



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

Tuesday, September 3, 2019
at 1:00 p.m.

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

2. **Introduction of Late Items**

3. **Adoption of Agenda**

4. **Adoption of Minutes:**

4.1 Minutes of the August 20, 2019 Regular Council Meeting 1-5 Adopt

5. **Consent Agenda:**

Recommendation: THAT Council approve the Consent Agenda.

Consent Agenda:

- 1. Minutes of the August 20, 2019 Committee of the Whole Meeting;
- 2. Minutes of the August 20, 2019 Public Hearing Meeting.

6-9

6. **Committee and Board Reports**

7. **Correspondence**

8. **Staff Reports:**

Filice/Coates 8.1 Net Metering – kWh Bank 10-23

Staff Recommendation:

Option #1
THAT Council receive into the record the report titled “Net Metering – kWh Bank” dated September 3, 2019. (This maintains the current Wholesale Monetary bank billing method.)

Option #2
THAT Council direct staff to revert back to a Retail Monetary bank billing method and amend the Electric Utility Services Bylaw No. 2017-44 to purchase excess energy at the Retail Rate of energy appropriate to the Customers rate class;
AND THAT Council direct staff to report on the progress of net metering to Council in 2024.

Option #3

THAT Council direct staff to establish an average cost of power monetary bank and amend the Electric Utility Services Bylaw No. 2017-44 and the Fees and Charges Bylaw No. 2014-07 to purchase excess energy at the Penticton Electric Utilities average annual cost of power, which was \$0.0837/kWh in 2018; AND THAT Council direct staff to report on the progress of net metering to Council in 2024.

Option #4

THAT Council direct staff to amend the Electric Utility Services Bylaw No. 2017-44 and the Fees and Charges Bylaw No. 2014-07 to adopt the kWh bank Billing method with work to commence in 2019 with a planned implementation in 2020;

AND THAT Council direct staff to report on the progress of net metering to Council in 2024.

Option #5

THAT Council direct staff to amend the Electric Utility Services Bylaw No. 2017-44 and the Fees and Charges Bylaw No. 2014-07 to adopt the Net Monetary bank Billing method with work to commence in 2019 with a planned implementation in 2020;

AND THAT Council direct staff to report on the progress of net metering to Council in 2024.

- Moroziuk 8.2 Adjacent Property Owner Contribution Local Area Service Bylaw Policy 24-34
Staff Recommendation: THAT Council approve the "Adjacent Property Owner Contribution Local Area Service Bylaw Policy" dated September 3, 2019;
AND THAT Council give first, second and third reading to "Local Improvement Charge Repeal Bylaw No. 2019-28", a bylaw to repeal Bylaw No. 2525 and amendment Bylaw No. 2810 that sets out the percentage of the works to be charged as owners share.
- Collison 8.3 Appointment of Officers 35-36
Staff Recommendation: THAT Council appoint Donny van Dyk as Chief Administrative Officer for the City of Penticton;
AND THAT Council appoint Angie Collison as Corporate Officer for the City of Penticton;
AND THAT Council appoint Caitlyn Anderson as Deputy Corporate Officer for the City of Penticton;
AND THAT Council appoint Jim Bauer as Chief Financial Officer for the City of Penticton;
AND THAT Council rescind the appointments of Mitch Moroziuk and Ian Chapman as Deputy Approving Officer;
AND THAT Council appoint Audrey Tanguay, Senior Planner as the Deputy Approving Officer for the City of Penticton.
- Laven 8.4 Local Government Support for Cannabis Retail Stores 37-53
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:
- 101-351 Westminster Avenue W (Completely Cannabis Co.)
 - 310 Comox Street (Green House Cannabis Boutique)
 - 2150 Main Street (Starbuds)
- 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.

9. **Public Question Period**

10. **Recess Regular Council Meeting**

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

12. **Bylaws and Permits:**

Laven	12.1	Zoning Amendment Bylaw No. 2019-24 Re: cash in lieu	54-55	3 rd
Laven	12.2	Zoning Amendment Bylaw No. 2019-29 Re: 595 Vancouver Avenue	56-57	3 rd
Laven	12.3	Zoning Amendment Bylaw No. 2019-33 Re: 2800 Cedar Road	58-59	2 nd /3 rd /Adopt
Laven	12.4	Downtown Economic Investment Zone Amendment Bylaw No. 2019-31	60	Adopt
Laven	12.5	Road Closure (Westminster Ave E/Abbott/Van Horne Street) Bylaw No. 2019-32	61-62	Del/Sub Adopt

13. **Land Matters**

14. **Notice of Motion**

15. **Business Arising**

16. **Council Round Table**

17. **Public Question Period**

18. **Adjournment**

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

Tuesday, August 20, 2019
at 1:00 p.m.

Present: Mayor Vassilaki
Councillor Bloomfield
Councillor Kimberley
Councillor Regehr
Councillor Robinson
Councillor Sentes (arrived at 1:06 p.m.)
Councillor Watt

Staff: Donny van Dyk, Chief Administrative Officer
Angie Collison, Corporate Officer
Ken Kunka, Acting Director of Development Services
Angela Campbell, Controller
Blake Laven, Planning Manager
Mitch Moroziuk, General Manager of Infrastructure (left at 3:29 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

373/2019

It was MOVED and SECONDED

THAT Council adopt the agenda for the Regular Council Meeting held on August 20, 2019 as presented.

CARRIED UNANIMOUSLY

4. Recess to Committee of the Whole

Council recessed to a Committee of the Whole Meeting at 1:00 p.m.

5. Reconvene the Regular Council Meeting

Council reconvened the Regular Council Meeting at 1:52 p.m.

6. Adoption of Minutes:

6.1 Minutes of the August 6, 2019 Regular Meeting of Council

374/2019

It was MOVED and SECONDED

THAT Council adopt the minutes of the August 6, 2019 Regular Meeting of Council as presented.
CARRIED UNANIMOUSLY

7. Consent Agenda:

375/2019

It was MOVED and SECONDED

THAT Council approve the Consent Agenda:

1. Minutes of the August 6, 2019 Committee of the Whole Meeting;
2. Minutes of the August 6, 2019 Public Hearing Meeting;
3. Economic Prosperity and Development Services Advisory Committee Draft Minutes of July 19, 2019.

CARRIED UNANIMOUSLY

8. Committee and Board Reports

9. Correspondence

10. Staff Reports:

10.1 Net Metering

376/2019

It was MOVED and SECONDED

THAT Council receive into the record the report titled "Net Metering" dated August 20, 2019.

CARRIED UNANIMOUSLY

377/2019

It was MOVED and SECONDED

THAT Council direct staff to review kWh bank options for net metering customers.

CARRIED UNANIMOUSLY

10.2 Zoning Amendment Bylaw No. 2019-33
Re: 2800 Cedar Road

378/2019

It was MOVED and SECONDED

THAT "Zoning Amendment Bylaw No. 2019-33", a bylaw that rezone Lot 1, District Lot 2710, Similkameen Division Yale District Plan 14911, Except Plans 20725 and KAP66018 and EPP57171, located at 2800 Cedar Road, from A (Agriculture) to R1 (Large Lot Residential), be given first reading and be forwarded to the September 3, 2019 Public Hearing.

CARRIED UNANIMOUSLY

Councillor Kimberley left the meeting at 2:42 p.m.

10.3 ALR Subdivision PL2018-8401
Re: 3110 Valleyview Road

379/2019

It was MOVED and SECONDED

THAT Council provide support for the "ALR subdivision application PL2018-8401" made to the Agricultural Land Commission (ALC) for Block 202, District Lot 587, Similkameen Division Yale District, Plan 466, located at 3110 Valleyview Road.

CARRIED UNANIMOUSLY

Councillor Kimberley returned to the meeting at 2:44 p.m.

10.4 Road Closure (Westminster Ave E/Abbott/Van Horne Street) Bylaw No. 2019-32

380/2019

It was MOVED and SECONDED

THAT Council give first, second and third reading to "Road Closure (Westminster Ave E/Abbott/Van Horne Street) Bylaw No. 2019-32", a bylaw that closes portions of Westminster Avenue E, Van Horne Street and Abbott Street to facilitate a land swap and parking improvements.

CARRIED UNANIMOUSLY

10.5 Downtown Economic Investment Zone Amendment Bylaw No. 2019-31

381/2019

It was MOVED and SECONDED

THAT Council give first, second and third reading to "Downtown Economic Investment Zone Amendment Bylaw No. 2019-31", a bylaw that amends section 6 of "Downtown Economic Investment Zone Bylaw No. 2014-04" allowing incentives to developments subject to a building permit issued before March 1, 2018 and have been issued occupancy no later than June 30, 2020.

CARRIED

Mayor Vassilaki, Councillors Regehr and Kimberley, Opposed

10.6 Adjacent Property Owner Contribution Local Area Service Bylaw Policy

382/2019

It was MOVED and SECONDED

THAT Council sends the Adjacent Property Owner Contribution Local Area Service Bylaw Policy back to staff for further revisions to the percentage of owners share to be charged for urban collector roads.

CARRIED UNANIMOUSLY

11. Public Question Period

12. Recess to a Closed Meeting:

383/2019

It was MOVED and SECONDED

THAT Council recess at 3:29 p.m. to a closed meeting of Council pursuant to the provisions of the *Community Charter* section 90 (1) as follows:

- (a) personal information about an identifiable individual who holds or is being considered for a position as an officer, employee or agent of the municipality or another position appointed by the municipality;
- (b) personal information about an identifiable individual who is being considered for a municipal award or honour, or who has offered to provide a gift to the municipality on condition of anonymity;
- (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.

CARRIED UNANIMOUSLY

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

Council reconvened the Regular Council Meeting at 6:31 p.m.

14. Bylaws and Permits:

- 14.1 Zoning Amendment Bylaw No. 2019-29
Re: 595 Vancouver Avenue

384/2019

It was MOVED and SECONDED

THAT Council give second and third reading to "Zoning Amendment Bylaw No. 2019-29".

DEFEATED

Mayor Vassilaki, Councillors Regehr, Robinson, Kimberley, Sentes, Watt and Bloomfield, Opposed

385/2019

It was MOVED and SECONDED

THAT Council give second reading as amended (replacing Schedule A) to "Zoning Amendment Bylaw No. 2019-29";
AND THAT a second Public Hearing for "Zoning Amendment Bylaw No. 2019-29" be held on September 3, 2019.

CARRIED

Councillor Robinson, Opposed

- 14.2 Zoning Amendment Bylaw No. 2019-24
Re: cash in lieu

386/2019

It was MOVED and SECONDED

THAT Council give second reading to "Zoning Amendment Bylaw No. 2019-24" and be forwarded to the September 3, 2019 Public Hearing.

CARRIED UNANIMOUSLY

- 14.3 Council Remuneration and Expense Bylaw No. 2019-27

387/2019

It was MOVED and SECONDED

THAT Council adopt "Council Remuneration and Expense Bylaw No. 2019-27".

CARRIED UNANIMOUSLY

- 14.4 Heritage Advisory Committee Repeal Bylaw No. 2019-30

388/2019

It was MOVED and SECONDED

THAT Council adopt "Heritage Advisory Committee Repeal Bylaw No. 2019-30".

CARRIED UNANIMOUSLY

- 15. **Land Matters**
- 16. **Notice of Motion**
- 17. **Business Arising**
- 18. **Council Round Table**
- 19. **Public Question Period**
- 20. **Adjournment**

389/2019

It was MOVED and SECONDED

THAT Council adjourn the Regular Council meeting held on Tuesday, August 20, 2019 at 7:05 p.m.

CARRIED UNANIMOUSLY

Certified correct:

Confirmed:

Angie Collison
Corporate Officer

John Vassilaki
Mayor

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

Tuesday, August 20, 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
Angela Campbell, Controller
Ken Kunka, Acting Director of Development Services
Mitch Moroziuk, General Manager of Infrastructure
Blake Laven, Planning Manager
Caitlyn Anderson, Deputy Corporate Officer

1. **Call to order**

The Mayor called the Committee of the Whole meeting to order at 1:00 p.m.

2. **Adoption of Agenda**

It was MOVED and SECONDED

THAT the agenda for the Committee of the Whole meeting held on August 20, 2019 be adopted as presented.

CARRIED UNANIMOUSLY

3. **Delegations and Staff Presentations:**

3.1 Celebrating 110 years of Penticton Boy Scouts

Gerry Lamb, Irwin Hobden and Jan Hanna provided Council with a presentation on the Penticton Boy Scouts and the early plans for an event in 2020 celebrating 110 years of scouting in Penticton.

Councillor Sentes arrived at 1:06 p.m.

3.2 Animal Lifeline Emergency Response Team

Deborah McBride, Vice President, Animal Lifeline Emergency Response Team provided Council with a presentation on the services of the response team and would like the continued use of the space at 2330 Dartmouth Drive.

3.3 Penticton Wastewater Solids Review Project

David Lycon, Senior Wastewater Process Engineer, Water, AECOM and Len Robson, Public Works Manager provided Council with a presentation on Wastewater Solids Review Project.

4. **Adjourn to Regular Meeting**

It was MOVED and SECONDED

THAT Council adjourn the Committee of the Whole meeting held August 20, 2019 at 1:52 p.m. and reconvene the Regular Meeting of Council.

CARRIED UNANIMOUSLY

Certified correct:

Confirmed:

Angie Collison
Corporate Officer

John Vassilaki
Mayor

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

Tuesday, August 20, 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
Angela Campbell, Controller
Ken Kunka, Acting 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. 2019-29.

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

2. "Zoning Amendment Bylaw No. 2019-29" (595 Vancouver Avenue)

The purpose of "Zoning Amendment Bylaw No. 2019-29" is to amend Zoning Bylaw No. 2017-08 as follows:

Rezone "Proposed Lot 1" of Lot A, District Lot 202 Similkameen Division Yale District, Plan 37662, 595 Vancouver Avenue from R1 (Large Lot Residential) to R3 (Small Lot Residential: Lane) and rezone "Proposed Lot 2 and 3" of Lot A, District Lot 202 Similkameen Division Yale District, Plan 37662, 595 Vancouver Avenue from R1 (Large Lot Residential) to R2 (Small Lot Residential) as identified on Schedule 'A' of this bylaw.

The Corporate Officer advised that since the printing of the agenda thirty-five letters have been received and distributed to Council – twenty-four in opposition and eleven letters of support.

DELEGATIONS

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

- Rob Cesnik, Architect, Hastings Avenue, on behalf of applicant, held an open house last week to address the concerns of the residents and spoke in support of the application.
- Lynn Kelsey, Oakville Street, spoke in support of the application.

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

- Joannie Cutler, Vancouver Avenue, concerns with the property at 601 Vancouver Avenue, will the owner be responsible for retaining walls and other items around the property.
- Marioula Dimopoulos, on behalf of Ross and Evelyn Axworthy, Vancouver Avenue, spoke in support of the application.

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

- Gerry Bate, Vancouver Avenue, moved to Penticton for lifestyle and benefits of Penticton. Approve of appropriate development, but believe this application is out of character of the neighbourhood. Detrimental to views and concerned with traffic in area. Does not want to set a precedent.
- Dori Lionello, relator with Royal LePage, read into the record the letter from Jeff Shemilt. From a real estate point of view, good for more lots to be walking distance to downtown.
- Vancouver Avenue, concerns with her backyard and hope the developers will work together with the neighbours.
- Joannie Cutler, Vancouver Avenue, would like to know how many people are in support that are affected in the neighbourhood.

The public hearing for “Zoning Amendment Bylaw No. 2019-29” was terminated at 6:31 p.m. and no new information can be received on this matter.

Certified correct:

Confirmed:

Angie Collison
Corporate Officer

John Vassilaki
Mayor

Council Report

penticton.ca

Date: September 3, 2019
To: Donny van Dyk, Chief Administrative Officer
From: Shawn Filice, Manager – Electric Utility
Amber Coates, Revenue Supervisor
Subject: **Net Metering – kWh Bank**

File No: 5500-01

It is requested that Council select from the following options:

Option #1

THAT Council receive into the record the report titled “Net Metering – kWh Bank” dated September 3, 2019. (This maintains the current Wholesale Monetary bank billing method.)

Option #2

THAT Council direct staff to revert back to a Retail Monetary bank billing method and amend the Electric Utility Services Bylaw No. 2017-44 to purchase excess energy at the Retail Rate of energy appropriate to the Customers rate class;

AND THAT Council direct staff to report on the progress of net metering to Council in 2024.

Option #3

THAT Council direct staff to establish an average cost of power monetary bank and amend the Electric Utility Services Bylaw No. 2017-44 and the Fees and Charges Bylaw No. 2014-07 to purchase excess energy at the Penticton Electric Utilities average annual cost of power, which was \$0.0837/kWh in 2018;

AND THAT Council direct staff to report on the progress of net metering to Council in 2024.

Option #4

THAT Council direct staff to amend the Electric Utility Services Bylaw No. 2017-44 and the Fees and Charges Bylaw No. 2014-07 to adopt the kWh bank Billing method with work to commence in 2019 with a planned implementation in 2020;

AND THAT Council direct staff to report on the progress of net metering to Council in 2024.

Option #5

THAT Council direct staff to amend the Electric Utility Services Bylaw No. 2017-44 and the Fees and Charges Bylaw No. 2014-07 to adopt the Net Monetary bank Billing method with work to commence in 2019 with a planned implementation in 2020;

AND THAT Council direct staff to report on the progress of net metering to Council in 2024.

A summary of the above-mentioned options are outlined in Table 1.

Table 1: Net Metering Alternative Comparisons

Options	1	2	3	4	5
Facts	Wholesale monetary bank Billing (Current Process)	Retail monetary bank Billing (Previous Process)	Avg. Cost of Power monetary bank Billing	kWh Bank Billing	Net monetary bank Billing
Annual Residential Customer Cost (20 customers)	\$851.41	\$569.71	\$737.56	\$618.40	\$706.85
Annual Commercial Customer Cost (14 Customers)	\$4,169.23	\$1,410.14	\$3,234.74	\$3,955.09	\$2,328.88
Software Changes Required	No	No	No	Yes	Yes
Time to Implement	2 months	2 months	2 months	6+ months	6+ months

Strategic priority objective

Asset and Amenity Management: Identify service levels and costs for all community owned assets and services.

Community Design: Utilize best management practices and strategies related to climate change adaptation and mitigation activities.

Community Design: Encourage environmentally sustainable development including renewable energy initiatives.

Background

Net Metering occurs when a customer has the ability to produce their own electricity (i.e. solar panels) and either reduce their consumption of City delivered electricity, or produce enough electricity to cover their consumption and in periods of low usage and high energy production; sell their excess electricity back to the City.

A monetary bank allows Customers to track the monthly monetary credits they receive on their energy bills and apply those monetary credits against future energy expenses. This monetary bank behaves exactly the same as the kWh bank but provides Customers with the opportunity to use these monetary credits in other areas of their household expenses and not restricted to the cost of energy. A monetary bank does not require any billing software modifications or manual calculations.

A kWh bank allows Customers to virtually store a credit of excess energy produced during summer months to be used in winter months to offset their energy purchases. It should be noted that although the Customer is storing a credit for the excess energy delivered to the grid, the energy itself is not being stored; it is being consumed in real time by other Customers (i.e. the Utility purchases less energy from FortisBC). When the net metered Customer draws the credit out of their bank at Retail rates in the Winter, the utility is purchasing this excess energy at wholesale rates thus causing the non-net metered Customers to subsidize the difference in costs between Retail and

Wholesale rates (i.e. the Utility purchases more energy from FortisBC). A kWh bank will require a billing software change or manual calculations.

On December 6, 2010 the City of Penticton adopted its first Net Metering Bylaw No. 2010-86. (See Attachment A for a listing of the Council resolutions Re: Net Metering)

On March 19, 2019 Council adopted the new Electric Utility Bylaw No. 2017-44 which incorporated the Net Metering language from the Subdivision and Development Bylaw No. 2004-81. (See Attachment B for a listing of the Council resolutions Re: Electric Utility Services Bylaw)

On July 16, 2019 Council directed staff to return to Council with a report in response to information received from a delegation requesting changes to the Electric Utility Bylaw No. 2017-44 as it pertains to Net Metering.

On August 20, 2019 staff presented a report entitled “Net Metering” to Council recommending no action be taken to avoid further subsidies being offered to Net Metered Customers. Council passed Resolution 377/2019 that directed staff to review kWh bank options for Net Metered Customers.

It was suggested that ‘kWh Bank” billing for Net Metered Customers be performed manually versus upgrading the City’s billing software at a cost of \$60,000. This concept has been explored and it has been determined that manual bill calculations will cost at least \$7,000 per year when you factor in staff time and labor rates to manually calculate and mail special bills to 34 customers. This cost is projected to increase to an estimated \$20,000 per year in 10 years time when we are projecting that there will be 100 Net Metered Customers. For the reasons of cost projections, increased potential for calculation errors, and inefficient use of labor resources, the concept of manual bill calculations is not supported by staff.

Based on the direction by Council August 20, 2019 staff have identified and analyzed five (5) billing method options with a goal of achieving the desired objective for net metering customers while minimizing the cost to implement. These alternatives include – wholesale monetary bank billing (Current Process), retail monetary bank billing (Previous Process), average cost of power monetary bank billing, kWh bank billing, and net monetary bank billing methods. Table 5 explains the various billing methods, how the monetary banks and/or kWh banks work and provides the Pros/Cons associated with each method.

Table 2 provides a summary of Provincial Net Meter Programs.

Table 2: Summary of Provincial Net Meter Programs

Company	Buy (\$/kWh)	Sell (\$/kWh)	Bank	Comments
BCHydro Two Tiered Rate	0.0999 ↓ 0.03	0.0945 (675kWh) 0.1417 (>675kWh)	Yes	Uses a formula to calculate the allowable size of the solar array. On April 20, 2019 BCHydro applied to the BC Utilities Commission to reduce the Purchase rate down to \$0.03 (Mid-Columbia Market Price)
FortisBC Two Tiered Rate	0.05098	0.1012 (1,600kWh) 0.1562 (>1,600kWh)	Yes	No limit on the size of the bank. Limit the size of the array to not exceed the Customer’s load. Until 2018, FortisBC used to purchase excess energy from Net Metered Customers at the retail rate.
Summerland Two Tiered Rate	0.05338	0.1191 (1,000kWh) 0.1310 (>1,000kWh)	Yes	

Company	Buy (\$/kWh)	Sell (\$/kWh)	Bank	Comments
Nelson	0.1013	0.1013	No	Size limited to 20kVA
New Westminster	0.1089	0.1089	No	Size limited to 50kW
Grand Forks	0.05338	0.1203	Yes/No	4,000kWh credit applied annually
Penticton	0.05338	0.1284	No	10% early payment discount. 50kVA limit

kWh banks work for FortisBC and BCHydro because they have two tiered rates and they own generation and transmission assets. Offering kWh banks help them avoid paying the higher energy tier rates when purchasing excess energy plus paying a premium for excess energy is less than the cost of paying for new generation and transmission assets. The Penticton Electric Utility derives no financial benefit as they do not have tiered rates nor do they own generation or transmission assets.

Table 3 provides a direct comparison of the City of Penticton’s and the District of Summerland’s Net Metering Programs.

Table 3: Net Metering Comparison between Summerland and Penticton

Item	Summerland	Penticton	Comments
Array Size	30kW	50kW	CoP more flexible
Service Size	<200A single Phase	No restriction	CoP more flexible
Type of Customers	Residential	Residential & Commercial	CoP more flexible. 50% of CoP Net Meter Customers are Commercial
# of Net Meter Customers	24	34	
Payment Plan/Loan	No	Yes	CoP is the ONLY utility that offers this
Purchase Excess Energy	Wholesale	Wholesale	Equal
Building Permit	No	Yes	CoP more restrictive
Connection Costs	Paid by Customer	Paid by Customer	Equal
Two Tiered Pricing	Yes	No	Customers prefer single tier pricing
kWh bank	Yes	No	Summerland offers a bank because it was cost prohibitive to modify their billing system and cost prohibitive to manually calculate bills. They indicated they would prefer monthly reconciliation similar to CoP. It is noted that Summerland uses a different billing system than the CoP
Monetary bank	No	Yes	CoP does not restrict the monetary banks to the cost of energy
Disconnect location specified by Utility	No	Yes	CoP provides an added level of safety for our electrical employees
Metering Methodology	See Table 5 for the “kWh Bank Billing Methodology”	See Table 5 for the “Current Billing Methodology”	

Tables C.a (Residential) and D.a (Commercial) found in Attachments C and D show the electrical consumption (i. e. metering data) of randomly selected existing Residential and Commercial Net Meter Customers respectively. When

the values in the “Net” column are negative this means the Customer produced more energy than they consumed in that particular month (i.e. Table C.a (Residential) shows this occurring June through October).

Tables C.b (Residential) and D.b (Commercial) found in Attachments C and D provide bill comparisons using the five (5) alternative Net Metering billing methodologies, noting the following:

- The 10% early payment discount and the monthly fixed fees are not included
- Delivered, Received & Net values are captured during the meter reading process
- The calculations presented are using E10 Residential Rates (Attachment C) and E20 Commercial Rates (Attachment D)
- Delivered energy Rate (i.e. Retail Rate) = \$0.1284/kWh (Residential) & \$0.1429/kWh (Commercial)
- Wholesale Rate = \$0.05338
- Average Cost of Power = \$0.0837/kWh. This is calculated using the total annual Cost of Power divided by the total number of kilo-Watt-hours consumed in a year. This amount includes the variable energy costs plus the demand charges and monthly fixed charges.

A summary of annual alternative billing calculations is found in Table 4, noting the lower the annual cost of energy the greater the subsidy to the net meter customer.

Table 4: Summary of Annual Alternative Billing Calculations for Residential and Commercial Customers

Options	1	2	3	4	5
Facts	Wholesale monetary bank Billing (Current Process)	Retail monetary bank Billing (Previous Process)	Avg. Cost of Power monetary bank Billing	kWh Bank Billing	Net monetary bank Billing
Annual Residential Customer Cost (20 Customers)	\$851.41	\$569.71	\$737.56	\$618.40	\$706.85
Annual Commercial Customer Cost (14 Customers)	\$4,169.23	\$1,410.14	\$3,234.74	\$3,955.09	\$2,328.88

Table 5 compares the various billing methods by explaining how the bills get calculated, how the monetary banks and/or kWh banks work and provides the Pros/Cons associated with each method.

Table 5: Comparison of the Alternative Billing Methods

Alternative Billing Method	How it works	Pros	Cons
Option #1 Wholesale monetary bank Billing (Current Process)	<ul style="list-style-type: none"> • Delivered energy is billed at the Retail Rate and energy Received is purchased at the Wholesale Rate 	<ul style="list-style-type: none"> • Non-Net Meter Customers are not subsidizing the ROI for Net Metered Customers 	<ul style="list-style-type: none"> • Does not allow for the banking of excess energy consumed

Alternative Billing Method	How it works	Pros	Cons
Res = \$851.41/yr Comm = \$4,169.23/yr	<ul style="list-style-type: none"> • Credit balances (i.e. \$ monetary banks are carried over to the next bill) 	<ul style="list-style-type: none"> • No additional costs to modify the billing software • Credit balance carried over on utility bill creating greater visibility to the customer 	
Option #2 Retail monetary bank Billing (Previous Process) Res = \$569.71/yr Comm = \$1,410.14/yr	<ul style="list-style-type: none"> • Delivered energy is billed at the Retail Rate and energy Received is also purchased at the Retail Rate • Credit balances (i.e. \$ monetary banks are carried over to the next bill) 	<ul style="list-style-type: none"> • No additional costs to modify the billing software • Credit balance carried over on utility bill creating greater visibility to the customer 	<ul style="list-style-type: none"> • Non-Net Meter Customers are subsidizing the ROI for Net Metered Customers
Option #3 Average Cost of Power monetary bank Billing Res = \$737.56/yr Comm = \$3,234.74/yr	<ul style="list-style-type: none"> • Delivered energy is billed at the Retail Rate and energy Received is purchased at the Average Cost of Power Rate • Credit balances (i.e. \$ monetary banks are carried over to the next bill) 	<ul style="list-style-type: none"> • No additional costs to modify the billing software • Credit balance carried over on utility bill creating greater visibility to the customer 	<ul style="list-style-type: none"> • Non-Net Meter Customers will subsidize Net Meter Customers
Option #4 kWh Bank Res = \$618.40/yr Comm = \$3,955.09/yr	<ul style="list-style-type: none"> • When a Customer produces excess energy (i.e. Received > Delivered or Net <0) the "Net" amount gets added to the kWh bank • When a Customer consumes more energy than they produce (i.e. Delivered > Received or Net >0) the "Net" amount gets removed from the bank • The kWh bank cannot go below "0". • When the kWh bank = 0 the Delivered energy is 	<ul style="list-style-type: none"> • Allows for annual banking of excess energy consumed • With a software modification net metered customers will see the kWh bank • If the calculation is done manually on an annual basis customer will only see kWh bank balance annually 	<ul style="list-style-type: none"> • Expensive to modify the billing software (\$60,000) and will involve a significant amount of staff time • The software modifications will be paid by all electrical customers and only benefit Net Metered Customers. • Non-Net Meter Customers will subsidize Net Meter Customers

Alternative Billing Method	How it works	Pros	Cons
	billed at the Retail Rate and energy Received is purchased at the Wholesale Rate		
<p>Option #5</p> <p>Net monetary bank Billing</p> <p>Res = \$706.85/yr Comm = \$2,328.88/yr</p>	<ul style="list-style-type: none"> • When a Customer produces excess energy (i.e. Net <0) the “Net” value is multiplied by the Wholesale Rate • When a Customer consumes more energy than they produce (i.e. Net >0) the “Net” value is multiplied by the Retail Rate • Credit balances (i.e. \$ monetary banks are carried over to the next bill) 	<ul style="list-style-type: none"> • Allows for monthly banking of excess energy consumed • With a software modification net metered customers will see the kWh bank • If the calculation is done manually on an annual basis customer will only see kWh bank balance annually 	<ul style="list-style-type: none"> • Expensive to modify the billing software (\$60,000) and will involve a significant amount of staff time • Manual calculations were examined and not recommended • The software modifications will be paid by all electrical customers and only benefit Net Metered Customers. • Non-Net Meter Customers will subsidize Net Meter Customers

Financial implication

All of the above options excluding the Wholesale monetary bank billing (Current Process) method will require Non-Net Meter Customers to subsidize Net Metered Customers. The less the Customer pays annually for power, the greater the subsidy, see Table 4.

Analysis

The Wholesale monetary bank Billing (Current Process) method results in no cost increases and offers no cross subsidization between Customers.

Wholesale (Current), Retail (Previous) and Average Cost of Power monetary bank Billing Methods require no modifications to the billing software and can be implemented quickly.

Net monetary bank and kWh Billing methods require billing software modifications that will take at least 6 months to implement or require manual calculations.

Recommendation

No staff recommendation is provided and it is requested that Council select from the options presented at the top of page 1.

Attachments

Attachment A – Council Resolutions Re: Net Metering - June 21, 2010 (826/2010); October 4, 2010 (1193/2010); November 15, 2010 (1359/2010); December 6, 2010 (1448/2010) and March 21, 2011 (296 & 297/2011)

Attachment B – Council Resolutions Re: Electric Utility Services Bylaw No. 2017-44 - October 3, 2017 (536/2017); January 23, 2018 (22, 24 & 25/2018); February 6, 2018 (49/2018); February 5, 2019 (38/2019), March 19, 2019 (173/2019) and August 20, 2019 (376, & 377/2019).

Attachment C – Residential Customers Consumption & Sample Billing Calculations for 1 year


Attachment D - Commercial Customers Consumption & Sample Billing Calculations for 1 year

Respectfully submitted,

Shawn Filice, MBA, P. Eng.
Manager – Electric Utility

Amber Coates
Revenue Supervisor

Concurrence

General Manager of Infrastructure 	CFO 	Chief Administrative Officer 
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ATTACHMENT A – COUNCIL RESOLUTIONS RE: NET METERING

June 21, 2010 Council Resolution (826/2010)

826/2010

It was MOVED and SECONDED

That the BC Climate Action Charter Compliance Advisory Committee recommends to council that the City of Penticton:

1. Set a deadline of September 30, 2010 to implement net metering on its electrical utility.

2. Have available a guide outlining the standards and procedures of becoming a net metered customer

3. Encourage its citizens to reduce carbon emissions by making it free for the producers of low carbon energy to become a net metered customer

CARRIED UNANIMOUSLY

October 4, 2010 Council Resolution (1193/2010)

1193/2010

It was MOVED and SECONDED

THAT Bylaw 2010-69 being the City of Penticton 2000 Fees and Charges Amendment Bylaw, Electric Utility Rate to reflect a 2.9% increase be adopted.

The Net metering portion of the amendment reads as follows:

NET METERING

Energy Credit – The City will apply a credit for the purchase of power from all City customers at the rate that the City purchases power from the City’s electrical provider. No additional City Fees will be applied for participating in the Net Metering program. Customers will be responsible for all on-site costs of their Distribution Generation system including design, permits and installation.

CARRIED

Mayor Ashton, Councilors Vassilaki and Albas, Opposed

November 15, 2010 Council Resolution (1359/2010)

1359/2010

It was MOVED and SECONDED

THAT Schedule G, Section 00600 – Electrical, of Subdivision and Development Bylaw 2004-81 be amended by adding a new Subsection 7.0 as contained in Attachment “A” to the Council Report;

AND THAT City of Penticton Subdivision and Development Amendment Bylaw No. 2010-86 be introduced and read for the first, second and third time.

CARRIED UNANIMOUSLY

December 6, 2010 Council Resolution (1448/2010)

1448/2010

It was MOVED and SECONDED

THAT Bylaw No. 2010-86 being a bylaw to Subdivision and Development Bylaw 2004-81, Schedule G, Section 00600 – Electrical be adopted

CARRIED UNANIMOUSLY

March 21, 2011 Council Resolution (296/2011)

296/2011

It was MOVED and SECONDED

That the BC Climate Action Charter Compliance Advisory Committee recommends to council that:

the city of Penticton's electric utility adopt the same Net Metering policies as FortisBC and BCHydro;

AND THAT specifically, the utility will credit customers for net green energy they produce at their existing retail rate and that other additional expenses (including metering) be paid by the electrical utility

**CARRIED
Councilor Albas, Opposed**

March 21, 2011 Council Resolution (297/2011)

297/2011

It was MOVED and SECONDED

That the BC Climate Action Charter Compliance Advisory Committee recommends that council:

work with committee members to evaluate ways of implementing a net metering rebate program

**CARRIED
Councilor Albas, Opposed**

ATTACHMENT B – COUNCIL RESOLUTIONS RE: ELECTRIC UTILITY SERVICES BYLAW No. 2017-44

October 3, 2017 Council Resolution (536/2017)

536/2017 **It was MOVED and SECONDED**

THAT Council give first reading to “Electric Utility Services Bylaw No. 2017-44”;

AND THAT Council direct staff to consult with the community on the proposed electrical changes prior to second and third reading of the bylaw.

CARRIED UNANIMOUSLY

January 23, 2018 Council Resolutions (22/2018, 24/2018 and 25/2018)

22/2018 **It was MOVED and SECONDED**

THAT Council direct staff to consolidate the “Residential/Special Service” and the “Residential” definitions in the Electric Utility Services Bylaw No. 2017-44;

AND THAT Rate Code 15 be removed from the Fees and Charges Bylaw No. 2014-07.

CARRIED UNANIMOUSLY

24/2018 **It was MOVED and SECONDED**

THAT net metering connection costs remain as proposed in the Electric Utility Services Bylaw No. 2017-44;

AND THAT the rate the Electric Utility purchases excess energy from Net Metered Customers remain as proposed in the Electric Utility Services Bylaw No. 2017-44;

AND THAT Billing Net Metered Customers remain as proposed in the Electric Utility Services Bylaw No. 2017-44.

**CARRIED
Councillor Martin, Opposed**

25/2018 **It was MOVED and SECONDED**

THAT Council direct staff to proceed with the proposed changes prior to further consideration of Electric Utility Services Bylaw No. 2017-44.

**CARRIED
Mayor Jakubeit and Councillor Martin, Opposed**

February 6, 2018 Council Resolution (49/2018)

49/2018 **It was MOVED and SECONDED**

THAT Council give second reading as amended and third reading to the “Electric Utility Services Bylaw No. 2017-44”;

AND THAT Council give first, second and third reading to the "Subdivision and Development Amendment Bylaw No. 2018-08" which is a Bylaw to amend the "Subdivision and Development Bylaw No. 2004-81" as it pertains to Net Metering;

AND THAT Council give first, second and third reading to "Fees and Charges Amendment Bylaw No. 2018-09" which is a Bylaw to amend the "Fees and Charges Bylaw No. 2014-07" as it pertains to Appendix 7 – Electricity;

AND THAT Council direct staff to forward the "Electric Utility Services Bylaw No. 2017-44" to the Minister of Municipal Affairs and Housing for approval.

CARRIED
Mayor Jakubeit, Opposed

February 5, 2019 Council Resolution (38/2019)

38/2019 **It was MOVED and SECONDED**

THAT Council rescind third reading and give third reading as amended to the "Electric Utility Services Bylaw No. 2017-44";

AND THAT Council direct staff to forward the "Electric Utility Services Bylaw No. 2017-44" to the Minister of Municipal Affairs and Housing for approval.

CARRIED UNANIMOUSLY

March 19, 2019 Council Resolution (173/2019)

173/2019 **It was MOVED and SECONDED**

THAT Council adopt "Electric Utility Services Bylaw No. 2017-44";

AND THAT Council adopt "Subdivision and Development Amendment Bylaw No. 2018-08";

AND THAT Council adopt "Fees and Charges Amendment Bylaw No. 2018-09".

CARRIED UNANIMOUSLY

August 20, 2019 Council Resolutions (376/2019 and 377/2019)

376/2019 **It was MOVED and SECONDED**

THAT Council receive into the record the report titled "Net Metering" dated August 20, 2019.

CARRIED UNANIMOUSLY

377/2019 **It was MOVED and SECONDED**

THAT Council direct staff to review kWh bank options for net metering customers.

CARRIED UNANIMOUSLY

ATTACHMENT C – RESIDENTIAL CUSTOMERS CONSUMPTION & SAMPLE BILLING CALCULATIONS FOR 1 YEAR

Table C.a Residential Customers Consumption

Month	Delivered to the Customer	Received from the Customer	Net (Delivered – Received)	kWh Bank
15-May-19	806	386	420	0
15-Apr-19	719	213	506	0
15-Mar-19	757	21	736	0
15-Feb-19	1,601	15	1,586	0
15-Jan-19	1,403	14	1,389	0
14-Dec-18	1,320	59	1,261	200
15-Nov-18	592	225	367	1,461
15-Oct-18	210	374	-164	1,828
14-Sep-18	307	390	-83	1,664
15-Aug-18	244	644	-400	1,581
15-Jul-18	92	703	-611	1,181
15-Jun-18	141	711	-570	570
TOTAL	8,192	3,755	4,437	

Table C.b Sample Residential Alternative Annual Billing Calculations

Options	1	2	3	4	5
Month	Wholesale monetary bank Billing (Current Process)	Retail monetary bank Billing (Previous Process)	Avg. Cost of Power monetary bank Billing	kWh Bank Billing	Net monetary bank Billing
15-May-19	82.89	53.93	71.18	82.89	53.93
15-Apr-19	80.95	64.97	74.49	80.95	64.97
15-Mar-19	96.08	94.50	95.44	96.08	94.50
15-Feb-19	204.77	203.64	204.31	204.77	203.64
15-Jan-19	179.40	178.35	178.97	153.72	178.35
14-Dec-18	166.34	161.91	164.55	0.00	161.91
15-Nov-18	64.00	47.12	57.18	0.00	47.12
15-Oct-18	7.00	-21.06	-4.34	0.00	-8.75
14-Sep-18	18.60	-10.66	6.78	0.00	-4.43
15-Aug-18	-3.05	-51.36	-22.57	0.00	-21.35
15-Jul-18	-25.71	-78.45	-47.03	0.00	-32.62
15-Jun-18	-19.85	-73.19	-41.41	0.00	-30.43
ANNUAL CUSTOMER COST	\$851.41	\$569.71	\$737.56	\$618.40	\$706.85

ATTACHMENT D – COMMERCIAL CUSTOMERS CONSUMPTION & SAMPLE BILLING CALCULATIONS FOR 1 YEAR

Table D.a Commercial Customers Consumption

Month	Delivered to the Customer	Received from the Customer	Net (Delivered – Received)	kWh Bank
15-May-19	676	5,946	-5,270	8,972
15-Apr-19	733	4,435	-3,702	3,702
15-Mar-19	1,059	1,023	36	0
15-Feb-19	1,083	687	396	0
15-Jan-19	934	493	441	59
14-Dec-18	855	1,355	-500	500
15-Nov-18	5,485	2,177	3,308	0
15-Oct-18	6,088	2,011	4,077	0
14-Sep-18	8,120	1,534	6,586	0
15-Aug-18	7,673	3,222	4,451	0
15-Jul-18	4,289	3,453	836	0
15-Jun-18	3,694	4,485	-791	791
TOTAL	40,689	30,821	9,868	

Table D.b Sample Commercial Alternative Annual Billing Calculations

Options	1	2	3	4	5
Month	Wholesale monetary bank Billing (Current Process)	Retail monetary bank Billing (Previous Process)	Avg. Cost of Power monetary bank Billing	kWh Bank Billing	Net monetary bank Billing
15-May-19	-220.80	-753.08	-401.08	0.00	-281.31
15-Apr-19	-131.99	-529.02	-266.46	0.00	-197.61
15-Mar-19	96.72	5.14	65.71	96.72	5.14
15-Feb-19	118.09	56.59	97.26	109.66	56.59
15-Jan-19	107.15	63.02	92.20	0.00	63.02
14-Dec-18	49.85	-71.45	8.77	0.00	-26.69
15-Nov-18	667.60	472.71	601.59	667.60	472.71
15-Oct-18	762.63	582.60	701.65	762.63	582.60
14-Sep-18	1078.46	941.14	1031.95	1,078.46	941.14
15-Aug-18	924.48	636.05	826.79	924.48	636.05
15-Jul-18	428.58	119.46	323.88	315.54	119.46
15-Jun-18	288.46	-113.03	152.48	0.00	-42.22
ANNUAL CUSTOMER COST	\$4,169.23	\$1,410.14	\$3,234.74	\$3,955.09	\$2,328.88

Council Report

penticton.ca

Date: September 3, 2019 File No: 1610
To: Donny van Dyk, Chief Administrative Officer
From: Mitch Moroziuk, General Manager of Infrastructure
Subject: **Adjacent Property Owner Contribution Local Area Service Bylaw Policy**

Staff Recommendation

THAT Council approve the "Adjacent Property Owner Contribution Local Area Service Bylaw Policy" dated September 3, 2019;

AND THAT Council give first, second and third reading to "Local Improvement Charge Repeal Bylaw No. 2019-28", a bylaw to repeal Bylaw No. 2525 and amendment Bylaw No. 2810 that sets out the percentage of the works to be charged as owners share.

Strategic priority objective

Asset & Amenity Management: Promote continuous improvement on our Asset Management process.

Background

On August 6, 2019 Council considered the adoption of the "Adjacent Property Owner Contribution Local Area Service Bylaw" at that meeting and passed Council Resolution 361/2019 which postponed consideration of the policy until the August 20, 2019 Council meeting, see Attachment D. On August 20, 2019 Council considered the policy again and passed Council Resolution 382/2019 which sent the Policy back to staff for further revisions to the percentage of owners share to be charged for arterial roads, see Attachment E.

Staff have actioned Council's resolution. The policy attached to this Council report dated September 3, 2019 has been amended to make the owners share for the replacement of an Urban Collector Residential Road 0% and to make the owners share for the replacement of curb, gutter and sidewalk on an Urban Collector Residential road 25% consistent with downtown and in commercial areas.

This policy is once again ready for the consideration of Council.

As each Local Area Service requires its own Bylaw to implement it is no longer necessary to have Bylaws 2525 and 2810 and they should be repealed.

Financial implication

Analysis

Staff from three departments have worked to create a Council Policy that sets direction as to what percentage should be charged as owners share for various types of capital works, have set out how the interest rate should be determined and have set out considerations to be made prior to advancing a Local Area Service Bylaw. The Council Policy has considered past practice, what other municipalities do and Utility Rate Review work and fairness to the adjacent resident. The proposed policy has undergone legal review and is now ready for the consideration of Council.

Should Council wish they could decide not to adopt the policy and send the matter back to staff with direction.

Alternate recommendations

THAT Council not adopt the policy and send the policy back to staff with specific direction.

Attachments

Attachment A –Adjacent Property Owner Contribution Local Area Service Bylaw Policy

Attachment B – Bylaw No. 2525 and amending Bylaw No. 2810

Attachment C – Local Improvement Charge Repeal Bylaw No. 2019-28

Attachment D – Council Resolution 361/2019

Attachment E – Council Resolution 382/2019

Respectfully submitted,

Mitch Moroziuk P.Eng. MBA
General Manager of Infrastructure

Concurrence

<p>A/Director of Development Services</p> <p><i>KK</i></p>	<p>A/CFO</p> <p><i>AMC</i></p>	<p>Chief Administrative Officer</p> <p>DyD</p>
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Attachment A –Adjacent Property Owner Contribution Local Area Service Bylaw Policy



Council Policy



Approval date: September 3, 2019

Resolution No.

Subject: Adjacent Property Owner Contribution Local Area Service Bylaw Policy

Goal

To provide guidance to staff on how to address funding amounts from benefitting properties through the Local Area Service Bylaw process for the different categories of infrastructure construction.

Scope

This Policy sets out:

- The percentage of owners share to be charged to benefitting property owners for improvements such as: Water, Sanitary, Storm, Roads and Lanes, Curb, Gutter and Sidewalk, Street Lighting, Electrical Distribution, Landscaping and Street Furniture;
- The interest rate to be charged for Local Area Service Bylaws; and
- How annual bylaw administration costs vs. annual revenues received will be considered when determining if a Local Area Service Bylaw should be implemented.

As each project progresses through the design phase, this Council Policy will be used as a guideline to determine if and how to bring a Local Area Service Bylaw to Council for their consideration in advance of tendering the work.

Policy

Percentage of Owner Share

Part 7, Division 5 - Local Service Taxes, of the *Community Charter* [SBC 2003] Chapter 26 sets out the mechanism by which a municipal government may establish a Local Service Tax for the provision of services that a Council considers to provide a particular benefit to a part of the municipality and are to be paid for in whole or in part by a local service tax. The municipality must adopt a bylaw that describes the service, defines the boundaries of the service and identifies the method of cost recovery and the portion of the costs for the service that are to be recovered as a Local Service Tax.

The City of Penticton had two bylaws in place: Bylaw 2525, August 26, 1968 and Bylaw 2810, August 9, 1971 that set out the percentage of the works to be charged as owners share. As part of the adoption of this Council Policy these two bylaws have been repealed and the City will use this Council Policy to guide decisions on the percentage of the works to be charged as owners share and the interest rate to be used. Project specific bylaws will be used to address the other requirements of the *Community Charter*.

This Council Policy only applies to construction that is to take place in an existing built up area. This Council Policy is not to be used for the construction of infrastructure that is part of the development of raw land, that process is governed by Subdivision and Development Bylaw 2004-81.

In setting the percentage of the works to be charged as owners share in this Council Policy City staff considered: City of Penticton Bylaw 2525 and Bylaw 2810; other percentages charged as owners share from five historic Special Area Bylaws; and a review of how sixteen other municipalities address the percentage charged as owners share.

City staff also considered the impact of the percentage charged as owners share: on adjacent owners; if the infrastructure being upgraded benefits those beyond the immediate are; the likelihood of the project proceeding; and the type of service being proposed replacement, upgrade or new.

Table 1 shows the suggested percentages as owner's share to be used when drafting Local Service Area Bylaws. Any costs that are not the owners share will be funded by the City and are subject to budget approval.

Table 1		
Infrastructure Item	% as Owners Share of Design, Supply and Install Cost	Comments
WATER (Includes all aspects of the Water System including but not limited to: Mains, Appurtenances, Treatment, Pumping and Storage)		
Water replacement of existing	0%	Funded through water rates.
Water new 150mm dia in a residential OCP or zoned area	100%	Providing a new service, water to the area, adjacent owners should pay 100% of a 150mm dia residential water main.
Water new greater than 150mm dia in a residential OCP or zoned area	100% of the cost of a 150mm water main	Providing a new service, water to the area, adjacent owners should pay 100% of a 150mm dia residential water main. Any oversizing funded from the Water Utility.
Water new 200mm dia in a non-residential OCP or zoned area	100%	Providing a new service, water to the area, adjacent owners should pay 100% of a 200mm dia non-residential water main.
Water new greater than 200mm dia in a non-residential a OCP or zoned area	100% of the cost of a 200mm water main	Providing a new service, water to the area, adjacent owners should pay 100% of a 200mm dia non-residential water main. Any oversizing funded from the Water Utility.

Infrastructure Item	% as Owners Share of Design, Supply and Install Cost	Comments
SANITARY (Includes all aspects of the Sanitary System including but not limited to: Mains, Appurtenances, Treatment and Pumping)		
Sanitary Sewer replacement of existing	0%	Funded through sanitary sewer rates.
Sanitary Sewer new 200mm dia in a residential OCP or zoned area	100%	Providing a new service, sanitary sewer to the area, adjacent owners should pay 100% of a 200mm dia residential sanitary sewer main.
Sanitary Sewer new greater than 200mm dia in a residential OCP or zoned area	100% of the cost of a 200mm sanitary sewer main	Providing a new service, sanitary sewer to the area, adjacent owners should pay 100% of a 200mm dia residential sanitary sewer main. Any oversizing funded from the Sanitary Sewer Utility.
Sanitary Sewer new 250mm dia in a non-residential OCP or zoned area	100%	Providing a new service, sanitary sewer to the area, adjacent owners should pay 100% of a 250mm dia non-residential sanitary sewer main.
Sanitary Sewer new greater than 250mm dia in a non-residential OCP or zoned area	100% of the cost of a 250mm sanitary sewer main	Providing a new service, sanitary sewer to the area, adjacent owners should pay 100% of a 250mm dia non-residential sanitary sewer main. Any oversizing funded from the Sanitary Sewer Utility.

Infrastructure Item	% as Owners Share of Design, Supply and Install Cost	Comments
STORM (Includes all aspects of the Storm Water System including but not limited to: Mains, Appurtenances, Treatment, Storage, Pumping and Attenuation)		
Storm Sewer replacement of existing	0%	Funded through storm sewer rates.
Storm Sewer new 250mm dia any OCP or zoned area	100%	Providing a new service, storm sewer to the area, adjacent owners should pay 100% of a 250mm dia storm sewer main.
Storm Sewer new greater than 250mm dia in any OCP or zoned area	100% of the cost of a 250mm storm sewer	Providing a new service, storm sewer to the area, adjacent owners should pay 100% of a 250mm dia storm sewer main. Any oversizing funded from the Storm Sewer Utility.

Infrastructure Item	% as Owners Share of Design, Supply and Install Cost	Comments
ROADS and LANES (Includes all aspects of the Road System including but not limited to: Lanes, Medians, Bike Lanes, Bike Facilities, Retaining Walls, Street Furniture, Signs, Line Painting and Transit Facilities)		
Road replacement of existing in the downtown commercial or urban center OCP or zoned areas	0%	Funded from General Revenue, consistent with past Downtown projects.
Road replacement of existing in industrial and commercial OCP or zoned areas	0%	To be funded from General Revenue, consistent with the approach taken in the Downtown.
Replacement of an Urban Collector Residential Road	0%	This type of roadway runs thru a residential area and provides access to areas beyond. The roadway provides a benefit to a much wider range of users and the adjacent property owner should not contribute to its replacement.
Road replacement of existing in all other areas	25%	Other areas are a lower priority and there should be an adjacent owner contribution. The City will work with those that want to contribute.
Road upgrade from gravel to paved roads	50%	Consistent with past Pentiction Industrial Development Area projects.
Lane replacement of existing	100%	Lanes are a low priority and will only be replaced with a 100% adjacent owner contribution.
Lane upgrade from gravel to paved lanes	100%	Lanes are a low priority and will only be upgraded with a 100% adjacent owner contribution.

Infrastructure Item	% as Owners Share of Design, Supply and Install Cost	Comments
CURB GUTTER AND SIDEWALK (Includes all aspects of the Curb, Gutter and Sidewalk System including but not limited to: Curbs, Sidewalks, Trails, Paths, Stairs, Retaining Walls, Street Furniture and Signs)		
Curb gutter and or sidewalk replacement of existing in the downtown commercial or urban center OCP or zoned areas	25%	Adjacent owner contribution consistent with past Downtown projects.
Curb gutter and or sidewalk replacement of existing in the industrial and commercial OCP or zoned areas	25%	Consistent with the approach taken in the Downtown.
Curb gutter and or sidewalk replacement of existing on an Urban Collector Residential Road	25%	Consistent with the approach taken in past Downtown projects.

Curb gutter and or sidewalk replacement of existing in all other areas	35%	Other areas are a lower priority and there should be an adjacent owner contribution. The City will work with those that want to contribute.
Curb gutter and or sidewalk new installation	50%	Consistent with past Penticton Industrial Development Area projects.

Infrastructure Item	% as Owners Share of Design, Supply and Install Cost	Comments
STREET LIGHTING (Includes all aspects of the Street Lighting System including but not limited to: Standard and Decorative Street Lights, Pedestals, Wire and Connection Boxes)		
Street lighting replacement	0%	Funded through General Revenue.
Street lighting upgrade to decorative in the downtown commercial or urban center OCP or zoned areas	25%	Adjacent owner contribution consistent with past Downtown projects.
Street lighting upgrade to decorative all other areas	100% of the cost difference between standard and decorative street lighting	Providing a new standard, decorative street lighting, to the area, adjacent owners should pay 100% of the cost of the difference between the cost of a decorative street light and a standard street light.
Street lighting new	100%	Providing a new service, street lighting, benefitting owners should pay 100% of the cost.

Infrastructure Item	% as Owners Share of Design, Supply and Install Cost	Comments
ELECTRICAL DISTRIBUTION (Includes all aspects of the Electrical Distribution System including but not limited to: Poles, Cross Arms, Insulators, Voltage Regulators, Wire, Conduit, Vaults, Pedestals, Plug Ins, and Transformers)		
Electrical distribution system replacement	0%	Funded through the Electrical Reserve
Electrical distribution new	100%	Providing a new service, electrical distribution, benefitting owners should pay 100% of the cost.

Infrastructure Item	% as Owners Share of Design, Supply and Install Cost	Comments
LANDSCAPING and STREET FURNITURE (Includes all aspects of the Landscaping System including but not limited to: Fill Material, Top Soil, Fertilizer, Tree Wells and Grates, Trees, Shrubs, Grasses and Flowers, Retaining Walls and Street Furniture)		
Landscaping replacement to same standard as existed prior to construction	0%	Funded through General Revenue.
Landscaping upgrade to a higher standard than existed prior to construction	80% of the cost difference between the higher standard and existing landscaping less the cost of any new tree installation	Adjacent property owner pays 80% toward the increased landscaping standard they are getting less any costs associated with adding trees to improve the tree canopy.
Landscaping new to Subdivision and Development Bylaw Standard	100%	Providing a new service, landscaping, benefitting owners should pay 100% of the cost.
Landscaping new to a standard higher than the Subdivision and Development Bylaw Standard	100% less the cost of any new tree installation	Adjacent property owner pays for the increased landscaping standard they are getting less any costs associated with adding trees to improve the tree canopy.

In situations where the OCP or zoning is different from one side of the street to the other the amount paid as owner share may also be different from each side of the street and will be consistent with the percentage amounts set out in Table 1.

Interest Rate to Charge

When setting up a Local Area Service Bylaw the recommended interest rate used to determine the annual amount to charge benefitting properties shall be the Business Prime rate plus 0.5% unless there is an Interest Rate Policy in place in which case the interest rate in the Interest Rate Policy shall be used.

Administration Costs vs Revenue

When considering if a Local Area Service Bylaw should move forward to the public process consideration will be given to the annual cost of administering the bylaw vs. the annual revenue received. A Local Area Service Bylaw should not move forward to the public process if there is not a suitable spread between the cost to administer and the revenue received.

Previous revisions

Certified Correct

Angie Collison, Corporate Officer

Attachment B – Bylaw No. 2525 and amending Bylaw No. 2810

THE CORPORATION OF THE CITY OF PENTICTON
BY-LAW NO. 2525

A BY-LAW OF THE CORPORATION OF THE CITY OF PENTICTON TO ESTABLISH CHARGES FOR EACH CLASS OF WORK UNDERTAKEN AS A LOCAL IMPROVEMENT.

WHEREAS section 594 of the "Municipal Act" provides that the Council shall not undertake any class of work pursuant to Division (1) of Part XVI unless it has by general by-law applicable to all works of that class established the proportion of the cost of the class of work to be specially charged against the parcels benefiting from or abutting the work as the owners portion of the cost of the work.

NOW THEREFORE the Council of the Corporation of the City of Penticton in open meeting assembled ENACTS as follows:-
1. The proportion of the cost to be specially charged against the parcels benefiting from or abutting the classes of work listed hereunder shall be as follows:-

CLASS OF WORK	PROPORTION TO BE CHARGED AS OWNERS SHARE
A. Concrete Curb & Gutter (Frontage)	60% of Cost
B. Concrete Curb & Gutter (Flankage)	40% of Cost
C. Concrete Sidewalk (Frontage)	60% of Cost
D. Concrete Sidewalk (Flankage)	40% of Cost
E. Ornamental Street Lighting	50% of Cost
F. Local Neighbourhood Parks	75% of Cost
G. Domestic Water Mains	100% of Cost up to 6" line
H. Off-Street Parking	100% of Cost
I. San Sewer Service Connections	100% of Cost
J. Domestic Water Service Connections	100% of Cost

2. This By-law may be cited as "Local Improvement Charge By-law, No. 1 1968".

Read a first, second and third times by the Municipal Council on the 26th day of August, 1968.

Reconsidered and finally passed by the Municipal Council this 3rd day of September, 1968.

F. D. Stuart
MAYOR

H. S. Andrew
CLERK

AMENDED BY BY-LAW No. 2810

THE CORPORATION OF THE CITY OF PENTICTON
BY-LAW NO. 2810

A BY-LAW OF THE CORPORATION OF THE CITY OF PENTICTON TO AMEND BY-LAW NO. 2525

WHEREAS it is deemed expedient to amend By-law No. 2525. THEREFORE the Municipal Council of the Corporation of the City of Penticton in open meeting assembled ENACTS as follows:-

- That paragraph 1 of By-law No. 2525 be amended by adding thereto as Item I, the following:-
"I. Sanitary Sewer Service Connections - 100% of cost".
- That paragraph 1 of By-law No. 2525 be amended by adding thereto as Item J, the following:-
"J. Domestic Water Service Connections - 100% of cost".

Read a first, second and third times by the Municipal Council on the 2nd day of August, 1971.

Reconsidered and finally passed by the Municipal Council this 9th day of August, 1971.

F. D. Stuart
MAYOR

C. James Sewell
Acting-CLERK.

I, C. James Sewell, Acting-Clerk of the Corporation of the City of Penticton, hereby certify the within to be a true and correct copy of By-law No. 2810 signed by the Mayor and Clerk and sealed with the seal of the said Corporation on the 9th day of August, 1971.

C. James Sewell
ACTING-CLERK.

Attachment D – Council Resolution 361/2019

Adjacent Property Owner Contribution Local Area Service Bylaw Policy

361/2019

It was MOVED and SECONDED

THAT Council postpone consideration of Adjacent Property Owner Contribution Local Area Service Bylaw Policy to the August 20, 2019 Regular Council Meeting.
10.6

CARRIED UNANIMOUSLY

Attachment E – Council Resolution 382/2019

Adjacent Property Owner Contribution Local Area Service Bylaw Policy

382/2019

It was MOVED and SECONDED

THAT Council sends the Adjacent Property Owner Contribution Local Area Service Bylaw Policy back to staff for further revisions to the percentage of owners share to be charged for urban collector roads.

CARRIED UNANIMOUSLY

Council Report

penticton.ca

Date: September 3, 2019
To: Donny van Dyk, Chief Administrative Officer
From: Angie Collison, Corporate Officer
Subject: **Appointment of Officers**

File: 0550-02

Staff Recommendation

THAT Council appoint Donny van Dyk as Chief Administrative Officer for the City of Penticton;
AND THAT Council appoint Angie Collison as Corporate Officer for the City of Penticton;
AND THAT Council appoint Caitlyn Anderson as Deputy Corporate Officer for the City of Penticton;
AND THAT Council appoint Jim Bauer as Chief Financial Officer for the City of Penticton;
AND THAT Council rescind the appointments of Mitch Moroziuk and Ian Chapman as Deputy Approving Officer;
AND THAT Council appoint Audrey Tanguay, Senior Planner as the Deputy Approving Officer for the City of Penticton.

Legislative Requirements

Pursuant to section 146 of the *Community Charter*, a council must, by bylaw, establish officer positions in relation to the powers, duties and functions under sections 148 [corporate officer] and 149 [financial officer]. One of the municipal officers must be assigned the responsibility of corporate administration and one of the municipal officers must be assigned the responsibility of financial administration.

Under the *Land Title Act*, Municipal Approving Officers are appointed by Council to rule on subdivision proposals within the municipal boundaries.

Background

"Officers and Delegation of Authority Bylaw No. 2018-75" establishes the statutory officer positions for the City of Penticton. It is best practice to appoint the individual officers by name.

Blake Laven, Planning Manager is the City's Approving Officer. The Deputy Approving Officer provides coverage when the Approving Officer is unavailable.

Audrey Tanguay, Senior Planner, has successfully completed the School for Approving Officer course put on by the Municipal Administration Training Institute (MATI), a recommended prerequisite for executing the duties of an Approving Officer, and currently processes most subdivision related files / applications for the City's Planning Department.

Respectfully submitted,

Angie Collison
Corporate Officer



Council Report

penticton.ca

Date: September 3, 2019
To: Donny van Dyk, Chief Administrative Officer
From: Blake Laven, Planning Manager
Subject: Local Government Support for Cannabis Retail Stores

File No: RMS 4300-01

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:

- 101-351 Westminster Avenue W (Completely Cannabis Co.)
- 310 Comox Street (Green House Cannabis Boutique)
- 2150 Main Street (Starbuds)

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 Community Safety – Enhancing safety through partnerships with other agencies, in this case the ensuring that the Liquor and Cannabis Regulations Branch and the provincial enforcement team.

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.

Council has also adopted policy (Attachment A) to direct how applications for local government support are to be processed. The Council policy, includes provisions whereby stores cannot be located within 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. On June 18th, 2019, support was given to 4 other stores, with 2 of those in the downtown and 2 elsewhere. With those approvals, Council has now given support for 4 locations in the downtown and 4 elsewhere in the community for a total of 8 approvals. To date, two locations have been given approval from the province to begin operation – Spirit Leaf at 2695 Skaha Lake Road and Cannabis Cottage at 385 Martin Street and are currently in operation.

Council is now being asked to provide support to three additional locations, 1 in the downtown and 2 elsewhere in the community (Attachment B). Should Council support all three, this will bring the number of approved locations to 11.

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 location

101 – 351 Westminster Avenue W (Completely Cannabis)

- Public comments: Concerns about the location of this store from nearby residents, including persons living in close proximity (2 letters). In total there were three letters of support and two letters against this location.
- Staff analysis: Clean branding meeting the intent of the Council policy. Previous to cannabis legalization, this location was granted a Temporary Use Permit for a dispensary. Very few public complaints on the operation of that business in this location. Dedicated parking. Permitted by zoning (C6).
- Staff recommendation: Support

Locations outside the downtown

310 Comox Street (Green House Cannabis Boutique)

- Public comments: Several letters of support, citing good parking, strong business acumen of proponents, distance from sensitive uses and look of the house. No letters in opposition were received.
- Staff analysis: Subject of a successful rezoning process. Mixed area with tourist commercial and general commercial uses. Property has adequate parking and the renderings generally meet the Council policy.
- Staff recommendation: Support

2150 Main Street (Starbuds)

- Public comment included concerns from only one respondent. Specifically, their letter outlined an opposition to cannabis sales in general and this location in specific. Parking and access issues were cited as well as the 'character' that this type of business would bring to the area.
- Staff analysis: Established strip retail area on a busy street, with ample on-site parking. Some concerns over proximity to two other recently approved locations. The building design and store branding conform to the adopted policy.

- o 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 – 351 Westminster Avenue (Completely Cannabis)
- Attachment D – Application overview for 310 Comox Street (Green House Cannabis Boutique)
- Attachment E– Application overview for 2150 Main Street (Starbuds)

Respectfully submitted,

Blake Laven, MCIP, RPP
 Planning Manager

Concurrence

<p>Acting DS Director</p> 	<p>Chief Administrative Officer</p> 
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Attachment A
Council Policy: Cannabis Retail Stores



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 contain 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 words '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.

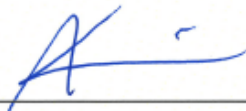
Policy Review

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 maps showing proposed locations considered in the report



Attachment C
Application overview for 101 – 351 Westminster Avenue W



Good Neighbour Intentions

Michael Koehn and Gary Harris
1190455 BC LTD
DBA / Completely Cannabis
7909 Barnhartvale Road
Kamloops BC
V2C 6V9

City of Penticton
Planning Department Development Services Division
171 Main Street
Penticton BC
V2A 5A9

March 27, 2019

Dear City Council and Staff,

Please accept this letter as notice of our intention to pursue a non-medical cannabis retail license in the City of Penticton.

We are Gary Harris and Michael Koehn, the co-founders of Completely Cannabis. We created Completely Cannabis to help serve the need for communities to provide safe, compliant, convenient, and regulated access to recreational cannabis. We believe that as cannabis retailers we have a special responsibility to partner with municipalities to work together on successfully implementing the intended plan for cannabis. We look forward to earning the trust of the City and maintaining that partnership by growing, adjusting, and adapting together as the cannabis market matures and changes over time. Kamloops City Council has just voted unanimously to approve our application, citing our strong track record of integrity.

We draw experience from a diverse business background in healthcare and solid waste management. Michael co-founded the Welcome Back MRI and Pain Management Centre and Mindteams in Kamloops and Gary has been the owner and operator of Kamloops Septic Service for over 25 years.

Should our application be successful, we would like to open a business in compliance with the city council policy resolution number 498/2018.

Our proposed location fits for the following reasons:

- 1) We are not within 300m of a public or private elementary, middle, or secondary school.
- 2) We are not within 300m of any cannabis retail store in the downtown at this time.
- 3) Storefront guidelines:
 - 1) Positive image. We will display simple and clear signage identifying the store to consumers while refraining from promotion.
 - 2) Our windows will feature a decorative art window film that will provide security while appealing to the aesthetic of the neighbourhood.
 - 3) Our store branding uses the word "Completely" rather than other words to mitigate any potential promotion or enticement.

On behalf of Completely Cannabis, please accept our thanks for this opportunity to submit our application to the City of Penticton. Thank you for your consideration.

Best Regards,

Gary Harris

Michael Koehn, MACP, RCC, CHPC



Business Overview

Branding

Completely Cannabis provides adult recreational cannabis consumers with a socially responsible retail experience. We are committed to compliance and compatibility with all regulations, ensuring Completely Cannabis is a fit for consumers and communities alike. We believe that educated and informed customers will make the best personal decisions regarding cannabis use. Our brand promotes a complete experience where cannabis consumers enjoy a safe, legal, and supported environment.



We employ visually simple, functional, clean, easy to identify branding and signage.



Customer Resources Staff Member
Excellence in Cannabis Retail Service

Respectful
Responsible
Resourceful

Customer Service

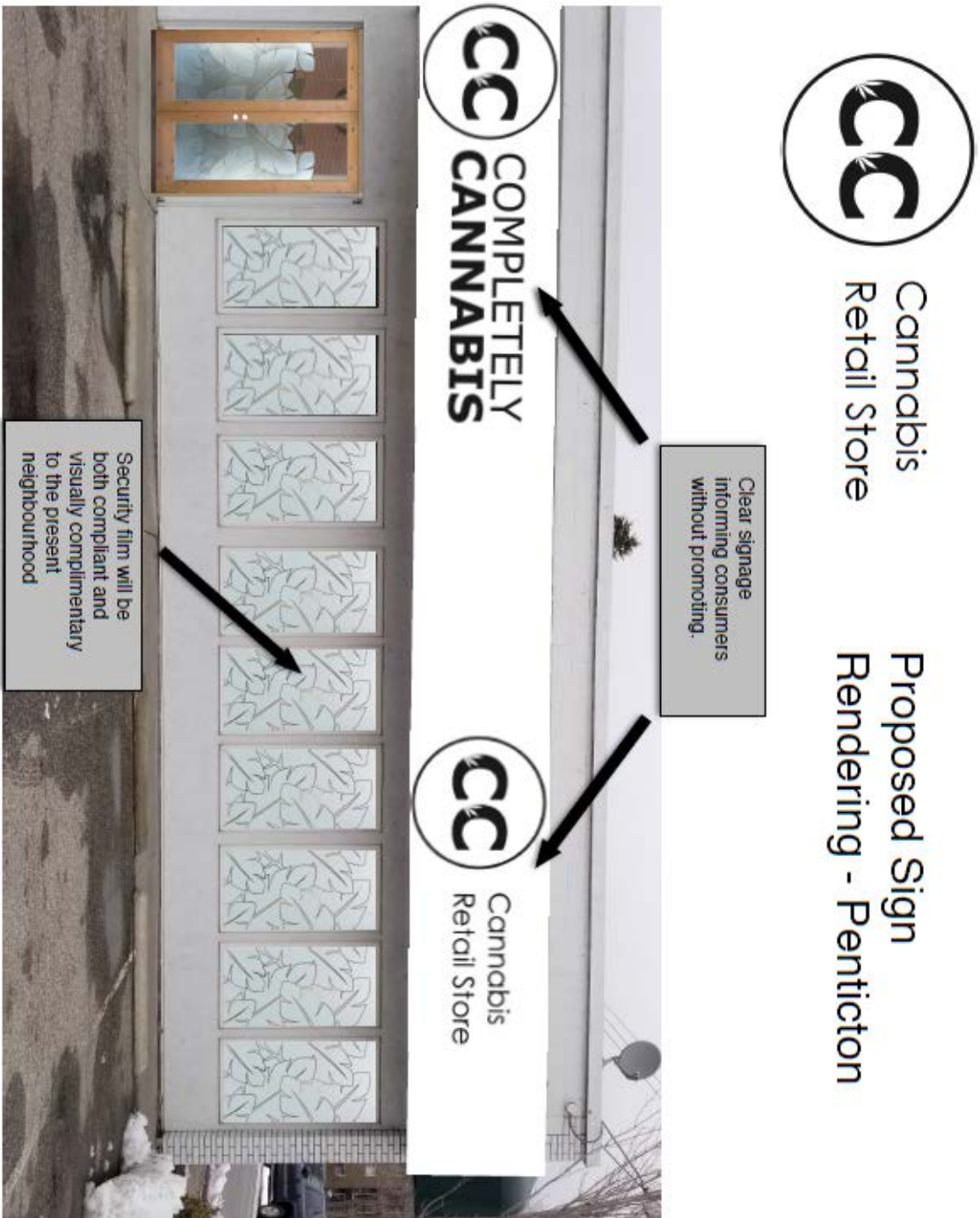
Our customer support team members are called "CR's" which stands for "Customer Resources." We believe that complete cannabis experiences must be guided by knowledgeable and professional sales staff. We know that recreational cannabis consumers have needs and preferences that inform their buying decisions. Our team is dedicated to ensuring that every customer is respected, appropriately served, and clearly informed at all times.

Security Plan

As committed community partners, safety and security are critically important for our staff, customers, and business alike. An ID check station will ensure that all customers are age verified. We employ a combination of physical security measures such as obscured glass decorative film, glass break detection, public view monitoring, video surveillance, access control doors, motion detection. Our staff will be trained to respond appropriately to a potential robbery situation. For more information please see the attached security floor plan.

Our security consultants, suppliers, and monitoring services include industry experts:





Attachment D

Application overview for 310 Comox Street (Green House Cannabis Boutique)

Covering Letter of Intent

The Green House Cannabis Boutique
310 Comox St. Penticton B C
1187520 BC LTD

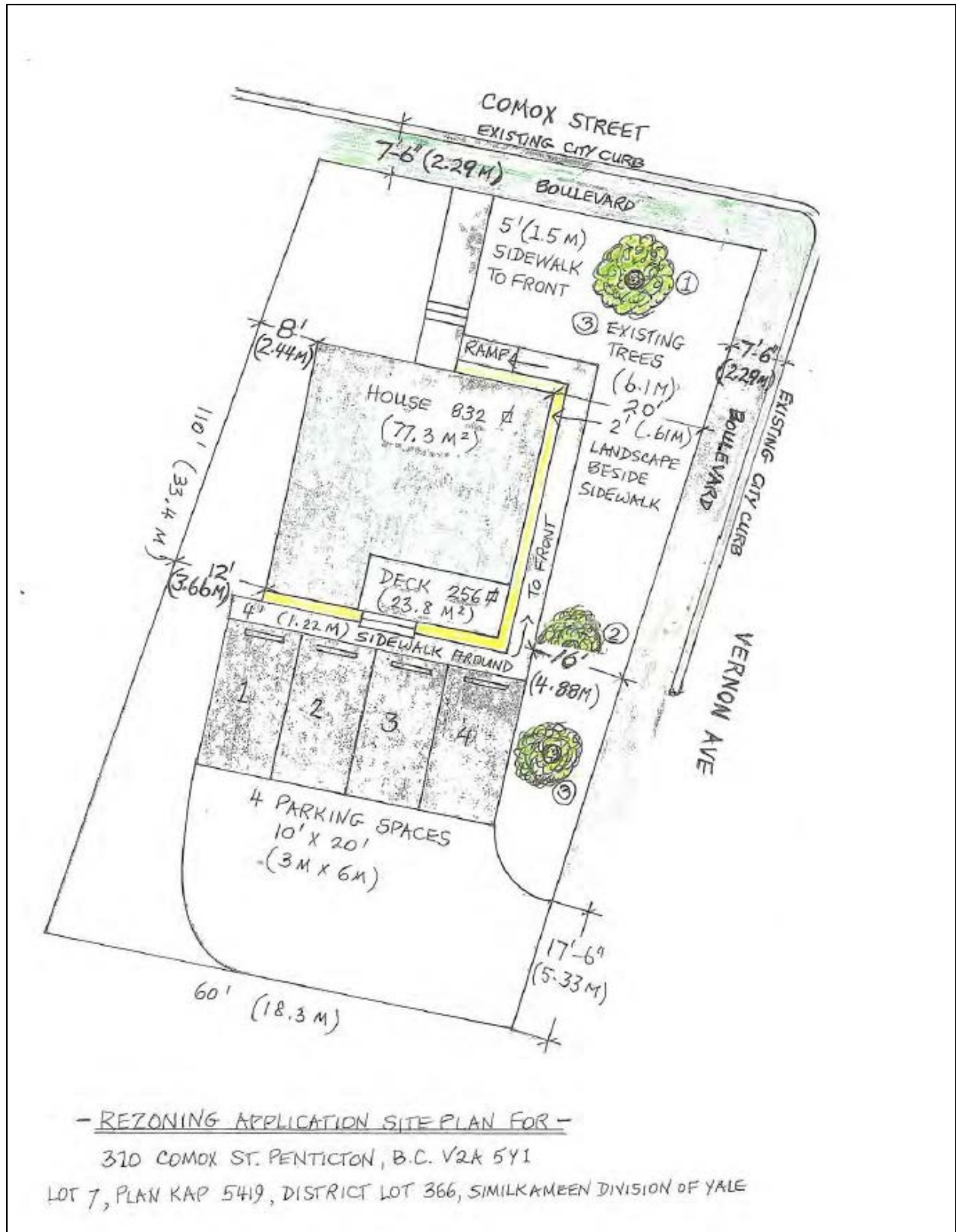
The Company is pursuing our goal of operating a Licensed Legal Recreational Retail Cannabis Store in the city of Penticton.

The shareholders are both long term residents of Penticton and wish to add to the dynamic nature and character of the city while retaining it's unique heritage and beauty. The particular location of the store is in an area that exemplifies what we would like to achieve by intersecting Commercial, Tourist and residential areas into a synergistic entity, with the combinations promoting a Green Space as well as a Commercial enterprise.

Our site outlays a plan that will be of particular natural beauty by having ornate trees, shrubs and flowering plants. The building will blend in very nicely with our surroundings and contribute to the overall feel of Penticton being a home of business and nature. We will be operating a small Cannabis Boutique that offers a quaint inviting environment to the wide diversity of the citizens of Penticton. With our approach, as we ourselves are senior citizens, it is one of our goals to particularly focus on the needs and wants of this demographic as well as provide for a location that is easy to walk or bike to. Another benefit will be the ease of access with ample parking and wheel chair accessibility. In our particular location our customers can come and go quickly and in a non congested fashion.

For your consideration is the fact that we can be a model, by our store being an inviting, safe and attractive as well as progressive representation of the feel and nature of our fair city.

The Green House Cannabis Boutique
January 18, 2019



- REZONING APPLICATION SITE PLAN FOR -

310 COMOX ST. PENTICTON, B.C. V2A 5Y1
LOT 7, PLAN KAP 5419, DISTRICT LOT 366, SIMILKAMEEN DIVISION OF YALE

GREEN HOUSE

Cannabis Boutique



#110 Cannabis Street, Westtown BC01 June 4, 2018 11



14 11 The Green House Cannabis Boutique 11

Attachment E
Application overview for 2150 Main Street

City of Penticton
Planning Department - Development Services Division
171 Main Street, Penticton

To whom it may concern,

Please accept this letter of intent, in application for a cannabis retail store for our location at 2150 Main Street, Penticton British Columbia.

The proposed business for this location will be Starbuds, a retail cannabis store, to be licensed by the Province of British Columbia for the sale of recreational cannabis. Services will include customer education on products and options that are available to patrons for purchase. Products will include dried cannabis flower and accommodating accessories such as vaporizers, pipes, papers and similar ancillary products including grinders and lighters.

On-site operations will include providing regulation compliant services to recreational cannabis consumers. The space will be designed and constructed with a tailored security plan and for proper inventory management for the safety of both our employees and the community of Penticton. The Province of British Columbia has stipulated that cannabis retailers may be open for business from 9:00 am - 11:00 pm Monday - Sunday. The number of employees for this location will be anywhere from 5-15, scaled to the hours of operation and customer demand. In compliance with the Provincial Regulations surrounding store layouts, the store frontage will prevent any visibility of non-medical cannabis, cannabis accessories and transactions involving those products by covering any glazing with vinyl. While this doesn't comply with council's policy of discouraging complete window coverings, Starbuds' frontage design uses positive imagery to enhance visibility from the street. I intend to work closely with council to ensure the store frontage is well received by all parties.

With the proper safeguards in place to maintain regulation compliant operations for a retail cannabis store, my intent is to be a premier service provider for the community of Penticton. Considerations for the community and more directly the plaza and our neighboring businesses is always of paramount importance to me. Using Crime Prevention Through Environment Design practices created by the premier security firm of David Hyde & Associates such as inability to see into the location windows and consistent monitoring of guests using ID scanning technology we will ensure that our operations are a positive for the community.

Sincerely,



Matthew Rivard
Managing Partner

Business Overview

1138543 BC Ltd. is a company from Dawson Creek, established in late 2017 by Matthew Rivard. Matt is directly involved in the management and operations of the company which was granted the thirteenth non-medical retail cannabis license in British Columbia and has been operating as Starbuds in the Dawson Creek community since April 2019. After seeing the amazing reception to Starbuds and cannabis and how it was received by residents of the Dawson Creek community, he was determined to bring this experience and knowledge to other communities.

The Company is committed to ensuring residents of local communities are given equal opportunity to an elevated cannabis experience. With the support of the Starbuds brand, The Company will be able to guide Okanagan locals through legalization while providing expert service.

Starbuds International (Canada) is a joint venture between Compass Cannabis Clinic, a non-retail, medical cannabis focused patient access clinic operating within the Health Canada system of Access to Cannabis for Medical Purposes, and Starbuds US based in Denver, Colorado, creating Starbuds International. Compass Cannabis Clinic and Starbuds International started in the Okanagan Valley and are both headquartered in Kelowna, British Columbia. Having the support of the Starbuds brand has allowed Matt to extend operations to serve both communities, Penticton and Dawson Creek.

Company Branding

Starbuds International aims to provide a unique and professional experience for guests, while maintaining a standard of excellence in customer service, product knowledge and education. Starbuds takes cannabis seriously, staying up to date on the latest strains, research and regulations to ensure a safe, guest-focused experience every time.

Starbuds is committed to changing and altering the 'stoner' stereotype, and create a world where cannabis is accepted like a glass of wine. Through education and community, Starbuds will help to end the stigma associated with cannabis throughout the world.

Starbuds cares about learning and believes that curiosity is great motivation to get better. Starbuds works to take knowledge and make it accessible. It is passionate, cannabis was built on passion and Starbuds wants to keep that alive. The brand also believes in the importance of community. From the guests that walk into the store, to the neighborhoods that it serves, Starbuds believes in taking care of its people.

Customer Service

Starbuds' highest priority is to create a welcoming environment, with educational and guest-focused employees. Starbuds is focused on providing an experience for its guests and believes

these guests should be able to rely on the staff of the store for their knowledge and expertise in the world of cannabis, whether they are a veteran or new user in consumption, we aim to cater to everyone in our experience driven stores.

It is important to Starbuds that each guest is met with the same experience every time they visit the store. The promise to guests is that they have an individualized experience every single visit. Starbuds is focused educating and satisfying guest needs, whatever they may be, not selling.

Starbuds has a STAR sales system to ensure that guest service is always a priority.

Smile; is the first step to acknowledging the guest and welcoming them to Starbuds, ID them and determine what their experience level with cannabis is

Time is Valuable; it is important to establish how much time they have for their shopping experience. This helps to know how much time budtenders have to educate guests on the products or answer any questions

Affirm; what they're looking form. Budtenders are to use open ended lifestyle questions to understand needs and desires from their cannabis experience. Repeat back to guests to ensure that they have a full understanding of what guests are looking for

Recommendations; allow budtenders to provide guests with an elevated experience. Showing guests what products, they could recommend as well as any ancillary products they may also need.

See You Next Time; invites guests back to be a part of the Starbuds culture, and lets guests know that staff are excited to see them again!

By implementing certain store policies, like the STAR sales system, it helps Starbuds to ensure guests are having a great interaction every time they come to the store. Initiatives like these also help employees to better connect with the community and guests specifically by initiating more conversation and learning more about the residents.

Matt opened the very first location for the Starbuds brand in Canada as a non-medical retail cannabis store as well, allowing him to be on the front lines of this new industry. He has been successful in undertaking the programs set out by Starbuds and building upon the experiences he and his staff gained Dawson Creek. The relationship between Matt and head office has been very cohesive and we have been able to build upon our own systems from with his guidance and experiences in the Canadian cannabis industry, we both look forward to continuing this into the Okanagan area, specifically of course 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	18	day of	June, 2019
READ A SECOND time this	20	day of	August, 2019
A PUBLIC HEARING was held this	3	day of	September, 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 23 day of August, 2019 and the 28 day of August, 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

Bylaw No. 2019-29

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. 2019-29".

2. **Amendment:**

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

Rezone "Proposed Lot 1" of Lot A, District Lot 202 Similkameen Division Yale District, Plan 37662, 595 Vancouver Avenue from R1 (Large Lot Residential) to R3 (Small Lot Residential: Lane) and rezone "Proposed Lot 2 and 3" of Lot A, District Lot 202 Similkameen Division Yale District, Plan 37662, 595 Vancouver Avenue from R1 (Large Lot Residential) to R2 (Small Lot Residential) as identified on Schedule 'A' of this bylaw.

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

READ A FIRST time this	6	day of	August, 2019
A PUBLIC HEARING was held this	20	day of	August, 2019
READ A SECOND time as AMENDED this	20	day of	August, 2019
A SECOND PUBLIC HEARING was held this	3	day of	September, 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 9 day of August, 2019 and the 14 day of August, 2019 and the 23 day of August, 2019 and 28 day of August, 2019 in the Penticton Western newspaper, pursuant to Section 94 of the *Community Charter*.

John Vassilaki, Mayor

Angie Collison, Corporate Officer

595 Vancouver Ave – Rezoning

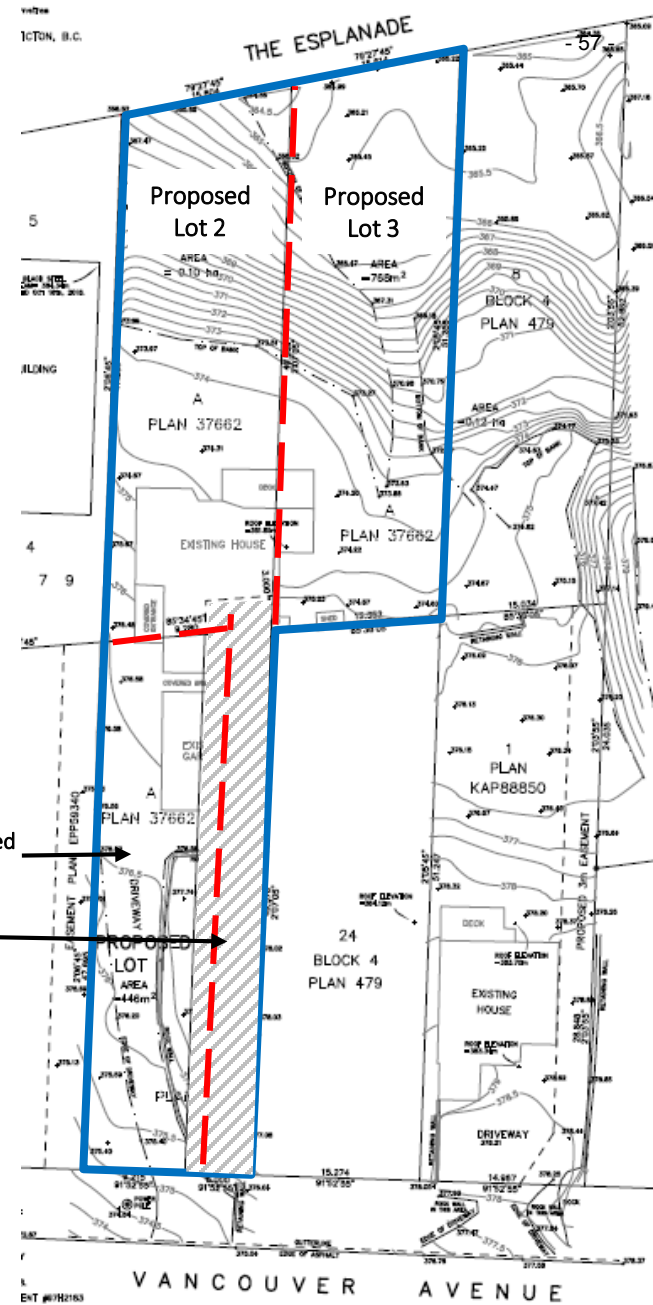
Proposed Lot 1:
From R1 (Large Lot Residential) to R3
(Small Lot Residential: Lane)

Proposed Lots 2 and 3:
From R1 (Large Lot Residential) to R2
(Small Lot Residential)

Reduce width of panhandle from 6.0m to 4.5m

Proposed
Lot 1

Proposed
Lot 1



City of Penticton – Schedule 'A'

Zoning Amendment Bylaw No. 2019-29

Date: _____

Corporate Officer: _____

Bylaw No. 2019-33

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. 2019-33".

2. **Amendment:**

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

Rezone Lot 1, District Lot 2710, Similkameen Division Yale District Plan 14911, Except Plans 20725 and KAP66018 and EPP57171, located at 2800 Cedar Road, from A (Agriculture) to R1 (Large Lot Residential).

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

READ A FIRST time this	20	day of	August, 2019
A PUBLIC HEARING was held this	3	day of	September, 2019
READ A SECOND time 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 23 day of August, 2019 and the 28 day of August, 2019 in the Penticton Western newspaper, pursuant to Section 94 of the *Community Charter*.

John Vassilaki, Mayor

Angie Collison, Corporate Officer

Rezone 2800 Cedar Rd From A (Agriculture) to R1 (Large Lot Residential)



City of Penticton – Schedule 'A'

Zoning Amendment Bylaw No. 2019-33

Date: _____

Corporate Officer: _____

The Corporation of the City of Penticton

Bylaw No. 2019-31

A Bylaw to Amend Downtown Economic Investment Zone Bylaw No. 2014-04

WHEREAS the Council of the City of Penticton has adopted a bylaw that may provide revitalization tax exemptions under section 226 of the *Community Charter*;

AND WHEREAS the Council of the City of Penticton wishes to amend "Downtown Economic Investment Zone Bylaw No. 2014-04";

NOW THEREFORE the Council of The Corporation of the City of Penticton, in open meeting assembled, enacts as follows:

1. **Title:**

This Bylaw may be cited as the "Downtown Economic Investment Zone Amendment Bylaw No. 2019-31".

2. **Amendment:**

2.1 Delete and replace Sections 6 with the following:

- 6) Developments shall only be eligible for incentives under this bylaw if they:
 - a) are subject to a building permit issued before March 1, 2018; and
 - b) have been issued an occupancy permit no later than June 30, 2020.

READ A FIRST time this	20	day of	August, 2019
READ A SECOND time this	20	day of	August, 2019
READ A THIRD time this	20	day of	August, 2019
ADOPTED this		day of	, 2019

Notice of intention to proceed with this bylaw was published on the 23 day of August, 2019 and the 28 day of August, 2019 in the Penticton Western newspaper, pursuant to Section 94 of the *Community Charter*.

John Vassilaki, Mayor

Angie Collison, Corporate Officer

**The Corporation of the City of Penticton
Bylaw No. 2019-32**

A Bylaw to close and remove highway dedication for a portion of Westminster Avenue East, Abbott Street and Van Horne Street

WHEREAS Section 40 of the *Community Charter* provides that a council may, by bylaw, permanently close all or part of a highway that is vested in the municipality to all or some types of traffic and remove the dedication of a highway;

AND WHEREAS the Council of the Corporation of the City of Penticton deems it necessary and expedient to close a portion of Westminster Avenue East, Abbott Street and Van Horne Street to facilitate a land swap and improvements;

AND WHEREAS before adopting this bylaw, the Council has given notice of its intention in accordance with section 94 of the *Community Charter*;

AND WHEREAS before adopting this bylaw, Council has provided an opportunity for persons who consider themselves affected by the bylaw to make representation to Council;

AND WHEREAS before adopting the bylaw, Council has delivered notice of its intention to the operators of utilities whose transmission or distribution facilities or works will be affected by the closure;

AND WHEREAS upon adoption of the bylaw, the bylaw will be filed in accordance with section 120 of the *Land Title Act*;

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 "Road Closure (Westminster Ave E/Abbott/Van Horne Street) Bylaw No. 2019-32."
2. **Purpose:**
Authority is hereby given to the Corporation of the City of Penticton to close a portion of the road and remove the highway dedication of a portion of Westminster Avenue, Abbott Street and Van Horne Street as shown in detail on Schedule 'A' attached hereto and forming part of this bylaw.

READ A FIRST time this	20	day of	August, 2019
READ A SECOND time this	20	day of	August, 2019
READ A THIRD time this	20	day of	August, 2019
ADOPTED this		day of	, 2019

Notice of intention to proceed with this bylaw was published on the 23 day of August, 2019 and the 28 day of August, 2019 in the Penticton newspaper, pursuant to Section 94 of the *Community Charter*.

John Vassilaki, Mayor

Angie Collison, Corporate Officer

SUMMARY OF AREAS:



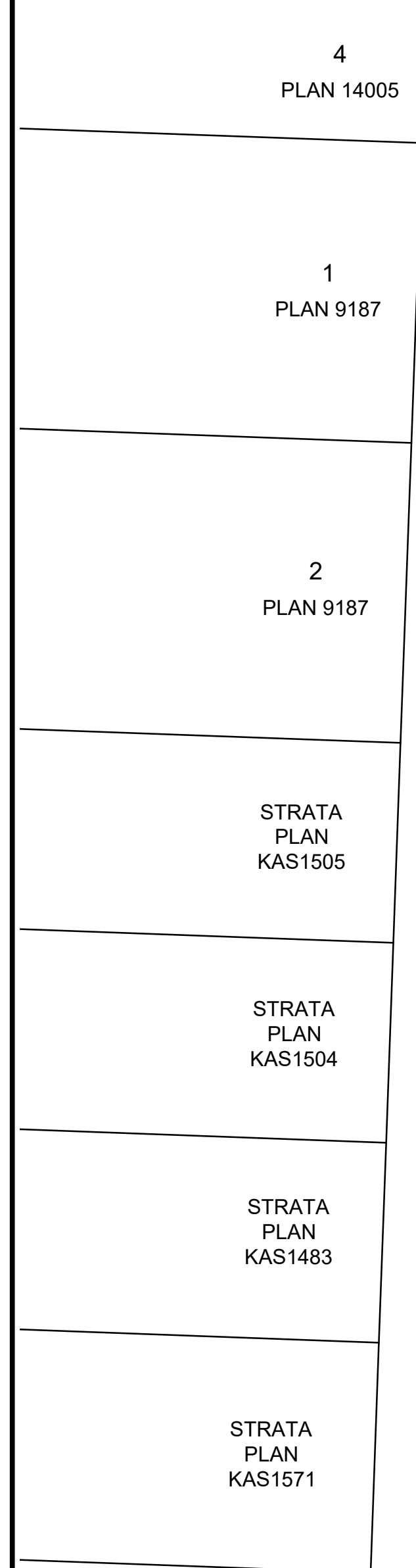
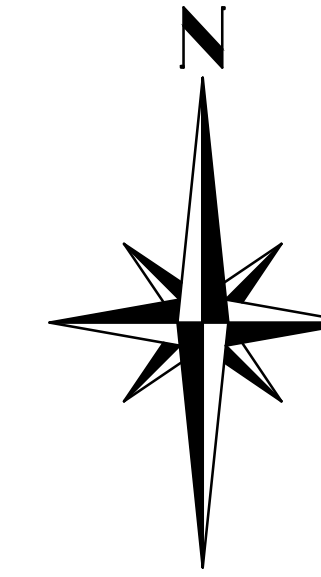
PROPOSED PORTION OF WESTMINSTER AVENUE, VAN HORNE & ABBOTT STREET TO BE CLOSED:

398.0 m²

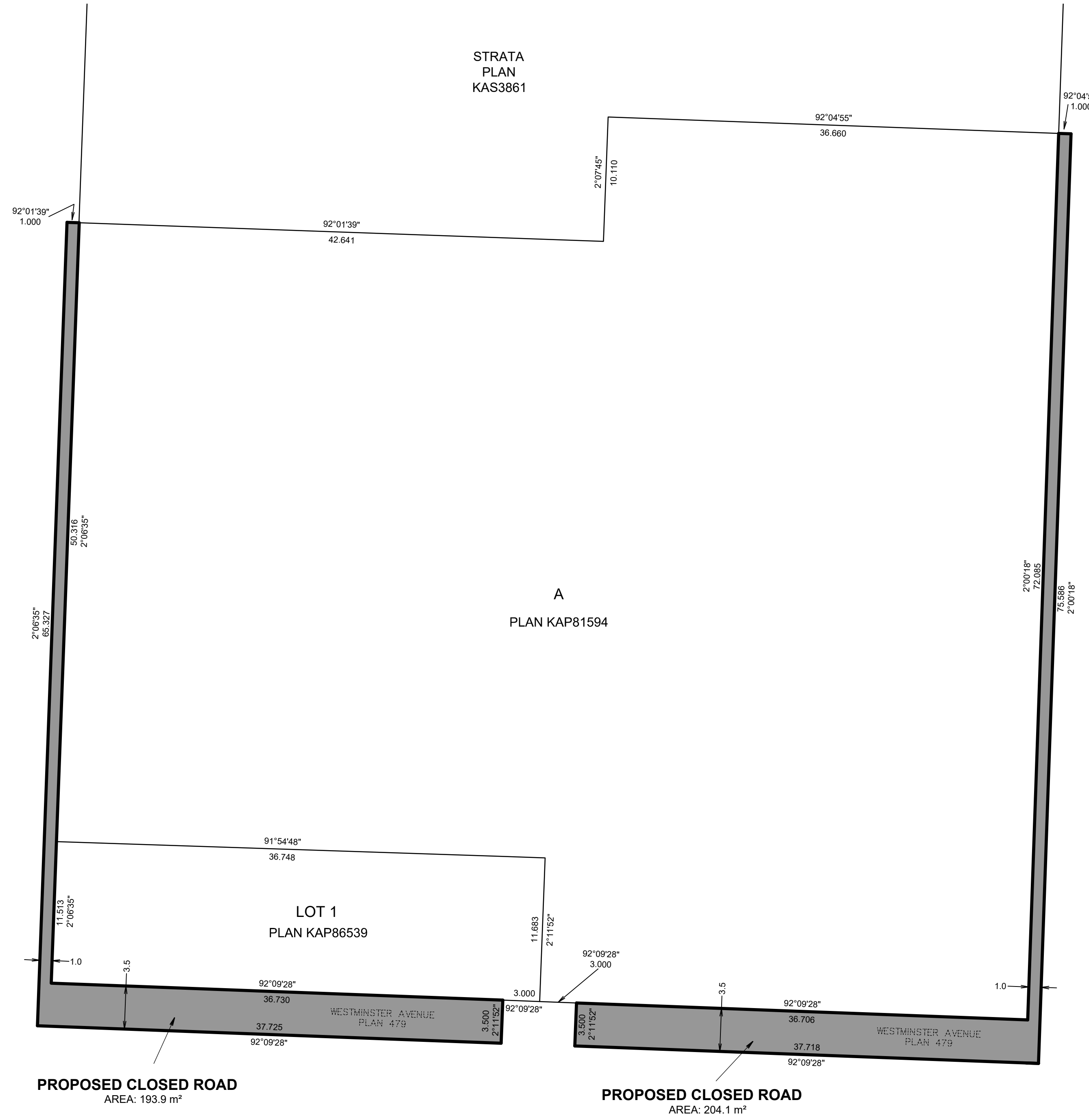
NOTES:

- 1) VAN HORNE & ABBOTT STREET ROAD CLOSURE IS 1.0m WIDE.
- 2) WESTMINSTER AVENUE ROAD CLOSURE IS 3.5m WIDE.

BEARINGS ARE GRID AND DERIVED FROM GNSS OBSERVATIONS.
ALL AREAS AND DIMENSIONS SHOWN ARE SUBJECT TO FINAL LEGAL SURVEY.

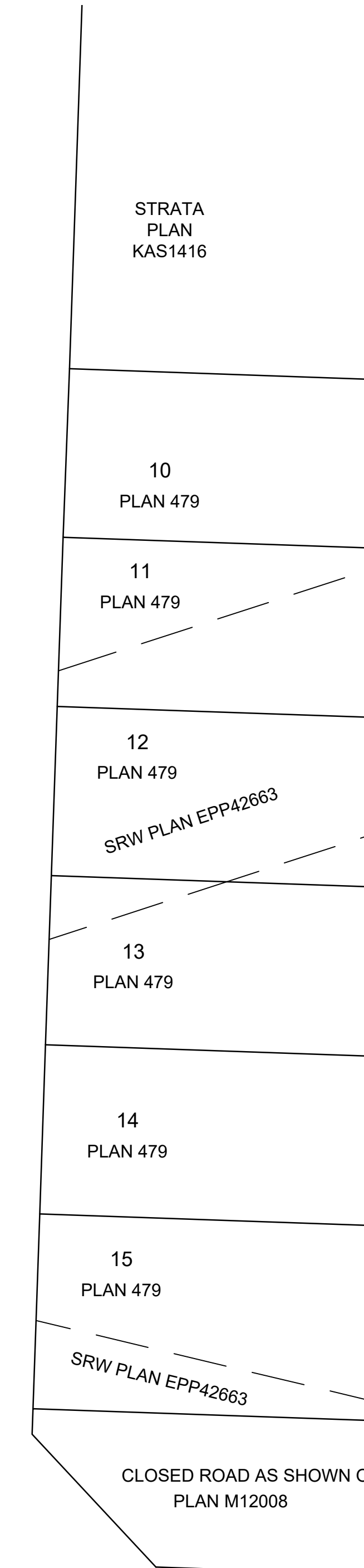


VAN HORNE STREET



WESTMINSTER AVENUE EAST

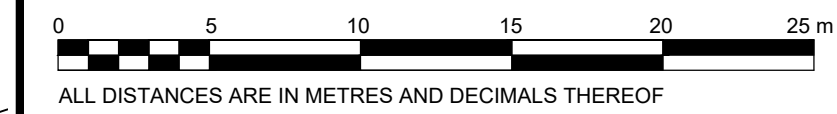
ABBOTT STREET



SKETCH PLAN TO ACCOMPANY
CITY OF PENTICTON BY-LAW No. 2019-32
CANCELING PORTIONS OF ROAD SHOWN
DEDICATED ON PLAN 479
DISTRICT LOT 202 SIMILKAMEEN DIVISION
YALE DISTRICT

BCGS 82E.053

SCALE 1 : 250



ALL DISTANCES ARE IN METRES AND DECIMALS THEREOF

THE INTENDED PLOT SIZE OF THIS PLAN IS 864 mm IN WIDTH BY 560 mm IN HEIGHT (D-SIZE) WHEN PLOTTED AT A SCALE OF 1:250

Road Closure Bylaw 2019-32

Date: _____

Corporate Officer: _____

THIS PLAN LIES WITHIN THE REGIONAL DISTRICT OF OKANAGAN SIMILKAMEEN.



McELHANNEY ASSOCIATES
LAND SURVEYING LTD.
290 Nanaimo Ave. W
Penticton BC
Canada V2A 1N5
Tel 250 492 7399

FILE NO. 2422-03435-00
DRAWING NO. 3435-00-V-ROAD_SKETCH_LR1