual grant to no more than $25,000.00 and that is the reason we are also applying to the City.

We invite you and Council to meet with us and we can show you around the club and our plans for revitalization. We would also be happy to host an evening of lawn bowling for Council or staff of the city. One of the requirements is to paint a mural on the wall between us and the new building beside us. We plan to have a lawn bowling theme but could incorporate any ideas that promotes the City as well.

We have also applied to RDOS for funding, however their requirement for grants is regional in nature and we plan to use funds from them to recruit members from outside Penticton.

Thanks again for your support. I hope to complete the New Horizons application by the middle of next week so would appreciate the letter by the end of next week. The deadline to submit the funding application to New Horizons is June 21.

Please feel free to contact me if you require any additional information. I have also cc'd our President - Larry Bechard and our Vice-President Myrna McLaren on this email.

Regards
Ron Crawford
Treasurer
Penticton Lawn Bowling Club

TO WHOM IT MAY CONCERN

Re: Penticton Lawn Bowling Club Revitalization Program

Dear Sir/Madam;

The Penticton Lawn Bowling Club has been a valuable member of the Penticton community since its inception in 1929. They are embarking on a program to revitalize the club including attracting more members.

I have been provided with a copy of the draft application and support the request for funding from the Penticton Lawn Bowling Club. I understand the club will also be applying to the City to supplement this application when our Municipal Grant Program opens up in July. We will give full consideration for the portion asked of us when we receive their application.

Your consideration of this funding is very much appreciated.

Yours truly

SECTION C – Part 4 – Program Specific Questions and Checklists

For this section, you should only answer the questions that are relevant to the program to which you are applying.

New Horizons for Seniors Program (NHSP)

Program Specific Questions – New Horizons for Seniors Program (NHSP)

33. Choose which program objective(s) supports your proposed project.

Your proposed project must support at least one of the following program objectives. Note: if a capital assistance objective supports your proposed project, it must link to at least one of the other objectives

- [x] Promoting volunteerism among seniors and other generations.
- [x] Engaging seniors in the community through the mentoring of others.
- [ ] Expanding awareness of elder abuse, including financial abuse.
- [x] Supporting the social participation and inclusion of seniors.
- [x] Providing capital assistance for new and existing community projects and/or programs for seniors.

34. Choose which national priority supports your proposed project (see Applicant Guide for further instructions).

- [ ] Preventing elder abuse and fraud, including measures to reduce crimes and harm against seniors
- [x] Supporting healthy aging in community, addressing dementia, including supports and intergenerational housing
- [ ] Counteracting ageism in the workplace to promote labour market retention of seniors.

35. In about 250 words, describe how your community supports this project.

Applicants are required to provide a letter of support from at least one organization or official who supports the project.

The City of Penticton provides support by leasing the land for our building at $1.00 per year. They also forgive property taxes for the club.

Council Report

penticton.ca

Date: June 18, 2019 File No:
To: Donny van Dyk, Chief Administrative Officer
From: Jim Bauer, Chief Financial Officer
Subject: **2018 Annual Report**

Staff Recommendation

THAT Council receive into the record the 2018 Annual Report as circulated.

Background

In accordance with Section 98 of the *Community Charter,* each year the City must prepare an annual report. The purpose of the Annual Report is to provide the following:

- The audited financial statements for 2018;
- A listing of the tax exemptions;
- A progress report regarding objectives and accomplishments of the previous year;
- A report regarding municipal services and operations;
- A statement of municipal objectives and the measures that will be used to determine progress for those objectives;
- any other information the council considers advisable.

Analysis

The 2018 Annual Report has been available to the public for inspection at City Hall since June 4, 2019 and has also been available on the City's website at www.penticton.ca under 'City Hall/Annual & Quarterly Reports' since that date. Advertisements have been placed in the local newspaper to notify the public as well, achieving the 14-day notice period as required under the *Community Charter* Section 99(2).

The City's 2018 Annual Report has been prepared to highlight 2018 achievements and 2019 initiatives within the City's six Corporate Priorities (Good Governance, Community Building, Fiscal Sustainability, Social Development, Economic Vitality, and Environmental Sustainability). In addition to the required financial information the annual report provides information about each City departments' operations and responsibilities.

Attachments

Attachment A –2018 Annual Report

Respectfully submitted,



Jim Bauer
Chief Financial Officer

Approvals

CAO
DvD

2018 ANNUAL REPORT



CITY OF PENTICTON



CITY OF PENTICTON 2018 ANNUAL REPORT

© 2019 City of Penticton

PENTICTON.ca
INFO@PENTICTON.ca
171 Main St. | Penticton, BC | V2A 5A9

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OUR VISION

A vibrant, innovative, healthy waterfront city focused on sustainability, community and economic opportunity.









Message from Mayor John Vassilaki

On behalf of Penticton City Council and staff, I'm pleased to invite you to read this year's Annual Report. The information contained on the following pages looks back on the work, projects and goals of 2018. We achieved positive outcomes in the areas we have identified as priorities for our city: good governance, community building, fiscal sustainability, social development, economic vitality and environmental sustainability.

2018 also marked a transition year from the Council of the 2014-2018 term to the recently elected 2018-2022 Council. While political change often goes hand in hand with new ideas and a new direction, Penticton's Councils, past and present, are united in their desire to see our community prosper. We share a goal to ensure residents have access to high quality, reliable municipal services, and to create pride in our city as a place to call home, where we can invest with confidence and care for our community.

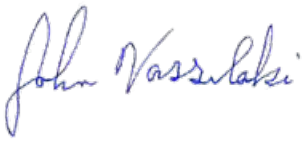
Penticton's Councils, past and present, are united in their desire to see our community prosper.

Highlights of the past year included action on safety with the formation of the Safety and Security Task Force, enhanced Bylaw and RCMP presence downtown and strategic lighting projects. In the area of planning and development, the City completed its Parks and Recreation Master Plan, made further progress on completing its Official Community Plan and introduced new processes concerning the purchase and sale of City-owned lands.

We remain focused on sustainable management of the City's critical infrastructure assets, including efforts to address the long-term management and replacement of aging infrastructure through investment in Geographic Information Systems (GIS) and asset management software. And finally, Council and staff remained committed to public accountability and financial transparency by expanding opportunities to engage the community prior to making decisions and improving the City's approach to business planning and budgeting.



With the work and successes of 2018, we are well positioned to plan and focus on new strategic initiatives for 2019, which are highlighted in this report. It is evident that Penticton's 2018-2022 Council is ready for a busy four years. Please take the time to learn more about the progress we made in 2018 to move our community forward by reviewing this annual report. We encourage residents to stay informed about our current and future plans through community outreach information circulated regularly by the City at Shapeyourcitypenticton.ca



Mayor John Vassilaki



City Council 2018-2022

Front row: Councillor Judy Sentes, Mayor John Vassilaki and Councillor Katie Robinson.

Back row: Councillors Frank Regehr, Jake Kimberley, Campbell Watt and Julius Bloomfield.

Your City Council

Council's Roles

Council's key roles for leading the community are to:

- Make informed decisions for, and in the interest of, the community
- Anticipate and provide for the community's local service needs
- Determine policies and programs for the community
- Set priorities to guide staff and committees
- Be fiscally prudent and accountable
- Be open and transparent
- Champion and advocate for Penticton
- Have an "enabling effect" through bylaws and regulations
- Develop a foundation for economic development
- Actively promote the diversity and growth of the community and local economy
- Expand relationships with First Nations, other levels of government and other agencies
- Bring people together through committees, volunteer opportunities and events
- Support and recognize volunteer efforts

Council Highlights for 2018

- Debt was retired on the South Okanagan Events Centre (SOEC) as the funds borrowed by the City of Penticton to pay for the construction of the SOEC have now been paid back in full to the lender, the Municipal Finance Authority of British Columbia.
- Celebrating BC Day! Penticton City Council members were joined by the Prime Minister Justin Trudeau and his wife, Sophie Grégoire.
- Downtown revitalization of the 300-block of Main Street was completed.
- Penticton hosted the Scotties Tournament of Hearts, Canada's National Women's Curling Championship, from January 27 to February 4, 2018.
- The City of Penticton held the 2018 local election, with the inaugural meeting of Council held on November 6 at the Penticton Trade and Convention Centre.
- Council approved the 2018 Parks and Recreation Master Plan. The Master Plan provides positive direction for the community moving forward and identifies priorities for continued investment.
- Council presented a resolution to Southern Interior Local Government Association (SILGA) for regional support of a provincial request to provide financial support to municipalities for cyber security audits and upgrades as needed.
- Council approved the Cannabis Retail Stores Policy, which establishes the process and guidelines for obtaining local government support for a provincial 'cannabis retail store' licence in Penticton.
- Council adopted Council Procedure Bylaw No. 2018-35 a bylaw to regulate the proceedings of Council, Council Meetings and other Council reporting bodies. With the timing of the Local Government Elections to October from November, there was a need to update the Council Bylaw to address the timing of the Inaugural meeting, include relevant Community Charter references and add a new Council Agenda item: Consent Agenda.
- Council received confirmation that the Skaha Bluffs Area boundary-extension process concluded successfully.

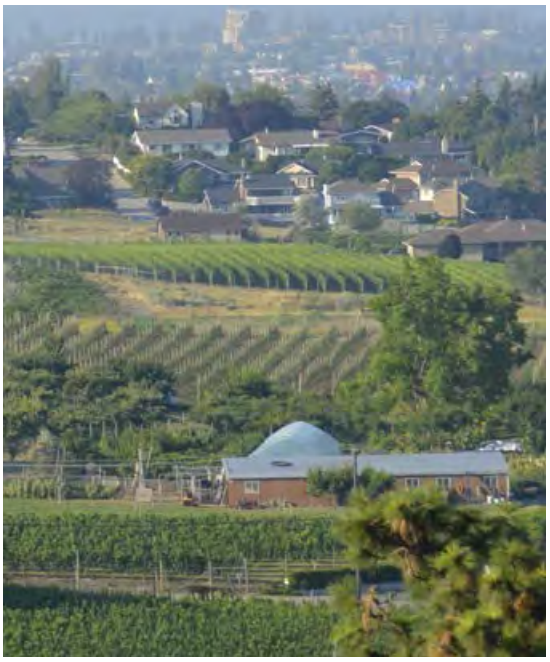


Council approved repairs to the Kiwanis Pier to reverse damage sustained during a high-water event in 2017 leading to its closure for the remainder of 2017 through fall 2018.

- Council approved the Property Taxation Distribution Policy to establish a fair, transparent, stable and equitable distribution of property tax among all classes of taxable property.
- Council supported the Regional District of Okanagan-Similkameen in moving forward with an inter-regional transit connection between Penticton and Kelowna.
- Council adopted the Financial Management Policy, which provides the City with a blueprint for making good financial decisions through changing conditions, and aims to provide clarity to staff, Council and the community with respect to how financial decisions are made today and into the future.
- Council attended the Union of BC Municipalities Convention in September in Whistler, B.C. to discuss taxation, housing, mental health, flood recovery and funding, sentencing, transportation and environment.
- Council welcomed the delegation from our Sister City Ikeda, Japan to Penticton on September 4, 2018.

Committees Active in 2018





Affordable Community Task Force

- Mayor Andrew Jakubeit
- Councillor Judy Sentes

Agriculture Advisory Committee

- Councillor Andre Martin

Arts, Creative & Cultural Innovations Committee

- Councillor Campbell Watt

Community Revitalization Select Committee

- Councillor Judy Sentes
- Councillor Campbell Watt

Development Services Advisory Committee

- Councillor Campbell Watt

Economic Development and Prosperity Task Force

- Mayor Andrew Jakubeit

Heritage & Museum Committee

- Councillor Judy Sentes

Official Community Plan Task Force

- Mayor Andrew Jakubeit
- Councillor Judy Sentes

Parks & Recreation Master Plan Steering Committee

- Mayor Andrew Jakubeit
- Councillor Judy Sentes

Penticton Creek and Ellis Creek Restoration Committee

- Councillor Helena Konanz

Transportation Advisory Committee

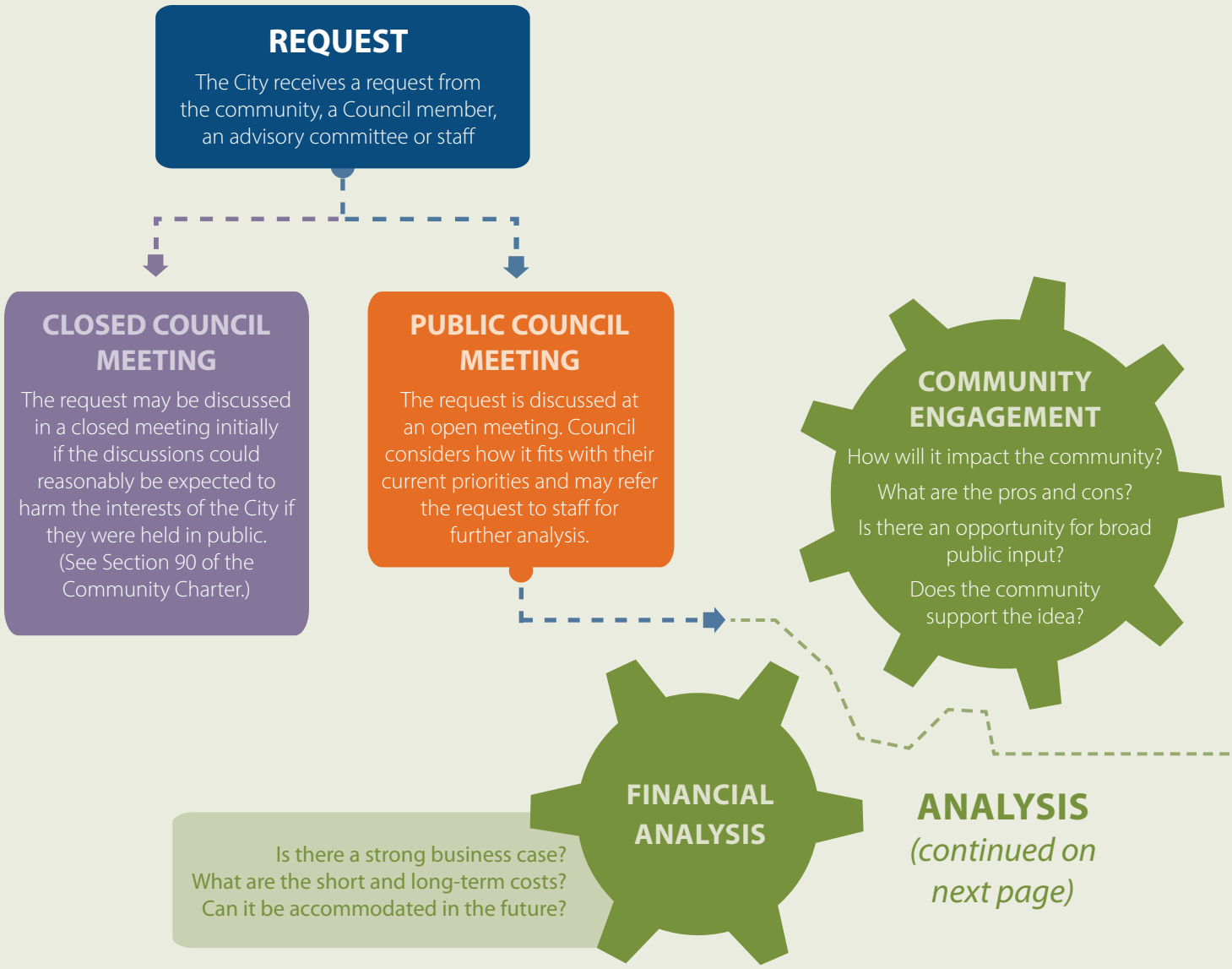
- Councillor Tarik Sayeed



PENTICTON CITY COUNCIL DECISION-MAKING PROCESS

The City has many processes in place to handle regular requests such as starting a business, developing land, hosting a major event, or adding or increasing service levels.

For some requests, City staff need direction from Council on whether or not to move the idea forward. Here is the process the City follows to support Council decisions.



CITY OF Penticton

COUNCIL DECISION

Council decides to either proceed, revise, refer to staff, or not proceed.

PUBLIC COUNCIL MEETING

Staff present the finding and recommendations from the analysis to Council during an open meeting.

ANALYSIS *(continued)*

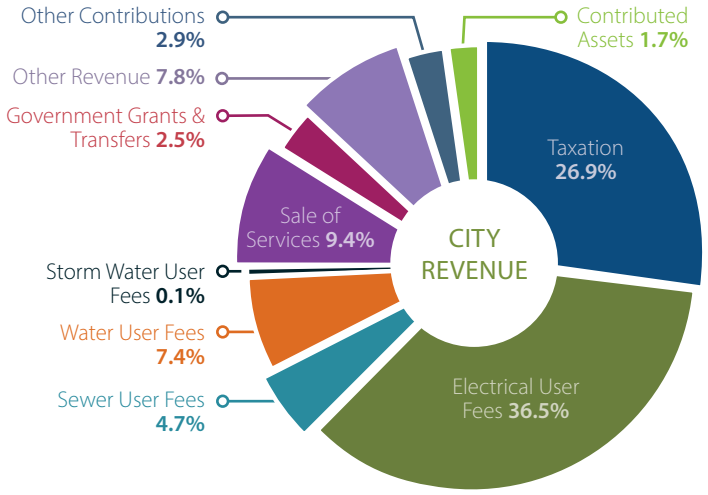
PLANS AND POLICIES

How does the request align with the Official Community Plan, other Master Plans, and existing bylaws and policies?

TECHNICAL STUDY

How does the request affect City operations? Can it be accomplished within existing resources? What data and analysis are needed?

Your City by the Numbers

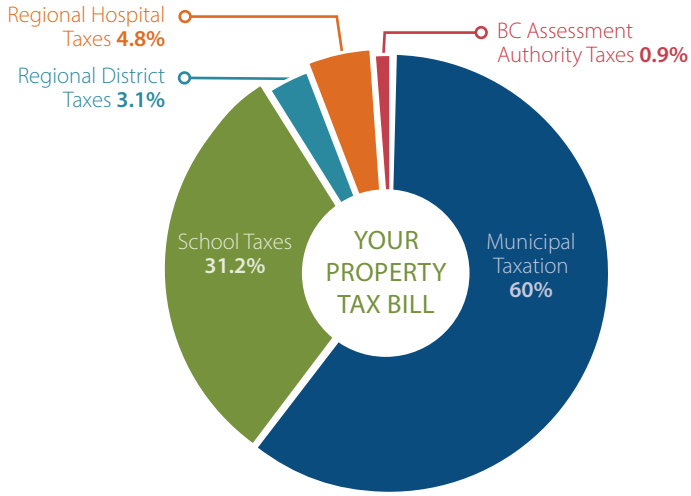


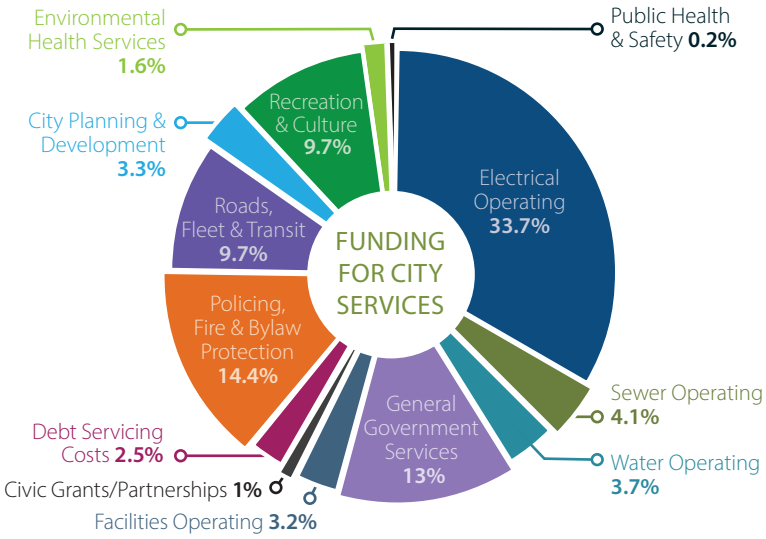
Where does City revenue come from?

The City has a number of sources of revenue to fund the essential services it provides. Over 36% of City revenues come from the sale of electricity to residents, followed by 27% in taxes collected from residents and businesses. The sale of sewer and water services makes up a further 12%, and 8% comes from user fees collected for various programs and services, including use of City facilities such as the recreation centre, garbage and recycling fees, building and licensing fees, transit and parking fees.

Taxes

Did you know that the City collects taxes on behalf of other levels of government? Only 60% of the amount on your annual tax notice goes to the City, with the remaining 40% going to the School District, BC Assessment, the Regional District of Okanagan-Similkameen and the Regional Hospital District.





What do taxes and utility fees fund?

The City provides a range of services to its citizens, including critical infrastructure like streets, water, sewer and electricity. The City also provides police and fire protection services, operates the recreation and cultural facilities and provides development services to assist businesses. The chart to the left shows where the City spends its money to provide these services.

GOOD GOVERNANCE

Good governance refers to the system of municipal government in its role as a democratic institution, a public policy maker and a provider of public services.

COMMUNITY BUILDING

Community building views the City as a whole and focuses on the investment of services and infrastructure, which are fundamental to quality of life.

FISCAL SUSTAINABILITY

Good fiscal sustainability refers to the City's ability to maintain programs and services while funding its infrastructure commitments and future growth.

SOCIAL DEVELOPMENT

Social development encompasses principles of social equity, social well-being and citizen engagement, and support of a healthy community and quality of

ECONOMIC VITALITY

Economic vitality refers to the City's economy, economic development and creating policy that promotes investment and economic sustainability.

ENVIRONMENTAL SUSTAINABILITY

The way we operate has an impact on the environment. The City is committed to integrating environmentally sustainable practices into policy development.

Corporate Priorities

In 2018, Council continued its commitment to six key priorities for the City that are fundamental to delivering municipal services: Good Governance, Community Building, Fiscal Sustainability, Social Development, Economic Vitality and Environmental Sustainability. These high-level priorities provide staff with guidance in establishing strategic initiatives each year. This Annual Report highlights the City's achievements in 2018 aligned with each priority, as well as the initiatives planned for 2019 approved by Council.

The high-level initiatives for 2019 are highlighted in this report; however, to review these initiatives in more detail, please see the 2019 Corporate Business Plan, located on the City of Penticton's webpage: www.penticton.ca > Departments > Billing & Finance > Financial Plan 2019.

Achievements and goals associated with these priorities can be found on the following pages.

GOOD GOVERNANCE

Good governance refers to the system of municipal government in its role as a democratic institution, a public policy maker and a provider of public services.

2018 Achievements

Increased voter opportunity options and turnout for the 2018 General Election.

Updated and improved the orientation for Council to ensure they have the tools to be effective leaders and decision makers, and created all new Committee orientation materials to help committees respond effectively to Council requests.

Significantly increased the number of news releases issued; 170 were issued in 2018 compared to approximately 50 in previous years.

Created a Five-Year Succession Planning Master Plan to ensure that the City is ready for staffing changes.

Worked with Development Services Advisory Committee to create the new Building Bylaw and update the Subdivision and Development Bylaw.

Completed the new Building Bylaw 2018-01 and related enforcement bylaws and policy, which were all adopted by Council.

Updated the City's short-term rental vacation program to reflect community priorities, increase education about how the program works, and provide enforcement, including contracting with a third party to help track vacation rentals.

Created a cannabis regulatory framework to prepare the community for cannabis legalization.

Reviewed carriage house regulations and recommended amendments.

Conducted research into urban deer and options for Council's consideration.

Created a 2018 Flood Response and Preparedness Plan to establish lessons learned and be better prepared in the future.

Received the British Columbia Local Government FireSmart Community Protection Achievement Award.

Refined the Municipal Grant Program, including an update of the Municipal Grants Policy and implementation of grant management software.

Implemented the GIS (Geographic Information System) Strategic Plan for continued development and sustainability of this key municipal information system that supports our operations through data analysis and visual access to location-based information.

Adopted an IT (Information Technology) and GIS governance process with best practices to better align these technology services with organizational goals and objectives.

Received the 2018 Award of Excellence for outstanding achievement in GIS from ESRI Canada in recognition of the implementation of our Roads and Highways GIS project.

Enhanced utility bill design to increase information provided and readability to ensure City services are customer focused, sustainable and effective.

Completed the construction of a failed retaining wall on the Kettle Valley Railway trail.

Continued on next page

2018 Achievements (cont.)

- Completed Phase I of the Drought Management Plan.
- Completed repair work at Okanagan Lake and Ellis and Penticton Creeks on damage caused by the 2017 flood and freshet.
- Completed the dredging and operational gate replacement at the Ellis Creek Diversion Dam.
- Completed the Campbell Mountain Diversion Dam upgrades.
- Reviewed options to address waste water solids management.
- Negotiated a new multi-year power purchase agreement with FortisBC.
- Audited all Instrument Metered accounts and introduced a number of practices to guarantee the accuracy of electrical energy billing.
- Completed all key 2018 capital projects: Penticton Trade and Convention Centre (PTCC) mechanical upgrades, PTCC roof replacement, Memorial Arena operational upgrades, City Hall structural upgrades, Westminster Centre renovations, Skaha Marina upgrade, South Okanagan Events Centre (SOEC) hockey glass and suite upgrades.
- Engaged third-party security services to monitor some of our highest use facilities and those that were subject to vandalism and affected by issues stemming from homelessness.



2019 Initiatives

Implement an Electronic Document and Records Management Plan.

Formalize Council 2019 deliverables and structure for the spring 2020-2022 strategic plan.

Introduce the news release creator tool to better manage the writing, approval, posting and issuing of City new releases, including improving the issuance of emergency information to the public.

Implement the Five-Year Succession Planning Master Plan.

Ratify three expired collective agreements.

Support the Mayor and Council Remuneration Advisory Task Force.

Complete the servicing and infrastructure analysis for the City's future growth areas and new subdivision applications, including:

- Skaha Bluffs;
- Dartmouth Green subdivision;
- 157 Abbott Street;
- North Wiltse; and
- Spiller Road.

Create a Comprehensive Development Plan providing a high-level overview of infrastructure needs to implement the City's future land use vision.

Develop a Hazardous Materials Response Evaluation and Mitigation Strategy.

Develop pre-incident plans for wildfire in Penticton.

Seek provincial FireSmart program funding to address wildland urban interface fire risks.

Establish a Business Continuity Plan for the City to address the delivery of City services impacted by a natural or manmade disaster.

Establish a Risk Management Framework and Policy.

Implement quarterly integrated business planning and financial reporting to Council.

Develop a high-level Information Technology (IT) Disaster Recovery Plan.

Amend Purchasing Policy to maintain clarity and compliance in purchasing practices.

Research and implement a City-wide contract management system to provide an efficient method of retrieving and reviewing contracts.

Finalize Phase II Drought Management Plan.

Restructure Public Works areas to address gaps in resources and expertise.

Complete Recreation revenue and cost-sharing review.

Create and facilitate a shared community centre incident reporting system.

Develop a Special Event Road Closure Policy.

Community building views the City as a whole and focuses on the investment of services and infrastructure, which are fundamental to quality of life.

COMMUNITY BUILDING

2018 Achievements

Engaged the community through the development of an Official Community Plan.

Implemented the remainder of the Downtown Parking Strategy with Bylaw Services.

Conducted a prioritization planning session involving community partners who helped to identify and prioritize bylaw services in our community and began the development of a Community Safety Framework.

Developed the Penticton Economic Development Partnership, a formal agreement between 12 organizations to share strategic goals and seek alignment where possible.

Carried out a boundary adjustment to bring 300 acres of land into the city limits, with over 160 acres of that land being parkland.

Conducted a Youth Fire Academy to expose young people to the Fire Services as a profession.

Hosted the first annual Wildfire Urban Interface (WUI) Training Symposium in Penticton.

Increased our public education and safety programs.

Established an additional three new FireSmart Canada recognized neighbourhoods in Penticton: Riddle Road, Sendero Canyon and Spiller Drive.

Built Penticton Fire Services Department's first Structure Protection Unit and Wildland Quick Response Unit.

Assisted in staffing the Emergency Operations Centre (EOC) through the Regional District of Okanagan-Similkameen for the 2018 floods.

Responded to and supported provincial wildfire response.

Reduced violent crime and direct property crime, such as residential break-and-enters, through significant efforts by the Targeted Enforcement Unit on prolific offenders.

Created a Community Safety Enforcement Team by realigning resources to provide Community Response Officers for traffic enforcement, mental health liaison and youth programs to address community issues.

Developed and implemented proactive community engagement opportunities by holding a community forum in Penticton to better understand community issues and interests. In addition, monthly Coffee with a Cop sessions were initiated to provide citizens with the opportunity to interact with RCMP members.

Initiated enhanced patrols for increased visibility and enforcement in the downtown and tourist areas. We deployed ATVs, bikes and UTV to increase our ability to target hotspots all over the community.

Launched a new deployment strategy for Bylaw Services to address changing priorities related to community and social issues, including expanded hours of service, downtown foot patrols and bike deployment.

Formalized the equal payment plan program for utilities to help customers balance their payments throughout the year.

Worked with the regional district and BC Transit to obtain approval for a Penticton to West Kelowna/Kelowna Route twice per day Monday to Friday.

Continued on next page

2018 Achievements (cont.)

Completed significant capital projects in the Design Branch including infrastructure and streetscape improvements, downtown revitalization and water transmission system improvements on Ridgedale Avenue.

Implemented the Clean Team to address maintenance in key areas during the peak season.

Completed the Parks and Recreation Master Plan, Park Land Protection and Use Policy, Park Dedication Bylaw and Zoning Bylaw amendments to identify different park types and uses.

Improved safety for pedestrians and vehicles by updating traffic controllers and modifying crossing signals to better serve the visually impaired.

Improved safety for pedestrians and vehicles by updating traffic controllers and modifying crossing signals to better serve the visually impaired.

Reviewed lighting standards and commenced work on a multi-year improvement plan to address lighting issues for pedestrian crossings city-wide.

Completed Phase 2 of the Arena Development Strategy including preparing a business case for the development of the twin ice sheet project and the Memorial field house concept.

Prepared a South Okanagan Event Centre parking strategy to address community concerns regarding parking at the site.

Facilitated a staff workshop on pediatric water therapy to develop skills required to provide programs to clients with disabilities.

Implemented the second Penticton Public Sculpture Exhibit.

Completed phase two of the Hands-on-Heritage Lab, which provides a free or low-cost space for children and caregivers to engage in hands-on activities in basic science concepts, natural history and local history.



Increased collaboration on First Nations exhibits with the Penticton Indian Band.

Partnered with the Penticton Regional Hospital and Mr. David Kampe to choose approximately 100 images from our archival collection of over 20,000 historical photos to be displayed in public areas and patient rooms of the new hospital wing.



2019 Initiatives

- Implement an event-tracking calendar including Council invitations.
- Launch new version of Penticton.ca.
- Increase transparency and accessibility to police.
- Increase awareness about CAST - Community Active Support Table - and expand to South Okanagan.
- Complete the Official Community Plan (OCP).
- Develop a Land Management Strategy.
- Modernize Business Licence Bylaws.
- Implement Economic Development 2nd Year Operational Plan.
- Develop Skaha Park Master Plan.
- Complete a Comprehensive Development Plan review as part of OCP implementation.
- Implement the Penticton-to-Kelowna transit route.
- Review and update role of Bylaw Officers.
- Enhance Bylaw service provision with the addition of two new Community Safety Officers.
- Utilize Geographic Information Systems (GIS) to improve service by using the GIS mapping for strategic Bylaw Services deployments.
- Implement Dog Control service changes.
- Update Good Neighbour Bylaw.
- Relocate Bylaw Office to create a shared space with RCMP and enhance community safety deployment.
- Implement Homeowner Permit awareness campaign.
- Develop of an Open Data Policy and public open data portal.
- Create a Parks & Recreation Advisory Committee.
- Improve city-wide strategic area lighting and pedestrian crossing lighting.
- Implement South Okanagan Event Centre Parking Strategy.
- Finalize Arena Development Strategy business case.
- Develop and implement Lifeguard Surveillance Evaluation and Enhancement Program.
- Curate and build two new off-site museum displays.

FISCAL SUSTAINABILITY

Good fiscal sustainability refers to the City's ability to maintain programs and services while funding its infrastructure commitments and future growth.

2018 Achievements

- Amalgamated the Penticton Works and Start Here Okanagan websites for efficiency and cost savings.
- Completed and implemented the Land Disposition and Acquisition Polices.
- Strategically purchased eight properties and completed two land swap properties.
- Received $866,500 in provincial grant funding to support areas of Flood Mitigation, Emergency Support Services (ESS), Emergency Operations Centre (EOC) and Structural Flood Financial Services
- Continued to strengthen the policy-based approach for City financial administration by conducting a financial policy review and establishing two critical City policies: the Year End Surplus Policy and a Financial Management Policy.
- Continued further implementation of the Capital Prioritization Framework to provide greater rationale and a consistent and visible approach to making capital project decisions.
- Adopted and implemented a new Property Tax Policy that distributes taxes more equitably across the various classes.
- Improved the Revenue & Collections public web pages and enhanced service delivery, which reduced processing times and costs.
- Continued the centralization of facility video surveillance and building access control systems to improve efficiency and secure management of these facilities.
- Completed risk assessment of City infrastructure assets and updated the Asset Management Investment Plan.
- Commenced work on the Utility Rate review with InterGroup Consultants and the Utility Rate Review Committee.
- Implemented a Storm Water Rate for the 2018 tax year.
- Obtained a Council Resolution to build road projects to the bylaw standard width thereby reducing future asset management costs.
- Participated in the National Water and Waste Water Benchmarking initiative.
- Installed and commissioned a new Fuel Management System / Fleet Maintenance System.
- Implemented the new seven-year Solid Waste and Recycle Collection contract in July 2018.
- Developed a Council Policy for Residential Automated Waste Collection Service Levels and Standards.
- Completed the voltage conversion at the substation level by providing a 12kV supply at the Carmi Substation.
- Completed system reliability improvements, which will reduce outage times and related response costs.
- Continued with the multi-year program of replacing first generation digital meters with a view to reducing future meter reading costs.
- Grew the City's fibre network by adding FortisBC as a customer.
- Further consolidated electrical inventory items through standardization and the removal of obsolete switchgear.

Continued on next page

2019 Initiatives

- Establish a formalized grant-seeking framework.
- Update the Permissive Tax Exemption Policy.
- Implement enhanced online payments options to allow credit card payments for utility fees.
- Begin the process of achieving Certificate of Recognition and Partners in Injury status to realize savings in premiums and claims paid in long-term.
- Expand Long-Term Residential Rental Program.
- Improve capacity of South Main sanitary sewer and water systems.
- Complete Main Street upgrade from Okanagan Avenue to Warren Avenue.
- Implement chlorine and sulphur dioxide gas removal from the water treatment process.
- Upgrade Okanagan Lake Pump Station electric system components and pump motors.
- Implement 2019 actions of the Asset Management Renewal Plan.
- Complete and begin implementing a Waste Water Solids Management Plan.
- Implement new recreation customer service software (PerfectMind).
- Complete a Downtown Parkade Feasibility Study.
- Complete the 2018 Utility Rate Review.
- Implement asset management software.
- Update the 1968 Special Area Bylaw.
- Update the Asset Management Investment Plan.
- Implement Parks GIS / Asset Management to improve accuracy and access to reliable data, to manage parks, roads and other infrastructure assets.
- Start last phase of voltage conversion to 12KV to be complete in 2020.
- Establish a Nominal Lease Policy.
- Develop a long-term revenue model.



SOCIAL DEVELOPMENT

Social development encompasses principles of social equity, social well-being and citizen engagement, and support of a healthy community and quality of life.

2018 Achievements

Participated and engaged in action with a community strategy (with Interior Health, Downtown Penticton Association, RCMP, etc.) for the safe disposal of sharps to support harm reduction efforts. This included the installation and education/awareness of sharps containers on City property.

Coordinated an Affordable Housing Forum.

Obtained a $50,000 grant to create the Community Active Support Table (CAST), which is a multidisciplinary team made up of RCMP, Bylaw Services, Probation, Mental Health, Interior Health, BC Housing, South Okanagan Women In Need Society, Okanagan Friendship Center, School District 67, Pathways and many others.

Increased the variety and diversity of recreation program offerings, introducing new programs such as Parkour and a Kids Community Hockey Club.

Partnered with the Penticton and District Seniors Centre, which resulted in two free events for the 50+ age group, support with marketing services for the Seniors Centre and an invitation to collaborate on more opportunities.



Implemented free older-adult wellness programming through the 2018 Age-Friendly Communities Grant.

Conceptualized, designed and constructed a child-centered space with interactive components and exhibits at the Museum.

Mounted two new exhibits – *The Social Life of Water*, borrowed from the Kelowna Museums, and *Nature in Focus*, produced in cooperation with the South Okanagan Naturalists Club.

2019 Initiatives

Enhance partnerships with community service groups.

Develop a community engagement framework.

Implement Citizen-led Engagement Program.

Revamp the First Peoples display area within the Museum and Archives.

Establish a Cultural Engagement Framework with Penticton Indian Band.

Economic vitality refers to the City's economy, economic development and creating policy that promotes investment and economic sustainability.

ECONOMIC VITALITY

2018 Achievements

Initiated planning for the Federation of Canadian Municipalities Board meeting, with 150 delegates to be hosted by the City of Penticton in the spring of 2019.

Submitted a Smart City Challenge Application that resulted in greater collaboration between the City and business community in identifying and exploring issues facing the community and innovative solutions to address these issues.

Created an Economic Development Strategy and implemented action items related to: communication, collaboration, retention and expansion, attraction and organizational excellence.

Developed a University of British Columbia Okanagan (UBCO) Capstone research project in partnership with UBCO Faculty of Management students to identify best practices for collecting and reporting community economic indicators from a variety of sources (a project proposed in the Smart Cities Challenge application).

Hosted the inaugural FutureBiz Penticton Economic Outlook Forum, a half-day event that attracted 175 participants and was designed to provide Penticton residents with a comprehensive outlook on local, regional and international economics and provide insight on upcoming challenges.

Supported development of the regional application for funding from BC Ministry of Agriculture for an Okanagan Agricultural Innovation Centre.

Took part in developing a funding application for Okanagan College to develop a technical access centre in Penticton for sustainable agri-fruit beverage research and innovation.

Renegotiated the triathlon agreement with MB Events for the final two years of the original five year agreement.

Sold recycled pavers from the 300-block of Main Street revitalization project, generating $8,770, which was donated to the South Okanagan Similkameen Medical Foundation for the Patient Care Tower hospital expansion project.

Implemented the Bonfire online procurement portal, which enables vendors to be notified of and electronically respond to the City's bidding opportunities.

Completed underground civil work for rebuilding the east lane of the 200-block Main Street.

Provided a new electrical connection to the hospital.

Continued on next page



2018 Achievements (cont.)

Finished pole and anchor replacements necessitated by the TELUS Pure Fibre initiative.

Secured a long-term operating agreement with Spectra Venue Management for operating and maintaining the South Okanagan Events Centre campus including the Penticton Trade and Convention Centre, Okanagan Hockey Training Centre and Memorial Arena.

Hosted the 2018 Swim BC Tier 1 Championships.

Continued development of a Sports and Event Tourism Strategy.

Implemented existing events in the City to help promote Penticton as an 'event destination' city.

Continued to develop Penticton's event hosting potential beyond peak season.

Hosted 2018 Scotties Tournament of Hearts.

Completed Economic Impact Assessments for Penticton's Peach Festival and Scotties Tournament of Hearts.

Developed a new, online tool to allow residents to apply for new business licences and amend existing licences.

Facts & Stats: 2018 Scotties Tournament of Hearts

- **$3.85 million** of visitor spending in Penticton
- **43** local jobs
- **$2.3 million** in local wages and salaries
- **5,800** out-of-town visitors

Reduced time to complete permit reviews for residential and small commercial projects by more than 50%, while permit volumes remained consistent with previous years.

Completed stakeholder research to identify local priority areas for businesses in Penticton, to focus economic development initiatives.

2019 Initiatives

Host a Business Community Forum on Hiring and Housing.

Host the 2nd Annual FutureBiz Penticton: Economic Outlook Forum.

Develop an Economic Development newsletter.

Develop a Welcome Package for new residents and new business licencees.

Complete impact and opportunity assessments of economic development priority clusters: manufacturing, technology, tourism, and wine, beer and spirits production.

Improve existing event-hosting processes.

Complete the 200-block Main Street east lane electrical rebuild.

Complete development of a Sports and Event Tourism Strategy.

Develop a signature triathlon event.

Develop other signature event(s) with a focus on shoulder season opportunities.

Attract new events and event hosts.

ENVIRONMENTAL SUSTAINABILITY

The way we operate has an impact on the environment. The City is committed to integrating environmentally sustainable practices into policy development.

2018 Achievements

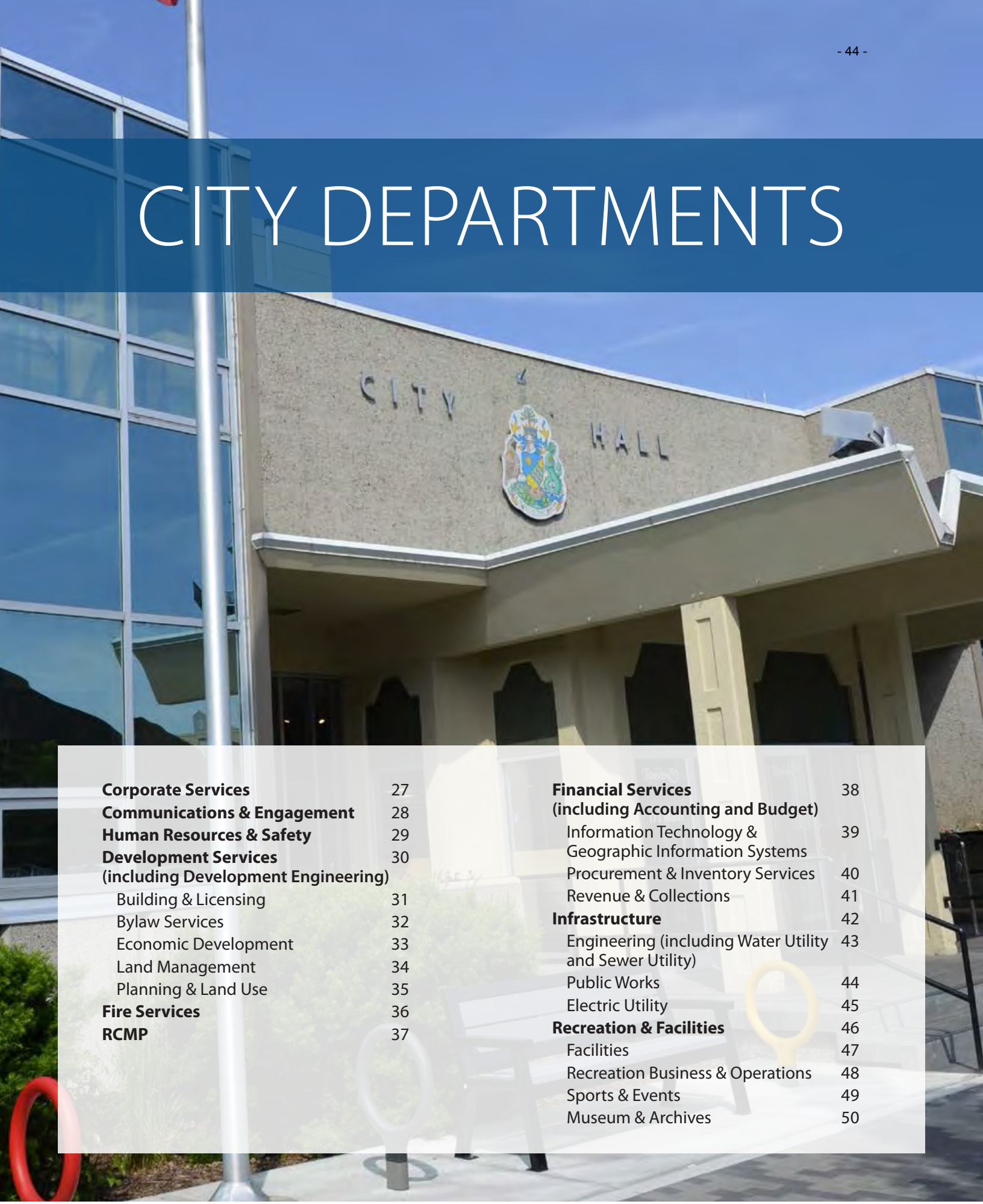
- Maintained carbon neutral status of the City.
- Completed a request for proposal process for Penticton Creek Reach 12A detail design.
- Assisted with the selection of a consultant and commenced work on the detail design for Penticton Creek Reach 12A.
- Completed a request for proposal process for Ellis Creek Master Plan.
- Assisted with the selection of a consultant and commenced work on the Ellis Creek Master Plan.
- Completed the naturalization of Penticton Creek Reach 3A Lower.
- Implemented energy management hardware and software changes to reduce cost and improve efficiency.
- Started an educational campaign on flushable wipes in sewers.
- Achieved carbon reduction in the fleet area by using hybrid vehicles and equipment.
- Completed the expansion and upgrades to the Lakeview Cemetery including the development of a natural burial section.
- Delivered community education program on best recycling practices.
- Renewed the Recycle Collection Contract with Recycle BC for a second five-year term.
- Optimized efficiencies through building automation controls.

2019 Initiatives

- Purchase carbon off-sets to retain carbon neutrality.
- Develop Ellis Creek Master Plan.
- Convert conventional lighting systems to LED.
- Design Penticton Creek Reach 12 revitalization.
- Investigate and report on power generation possibilities.



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Corporate Services

What We Do

Corporate Services is the primary link between City Council, staff and the community. We support Council as it sets policy and strategic priorities, and we provide leadership to support the implementation of Council's directives.

2018 Facts & Stats

- 29 Public Hearings
- 20 Committee of the Whole meetings
- Managed the process for 48 open Council meetings, 23 regular meetings, 1 inaugural Council meeting and 4 special Council meetings
- Processed 44 Freedom of Information requests and 78 bylaws
- 12 active Council Committees logged 56 meetings
- 16 recommendations received from Council Committees (all were approved by Council)

On a Daily Basis We...

- Act as the City liaisons: the Chief Administrative Officer (CAO) and other members of the department interact with community groups and other government agencies such as federal, First Nations, provincial and regional agencies as well as social agencies that serve the community;
- Provide administrative support to Mayor, Council and the Council Committees;
- Prepare and organize the agendas and minutes for Council and Committee meetings;
- Manage, maintain and provide access to corporate records including City bylaws;
- Maintain and preserve all of the City's records and manage Freedom of Information and Protection of Privacy issues and requests; and
- Conduct local government elections.





Communications & Engagement

What We Do

In Communications & Engagement we are focused on keeping our residents informed about operations in the City and new decisions and directions from Council, as well as engaging with residents to seek input and help inform Council about community interests and priorities.

2018 Facts & Stats

- Nearing 4,000 likes on Facebook and 4,500 followers on Twitter
- 20,000+ people engaged on Facebook
- Hosted 13 initiatives through Shapeyourcitypenticton.ca online engagement platform resulting in 3,459 registered participants and 22,300 site visits
- 25+ in-person opportunities to provide input in City initiatives
- 31 public events with a total of 2,113 people participating
- 20 feedback activities with a total of 3,845 people participating

On a Daily Basis We...

- Work internally with staff and externally with stakeholders to make information on City services, events or topics of public interest available and accessible via our website, social media, newsletters, news releases and other channels;
- Partner with staff to develop and execute a process to involve the community in decisions that matter to them and to provide Council with information about community views to assist with their decision making; and
- Work with local and regional media.







Human Resources & Safety

What We Do

In Human Resources & Safety, we strive to balance the needs of all City staff by developing and managing corporate programs. These include recruitment, labour relations, collective bargaining, training, staff development, payroll and benefits, and health and safety.

2018 Facts & Stats

- Approximately 230 general resumes received
- 1,746 applications submitted for internal and external postings
  - 143 internal applications received for 77 internal postings, and 1,603 external applications received for 53 internal postings
- Filled 83 positions (46 internal, 37 external)
- Received 164 election applications (hired ~100)
- Had a third-party Health & Safety Gap Analysis Report completed to prepare for Certificate of Recognition (COR)
- Reduced lost time by more than 90% (from 932 hours to 95 hours) between 2017 and 2018 through effective Return to Work initiative
- Between 2017 and 2018, reduced WorkSafeBC claims by 50% and reduced claim costs by $140,695

On a Daily Basis We...

- Handle the recruitment of staff, including posting, interviewing and on-boarding;
- Manage labour relations, including the handling of all union matters and negotiating collective agreements;
- Process the payroll, benefits and pensions of City employees;
- Create, implement and oversee internal policies;
- Ensure the health and safety of City staff by educating employees on safe work practices; and
- Provide advice to managers and supervisors to support effective communication and cooperation with their staff.







Development Services

Including Development Engineering

What We Do

In the Development Services Division, we are responsible for Economic Development, Land Management, Planning & Land Use, Development Engineering, Building & Licensing and Bylaw Services. We have a unique situation in that we see many municipal processes from creation to implementation. With the addition of Economic Development in 2017 and Land Management in 2018, we have the ability to positively impact new investment from the approval processes all the way to enforcement of bylaws.

2018 Facts & Stats

- 224 work orders exceeding $564,000 of work in installing and upgrading of services for new construction
- Approximately 65 new lots in both major and minor subdivisions
- Serviced approximately 120 new buildings and created 150+ work orders (over $400,000 invoiced)

On a Daily Basis We...

- Support business retention and attraction efforts;
- Manage the sale, purchase, licence and lease of municipal land;
- Lead the development of the Official Community Plan;
- Conduct rezoning, development permit and subdivision application reviews;
- Issue building permits;
- Issue building licences;
- Provide consistent interpretation and enforcement of City bylaws related to developers to ensure requirements are adhered to during development projects;
- Enforce compliance with municipal bylaws, with regards to individuals and organizations;
- Ensure City infrastructure associated with new development is complete and in compliance with City bylaws; and
- Enforce compliance with City construction standards regardless of whether the City or a developer is funding and carrying out the work.





Building & Licensing

What We Do

In Building and Licensing, we help to ensure that buildings are safe and that there are consistent standards for construction and development in Penticton. We also use licensing and other regulations to guide where various types of businesses may operate, and some specialized uses such as liquor licensing. We interact regularly with residents, local businesses and other stakeholders, and provide information and education on how to meet the City's and provincial regulations, and we enforce these requirements as needed.

2018 Facts & Stats

- $145,111,923 in total construction value – second busiest year in the last 18 years
- Issued 98 single-family house permits and 915 demolition, mechanical and building permits
- Inspected 4,452 construction projects and business operations
- Closed 1,335 permits
- 3,055 active business licences (including 117 non-profit and 152 active Vacation Rentals)
- 162 Building & Licensing enforcement case files
- $1,935,671 in permit and licensing revenue

On a Daily Basis We...

- Assist in pre-construction developments and business proposals;
- Review and issue demolition, mechanical and building permits;
- Review and issue business licences, including home-based operations;
- Conduct on-site inspections of construction projects and business operations;
- Review and issue storefront and sidewalk use permits;
- Review liquor applications for local government input;
- Provide education to building industry and owners on codes, permits and licensing; and
- Enforce regulatory bylaws pertaining to construction, businesses and land uses.





Bylaw Services

What We Do

Bylaw Services provides citizens with a variety of services related to regulatory issues, with the purpose of enhancing community safety and livability, and to be a complement to police services. We are committed to the delivery of professional bylaw education and enforcement in a timely and effective manner, and in accordance with Council direction.

On a Daily Basis We...

- Educate and enforce municipal bylaws;
- Enhance public safety through foot, bike and vehicle patrols; and
- Manage behavioural and nuisance issues to promote a harmonious living environment.
- Manage the Dog Control Officer contract.

2018 Facts & Stats

- 10,000+ customer inquiries about bylaws
- 3,000+ complaint files
- 300+ unauthorized camping/check on welfare requests with efforts to connect to social services
- 4,500 Bylaw Offence Notices/tickets
- 150 unsafe parking calls from transit operators
- $95,000 in ticketing revenue
- $342,500 paid parking revenue for City revitalization and enhancement projects
- $2,000+ donations to the Kindness Meter







Economic Development

What We Do

In Economic Development, our mandate is to increase the economic vitality of Penticton. To do this, we work with stakeholders, such as businesses in our community and potential investors, as well as with Council and City staff to identify opportunities and determine how to remove barriers that affect economic growth. We follow a Five-Year Strategic Plan that is focused on developing a resilient and prosperous community for the future.

2018 Facts & Stats

- In 2018, Economic Development worked with key stakeholders, Mayor and Council, and City departments to develop a Five-Year Strategic Plan to develop a resilient and prosperous community for the future.
- Made progress in the following areas:
  - Business licence growth
  - Business contact / assistance
  - Process navigation assistance
  - Quarterly reporting / Annual Report
  - Partnership growth
  - Okanagan College initiatives
  - Penticton Indian Band
  - Event / tourism assistance
  - New resident assistance

On a Daily Basis We...

- Collect and communicate economic data and review the current and projected economic forecasts to develop programs that help Penticton businesses address challenges to business growth and retention;
- Facilitate communication amongst key stakeholder groups within the community; and
- Implement initiatives to meet goals set out in the 2018-2022 Strategic Plan and build Penticton's reputation as a place to invest and grow a business.







Land Management

What We Do

The Land Management Department administers over 500 City properties. We are responsible for leases, licences, licences-to-use, and residential tenancies as well as negotiation of land sales and purchases. Our staff ensures legal requirements are met for various land transactions. We draft, negotiate, attend to execution of land sales and register statutory right-of-ways and other various legal Land Title Office documents. We are also relied upon to provide legal research, data, and title and company searches to all City departments.

On a Daily Basis We...

- Complete and manage licences-to-use and leases of municipal land including residential tenancies;
- Register right-of-ways to protect City infrastructure;
- Manage all City land sales and purchases; and
- Administer the beach vending and mobile vending programs.

2018 Facts & Stats

- Prepared agreements for:
  - 14 beach vendors in 23 locations
  - 5 concessions
  - 16 residential tenancies
  - 100 leases and licences-to-use
  - 15 Crown Leases/Licence of Occupation
- 62 Land Title Office documents registered
- 9 properties purchased
- 2 new policies completed







Planning & Land Use

What We Do

Within Planning & Land Use, we manage the long-range land use policy for the City, with the goal of achieving a livable city with a high quality of life. We are often the first point of contact for development in the City. We ensure that all development takes place in alignment with the City's adopted bylaws and policies. In addition, Planning also oversees the community sustainability program, including climate action commitments.

2018 Facts & Stats

- 218 land-use planning applications received
- Maintained carbon neutral status
- Long-range planning work on OCP
- Created cannabis regulatory framework
- Hosted Affordable Housing Forum

On a Daily Basis We...

- Process all land development applications including zoning and Official Community Plan (OCP) amendments, development permits and subdivision applications among others;
- Monitor development to ensure it aligns with adopted policies and bylaws and is in the best interest of the community;
- Advise City Council and other City departments on land use issues;
- Monitor the City's Climate Action commitments; and
- Coordinate and manage special projects as directed, including policy development on affordable housing, downtown revitalization and other issues.





Fire Services

What We Do

We support a safe community and enhance the quality of life for our citizens by responding to emergencies, including fires and motor vehicle accidents, to help minimize injuries and loss of life or damage to property. We also help prevent fires and other emergencies through public education and inspections to ensure properties meet fire regulations and other safety requirements.

2018 Facts & Stats

- 2 Fire Stations and 1 training facility
- 18 pieces of firefighting apparatus
- 10,000+ hours of firefighter training annually
- 2,821 emergency response incidents
- 1,500 Fire & Life Safety inspections

On a Daily Basis We...

- Provide fire suppression, fire prevention education and fire inspection services;
- Provide first responder medical services;
- Respond to motor vehicle accident rescues, water and marine emergencies, high angle and technical rope rescue;
- Provide emergency scene management, including identifying dangerous goods and isolating hazardous materials;
- Respond to airport crashes with rescue and fire suppression services;
- Manage pre-emergency planning;
- Operate a fire services training centre, delivering basic to advanced fire service training; and
- Lead City emergency management and manage the Emergency Operations Centre (EOC).





RCMP

What We Do

Our mission as Penticton RCMP service is to serve and protect the community, and work in partnership with the community to deliver a responsive and progressive police service. We promote respect for rights and freedoms, the law and democratic traditions, and we treat all people equally and with respect in accordance with our core values.

2018 Facts & Stats

- **20,886** calls for service
- **1,237** charges forwarded
- **1,640** prisoners lodged
- **300** Police Dog Services interventions
- **140** forensic identification files
- **870** Victim Services referrals
- **107** impaired operation of motor vehicles investigations
- **71** distracted driving investigations
- **1,169** *Motor Vehicle Act* violation tickets
- **658** motor vehicle collision investigations
- **74** school talks and community events
- **17** Restorative Justice referrals
- **1,425** volunteer hours (Citizens on Patrol, Speed Watch, Ambassador)

On a Daily Basis We...

- Execute general duty policing 24 hrs per day 7 days per week;
- Conduct serious crime investigations;
- Engage in management and interdiction of prolific offenders;
- Undertake forensic identification services;
- Manage police dog services;
- Conduct traffic enforcement;
- Engage in community policing programming;
- Develop and implement strategic planning and reporting; and
- Serve as headquarters to the South Okanagan RCMP detachments of Summerland, Oliver, Osoyoos, Keremeos and Princeton.





Financial Services

Including Accounting and Budget

What We Do

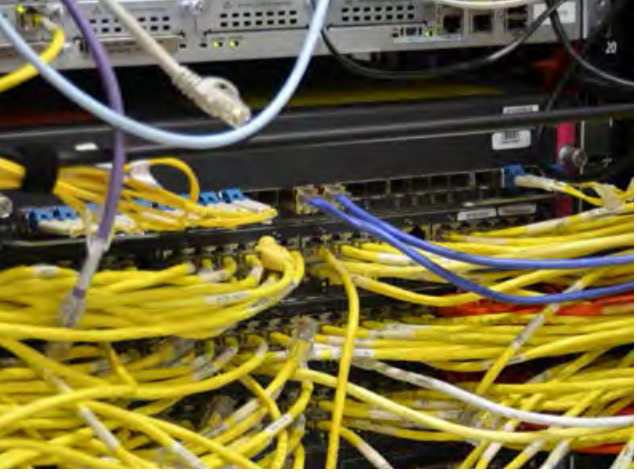
In Financial Services, we are responsible for the financial administration of the City and the delivery of innovative information technology services. The Financial Services Division includes Accounting, Budget, Revenue & Collections, Procurement & Inventory Services and Information Technology/Geographic Information Systems.

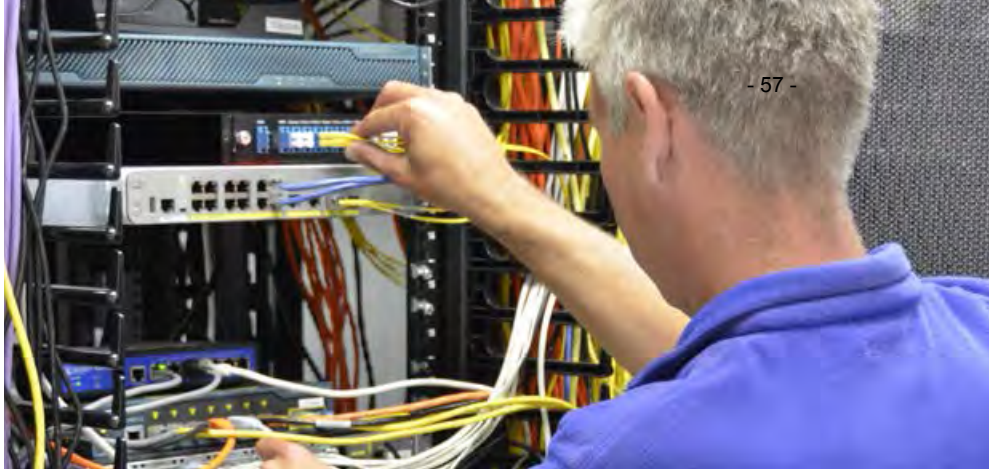
2018 Facts & Stats

- Approximately **13,200** accounts payable invoices processed using approximately **6,600** cheques
- Approximately **16** emergency claims/billings compiled
- Approximately **1,100** sales invoices issued
- **180** Cemetery sales
- **$79.4 million** in City reserves at end of 2018 (4.1% increase from 2017)
- **$34.4** million in long-term debt at end of 2018 (7.5% reduction from 2017)
- City's financing costs represent approximately **20%** of the City's borrowing capacity with the Municipal Finance Authority of BC

On a Daily Basis We...

- Provide overall financial leadership to the City and financial advice to City Council;
- Lead the development of the City's five-year financial plan and ensure compliance with the City's budget;
- Ensure effective stewardship and control over the City's assets;
- Maintain effective accounting records and prepare annual financial statements for the City;
- Provide innovative and secure information technology services throughout the City and online services to the community;
- Collect revenues owed to the City including utility billing;
- Procure goods and services for the City cost effectively;
- Administer the Municipal Grant Program;
- Administer risk management and insurance for the City; and
- Lead business planning and reporting.





Information Technology & Geographic Information Systems

What We Do

In the Information Technology/Geographic Information Systems (IT/GIS) Department, we manage the City's technology hardware and software infrastructure, enabling departments to deliver timely, efficient services to residents and customers. We provide IT services and support to more than 400 users in City departments and affiliated organizations, including Spectra Venue Management, Okanagan Hockey Group, Penticton Vees, Interior Health Authority, RCMP and Tourism Penticton. These users are spread across 16 buildings and connected through a City-owned fibre optic network.

On a Daily Basis We...

- Support City departments and other affiliated organizations with their daily use of IT services through top-notch customer service;
- Provide new and enhanced technology solutions that are cost-effective and focused on improving process and creating efficiency;
- Provide a secure and stable technology infrastructure to deliver reliable IT services; and
- Offer guidance and advice on the best use of current and future technologies.

2018 Facts & Stats

- 400 users connected and served, using 350 workstations and 200 mobile devices across 16 buildings that are connected by a City-owned fibre optic network
- 40 servers and 60+ software applications used to enable users to do their work
- Provide affiliated organizations with IT services and support, including Spectra Venue Management, Okanagan Hockey Group, Penticton Vees, Interior Health Authority, RCMP and Visit Penticton



The City's IT Manager and GIS Coordinator accept the 2018 Award of Excellence from ESRI in recognition of our Roads and Highways GIS project.





Procurement & Inventory Services

What We Do

In Procurement & Inventory Services we assist departments with purchasing products and services to support City operations. We establish policies and procedures to ensure a competitive process that enables the City to get the best value, and we provide assurance of fair treatment for all businesses who work with the City. We also manage the inventory of a wide variety of products used by City departments to ensure products are readily available when required.

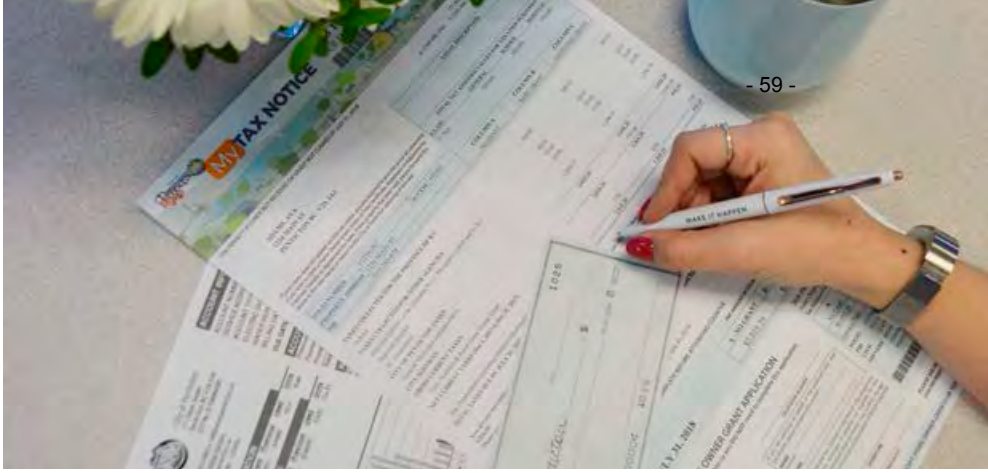
On a Daily Basis We...

- Ensure that all purchases follow an established competitive process, including coordinating requests for proposals and bids for contracts;
- Ensure that the purchasing process is fair, open and transparent;
- Manage the City inventory to deliver consistent and efficient service; and
- Dispose of City assets when they have reached the end of their life cycle or are obsolete.

2018 Facts & Stats

- **792** purchase orders issued, totalling **$8,175,000**
- **3,905** inventory withdrawals processed, totalling **$976,000**
- **$4.6 million** saved by obtaining quotes





Revenue & Collections

What We Do

In Revenue & Collections, we are responsible for billing and collecting a variety of service fees and taxes. These include fees for the City's electricity, water and sewage as well as property taxes. We also provide collection services on behalf of a number of external organizations as their taxes are included in our property tax notices.

2018 Facts & Stats

- 33.6% e-billed utility accounts (up 2% from 2017)
- 19,135 utility accounts billed each month (up 1% from 2017)
- 1,460 rental properties participating in the Landlord Notification of Arrears program
- 715 utility customers moving in and out of properties each month on average
- 2,019 phone calls to Utilities staff and 2,724 calls fielded by reception staff each month on average
- Of the 10,047 Home Owner Grants claimed in 2018, 34.91% were done electronically, up 0.91%
- Processed 3 properties through Tax Sale
- 5,023 walk-in customers assisted by cashiers each month
- 18,000+ payments received online each month:
  - 7,200+ online banking
  - 7,900+ utilities by pre-authorized payments
  - 3,000+ taxes by pre-authorized payments

On a Daily Basis We...

- Manage the billing and collection of the City's electric, water, and sewer utility services;
- Manage the billing and collection of property taxes, including those for the School District, the Regional District of Okanagan-Similkameen, the Okanagan-Similkameen Hospital District, the Municipal Finance Authority and BC Assessment;
- Manage the billing and collection of the City's dog licensing program;
- Provide customer service for incoming inquiries, payments and applications for City services through telephone, email or in-person communication;
- Administer the collection of overdue accounts such as business licensing and municipal tickets;
- Develop the annual general municipal property tax rates for fair collection of taxes across all property classes, in accordance with direction from Council;
- Report to senior levels of government and other taxing authorities regarding property taxation, provincial Home Owner Grant applications, and the provincial Property Tax Deferral program;
- Administer the City's Permissive Tax Exemption program, which may allow eligible properties to be exempted from property taxation for a specified period of time, in accordance with direction from Council; and
- Perform the annual Municipal Tax Sale in accordance with the *Local Government Act*.





Infrastructure

What We Do

The Infrastructure Division is responsible for overseeing many of the City's operations that enable our residents to go about their daily life. We plan, design, construct, operate and maintain road and pedestrian networks; provide for clean drinking water and sewer management; support electrical services; and oversee contracts for services like garbage, recycling and transit. Our division consists of the Electric Utility, Engineering Department and the Public Works Department.

On a Daily Basis We...

- Lead the management of infrastructure assets like roads, bridges, water and sewer systems;
- Lead utility rate setting;
- Administer, through contract, conventional and custom transit; and
- Operate, maintain and undertake construction projects on the road and pedestrian networks, water distribution system, waste water collection system, the drainage system, parks and electrical distribution system.







Engineering

What We Do

The Engineering Department consists of the Design Branch, Water Treatment Branch and Waste Water Treatment Branch. We are responsible for the planning, design and construction administration of the road and pedestrian network, water distribution system, waste water collection system and the drainage system.

2018 Facts & Stats

- **5.7 billion** litres of water pumped from Okanagan Lake station to the Penticton Water Treatment Plant
- **885 million litres** of water drawn from Penticton Creek
- **18.4 million litres/day** required for average daily water demand
- **4,303,000 m^3** of wastewater received
- The average Penticton citizen discharged **324 litres/day** per person into the sewer system
- The average cost to treat a cubic meter (1,000 litres) of wastewater was **$0.58**
- **8,187,075 kg** of bio-solids produced and trucked to Campbell Mountain Landfill for composting
- **491,000 m^3** of reclaimed water recycled for use as irrigation in City parks and golf courses

On a Daily Basis We...

- Plan, design and administer construction on water, sanitary, storm, road and pedestrian networks;
- Operate, maintain, plan and administer design and construction projects for the water treatment plant, water reservoirs and water pump stations;
- Operate, maintain, plan and administer design and construction projects for the Wastewater Treatment Plant and lift stations;
- Keep record drawings;
- Provide comments on development through the Technical Planning Committee; and
- Provide professional engineering advice to Council and staff.





Public Works

What We Do

In Public Works, we keep our community safe by providing clean, safe drinking water, a reliable sanitary sewer system, and storm-water drainage to help prevent flooding. We manage the roads in our community, as well as the parks and cemetery, and also collect your garbage and recycling. To help support these services, as well as those delivered by other departments, we also manage the City's fleet of vehicles.

2018 Facts & Stats

- Maintained and supported: 189 City fleet mobile units, 124 City fleet small equipment, 43 Regional District of Okanagan-Similkameen fleet, 16 licensed fleet and 36 small equipment for City Fire Department, 17 generators, and 35 RCMP fleet
- Maintained 250 km of roads/lanes, 131 km of sidewalks, 225 km of water mains, 88 km of storm water mains and 171 km of sewer mains
- 4,000 km of sewage waste compost produced
- Collected through contract: 3,746 tonnes of garbage and 1,123 tonnes of recyclables
- Addressed 1,200 calls for service including: 21 dead animal collection, 81 illegal dumping / litter and garbage, 140 potholes and 84 debris on road / sweeping

On a Daily Basis We...

- Manage the operations, maintenance and construction of the road and pedestrian network, water distribution system, waste water collection system, drainage system and parks;
- Manage the operations, maintenance, planning, design and construction of City-owned dams;
- Install and maintain the City's water meters;
- Maintain, purchase and coordinate the City's vehicle and equipment fleet;
- Administer, through contract, garbage and recycling collection;
- Operate the waste water solids composting facility;
- Administer, though contract, the Lakeview Cemetery operation, and also design and construct cemetery expansion and upgrades;
- Maintain the Fairview Cemetery; and
- Maintain and upgrade bus stops.

- 25 km of trails / walkways, 75 acres turf, 16 sport fields and 9 playgrounds
- 6 beach locations and 6 off-leash dog areas
- 500+ pieces of furniture, 180 hanging baskets, 200+ litter receptacles and 100+ irrigation systems





Electric Utility

What We Do

The Electric Utility Department is responsible for overseeing the operations, maintenance and ongoing improvement of the City of Penticton's electrical systems. We manage all electric services, from infrastructure and electrical distribution to metering, traffic signals and street lighting.

On a Daily Basis We...

- Operate, maintain, plan, design and construct the electrical distribution system;
- Plan and maintain the City's electrical meters;
- Plan, maintain, operate, design and construct the City's traffic signal system; and
- Plan, maintain, design and construct the City's street lighting system.

2018 Facts & Stats

- 18,646 active customer accounts
- 4 substations feeding 21 distribution circuits
- 4,063 power poles (2,940 wood, 1,123 steel)
- 2,697 distribution transformers
- 362 km of overhead power lines
- 175 km of underground cables







Recreation & Facilities

What We Do

Contributing to a healthy community and enhancing quality of life are the overarching priorities for Recreation & Facilities. We welcome residents and visitors to our many recreation facilities and parks, where we deliver a wide range of recreation programs and services for people of all ages. We design, operate and maintain City-owned buildings, and through the Museum & Archives, we support preservation of the heritage and history of our community. Our Sports & Events office markets and promotes the City as an event destination.



On a Daily Basis We...

- Plan, manage and deliver recreation, sport events and active living opportunities that include aquatic programming, swim lessons and public access to our pool and fitness centre;
- Provide public safety, first aid and emergency response education;
- Ensure City facilities are maintained to required operational standards;
- Provide reception services to assist customers at the community centre pool and fitness room;
- Promote the City of Penticton as an event destination, contributing to a healthy and vibrant community, particularly through signature and shoulder season events that create a strong economic return for the City;
- Offer presentation, preservation and interpretation services for Penticton's history and heritage as well as serving as an important resource for researchers and city staff through the Penticton Museum & Archives; and
- Plan, design, construct, operate and maintain City-owned buildings for City departments and lessees as part of overall asset management.





Facilities

What We Do

The Facilities Department is responsible for planning, design, construction, operations and maintenance of over 30 City-owned buildings. We ensure they operate at optimum efficiency to enable other City departments and lessees to effectively deliver services and programs to the community.

2018 Facts & Stats

- Responsible for **25** major buildings
- Buildings range from **10-90 years** in age
- Average age of a City building is **42 years**
- Floor area of City buildings ranges from **100 to 250,000 square feet**
- Approximately **650,000 square feet** of City-owned facilities

On a Daily Basis We...

- Consult, inspect, and conduct repairs and maintenance on City buildings;
- Plan, design, construct and operate buildings for their best use;
- Ensure buildings are maintained to all regulations and bylaws;
- Regularly review Penticton's diverse collection of facilities, including everything from the Peach on the Beach, to the Trade and Convention Centre and the SS Sicamous; and
- Support a high-quality work environment for City staff and superior quality of life for residents by providing venues to support arts, culture, sports and entertainment in our community.







Recreation Business & Operations

What We Do

In Recreation Business & Operations, we promote and contribute to a healthy community and enhance the quality of life for Penticton residents and visitors through planning, management and delivery of recreation, sport events and active living opportunities. We partner with volunteers, community members and private sector providers to support recreation opportunities in our city.

On a Daily Basis We...

- Provide Community Centre reception services;
- Plan and deliver aquatic programs and provide service supervision, instruction and facilitation;
- Offer recreation programs and services at multiple locations for all ages and interests;
- Market and promote all recreation programs; and
- Manage operations of the Cleland Theatre.

2018 Facts & Stats

- **2,550** programs (1,265 recreation based + 1,285 -aquatic based)
- **7,822** individual program registrations
- **17,845** drop-ins to structured programs
- **73,351** Fitness Room visits
- **11,222** facility and park bookings
- **38,000** recreation guides distributed
- Memberships sold:
  - **981** Active Senior (60-74 years)
  - **274** Active Super Seniors (75+ years)
- Membership scans:
  - **3,604** adult sports
  - **8,439** Senior/Super Senior Aquafit
  - **179** Senior/Super Senior Aquafit/fitness room
  - **16,249** Senior/Super Senior fitness room
  - **26,049** Senior/Super Senior pool
  - **9,568** Senior & Super Senior pool/fitness room
- Program/drop-In stats:
  - Approximately **8,200** Aquafit, pool and fitness room drop-ins
  - **168** participants in older adult fitness classes
  - **3,278** REACT senior drop-ins (medically supervised aquatic program)





Sports & Events

What We Do

As the Sports & Events team, we promote the City of Penticton as an event destination and contribute to a healthy and vibrant community by attracting, developing and managing events in the City.

On a Daily Basis We...

- Focus specifically on signature and shoulder season events that create a strong economic return for Penticton; and
- Foster and maintain strong relationships between events rights holders, sport organizations and event organizers. This includes connecting and working with Travel Penticton, Spectra Venue Management and other businesses and venues in Penticton.

2018 Facts & Stats

- Attracted nearly **6,000** out-of-town visitors to Scotties Tournament of Hearts, Canada's national women's curling event
- Generated **$6.7 million** in economic activity from Scotties Tournament, with initial investment of **$250,000**
- Generate **$3.6 million** in economic activity from the Penticton Peach Festival, with initial investment of **$20,000** cash and **$24,000** value-in-kind
- Hosted **24** sporting events, **35** community events and **10** major events (not including indoor events at City facilities), such as:
  - Elevator Race, Easter Cup and Ice Breaker Soccer in March
  - Wildfire Symposium and Easter Egg Hunt in April
  - Peach City Half, MS Society Walk and Cystic Fybrosis Walk in May
  - Peach City Beach Cruise, Elvis Festival, Rib Festival and Car Auction in June
  - Canada Day, Scottish Festival and GranFondo in July
  - Penticton Peach Festival and Superleague in August
  - Dragon Boat Festival, Kettle Mettle and Motorcycle Toy Run in September





Museum & Archives

What We Do

At the Penticton Museum & Archives, we are committed to the presentation, preservation and interpretation of Penticton's history and heritage. We work with many local heritage and natural history groups and are active in heritage and museum affairs provincially. Within the archives, we collect and preserve the documentary and photographic history of the region and serve as an important resource for researchers and City staff.

2018 Facts & Stats

- 14,715 museum visits
- 1,002 archives visitors
- 92 programming events
- 43 school presentations
- 3 exhibits
- 24,000 images in digital photo library
- 400+ inquiries for public/archive or research
- 24+ volunteers who provide valuable support in archival and museum operations

On a Daily Basis We...

- Offer programs to a wide variety of museum and archives users including school groups, home schooling groups, clubs, seniors and community groups;
- Collect, preserve and interpret a growing collection that is mostly donated by local residents;
- Curate a wide variety of temporary exhibits, showcasing our own collection as well as exhibits borrowed from other museums;
- Welcome visitors to the archives and handle research requests submitted online and in person; and
- Keep our common history accessible to all Penticton residents.

FINANCIAL STATEMENTS



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Chief Financial Officer's Report

May 2019

Your Worship and Members of Council,

I am pleased to submit the City of Penticton's 2018 Annual Financial Report for the year ended December 31, 2018 as required by Sections 98 and 167 of the Community Charter.

The audited financial statements and supplementary financial schedules have been prepared by City staff in conformance with generally accepted accounting principles as prescribed by the Public Sector Accounting Standards (PSAS) of the Chartered Professional Accountants of Canada. Management maintains systems of internal budgetary and accounting controls that provide assurance for safeguarding of assets and the reliability of information. These systems are monitored and evaluated by management.

These statements were audited by BDO Canada LLP, and their responsibility is to express an opinion as to whether the financial statements prepared by management present fairly the financial position of the City as at December 31, 2018.

Operating results from 2018 saw an increase in the City's net financial assets of $1.0 million, bringing its total net financial assets to $28.6 million. This resulted in an overall improvement of its accumulated surplus by 2.7%, with a total now of $355.4 million.

Consolidated revenues for the City increased to $119.7 million in 2018, a 0.7% increase over 2017. This increase was the result of a $1.4 million increase in taxation revenue, emergency recoveries from the provincial government related to the 2017 flood damage and the receipt of a government grant for a creek project. These increases were partially offset by reductions in sale of electricity services.

Consolidated expenditures were $110.5 million – an increase of 1.1% from 2017, owing primarily to an increase in expenditures transferred to operating from capital due to expenditures being outside of the Tangible Capital Asset policy or being related to repairs and maintenance and inflationary increases.

The general revenue fund saw an overall surplus of $531,946, with revenues coming in at $88.3 million, an increase of 3.6% over 2017.



Revenues increased with additional taxation revenue collected as well as emergency recoveries and government grants. Expenditures in 2018 were $85.3 million, an increase of 3.3% over 2017. The main cost drivers include increases for collective agreement salary adjustments and inflationary cost increases.

As with many municipalities, the City continues to foster strong growth and development while at the same time addressing its aging infrastructure and the emergence of many social issues that are causing safety and security concerns within the community. Through the development of a Corporate Business Plan, the City has taken steps to share its overall priorities and specific initiatives with the community, including focus areas for investment. The City's Corporate Business Plan can be found at www.penticton.ca > Departments > Billing & Finance > Financial Plan 2019.

In 2019, the City will be investing $535,000 in additional public safety and security initiatives such as hiring an additional RCMP member and two community safety officers. Over $246,000 will be invested to prepare master plans and other key strategies and development plans to continue to foster growth and development. The City is also taking further steps to address its aging infrastructure by contributing $1.8 million to its asset sustainability reserve, bringing the total reserve to $3.9 million by the end of 2019. Through focus on key priorities and initiatives, the City is taking a balanced and intentional approach to advance our vision for Penticton as a vibrant, innovative, healthy waterfront city focused on sustainability, community and economic opportunity.

Jim Bauer

BDO

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Independent Auditor's Report

To the Mayor and Council of the Corporation of the City of Penticton

Opinion

We have audited the financial statements of the Corporation of the City of Penticton and its controlled entities (the "Consolidated Entity"), which comprise the consolidated statement of financial position as at December 31, 2018, and the consolidated statement of operations, the consolidated statement of change in net financial assets and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Consolidated Entity as at December 31, 2018, and its consolidated results of operations, its consolidated change in net financial assets, and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Consolidated Entity in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Unaudited Information

We have not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the supplementary schedules on pages 23 through 34 of the City of the City of Penticton's Financial Statements.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Consolidated Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Consolidated Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Consolidated Entity's financial reporting process.

Continued on next page

BDO

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Consolidated Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Consolidated Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Consolidated Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Consolidated Entity to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

BDO Canada LLP

Chartered Professional Accountants

Penticton, British Columbia
May 7, 2019

The City of Penticton
Consolidated Statement of Financial Position
December 31, 2018

	2018	2017
Financial Assets		
Cash	$ 7,623,410	$ 5,730,053
Term Deposits (Note 1)	84,097,897	87,799,083
Accounts Receivable (Note 2)	11,216,855	11,349,691
	102,938,162	104,878,827
Financial Liabilities		
Accounts Payable and Accrued Liabilities	14,594,055	15,544,385
Development Cost Charges (Note 3)	15,657,283	14,589,967
Deferred Revenue	5,590,939	5,374,566
Deposits	4,105,303	4,605,675
Long Term Debt (Note 8)	34,373,676	37,173,405
	74,321,256	77,287,998
Net Financial Assets	$ 28,616,906	$ 27,590,829
Non-Financial Assets		
Tangible Capital Assets (Note 9)	$322,516,179	$314,408,591
Inventory	3,806,292	3,636,271
Prepaid Expenses	501,192	596,538
	326,823,663	318,641,400
Accumulated Surplus	$355,440,569	$346,232,229

See accompanying notes to the Consolidated Financial Statements.

The City of Penticton
Consolidated Statement of Operations and Accumulated Surplus
Year ended December 31, 2018

	2018 Budget (Note 13)	2018	2017
Revenue			
Taxation (Note 16)	$ 32,203,265	$ 32,206,019	$ 30,770,666
Sales of Services	65,728,912	69,631,879	70,814,449
Government Grants and Transfers (Note 14)	2,253,235	2,981,154	2,957,572
Other Revenue	7,044,754	9,339,446	9,931,637
Other Contributions	3,049,633	3,448,277	2,006,807
Gain on Disposal	30,000	133,843	123,356
Contributed Asset	-	2,021,239	2,380,923
	110,309,799	119,761,857	118,985,410
Expenditure (Note 10)			
General Government	10,210,468	19,033,265	18,300,461
Protective Services	15,812,758	15,967,295	15,915,825
Transportation Services	4,934,768	10,823,613	8,906,701
Environmental Health Services	1,732,223	1,735,059	1,607,516
Public Health and Safety	202,649	231,941	267,020
Environmental Development Services	3,309,046	3,652,838	3,308,318
Recreation and Culture	11,236,387	12,127,262	12,398,818
Electrical Supply	35,435,626	37,215,864	38,549,353
Sewer System Utility	4,076,703	5,209,151	5,228,799
Water Utility Services	3,279,752	4,557,229	4,869,739
	90,230,380	110,553,517	109,352,550
Annual Surplus	20,079,419	9,208,340	9,632,860
Accumulated Surplus, Beginning of Year	346,232,229	346,232,229	336,599,369
Accumulated Surplus, End of Year	$366,311,648	$355,440,569	$346,232,229

See accompanying notes to the Consolidated Financial Statements.

The City of Penticton
Consolidated Statement of Change in Net Financial Assets
Year ended December 31, 2018

	2018 Budget	2018	2017
Annual surplus	$ 20,079,419	$ 9,208,340	$ 9,632,860
Acquisition of Tangible Capital Assets (Note 9)	(16,398,087)	(20,968,033)	(10,319,164)
Amortization (Note 9)	-	13,846,173	13,389,731
Net Disposal of Tangible Capital Assets (Note 9)	-	817,727	89,838
Contributed Tangible Capital Assets (Note 9)	-	(2,021,239)	(2,380,923)
Asset reclassification (Note 9)	-	217,783	385,771
	3,681,332	1,100,751	10,798,113
Change in Prepaid Expenses (Increase)	-	95,346	(39,936)
Consumption of Supplies Inventories	-	(170,020)	(936,232)
	-	(74,674)	(976,168)
Increase in Net Financial Assets	3,681,332	1,026,077	9,821,945
Net Financial Assets, Beginning of Year	27,590,829	27,590,829	17,768,884
Net Financial Assets, End of Year	$ 31,272,161	$ 28,616,906	$ 27,590,829

See accompanying notes to the Consolidated Financial Statements.

The City of Penticton
Consolidated Statement of Cash Flows
Year ended December 31, 2018

	2018	2017
Operating Transactions		
Annual Surplus	$ 9,208,340	$ 9,632,860
Change in Non-Cash Operating Items		
(Increase) decrease in Accounts Receivable	132,837	(3,648,885)
Increase (decrease) in Trade Accounts Payable and Accrued Liabilities	(950,330)	2,603,838
Increase in Development Cost Charges	1,067,316	4,314,893
Increase in Deferred Revenues	216,373	240,649
Increase (decrease) in Deposits	(500,372)	2,039,801
(Increase) decrease in Prepaid Expenses	95,346	(39,936)
Increase in Inventory	(170,020)	(936,232)
Net Disposal of Tangible Capital Assets	817,727	89,838
Amortization	13,846,173	13,389,731
Contributed Tangible Capital Assets	(2,021,239)	(2,380,923)
Asset reclassification	217,782	385,771
	12,751,593	16,058,545
Cash Provided by Operating Activities	21,959,933	25,691,405
Capital Transactions		
Cash Used to Acquire Tangible Capital Assets	(20,968,033)	(10,319,164)
Financing Transactions		
Debt Proceeds	1,530,000	-
Debt Repayment	(4,329,729)	(5,939,821)
Investing Transactions		
(Increase) decrease in Term Deposits	3,701,186	(5,019,354)
Change in Cash	1,893,357	4,413,066
Cash, Beginning of Year	5,730,053	1,316,987
Cash, End of Year	$ 7,623,410	$ 5,730,053

Supplemental Cash Flow Information	2018	2017
Interest Paid	$ 2,717,397	$ 3,515,478

Note: Investment income recognized includes an actuarial addition to the sinking fund

See accompanying notes to the Consolidated Financial Statements.

The City of Penticton
Significant Accounting Policies
December 31, 2018

Management's Responsibility for the Financial Statements

The consolidated financial statements of the City are the responsibility of management. They have been prepared in accordance with Canadian generally accepted accounting principles established by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada. The Corporation of the City of Penticton ("the City") is a municipality in the Province of British Columbia and operates under the provisions of the Community Charter. The City provides municipal services such as fire, public works, planning, parks, recreation and other general government services.

Basis of Consolidation

The consolidated financial statements reflect the assets, liabilities, revenue and expenses of all municipal organizations, committees and Boards which are owned or controlled by the City. All inter-entity transactions and balances have been eliminated. The controlled organizations include:

Penticton Public Library

Deferred Revenue

Funds received for specific purposes which are externally restricted by legislation, regulation or agreement and are not available for general municipal purposes are accounted for as deferred revenue on the Consolidated Statement of Financial Position. The revenue is recognized in the Consolidated Statement of Operations in the year in which it is used for the specified purpose.

Revenue Recognition

Taxation

Taxes are recorded at estimated amounts when they meet the definition of an asset, have been authorized and the taxable event occurs. For property taxes, the taxable event is the period for which the tax is levied. Taxes receivable are recognized net of an allowance for anticipated uncollected amounts.

Government Transfers

Government transfers are recognized as revenue in the financial statements when the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. Transfers are recognized as deferred revenue when transfer stipulations give rise to a liability. Transfer revenue is recognized in the statement of operations as the stipulation liabilities are settled.

Utilities

Charges for sewer and water usage are recorded as user fees. Connection fee revenues are recognized when the connection has been established. Conditional grant revenue is recognized to the extent the conditions imposed on it have been fulfilled.

The City of Penticton
Significant Accounting Policies
December 31, 2018

Revenue Recognition continued

Fee for Service

Sales of service and other revenue is recognized on an accrual basis.

Inventory

The City holds consumable inventory which is recorded at the lower of cost and net realizable value. Cost is determined on a weighted average basis.

Tangible Capital Assets

Tangible capital assets are not available to discharge existing liabilities and are held for use in the provision of goods and services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations.

Tangible capital assets are recorded at cost, net of capital asset disposals, write-downs and amortization. Cost includes all costs directly attributable to acquisition or construction of the tangible capital asset including transportation costs, installation costs, design and engineering fees, legal fees and site preparation costs. Contributed tangible capital assets are recorded at fair value at the time of the donation, with a corresponding amount recorded as revenue. The City holds several works of art and historic treasures that have not been included in the tangible capital assets, including displays at the museum and various works of art and decorations in the facilities. Amortization is recorded on a straight-line basis over the estimated life of the tangible capital asset commencing once the asset is available for productive use as follows:

Buildings	20 to 70 years
Roads and Sidewalks	25 to 75 years
Machinery and Equipment	5 to 20 years
Water Infrastructure	50 to 100 years
Sewer Infrastructure	10 to 100 years
Electrical Infrastructure	20 to 50 years
Parks and Recreation Infrastructure	10 to 50 years
Vehicles	10 to 20 years
Furniture and Equipment	10 to 20 years
Computer Hardware and Software	4 to 10 years
Books and Library Materials	5 to 13 years
Construction in progress	No amortization taken

The City of Penticton
Significant Accounting Policies
December 31, 2018

Retirement and Employee Benefits

The City's retirement contributions due during the period to its multi-employer defined benefit plan are expensed as incurred.

City employees belonging to CUPE local 608 are eligble to accumulate sick leave until termination of employment. Unused sick leave is not eligible for payment upon retirement or termination and may not be used as vacation. Employees may accumulate a maximum of 10 days of sick leave.

Reserve for Future Expenditure

Reserves for future expenditure are non-statutory reserves which represent an appropriation of surplus for specific purposes. Transfers to reserves for future expenditure include funds to finance incomplete projects and accumulations for specific purposes.

Statutory Reserve Funds

The use of these funds is restricted by the Community Charter and associated Municipal Bylaws. Statutory reserve funds are funded 100% by cash and temporary investments.

Use of Estimates

The preparation of consolidated financial statements in accordance with Public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future. Adjustments, if any, will be reflected in the consolidated financial statements in the period that the change in estimate is made, as well as in the period of settlement if the amount is different.

Collection of Taxes on Behalf of Other Taxation Authorities

The City collects taxation revenue on behalf of other entities. Such levies, other revenues, expenses, assets and liabilities with respect to the operations of entities are not reflected in these consolidated financial statements.

Contaminated Sites

A liability for contaminated sites is recognized when a site is not in productive use and the following criteria are met:

a) An environmental standard exists

b) Contamination exceeds the environmental standard

c) The City is directly responsible or accepts responsibility for remediation

d) It is expected that future economic benefits will be given up; and

e) A reasonable estimate of the amount can be made.

The liability is recognized as management's estimate of the cost of post-remediation including operation, maintenance and monitoring that are an integral part of the remediation strategy for a contaminated site.

As at December 31, 2018 the City has no liability for contaminated sites.

The City of Penticton
Notes to the Consolidated Financial Statements
December 31, 2018

1. Term Deposits

	Maturity Date	Effective Interest Rate (%)	2018	2017
Valley First	May 14, 2019	2.25	$ 24,750	$ -
Valley First	May 14, 2019	2.25	30,000	-
Valley First	Aug 17, 2019	2.80	6,000,000	-
Valley First	Aug 17, 2019	2.40	6,000,000	-
Valley First	Aug 17, 2019	2.40	6,000,000	-
Valley First	Aug 17, 2019	2.40	5,000,000	-
Valley First	Aug 17, 2019	2.40	5,000,000	-
Valley First	Aug 17, 2019	2.35	3,000,000	-
Valley First	Nov 22, 2019	2.90	6,000,000	-
Valley First	Nov 22, 2019	2.55	6,000,000	-
Valley First	Nov 22, 2019	2.55	3,000,000	-
Valley First	Nov 22, 2019	2.55	3,000,000	-
Valley First	Nov 22, 2019	2.50	3,000,000	-
Valley First	Aug 17, 2023	3.05	5,000,000	-
Valley First Redemptions		-	-	61,223,660
Municipal Finance Authority		1.76	27,043,147	26,575,423
			$ 84,097,897	$ 87,799,083

2. Accounts Receivable

	2018	2017
Property Taxes	$ 956,826	$ 984,370
Other Receivables	3,468,399	3,645,341
Federal Government	266,759	350,404
Provincial Government	1,117,793	788,997
Regional District Okanagan Similkameen	167,580	3,271
Other Government Agencies	50,131	59,543
Utility Rates Receivable	4,764,047	4,878,382
Accrued Interest Receivable	402,634	609,673
Cemetery Trust Fund Receivable	22,686	29,710
	$ 11,216,855	$ 11,349,691

The City of Penticton
Notes to the Consolidated Financial Statements
December 31, 2018

3. Development Cost Charges (DCC)

The City collects development cost charges to pay for a proportionate share of infrastructure related to new growth. In accordance with the Local Government Act of BC, these funds must be deposited into a separate reserve fund. When the related costs are incurred, the DCCs are recognized as revenue.

	2018	2017
DCC by Type		
Roads DCC	$ 1,831,008	$ 1,553,588
Parks DCC	833,394	710,820
Drainage DCC	328,395	379,993
Waste Water DCC	8,632,969	8,136,869
Water DCC	4,031,517	3,808,697
	15,657,283	14,589,967
DCC Activity		
Balance, Beginning of Year	14,589,967	10,275,074
Return on Investments	264,877	159,240
DCCs Levied in the Year	1,239,738	4,463,347
Transfers to General Operating	(437,299)	(307,694)
	$ 15,657,283	$ 14,589,967

4. Development Cost Charges Reductions

In 2010, Council adopted the Development Cost Charge Reduction Bylaw and the companion Economic Incentive Zone Bylaw. The purpose of these bylaws was to spur development in key areas of the City, promote sustainable development and promote the development of affordable rental housing. The bylaws also contain provisions to encourage high-end hotel development. These bylaws will reduce the value of development cost charges, building permit fees and municipal taxes received by The City of Penticton for eligible developments.

The DCC reductions and Economic Incentive tax exemption program have been implemented in accordance with the provisions of Section 933(1) of the Local Government Act and Section 226 of the Community Charter, respectively. In 2018 $390,373 (2017 - $217,011) of Economic Incentive tax exemptions were granted. In addition, Council approved $910,736 (2017 - $51,434) of DCC reductions in 2018.

5. Pension Liability

The City and its employees contribute to the Municipal Pension Plan (the Plan), a jointly trusteed pension plan. The Board of Trustees, representing plan members and employers, is responsible for administering the Plan, including investment of the assets and administration of benefits. The Plan is a multi-employer defined benefit pension plan. Basic pension benefits are based on a formula. As at December 31, 2017, the Plan has about 197,000 active members and approximately 95,000 retired members. Active members include approximately 39,000 contributors from local governments.

Every three years, an actuarial valuation is performed to assess the financial position of the plan and adequacy of plan funding. The actuary determines an appropriate combined employer and member contribution rate to fund the Plan. The actuary's calculated contribution rate is based on the entry-age normal cost method, which produces the long-term rate of member and employer contributions sufficient to provide benefits for the average future entrants to the plan. This rate may be adjusted for the amortization of any actuarial funding surplus and will be adjusted for the amortization of any unfunded actuarial liability.

The most recent actuarial valuation as at December 31, 2015 indicated a $2,224 million funding surplus for basic pension benefits on a going concern basis. As a result of the 2015 basic account actuarial valuation surplus and pursuant to the joint trustee agreement, $1.927 million was transferred to the rate stabilization account and $297 million of the surplus ensured the required contribution rates remained unchanged.

The City of Penticton paid $2,104,076 (2017 - $1,924,992) for employer contributions to the Plan in fiscal 2018.

The next valuation will be as at December 31, 2018 with results available in 2019.

Employers participating in the Plan record their pension expense as the amount of employer contributions made during the fiscal year (defined contribution pension plan accounting). This is because the Plan records accrued liabilities and accrued assets for the Plan in aggregate, resulting in no consistent and reliable basis for allocating the obligation, assets and cost to individual employers participating in the Plan.

6. Contingent Liabilities

a. Regional District of Okanagan Similkameen

Under Section 836 of the Local Government Act, all monies borrowed by a Regional District, shall be upon its credit at large and shall, in the event of any default, constitute an indebtedness of the member municipalities for which they are jointly and severally liable. At December 31, 2018, the long term debt of the Regional District aggregated $79,084,988 (2017 - $86,060,832).

6. Contingent Liabilities continued

b. Legal Actions

As at December 31, 2018, certain legal actions are pending against the City as follows:

1. The City is aware of various liens registered against the City owned properties located at 903-969 Eckhardt Ave W. These liens were filed by various companies engaged by the third party purchaser of the same properties who subsequently defaulted on the purchase. These companies were not paid and they filed liens against the properties. Twelve liens were filed representing claims totaling $2,111,921.90. Since then, and within the one year limitation period under the Builders Lien Act, five lien claimants had started legal actions against various parties, including the City, and filed certificates of pending litigation ("CPL") against the properties. One claimant has subsequently abandoned its lien claim and discontinued its action and another claimant reached a settlement. The remaining three claims remain alive with the value of these lien claims totaling $663,851. It is unknown at this time the likely outcome; however, damages could reach $66,000, which is 10% of the total claims still being advanced.

2. The City has been named a party to an action with respect to a claim made for interference with development rights. The Claimant may have a reasonable basis for a claim; however given the uncertainty of the amount and likeliness of the claim, no accrual has been recorded in regards to these costs.

c. General Contingencies

From time to time there are potential claims against the City for incidents which arise in the ordinary course of business. In the opinion of management and legal counsel, the outcomes of the claims are not determinable at this time and cannot be estimated. Should any loss result from the resolution of these claims, such loss will be charged to operations in the year of resolution.

7. Letters of Credit

In addition to the performance deposits reflected in the Consolidated Statement of Financial Position, the City is holding irrevocable Letters of Credit in the amount of $734,459 which were received from depositors to ensure their performance of works to be undertaken within the City. These amounts are not reflected in the Consolidated Financial Statements but are available to satisfy liabilities arising from non-performance by the depositors.

The City of Penticton
Notes to the Consolidated Financial Statements
December 31, 2018

8. Long Term Debt

Long term debt reported on the Consolidated Statement of Financial Position is comprised of the following:

	2018	2017
Long Term Debt	$ 34,373,676	$ 37,173,405

Principal repayments relating to long term debt of $34,373,676 outstanding are due as follows (in thousands):

	2019	2020	2021	2022	2023	Thereafter
General Fund	$ 1,365	$ 1,347	$ 1,215	$ 1,219	$ 1,221	$ 10,922
Sewer Fund	545	539	539	539	539	7,169
Water Fund	422	422	422	422	422	5,105
	$ 2,332	$ 2,308	$ 2,176	$ 2,180	$ 2,182	$ 23,196

Long term debt is secured by the assets of the City. The Long Term Debt is held by the Municipal Finance Authority. The principal payments are invested by the Municipal Finance Authority into a Sinking Fund. The principal repayments are currently calculated at a rate of 4%. The 2018 earnings in the Sinking Fund were calculated to be $1,347,311 and are included in Other Revenue on the Consolidated Statement of Operations.

9. Tangible Capital Assets

The City of Penticton budgets for Tangible Capital Assets (TCA) as well as non-operating repairs and maintenance through the capital budget. During the year, the City incurred $26,570,358 of expenditures that fall within the Capital Budget. Of this amount, $20,968,033 met the TCA capitalization policy criteria while the remaining $5,602,325 was expensed due to the expenditure being outside the TCA capitalization policy criteria or they were related to repairs and maintenance.

9. Tangible Capital Assets continued

	Land	Building	Equipment	Sewer Infrastructure	Water Infrastructure	Electrical Infrastructure	Roads	Construction in Progress	2018 Total
COST									
Opening Balance	$ 48,519,310	$ 164,888,807	$ 40,780,317	$ 52,295,961	$ 55,287,055	$ 74,893,453	$ 87,441,232	$ 4,731,681	$ 528,837,816
Add: Additions	3,930,923	2,044,798	2,989,580	1,218,242	2,759,538	1,901,777	4,149,700	1,973,475	20,968,033
Add: Trsf to/from Construction in Progress	-	34,920	517,507	311,360	1,189,416	2,400,029	-	(4,453,232)	-
Add: Contributed Assets	-	-	-	934,706	350,686	-	735,847	-	2,021,239
Less: Disposals	68,874	240,936	169,027	-	528,494	-	377,189	-	1,384,520
Re-classification	-	-	-	-	-	-	-	(217,783)	(217,783)
	52,381,359	166,727,589	44,118,377	54,760,269	59,058,201	79,195,259	91,949,590	2,034,141	550,224,785
ACCUMULATED AMORTIZATION									
Opening Balance	-	71,318,473	27,567,519	10,508,279	19,379,927	36,527,883	49,127,144	-	214,429,225
Add: Amortization	-	4,936,745	2,003,770	1,098,271	890,867	2,119,112	2,797,408	-	13,846,173
Less: Acc Amortization on Disposals	-	134,924	118,418	-	253,102	-	60,350	-	566,794
	-	76,120,294	29,452,871	11,606,550	20,017,692	38,646,995	51,864,202	-	227,708,604
Net Book Value for Year Ended Dec. 31, 2018	$ 52,381,359	$ 90,607,295	$ 14,665,506	$ 43,153,719	$ 39,040,509	$ 40,548,264	$ 40,085,388	$ 2,034,141	$ 322,516,181

The City of Penticton
Notes to the Consolidated Financial Statements
December 31, 2018

9. Tangible Capital Assets continued

	Land	Building	Equipment	Sewer Infrastructure	Water Infrastructure	Electrical Infrastructure	Roads	Construction in Progress	2017 Total
COST									
Opening Balance	$ 48,433,058	$ 163,954,616	$ 39,906,689	$ 50,618,753	$ 54,038,979	$ 73,909,945	$ 84,739,652	$ 1,562,907	$ 517,164,599
Add: Additions	86,252	985,843	1,463,075	531,833	741,303	983,508	1,925,330	3,602,020	10,319,164
Add: Trsf to/from Construction in Progress	-	-	-	47,475	-	-	-	(47,475)	-
Add: Contributed Assets	-	-	-	1,097,900	506,773	-	776,250	-	2,380,923
Less: Disposals	-	51,652	589,447	-	-	-	-	-	641,099
Re-classification to Financial Assets	-	-	-	-	-	-	-	(385,771)	(385,771)
	48,519,310	164,888,807	40,780,317	52,295,961	55,287,055	74,893,453	87,441,232	4,731,681	528,837,816
ACCUMULATED AMORTIZATION									
Opening Balance	-	66,514,460	26,237,831	9,442,865	18,558,926	34,430,762	46,405,911	-	201,590,755
Add: Amortization	-	4,855,665	1,829,297	1,065,414	821,001	2,097,121	2,721,233	-	13,389,731
Less: Acc Amortization on Disposals	-	51,652	499,609	-	-	-	-	-	551,261
	-	71,318,473	27,567,519	10,508,279	19,379,927	36,527,883	49,127,144	-	214,429,225
Net Book Value for Year Ended Dec. 31, 2017	$ 48,519,310	$ 93,570,334	$ 13,212,798	$ 41,787,682	$ 35,907,128	$ 38,365,570	$ 38,314,088	$ 4,731,681	$ 314,408,591

The City of Penticton
Notes to the Consolidated Financial Statements
December 31, 2018

10. Reporting by Object

	2018	2017
Salaries and Benefits	$ 27,898,089	$ 26,840,274
Goods and Services	51,773,972	49,226,378
Interest	2,717,396	3,515,479
Amortization	13,846,173	13,389,732
Other Expenses	2,284,690	2,333,353
Vehicle & Equipment Maintenance	5,002,150	6,786,080
Policing Agreement	7,031,047	7,261,254
	$ 110,553,517	$ 109,352,550

11. Credit Facilities

a. Line of Credit

The City holds a $5,000,000 line of credit with the Valley First Credit Union. This line of credit has a borrowing rate of prime and is secured by the Revenue Anticipation Borrowing Bylaw 2011 No. 5003.

As of December 31, 2018 there was no balance outstanding.

b. Bank Indebtedness

The City holds a $9,230,000 EFT limit.

12. Municipal Finance Authority

Cash Deposits and Demand Notes - The City issues the majority of its debt instruments through the Municipal Finance Authority. As a condition of these borrowings, a portion of the debenture proceeds is withheld by the Municipal Finance Authority as a debt reserve fund. The City also executes demand notes in connection with each debenture whereby the City may be required to loan certain amounts to the Municipal Finance Authority. These demand notes are contingent in nature.

Proceeds on loan requests are 98.40% of the gross amount of the loan. 1% is deducted by the MFA for security against loan default (this is held in trust by the MFA in its Debt Reserve Fund and will be refunded to clients, with interest, at loan expiry). The remaining 0.60% is deducted as an issue expense to cover the costs of administering the Debt Reserve Fund.

As at December 31, 2018 the Debt Reserve Fund demand note requirements were $1,847,557 (2017 - $2,507,605). In addition, cash deposits totaling $844,411 (2017 - $978,524) were held by the MFA.

The City of Penticton
Notes to the Consolidated Financial Statements
December 31, 2018

13. Budget

The Financial Plan (Budget) Bylaw No. 2017-79 adopted by Council on January 9, 2018 was not prepared on a basis consistent with that used to report actual results (Public Sector Accounting Standards). The budget figures anticipated use of reserves accumulated in previous years to reduce current year expenditures in excess of current year revenues to Nil. In addition, the budget expensed all tangible capital expenditures rather than including amortization expense. As a result, the budget figures presented in the statements of operations and change in net financial assets represent the Financial Plan adopted by Council with adjustments as follows:

	2018
Financial Plan (Budget) Bylaw surplus for the year	$ -
Add:	
Transfer to Funds/Reserves	19,394,026
Debt Principal Repayments	2,982,421
Budgeted Capital Expenditures - General	7,181,285
Budgeted Capital Expenditures - Electric	4,831,652
Budgeted Capital Expenditures - Sewer	2,677,000
Budgeted Capital Expenditures - Water	3,407,250
Less:	
Budgeted Transfers from Surplus	20,394,215
Budget Surplus per Statement of Operations	$ 20,079,419

14. Transfers From Other Governments

	2018	2017
Gas tax community works fund	$ 1,507,824	$ 1,458,679
Traffic fine revenue sharing	385,881	381,557
Okanagan Basin Water Board grants	211,504	215,822
Province of British Columbia - Carmi Reservoir	511,705	662,745
BC Arts Council	18,000	20,000
Library	132,218	130,696
Miscellaneous	214,021	88,073
	$ 2,981,153	$ 2,957,572

15. Penticton Public Library

The establishment of a municipal public library in the City of Penticton Bylaw 2639 was passed December 8, 1969. The Bylaw indicates that the City exercises significant influence over the Penticton Public Library and is required to fund its operations as per the Library Act. The Penticton Public Library assets as managed by the Library Board are recorded as assets of the City. The operations of the Penticton Public Library have been wholly consolidated by the City.

16. Taxation

	Budget	2018	2017
Municipal Taxation			
Real Property	$ 31,734,871	$ 31,575,505	$ 30,224,908
Special Assessments	213,875	170,067	198,927
Grants in Lieu	254,519	460,447	346,831
Total municipal taxation	32,203,265	32,206,019	30,770,666
Collections For other Governments			
School	16,718,620	15,647,890	15,318,549
Regional District	1,634,682	1,940,995	1,864,568
Regional Hospital	2,558,818	2,603,331	2,483,961
BCAA	463,752	409,730	392,230
Total collections for other taxing authorities	21,375,872	20,601,946	20,059,308
Transfers to Other Governments	(21,375,873)	(20,595,283)	(20,038,950)
Supplemental Taxation Remitted	-	(6,663)	(20,358)
Net taxation for municipal purposes	$ 32,203,264	$ 32,206,019	$ 30,770,666

17. Comparative Figures

Certain comparative figures have been reclassified to conform with the current year presentation.

18. Contractual Rights

Contractual rights are rights to economic resources arising from contracts or agreements that will result in an asset in the future. The City's contractual rights arise because of contracts entered into for long-term land leases that grant rights to the City, upon termination of the lease, to any Building(s) the Tenant has constructed on the land. The following listing outlines the nature, amount, and timing for each of the City's contractual rights to future assets:

The Penticton Golf & Country Club

The LEASE Agreement between The City of Penticton and The Penticton Golf & Country Club dated July 1, 2007, will generate an asset to the City upon expiry of the lease. The LEASE Agreement grants the right of ownership of the Golf Clubhouse Building to the City; the current market value for this building is $1,656,000. This is a 26 year, 4 month Lease, due to expire in 2033.

Art Gallery of the South Okanagan (Inc. 9986)

The LEASE Agreement between The City of Penticton and the Art Gallery of the South Okanagan (Inc, 9986) dated October 1, 1999, will generate an asset to the City upon expiry of the lease. The LEASE Agreement grants the right of ownership of the Art Gallery Building to the City; the current market value for this building is $935,000. This is a 20 year Lease, due to expire in 2019.

Penticton Seniors' Drop-in Centre Society

The LEASE Agreement between The City of Penticton and the Penticton Seniors' Drop-in Centre Society dated June 1, 1999, will generate an asset to the City upon expiry of the lease. The LEASE Agreement grants the right of ownership of the Drop-In Centre Building to the City; the current market value for this building is $1,708,000. This is a 20 year Lease, due to expire in 2019.

Gateway Casinos & Entertainment Limited

The LEASE Agreement between The City of Penticton and Gateway Casinos & Entertainment Limited dated May 4, 2016, will generate an asset to the City upon expiry of the lease. The LEASE Agreement grants the right of ownership of the Casino Building to the City; the current market value for this building is $12,595,000. This is a 20 year Lease, due to expire in 2036 with two 10-year extension options.

19. Segmented Information

The City is a diversified municipal government institution that provides a wide range of services to its citizens such as transit, police, fire, water and electricity. Distinguishable functional segments have been separately disclosed in the segmented information. The nature of the segments and the activities they encompass are as follows:

General Government Services

General Government operations are primarily funded by property taxation. This segment includes all of the revenues and expenses that relate to the operations of the City itself and cannot be directly attributed to one of the other specific segments including administration, financial services, human resources, information technology, and revenue and collections.

19. Segmented Information continued

Protective Services

Protection is comprised of police services, fire protection dog control and building services. The police services work to ensure the safety and protection of the citizens and their property. The fire department is responsible to provide fire suppression service, fire prevention programs, training and education.

Transportation Services

Transportation is responsible for the delivery of municipal public works services related to the City's public transit services, roads and maintenance, bridges, drainage systems, bylaw services, public works, street lighting and traffic control.

Environmental Health Services

Environmental services consists of providing waste disposal to citizens.

Public Health and Safety

Health services are comprised of public health services; this segment includes the operation of the City's Cemeteries.

Environmental Development Services

This segment includes city planning, economic development and ensures all property development and land use is in line with City Bylaw's and policies and is in the best interest of the community.

Recreation and Culture

This segment provides services meant to improve health and development of the City's citizens. Recreational programs and cultural programs like swimming and skating lessons are provided at the arenas, the aquatic centre and the community centre. Also, the City provides library services to assist with its citizens' informational needs and a museum that houses collections and artifacts. The segment also includes parks, land administration and the City's net contribution to the operations of the South Okanagan Events Centre.

Electrical Supply

The electrical supply system is responsible for distribution of electricity to the City's citizens and businesses. This segment includes all of the operating activities related to the supply of the City's electricity.

Sewer System Utility

The City's sanitary sewer system collects, conveys and treats and disposes of domestic and industrial wastewater. This segment includes all of the operating activities related to the collection and treatment of wastewater (sewage) throughout the City.

Water Utility Services

The water utility is responsible for planning, designing, building and operating and maintaining the City's water system and includes all of the operating activities related to the treatment and distribution of water throughout the City.

The City of Penticton
Schedule of Segment Disclosure
December 31, 2018

	General Government Services	Protective Services	Transportation Services	Environmental Health Services	Public Health and Safety	Environmental Development Services	Recreation and Culture	Electrical Supply	Sewer System Utility	Water Utility Services	2018 Total
REVENUE											
Taxation	$ 32,206,019	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 32,206,019
Sales of Services	2,677,060	1,141,643	2,331,909	2,454,942	312,235	108,071	2,433,900	43,690,448	5,618,853	8,862,818	69,631,879
Government Grants and Transfers	1,923,706	111,701	-	-	-	52,320	170,218	-	211,504	511,705	2,981,154
Other Revenue	7,876,949	149,897	30,000	-	-	-	1,264,420	12,235	-	5,945	9,339,446
Other Contributions	218,821	-	1,396,927	-	-	-	-	1,111,216	81,378	639,935	3,448,277
Gain (loss) on Disposal	(106,012)	-	(537,499)	-	-	-	777,354	-	-	-	133,843
Contributed Asset	2,021,239	-	-	-	-	-	-	-	-	-	2,021,239
	46,817,782	1,403,241	3,221,337	2,454,942	312,235	160,391	4,645,892	44,813,899	5,911,735	10,020,403	119,761,857
EXPENDITURE											
Salaries and Benefits	5,479,572	7,756,242	2,044,532	132,471	42,422	1,808,745	5,637,748	1,939,788	1,510,690	1,545,879	27,898,089
Goods and Services	3,887,461	981,438	4,799,740	1,598,205	186,953	1,196,672	4,611,349	31,430,798	1,565,363	1,515,993	51,773,972
Interest	(27,144)	84,000	131,732	-	-	-	1,384,852	-	709,613	434,343	2,717,396
Amortization	7,833,058	-	1,904,865	-	-	-	-	2,119,112	1,098,271	890,867	13,846,173
Other Expenses	1,534,703	26,927	10,868	-	-	639,205	24,889	36,579	2,252	9,267	2,284,690
Vehicle & Equipment Maintenance	325,615	87,641	1,931,876	4,383	2,566	8,216	468,424	1,689,587	322,962	160,880	5,002,150
Policing Agreement	-	7,031,047	-	-	-	-	-	-	-	-	7,031,047
	19,033,265	15,967,295	10,823,613	1,735,059	231,941	3,652,838	12,127,262	37,215,864	5,209,151	4,557,229	110,553,517
Excess (Deficiency) of Revenues Over Expenditures	$ 27,784,517	$(14,564,054)	$ (7,602,276)	$ 719,883	$ 80,294	$ (3,492,447)	$ (7,481,370)	$ 7,598,035	$ 702,584	$ 5,463,174	$ 9,208,340

The City of Penticton
Schedule of Segment Disclosure
December 31, 2017

	General Government Services	Protective Services	Transportation Services	Environmental Health Services	Public Health and Safety	Environmental Development Services	Recreation and Culture	Electrical Supply	Sewer System Utility	Water Utility Services	2017 Total
REVENUE											
Taxation	$ 30,770,666	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 30,770,666
Sales of Services	2,847,427	1,279,191	2,043,241	2,583,457	493,556	306,965	2,394,211	45,209,797	5,080,860	8,575,744	70,814,449
Government Grants and Transfers	1,860,236	-	20,000	-	-	48,073	150,696	-	215,822	662,745	2,957,572
Other Revenue	8,384,173	269,220	175	-	-	636	1,258,269	12,609	-	6,555	9,931,637
Other Contributions	282,322	-	174,547	-	-	1,500	2,480	994,501	109,492	441,965	2,006,807
Gain (loss) on Disposal	79,768	-	43,588	-	-	-	-	-	-	-	123,356
Contributed Asset	2,380,923	-	-	-	-	-	-	-	-	-	2,380,923
	46,605,515	1,548,411	2,281,551	2,583,457	493,556	357,174	3,805,656	46,216,907	5,406,174	9,687,009	118,985,410
EXPENDITURE											
Salaries and Benefits	4,930,164	7,640,837	1,734,272	133,695	49,032	1,544,976	5,506,649	2,249,394	1,471,248	1,580,007	26,840,274
Goods and Services	3,853,201	826,727	3,496,708	1,469,544	212,409	1,138,281	4,255,190	30,516,156	1,597,089	1,861,073	49,226,378
Interest	(44,188)	84,000	126,064	-	-	-	2,145,288	-	759,695	444,620	3,515,479
Amortization	7,664,494	-	1,741,702	-	-	-	-	2,097,121	1,065,414	821,001	13,389,732
Other Expenses	1,601,973	16,507	3,342	-	-	615,770	24,666	66,313	1,365	3,417	2,333,353
Vehicle & Equipment Maintenance	294,817	86,500	1,804,613	4,277	5,579	9,291	467,025	3,620,369	333,988	159,621	6,786,080
Policing Agreement	-	7,261,254	-	-	-	-	-	-	-	-	7,261,254
	18,300,461	15,915,825	8,906,701	1,607,516	267,020	3,308,318	12,398,818	38,549,353	5,228,799	4,869,739	109,352,550
Excess (Deficiency) of Revenues Over Expenditures	$ 28,305,054	$(14,367,414)	$ (6,625,150)	$ 975,941	$ 226,536	$ (2,951,144)	$ (8,593,162)	$ 7,667,554	$ 177,375	$ 4,817,270	$ 9,632,860

The City of Penticton
General Revenue Fund
Statement of Operations
Year ended December 31, 2018 (unaudited)

	2018 Budget	2018	2017
Revenue			
Taxation	$ 32,203,265	$ 32,206,019	$ 30,770,666
Sales of Services	13,990,211	16,137,073	16,626,398
Government Grants and Transfers	2,037,417	2,257,945	2,079,005
Transfer From Other Funds/Reserves	2,031,225	6,090,564	5,275,786
Other Revenue	7,035,754	9,321,265	9,912,473
Other Contributions	205,768	1,615,748	460,849
Sale of Assets	30,000	133,843	123,356
Collections For other Governments	21,375,873	20,601,945	20,059,308
	78,909,513	88,364,402	85,307,841
Expenditure			
Salaries and Benefits	21,792,717	23,502,011	22,175,482
Goods and Services	13,377,179	18,270,932	16,226,071
Interest	1,646,247	1,573,440	2,311,164
Principal Payments	1,985,241	1,985,239	3,232,873
Other Expenses	1,865,087	2,236,591	2,262,258
Vehicle & Equipment Maintenance	2,823,809	2,828,721	2,672,103
Policing Agreement	7,413,760	7,031,047	7,261,254
Transfer to Other Funds/Reserves	6,629,600	9,809,192	8,813,414
Transfers to Other Governments	21,375,873	20,595,283	20,038,950
	78,909,513	87,832,456	84,993,569
EXCESS OF REVENUES OVER EXPENDITURES	-	531,946	314,272
CHANGE IN FUND BALANCES	-	531,946	314,272
FUND BALANCES, BEGINNING OF YEAR	6,026,008	6,026,008	5,711,736
FUND BALANCES, END OF YEAR	$ 6,026,008	$ 6,557,954	$ 6,026,008

The City of Penticton
Reserve Funds
Statement of Financial Position
Year ended December 31, 2018 (unaudited)

	2018	2017
Balance, Beginning of Year	$ 14,539,200	$ 10,815,928
Add		
Transfers from:		
Revenue Funds	5,165,260	3,650,159
Interest Earned	247,129	142,216
Deduct		
Transfers to:		
Capital Funds	5,356,300	69,103
	$ 14,595,289	$ 14,539,200
STATUTORY RESERVE FUND BALANCES		
Equipment Replacement Reserve Fund	4,337,362	3,802,136
Tax Sale Lands Reserve Fund	7,687	7,555
Capital Reserve Fund	2,665,542	2,538,535
Land Acquisition Reserve	81,909	1,917,025
Local Improvement	1,062,349	1,258,805
Off-Site Parking Reserve Fund	124,577	122,434
Community Works Reserve Fund	1,066,911	922,087
Public Amenity Reserve	75,267	75,601
Affordable Housing Reserve	171,979	169,021
Alternative Transportation Reserve	53,666	52,743
Asset Sustainability	2,443,294	1,211,591
Water Capital Reserve Fund	919,964	904,142
Sewer Capital Reserve Fund	552,333	542,833
Electric Capital Reserve Fund	1,032,449	1,014,692
	14,595,289	14,539,200
Balance, End of Year	$ 14,595,289	$ 14,539,200

The City of Penticton
Reserve Funds
Statement of Changes in Fund Balances
December 31, 2018 (unaudited)

	Balance, Beginning of Year	Transfer from General Revenue Fund	Interest Earned	Transfer to/from General Capital Fund	Transfer to Sewer Capital Fund	Inter-reserve Transfers	2018 Total
Reserve							
Equipment Replacement	$ 3,802,136	$ 1,171,360	$ 68,812	$ (704,946)	$ -	$ -	$ 4,337,362
Tax Sale Lands	7,555	-	132	-	-	-	7,687
Capital	2,538,535	299,521	33,885	(206,399)	-	-	2,665,542
Land Acquisition	1,917,025	846,228	17,339	(2,698,683)	-	-	81,909
Local Improvement	1,258,805	140,327	20,174	(334,073)	(22,884)	-	1,062,349
Off-Street Parking	122,434	-	2,143	-	-	-	124,577
Community Works	922,087	1,507,824	24,675	(1,387,675)	-	-	1,066,911
Public Amenity	75,601	-	1,306	(1,640)	-	-	75,267
Affordable Housing	169,021	-	2,958	-	-	-	171,979
Alternative Transportation	52,743	-	923	-	-	-	53,666
Asset Sustainability	1,211,591	1,200,000	31,703	-	-	-	2,443,294
Water Capital	904,142	-	15,822	-	-	-	919,964
Sewer Capital	542,833	-	9,500	-	-	-	552,333
Electric Capital	1,014,692	-	17,757	-	-	-	1,032,449
	$ 14,539,200	**$ 5,165,260**	**$ 247,129**	**$ (5,333,416)**	**$ (22,884)**	**$ -**	**$ 14,595,289**

The City of Penticton
Reserves
Statement of Changes in Fund Balances
Year ended December 31, 2018 (unaudited)

	Balance, Beginning of Year	Transfers In	Transfers Out	Interest	Inter-reserve Transfers	2018 Total
Non-Statutory						
Asset Emergency	$ 958,474	$ 378,504	$ (571,535)	$ -	$ -	$ 765,443
Building Permit Stabilization	100,000	-	(54,989)	-	-	45,011
Carbon Tax Credit Reserve	152,421	-	-	-	-	152,421
Cemetery Land	133,000	-	-	-	-	133,000
Climate Action	179,320	52,320	-	-	-	231,640
Election	70,952	-	(70,952)	-	-	-
Electric Surplus	16,822,619	2,233,665	-	-	-	19,056,284
Financial Stabilization	78,568	132,986	-	-	-	211,554
Gaming	6,160,879	1,391,693	(2,784,978)	-	-	4,767,594
General Surplus	6,026,010	531,946	-	-	-	6,557,956
Infrastructure	400,000	-	-	-	-	400,000
Investment Income	1,369,942	-	-	-	-	1,369,942
Liability Insurance	250,001	-	-	-	-	250,001
Marinas	547,604	60,494	-	-	-	608,098
Multi-Material BC	70,602	443,826	(222,000)	-	-	292,428
Northgate	52,000	-	-	-	-	52,000
Parking & Revitalization	51,765	-	-	-	-	51,765
Public Art	47,271	75,000	(27,500)	-	-	94,771
Rate Stabilization	200,000	-	-	-	-	200,000
RCMP	359,999	100,000	-	-	-	459,999
Sewer Equipment Replacement	108,022	72,246	-	-	-	180,268
Sewer Surplus	5,211,677	-	(1,589,958)	-	-	3,621,719
Snow Clearing Stabilization	75,000	-	-	-	-	75,000
Special Events Site	21,166	-	-	-	-	21,166
Water Surplus	4,909,448	1,892,666	-	-	-	6,802,114
West Bench Capital	1,185,185	-	-	-	-	1,185,185
West Bench Water	1,645,056	-	(78,336)	-	-	1,566,720
Wine/Info	13,150	-	-	-	-	13,150
	47,200,131	7,365,346	(5,400,248)	-	-	49,165,229
Statutory	14,539,200	5,165,260	(5,356,300)	247,129	-	14,595,289
DCC	14,589,967	1,239,738	(437,299)	264,877	-	15,657,283
	$ 76,329,298	$ 13,770,344	$ (11,193,847)	$ 512,006	$ -	$ 79,417,801

The City of Penticton
Sewer Revenue Fund
Statement of Operations
Year ended December 31, 2018 (unaudited)

	2018 Budget	2018	2017
Revenue			
Sales of Services	$ 5,745,121	$ 5,618,853	$ 5,080,860
Government Grants and Transfers	215,818	211,504	215,822
Transfer From Other Funds/Reserves	1,917,422	1,252,791	1,031,396
	7,878,361	7,083,148	6,328,078
Expenditure			
Salaries and Benefits	1,513,455	1,510,690	1,471,248
Goods and Services	2,033,194	2,214,963	2,154,684
Interest	773,830	709,613	759,695
Principal Payments	575,057	575,057	575,057
Other Expenses	-	2,252	1,365
Vehicle & Equipment Maintenance	405,825	322,962	333,988
Transfer to Other Funds/Reserves	2,677,000	3,337,569	2,721,753
	7,978,361	8,673,106	8,017,790
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(100,000)	(1,589,958)	(1,689,712)
CHANGE IN FUND BALANCES	(100,000)	(1,589,958)	(1,689,712)
FUND BALANCES, BEGINNING OF YEAR	5,211,677	5,211,677	6,901,389
FUND BALANCES, END OF YEAR	$ 5,111,677	$ 3,621,719	$ 5,211,677

The City of Penticton
Water Revenue Fund
Statement of Operations
Year ended December 31, 2018 (unaudited)

	2018 Budget	2018	2017
Revenue			
Sales of Services	$ 8,466,692	$ 8,862,818	$ 8,575,744
Government Grants and Transfers	-	511,705	662,745
Transfer From Other Funds/Reserves	78,336	3,080,159	939,158
Other Revenue	-	5,945	6,555
	8,545,028	12,460,627	10,184,202
Expenditure			
Salaries and Benefits	1,448,791	1,545,879	1,580,006
Goods and Services	1,810,208	2,231,481	2,490,503
Interest	448,795	434,343	444,620
Principal Payments	422,123	422,123	422,123
Other Expenses	18,171	9,267	3,417
Vehicle & Equipment Maintenance	269,275	160,880	159,621
Transfer to Other Funds/Reserves	4,227,665	5,763,988	4,087,725
	8,645,028	10,567,961	9,188,015
EXCESS OF REVENUES OVER EXPENDITURES	(100,000)	1,892,666	996,187
CHANGE IN FUND BALANCES	(100,000)	1,892,666	996,187
FUND BALANCES, BEGINNING OF YEAR	4,909,450	4,909,450	3,913,263
FUND BALANCES, END OF YEAR	$ 4,809,450	$ 6,802,116	$ 4,909,450

The City of Penticton
Electric Revenue Fund
Statement of Operations
Year ended December 31, 2018 (unaudited)

	2018 Budget	2018	2017
Revenue			
Sales of Services	$ 42,075,311	$ 43,690,448	$ 45,209,797
Other Revenue	9,000	12,235	12,609
Transfer From Other Funds/Reserves	1,531,292	482,324	1,137,922
	43,615,603	44,185,007	46,360,328
Expenditure			
Salaries and Benefits	1,616,803	1,939,788	2,249,394
Goods and Services	35,284,722	33,133,633	32,397,614
Other Expenses	68,953	36,579	66,313
Vehicle & Equipment Maintenance	167,982	1,689,587	3,620,369
Transfer to Other Funds/Reserves	6,477,143	5,151,755	5,704,951
	43,615,603	41,951,342	44,038,641
EXCESS OF REVENUES OVER EXPENDITURES	-	2,233,665	2,321,687
CHANGE IN FUND BALANCES	-	2,233,665	2,321,687
FUND BALANCES, BEGINNING OF YEAR	16,822,619	16,822,619	14,500,932
FUND BALANCES, END OF YEAR	$ 16,822,619	$ 19,056,284	$ 16,822,619

The City of Penticton
Storm Water
Statement of Revenue and Expenditure
Year ended December 31, 2018 (unaudited)

	2018 Budget	2018	2017
REVENUE			
Sales of Services	$ -	$ 172,729	$ -
Government Grants and Transfers	-	10,000	-
	-	182,729	-
EXPENDITURE			
Salaries and Benefits	116,717	131,920	97,441
Goods and Services	23,500	136,874	33,348
Other Expenses	-	155	-
Vehicle & Equipment Maintenance	28,750	32,261	14,460
	168,967	301,210	145,249
DEFICIENCY OF REVENUES OVER EXPENDITURES	$ (168,967)	$ (118,481)	$ (145,249)

See accompanying notes to the Consolidated Financial Statements.

The City of Penticton
Debt Issued and Oustanding
December 31, 2018 (unaudited)

LIA B Law	S/1 B Law	Issue	Issue Date	Purpose	Issue Amount	Outstanding Amount	Term (Years)	Maturity	Rate (%)	2018 Payments	
										Interest	Principal
General Fund											
9925	20005	72	12-Apr-00	RCMP Building	$ 2,500,000	$ 365,869	20	2020	2.100	$ 52,500	$ 82,873
9925	20046	73	07-Nov-00	RCMP Building	1,500,000	219,521	20	2020	2.100	31,500	49,725
2003-15	2268	81	22-Apr-04	Storm Sewer	337,500	137,459	20	2024	2.400	8,100	10,207
2004-16	859-2004	85	25-Oct-04	Parks-Land Acquisition	1,680,000	684,242	20	2024	2.000	33,600	50,807
2004-18	859/2004	85	25-Oct-04	Road Works-S. Main St.	195,000	79,421	20	2024	2.000	3,900	5,897
2004-19	859/2004	85	25-Oct-04	Road Design-Main St.	150,000	61,093	20	2024	2.000	3,000	4,536
2004-20	859/2004	85	25-Oct-04	Integrated Waterfront	550,000	224,008	20	2024	2.000	11,000	16,633
2004-21	859/2004	85	25-Oct-04	Youth Park	50,000	20,364	20	2024	2.000	1,000	1,512
2004-11	1108/2004	93	06-Apr-05	Wine Information Centre	800,000	326,755	20	2025	5.100	17,739	42,153
2004-20	1108-2004	93	06-Apr-05	Integrated Waterfront	520,000	212,391	20	2025	5.100	11,531	27,400
2004-21	614/2005	95	13-Oct-05	Youth Park	150,000	65,819	20	2025	1.800	2,700	5,514
2005-18	615/2005	95	13-Oct-05	Integrated Waterfront	825,000	362,002	20	2025	1.800	14,850	30,328
2006-15	17/17/2006	99	07-Nov-06	Road Works-Fairview/Ind	1,595,000	790,174	20	2026	1.750	27,913	53,563
2006-17	17/17/2006	99	07-Nov-06	Sportsfields	3,200,000	1,585,303	20	2026	1.750	56,000	107,462
2006-33	273/2007	102	02-Nov-07	Integrated Waterfront '06	350,000	191,487	20	2027	2.250	7,875	11,754
2006-76	024/2008	103	23-Apr-08	Wellness Centre	3,000,000	1,790,442	20	2028	3.650	109,500	100,745
2006-39	333/2008	104	20-Nov-08	S Okanagan Event Cntr	10,000,000	-	10	2018	5.150	515,000	832,909
2007-41	333/2008	104	20-Nov-08	Cemetery-Columbarium	2,500,000	1,492,035	20	2028	5.150	128,750	83,954
2007-52	333/2008	104	20-Nov-08	Indoor Soccer Facility	1,000,000	596,814	20	2028	5.150	51,500	33,582
2007-57	333/2008	104	20-Nov-08	Integrated Waterfront	530,000	316,311	20	2028	5.150	27,295	17,798
2007-60	333/2008	104	20-Nov-08	PIDA	1,140,000	-	10	2018	5.150	58,710	94,952
2007-60	157-2009	105	21-Apr-09	PIDA	231,344	27,426	10	2019	4.900	11,336	19,269
2007-52	638/2009	106	13-Oct-09	Indoor Soccer Facility	415,000	267,514	20	2029	4.130	17,140	13,936
2007-52	15/30/2010	110	08-Apr-10	Indoor Soccer Ph2	586,000	404,674	20	2030	4.500	26,370	19,679
2009-14	15/30/2010	110	08-Apr-10	Pool Upgrades	7,400,000	5,110,219	20	2030	4.500	333,000	248,505
2007-52	B25/2011	116	04-Apr-11	Indoor Soccer Facility	135,000	99,193	20	2031	4.200	5,670	4,534

Continued on next page

The City of Penticton
Debt Issued and Oustanding
December 31, 2018 (unaudited)

LIA B Law	S/1 B Law	Issue	Issue Date	Purpose	Issue Amount	Outstanding Amount	Term (Years)	Maturity	Rate (%)	2018 Payments Interest	2018 Payments Principal
2009-43	B25/2011	116	04-Apr-11	Road Wrks-Smythe Dr	447,000	328,438	20	2031	4.200	18,774	15,011
26/2018				Downtown 300 Block Main Street	1,530,000	1,530,000	5		-	5,063	-
					43,316,844	17,288,974				1,591,316	1,985,238
Water Fund											
2006-07	17/07/2006	99	07-Nov-06	Naramata Rd. Upgrade	4,670,000	2,313,551	20	2026	1.750	81,725	156,827
2007-83	333/2008	104	20-Nov-08	Water Filtration Plant	4,000,000	2,387,256	20	2028	5.150	206,000	134,327
2007-83	638/2009	106	13-Oct-09	Water Filtration Plant	3,900,000	2,513,984	20	2029	4.130	161,070	130,969
					12,570,000	7,214,791				448,795	422,123
Sewer Fund											
2006-61	273/2007	102	02-Nov-07	Septage Handling Facility	1,050,000	574,460	20	2027	2.250	23,625	35,261
2008-10	333-2008	104	02-Nov-07	Sewer System Upgrade	8,000,000	4,774,511	20	2028	5.150	412,000	268,654
2007-60	333/2008	104	20-Nov-08	PIDA	360,000	-	10	2018	5.150	18,540	29,985
2007-60	157/2009	105	21-Apr-09	PIDA	73,056	8,661	10	2019	4.900	3,580	6,085
2008-10	638-2009	106	13-Oct-09	Sewer Plant Expansion	7,000,000	4,512,278	20	2029	4.130	289,100	235,072
					16,483,056	9,869,910				746,845	575,057
					$ 72,369,900	$ 34,373,675				$ 2,786,956	$ 2,982,418

The City of Penticton
Cemetery Perpetual Trust Fund
Statement of Financial Position
Year ended December 31, 2018 (unaudited)

	2018	2017
ASSETS		
Bank Term Deposits	$ 1,039,781	$ 1,016,404
Less:		
Due To General Revenue Fund	22,686	29,710
	$ 1,017,095	$ 986,694
SURPLUS		
Balance, Beginning of Year	$ 986,694	$ 947,399
Add:		
Care Fund Contributions	30,324	39,240
Interest Earned	23,377	22,855
	53,701	62,095
Deduct:		
Cemetery Maintenance	23,300	22,800
Balance, End of Year	$ 1,017,095	$ 986,694

Municipal Grant Program

Penticton's vision to be a "vibrant, innovative, adventurous waterfront City focused on sustainability, community and economic opportunity" includes supporting our community through municipal grants. The purpose of municipal grants is to raise the quality of life for City of Penticton residents by meeting the needs of community organizations and the objectives of City Council in meaningful, measureable ways. Municipal grants also include partnering agreements and consist of cash funding and in-kind support.

Organization	Total Support**
Canadian Mental Health Association	$ 2,000
Canadian Sport School Hockey League	10,000
Community Arts Council	12,312
Community Foundation of the South Okanagan Similkameen	25,000
Downtown Penticton Association (BC Family Day)	7,350
Downtown Penticton Association (Block Parties)	1,443
Downtown Penticton Association (Canada Day Celebration)	5,819
Downtown Penticton Association (Canada Day Fireworks)	2,500
Downtown Penticton Association (Rock the Sun)	8,616
Get Bent Active Arts Society	320
Granfondo*	29,411
Miss Penticton Royalty	9,150
Okanagan Motorcycle Association	451
Okanagan School of the Arts (Shatford Centre)	10,000
Okanagan Similkameen Healthy Living Fair Society	3,921
Parkrun	2,500
Peach Festival Society	40,712
Penticton & Area Access Society	4,300
Penticton & Area Cycling Association	2,500
Penticton & Area Cycling Association (Bike Valet)	732
Penticton Amateur Radio Club	666
Penticton Art Gallery Society	125,000
Penticton Arts Council (Arts Rising)	5,000

*Denotes Partnering Agreement
**All listed amounts are rounded to the closest dollar

Continued on next page

Municipal Grant Program (cont.)

Organization	Total Support**
Penticton BMX	1,252
Penticton Curling Club (World Curling Tour)	9,000
Penticton Dragonboat Festival Society	12,099
Penticton Elvis Festival	3,890
Penticton Historic Automobile Association	6,115
Penticton Jazz Festival	9,367
Penticton Kiwanis Music Festival	5,000
Penticton Scottish Festival Society	4,000
Penticton Tennis Club	4,200
RCMP Youth Academy	3,000
Rotary Club of Penticton	5,539
Royal Canadian Legion	3,000
Scotties Tournament of Hearts*	200,000
Skaha Bluffs Park Watch Society	13,000
South Okanagan Immigrant & Community Services (on behalf of Penticton & District Multicultural Society)	15,700
South Okanagan Seniors Wellness Society	13,000
South Okanagan Similkameen Mental Wellness Society	18,000
South Okanagan Similkameen Volunteer Society	20,000
SS Sicamous Society (Operating)	45,000
SS Sicamous Society (Utilities)	20,000
Super League*	86,413
The Penticton Centre for Exceptional Learning	1,500
United Way Emergency Transportation Assistance Program	7,290
Upperdeck Vees Hockey	3,640
YES Project	300,000
Young Life - South Okanagan	5,000
2018 Grand Total	**$ 1,124,709**

*Denotes Partnering Agreement
**All listed amounts are rounded to the closest dollar

2018 Permissive Tax Exemptions

Applicant	Civic Address	2018 Municipal Taxes Foregone
Affordable Living for Today Society	245 Warren Ave W	$3,887
Army, Navy & Air Force Veterans in Canada, Unit 97	257 Brunswick St	$1,566
Care Closet	574 Main St	$1,923
Cheers the Church	639 Main St	$5,677
Christian Science Society	608 Winnipeg St	$2,083
Church of Jesus Christ of Latter Day Saints	2946 South Main St	$5,480
Church of the Nazarene	523 Jermyn Ave	$3,072
Concordia Lutheran Church	2800 South Main St	$4,873
Fraternal Order of Eagles Aerie 4281	1197 Main St	$4,045
Good Samaritan Canada (A Lutheran Social Service Organization)	270 Hastings Ave	$57,128
Governing Council of the Salvation Army Corps 344	2399 South Main St	$9,177
Governing Council of the Salvation Army Corps 344	318 Ellis St	$3,691
Governing Council of the Salvation Army Corps 344	2469 South Main St	$3,814
Grace Mennonite Brethren Church	74 Penticton Ave	$1,633
Green Mountain Christian Congregation of Jehovah's Witnesses	52 Roy Ave	$3,520
Hellenic Community Society of Penticton	1265 Fairview Rd	$1,337
Holy Cross School	1299 Manitoba St	$3,632
LUSO Canadian Multicultural Society of Penticton	135 Winnipeg St	$2,169
Oasis United Church	2964 Skaha Lake Rd	$9,705
Okanagan Boys & Girls Club	1295 Manitoba St	$5,115
Ooknakane Friendship Centre	146 Ellis St	$4,684
Our Redeemer Lutheran Church	1370 Church St	$1,651
Penticton & District Community Arts Council	220 Manor Park Ave	$10,543
Penticton & District Community Resources Society	154 McPherson Cres	$2,465
Catalyst Community Developments Society	285 Nanaimo Ave W	$4,045
Penticton & District Community Resources Society	330 Ellis St	$11,288
Penticton & District Community Resources Society	1160 Commercial Way	$2,685
Penticton & District Community Resources Society	470 Edmonton Ave	$2,833
Penticton & District Community Resources Society	500 Edmonton Ave	$991
Penticton & District Community Resources Society	2434 Baskin St	$1,033
Penticton & District Community Resources Society	2450 Baskin St	$1,036
Penticton & District Community Resources Society	150 McPherson Cres	$2,465
Penticton & District Emergency Program Society	251 Dawsom Ave	$1,295
Penticton & District Minor Hockey Association	325 Power St	$1,393
Penticton & District Society for Community Living	453 Winnipeg St	$3,694
Penticton & District Society for Community Living	252 Conklin Ave	$2,010
Penticton & District Society for Community Living	180 Industrial Ave W	$11,948
Penticton & District Society for Community Living	234 Van Horne St	$2,332
Penticton & Wine Country Chamber of Commerce	102 Ellis St	$2,443
Penticton Alliance Church	197 Brandon Ave	$4,158
Penticton Art Gallery	199 Marina Way	$18,428
Penticton Bethel Pentecostal Tabernacle	65 Preston Ave	$2,217

Continued on next page

2018 Permissive Tax Exemptions (cont.)

Applicant	Civic Address	2018 Municipal Taxes Foregone
Affordable Living for Today Society	245 Warren Ave W	$3,887
Army, Navy & Air Force Veterans in Canada, Unit 97	257 Brunswick St	$1,566
Care Closet	574 Main St	$1,923
Cheers the Church	639 Main St	$5,677
Christian Science Society	608 Winnipeg St	$2,083
Church of Jesus Christ of Latter Day Saints	2946 South Main St	$5,480
Church of the Nazarene	523 Jermyn Ave	$3,072
Concordia Lutheran Church	2800 South Main St	$4,873
Fraternal Order of Eagles Aerie 4281	1197 Main St	$4,045
Good Samaritan Canada (A Lutheran Social Service Organization)	270 Hastings Ave	$57,128
Governing Council of the Salvation Army Corps 344	2399 South Main St	$9,177
Governing Council of the Salvation Army Corps 344	318 Ellis St	$3,691
Governing Council of the Salvation Army Corps 344	2469 South Main St	$3,814
Grace Mennonite Brethren Church	74 Penticton Ave	$1,633
Green Mountain Christian Congregation of Jehovah's Witnesses	52 Roy Ave	$3,520
Hellenic Community Society of Penticton	1265 Fairview Rd	$1,337
Holy Cross School	1299 Manitoba St	$3,632
LUSO Canadian Multicultural Society of Penticton	135 Winnipeg St	$2,169
Oasis United Church	2964 Skaha Lake Rd	$9,705
Okanagan Boys & Girls Club	1295 Manitoba St	$5,115
Ooknakane Friendship Centre	146 Ellis St	$4,684
Our Redeemer Lutheran Church	1370 Church St	$1,651
Penticton & District Community Arts Council	220 Manor Park Ave	$10,543
Penticton & District Community Resources Society	154 McPherson Cres	$2,465
Catalyst Community Developments Society	285 Nanaimo Ave W	$4,045
Penticton & District Community Resources Society	330 Ellis St	$11,288
Penticton & District Community Resources Society	1160 Commercial Way	$2,685
Penticton & District Community Resources Society	470 Edmonton Ave	$2,833
Penticton & District Community Resources Society	500 Edmonton Ave	$991
Penticton & District Community Resources Society	2434 Baskin St	$1,033
Penticton & District Community Resources Society	2450 Baskin St	$1,036
Penticton & District Community Resources Society	150 McPherson Cres	$2,465
Penticton & District Emergency Program Society	251 Dawsom Ave	$1,295
Penticton & District Minor Hockey Association	325 Power St	$1,393
Penticton & District Society for Community Living	453 Winnipeg St	$3,694
Penticton & District Society for Community Living	252 Conklin Ave	$2,010
Penticton & District Society for Community Living	180 Industrial Ave W	$11,948
Penticton & District Society for Community Living	234 Van Horne St	$2,332
Penticton & Wine Country Chamber of Commerce	102 Ellis St	$2,443
Penticton Alliance Church	197 Brandon Ave	$4,158
Penticton Art Gallery	199 Marina Way	$18,428
Penticton Bethel Pentecostal Tabernacle	65 Preston Ave	$2,217
Penticton Bethel Pentecostal Tabernacle	973 Main St	$3,710
Penticton Bethel Pentecostal Tabernacle	945 Main St	$6,655

Continued on next page

2018 Permissive Tax Exemptions (cont.)

Applicant	Civic Address	2018 Municipal Taxes Foregone
Penticton BMX Society	630 Munson Mountain Rd	$2,724
Penticton Christian School Society	1060 Main St	$869
Penticton Community Garden Society	480 Vancouver Ave	$1,829
Penticton Curling Club	505 Vees Dr	$12,184
Penticton Disc Golf Club	500 Marina Way	$19,583
Penticton Early Childhood Education Society	104 - 550 Carmi Ave	$1,431
Penticton Elks Lodge 51	343 Ellist St	$4,682
Penticton First Baptist Church	1498 Government St	$5,424
Penticton Free Presbyterian Church	120 Preston Ave	$2,827
Penticton Golf & Country Club	600 Comox St	$9,731
Penticton Golf & Country Club	852 Eckhardt St W	$13,341
Penticton Horseshoe Pitchers Club	2905 South Main St	$2,273
Penticton Kinsmen Disability Resource Centre Society	216 Hastings Ave	$8,446
Penticton Kiwanis Housing Society	101 - 150 Van Horne St	$804
Penticton Kiwanis Housing Society	103 - 150 Van Horne St	$683
Penticton Kiwanis Housing Society	105 - 150 Van Horne St	$683
Penticton Kiwanis Housing Society	113 - 150 Van Horne St	$683
Penticton Kiwanis Housing Society	115 - 150 Van Horne St	$812
Penticton Kiwanis Housing Society	112 - 150 Van Horne St	$803
Penticton Kiwanis Housing Society	104 - 150 Van Horne St	$680
Penticton Kiwanis Housing Society	102 - 150 Van Horne St	$799
Penticton Kiwanis Housing Society	201 - 150 Van Horne St	$807
Penticton Kiwanis Housing Society	209 - 150 Van Horne St	$687
Penticton Kiwanis Housing Society	211 - 150 Van Horne St	$687
Penticton Kiwanis Housing Society	213 - 150 Van Horne St	$687
Penticton Kiwanis Housing Society	215 - 150 Van Horne St	$816
Penticton Kiwanis Housing Society	214 - 150 Van Horne St	$807
Penticton Kiwanis Housing Society	212 - 150 Van Horne St	$689
Penticton Kiwanis Housing Society	210 - 150 Van Horne St	$687
Penticton Kiwanis Housing Society	204 - 150 Van Horne St	$683
Penticton Kiwanis Housing Society	202 - 150 Van Horne St	$807
Penticton Kiwanis Housing Society	301 - 150 Van Horne St	$807
Penticton Kiwanis Housing Society	315 - 150 Van Horne St	$816
Penticton Kiwanis Housing Society	314 - 150 Van Horne St	$807
Penticton Kiwanis Housing Society	312 - 150 Van Horne St	$689
Penticton Kiwanis Housing Society	310 - 150 Van Horne St	$687
Penticton Kiwanis Housing Society	308 - 150 Van Horne St	$787
Penticton Kiwanis Housing Society	304 - 150 Van Horne St	$683
Penticton Kiwanis Housing Society	302 - 150 Van Horne St	$807
Penticton Kiwanis Housing Society	401 - 150 Van Horne St	$807
Penticton Kiwanis Housing Society	413 - 150 Van Horne St	$687
Penticton Kiwanis Housing Society	415 - 150 Van Horne St	$816
Penticton Kiwanis Housing Society	414 - 150 Van Horne St	$807
Penticton Kiwanis Housing Society	412 - 150 Van Horne St	$689

2018 Revitalization Tax Exemptions

Civic Address	2018 Municipal Taxes Foregone
437 Martin St	$1,372
535 Main St	$2,553
275 Waterloo Ave	$4,156
1690 Fairview Rd	$1,764
110 Industrial Pl	$3,514
182 Industrial Crt	$1,803
3475 Wilson St	$80,127
169 Estabrook Ave	$5,540
260 Martin St	$938
219 Main St	$7,160
250 Winnipeg St	$24,399
553 Vees Dr	$82,818
21 Lakeshore Dr W	$90,147
198 Ellis St	$6,282
351 Van Horne St	$4,797
345 Van Horne St	$5,029
325 Van Horne St	$5,547
331 Van Horne St	$4,868
52 Front St	$882
412 Main St	$2,166
409 Ellis St	$702
232 Rosetown Ave	$2,437
2060 Government St	$1,620
1704 Government St	$17,260
1356 Commercial Way	$1,110
1374 Commercial Way	$5,749
682 Okanagan Ave E	$5,723
272 Dawson Ave	$6,351
568 Dawson Ave	$13,563
Total 2018 Revitalization Tax Exemptions	$390,373











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Council Report

penticton.ca

Date: June 18, 2019 File No:
To: Donny van Dyk, Chief Administrative Officer
From: Angela Campbell, Controller
Subject: **Statement of Financial Information**

Staff Recommendation

THAT Council accepts the Statement of Financial Information for the fiscal year ending December 31, 2018.

Background

Pursuant to requirements set out in the *Financial Information Act*, the City must prepare a statement of financial information in accordance with generally accepted accounting principles for each fiscal year that includes the following:

(a) a schedule showing

(i) in respect of each employee earning more than the prescribed amount of $75,000, the total remuneration paid to the employee and total amount paid to or for the employee's expenses or for the employees benefit, and;

(ii) a consolidated total of all remuneration paid to all other employees;

(b) a schedule showing

(i) the total amount paid to each vendor or supplier of goods or services during the fiscal year that is greater than the prescribed amount of $25,000, and;

(ii) a consolidated total of all other payments made to suppliers of goods or services during that fiscal year.

The Statement of Financial Information requirements ensure that there are consistent and minimum levels of disclosure of financial information and provides information augmenting that which is provided in the audited financial statements alone. Within 6 months after the end of each fiscal year of the City, it must prepare and file with the Ministry of Community, Sport, and Cultural Development a Statement of Financial Information. For the fiscal year ended December 31, 2018 the filing deadline is June 28, 2019.

Analysis

The schedule below summarizes the changes by employee group for employee remuneration and expenses:

Compensation over $75,000						
	Number of Employees			Total Remuneration		
	2018	2017	Change	2018	2017	Change
	122	105	17	12,809,205.04	11,258,228.37	1,550,976.67

There are 17 additional employees paid at levels above the $75,000 threshold caused by factors list below. Staffing levels between 2017 and 2018 remained reasonably consistent with only one net new bargaining position for a bylaw officer. The change in management positions relates to positions made vacant and replaced mid-year in 2017, reclassification of a position, and cost of living increases. Positions falling above the threshold for employees in CUPE vary depending on levels of overtime, stand-by pay and call outs required.

The IAFF positions increased due to positions that were made vacant and replaced mid-year and employees off on leave for part of the year during 2017.

The IBEW salaries decreased due to significant overtime incurred for the Telus Falcon Fiber Optic Project in the previous year which was 100% recoverable.

During the course of 2018 there were several emergency events that caused significant overtime and other events that resulted in remuneration to staff which was subsequently recovered from the Province. A schedule of the additional remuneration per employee has been included for reference as this resulted in an increase in expenses outside of normal operations.

Attachment A – Statement of Financial Information (SOFI)

Attachment B – Schedule of Mayor & Council Expenses

Attachment C – Schedule of Emergency Overtime

Respectfully submitted,



Angela Campbell
Controller

Approvals

CFO	CAO
	

penticton.ca

City of Penticton
Statement of Financial Information Approval
For the year ended December 31, 2018

Statement of Financial Information Approval

The undersigned, as authorized by the Financial Information Regulation, Schedule 1, subsection 9(2), approves all the statements and schedules included in this Statement of Financial Information, produced under the *Financial Information Act*.

Jim W. Bauer, CPA, CMA
Chief Financial Officer, City of Penticton

June 5, 2019
Date

penticton.ca

City of Penticton
Schedule of Guarantee and Indemnity Agreements
For the year ended December 31, 2018

Schedule of Guarantee and Indemnity Agreements

There were no guarantees or indemnities under the Guarantees and Indemnity Regulation for the year ending December 31, 2018.

Jim W. Bauer, CPA, CMA
Chief Financial Officer, City of Penticton

June 5, 2019
Date

City of Penticton
2018 Council remuneration
for the year ended December 31, 2018

Name	Position	Remuneration	Expenses	Total
Bloomfield, Julius	Councillor	2,567	120	2,687
Jakubeit, Andrew	Mayor	60,708	3,154	63,862
Kimberley, Gerald	Councillor	2,627	60	2,687
Konanz, Helena	Councillor	21,230	2,548	23,778
Martin, Andre	Councillor	21,269	110	21,379
Picton, Maxwell	Councillor	21,249	2,629	23,878
Regehr, Frank	Councillor	2,567	120	2,687
Robinson, Kathleen	Councillor	2,567	120	2,687
Sayeed, Tarik	Councillor	21,239	3,083	24,321
Sentes, Judy	Councillor	23,025	3,017	26,043
Watt, Campbell	Councillor	23,041	2,286	25,327
Vassilaki, John	Mayor	7,466	120	7,586
		$ 209,552	$ 17,367	$ 226,919

City of Penticton
Schedule of employee remuneration and expense over $75,000
for the year ended December 31, 2018

Name	Position (*)	Remuneration	Expenses	Total
Achsen, Jarrett	Fire Fighter	101,305.87	1,771.60	103,077.47
Austrom, Gordon	Wastewater Treatment Plant Operator III	76,913.21	1,347.49	78,260.70
Barber, Jennifer	Building Inspector II	74,678.91	985.51	75,664.42
Barbour, Kenneth	Fire Prevention Officer	111,796.54	4,197.04	115,993.58
Bauer, James	Chief Financial Officer	173,644.56	5,663.60	179,308.16
Bazley, Ryan	Fire Fighter	112,448.98	1,084.86	113,533.84
Beierle, Glen **	Fire Captain	146,913.57	978.14	147,891.71
Best, David	Foreman - Meters, Dams & Irrigation	82,397.39	4,788.13	87,185.52
Bird, Andrew **	Fire Fighter	119,278.76	3,973.06	123,251.82
Borba, Paulo	Parks Foreman	75,340.34	48.11	75,388.45
Boyd, Graham	Fire Fighter	95,121.75	0.00	95,121.75
Buzzell, Heather	Chief Librarian	84,667.91	5,077.81	89,745.72
Campbell, Angela **	Controller	107,755.79	2,907.55	110,663.34
Carlos, Hector	Network Systems Analyst	78,432.70	0.00	78,432.70
Carter, Jo-Anne	Building Inspector II	78,806.44	2,438.78	81,245.22
Chapman, Ian **	City Engineer	141,850.22	2,513.16	144,363.38
Chaudry, Tania	Senior HR Advisor	83,400.30	4,560.90	87,961.20
Cichowski, David	Instrumentation/Electrical Technician	76,441.52	2,953.40	79,394.92
Coates, Amber	Revenue Supervisor	81,978.07	718.67	82,696.74
Collison, Angela	Corporate Officer	79,979.98	2,441.90	82,421.88
Conquergood, Austin	Fire Fighter	81,105.69	1,679.31	82,785.00
Cooper, Philip **	Communications Manager	126,307.29	6,649.48	132,956.77
Craig, Randy	Advanced Waste Water Treatment Plant Supervis	108,447.08	6,191.98	114,639.06
Darcus, Laurie	Director of Corporate Services	139,722.77	1,669.82	141,392.59
Dionne, Blaine **	Fire Captain	139,873.29	180.00	140,053.29
Edge, Brent	Water Treatment Plant Supervisor	77,198.09	599.00	77,797.09
Edge, Brian	Water Treatment Plant Operator III	86,596.94	910.86	87,507.80
Fairholm, Kelly	Mechanic	75,837.23	335.61	76,172.84
Fenrich, Kirkland	Network Systems Analyst	74,176.12	4,864.08	79,040.20
Fenske, John **	Public Works Superintendent	101,751.25	0.00	101,751.25
Figgitt, Tyler **	Design Supervisor	104,095.51	3,923.56	108,019.07
Filice, Shawn	Electric Utility Manager	146,196.59	3,226.80	149,423.39
Fordyce, Glen	Fire Fighter	109,322.63	1,613.49	110,936.12
Forster, Christian **	Deputy Fire Chief	136,044.25	3,681.85	139,726.10
Fotherby, Jody	Fire Operations Assistant	89,161.72	3,003.80	92,165.52
Gaidica, Douglas	Building Inspector II	75,613.77	3,421.20	79,034.97
Garrett, Steve **	Fire Fighter	114,396.21	861.89	115,258.10
Gibbons, Curtis	Fire Fighter	102,369.91	577.14	102,947.05
Goerlitz, Jordan	Survey Technician II	77,515.40	1,358.70	78,874.10
Gowe, Graham	Fire Captain	137,129.63	107.99	137,237.62
Grantham, Ben	Fire Fighter	105,880.06	0.00	105,880.06
Guy, Tyler **	Fire Fighter	100,031.84	1,716.63	101,748.47
Haddad, Anthony	Director of Development Services	164,362.72	4,037.92	168,400.64
Harris, Ed	Electric Utility Supervisor	99,077.49	3,215.74	102,293.23
Hext, Robert	Facilities Foreman	87,892.33	95.00	87,987.33
Hindley, Wayne	Fleet Supervisor	97,432.96	4,444.03	101,876.99
Hodges, Michael	Development Infrastructure Manager	113,473.53	274.56	113,748.09
Holmes, Jared **	Fire Fighter	117,514.93	2,836.24	120,351.17
Houle, Randy **	Planning Technologist I	71,921.55	5,569.69	77,491.24

City of Penticton
Schedule of employee remuneration and expense over $75,000
for the year ended December 31, 2018

Name	Position (*)	Remuneration	Expenses	Total
Hvidston, Ryan	Fire Fighter	94,081.17	2,460.33	96,541.50
Idzes, Sandra	RCMP Administration Manager	106,044.52	50.00	106,094.52
Ingram, Cathy	Procurement & Inventory Services Manager	93,941.86	3,367.23	97,309.09
Jeffrey, Jason	Occupational Health and Safety Advisor	82,734.32	3,766.33	86,500.65
Johnson, Benjamin	Manager of Special Projects	121,161.42	851.05	122,012.47
Johnson, Jayson	Fire Fighter	112,099.60	2,449.85	114,549.45
Johnson, Kelsey	Recreation Business Supervisor	78,949.49	3,521.08	82,470.57
Johnson, Ronald **	Foreman - Utilities	84,601.92	74.99	84,676.91
Jorgensen, Erik **	Fire Fighter	115,416.39	1,810.63	117,227.02
Kassian, David	Sustainability Coordinator	79,285.81	2,095.62	81,381.43
Kenney, Rod	Fire Fighter	102,908.78	537.19	103,445.97
Kleb, Jo-Anne **	Engagement Strategist	82,771.46	2,908.64	85,680.10
Kozak, Bregje	Director of Recreation and Facilities	146,835.66	2,186.94	149,022.60
Kunka, Kenneth	Building & Permitting Manager	110,537.94	8,729.33	119,267.27
Lantz, Patrick	Mechanic	77,317.96	2,229.47	79,547.43
Laven, Blake	Planning Manager	109,694.95	2,075.84	111,770.79
Lerch, Daniel	Systems Librarian	73,921.43	2,567.87	76,489.30
Lockwood, Kerri	HR Manager	117,619.07	3,856.47	121,475.54
Lowe, Terry	Fire Captain	118,167.90	0.00	118,167.90
Mander, Geoff	Journeyman Lineman	110,372.28	895.35	111,267.63
Marsden, Gary	Wastewater Treatment Plant Operator III	75,279.72	1,218.30	76,498.02
McCaughey, Derek	Treatment Plant Millwright	74,507.85	1,001.36	75,509.21
McKenzie, Wayne	Fire Fighter	123,251.99	1,979.43	125,231.42
Moroziuk, Mitchell **	General Manager of Infrastructure	184,486.69	5,411.04	189,897.73
Mortimer, Donald	Water Treatment Plant Operator Non-Shift	75,067.84	1,321.27	76,389.11
Painchaud, Lyle	Wastewater Treatment Plant Operator II	75,388.28	213.11	75,601.39
Pettet, Katrina	Engineering Technologist III	77,185.39	2,208.18	79,393.57
Phillips, Robert	Water Treatment Plant Operator Shift	78,787.61	1,190.38	79,977.99
Polvere, David	IT Manager	107,513.93	3,976.52	111,490.45
Pond, Michael	Journeyman Lineman	80,976.11	1,060.83	82,036.94
Raposo, Sheri	Land Administrator	90,939.30	571.57	91,510.87
Raymond, Neal	Mechanic	75,522.57	402.06	75,924.63
Renaud, Wesley	Budget Analyst	92,952.30	5,883.14	98,835.44
Richards, Michael	Fire Prevention Officer	114,790.67	3,181.36	117,972.03
Robson, Lennie **	Public Works Manager	132,234.95	5,015.96	137,250.91
Rodger, Kenneth	RCMP LAN Administrator	81,757.16	0.00	81,757.16
Ryan, Eric	Journeyman Lineman	87,345.86	542.98	87,888.84
Ryll, Brent	Fire Fighter	116,607.70	2,734.56	119,342.26
Sandham, Geoff	Horticulture Foreman	74,997.02	1,832.54	76,829.56
Schmidt, Christopher	Facilities Supervisor	95,647.57	169.12	95,816.69
Schmidt, Dana	Corporate Officer	102,234.81	3,820.64	106,055.45
Scott, David **	Fire Fighter	117,558.01	1,569.85	119,127.86
Semenoff, Anthony	Senior Mechanic	79,988.37	225.55	80,213.92
Siebert, Christina	Bylaw Supervisor	90,012.91	3,032.85	93,045.76
Simpson, William R **	Fire Captain	140,706.89	451.30	141,158.19
Singh, Jaspreet	Electric Utility Technologist	83,526.19	5,726.53	89,252.72
Smith, Dennis	Deputy Fire Chief	133,474.62	3,594.64	137,069.26
Stadnyk, Michael **	Equipment Operator V	76,302.33	0.00	76,302.33
Stel, William	Meter Technician	87,661.92	1,625.81	89,287.73

City of Penticton
Schedule of employee remuneration and expense over $75,000
for the year ended December 31, 2018

Name	Position (*)	Remuneration	Expenses	Total
Stevens, Jason	Electric Utility Foreman	120,349.33	1,595.14	121,944.47
Sutherland, Michael	Fire Fighter	111,940.56	357.19	112,297.75
Swaren, Wesley	Fire Fighter	105,276.86	1,090.48	106,367.34
Tanguay, Audrey	Long Range Planner	78,298.55	1,538.82	79,837.37
Taylor, Chad **	Fire Fighter	112,904.01	2,375.76	115,279.77
Trupp, Robert	Fire Captain	130,087.16	228.98	130,316.14
Turpin, Jason	Public Works Foreman	79,584.05	1,226.15	80,810.20
Venables, Isabeau	Fire Fighter	82,287.07	1,619.27	83,906.34
Vere, Marc	Building Inspector III	79,511.23	4,820.83	84,332.06
Vincent, Jennifer	Economic Development Specialist	70,566.05	5,420.26	75,986.31
Vujcich, Graham	Fire Captain	122,243.00	342.30	122,585.30
Wade, Michael	Fire Fighter	111,236.17	901.38	112,137.55
Wagner, Kerry	Recreation Operations Supervisor	79,428.30	259.41	79,687.71
Wallace, Charles	Land Administrator	81,090.60	0.00	81,090.60
Walliser, Amory	Electric Utility Sub-Foreman	129,012.41	1,150.83	130,163.24
Warren, Jaret	Journeyman Lineman	126,666.20	962.02	127,628.22
Watkinson, Larry **	Fire Chief	190,475.30	6,531.61	197,006.91
Weeber, Peter **	Chief Administrative Officer	199,990.33	4,552.64	204,542.97
Weir, Frederick	Journeyman Lineman	104,732.99	567.98	105,300.97
Weisser, Colin	Electric Utility Sub-Foreman	114,177.18	2,672.87	116,850.05
Whyte, Todd	Parks Supervisor	91,907.80	2,365.44	94,273.24
Wood, Sean	Business Analyst	73,207.04	3,770.17	76,977.21
Younghusband, Kenneth **	Fire Captain	145,497.44	658.20	146,155.64
Zazzara, Kevin **	Fire Fighter	110,957.39	2,107.04	113,064.43

*Position at December 31, 2018, or Final Position

Total for employee remuneration & expense over $75,000	$ 12,540,199	$ 269,006	$ 12,809,205
Total for employee remuneration & expense, $75,000 and under	$ 11,096,490	$ 120,549	$ 11,217,039
Total	$ 23,636,689	$ 389,555	$ 24,026,244

***includes recoverable overtime related to emergencies (Attachment C)*

penticton.ca

City of Penticton
Statement of Severance Agreements
For the year ended December 31, 2018

Statement of Severance Agreements

There were 2 severance agreements under which payment commenced between the City of Penticton and its non-unionized employees during fiscal year 2018.

These agreements represent 7 months of compensation. *

*Compensation is determined based on salary.

Jim W. Bauer, CPA, CMA
Chief Financial Officer, City of Penticton

June 5, 2019
Date

City of Penticton
Schedule of suppliers of goods and services
for the year ended December 31, 2018

Suppliers who received aggregate payments exceeding $25,000	Total
1029674 BC LTD.	54,077.64
AARDE ENVIRONMENTAL LTD	95,150.23
AARDVARK PAVEMENT MARKING SERVICES	149,400.88
ABB INC	28,240.80
ABEL INDUSTRIES (CANADA) LTD.	100,143.64
ACKLANDS GRAINGER	67,575.96
ADVANCED UTILITY SYSTEMS	101,084.75
ADVANTAGE ASSET TRACKING INC.	51,996.88
AECOM CANADA LTD.	370,287.07
ALL SHE WROTE CONSULTING	27,473.25
ALLTECK LINE CONTRACTORS INC.	398,151.92
ANDREW SHERET LTD	216,196.41
ANIXTER POWER SOLUTIONS CANADA INC.	168,999.70
ANN DAWSON FORSYTH	138,154.24
APPLETON WASTE SERVICES INC	56,258.49
ASSOCIATED ENGINEERING (BC) LTD	48,362.22
ASSOCIATED FIRE SAFETY	66,414.71
ATHLETICA SPORT SYSTEMS INC.	70,261.53
B & L MACHINE SHOP	69,796.50
B.A. ROBINSON CO. LTD.	64,100.12
BACK TO BLACK	28,875.00
BAIRD MCCLELLAND INC	77,176.58
BARRY BEECROFT FUEL DISTRIBUTORS	407,805.45
BARTLETT TREE EXPERTS	29,893.50
BC ASSESSMENT AUTHORITY	413,030.48
BC TRANSIT	1,553,311.00
BCLIBRARIES COOPERATIVE	27,163.23
BDO CANADA LLP	71,615.36
BELL CANADA	150,841.12
BLACK PRESS GROUP LTD	103,626.50
BOYLE & COMPANY	30,985.33
BROADSTREET PROPERTIES LTD	84,002.45
BTN EXCAVATING	45,633.02
CAM TRAN CO. LTD.	114,385.60
CANADA POST CORPORATION	325,471.37
CANADIAN DEWATERING LP	49,385.71
CANADIAN HORIZONS (SENDERO) LTD.	80,003.71
CANTEX OKANAGAN CONSTRUCTION LTD	3,394,388.74
CAPRICMW	358,409.00
CARO ANALYTICAL SERVICES	40,784.44
CASCADE RAIDER HOLDINGS LTD	41,089.73
CATHY WALKER	40,267.50
CB ENGINEERING LTD.	78,817.76
CDW CANADA INC.	219,622.03
CEDAR VISTAS JOINT VENTURE	30,000.00
CENTRAL INTERIOR TRAFFIC CONTROL LTD.	93,104.02
CHARTER TELECOM INC	49,654.10
CIMA CANADA INC.	233,124.23
CLEAR FIBRE TECHNOLOGIES INC.	33,926.55

City of Penticton
Schedule of suppliers of goods and services
for the year ended December 31, 2018

Suppliers who received aggregate payments exceeding $25,000	Total
CLEAR TECH INDUSTRIES INC	119,399.93
COLLABRIA	27,781.17
COLLIERS MACAULAY NICOLLS INC	40,530.01
COMBINED MECHANICAL CONTRACTORS LTD	558,086.75
COOPER INDUSTRIES (ELECTRICAL) INC.	144,498.70
CORIX CONTROL SOLUTIONS	89,804.31
CORPORATE EXPRESS	51,323.92
CRC EXCAVATING LTD	31,647.04
CTQ CONSULTANTS LTD	34,272.86
CUMMING CONSTRUCTION LTD	360,687.29
CUPE LOCAL 608	236,997.33
DE LAGE LANDEN FINANCIAL SERVICES CANADA INC	40,344.56
DOMINION GOVLAW LLP	66,301.36
DOWNTOWN PENTICTON ASSOCIATION	271,069.11
DREYER BROS SOUND	45,271.52
E B HORSMAN AND SON	161,251.36
ECONOLITE CANADA INC	73,303.83
ELECTROMEGA LTD.	77,403.20
ELLISDON COPORATION	732,243.24
ESRI CANADA	64,375.01
EVERGREEN BUILDING MAINTENANCE INC.	205,532.08
EXL ENGINEERING INC	75,250.35
FALCON ENGINEERING LTD.	43,698.86
FIRESTORM SUPRESSION SERVICES LTD.	36,878.63
FLAMAN FITNESS	25,211.02
FORTISBC INC.	34,860,469.95
FP TELESET DEPT	31,500.00
FRED SURRIDGE LTD	103,824.40
FREDEX CONSTRUCTION INC.	57,508.22
GENERAL CABLE COMPANY	44,162.38
GILCHRIST & COMPANY	61,670.63
GLACIER HEIGHTS REFRIGERATION INC.	79,234.78
GLOBAL NETWORK FOR COMMUNITY SAFETY	26,594.20
GLOBAL SPECTRUM FACILITY MANAGEMENT	1,303,979.00
GOLD STAR FENCING	26,623.91
GREYHOUND CANADA TRANSPORTATION ULC	1,204,500.94
GRIZZLY EXCAVATING LTD.	4,791,872.57
GUILLEVIN INTERNATIONAL COMPANY	119,681.98
H & J FLOOR COVERINGS LTD DBA UNITED FLOORS	42,384.18
H & M EXCAVATING LTD	1,926,207.15
HARTERRA SPATIAL SOLUTIONS LTD	322,306.76
HEAVY METAL MARINE LTD	654,128.65
HERO SECURITY COMPANY LTD	40,950.00
HOFF SECURITIES LTD	149,904.74
HOULE ELECTRIC LIMITED	29,120.10
HUBER BANNISTER CHEVROLET	119,407.02
IAFF LOCAL 1399	97,085.79
INDUSTRIAL SOFTWARE SOLUTIONS ULC	76,541.57
INFLEXION CONSULTING INC	84,296.42

City of Penticton
Schedule of suppliers of goods and services
for the year ended December 31, 2018

Suppliers who received aggregate payments exceeding $25,000	Total
INNOV8 DIGITAL SOLUTIONS INC.	50,346.29
INTEGRITY POLE INSPECTIONS INC	45,636.19
INTERGROUP CONSULTANTS	88,459.17
INTERIOR ROOFING (2011) LTD.	299,135.70
INTERPROVINCIAL TRAFFIC SERVICES LTD.	47,129.60
IRL INTERNATIONAL TRUCK CENTRES LTD	33,471.63
ITRON CANADA INC.	373,489.53
JAFA SIGNS LTD.	34,721.58
JDP CONTROLS INC	34,104.00
JEAN ESTHER HALL	373,238.10
JOE CUZZOCREA	254,082.30
JON SUTCLIFFE RACE	399,499.72
KEMIRA WATER SOLUTIONS CANADA, INC.	69,869.22
KNIGHT PIESOLD LTD	191,695.42
KON KAST PRODUCTS (2005) LTD.	61,621.28
KPC POWER ELECTRICAL LTD.	101,453.98
L & J DIAMOND MAINTENANCE	76,361.25
LAFARGE CANADA INC.	98,549.09
LAND TITLE AND SURVEY AUTHORITY	26,350.00
LEE MATILDA NIDDERY AND GEORGE FREDERICK NIDDERY	349,521.48
LEROCK HOLDINGS INC	66,082.09
LESTER LEZARD	57,000.00
LINDA JOAN MCDOUGALL	345,433.69
LINESTAR UTILITY SUPPLY INC	26,143.80
LONG VIEW SYSTEMS	31,233.16
MANDEVILLE LAND SURVEYING INC	33,963.65
MANDEVILLE PROPERTIES INC.	337,613.59
MARTECH ELECTRICAL SYSTEMS LTD	357,847.21
METRO MOTORS LTD.	38,003.84
MICROSOFT CORPORATION	97,512.18
MINISTER OF FINANCE	7,654,731.98
MODUS PLANNING, DESIGN & ENGAGEMENT INC.	60,401.31
MONERIS	36,169.44
MORNEAU SHEPELL LTD	1,143,040.73
MOULD ENGINEERING	155,286.77
MUNICIPAL INSURANCE ASSN OF BC	427,270.62
MURRAY BUICK GMC PENTICTON	94,383.58
NAPA AUTO PARTS	31,909.28
NEDCO - DIV OF REXEL CANADA ELECTRICAL INC.	51,142.54
NIELSEN ROOFING AND SHEET METAL LTD	73,185.00
NORAMCO WIRE AND CABLE COMPANY LTD	35,491.79
NORM OST CONTRACTING LTD	105,210.90
NOVA POLE INTERNATIONAL INC	33,335.54
NUFLOORS	96,375.94
OK BUILDERS SUPPLIES LTD	136,946.73
OKANAGAN SIMILKAMEEN REGIONAL HOSPITAL DISTRICT	2,621,198.07
OUR GLASS	138,555.90
P2 DEVELOPMENTS	150,000.00
PACIFIC POWERTECH INC.	28,348.39

City of Penticton
Schedule of suppliers of goods and services
for the year ended December 31, 2018

Suppliers who received aggregate payments exceeding $25,000	Total
PACIFIC RIM EQUIPMENT INC	26,558.63
PANORAMA VIEW ESTATES LTD	80,066.20
PENTICTON & DISTRICT SOCIETY FOR COMMUNITY LIVING	50,763.64
PENTICTON CURLING CLUB	41,631.10
PENTICTON HONDA CENTRE	47,394.12
PENTICTON INDIAN BAND	183,272.46
PENTICTON STAGE TECH INC	37,438.80
PENTICTON TOYOTA	77,460.48
PETER A TRUCH	72,821.29
PETERS BROS CONSTRUCTION LTD	406,642.56
PLAN B CONTRACTORS INC	43,997.94
PLANVIEW DEVELOPMENT LTD	43,680.00
PMH INSIGHTS INC.	94,127.46
POLYCOMTEC INC.	72,844.80
POWERTREND ELECTRIC LTD.	33,073.96
PREMIER FENCING INSTALLATIONS INC.	31,815.22
PRINT FACTORY	40,902.68
RAMTECH ENVIRONMENTAL PRODUCTS	115,427.25
RECEIVER GENERAL FOR CANADA	224,999.26
RECEIVER GENERAL FOR CANADA-RCMP	6,717,150.38
REGIONAL DISTRICT OKANAGAN SIMILKAMEEN	8,269,410.09
RICHARD AND DIANNE SPRAY	32,240.00
ROLLINS MACHINERY LIMITED	242,708.48
RONA INC.	28,652.90
ROSE GINGRAS	76,728.87
ROYAL LEPAGE LOCATIONS WEST REALTY	60,000.00
S. COLLIER ENTERPRISES	158,197.20
SCHNEIDER ELECTRIC CANADA, INC.	29,116.64
SELECT PAINTING AND DECORATING LTD.	40,024.05
SENDERO GATE TOWNHOMES LTD	83,956.48
SHERWOOD SIGNS & GRAPHICS LTD	29,262.28
SIERRA PLANNING AND MANAGEMENT	46,305.10
SILVER CITY HOLDINGS INC.	385,245.89
SINGLA BROTHERS HOLDINGS LTD	42,383.84
SIRSIDYNIX	59,644.52
SOLID CADDGROUP INC	40,163.20
SOURCE OFFICE FURNITURE & SYSTEMS LTD.	59,021.98
SOUTHWOOD RETIREMENT RESORT LTD	154,165.19
SPARTAN CONTROLS LTD.	28,795.20
SPECTRA POWER SPORTS LTD.	34,284.32
STEAM SPECIALTY SALES LTD.	37,275.00
STEVEN J. DAHL AND LEANNE A.L. DIACK	478,749.69
STEWART MCDANNOLD STUART	100,035.21
STRUTHERS TECHNICAL SOLUTIONS LTD	66,774.85
SUCK IT UP ENVIRONMENTAL LTD	110,407.50
SUN-OAK CONSTRUCTION LIMITED	99,679.68
SUPERIOR SEPTIC SERVICES	29,726.97
TEALE'S WATER UTILITY SERVICES LTD.	36,851.85
TELUS- VANCOUVER	63,198.17

City of Penticton
Schedule of suppliers of goods and services
for the year ended December 31, 2018

Suppliers who received aggregate payments exceeding $25,000	Total
TEMPEST DEVELOPMENT GROUP INC.	87,980.38
TERRACOM SYSTEMS LTD.	160,955.23
TERRY PELLATT	100,000.00
TETRA TECH CANADA INC.	63,913.74
THE OKANAGAN NEWSPAPER GROUP	28,275.19
TOTAL RESTORATION SERVICES INC	38,020.19
TRADEMARK INDUSTRIES LTD	90,940.50
TRANE CANADA ULC	32,394.68
TRAVEL PENTICTON SOCIETY	917,304.21
TRYDOR INDUSTRIES (CANADA) LTD	114,772.09
TUNNEL VISION INSPECTIONS	28,253.57
UKRAINETZ	54,062.92
UNIT 4 BUSINESS SOFTWARE CORPORATION	88,981.80
UNITED LIBRARY SERVICES	51,974.55
URBAN SYSTEMS LTD.	241,058.43
WASTE CONNECTIONS OF CANADA INC.	1,164,685.19
WATERHOUSE ENVIRONMENTAL SERVICES CORPORATION	90,657.96
WATERS EDGE ENGINEERING LTD.	31,989.03
WATSON ENGINEERING LTD	160,724.99
WE CONSULTING AND BENEFITS	239,128.49
WESCLEAN EQUIPMENT & CLEANING SUPPLIES LTD.	39,769.34
WESCO DISTRIBUTION CANADA INC	96,431.77
WESTHILLS AGGREGATES LTD	102,749.17
WILDSTONE CONSTRUCTION & ENGINEERING	778,756.73
WISHBONE INDUSTRIES LTD.	32,524.52
WOLSELEY INDUSTRIAL CANADA INC	33,488.00
WORKER'S COMPENSATION BOARD OF BC	562,468.16

Total aggregate amount paid to suppliers of goods & services over $25,000	**102,685,526.69**
Total paid to suppliers who received aggregate payments of $25,000 or less	**5,178,442.09**
Total grants exceeding $25,000	756,392.00
Total contributions exceeding $25,000	140,872.85
Total of grants and contributions exceeding $25,000	**897,264.85**
Total	**$108,761,233.63**

City of Penticton
2018 Summary of Mayor, Council and CAO Expenses
for the year ended December 31, 2018

Description	Amount

Bloomfield, Julius

Description	Amount
In-town networking	$ 120
Total	**$ 120**

Jakubeit, Andrew

Description	Amount
In-town networking	$ 255
Other	103
Conference - UBCM	1,669
Conference - SILGA	1,128
Total	**$ 3,154**

Kimberley, Gerald

Description	Amount
In-town networking	$ 60
Total	**60**

Konanz, Helena

Description	Amount
In-town networking	$ 93
Other	115
Conference - UBCM	1,134
Conference - SILGA	1,206
Total	**$ 2,548**

Martin, Andre

Description	Amount
In-town networking	$ 55
Other	55
Total	**$ 110**

Picton, Maxwell

Description	Amount
In-town networking	$ 15
Conference - UBCM	2,614
Total	**$ 2,629**

Regehr, Frank

Description	Amount
In-town networking	$ 120
Total	**120**

Description	Amount

Robinson, Kathleen

Description	Amount
In-town networking	$ 120
Total	**120**

Sayeed, Tarik

Description	Amount
In-town networking	$ 85
Other	507
Conference - SILGA	395
Conference - UBCM	2,096
Total	**$ 3,083**

Sentes, Judy

Description	Amount
In-town networking	$ 155
Other	55
Conference - UBCM	1,917
Conference - SILGA	890
Total	**$ 3,017**

Watt, Campbell

Description	Amount
In-town networking	$ 140
Other	-
Conference - UBCM	2,146
Total	**$ 2,286**

Weeber, Peter

Description	Amount
Public Relations	$ 264
Memberships	345
Conference - UBCM	2,177
Conference - LGMA	1,724
Other	43
Total	**$ 4,553**

Vassilaki, John

Description	Amount
In-town networking	$ 120
Total	**120**

City of Penticton
2018 Summary of Emergency Overtime
for the year ended December 31, 2018

All employees paid over $1,000 of emergency overtime	
Employee	Amount
Beierle, Glen	11,835.06
Bird, Andrew	1,903.90
Campbell, Angela	1,386.58
Chapman, Ian	3,555.50
Cooper, Philip	6,002.73
Dionne, Blaine	1,437.90
Fenske, John	3,418.50
Figgitt, Tyler	1,236.69
Forster, Christian	3,740.63
Garrett, Steve	2,040.58
Guy, Tyler	1,100.27
Holmes, Jared	2,042.62
Houle, Randy	1,918.10
Johnson, Ronald	2,483.38
Jorgensen, Erik	1,133.28
Kleb, Jo-Anne	1,789.02
Moroziuk, Mitchell	9,085.26
Robson, Lennie	5,757.18
Scott, David	2,112.52
Simpson, William R	11,060.81
Stadnyk, Michael	3,871.81
Taylor, Chad	1,541.26
Watkinson, Larry	33,949.04
Weeber, Peter	6,655.22
Younghusband, Kenneth	1,216.69
Zazzara, Kevin	1,320.33
	123,594.86
Paid under $1,000	38,938.97
Total Emergency Overtime	**200,032.36**

Council Report

penticton.ca

Date: June 18, 2019 File No: 0340.50
To: Donny van Dyk, Chief Administrative Officer
From: Cathy Ingram, Procurement and Inventory Services Manager

Subject: **Procurement Policy Update**

Staff Recommendation

THAT Council rescind the Purchasing Policy dated May 4, 2015;

AND THAT Council endorse the new Procurement Policy dated June 18, 2019.

Executive Summary

The Procurement Policy outlines the spending authority assigned by position and the methods required for obtaining quotes for various values.

Strategic priority objective

GOOD GOVERNANCE

Good Governance requires amendments to the Purchasing Policy to maintain efficient and compliant procurement best practices and to provide clarity on authorization levels and procedures.

Background

The current Purchasing Policy was endorsed by Council in May of 2015. Since then, the Auditor General for Local Government (AGLG) created a document titled "Improving Local Government Process" which provides recommendations for local governments to improve procurement processes by developing a strong procurement policy and procedures.

The proposed Procurement Policy includes recommendations from the AGLG and changes resulting from best practices along with collaboration and consultation with the Valley Purchasing group consisting of the Cities of Kelowna, Vernon, West Kelowna, Kamloops, Westbank First Nations and the Regional District of Central Okanagan.

The proposed policy, which is a Council endorsed policy, outlines the principles, values, authorization, approval limits and processes that must be followed. The Procurement Procedures is an administrative document which outlines the processes to be followed when procuring good and services and ensure

consistent practices. Procedures can be amended as best practices and case law dictates without requiring Council's approval.

Some of the significant changes between the 2015 and 2019 Policy are:

1. All references to procedures have been removed from the policy and included in the procedures.

2. Delegated authority to commit the City to contract has been amended as follows:

Employee Position	Authority to Commit 2019	Authority to Commit 2015	Change
Chief Administrative Officer	Unlimited	Unlimited	No change
Chief Financial Officer	Unlimited	Unlimited	No change
Directors and General Managers	$100,000	$100,000	No Change
Procurement Manager	$100,000	$100,000	No Change
Assistant Procurement Manager	$75,000	Not previously assigned	$75,000
Department Managers	$75,000	$50,000	$25,000
Department Supervisors	$50,000	$15,000	$35,000
Inventory Associate	$25,000	$15,000	$10,000
All Other City Employees	$5,000 (or as determined by Director)	$1,500	$ 3,500

The nominal authority of $1,500 has been increased to $5,000 to reflect the increased cost of goods and services and reduce workflow approvals. Department manager's and supervisors' authority has been increased to improve efficiencies.

3. Procurement thresholds and process requirements have been amended as follows:

Procurement Process	Value of Procurement 2019	Value of Procurement 2015	Change
Direct Award	$0 to $5,000	$0 to $1,500	$ 3,500
Informal Quotes	$5,001 to $25,000	$1,501 to $2,500	$3,500 to $22,500
Formal Quotes	$25,001 to $75,000	$2,500 to $75,000	$22,500
Public Competition	Over $75,000	Over $75,000	No change

Thresholds have been increased to improve efficiencies by reducing workflow approvals while still complying with legislation and trade agreements.

4. Exceptions to Procurement Process Requirements has been added in accordance with the exceptions detailed in the New West Partnership Trade Agreement.

5. With the implementation of online bidding through the City's procurement portal, paper copies of bids are no longer required. We have been using the online portal for Request for Proposals, Request for Quotes, Pre-Qualifications, Expressions of Interest and Requests for Information for the past year and half

and have had great success and positive feedback from the supplier community. The City will move toward posting and receipt of electronic tender submissions and eliminate public tender openings. Bid results will be posted to the City's website where they can be obtained by bidders and the general public.

6. A new section titled Conditions for Participation has been added to the policy. This section provides the ability to choose to exclude doing business with suppliers who do not possess the legal and financial capacities or the commercial and technical abilities to undertake the relevant procurement. Subject to supporting evidence, reasons for considering exclusion include: past conduct, bankruptcy or insolvency, false statements, poor past performance, final judgements of serious crimes or other offences, professional misconduct or the failure to pay taxes.

Financial Implication

Ensuring the Procurement Policy is followed will result in continued savings for the City and the taxpayers and ensure that the City receives the best value for goods and services.

Alternate recommendations

1. Endorse the Procurement Policy with reduced spending authority limits as directed by Council.
2. Endorse the Procurement Policy with increased spending authority limits as directed by Council.
3. Refer the Procurement Policy back to staff for amendments as directed by Council.

Attachments

Attachment A – Procurement Policy – June 18, 2019

Respectfully submitted,

Cathy Ingram
Procurement and Inventory Services Manager

Concurrence

Director, Recreation and Facilities	General Manager of Infrastructure	Chief Financial Officer	Chief Administrative Officer
BK		JWCB	DvD

Council Policy

penticton.ca

Approval date: **Resolution No.**

Subject: Procurement Policy

1.0 GOAL

The goal of the Procurement Policy is to:

- establish the overall direction and general principles that the City of Penticton and City employees will follow in the procurement of goods (including equipment) and services (including construction);
- confirm the authorizations, approval limits and processes that must be followed in the procurement of goods and services; and
- set the process that must be followed for the disposal of surplus or obsolete goods.

2.0 SCOPE

This policy applies to all City employees including City Councillors and third-party consultants or contractors engaged by the City except for the exemptions noted in Section 4.4

3.0 POLICY STATEMENTS AND GENERAL PRINCIPLES

The following general statements and principles apply to how the City shall conduct its procurement activities:

3.1 Overall Conduct

Employees commit to creating and maintaining a high level of conduct in its procurement processes for goods and services by ensuring integrity, transparency, accountability, efficiency and consistency.

3.2 Fair Competition

Employees shall acquire goods and services through fair, transparent and competitive processes in accordance with legislative and trade agreement requirements. Competitive processes followed shall provide the best value to the City while ensuring fair and equitable treatment of suppliers, which includes consultants and contractors.

3.3 Legislation and Trade Agreements

The City's procurement processes and conduct shall comply with the authorities and obligations of the following legislation and trade agreements:

- New West Partnership Trade Agreement (NWPTA);
- Canadian Free Trade Agreement (CFTA);
- Comprehensive Economic Trade Agreement (CETA);
- Agreement on International Trade (AIT);
- *Local Government Act*;
- *Community Charter*; and
- *Freedom of Information and Protection of Privacy Act* (FOIPPA).

3.4 Ethical Conduct

Employees shall:

- act honestly and with integrity, avoiding even the appearance of impropriety, in all procurement and related practices;
- maintain consistency in all processes and actions; and
- adhere to good ethical standards in all procurement and related practices.

3.5 Gifts and Gratuities

City employees shall not accept gifts, tips or rewards from suppliers which could place them in an obligatory circumstance with that supplier. Items of a nominal value, e.g. pen, notepads, calendars are exempted from this principle.

3.6 Local Suppliers

In accordance with trade agreement requirements the City will select the supplier that provides the best value to the City. In circumstances where there is no difference in value to the City, local suppliers will be given preference.

3.7 Confidentiality and Disclosure of Information

As most transactions related to procurement are of a confidential nature, the City commits to the following in the procurement of goods and services:

- information will be released in accordance with the City's obligations under FOIPPA;
- any information made available to a potential supplier, which may influence a response to a procurement process, will be made available to all interested suppliers;
- subject to the requirements of FOIPPA, information provided by a supplier during a procurement process will remain confidential.

3.8 Conditions for Participation

The City may choose to exclude doing business with suppliers who have demonstrated poor past performance, do not possess the legal and financial capacities or the commercial and technical abilities to undertake the relevant procurement. Examples for exclusion are detailed in the Procurement Procedures.

3.9 Documentation

Employees shall maintain written records of its procurement processes and decisions, in order to support:

- audits of procurement practices;
- any required release of information under FOIPPA; and
- timely and useful debriefs to participants of competitive processes, as required under CFTA and CETA.

4. PROCUREMENT AUTHORITIES AND PROCESSES

4.1. Roles and Responsibilities

The roles and responsibilities regarding the procurement of goods and services shall be as follows:

City Council	• Sets the principles, authorization and approval limits for how the City conducts its procurement. • Sets the annual City budget, which all Capital and Operating procurements must be within.
CAO and CFO	• Sets the procurement procedures to be followed for all procurement, in accordance with the policy set by Council. • The CAO may authorize certain purchases outside of the normal process, but only where provided for in the Procurement Policy (e.g.

	approval for emergency purchases; approval to commence procurement process prior to budget approval in time-sensitive situations provided no contract is executed).
Procurement Manager and Procurement Department	• Responsible for oversight and administration of the Procurement Policy and procedures. • Responsible for conducting all procurement processes above $5,000 in value; including: issuance of bid solicitation documents; all correspondence with bidders/respondents; receipt of proposals/tenders/quotes; management of evaluation; and award of contracts/POs. • Provide feedback on department specifications/requirements to ensure they are broad and practical enough to avoid restricting competition in bidding. • Manage the disposal of surplus or obsolete goods and equipment.
Directors, General Managers and Department Managers	• Responsible for adherence to the Procurement Policy and procedures. • Responsible for ensuring departments provide accurate specifications, requirements and other information to the Procurement Department, sufficient to enable Procurement employees to conduct the process. • Responsible for managing and administering contracts following execution of the contract or issuance of the PO.
All Employees	• Responsible for compliance with the Procurement Policy and procedures. Employees should seek direction from their Supervisor/Manager or Procurement Department if unsure.

4.2. Delegated Procurement Authority

In accordance with 4.1, employees are authorized to commit the City to a contract/purchase, either by signing a contract document or issuing a Purchase Order, in accordance with the following authority limits:

Employee Position	**Authority to Commit Up To:**
Chief Administrative Officer	Unlimited
Chief Financial Officer	Unlimited
Directors and General Managers	$100,000
Procurement Manager	$100,000
Assistant Procurement Manager	$75,000
Department Managers	$75,000
Department Supervisors	$50,000
Inventory Associate	$25,000
All Other City Employees	$5,000 (or as approved by the CFO)

4.3. Procurement Thresholds and Process Requirements

The City shall give potential suppliers fair opportunity to supply goods and services to the City, by conducting competitive processes in accordance with the following thresholds:

Value of Procurement	**Procurement Process**
$0 to $5,000	Direct Award
$5,001 to $25,000	Informal Quotes
$25,001 to $75,000	Formal Quotes
Over $75,000 for Goods	Public Competition
Over $200,000 for Construction	Public Competition

4.4. Exceptions to Procurement Process Requirements

While still covered by this policy, the following procurements are exempt from the threshold and process requirements detailed in section 4.3 and can be contracted through Direct Award or Limited Tendering at the discretion of the individual that holds authority to commit as detailed in section 4.2:

a. An extension to the term of an existing ongoing contract, provided that:
   - the contract was originally executed in compliance with the Procurement Policy; and
   - the contract contains an express provision of such an extension.

b. Consulting services where the total commitment is less than $75,000. Note: Direct Award of Consulting Services must be due to one of the following reasons:
   - time is of the essence and the Consultant has knowledge or skills which are needed quickly;
   - the Consultant has a specialized skill or knowledge which others do not have;
   - the Consultant has been previously engaged by the City at an earlier stage of the same project, and therefore will require less start-up time or cost to work a new stage in the project.

c. Construction of, or investment in, water systems and related services where the total commitment is less than $250,000.

d. Where the procurement is of a confidential or privileged nature and disclosure through the required process could reasonably be expected to compromise confidentiality or be contrary to public interest.

e. Where an unforeseeable situation of urgency exists and the goods or services cannot be procured in time using the required process. The CAO has the authority to waive the Procurement Policy where public safety, property and/or infrastructure are at risk. Any use of this exception requires prior approval by the CAO when the commitment value exceeds $75,000.

f. Where it can be demonstrated that only one supplier is able to meet the requirements of a procurement (e.g. need for proprietary software or parts for specialty equipment).

g. In the absence of receipt of any bids which meet the requirements of a public process.

h. Operation of a sporting or convention facility, in order to respect a commercial agreement.

i. Non-profit organizations operating City facilities must be approved by the CFO and considered on a case by case basis.

j. Established water and waste water treatment chemicals and supplies.

k. Land acquisitions or real estate transactions and fees.

l. Legal or notary services.

m. Any other exemption listed in Part V of the New West Partnership Trade Agreement.

4.5. Inability to Perform

Where a contractor is unable to perform the services as required by contract, the Procurement Manager has the authority to award the services to an alternate supplier until such time as the situation has been rectified to the City 's satisfaction or a replacement contractor is sought through an appropriate procurement process.

4.6. Conflict of Interest

In accordance with the City's general principles on ethical conduct in procurement, the following shall apply to all procurement processes:

a. City employees shall exercise caution when there is a possibility or perception of conflict of interest with a supplier or potential supplier;

b. City employees involved in a procurement process, either directly or indirectly, must notify their direct supervisor of any potential conflict of interest with a supplier;

c. No City employee or Councillor, involved directly or indirectly in a procurement process or management of a contract, will have an interest or receive any personal benefit in

any contract placed by the City for goods or services, unless it is disclosed and approved in writing by the Chief Administrative Officer; and

d. If a City employee or Councillor has a potential conflict of interest as outlined in 4.6.b. and 4.6.c., the general guideline for the procurement process shall be as follows:
   i. Measures shall be taken to ensure that the employee or Councillor with the conflict does not have any influence whatsoever over the procurement process and/or contract decision; and
   ii. No Direct Award will occur to any supplier or contractor involved in a conflict of interest, regardless of the value. Suppliers to which a City employee or Councillor has a conflict of interest will only receive a contract for goods or services if they are selected based on a transparent evaluation from a competitive procurement process.

5. DISPOSAL OF SURPLUS EQUIPMENT, MATERIALS OR GOODS

Surplus assets or equipment, which the City no longer requires, shall be disposed of through one of the following methods, as approved by the Procurement Manager:

5.1. Re-use by other City department.
5.2. Arrange for disposal at an appropriate recycling facility or the local landfill for items deemed of no value.
5.3. Donate to non-profit organization.
5.4. Donate to other levels of government.
5.5. Sale by auction including electronic auctions such as BC Auction.
5.6. Sale by sealed bid process, where bids are sought through a publicly advertised process.
5.7. Trade-ins: where surplus goods are included in a competitive process for the procurement of new goods as part of a trade-in arrangement.

Direct sale of surplus goods to City employees or their direct family members must be pre-approved in writing by the CFO.

6. REFERENCES AND LINKS

6.1. Procurement Procedures
6.2. Officers and Delegation of Authority Bylaw No. 2018-75 HTTPS://WWW.PENTICTON.CA/ASSETS/CITY~HALL/BYLAWS/ADMINISTRATION/2018-75%20OFFICERS%20AND%20DELEGATION%20OF%20AUTHORITY%20BYLAW.PDF
6.3. New West Partnership Trade Agreement (NWPTA): http://www.newwestpartnershiptrade.ca/
6.4. Canadian Free Trade Agreement (CFTA): https://www.cfta-alec.ca/
6.5. Comprehensive Economic and Trade Agreement (CETA): http://www.international.gc.ca/trade-commerce/trade-agreements-accords-commerciaux/agr-acc/ceta-aecg/index.aspx?lang=eng
6.6. Community Charter http://www.bclaws.ca/EPLibraries/bclaws_new/document/ID/freeside/03026_10
6.7. Local Government Act http://www.bclaws.ca/civix/document/id/lc/statreg/r15001_18

Certified Correct:

_____

Angie Collison, Corporate Officer

Council Report

penticton.ca

Date: June 18, 2019 File No:
To: Donny van Dyk, Chief Administrative Officer
From: Ian Chapman, P.Eng, City Engineer

Subject: **Budget Amendment - Revitalization of Reach 3A Upper and 3B of Penticton Creek**

Staff Recommendation

THAT Council amend the 2019 budget to provide $159,000 as matching funds for the design for the revitalization of Penticton Creek Reach 3A Upper and 3B with the funds coming from capital reserve.

Strategic priority objective

This work supports the Council Priorities of:

1. Environmental Sustainability by ensuring the sustainability of the environment and the ecosystems within our community.
2. Good Governance by providing services that support quality of life, protect our health, enhance public safety and promote economic and social well-being of our community.

Background

The City of Penticton adopted the Penticton Creek Master Plan on December 19, 2017. This document serves as a guide for the restoration of Penticton Creek to address flood risks associated with the deterioration of the existing concrete channel and to improve fish migration and habitat. One of the key features of the plan was to arrange the creek into manageable sections (reaches) that reflect condition and key features and then prioritize these various reaches in accordance with the benefit in terms of flooding or fish habitat improvements that would accrue as a result of revitalization.

Two of the highest priority reaches of Penticton Creek have now been revitalized; the Showcase project and Reach 3A Lower which collectively extend from the upstream side of the Ellis Street bridge to the downstream side of Nanaimo Avenue bridge. The next section of Penticton Creek that staff has recommended for restoration is the continuation of the previous work upstream and involves Reach 3A Upper and 3B. Our approach for this project has been to seek funding assistance for the design work which would be undertaken in 2019/2020. Construction cost fundraising would follow in 2020/2021 and construction itself would happen in the late summer 2021 fish window.

Staff applied for design funding assistance from the South Okanagan Conservation Fund on behalf of the Penticton Fly Fishers. The City of Penticton Council issued a resolution to provide a letter of support for this application on September 18, 2018 and this was successful and resulted in receiving $159,000. Staff also applied for funding from the Habitat Conservation Trust Fund for the matching $159,000 to complete the required budget. Unfortunately, this was not approved and we are therefore underfunded for the project.

In order to complete this project, it will be necessary to amend the 2019 City budget to provide the missing $159,000 in funding. Staff are also making a submission for a Flood Mitigation Grant to see this section of creek reconstructed. Commencing work on the design will be an asset in gaining approval for this grant.

Financial implication

The total cost of this project is $318,000. The City has obtained $159,000 in funding from the South Okanagan Conservation Fund. A further $159,000 is require to see this project completed.

There are currently sufficient funds in the capital reserve to provide the required $159,000.

Analysis

Amending the 2019 City Budget to provide the required funds to complete the detail design will: Take advantage of funding already secured from the South Okanagan Conservation Fund; Will see the City continue to move forward with Penticton Creek restoration work; and Will increase our likelihood in obtaining a Flood Mitigation Grant for construction that we are currently preparing a submission for.

Alternate recommendations

1. THAT Council ask the South Okanagan Conservation Fund to hold their $159,000 funding commitment over to 2020 and include the missing $159,000 in the City 2020 budget.

Respectfully submitted,

Ian Chapman P.Eng.
City Engineer

Concurrence

General Manager of Infrastructure	Chief Financial Officer	Chief Administrative Officer
		

Council Report

penticton.ca

Date: June 18, 2019 File No: RMS 6440-001
To: Donny van Dyk, Chief Administrative Officer
From: David Kassian, Community Sustainability Coordinator

Subject: **Climate Action Reporting for 2018 and updates on future Climate Action works**

Staff Recommendation

THAT Council receive into the record the report titled "Climate Action Reporting for 2018 and updates on future Climate Action works" dated June 18, 2019.

Strategic priority objective

Meeting our Climate Action commitments is an integral part of creating a sustainable and livable community.

Background

In 2007 the Provincial Government created a legislated target to reduce the total greenhouse gas (GHG) emissions in the province by 33% from 2007 levels by 2020, and 80% by 2050. The province encouraged all municipalities to sign on to the Climate Action Charter. The City of Penticton signed onto the Charter in 2007, along with 182 other member municipalities throughout the province of British Columbia. What that means as far as a commitment for the City of Penticton, is that we will be carbon neutral in our corporate actions (fleet, buildings and contractor services).

Staff are happy to announce that for the third year in a row, through a blend of qualifying projects and purchased offsets, the City of Penticton has met the requirements to be deemed a "carbon neutral, climate leader community", one of 46 communities (out of 182) in the province.

Climate Action Revenue Incentive Program (CARIP)

When the province created the Climate Action Charter, they also created a funding source that signatory municipalities could draw from to assist in meeting the charter obligations. That program, called the Climate Action Revenue Incentive Program (CARIP), provides rebates for all carbon taxes paid on fuels purchased by the municipality, by way of a yearly grant. As part of the program the City is required to monitor our corporate climate usage and report yearly to the province on those emissions and what steps are being taken to reduce our climate impact as a corporation and as a community.

The purpose of this report is to satisfy that obligation for the 2018 year.

2018 greenhouse gas (GHG) emissions

Under our provincial commitments the City is required to track CO2 and CO2 equivalent emissions (tCO_2e). The tracking is done by reviewing fuel (gasoline and diesel) consumed by the City fleet and energy use (both electricity and natural gas) by City owned and operated buildings.

The total GHG emissions for the Corporation of the City of Penticton in 2017 are calculated as **1,890 tCO_2e**.

The total GHG emissions for the Corporation of the City of Penticton in 2018, including from contracted sources, were **2,018 tCO_2e**. The difference of 128 tC02e between the 2017 and 2018 reporting year can be attributed to better tracking of fuel consumed for solid waste collection (contracted source).

This is the third year that we have had a dedicated Community Sustainability Coordinator to completely audit our reporting. It is difficult to compare the emissions from years prior to 2016, as there are significant gaps in the data. For the years of 2014 and 2015, there was no dedicated staff resource to complete the GHG inventory. For years prior to 2014, the reporting was not comprehensive, as there was missing data that makes it difficult for comparison.

Sustainability initiatives

Under the CARIP program the City is also obligated to report sustainability initiatives that will lead to meeting the Climate Action Charter commitments. The following data was collected from various City departments and represents a high level overview of strategies and projects. In 2018 the City undertook the following initiatives which helped to offset the City's corporate impact:

- Implementation of the BC Energy Step Code – Step One, as a requirement for all newly constructed residential buildings (more information below).
- Completed Skaha Bluffs Boundary Extension, which includes the conservation dedication of 150 acres of recreational and ecologically-valuable land adjacent to Skaha Bluffs Provincial Park as park land, and the creation of additional City-owned parkland and trails within the remainder of the subdivision.
- Installation of four (4) new HVAC units at Penticton Trade and Convention Centre.
- Conserved natural gas at public facilities due to the pipeline rupture near Prince George by: reducing heat in buildings by 1.5 degrees; turning off infrared heaters at spectator stands; and lowered hot water tank, hot tub, and pool temperatures.
- Continuation of Voltage Conversion Program, increasing the distribution system from 8,300 volts to 12,470 volts in order to increase overall energy efficiency.
- Planting of over 75 trees in parks, boulevards, and the 300 block of Main Street.
- Creation of the natural burial section at Lakeview Cemetery to reduce chemicals and foreign materials contaminating soils, while allowing an alternative for interment options.
- Purchased two hybrid electric vehicles for the building department.
- Explore future aerial truck requirements to possibly utilize hybrid operation of the aerial device.
- Purchase and install a second high speed turbo blower, contributing to decreased energy use.
- Repair damage sustained during 2017 flooding along Okanagan Lake waterfront, and install additional rock armouring to protect the area from further erosion and damage.

BC Energy Step Code

The City of Penticton has implemented the BC Energy Step Code effective March 15, 2019. The BC Energy Step Code is an optional compliance path in the BC Building Code that local governments may use to incentivize or require a level of energy efficiency in new construction that goes above and beyond the requirements of the BC Building Code. This is now mandatory within the City of Penticton and compliance with the BC Energy Step Code – Step One is required for applications for new residential buildings.

The BC Energy Step Code helps communities chart a course to a future in which all of British Columbia's new buildings will be net-zero ready by 2032. Such high performance buildings will play a key role in reducing greenhouse gas emissions and helping reach our community level climate targets. Any dwelling which achieve a minimum of Step 3 of the Step Code at time of Occupancy, will receive a 5% building permit fee rebate

Climate Action Plan Updates

After signing on to the Climate Action Charter, the City commissioned the creation of two documents to assist in policy development and prioritization to meet the goals. The first document is the Corporate Climate Action Plan, which looks at what the City of Penticton as a corporation can do to reduce our *corporate* climate 'footprint'. The document encourages reductions in energy usage, retrofits to make our buildings more efficient, and suggestions about fleet changes among other things. Implementation of that plan began in 2010, but due to the age of the document, changing technology and changing best practices, the plan is in need of updating in order to provide sound guidance on sustainable corporate initiatives.

The second document is the Community Climate Action Plan. This document provides strategic guidance on how to reduce community energy use and greenhouse gas (GHG) emissions on a community wide basis. Similar to the Corporate Climate Action Plan, this document requires updating in order to remain an effective guidance tool on lowering community based emissions.

Staff will be submitting a request through the 2020 budget for a substantial update on our climate action initiatives.

Climate Action Task Force

If Council supports the updating of the climate action program in 2020, a task force of interested community members and select stakeholders will be established. A terms of reference for the task force will be presented to Council in the fall as part of the budget request for the climate action program update.

Financial implication

By participating in the CARIP program the City received $55,553 in 2018 from the provincial government. These funds are intended to assist in getting to climate neutrality. For 2016 and 2017, the City was carbon neutral due to the avoided forest conversion at Three Blind Mice, a popular mountain biking and hiking destination. Every year the amount of reductions from Three Blind Mice diminishes, and for the reporting year of 2019 and onwards the City will have to investigate methods to reduce GHG emissions, or to purchase carbon offsets. The reductions from the Three Blind Mice Avoided Forest Conversion diminishes rapidly

because it reflects the way a typical baseline development scenario would occur (i.e. the trees are cut down immediately in the first step of the development process).

To help identify methods to reduce GHG emissions, there are multiple guides supplied by the provincial government such as the Community Energy and Emissions Plan, and the Partners for Climate Protection Program. These guides help municipalities to better understand and track their sources of emissions, and to reduce these emissions where possible.

If reducing GHG emissions is not feasible or cost effective, carbon offsets must be purchased in order to remain carbon neutral. A carbon offset is a credit for greenhouse gas reductions achieved by one party that can be purchased and used to compensate the emissions of another party. Carbon offset credits are also measured in tons of CO_2 equivalents, and typically range in price from $15-$25 per ton of sequestered carbon.

For the 2018 reporting year, the City purchased credits equal to offsetting 640 tC02e at a cost of $22.00/ tonne, or $14, 784.00 (including GST). It is important to note that these credits were generated by Net Zero Waste, a food waste composting facility in Abbotsford. Net Zero Waste composts commercial and residential food scraps. For every metric tonne of food waste diverted from a landfill and composted for beneficial reuse, approximately one carbon credit is generated.

The Carbon Neutral Guidebook for Local Governments provides five other options to lower GHG emissions that are community based projects. A list of these project profiles are attached in Appendix D. Of particular note, is the project profile regarding 'household organic waste composting'. The food waste composting project profile estimates that every tonne of organic waste that is diverted from a landfill into a centralized composting system will result in roughly a tonne of GHG reductions. It is estimated that establishing a food waste diversion program in Penticton would result in approximately 2380 tonnes of mitigated which exceeds the City's annual corporate emissions by 500 tonnes.

Analysis

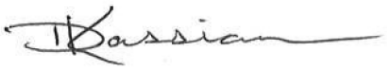
While it is imperative that Penticton meet the provincially legislated requirements of GHG reductions, it too is important that we look to the future and concentrate on creating a sustainable community. By definition, a sustainable community uses its resources to meet current needs, while ensuring that adequate resources are available for future generations. The focus is on providing a better quality of life for residents by minimizing waste, preventing pollution, promoting efficiency and developing local resources to revitalize the local economy. Sustainable communities must be flexible and constantly adapting to changing environmental conditions, as well as changing demands from its residents.

Many of the initiatives undertaken in 2018 and planned for 2019 are sustainable and proactive steps towards becoming a truly sustainable community. Continued dedication to reducing vehicle emissions, energy consumption, and water use, while increasing energy efficiency and investigating new technologies will allow us to achieve our goal of reducing GHG emissions and creating a vibrant, sustainable community.

Attachments

Attachment A: 2018 CARIP Report
Attachment B: Greenhouse Gas Emissions by Source
Attachment C: 2018 GHG Inventory Report
Attachment D: Green Communities Carbon Neutral Framework: Option 1 Projects
Attachment E: Comparison Table of Three Options to Balance/Offset Corporate Carbon Liability

Respectfully submitted,



David Kassian
Community Sustainability Coordinator

Director	CFO	CAO
		

Climate Action Revenue Incentive (CARIP) Public Report for 2018

Local Government: City of Penticton

Report Submitted by: David Kassian
Role: Community Sustainability Coordinator
Email: david.kassian@penticton.ca
Phone: 250-328-5738

Date: May 29th, 2019

The City of Penticton has completed the 2018 Climate Action Revenue Incentive Program (CARIP) Public Report as required by the Province of BC. The CARIP report summarizes actions taken in 2018 and proposed for 2019 to reduce corporate and community-wide energy consumption and greenhouse gas emissions (GHG) and reports on progress towards achieving carbon neutrality.

CARIP
CLIMATE ACTION REVENUE INCENTIVE PROGRAM

2018 BROAD PLANNING ACTIONS

Broad Planning Actions

Broad Planning refers to high level planning that sets the stage for GHG emissions reductions, including plans such as Official Community Plans, Integrated Community Sustainability Plans, Climate Action Plans or Community Energy Emissions Plans. Land use planning that focuses on Smart Growth principles (compact, complete, connected, and centred) plays an especially important role in energy and GHG reduction.

Q 6 + Q 7 Community-Wide Broad Planning Actions Taken in 2018 + Additional Actions	
	Increased public engagement strategies to gather input on the future of Penticton through the drafting of the revised Official Community Plan.
	Submited an application to infrastructure Canada's Smart Cities Challenge in an effort to gain funding to help build a physically and mentally healthier, strongly-connected Penticton where everyone has access and opportunity to maximize their health potential.
	Completed Skaha Bluffs Boundary Extension, which includes the conservation dedication of 150 acres of recreational and ecologically-valuable land adjacent to Skaha Bluffs Provincial Park as park land, and the creation of additional City-owned parkland and trails within the remainder of the subdivision.
Q 8 Community-Wide Broad Planning Actions Proposed for 2019	
	Begin implementation of the new Official Community Plan (2019). Official Community Plans guide the future of communities through a land use plan, goals and policies in areas like housing, environment and transportation, and Development Permit Area Guidelines. The vision driving the new 2019 OCP is one of resilience and livability.
	Develop Community Energy and Emissions Inventory to generate baseline data for community emissions.

Q 9 + Q 10 Corporate Broad Planning Actions Taken in 2018 + Additional Actions	
	Conducted a utility rate review for water, electrical, sanitary sewer and agricultural water utilities. The goal of the review was to determine what the utility rates need to be in order to properly fund the operation of the utilities, sustain existing infrastructure and construct new projects.
Q 11 Corporate Broad Planning Actions Proposed for 2019	
	Lands management plan to better inventory and efficiently manage city owned lands and buildings. This review will be done with a lens towards parks land acquisition and more efficiently purchasing and selling lands in the City's interest.

Broad Planning		
Q 12 What is (are) your current GHG reduction target(s)?	GHG reduction targets are a 5% overall community reduction in GHG emissions from 2007 levels by 2020 (This represents a 20% reduction per person). 10% overall community reduction in GHG emissions by 2030 (This represents a 35% reduction per person). Our Corporate reduction goals are to reduce GHG emissions by 20% by 2020.	
Q 13 Are you familiar with your local government's community energy and emissions inventory (e.g. CEEI or another inventory)?		**No**
Q 14 What plans, policies or guidelines govern the implementation of climate mitigation in your community?		
• Community Energy and Emissions Plan		**No**
• Integrated Community Sustainability Plan		**No**
• Community- Wide Climate Action Plan		**Yes**
• Official Community Plan		**Yes**
• Regional Growth Strategy		**Yes**
Q 15 Does your local government have a corporate GHG reduction plan?		**Yes**

2018 BUILDING AND LIGHTING ACTIONS

Building and Lighting Actions

Low-carbon buildings use the minimum amount of energy needed to provide comfort and safety for their inhabitants and tap into renewable energy sources for heating, cooling and power. These buildings can save money, especially when calculated over the long term. This category also includes reductions realized from energy efficient street lights and lights in parks or other public spaces.

Q 16 + Q 17 Community-Wide Building and Lighting Actions Taken in 2018 + Additional Actions	
	Continuation of the Home Energy Loan Program.
	Implementation of the BC Energy Step Code – Step One, as a requirement for all newly constructed residential buildings.
	Provided incentives for any residential dwelling that achieves a minimum of Step 3 of the BC Energy Step Code at time of occupancy.
	Installation of LED safety lighting in the downtown core.
Q 18 Community-Wide Building and Lighting Actions Proposed for 2019	
	Continuation of the Home Energy Loan Program.
	Ongoing - Provide incentives for any residential dwelling that achieves a minimum of Step 3 of the BC Energy Step Code at time of occupancy.

Q 19 + Q 20 Corporate Building and Lighting Actions Taken in 2018 + Additional Actions	
	Installation of four (4) new HVAC units at Penticton Trade and Convention Centre.
	Installation of two (2) new sets of double doors for the Community Centre. One set at the Bugaboo University entrance and one set at the Cleland Theatre entrance to enhance security and environmental control.
	Conserved natural gas at public facilities due to the pipeline rupture near Prince George by: reducing heat in buildings by 1.5 degrees; turning off infrared heaters at spectator stands; and lowered hot water tank, hot tub, and pool temperatures.
	Implemented Direct Digital Control (DDC) system 'owners' at key facilities to manage DDC/HVAC system details for optimized building performance.
Q 21 Corporate Building and Lighting Actions Proposed for 2019	
	Installation of two (2) additional sets of double doors at the Community Centre to enhance security and environmental control.
	Replace one (1) Rooftop Unit and one (1) Air Handling Unit at the Library and Museum.
	Upgrade the ice chiller at Memorial Arena by installing a new stainless steel plate exchanger which transfers cooling to the system more efficiently.

Building and Lighting The Province has committed to taking incremental steps to increase energy-efficiency requirements in the BC Building Code to make buildings net-zero energy ready by 2032. The BC Energy Step Code--a part of the BC Building Code--supports that effort	
Q 22 Is your local government aware of the BC Energy Step Code?	Yes
Q 23 Is your local government implementing the BC Energy Step Code?	Yes

P5 2018 ENERGY GENERATION ACTIONS

Energy Generation Actions

A transition to renewable or low-emission energy sources for heating, cooling and power supports large, long-term GHG emissions reductions. Renewable energy including waste heat recovery (e.g. from biogas and biomass), geo-exchange, micro hydroelectric, solar thermal and solar photovoltaic, heat pumps, tidal, wave, and wind energy can be implemented at different scales, e.g. in individual homes, or integrated across neighbourhoods through district energy or co-generation systems.

Q 24 + Q 25 Community-Wide Energy Generation Actions Taken in 2018 + Additional Actions	
	Continuation of the Net Metering program.
	Continuation of the Home Energy Loan program.
Q 26 Community-Wide Energy Generation Actions Proposed for 2019	
	Continuation of the Net Metering program.

	Continuation of the Home Energy Loan program.

Q 27 + Q 28 Corporate Energy Generation Actions Taken in 2018 + Additional Actions	
	Continuation of Voltage Conversion Program, increasing the distribution system from 8,300 volts to 12,470 volts in order to increase overall energy efficiency.
	Conducted feasibility study on installing a smart grid system to: control the input power of a City PV system; control water levels for reservoirs for the water system; and to operate the Waste Water treatment facility's emergency generator during peak power periods to reduce the electrical demand for the municipal owned electrical utility.
	Conducted feasibility study on installing a Photovoltaic system at City Hall and City Yards.
Q 29 Corporate Energy Generation Actions Proposed for 2019	
	Continuation of Voltage Conversion Program, increasing the distribution system from 8,300 volts to 12,470 volts in order to increase overall energy efficiency.
	Continue feasibility study on operating the Waste Water treatment facility's emergency generator during peak power periods to reduce the electrical demand for the municipal owned electrical utility.

Energy Generation	
Q 30 Is your local government developing, or constructing a • district energy system • renewable energy system	 **No** **No**
Q 31 Is your local government operating a • district energy system • renewable energy system • none of the above	 **No** **No**
Q 32 Is your local government connected to a district energy system that is operated by another energy provider?	**No**
Q 33 Are you familiar with the 2018 List of Funding Opportunities for Clean Energy Projects Led by First Nations and Local Governments?	**Yes**

2018 GREENSPACE/NATURAL RESOURCE PROTECTION ACTIONS

Greenspace Actions

Greenspace/Natural Resource Protection refers to the creation of parks and greenways, boulevards, community forests, urban agriculture, riparian areas, gardens, recreation/school sites, and other green spaces, such as remediated brownfield/contaminated sites as well as the protection of wetlands, waterways and other naturally occurring features.

Q 34 + Q 36 Community-Wide Greenspace Actions Taken in 2018 + Additional Actions (Q 35 below Q 41)	
	Planting of over 75 trees in parks, boulevards, and the 300 block of Main Street.
	Creation of the natural burial section at Lakeview Cemetery to reduce chemicals and foreign materials contaminating soils, while allowing an alternative for interment options.
	Participate in annual TD Tree Days, with a focus on planting native species in the riparian area along Penticton Creek between Nanaimo and Ellis.
	Continuation of the Adopt-a-Park program. Community members are supplied with equipment and safety gear and undertake maintenance initiatives at various parks and trails.
Q 37 Community-Wide Greenspace Actions Proposed for 2019	
	Planting of over 100 trees throughout parks in Penticton.
	Participate in annual TD Tree Days, with a focus on removing non-native species and planting native trees, shrubs, sedges and grasses along the riparian area of Three Mile Beach.
	Continuation of the Adopt-a-Park program. Community members are supplied with equipment and safety gear and undertake maintenance initiatives at various parks and trails.
	Undertake extensive public engagement campaign to determine the future use and needs of the Robinson Property (A City owned park).
	Undertake extensive public engagement campaign to determine the future use and needs of Skaha Lake Park.

Q 38 + Q 39 Corporate Greenspace Actions Taken in 2018 + Additional Actions	
	Planting of shrubs, 10 trees, and replacement of the irrigation system to increase water efficiency at Lakeview Cemetery.
	Continuation of Integrated Pest Management (IPM) principles in all aspects of landscape management in an effort to minimize use of pesticides, via monitoring, threshold tolerance, and use of vinegars and soaps as control agents.
	Reinstall 95+ Treegator bags on unirrigated trees aged 4 years and under to reduce water consumption and to help ensure trees are resilient and reach maturity.
	Work with community partners OASIS and OSSS at riverside park to replant native species along the watercourse from Skaha Lake to the Retention Pond.
	Ongoing - Support operational budgets for maintenance programs that benefit the environment, including: urban forests, tree watering, horticultural maintenance.
Q 40 Corporate Greenspace Actions Proposed for 2019	
	Collect data and coordinates on all park infrastructure and facilities, and integrate the data into the City's Geographical Information System database to better track assets in parks.
	Continuation of Integrated Pest Management (IPM) principles in all aspects of landscape management in an effort to minimize use of pesticides, via monitoring, threshold tolerance, and use of vinegars and soaps as control agents.
	Reinstall 95+ Treegator bags on unirrigated trees aged 4 years and under to reduce water consumption and to help ensure trees are resilient and reach maturity.
	Ongoing - Support operational budgets for maintenance programs that benefit the environment, including: urban forests, tree watering, horticultural maintenance.
	Continuation of irrigation system replacement at Lakeview Cemetery and Leir House to increase water efficiency.

Greenspace	
Q 41 Does your local government have urban forest policies, plans or programs?	**Yes**
Q 35. Does your local government have policies, plans or programs to support local food production?	**Yes**

2018 SOLID WASTE ACTIONS

Solid Waste Actions

Reducing, reusing, recycling, recovering and managing the disposal of the residual solid waste minimizes environmental impacts and supports sustainable environmental management, greenhouse gas reductions, and improved air and water quality.

Q 42 + Q 43 Community-Wide Solid Waste Actions Taken in 2018 + Additional Actions	
	Continue to conduct curbside recycling and yard waste audits for single and multifamily residences to help identify common contaminants entering the solid waste stream.
	Ongoing - City staff to conduct presentations at public events focused on recycling education and compliance.
	Ongoing - Increase the number of garbage and recycling facilities in the downtown core, parks and recreation areas.
	Ongoing – Christmas tree recycling campaign.
Q 44 Community-Wide Solid Waste Actions Proposed for 2019	
	Support the provincial 'Love Food Hate Waste' campaign aimed at reducing the amount of food waste generated at households in BC.
	Launch multifamily recycle signage campaign aimed at helping residents identify allowable materials and to decrease recycling contamination and residue.
	Ongoing – Christmas tree recycling campaign.
	Develop report for Council with recommendations on measures to reduce the use of plastic bags throughout Penticton.

Q 45 + Q 46 Corporate Solid Waste Actions Taken in 2018 + Additional Actions	
	Conducted biosolids processing review to identify alternatives and upgrades to the current composting system with evaluations based on financial, environmental, and social impacts.
	Procurement department investigated feasibility of limiting the purchases of single-use plastics, contributing to overall waste reduction.
	Hire two student Recycle Ambassadors to conduct public education on best recycling practices through attending community events and targeted recycling audits of single family and multifamily dwellings.
	Renew collector agreement with Recycle BC to ensure that recyclable materials are sorted and recycled responsibly.
Q 47 Corporate Solid Waste Actions Proposed for 2019	

	Continue biosolids process review to identify alternatives and upgrades to the current composting system with evaluations based on financial, environmental, and social impacts.
	Hire two student Recycle Ambassadors to conduct public education on best recycling practices through attending community events and targeted recycling audits of single family and multifamily dwellings. Ambassadors will also support the provincial 'Love Food Hate Waste' campaign.

Solid Waste	
Q 48 Does your local government have construction and demolition waste reduction policies, plans or programs?	**No**
Q 49 Does your local government have organics reduction/diversion policies, plans or programs?	**No**

2018 TRANSPORTATION ACTIONS

Transportation Actions

Transportation actions that increase transportation system efficiency emphasize the movement of people and goods, and give priority to more efficient modes, e.g. walking, cycling and public transit, can contribute to reductions in GHG emissions and more livable communities.

Q 50 + Q 51 Community-Wide Transportation Actions Taken in 2018 + Additional Actions	
	Conduct maintenance on existing photovoltaic panels and batteries at bus stops to ensure lights and panels are working and efficient.
	Apply for the Rick Hansen/BC Accessibility Grant Program to investigate the accessibility of existing pathways and parks (KVR Trail, Penticton Creek Pathway, and TransCanada Trail).
	Install historic informational signage at the KVR trail.
	Provided free public transit for voters traveling to polling stations within Penticton.
Q 52 Community-Wide Transportation Actions Proposed for 2019	
	Undertake route analysis for lake-to-lake bike route through the City as part of the Cycling Network Plan.
	Install four level II electric vehicle charging stations at the new public pay parking lot located at 307 Ellis Street.
	Submit an application to the Clean BC Communities fund to offset 75% of the purchase and installation cost of four electric vehicle charging stations at 307 Ellis Street.
	Replace 51 aging transit benches and 11 bus shelters, and install an additional 4 transit shelters in high use areas.
	Support Fortis BC in their proposal to Natural Resources Canada Electric Vehicle and Alternative Build Infrastructure Deployment Initiative for a "BC Southern Interior EV Fast Charging Network Project" by installing an additional DCFC (Direct Current Fast Charger) at 233 Backstreet Boulevard.

Q 53 + Q 54 Corporate Transportation Actions Taken in 2018 + Additional Actions	
	Purchased two hybrid electric vehicles for the building department.

	Investigated the feasibility of single engine sweepers to maximize fuel efficiency.
	Ongoing – Create reports within the GPS system to promote good driving habits and maximize route efficiency.
	Ongoing – Replacing aging vehicles with new and more fuel efficient units.
	Explore future aerial truck requirements to possibly utilize hybrid operation of the aerial device.
Q 55 Corporate Transportation - Actions Proposed for 2019	
	Purchase hybrid electric aerial bucket truck which is expected to reduce fuel consumption by approximately 5200 litres per year.
	Ongoing – Create reports within the GPS system to promote good driving habits and maximize route efficiency.
	Ongoing – Replacing aging vehicles with new and more fuel efficient units.
	Investigate the feasibility of single engine sewer flush trucks.
	Investigate the feasibility of hybrid electric digger derricks.
	Replace two-stroke gasoline line painter with a fully electric line painter (zero emissions and rechargeable battery).
	Replace solvent based parts cleaner with a high pressure water based parts cleaner.

Transportation	
Q 56 Does your local government have policies, plans or programs to support: • Walking • Cycling • Transit Use • Electric Vehicle Use	 **Yes** **Yes** **Yes** **Yes**
Q 57 Does your local government have a Transportation Demand Management (TDM) strategy (e.g. to reduce single-vehicle occupancy trips, increase travel options, provide incentives to encourage individuals to modify travel behaviour)?	**No**
Q 58 Does your local government integrate its transportation and land use planning?	**Yes**

2018 WATER AND WASTEWATER ACTIONS

Water and Wastewater Actions

Managing and reducing water consumption and wastewater is an important aspect of developing a sustainable built environment that supports healthy communities, protects ecological integrity, and reduces GHG emissions.

Q 59 + Q 60 Community-Wide Water and Wastewater Actions Taken in 2018 + Additional Actions	
	Continuation of Phase I & II of the Drought Management Plan, which focuses on six technical assessments: water system profile; evaluation of economic impacts of drought; inter-annual upland reservoir refill variability; drought forecasting procedures; risk of multi-year drought; and definition of drought stages and responses.

	Partnered with the Municipal Enforcement Sewer Use Group and the Canadian Water and Wastewater Association to help raise awareness of "flushable wipes" and their damage to municipal sewer systems.
	Ongoing – Use of reclaimed water to irrigate large grassed areas at City parks, schools fields and the Penticton Golf & Country Club.
Q 61 Community-Wide Water and Wastewater Actions Proposed for 2019	
	Ongoing – Use of reclaimed water to irrigate large grassed areas at City parks, schools fields and the Penticton Golf & Country Club.

Q 62 + Q 63 Corporate Water and Wastewater Actions Taken in 2018 + Additional Actions	
	Purchase and install a second high speed turbo blower, contributing to decreased energy use.
	Proactively replace aging sanitary sewer infrastructure in order to maintain and avoid significant failures that could impact water service.
	Evaluate storm water infrastructure funding to ensure maintenance and operational costs are accounted for.
	Upgrade Carmi Reservoir from 1,140 cubic meters to 2,440 cubic meters to provide enhanced fire protection and while addressing the current storage deficiency.
Q 64 Corporate Water and Wastewater Actions Proposed for 2019	
	Conduct major upgrade to the electric controls and pumps at the Okanagan Lake Pump Station. This will lead to energy reduction and reduced chemical use at the Water Treatment Plant.
	Eliminate the use of chlorine gas at the Water Treatment Plant, and instead use liquid chlorine for water treatment.

Water Conservation	
Q 65 Does your local government have water conservation policies, plans or programs?	**Yes**

2018 CLIMATE CHANGE ADAPTATION ACTIONS

This section of the CARIP survey is designed to collect information related to the types of climate impacts local governments are experiencing and how they are being addressed.

Q 66 Please identify the THREE climate impacts that are most relevant to your Local Government.	
• Warmer winter temperatures reducing snowpack • Changes to temperature and precipitation causing seasonal drought • Heatwaves impacting population health • Increased temperatures increasing wildfire activity • Increased temperatures affecting air quality • Changing temperatures influencing species migration and ecosystem shifts • Changing temperatures influencing ecosystem shifts • Extreme weather events contributing to urban and overland flooding • Sea level rise and storms causing coastal flooding and/or erosion	

Q 67 In 2018 has your local government addressed the impacts of a changing climate using any of the following?	
Risk and Vulnerability Assessments	Yes
Risk Reduction Strategies	Yes
Emergency Response Planning	Yes
Asset Management	Yes
Natural/Eco Asset Management Strategies	Yes
Infrastructure Upgrades (e.g. stormwater system upgrades)	Yes
Beach Nourishment Projects	Yes
Economic Diversification Initiatives	Yes
Strategic and Financial Planning	Yes
Cross-Department Working Groups	Yes
Official Community Plan Policy Changes	Yes
Changes to Zoning and other Bylaws and Regulations	Yes
Incentives for Property Owners (e.g. reducing storm water run-off)	Yes
Public Education and Awareness	Yes
Research	Yes
Mapping	Yes
Partnerships	Yes
Other (please specify):	

Q 68 Climate Change Adaptation Actions Taken in 2018 Please elaborate on key actions and/or partnerships your local government has engaged in to prepare for, and adapt to a changing climate. Add links to key documents and information where appropriate.	
	Implement creek revitalization as part of the Penticton Creek Master Plan. Creek revitalization will provide increased flood protection while restoring the creek to a more natural state.
	Remove accumulated material from Ellis and Penticton creeks and add additional rock armouring for erosion protection.
	Repair damage sustained during 2017 flooding along Okanagan Lake waterfront, and install additional rock armouring to protect the area from further erosion and damage.
	Strengthening of the City's Emergency Operations Center (EOC) system.
Q 69 Climate Change Adaptation Actions Proposed for 2019	
	Implement creek revitalization as part of the Penticton Creek Master Plan. Creek revitalization will provide increased flood protection while restoring the creek to a more natural state.
	Complete Ellis Creek Master Plan.
	Conclude design of Reach 12 of Penticton Creek, with construction starting 2020.
Q 70 For more information please contact	
	David Kassian, Community Sustainability Coordinator, David.kassian@penticton.ca

Q 71. The following are key resources that may be helpful to your local government in identifying climate impacts, as well as, strategies, actions and funding to deal with them. For those resources that you have used, please indicate whether they were useful in advancing your work in climate change adaptation?	
Indicators of Climate Change for British Columbia	Useful
Plan2Adapt	Useful
Climate Projections for Metro Vancouver	Not Useful
Climate Projections for the Capital Region	Not Useful
Climate Projections for the Cowichan Valley Regional District	Not Useful
Province of BC's BC Adapts Video Series	Haven't Used
Preparing for Climate Change: Implementation Guide for Local Governments	Useful
Public Infrastructure and Engineering Vulnerability Committee's (PIEVC)	Haven't Used
Sea Level Rise Adaptation Primer	Not Useful
BC Regional Adaptation Collaborative Webinars	Haven't Used
Retooling for Climate Change	Haven't Used
Water Balance Model	Haven't Used
Water Conservation Calculator	Haven't Used
Funding:	
National Disaster Mitigation Program (NDMP)	Haven't Used
Community Emergency Preparedness Fund (CEPF)	Useful
Municipalities for Climate Innovation Program (MCIP)	Useful
Climate Adaptation Partner Grants (FCM)	Useful
Infrastructure Planning Grants (MAH)	Useful
Federal Gas Tax Fund	Useful
Other (please specify)	

2018 OTHER CLIMATE ACTIONS

Other Climate Actions

This section provides local governments the opportunity to report other climate actions that are not captured in the categories above.

Other	
Q 74 Are you familiar with the Community Lifecycle Infrastructure Costing Tool (CLIC)?	**Yes**
Q 75 Is your local government using the CLIC tool?	**Yes**

INNOVATION AND PEER-TO-PEER LEARNING

Innovation

This section provides the opportunity to showcase an innovative *Corporate and/or Community-Wide* GHG reduction and/or climate change adaptation activity that your local government has undertaken and that has had, or has the potential to have, a significant impact. You are welcome to highlight an action that has already been listed.

Projects included here may be featured as success stories on the B.C. Climate Action Toolkit and/or shared with other local governments to inspire further climate action. Please add links to additional information where possible.

Communities that have conducted innovative initiatives may want to consider making applications to CEA's Climate and Energy Action Awards, FCM Sustainable Communities Awards or to FCM's National Measures Report.

Q 76 Community-Wide Innovation Action

The City of Penticton has implemented the BC Energy Step Code effective March 15, 2019. The BC Energy Step Code is an optional compliance path in the BC Building Code that local governments may use to incentivize or require a level of energy efficiency in new construction that goes above and beyond the requirements of the BC Building Code. This is now mandatory within the City of Penticton, and compliance with the BC Energy Step Code – Step One is required for applications for new residential buildings, including:

- Single Detached Houses;
- Duplexes;
- Three-plex Housing;
- Four-plex Housing;
- Rowhousing;
- Low Rise Apartment Housing; and
- Accessory suites (when part of new construction).

The BC Energy Step Code helps communities chart a course to a future in which all of British Columbia's new buildings will be net-zero ready by 2032. Such high performance buildings will play a key role in reducing greenhouse gas emissions and helping reach our climate targets. Any dwelling which achieve a minimum of Step 3 of the Step Code at time of Occupancy, will receive a 5% building permit fee rebate.

Additional information can be found at:
https://www.penticton.ca/EN/main/departments/building/bc-energy-step-code-for-new-buildings.html



Q 78 For more information on actions described above contact
David Kassian, Community Sustainability Coordinator, david.kassian@penticton.ca, or buildinginfo@penticton.ca for direct inquiries regarding the Step Code.

Programs, Partnerships and Funding Opportunities

Local governments often rely on programs, partnerships and funding opportunities to achieve their climate action goals. Please share the names of programs and organizations that have supported your local government's climate actions by listing each entry in the box below separated by a forward slash (e.g. program1/program2).

Mitigation

Q 79 Mitigation Programs, Partnerships and Funding
Please contact David Kassian, Community Sustainability Coordinator, for more information. David.kassian@penticton.ca

Adaptation

Q 80 Adaptation Programs, Partnerships and Funding
Please contact David Kassian, Community Sustainability Coordinator, for more information. David.kassian@penticton.ca

2018 CARBON NEUTRAL REPORTING

Local governments are required to report on their progress in achieving their carbon neutral goal under the B.C. Climate Action Charter. Working with B.C. local governments, the joint Provincial-UBCM Green Communities Committee (GCC) has established a common approach to determining carbon neutrality for the purposes of the Climate Action Charter, including a Carbon Neutral Framework and supporting guidance for local governments on how to become carbon neutral.

Prior to completing this portion of the survey, please ensure that you are familiar with guidance available on the B.C. Climate Action Toolkit website, especially the Workbook and Becoming Carbon Neutral: A Guide for Local Governments in British Columbia.

Please note: As a result of the BC Recycling Regulation, local governments are no longer required to account for GHG emissions from vehicles, equipment and machinery required for the collection, transportation and diversion of packaging and printed paper, in their annual Climate Action Revenue Incentive Program (CARIP) reports.

Reporting Emissions

Q 81 Did your local government measure corporate GHG emissions for 2018?	**Yes**
Q 82 If your local government measured 2018 corporate GHG emissions, please report the number of corporate GHG emissions from services delivered directly by your local government (in tonnes of carbon dioxide equivalent)	**1,778.93**
Q 83 If your local government measured 2018 corporate GHG emissions, please report the number of corporate GHG emissions from contracted services (in tonnes of carbon dioxide equivalent)	**202.23**
Q 84 TOTAL A: CORPORATE GHG EMISSIONS FOR 2018 (Direct GHGs + Contracted GHGs)	**2,018.48 tCO2e**

Reporting Reductions and Offsets

To be carbon neutral, a local government must balance their TOTAL corporate GHG emissions generated in 2018 by one or a combination of the following actions:

- undertake GCC-supported Option 1 Project(s)
- undertake GCC-supported Option 2 Project(s)
- purchase carbon offsets from a credible offset provider

For more information about options to balance or offset corporate GHG emissions please refer to Becoming Carbon Neutral: A Guidebook for Local Governments in British Columbia.

If applicable, please report the 2018 GHG emissions reductions (in tonnes of carbon dioxide equivalent (tCO2e)) being claimed from any of the following Option 1 GHG Reduction Projects:

OPTION 1 PROJECTS	REDUCTIONS
Q 85 Energy Efficient Retrofits (in tonnes of carbon dioxide equivalent (tCO2e))	
Q 86 Solar Thermal (in tonnes of carbon dioxide equivalent (tCO2e))	
Q 87 Household Organic Waste Composting (in tonnes of carbon dioxide equivalent (tCO2e))	
Q 88 Low Emission Vehicles (in tonnes of carbon dioxide equivalent (tCO2e))	
Q 89 Avoided Forest Conversion (in tonnes of carbon dioxide equivalent (tCO2e))	**439 (2018), 807 (2017)**

Q 90 TOTAL B: REDUCTIONS FROM ALL OPTION 1 PROJECTS FOR 2018	1246 tCO2e

Q 91 If applicable, please report the names and 2018 GHG emissions reductions (in tonnes of carbon dioxide equivalent (tCO2e)) being claimed from Option 2 GHG Reduction Projects:

Option 2 Project Name	REDUCTIONS
Option 2 GHGs Reduced (tCO2e)	
Option 2 Project Name	
Option 2 GHGs Reduced (tCO2e)	
Option 2 Project Name	
Option 2 GHGs Reduced (tCO2e)	
Q 92 TOTAL C: REDUCTIONS FROM ALL OPTION 2 PROJECTS FOR 2018	tCO2e

Offsets

Q 93 If applicable, please report the name of the offset provider, type of project and number of offsets purchased (in tonnes of carbon dioxide equivalent (tCO2e)) from an offset provider for the 2018 reporting year:

NOTE: DO NOT INCLUDE ANY FUNDS THAT MAY BE SET ASIDE IN A CLIMATE ACTION RESERVE FUND.

Offset Provider Name	OFFSETS
Offsets (tCO2e)	773
Offset Provider Name Cowichan Energy Alternatives Society	
Offsets (tCO2e)	
Q 94 TOTAL D: OFFSETS PURCHASED FOR 2018	773 tCO2e



Q 95 TOTAL REDUCTIONS AND OFFSETS FOR 2018 (Total B+C+D) = 2019 tCO2e

Corporate GHG Emissions Balance for 2018

Your local government's Corporate GHG Emissions Balance is the difference between total corporate offsetable GHG emissions (direct + contracted emissions) and the GHG emissions reduced through GCC Option 1 and Option 2 projects and/or the purchase of offsets.

Q 96 CORPORATE GHG EMISSIONS BALANCE FOR 2018 = (A – (B+C+D)) = 0 tCO2e

If your Corporate GHG Emissions Balance is negative or zero,
your local government is carbon neutral.
CONGRATULATIONS!

Q 97 If your local government was carbon neutral in 2018, please record any emissions reductions you will be carrying over for future years and the source of the reductions, including the year they were earned (e.g. organics diversion, 2018 100 tCO2e)

SOURCE OF CARRY OVER EMISSION REDUCTIONS (and year earned)	REDUCTIONS
Q 98 BALANCE OF REDUCTIONS ELIGIBLE FOR CARRY OVER TO NEXT YEAR	

Carbon Neutral Reporting	
Q 99 Does your local government set aside funds in a climate reserve fund or similar?	Yes

GCC CLIMATE ACTION RECOGNITION PROGRAM

Green Communities Committee Climate Action Recognition Program

The joint Provincial-UBCM Green Communities Committee (GCC) is pleased to be continuing the Climate Action Recognition Program again this year. This multi-level program provides the GCC with an opportunity to review and publicly recognize the progress and achievements of each Climate Action Charter (Charter) signatory.

Recognition is provided on an annual basis to local governments who demonstrate progress on their Charter commitments, according to the following:

Level 1 – Demonstrating Progress on Charter Commitments: For local governments who demonstrate progress on fulfilling one or more of their Charter commitments.

Level 2 – Measuring GHG Emissions: For local governments that achieve Level 1, and who have measured their Corporate GHG Emissions for the reporting year and demonstrate that they are familiar with their community's energy and emissions inventory (i.e. CEEI)

Level 3 – Accelerating Progress on Charter Commitments: For those local governments who have achieved Level 1 and 2 and have demonstrated undertaking significant action (corporately or community wide) to reduce GHG emissions in the reporting year (e.g. through undertaking a GHG reduction project, purchasing offsets, establishing a reserve fund).

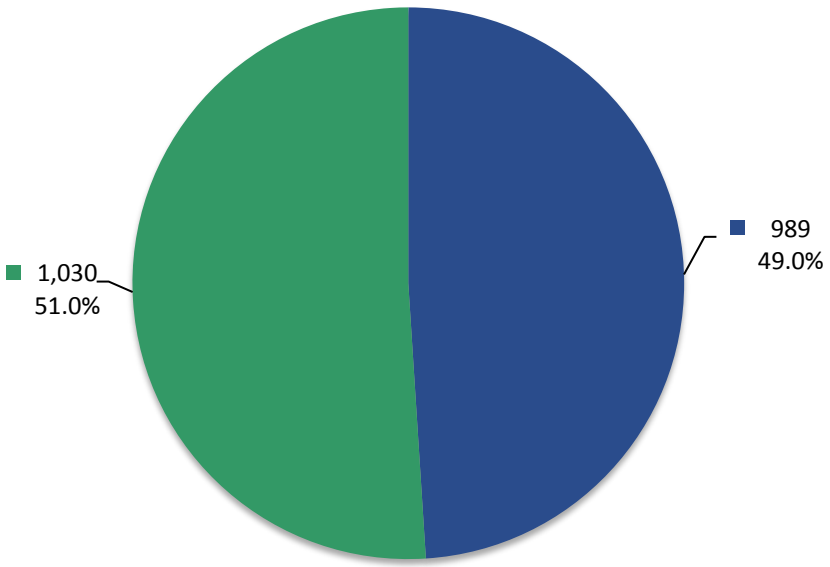
Level 4 - Achievement of Carbon Neutrality: For local governments who achieve carbon neutrality in the reporting year.

Q 100 Based on your local government's 2018 CARIP Climate Action/Carbon Neutral Progress Survey, please check the GCC Climate Action Recognition Program level that best applies:

	Level 1 – Demonstrating Progress on Charter Commitments	
	Level 2 – Measuring GHG Emissions	
	Level 3 – Accelerating Progress on Charter Commitments	
	Level 4 - Achievement of Carbon Neutrality	☺
	Not Sure	

Attachment B: Greenhouse Gas Emissions by Source

City of Penticton
Greenhouse Gas Emissions by Source
for the 2018 Calendar Year (tCO_2e*)



Total Emissions: 2,018

Mobile Fuel Combustion (Fleet and other mobile equipment)

Stationary Fuel Combustion (Building Heating and Generators) and Electricity

Offsets Applied to Become Carbon Neutral in 2018

Total offsets required: **1,885**. Total offset investment: $**47,125**. Emissions which do not require offsets:

*Tonnes of carbon dioxide equivalent (tCO_2e) is a standard unit of measure in which all types of greenhouse gases are expressed based on their global warming potential relative to carbon dioxide.

** Under the *Carbon Neutral Government Regulation* of the *Greenhouse Gas Reduction Targets Act,* all emissions from the sources listed above must be reported. As outlined in the regulation, some emissions do not require offsets.

Attachment C: 2018 SMARTTool GHG Inventory Report

BRITISH COLUMBIA
The Best Place on Earth

SMARTTool Greenhouse Gas Inventory Report

Reporting Entity: City of Penticton
Reporting Year: Calendar Year 2018

	Measure	Quantity	Greenhouse Gases in Tonnes CO_2	CH_4	N_2O	tCO_2e[1]
Scope 1 (Direct) Emissions						
Mobile Combustion (Fleet)	Litres	296,350.17	707.15	0.06	0.15	**752.40**
Stationary Combustion, Reported [3]	GigaJoules	20,582.71	1,020.49	0.02	0.02	**1,026.53**
Total Scope 1 Emissions			**1,727.64**	**0.08**	**0.17**	**1,778.93**
Scope 2 (Indirect) Emissions						
Purchased Energy, Reported [3]	GigaJoules	2,897.10	2.08	0.00	0.00	**2.08**
Total Scope 2 Emissions			**2.08**	**0.00**	**0.00**	**2.08**
Scope 3 Emissions						
Contracted						
Mobile Combustion (Fleet)	Litres	75,682.68	195.41	0.01	0.01	**199.03**
Purchased Energy, Reported [3]	GigaJoules	1,556.31	1.12	0.00	0.00	**1.12**
Total Scope 3 Emissions			**196.53**	**0.01**	**0.01**	**200.15**
Emissions from Biomass						
Total Biomass Emissions			**37.32**	**0.00**	**0.00**	**37.32**
Total Emissions, Calendar Year 2018			**1,963.58**	**0.09**	**0.18**	**2,018.48**

1. Global Warming Potential (GWP) has been applied only to the tCO_2e values.
2. Estimated data has been calculated based on the methods described in the Methodology Document.
3. Reported data refers to consumption which has been directly billed to the organization.

This Information is provided by the Government of British Columbia, and is subject to verification.

Project	Profile	Details
Energy Efficient Building Retrofits and Fuel Switching	This project involves retrofitting non-government owned buildings in the community or local government owned/operated buildings that are outside the boundaries of "traditional local government services" (such as social housing).	Retrofit options include: increasing efficiency of building shells (insulation, windows), increase efficiency of building equipment (furnaces, A/C, hot water heaters), fuel switching from high carbon energy source (switch from oil to electricity).
Solar Thermal (Hot Water) Retrofits	Install solar thermal (hot water) systems to pre-heat water supply. It covers installations on social housing buildings and buildings not owned by the local government.	This profile includes projects where the installed solar hot water system partially or completely replaces the use of natural gas or fuel oil for hot water heating. The calculation does not cover solar electricity generation or the use of solar thermal energy for space heating.
Household Organic Waste Composting	This project profile provides guidance on estimating the amount of GHG emissions that can be reduced by diverting household organic waste into a centralized community composting system rather than sending it to a landfill.	When organic waste is placed in a landfill it decomposes gradually over decades and creates a significant amount of methane due to the absence of oxygen. In contrast, when organic waste is composted it typically decomposes within one year and predominantly creates carbon dioxide because oxygen is made available. Although the exact number will vary by community, this project profile estimates that every tonne of organic waste that is diverted from a landfill into a centralized composting system will result in roughly a tonne of GHG emission reductions.
Low Emission Vehicles	This project provides guidance on estimating the emission reductions potential associated with replacing conventional vehicles with low emission vehicles, such as those used by public transit, police departments and airports.	Hybrid-electric, full electric and high efficiency internal combustion engines all represent a clear opportunity for fuel savings and emission reductions over conventional vehicle counterparts.
Avoided Forest Conversion (such as the Three Blind Mice AFCP)	This project provides guidance on estimating the emission reductions potential associated with preventing the conversion of existing forested lands to a non-forest land use (e.g. residential development, golf course, etc.).	Although land development may have positive economic and social benefits for communities, it can also lead to an increase in greenhouse gas emissions (GHG) due to the loss of trees, the burning or composting of wood, and the decay of the carbon

		in the forest floor. Developing an AFCP requires local governments to demonstrate that they are conserving eligible forested lands that would otherwise be available for development.

Attachment E: Comparison Table of Three Options to Balance/Offset Corporate Carbon Liability

	Option 1: GCC-supported project	Option 2: Alternative project	Option 3: Purchase
Ease of implementation	Requires some effort Project profiles already developed by the GCC Project has to be implemented and self-certified	Requires considerable effort and third party assistance Project profiles have to be developed by local government Project has to be implemented and third party verified	Simple
Cost	Varied cost, depending on project Minimal validation and certification costs, as they have been largely pre-established by the GCC	Varied cost, depending on project Local government required to pay for all costs to develop, implement and verify the project	Least cost Purchase tonnes at market rate (which will vary depending on the provider and standard that they use)
Reduction in local/regional GHG emissions	Community emissions reduced	Community emissions reduced	Uncertain impact on community emissions unless offset provider invests locally or regionally; however, climate change is not geographically bound so investments in credible offsets still reduce overall GHG emissions.
Co-benefits	Investment in local green economy; raises local awareness; fosters local / regional technological innovation; supports the creation of green jobs	Investment in local green economy, raises local awareness; fosters local / regional technological innovation; supports the creation of green jobs	Investment in British Columbia; fosters broader technological innovation; reduces GHG emissions; cost effective

Council Report

penticton.ca

Date: June 18, 2019 File No:
To: Donny van Dyk, Chief Administrative Officer
From: Kerri Lockwood, Human Resources and OH&S Manager

Subject: Mayor and Council Remuneration Task Force Recommendations

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Task Force Recommendations:

1. THAT Council adjust the rate of remuneration for Mayor and Council each year to offset the additional 1/3 taxation being incurred since January 1, 2019, and that Mayor and Council be retroactively compensation to January 1, 2019.

2. THAT benefits continue to be made available to Council, but that 100% of the cost be borne by the individual Councillors.

3. THAT Council adjust the gross remuneration of the Mayor by five percent (5%) (an increase of $275.00 mo.) and that the adjustment be made retroactive to January 1, 2019.
   Note: this increase is to be made in addition to #1 and #5.

4. THAT Council adjust the gross remuneration of Councillors by eight percent (8%) (an increase of $148.00 mo.) and that the adjustment be made retroactive to January 1, 2019.
   Note: this increase is to be made in addition to #1 and #5.

5. THAT Council direct staff to amend 'Council Indemnity Bylaw No. 2002-35' so that subsequent to any adjustments being made to the gross remuneration of Mayor and Council, that Council rates of remuneration continue to be tied to the Consumer Price Index (CPI) annually.

6. THAT Council direct a review of the base remuneration of Mayor and Councillors again before the end of 2025.

7. THAT Council implement the meal per diem scale outlined in Appendix 'A' and amend 'Council Indemnity Bylaw No. 2002-35' to reflect this change, and that no retroactive action be applied to this recommendation.

8. THAT Council direct staff to amend 'Council Indemnity Bylaw No. 2002-35' to round Expense Account dollars each year to the nearest $100.
   Note: This recommendation is dependent upon the balance of the Expense Account not being paid out (see #9).

9. THAT Council direct staff to amend 'Council Indemnity Bylaw No. 2002-35' to eliminate the current practice of paying out any remaining surplus to Councillors.

10. THAT Council make a recommendation to UBCM to undertake a study to determine the appropriate issues to be considered in determining the remuneration for mayors and councilors throughout British Columbia and to create guidelines to assist councils with making informed decisions on this challenging topic.

11. THAT Council direct staff to design a process whereby attendance of the City of Penticton's Mayor and Councillors at Council and committee meetings be reported in open Council on a quarterly basis.

Executive Summary

On November 28, 2018, the City's Human Resources and OH&S Manager, Kerri Lockwood, brought forward a Council Report recommending Council establish an External Compensation Advisory Task Force (the "Task Force") to investigate, review, develop and provide a report and recommendations for Council Remuneration.

It was recommended that the report and recommendations of the Task Force examine the following:

1. One-third (1/3) Tax Free Exemption
2. Extended Health and Dental Benefits
3. Compensation review – salary and per diems

This report and attachments are a summary of the work of the Task Force and their recommendations for Council's consideration.

Strategic priority objective

This Report supports the Council priority of Good Governance in the municipal governments' role as a democratic institution, a public policy maker and a provider of public services.

Financial implication

The financial implications of the recommendations are estimated at $35,849 for 2019.

See complete overview in Appendix A – details behind each Task Force Recommendation outlined, including financial implications.

Alternate Recommendations

Council could adopt alternate versions of the recommendations outlined – such as adopting adjusted timeframes for implementation or not adopting some/any of the recommendations.

Appendices

Appendix A – details behind each Task Force Recommendation outlined

Appendix B – overview of benefits provided to Councils in other BC communities

Appendix C - range of base remuneration for Councils in similar sized communities in BC

Appendix D – financial summary

Respectfully submitted,

Kerri Lockwood, Human Resources and OH&S Manager

Mayor and Council Remuneration Task Force
(Robert Heywood, Helen Sparkes, Gary Dean, Doug Leahy and Wayne Llewellyn)

Approvals

Chief Financial Officer	Chief Administrative Officer
JWB	DvD

Appendix 'A'

BACKGROUND

On November 28, 2018, the City's Human Resources and OH&S Manager, Kerri Lockwood, brought forward a Council Report outlining the Staff Recommendation for Council to establish an External Compensation Advisory Task Force (the "Task Force") to investigate, review, develop and provide a report and recommendations of Council Remuneration.

It was recommended that the report and recommendations of the Task Force examine the following:

4. One-third (1/3) Tax Free Exemption
5. Extended Health and Dental Benefits
6. Compensation review – salary and per diems

TASK FORCE

The City's Human Resources Department solicited volunteers from the Community with the appropriate background, experience and qualifications to create the Task Force. The Task Force members represent a wide variety of backgrounds and experience in government and business leadership.

The members of the Task Force are:
Robert Heywood
Helen Sparkes
Gary Dean
Wayne Llewellyn
Doug Leahy
City Liaison: Kerri Lockwood

TASK FORCE FINDINGS AND RECOMMENDATIONS

1. One-third (1/3) Tax Free Exemption

Background

This tax exemption was introduced under the *Federal Income Tax Act* in 1946 to recognize the value of the work of elected officials. Initially, the exemption applied only to provincial MLAs. In 1953, it was extended to municipal elected officials.

In March of 2017, the federal government passed Bill C-44, eliminating the one-third exemption for elected officials, effective January 1, 2019. In the 2018 Federal budget, the Federal Government announced upcoming changes to the taxation of remuneration for elected officials across Canada. Prior to January 1, 2019, elected officials had one-third (1/3) of their remuneration tax-free to offset expenses incurred from their duties.

It is now up to each individual municipality to decide if and how they will take steps to counteract the effect of this change on the remuneration of elected officials. Surveys by various provincial and territorial municipal associations have found that many municipalities are opting to fully compensate elected officials for the loss.

Prior to January 1, 2019, only a handful of British Columbia municipalities had taken steps to respond to the proposed alteration to the tax status for elected officials. However, since the change was introduced, several municipalities have increased the rate of remuneration to offset the additional taxation. This is not a raise, but an adjustment to keep take-home wages approximately the same.

Examples of communities that have adjusted the rate of remuneration to offset the additional taxation include:

Kelowna	New Westminster
Campbell River	Courtney
Prince George	Terrace
Langley	Salmon Arm
Fort St. John	

Recommendation

Upon review, the Task Force agreed that elected members of Council should not experience a reduction in compensation brought about by changes in Federal Tax Regulations.

It is recommended that Council adjust the rate of remuneration for Mayor and Council each year to offset the additional 1/3 taxation being incurred since January 1, 2019, and that Mayor and Council be retroactively compensation to January 1, 2019.

Financial Implication

The financial implication to keeping the City of Penticton's Council *whole* by covering the 1/3 tax exemption is:

Mayor (x1)	increase of $ 9,893/year
Councillors (x6)	increase of $ 2,000/year
	Total $ 21,893/year

2. Extended Health and Dental Benefits

Background

Throughout British Columbia, municipalities have taken a variety of approaches to Extended Health and Dental Benefits. While several provide full benefits coverage, several others provide little or none.

The City's 2014 - 2018 Council had the opportunity to participate in health and dental benefits. The benefits were delivered through the UBCM Group Benefits Plan for Elected Officials offered by Pacific Blue Cross / BC Life and a minimum of three (3) members of Council were required to participate. The cost of the benefits was shared 50/50 between the Councillors and the City.

See Appendix 'B' for an overview of other communities.

Recommendation

It is recommended that benefits continue to be made available to Council, but that 100% of the cost be borne by the individual Councillors.

It is recommended that Council explore whether three (3) members wish to secure benefits (minimum number required) and to proceed with applying to the UBCM Group Benefits Plan or, alternately, that Councillors secure benefits through the available City of Penticton benefits plan – both options to be at the sole expense of the individual Councillors.

Financial Implication

The financial implication of the recommendation is $0.00.

3. Compensation Review – Salary, Per Diems and Expense Accounts

Background – Salary

In 2002, City Council established remuneration levels and also approved a yearly increase to City Council salaries based on the Consumer Price Index (CPI).

Current City Council meal and mileage per diems were also established in 2002 (Penticton Municipal Council Indemnity Bylaw No. 2002-350).

There was agreement of Task Force members that the job of governing has changed since the last review in 2002. The changing roles of both Federal and Provincial governments and changing demands from communities, have made the role of Municipal government more complex. Councillors now deal with issues that are pressing and substantial to the operation of their communities.

Whereas Municipal governments were primarily focused on providing services within their communities, they are increasingly involved in complex social issues. In addition to attending regular City Council Meetings, their duties involve preparation time, attending civic engagement commitments, responding to media requests and much more.

Most of the taxing power rests with the Provincial and Federal governments and the implementation of many of their program initiatives work through, or in conjunction with, Municipal authorities.

Recommendation

The Task Force had considerable discussion on the topic of relevant criteria that could be used to determine any recommended changes to base remuneration, beyond the annual CPI adjustment and beyond the recommended 1/3 tax adjustment. Such indicators as the relationship to budget, medium income, economic growth, comparison to like-size municipalities and population were explored.

The committee considered information from several cities (Abbotsford, Vancouver, Victoria, Banff, Halifax and London, Ontario) that had established independent committees of citizens to evaluate mayor and council remuneration.

Based on it's research, the Task Force determined it to be reasonable that the City of Penticton's Mayor and Councillors base gross remuneration should be established against the following three (3) criteria:

1. Median individual incomes in the City of Penticton
2. Observation of base remuneration in similar sized communities in BC
3. Assessment of total general purposes assessed value compared to similar sized communities in BC

1.

When looked at from the perspective of median individual income, the criteria used by the committees in the above noted communities followed a process that involved:

- Finding the most recent Statistics Canada census data on median individual income in their municipality
- Comparing the remuneration of councillors to the median individual income and adopting 75% as a benchmark
- Setting the remuneration of the mayor at a multiple (approximately 2.5 times) of councillor remuneration

It was observed that the use of median individual income in a municipality as a benchmark for councillor and mayor remuneration:

- is transparent and reflects accountability to residents in setting compensation using arms-length, economic information
- reflects the entire municipality based on income tax returns for all residents, including all demographics such as age, occupation, industries and type of employment
- is set by a process using information that is independent, objective and impartial

The results of applying the same criteria and process comparing the 2018/2019 remuneration reported by benchmark communities (using information that has already been adjusted to account for the elimination of the 1/3 tax exemption) to the most recent median individual income are shown in Appendix 'C'.

Based only on the most recent census information that reports individual incomes, the remuneration for a Councillor in Penticton would be as follows (*note: assumes no adjustment made for the elimination of the 1/3 tax exemption*):

- Councillor - $30,505 * 0.75 = $22,875 or approximately $23,000
- Mayor - $23,000 * 2.5 = $57,500

2.

The Task Force observed the range of base remuneration for Councils in similar sized communities in BC. The overview is found at Appendix 'C' (see lines 4 - 8).

3.

The Task Force observed total general purposes assessed value compared to similar sized communities in BC. The overview is found at Appendix 'C' (see lines 10 - 15).

Recommendation

As a result of completing their analysis, the Task Force advocates for the following:

In addition to the CPI increase implemented at January 1, 2019, and the recommended adjustment to offset the 1/3 tax implication, it is recommended that Council adjust the gross remuneration of the Mayor by five percent (5%) (an increase of $275.00 mo.) and that the adjustment be made retroactive to January 1, 2019.

In addition to the CPI increase implemented at January 1, 2019, and the recommended adjustment to offset the 1/3 tax implication, it is recommended that Council adjust the gross remuneration of Councillors by eight percent (8%) (an increase of approximately $148.00 mo.) and that the adjustment be made retroactive to January 1, 2019.

Subsequent to the adoption of and adjusted changes to the gross remuneration of Mayor and Council, **it is recommended that** Council rates of remuneration continue to be tied to the Consumer Price Index (CPI) annually, as per City of Penticton **'**Council Indemnity Bylaw No. 2002-35' and that the base remuneration be reviewed again before the end of 2025.

Note:
4 of the 5 Task Force Members are in support of the above gross remuneration recommendation being retroactive to January 1, 2019, with the fifth recommending that any changes be implemented for the following election cycle that would begin in 2022.

Financial Implication

The financial implication of making the recommended increases is:

- Mayor – ($275.00 * 12) = 3,300.00 annually
- Councillors (X6) – ($148.00 * 12) = $10,656.00 annually

Background – Per Diems

The last review of the Mayor and Council per diems was in 2002. 'Council Indemnity Bylaw No. 2002-35' outlines the following per diem meal allowances when meals are not included in conference or course fees (note: alcohol cannot be expensed):

Breakfast	$11
Lunch	$14
Dinner	$30

Recommendation

The Task Force considered the allowances provided by both the Federal and Provincial governments. It was learned that the Regional District of Okanagan-Similkameen (RDOS) adopted a system that takes into account the different regions of the Province that staff may travel to and the associate expense encountered.

It is recommended that Council implement the meal per diem scale outlined below and amend 'Council Indemnity Bylaw No. 2002-35' to reflect this change, and, further, that no retroactive action be applied to this recommendation.

	Zone A	Zone B	Zone C	Zone D
Breakfast:	$20	$20	$15	$15
Lunch:	$30	$30	$25	$20
Dinner:	$41	$51	$36	$31
Daily Allowance:	$91	$101	$76	$66

Zone A – Vancouver Island
Zone B – Lower Mainland – includes Whistler and meals outside BC and Canada
Zone C – Okanagan & Thompson Valley's
Zone D – All other BC

Note: *this change would also be applied to the travel of City staff, who are covered under the same policy.*

Financial Implication

The financial implication of the recommendation is dependent on the volume of per diem expenses.

Background - Expense Accounts

In a 'Council Expense Policy' Memorandum dated March 14, 1991, several recommendations were made to Council relating to making changes to the 'Council Indemnity Bylaw No. 2002-35'. Council adopted an annual expense provision for Council that would be adjusted by CPI each year. It was noted that *"as draws occur, amounts are charged to each Council member's account… [and that] "at each year end, an individual account is provided… [and that] "any surplus remaining at year end would be paid out and any deficit reimbursed to the City."*

For 2019, the expense accounts are set as follows:

Mayor	$1,790.11
Council (x6)	$1,317.63

Recommendation

The Task Force supports Council receiving an annual expense provision with the objective of connecting with the citizens of the City of Penticton. However, they do not support the practice of paying out the remaining balance.

It is recommended that 'Council Indemnity Bylaw No. 2002-35' be amended to reflect the current practice of providing an annual expense provision for Mayor and Council that is increased annual by CPI, but that the current practice of paying out any remaining surplus be eliminated.

It is recommended that the Expense Account dollars be rounded each year to the nearest $100.00 beginning in 2020. This recommendation is dependent upon the balance of the Expense Account not being paid out.

Financial Implication

The financial implication of the recommendation to round to the nearest $100.00 would be minimal and not applicable until 2020.

The financial implication of no balance of the expense account being paid out is dependent on the outstanding balance of individual Councillors.

Additional Recommendations:

It is recommended that the Council pass a resolution for the UBCM to undertake a study to determine the appropriate issues to be considered in determining the remuneration for mayors and councillors throughout British Columbia and creating guidelines to assist councils to arrive at appropriate decisions on this challenging topic.

The attendance of the Mayor and Councillors at all Council Meetings and various committee meetings to which they are appointed is an important responsibility. **It is recommended** that Council direct staff to design a process whereby attendance of the City of Penticton's Mayor and Councillors at Council and committee meetings be reported in open Council on a quarterly basis.

Summary of Financial Implications

See Appendix 'D'

SUMMARY OF TASK FORCE RECOMMENDATIONS

1. One-third (1/3) Tax Free Exemption

It is recommended that Council adjust the rate of remuneration for Mayor and Council to each year to offset the additional 1/3 taxation being incurred since January 1, 2019, and that Mayor and Council be retroactively compensation to January 1, 2019.

2. Extended Health and Dental Benefits

It is recommended that benefits continue to be made available to Council, but that 100% of the cost be borne by the individual Councillors.

It is recommended that Council explore whether three (3) members wish to secure benefits (minimum number required) and to proceed with applying to the UBCM Group Benefits Plan or, alternately, that Councillors secure benefits through the available City of Penticton benefits plan – both options to be at the sole expense of the individual Councillors.

3. Compensation Review – Salary, Per Diems and Expense Accounts

In addition to the CPI increase implemented at January 1, 2019 and the recommended adjustment to offset the 1/3 tax implication, it is recommended that Council adjust the gross remuneration of the Mayor by five percent (5%) (an increase of $275.00 mo.) and that the adjustment be made retroactive to January 1, 2019.

In addition to the CPI increase implemented at January 1, 2019, and the recommended adjustment to offset the 1/3 tax implication, it is recommended that Council adjust the gross remuneration of Councillors by eight percent (8%) (an increase of approximately $148.00 mo.) and that the adjustment be made retroactive to January 1, 2019.

It is recommended that subsequent to any adjustments being made to the gross remuneration of Mayor and Council, that Council rates of remuneration continue to be tied to the Consumer Price Index (CPI) annually as per the City of Penticton's **'**Council Indemnity Bylaw No. 2002-35' and that the base remuneration be reviewed again before the end of 2025.

It is recommended that Council implement the meal per diem scale outlined herein and amend 'Council Indemnity Bylaw No. 2002-35' to reflect this change, and further, that no retroactive action be applied to this recommendation.

It is recommended that 'Council Indemnity Bylaw No. 2002-35' be amended to reflect the current practice of providing an annual expense provision for Mayor and Council that is increased annual by CPI, but that the current practice of paying out any remaining surplus be eliminated.

It is recommended that the Expense Account dollars be rounded each year to the nearest $100. This recommendation is dependent upon the balance of the Expense Account not being paid out.

Additional

It is recommended that the Council pass a resolution for the UBCM to undertake a study to determine the appropriate issues to be considered in determining the remuneration for mayors and councilors throughout British Columbia and creating guidelines to assist councils to arrive at appropriate decision on this challenging topic.

It is recommended that Council direct staff to design a process whereby attendance of the City of Penticton's Mayor and Councillors at Council and committee meetings be reported in open Council on a quarterly basis.

APPENDIX 'B'

District / Muni	Offer?	Subsidize?	Comments
District of Sicamous	No	N/A	
City of Merritt	No	N/A	
Village of Lumby	No	N/A	Past - Council could join UBCM plan, no subsidy
Town of Oliver	No	N/A	
Regional District - Thompson-Nicola	No	N/A	
City of Castlegar	No	N/A	
Town of Creston	No	N/A	
Regional District - Okanagan-Similkameen	No	N/A	
District of Peachland	No	N/A	
City of West Kelowna	No	N/A	
Regional District - Columbia Shuswap	No	N/A	
Regional District - Kootenay Boundary	No	N/A	
Regional District - Central Kootenay	No	N/A	
Regional District - North Okanagan	Yes	No	UBCM elected officials benefit (EHC/Dental)
Town of Osoyoos	Yes	100.00%	Councillor only - the councillor pays for family / spouse
District of Lake Country	Yes	50.00%	Will be in place following the next election. None currently.
City of Nelson	Yes	80.00%	
City of Kamloops	Yes	100.00%	
Regional District - East Kootenay	Yes	No	UBCM elected officials benefit (EHC/Dental)
City of Penticton	Yes	50.00%	
City of Vernon	Yes	100.00%	life, EHC, Dental, MSP; Mayor has LTD at own expense

	Penticton	Parksville	City of North Cowichan	Mission	Campbell River	Courtenay	Vernon
Mayor - Compensation (as reported)	$ 65,139.00	$ 40,942.00	$ 77,854.00	$ 84,394.00	$ 73,611.00	$ 72,308.00	$ 91,338.00
Councillor - Compensation (as reported)	$ 22,160.00	$ 16,929.00	$ 28,025.00	$ 42,197.00	$ 27,972.00	$ 28,025.00	$ 33,795.00
Median Individual Incomes	$ 30,505.00	$ 30,545.00	$ 32,764.00	$ 33,135.00	$ 33,153.00	$ 30,873.00	$ 31,445.00
Relationship of Councillor to Median Income	72.64%	55.42%	85.54%	127.35%	84.37%	90.78%	107.47%
Relationship of Mayor to Councillor Income	2.94	2.42	2.78	2.00	2.63	2.58	2.70
Type of Organization	**City**	**District**	**District**	**District**	**City**	**City**	**City**
Total General Purposes Assessed Value	7,142,190,030	3,043,215,148	5,442,742,197	8,750,571,993	5,222,291,992	5,067,333,018	8,550,317,483
Mayor Salary as a %age of 1000 in Assessed Value	0.912%	1.35%	1.43%	0.96%	1.41%	1.43%	1.07%
Councillor Comp as %age of 1000 in Assessed Value	0.31%	0.56%	0.51%	0.48%	0.54%	0.55%	0.40%
Population according to 2018 information	34,935	13,001	30,616	40,007	33,698	26,185	42,199
Per capita Amount for mayor	$ 1.94	3.15	2.54	2.11	2.18	2.76	2.16
Cost Per Capita Councillor	$ 0.63	1.30	0.92	1.05	0.83	1.07	0.80
Population statistics from - https://www2.gov.bc.ca/gov/content/governments/local-governments/facts-framework/statistics/tax-							

Appendix 'D'

Summary overview:

Mayor

CPI - 2019	65,139.00
1/3 tax	9,893.00
Base remuneration increase	3,300.00
	$78,332.00

Council (X6 – total all in)

CPI - 2019	22,160.00
1/3 tax (x6)	2,000.00
Base remuneration increase (x6)	1,776.00
	$25,936.00

Relationship of Mayor to Councillor Income: 2.90% higher

Overall cost of recommendations: $35,849 /per year

Council Report

penticton.ca

Date: June 18, 2019 File No: RMS
To: Donny van Dyk, Chief Administrative Officer
From: Michael Hodges, Development Infrastructure Manager

Subject: **Traffic Amendment Bylaw No. 2019-23**
'Cycling Without Age' request to utilize sidewalks

Staff Recommendation

THAT Council support the request from 'Cycling Without Age' to use the City's Multi-Use Pathways such as the KVR, Trail Penticton Creek Trail, Okanagan lake multi-use path, Skaha Lake Park and all Bike lanes;

AND THAT Council deny the request from 'Cycling Without Age' for permission to utilize City sidewalks, boulevards and pathways for cycling;

AND THAT Council direct staff to work with 'Cycling Without Age' to identify the best on-road routes available to accommodate their desired routing;

AND THAT Council give first, second and third reading to "Traffic Amendment Bylaw 2019-23", bylaw that amends Traffic Bylaw 94-39 to include the definition of Motor Assisted Cycle and updates the definition of Cycle to include Motor Assisted Cycle.

Background

Cycling Without Age is a not for profit international volunteer organization that takes seniors and people with disabilities out for free bike rides in Trishaws. Cycling Without Age is a movement started in 2012, with the aim to help the elderly get back on their bicycles. Cycling Without Age, has now spread to 40 countries around the world. The non-profit group started to operate within Penticton in late 2018.



The trishaws used are three-wheeled bicycles that can carry two passengers in a seated position in the front, with an operator pedaling in the back. The type of cycle to be used by Cycling Without Age provides electric assist for walking (while the operator is walking beside or pushing the Trishaw) and pedaling (while the operator is pedaling on the back of the Trishaw).

The Penticton chapter of this organization is looking at options to pick up elderly passengers from age care facilities and their residents to allow them to ride to the main trails that they will be using. The main trails that they are looking at using are the KVR, Okanagan foreshore and Penticton Creek trail. The proposal is also to have a number of "Street trails" where they can take people through the residential streets around their residents. Currently they are proposing 8 different trails the details can be found in attachment A.

They are requesting that the City allow them to use their trishaw bicycle on the sidewalk rather than have to ride on the road. Their aim is to be able to pick up and drop off at people's residents rather than having to have people catch a taxi, or a shuttle of some kind to the trail. They feel that by utilizing the sidewalk their passengers will be more comfortable than being on the road.



The Traffic Bylaw makes it an offence to Ride a Cycle on any sidewalk within the City of Penticton.

Section 3 paragraph 2.

Unless otherwise permitted by an applicable traffic control device, drive a motor vehicle or ride or herd any animals, or ride a cycle, except for a wheelchair operated by a handicapped person, along any sidewalks, walkways or boulevards.

While the Traffic Bylaw makes it an offence to ride on the sidewalk the Bylaw department have not issued a ticket for this offence in a number of years and this offence is a low priority for Bylaw. There are also a number of multi-use pathways within the City where pedestrians and cyclists share the space, although these are wider than the standard sidewalk.

The trishaw proposed by Cycling Without Age is an electric pedal assist cycle. The Traffic bylaw does not specifically address electric cycles. Under the Motor Vehicle Act [RSBC 1996] c.318 (the "MVA"), the Tri-Shaw falls under the definition of a "motor assisted cycle", which is incorporated into the larger definition of "cycle".

As the Traffic Bylaw largely adopts the definitions under the MVA, a Trishaw would fall under the definition of "cycle". However, at this point in time, the Traffic Bylaw does not include a definition of "motor assisted cycle".

Financial implication

This proposal has no significant cost on the City, however some staff time will be made available to Cycling without Age.

Cycling Without Age have identified a number of obstacles to their travel path on the KVR, creek and other trails. These are normally bollards design to allow bicycles through, but are too tight for the wider Tri-Shaw.

The City Parks Department is working with the list of obstacles to ensure the movement along our trails are free and clear for all users.

Analysis

While it is a common sight within Penticton to see people riding cycles on the sidewalk within Penticton it is currently an offence under the Traffic Bylaw.

Staff have reviewed a number of options available to Council, and they range from allowing full use of the sidewalk to all cyclists in through to supporting the current prohibition on cycles on the sidewalk.

Option A – Full use of the sidewalk by cyclists.

This option is to change the Traffic Bylaw to allow the use of cycles and pedal assist cycles on all sidewalks, walkways or boulevards. This will allow full use of the sidewalks, walkways or boulevards by cycles and pedal assist cycles across the City. Staff feel that it is not possible to allow Cycling on some sidewalks.

We will also add an offence focusing on cycling in an unsafe manner listing the unsafe acts (speed, not making room for pedestrians, etc). We will need to carefully craft this so that it can be enforceable and provides coverage for much of our liability in allow cycles on the sidewalk.

It would be possible to install traffic control signage to prohibit cycling on any specific Street, or area, if Council desired. This could be the downtown area for example.

Staff have reviewed all the available information on this option and while it could be appealing the research shows that cyclists are less safe riding on the sidewalk than they are on the street. This is mostly related to the speed that even slow moving cyclists travel at and the inability for cars at driveways and intersections to clearly identify them.

Because of the increased risk to cyclists Staff are not recommending this option.

Option B – Allow "Cycling without Age" only to utilize the sidewalk

Section 3 paragraph 2 of the Traffic Bylaw allows for a specific exemption if the traffic controls signs are in place. It is possible to allow the Trishaw to be allowed on specific sidewalks and to sign those sidewalks "Trishaw's share the sidewalk" or similar. The Traffic Bylaw allows for this to occur and we would only require a direction from Council to install the traffic control devices. This would allow the Cycling Without Age to operate in specific areas and while not allowing any other cycles.

This would meet the needs of Cycling Without Age.

This would not provide a blanket approval for Cycling without Age to utilize the sidewalk, but each section of sidewalk would be assessed by the City on the routes to determine if the sidewalk would be safe for the cycle and pedestrians.

These locations should meet the following criteria:

- Up-hill travel (i.e. lower cycling speeds)
- Low pedestrian volumes (i.e. fewer than 10 per hour);

- Wide sidewalks (i.e. minimum 1.8 metres wide);
- Clear sightlines at intersections and driveways;
- Limited number of driveways;
- One-way cyclist travel in the direction of traffic; and
- Cyclists yield to pedestrians.

Council can direct Staff to work with Cycling Without Age to review the proposed routes against the criteria and select appropriate routes where possible. This option will allow that the route is primarily on the road but will allow access to sidewalks where it is safe for all uses.

This option would have some cost in Staff time for the review and in installing signs to clearly mark the area.

The City obtained legal review of the options in preparing this report. The legal review identified that the City is not able to regulate use of the road or sidewalk, based on "intent" or "purpose" only on "use". This means we can restrict cycles or allow cycles, but we cannot allow cycles operated by Cycling Without Age and not all others.

This would mean that the City could allow certain sidewalks to be used by all Cycles, but we could not limit the use to Cycling Without Age. Staff feel that such an arrangement with some sidewalks allowing Cycles and other not would create a significant amount of confusion.

While there is the potential for the Cycling without Age trishaw to use "limited" sidewalks safely due to the inability for the City to limit the sidewalk use to Cycling Without Age only Staff are not able to recommend this option.

Option C – Staff Recommendation

The remaining option is to support Cycling Without Age to utilize existing roads rather than the sidewalk. Cyclists all over the City share the road with cars and by selecting well planned routes combined with shuttles or taxi's to the start points it will be possible to run the program in compliance to the bylaw. It will be the responsibility of the business/charity to determine how to operate within the current Bylaws.

Cycling without age almost exclusively operate on either side of lunch-time and not during peak times. By understanding the times that the group operate Staff can work with the operator to direct them to more quite roads and routes.

While there is a perception of increased safety for riding on sidewalks this is not actually supported by the research. Allowing the trishaw on the sidewalk we can be increasing the risk to the users of the service. While we understand the concern with using the road, staff believe that this would be the safest option available – once the appropriate routes are identified.

It is Staff's recommendation that this option is approved by Council and Staff is directed to work with Cycling Without Age to plan their routes using the City roads. There are a number of factors that increase and decrease safety for cyclists on the road such as high traffic speed or volumes, road width, etc., and staff can help identify these issues.

Traffic Bylaw Update – Staff Recommendation

During the review of the proposal Staff have identified the opportunity to update the Traffic Bylaw to provide clarity on the use of electric cycles and other modes of transport that are now available. This will make it clear that electric assist cycles are allowed on all bike trails and multi-use paths within the City. This would include the KVR, Penticton Creek Trail, Okanagan lake multi-use path, Skaha Lake Park and all Bike lanes.

It is staff's recommendation that the Traffic Bylaw is amended to clarify that the pedal assist style electric cycles are allowed anywhere within the City that cycles are allowed. This will bring the Traffic Bylaw in line with the Motor Vehicle Act and ensure that Motor Assist Cycles comply with the Motor Vehicle Act. The bylaw amendments are outlined in Attachment A.

Alternate recommendations

THAT Council direct Staff to prepare the bylaw amendments required for option A.

THAT Council direct Staff to install traffic control signs on the sidewalks and paths to allow the cycles to operate on all of the sidewalks along the routes selected by Cycling Without Age.

Attachments

Attachment A – Proposed bylaw changes for Cycle definition

Attachment B – Detail of the proposed trails

Attachment C – Traffic Amendment Bylaw No. 2019-23

Respectfully submitted,

Michael Hodges
Infrastructure Development Manager

Director of Development Services	Chief Administrative Officer
AK	DvD

Attachment A - Proposed bylaw changes for Cycle definition

Amendments to the Traffic Bylaw No 94-39

Add the following definition

"motor assisted cycle" means a device

a) to which pedals or hand cranks are attached that will allow for the cycle to be propelled by human power,
b) on which a person may ride,
c) to which is attached an electric motor
d) that conforms with the definition of a "Motor Assisted Cycle" under the Motor Vehicle Act of BC and the requirements of the Motor Assisted Cycle Regulation (B.C. Reg. 151/2002)

Replace the Current Cycle definition

"Cycle" means a device having any number of wheels that is propelled by human power and on which a person may ride.

With the new definition in line with MVA

"Cycle" means a device having any number of wheels that is propelled by human power and on which a person may ride and includes a motor assisted cycle, but does not include a skate board, roller skates or in-line roller skates.

CWA Penticton – Individual Route Details.

#1 Lakeshore

This is an ideal trail for CWA. Lots of attractions and passersby. Perfectly flat, (there are a few bollards and driveway bumps to pay attention to).

- This walkway is a popular pedestrian walkway. The City is currently working on an official approval for Trishaws on this walkway. Care must be taken to yield to pedestrians at all times.
- The walkway extends from the HMS Sicamous at the west end to the marina at the east end. (Approx. 1 km from end to end).
- At the west end, Riverside Drive continues up to Eckhardt/Hwy 97. It is not recommended to turn around at or before Burnaby Ave.
- There are several quiet residential side streets running between Power and Riverside, parallel to Lakeshore Drive.

- This route also intersects the Penticton Creek Trail (#2) at the intersection of Lakeshore Drive and Front Street.
  - Cross Front Street in the crosswalk to the entrance to the trail
  - **Note: The crosswalk is somewhat blind to traffic crossing the bridge over Penticton Creek. <u>Exercise caution</u>.**

#2 Penticton Creek Trail

This another ideal trail for CWA. There are no cars (except for the crosswalks at Front St and Ellis St and Nanaimo Ave and a one block section of back lane). The Trail does climb steadily up at about a 2% grade. It closely follows Penticton Creek. Approx. 2 km each way.

- The trail starts at Okanagan Lake Park at Front St.
- The trail is quite clear until you reach Eckhardt.
- Cross Eckhardt and turn left on the sidewalk for 20 meters and then turn right to rejoin the trail.
  Note; The clearance on this sidewalk is narrow but does provide about 4inches on either side)
- This portion of the "Trail "is actually a bit of back alley and side streets.
- Follow Ontario St to Forestbrook Dr.
- Turn right on Forestbrook
- Turn right just before the bridge.
  Note; The "handicap curb" back onto the Penticton Trail is pretty high. You need to approach the curb at about a 60° angle to soften the bump for your passengers.
- Continue up Penticton Creek Trail.
- **Note; Watch for bumps created by routes. This is particularly uncomfortable coming down at higher speeds (ie. Slow down for them when coming down)**
- A good turn around point is at the gates after the school.

#3 KVR Trail – Residential

This trail runs from Duncan Ave to Vancouver Ave. The trail is less than ideal from Duncan to Preston. (A back alley behind the Safeway). It may be preferable to travel along Huff through the parking lot Penticton Plaza to Calgary Ave where the KVR becomes a much better trail (it begins at 99 Calgary Ave.)

From Calgary on – this trail is a treat for passenger and Pilot alike (with a few spots to note)

- Note#1 - Between Calgary and Preston there is a construction section that, for now, makes it better to ride the sidewalk along Main St. to Preston.
- Note#2 - Crosswalk across Main St. Note the sharp left turn onto the sidewalk (you need to make a wide turn)
- Turn right along sidewalk about 100 meters to the crosswalk and turn left to rejoin KVR. Follow the trail through school play fields to Jermyn Ave, turn right to crosswalk and continue again on KVR to Gahan Ave. turn right to crosswalk turn up the sidewalk along Gahan to the **paved** KVR (passed the first gravel trail).
- Crosswalk across Eckhardt to crosswalk across Government (Intersecting Penticton Creek Trail) and over cycling/foot bridge above Penticton Creek.
- Watch the sharp turns on the bridge and ramp. Cross Pickering St in Crosswalk and turn left along bike lane for 20 meters and sharp right turn onto KVR.
- Trail climbs 2% from here with nice views of Penticton and Okanagan Lake. Several crossings of quiet residential streets. Watch for occasional cars and pay close attention to bollards.
- Arrive at Vancouver Ave. End of the residential section of KVR.
- Continue on to KVR – Rural section or;
- Turn around here.

#4 KVR Trail – Rural

This trail is a gem but you do need to do a bit of a climb to get to the start at Vancouver Ave, just above the Bench Café.

There are 2 options, all assume you are beginning your climb at the traffic circle at the bottom of Vancouver Hill;

1. For those with **very** powerful legs (and lots of e-power, if you have two passengers), you can ride up Vancouver Ave.
2. Ride up the Penticton Creek Trail (2% grade) to the cycling bridge just before Eckhardt and you can take the KVR Residential trail to Vancouver Ave start (1.5% grade).

- At Vancouver Ave, take the crosswalk across Vcr Ave and follow Vancouver Place to the end of the road and turn right at the entrance of the KVR. Pay attention to the bollards. Stay to the left and pass through the gate, again watching the side clearance.
- The trail from here is packed gravel. It climbs at 1.55 to 2% with a few hilly sections.
- **Note;** There is a section just past the cemetery that may exceed the strength of many pilots. This is about the 2km point. It drops down at about 6% for 30 meters and then climbs back up a similar slope. You may need to turn around here (**before** you descend the first slope or the passengers will need to disembark and walk up the hill you just descended). If you are a strong enough, it is worth it as you can then transit the Penticton Trestle over Randolph Draw.
- **Note;** when crossing the trestle, you will need to ride with one wheel on the center planks so approaching passengers can pass by; ie. Don't straddle the center planks)

***** I will do a trial run of this section with 2 passengers to give a better estimate of the challenge of that section.**

- After the trestle the trail is wonderful. It travels through orchards and vineyards. You cross Naramata Road at about 3 kms in a crosswalk and turn left along the bike lane to the continuation of the KVR.
- The trail continues several kms before another strong climb at about 8km. At 14 kms you reach The Little tunnel. There are benches to sit and take in spectacular views of the lake below.
- The Trail beyond the tunnel is not suitable for CWA (sand and gravel path is too soft)

#5 Sun Village – South

This trail is really just a means of travelling south. It is about 3 km each way. If the passenger(s) want to go that way, here is the best way to go.
That said, there are quiet side streets all along the way that are options for a more interesting ride.

- From Sun Village front entrance - ride south (right) on sidewalk to Calgary Ave, cross Calgary Ave and continue to cross Duncan Ave.
- Cross Duncan at crosswalks and turn right on sidewalk to Atkinson.
- Cross Atkinson at crosswalk and turn left on Atkinson, past Cherry Lane Mall to Kinney.
- Turn right on Kinney to McGraw.
- Turn Left onto McGraw to Green Ave.
- Return by the same route or explore side streets.

#6 Cherry Park Routes

This trail is the safest most interesting route from The Cherry Park residences to the Promenade along Okanagan Lake. It is a combination of city sidewalks, quiet side streets and the Lakeshore Promenade.

It also offers an option to extend the ride by connecting to the Penticton Creek Train (Route #2).

A) Lakeshore Promenade.

- From Cherry Park – Travel north on the sidewalk on Winnipeg St. Cross Westminster and turn left on the sidewalk until Lakeview St.
- Turn right on Lakeview to Alexander Ave.
- Turn left on Alexander to the laneway on the right.
- Follow the laneway to Lakeshore drive.
- Cross Lakeshore in the crosswalk and take the Promenade in either direction.
- Left is 1 km to the HMS Sicamous. Right is 1 km, turning left at Front Street to the Penticton Marina (The Prague café is midway).

B) Penticton Creek Trail (Route #2)

- Take Route to the Lakeshore Promenade (Route #6A above) until you reach the Lakeshore Promenade.
- Turn right along the promenade and turn right the crosswalk at Front Street.
- Then cross Front Street in the crosswalk and you are on the Penticton Creek Trail (Route #2).
- This Trail will climb at about 2% and is about 3km but there are various points to turn around to come back.

#7 The Hamlets

There are three safe routes recommended from the Hamlets;

A) The Connection to The KVR Residential (Route #3)

- The distance to the connection is about 0.5km.
- Follow the Duncan Ave. sidewalk east about 50 yards to the KVR pathway on your immediate left.
- Follow the pathway to Calgary Ave. Cross Calgary and continue on the KVR pathway to Preston Ave.
- Cross main Street in the crosswalk
  Note; you need to make a sweeping right turn to the left onto the sidewalk heading north on Main street.
- You are now on The KVR (Route #3)

B) The Village at The Station

- This route will take you to The Village at the Station and you can connect to Route #8A.
- Follow Duncan Ave. sidewalk west to Fairview Road.
- Cross Fairview in the crosswalk, turn right on the Fairview sidewalk to Hastings Ave.
- Turn left on Hastings to The Village at the Station about 0.5 km on the right.
- You can now connect to Route #8A.

C) Connect to Route #5 to travel south to Green Ave.

- Take Duncan Ave. sidewalk east to the crosswalk at the Safeway.
- Turn right across Duncan in the crosswalk and turn right on the Duncan sidewalk to Atkinson St.
- You are now on Route #5.

#8 The Village at The Station

There are two safe routes from this residence;

A) Quiet side streets

- Turn west on Hastings Ave to Argyle St.
- Turn right. Argyle runs a long way with good, quiet side streets. The ride can be as short or as long as you wish.

  Suggestions;
  - Turn right at Windsor Ave and make a loop around the Boulevard Park.
  - Continue across Argyle to Moosejaw St.
  - Turn right on Moosejaw to extend the ride or turn left to return.
  -

B) The connection to the Hamlets and the KVR

- The distance to this connection is about 1.5km.
- Turn east on Hastings Ave to Fairview Road.
- Turn right onto the sidewalk to Duncan Ave.
- Turn left and cross Fairview Road in the crosswalk.
- Turn left along Fairview on the sidewalk to the alley (about 50 yards) and turn right.
- Follow the alley, staying right at Cossar Ave, and continue to Calgary Ave.
- Cross Calgary and continue on KVR Trails.
- You are now on Route #3.

Wineries of the Okanagan Valley

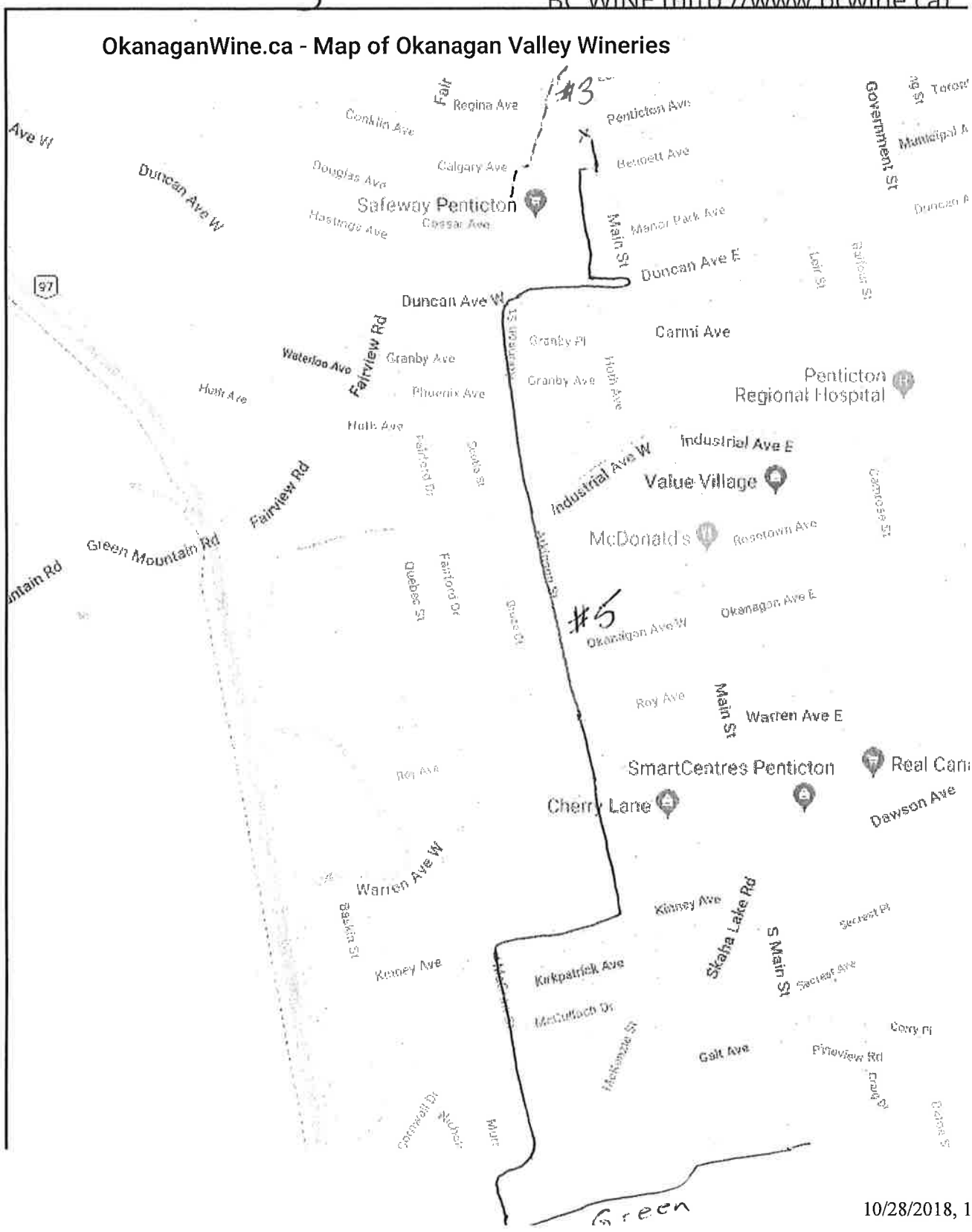
OKANAGAN WINE.CA (/)

Route #5 Sun Village - South

Virtual Winery Tours (/virtual-wine

Winery Map (/winery-map.html)

BC WINE (http://www.bcwine.ca)



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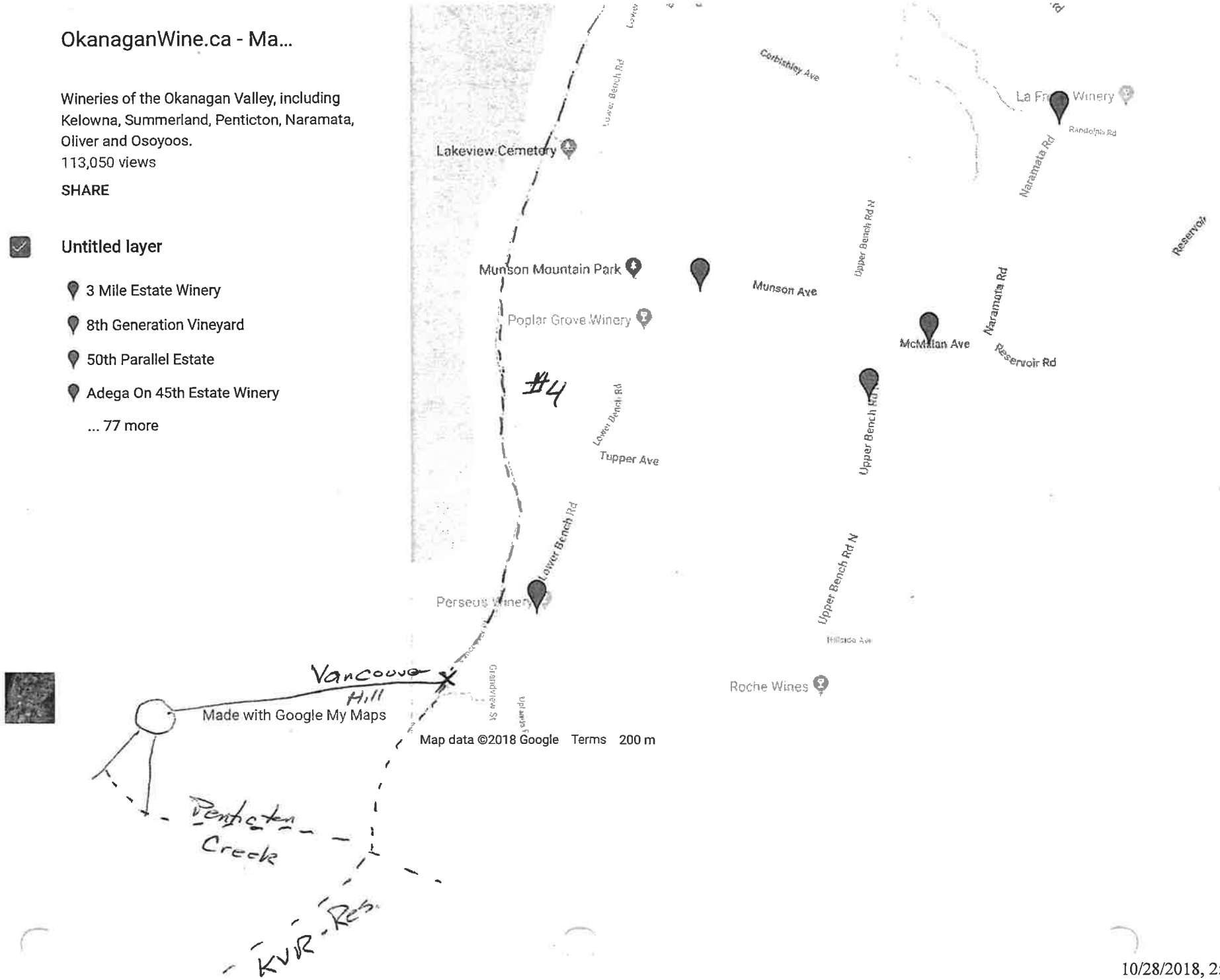
Wineries of the Okanagan Valley, including Kelowna, Summerland, Penticton, Naramata, Oliver and Osoyoos.
113,050 views

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- 3 Mile Estate Winery
- 8th Generation Vineyard
- 50th Parallel Estate
- Adega On 45th Estate Winery

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Wineries of the Okanagan Valley, including Kelowna, Summerland, Penticton, Naramata, Oliver and Osoyoos.

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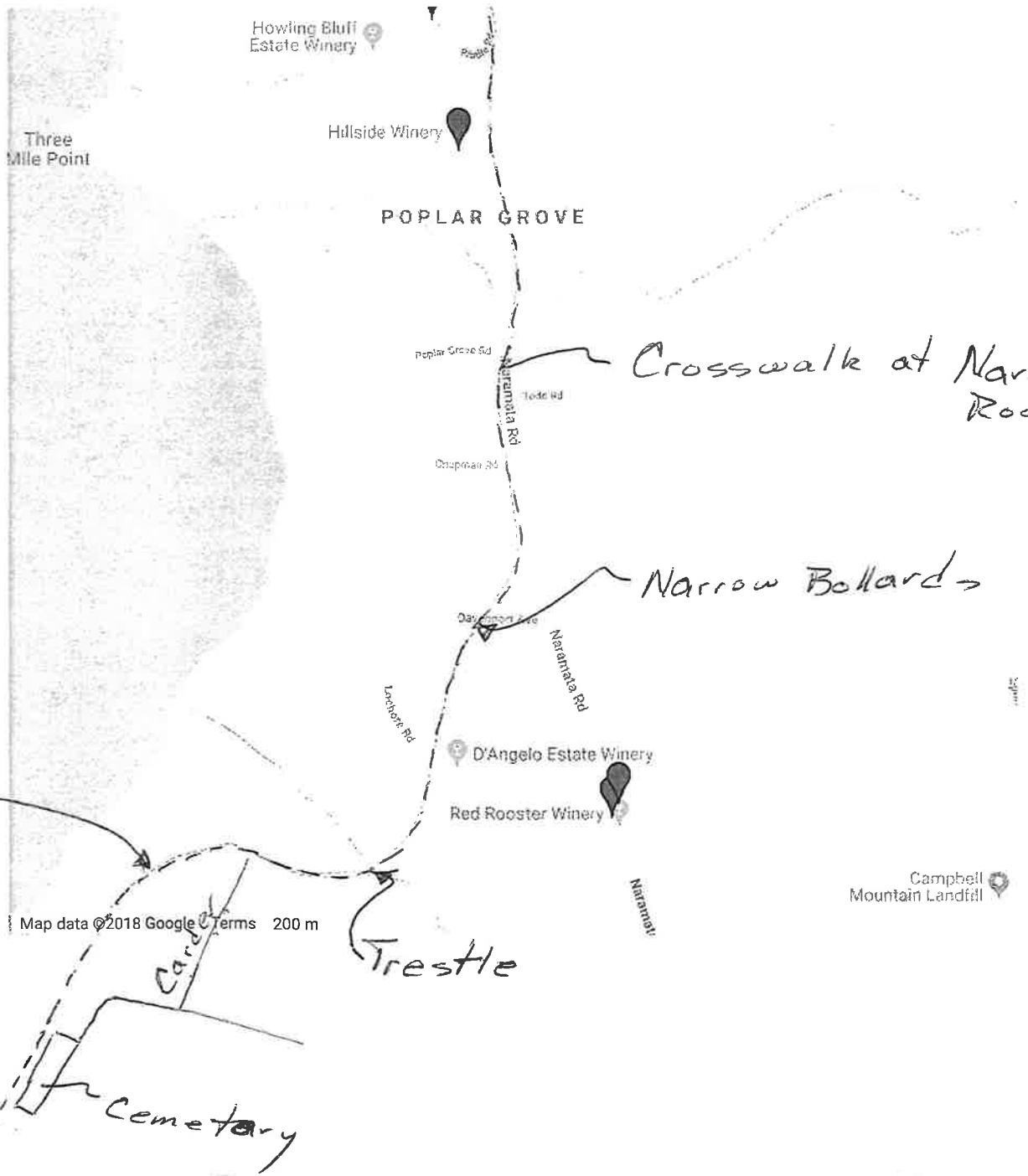
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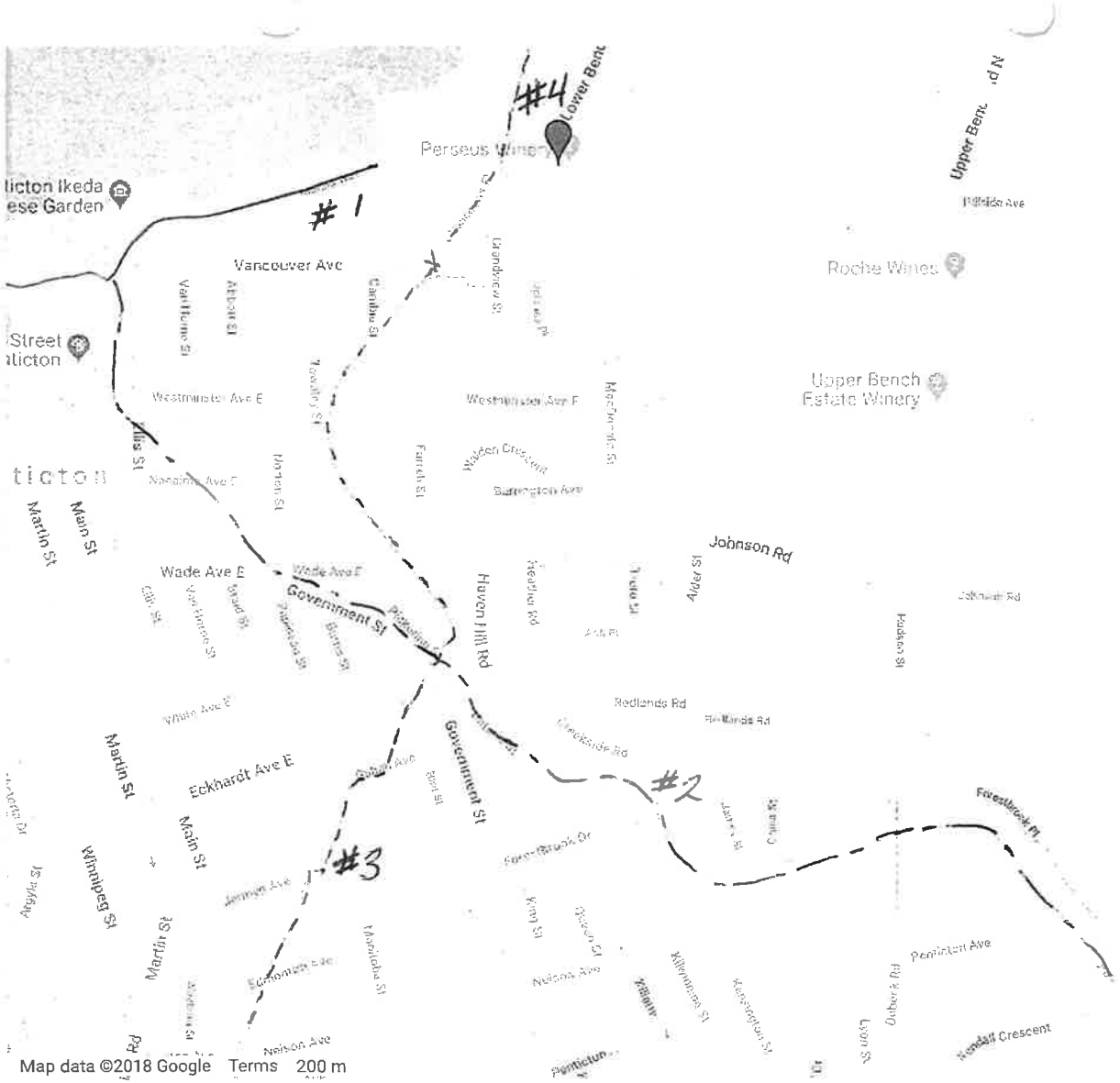
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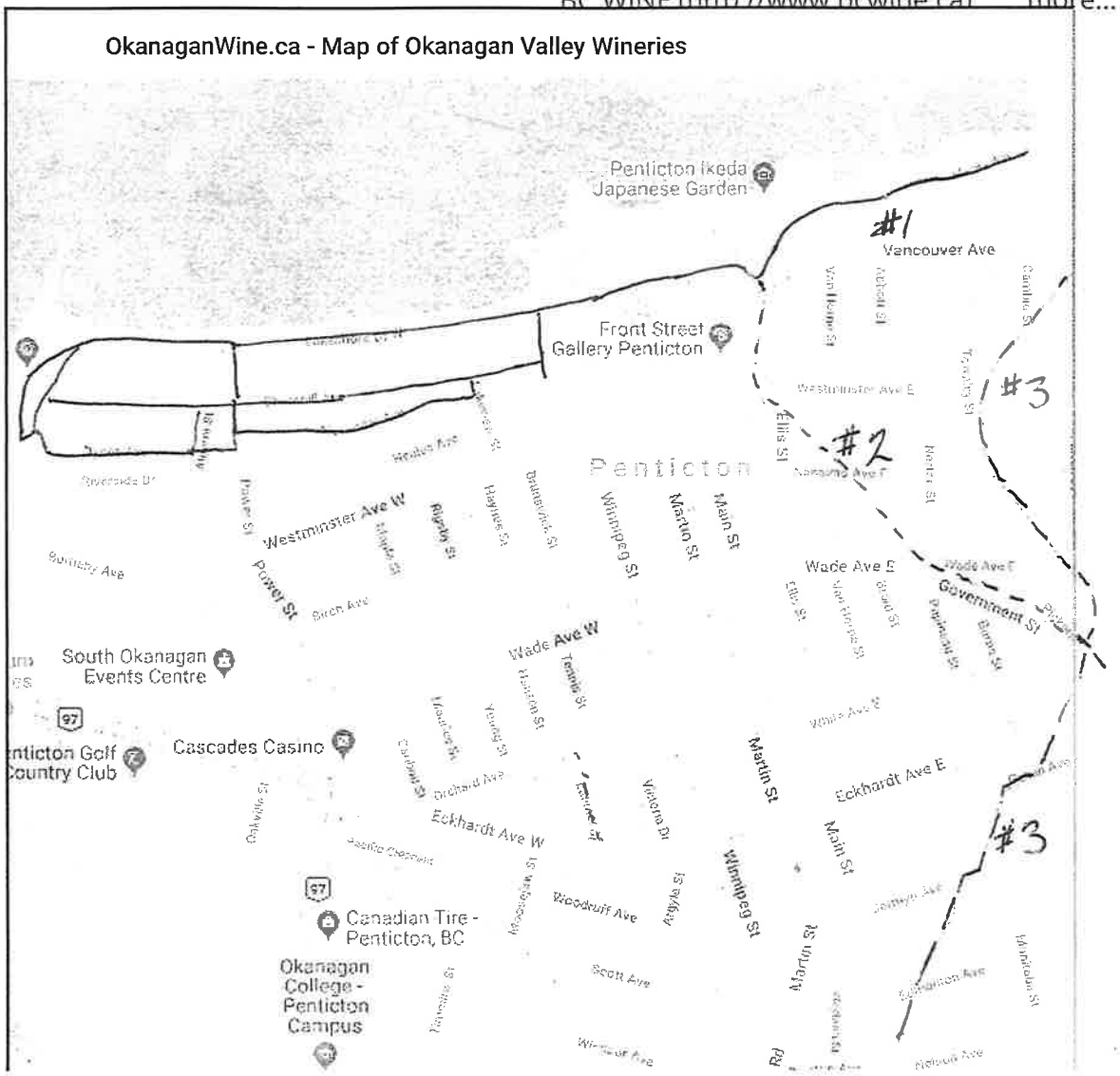
OKANAGAN WINE.CA (/)

#1 Lake Shore

Virtual Winery Tours (/virtual-winery-tours.html)

Winery Map (/winery-map.html)

BC WINE (http://www.bcwine.ca) more...



USE MOUSE TO NAVIGATE

WINERY TOURS:

Quails' Gate (http://www.okanaganwine.ca/quails-gate-wineshop.html)

Mission Hill (http://www.okanaganwine.ca/mission-hill-winery.html)

Blasted Church (http://www.okanaganwine.ca/blasted-church-winery.html)

Painted Rock (http://www.bcwine.ca/painted-rock-estate-winery.html)

Poplar Grove (http://www.okanaganwine.ca/poplar-grove-wineshop.html)

Wineries of the Okanagan Valley

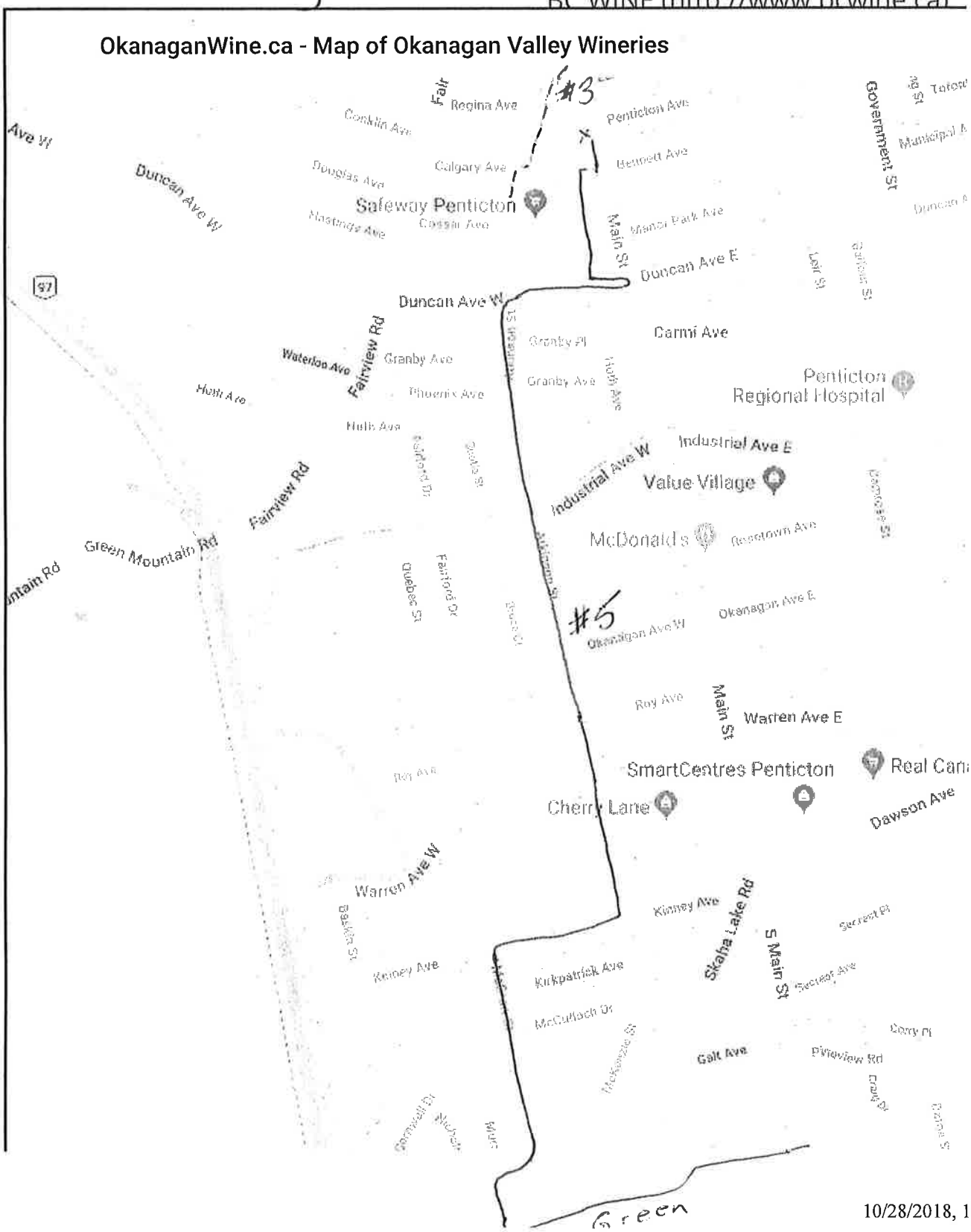
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Route #5 Sun Village - South

Virtual Winery Tours (/virtual-wine

Winery Map (/winery-map.html)

BC WINE (http://www.bcwine.ca)



Green

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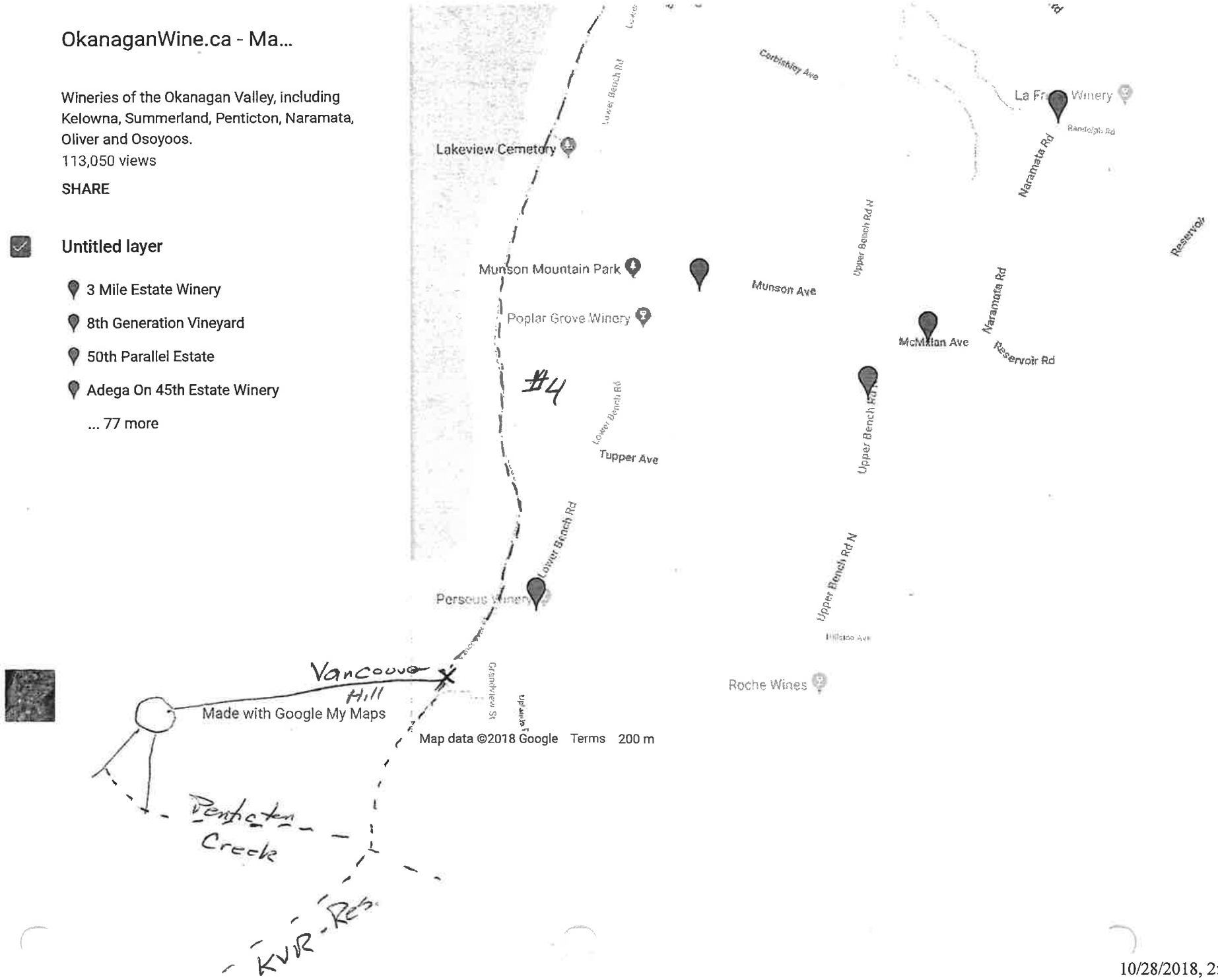
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Wineries of the Okanagan Valley, including Kelowna, Summerland, Penticton, Naramata, Oliver and Osoyoos.
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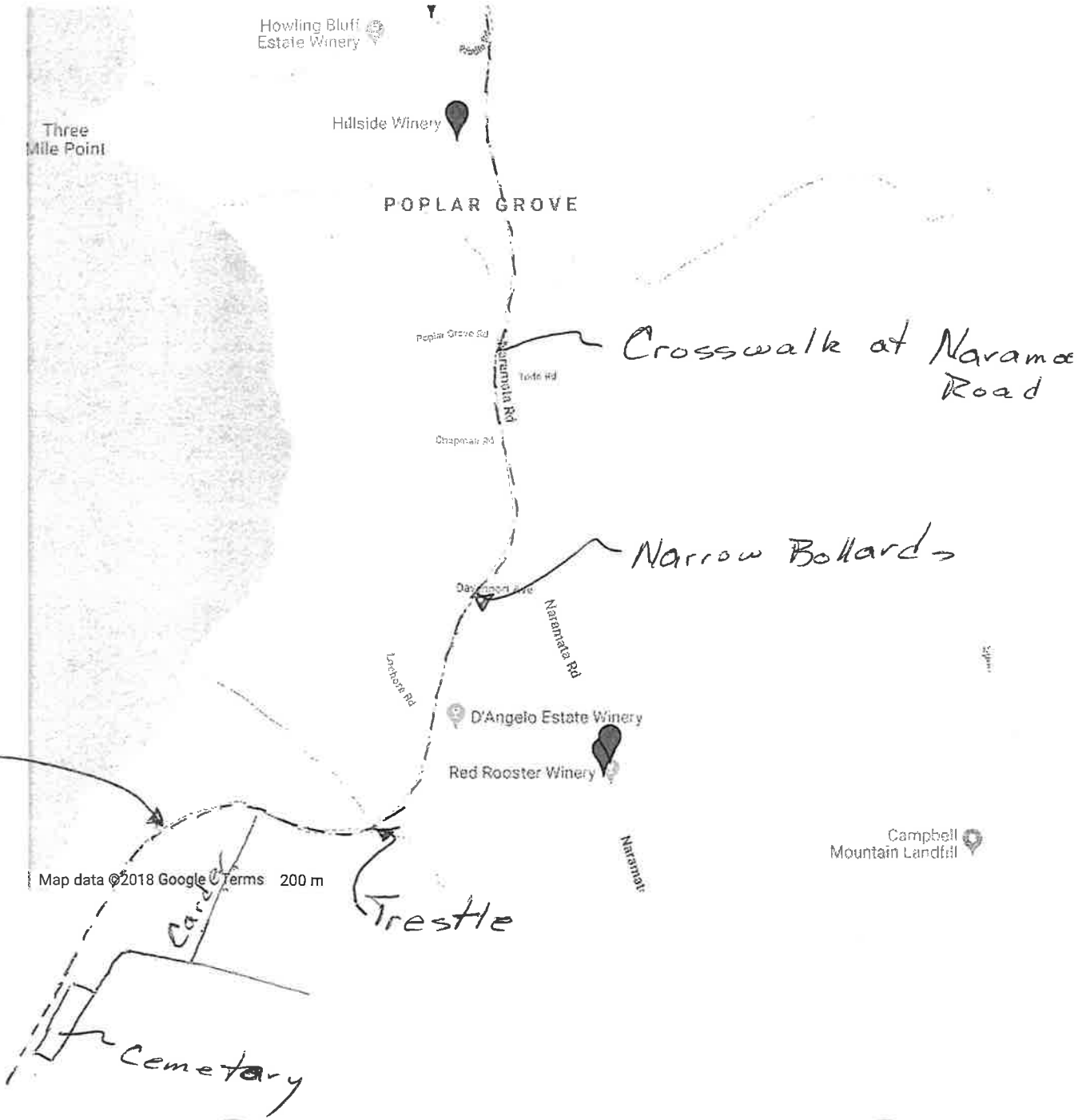
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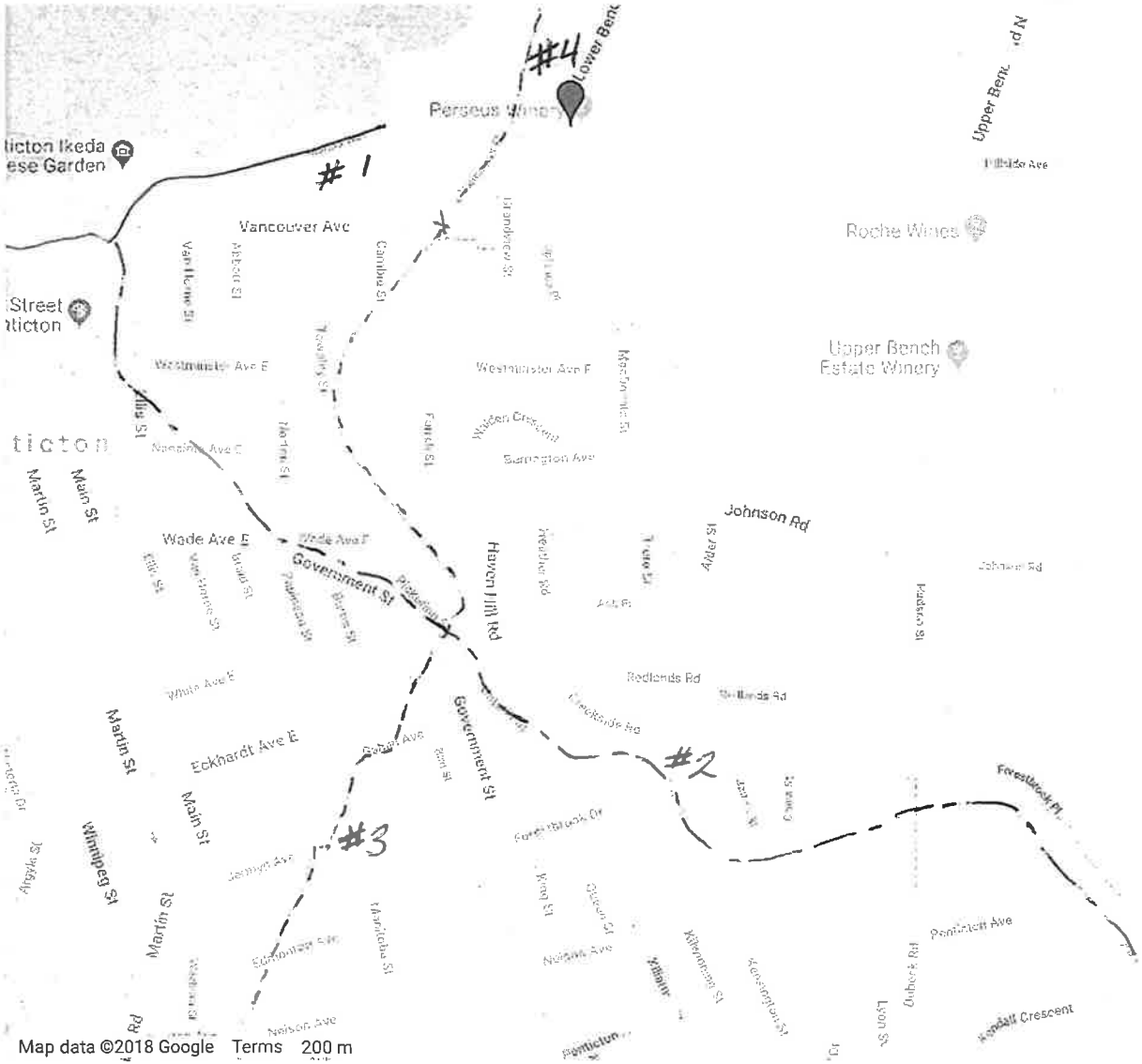
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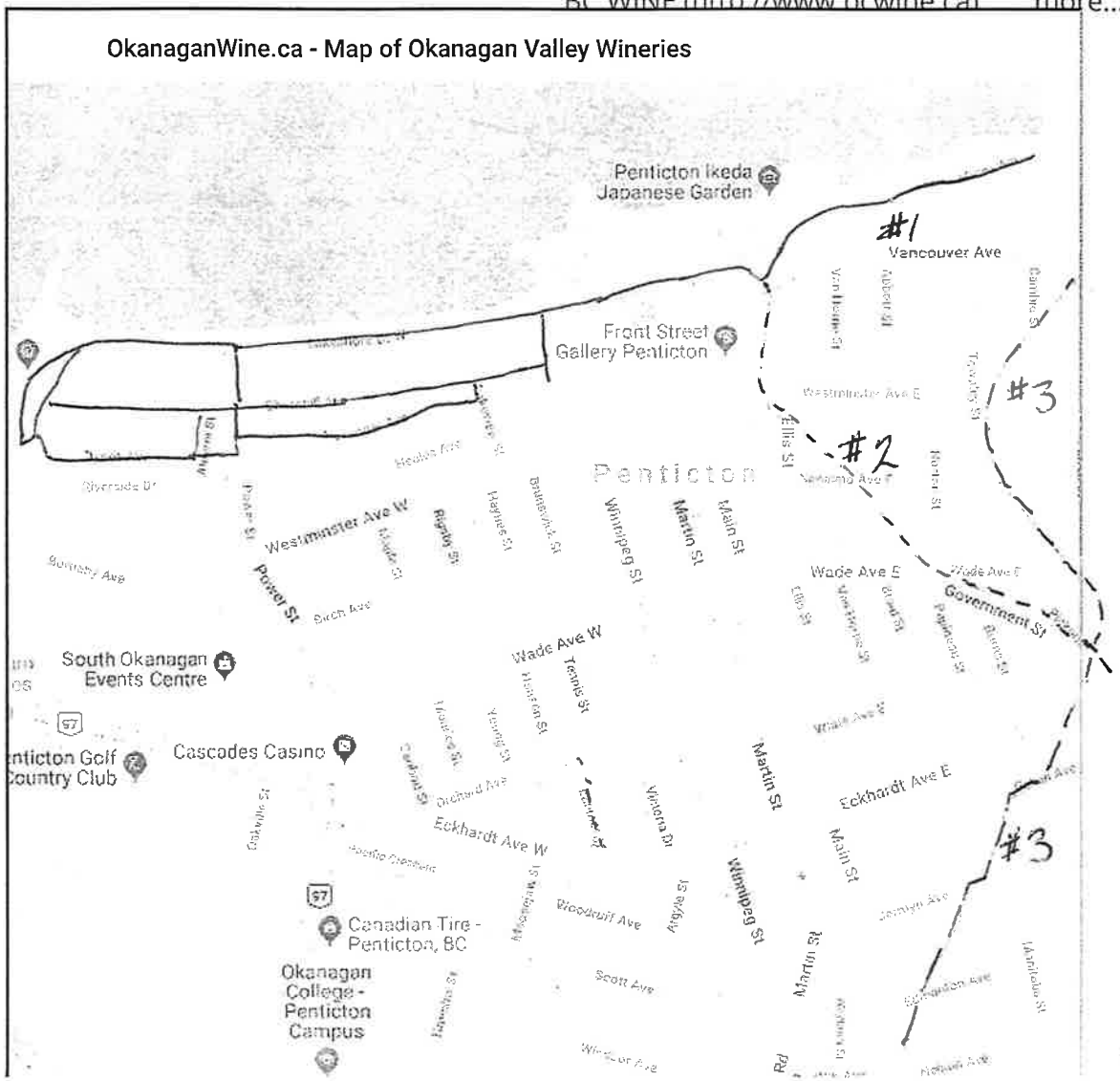
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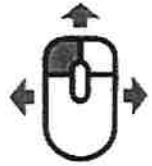
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Painted Rock (http://www.bcwine.ca/painted-rock-estate-winery.html)

Poplar Grove (http://www.okanaganwine.ca/poplar-grove-wineshop.html)

The Corporation of the City of Penticton

Bylaw No. 2019-23

A bylaw to amend the Traffic Bylaw No. 94-39

WHEREAS the of the City of Penticton has adopted a Traffic Bylaw pursuant to the *Community Charter* and the *Motor Vehicle Act*;

AND WHEREAS the Council of the City of Penticton wishes to amend *Traffic Bylaw No. 94-39*;

NOW THEREFORE BE IT RESOLVED THAT the Council in open meeting assembled enacts as follows:

1. Title:

   This Bylaw may be cited as the "Traffic Amendment Bylaw No. 2019-23".

2. Amendment:

   Traffic Bylaw 94-39 is hereby amended as follows:

   2.1 Delete and replace Section 2 – Definitions "cycle" with the following:

   "Cycle" means a device having any number of wheels that is propelled by human power and on which a person may ride and includes a motor assisted cycle, but does not include a skate board, roller skates or in-line roller skates.

   2.2 Add the following definition to Section 2 – Definitions:

   "Motor assisted cycle" means a device

   a) to which pedals or hand cranks are attached that will allow for the cycle to be propelled by human power;
   b) on which a person may ride;
   c) to which is attached an electric motor;
   d) that conforms with the definition of a "Motor Assisted Cycle" under the Motor Vehicle Act of BC and the requirements of the Motor Assisted Cycle Regulation (B.C. Reg. 151/2002).

READ A FIRST time this	day of	, 2019
READ A SECOND time this	day of	, 2019
READ A THIRD time this	day of	, 2019
ADOPTED this	day of	, 2019

John Vassilaki, Mayor

Angie Collison, Corporate Officer

The Corporation of the City of Penticton

Bylaw No. 2019-03

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. 2019-03".

2. **Amendment:**

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

Rezone Lots 43, 44, 45 and 46 of District Lot 3 Group 7 Similkameen Division Yale (Formerly Yale-Lytton) District Plan 929, located at 964, 970, 976 and 982 Dynes Avenue, from R2 (Small Lot Residential) to RM3 (Medium Density Multiple Housing).

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

READ A FIRST time this	22	day of	January, 2019
A PUBLIC HEARING was held this	5	day of	February, 2019
READ A SECOND time this	5	day of	February, 2019
READ A THIRD time this	5	day of	February, 2019
RECEIVED the approval of the Ministry of Transportation on the	19	day of	February, 2019
ADOPTED this		day of	, 2019

Notice of intention to proceed with this bylaw was published on the 25 day of January, 2019 and the 30 day of January, 2019 in the Penticton Western newspaper, pursuant to Section 94 of the *Community Charter*.

Approved pursuant to section 52(3)(a) of the *Transportation Act*
this 19 day of February, 2019

for Minister of Transportation & Infrastructure

John Vassilaki, Mayor

Angie Collison, Corporate Officer

Rezone 964, 970, 976 and 982 Dynes Avenue
From R2 (Small Lot Residential) to RM3 (Medium Density Multiple Housing)



City of Penticton – Schedule 'A'

Zoning Amendment Bylaw No. 2019-03

Date: _____ **Corporate Officer:** _____

City of Penticton
171 Main St. | Penticton B.C. | V2A 5A9
www.penticton.ca | ask@penticton.ca

Development Variance Permit

Permit Number: DVP PL2018-8274

Owner Name
Owner Address

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: TBD after consolidation of lots
   Civic: TBD after consolidation of lots
   PID: TBD after consolidation of lots

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 two rows of six-unit townhouses:

   a. Section 10.9.2.7.i: to reduce the minimum interior side yard setback from 4.5m to 3.0m.

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.

DRAFT

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

Issued this _____ day of _____, 2018

_____

Angela Collison,
Corporate Officer

DRAFT

The Corporation of the City of Penticton

Bylaw No. 2019-12

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. 2019-12".

2. **Amendment:**

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

Add Section 10.2.4.3: "In the case of Lot 1 District Lot 4 Group 7 Similkameen Division Yale (Formerly Yale-Lytton) District Plan 3508, located at 434 Lakeshore Drive West, a Bed and Breakfast Home shall be permitted."

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

READ A FIRST time this	19	day of	March, 2019
A PUBLIC HEARING was held this	2	day of	April, 2019
READ A SECOND time this	2	day of	April, 2019
READ A THIRD time this	2	day of	April, 2019
ADOPTED this		day of	, 2019

Notice of intention to proceed with this bylaw was published on the 22 day of March, 2019 and the 27 day of March, 2019 in the Penticton Western newspaper, pursuant to Section 94 of the *Community Charter*.

John Vassilaki, Mayor

Angie Collison, Corporate Officer

434 Lakeshore Dr W
Site Specific Rezoning To Permit A Bed and Breakfast Home


Lakeshore Dr W
Churchill Ave
434
1
2
A
3
4
1
2
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1
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1
2

The Corporation of the City of Penticton

Bylaw No. 2019-17

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. 2019-17".

2. **Amendment:**

2.1 Zoning Bylaw 2017-08 is hereby amended by adding the following site specific provisions to 11.7 C7 – Service Commercial section 11.7.4:

.5 In the case of Lot 15, DL 5, Group 7, Similkameen Division Yale (Formerly Yale Lytton) District Plan 28077, located at 1652 Fairview Road, 'cannabis retail store' shall be permitted.

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

READ A FIRST time this	21	day of	May, 2019
A PUBLIC HEARING was held this	4	day of	June, 2019
READ A SECOND time this	4	day of	June, 2019
READ A THIRD time this	4	day of	June, 2019
RECEIVED the approval of the Ministry of Transportation on the	11	day of	June, 2019
ADOPTED this		day of	, 2019

Notice of intention to proceed with this bylaw was published on the 24 day of May, 2019 and the 29 day of May, 2019 in the Penticton Western newspaper, pursuant to Section 94 of the *Community Charter*.

Approved pursuant to section 52(3)(a) of the *Transportation Act*
this 11 day of June, 2019
for Minister of Transportation & Infrastructure

John Vassilaki, Mayor

Angie Collison, Corporate Officer

1652 Fairview Road

Add 'cannabis retail store' to the C7 zone as a site specific use for Lot 15, DL 5, Group 7, Similkameen Division Yale (Formerly Yale Lytton) District Plan 28077 (1652 Fairview Rd)



City of Penticton – Schedule 'A'

Zoning Amendment Bylaw No. 2019-17

Date: _____ **Corporate Officer:** _____

The Corporation of the City of Penticton

Bylaw No. 2019-22

A bylaw to amend the Fees and Charges Bylaw No. 2014-07

WHEREAS the Council of the City of Penticton has adopted a Fees and Charges Bylaw pursuant to the *Community Charter*;

AND WHEREAS the Council of the City of Penticton wishes to amend the "Fees and Charges Bylaw No. 2014-07";

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 "Fees and Charges Amendment Bylaw No. 2019-22".

2. **Amendment:**

   2.1 Amend "Fees and Charges Bylaw No. 2014-07" by deleting and replacing the following appendix in its entirety:

   - Appendix 27 – Transit

   2.2 Appendix 27 attached hereto forms part of this bylaw.

READ A FIRST time this	4	day of	June, 2019
READ A SECOND time this	4	day of	June, 2019
READ A THIRD time this	4	day of	June, 2019
ADOPTED this		day of	, 2019

John Vassilaki, Mayor

Angie Collison, Corporate Officer

Appendix 27

TRANSIT	Effective July 1, 2018

CONVENTIONAL TRANSIT

Cash Fares

Local Fare	$2.25
Regional Fare	$4.00

Book of Ten Tickets

Local Fare	$20.25
Regional Fare	$36.00

Monthly Passes

Local Fare	$45.00
Regional Fare	$60.00
Discounted Local Fare	$35.00
Discounted Regional Fare	$40.00

Discounted Fares apply to: Seniors over 65 years of age with valid ID; Students 20 or under in full-time attendance to Grade 12 with valid ID; Post-Secondary with proof of attendance. Post-Secondary institution refers to universities, vocational universities, community colleges, liberal arts colleges, institues of technology and other collegieate level institiution, such as vocational schools, trade schools and career colleges that award academic degrees or professional certifications.

Day Passes

Local Fare	$4.50
Regional Fare	$8.00

CUSTOM TRANSIT

Cash Fares

Adult	$2.25
Child (aged 6 and under)	Free

Appendix 27

TRANSIT	Effective July 1, 2018

RDOS Regional Route 70 Penticton Kelowna

Effective September 3, 2019

Cash Fares

All	$5.00

Book of Ten Tickets

All	$45.00

Monthly Passes

Adult	$100.00
Student / Senior	$85.00

NOTE: The RDOS Regional Route 70 Penticton to Kelowna is run by the RDOS. In the event there is a discrepency between the fees listed in this bylaw and those listed in the RDOS Fees and Charges Bylaw the fees in the RDOS Fees and Charges Bylaw will govern.

Council Report

penticton.ca

Date: June 18, 2019 File No: RMS 4300-01
To: Donny van Dyk, Chief Administrative Officer
From: Blake Laven, Planning Manager

Subject: Local Government Support for Cannabis Retail Stores

Staff Recommendations

THAT Council direct staff to send recommendations of support to the British Columbia Liquor and Cannabis Regulation Branch (LCRB) for non-medical cannabis retail store licenses, in accordance with Council Policy, for the following properties:

- 101 – 437 Martin Street (Green Essence)
- 465 Main Street (Greenery Cannabis Boutique)
- 101 – 130 Nanaimo Avenue W (Bluewater Cannabis)
- 101 - 94 Ellis Street (Green Light Cannabis)
- 103 – 2050 Main Street (Zen Canna)
- 103 – 3502 Skaha Lake Road (Southside Cannabis Market)
- 104 – 1652 Fairview Road (Fairview Cannabis Corner)

AND THAT each recommendation include the following comments:

- The proposed location meets local government bylaw requirements and is in-line with the adopted Council policy for cannabis retail sales and as such no negative impacts are anticipated;
- The views of the public were captured during a public comment period; and
- The local government recommends that the application be approved because of compliance with local regulations and policies.

Strategic priority objective

This process meets Council's strategic priority of Good Governance – ensuring that the proposed applications have been reviewed in accordance with Council approved land use regulations and policy.

Background

Council, in December 2018 established certain zones within the City where cannabis retail stores are permitted to operate. Those zones are the C4 (General Commercial), C5 (Urban Center Commercial) and C6 (Urban Center Periphery) zones. All of the applications before Council are in those zones, with the exception of the proposed business at 1652 Fairview Road, which is in the C7 zone, but was the subject of a recent zoning approval process that put adequate zoning in place.

Council has also adopted policy to direct how applications for local government support are to be processed. The Council policy, originally adopted in December 2018 and amended in May 2019, includes provisions whereby stores cannot be located with 300m of a public or private school and establishes an overall cap of 14 stores in the community, with a maximum of 7 stores in the downtown.

Council, at their April 16, 2019, Regular Meeting of Council gave support to four locations, two in the downtown and two elsewhere in the community.

Council is now being asked to provide support to seven additional locations, 4 in the downtown and 3 elsewhere in the community (Attachment A). If all locations being recommended for support are approved by Council, the total number of applications receiving local government support will be up to 11 stores, with 6 in the downtown. Two other locations are in various stages of processing.

No stores are currently open in Penticton.

Public comment process

According to the adopted policy, each proposed location is required to go through a public comment period. The public comment period involves placement of a public notice sign on each property as well as letters being sent to neighbouring owners and residents within a specified distance from each location. Each application before Council has gone through the required public comment period. A summary of the comments received on each application is included below.

Locations

Downtown locations

465 Main Street (Greenery Cannabis Boutique)

- Public comments: Concerns about stores on Main Street and proximity to high school. Comment on the darkness of the storefront. (0 letters for, 0 letters against, some letters expressing general / neutral comments)
- Staff analysis: Concerns over proximity to Foundry, but otherwise established commercial area with good visibility and access. Branding was creative and thorough, clean and professional. Since originally being presented to Council the business has submitted revised building elevations softening the previously dark image of the storefront.
- Staff recommendation: Support

437 Martin Street (Green Essence)

- Public comments: Several letters of support, but also several against. Many cite the fact that business operated illegally in the past and should not be supported now. Concerns from nearby residents on how the business was run previously (smoking outside). Too close to residential building. (13 letters for, 8 letters against)
- Staff analysis: Located in established commercial plaza. Some concerns about the proximity to Soupateria and Martin Street Walk-in Clinic. Limited branding information, but strong understanding of the industry and experience. Application package generally met the intent of the policy.
- Staff recommendation: Support

101 – 130 Nanaimo Avenue W (Bluewater Cannabis)

- Public comments: Letters of support from nearby business. Also, letters against from nearby residents and property owners. (2 for, 3 against)
- Staff analysis: While not an established retail location, there is ample parking nearby and exposure to youth will be limited. Some concerns about upper floor residential units, but the business overview document outlined ways in which the store operator will mitigate neighbourhood concerns. Application package had strong branding and exterior image / design, generally meeting the intent of the policy.
- Staff recommendation: Support

101 – 94 Ellis Street (Green Light Cannabis)

- Public comments: During the public comment period, the City received several petition style letters against this location, mainly citing issues with Hoodoo Adventures, a youth focussed business in the area and being adjacent to a park. This information was communicated to the applicants who have since spoken to several neighbours, businesses and employees who work in the area and have received letters of support. There is still some general objection to this locations for the reasons listed above.
- Staff analysis: Longstanding retail area, with lots of on-street parking in the vicinity. Some concerns about upper floor residential. Strong branding and exterior image / design, generally in conformance with the adopted policy.
- Staff recommendation: Support

Locations outside the downtown

103 – 2050 Main Street (Zen Canna Corp.)

- Public comments: Several letters of support including from several nearby businesses and a petition to favour the private store over the public store. (1 letter for, 2 letters against, petition style letters favouring private over public store with 200+ signatures)
- Staff analysis: Established commercial area with good parking and visibility. No concerns about nearby residential areas. Some concerns regarding skate-park and children's activity center. Well thought out branding and business approach. Since previous Council consideration more letters of support for this business / location have been received.
- Staff recommendation: Support

103 – 3502 Skaha Lake Road (Southside Cannabis Market)

- Public comment included some concerns. Since the public comment period the applicants have provided additional information on how the store will be managed. The renderings have been updated to increase the professional look of the business. These changes were based on the comments received.
- Staff analysis: Established strip retail area on a busy street, with ample on-site parking. The building design and store branding conform to the adopted policy.
- Staff recommendation: Support

104 – 1652 Fairview Road (Fairview Cannabis Corner)

- Public comments: No public comments.
- Staff analysis: Established strip retail area, with ample on-site parking. The building design and store branding conform to the adopted policy.
- Staff recommendation: Support

Financial implication

Support for these applications is not anticipated to have an impact on City finances. Cannabis retail stores will pay a similar licensing fee to other retail stores. Ensuring conformance to the provincial rules is done by an inspector with the 'Policing and Security Branch' of the *Ministry of Public Safety and Solicitor General*. The inspector responsible for our area has been in frequent contact with our bylaw enforcement and licensing staff.

Analysis

Support

The businesses that are being put forward for recommendations of support: meet the applicable zoning for cannabis retail stores; are in locations that are considered appropriate; fully comply with the Council approved Policy; and, have demonstrated how they will have a positive impact on the areas in which they are proposed.

For these reasons, staff are recommending that Council support all of the locations discussed in this report.

Attachments

Attachment A – Council Policy: Cannabis Retail Stores
Attachment B – Location map showing locations of all proposed locations considered in the report
Attachment C– Application overview for 101 -437 Martin Street (Green Essence)
Attachment D – Application overview for 465 Main Street (Greenery Cannabis Boutique)
Attachment E– Application overview for 101 – 130 Nanaimo Avenue W (Bluewater Cannabis)
Attachment G– Application overview for 101 – 94 Ellis Street (Green Light Cannabis
Attachment H – Application overview for 103 – 2050 Main Street (Zen Canna Corp.)
Attachment I – Application overview for 3502 Skaha Lake Road (Southside Cannabis Market)
Attachment J – 1652 Fairview Road (Fairview Cannabis Corner)

Respectfully submitted,

Blake Laven, MCIP, RPP
Planning Manager

Concurrence

Director	Chief Administrative Officer
AH	DvD

Attachment A
Council Policy: Cannabis Retail Stores

CITY OF Penticton

Council Policy

penticton.ca

Approval date: May 21, 2019 **Resolution No.: 261/2019**

Subject: Cannabis Retail Stores

Goal

The goal of this policy is to establish opportunities for limited retail sales of cannabis in Penticton in a regulated manner, reducing exposure to youth and ensuring that retail stores have a positive impact on the Penticton retail community.

Scope

This policy outlines how the City will process requests for local government support for a provincial 'cannabis retail store licence' as required by Section 33 of the *Cannabis Control and Licensing Act*.

This policy also outlines Council's expectations for the visual appearance and location of cannabis retail stores in Penticton.

The policy should be used in conjunction with the provincial *Cannabis Control and Licensing Act* and any applicable sections regarding cannabis retail stores contained in the City's Business Licence Bylaw and Zoning Bylaw.

Purpose

The purpose of this policy is to give City staff and Council a general framework to use in the fair evaluation of applications for 'local government support for a provincial Cannabis Retail Store Licence' in Penticton.

Furthermore, the policy is intended to outline the expected look and location of cannabis retail stores, ensuring successful integration of this new use into the existing commercial areas of the city.

Number of stores and store location

This policy establishes a maximum number of stores in Penticton at 14 stores and a maximum cap within the downtown of 7 stores. If not renewed, this cap on the number of stores will remain in place until June 30, 2022, upon which time, there will no longer be a maximum number of stores.

Roles and Responsibilities

The Planning Department is responsible for the receipt and processing of applications for 'local government support for a provincial Cannabis Retail Store Licence'. When an application is received, a file manager will be assigned by the Planning Department Manager to process the application.

City Council will be the ultimate decision maker on whether to provide a recommendation in support or recommendation against a provincial Cannabis Retail Store Licence for a particular location.

Procedures

- Prior to consideration by City Council, a complete application with supporting documentation as required must be submitted to the Planning Department, with the application fee as determined by the City's Fees and Charges Bylaw.
- Applications will only be accepted for locations that are referred to the municipality by the Liquor and Cannabis Licensing Branch (LCLB) for private retail stores or made on behalf of the Liquor Distribution Branch (LDB) for public retail stores.
- When a complete application is received, the file manager will review the application for basic technical conformance to this policy and its guidelines and zoning and business licence bylaw requirements.
- Public notification of the application shall be done by the Planning Department and will occur as follows:
    - A 'public notice sign' will be placed on the property, in a conspicuous location, for a minimum of 14 days. In the case where the property is double fronting or a corner lot, additional signs may be required, at the applicant's cost.
    - All owners and tenants of land within 45m of the subject application will be sent written notification.
    - The sign and written notice shall containing the following information:
        - In general terms, the purpose of the application
        - The land or lands that are subject to the application
        - The place and times where information on the application are available for viewing by the public; and,
        - The manner to which public comment will be accepted
    - Comments from the public will be directed to the file manager.
- In cases where there are conflicts between the application and any City bylaws or the guidelines contained within this policy, the file manager will notify the applicant and provide the applicant with the opportunity to provide additional information or otherwise revise the application.
- Prior to consideration of the application by City Council, the file manager will submit a report for Council's consideration including the following:
    - A summary of the comments from the public and the technical review of the application.
    - A recommendation whether to support an application, support an application with certain conditions or to not-support an application and justification for the recommendation.
- In the case where staff are recommending Council deny an application, the applicant will have the opportunity to address Council directly at a Regular Meeting of Council where the application is being considered and prior to Council considering the application.

- Once Council has passed a resolution in respect to the application, notice shall be sent the LCRB, with a copy of the Council resolution.

Guidelines

In considering whether to recommend support of a cannabis retail store in Penticton, the following guidelines will be considered:

- Stores shall not be located within 300m of a public or private elementary, middle or secondary school. This exclusionary zone will be measured as a buffer from the extent of the school property.
- Adherence to the following storefront guidelines:
    - Storefronts must present a positive image to the street to which the store fronts (complete window coverings are discouraged)
    - Where window coverings are to be used, they shall include imagery and colour that display a positive and quality presentation to the street (blank window coverings are discouraged)
    - Store branding, signage and display material must not include words or graphics intended to appeal to minors, show the use of cannabis or promote intoxication (for example the works 'high', 'stoned', 'chronic' etc. should be avoided)

The following are grounds for staff to recommend Council deny local government support for a licence:

1. Proposed location is in a zone that does not include 'cannabis retail store' as a permitted use
2. Proposed location is within 300m of a public or private elementary, middle or secondary (K-12) school
3. In the case where there are already 14 licenses issued for Penticton
4. Strong public opposition to the location

Application priority

- Applications will processed as they are received.
- Applications submitted to the City prior to February 1, 2019 will be deemed to be received on February 1, 2019.

Policy Review

This policy should be reviewed within a two year period of the first cannabis retail stores opening in the city to determine if the policy is adequately serving the interests of the community.

Previous revisions

Approval date: December 4, 2018
Council Resolution: 498/2018

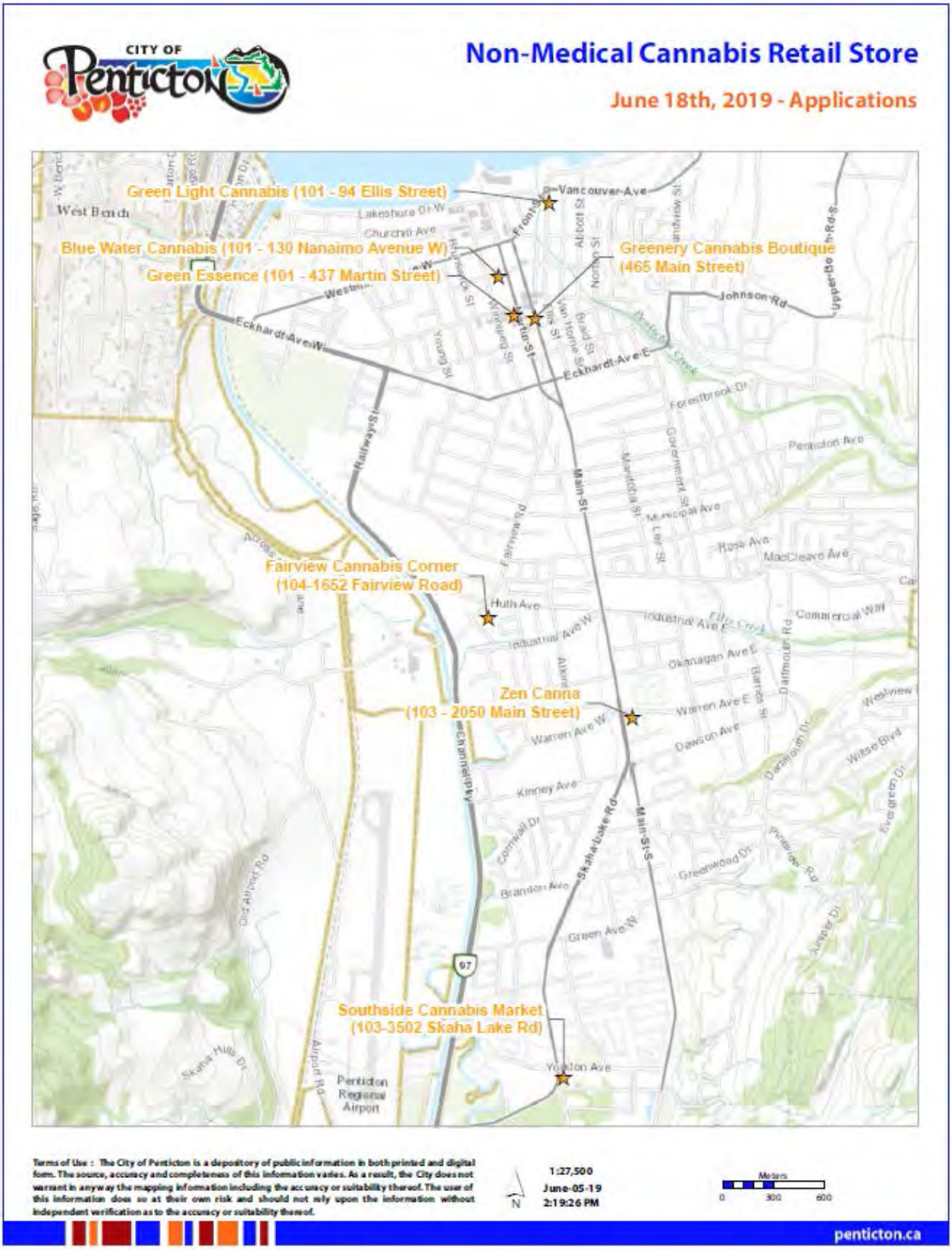
Certified Correct:



Angie Collison, Corporate Officer

Attachment B

Location map showing locations of all proposed locations considered in the report



Attachment C
Application overview for 101 -437 Martin Street (Green Essence)

#100-437 Martin St
Penticton, BC, V2A 5L1

Green Essence

January 23, 2019

City of Penticton
171 Main St.
Penticton, BC

Dear Planning Department,

I would like to be considered for the opportunity to receive municipal approval for my proposed Cannabis Retail Store located at #100-437 Martin St. Green Essence, founded in 2013, started as a Head Shop selling hemp and cannabis related accessories. In 2017, the City of Penticton issued a Temporary Use Permit that allowed Green Essence to operate as a dispensary. When the Cannabis Control and Licensing Act was assented in May of 2018, our Business License was pulled. Green Essence reduced and then eliminated operations in hopes of obtaining a Non-Medicinal Cannabis Retail License from the BC Liquor and Cannabis Regulation Branch as well as a Business License from the City of Penticton.

I have years of experience educating people about cannabis and its potential uses/dosages. This knowledge is not only important for government compliance purposes but has value in the pursuit of consumer confidence. It is my responsibility to provide safe and responsible service which can only be done with a knowledgeable and well-trained staff who have experience in this industry. Green Essence's business model revolves around the continuous education of cannabis, especially important when edibles become legal later this year.

Green Essence's proposed location at #100-437 Martin St. was previously a Government Liquor Store. This is ideal as the building's infrastructure aligns well with the security and safety requirements of the Cannabis Retail Store Terms and Conditions. The facility's modern design and location reflects a positive image of the Penticton community and offers a well-lit parking lot with plenty of space so not to impede other businesses. Control over parking, customer entrance, and rear delivery doors allows me to take preventative measures in reducing the probability of disturbances, incidents, and most importantly, access to minors.

Although there are competing businesses within the 300m buffer of Green Essence, I believe strongly that our location, corporate policies, and experience in the industry will exceed the expectations of the Municipal and Provincial Governments as well as promote a positive image of our community. I have committed my adult life to this endeavour and would be honored, if considered a successful candidate, to pursue this opportunity.

Regards,

Melissa Osiowy
Owner/CEO

NOTE: ADDRESS IS #101-437 MARTIN ST

Site Plan

Green Essence

January 20, 2019



Figure 9 - Proposed Signage



Figure 10 - Proposed Window Coverings

Page 6 of 8

Attachment D
Application overview for 465 Main Street (Greenery Cannabis Boutique)

GREENERY
CANNABIS BOUTIQUE

City of Penticton
171 Main Street
Penticton BC
V2A 529

January 30, 2019

RE: Cannabis Retail Application Letter of Intent – 465 Main Street

To Whom It May Concern:

The Greenery Cannabis Boutique Ltd. (GCB), is pleased to be submitting a retail cannabis application for council's review and consideration.

GCB appreciates the concerns that are associated with this business and as such is fully committed to reducing exposure to youth and ensuring that our retail presence will have a positive impact on the Penticton retail community.

In recognizing the importance of community integration, GCB's representatives have been actively involved throughout the city's cannabis consultation process and have taken additional proactive measures to ensure neighbouring businesses and potential sensitive use locations have been notified regarding GCB's intentions.

The location of the GCB's proposed retail cannabis store is 465 Main Street, Penticton, BC. This location satisfies the City of Penticton's cannabis bylaw requirements in that:

- Property is zoned C5 for which retail cannabis use is permitted
- Property is located outside of the 300 meter radius from a private or public, primary, middle or secondary school
- Store will present a positive image to the street front
- Store branding, signage and display material will not include words or graphics intended to appeal to minors, show the use of cannabis or promote intoxication

In addition to GCB's adherence to Penticton's Cannabis Retail Policy, GCB will comply with all Federal and Provincial regulations that pertain to cannabis sales.

Thank you for the opportunity to present this application and we look forward to being a responsible and integral part of the Penticton business community.

Regards,

The Greenery Cannabis Boutique Ltd.

SignCraft
Celebrating
30
Years
GREENERY
CANNABIS BOUTIQUE
OPEN
SignCraft
SignCraft.ca
VAN LADDER

Attachment E
Application overview for 101 – 130 Nanaimo Avenue W (Bluewater Cannabis)

Bluewater Cannabis

#101 - 130 Nanaimo Avenue W
Penticton, B.C., V2A 8G1
(250) 219-0340
brian@bluewatercanna.ca

December 19th, 2018

Planning Department-Development Services Division
171 Main Street
Penticton, B.C., V2A 5A9

Dear Planning Department,

I am writing to confirm my application seeking approval to operate a cannabis retail store in Penticton. Bluewater Cannabis was created to offer a high quality buying experience in line with the federal, provincial and municipal guidelines. With a core focus on social responsibility and awareness, our business practices make us a great choice for the city of Penticton.

Bluewater Cannabis is located within the correct zoning and adheres to the guidelines and requirements set by governments. The exterior and interior of our store is modern and clean, setting the tone for a comfortable buying experience. Our branding and imagery has been created to deliberately avoid appealing to youth using a plain but tasteful approach. Initially we will hire 6 to 12 team members and are excited to offer a great place of employment to local residents.

Bluewater Cannabis is excited to meet the demands of the local market and we have the ability to expand our current location if needed. Please find further information in our business overview document along with all other supporting documents as per the application checklist. We look forward to the opportunity to be amongst the first cannabis retail stores in Penticton.

Best regards,

Brian Kropp
Owner, Bluewater Cannabis


Bluewater Cannabis
Bluewater
Cannabis

Attachment G
Application overview for 101 – 94 Ellis Street (Green Light Cannabis)

Green Light Cannabis Inc.
101-94 Ellis Street
Penticton, BC
V2A 4L3
778-887-3742

To Whom It May Concern:

Green Light Cannabis Inc. is a new, emerging company with deep roots in Penticton. It is our mission to create a safe and judgement-free space for both new and seasoned consumers to visit for their retail cannabis needs.

We very mindfully chose our location at 101-94 Ellis St to comply with council policy. This location is over 1.1km away from the closest school and over 550m away from the pre-school Kiddie Hall. We are also aware that the children of Kiddie Hall go for regular walks on Front Street and we are proud to not be in the path of these students.

It is imperative for us to have a positive relationship with the surrounding businesses in our area. Green Light Cannabis Inc. has a dedicated parking lot in addition to 3 street parking spots in front of the store. This not only ensures that our customers will be able to efficiently and effectively purchase their products, but the neighbouring businesses will not be negatively affected by lack of parking space for their own customers.

After receiving public feedback, we again took time to speak to nearby business owners about their feelings of having a retail cannabis store in their area. The team at Sota Instruments was very excited about having a retail cannabis store nearby and gladly signed a letter of support for us. Our next-door neighbour at Remix Design was positive about having a retail cannabis store next door. She did not raise any concerns. At the Ooknakane Friendship Centre, we were unable to speak with the most senior manager, however the woman running the day-to-day operations insisted there were no concerns regarding a retail cannabis store nearby. We quickly spoke with all staff we encountered on our way in and way out, who also supported a retail cannabis store nearby. After numerous attempts, we were unable to contact senior management at the Ooknakane Centre. The Cannery Brewing Company was also in support of our store and signed our letter. On several occasions we tried to get in touch with the owner of Hoodo Adventures, but were unsuccessful. However, the staff we spoke to regarding the retail cannabis store did not raise any concerns about having a retail cannabis store nearby. The Chamber of Commerce was unable to formally or publically support Green Light Cannabis as we are not currently members of the Chamber and some of the board members have invested interest in other retail cannabis applications according to the woman we spoke to. Furthermore, she did not have any problems with a retail cannabis store

on Ellis Street as the Chamber of Commerce building had been purchased and slated for redevelopment. Additionally, we ventured over to Front Street and spoke with Dragon's Den and Something Pretty's owners. Both women were in complete support of having Green Light Cannabis nearby and signed our letter.

We explained our business model and shared more about ourselves to reassure neighbouring businesses that our intention is to run a completely legitimate business which would be safe, secure and contribute positively to the neighbourhood image. Also, we wanted to reassure them that we will in no way be appealing to minors or servicing those already under the influence.

To comply with council policy, our company branding is designed around being unappealing to young children. We have a modern and simplistic brand, geared towards young professionals and the middle-aged to elderly population. We come with an incredible foundation of knowledge and desire to be experts in the retail cannabis field.

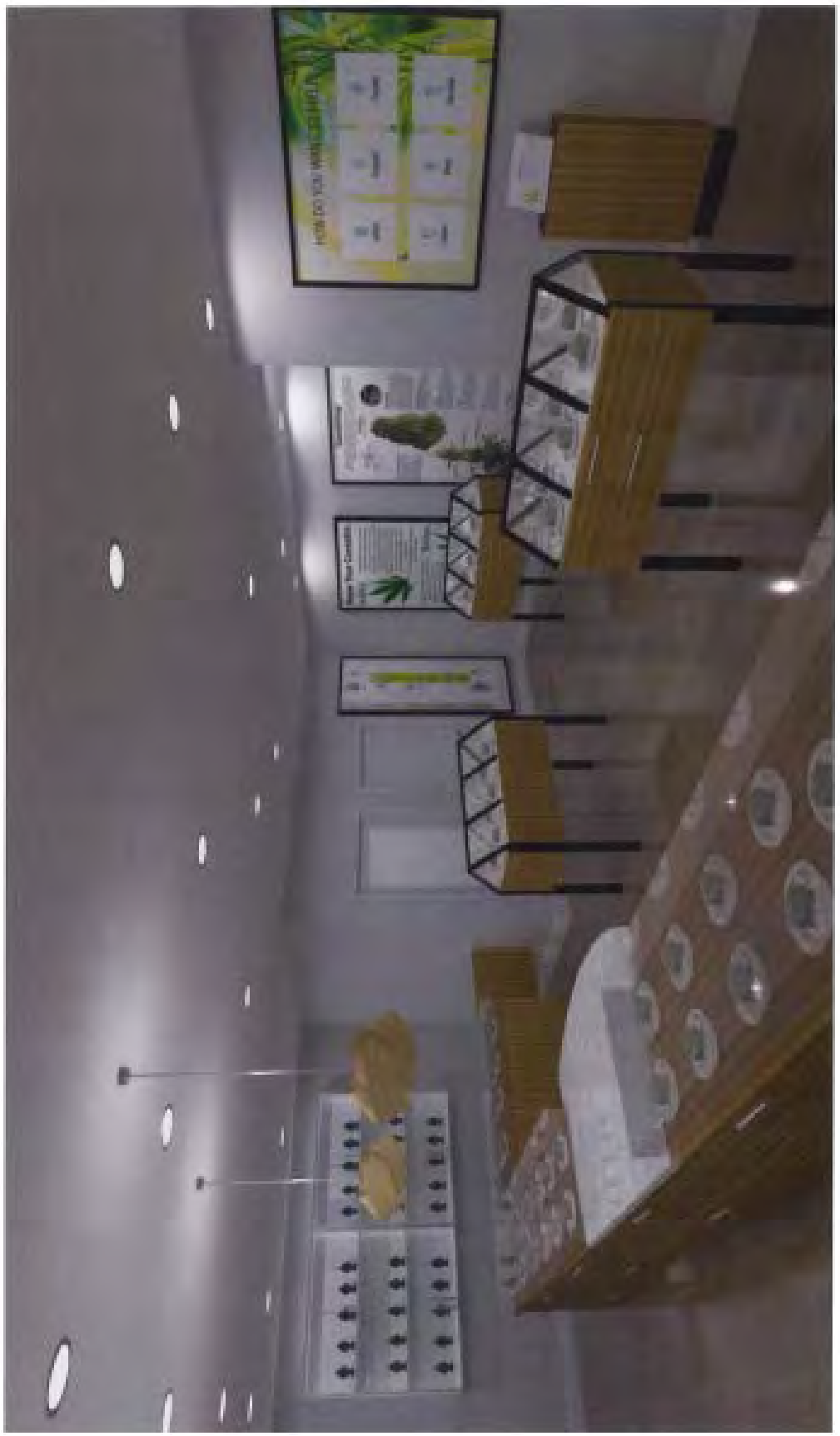
The leaders of Green Light Cannabis Inc. are professionals within the community and their reputations precede them. Esha Randhawa-Grewal is a Pharmacy Manager, Zarina Randhawa co-owns a bottling line in the Wine Industry, and Bira Randhawa is a Businesswoman and Registered Interpreter. Thus, the City of Penticton can be confident with the quality of business and the commitment Green Light Cannabis Inc. has to being a positive and legitimate beacon of what retail cannabis in Penticton could potentially look like.

We, at Green Light Cannabis Inc., appreciate the time you have taken for our application and thank you for your consideration. Please do not hesitate to contact us should you have any questions or concerns. We look forward to hearing from you.

Sincerely,

Esha Randhawa-Grewal
CEO
Green Light Cannabis Inc.


GREEN LIGHT



Attachment H
Application overview for 103 – 2050 Main Street (Zen Canna Corp.)

City of Penticton
Planning Department - Development Services Division
171 Main St.
Penticton B.C. V2A 5A9
Tel: (250) 490-2501
Email: planning@penticton.ca

Covering Letter of Intent | #103 2050 Main Street

Zen Canna is submitting a non-medical cannabis retail store application for #103 2050 Main Street, Penticton. We are enthusiastic about this opportunity to address the council and provide pertinent information about who Zen Canna is. In this document, we would like to speak to several issues and topics: About Zen Canna, Compliance History, Meeting City of Penticton Guidelines & Neighborhood concerns.

About us | Our Cannabis Position

Zen Canna has been created to meet a new change in the Canadian landscape. With Canadians now having legal non-medicinal access to cannabis the executive team of Zen Canna were excited to be a part of the newly burgeoning cannabis world. Zen Canna's beginnings are in the Okanagan and we fully intend to establish our presence here. Kelowna is home to Zen Canna's team, we love this beautiful interior valley and are currently in the process of establishing non-medical cannabis retail stores in Kamloops, Vernon, Kelowna, West Kelowna, and Penticton. We want citizens of the Okanagan and the many tourists visiting this valley to have access throughout the valley to the quality, simplicity, consistency and care that will become synonyms with Zen Canna.

It is our intent to be active members in each community in which we are established. There are several ways we hope to achieve this goal. There is still a very strong natural stigma towards cannabis and part on our mandate of operation is to help change the way that our communities view cannabis, cannabis use and the stores that sell it. First and foremost, Zen Canna store branding, signage and display material does not include words or graphics intended to appeal to minors, or show the use of cannabis or promote intoxication. This meets federal, provincial and municipal guidelines as well as helps to destigmatize cannabis in a public view. Additionally, Zen Canna is looking forward to participating in events in Penticton and interacting with organizations and non-profit groups focused on providing social services in the community. We want to be active in doing our part, while maintaining all federal, provincial and municipal regulations and guidelines set forth. Zen Canna also welcomes any opportunity to help in any fashion with the city and other community organizations' efforts in tackling the substance use issues afflicting Penticton citizenship.

Zen Canna | Compliance History

The Zen Canna executive team has had no prior history of non-compliance within the province of BC or within Canada, such as ownership of property that allowed cannabis retail prior to cannabis legalization in Canada, any prior criminal convictions or charges or any cannabis-related business or non-profit. Quite contrary, our directorship possesses a robust and intimate knowledge of the cannabis law and industry. Our directorship includes Mr. John Conroy QC LL.B one of the most prominent figures in Canadian Cannabis law, Kenneth Westlake QC LL.B successful cannabis lawyer and longtime Queen's Counsel in BC and is the co-founder of Incanco Cannabis *Consultants* Co. Ltd., Abe Kroeker, local philanthropist supporting several community organizations, such as Kelowna Rockets, Okangan Sun, and donating to charities including the Boys and Girls Club, SPCA, WHL and Brain Trust Canada, and the longtime owner and founder of the locally renowned Kelowna Auction World, and Ian Burak a serial entrepreneur and Commercial Real Estate broker for the past 8 years throughout the Okanagan and Canada. Additionally, we also have several corporate advisors Tyler Robson, CEO of Kelowna-based Valen's GrowWorks a publicly traded cannabis company and Sylvie Lee, of Kelowna's Quantum Law helping to guide Zen Canna's vision.

Meeting Penticton Guidelines

Zen Canna is very committed to adherence of municipal guidelines to prove our commitment to the process and desire to be a member of the Penticton community. As discussed in our business overview Zen Canna is doing its due diligence to ensure strict security plans and standards. Part of this includes the municipal perspective on store appearance and window coverings. Zen Canna logo and signage clearly indicates the business identification by using rich contrasting palette that is clearly identifiable. Zen Canna will have its windows covered and coverings shall display a semi-opaque imagery and colour (i.e., Okanagan Valley scenery). We have made this decision with the intent to deter theft and discourage minors.

Under current City of Penticton policy there are no operating cannabis sales allowed in the city. To our knowledge there are no other current non-medical cannabis applications within the vicinity of our #103 2050 Main Street location and therefore Zen Canna meets the city guideline requirements of not being located within 300 meters of any other cannabis retail store from the buffering foot print of the store. The proposed Zen Canna location is on the corner of Main Street and Warren Avenue East. It is located in a high traffic area and in the heart of a commercial retail area of Penticton, surrounded by large well known stores, such as Staples, Winners, Superstore & Nature's Fare as well as several restaurants and food establishments. Additionally, the Cherry Village Shopping Centre, which is a thriving retail center is located across Main Street from Zen Canna's location.

According to Penticton non-medical cannabis retail guidelines stores shall not be located within 300 meters of a public or private elementary, middle or secondary school. We are very

happy to say that our proposed Zen Canna location meets the 300-meter separation distance required by guidelines. The closest schools to our location are Parkway Elementary school at approximately 900 meters, Camri Elementary school at 1.7 kms and Wiltse Elementary school at 2.1 kms.

We look forward to playing a role in the growth and development of the Penticton Community.

Sincerest Regards,

Ian Burak
Chief Operating Officer
Zen Canna

Statement of Support for Zen Canna's
Penticton cannabis retail application

To the City of Penticton,

We are writing to provide evidence to why we believe that Zen Canna should be operating a cannabis retail store in the City of Penticton.

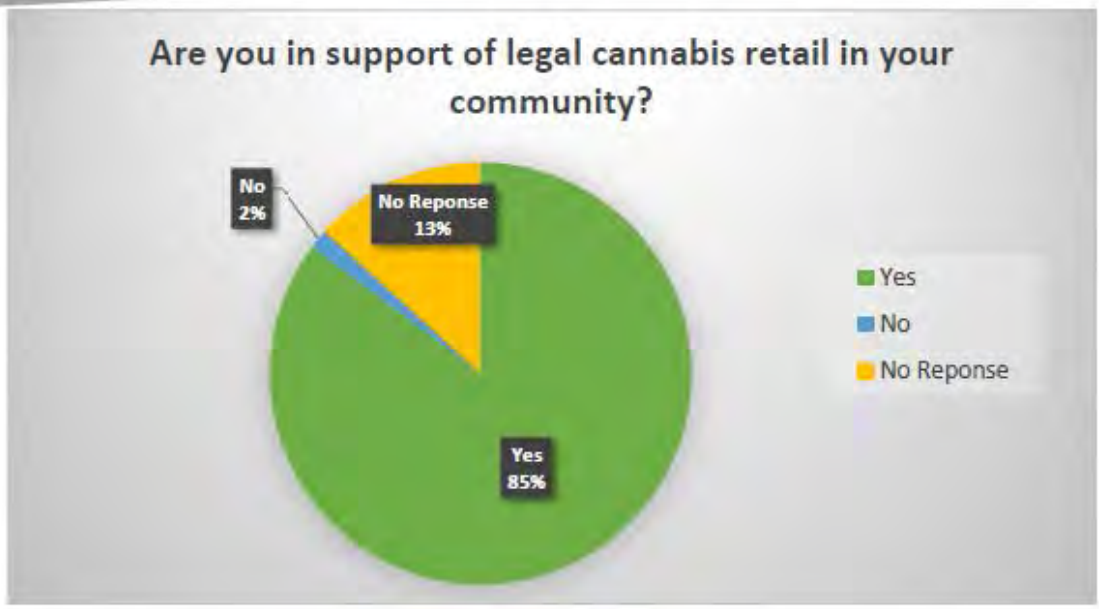
The current issue at hand is that the Penticton city council is having to make a decision to approve either Zen Canna, an Okanagan local legal cannabis retailer or a BC government owned and operated cannabis store. Both Zen Canna and the BC government store are within the 750-meter proximity of each other and as a result of city regulations only one of these stores is permitted to operate.

To exhibit support for Zen Canna's operation of cannabis retail in the City of Penticton we have collected 226 letters of support to showcase the validity of Zen Canna being present at our #103 2050 Main Street Penticton BC location over and above the neighboring proposed BC government store. The Zen Canna team took the time to speak with the neighborhood of Zen Canna's Main street location, general Penticton citizenry and with citizens in various Okanagan communities. Zen Canna's team collected 225 letters of support and of those letters 73 of them are from the citizens of Penticton, 1 is directly from the owner and operator of the Med Shoppe, a direct next-door neighbor of the proposed BC Government Store, and 151 of them should be considered general support from the public in various Okanagan communities that want to see Zen Canna operating in their communities and the Okanagan. In those 73 letters of support from Penticton citizenry, community members gave support that they would rather see a local Okanagan Valley based company operate in Penticton over and above a government store. Of those 151 individuals from other Okanagan communities that have shown support for Zen Canna the same sentiment was shown by their Penticton neighbors. In addition to the 225 aforementioned letters of support for Zen Canna we have also received a letter of support for Zen Canna's cannabis retail

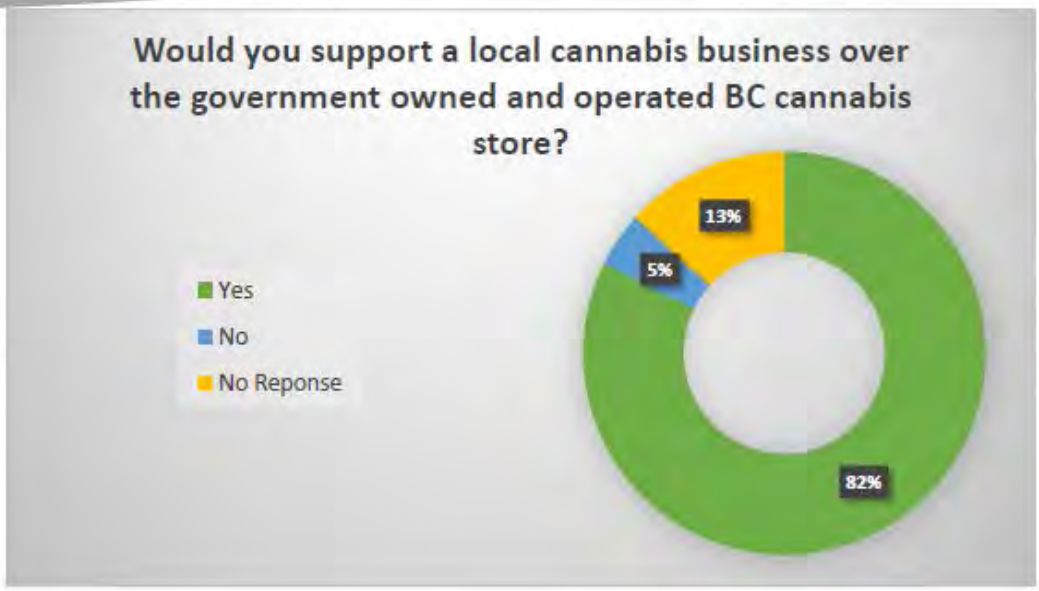
application from well-known cannabis lawyer and appointed member of Queen's council John Conroy.

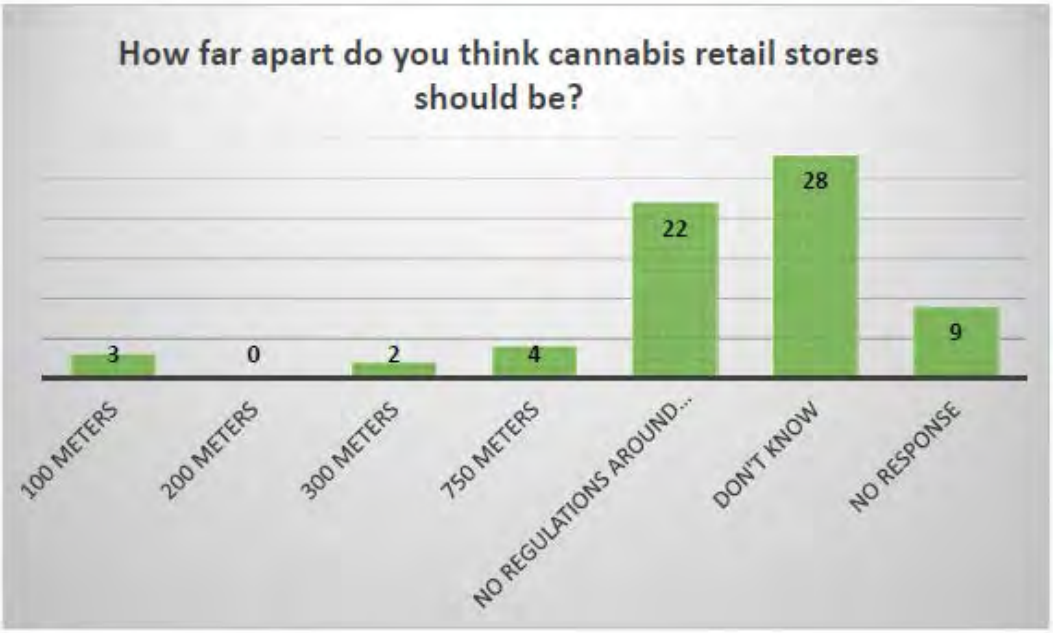
It is also worth noting that through conversations that the Zen Canna team had with local Penticton citizens in the direct neighborhood of the BC government run cannabis store at 106 2210 Main Street proposed location, there were several important issues brought to light. Members of the Penticton community made mention that the building complex, that the proposed BC government store would inhabit, is a building that is very frequented by the elderly population; and as such it was stated that because of the elderly in the area there are already noticeable difficult traffic patterns and having a cannabis store in that complex could create a much more complex situation. Items of notice that were raised include, the slower traffic patterns of the elderly population around the complex both walking and vehicular, and the installation of higher cement bumpers for awareness and safety of elderly clients of the complex.

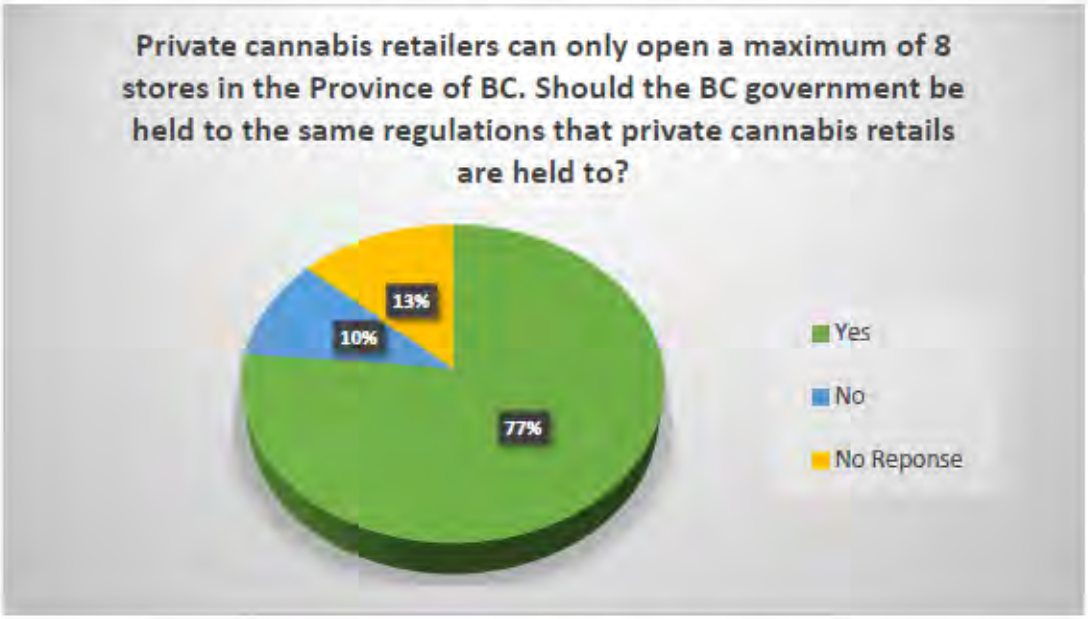
Zen Canna also took the time to create a small 5-question survey to demonstrate the desires of Penticton citizens and those of the general Okanagan public. Sixty-eight individuals in the city of Penticton participated in this survey. Of those surveyed 9 provided no response. People when asked if they when asked if they would support a locally owned business over a non-local business were heavily in support with 84% in favor of local businesses. When asked if they support a local cannabis retail over a government owned and operated BC cannabis store 82% were found in favor of the local cannabis retailer. Further, when asked if BC government stores should be held to the same regulations as private retailers in terms of the 8-store cap limit 77% of individuals surveyed reported they felt that BC government stores and private retailers should be held to the same regulations. Both the questions asked and the results are shown below.


Are you in support of legal cannabis retail in your community?
No 2%
No Reponse 13%
Yes 85%
Yes
No
No Reponse


Would you rather support a locally owned business over a non-local business?
NO REPONSE
NO
YES
9
2
57
0
10
20
30
40
50
60


Would you support a local cannabis business over the government owned and operated BC cannabis store?
Yes
No
No Reponse
13%
5%
82%


How far apart do you think cannabis retail stores should be?
3
0
2
4
22
28
9
100 METERS
200 METERS
300 METERS
750 METERS
NO REGULATIONS AROUND...
DON'T KNOW
NO RESPONSE



As a local private retailer, we believe that we are a better business partner for the city of Penticton and because we are an Okanagan based company and we believe we offer a greater connection to the community. We are currently in the process of becoming a Member of the City of Penticton Chamber of Commerce and seeking other opportunities to play a role in helping to positively shape the community of Penticton. In other Okanagan communities Zen Canna, has also worked to be an active community member. In Vernon, BC Zen Canna was the only prospective cannabis retailer in attendance of the Urban Matters Business Owners forum on Community Social Issues Engagement. This forum took input from community business members on topics of health & safety, crime & prevention, and business & financial impacts on issues surrounding homeless and transient populations in the community. The information and feedback collected during the forum was directly reported back to the City of Vernon council. Being active in each of the communities that Zen Canna plans to operate in is an important part of Zen Canna's business model.

To speak to Zen Canna's quality and success, to date Zen Canna had a total of two cannabis retail applications in the City of Kamloops with one being successful and await Provincial approval on that application. Mayor Christian of Kamloops spoke compellingly towards the strength of Zen Canna as an applicant for the city. Further, towards this application we received strong support from the North Shore Business Improvement Association and several neighborhood residents. Supportive documents that speak to this are included in our package. As well, out of the original 41 applicants in the City of Kelowna Zen Canna was part of a group of 15 to be accepted to go to council.

A focal point that Zen Canna feels should be raised is the fact that there is stark disparity in regulations between private cannabis retailers in BC and that which the BC government stores are beholden to. In fact, according to BC Cannabis Licensing portal (https://justice.gov.bc.ca/cannabislicensing/policy-document/eligibility): *"a licensee can only hold or have an interest in a maximum of eight cannabis retail store licences. For the purposes of the retail store licence cap, generally a franchisor cannot have more than 8 franchisees."* According to public information the Province of BC government cannabis stores have 14 applications, 9 which have received municipal approval (Campbell River, Williams Lake, Cranbrook, Terrace, Salmon Arm, Fort St. John and three in Kamloops) and 5 that are currently pending approval including Penticton, Kelowna, Vernon and two in Prince George. This is not including other potential applications that are not yet public information. There clearly seems to be two sets of rules for private and government run cannabis retail stores. We feel that this unjust and unfair and creates a monopolistic disadvantage to private retailers and those citizens and companies in BC that want to be an active part of the new cannabis industry in this province. We want this information to be made aware to council.

Another point of contention in regards to not allowing a BC government cannabis stores operation is the decision of Penticton's neighboring city, Osoyoos. The city of Osoyoos decided to ban provincially operated stores in favor of private cannabis retail.

In fact, Osoyoos Mayor Sue McKortoff, in regards to Osoyoos decision to ban government run stores stated; "We're hoping that will help a small business put forward a good case to open up a store." Additionally, Wallace Murray, President of the South Okanagan Chamber of Commerce stated; "We definitely support the Osoyoos municipality stepping up and taking the initiative and decision to support small business" Zen Canna believes that this decision and these statements should be given weight in the city of Penticton's decision for allowing Zen Canna to operate and denying the application of the BC government cannabis store.

Please consider this letter and all other letters of support for Zen Canna as evidence for having Zen Canna operate a cannabis retail store in the city of Penticton. In conclusion, we incontrovertibly believe that Zen Canna has a place in the city of Penticton. We welcome any further dialogue and appreciate the support and consideration of the city of Penticton.

Sincerely,

Ian Burak

Ian Burak
Chief Operating Officer
Zen Canna

Attachment I –
Application overview for 3502 Skaha Lake Road (Southside Cannabis Market)

SOUTHSIDE CANNABIS MARKET

Southside Cannabis Market Ltd.
#103-3502 Skaha Lake Rd, Penticton
Southsidecannabis.ca

Penticton Planning Department
171 Main St, Penticton, BC, V2A 5A9

Dear Planning Staff and Council Members,

I am pleased to announce my intent of opening a Cannabis Retail Store located at #103-3502 Skaha Lake Rd, under the name **Southside Cannabis Market.** This location, currently zoned as a C5, compliments the other two businesses who share the same parking lot, Pirate's Cove Beach House Pub and Skaha Lake Liquor Store. Southside Cannabis Market's location, business philosophy, and corporate policies align well with the Council Policy goals of reducing exposure to youth and promoting a positive impact on the Penticton retail community. This facility does not share walls or parking with businesses who serve minors, contributing to one of the many reasons why this location is ideal. Strict operating procedures combined with investment in technologies will ensure security and compliance exceeds expectations. I believe strongly in the continuous education of staff who will in turn pass their knowledge onto customers in an accommodating and friendly manner so that consumers may make a well-informed and safe decision about product types and uses, based on their personal preferences. #103-3502 Skaha Lake Rd has been vacant for nearly two years and if given the opportunity I would improve the storefront esthetics, reflecting a positive image of our community and to Penticton's 1.2 million annual visitors. If approved by Council, I would provide residents and visitors of Penticton a safe and responsible place where people ages 19+ may purchase government regulated cannabis products, sold by a well-compensated and knowledgeable staff who will contribute to consumer and community confidence.

Regards,

Travis Oliver

OWNER



Southside Cannabis
- Market -

Attachment J
104 - 1652 Fairview Road

FAIRVIEW CANNABIS CORNER

Fairview Cannabis Corner
#104-1652 Fairview Rd,
Penticton, BC, V2A 6A7

City of Penticton
171 Main St.
Penticton, BC, V2A 5A9

Penticton Planning Department,

I would like to be considered for approval by the City of Penticton to open a Cannabis Retail Store located at #104-1652 Fairview Rd. The store will be called *Fairview Cannabis Corner* and will sell legally regulated cannabis products and cannabis accessories.

The location of my proposed store is currently zoned Service Commercial (C7), which is not included in the zoning bylaw 2018-66 as a place where a Cannabis Retail Store may be located. I would like to be approved for a temporary use permit for this location, considering Fairview Liquor Store is located in the same zone and address. These two types of business compliment one-another and an ideal scenario locates a cannabis retail stores close to a liquor store as both are regulated by the LCLB and supplied by the LDB.

Fairview Cannabis Market's neighboring businesses are zoned C7 as well which is ideal because it will reduce the probability of minors spending time in this area of town. It is located outside of any school or park buffer zone and has a very large parking lot. Promoting a Cannabis Retail Store at this location will offer brand recognition for neighboring businesses as the parking lot will receive much more traffic. This biproduct will have a positive impact on the Penticton retail community.

I feel that if given the opportunity, my experience in commerce and compliance would allow me the opportunity to successfully promote a positive image of the Cannabis Industry and help me remove the fears and hesitations of the community about cannabis. I believe strongly that Fairview Cannabis Corner will succeed in this venture and will become an industry standard for compliance and profitability.

Cordially,

Darren Moffatt, CPA, CMA

Page **1** of **9**

FAIRVIEW CANNABIS CORNER

Proposed Signage and Storefront





Page 3 of 3

Council Report

penticton.ca

Date: June 18, 2019 File No: 2019 PRJ-087
To: Donny van Dyk, Chief Administrative Officer
From: Randy Houle, Planner I
Address: 253 Norton Street

Subject: **Development Variance Permit PL2019-8537**

Staff Recommendation

Development variance permit

THAT Council approve "Development Variance Permit PL2019-8537", for Lot A District Lot 202 Similkameen Division Yale District Plan KAP83201, located at 253 Norton Street, a permit to decrease the minimum lot area for each of the four proposed phases of the townhouse development on the subject property from 1400m^2 to 437m.^{2}

AND THAT staff be directed to issue "Development Variance Permit PL2019-8537".

Sidewalk construction

THAT Council direct funds in the 2020 Capital Budget to extend the sidewalk being installed by the developer to connect to the existing sidewalk on the south side of Westminster Avenue E (approximately $20,000).

Background

On March 5, 2019, Council adopted a zoning amendment bylaw for the subject property, which changed the zoning on the lands from RM4 (High Density Residential) to RM3 (Medium Density Residential). This was to facilitate the construction of a 16-unit townhouse development. Council also approved a development variance permit, and a development permit for four, four-unit townhouse buildings. Details on these approvals are included in the February 19, 2019 staff report to Council.

The applicant is now proposing to construct the four unit townhouse blocks in four strata phases as shown on Attachment B. A phased strata scheme allows strata lots to be phased so that the developer can sell individual units prior to later phases being completed. The phased approach also allows the developer to abandon further phases if so desired.

The Strata Property Act, the enabling legislation for phased strata developments, requires each phase of the development to be treated much like a fee simple subdivision, in that each phase and the remainder lot

must meet minimum lot areas, building setbacks and other zoning regulations. This means that in this case, the lot area of each phase must meet the minimum lot area in the RM3 zone (1400m2). The phasing plan though shows individual phase areas of between 440.7m^2 and 520.5m^2. Since these sizes of lots do not meet the minimum lot areas outlined in the RM3 zone, a development variance permit is required.

Proposal

The applicant is requesting development permit approval to reduce the minimum parcel size as per the plans attached to the permit. Once all phases are complete, the development will meet all zoning bylaw regulations, including lot area, other than those relaxations previously approved by Council.

Technical Review

This application was reviewed by the City's technical planning committee (TPC) as part of the review of the original development application earlier this year. A blanket utility and servicing easement is required on each phase of the development, allowing the City to install and maintain services as required. All other technical requirements will be addressed through Preliminary Layout Approval (PLA) of the Phased Strata, issued by the Subdivision Approving Officer.

Not specific to the phased strata, through the technical review, an opportunity was identified where sidewalk can be installed in front of the adjacent apartment building to connect the sidewalk the developer is required to construct to the existing sidewalk on Westminster Avenue. Staff are recommending that these works be deferred to the 2020 capital budget to be constructed at the City's costs at the same time as the developer installs sidewalks along the frontage of the subject property.



Financial implications

The phased strata proposal will not have any impact on city finances. The estimated cost for the installation of the sidewalk beyond the frontage of the subject property is estimated at $20,000. Staff are recommending that Council support this expenditure by directing the project be included in the 2020 capital budget. While sidewalk on this portion of road would not normally be of a priority, the fact that a developer is developing

in the area and the fact that there is an opportunity to connect a section of sidewalk, staff see this as justification to make this portion a priority. At the time of the construction of the existing development at 211 Norton Street, the sidewalk was not constructed and there is no mechanism in place to require the residents of the development to pay to these works.

Analysis

Support Variance

When considering a variance to a City bylaw, staff encourages Council to be mindful as to whether approval of the variance would cause an unreasonable impact on neighbouring properties and if the variance request is reasonable.

Section 10.9.2.2: to decrease the minimum lot area for each of the four proposed phases from 1400m^2 to 437m^2.

- Minimum lot areas are put in place to ensure various densities of buildings (single family homes, duplexes, townhouses, apartments) can be built on a lot with generous setbacks from property lines. The minimum size of a lot zoned for apartments is larger than that of a lot zoned for single family. In the current proposal, the developer is proposing a 4-phase strata, with a four-unit townhouse on each phase for a total of 16 new units. As each phase of the development is completed, it is consolidated with the previous phase. For example, as phase 2 is completed, it consolidates with phase 1 and so on as the development proceeds. If the developer elects not to proceed with a phase of the development, the remaining undeveloped phases become a remainder lot and are no longer associated with the strata. In that eventuality, in this case, this would lead to a lot that doesn't meet the minimum 1400m2 required in the RM3 zone. If this were to occur and the size of the remaining lot was deemed not large enough to allow for a future proposal, that property could be rezoned to a lower density zone to ensure it is built upon.

Approval of the variance allows the developer to sell completed phases as they are completed, and schedule later phases as the market dictates. This is a common approach to townhouse development and places less financial pressure on the developer, which ultimately assists project feasibility and completion. If the developer decides not to complete all phases of the development, the remainder could be sold off to another developer to either finish the project or propose a new development. The development is not changing from what was previously approved, thus there are no additional negative impacts associated with approval of the variance.

For these reasons, staff are recommending that Council support the request variance.

Sidewalk extension

Under the subdivision and development bylaw, the developer is required to construct sidewalk along the frontage of their property. This sidewalk, however, once installed, will not connect to any existing sidewalk. There is the opportunity for the City through the capital budget to connect the sidewalk that the developer is constructing to the existing sidewalk on Westminster Avenue.

Alternatively, Council could pass an excess and extended services resolution requiring that the developer pay for the sidewalk. Under this scenario, the developer would be responsible for the cost of installing the sidewalk and would pay for the works prior to being issued a building permit. Staff are not recommending that the developer be responsible for those costs as these works are beyond the authority of the subdivision and development bylaw. That said Council does have the ability under the local government act to require works beyond the frontage of a property.

Alternate Recommendations

1. THAT Council deny "DVP PL2019-8537".
2. THAT Council support "DVP PL2019-8537" but not support the extension of the sidewalk as a capital project.
3. THAT Council support "DVP PL2019-8537" and pass an excess and extended service resolution requiring the developer to construct the sidewalk all the way to Westminster Avenue.

Attachments

Attachment A:	Subject Property Location Map
Attachment B:	Proposed Phasing Plan
Attachment C:	Approved Site Plan
Attachment D:	Proposed Renderings
Attachment E:	Letter of Intent
Attachment F:	Development Variance Permit PL2019-8537

Respectfully submitted,

Randy Houle
Planner I

Approvals

DDS	CAO
AH	DvD

Attachment A – Subject Property Location Map



Figure 1: Subject Property Location Map

Attachment B – Proposed Phasing Plan

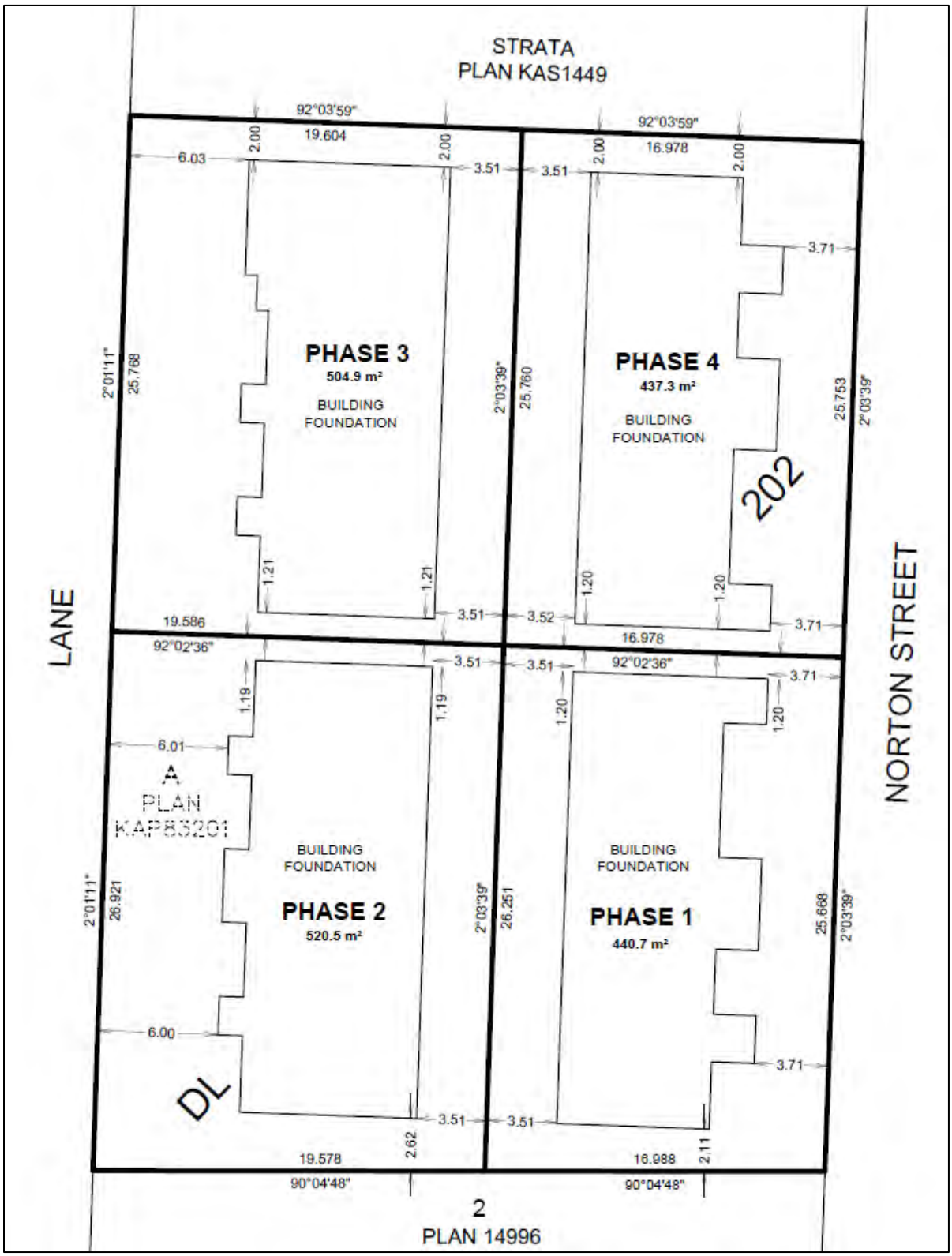


Figure 8: Proposed Phasing Plan

Attachment C –Approved Site Plan

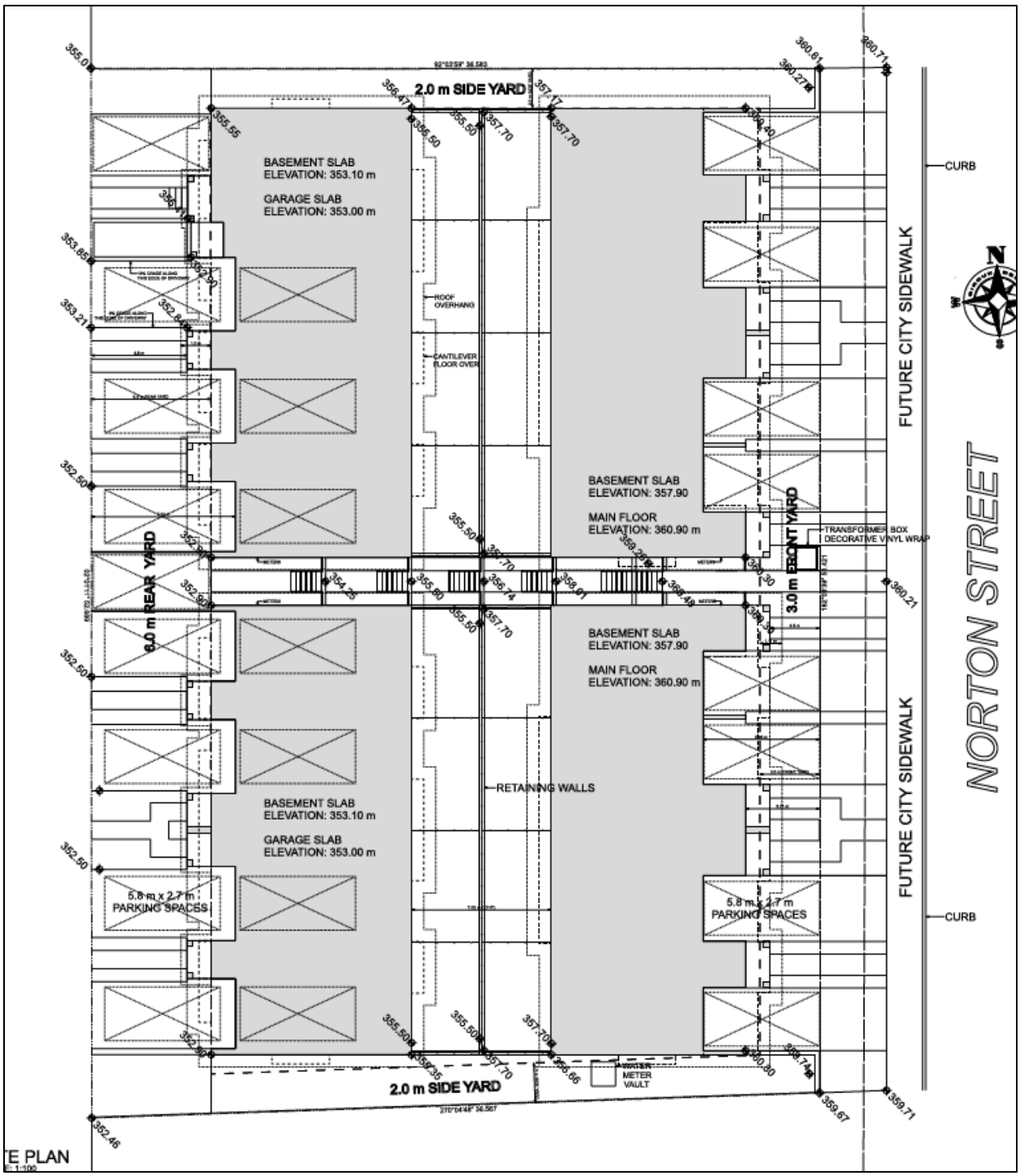


Figure 9: Site Plan

Attachment D – Proposed Renderings



Figure 10: East Rendering (from Norton Street)



Figure 11: West Rendering (from the lane)

Attachment E - Letter of Intent

McElhanney

May 28, 2019
Our File: 2422-03508-00

City of Penticton
Planning Department-Development Services Division
171 Main Street, Penticton, BC
V2A 5A9

253 Norton Street – Proposed Phased Strata Development

The attached Development Application is with respect to a proposed 16-unit townhouse strata development to be completed and registered in 4 phases.

The application includes a proposed variance. The area of each of the individual phases is less than the minimum lot area specified for the RM3 Medium Density Multiple Housing zone (1400 sqm).

Of note, Preliminary Strata Plans are currently being prepared for Disclosure statement and Pre-Sale Purposes. Once complete, a Preliminary Form V, Schedule of Unit Entitlement can be supplied to the City of Penticton, in support of the Phased Strata Application.

If I have omitted anything or you require any additional supportive information, please let me know.

Sincerely,

MCELHANNEY LTD.

David Sereda, BCLS
Project Land Surveyor
dsereda@mcelhanney.com
Tel 250-492-7399
Cell 250-462-0685

McElhanney Associates Land Surveying Ltd.
290 Nanaimo Ave. W. Penticton, BC V2A 1N5
mcelhanney.com

Figure 12: Letter of Intent

Attachment F - Development Variance Permit PL2019-8537

City of Penticton
171 Main St. | Penticton B.C. | V2A 5A9
www.penticton.ca | ask@penticton.ca

Development Variance Permit

Permit Number: DVP PL2019-8537

Name:
Address:

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 202 Similkameen Division Yale District Plan KAP83201
   Civic: 253 Norton Street
   PID: 026-991-403

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 phasing of a multi-family development:

   - Section 10.9.2.2: to decrease the minimum lot area for each of the four proposed phases from 1400m^2 to 437m^2.

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 18 day of June, 2019.

Issued this ___ day of _____, 2019

_____
Angie Collison,
Corporate Officer

Council Report

penticton.ca

Date: June 18, 2019 File No: 2018 PRJ-012
To: Donny van Dyk, Chief Administrative Officer
From: Audrey Tanguay, Senior Planner
Address: 468 Lower Bench Road

Subject: **Zoning Amendment Bylaw No. 2018-24**

Staff Recommendation

THAT Council after reviewing this report provide direction on "Zoning Bylaw No. 2018-24" from the following options:

Option 1: THAT Council adopt "Zoning Amendment Bylaw No. 2018-24".

Option 2: THAT Council rescind second and third reading of "Zoning Amendment Bylaw No. 2018-24" and give second reading as amended to "Zoning Amendment Bylaw No. 2018-24", excluding those portions of the property that are not within the ALR from the bylaw, and forward the amended bylaw to the July 16, 2019 Public Hearing.

Option 3: THAT Council refer the bylaw to the new Agricultural Advisory Committee for advice prior to consideration of bylaw adoption.

Option 4: THAT Council deny fourth reading of the bylaw, and that "Zoning Amendment Bylaw No. 2018-24" be closed and abandoned.

Strategic priority objective

The subject application is aligned with the Council Priorities of Economic Vitality and Community Building, by supporting business expansion and promoting the Penticton vacation brand and destination marketing strategy.

Background

Non-Farm Use ALC Application

In April 2018, Council gave second and third reading to Zoning Bylaw 2018-24 to allow the construction of a 20 room hotel on the subject property. Approval was subject to a soil relocation plan being submitted to the City, which has been submitted. At that meeting, Council also supported a non–Farm use application within the ALR. The Agricultural Land Commission recently denied the non–Farm Use application. The panel reviewed the application and considered that the hotel was not within the scope of consideration of an

accommodation for agri-tourism as the property was not a farm. The panel found that the proposal would condense the primary use of the property as commercial rather than agriculture.

Land Use

The subject property is currently zoned A (Agriculture) by the City's Zoning Bylaw. The site is situated at the base of Munson Mountain and is adjacent to Poplar Grove Winery. The property is 1.3 Acres (0.5 ha) and currently features a single detached dwelling, with a secondary suite used as a vacation rental. The southern portion (0.5acres) of the property is located within the Agricultural Land Reserve. The property has been used as vacation rentals and bed and breakfast home for the past decade. Surrounding properties are designated by the OCP as AG (Agriculture) and zoned A (Agriculture) as per the City's Zoning Bylaw. The subject property was originally part of a farm and was subdivided in 1973.

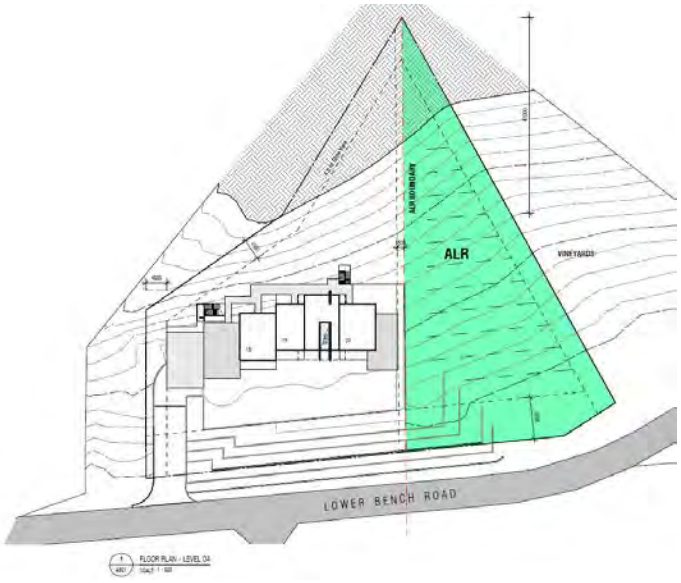


Figure 1: Image of ALR and non-ALR portion of property, with proposed hotel building footprint

The A (Agriculture) zone of the City's Zoning bylaw does not currently permit tourist accommodation and is limited to bed and breakfast homes. Similarly, the Agricultural Land Reserve, Use, Subdivision and Procedure Regulation does not allow tourist accommodation as a permitted farm use. Seasonal accommodations are permitted but are limited to 10 sleeping units in total and typically comprise seasonal campsites, cabins or bed and breakfast bedrooms. For that reason, the applicant needed approval from the City to amend the zoning on the property to allow for the hotel use. Additionally, approval from the Agricultural Land Commission (ALC) for the non-farm use on a property in the ALR was required since the proposal encroached into ALR Land.

Proposal

Subsequent to the denial from the ALC, the owners have come forward with revisions to the proposal to place the 20-room hotel on the non –ALR portion of the property (0.8 Acres). The southern portion of the property (0.5acres), which is still in the ALR, will remain for farming and will be planted with grapes. The applicant is also proposing to plant vines on the Non ALR portion of the site in the terraced beds along Lower Bench Road. These vineyards will be incorporated into the routine farming practices of the larger vineyard surrounding Poplar Grove winery. A 1.5m buffer is planned along the ALR boundary to the South between the hotel and the planted grapes.

Using the same modern concept, the building remains 4 storey with smaller units and reduced lobby area. No restaurant or lounge is being proposed and the parking area remains under the building.

As the bylaw is currently at third reading, the proponents are now requesting that Council adopt the bylaw.

The bylaw is a site specific amendment to the Zoning Bylaw 2017-08 adding the following section:

- Section 9.2.6.10 : On Lot 3, District Lot 187, Similkameen Division Yale District, Plan 23377, located at 468 Lower Bench Road, a 20 suite hotel plus an operator dwelling unit shall be permitted and notwithstanding Subdivision and Development Regulations Section 9.2.2, a maximum parcel coverage of 35% for all buildings is permitted.

Consultation

As part of the original application, Staff had requested that the applicant meet with the adjacent neighbourhood prior to this application coming to Council and two public information meetings were held. The open houses were held on February 13 and March 21, 2018. The meetings were well attended, with approximately 60 attendees, with a mix of residents from the immediate neighborhood as well as other residents of the community. Staff attended the meeting to provide information on the process. Concerns from the residents focused on expected traffic increases, the loss of farmland, loss of views and the impacts on Munson Mountain Park.

The public and neighbouring residents also had the opportunity to comment on this bylaw at the Public Hearing. The general comments spoke against the scale of the proposal, the impact on existing farming and the additional traffic and air pollution.

No further consultation with the public has been completed since the ruling from the ALC. With regard to a public hearing, a public hearing is not required prior to adoption of a bylaw. Even though the footprint of the building will need to be shifted to accommodate the fact that the ALC did not support any portion of the building on the ALR lands, there has been no change to the use or density proposed nor has there been any change to the language of the text amendment. Council can, if they choose to do so, adopt the bylaw as is.

Under Option 2 there would be the requirement to hold another public hearing as the bylaw would effectively be different than what was considered by the public at the original public hearing.

Agriculture Advisory Committee

The original application was also presented to the City's Agriculture Advisory Committee on March 2, 2018 and the following recommendation was passed:

> "
> It was MOVED and SECONDED
> THAT the Agricultural Advisory committee supports the "non-farm use" application to the Agricultural Land Reserve (ALC) to allow for a 20 room hotel and operator dwelling unit at Lot 3, District Lot 187, Similkameen Division Yale District, Plan 23377, located at 468 Lower Bench Road.
>
> CARRIED UNANIMOUSLY

The application has not been reviewed by the new Agricultural Advisory Committee. Council if they so choose, could refer the bylaw to the committee prior to making a decision on adoption. This is presented as Option 3.

Financial implication

The subject application is not anticipated to have an impact on the City's current budget. The proposal will see the extension of a sewer line, which may incur some future maintenance costs to the City. The property would be classified as a commercial classification for the purposes of taxation.

Analysis

Staff have outlined four (4) options for Council's consideration moving forward and can provide the following analysis on each:

- **Option 1: Adopt the bylaw**

Lands that are designated Agriculture within the City's OCP are primarily lands that are within the Agricultural Land Reserve (ALR). In this case, 1/3 (2,000m^2) of the property is located in the ALR. The OCP anticipates that auxiliary uses which promote agriculture and do not negatively affect farm operations would be supported. The agriculture policies in the OCP also support the promotion of the agricultural industry by supporting agri-tourism as an accessory use to farm operations. In this case, the owner of Poplar Grove winery intends to support their existing farm operations adjacent to the site by incorporating a tourist accommodation in the area. The agricultural policies also support the promotion and enhancement of viticulture and the wine industry.

Under the draft Official Community Plan (2019) and Economic Development Strategy (2018), the enhancement of the wine industry is part of the strategic goals. The lack of high-end hotel accommodation in the City, and particularly aligned with the wine industry, is a void that the proposal would seek to fill. The policies support and prioritize industry cluster including tourism and wine production to provide economic benefits.

Council can adopt the zoning bylaw amendment, despite the fact that it is inconsistent with the Agricultural Land Commission decision. Council could approve the zoning bylaw amendment to permit the hotel use on the land without opening itself to concerns coming from the ALC, given the lands subject to the revised development would not occur on ALR lands. It would not be possible for the City to issue a building permit or business license for a hotel use on the ALR portion of the site, which is what is now being considered, as part of the adoption of this bylaw.

- **Option 2: Amend the bylaw to exclude the ALR portion**

Under this option, Council will need to amend the bylaw to remove those portions of the lot that are currently in the ALR. The benefit of this approach is it would align the bylaw with the ALC decision, although that is not necessary (As discussed above). If Council were to choose this option, a public hearing would be required. This approach would create less confusion with regard to future purchasers of the property and conform to the ALC decision. There are no substantial changes to the original bylaw amendment. The density remains identical with the 20 units. The only change is the building being adjusted to keep the ALR portion intact and to minimize the impact of the hotel on the agriculture use in the area.

- *Option 3: Refer the application to the Agricultural Advisory Committee for their comment prior to consideration of adoption*

Both the Land Commission (ALC) and the Agricultural Advisory Committee have as their mandate the protection and promotion of agriculture. In this case, the two bodies had differing recommendations and decision on this file. Given this fact, and the comments made by the ALC, Council may wish to have the Agricultural Advisory Committee provide further comment on the proposal prior to consideration of bylaw adoption.

- **Option 4: deny fourth reading, close, and abandon the bylaw**

Council may consider that the proposed development does not meet the intent of the Official Community Plan and is not in the public interest because of the negative impact the use may have for future agriculture use of the property or neighboring properties. If this is the case, Council can deny the zoning amendments.

Alternatives

Council has other alternatives they may want to consider should the four options listed above not be satisfactory.

Alternative 1: Public consultation

No further consultation with the public has been completed since the ruling from the ALC. Council could choose to direct staff to do additional consultation with the public.

Alternative 2: Refer back to staff

Council may wish for additional information prior to making a decision on adoption of the bylaw. If that is the case, Council could refer this item back to staff with appropriate instructions.

Attachments

Attachment A: Subject Property Location Map
Attachment B: ALR Map
Attachment C: Image of Subject Property
Attachment D: Revised Site and Elevation Plans
Attachment G: ALC Decision Letter
Attachment H: Letter of Intent
Attachment J: Public Hearing Minutes
Attachment K: OPTION 1: Zoning Amendment Bylaw No. 2018-24
Attachment L: OPTION 2: Zoning Amendment Bylaw No. 2018-24

Respectfully submitted,

Audrey Tanguay

Senior Planner

DDS	CAO
AT	DvD

Approvals

Attachment A – Subject Property Location Map



Attachment B – ALR MAP



Attachment C – Image of Subject Property

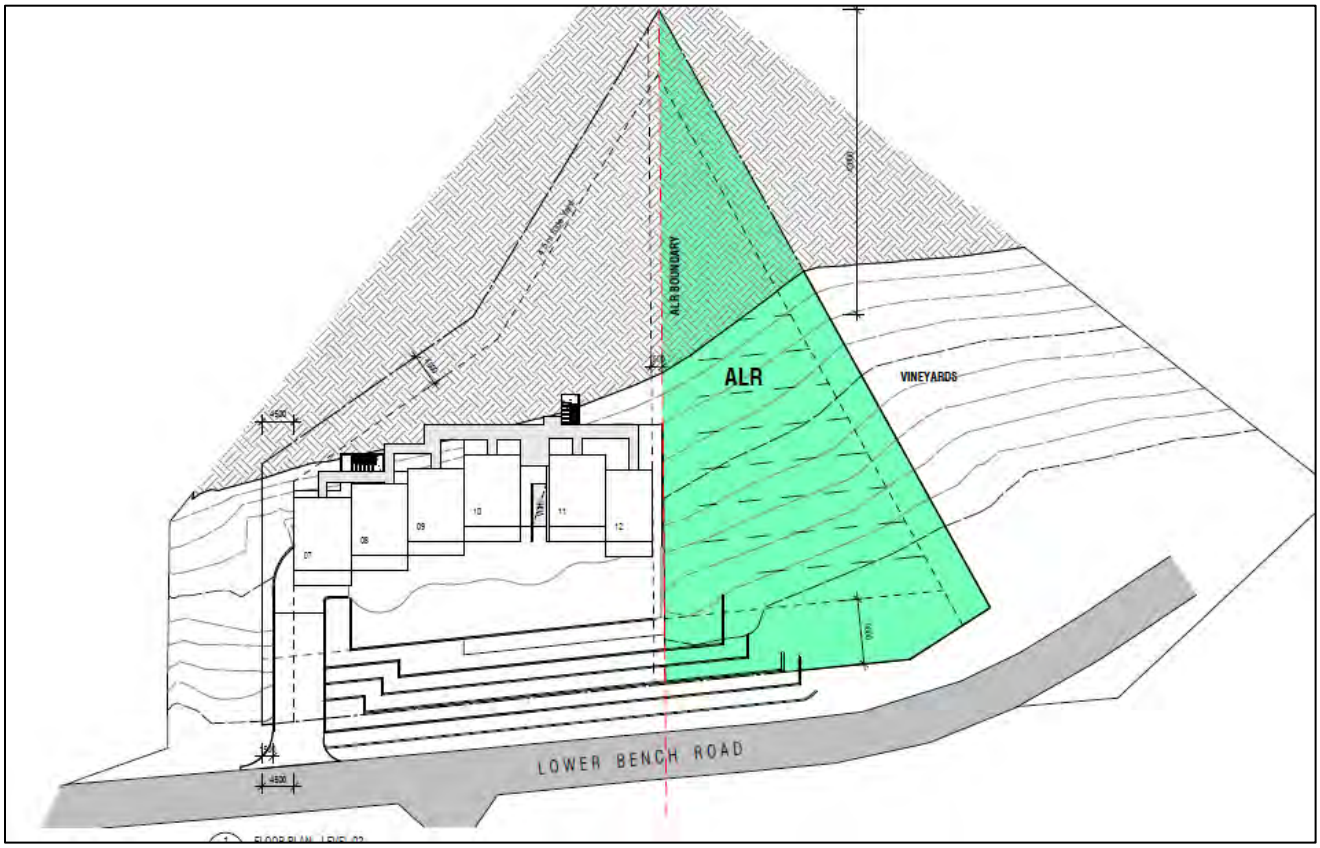


Figure 6: Aerial Photo of the property



Figure 7: Existing Driveway Access

Attachment D – Revised Site and Elevation Plans



Revised site plan, showing building completely out of ALR



Rendering looking south-east



Birds-eye-view rendering



Street level rendering

Attachment E - ALC Reasons for Decision

Agricultural Land Commission
201 – 4940 Canada Way
Burnaby, British Columbia V5G 4K6
Tel: 604 660-7000
Fax: 604 660-7033
www.alc.gov.bc.ca

February 21, 2019

ALC File: 57103

Donna Butler
DELIVERED ELECTRONICALLY

Dear Donna Butler:

Re: Application 57103 to conduct a non-farm use in the Agricultural Land Reserve

Please find attached the Reasons for Decision of the Okanagan Panel for the above noted application (Resolution #74/2019). As agent, it is your responsibility to notify the applicant accordingly.

Review of Decisions by the Chair

Under section 33.1 of the *Agricultural Land Commission Act* (ALCA), the Chair of the Agricultural Land Commission (the Commission) has 60 days to review this decision and determine if it should be reconsidered by the Executive Committee in accordance with the ALCA. You will be notified in writing if the Chair directs the reconsideration of this decision. The Commission therefore advises that you consider this 60 day review period prior to acting upon this decision.

Request for Reconsideration of a Decision

Under section 33(1) of the ALCA, a person affected by a decision (e.g. the applicant) may submit a request for reconsideration. The request must be received within one (1) year from the date of this decision's release. For more information, refer to *ALC Policy P-08: Request for Reconsideration* available on the Commission website.

Please direct further correspondence with respect to this application to Celeste Barlow at ALC.Okanagan@gov.bc.ca.

Yours truly,

Celeste

Celeste Barlow, Land Use Planner

Enclosure: Reasons for Decision (Resolution #74/2019)

cc: City of Penticton (File: ALR PL2018-8152)

Page 1 of 1

AGRICULTURAL LAND COMMISSION FILE 57103

REASONS FOR DECISION OF THE OKANAGAN PANEL

Non-Farm Use Application Submitted Under s. 20(3) of the *Agricultural Land Commission Act*

Applicants:	Barbara Rose Holler
Agent:	Donna Butler, Ecora Engineering Group
Property:	Parcel Identifier: 006-443-923 Legal Description: Lot 3, District Lot 187, Similkameen Division Yale District Plan 23377 Civic: 468 Lower Bench Rd, Penticton, BC Area: 0.5 ha (0.2 ha ALR)
Panel:	Gerald Zimmermann, Okanagan Panel Chair Jim Johnson

OVERVIEW

[1] The Property is located partially within the Agricultural Land Reserve (ALR) as defined in s. 1 of the *Agricultural Land Commission Act* (ALCA). The Property is located within Zone 1 as defined in s. 4.2 of the ALCA.

[2] Pursuant to s. 20(3) of the ALCA, the Applicant is applying to the Agricultural Land Commission (the "Commission") to develop a 20 unit boutique hotel in association with Poplar Grove Winery as a tourist operation (the "Proposal"). The total area proposed for the non-farm use is approximately 0.2 ha (~0.05 ha of ALR).

[3] The first issue the Panel considered is whether the proposed non-farm use would impact the agricultural utility of the ALR portion of the Property.

[4] The second issue the Panel considered is whether the boutique hotel is an appropriate use of ALR land.

[5] The Proposal was considered in the context of the purposes of the Commission set out in s. 6 of the ALCA. These purposes are:

(a) to preserve agricultural land;
(b) to encourage farming on agricultural land in collaboration with other communities of interest; and
(c) to encourage local governments, first nations, the government and its agents to enable and accommodate farm use of agricultural land and uses compatible with agriculture in their plans, bylaws and policies.

EVIDENTIARY RECORD

[6] The Proposal along with related documentation from the Applicants, Agent, local government, third parties, and Commission is collectively referred to as the "Application". All documentation in the Application was disclosed to the Agent in advance of this decision.

[7] The Panel conducted a walk-around site visit on August 14, 2018 in accordance with the *ALC Policy Regarding Site Visits in Applications*, (the "Site Visit"). A site visit report was prepared in accordance with the *Policy Regarding Site Visits in Applications*. The site visit report was certified as accurately reflecting the observations and discussions of the Site Visit by the Agent on December 5, 2018 (the "Site Visit Report").

BACKGROUND

[8] The Applicant and members of her family own and operate Poplar Grove Winery which is operated in accordance with the criteria for alcohol production facilities outlined in s. 2 (2)(2.1)-(2.4) of the Agricultural Land Reserve Use, Subdivision and Procedure Regulation, B.C. Reg. 171/2002 (the "Regulation").

[9] The Property, on which the boutique hotel is proposed, is located on the adjacent property to the north east of Poplar Grove Winery.

[10] The Applicant purchased the Property in the summer of 2018 with the intention of developing it into a 20 unit boutique hotel to complement Poplar Grove Winery and provide a high-end tourist accommodation for wine tourists visiting the region. The boutique hotel is proposed to contain a fitness center, spa, lounge and outdoor swimming pool.

[11] The 0.5 ha Property contains 0.2 ha of ALR land. The non-ALR portion of the Property (0.3 ha) currently contains a single detached dwelling which has been utilized by previous owners as a vacation rental and bed and breakfast for the past decade. The dwelling would be removed in order to accommodate the boutique hotel.

EVIDENCE AND FINDINGS

Issue 1: Whether the proposed non-farm use would impact the agricultural utility of the ALR portion of the Property.

[12] To assess agricultural capability on the Property, the Panel referred to agricultural capability ratings. The ratings are identified using the BC Land Inventory (BCLI), 'Land Capability Classification for Agriculture in B.C.' system. The improved agricultural capability rating applicable to the ALR portion of the Property is Class 3, Class 6 and Class 7, more specifically 33% (5:6TR – 3:7T – 2:6T) and 67% (*3TA).

Class 3 - land is capable of producing a fairly wide range of crops under good management practices. Soil and/or climate limitations are somewhat restrictive.

Class 6 - land is important in its natural state as grazing land. These lands cannot be cultivated due to soil and/or climate limitations.

Class 7 - land has no capability for soil bound agriculture.

The limiting subclasses associated with this parcel of land are A (moisture deficiency), R (bedrock near the surface) and T (topographic limitations.

[13] In addition, the Panel received a professional Agrologist's report, prepared by Wayne Blashill, dated May 4, 2018 (the "Agrologist Inspection Report"). The Agrologist Inspection Report submits that the ALR portion of the land is rated (*3T).

[14] Based on the agricultural capability ratings and the Agrologist Inspection Report, the Panel finds that the majority of the ALR portion of the Property has prime agricultural capability.

[15] The Applicant submits that there is very limited impact on the ALR portion of the Property and that there is virtually no loss of usable farmland with the Proposal. The Panel reviewed the proposal sketch and description of the boutique hotel submitted with the Application and finds that hotel building and associated landscape would utilize the majority of the ALR portion of the Property. In this regard, the Proposal would preclude the ability to farm the remainder of the ALR portion of Property in the future.

Issue 2: Whether the boutique hotel is an appropriate use of ALR land.

[16] The Application submits that there are numerous hotel and motel properties in the City of Penticton, but there are no comparable tourism facilities in the City of Penticton rural area.

[17] The Application submits that the 20 unit boutique hotel is proposed to be in association with Poplar Grove Winery as a tourist operation. Section 3(1)(a) of the Agricultural Land Reserve Use, Subdivision and Procedure Regulation (BC Reg. 171/2002) (the "Regulation") permits accommodations for agri-tourism on a farm if:

- the parcel is assessed as farm under the BC Assessment Act (i.e. "farm status"),
- the accommodation has no more than 10 sleeping units, and
- the accommodation does not cover more than 5% of the parcel.

In addition, accommodations for agri-tourism are predicated on the presence of agri-tourism activities taking place on the land as defined in s. 1 of the Regulation.

[18] The Panel reviewed the Application and finds the following:

- The Property does not have farm status;
- The accommodation proposes 20 units, double that of what is permitted in the Regulation;
- The accommodation would cover ~35% of the Property, 30% more than what is permitted in the Regulation; and
- There are no agri-tourism activities taking place on the Property.

In this regard, the Panel finds that the Proposal for the boutique hotel is not within the scope of consideration of an accommodation for agri-tourism. The Panel therefore considered the impact of the boutique hotel as a commercial tourist accommodation within the ALR.

[19] The Panel considered the Applicants' submission that the boutique hotel would support the adjacent Poplar Grove Winery. The Panel finds that the primary use of ALR land should

be for agriculture. Based on the description of the uses in the Application, the Panel finds that the Proposal would render the primary use of the Property as commercial.

[20] Despite the proposed relationship between Poplar Grove Winery and the boutique hotel, the Panel finds that the use of ALR land for construction of the commercial boutique hotel is inconsistent with the preservation of agricultural land. ALR land is designated for agricultural priority and as such the Proposal is more appropriate in a commercial area.

DECISION

[21] For the reasons given above, the Panel refuses the Proposal.

[22] These are the unanimous reasons of the Panel.

[23] A decision of the Panel is a decision of the Commission pursuant to s. 11.1(5) of the ALCA.

[24] Resolution #74/2019
Released on February 21, 2019

Gerald Zimmermann, Panel Chair
On behalf of the Okanagan Panel

Attachment F- Letter of Intent and Design Changes

June 4, 2019

City of Penticton
171 Main Street
Penticton, B.C. V2A 3R6

Dear City of Penticton Mayor and Councilors

Re: Rezoning Application for a 20 unit Poplar Grove Inn at 468 Lower Bench Road – Revised Design

We remain very excited about the proposed boutique Inn located adjacent to the Poplar Grove Winery and Vineyard. We believe that there is a real need for high-end tourist accommodation on the Naramata Bench and that there will be significant benefits both to local agriculture and to the City.

Since our application was supported by the City and the zoning bylaw amendment was given 3rd reading on May 8,2018, the Agricultural Land Commission has decided not to support our "non-farm use" application" on the ½ acre land in the ALR. We have proceeded to redesign the Inn on the non-ALR portion of the Property.

Revised Design of Poplar Grove Inn

The total area of the property at 468 Lower Bench is 1.3 acres, with about 35,500 square feet in the northern area of the lot that is not in the ALR. Using the original Inn concept design, there is a similar 4 storey building with a stepped form and modern character. The following adjustments include and are shown on the attached plans:

- Smaller hotel rooms and reduced lobby size
- Ground floor – 6 rooms
- Second floor – 6 rooms
- Third floor – 5 rooms
- Fourth floor – 3 rooms
- No public restaurant or lounge
- 29 parking spaces provided in the parking garage under the building, exceeding the bylaw requirement
- The main access to the development at the northern entrance
- Same terraced front yard with grape vines and new vineyard on the ALR portion of the site
- Building setback 1.5m from ALR boundary.

The revised design remains consistent with the Agriculture, Site Specific Zone of the property.

The proposed Inn remains very similar, although smaller than that originally proposed, and has the same limited traffic impacts, no impacts on views from Munson Mountain, same neighbourhood and agricultural context and the same economic benefits to agriculture. For those who objected to the application due to concerns for the loss of farmland, there is now no loss of farmland and a new vineyard will be planted adjacent to the Inn.

Our application was supported by the Agricultural Advisory Committee and was the subject of 2 Neighbourhood Open Houses as well as a Public Hearing. As we had addressed many of the concerns raised by adjacent residents and now there is no loss of farmland we request that Council proceed to consider support for the Poplar Grove Inn by adopting the zoning bylaw amendment .

Thank you for your favourable consideration of this proposal.

Sincerely

Barbara R Holler

Barb Holler

Attachment G – Minutes from May 8, 2018 Public Hearing

CITY OF Penticton

Minutes

penticton.ca

Public Hearing

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

Tuesday, May 8, 2018
at 6:00 p.m.

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

Staff: Jim Bauer, Chief Financial Officer
Mitch Moroziuk, General Manager of Infrastructure
Anthony Haddad, Director of Development Services
Dana Schmidt, Corporate Officer
Blake Laven, Planning Manager

1. **Call to order**

Mayor Jakubeit called the public hearing to order at 6:00 p.m. for Zoning Amendment Bylaw No. 2018-23 and Zoning Amendment 2018-24. He explained that the public hearing was being held to afford all persons who considered themselves affected by the proposed bylaws an opportunity to be heard before Council.

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

Councillor Konanz declared a conflict of interest and left the meeting at 6:00 p.m.

2. **"Zoning Amendment Bylaw No. 2018-23" (249 Westminster Avenue W)**

The purpose of "Zoning Amendment Bylaw No. 2018-23" is to amend Zoning Bylaw No. 2017-08 as follows:

> Rezone Lot A District Lot 4 Group 7 Similkameen Division Yale (Formerly Yale Lytton) District Plan KAP92015, located at 249 Westminster Avenue West from CD4 (Comprehensive Development) to C5 (Urban Centre Commercial);

And by adding the following site specific provisions to section 11.5.4:
.8 In the case of Lot A, DL 4, Group 7, SDYD (Formerly Yale Lytton), Plan KAP92015, located at 249 Westminster Avenue West, a craft brewery/distillery and cidery shall be permitted.

The applicant is proposing a public market concept with a cidery, bistro and public parking lot.

The Corporate Officer advised that one letter of opposition was received since the printing of the agenda and distributed to Council.

DELEGATIONS

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

- Darryl Haddrell, Summerland, BC representing the owner, stated this is a down zoning application. The new property owner is rezoning the property to allow for more conventional uses for this property and noted parking has been reduced by 34 spaces.
- Brigid Kemp, Warren Avenue West, questioned what the shaded green area on the proposed drawings represented.
- Lyndsay Fraser, Rigsby Street, spoke in opposition to the rezoning. Main concern is it will give permission to the owner to create a large parking space and contradicts the Official Community Plan view of high commercial densification in the downtown core. Concerns over a development permit not required and landscaping not being completed.

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

- No one spoke.

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. 2018-23" was terminated at 6:15 p.m. and no new information can be received on this matter.

Councillor Konanz returned to the meeting at 6:16 p.m.

3. "Zoning Amendment Bylaw No. 2018-24" (468 Lower Bench Road)

The purpose of "Zoning Amendment Bylaw No. 2018-24" is to amend Zoning Bylaw No. 2017-08 as follows:

By adding the following site specific provisions to section 9.2.6:

.10 In the case of Lot 3, District Lot 187, Similkameen Division Yale District, Plan 23377, located at 468 Lower Bench Road, a 20 suite hotel and operator dwelling unit shall be permitted and, notwithstanding section 9.2.2 Subdivision and Development Regulations, a maximum parcel coverage of 35% for all buildings is permitted.

The applicant is proposing to develop a 20 room hotel to provide a high-end tourist accommodation for the local wine tourism industry.

The Corporate Officer advised that 1 letter of opposition and 6 letters in support have been received since the printing of the agenda and distributed to Council.

The Planning Manager presented an overview of the application and proposal.

DELEGATIONS

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

- Donna Butler, Agent for the applicants, presented a 3D aerial video model and provided an overview of the proposed development stating there will be no bar or restaurant attached to the hotel. Further noted the section of ALR land is not a viable farming parcel. Hotel has a minimal footprint and other neighbouring properties have a larger footprint on agriculture lands.
- Tony Holler and Barbara Holler, owners of Poplar Grove wineries. Spoke in support of their application as they feel it will be a benefit to the community by attracting tourists to the Naramata Bench stating the more tourists staying here are spending more here. The wineries depend on selling directly to the consumer as it makes this industry sustainable.
- Chris Bull, Lower Bench Rd, spoke in opposition to application. Stating it is not suitable for the area and will detract the tourists. The characteristics should be valued and protected.
- Ingrid Jarrett, Eastwood Drive, spoke in support of the application. Reported on the trends of travel tourism. Competition is Australia and New Zealand. Tourists are looking for an interactive experience. This is the best most thought out sustainable project she has seen in the Okanagan and it is needed here to compete worldwide.
- Chester Idziszek, Lower Bench Road, spoke in opposition of the application. Stated City staff provided incorrect information to Council, Agricultural Advisory Committee and the public regarding the farming history of the land. Suggested the location of the hotel be situated further down the road and a 10 room hotel would be more suitable.
- Lynn Kelsey, Oakville Street. Spoke in support of the application. Sees this as a positive and adds value to the area.
- Denis O'Gorman, Farrell Street. Spoke in opposition to the application. Does not feel this is appropriate in an ALR zone and will create an adverse and dangerous precedent. Noted the land does have farming capability.
- Ian Scrameto, Marina Way. Spoke in support of the application and the benefits of this type of development would bring. Need to compete on a world stage.
- Violet, Lower Bench. Spoke in support of this application. Owns an orchard. This development would encourage people to come here. Need a first class place to stay.
- Jane Coady, Lower Bench. Spoke in opposition of application. This unique area may be totally changed by this 20 room hotel and it should only be a10 room hotel.
- Cameron Dellaire, Lower Bench. Spoke in opposition of application. It's in the wrong area. Sets a precedent for other smaller agricultural properties to develop.
- Matthew Coady, Lower Bench Road, spoke against application. Noting this is about zoning. A 10 room hotel would complement the small scale of the bench. Supports a hotel in this location but opposed to this application.
- Robert Stather, Lower Bench Road, spoke against this application. Noted the land has previously been farmed stating the site has very good soil and suggested viable options for the land use. Rezoning ALR is unprecedented and contrary to long term plans in the OCP. Sends a very important message to developers. Likes boutique hotels but wrong location in ALR.

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

- Nell Dragovand, Lower Bench Road. Spoke against the application stating there will be added noise and light pollution from the hotel and views will be destroyed.
- Michelle Paris, Lower Bench Rd. Spoke in opposition to the application. This application sets a precedent and is removing land out of the ALR and will create pollution and traffic. Opposed to the size of the hotel.
- Loraine Stephanson, Farrell Street. Spoke in opposition to the application. Questioned the size of the development and asked if this property could be reverted to an estate property.

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

- Len Fox, Riddle Road. Spoke in support of the application. Economics of a vineyard are marginal. Hotel will bring in tourists who will buy wine and will support a lot vineyards on Naramata Bench. Noted the property in question has a 20-30 degrees slope and difficult to run a tractor on with a full load. Hotel will benefit growers.
- Tony Holler, Lower Bench, noted he had a discussion with of owner of Burrowing Owl who stated a 20 room would be the number to be viable. All other lands owned by him are Class 1 agricultural land and the hotel could not be relocated there. Currently they have 30 good paying jobs and the hotel will be offering very good jobs. This type of development is typical in other wine regions in the world.

The public hearing for "Zoning Amendment Bylaw No. 2018-24" was terminated at7:46 p.m. and no new information can be received on this matter.

Certified correct:

Dana Schmidt
Corporate Officer

Confirmed:

Andrew Jakubeit
Mayor

The Corporation of the City of Penticton

Bylaw No. 2018-24

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. 2018-24".

2. **Amendment:**

2.1 Zoning Bylaw 2017-08 is hereby amended by adding the following site specific provisions to section 9.2.6:

.10 In the case of Lot 3, District Lot 187, Similkameen Division Yale District, Plan 23377, located at 468 Lower Bench Road, a 20 suite hotel and operator dwelling unit shall be permitted and, notwithstanding section 9.2.2 Subdivision and Development Regulations, a maximum parcel coverage of 35% for all buildings is permitted.

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

READ A FIRST time this	17	day of	April, 2018
A PUBLIC HEARING was held this	8	day of	May, 2018
READ A SECOND time this	8	day of	May, 2018
READ A THIRD time this	8	day of	May, 2018
ADOPTED this		day of	, 2019

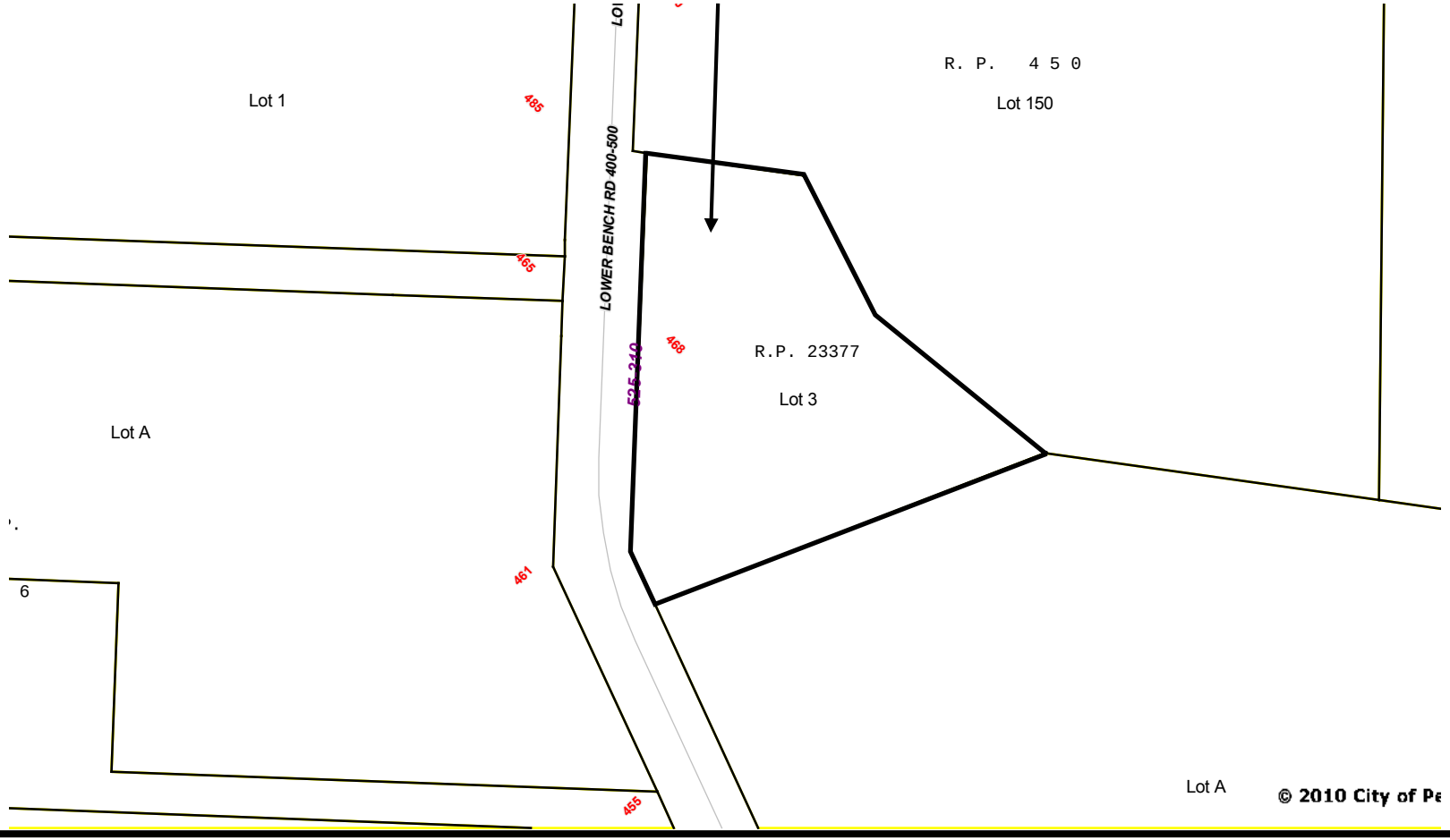
Notice of intention to proceed with this bylaw was published on the 27 day of April, 2018 and the 2 day of May, 2018 in the Penticton Western newspaper, pursuant to Section 94 of the *Community Charter*.

John Vassilaki, Mayor

Angie Collison, Corporate Officer

468 Lower Bench Road - Site Specific Zoning Amendment

To permit a 20 unit hotel and operator dwelling unit, and notwithstanding Section 9.2.2 of Subdivision and Development Regulations, a parcel coverage of 35% for all buildings is permitted



City of Penticton – Schedule 'A'

Zoning Amendment Bylaw No. 2018-24

Date: _____ **Corporate Officer:** _____

The Corporation of the City of Penticton

Bylaw No. 2018-24

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. 2018-24".

2. **Amendment:**

2.1 Zoning Bylaw 2017-08 is hereby amended by adding the following site specific provisions to section 9.2.6:

.10 In the case of Lot 3, District Lot 187, Similkameen Division Yale District, Plan 23377, located at 468 Lower Bench Road, a 20 suite hotel and operator dwelling unit shall be permitted on the non -ALR portion and, notwithstanding section 9.2.2 Subdivision and Development Regulations, a maximum parcel coverage of 35% for all buildings is permitted.

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

READ A FIRST time this	17	day of	April, 2018
A PUBLIC HEARING was held this	8	day of	May, 2018
READ A SECOND time this	8	day of	May, 2018
READ A THIRD time this	8	day of	May, 2018
RESCIND SECOND and THIRD reading and READ a SECOND time as amended		day of	, 2019
PUBLIC HEARING was held this		day of	, 2019
READ A THIRD time this		day of	, 2019
ADOPTED this		day of	, 2019

Notice of intention to proceed with this bylaw was published on the 27 day of April, 2018 and the 2 day of May, 2018 and on __ day of _____, 2019 and __ day of _____, 2019 in the Penticton Western newspaper, pursuant to Section 94 of the *Community Charter*.

John Vassilaki, Mayor

Angie Collison, Corporate Officer

468 Lower Bench Road - Site Specific Zoning Amendment (area outlined in red, Non-ALR Portion)

To permit a 20 unit hotel and operator dwelling unit on the Non-ALR portion, and notwithstanding Section 9.2.2 of Subdivision and Development Regulations, a parcel coverage of 35% for all buildings is permitted



City of Penticton – Schedule 'A'

Zoning Amendment Bylaw No. 2018-24

Date: _____ **Corporate Officer:** _____

Council Report

penticton.ca

Date: June 18, 2019 File No: RMS 3360-02 (2019 Reviews)
To: Donny van Dyk, Chief Administrative Officer
From: Blake Laven, Planning Manager

Subject: **Zoning Amendment Bylaw No. 2019-24 (cash in lieu)**

Staff Recommendation

THAT "Zoning Amendment Bylaw No. 2019-24", a bylaw that amends the 'cash-in-lieu of parking' and 'parking reductions for providing co-operative cars' provisions of the zoning bylaw, be given first reading;

AND THAT Council refer "Zoning Amendment Bylaw No. 2019-24" to the "Economic Prosperity and Development Services Advisory Committee" for comment prior to second reading.

Executive Summary

City Council has directed staff to review the parking reduction provisions currently included in the City's zoning bylaw (Council resolution 695/2017). Staff have conducted a review and are proposing the following changes:

- Increase the cash-in-lieu fee from $6,000 per space to $20,000 per space
- Include the RM2 and RM3 zones in the cash-in-lieu program, subject to having at least one parking space per dwelling unit
- Re-direct where the cash-in-lieu funds go, from: the Alternative Transportation Infrastructure Reserve to: a blend between the Alternative Transportation Infrastructure Reserve (25%) and the Off-street Parking Reserve (75%)
- Remove the co-operative vehicle parking reduction provision, until such time as there is a car share organization operating in Penticton

Strategic priority objective

Staff recommendations meet the Council Priorities of 'good governance' and 'community building', by establishing an equitable way to reduce parking obligations while providing community benefit.

Background

The City's Zoning Bylaw, since 1993, has included a provision whereby developers in select zones in the City, predominately in the downtown, could reduce the parking requirements for their developments through

the payment of funds 'in-lieu' of parking. Funds collected are saved in a reserve accounts to go towards public off-street parking infrastructure and / or alternative transportation infrastructure.

Since implementation of the program in 1993 until 2011, all funds collected were directed to the 'off-street parking reserve'. This fund was established for the provision of off street parking spaces – municipal parking lots. With the adoption of the 2011 zoning bylaw this was changed to direct funds to the 'alternative transportation infrastructure reserve fund'. These funds go towards infrastructure projects that support walking, biking, public transit and other forms of alternative transportation.

Under the current zoning bylaw (Zoning Bylaw 2017-08) a developer in any commercial zone or the RM4 multi-family zone can *buy out* required parking at the rate of $6,000 per space. There is no limit to the amount of spaces that may be reduced. Staff and Council do receive many requests for reductions in parking in other multi-family zones. In those cases, Council are usually being asked to issue development variance permits (variances) to reduce the parking. In those cases, the City receives no money towards the reserve accounts.

The $6,000 figure, is not necessarily a true reflection of the current costs of providing parking in Penticton. Estimates put the cost of developing surface parking at between $7,000 and $10,000 per stall and for structured parking at approximately $35,000 per stall (this number is based on a recently completed parkade in downtown Kelowna). Likely the number was set at $6,000 because that was the estimated cost of providing a surface space when the fee was established. Also, the $6,000 was likely reflective of what other municipalities charged at the time.

Another important parking provision was included in the 2011 zoning bylaw amendments: all parking for commercial uses in the C5 (City Centre Commercial) zone was removed. In the interest of encouraging downtown investment and in recognition of the large amount of public parking in the downtown, the requirement to provide on-site-parking was removed. Hence no cash-in-lieu provision exists in the downtown for commercial uses. Developers though can still buy out any required residential parking in the C5 zone.

Co-operative car share program parking reductions

The zoning bylaw has another parking reduction provision aside from the cash-in-lieu option. The bylaw allows the total number of parking spaces for a residential building to be reduced by up to six (6) spaces in the case where a co-operative vehicle or car share vehicle and parking space is provided. While this program has seen success in other communities, there are currently no car share companies operating in Penticton, making administration of a car share vehicle program difficult.

Why allow for reductions in parking at all?

Council may ask why these provisions exist in the zoning bylaw at all. It seems that at every public hearing and development open house, comments from the public demand more parking not less. So why then would we include these provisions in the zoning bylaw?

Firstly, having options for housing without parking, reduces the overall costs of housing – which is a public good. There are also many instances where people choose to not own or are unable to own a vehicle. Making those people pay for a parking spot is not fair to them. Furthermore, a lot of housing in Penticton is located in areas where not having a car is achievable – such as in the downtown and other high amenity areas. The parking reduction provisions are there to provide choice.

Another reason for specified reductions in parking standards, is to support urban design and land use objectives. Parking takes up a lot of space. Removing parking requirements allows for valuable land to be used for higher value purposes – parks, open space, housing, business etc. Removing parking, especially surface parking, allows for tighter urban development which promotes a more walkable built form leading to healthier communities.

Parking comes with a considerable cost associated with it, so when a developer is balancing the creation of more affordable housing, parking is often reduced, to bring down overall construction costs. The impact on the surrounding neighbourhood by not having that parking, is a consideration through the development approval process and is only supported where it has a strong chance of sucess.

Developing in the downtown also comes with its challenges. Underground parking is expensive and in some cases not financially viable given the high water table and construction costs that would be required to mitigate the geotechnical conditions. It is rare to find any underground parking downtown, and although examples do exist, they are on a smaller scale. Larger, higher density forms of development have chosen to construct parking above grade, to eliminate the need for underground parking.

Furthermore, the land parcel configuration in and around the downtown presents a number of challenges to the development of larger, more comprehensive projects. In an effort to try and achieve the densities desired in and around the downtown, smaller parcels of land are often proposed with 1-2 units more than what may be appropriate for the existing parcel of land. Land consolidation is often used to allow for larger developments however with the historical land ownership and multiple amount of smaller parcels downtown, balancing approvals for the density environed with the parking requirements has been difficult in some instances.

Staff are not arguing for complete removal of parking requirements, but are highlighting instances and benefits to selective reductions in parking, and some of the challenges when providing parking in a compact downtown environment. Often the market itself will dictate parking needs. For example, a developer will want to ensure that they are providing enough parking for the ultimate end purchaser or leaser of the finished project of whatever they are building. Sometimes this parking will be in the public realm but often there is demand for the parking on site. It is in the interest of the developer to provide this parking and in cases where the parking is in the public realm, it is important that the developer is paying their fair share of that parking – hence the 'cash-in-lieu program.

Council direction and proposed changes

Council has provided direction to review these parking reductions and provide recommend changes. Staff have conducted a review and are making several recommendations. The first change involves increasing the cash-in-lieu charge from $6,000 to $20,000 to better reflect a closer assessment of the true cost of developing parking spaces. The second change is an expansion to the number of zones that the cash in lieu provision apply to include the RM2 and RM3 zone. Thirdly, a change to where the funds go is being proposed, with 25% going to the Alternative Transportation Infrastructure Fund and the remaining 75% going towards the Off-street Parking Reserve. Finally staff are proposing to remove the section of the zoning bylaw providing a reduction in parking where providing a car share vehicle is included, until such time as there is a car share company operating in Penticton.

Proposal

Zoning Amendment Bylaw 2019-24 amends Zoning Bylaw 2017-08 as follows:

- Removes Section 6.1.2.2 Cooperative Vehicle Parking Spaces
- Amends Section 6.1.2.3 Cash-in-Lieu as follows:

In lieu of providing the required number of off-street vehicular parking spaces in the following zones RM2, RM3, RM4, RM5, C1 – C9 and M1-3 or bicycle parking in any zone, a property owner may provide the City a sum of money equal to the number of parking spaces not provided multiplied by the applicable cash in lieu amount as identified in Table 6.1. ~~The sum of money will be deposited in the Alternative Transportation Infrastructure Fund.~~ The sum of money will be deposited in the Off-street Parking Reserve and Alternative Transportation Infrastructure Reserve at the rate of 75% to the Off Street Parking Reserve and 25% to the Alternative Transportation Infrastructure Reserve.

Add Section 6.1.2.4

In the case of the RM2 and RM3 zones, the cash in lieu provision shall not lower the total number of parking spaces to below one space per dwelling unit.

Table 6.1 Cash in Lieu

Existing floor area converted to residential dwelling unit	New commercial, industrial and/or high density residential floor area	Class 1 bike parking space for new commercial and/or residential floor area
~~$6,000~~ $20,000	~~$6,000~~ $20,000	$500

Remove Section 14.5.4.1.ii

Financial implication

The proposed changes will provide additional funds to the City's Off-site Parking Reserve. The Off-street Parking Reserve currently has a balance of $124,577 at December 31, 2018. Funds held in that reserve are required to be used for the provision of new and existing off street parking spaces. The City's Alternative Transportation Infrastructure Fund currently has a balance of $53,666 at December 31 2018 and is required to be used for infrastructure that supports walking, biking, public transit or other forms of alternative transportation. In this case, alternative means alternatives to personal vehicles.

Consultation

Staff are recommending that if Council is satisfied with the direction of these changes that the bylaw be considered by the *Economic Prosperity and Development Services Advisory Committee* prior to being given second reading and being scheduled for a Public Hearing.

While no direct public consultation on these changes has been done, many of the concepts captured herein have come about based on the work done on the parking strategy (2017), which involved extensive consultation with the public and business community, as well as from comments from the public at open houses and public hearings when parking reductions are being proposed.

Staff are not recommending any further consultation prior to the Public Hearing on this bylaw, which will be scheduled after comment from the Economic Development and Development Services Advisory Committee is received.

Comparisons from other communities

The following table shows a comparison of approaches from other communities with regard to cash-in-lieu of parking:

Community	Cost per parking space	Comments
Kelowna	$22,500 in the downtown and $7,500 elsewhere	Goal to establish a cost of 75% of the cost of installing a spot, hence the higher cost in the downtown where parking is structured as opposed to surface.
Kamloops	$6,000	Directed to transit, cycle and walking facilities
Nanaimo	$3,000	Require to be within 600m from a parking facility
Langford	$11,000	Total overall parking may be reduced by 10%
Vernon	$10,000	Maximum of 50% of required spaces are permitted to be reduced and only for commercial uses
Vancouver	$20,200	Council support is required to accept the funds / approve the parking reduction

Analysis

The proposed changes reflected in the bylaw are based on the desire to create a more equitable system for reducing parking for new developments. The increase in the fee from $6,000 to $20,000 is a better reflection of the true costs to developers in providing parking and no longer financially incentivizes developers to provide less parking. The cash-in-lieu provision is there in those cases where there is legitimate need to reduce parking, for social and or urban design reasons – not necessarily for the developer to just save money. The increased amount allows for funds to flow towards increasing and improving off-street public parking as well as to support alternative transportation.

Adding the RM2 and RM3 zones into the program will reduce the amount of variance permit requests for parking and allow the City to receive funds for reductions in those zones as well. In those zones however, each residential unit will be required to have at least one parking space. The reduction is mainly for visitor parking.

With regard to the changes to the co-operative vehicle (car-share) program, the amendment reflects the fact that there are currently no car share companies operating in Penticton. As staff have investigated and researched the various car share models from other communities, it is becoming evident that until a co-op company offering shared vehicles begins operating in Penticton (or is started by the City itself), offering the incentive only creates confusion amongst the development community.

Council should be aware that these changes may have some unintended impacts. Increasing the fee for cash-in-lieu of parking may disincentive people from developing, or developing at a lower density than if the cash-in-lieu fee is not increased. The parking changes were originally made in 2011 to promote growth and development downtown and as part of a larger effort to eliminate barriers to develop downtown. Since that

time, there has been significant activity downtown, the reduction in the commercial parking requirements allowing for new commercial developments to take place on land that could not have accommodated anywhere near the required parking under the previous bylaws – the new breweries and cinema for example.

Also, with the change from funds going to the alternative transportation fund to a split between the alternative transportation and off-street parking reserve, Council may receive some criticism in reducing the amount going to alternative transportation infrastructure. It is with these questions in mind that staff are recommending referral to the Economic Development and Development Services Advisory Committee prior to second reading of the bylaw.

For the reasons listed above, staff are recommending first reading of the zoning amendment bylaw and referral of the bylaw to the Committee.

Alternate recommendations

Council has several options with regard to this matter and staff have provided some alternatives to consider rather than proceeding with the staff recommendation.

Alternative 1: THAT Council support the changes and send the bylaw to the July 16, 2019 Public Hearing, without referral to the Economic Prosperity and Development Services Advisory Committee.

Staff's recommendation is to have the applicable Advisory Committee provide comment on the proposed changes prior to the public hearing to ensure that the community most affected by the amendments has the opportunity to provide comment and advice to Council. Council however, may feel that it is not necessary for this. If that is the case, Council could refer this item directly to the public hearing. Staff are not recommending this alternative as the Committee's perspective is important to ensure no unintended consequences come out of the bylaw amendment.

Alternative 2: THAT Council support the increase to the cash-in-lieu provision but don't support the change to the co-operative car reductions

Under this scenario, Council could give directon to support the portion of the amendment bylaw that deals with the cash-in-lieu section but leave the incentive in for the co-operate car share. While it is important to incentivize co-operative car share initiatives, staff do not support leaving the parking reduction in place at this time. As stated above, there are no co-operate car share companies operating in Penticton and until such time as there are, having this section in the bylaw causes confusion for the development community.

THAT Council support the increase in fees and removal of the co-operative vehicle parking space reductions, but not support the inclusion of the RM2 and RM3 zones into the cash-in-lieu program.

Council may feel that expansion of the parking reduction incentives to the RM2 and RM3 zones is not warranted. If that is the case, Council could support all other aspects of the bylaw, but direct staff to amend the bylaw to remove those sections expanding the progam to the RM2 and RM3 zones. Staff do not support this as there have been several variances granted for parking redcutions in the RM2 and RM3 zones, where the City did not receive any funds in compensation. The way the bylaw is currently drafted, it is only the visitor parking that could be waived. Anytime parking is proposed to be less than one space per unit, Council approval is still required.

Attachments

Attachment A – Zoning Amendment Bylaw No. 2019-24

Respectfully submitted,

Blake Laven, MCIP, RPP
Planning Manager

Concurrence:

Director	CFO	Chief Administrative Officer
AH	JWB	DvD

The Corporation of the City of Penticton

Bylaw No. 2019-24

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. 2019-24".

2. **Amendment:**

Zoning Bylaw 2017-08 is hereby amended as follows:

2.1 Remove Section 6.1.2.2 Cooperative Vehicle Parking Spaces in its entirety.

2.2 Delete and replace Section 6.1.2.3 Cash-in-Lieu with the following:

In lieu of providing the required number of off street vehicular parking spaces in the following zones RM2, RM3, RM4, RM5, C1 – C9 and M1 - M3 or bicycle parking in any zone, a property owner may provide the City a sum of money equal to the number of parking spaces not provided multiplied by the applicable cash in lieu amount as identified in Table 6.1. The sum of money will be deposited in the Off-Street Parking Reserve and Alternative Transportation Infrastructure Reserve at the rate of 75% to the Off Street Parking Reserve and 25% to the Alternative Transportation Infrastructure Reserve.

2.3 Add Section 6.1.2.4:

In the case of the RM2 and RM3 zones, the cash in lieu provision shall not lower the total number of parking spaces to below one space per dwelling unit.

2.4 Delete and replace Table 6.1 Cash in Lieu with the following:

Existing floor area converted to residential dwelling unit	New commercial, industrial and/or high density residential floor area	Class 1 bike parking space for new commercial and/or residential floor area
$20,000	$20,000	$500

2.5 Delete Section 14.5.4.1.ii in its entirety.

READ A FIRST time this	day of	, 2019
A PUBLIC HEARING was held this	day of	, 2019
READ A SECOND time this	day of	, 2019
READ A THIRD time this	day of	, 2019
RECEIVED the approval of the Ministry of Transportation on the	day of	, 2019
ADOPTED this	day of	, 2019

Notice of intention to proceed with this bylaw was published on the __ day of ____, 2019 and the __ day of ____, 2019 in the Penticton Western newspaper, pursuant to Section 94 of the *Community Charter*.

Approved pursuant to section 52(3)(a) of the *Transportation Act*
this _____ day of _____, 2019

_____
for Minister of Transportation & Infrastructure

_____
John Vassilaki, Mayor

_____
Angie Collison, Corporate Officer

Council Report

penticton.ca

Date: June 18, 2019 File No: PRJ2018-256
To: Donny van Dyk, Chief Administrative Officer
From: Nicole Capewell, Planner 1
Address: 1050 Churchill Avenue
Subject: **Zoning Amendment Bylaw No. 2019-25**

Staff Recommendation

Zoning amendment

THAT "Zoning Amendment Bylaw No. 2019-25", a bylaw to add the following section to the R1 (Large Lot Residential) zone: 10.1.3.8 – "In the case of Lot A, District Lot 3 Group 7 SDY (Formerly Yale-Lytton) District Plan KAP74500, except Plan KAP89094, located at 1050 Churchill Avenue, a Bed and Breakfast Home shall be permitted", be given first reading and be forwarded to the July 2, 2019 Public Hearing;

AND THAT prior to adoption of "Zoning Amendment Bylaw No. 2019-25", frontage works including curbing and stormwater management are secured.

Sidewalk construction

THAT Council direct funds in the 2020 Capital Budget to extend the curb and gutter being installed by the developer to connect to the infrastructure on Riverside Drive (approximately $11,000).

Background

The subject property currently contains a single family dwelling, which was constructed in approximately 1945. The property was previously used to operate an emergency shelter by a non-profit organization, but has since been sold to a private home owner. The new owners of the property are intending to operate a bed and breakfast, offering 4 rooms for rent on a nightly basis. The owners are intending to live on site as their primary residence, and to also operate the business. The property is currently zoned R1 (Large Lot Residential). A Bed and Breakfast Home is not a permitted use in the R1 zone, so the property owners are requesting a site specific zoning amendment to permit the use.

The property had previously been zoned to allow for a bed and breakfast operation, however during the ownership by the non-profit organization a rezoning was completed to allow for an Emergency Shelter at the property.

The property is approximately 920m^2 (9,925 sq. ft.), which is a larger lot than the single family lots in the neighbourhood. The subject property borders onto a hotel to the west, and residential uses to the east and south. The subject property is within an established tourist accommodation area, which is primarily along Lakeshore Drive and extends up Riverside Drive. The City's current Official Community Plan (2002) designates the property as MFMD (Multi-Family Medium Density), and the surrounding neighbourhood is also designated MFMD and TC (Tourist Commercial) as indicated in Schedule 'C'.

Draft Official Community Plan (2019)

The Official Community Plan review currently underway includes the subject property within the Future Land Use category called 'urban residential'. The draft Official Community Plan describes the urban residential designation as "higher density 4-6 storey apartment neighbourhoods in high-amenity areas where construction is primarily wood frame". Compatible types of development include townhouses and stacked townhouses; low-rise and mid-rise apartment/condo buildings.

The draft Official Community Plan also includes the following policies which support the proposed application:

1. Policy 4.1.2.10: monitor vacation rentals to ensure they are not having a negative impact on the long-term rental stock or negative social impacts on existing neighbourhoods. Refine vacation rental policy and regulations if necessary.
2. Policy 4.1.5.1: recognize that traditionally single-family neighbourhoods will see intensification as the city grows, but ensure that new forms of residential development are compatible with the neighbourhood in scale and design and are appropriately location.

Proposal

The applicant is requesting the following amendment to Zoning Bylaw 2017-08:

Add Section:

"10.1.3.8 - In the case of Lot A District Lot 3 Group 7 SDY (Formerly Yale-Lytton) District Plan KAP74500, except Plan KAP89094, located at 1050 Churchill Avenue, a Bed and Breakfast Home shall be permitted."

Technical Review

This application was reviewed by the City's Technical Planning Committee. As part of the review, the property was identified as having a non-conforming driveway width, which had been previously identified by the Engineering Department (2004) and was never adjusted to conform. The driveway of the subject property is currently paved across the entire frontage (Attachment 'D'). The City's records of the non-conforming driveway width date back to 2004, when the City identified to the owner that the driveway well exceeded the maximum allowable width identified through the Subdivision and Development Bylaw. The Engineering Department at the time had identified storm water concerns as the subject property was not maintaining their storm water on site.

This section of Churchill Avenue currently does not contain any stormwater collection infrastructure, only stand-alone dry wells. The dry wells do not connect to any infrastructure, rather they collect stormwater and distribute back to the ground. The lack of stormwater collection on this section of Churchill Avenue makes it even more important for private properties to maintain all of their stormwater on site, as there is very limited city infrastructure to maintain the water. Approximately 5 years ago, a dry well was installed directly in front of 1050 Churchill Avenue due to the large amount of storm water runoff from the property.

The driveway was paved during a Building Permit that was approved for the property. The Building Permit that was approved, had two driveways with conforming widths. The driveway that was constructed was not to the approved Permit, and the property owners at the time paved the entire 24.4m frontage.

Staff had identified this concern to the applicant at the time of the site specific rezoning application, noting that this will likely become a condition of the zoning recommendation, to bring the driveway in conformance with the Bylaw standards, as much as possible.

Although the non-conforming driveway was completed well before the current property owners, the rezoning process is an opportunity for the City to work with the property owners to improve the situation. As such, Staff have included with the rezoning, a recommendation that Council include a provision to require the street frontage to receive curb and gutter improvements, at the cost of the applicant. This will include reducing the width of the driveway that currently exists to allow for two driveway access to the property, each measuring not more than 4.0m in width. The applicant has received a cost estimate of approximately $4,300.00 for the works directly along their street frontage (curb and gutter).

Further, staff are recommending that Council allocate funds to allow the City to connect the proposed works in front of 1050 Churchill Avenue to the infrastructure existing along Riverside Drive. This will create a more complete streetscape from Riverside Drive to 1050 Churchill Avenue. Without these works, the curb and gutter in front of 1050 Churchill Avenue will appear as an 'island' of curb and gutter in the middle of Churchill Avenue. Engineering staff have quoted this work to be approximately $11,000.00, and would be included in the 2020 Capital Budget. Figure 1 indicates the areas that the City would fund, and the applicant would fund for street improvements.

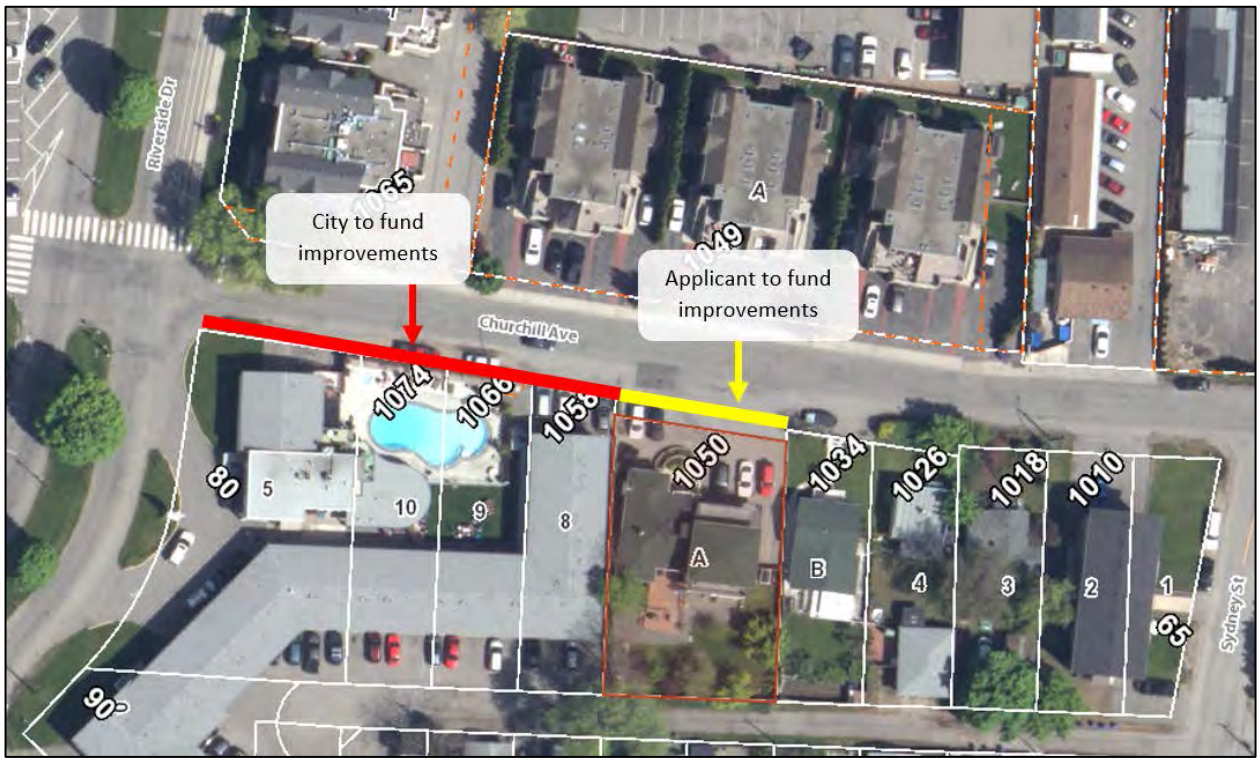


Figure 1 – Image of improvements proposed to be completed along Churchill Ave

While sidewalks on both sides of the street are ultimately the goal for this section of Churchill Avenue as identified by the Subdivision and Development Bylaw, the costs to install the sidewalks are out of scale to the scope of work for this approval. The curbing is required as there are stormwater management concerns. The sidewalks can / will be installed at a later date either through development (developer / property owner funded) or through a public works project. Any building permit in excess of $150,000 would trigger the requirement for sidewalks to be installed by a developer / property owner.

Financial Implication

The estimated cost for the installation of curb and gutter as identified in Figure 1 is estimated at $11,000. Staff are recommending that Council support this improvement by directing the project to be included in the 2020 capital budget. Staff see this as an opportunity to begin improving the streetscape along Churchill Avenue. The section of Churchill Avenue between Riverside Drive and Power Street has the feeling of a back lane to the tourist accommodations that front onto Lakeshore Drive to the north. The opportunity to add curb and gutter at this time, would slowly assist in transitioning the street to include a sense of pedestrian scale.

Analysis

Support Zoning Amendment Bylaw

The subject property is designated Multi-Family Medium Residential (MFMD) by the City's Official Community Plan Bylaw No. 2002-20. This designation encourages a mix of low density uses including single family dwellings, duplexes, and small scale neighbourhood commercial uses. Policies for the low density residential designation, which are supported through this application include:

1. Encourage a wide range of Medium Density Residential housing forms,
2. Encourage a wide range of housing tenures and organizational frameworks,
3. Institutional and commercial uses may be permitted in areas designated for Medium Density Residential, subject to approval of a rezoning application, with consideration of the following guidelines:
    a. The size, scale and scope of the proposed institutional/commercial use is compatible with the character of the area;
    b. The proposed institutional/commercial use will not have a negative impact including noise, unacceptable traffic generation or invasion of privacy on adjacent uses.

The proposal to allow for a Bed and Breakfast Home at this location does not conflict with the policies set out in the OCP for the MFMD (Multi-Family Medium Density Residential) designation and, as no exterior alterations of the home will be made, the proposal will expand the use of the property without affecting the current character of the neighbourhood.

The subject property is located just off of Riverside Drive and one block south of Lakeshore Drive, which encompasses a large area of tourist commercial zones. These areas primarily contain hotels, motels and other tourist accommodations and commercial businesses. The subject property is located directly adjacent to a hotel on the west, and single family residential on the east. As such, the subject property provides as a transition from the tourist accommodation to residential areas. The proposal to operate a Bed and Breakfast Home at 1050 Churchill Avenue provides an alternate type of tourist accommodation than the hotels/motels, within a mixed density area, while still maintaining the character of the single family home.

The use of a Bed and Breakfast in this area is supported as it is in a desirable tourist area, being near Lakeshore Drive, Okanagan Lake, the Trade and Convention Center, the Community Center, the downtown core, and other amenities and attractions in these areas. The location of the subject property encourages active methods of transportation including walking and biking.

The current R1 (Large Lot Residential) zoning of the subject property does not allow for a Bed and Breakfast Home, however it does allow the use vacation rental. With the operation of a vacation rental, the property owners are not required to be living on the property, and there can be a maximum of two persons per bedroom. Although the proposal to have a Bed and Breakfast Home requires a rezoning to allow for the use,

it is arguable that a Bed and Breakfast would have a lesser impact on the neighbourhood than a vacation rental would. As the owners will be living on the property, they are always onsite to regulate the activities and levels of noise occurring on the property.

The Zoning Bylaw (2017-08) allows for Bed and Breakfast Homes subject to the following regulations:

1. A Bed and Breakfast Home shall be operated as an accessory use within a single detached dwelling, with a maximum 4 sleeping units with accommodation for a maximum of two guests per sleeping unit.
2. The Bed and Breakfast Home should not change the residential character or external appearance of the dwelling.
3. The licensed operator of a Bed and Breakfast Home must reside in the dwelling in which the Bed and Breakfast operation is located.

The proposal at 1050 Churchill Avenue will meet all of the Bed and Breakfast Home regulations contained in the Zoning Bylaw. The applicants intend to provide 4 sleeping units for their Bed and Breakfast guests. The applicants are not making any changes to the outside of the home, which would change the residential character of the property.

Given the above, there is adequate policy through the OCP to support the proposal to rezone the subject property to allow for a Bed and Breakfast Home, and support is recommended for First Reading of "Zoning Amendment Bylaw No. 2019-XX".

Deny Zoning Amendment Bylaw

Council may consider that the proposed development is not appropriate for the subject property. If this is the case, Council should deny First Reading of Zoning Amendment Bylaw No. 2019-25".

Alternate Recommendations

Council may consider that the curbing extension in front of 80 Riverside Drive should also be funded by the property owner. This would result in the property owner paying approximately $15,300.00 to install curb and sidewalk from the eastern property line of 1050 Churchill Avenue, to connect with Riverside Drive. If this is the case, Council may choose to support Alternative Recommendation #1.

1. THAT Council approve the bylaw but require the curbing extension (from western property line of 1050 Churchill Avenue to Riverside Drive) to be the responsibility of the property owner rather than the City.

Council may consider that sidewalks on both sides of Churchill Avenue should be installed as part of the proposed infrastructure improvements for this application. If this is the case, Council may choose to increase the funds allocated from the 2020 Capital Budget to ~$28,200. This would include the cost of sidewalks from Riverside Drive to the eastern property line of 1050 Churchill Avenue. This alternative recommendation maintains the property owner paying ~$4,300 for the curb and gutter directly in front of their property and the City paying ~$11,000 for the curb and gutter to connect to Riverside Drive, plus the cost of sidewalk for the entire section of frontage improvements. If this is the case, Council may choose to support Alternative Recommendation #2.

2. THAT Council approve the bylaw and direct additional funds in the 2020 budget to install sidewalks from Riverside Drive to the eastern property line of 1050 Churchill Ave and the curb and gutter from Riverside Drive to the western property line of 1050 Churchill Avenue (~$28,200).

Council may choose to support the proposed development with other conditions that staff have not noted. If this is the case, Council may choose to support Alternative Recommendation #3 with conditions that Council feels are appropriate.

3. THAT Council give first reading to "Zoning Amendment Bylaw No. 2019-25", with conditions that Council feels are appropriate.

Council may consider that the proposed development is not appropriate for the subject property. If this is the case, Council may choose to support Alternative Recommendation #4.

4. THAT Council deny 'Zoning Amendment Bylaw No. 2019-25'.

Attachments

Attachment A:	Subject Property Location Map
Attachment B:	Zoning Map of Subject Property
Attachment C:	Official Community Plan Map of Subject Property
Attachment D:	Images of Subject Property
Attachment E:	Letter of Intent
Attachment F:	Proposed Site Plan
Attachment G:	Zoning Amendment Bylaw No. 2019-25

Respectfully submitted

Nicole Capewell
Planner 1

Approvals

Director Development Services	Chief Administrative Officer
AH	DvD

Attachment A – Subject Property Location Map



Figure 2 – Subject Property Highlighted in Red

Attachment B – Zoning Map of Subject Property

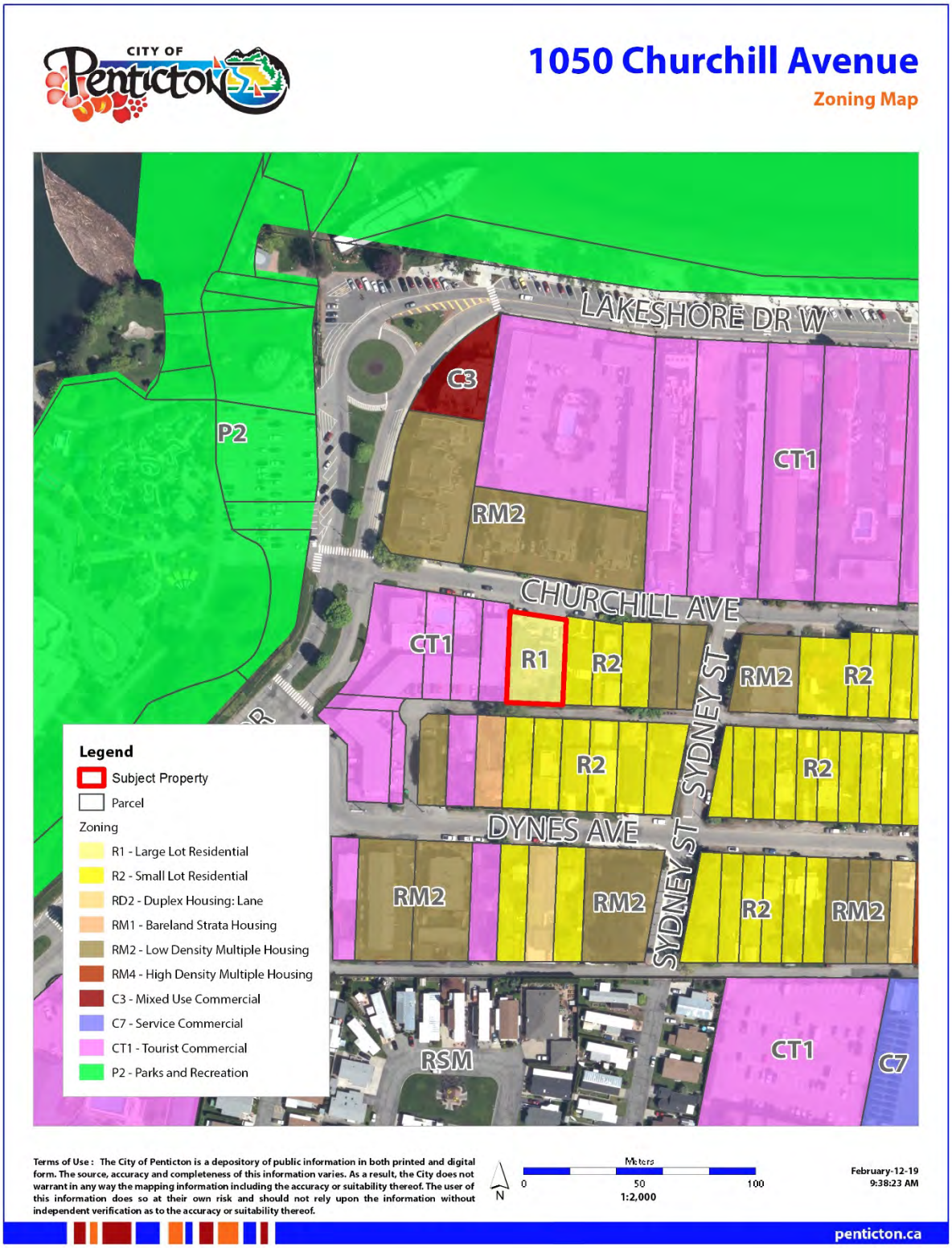


Figure 3 – Subject Property Currently Zoned R1 (Large Lot Residential)

Attachment C – Official Community Plan Map of Subject Property

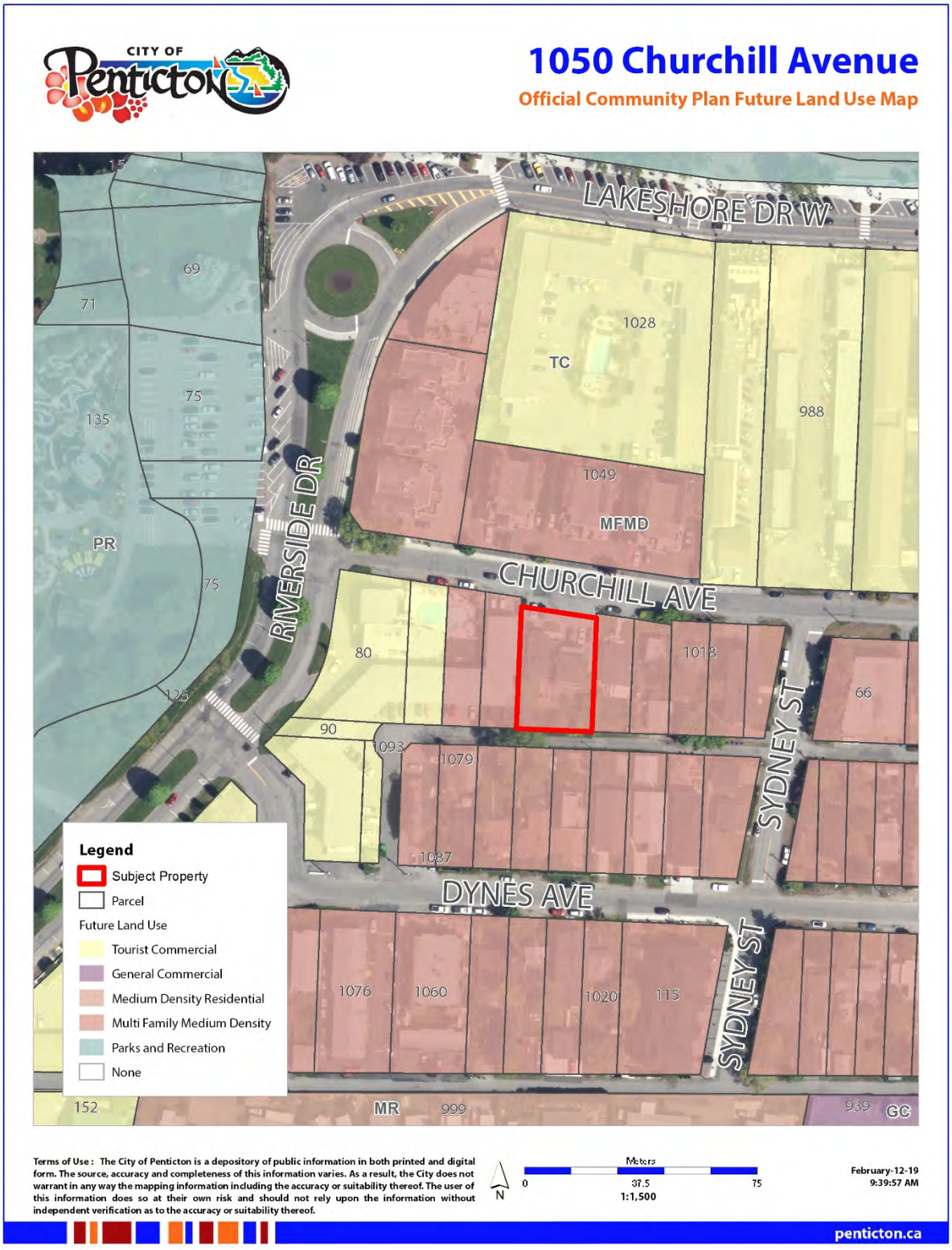


Figure 4 – Subject Property Currently Designated as MFMD (Multi-Family Medium Density Residential) within Official Community Plan

Attachment D – Images of Subject Property



Figure 5 – Looking at front of 1050 Churchill Ave from street

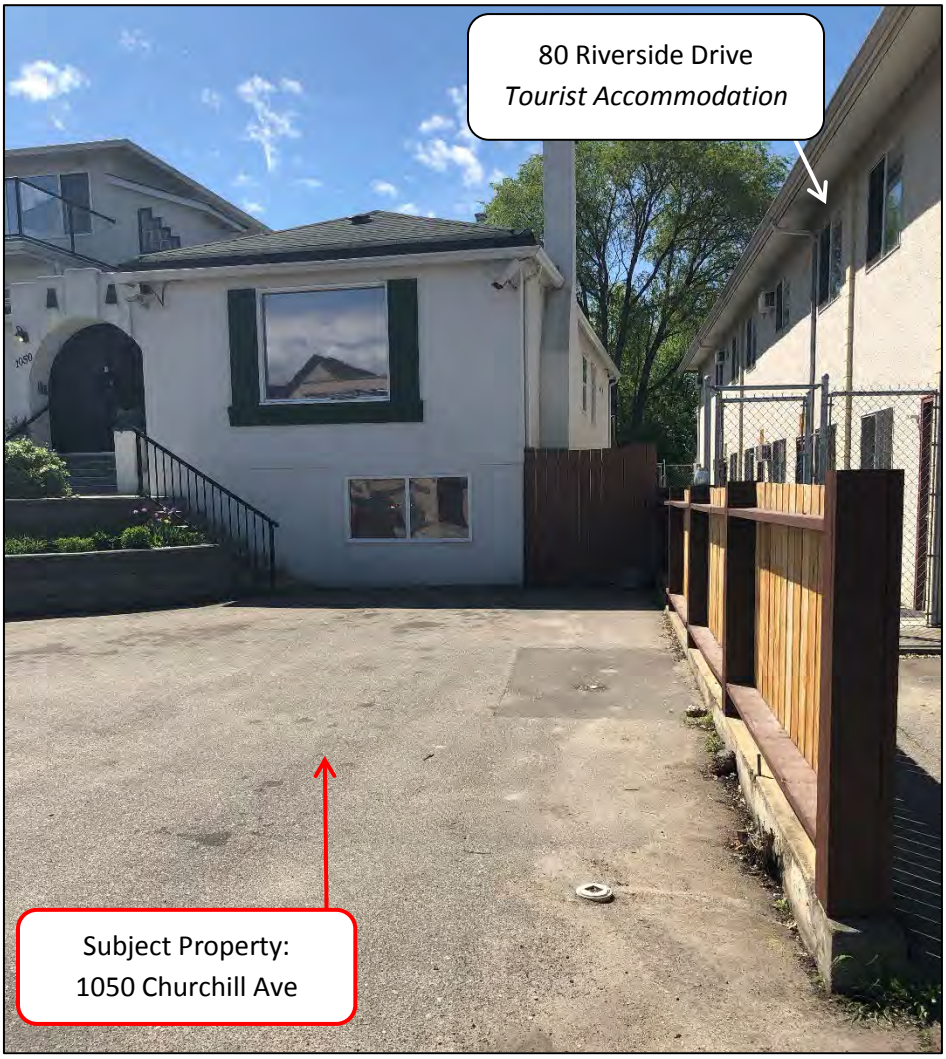


Figure 6 – Looking down western property line shared with 80 Riverside Drive

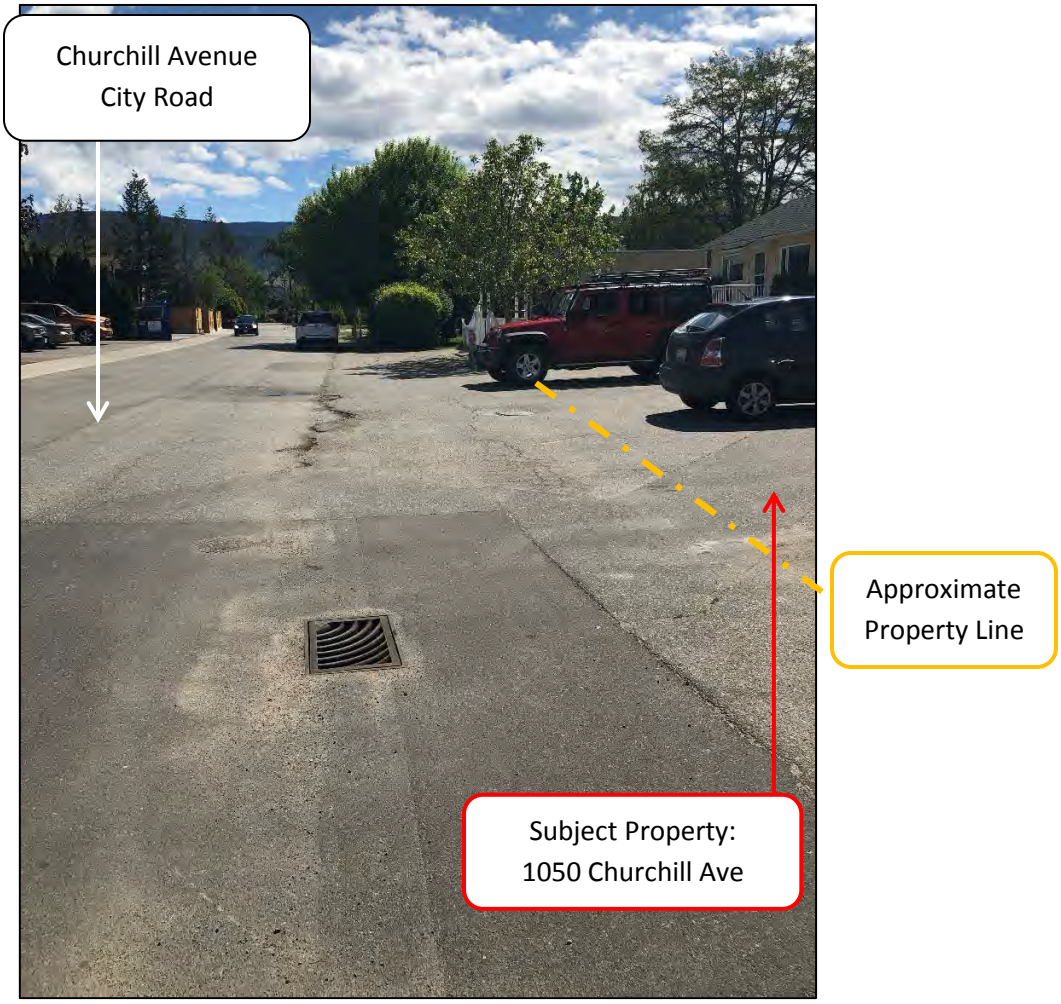


Figure 7 – Looking along front property line of 1050 Churchill Avenue



Figure 8 – Looking down eastern property line of 1050 Churchill Avenue

Attachment E – Letter of Intent

14th of December 2018.

To whom it may concern.

RE: 1050 Churchill Avenue,Penticton.

My family and I recently purchased 1050 Churchill from Sowins,who operated a refuge for women at the property. Prior to Sowins the property was operated as a 4 unit bed and breakfast .My daughter and I would like to revert the property back to a three bedroomed bed and breakfast business.We have discussed our proposal with the majority of our neighbour's and they have no objections to our proposal as it will improve the vibrancy ,cleanliness and security of the area.

Our very close proximity to Okanagan Lake with its tourist activity lends it's self to this use.To the west of us we have the Bowmont Motel,to the north we have Golden Sands Resort,Salty's Beach House,Black Sea Motel,Rochester Resort,Crown Motel and numerous other tourist related businesses.

Building work.

Our proposal does not involve any construction work or alteration to the building except cleaning and tidying up outside.

We have a fully functioning fire system in all areas of the property,up to city requirements and I enclose documentation of system checks and fire department inspections for 2018.

Parking lot.

The property has an 80ft frontage to Churchill Avenue,the parking lot is paved and is 2,900 sq ft.

We require one stall per room plus one for the owner,total of four at 171sq ft per spot=684sq ft.At these calculations we have more than enough parking stalls without encroaching on city property.

I attach plan showing designated parking spots.

Figure 9 – Letter of Intent

Attachment F – Conceptual Site Plan



Figure 10 – Conceptual Site Plan
(exact location of driveways to be determined with staff and property owner)

The Corporation of the City of Penticton

Bylaw No. 2019-25

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. 2019-25".

2. **Amendment:**

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

Add Section 10.1.3.8: "In the case of Lot A, District Lot 3 Group 7 SDY (Formerly Yale-Lytton) District Plan KAP74500, except Plan KAP89094, located at 1050 Churchill Avenue, a Bed and Breakfast Home shall be permitted."

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

READ A FIRST time this	day of	, 2019
A PUBLIC HEARING was held this	day of	, 2019
READ A SECOND time this	day of	, 2019
READ A THIRD time this	day of	, 2019
RECEIVED the approval of the Ministry of Transportation on the	day of	, 2019
ADOPTED this	day of	, 2019

Notice of intention to proceed with this bylaw was published on the __ day of ____, 2019 and the __ day of ____, 2019 in the Penticton Western newspaper, pursuant to Section 94 of the *Community Charter*.

John Vassilaki, Mayor

Approved pursuant to section 52(3)(a) of the *Transportation Act*
this _____ day of _____, 2019

_____
for Minister of Transportation & Infrastructure

Angie Collison, Corporate Officer

Site Specific Zoning Amendment (R1-Large Lot Residential Zone) to permit 'Bed and Breakfast Home' at 1050 Churchill Ave.



City of Penticton – Schedule 'A'

Zoning Amendment Bylaw No. 2019-25

Date: _____ **Corporate Officer:** _____

Memorandum

penticton.ca

To: Donny Van Dyk, Chief Administrative Officer
From: David Kassian, Community Sustainability Coordinator
Date: June 18, 2019
Subject: June 4, 2019 Notice of Motion from Councillor Sentes

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Notice of Motion from Councilor Sentes for consideration on June 18, 2019:

THAT Council direct staff to research and report back in the fall with the steps to reduce the use of plastic bags in Penticton.

Staff Memo:

Staff has completed a preliminary review of the proposed Notice of Motion and would like to provide the following information for Council's consideration when discussing this item on June 18th. The following information pertains to bans enacted by other Canadian municipalities, including but not limited to single-use plastic bags and single-use plastic straws.

British Columbia Single-Use Bag Bans

In British Columbia, six municipalities have successfully banned plastic shopping bags and other items including single-use plastic straws. The municipalities that have banned single-use plastic shopping bags are Victoria, Salmon Arm, and Saanich. Municipalities that have banned single-use plastic shopping bags and single-use plastic straws are Tofino, Ucluelet, and Qualicum Beach.

In the municipalities listed above, businesses are not permitted to give single-use plastic shopping bags to customers. Businesses can provide customers with a paper bag or a reusable shopping bag, but must charge a fee associated with either type of bag.

Of note is the single-use plastic bag ban in Victoria, which was met with opposition and a legal proceeding by the Canadian Plastic Bag Association (CPBA). The CPBA argued that the Bylaw was beyond the power of a municipality to pass given that the Bylaw was an environmental regulation and passed without the approval or agreement of the provincial government. The Court found that the Bylaw was properly characterized as one which regulated business, as defined in section 8(6) of the *Community Charter*, and the outcome of the Court ruling in favor of Victoria indicates that a properly crafted Bylaw regulating the use of single-use plastic bags are expected to be upheld on any challenge.

A key component in the process of banning single-use plastics is public engagement, specifically for businesses that provide shopping bags to customers upon checkout. Engagement by communities that

community stakeholders. There has been a small financial obligation involved with municipalities that launch a widespread communication campaign (Saanich, $20,000.00).

Federal Announcement on Single-Use Plastics Ban – 2021

The Federal Government announced on June 10, 2019, that Canada will ban harmful single-use plastics as early as 2021. The list of single use items that will be banned has not yet been released, but it may likely include plastic shopping bags, straws, and cutlery, as well as containers and cups made of expanded polystyrene.

The European Union implemented policy earlier this year to ban the 10 most common forms of plastic pollution on Europe's beaches, and it is this policy that the Federal Government will be modeling Canada's plastic ban on. While the European Union has not banned single-use plastic bags, materials that are banned include single-use plastic cutlery, single-use plastic plates, plastic straws, plastic cotton swabs, plastic balloon sticks, oxo-degradable plastics and food containers, and expanded polystyrene cups.

Impact of Bag Bans

Positive impacts associated with a single-use plastic bag ban are focused on creating a healthier environment and improving the City's recycling program. Banning shopping bags will lead to a decrease in the number of bags entering the landfill and natural environment. There may be a reduction of street side litter and will lead to an overall more aesthetically pleasing community. Single-use plastic bags are common in the curbside and multifamily recycling program, even though they are prohibited materials and must be brought to a depot location for recycling. As plastic bags are considered a contaminant in the Recycle BC program, there is a possibility that there can be fines levied against the City if the number of plastic bags is not reduced in the recycle stream.

Other effects associated with single-use plastic bag bans include a negative impact on customer convenience for those that prefer shopping bags upon checkout. There will be an increase in reusable shopping bags that may inadvertently be landfilled or that can become contaminated with food residue, posing a health risk. An increased enforcement presence may be required to ensure compliance by businesses, leading to increased costs associated to staff resources.

Staff Recommendation:

Environmental sustainability is a core component of Council's strategic priorities, and limiting single-use plastics in Penticton aligns with this priority. While the Federal Government is proposing to ban many single-use plastics within Canada, it has not yet been confirmed if single-use plastic bags will be amongst the banned items. Canada is modeling the plastics ban on the European Union model, which at this time does not include single-use shopping bags.

It is recommended that Staff proceed with developing a full report to bring back to Council in the fall regarding the banning of single-use shopping bags in Penticton.

David Kassian,
Community Sustainability Coordinator

Attachment: Summary of Municipalities

Jurisdiction	Type of Ban	Status	Links
Victoria	**Plastic bags** This is currently being challenged in court by Canadian Plastic Bag Association (June 2019). The CPBA lost in court in first bylaw challenge in 2018.	- In effect: July 1, 2018 - Fines: Jan 1, 2019 - Court: June 2019	- Webpage - CPBA Court Challenge 2018 - Bylaw - Amendment
Salmon Arm	**Plastic bag ban**	- Council reviewed bylaw and directed to proceed with engagement process. Final bylaw reading June 10, 2019	- Staff Report and Bylaw - Webpage
Tofino and Ucluelet	**Single Use Plastics** Plastic bags and straws.	- Voluntary compliance: June 8, 2019 - Enforcement: January 2020	- Webpage - Bylaw
Spruce Grove, Alta	**Single Use Plastics** plastic bags, plastic straws, and polystyrene containers and cups	- Project launched June 2019 - Currently in public engagement phase	- Webpage - News
Qualicum Beach	**Single Use Plastics** Plastic bags and straws.	- Bylaw adopted February 2019 - Ban in effect July 1, 2019	- Webpage - Bylaw - Brochure
Saanich	**Plastic bag ban**	- Bylaw into effect Jan, 2020 - Enforcement July, 2020	- Webpage - Bylaw - Council Report
Vancouver	**Single Use Plastics, Polystyrene** Plastic straws, polystyrene containers and cups	- April 30, 2019: Polystyrene ban in effect Jan. 1, 2020. Straws, April 2020.	- Webpage - Document links (bottom of page)