



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

Tuesday, October 1, 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 September 17, 2019 Regular Council Meeting 1-5 Adopt

5. **Consent Agenda:**

Recommendation: THAT Council approve the Consent Agenda.

Consent Agenda: 6-10

1. Minutes of the September 17, 2019 Committee of the Whole Meeting;
2. Penticton Creek and Ellis Creek Restoration Committee Minutes of September 9, 2019;
3. Release of Items from Closed Meeting:
THAT Council appoint Councillor Sentes to the Okanagan College Regional Advisory Committee.
THAT Council appoints Councillor Sentes to represent City Council at IRONMAN Canada Working Group meetings, as hosted and arranged by IRONMAN Canada.
THAT Council appoint Councillor Bloomfield to the Community Sustainability Advisory Committee.
THAT Council appoint Mayor Vassilaki, Councillor Kimberley and Councillor Robinson to the Safety and Security Advisory Committee.
THAT Council appoint Councillor Watt to the Compass Court/Compass House Community Advisory Committee.

6. **Committee and Board Reports**

7. **Correspondence**

8. **Staff Reports:**

Laven 8.1 Zoning Amendment Bylaw No. 2019-38 11-27
 Re: 3790 South Main Street
Staff Recommendation: THAT "Zoning Amendment Bylaw No. 2019-38", a bylaw to rezone Lots 1, 2, 3 and 4 of District Lots 197 and 587, Similkameen Division Yale District Plan 27190, located at 3790, 3700, 3650 and 3600 South Main Street, from CT2 (Campground Commercial) to RM3 (Medium Density Multiple Housing), be given first reading and be forwarded to the November 5, 2019 Public Hearing.

Laven	8.2	<p>Zoning Amendment Bylaw No. 2019-39 Development Permit PL2019-8523 Re: 962 Churchill Avenue</p> <p><i>Staff Recommendation: THAT "Zoning Amendment Bylaw No. 2019-39" a bylaw to add Section 14.6 CD6 (Comprehensive Development Zone) to Zoning Bylaw 2017-08 and to rezone Lot 1 District Lot 3 Group 7 Similkameen Division Yale (Formerly Yale Lytton) District Plan 24763, located at 962 Churchill Avenue from R2 (Small Lot Residential) to CD6 (Comprehensive Development Zone), be given first reading and forwarded to the November 5, 2019 Public Hearing;</i></p> <p><i>THAT Council, in accordance with Section 507 of the Local Government Act, require the following excess and extended services:</i></p> <ul style="list-style-type: none"> • <i>Full construction of curb and sidewalk along the frontage of 962 Churchill Avenue and 66 Sydney Street, to create a more complete section of pedestrian infrastructure; and</i> • <i>Full construction of the lane along the south of 962 Churchill Avenue and 66 Sydney Street to connect to Sydney Street.</i> <p><i>THAT Council, subject to adoption of "Zoning Amendment Bylaw No. 2019-39" approve "Development Permit PL2019-8523" for 962 Churchill Avenue, a permit that allows for the construction of an 8-unit apartment building.</i></p>	28-84
Moroziuk	8.3	<p>Electric Utility Services Amendment Bylaw No. 2019-40 Fees and Charges Amendment Bylaw No. 2019-41 Re: Net Metering</p> <p><i>Staff Recommendation: THAT Council give first, second and third reading to "Electric Utility Services Amendment Bylaw No. 2019-40" a bylaw to amend "Electric Utility Services Bylaw No. 2017-44" as it pertains to Part 8 - Meter Reading and Billing;</i></p> <p><i>THAT Council give first, second and third reading to "Fees and Charges Amendment Bylaw No. 2019-41" a bylaw to amend "Fees and Charges Bylaw No. 2014-07" as it pertains to Appendix 7 - Electricity;</i></p> <p><i>AND THAT Council direct staff to forward "Electric Utility Services Amendment Bylaw No. 2019-40" to the Minister of Municipal Affairs and Housing for approval.</i></p>	85-93
Collison	8.4	<p>Location of Regular Council Meeting October 15 – Okanagan College- Penticton Campus</p> <p><i>Staff Recommendation: THAT Council hold the Regular Council Meeting scheduled for Tuesday, October 15, 2019 at the Okanagan College - Penticton Campus, 583 Duncan Avenue West.</i></p>	94
Laven	8.5	<p>Revitalization Tax Exemption Agreements</p> <p><i>Staff Recommendation: THAT Council enter into Revitalization Tax Exemption Agreements with the owners of the following 12 properties:</i></p> <p><i>Downtown EIZ</i></p> <ul style="list-style-type: none"> • <i>135 Front Street</i> • <i>399 Main Street</i> • <i>361 Martin Street</i> • <i>198 Winnipeg Street</i> • <i>161 Ellis Street</i> • <i>99 White Avenue</i> • <i>110 Ellis Street</i> <p><i>Industrial EIZ</i></p> <ul style="list-style-type: none"> • <i>647 Okanagan Avenue E</i> • <i>192 Industrial Court</i> • <i>2147 Dartmouth Rd</i> • <i>2203 Dartmouth Drive</i> 	95-234

Waterfront

- 1000 Lakeshore Drive

AND THAT the Mayor and Corporate Officer be directed to execute the "Revitalization Tax Exemption Agreements" on behalf of the City.

Kozak	8.6	Civic Event Delivery Method	235-237	
		<i>Staff Recommendation: THAT Council direct staff to issue an Expression of Interest (EOI) to seek opportunities for delivery of civic events with local service organizations or non-profit societies, and report back to Council with options.</i>		
	9.	Public Question Period		
	10.	Recess to a Closed Meeting:		
		<i>Resolution: THAT Council recess to a closed meeting of Council pursuant to the provisions of the Community Charter section 90 (1) as follows:</i>		
		(e) <i>the acquisition, disposition or expropriation of land or improvements, if the Council considers that disclosure could reasonably be expected to harm the interests of the municipality;</i>		
		(k) <i>negotiations and related discussions respecting the proposed provision of a municipal service that are at their preliminary stages and that, in the view of the Council, could reasonably be expected to harm the interests of the municipality if they were held in public.</i>		
	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. 2019-36 Re: 340 Douglas Avenue	238-239	2 nd /3 rd
Bauer	12.2	2020 Permissive Tax Exemption Bylaw No. 2019-34	240-243	Adopt
Collison	12.3	Officers and Delegation Authority Amendment Bylaw No. 2019-35	244	Adopt
	13.	Land Matters		
Laven	13.1	Development Variance Permit PL2019-8565 Development Permit PL2019-8593 Re: 701 Alexander Avenue <i>Staff Recommendation: THAT Council approve "Development Variance Permit PL2019-8565", for Lot 2 District Lot 2 Group 7 Similkameen Division Yale (Formerly Yale Lytton) District Plan 1913 Except B5522, located at 701 Alexander Avenue, a permit to increase the maximum building footprint of a carriage house from 90m² to 114 m², and to increase the height of a carriage house from 5.0m to 7.6m.; AND THAT staff be directed to issue "Development Variance Permit PL2019-8565". THAT Council, subject to issuance of "Development Variance Permit PL2019-8565", approve "Development Permit PL2019-8593" for 701 Alexander Avenue, a permit to allow for the construction of a carriage house.</i>	245-266	Del/Sub
Laven	13.2	Development Variance Permit PL2019-8574 Re: 1264 Ridgedale Avenue <i>Staff Recommendation: THAT Council approve "Development Variance Permit PL2019-8574", for Lot A, District Lot 2710 Similkameen Division Yale District Plan 34111, located at 1264 Ridgedale Avenue, a permit to reduce the minimum lot width from 16m to 15.2m to allow for subdivision; AND THAT staff be directed to issue "Development Variance Permit PL2019-8574."</i>	267-277	Del/Sub

Laven 13.3 Development Variance Permit PL2019-8577 278-285 Del/Sub

Re: 157 Abbott Street

Staff Recommendation: THAT Council approve "Development Variance Permit PL2019-8577", a permit reducing the pavement width for a lane from 6.0m to 4.0m, with the remaining 2.0m deemed 'boulevard' for the purposes of Good Neighbour Bylaw 2012-5030, to support the construction of a 'living lane' as part of the 11 lot subdivision of Lot A, District Lot 202, Similkameen Division Tale District, Plan KAP81594, located at 157 Abbott Street.

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, September 17, 2019
at 1:00 p.m.

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

Staff: Donny van Dyk, Chief Administrative Officer
Angie Collison, Corporate Officer
Ken Kunka, Acting Director of Development Services
Jim Bauer, Chief Financial Officer
Bregje Kozak, Director of Recreation and Facilities
Len Robson, Public Works Manager
Caitlyn Anderson, Deputy Corporate Officer

1. Call to Order

The Mayor called the Regular Council Meeting to order at 1:02 p.m.

2. Introduction of Late Items

3. Adoption of Agenda

407/2019

It was MOVED and SECONDED

THAT Council adopt the agenda for the Regular Council Meeting held on September 17, 2019 as presented.

CARRIED UNANIMOUSLY

4. Recess to Committee of the Whole

Council recessed to a Committee of the Whole Meeting at 1:02 p.m.

5. Reconvene the Regular Council Meeting

Council reconvened the Regular Council Meeting at 2:28 p.m.

6. Adoption of Minutes:

6.1 Minutes of the September 3, 2019 Regular Meeting of Council

408/2019

It was MOVED and SECONDED

THAT Council adopt the minutes of the September 3, 2019 Regular Meeting of Council as presented.

CARRIED UNANIMOUSLY

7. Consent Agenda:

409/2019

It was MOVED and SECONDED

THAT Council approve the Consent Agenda:

1. Minutes of the September 3, 2019 Committee of the Whole Meeting;
2. Penticton Creek and Ellis Creek Restoration Committee Minutes of July 23, 2019.

CARRIED UNANIMOUSLY

8. Committee and Board Reports

9. Correspondence

10. Staff Reports:

10.1 Firesmart Community Funding & Supports Grant

410/2019

It was MOVED and SECONDED

THAT Council support the application for grant funding of \$150,000 from the UBCM under the Community Resiliency Investment (CRI) program which provides 100% funding.

CARRIED UNANIMOUSLY

10.2 Good Neighbour Bylaw Compliance Policy

411/2019

It was MOVED and SECONDED

THAT Council approve "Good Neighbor Bylaw Compliance Policy", a policy that outlines a fair and consistent approach to obtain compliance with the Good Neighbor Bylaw.

CARRIED UNANIMOUSLY

10.3 Plastic Use Reduction

412/2019

It was MOVED and SECONDED

THAT Council support the Province of British Columbia's CleanBC single-use plastics action plan, by providing a formal submission to the Ministry of Environment and Climate Change Strategy, supporting the initiative to limit single-use plastics.

CARRIED UNANIMOUSLY

Mayor Vassilaki declared a conflict of interest as he owns two properties and left the meeting at 2:50 p.m. Deputy Mayor Regehr chaired the meeting.

10.4 2020 Permissive Tax Exemption Bylaw No. 2019-34

413/2019

It was MOVED and SECONDED

THAT Council give first, second and third reading to "2020 Permissive Tax Exemption Bylaw No. 2019-34", a bylaw granting \$557,900 in permissive tax exemptions as listed in Schedule A granting 94.35% of the allowable exemptions for the 2020 Tax Year.

CARRIED UNANIMOUSLY

Mayor Vassilaki returned to the meeting at 3:18 p.m.

10.5 Zoning Amendment Bylaw No. 2019-36
Development Variance Permit PL2019-8592
Re: 340 Douglas Avenue

414/2019

It was MOVED and SECONDED

THAT "Zoning Amendment Bylaw No. 2019-36", a bylaw that rezones Proposed Lot 2 of the subdivision of Lot 21, District Lot 1, Group 7, Similkameen Division Yale (Formerly Yale Lytton) District Plan 932, Except Plan EPP87415, located at 340 Douglas Avenue, as shown on Schedule A of the bylaw, from R2 (Small Lot Residential) to RD2 (Duplex Housing: Lane), be given first reading and be forwarded to the October 1, 2019 Public Hearing.
AND THAT delegations and submissions for "Development Variance Permit PL2019-8592" for Proposed Lot 2 of the subdivision of Lot 21, District Lot 1, Group 7, Similkameen Division Yale (Formerly Yale Lytton) District Plan 932, Except Plan EPP87415, located at 340 Douglas Avenue Lot 24, Group 7, Similkameen Division Yale (Formerly Yale-Lytton) District Plan 932, a permit to allow vehicle access with a maximum driveway width of 3m to be from both the lane and the street (Douglas Avenue), be heard at the October 1, 2019 Public Hearing;
AND THAT Council consider "DVP PL2019-8592" following the adoption of "Zoning Amendment Bylaw No. 2019-36".

CARRIED UNANIMOUSLY

10.6 Officers and Delegation of Authority Amendment Bylaw No. 2019-35

415/2019

It was MOVED and SECONDED

THAT Council give first, second and third reading to "Officers and Delegation of Authority Amendment Bylaw No. 2019-35", a bylaw that delegates the authority to temporarily restrict traffic to the City Engineer or Development Infrastructure Manager.

CARRIED UNANIMOUSLY

10.7 Committee Terms of References – Community Sustainability and Safety and Security

416/2019

It was MOVED and SECONDED

THAT Council approve the 2019 - 2022 Terms of Reference for the Community Sustainability Advisory Committee.

THAT Council approve the 2019 - 2022 Terms of Reference for the Safety and Security Advisory Committee.

THAT Council approve the amended Terms of Reference for the Penticton and Ellis Creek Restoration Select Committee and add one member of the Parks and Recreation Advisory Committee.

CARRIED UNANIMOUSLY

11. Bylaws and Permits:

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

417/2019

It was MOVED and SECONDED

THAT Council adopt "Zoning Amendment Bylaw No. 2019-24".

CARRIED UNANIMOUSLY

11.2 Local Improvement Charge Repeal Bylaw No. 2019-28

418/2019

It was MOVED and SECONDED

THAT Council adopt "Local Improvement Charge Repeal Bylaw No. 2019-28".

CARRIED UNANIMOUSLY

12. Notice of Motion

13. Business Arising

13.1 From the September 17 Committee of the Whole Meeting
Re: Cannabis Retail Store Application – Request for Reconsideration

419/2019

It was MOVED and SECONDED

THAT Council reconsider resolution 398/2019 made on September 3, 2019.

CARRIED

Mayor Vassilaki, Councillors Regehr and Robinson, Opposed

It was MOVED, no SECONDER

THAT Council postpone resolution 398/2019 to October 1, 2019.

420/2019

It was MOVED and SECONDED

THAT Council direct staff to send a recommendation 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 property:

- 2150 Main Street (Starbuds)

AND THAT the 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.

CARRIED

Mayor Vassilaki, Councillors Kimberley and Robinson, Opposed

13.2 From the September 17 Committee of the Whole Meeting
Re: Penticton as an Age Friendly City

Staff will bring back more information when the Age-friendly grant process opens.

14. Council Round Table

15. Public Question Period

16. Adjournment to a Closed Meeting:

421/2019

It was MOVED and SECONDED

THAT Council adjourn at 4:12 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;
- (c) labour relations or other employee relations;
- (e) the acquisition, disposition or expropriation of land or improvements, if the Council considers that disclosure could reasonably be expected to harm the interests of the municipality;
- (g) litigation or potential litigation affecting the municipality;
- (k) negotiations and related discussions respecting the proposed provision of a municipal service that are at their preliminary stages and that, in the view of the Council, could reasonably be expected to harm the interests of the municipality if they were held in public.

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, September 17, 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
Jim Bauer, Chief Financial Officer
Bregje Kozak, Director of Recreation and Facilities
Ken Kunka, Acting Director of Development Services
Len Robson, Public Works Manager
Caitlyn Anderson, Deputy Corporate Officer

1. **Call to order**

The Mayor called the Committee of the Whole meeting to order at 1:02 p.m.

2. **Adoption of Agenda**

It was MOVED and SECONDED

THAT the agenda for the Committee of the Whole meeting held on September 17, 2019 be adopted as amended to include item 3.1 and re-number accordingly.

CARRIED UNANIMOUSLY

3. **Delegations and Staff Presentations:**

3.1 Fire Chief Larry Watkinson

Fire Chief Larry Watkinson and disaster dog Sam provided Council with a presentation on their search and rescue efforts in Great Abaco, Bahamas.

3.2 Proclamation "Penticton Beer Week" October 19 – 26, 2019

Mayor Vassilaki presented Kim Lawton and Penticton Brewery owners with a proclamation for October 19 – 26, 2019 as Penticton Beer Week.

3.3 Penticton as an Age Friendly City

Elmie Salltink and Mignonne Wood provided Council with a presentation on making Penticton an Age Friendly City.

3.4 Community Active Support Table (CAST)

Supt. Ted De Jager, Detachment Commander and Debbie Scarborough and Lynn Allin, Co-Chairs of CAST provided Council with a presentation on Building Safety and Wellness in the South Okanagan.

3.5 Cannabis Retail Store Application – Request for Reconsideration

Dave Martyn, Starbuds provided Council with a presentation on his Cannabis Retail Store Application and would like a reconsideration of the motion made at the September 3, 2019 Council Meeting.

3.6 Building and Property Compliance Overview

Ken Kunka, Acting Director of Development Services provided Council with a presentation on Building and Property Compliance Overview.

3.7 Budget Process Timeline Update

Jim Bauer, Chief Financial Officer provided Council with a presentation on the Budget Process Timeline.

4. **Adjourn to Regular Meeting**

It was MOVED and SECONDED

THAT Council adjourn the Committee of the Whole meeting held September 17, 2019 at 2:28 p.m. and reconvene the Regular Meeting of Council.

CARRIED UNANIMOUSLY

Certified correct:

Confirmed:

Angie Collison
Corporate Officer

John Vassilaki
Mayor

Penticton and Ellis Creek Restoration Select Committee Meeting

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

Monday, September 9, 2019
at 9:00 a.m.

Present: Paul Askey, Freshwater Fisheries Society of BC (*Chair*)
Councillor Regehr
Bruce Turnbull, Penticton Fly Fisheries Association
Bryn White, South Okanagan Similkameen Conservation Program
Doug Maxwell, Member at Large
Bill Wickett, Penticton Fly Fishers Association
Karilyn Alex, Okanagan Nation Alliance
Rick Peleshytyk, Ministry of FLNRO

Staff: Mitch Moroziuk, General Manager of Infrastructure
Ian Chapman, City Engineer
Paula McKinnon, Legislative Assistant

1. Call to Order

The Penticton and Ellis Creek Restoration Select Committee was called to order by the Chair at 9:02 a.m.

2. Adoption of Agenda

It was MOVED and SECONDED

THAT the Penticton and Ellis Creek Restoration Select Committee adopt the agenda for the meeting held on September 9, 2019 as amended to include the following item:

- 5.4 Ellis Creek Draft Master Plan Communication Board

CARRIED UNANIMOUSLY

3. Adoption of Minutes

It was MOVED and SECONDED

THAT the Penticton and Ellis Creek Restoration Select Committee adopt the minutes of the July 23, 2019 meeting as circulated.

CARRIED UNANIMOUSLY

4. **Business Arising from Prior Meetings**

5. **New Business**

5.1 Penticton and Ellis Creek 2018 Freshet Repairs Update

The City Engineer informed the Committee that the freshet repair work taking place in both Penticton and Ellis Creeks will be completed by the set deadline. The Committee was informed that streamside restoration is currently taking place.

5.2 Penticton Creek Reach 3A Upper and 3B Design

The General Manager of Infrastructure informed the Committee that the Request for Proposal for the Penticton Creek Reach 3A Upper and 3B Design project has been awarded to Stantec Consulting Ltd., however, a construction date has not been set due to the dollar value.

A brief discussion ensued regarding the detail designs and the General Manager of Infrastructure noted that a schedule will be provided to the Committee by way of email for information purposes.

5.3 Penticton Fund Raising Strategy

The General Manager of Infrastructure informed the Committee that the City was successful in engaging Bryn White to develop a fundraising strategy. Ms. White informed the Committee that the draft strategy will be provided to the Committee for review and feedback once it is prepared.

The Committee was informed that Slackwater Brewing approached City staff about hosting a fundraising event to support the creek restorations which they would like to host annually with this year's event scheduled for October 10, 2019.

A brief discussion ensued regarding the upcoming annual Penticton Creek Restoration Tour taking place on September 21. A couple members at large agreed to lead a table at the farmer's market endorsing the tour while also handing out donation forms to interested members of the public.

5.4 Ellis Creek Draft Master Plan Communication Boards

The General Manager of Infrastructure provided a brief update on the next steps to be taken for the Ellis Creek draft master plan which includes

- Review by Committee on September 24;
- Public Engagement on October 19 (Farmer's Market);
- Meeting with the Penticton Industrial Development Association;
- Review of received feedback by Committee in November; and
- Final master plan to be presented to City Council for approval in December.

The Committee was informed that they would be provided with an opportunity to review the communication boards prior to public engagement.

6. **Council Outcome**

7. **Next Meeting**

The next meeting dates have been scheduled as follows

- Tuesday, September 24, 2019 at 9:00 a.m.; and
- Thursday, November 7, 2019 at 9:00 a.m.

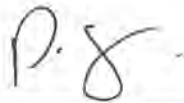
9. **Adjournment**

It was MOVED and SECONDED

THAT the Penticton and Ellis Creek Restoration Select Committee adjourn the meeting held on Monday, September 9, 2019 at 10:03 a.m.

CARRIED UNANIMOUSLY

Certified Correct:



Paula McKinnon
Legislative Assistant

Council Report



Date: October 1, 2019
To: Donny van Dyk, Chief Administrative Officer
From: Nicole Capewell, Planner 1
Address: 3790 South Main Street

File No: PRJ2019-090

Subject: Zoning Amendment Bylaw No. 2019-38

Staff Recommendation

THAT “Zoning Amendment Bylaw No. 2019-38”, a bylaw to rezone Lots 1, 2, 3 and 4 of District Lots 197 and 587, Similkameen Division Yale District Plan 27190, located at 3790, 3700, 3650 and 3600 South Main Street, from CT2 (Campground Commercial) to RM3 (Medium Density Multiple Housing), be given first reading and be forwarded to the November 5, 2019 Public Hearing.

Strategic priority objective

Community Design: The City of Penticton will attract, promote and support sustainable growth and development congruent with the community’s vision for the future.

Background

The applicant is requesting to rezone 3790, 3700, 3650 and 3600 South Main Street from CT2 (Commercial Campground) to RM3 (Medium Density Multiple Housing). This rezoning will facilitate the consolidation of four parcels into one large parcel, which will allow for the construction of 180 purpose built rental units. The proposal has been designed within the limitations of the RM3 zoning, and no variances are required to construct the development.

The subject property is currently zoned CT2 (Commercial Campground) and is designated for ‘urban residential’ within the Future Land Use Designation in the City’s Official Community Plan (OCP). ‘Urban Residential’ is described as “higher-density 3-6 storey apartment neighbourhoods in higher-amenity areas where building construction is primarily wood frame”. The subject property is approximately 1.78 ha (4.39 acres) in area and contains a campground. Photos of the property are included as Attachment ‘C’.



Figure 1 - Property Location Map

As indicated on the Zoning Map (Attachment 'A'), the surrounding neighbourhood currently contains a diverse mix of residential zones including RC (Country Residential), A (Agriculture), R1 (Large Lot Residential) and RM1 (Bareland Strata Housing). Of note, the subject property is directly across the street from Skaha Lake Park, with excellent access to plenty of green and amenity spaces. The subject property is considered a desirable location in the City.

In 2006, a rezoning application was submitted for the subject property which proposed 3 large buildings on the site. The buildings proposed were 10, 12 and 14 storeys high, which had raised concerns with some of the neighbours. The bylaw was eventually rescinded and abandoned by Council, and the property remained zoned as CT2 (Campground Commercial).

Proposal

The applicant(s) are proposing to construct two five and a half-storey apartment buildings, containing a total of 180-units. To facilitate this development, the applicant is requesting to rezone the property from CT2 (Campground Commercial) to RM3 (Medium Density Multiple Housing).



Figure 2 - Rendering of Proposed Buildings

The applicant is required to attain a Development Permit for the form and character of the building, as the property is considered within the Multifamily Development Permit Area. Staff are continuing to work with the applicant(s) to prepare a design that successfully meets the intent of the development permit area. The Development Permit will be presented to Council for consideration at a future Council date.

Financial implication

The application does not pose any significant implications to the City. All development costs are the responsibility of the applicant.

Technical Review

The application has been reviewed by the City's Technical Planning Committee (TPC). While there are challenges with the site, the committee considers that the proposed density of the development can be accommodated into the City's various infrastructure systems. It is the property owner(s) responsibility to provide services and/or upgrade existing services as required.

All buildings are required to be constructed to BC Building Code healthy and safety standards. Building code requirements have been identified to the applicant and will be addressed as part of the building permit process. Staff have reviewed the heritage value of the subject property and confirmed that it is not listed on any heritage lists.

Development Statistics

The following table outlines the proposed development statistics of the project:

	RM3 Zone	Proposed in Plans
Lot Area:	1400 m ²	17,973 m ²
Maximum Density:	1.6 Floor Area Ratio	0.982 Floor Area Ratio
Maximum Lot Coverage:	50%	20.4%
Maximum Hard Surfacing	60%	58%
Vehicle Parking:	1 per unit + 0.25 visitor spaces = 225 required parking spaces	276 provided
Maximum Height Principal building:	24.0m	18.25 m
Required Setbacks Front Yard (South Main St): Interior Side Yard (south): Exterior Side Yard (north): Rear Yard (east)	3.0 m 4.5 m 4.5 m 6.0 m	4.0 m 82.72 m 16.34 m 28.09 m

Analysis

Support Zoning Amendment Bylaw

The City's Official Community Plan (OCP) designation (Attachment 'B') for the subject property is 'urban residential', which supports townhouses and stacked townhouses, low-rise and mid-rise apartment/condo buildings up to 6-storeys. The proposed development is following the OCP vision for the subject properties, by providing more density on the properties in a housing type that is supported by the OCP.

Staff consider that the proposed zoning amendment will allow for development that is supported through the following City Policies (within OCP):

- Policy 4.1.1.1 Focus new residential development in or adjacent to existing developed areas.
- Policy 4.1.1.4 Ensure all new developments fully cover the cost of the required infrastructure and services they require, including roads, water, sewer, storm water and provision of parks, schools, and emergency services.
- Policy 4.1.3.1 Encourage more intensive “infill” residential development in areas close to the Downtown, to employment, services and shopping, through zoning amendments for housing types compatible with existing neighbourhood character, with form and character guided by Development Permit Area Guidelines.
- Policy 4.1.3.5 Ensure through the use of zoning that more-intensive forms of residential development are located close to transit and amenities, such as parks, schools and shopping.

- Policy 4.1.4.1 Work with the development community – architects, designers and builders – to create new residential developments that are attractive, high-quality, energy efficient, appropriately scaled and respectful of their context.
- Policy 4.2.1.5 Create ‘complete streets’ (designed for everyone) in suitable areas that provide safe and comfortable mobility (i.e. allow for access, movement and crossing) for all users: pedestrian, cyclists, drivers, commercial vehicle operators and transit users.
- Policy 4.2.2.2 Address gaps in the pedestrian network by providing sidewalks on at least one side of the street in residential neighbourhoods, and commercial and mixed-use areas, using excess street rights-of-way where possible or through land acquisition if necessary. Where possible, provide sidewalks by requiring their construction or upgrades from developers
- Policy 4.2.2.4 Require that vehicle access to parking in residential areas is from the laneway in neighbourhoods where laneways exist.
- Policy 4.2.3.8 Require adequate levels of secure bike parking in new multi-family, mixed-use and commercial development.
- Policy 4.2.5.2 Encourage land use planning that results in neighbourhoods that can be easily serviced by transit.
- Policy 4.4.4.5 Explore and support initiatives to produce renewable energy, such as photovoltaic/solar (solar gardens, large and small-scale installations), heat exchange, geothermal, and district energy systems.
- Policy 4.5.3.2 Integrate urban agriculture opportunities into multi-family, mixed-use and commercial developments, available rights-of-way, boulevards, and civic facilities. These can include community gardens, intensive small-plot farming, edible landscaping, orchards, bee-keeping, pollinator gardens, and rooftop gardens.

The proposed development demonstrates conformance with the City’s OCP Policies. Staff consider that the proposed development is a strong application in a desired area of the community, that has been identified for increased density within the City’s OCP.

The subject properties are located within a development permit area, and will require approval prior to construction. Staff are continuing to work with the applicant(s) to create a design that successfully meets the intent of the development permit area guidelines. As such, the plans presented within this report are conceptual at this time and may receive minor alterations as the plans are finalized. Staff intend to bring the Development Permit back to Council for approval prior to adoption of the Zoning Amendment Bylaw.

Given that there is adequate policy through the OCP to support the proposal to rezone the subject property from CT2 (Campground Commercial) to RM3 (Medium Density Multiple Housing), support is recommended for First Reading of "Zoning Amendment Bylaw No. 2019-38".

Deny/Refer Zoning Amendment Bylaw

Council may consider that the applicant(s) can change the design to more accurately reflect the development permit guidelines. If this is the case, Council should refer the permit back to staff to work with the applicant(s) as directed by Council.

Alternate recommendation

THAT Council deny first reading of "Zoning Amendment Bylaw No. 2019-38".

Attachments

- Attachment A – Zoning Map of Subject Property
- Attachment B – Official Community Plan Map of Subject Property
- Attachment C – Images of Subject Property
- Attachment D – Letter of Intent
- Attachment E – Conceptual Site Plan
- Attachment F – Conceptual Building Elevations
- Attachment G – Conceptual Renderings
- Attachment H – Zoning Amendment Bylaw No. 2019-38

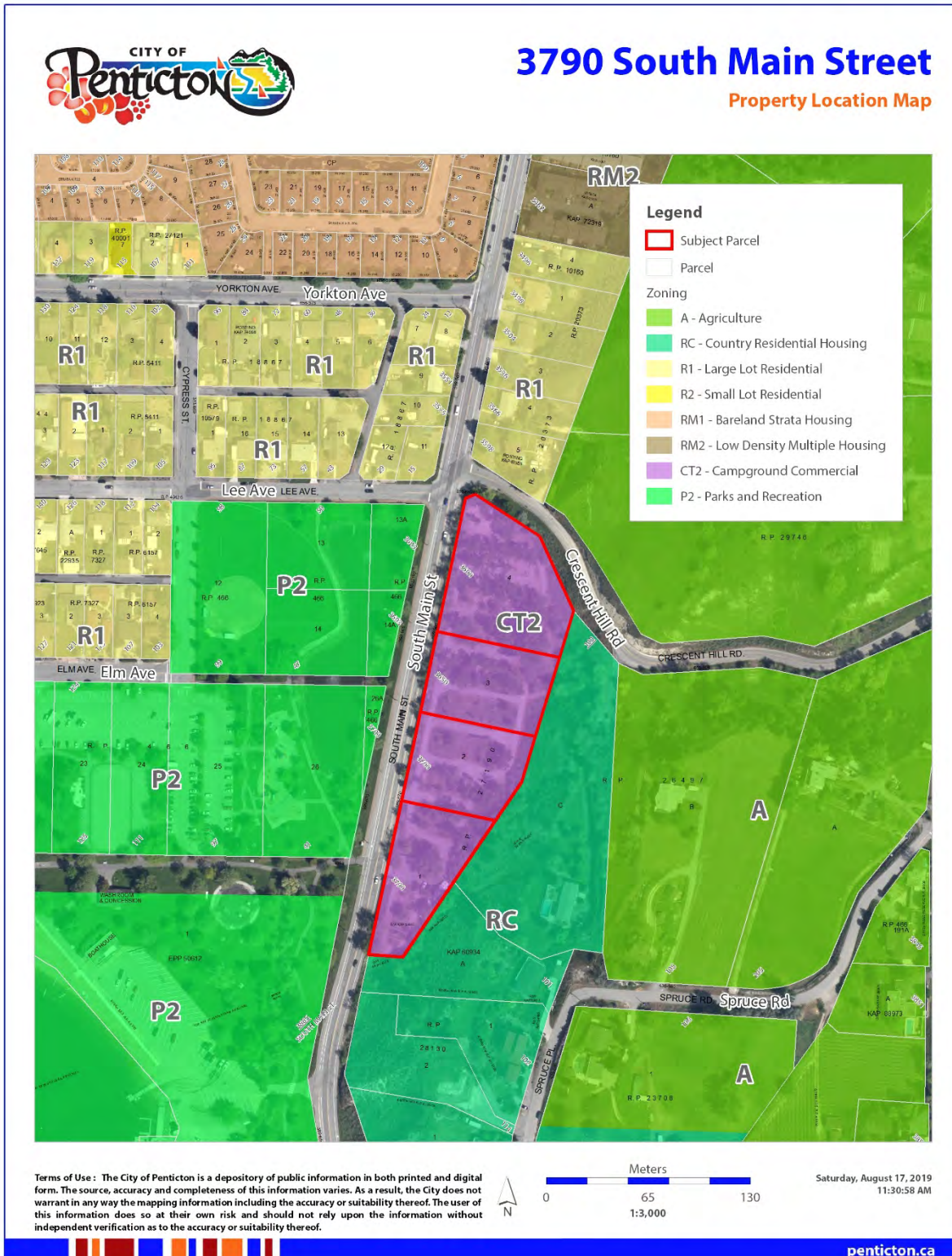
Respectfully submitted,

Nicole Capewell
Planner

Concurrence

Acting DS Director <i>KK</i>	Chief Administrative Officer DvD
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Attachment A – Zoning Map of Subject Property



Attachment B – Official Community Plan Map of Subject Property



Attachment C – Images of Subject Property

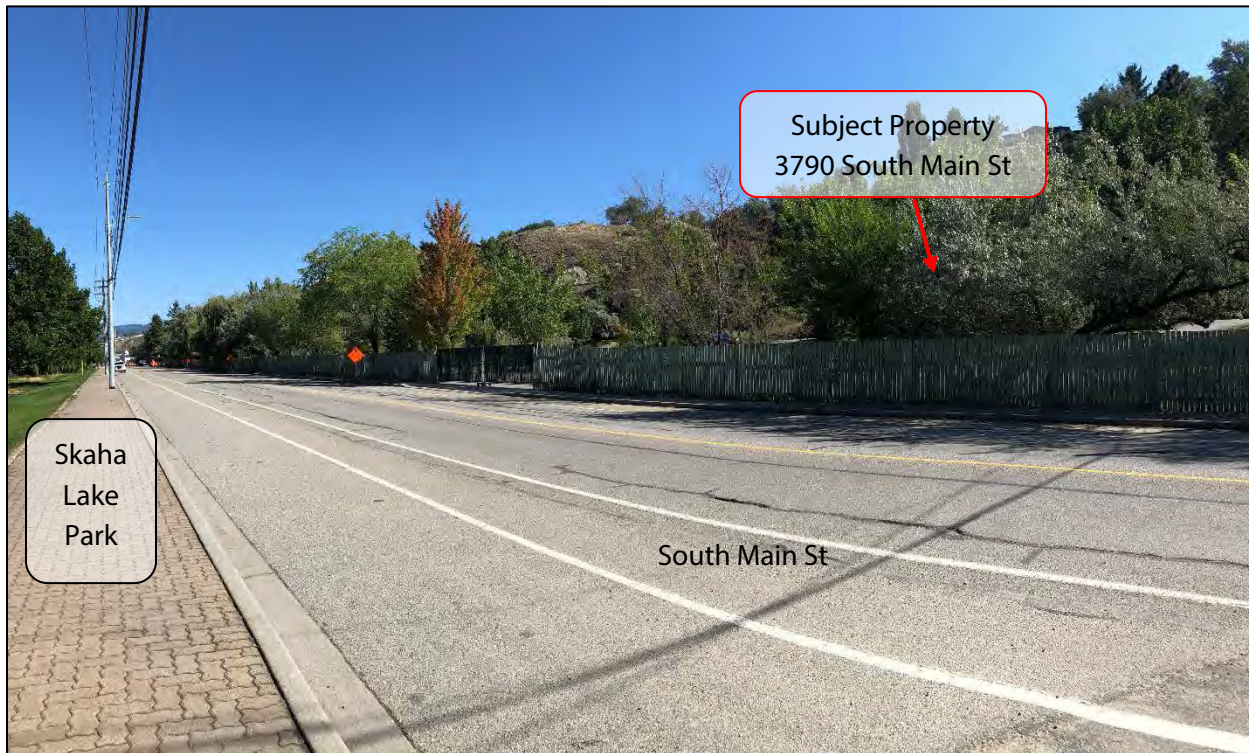


Figure 3 - Looking north along South Main Street with subject property to the east



Figure 4 - Looking east towards subject property from South Main St

Attachment D – Letter of Intent



Rezoning – Letter of Intent

Property: 3790 South Main St,
Penticton, BC

Project Summary:

Highstreet Ventures Inc is looking to rezone the existing campground property at 3790 S Main St, at the North/East corner of Lake Skaha, from CT2-Campground Commercial to RM3-Medium Density Residential. We are looking to build purpose-built rental suites and includes x2 90-unit buildings, each being 5 storeys and with underground parking. The unit mix will be x138 two bedroom and x42 one-bedroom suites. There will also be a Community Building, which will house amenity space for the apartment tenants. Included in this building will be an office with a full-time manager who helps manage the residents as well as acts as a liaison for the surrounding community, a common area with kitchen for larger social functions, a gym space, and an outdoor social space. Typically, we provide outdoor amenity space such as a dog run and community gardens, and we will determine what to include based on the market conditions. 275 parking spaces will be provided (no variance required), and of that 40% is below ground. No variances are currently being sought by this development.

Community/Neighbourhood Benefit:

This development application provides Penticton 180 well needed purpose-built market rental apartments and will provide the surrounding businesses with an added potential customer base year-round. Downtown is not far and can be accessed by transit on Route 5 – the Main Street bus, and the added population at our property would increase ridership. The site is also across from large park spaces and beach, while the highway and airport are close by making it a desirable location to live, appealing to a broad base of people.

There will also be a benefit to the community as it will have a minimal environmental impact. Highstreet is working towards net-zero project, meaning the buildings will produce as much energy use as it uses. To do this the buildings must use minimal amounts of energy so we're constantly improving our building envelope to reduce energy demands. To produce energy, PV panels are an integral part of the design. The building electrical system will be sized to produce as much power as the building load, and enough panels will be installed to produce power for the common spaces of the buildings.

The project will be built to high quality and standards. This will help ensure long lasting, visually appealing building and suites, benefitting the residents and surrounding community. We pride ourselves in developing condo-quality suites which includes quartz countertop, durable siding, super-insulated/air-tight building envelope, triple pane windows, LVT and high-quality fixtures.

HIGHSTREET VENTURES INC

📍 602 - 1708 DOLPHIN AVE, KELOWNA, BC, V1Y 9S4 🌐 HIGHSTREETVENTURES.CA
✉️ INFO@HIGHSTREETVENTURES.CA 📞 778.946.6250 📠 778.946.6251



We also build using Built Green Canada standards, that ensure high quality, environmentally friendly products. Our current targets are certified Platinum.

OCP Review:

The site was chosen by Highstreet as this development is in line with the City of Penticton's view set out in their OCP. This includes:

- adding housing for population growth (Part 2.1)
- provide infill project, as developable land is limited (Part 2.1)
- provide livable community with low-rise structures, taking advantage of neighbouring amenities (Part 2.1)
- conforms with City's Residential Goals (Part 2.2): variety of housing types, densification of Main Street-Skaha Lake Rd, add to rental stock which will help with rising rental rates, add high quality housing, and develop neighbourhoods that are considerate of the environment
- conforms with City's General Residential Policies (Part 2.2): variety of housing types, infill developments within existing serviced areas, encourage intensification of residential land along Main St and Skaha Lake Road spine, medium density residential as per Schedule B of OCP, encourage energy efficient residential development

Neighbouring Properties Impacts:

The site has a large hill in the back, which rises from about 340M above sea level to about 370M above sea level, a total of 30M (on the Southern half where other properties are located). The RM3 zoning bylaw allows for 24M, and the proposed building would be near 18-19M, therefore would not impact any views of the properties to the East. Due to the hill the properties across S Main St would not have any views impeded. The properties to the North, across Crescent Hill Rd would not have any views impacted as they face West, and have Crescent Hill Rd as a buffer. There are no properties to the South due to the slope direction of the hill behind the property.

To ensure the projects fits in to the surrounding area, landscaping will be used to soften areas as needed, and we will work with the City to ensure the streetscape is enhanced to ensure a 'neighbourhood feel' for the frontage along S Main St. Lastly, the development will not disturb the slope behind the property, and any of the associated ecosystem on it.

HIGHSTREET VENTURES INC

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Attachment E – Conceptual Site Plan



1 Site Plan
1:500

Attachment I – Conceptual Building Elevations



Figure 5 - West Elevation of Proposed Buildings (Facing South Main St)

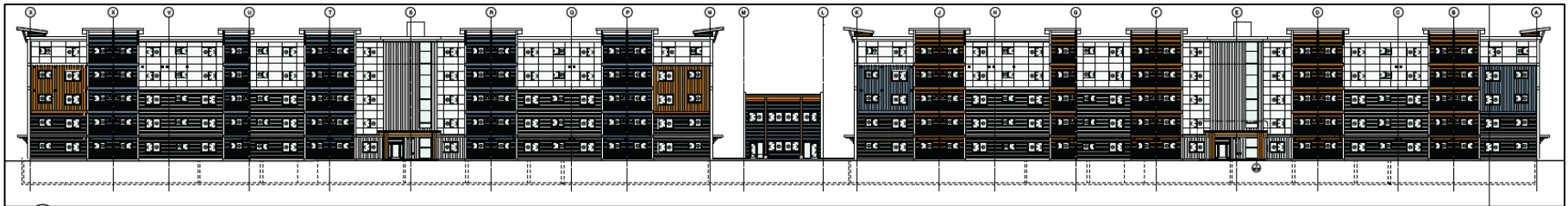


Figure 6 - East Elevation of Proposed Buildings (Facing Parking Lot at Rear of Property)

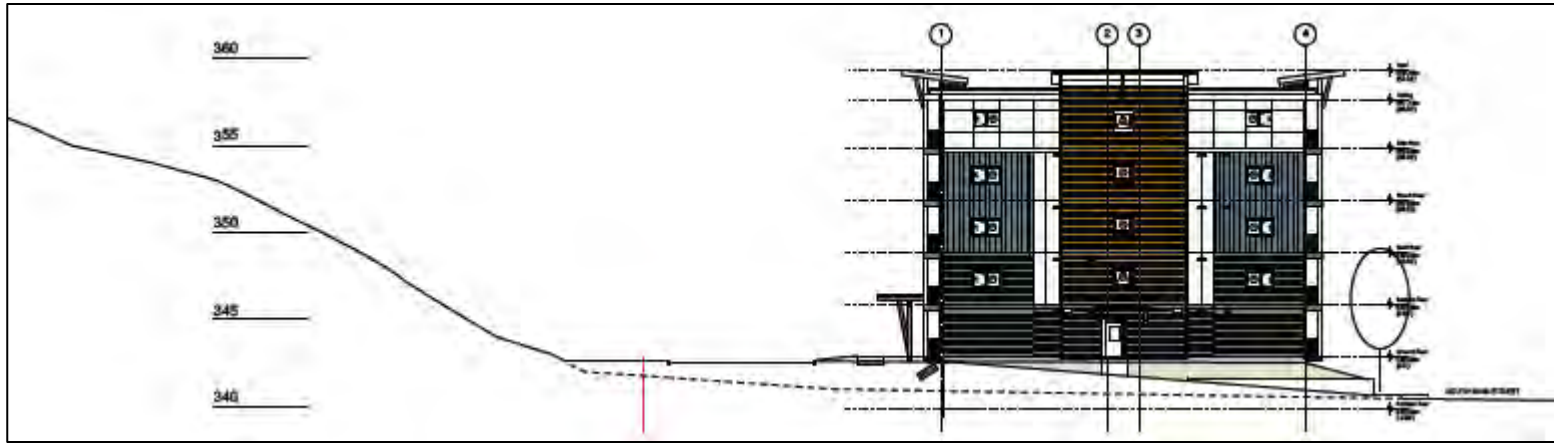


Figure 7 - Site Section from North End (Looking South)

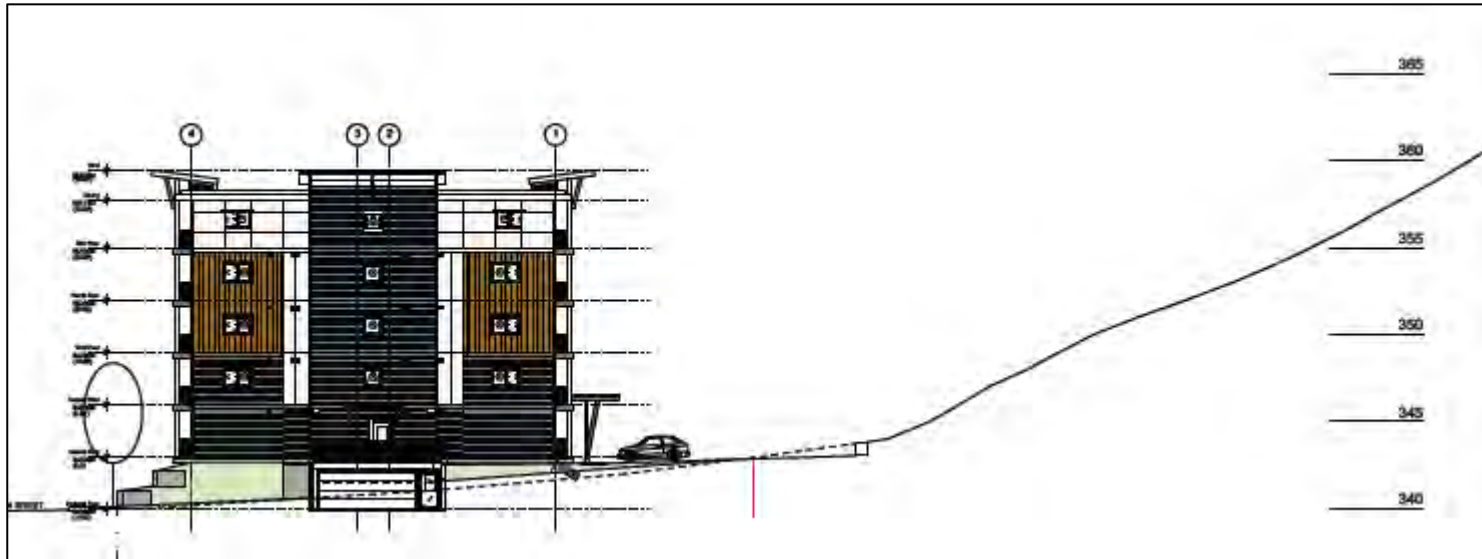


Figure 8 - Site Section from South End (Looking North)

Attachment G – Conceptual Renderings



Figure 9 - Conceptual Rendering of South Main Street



Figure 10 - Conceptual Rendering of South Main Street



Figure 11 - Conceptual Rendering from Crescent Hill Road (Top of Bank)

Bylaw No. 2019-38

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. 2019-38".

2. **Amendment:**

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

Rezone Lots 1,2,3 and 4 of District Lots 197 and 587, Similkameen Division Yale District Plan 27190, located at 3790, 3700, 3650 and 3600 South Main Street, from CT2 (Campground Commercial) to RM3 (Medium Density Multiple Housing).

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

READ A FIRST time this	day of	, 2019
A PUBLIC HEARING was held this	day of	, 2019
READ A SECOND time this	day of	, 2019
READ A THIRD time this	day of	, 2019
ADOPTED this	day of	, 2019

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

John Vassilaki, Mayor

Angie Collison, Corporate Officer

Rezone 3790, 3700, 3650 and 3600
South Main St.

From CT2 (Campground Commercial)

To RM3 (Medium Density Multiple
Housing)



City of Penticton – Schedule 'A'

Zoning Amendment Bylaw No. 2019-38

Date: _____

Corporate Officer: _____

Council Report

penticton.ca

Date: October 1, 2019
To: Donny van Dyk, Chief Administrative Officer
From: Nicole Capewell, Planner 1
Address: 962 Churchill Avenue

File No: 2019 PRJ-072

**Subject: Zoning Amendment Bylaw 2019-39
Development Permit PL2019-8523**

Staff Recommendation

Zoning Amendment

THAT "Zoning Amendment Bylaw No. 2019-39" a bylaw to add Section 14.6 CD6 (Comprehensive Development Zone) to Zoning Bylaw 2017-08 and to rezone Lot 1 District Lot 3 Group 7 Similkameen Division Yale (Formerly Yale Lytton) District Plan 24763, located at 962 Churchill Avenue from R2 (Small Lot Residential) to CD6 (Comprehensive Development Zone), be given first reading and forwarded to the November 5, 2019 Public Hearing;

Excess and Extended Service

THAT Council, in accordance with Section 507 of the *Local Government Act*, require the following excess and extended services:

- Full construction of curb and sidewalk along the frontage of 962 Churchill Avenue and 66 Sydney Street, to create a more complete section of pedestrian infrastructure; and
- Full construction of the lane along the south of 962 Churchill Avenue and 66 Sydney Street to connect to Sydney Street.

Development Permit

THAT Council, subject to adoption of "Zoning Amendment Bylaw No. 2019-39" approve "Development Permit PL2019-8523" for 962 Churchill Avenue, a permit that allows for the construction of an 8-unit apartment building.

Strategic priority objective

- **Vision:** A vibrant, innovative, healthy waterfront city focused on sustainability, community and economic opportunity.

- **Community Design:** The City of Penticton will attract, promote and support sustainable growth and development congruent with the community’s vision for the future.

Background

The applicant is requesting to rezone 962 Churchill Avenue from R2 (Small Lot Residential) to a Comprehensive Development zone. This rezoning will facilitate the construction of a six-storey, eight-unit apartment building, facing onto Churchill Avenue.

The subject property (Figure 1 – Location Map) is currently zoned R2 (Small Lot Residential) and is designated for ‘urban residential’ by the City’s Official Community Plan (OCP). ‘Urban Residential’ is described as “higher-density 3-6 storey apartment neighbourhoods in higher-amenity areas where building construction is primarily wood frame”. The subject property is approximately 730m² (7,860 sq. ft.) in area and contains an older, single family dwelling that was constructed in the 1940’s. Photos of the site are included as Attachment ‘C’.

As indicated in the Zoning Map (Attachment ‘A’), the surrounding neighbourhood currently contains a diverse mix of residential zones ranging from R2 (Small Lot Residential) to RM4 (High Density Residential). Housing types in the area include a mobile home park (to the south), single family homes, duplexes, townhouses, apartments, and tourist accommodations (hotels/motels). This area has slowly been transitioning from a low density neighbourhood to accommodate medium to high density units, as directed by the City’s OCP.

This is a desirable area of the City for infill development to occur as it is within walking distance of the downtown, Okanagan Lake, the South Okanagan Events Centre, and many other desired amenities and services. This area is well serviced for alternative methods of transportation, with adequate sidewalk connections for pedestrians, as well as transit stops located directly on Churchill Avenue.

Proposal

The applicant(s) are proposing to construct a six-storey, eight-unit apartment building at 962 Churchill Avenue. To facilitate this development, the applicant is requesting to rezone the property from R2 (Small Lot Residential) to CD 6 - Comprehensive Development (962 Churchill Avenue).



Figure 1 - Property Location Map

The applicant is required to attain a Development Permit for the form and character of the building, as the property is considered within the Multifamily Development Permit Area. This has been included in this report for Council’s consideration.

Financial Implication

The application does not pose any significant implications to the City. Development costs are the responsibility of the applicant. The applicant will be paying for the construction of the sidewalk in front of the development at 962 Churchill Avenue, and the extension to Sydney St to create a better pedestrian connection. The applicant will also be responsible for upgrading a portion of the lane, as this is proposed as the primary access for vehicle traffic to the property and has been identified as being in poor condition.

Technical Review

Staff have been working with the applicant with regard to this site for the past year. The application has been reviewed by the City’s Technical Planning Committee (TPC). While there are challenges with the site, the TPC considers that the proposed density of the development can be accommodated into the City’s various infrastructure systems. It is the property owner(s) responsibility to provide services and/or upgrade existing services as required.

The TPC identified that the road works at the subject property were of a lower quality and there was an opportunity to have this improved during the development of this project. As such, the committee recommended that the applicant be required to construct upgrades to the road of Churchill Avenue directly in front of 962 Churchill Avenue, as well as in front of 66 Sydney Street. This upgrade includes the

construction of road, curb, gutter and the introduction of a sidewalk with boulevard trees. The lane behind the subject property, which is proposed as the primary point for vehicle access to the property, has been identified as being in poor condition. The committee recommended that the applicant be required to improve the lane. These infrastructure improvements are illustrated on ‘Figure 2 – Infrastructure improvements’.

This scope of works is not within the authority of the Subdivision and Development Bylaw, which only requires infrastructure upgrades along the frontage of a property up to the center line of the road. The *Local Government Act*, however, does give Council the authority to require these works through the excess or extended service section of the legislation. When Council utilizes this power, a developer is eligible for



Figure 2 - Infrastructure Improvements

'latecomer' payments when a property that benefits from the works redevelops within a 15-year period. In this case, the benefiting property is 66 Sydney Street. If this lot were to redevelop, the City would be responsible for collecting funds from the developers and forwarding them back to the persons who completed the excess or extended services works. This has been communicated to the developer, who is in agreement with the proposal.

All buildings are required to be constructed to BC Building Code health and safety standards. Building code requirements have been identified to the applicant and will be addressed as part of the building permit process. Additionally, staff have reviewed the heritage value of the subject property and confirmed that it is not listed on any heritage lists.

Development Statistics

	CD6 Zone	Proposed in Plans
Lot Area:	700 m ²	728 m ²
Maximum Density:	1.9 Floor Area Ratio	1.9 Floor Area Ratio
Maximum Lot Coverage:	55%	54%
Vehicle Parking:	1 per unit + 0.25 visitor spaces = 10 required parking spaces	10 provided
Maximum Height Principal building: Accessory building or structure:	19.0m 4.5m	18.6m None proposed
Required Setbacks Front Yard (Churchill Ave): Interior Side Yard (west): Interior Side Yard (east): Rear Yard – principal building (south) Rear Yard – accessory building (south)	2.0 m 2.3 m 2.3 m 6.0 m 1.5 m	2.0 m 2.55 m 2.55 m 7.2 m None proposed

Analysis

Support Zoning Amendment Bylaw

The City's Official Community Plan (OCP) designation for the subject property is 'urban residential', which supports townhouses and stacked townhouses, low-rise and mid-rise apartment/condo buildings up to 6-storeys. The proposed development is following the OCP vision for the neighbourhood, of multi-family higher density. To achieve the desired OCP land use, the applicant has applied for a rezoning to a comprehensive development zone. Comprehensive development zones give the ability to look at a site on a 'site-specific' level and construct a zone that is reflective of the best way to develop that particular property. Rather than the applicant applying for a RM3 (Medium Density Residential) zoning, which would require several variances and site specific changes, the developer has elected to design a comprehensive

development zone for this project. There are currently 5 other properties in the city that are governed by comprehensive development zoning.

Staff consider that the proposed zoning amendment will allow for a development that is supported through the following City Policies (within OCP):

- Policy 4.1.1.1 Focus new residential development in or adjacent to existing developed areas.
- Policy 4.1.1.4 Ensure all new developments fully cover the cost of the required infrastructure and services they require, including roads, water, sewer, storm water and provision of parks, schools, and emergency services.
- Policy 4.1.3.1 Encourage more intensive “infill” residential development in areas close to the Downtown, to employment, services and shopping, through zoning amendments for housing types compatible with existing neighbourhood character, with form and character guided by Development Permit Area Guidelines.
- Policy 4.1.3.5 Ensure through the use of zoning that more-intensive forms of residential development are located close to transit and amenities, such as parks, schools and shopping.
- Policy 4.1.4.1 Work with the development community – architects, designers and builders – to create new residential developments that are attractive, high-quality, energy efficient, appropriately scaled and respectful of their context.
- Policy 4.2.1.5 Create ‘complete streets’ (designed for everyone) in suitable areas that provide safe and comfortable mobility (i.e. allow for access, movement and crossing) for all users: pedestrian, cyclists, drivers, commercial vehicle operators and transit users.
- Policy 4.2.2.2 Address gaps in the pedestrian network by providing sidewalks on at least one side of the street in residential neighbourhoods, and commercial and mixed-use areas, using excess street rights-of-way where possible or through land acquisition if necessary. Where possible, provide sidewalks by requiring their construction or upgrades from developers
- Policy 4.2.2.4 Require that vehicle access to parking in residential areas is from the laneway in neighbourhoods where laneways exist.
- Policy 4.2.3.8 Require adequate levels of secure bike parking in new multi-family, mixed-use and commercial development.
- Policy 4.2.5.2 Encourage land use planning that results in neighbourhoods that can be easily serviced by transit.
- Policy 4.4.4.5 Explore and support initiatives to produce renewable energy, such as photovoltaic/solar (solar gardens, large and small-scale installations), heat exchange, geothermal, and district energy systems.
- Policy 4.5.3.2 Integrate urban agriculture opportunities into multi-family, mixed-use and commercial developments, available rights-of-way, boulevards, and civic facilities. These can include community gardens, intensive small-plot farming, edible landscaping, orchards, bee-keeping, pollinator gardens, and rooftop gardens.

The proposed development demonstrates strong conformance with the City's OCP Policies. Staff consider that the proposed development is a strong application in a desired area of the community, that has been identified for increased density within the City's OCP.

Given that there is adequate policy through the OCP to support the proposal to rezone the subject property from R2 (Small Lot Residential) to CD 6 – Comprehensive Development (962 Churchill Avenue), support is recommended for First Reading of "Zoning Amendment Bylaw No. 2019-39".

Deny/Refer Zoning Amendment Bylaw

Council may not feel that the plans submitted are appropriate for this property or that the CD zone created is not in the community's interest. If that is the case, Council should not support the zoning amendment. Alternatively, Council may wish to refer the application back to staff to work with the applicant with direction that Council feels is appropriate.

Support Development Permit

The subject property is considered within the Multifamily Development Permit Area, which is established to enhance neighbourhoods and create sensitive transitions in scale and density by addressing issues such as privacy, landscape retention and neighbourliness. Staff have completed an in-depth analysis of how the proposed development conforms to the Development Permit Guidelines. As shown within the analysis, there is a strong alignment between the plans and the intent of the Multifamily Development Permit Area. The development permit analysis has been attached as Attachment 'D'.

The proposed development demonstrates a strong conformance with the Development Permit Guidelines. The proposed development has been designed with the OCP policies in mind and is a project aimed at achieving the desired density for this area of the City, while being courteous to the surrounding neighbours. As such, staff recommend that Council approve the Development Permit.

Deny/Refer Development Permit

Council may consider that the applicant(s) can change the design to more accurately reflect the development permit area guidelines. If this is the case, Council should refer the permit back to staff to work with the applicant(s) as directed by Council.

Neighbourhood Engagement

The applicant(s) have actively engaged with the surrounding neighbourhood of the development throughout their design and application process. On December 20, 2018, an open house was hosted by the applicant(s) at the subject property and was available for the neighbourhood to attend. The applicant(s) had several poster boards with information of the proposed development and were available to talk with attendees about their development and vision for the property. Several local residents came through the open house and provided feedback to the applicant(s) at this time.

Further, the applicant(s) have provided 14 letters of support that they received from neighbours of the proposed development. The letters of support were received from properties within a close proximity of the subject property as shown in 'Figure 3 – Letters of Support Received'. The letters have been attached to staff's report for Council's consideration of the proposed development (Attachment 'M').

Staff consider that the applicant(s) have successfully engaged with the neighborhood throughout the design of the proposal by using open lines of communication early in the process. As noted, an open house was held early in the process to ensure the neighbourhood was aware of the proposal and development in advance of the City's Public Hearing notification process.



Figure 3 - Letters of Support Received

Alternate recommendations

1. THAT Council deny first reading of "Zoning Amendment Bylaw No. 2019-39" and deny support for "Development Permit PL2019-8523".
2. THAT Council give first reading to "Zoning Amendment Bylaw No. 2019-39", but deny support for "Development Permit PL2019-8523".

Attachments

- Attachment A – Zoning Map of Subject Property
- Attachment B – Official Community Plan Map of Subject Property
- Attachment C – Images of Subject Property
- Attachment D – Development Permit Analysis
- Attachment E – Letter of Intent
- Attachment F – Proposed Site Plan
- Attachment G – Proposed Landscape Plan
- Attachment H – Proposed Floor Plans
- Attachment I – Proposed Building Elevations
- Attachment J – Draft Development Permit (DP)
- Attachment K – Draft Zoning Amendment Bylaw No. 2019-39 "Proposed CD6 Zoning Regulations"
- Attachment L – Letters of Support Received
- Attachment M – Zoning Amendment Bylaw No. 2019-39

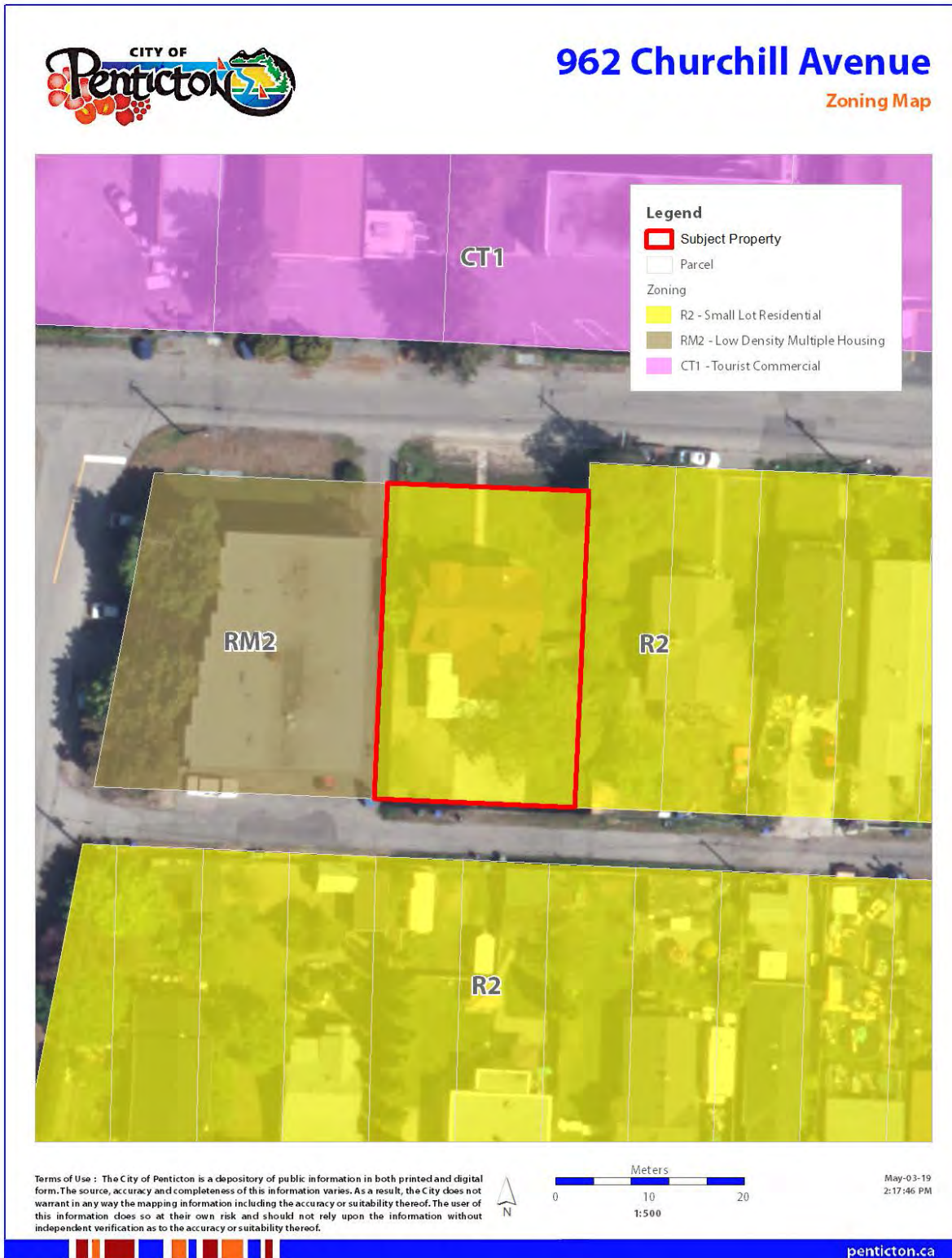
Respectfully submitted,

Nicole Capewell
Planner 1

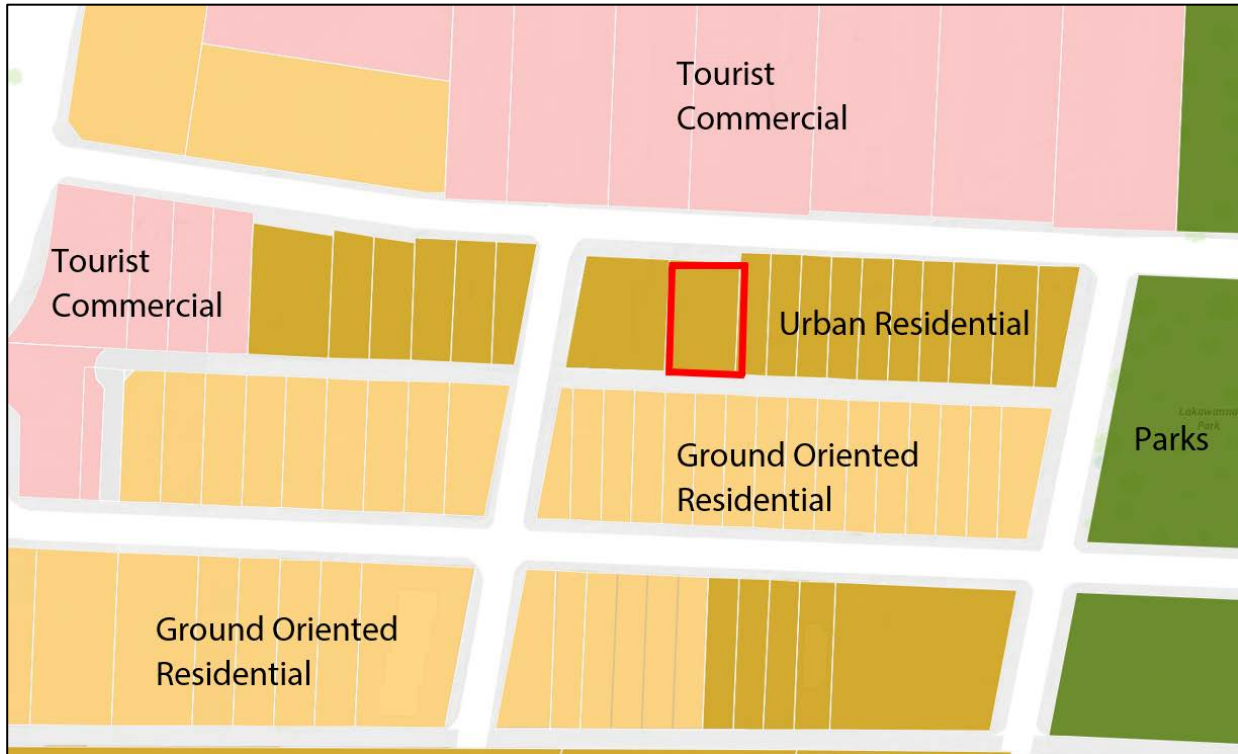
Concurrence

Acting Director of Development Services <i>KK</i>	Chief Administrative Officer DyD
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Attachment A – Zoning Map of Subject Property



Attachment B – Official Community Plan Map of Subject Property



Attachment C – Images of Subject Property



Figure 4 - Looking towards front of subject property from Churchill Avenue



Figure 5 - Looking along western property line of subject property from Churchill Avenue



Figure 6 - Looking east along Churchill Avenue, which will receive new asphalt, curb, gutter and sidewalk on the south side of street

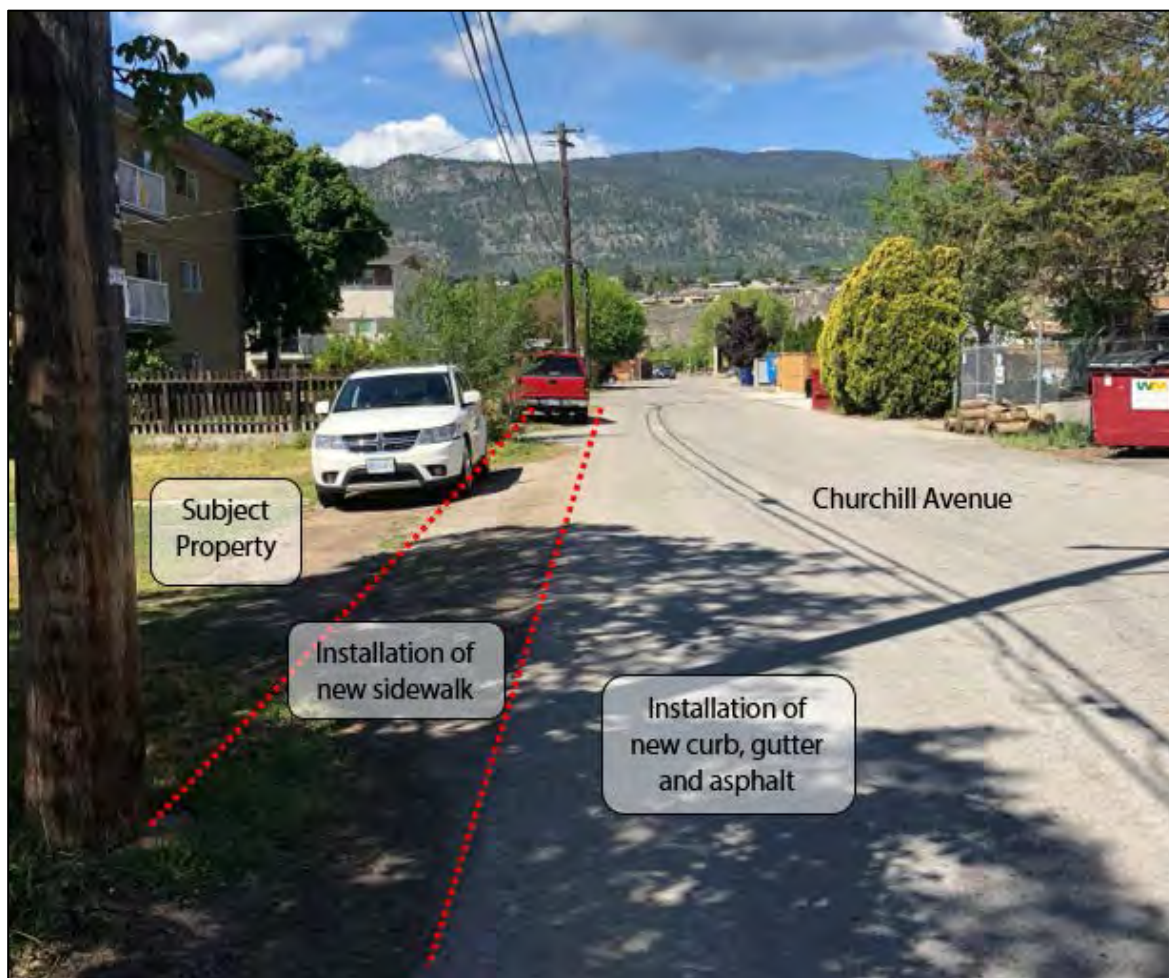


Figure 7 - Looking west along Churchill Avenue, which will receive new infrastructure as part of the development



Figure 8 - Looking north towards subject property from lane



Figure 9 - Looking north towards subject property from lane



Figure 10 - Looking east down laneway behind development from Sydney Street. Laneway to be upgraded as part of development

Attachment D – Development Permit Analysis

Development Permit Analysis

The proposed carriage house is located within the Intensive Residential Development Permit Area. The following analysis demonstrates how the proposal is aligned with this development permit area.

Guideline G2 Applications shall include a comprehensive site plan – considering adjacent context for building and landscape architectural design and neighbourhood character analysis – to demonstrate that the development is sensitive to and integrated within its context and surrounding uses and neighbours.

- The applicant has provided a review of neighbourhood context within their letter of intent, which considers the different land uses on both sides of the development.
- The applicant has consulted with many of the neighbours in the area, and has provided several letters of support for the development, showing that the developer has considered the neighbours in the design of the proposal.

Guideline G5 Siting of buildings should support strong street definition by minimizing front yard setbacks while sensitively transitioning to neighbouring building setbacks.

- The proposed site plan indicates a 2.0m front yard setback. This is a result of a desired 1.0m road widening by the City. Although this setback is less than other multi-family zones provide for, staff consider that the 2.0m setback will be successfully integrated due to the strong entranceway of the proposed building.
- The entranceway to the proposed structure has been designed to have a high transparency to the street level, by way of the wall being primarily glass to the lobby area. Accompanied by a well prepared landscaping plan for the front yard, this will successfully create an interesting and attractive front façade.

Guideline G11 Barrier-free pedestrian walkways to primary building entrances must be provided from municipal sidewalks, parking areas, storage, garbage and amenity areas.

- The proposed design includes an attractive building façade with a prominent entranceway from the street for pedestrian access. Although all vehicle access will be from the rear of the property from the lane, the applicant has created an interesting and varied front façade that attracts pedestrian interest.
- Walkways have also been provided through the site, allowing for easy access from parking areas, garbage and amenity areas.

Guideline G15 Fencing facing an active public realm should be lowered and transparent or semi-transparent.

- The proposed landscaping plan includes a 3' wood fence along the front yard of the property.
- The proposed fencing along the front property line is slightly lower than the maximum identified in the Zoning Bylaw, as the applicant has a strong desire to ensure the fence doesn't appear as a barrier between the public and private areas. Rather the fencing discretely defines the boundary of private property.

Guideline G16 Site and building access must prioritize pedestrian movement, minimize conflict between various mode of transportation and optimize use of space...

- Off-street parking has been provided from the rear lane to free the street for uninterrupted pedestrian circulation and boulevard landscaping.

Guideline G17 On-site parking location and design should minimize visual impact and provide connections for pedestrians

- Parking for the development is behind the building, and is not located between the building and the street.
- The proposed parking areas include pedestrian walkways to create safe and comfortable access for pedestrians from the building.

Guideline G19 All multifamily developments should accommodate sustainable modes of transportation.

- The proposed development has been designed to include safe interior storage for bicycles. This storage has been provided within the building for ensured security.

Guideline G28 Entries should be visible and clearly identifiable form the fronting public street.

- The front façade of the building has been designed with a prominent entranceway that is transparent to the public realm by way of a large glass wall.

Guideline G29 Development should orient windows, porches, balconies and patios toward the public realm, allowing for casual overlook of parks, open spaces, and parking areas.

- The proposal has balconies on several levels that orient towards Churchill Avenue, allowing for overlook of the street.

Guideline G35 Tree planting: where space permits, landscaped areas, boulevards and setback areas adjacent to streets should be planted with trees with appropriate soil volumes to ensure longevity. All areas with planted trees must be irrigated.

- The proposed development has been submitted with a comprehensive landscaping plan that meets all landscaping standards within the Zoning Bylaw. The plan identifies significant landscaping within the front yard setback of the property, as well along the eastern property line as a buffer between the existing single family dwelling on the neighbouring lot.

Guideline G55 [Mechanical/Utility cabinets and transformer pads (units) shall be located at the rear of the property, behind the building]. Where this is unachievable, units may be located at the edge of the front yard and must be incorporated into landscaped areas and screened from the street.

- The proposed landscaping plan identifies that the transformer is located towards the front of the lot. To mitigate the impact of this location, the landscaping plan has been designed to incorporate the utility within the landscaped area. Additionally, the transformer is proposed to have a decorative wrap to make the box more attractive.

Guideline MF1 All multifamily developments should incorporate community amenity spaces that provide opportunity for recreation and play and address the needs of all age groups likely to reside within the development.

- The proposed development incorporates large deck spaces for the occupants of each unit, as well as a shared amenity space on the top floor of the building. The shared amenity space includes a common kitchen, open room for games or events and a garden area outdoors (see floor plans).

Guideline MF6 Entrances to apartment lobbies should be connected to adjacent sidewalks and provide seating, as well as clear pedestrian-oriented signage. Public art is also encourage.

- The proposed development has a prominent entry way that connects with the sidewalk that the developer will be installing as part of this development.

Attachment E – Letter of Intent

962 Churchill Avenue Development Proposal

Intent, Proposal & Background

We are proposing to construct an 8-unit condominium building at 962 Churchill Avenue. The proposed project will require a rezoning to a Comprehensive Development Area Zone (CD Zone). As per the Official Community Plan a CD Zone is intended to facilitate and regulate the development of innovative or special projects that are consistent with the intent of the land use designation plan, but where specific features of the development necessitate site specific regulation. The bylaw elaborates further by specifying that the CD Zone should only be used where an existing zoning category cannot accommodate the proposed use.

The intent of the project is to deliver 8x three-bedroom family-oriented condominiums. The current property has an older deteriorating rental single-family home constructed in the 1940's. From our understanding, and what has been voiced from current public OCP engagement, Penticton needs more affordable infill projects such as this development to accommodate the forecast increase in population, and to help the younger generation get in the market. This project would fulfill these intentions in a desirable and amenity rich Penticton neighborhood.

As indicated in the Zoning Map (Attachment 'B'), the surrounding neighbourhood currently contains a diverse mix of residential zones, ranging from R2 (Small Lot Residential), to RM4 (High Density Residential). There are housing types including a mobile home park, single family homes, duplexes, townhouses, apartments, and tourist accommodations (hotels/motels). This area has been slowly transitioning from a low-density neighbourhood to accommodate medium to high density units, as directed by the OCP.

The lot is currently zoned as RS2 Small Lot Residential which we propose to re-zone to a *CD-Comprehensive Development* to allow for apartments. Under the Official Community Plan the lot is designated as *MR- Medium Density Residential*. The property also falls within the North Gateway Urban Village, where additional density should be considered as per the OCP. To make the project attractive to family and condominium buyers we are offering 10 parking stalls, which conforms to the off-street Parking Regulations of the comparable RM3 zoning. All off-street parking is accessed from the rear lane, providing an opportunity to offer neighbourhood leading curb appeal to the front of the building, adding ample landscaping and enhance street interaction. All units have their living space and one bedroom facing North to allow the building to encompass the northerly Okanagan Lake views, while providing a friendly and attractive streetscape from Churchill Ave due to the building "fronting" the street.

Rezoning

This project falls somewhere in between the RM3 and the RM5 medium density residential zones. Therefore, we ask that a bylaw be proposed to rezone 962 Churchill Avenue from RS2 to CD zone.

Services, Engineering & Technical Review

The proposal includes full construction of curb and sidewalk along the front of 962 Churchill Avenue, and joining asphalt to existing roadways

in the rear lane and at Churchill Avenue along the property frontage. The overhead electrical power lines will also be relocated underground from the west property line to the next power pole at the corner of Sydney Street and Churchill Avenue (approx. 150ft).

Official Community Plan

The New Official Community Plan classifies the subject property as Urban Residential.

Financial Implications

The application does not pose any significant financial implications to the City. Development costs are the responsibility of the developer. The developer will be paying for the works mentioned in the Services, Engineering & Technical Review. The developer will be paying approximately \$52,000 in Development Cost Charges.

The development will also significantly increase the City Tax revenues for the site. The existing state of the property (single family home) currently has an assessed value of \$588,000 which generates \$3,645 per year in taxes. When the proposed development is completed the total annual property taxes generated are estimated at \$27,686 per annum. This equates to an increase in \$24,041 in collected property taxes per year.

Development Statistics

	Provided on Plans
Principal Use	Apartment
Lot Area	707m ² (7,606ft ²)
Lot Width	21.4m (70ft)
Maximum Density	1.83 FAR (excluding circulation & bike room on ground level)
Maximum Lot Coverage	0.51
Maximum Height	19.2m (63'-0")
Minimum Setbacks	
Front yard	2.0m (6.56ft)
Interior side yard	2.3m (7'-7") & 2.3m (7'-7") Ground level 2.55m
Exterior side yard	n/a
Rear yard	7.2m (23'-8")
Amenity Space	500m ² (5,382ft ²)
25% at ground level	176.8m ² (1,903ft ²)
Parking Stalls	10
Other	
Grade hard surfacing	80%

Comprehensive Development Regulations

1. *Lot Area & Lot Width – Lot Area 707m² (7,606ft²) & the Lot Width 21.4m (70ft)*
 - a. As Penticton’s population continues to grow, while the amount of developable land remains the same, due to the fortunate circumstances of being surrounded by mountains and lakes, consolidating large sites is getting more difficult in developed areas. This is very applicable in the Churchill Ave West precinct, which is essentially an urban infill situation.

- b. The subject lot is one of the largest in the area and is ideal for higher density infill development in accordance with the City plans for the future development of the area.
2. *Floor Area Ratio ("FAR") – 1.83 FAR*
- a. Similar to the above, the FAR is slightly high for a medium density residential project because we are proposing a unique development that provides higher density family housing on a large lot for the area, but smaller than some other multi-family development parcels.
 - b. The higher FAR is partially a result of offering over and above amenity space to encourage use of the share this shared space and create a sense of community within the building and its occupants.
 - c. If we exclude the roof top patio amenity and lobby, the FAR drops to 1.65. This amenity space is over and above a typical development amenity space and transforms roof-top area that typically just goes unutilized.
 - d. The lobby space and entry are intended to create a much nicer streetscape and does not produce a significant net benefit to the building yet increases the FAR calculation.
 - e. Larger, 3-bedroom condominium dwellings are at the core of the building design, so the development is attractive to families wanting to move to this amenity filled neighborhood.
 - f. In previous years the City dedicated 3.0m from the north property line as public road to allow for road widening of Churchill Avenue, and this frontage appropriation effectively decreased the total lot area and is proposed to be landscaped boulevard. In addition to the 3.0m previously appropriated the City will be appropriating an additional 1.0m (21.4m²) during this rezoning exercise. This brings the total of land appropriated over the past 3 years to 1,037 sq.ft.
3. *Maximum Lot Coverage –0.51*
- a. If we consider just the ground floor lobby area, the lot coverage is only 32%, but the Zoning Bylaw calculates to the outside of the building envelope. The remaining ground floor area is parking space which will be open aired and bordered with landscaping and some screening.
 - b. The rooftop area also has over 550 square feet of open garden space for residents use. This includes a 4x8 planter box for each dwelling unit to grow vegetables, flowers, and other plants. Rain water (greywater) from the roof top will be collected and used for watering the planters and vegetation
 - c. See image on next page showing areas of space on the ground floor level
4. *Interior Side Yards – 2.3m (7'-7") | Ground Level Side Yards are 2.55m (8'-4")*
- a. The existing older apartment building to the west has approximately a 17' lane along the adjoining property line, meaning there will be over 25' between our proposed structure and the existing apartment structure.
 - b. The owner of the existing older rental house to the east has provided a letter supporting reduced side yard setbacks. (copy provided)
 - c. Landscaping buffers are a large reason for setback requirements, and a landscape buffer will be provided on all sides of the proposed development.

- d. The top floor steps back 5 ½ feet from the envelope of the building façade, increasing the side yard setbacks on the top floor to 4.0m (13'-1").



- e. *Maximum 80% of ground level area shall be covered with hard surfacing*
- f. All pathways and parking areas are hard surfaces (concrete) to reduce maintenance expenses, which drastically increase the hard surfaces of the site. These areas could be installed with permeable materials though the required maintenance and replacement may be more taxing on the environment in the long run.
- g. See image to the left, 36% of the hard surface coverage is due to off-street parking only.
- h. 20% of at grade level will be xeriscape landscaping consisting of underground drip lines and drought tolerant planting.
- i. 5% of the at grade ground coverage is due to the Alternate Transportation Room to accommodate the included 2 EBikes per condominium.

Landscaping

- a. 20% or 1,485 sq.ft. of the ground level will be landscaped with native Okanagan plants that require very little water (drought resistant).
- b. 550 sq. ft. of roof top area will be dedicated as community garden and plantings.

Parking

Each dwelling is provided 1 parking stall per unit, plus 2 visitor stalls, for a total of 10 off-street parking stalls for the development. With no curb let down to Churchill it was possible to save 3 parallel, on-street parking stalls. Best practice may suggest that 3-bedroom condominiums may warrant 2 parking stalls per dwelling but at this very walkable, amenity rich location and taking into account the convenience of alternative means of transportation, a new standard of living has been considered and involves much less dependency on motor vehicles.

Conclusion

The Comprehensive Development regulations are intended to encourage and facilitate unique and “outside-the-box” developments. The proposed boutique 8 condominium residences project is designed for families and will be a leading design project for this area. The 962 Churchill Avenue West subject site is in an area of Penticton that is dominated by commercial motels along Lakeshore and Riverside Drive, and older rental houses most of which are being held for planned redevelopment. As a historic small single-family housing area, the lots are generally smaller. The City future development plans call for higher density redevelopment of this area.

The proposed development is on one of the largest lots in the area, and we are proposing a family friendly building which represents smart infill development. The building is over 1 full storey (15’-8”) shorter than permitted by RM3 zoning (63’-0” proposed compared to 78’-8” permitted). Furthermore, the very top floor has been recessed back from the exterior façade of the building to make the building appear like a 5 storey building from the street rather than the actual 6 storey or the permitted 7 storey of other similar medium density residential zones.

The development design has gone several steps further by creating the following unique features:

1. All homes are solar ready, with allotted space on the building’s roof
2. 2 e-bikes per home (included in purchase) and at grade storage for alternative modes of transportation including charging stations
3. All parking stalls are electric car ready
4. Community garden plot for each home on roof top
5. Storm water retention onsite
6. Community gardens reuse rain water for irrigation
7. Climate protection wall for community gardens on roof top
8. 3-bedroom floor plan, allows for young families to enter a desirable neighborhood

We hope that with all the above information about our proposed project that the public can agree that this building is in line with the new Official Community Plan and it will be an example project for smart, characteristic infill development.

Renders



Render 1: View from North East



Render 2: View from North West



Render 3: View from South East
















Render 4: View from Churchill Avenue

Attachment F – Proposed Site Plan





PLAN SCHEDULE

Plant	Botanical Name Common Name	Height	Ref. Size	Qty
	Andropogon LAWNMAKER 16-17	Grass	#2	14
	Andropogon 'Dancing Sky' Bluestar 'Dancing Sky'	Grass, tall	#2	14
	Andropogon 'Red Tassel' Bluestar 'Red Tassel'	Grass, tall	#2	16
	Betula papyrifera 'Fast' Cobalt Hybrid Birch or Little King	Tree, columnar	2.5" Cal.	4
	Hosta plantaginea 'Empire Blueberry' Blue Japan Hosta	Grass, med	#2	40
	Chamaecyparis nictitans 'Green Arrow' Green Arrow Weeping Alaska Cedar	Conifer, columnar	8" cal	2
	Thuja occidentalis 'Purplea' Purple Seed Sauge	Evergreen	#2	21
	Hydrangea macrophylla 'Alice's Blue' Japanese Parasol Hydrangea	Grass, small	#2	33
	Hydrangea macrophylla 'Patriot' Patriot Hydrangea	Perennial, shrub	#2	3
	Hydrangea serrata 'Inchworm' Phantom Hydrangea	Shrub, med	#5	3
	Hydrangea serrata 'Mendocino' Sweet Girl Hydrangea	Tree, columnar	2.5" Cal.	5
	Hydrangea serrata 'Western Snowflake' Western Snowflake	Perennial, med	#2	20
	Hydrangea serrata 'Lacey Blue' Lacey Blue	Tree, med	2.5" Cal.	15
	Hydrangea serrata 'Lacey Blue' Lacey Blue	Shrub, med	#2	4



FOR CONSTRUCTION 06/26/2019
 PLANT SCHEDULE 06/26/2019
 DATE: 06/26/2019 06/26/2019

DIG IT DESIGN
 LANDSCAPE DESIGN
 210 HASTINGS AVE
 PENT CTN BC

PARALLEL 80 CONSTRUCTION
 210 HASTINGS AVE
 PENT CTN BC

LANDSCAPE PLAN

FRAN MARRA
 962 CHURCHILL AVE

DATE: 06/26/2019
 BY: NISANSH
 CHECKED: 06/26/2019
 SCALE: XX X

Attachment H – Proposed Floor Plans



Figure 11 - Ground Level Floor Plans

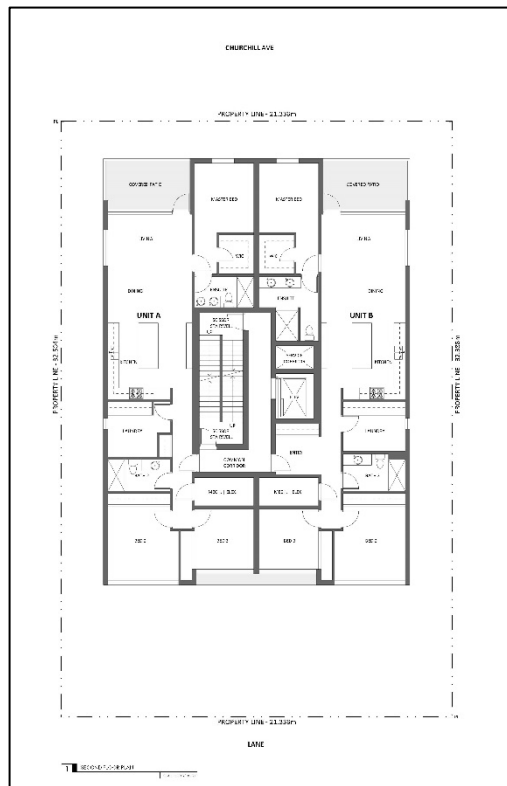


Figure 12 - Second Level Floor Plans

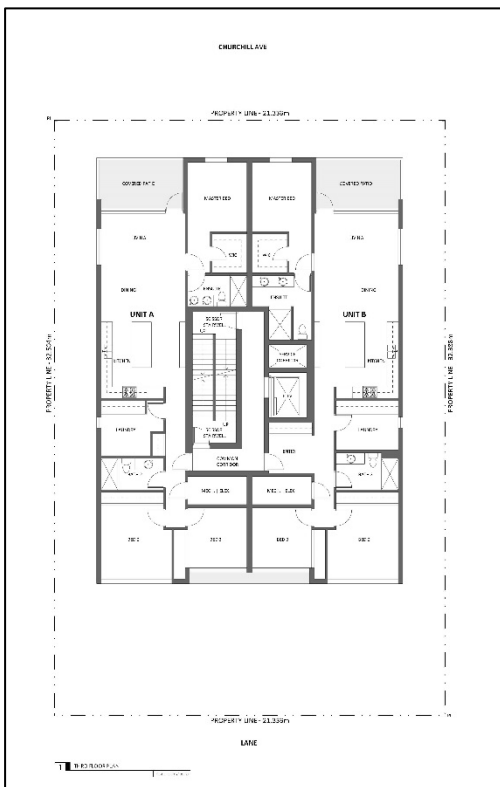


Figure 13 - Third Level Floor Plans

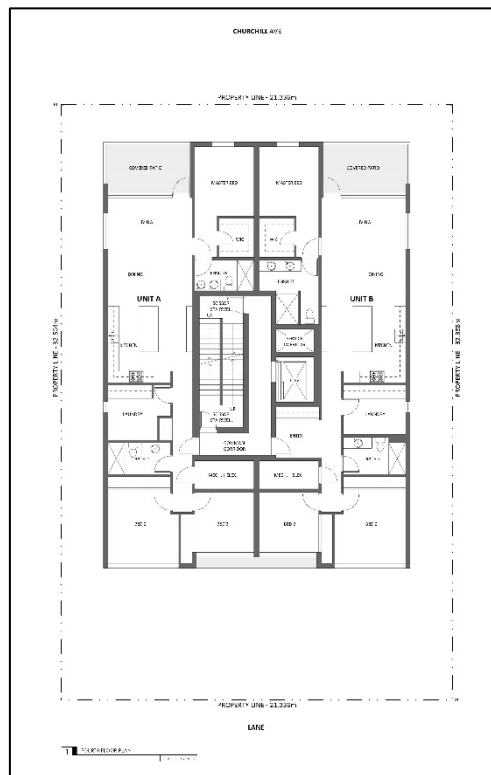


Figure 14 - Fourth Level Floor Plans

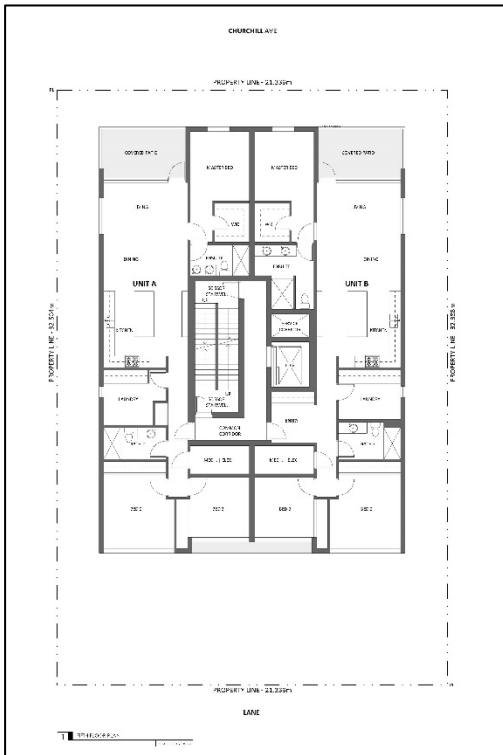


Figure 15 - Fifth Level Floor Plans

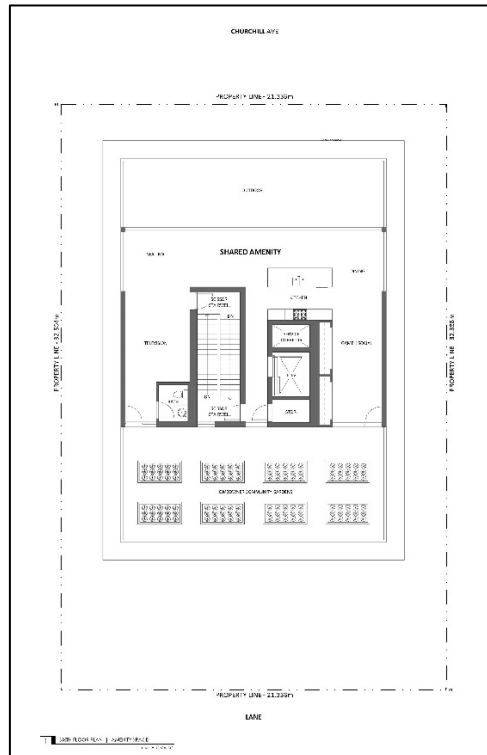


Figure 16 - Roof Level Floor Plan

Attachment I – Proposed Building Elevations



Figure 17 - North Elevation



Figure 18 - East Elevation

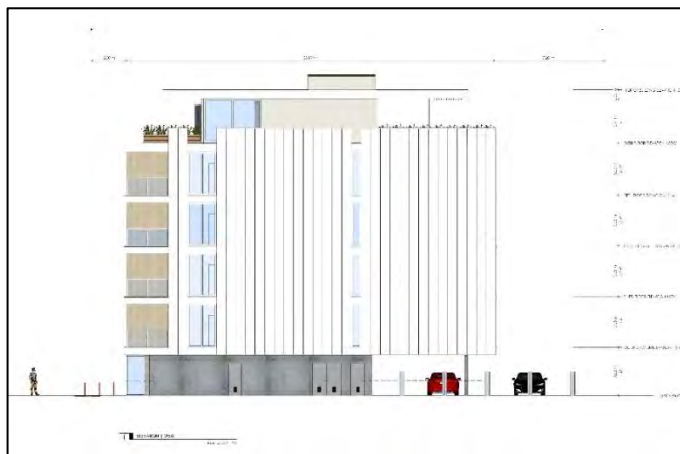


Figure 19 - West Elevation



Figure 20 - South Elevation

Attachment J – Draft Development Permit (DP)



City of Penticton
171 Main St. | Penticton B.C. | V2A 5A9
www.penticton.ca | ask@penticton.ca

Development Permit

Permit Number: DP PL2019-8523

Owner Name
Owner Address

Conditions of Permit

1. This permit is issued subject to compliance with all of the bylaws of the City, except as specifically varied or supplemented by this Permit.
2. This permit applies to:
Legal: Lot 1 District Lot 3 Group 7 Similkameen Division Yale (Formerly Yale Lytton) District Plan 24763
Civic: 962 Churchill Avenue
PID: 003-409-252
3. This permit has been issued in accordance with Section 489 of the *Local Government Act*, to permit the construction of an apartment building as shown in the plans attached in Schedule 'A'.
4. In accordance with Section 502 of the *Local Government Act* a deposit or irrevocable letter of credit, in the amount of \$_____ must be deposited prior to, or in conjunction with, an application for a building permit for the development authorized by this permit. The City may apply all or part of the above-noted security in accordance with Section 502(2.1) of the *Local Government Act*, to undertake works or other activities required to:
 - a. correct an unsafe condition that has resulted from a contravention of this permit,
 - b. satisfy the landscaping requirements of this permit as shown in Schedule 'A' or otherwise required by this permit, or
 - c. repair damage to the natural environment that has resulted from a contravention of this permit.
5. The holder of this permit shall be eligible for a refund of the security described under Condition 4 only if:
 - a. The permit has lapsed as described under Condition 8, or
 - b. A completion certificate has been issued by the Building Inspection Department and the Director of Development Services is satisfied that the conditions of this permit have been met.

- 6. Upon completion of the development authorized by this permit, an application for release of securities (Landscape Inspection & Refund Request) must be submitted to the Planning Department. Staff may carry out inspections of the development to ensure the conditions of this permit have been met. Inspection fees may be withheld from the security as follows:

1 st Inspection	No fee
2 nd Inspection	\$50
3 rd Inspection	\$100
4 th Inspection or additional inspections	\$200

General Conditions

- 7. In accordance with Section 501(2) of the *Local Government Act* the lands subject to this permit shall be developed in general accordance with this permit and the plans attached as Schedule 'A'.
- 8. In accordance with Section 504 of the *Local Government Act*, if the holder of this permit does not commence the development authorized by this permit within 2 years of the date of this permit, this permit shall lapse.
- 9. This permit is not a building permit. In order to proceed with this development, the holder of this permit must hold a valid building permit issued by the Building Inspection Department.**
- 10. This permit does not constitute any other municipal, provincial or federal approval. The holder of this permit is responsible to obtain any additional municipal, federal, or provincial approvals prior to commencing the development authorized by this permit.
- 11. This permit does not include off-site infrastructure costs that may be required at the building permit stage, such as Development Cost Charges (DCC's), road improvements and electrical servicing. There may be substantial infrastructure and servicing costs payable at a later date. For more information on servicing and infrastructure requirements please contact the Development Engineering Department at (250) 490-2501. For more information on electrical servicing costs, please contact the Electric Utility at (250) 490-2535.

Authorized by City Council, the _____ day of _____, 2019.

Issued this ____ day of _____, 2019.

 Angela Collison,
 Corporate Officer

Attachment K – Proposed CD6 Zoning Regulations

14.6 CD6 – Comprehensive Development (962 Churchill Avenue)

14.6.1 PURPOSE

This **zone** provides for the comprehensive development of a residential site for Lot 1, DL 3, SDYD (Formerly Yale Lytton), Plan 24763, located at 962 Churchill Avenue.

14.6.2 PERMITTED USES

The **permitted uses** in this **zone** are:

- .1 **accessory use, building or structure**
- .2 **apartment**
- .3 **minor home occupation** (subject to specific use regulation 7.3)
- .4 **vacation rental** (subject to specific use regulation 7.6)

14.6.3 SUBDIVISION AND DEVELOPMENT REGULATIONS

- .1 Minimum **lot width:** 21.0 m
- .2 Minimum **lot area:** 700 m²
- .3 Maximum **lot coverage:** 55%
- .4 Maximum **density:** 1.9 **FAR**
- .5 Maximum **height:**
 - i. **principal building** 19.0 m
 - ii. **accessory building or structure** 4.5 m
- .6 Minimum **front yard:** 3.0 m
- .7 Minimum **interior side yard:**
 - i. **principal building** 2.5 m
 - ii. **accessory building or structure** 1.5 m
- .8 Minimum **rear yard:**
 - iii. **principal building** 6.0 m
 - iv. **accessory building or structure** 1.5 m

14.6.4 AMENITY SPACE

- .1 **Amenity space** shall be provided at the rate of 20.0 m² for each **dwelling unit**.

14.6.5 SUBDIVISION AND DEVELOPMENT REGULATIONS

- .1 In addition to the projections permitted in Section 4.9.1 (Table 4.1), the maximum projection into a required side yard for a deck is 0.2m.

14.6.6 SUBDIVISION AND DEVELOPMENT REGULATIONS

- .1 The minimum width of a landscape buffer abutting a residential zone shall be 2.0m.

Attachment L – Letters of Support Received

17 September 2019

962 Churchill Ave – Proposed 8 Condominium Development

Perret Family Development Application

Letters of Support – Summary List

The following is a list of local area letters of support for the Perret family proposed development at 962 Churchill Ave.

The Perret Family has engaged the local area and informed them about the proposed development, including hosting a neighbourhood Open House information session on 20 Dec 2018, doing several information letter drops in the area, and many individual meetings with local residents.

Several Penticton City Councillors attended the 20 December 2018 Neighbourhood Open House development information meeting that was held in the house at the development site.

It is important to note that neither the Perret Family or the project designer Redbarne Developments have received any negative letters or feedback on the proposed development.

	From	Current Address	Date
1.	Don Diffen	950 Churchill owner – house next door. Letter of support for the development and for reduced setbacks	3 August 2018
2.	Jim Carter and Jan Janzen	938 Churchill Ave	13 Sept 2019
3.	Sunny Dennison	932 Churchill Ave	17 August 2019
4.	Heidi Setzer	914 Churchill Ave	6 September 19
5.	Sergio & Teresa Molina	908 Churchill Ave	27 August 2019
6.	F & D McCracken	902 Churchill Ave	20 December 18
7.	Garth Bathgate	602 Churchill Ave	2 January 2019
8.	Wendy From	915 Dynes Ave	20 December 2018
9.	Ryder Mann	102-940 Dynes Ave	January 2019
10.	Marc Tougas	65 Sydney St	06 September 19
11.	Sue Howard	565 Alexander St	January 2019
12.	Cheryl Watts	101 - 166 Power St	16 April 2019
13.	Richard Ante	101 - 166 Power St	16 April 2019
14.	Taylor Kenyon	107 - 166 Power St	23 August 2019
15.	Andrea & Ken Naylor	114 - 166 Power St	27 August 2019
16.	W & J Merritt	119 Maple St	2 January 2019
17.	Corina Meschersmidt	127 Maple St	January 2019
18.	Open House Feedback	29 attendees – 4 positive feedback forms completed (attached)	22 December 2018

962 Churchill Development – Block Support Map

The attached diagram shows the immediate neighbours who have provided letters of support for the proposed 8 Condominium development of 962 Churchill.

Please note: all properties with Blue ticks have provided letters of support



10 July 2018

The City of Penticton
171 Main St,
Penticton, BC V2A 5A9, Canada

Attn: Planning Department.

Regarding the Development of 962 Churchill Ave, Penticton

Lot 1 Plan KAP24763 District Lot 3 Land District 7 Land District 54

I am the owner of the 2 property lots and house at 950 Churchill Ave, Penticton, Lot 10 Plan KAP929 District Lot 3 Land District 54 & Lot 11 Plan KAP929 District Lot 3 Land District 54.

I am aware of the proposal to develop an apartment building on the adjoining property at 962 Churchill Ave, and I support this development.

I also support a reduction in the side setback requirements to 2 meters from the boundary adjoining our properties.

Please contact me if you require any further details.

Sincerely,


Don Duffen


Date

Contact Details

Don Duffen



Address - 950 Churchill Ave, Penticton BC V2A 1E3



September 13, 2019

City of Penticton
Planning Department

To Whom it May Concern,

We are writing in support of the proposed new condominium building at 962 Churchill Avenue, Penticton.

We are co-owners of a residence of this block of Churchill and find this a wonderful area to live in Penticton. This development will provide additional desirable housing options for this section of the city & compliment the current mix.

The Perret's planned building has 8x3 bedroom condominiums with shared roof top leisure/games room, deck & BBQ area, and outdoor gardens. I believe this type of condo complex with such amenities would provide modern & appealing residential space for this area.

The condominiums are 3 bedrooms on one level which is an important point of difference as there are very few 3-bedroom, single level homes of this type in the area.

Churchill West is becoming a more attractive place to live because of the proximity to Okanagan Lake, the downtown core, river channel, and all the community amenities nearby.

The building design is very attractive and will really improve the area. Improvements such as this typically motivate a sense of pride & connectivity within the neighbourhood community, encouraging positive interaction & good stewardship amongst residents, which in turn enhances security & favourable environmental benefits for all.

We fully support this project and request council approve this proposed condominium development.

Yours truly,

Jim Carter & Jan Janzen, co-owners
938 Churchill Avenue
Penticton, BC

17 August 2019

To Whom It May Concern,

962 Churchill Proposed Development

We are writing to provide support for the Perret family 8 condominium development at 962 Churchill Avenue.

We think the building design is very good looking, and will really help improve that area of Churchill Avenue.

The building itself has some lovely features, with the roof top deck area forming a fantastic building amenity that will enable all residents to share their company and great views of Okanagan lake.

This design approach is much more community minded than simply putting private residences on the top floor.

The building is designed to complement the lifestyle that many people moving to that area want. Easy access to walk the lake, cycle the river channel, or head down to the farmers markets on a Saturday morning.

The area is changing with new developments all along Churchill, and more coming on Dynes avenue.

We think this development will set a good example for community design for this area, and we fully support approval and construction of this building.

Sincerely,

Sunny Denison



932 Churchill Ave
Penticton, BC
V2A 1E3

September 06, 2019

Penticton Planning Department

Dear Planners,

962 Churchill Development

As residents of Churchill, we are writing to support the new 8 condominium development at 962 Churchill Ave.

We currently rent a 3-bedroom home on Churchill and found it very difficult to find a place in this area. We love the area and would like to see more choice for larger 3-bedroom places that are suitable for families.

The design of the proposed building is excellent, with 3 bedrooms on one level making it attractive for families. Also, the common area roof top deck, solar panel capability, ecar parking, and EBikes all combine to provide the kind of lifestyle that suits the area.

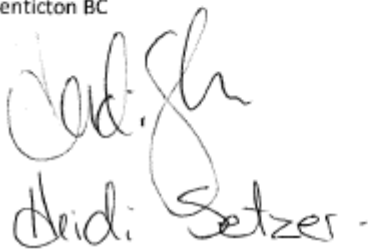
We would like to see this type of development in the Churchill area, and think this building will be a great addition to the neighbourhood.

Thanks, and we hope you approve the development of this building.

Yours Truly,

914 Churchill Ave

Penticton BC



Heidi Setzer

27 August 2019

City of Penticton
Property Department

Dear City Council,

We are writing in support of the Perret family condominium development at 962 Churchill Avenue.

We live on West Churchill and love this area.

We have reviewed the plans for the development, and fully support approval by the City.

The proposed condominium development is a very attractive design that will greatly improve the street at that part of Churchill and will set a good standard for future developments.

The building design incorporates good environmental features such as car spaces, ebikes, and solar energy. The roof top deck gardens and leisure area are also a great design.

The larger 3-bedroom condominiums are great for families wanting to live in this area of Penticton.

As residents of this block of Churchill we support approval of the development.

Yours sincerely

Sergio and Teresa Molina
908 Churchill Avenue
Penticton BC



962 CHURCHILL AVE BUILDING DEVELOPMENT PROPOSAL

The Perret Family value our neighbours' opinions and feedback regarding our proposed building development at 962 Churchill Avenue, so for further information about this project please contact Rob Perret at [REDACTED] with your questions

If you are in support of this project please sign the sheet below and leave it in your mailbox by Friday March 15th, 2019 for pick up. Or you can email your support to [REDACTED]

Thank you for your time,
The Perret Family

We, the undersigned, reside in the vicinity of 962 Churchill Ave and support this environmentally conscience, family friendly building project which we believe would benefit and add value to this desirable neighbourhood as it continues to revitalize to meet our growing community.

Name	Address	Signature
Frank and Debra McCracken	902 Churchill Ave	[Handwritten Signature]

PLEASE FEEL FREE TO CONTACT US IF WE CAN BE OF ANY FURTHER SUPPORT

FRANK & DEBRA MCCRACKEN
[REDACTED]

Perret Boutique 8 Condominium Development

962 Churchill Avenue

Draft Letter of support

To: Penticton City Planning Department

I am a life long resident of the Churchill Ave area, and was raised at 602 Churchill Ave where I currently reside.

I spent my career in the property appraisal profession, and for many years have watched the redevelopment of the older areas of Penticton near Okanagan lake.

While there has been significant redevelopment of Churchill Ave and cross streets east of Power St, the neighbourhoods west of Power Street would really benefit from some new development.

I have reviewed the development plans for 962 Churchill Ave and encourage Council to approve this project.

The building design would set a new standard for development in the Churchill West precinct. The building has been designed to ensure all residents benefit from common area amenities, and the roof top deck and gardens. The building incorporates green and recycling features that represent best practice design.

Overall this building design would greatly improve the area, and the Churchill west street frontage.

I support this project and urge council approval.

Regards

Garth Bathgate



PS WOULD LIKE TO SEE THE SPEED LIMIT
REDUCED TO 30KM WHICH WOULD MATCH
WINNIEG ST, POWER ST, RIVERSIDE DR, LAKESHORE DR,
PARTS OF ALEXANDER ST, AND DYNEKES AROUND THE
PARK. THANKS GB

962 CHURCHILL AVE BUILDING DEVELOPMENT PROPOSAL


The Perret Family value our neighbours' opinions and feedback regarding our proposed building development at 962 Churchill Avenue, so for further information about this project please contact Rob Perret [REDACTED] [REDACTED] with your questions.

If you are in support of this project please sign the sheet below and leave it in your mailbox by Friday March 15th, 2019 for pick up. Or you can email your support to [REDACTED]

Thank you for your time,

The Perret Family

We, the undersigned, reside in the vicinity of 962 Churchill Ave and support this environmentally conscience, family friendly building project which we believe would benefit and add value to this desirable neighbourhood as it continues to revitalize to meet our growing community.

Name	Address	Signature
Wendy Fromm	915 Dylhes Ave	

New development on Churchill

This letter is in support of the 8 units apartment that is proposed on Churchill. I was able to attend the open house in December of 2017 and am very impressed with the plans and concept.

The building incorporates some new stuff that we have not seen in the Penticton market that I would like to see more of.

The building sets a high standard of what the entire street might look like in 5-10 years, and hopefully even sooner. The City of Penticton needs more development with this kind of density that blends in seamlessly with the existing and future neighbourhoods.

I support this project.

Ryder Mann



102-940 Dynes Avenue

Penticton BC

06 September 2019

City of Penticton

Property Development Department

Mayor and Council,

This is a letter of support for the 8 unit condominium development at 962 Churchill Avenue. I own and manage property in the area and support the continued infill of that area.

We have reviewed the plans for the development, and fully support this concept and hope for approval by the City.

I feel this is a very attractive design and will be an immediate improvement to the area.

The area has become very attractive as it redevelops, and people recognize the convenience and lifestyle features of this part of town.

Our family has been in Penticton for many years and hope that this area continues to improve with infill developments such as these. This Part of Churchill has multifamily buildings and we feel that this development will fit right in.

Cheers,

Marc Tougas

65 Sydney street

Penticton BC

Perret Boutique & Condominium Development

962 Churchill Avenue

Draft Letter of support

As a long time, Penticton resident, I am writing to encourage council to approve the development of 962 Churchill Ave.

The planned building is an innovative and cutting-edge design that is both attractive and environmentally responsible. The green features and amenities will make it a really great building in which to live, and the common area roof-top deck will provide a really great interactive space for residents.

The Perret family and building designer have spent a lot of time working with council and getting feedback from local residents, and have incorporated many ideas to make the building better.

The building will be a great enhancement to the area and set an example for future development.

I encourage council to approve this development

Regards

 565 Alexandre Jue

Cheryl Watts
101-166 Power St
Penticton BC
V2A 5W9

16 April 2019

To: City of Penticton

Re: Perret Development, 962 Churchill Ave Penticton B.C.

I am writing to express my support for the Perret family development of the 8 Condominium building at 962 Churchill Ave.

As a local resident I am pleased to support progressive building design that improves the area and provides additional affordable modern housing. This area is perfect for medium density development and will allow more people to share the great recreational and lifestyle amenities in the area.

The rooftop deck and other planned building features will make this a very attractive lifestyle building.

I relocated to Power Street in the last couple of years and know many other people who like to relocate to this area. This building will provide a great opportunity.

I fully support the proposed development at 962 Churchill.

Sincerely,



Cheryl Watts

Richard Ante
166 - 101 Power St
Penticton BC
V2A 1L1

16 April 2019

To: Penticton Planning Department

Re: 962 Churchill Ave – Proposed 8 Condominium Development

On Dec 22 I attended the open house for the proposed development of an 8-condominium building at 962 Churchill Ave. I am a resident of a new development on Power street and am very interested in the overall development of this older area of Penticton.

The open house included plans and renders for the new building and covered the key features and design. The building design would be a great improvement for that area of Churchill and will really improve the area.

The building design incorporates some really innovative features including environmentally friendly parking, solar energy, and ebikes. The roof top deck and residents game room and gardens are really good ways to use otherwise wasted roof space.

This development will also create jobs and help revitalise the western end of Churchill Ave.

I strongly support council approval and construction of this development.

Sincerely,



Richard Ante

101 - 166 POWER STREET
Penticton BC
V2A 5W9



23 August 2019

Penticton City Council

Penticton Planning Department

Dear Council and Planners,

I want to express my support for the new 8 condominium building being planned for 962 Churchill Avenue.

The building design is great and has a lot of good features that will make it an attractive place to live. The building amenities are really good - in particular the roof top common area patio and gardens which can be shared by all residents.

The development is in an increasingly attractive area of town where people want to live and a bit higher density is a good practice, like this building, because of the access to the lake, the city, and local schools and community recreation facilities.

This development would be good for this area, and I fully support council approval of the development.

Yours sincerely



Taylor Kenyon
107-166 Power Street
Penticton BC

City of Penticton
Planning Department
171 Main Street, Penticton V2A 5A9

August 27th, 2019

Dear Planning Department,

Re: Proposed Condominium Development - 962 Churchill Avenue

We would like to express our strong support for the proposed condominium development by the Perret family at 962 Churchill Ave in Penticton.

As long time local residents who currently reside on Power Street we believe this type of development is a positive rejuvenation to one of the older neighbourhoods in town. We have several friends and acquaintances that are looking to relocate to this area and this is the type of home they are considering.

We have reviewed the plans for the new building and are very impressed with the interesting modern design and believe with its attractive street appeal it would be a definite improvement to that vicinity of Churchill. The internal garbage/recycling room, bike storage and roof top garden terrace help to make it very desirable and environmentally friendly.

We encourage Council to approve this building and look forward to seeing it completed in the very near future.

Sincerely,



Andrea and Ken Naylor

114 - 166 Power St
Penticton BC
V2A 5W9

Perret Boutique 8 Condominium Development

962 Churchill Avenue

Draft Letter of support

To: Penticton City Planning Department

We are long time Penticton residents who recently relocated to this area of town from an orchard property.

We love the area and the great proximity to amenities, and particularly the Okanagan Lakeshore. We love the lifestyle in this area of town and have many friends who are also wanting to relocate to the area.

Most of the houses in the area are older rental properties being held for development. The existing apartments in the area are mostly older small rental apartments. The newer developments that have occurred along Power St, Dynes, and Churchill Ave have sold very quickly, and are really improving the area.

The proposed development at 962 Dynes Ave has great building features and amenities, and importantly provides family oriented 3-bedroom accommodation that is really needed in this area.

The proposed apartment will really improve the street front and set a high standard for future development in the Churchill west area.

We support Council approval of the proposed 8 condominium development.

Yours Truly

Walter and Jane Merritt

Handwritten signatures of Walter and Jane Merritt. The signature for Walter is on the left, and the signature for Jane is on the right, both in blue ink.

Perret Boutique # Condominium Development

962 Churchill Avenue

Draft Letter of support

As a local resident who lives nearby I want to write in support of the proposed condominium development at 962 Churchill.

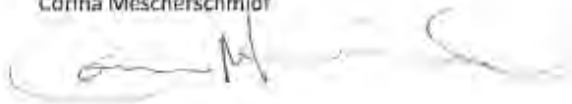
The building looks great and will really improve that end of Churchill. I like that the the building design is environmentally friendly and incorporates solar and electric car spaces, and ebikes.

We particularly like that the building will be family oriented in an area of town that has little decent quality family accommodation.

I fully support the development of this building, and think it will be great and set a new standard for the area.

Sincerely

Carina Mescherschmidt




PROJECT: 8-UNIT RESIDENTIAL DEVELOPMENT

DATE: DECEMBER 20, 2018

ADDRESS: 962 CHURCHILL AVENUE

PUBLIC OPEN HOUSE

THE PERRET FAMILY |  **Parallel 50 Construction**

COMMENTS


Interesting building concept for the neighbourhood. This type of ~~den~~ density is needed in this area.

PROJECT: 8-UNIT RESIDENTIAL DEVELOPMENT

DATE: DECEMBER 20, 2018

ADDRESS: 962 CHURCHILL AVENUE

PUBLIC OPEN HOUSE

THE PERRET FAMILY |  Parallel 50 Construction

COMMENTS

FANTASTIC Proposal.

Creates Jobs
and a Better
Quality of Life.


Dick Anto 166-100 Power
STREET

PROJECT: 8-UNIT RESIDENTIAL DEVELOPMENT

DATE: DECEMBER 20, 2018

ADDRESS: 962 CHURCHILL AVENUE

PUBLIC OPEN HOUSE

THE PERRET FAMILY |  Parallel 50 Construction

COMMENTS

I think this would be a great improvement to the neighborhood, and not impact the existing housing negatively.


Rick Grandbois
921 Dynes Ave.

PROJECT: 8-UNIT RESIDENTIAL DEVELOPMENT

DATE: DECEMBER 20, 2018

ADDRESS: 962 CHURCHILL AVENUE

PUBLIC OPEN HOUSE

THE PERRET FAMILY |  Parallel 50 Construction

COMMENTS

Great to clean up the street and create
community presence (roof etc).
provides well needed housing - keep affordable +
implement green construction!

Bylaw No. 2019-39

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. 2019-39”.

2. **Amendment:**

2.1 Zoning Bylaw 2017-08 is hereby amended by adding the following to Chapter 14 – Comprehensive Development:

14.6 CD6 – Comprehensive Development (962 Churchill Avenue)

14.6.1 PURPOSE

This **zone** provides for the comprehensive development of a residential site for *Lot 1, DL 3, SDYD (Formerly Yale Lytton), Plan 24763*, located at 962 Churchill Avenue.

14.6.2 PERMITTED USES

The **permitted uses** in this **zone** are:

- .1 **accessory use, building or structure**
- .2 **apartment**
- .3 **minor home occupation** (subject to specific use regulation 7.3)
- .4 **vacation rental** (subject to specific use regulation 7.6)

14.6.3 SUBDIVISION AND DEVELOPMENT REGULATIONS

- .1 Minimum **lot width:** 21.0 m
- .2 Minimum **lot area:** 700 m²
- .3 Maximum **lot coverage:** 55%
- .4 Maximum **density:** 1.9 **FAR**
- .5 Maximum **height:**
 - i. **principal building** 19.0 m
 - ii. **accessory building or structure** 4.5 m
- .6 Minimum **front yard:** 3.0 m

- .7 Minimum **interior side yard:**
 - i. **principal building** 2.5 m
 - ii. **accessory building or structure** 1.5 m
- .8 Minimum **rear yard:**
 - iii. **principal building** 6.0 m
 - iv. **accessory building or structure** 1.5 m

14.6.4 AMENITY SPACE

- .1 **Amenity space** shall be provided at the rate of 20.0 m² for each **dwelling unit**.

14.6.5 SUBDIVISION AND DEVELOPMENT REGULATIONS

- .1 In addition to the projections permitted in Section 4.9.1 (Table 4.1), the maximum projection into a required side yard for a deck is 0.2m.

14.6.6 SUBDIVISION AND DEVELOPMENT REGULATIONS

- .1 The minimum width of a landscape buffer abutting a residential zone shall be 2.0m.

2.2 Update Schedule 'A' Zoning Bylaw Text Table of Contents and Schedule 'B' Zoning Bylaw Map to include CD6 – Comprehensive Development (962 Churchill Avenue).

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

Rezone Lot 1 District Lot 3 Group 7 Similkameen Division Yale (Formerly Yale Lytton) District Plan 24763, located at 962 Churchill Avenue from R2 (Small Lot Residential) to CD6 Comprehensive Development (962 Churchill Avenue) as shown on Schedule 'A'.

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

READ A FIRST time this _____ day of _____, 2019

A PUBLIC HEARING was held this _____ day of _____, 2019

READ A SECOND time this _____ day of _____, 2019

READ A THIRD time this _____ day of _____, 2019

RECEIVED the approval of the _____ day of _____, 2019
Ministry of Transportation on the

ADOPTED this _____ day of _____, 2019

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

Approved pursuant to section 52(3)(a) of the *Transportation Act*
 this _____ day of _____, 2019

for Minister of Transportation & Infrastructure

John Vassilaki, Mayor

Angie Collison, Corporate Officer

Add Section 14.6 CD6
(Comprehensive Development
Zone) to Zoning Bylaw 2017-08

Rezone 962 Churchill Ave
From R2 (Small Lot Residential)
To CD6 (Comprehensive
Development Zone)



City of Penticton – Schedule 'A'

Zoning Amendment Bylaw No. 2019-39

Date: _____

Corporate Officer: _____

Council Report

penticton.ca

Date: October 1, 2019
To: Donny van Dyk, Chief Administrative Officer
From: Shawn Filice, Manager – Electric Utility
Subject: **Electric Utility Services Amendment Bylaw No. 2019-40**
Fees and Charges Amendment Bylaw No. 2019-41

File No: 5500-01

Staff Recommendation

THAT Council give first, second and third reading to “Electric Utility Services Amendment Bylaw No. 2019-40” a bylaw to amend “Electric Utility Services Bylaw No. 2017-44” as it pertains to Part 8 - Meter Reading and Billing;

THAT Council give first, second and third reading to “Fees and Charges Amendment Bylaw No. 2019-41” a bylaw to amend “Fees and Charges Bylaw No. 2014-07” as it pertains to Appendix 7 - Electricity;

AND THAT Council direct staff to forward “Electric Utility Services Amendment Bylaw No. 2019-40” to the Minister of Municipal Affairs and Housing for approval.

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

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.

On September 3, 2019 Council directed 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. The following changes are required in both the Electric Utility Services Bylaw No. 2017-44 and the Fees and Charges Bylaw No. 2014-07:

Electric Utility Services Bylaw No. 2017-44

Part 8 – Meter Reading and Billing

8.4 Rates for Electricity

The Customer shall pay for Electrical Service in accordance with the Customer’s applicable Rate Code as specified in this Bylaw and the Fees and Charges Bylaw.

When paying Net Metered Customers for any excess Energy generated by the Customer, the Penticton Electric Utility shall use the applicable *Rate Code as specified in the Fees and Charges Bylaw.*

Fees and Charges Bylaw No. 2014-07

When paying Net Metered Customers for any excess Energy generated by the Customer, the Penticton Electric Utility shall use the applicable *Rate Code under which the Customer is receiving Service from the Penticton Electric Utility.* Customers will be responsible for all costs of their Distribution Generation System including, but not limited to, design, permits, installation, inspection fees, connection fees, repairs and maintenance.

Alternate Recommendation

THAT Council send the bylaws back to staff for further research.

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), August 20, 2019 (376, & 377/2019) and September 3, 2019 (393/2019).




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) and March 19, 2019 (173/2019).

Attachment C - Electric Utility Services Amendment Bylaw No. 2019-40

Attachment D – Fees and Charges Amendment Bylaw No. 2019-41

Respectfully submitted,

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

<p>General Manager of Infrastructure</p> 	<p>CFO</p> 	<p>Chief Administrative Officer</p> 
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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
Councillor 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
Councillor Albas, Opposed**

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

377/2019

It was MOVED and SECONDED

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

CARRIED UNANIMOUSLY

September 3 ,2019 Council Resolution (393/2019)

393/2019 **It was MOVED and SECONDED**

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.

CARRIED
Mayor Vassilaki, Councillors Regehr and Watt, 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
Councilor 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 Councilor 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

Bylaw No. 2019-40

A Bylaw to Amend Electric Utility Services Bylaw

WHEREAS the Council of the City of Penticton has adopted an Electric Utility Services Bylaw;

AND WHEREAS the Council of the City of Penticton wishes to amend Electric Utility Services Bylaw No. 2017-44;

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 "Electric Utility Services Amendment Bylaw No. 2019-40".

2. **Amendment:**

2.1 Electric Utility Services Bylaw 2017-44 is hereby amended by deleting and replacing Part 8 – Meter Reading and Billing, section 8.4 Rates for Electricity with the following:

8.4 Rates for Electricity

The Customer will pay for Electrical Service in accordance with the Customer’s applicable Rate Code as specified in this Bylaw and the Fees and Charges Bylaw.

When paying Net Metered Customers for any excess Energy generated by the Customer, the Penticton Electric Utility will use the applicable Rate Code under which the Customer is receiving Service from the Penticton Electric Utility.

READ A FIRST time this	day of	, 2019
READ A SECOND time this	day of	, 2019
READ A THIRD time this	day of	, 2019
RECEIVED the approval of the Minister of Municipal Affairs and Housing this	day of	, 2019
ADOPTED this	day of	, 2019

John Vassilaki, Mayor

Angie Collison, Corporate Officer

The Corporation of the City of Penticton

Bylaw No. 2019-41

A bylaw to amend the Fees and Charges Bylaw No. 2014-07

WHEREAS the Council of the City of Penticton has adopted a Fees and Charges Bylaw pursuant to the *Community Charter*;

AND WHEREAS the Council of the City of Penticton wishes to amend the "Fees and Charges Bylaw No. 2014-07";

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

1. **Title:**

This Bylaw may be cited as "Fees and Charges Amendment Bylaw No. 2019-41".

2. **Amendment:**

2.1 Amend "Fees and Charges Bylaw No. 2014-07" Appendix 7 – Electric by deleting and replacing the following:

Net Metering (aka Micro-DR)

When paying Net Metered Customers for any excess Energy generated by the Customer, the Penticton Electric Utility will use the applicable Rate Code under which the Customer is receiving Service from the Penticton Electric Utility. Customers will be responsible for all costs of their Distribution Generation System including, but not limited to, design, permits, installation, inspection fees, connection fees, repairs and maintenance.

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

John Vassilaki, Mayor

Angie Collison, Corporate Officer

Council Report

penticton.ca

Date: October 1, 2019 **File No:** 0550-02
To: Donny van Dyk, Chief Administrative Officer
From: Angie Collison, Corporate Officer
Subject: Location of Regular Council Meeting October 15 – Okanagan College – Penticton Campus

Staff Recommendation

THAT Council hold the Regular Council Meeting scheduled for Tuesday, October 15, 2019 at the Okanagan College - Penticton Campus, 583 Duncan Avenue West.

Strategic priority objective

Mission: Penticton will serve its residents, businesses and visitors through good governance, partnership and the provision of effective and community focused services.

Background

In an effort to engage the youth and promote local government awareness, arrangements are underway to hold a Council meeting at Okanagan College – Penticton Campus on Tuesday, October 15, 2019 at 1:00 p.m.

As outlined in the Council Procedure Bylaw No. 2018-35, all Council meetings must take place within City Hall except when Council resolves to hold meetings elsewhere. The meeting will begin at 1:00 p.m. in the Community Hall, PC113 in the Centre of Excellence building.

We anticipate student led delegations on topics of interest that the local government has jurisdiction over and an update from Okanagan College.

Like all Council meetings, everyone is welcome to attend. Social media and newspaper ads will run over the next few days to notify the public of the location change.

Financial implication

It is estimated that the cost for room set up, sound equipment rental and web streaming will cost approximately \$4000 - \$4500.

Respectfully submitted,

Angie Collison
Corporate Officer

Chief Administrative
Officer

DvD

Council Report

penticton.ca

Date: October 1, 2019
To: Donny van Dyk, Chief Administrative Officer
From: Blake Laven, Planning Manager
Subject: Revitalization Tax Exemption Agreements

File No: RMS 6630-20

Staff Recommendation

THAT Council enter into Revitalization Tax Exemption Agreements with the owners of the following 12 properties:

Downtown EIZ

- 135 Front Street
- 399 Main Street
- 361 Martin Street
- 198 Winnipeg Street
- 161 Ellis Street
- 99 White Avenue
- 110 Ellis Street

Industrial EIZ

- 647 Okanagan Avenue E
- 192 Industrial Court
- 2147 Dartmouth Rd
- 2203 Dartmouth Drive

Waterfront

- 1000 Lakeshore Drive

AND THAT the Mayor and Corporate Officer be directed to execute the "Revitalization Tax Exemption Agreements" on behalf of the City.

Background

The Economic Investment Zone program was originally adopted by Council in 2010 to provide economic incentives for specified uses in key areas within the city. The three EIZ bylaws dealt with in this report provide for incentives in the downtown, industrial zones and waterfront areas of the city.

Including the projects identified in this report, investments in these areas through the EIZ program has equaled more than \$93 million dollars in construction value over almost 53 projects in the 9+ years that the

program has been running. The EIZ program has now come to an end with no further projects being eligible.

The current twelve (12) projects being brought forward at this time themselves represent over \$26 million dollars in construction value. All the projects have met eligibility for tax exemption benefits under the program beginning in the 2020 tax year, with the exception of 110 Ellis Street, which will be required to be complete prior to June of 2020 to qualify for the 2021 tax year.

The projects will receive benefits under three separate bylaws. For properties in the downtown, projects will qualify under Bylaw 2014-04 (8 projects). For properties in the industrial zones, projects will qualify under Bylaw 2014-44 (6 projects). For the project at 1000 Lakeshore Drive, they qualify under Bylaw 2012-5028.

According to all of the bylaws, to receive the tax benefits, the property owners must enter into a revitalization tax exemption agreement with the City and have a tax certificate submitted to BC Assessment. Copies of those agreements and tax certificates are attached for Council’s reference (Attachment B-M). In the case of 110 Ellis Street, a tax certificate will not be submitted to BC Assessment unless completion of the project occurs prior to June 2020.

Financial implication

The table provided in Attachment A outlines a description of each project and the approximate expected tax exemption benefit for the eligible tax years, using construction values in lieu of assessment values (As they are not available until early 2020).

Analysis

These twelve properties are eligible to receive a tax exemption benefit under Bylaw 2014-04, 2014-44 and 2012-5028. As such, staff recommend approval of the attached Agreements and recommend that Council direct the Mayor and Corporate Officer to execute the documents on behalf of Council.

Alternate recommendations




As all of the projects meet the conditions of the bylaws, staff are not providing any alternative recommendations at this time.

Attachments

- Attachment A – Table 1 (Construction value and estimated benefit for each property)
- Attachment B – 2019 Revitalization Tax Exemption Agreements (beginning in the 2020 tax year)

Respectfully submitted,

Blake Laven, RPP, MCIP
Planning Manager

Acting DS Director 	CFO 	CAO 
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Concurrence:

Attachment A

Table 1 (Construction value and estimated benefit for each property)

Project Address and description	Construction value of eligible improvements	Estimated yearly tax exemption benefit (based on declared construction values)	Years eligible for incentive	Estimated total tax exemption benefit (5 or ten year depending on eligibility)
Downtown – EIZ Bylaw 2014-04				
135 Front Street New 14 unit, 5 storey apartment	\$2,525,000	\$9,325	10	\$93,245
399 Main Street Conversion of top two floors of a commercial building into 36 residential suites	\$3,000,000	N/A	10	N/A
361 Martin Street Conversion of PenMar Theater into Time Winery	\$2,250,000	\$6,472	5	\$32,360
198 Winnipeg Street Conversion of an auto-body shop into a dental clinic	\$784,000	\$5,270	5	\$26,345
161 Ellis Street Renovation of a commercial building from retail to office (SOTA Industries)	\$726,000	\$4,879	5	\$24,395
99 White Avenue Construction of a 4 unit residential building	\$600,000	\$2,215	10	\$22,150
110 Ellis Street Construction of a 48 unit residential building	\$13,450,000	\$49,669	10	\$496,690
Industrial – EIZ Bylaw 2014-44				
647 Okanagan Avenue Industrial warehouse	\$850,000	\$5,628	5	\$28,140
192 Industrial Court Industrial building	\$260,000	\$1,721	5	\$8,605
2147 Dartmouth Road Industrial Building	\$690,000	\$4,570	5	\$22,850
2203 Dartmouth Drive Industrial Building	\$450,000	\$2,980	5	\$14,900
Waterfront – EIZ Bylaw 2012-5028				
1000 Lakeshore Drive Renovations to a commercial building (Salty's Beach House)	\$725,000	\$4,873	5	\$24,363
Total	\$26,310,000	\$96,670		\$758,397

Attachment B
Revitalization Tax Exemption Agreements

Downtown (Bylaw 2014-04)

- 1 - 135 Front Street EIZ Agreement and Certificate
- 2 - 399 Main Street EIZ Agreement and Certificate
- 3 - 361 Martin Street EIZ Agreement and Certificate
- 4 - 198 Winnipeg Street EIZ Agreement and Certificate
- 5 - 161 Ellis Street EIZ Agreement and Certificate
- 6 - 99 White Avenue EIZ Agreement and Certificate
- 7 - 110 Ellis Street EIZ Agreement and Certificate

Industrial (Bylaw 2014-44)

- 8 - 647 Okanagan Avenue East EIZ Agreement and Certificate
- 9 - 192 Industrial Court EIZ Agreement and Certificate
- 10 - 2147 Dartmouth Road (previously 598 Warren Avenue) EIZ Agreement and Certificate
- 11 - 2203 Dartmouth Drive EIZ Agreement and Certificate for Strata Lot 5, Strata Lot 6, Strata Lot 7 and Strata Lot 8

Waterfront (Bylaw 2012-5028)

- 12 - 1000 Lakeshore Drive EIZ Agreement and Certificate

REVITALIZATION TAX EXEMPTION AGREEMENT

THIS AGREEMENT is dated for reference the ____th day of October, 2019

BETWEEN:

THE CORPORATION OF THE CITY OF PENTICTON

171 Main Street
Penticton, BC V2A 5A9

(the "City")

AND:

SCHOENNE HOMES INC

205-166 Main Street
Penticton BC V2A 5A4

(the "Owner")

WHEREAS:

- A. The Owner is the registered owner in fee simple of land in the City at **135 Front Street** and legally described as:

PIDs: 012-442-011

Lot 13, Block 1, District Lot 202, Similkameen Division Yale District, Plan 269

(the "Land");
- B. Council of the City has, by adoption of City of Penticton Economic Investment Zone Bylaw No. 2014-04 (the "Bylaw"), established a Revitalization Tax Exemption Program for the purpose of stimulating and encouraging the construction of new buildings and the significant alteration and improvement of existing buildings within specified areas of the City that Council considers need revitalization;
- C. The Owner has constructed new improvements on the Land as described in Schedule "A" to this Agreement (the "Improvement") and has applied to the City to take part in the Revitalization Tax Exemption Program in respect of the Improvement and the City has determined that the Improvement is eligible for a tax exemption pursuant to Section 7 of the Bylaw;
- D. The Bylaw requires the Owner to enter into a tax exemption agreement with the City as a precondition to receiving a tax exemption under the Bylaw and the Owner wishes to enter into this Agreement on the terms and conditions set out below;

NOW THEREFORE in consideration of the promises and premises of this Agreement, the payment by the Owner to the City of consideration in the amount of \$10.00 (Ten Dollars), and other good and valuable consideration (the receipt and sufficiency of which are hereby expressly acknowledged by both parties), the City and the Owner covenant and agree as follows:

Revitalization Tax Exemption

1. As soon as practicable after this Agreement is fully executed by both parties, the City shall issue a revitalization tax exemption certificate (the "Tax Exemption Certificate") in the form attached as Schedule "B" to this Agreement and provide it to the British Columbia Assessment Authority, entitling the Owner to a tax exemption in respect of the municipal property taxes due under Section 197(1)(a) of the *Community Charter* in relation to the improvements on the Land (the "Tax Exemption") in accordance with the terms and conditions of this Agreement and the Bylaw.

Conditions of Maintaining Tax Exemption

2. The Tax Exemption Certificate is subject to the following conditions:
 - (a) **Payment of Taxes** – The Owner must fully pay all outstanding property taxes levied by the City, including penalties and interest, that are payable in respect of the Land, including any taxable improvements, and that are payable in respect of all other properties within the City owned by the Owner, or any Owner in the circumstance where two or more persons constitute the Owner;
 - (b) **No Breach of Agreement** - The Owner must not be in breach of this Agreement;
 - (c) **Business Licence** – The Owner must possess a valid business licence issued by the City in respect of the Land and authorizing the Owner or a tenant of the Owner to operate on the Land the land use that qualified the Owner for special incentives under the Bylaw;

Term of Exemption

3. Provided the requirements of the Tax Exemption Certificate are met and continue to be met, the Tax Exemption shall be for a term as long as the tax exemption credit lasts (the "Term"). The Tax Exemption shall apply to a calendar year if the Exemption Certificate is issued on or before October 31 in the preceding year. If the Exemption Certificate is issued after October 31, then the Tax Exemption shall not apply to the following calendar year, but to the year after that.

Calculation of Tax Exemption

4. The annual Tax Exemption under this Agreement is equal to 100% of the municipal property tax under section 197(1)(a) of the *Community Charter* payable on the following:

BENEFIT ON ASSESSED "IMPROVEMENT" VALUE (2020 – 2029 tax years)

The annual Tax Exemption under this Agreement is equal to 100% of the municipal property tax under section 197(1)(a) of the Community Charter payable on the difference between:

the then most current assessed value of the improvements on the Land

and

the assessed value of the improvements on the Land (if any) in 2017, being the year in which the City issued a building permit in respect of the Improvement.

5. Notwithstanding Section 4, if improvements other than those comprising the Improvement are made to the Land during the Term and those further improvements are not eligible for tax exemption under the Bylaw ("Ineligible Improvements"), then the annual Tax Exemption under this Agreement shall be reduced by the taxes payable on the ineligible improvements, and shall be calculated using the following formula

Tax Exemption – (Value of Ineligible Improvements x Current Year Tax Rate)

Cancellation

6. The City may, in its sole discretion, cancel the Tax Exemption Certificate at any time:
 - (a) on the written request of the Owner; or
 - (b) effective immediately upon delivery of a notice of cancellation to the Owner if at any time any of the conditions in the Tax Exemption Certificate are not met.

Recapture of Exempted Taxes

7. If the City cancels a Tax Exemption Certificate for any reason, the Owner shall remit to the City an amount equal to the value of any and all tax exemptions received under this Agreement, plus interest at the rate of 5% p.a., calculated semi-annually not in advance, as calculated by the City's Revenue Supervisor, as if the taxes had never been exempted (the "Recapture Amount"), even if the tax exemption was given at a time prior to the Owner being the owner of the Land.
8. If the City cancels a Tax Exemption Certificate for any reason and the Recapture Amount is not paid in full by the Owner by December 31 of that year, then the City's Revenue Supervisor may add the Recapture Amount to the property tax roll for the Land.

Compliance with Laws

9. The Owner must at all times during the Term use and occupy the Land, including the Improvement, in compliance with all enactments, regulations, and orders of any authority having jurisdiction and, without limiting the generality of the foregoing, all federal, provincial, or municipal laws, statutes, bylaws, licences, permits or approvals, including all the rules, regulations, policies, guidelines, criteria or the like made under any such laws.

No Refund

10. For clarity, under no circumstances will the Owner be entitled under the City's Revitalization Tax Exemption Program to any cash credit, any carry forward tax exemption credit or any refund for any property taxes paid.

Notices

11. All notices to be given under this Agreement must be in writing and may be delivered by hand or mailed by first-class prepaid registered mail.
12. Any notice delivered by hand is deemed to be given and received on the day it is delivered. Any notice mailed is deemed to be given and received on the fourth day after it is posted (unless there is a mail strike, slow down or other labour dispute which might affect delivery, in which case the notice will be effective only if actually delivered).
13. Notices must be addressed to the addresses on page 1 or to such other address as may from time to time be advised by a party in writing.
14. Notices to the City must be addressed to the attention of the "Corporate Officer".

Powers Preserved

15. Nothing contained in or implied by this Agreement prejudices or affects the rights and powers of the City in the exercise of its functions under any enactment or at common law, all of which may be fully and effectively exercised in relation to the Improvement and the Land.

Relationship

16. Nothing in this Agreement is to be interpreted as creating an agency, partnership or joint ventureship between the City and the Owner.

Time

17. Time is of the essence of this Agreement.

Remedies not Exclusive

18. No reference to or exercise of any specific right or remedy by the City prejudices or precludes the City from any other remedy, whether allowed at law or in equity or expressly provided for herein.

Headings

19. The headings appearing in this Agreement have been inserted for reference and as a matter of convenience and in no way define, limit or enlarge the scope or meaning of this Agreement or any provision of it.

Waiver

20. An alleged waiver of any breach of this Agreement is effective only if it is an express waiver in writing of the breach in respect of which the waiver is asserted. A waiver of a breach of this Agreement does not operate as a waiver of any other breach of this Agreement.

Interpretation

21. Wherever the singular or masculine or neuter is used in this Agreement, the same will be construed as meaning the plural, the feminine or body corporate where the context or the parties so require.

Severance

22. If any section, subsection, clause or phrase of this Agreement is held to be invalid for any reason by a court of competent jurisdiction, the invalid portion shall be severed and the decision that it is invalid shall not affect the validity of the remainder of the Agreement.

Enurement

23. This Agreement enures to the benefit of and is binding upon the parties and their respective successors and in the case of the Owner, its permitted assignees.

Statutory References

24. A reference in this Agreement to a statute includes regulations made pursuant to it and includes all amendments and replacements to them from time to time.

Modifications

25. No amendment or modification of any of the terms or provisions of this Agreement will be of any force or effect unless the amendment or modification is in writing and duly executed by the City and the Owner.

Governing Law

26. This Agreement will be governed by and interpreted in accordance with the laws of British Columbia.

Joint and Several Liability

27. In circumstances where two or more persons comprise the Owner, those persons shall be jointly and severally liable for performance of the obligations of the Owner under this Agreement.

Schedules

28. The following schedules are incorporated into this Agreement:

Schedule "A" – Description of the Improvement
Schedule "B" – Tax Exemption Certificate

Schedule "A"

Description of Eligible Improvement

Eligible improvements include the construction of a 14 unit apartment building as shown on the plans attached to and forming part of "City of Penticton Building Permit No. BP008783"

Draft

Schedule "B"

Tax Exemption Certificate

In accordance with the "City of Penticton Economic Investment Zone Bylaw No. 2014-04" (the "Bylaw") and in accordance with a Revitalization Tax Exemption Agreement dated for reference the ____th day of October, 2019 (the "Agreement") entered into between The Corporation of the City of Penticton (the "City") and **SCHOENNE HOMES INC** (the "Owners"), the registered owner(s) of that property within Penticton, B.C. legally described as:

PIDs: 012-442-011

Lot 13, Block 1, District Lot 202, Similkameen Division Yale District, Plan 269

(the "Land");

on which has been constructed an improvement eligible under the Bylaw and the Agreement for a Revitalization Tax Exemption (the "Improvement");

This Certificate certifies that the Land is subject to a Revitalization Tax Exemption under section 226 of the *Community Charter*.

The extent of the Tax Exemption is 100% of the municipal property tax under section 197(1)(a) of the *Community Charter* payable on the value of improvements eligible for exemption under the Bylaw and the Agreement, as the value of those improvements varies from year to year during the term of the Tax Exemption.

The annual Tax Exemption under this Agreement is equal to 100% of the municipal property tax under section 197(1)(a) of the *Community Charter* payable on the difference between:

(a) BENEFIT ON ASSESSED "IMPROVEMENT" VALUE (2020 – 2029 tax years)

The annual Tax Exemption under this Agreement is equal to 100% of the municipal property tax under section 197(1)(a) of the *Community Charter* payable on the difference between:

the then most current assessed value of the improvements on the Land

and

the assessed value of the improvements on the Land (if any) in 2017, being the year in which the City issued a building permit in respect of the Improvement.

Notwithstanding the above formula, if improvements other than those comprising the Improvement are made to the Land during the term of the Tax Exemption and those further improvements are not eligible for Tax Exemption under the Bylaw ("Ineligible Improvements"), then the annual Tax Exemption under this Agreement shall be equal to 100% of the municipal property tax under s.197(1)(a) of the *Community Charter* payable on the difference between:

the most current assessed value of the improvements on the Land before the construction of the Ineligible Improvements

and

the assessed value of the improvements on the Land (if any) in the year 2017, being the year in which the City issued a building permit in respect of the Improvement.

The term of the Tax Exemption is 10 years, for each of the taxation years 2020 to 2029 inclusive.

This Certificate is issued on the following conditions:

- (b) **Payment of Taxes** – The Owner must fully pay all outstanding property taxes levied by the City, including penalties and interest, that are payable in respect of the Land, including any taxable improvements, and that are payable in respect of all other properties within the City owned by the Owner, or any Owner in the circumstance where two or more persons constitute the Owner;
- (c) **No Breach of Agreement** - The Owner must not be in breach of this Agreement;
- (d) **Business Licence** – The Owner must possess a valid business licence issued by the City in respect of the Land and authorizing the Owner or a tenant of the Owner to operate on the Land the land use that qualified the Owner for special incentives under the Bylaw;

If this Certificate is cancelled for any reason, the Owner shall remit to the City an amount equal to the value of any and all tax exemptions received in respect of the Improvement, plus interest at the rate of 5% p.a., calculated semi-annually not in advance, as calculated by the City's Revenue Supervisor, as if the taxes had never been exempted (the "Recapture Amount"), even if the tax exemption was given prior to the Owner being the Owner of the Land.

If the City cancels this Certificate for any reason and the Recapture Amount is not paid in full by the Owner by December 31 of that year, then the City's Revenue Supervisor may add the Recapture Amount to the roll for the Land.

DATED the _____th day of October, 2019

THE CORPORATION OF THE CITY OF PENTICTON
by its authorized signatory

Angela Collison, Corporate Officer

END OF AGREEMENT

REVITALIZATION TAX EXEMPTION AGREEMENT

THIS AGREEMENT is dated for reference the ____th day of October, 2019

BETWEEN:

THE CORPORATION OF THE CITY OF PENTICTON

171 Main Street
Penticton, BC V2A 5A9

(the "City")

AND:

0925247 BC LTD

205-3975 Lakeshore Road
Kelowna BC V1W 1V3

(the "Owner")

WHEREAS:

- A. The Owner is the registered owner in fee simple of land in the City at **399 Main Street** and legally described as:
- PID: 023-569-034
- Lot A, District Lot 202, Similkameen Division Yale District, Plan KAP57839
- (the "Land");
- B. Council of the City has, by adoption of City of Penticton Economic Investment Zone Bylaw No. 2014-04 (the "Bylaw"), established a Revitalization Tax Exemption Program for the purpose of stimulating and encouraging the construction of new buildings and the significant alteration and improvement of existing buildings within specified areas of the City that Council considers need revitalization;
- C. The Owner has constructed new improvements on the Land as described in Schedule "A" to this Agreement (the "Improvement") and has applied to the City to take part in the Revitalization Tax Exemption Program in respect of the Improvement and the City has determined that the Improvement is eligible for a tax exemption pursuant to Section 7 of the Bylaw;
- D. The Bylaw requires the Owner to enter into a tax exemption agreement with the City as a precondition to receiving a tax exemption under the Bylaw and the Owner wishes to enter into this Agreement on the terms and conditions set out below;

NOW THEREFORE in consideration of the promises and premises of this Agreement, the payment by the Owner to the City of consideration in the amount of \$10.00 (Ten Dollars), and other good and valuable consideration (the receipt and sufficiency of which are hereby expressly acknowledged by both parties), the City and the Owner covenant and agree as follows:

Revitalization Tax Exemption

1. As soon as practicable after this Agreement is fully executed by both parties, the City shall issue a revitalization tax exemption certificate (the "Tax Exemption Certificate") in the form attached as Schedule "B" to this Agreement and provide it to the British Columbia Assessment Authority, entitling the Owner to a tax exemption in respect of the municipal property taxes due under Section 197(1)(a) of the *Community Charter* in relation to the improvements on the Land (the "Tax Exemption") in accordance with the terms and conditions of this Agreement and the Bylaw.

Conditions of Maintaining Tax Exemption

2. The Tax Exemption Certificate is subject to the following conditions:
 - (a) **Payment of Taxes** – The Owner must fully pay all outstanding property taxes levied by the City, including penalties and interest, that are payable in respect of the Land, including any taxable improvements, and that are payable in respect of all other properties within the City owned by the Owner, or any Owner in the circumstance where two or more persons constitute the Owner;
 - (b) **No Breach of Agreement** - The Owner must not be in breach of this Agreement;
 - (c) **Business Licence** – The Owner must possess a valid business licence issued by the City in respect of the Land and authorizing the Owner or a tenant of the Owner to operate on the Land the land use that qualified the Owner for special incentives under the Bylaw;

Term of Exemption

3. Provided the requirements of the Tax Exemption Certificate are met and continue to be met, the Tax Exemption shall be for a term as long as the tax exemption credit lasts (the "Term"). The Tax Exemption shall apply to a calendar year if the Exemption Certificate is issued on or before October 31 in the preceding year. If the Exemption Certificate is issued after October 31, then the Tax Exemption shall not apply to the following calendar year, but to the year after that.

Calculation of Tax Exemption

4. The annual Tax Exemption under this Agreement is equal to 100% of the municipal property tax under section 197(1)(a) of the *Community Charter* payable on the following:

BENEFIT ON ASSESSED "IMPROVEMENT" VALUE (2020 – 2029 tax years)

The annual Tax Exemption under this Agreement is equal to 100% of the municipal property tax under section 197(1)(a) of the Community Charter payable on the difference between:

the then most current assessed value of the improvements on the Land

and

the assessed value of the improvements on the Land (if any) in 2017, being the year in which the City issued a building permit in respect of the Improvement.

5. Notwithstanding Section 4, if improvements other than those comprising the Improvement are made to the Land during the Term and those further improvements are not eligible for tax exemption under the Bylaw ("Ineligible Improvements"), then the annual Tax Exemption under this Agreement shall be reduced by the taxes payable on the ineligible improvements, and shall be calculated using the following formula

Tax Exemption – (Value of Ineligible Improvements x Current Year Tax Rate)

Cancellation

6. The City may, in its sole discretion, cancel the Tax Exemption Certificate at any time:
 - (a) on the written request of the Owner; or
 - (b) effective immediately upon delivery of a notice of cancellation to the Owner if at any time any of the conditions in the Tax Exemption Certificate are not met.

Recapture of Exempted Taxes

7. If the City cancels a Tax Exemption Certificate for any reason, the Owner shall remit to the City an amount equal to the value of any and all tax exemptions received under this Agreement, plus interest at the rate of 5% p.a., calculated semi-annually not in advance, as calculated by the City's Revenue Supervisor, as if the taxes had never been exempted (the "Recapture Amount"), even if the tax exemption was given at a time prior to the Owner being the owner of the Land.
8. If the City cancels a Tax Exemption Certificate for any reason and the Recapture Amount is not paid in full by the Owner by December 31 of that year, then the City's Revenue Supervisor may add the Recapture Amount to the property tax roll for the Land.

Compliance with Laws

9. The Owner must at all times during the Term use and occupy the Land, including the Improvement, in compliance with all enactments, regulations, and orders of any authority having jurisdiction and, without limiting the generality of the foregoing, all federal, provincial, or municipal laws, statutes, bylaws, licences, permits or approvals, including all the rules, regulations, policies, guidelines, criteria or the like made under any such laws.

No Refund

10. For clarity, under no circumstances will the Owner be entitled under the City's Revitalization Tax Exemption Program to any cash credit, any carry forward tax exemption credit or any refund for any property taxes paid.

Notices

11. All notices to be given under this Agreement must be in writing and may be delivered by hand or mailed by first-class prepaid registered mail.
12. Any notice delivered by hand is deemed to be given and received on the day it is delivered. Any notice mailed is deemed to be given and received on the fourth day after it is posted (unless there is a mail strike, slow down or other labour dispute which might affect delivery, in which case the notice will be effective only if actually delivered).
13. Notices must be addressed to the addresses on page 1 or to such other address as may from time to time be advised by a party in writing.
14. Notices to the City must be addressed to the attention of the "Corporate Officer".

Powers Preserved

15. Nothing contained in or implied by this Agreement prejudices or affects the rights and powers of the City in the exercise of its functions under any enactment or at common law, all of which may be fully and effectively exercised in relation to the Improvement and the Land.

Relationship

16. Nothing in this Agreement is to be interpreted as creating an agency, partnership or joint ventureship between the City and the Owner.

Time

17. Time is of the essence of this Agreement.

Remedies not Exclusive

18. No reference to or exercise of any specific right or remedy by the City prejudices or precludes the City from any other remedy, whether allowed at law or in equity or expressly provided for herein.

Headings

19. The headings appearing in this Agreement have been inserted for reference and as a matter of convenience and in no way define, limit or enlarge the scope or meaning of this Agreement or any provision of it.

Waiver

20. An alleged waiver of any breach of this Agreement is effective only if it is an express waiver in writing of the breach in respect of which the waiver is asserted. A waiver of a breach of this Agreement does not operate as a waiver of any other breach of this Agreement.

Interpretation

21. Wherever the singular or masculine or neuter is used in this Agreement, the same will be construed as meaning the plural, the feminine or body corporate where the context or the parties so require.

Severance

22. If any section, subsection, clause or phrase of this Agreement is held to be invalid for any reason by a court of competent jurisdiction, the invalid portion shall be severed and the decision that it is invalid shall not affect the validity of the remainder of the Agreement.

Enurement

23. This Agreement enures to the benefit of and is binding upon the parties and their respective successors and in the case of the Owner, its permitted assignees.

Statutory References

24. A reference in this Agreement to a statute includes regulations made pursuant to it and includes all amendments and replacements to them from time to time.

Modifications

25. No amendment or modification of any of the terms or provisions of this Agreement will be of any force or effect unless the amendment or modification is in writing and duly executed by the City and the Owner.

Governing Law

26. This Agreement will be governed by and interpreted in accordance with the laws of British Columbia.

Joint and Several Liability

27. In circumstances where two or more persons comprise the Owner, those persons shall be jointly and severally liable for performance of the obligations of the Owner under this Agreement.

Schedules

28. The following schedules are incorporated into this Agreement:

Schedule "A" – Description of the Improvement
Schedule "B" – Tax Exemption Certificate

Schedule "A"

Description of Eligible Improvement

Eligible improvements include the renovation of the second and third floor of an existing commercial building into 27 dwelling units as shown on the plans attached to and forming part of "City of Penticton Building Permit No. BP009612"

Draft

Schedule "B"

Tax Exemption Certificate

In accordance with the "City of Penticton Economic Investment Zone Bylaw No. 2014-04" (the "Bylaw") and in accordance with a Revitalization Tax Exemption Agreement dated for reference the ____th day of October, 2019 (the "Agreement") entered into between The Corporation of the City of Penticton (the "City") and **0925247 BC LTD** (the "Owners"), the registered owner(s) of that property within Penticton, B.C. legally described as:

PID: 023-569-034

Lot A, District Lot 202, Similkameen Division Yale District, Plan KAP57839

(the "Land");

on which has been constructed an improvement eligible under the Bylaw and the Agreement for a Revitalization Tax Exemption (the "Improvement");

This Certificate certifies that the Land is subject to a Revitalization Tax Exemption under section 226 of the *Community Charter*.

The extent of the Tax Exemption is 100% of the municipal property tax under section 197(1)(a) of the *Community Charter* payable on the value of improvements eligible for exemption under the Bylaw and the Agreement, as the value of those improvements varies from year to year during the term of the Tax Exemption.

The annual Tax Exemption under this Agreement is equal to 100% of the municipal property tax under section 197(1)(a) of the *Community Charter* payable on the difference between:

(a) BENEFIT ON ASSESSED "IMPROVEMENT" VALUE (2020 – 2029 tax years)

The annual Tax Exemption under this Agreement is equal to 100% of the municipal property tax under section 197(1)(a) of the *Community Charter* payable on the difference between:

the then most current assessed value of the improvements on the Land

and

the assessed value of the improvements on the Land (if any) in 2017, being the year in which the City issued a building permit in respect of the Improvement.

Notwithstanding the above formula, if improvements other than those comprising the Improvement are made to the Land during the term of the Tax Exemption and those further improvements are not eligible for Tax Exemption under the Bylaw ("Ineligible Improvements"), then the annual Tax Exemption under this Agreement shall be equal to 100% of the municipal property tax under s.197(1)(a) of the *Community Charter* payable on the difference between:

the most current assessed value of the improvements on the Land before the construction of the Ineligible Improvements

and

the assessed value of the improvements on the Land (if any) in the year 2017, being the year in which the City issued a building permit in respect of the Improvement.

The term of the Tax Exemption is 10 years, for each of the taxation years 2020 to 2029 inclusive.

This Certificate is issued on the following conditions:

- (b) **Payment of Taxes** – The Owner must fully pay all outstanding property taxes levied by the City, including penalties and interest, that are payable in respect of the Land, including any taxable improvements, and that are payable in respect of all other properties within the City owned by the Owner, or any Owner in the circumstance where two or more persons constitute the Owner;
- (c) **No Breach of Agreement** - The Owner must not be in breach of this Agreement;
- (d) **Business Licence** – The Owner must possess a valid business licence issued by the City in respect of the Land and authorizing the Owner or a tenant of the Owner to operate on the Land the land use that qualified the Owner for special incentives under the Bylaw;

If this Certificate is cancelled for any reason, the Owner shall remit to the City an amount equal to the value of any and all tax exemptions received in respect of the Improvement, plus interest at the rate of 5% p.a., calculated semi-annually not in advance, as calculated by the City's Revenue Supervisor, as if the taxes had never been exempted (the "Recapture Amount"), even if the tax exemption was given prior to the Owner being the Owner of the Land.

If the City cancels this Certificate for any reason and the Recapture Amount is not paid in full by the Owner by December 31 of that year, then the City's Revenue Supervisor may add the Recapture Amount to the roll for the Land.

DATED the _____th day of October, 2019

THE CORPORATION OF THE CITY OF PENTICTON
by its authorized signatory

Angela Collison, Corporate Officer

END OF AGREEMENT

REVITALIZATION TAX EXEMPTION AGREEMENT

THIS AGREEMENT is dated for reference the ____th day of October, 2019

BETWEEN:

THE CORPORATION OF THE CITY OF PENTICTON

171 Main Street
Penticton, BC V2A 5A9

(the "City")

AND:

ENCORE VINEYARDS LTD

361 Martin Street
Penticton, BC V2A 5K6

(the "Owner")

WHEREAS:

- A. The Owner is the registered owner in fee simple of land in the City at **361 Martin Street** and legally described as:

PID: 029-883-610

Lot 1, District Lot 4, Group 7, Similkameen Division Yale (Formerly Yale-Lytton)
District, Plan EPP63826

(the "Land");
- B. Council of the City has, by adoption of City of Penticton Economic Investment Zone Bylaw No. 2014-04 (the "Bylaw"), established a Revitalization Tax Exemption Program for the purpose of stimulating and encouraging the construction of new buildings and the significant alteration and improvement of existing buildings within specified areas of the City that Council considers need revitalization;
- C. The Owner has constructed new improvements on the Land as described in Schedule "A" to this Agreement (the "Improvement") and has applied to the City to take part in the Revitalization Tax Exemption Program in respect of the Improvement and the City has determined that the Improvement is eligible for a tax exemption pursuant to Section 7 of the Bylaw;
- D. The Bylaw requires the Owner to enter into a tax exemption agreement with the City as a precondition to receiving a tax exemption under the Bylaw and the Owner wishes to enter into this Agreement on the terms and conditions set out below;

NOW THEREFORE in consideration of the promises and premises of this Agreement, the payment by the Owner to the City of consideration in the amount of \$10.00 (Ten Dollars), and other good and valuable consideration (the receipt and sufficiency of which are hereby expressly acknowledged by both parties), the City and the Owner covenant and agree as follows:

Revitalization Tax Exemption

1. As soon as practicable after this Agreement is fully executed by both parties, the City shall issue a revitalization tax exemption certificate (the "Tax Exemption Certificate") in the form attached as Schedule "B" to this Agreement and provide it to the British Columbia Assessment Authority, entitling the Owner to a tax exemption in respect of the municipal property taxes due under Section 197(1)(a) of the *Community Charter* in relation to the improvements on the Land (the "Tax Exemption") in accordance with the terms and conditions of this Agreement and the Bylaw.

Conditions of Maintaining Tax Exemption

2. The Tax Exemption Certificate is subject to the following conditions:
 - (a) **Payment of Taxes** – The Owner must fully pay all outstanding property taxes levied by the City, including penalties and interest, that are payable in respect of the Land, including any taxable improvements, and that are payable in respect of all other properties within the City owned by the Owner, or any Owner in the circumstance where two or more persons constitute the Owner;
 - (b) **No Breach of Agreement** - The Owner must not be in breach of this Agreement;
 - (c) **Business Licence** – The Owner must possess a valid business licence issued by the City in respect of the Land and authorizing the Owner or a tenant of the Owner to operate on the Land the land use that qualified the Owner for special incentives under the Bylaw;

Term of Exemption

3. Provided the requirements of the Tax Exemption Certificate are met and continue to be met, the Tax Exemption shall be for a term as long as the tax exemption credit lasts (the "Term"). The Tax Exemption shall apply to a calendar year if the Exemption Certificate is issued on or before October 31 in the preceding year. If the Exemption Certificate is issued after October 31, then the Tax Exemption shall not apply to the following calendar year, but to the year after that.

Calculation of Tax Exemption

4. The annual Tax Exemption under this Agreement is equal to 100% of the municipal property tax under section 197(1)(a) of the *Community Charter* payable on the following:

BENEFIT ON ASSESSED "IMPROVEMENT" VALUE (2020 – 2024 tax years)

The annual Tax Exemption under this Agreement is equal to 100% of the municipal property tax under section 197(1)(a) of the Community Charter payable on the difference between:

the then most current assessed value of the improvements on the Land

and

the assessed value of the improvements on the Land (if any) in 2017, being the year in which the City issued a building permit in respect of the Improvement.

5. Notwithstanding Section 4, if improvements other than those comprising the Improvement are made to the Land during the Term and those further improvements are not eligible for tax exemption under the Bylaw ("Ineligible Improvements"), then the annual Tax Exemption under this Agreement shall be reduced by the taxes payable on the ineligible improvements, and shall be calculated using the following formula

Tax Exemption – (Value of Ineligible Improvements x Current Year Tax Rate)

Cancellation

6. The City may, in its sole discretion, cancel the Tax Exemption Certificate at any time:
 - (a) on the written request of the Owner; or
 - (b) effective immediately upon delivery of a notice of cancellation to the Owner if at any time any of the conditions in the Tax Exemption Certificate are not met.

Recapture of Exempted Taxes

7. If the City cancels a Tax Exemption Certificate for any reason, the Owner shall remit to the City an amount equal to the value of any and all tax exemptions received under this Agreement, plus interest at the rate of 5% p.a., calculated semi-annually not in advance, as calculated by the City's Revenue Supervisor, as if the taxes had never been exempted (the "Recapture Amount"), even if the tax exemption was given at a time prior to the Owner being the owner of the Land.
8. If the City cancels a Tax Exemption Certificate for any reason and the Recapture Amount is not paid in full by the Owner by December 31 of that year, then the City's Revenue Supervisor may add the Recapture Amount to the property tax roll for the Land.

Compliance with Laws

9. The Owner must at all times during the Term use and occupy the Land, including the Improvement, in compliance with all enactments, regulations, and orders of any authority having jurisdiction and, without limiting the generality of the foregoing, all federal, provincial, or municipal laws, statutes, bylaws, licences, permits or approvals, including all the rules, regulations, policies, guidelines, criteria or the like made under any such laws.

No Refund

10. For clarity, under no circumstances will the Owner be entitled under the City's Revitalization Tax Exemption Program to any cash credit, any carry forward tax exemption credit or any refund for any property taxes paid.

Notices

11. All notices to be given under this Agreement must be in writing and may be delivered by hand or mailed by first-class prepaid registered mail.
12. Any notice delivered by hand is deemed to be given and received on the day it is delivered. Any notice mailed is deemed to be given and received on the fourth day after it is posted (unless there is a mail strike, slow down or other labour dispute which might affect delivery, in which case the notice will be effective only if actually delivered).
13. Notices must be addressed to the addresses on page 1 or to such other address as may from time to time be advised by a party in writing.
14. Notices to the City must be addressed to the attention of the "Corporate Officer".

Powers Preserved

15. Nothing contained in or implied by this Agreement prejudices or affects the rights and powers of the City in the exercise of its functions under any enactment or at common law, all of which may be fully and effectively exercised in relation to the Improvement and the Land.

Relationship

16. Nothing in this Agreement is to be interpreted as creating an agency, partnership or joint ventureship between the City and the Owner.

Time

17. Time is of the essence of this Agreement.

Remedies not Exclusive

18. No reference to or exercise of any specific right or remedy by the City prejudices or precludes the City from any other remedy, whether allowed at law or in equity or expressly provided for herein.

Headings

19. The headings appearing in this Agreement have been inserted for reference and as a matter of convenience and in no way define, limit or enlarge the scope or meaning of this Agreement or any provision of it.

Waiver

20. An alleged waiver of any breach of this Agreement is effective only if it is an express waiver in writing of the breach in respect of which the waiver is asserted. A waiver of a breach of this Agreement does not operate as a waiver of any other breach of this Agreement.

Interpretation

21. Wherever the singular or masculine or neuter is used in this Agreement, the same will be construed as meaning the plural, the feminine or body corporate where the context or the parties so require.

Severance

22. If any section, subsection, clause or phrase of this Agreement is held to be invalid for any reason by a court of competent jurisdiction, the invalid portion shall be severed and the decision that it is invalid shall not affect the validity of the remainder of the Agreement.

Enurement

23. This Agreement enures to the benefit of and is binding upon the parties and their respective successors and in the case of the Owner, its permitted assignees.

Statutory References

24. A reference in this Agreement to a statute includes regulations made pursuant to it and includes all amendments and replacements to them from time to time.

Modifications

25. No amendment or modification of any of the terms or provisions of this Agreement will be of any force or effect unless the amendment or modification is in writing and duly executed by the City and the Owner.

Governing Law

26. This Agreement will be governed by and interpreted in accordance with the laws of British Columbia.

Joint and Several Liability

27. In circumstances where two or more persons comprise the Owner, those persons shall be jointly and severally liable for performance of the obligations of the Owner under this Agreement.

Schedules

28. The following schedules are incorporated into this Agreement:

Schedule "A" – Description of the Improvement
Schedule "B" – Tax Exemption Certificate

Schedule "A"

Description of Eligible Improvement

Eligible improvements include the renovation of commercial building to create a winery as shown on the plans attached to and forming part of "City of Penticton Building Permit No. BP008417"

Draft

Schedule "B"

Tax Exemption Certificate

In accordance with the "City of Penticton Economic Investment Zone Bylaw No. 2014-04" (the "Bylaw") and in accordance with a Revitalization Tax Exemption Agreement dated for reference the ____th day of October, 2019 (the "Agreement") entered into between The Corporation of the City of Penticton (the "City") and **ENCORE VINEYARDS LTD** (the "Owners"), the registered owner(s) of that property within Penticton, B.C. legally described as:

PID: 029-883-610

Lot 1, District Lot 4, Group 7, Similkameen Division Yale (Formerly Yale-Lytton) District, Plan EPP63826

(the "Land");

on which has been constructed an improvement eligible under the Bylaw and the Agreement for a Revitalization Tax Exemption (the "Improvement");

This Certificate certifies that the Land is subject to a Revitalization Tax Exemption under section 226 of the *Community Charter*.

The extent of the Tax Exemption is 100% of the municipal property tax under section 197(1)(a) of the *Community Charter* payable on the value of improvements eligible for exemption under the Bylaw and the Agreement, as the value of those improvements varies from year to year during the term of the Tax Exemption.

The annual Tax Exemption under this Agreement is equal to 100% of the municipal property tax under section 197(1)(a) of the *Community Charter* payable on the difference between:

- (a) BENEFIT ON ASSESSED "IMPROVEMENT" VALUE (2020 – 2024 tax years)

The annual Tax Exemption under this Agreement is equal to 100% of the municipal property tax under section 197(1)(a) of the *Community Charter* payable on the difference between:

the then most current assessed value of the improvements on the Land

and

the assessed value of the improvements on the Land (if any) in 2017, being the year in which the City issued a building permit in respect of the Improvement.

Notwithstanding the above formula, if improvements other than those comprising the Improvement are made to the Land during the term of the Tax Exemption and those further improvements are not eligible for Tax Exemption under the Bylaw ("Ineligible Improvements"), then the annual Tax Exemption under this Agreement shall be equal to 100% of the municipal property tax under s.197(1)(a) of the *Community Charter* payable on the difference between:

the most current assessed value of the improvements on the Land before the construction of the Ineligible Improvements

and

the assessed value of the improvements on the Land (if any) in the year 2017, being the year in which the City issued a building permit in respect of the Improvement.

The term of the Tax Exemption is 5 years, for each of the taxation years 2020 to 2024 inclusive.

This Certificate is issued on the following conditions:

- (b) **Payment of Taxes** – The Owner must fully pay all outstanding property taxes levied by the City, including penalties and interest, that are payable in respect of the Land, including any taxable improvements, and that are payable in respect of all other properties within the City owned by the Owner, or any Owner in the circumstance where two or more persons constitute the Owner;
- (c) **No Breach of Agreement** - The Owner must not be in breach of this Agreement;
- (d) **Business Licence** – The Owner must possess a valid business licence issued by the City in respect of the Land and authorizing the Owner or a tenant of the Owner to operate on the Land the land use that qualified the Owner for special incentives under the Bylaw;

If this Certificate is cancelled for any reason, the Owner shall remit to the City an amount equal to the value of any and all tax exemptions received in respect of the Improvement, plus interest at the rate of 5% p.a., calculated semi-annually not in advance, as calculated by the City's Revenue Supervisor, as if the taxes had never been exempted (the "Recapture Amount"), even if the tax exemption was given prior to the Owner being the Owner of the Land.

If the City cancels this Certificate for any reason and the Recapture Amount is not paid in full by the Owner by December 31 of that year, then the City's Revenue Supervisor may add the Recapture Amount to the roll for the Land.

DATED the _____th day of October, 2019

THE CORPORATION OF THE CITY OF PENTICTON
by its authorized signatory

Angela Collison, Corporate Officer

END OF AGREEMENT

REVITALIZATION TAX EXEMPTION AGREEMENT

THIS AGREEMENT is dated for reference the ____th day of October, 2019

BETWEEN:

THE CORPORATION OF THE CITY OF PENTICTON

171 Main Street
Penticton, BC V2A 5A9

(the "City")

AND:

SINGLETON ENTERPRISES LTD

198 Winnipeg Street
Penticton, BC V2A 5M1

(the "Owner")

WHEREAS:

- A. The Owner is the registered owner in fee simple of land in the City at **198 Winnipeg Street** and legally described as:

PIDs: 001-879-120 and 005-108-551

Lot 13, Block A, District Lot 4, Group 7, Similkameen Division Yale (Formerly Yale-Lytton) District, Plan 775

and

Lot 1, District Lot 4, Group 7, Similkameen Division Yale (Formerly Yale-Lytton) District, Plan 4673

(the "Land");

- B. Council of the City has, by adoption of City of Penticton Economic Investment Zone Bylaw No. 2014-04 (the "Bylaw"), established a Revitalization Tax Exemption Program for the purpose of stimulating and encouraging the construction of new buildings and the significant alteration and improvement of existing buildings within specified areas of the City that Council considers need revitalization;
- C. The Owner has constructed new improvements on the Land as described in Schedule "A" to this Agreement (the "Improvement") and has applied to the City to take part in the Revitalization Tax Exemption Program in respect of the Improvement and the City has determined that the Improvement is eligible for a tax exemption pursuant to Section 7 of the Bylaw;
- D. The Bylaw requires the Owner to enter into a tax exemption agreement with the City as a precondition to receiving a tax exemption under the Bylaw and the Owner wishes to enter into this Agreement on the terms and conditions set out below;

NOW THEREFORE in consideration of the promises and premises of this Agreement, the payment by the Owner to the City of consideration in the amount of \$10.00 (Ten Dollars), and other good and valuable consideration (the receipt and sufficiency of which are hereby expressly acknowledged by both parties), the City and the Owner covenant and agree as follows:

Revitalization Tax Exemption

1. As soon as practicable after this Agreement is fully executed by both parties, the City shall issue a revitalization tax exemption certificate (the "Tax Exemption Certificate") in the form attached as Schedule "B" to this Agreement and provide it to the British Columbia Assessment Authority, entitling the Owner to a tax exemption in respect of the municipal property taxes due under Section 197(1)(a) of the *Community Charter* in relation to the improvements on the Land (the "Tax Exemption") in accordance with the terms and conditions of this Agreement and the Bylaw.

Conditions of Maintaining Tax Exemption

2. The Tax Exemption Certificate is subject to the following conditions:
 - (a) **Payment of Taxes** – The Owner must fully pay all outstanding property taxes levied by the City, including penalties and interest, that are payable in respect of the Land, including any taxable improvements, and that are payable in respect of all other properties within the City owned by the Owner, or any Owner in the circumstance where two or more persons constitute the Owner;
 - (b) **No Breach of Agreement** - The Owner must not be in breach of this Agreement;
 - (c) **Business Licence** – The Owner must possess a valid business licence issued by the City in respect of the Land and authorizing the Owner or a tenant of the Owner to operate on the Land the land use that qualified the Owner for special incentives under the Bylaw;

Term of Exemption

3. Provided the requirements of the Tax Exemption Certificate are met and continue to be met, the Tax Exemption shall be for a term as long as the tax exemption credit lasts (the "Term"). The Tax Exemption shall apply to a calendar year if the Exemption Certificate is issued on or before October 31 in the preceding year. If the Exemption Certificate is issued after October 31, then the Tax Exemption shall not apply to the following calendar year, but to the year after that.

Calculation of Tax Exemption

4. The annual Tax Exemption under this Agreement is equal to 100% of the municipal property tax under section 197(1)(a) of the *Community Charter* payable on the following:

BENEFIT ON ASSESSED "IMPROVEMENT" VALUE (2020 – 2024 tax years)

The annual Tax Exemption under this Agreement is equal to 100% of the municipal property tax under section 197(1)(a) of the Community Charter payable on the difference between:

the then most current assessed value of the improvements on the Land

and

the assessed value of the improvements on the Land (if any) in 2017, being the year in which the City issued a building permit in respect of the Improvement.

5. Notwithstanding Section 4, if improvements other than those comprising the Improvement are made to the Land during the Term and those further improvements are not eligible for tax exemption under the Bylaw ("Ineligible Improvements"), then the annual Tax Exemption under this Agreement shall be reduced by the taxes payable on the ineligible improvements, and shall be calculated using the following formula

Tax Exemption – (Value of Ineligible Improvements x Current Year Tax Rate)

Cancellation

6. The City may, in its sole discretion, cancel the Tax Exemption Certificate at any time:
 - (a) on the written request of the Owner; or
 - (b) effective immediately upon delivery of a notice of cancellation to the Owner if at any time any of the conditions in the Tax Exemption Certificate are not met.

Recapture of Exempted Taxes

7. If the City cancels a Tax Exemption Certificate for any reason, the Owner shall remit to the City an amount equal to the value of any and all tax exemptions received under this Agreement, plus interest at the rate of 5% p.a., calculated semi-annually not in advance, as calculated by the City's Revenue Supervisor, as if the taxes had never been exempted (the "Recapture Amount"), even if the tax exemption was given at a time prior to the Owner being the owner of the Land.
8. If the City cancels a Tax Exemption Certificate for any reason and the Recapture Amount is not paid in full by the Owner by December 31 of that year, then the City's Revenue Supervisor may add the Recapture Amount to the property tax roll for the Land.

Compliance with Laws

9. The Owner must at all times during the Term use and occupy the Land, including the Improvement, in compliance with all enactments, regulations, and orders of any authority having jurisdiction and, without limiting the generality of the foregoing, all federal, provincial, or municipal laws, statutes, bylaws, licences, permits or approvals, including all the rules, regulations, policies, guidelines, criteria or the like made under any such laws.

No Refund

10. For clarity, under no circumstances will the Owner be entitled under the City's Revitalization Tax Exemption Program to any cash credit, any carry forward tax exemption credit or any refund for any property taxes paid.

Notices

11. All notices to be given under this Agreement must be in writing and may be delivered by hand or mailed by first-class prepaid registered mail.
12. Any notice delivered by hand is deemed to be given and received on the day it is delivered. Any notice mailed is deemed to be given and received on the fourth day after it is posted (unless there is a mail strike, slow down or other labour dispute which might affect delivery, in which case the notice will be effective only if actually delivered).
13. Notices must be addressed to the addresses on page 1 or to such other address as may from time to time be advised by a party in writing.
14. Notices to the City must be addressed to the attention of the "Corporate Officer".

Powers Preserved

15. Nothing contained in or implied by this Agreement prejudices or affects the rights and powers of the City in the exercise of its functions under any enactment or at common law, all of which may be fully and effectively exercised in relation to the Improvement and the Land.

Relationship

16. Nothing in this Agreement is to be interpreted as creating an agency, partnership or joint ventureship between the City and the Owner.

Time

17. Time is of the essence of this Agreement.

Remedies not Exclusive

18. No reference to or exercise of any specific right or remedy by the City prejudices or precludes the City from any other remedy, whether allowed at law or in equity or expressly provided for herein.

Headings

19. The headings appearing in this Agreement have been inserted for reference and as a matter of convenience and in no way define, limit or enlarge the scope or meaning of this Agreement or any provision of it.

Waiver

20. An alleged waiver of any breach of this Agreement is effective only if it is an express waiver in writing of the breach in respect of which the waiver is asserted. A waiver of a breach of this Agreement does not operate as a waiver of any other breach of this Agreement.

Interpretation

21. Wherever the singular or masculine or neuter is used in this Agreement, the same will be construed as meaning the plural, the feminine or body corporate where the context or the parties so require.

Severance

22. If any section, subsection, clause or phrase of this Agreement is held to be invalid for any reason by a court of competent jurisdiction, the invalid portion shall be severed and the decision that it is invalid shall not affect the validity of the remainder of the Agreement.

Enurement

23. This Agreement enures to the benefit of and is binding upon the parties and their respective successors and in the case of the Owner, its permitted assignees.

Statutory References

24. A reference in this Agreement to a statute includes regulations made pursuant to it and includes all amendments and replacements to them from time to time.

Modifications

25. No amendment or modification of any of the terms or provisions of this Agreement will be of any force or effect unless the amendment or modification is in writing and duly executed by the City and the Owner.

Governing Law

26. This Agreement will be governed by and interpreted in accordance with the laws of British Columbia.

Joint and Several Liability

27. In circumstances where two or more persons comprise the Owner, those persons shall be jointly and severally liable for performance of the obligations of the Owner under this Agreement.

Schedules

28. The following schedules are incorporated into this Agreement:

Schedule "A" – Description of the Improvement
Schedule "B" – Tax Exemption Certificate

Schedule "A"

Description of Eligible Improvement

Eligible improvements include the renovation of a commercial building as shown on the plans attached to and forming part of "City of Penticton Building Permit No. BP009524"

Draft

Schedule "B"

Tax Exemption Certificate

In accordance with the "City of Penticton Economic Investment Zone Bylaw No. 2014-04" (the "Bylaw") and in accordance with a Revitalization Tax Exemption Agreement dated for reference the ____th day of October, 2019 (the "Agreement") entered into between The Corporation of the City of Penticton (the "City") and **SINGLETON ENTERPRISES LTD** (the "Owners"), the registered owner(s) of that property within Penticton, B.C. legally described as:

PIDs: 001-879-120 and 005-108-551

Lot 13, Block A, District Lot 4, Group 7, Similkameen Division Yale (Formerly Yale-Lytton) District, Plan 775

and

Lot 1, District Lot 4, Group 7, Similkameen Division Yale (Formerly Yale-Lytton) District, Plan 4673

(the "Land");

on which has been constructed an improvement eligible under the Bylaw and the Agreement for a Revitalization Tax Exemption (the "Improvement");

This Certificate certifies that the Land is subject to a Revitalization Tax Exemption under section 226 of the *Community Charter*.

The extent of the Tax Exemption is 100% of the municipal property tax under section 197(1)(a) of the *Community Charter* payable on the value of improvements eligible for exemption under the Bylaw and the Agreement, as the value of those improvements varies from year to year during the term of the Tax Exemption.

The annual Tax Exemption under this Agreement is equal to 100% of the municipal property tax under section 197(1)(a) of the *Community Charter* payable on the difference between:

(a) BENEFIT ON ASSESSED "IMPROVEMENT" VALUE (2020 – 2024 tax years)

The annual Tax Exemption under this Agreement is equal to 100% of the municipal property tax under section 197(1)(a) of the *Community Charter* payable on the difference between:

the then most current assessed value of the improvements on the Land

and

the assessed value of the improvements on the Land (if any) in 2017, being the year in which the City issued a building permit in respect of the Improvement.

Notwithstanding the above formula, if improvements other than those comprising the Improvement are made to the Land during the term of the Tax Exemption and those further improvements are not eligible for Tax Exemption under the Bylaw ("Ineligible Improvements"),

then the annual Tax Exemption under this Agreement shall be equal to 100% of the municipal property tax under s.197(1)(a) of the *Community Charter* payable on the difference between:

the most current assessed value of the improvements on the Land before the construction of the Ineligible Improvements

and

the assessed value of the improvements on the Land (if any) in the year 2017, being the year in which the City issued a building permit in respect of the Improvement.

The term of the Tax Exemption is 5 years, for each of the taxation years 2020 to 2024 inclusive.

This Certificate is issued on the following conditions:

- (b) **Payment of Taxes** – The Owner must fully pay all outstanding property taxes levied by the City, including penalties and interest, that are payable in respect of the Land, including any taxable improvements, and that are payable in respect of all other properties within the City owned by the Owner, or any Owner in the circumstance where two or more persons constitute the Owner;
- (c) **No Breach of Agreement** - The Owner must not be in breach of this Agreement;
- (d) **Business Licence** – The Owner must possess a valid business licence issued by the City in respect of the Land and authorizing the Owner or a tenant of the Owner to operate on the Land the land use that qualified the Owner for special incentives under the Bylaw;

If this Certificate is cancelled for any reason, the Owner shall remit to the City an amount equal to the value of any and all tax exemptions received in respect of the Improvement, plus interest at the rate of 5% p.a., calculated semi-annually not in advance, as calculated by the City's Revenue Supervisor, as if the taxes had never been exempted (the "Recapture Amount"), even if the tax exemption was given prior to the Owner being the Owner of the Land.

If the City cancels this Certificate for any reason and the Recapture Amount is not paid in full by the Owner by December 31 of that year, then the City's Revenue Supervisor may add the Recapture Amount to the roll for the Land.

DATED the _____th day of October, 2019

THE CORPORATION OF THE CITY OF PENTICTON

by its authorized signatory

Angela Collison, Corporate Officer

END OF AGREEMENT

REVITALIZATION TAX EXEMPTION AGREEMENT

THIS AGREEMENT is dated for reference the ____th day of October, 2019

BETWEEN:

THE CORPORATION OF THE CITY OF PENTICTON

171 Main Street
Penticton, BC V2A 5A9

(the "City")

AND:

1001391 BC LTD

315 Spruce Ave
Kaleden, BC V0H 1K0

(the "Owner")

WHEREAS:

- A. The Owner is the registered owner in fee simple of land in the City at **161 Ellis Street** and legally described as:
- PID: 024-874-264
- Lot C, District Lot 202, Similkameen Division Yale District, Plan KAP67697
- (the "Land");
- B. Council of the City has, by adoption of City of Penticton Economic Investment Zone Bylaw No. 2014-04 (the "Bylaw"), established a Revitalization Tax Exemption Program for the purpose of stimulating and encouraging the construction of new buildings and the significant alteration and improvement of existing buildings within specified areas of the City that Council considers need revitalization;
- C. The Owner has constructed new improvements on the Land as described in Schedule "A" to this Agreement (the "Improvement") and has applied to the City to take part in the Revitalization Tax Exemption Program in respect of the Improvement and the City has determined that the Improvement is eligible for a tax exemption pursuant to Section 7 of the Bylaw;
- D. The Bylaw requires the Owner to enter into a tax exemption agreement with the City as a precondition to receiving a tax exemption under the Bylaw and the Owner wishes to enter into this Agreement on the terms and conditions set out below;

NOW THEREFORE in consideration of the promises and premises of this Agreement, the payment by the Owner to the City of consideration in the amount of \$10.00 (Ten Dollars), and other good and valuable consideration (the receipt and sufficiency of which are hereby expressly acknowledged by both parties), the City and the Owner covenant and agree as follows:

Revitalization Tax Exemption

1. As soon as practicable after this Agreement is fully executed by both parties, the City shall issue a revitalization tax exemption certificate (the "Tax Exemption Certificate") in the form attached as Schedule "B" to this Agreement and provide it to the British Columbia Assessment Authority, entitling the Owner to a tax exemption in respect of the municipal property taxes due under Section 197(1)(a) of the *Community Charter* in relation to the improvements on the Land (the "Tax Exemption") in accordance with the terms and conditions of this Agreement and the Bylaw.

Conditions of Maintaining Tax Exemption

2. The Tax Exemption Certificate is subject to the following conditions:
 - (a) **Payment of Taxes** – The Owner must fully pay all outstanding property taxes levied by the City, including penalties and interest, that are payable in respect of the Land, including any taxable improvements, and that are payable in respect of all other properties within the City owned by the Owner, or any Owner in the circumstance where two or more persons constitute the Owner;
 - (b) **No Breach of Agreement** - The Owner must not be in breach of this Agreement;
 - (c) **Business Licence** – The Owner must possess a valid business licence issued by the City in respect of the Land and authorizing the Owner or a tenant of the Owner to operate on the Land the land use that qualified the Owner for special incentives under the Bylaw;

Term of Exemption

3. Provided the requirements of the Tax Exemption Certificate are met and continue to be met, the Tax Exemption shall be for a term as long as the tax exemption credit lasts (the "Term"). The Tax Exemption shall apply to a calendar year if the Exemption Certificate is issued on or before October 31 in the preceding year. If the Exemption Certificate is issued after October 31, then the Tax Exemption shall not apply to the following calendar year, but to the year after that.

Calculation of Tax Exemption

4. The annual Tax Exemption under this Agreement is equal to 100% of the municipal property tax under section 197(1)(a) of the *Community Charter* payable on the following:

BENEFIT ON ASSESSED "IMPROVEMENT" VALUE (2020 – 2024 tax years)

The annual Tax Exemption under this Agreement is equal to 100% of the municipal property tax under section 197(1)(a) of the Community Charter payable on the difference between:

the then most current assessed value of the improvements on the Land

and

the assessed value of the improvements on the Land (if any) in 2015, being the year in which the City issued a building permit in respect of the Improvement.

5. Notwithstanding Section 4, if improvements other than those comprising the Improvement are made to the Land during the Term and those further improvements are not eligible for tax exemption under the Bylaw ("Ineligible Improvements"), then the annual Tax Exemption under this Agreement shall be reduced by the taxes payable on the ineligible improvements, and shall be calculated using the following formula

Tax Exemption – (Value of Ineligible Improvements x Current Year Tax Rate)

Cancellation

6. The City may, in its sole discretion, cancel the Tax Exemption Certificate at any time:
 - (a) on the written request of the Owner; or
 - (b) effective immediately upon delivery of a notice of cancellation to the Owner if at any time any of the conditions in the Tax Exemption Certificate are not met.

Recapture of Exempted Taxes

7. If the City cancels a Tax Exemption Certificate for any reason, the Owner shall remit to the City an amount equal to the value of any and all tax exemptions received under this Agreement, plus interest at the rate of 5% p.a., calculated semi-annually not in advance, as calculated by the City's Revenue Supervisor, as if the taxes had never been exempted (the "Recapture Amount"), even if the tax exemption was given at a time prior to the Owner being the owner of the Land.
8. If the City cancels a Tax Exemption Certificate for any reason and the Recapture Amount is not paid in full by the Owner by December 31 of that year, then the City's Revenue Supervisor may add the Recapture Amount to the property tax roll for the Land.

Compliance with Laws

9. The Owner must at all times during the Term use and occupy the Land, including the Improvement, in compliance with all enactments, regulations, and orders of any authority having jurisdiction and, without limiting the generality of the foregoing, all federal, provincial, or municipal laws, statutes, bylaws, licences, permits or approvals, including all the rules, regulations, policies, guidelines, criteria or the like made under any such laws.

No Refund

10. For clarity, under no circumstances will the Owner be entitled under the City's Revitalization Tax Exemption Program to any cash credit, any carry forward tax exemption credit or any refund for any property taxes paid.

Notices

11. All notices to be given under this Agreement must be in writing and may be delivered by hand or mailed by first-class prepaid registered mail.
12. Any notice delivered by hand is deemed to be given and received on the day it is delivered. Any notice mailed is deemed to be given and received on the fourth day after it is posted (unless there is a mail strike, slow down or other labour dispute which might affect delivery, in which case the notice will be effective only if actually delivered).
13. Notices must be addressed to the addresses on page 1 or to such other address as may from time to time be advised by a party in writing.
14. Notices to the City must be addressed to the attention of the "Corporate Officer".

Powers Preserved

15. Nothing contained in or implied by this Agreement prejudices or affects the rights and powers of the City in the exercise of its functions under any enactment or at common law, all of which may be fully and effectively exercised in relation to the Improvement and the Land.

Relationship

16. Nothing in this Agreement is to be interpreted as creating an agency, partnership or joint ventureship between the City and the Owner.

Time

17. Time is of the essence of this Agreement.

Remedies not Exclusive

18. No reference to or exercise of any specific right or remedy by the City prejudices or precludes the City from any other remedy, whether allowed at law or in equity or expressly provided for herein.

Headings

19. The headings appearing in this Agreement have been inserted for reference and as a matter of convenience and in no way define, limit or enlarge the scope or meaning of this Agreement or any provision of it.

Waiver

20. An alleged waiver of any breach of this Agreement is effective only if it is an express waiver in writing of the breach in respect of which the waiver is asserted. A waiver of a breach of this Agreement does not operate as a waiver of any other breach of this Agreement.

Interpretation

21. Wherever the singular or masculine or neuter is used in this Agreement, the same will be construed as meaning the plural, the feminine or body corporate where the context or the parties so require.

Severance

22. If any section, subsection, clause or phrase of this Agreement is held to be invalid for any reason by a court of competent jurisdiction, the invalid portion shall be severed and the decision that it is invalid shall not affect the validity of the remainder of the Agreement.

Enurement

23. This Agreement enures to the benefit of and is binding upon the parties and their respective successors and in the case of the Owner, its permitted assignees.

Statutory References

24. A reference in this Agreement to a statute includes regulations made pursuant to it and includes all amendments and replacements to them from time to time.

Modifications

25. No amendment or modification of any of the terms or provisions of this Agreement will be of any force or effect unless the amendment or modification is in writing and duly executed by the City and the Owner.

Governing Law

26. This Agreement will be governed by and interpreted in accordance with the laws of British Columbia.

Joint and Several Liability

27. In circumstances where two or more persons comprise the Owner, those persons shall be jointly and severally liable for performance of the obligations of the Owner under this Agreement.

Schedules

28. The following schedules are incorporated into this Agreement:

Schedule "A" – Description of the Improvement
Schedule "B" – Tax Exemption Certificate

Schedule "A"

Description of Eligible Improvement

Eligible improvements include the renovation of commercial building as shown on the plans attached to and forming part of "City of Penticton Building Permit No. BP003275"

Draft

Schedule "B"

Tax Exemption Certificate

In accordance with the "City of Penticton Economic Investment Zone Bylaw No. 2014-04" (the "Bylaw") and in accordance with a Revitalization Tax Exemption Agreement dated for reference the ____th day of October, 2019 (the "Agreement") entered into between The Corporation of the City of Penticton (the "City") and **1001391 BC LTD** (the "Owners"), the registered owner(s) of that property within Penticton, B.C. legally described as:

PID: 024-874-264

Lot C, District Lot 202, Similkameen Division Yale District, Plan KAP67697

(the "Land");

on which has been constructed an improvement eligible under the Bylaw and the Agreement for a Revitalization Tax Exemption (the "Improvement");

This Certificate certifies that the Land is subject to a Revitalization Tax Exemption under section 226 of the *Community Charter*.

The extent of the Tax Exemption is 100% of the municipal property tax under section 197(1)(a) of the *Community Charter* payable on the value of improvements eligible for exemption under the Bylaw and the Agreement, as the value of those improvements varies from year to year during the term of the Tax Exemption.

The annual Tax Exemption under this Agreement is equal to 100% of the municipal property tax under section 197(1)(a) of the *Community Charter* payable on the difference between:

(a) BENEFIT ON ASSESSED "IMPROVEMENT" VALUE (2020 – 2024 tax years)

The annual Tax Exemption under this Agreement is equal to 100% of the municipal property tax under section 197(1)(a) of the *Community Charter* payable on the difference between:

the then most current assessed value of the improvements on the Land

and

the assessed value of the improvements on the Land (if any) in 2015, being the year in which the City issued a building permit in respect of the Improvement.

Notwithstanding the above formula, if improvements other than those comprising the Improvement are made to the Land during the term of the Tax Exemption and those further improvements are not eligible for Tax Exemption under the Bylaw ("Ineligible Improvements"), then the annual Tax Exemption under this Agreement shall be equal to 100% of the municipal property tax under s.197(1)(a) of the *Community Charter* payable on the difference between:

the most current assessed value of the improvements on the Land before the construction of the Ineligible Improvements

and

the assessed value of the improvements on the Land (if any) in the year 2015, being the year in which the City issued a building permit in respect of the Improvement.

The term of the Tax Exemption is 5 years, for each of the taxation years 2020 to 2024 inclusive.

This Certificate is issued on the following conditions:

- (b) **Payment of Taxes** – The Owner must fully pay all outstanding property taxes levied by the City, including penalties and interest, that are payable in respect of the Land, including any taxable improvements, and that are payable in respect of all other properties within the City owned by the Owner, or any Owner in the circumstance where two or more persons constitute the Owner;
- (c) **No Breach of Agreement** - The Owner must not be in breach of this Agreement;
- (d) **Business Licence** – The Owner must possess a valid business licence issued by the City in respect of the Land and authorizing the Owner or a tenant of the Owner to operate on the Land the land use that qualified the Owner for special incentives under the Bylaw;

If this Certificate is cancelled for any reason, the Owner shall remit to the City an amount equal to the value of any and all tax exemptions received in respect of the Improvement, plus interest at the rate of 5% p.a., calculated semi-annually not in advance, as calculated by the City's Revenue Supervisor, as if the taxes had never been exempted (the "Recapture Amount"), even if the tax exemption was given prior to the Owner being the Owner of the Land.

If the City cancels this Certificate for any reason and the Recapture Amount is not paid in full by the Owner by December 31 of that year, then the City's Revenue Supervisor may add the Recapture Amount to the roll for the Land.

DATED the _____th day of October, 2019

THE CORPORATION OF THE CITY OF PENTICTON
by its authorized signatory

Angela Collison, Corporate Officer

END OF AGREEMENT

REVITALIZATION TAX EXEMPTION AGREEMENT

THIS AGREEMENT is dated for reference the ____th day of October, 2019

BETWEEN:

THE CORPORATION OF THE CITY OF PENTICTON

171 Main Street
Penticton, BC V2A 5A9

(the "City")

AND:

CHASE VALLEY DEVELOPMENTS INC

107, 101-13615 Victoria Rd N
Summerland, BC V0H 1Z5

(the "Owner")

WHEREAS:

- A. The Owner is the registered owner in fee simple of land in the City at **99 White Avenue E** and legally described as:

PID: 012-461-571

Lot 13, Block 19, District Lot 202, Similkameen Division Yale District, Plan 269

(the "Land");
- B. Council of the City has, by adoption of City of Penticton Economic Investment Zone Bylaw No. 2014-04 (the "Bylaw"), established a Revitalization Tax Exemption Program for the purpose of stimulating and encouraging the construction of new buildings and the significant alteration and improvement of existing buildings within specified areas of the City that Council considers need revitalization;
- C. The Owner has constructed new improvements on the Land as described in Schedule "A" to this Agreement (the "Improvement") and has applied to the City to take part in the Revitalization Tax Exemption Program in respect of the Improvement and the City has determined that the Improvement is eligible for a tax exemption pursuant to Section 7 of the Bylaw;
- D. The Bylaw requires the Owner to enter into a tax exemption agreement with the City as a precondition to receiving a tax exemption under the Bylaw and the Owner wishes to enter into this Agreement on the terms and conditions set out below;

NOW THEREFORE in consideration of the promises and premises of this Agreement, the payment by the Owner to the City of consideration in the amount of \$10.00 (Ten Dollars), and other good and valuable consideration (the receipt and sufficiency of which are hereby expressly acknowledged by both parties), the City and the Owner covenant and agree as follows:

Revitalization Tax Exemption

1. As soon as practicable after this Agreement is fully executed by both parties, the City shall issue a revitalization tax exemption certificate (the "Tax Exemption Certificate") in the form attached as Schedule "B" to this Agreement and provide it to the British Columbia Assessment Authority, entitling the Owner to a tax exemption in respect of the municipal property taxes due under Section 197(1)(a) of the *Community Charter* in relation to the improvements on the Land (the "Tax Exemption") in accordance with the terms and conditions of this Agreement and the Bylaw.

Conditions of Maintaining Tax Exemption

2. The Tax Exemption Certificate is subject to the following conditions:
 - (a) **Payment of Taxes** – The Owner must fully pay all outstanding property taxes levied by the City, including penalties and interest, that are payable in respect of the Land, including any taxable improvements, and that are payable in respect of all other properties within the City owned by the Owner, or any Owner in the circumstance where two or more persons constitute the Owner;
 - (b) **No Breach of Agreement** - The Owner must not be in breach of this Agreement;
 - (c) **Business Licence** – The Owner must possess a valid business licence issued by the City in respect of the Land and authorizing the Owner or a tenant of the Owner to operate on the Land the land use that qualified the Owner for special incentives under the Bylaw;

Term of Exemption

3. Provided the requirements of the Tax Exemption Certificate are met and continue to be met, the Tax Exemption shall be for a term as long as the tax exemption credit lasts (the "Term"). The Tax Exemption shall apply to a calendar year if the Exemption Certificate is issued on or before October 31 in the preceding year. If the Exemption Certificate is issued after October 31, then the Tax Exemption shall not apply to the following calendar year, but to the year after that.

Calculation of Tax Exemption

4. The annual Tax Exemption under this Agreement is equal to 100% of the municipal property tax under section 197(1)(a) of the *Community Charter* payable on the following:

BENEFIT ON ASSESSED "IMPROVEMENT" VALUE (2020 – 2029 tax years)

The annual Tax Exemption under this Agreement is equal to 100% of the municipal property tax under section 197(1)(a) of the Community Charter payable on the difference between:

the then most current assessed value of the improvements on the Land

and

the assessed value of the improvements on the Land (if any) in 2018, being the year in which the City issued a building permit in respect of the Improvement.

5. Notwithstanding Section 4, if improvements other than those comprising the Improvement are made to the Land during the Term and those further improvements are not eligible for tax exemption under the Bylaw ("Ineligible Improvements"), then the annual Tax Exemption under this Agreement shall be reduced by the taxes payable on the ineligible improvements, and shall be calculated using the following formula

Tax Exemption – (Value of Ineligible Improvements x Current Year Tax Rate)

Cancellation

6. The City may, in its sole discretion, cancel the Tax Exemption Certificate at any time:
 - (a) on the written request of the Owner; or
 - (b) effective immediately upon delivery of a notice of cancellation to the Owner if at any time any of the conditions in the Tax Exemption Certificate are not met.

Recapture of Exempted Taxes

7. If the City cancels a Tax Exemption Certificate for any reason, the Owner shall remit to the City an amount equal to the value of any and all tax exemptions received under this Agreement, plus interest at the rate of 5% p.a., calculated semi-annually not in advance, as calculated by the City's Revenue Supervisor, as if the taxes had never been exempted (the "Recapture Amount"), even if the tax exemption was given at a time prior to the Owner being the owner of the Land.
8. If the City cancels a Tax Exemption Certificate for any reason and the Recapture Amount is not paid in full by the Owner by December 31 of that year, then the City's Revenue Supervisor may add the Recapture Amount to the property tax roll for the Land.

Compliance with Laws

9. The Owner must at all times during the Term use and occupy the Land, including the Improvement, in compliance with all enactments, regulations, and orders of any authority having jurisdiction and, without limiting the generality of the foregoing, all federal, provincial, or municipal laws, statutes, bylaws, licences, permits or approvals, including all the rules, regulations, policies, guidelines, criteria or the like made under any such laws.

No Refund

10. For clarity, under no circumstances will the Owner be entitled under the City's Revitalization Tax Exemption Program to any cash credit, any carry forward tax exemption credit or any refund for any property taxes paid.

Notices

11. All notices to be given under this Agreement must be in writing and may be delivered by hand or mailed by first-class prepaid registered mail.
12. Any notice delivered by hand is deemed to be given and received on the day it is delivered. Any notice mailed is deemed to be given and received on the fourth day after it is posted (unless there is a mail strike, slow down or other labour dispute which might affect delivery, in which case the notice will be effective only if actually delivered).
13. Notices must be addressed to the addresses on page 1 or to such other address as may from time to time be advised by a party in writing.
14. Notices to the City must be addressed to the attention of the "Corporate Officer".

Powers Preserved

15. Nothing contained in or implied by this Agreement prejudices or affects the rights and powers of the City in the exercise of its functions under any enactment or at common law, all of which may be fully and effectively exercised in relation to the Improvement and the Land.

Relationship

16. Nothing in this Agreement is to be interpreted as creating an agency, partnership or joint ventureship between the City and the Owner.

Time

17. Time is of the essence of this Agreement.

Remedies not Exclusive

18. No reference to or exercise of any specific right or remedy by the City prejudices or precludes the City from any other remedy, whether allowed at law or in equity or expressly provided for herein.

Headings

19. The headings appearing in this Agreement have been inserted for reference and as a matter of convenience and in no way define, limit or enlarge the scope or meaning of this Agreement or any provision of it.

Waiver

20. An alleged waiver of any breach of this Agreement is effective only if it is an express waiver in writing of the breach in respect of which the waiver is asserted. A waiver of a breach of this Agreement does not operate as a waiver of any other breach of this Agreement.

Interpretation

21. Wherever the singular or masculine or neuter is used in this Agreement, the same will be construed as meaning the plural, the feminine or body corporate where the context or the parties so require.

Severance

22. If any section, subsection, clause or phrase of this Agreement is held to be invalid for any reason by a court of competent jurisdiction, the invalid portion shall be severed and the decision that it is invalid shall not affect the validity of the remainder of the Agreement.

Enurement

23. This Agreement enures to the benefit of and is binding upon the parties and their respective successors and in the case of the Owner, its permitted assignees.

Statutory References

24. A reference in this Agreement to a statute includes regulations made pursuant to it and includes all amendments and replacements to them from time to time.

Modifications

25. No amendment or modification of any of the terms or provisions of this Agreement will be of any force or effect unless the amendment or modification is in writing and duly executed by the City and the Owner.

Governing Law

26. This Agreement will be governed by and interpreted in accordance with the laws of British Columbia.

Joint and Several Liability

27. In circumstances where two or more persons comprise the Owner, those persons shall be jointly and severally liable for performance of the obligations of the Owner under this Agreement.

Schedules

28. The following schedules are incorporated into this Agreement:

Schedule "A" – Description of the Improvement
Schedule "B" – Tax Exemption Certificate

Schedule "A"

Description of Eligible Improvement

Eligible improvements include the construction of a four (4) unit multi-family residential building as shown on the plans attached to and forming part of "City of Penticton Building Permit No. BP009469"

Draft

Schedule "B"

Tax Exemption Certificate

In accordance with the "City of Penticton Economic Investment Zone Bylaw No. 2014-04" (the "Bylaw") and in accordance with a Revitalization Tax Exemption Agreement dated for reference the ____th day of October, 2019 (the "Agreement") entered into between The Corporation of the City of Penticton (the "City") and **CHASE VALLEY DEVELOPMENTS INC** (the "Owners"), the registered owner(s) of that property within Penticton, B.C. legally described as:

PID: 012-461-571

Lot 13, Block 19, District Lot 202, Similkameen Division Yale District, Plan 269

(the "Land");

on which has been constructed an improvement eligible under the Bylaw and the Agreement for a Revitalization Tax Exemption (the "Improvement");

This Certificate certifies that the Land is subject to a Revitalization Tax Exemption under section 226 of the *Community Charter*.

The extent of the Tax Exemption is 100% of the municipal property tax under section 197(1)(a) of the *Community Charter* payable on the value of improvements eligible for exemption under the Bylaw and the Agreement, as the value of those improvements varies from year to year during the term of the Tax Exemption.

The annual Tax Exemption under this Agreement is equal to 100% of the municipal property tax under section 197(1)(a) of the *Community Charter* payable on the difference between:

(a) BENEFIT ON ASSESSED "IMPROVEMENT" VALUE (2020 – 2029 tax years)

The annual Tax Exemption under this Agreement is equal to 100% of the municipal property tax under section 197(1)(a) of the *Community Charter* payable on the difference between:

the then most current assessed value of the improvements on the Land

and

the assessed value of the improvements on the Land (if any) in 2018, being the year in which the City issued a building permit in respect of the Improvement.

Notwithstanding the above formula, if improvements other than those comprising the Improvement are made to the Land during the term of the Tax Exemption and those further improvements are not eligible for Tax Exemption under the Bylaw ("Ineligible Improvements"), then the annual Tax Exemption under this Agreement shall be equal to 100% of the municipal property tax under s.197(1)(a) of the *Community Charter* payable on the difference between:

the most current assessed value of the improvements on the Land before the construction of the Ineligible Improvements

and

the assessed value of the improvements on the Land (if any) in the year 2015, being the year in which the City issued a building permit in respect of the Improvement.

The term of the Tax Exemption is 10 years, for each of the taxation years 2020 to 2029 inclusive.

This Certificate is issued on the following conditions:

- (b) **Payment of Taxes** – The Owner must fully pay all outstanding property taxes levied by the City, including penalties and interest, that are payable in respect of the Land, including any taxable improvements, and that are payable in respect of all other properties within the City owned by the Owner, or any Owner in the circumstance where two or more persons constitute the Owner;
- (c) **No Breach of Agreement** - The Owner must not be in breach of this Agreement;
- (d) **Business Licence** – The Owner must possess a valid business licence issued by the City in respect of the Land and authorizing the Owner or a tenant of the Owner to operate on the Land the land use that qualified the Owner for special incentives under the Bylaw;

If this Certificate is cancelled for any reason, the Owner shall remit to the City an amount equal to the value of any and all tax exemptions received in respect of the Improvement, plus interest at the rate of 5% p.a., calculated semi-annually not in advance, as calculated by the City's Revenue Supervisor, as if the taxes had never been exempted (the "Recapture Amount"), even if the tax exemption was given prior to the Owner being the Owner of the Land.

If the City cancels this Certificate for any reason and the Recapture Amount is not paid in full by the Owner by December 31 of that year, then the City's Revenue Supervisor may add the Recapture Amount to the roll for the Land.

DATED the _____th day of October, 2019

THE CORPORATION OF THE CITY OF PENTICTON
by its authorized signatory

Angela Collison, Corporate Officer

END OF AGREEMENT

REVITALIZATION TAX EXEMPTION AGREEMENT

THIS AGREEMENT is dated for reference the ____th day of October, 2019

BETWEEN:

THE CORPORATION OF THE CITY OF PENTICTON

171 Main Street
Penticton, BC V2A 5A9

(the "City")

AND:

ELLIS STREET VENTURES LTD

1091 Railway St
Penticton BC V2A 5X5

(the "Owner")

WHEREAS:

- A. The Owner is the registered owner in fee simple of land in the City at **110 Ellis Street** and legally described as:

PID: 030-362-822

Lot A, District Lot 202, Similkameen Division Yale District, Plan EPP78475,
Except Plan EPP91805

(the "Land");
- B. Council of the City has, by adoption of City of Penticton Economic Investment Zone Bylaw No. 2014-04 (the "Bylaw"), established a Revitalization Tax Exemption Program for the purpose of stimulating and encouraging the construction of new buildings and the significant alteration and improvement of existing buildings within specified areas of the City that Council considers need revitalization;
- C. The Owner has constructed new improvements on the Land as described in Schedule "A" to this Agreement (the "Improvement") and has applied to the City to take part in the Revitalization Tax Exemption Program in respect of the Improvement and the City has determined that the Improvement is eligible for a tax exemption pursuant to Section 7 of the Bylaw;
- D. The Bylaw requires the Owner to enter into a tax exemption agreement with the City as a precondition to receiving a tax exemption under the Bylaw and the Owner wishes to enter into this Agreement on the terms and conditions set out below;

NOW THEREFORE in consideration of the promises and premises of this Agreement, the payment by the Owner to the City of consideration in the amount of \$10.00 (Ten Dollars), and other good and valuable consideration (the receipt and sufficiency of which are hereby expressly acknowledged by both parties), the City and the Owner covenant and agree as follows:

Revitalization Tax Exemption

1. As soon as practicable after this Agreement is fully executed by both parties, the City shall issue a revitalization tax exemption certificate (the "Tax Exemption Certificate") in the form attached as Schedule "B" to this Agreement and provide it to the British Columbia Assessment Authority, entitling the Owner to a tax exemption in respect of the municipal property taxes due under Section 197(1)(a) of the *Community Charter* in relation to the improvements on the Land (the "Tax Exemption") in accordance with the terms and conditions of this Agreement and the Bylaw.

Conditions of Maintaining Tax Exemption

2. The Tax Exemption Certificate is subject to the following conditions:
 - (a) **Payment of Taxes** – The Owner must fully pay all outstanding property taxes levied by the City, including penalties and interest, that are payable in respect of the Land, including any taxable improvements, and that are payable in respect of all other properties within the City owned by the Owner, or any Owner in the circumstance where two or more persons constitute the Owner;
 - (b) **No Breach of Agreement** - The Owner must not be in breach of this Agreement;
 - (c) **Business Licence** – The Owner must possess a valid business licence issued by the City in respect of the Land and authorizing the Owner or a tenant of the Owner to operate on the Land the land use that qualified the Owner for special incentives under the Bylaw;

Term of Exemption

3. Provided the requirements of the Tax Exemption Certificate are met and continue to be met, the Tax Exemption shall be for a term as long as the tax exemption credit lasts (the "Term"). The Tax Exemption shall apply to a calendar year if the Exemption Certificate is issued on or before October 31 in the preceding year. If the Exemption Certificate is issued after October 31, then the Tax Exemption shall not apply to the following calendar year, but to the year after that.

Calculation of Tax Exemption

4. The annual Tax Exemption under this Agreement is equal to 100% of the municipal property tax under section 197(1)(a) of the *Community Charter* payable on the following:

BENEFIT ON ASSESSED "IMPROVEMENT" VALUE (2021 – 2030 tax years)

The annual Tax Exemption under this Agreement is equal to 100% of the municipal property tax under section 197(1)(a) of the Community Charter payable on the difference between:

the then most current assessed value of the improvements on the Land

and

the assessed value of the improvements on the Land (if any) in 2018, being the year in which the City issued a building permit in respect of the Improvement.

5. Notwithstanding Section 4, if improvements other than those comprising the Improvement are made to the Land during the Term and those further improvements are not eligible for tax exemption under the Bylaw ("Ineligible Improvements"), then the annual Tax Exemption under this Agreement shall be reduced by the taxes payable on the ineligible improvements, and shall be calculated using the following formula

Tax Exemption – (Value of Ineligible Improvements x Current Year Tax Rate)

Cancellation

6. The City may, in its sole discretion, cancel the Tax Exemption Certificate at any time:
 - (a) on the written request of the Owner; or
 - (b) effective immediately upon delivery of a notice of cancellation to the Owner if at any time any of the conditions in the Tax Exemption Certificate are not met.

Recapture of Exempted Taxes

7. If the City cancels a Tax Exemption Certificate for any reason, the Owner shall remit to the City an amount equal to the value of any and all tax exemptions received under this Agreement, plus interest at the rate of 5% p.a., calculated semi-annually not in advance, as calculated by the City's Revenue Supervisor, as if the taxes had never been exempted (the "Recapture Amount"), even if the tax exemption was given at a time prior to the Owner being the owner of the Land.
8. If the City cancels a Tax Exemption Certificate for any reason and the Recapture Amount is not paid in full by the Owner by December 31 of that year, then the City's Revenue Supervisor may add the Recapture Amount to the property tax roll for the Land.

Compliance with Laws

9. The Owner must at all times during the Term use and occupy the Land, including the Improvement, in compliance with all enactments, regulations, and orders of any authority having jurisdiction and, without limiting the generality of the foregoing, all federal, provincial, or municipal laws, statutes, bylaws, licences, permits or approvals, including all the rules, regulations, policies, guidelines, criteria or the like made under any such laws.

No Refund

10. For clarity, under no circumstances will the Owner be entitled under the City's Revitalization Tax Exemption Program to any cash credit, any carry forward tax exemption credit or any refund for any property taxes paid.

Notices

11. All notices to be given under this Agreement must be in writing and may be delivered by hand or mailed by first-class prepaid registered mail.
12. Any notice delivered by hand is deemed to be given and received on the day it is delivered. Any notice mailed is deemed to be given and received on the fourth day after it is posted (unless there is a mail strike, slow down or other labour dispute which might affect delivery, in which case the notice will be effective only if actually delivered).
13. Notices must be addressed to the addresses on page 1 or to such other address as may from time to time be advised by a party in writing.
14. Notices to the City must be addressed to the attention of the "Corporate Officer".

Powers Preserved

15. Nothing contained in or implied by this Agreement prejudices or affects the rights and powers of the City in the exercise of its functions under any enactment or at common law, all of which may be fully and effectively exercised in relation to the Improvement and the Land.

Relationship

16. Nothing in this Agreement is to be interpreted as creating an agency, partnership or joint venturership between the City and the Owner.

Time

17. Time is of the essence of this Agreement.

Remedies not Exclusive

18. No reference to or exercise of any specific right or remedy by the City prejudices or precludes the City from any other remedy, whether allowed at law or in equity or expressly provided for herein.

Headings

19. The headings appearing in this Agreement have been inserted for reference and as a matter of convenience and in no way define, limit or enlarge the scope or meaning of this Agreement or any provision of it.

Waiver

20. An alleged waiver of any breach of this Agreement is effective only if it is an express waiver in writing of the breach in respect of which the waiver is asserted. A waiver of a breach of this Agreement does not operate as a waiver of any other breach of this Agreement.

Interpretation

21. Wherever the singular or masculine or neuter is used in this Agreement, the same will be construed as meaning the plural, the feminine or body corporate where the context or the parties so require.

Severance

22. If any section, subsection, clause or phrase of this Agreement is held to be invalid for any reason by a court of competent jurisdiction, the invalid portion shall be severed and the decision that it is invalid shall not affect the validity of the remainder of the Agreement.

Enurement

23. This Agreement enures to the benefit of and is binding upon the parties and their respective successors and in the case of the Owner, its permitted assignees.

Statutory References

24. A reference in this Agreement to a statute includes regulations made pursuant to it and includes all amendments and replacements to them from time to time.

Modifications

25. No amendment or modification of any of the terms or provisions of this Agreement will be of any force or effect unless the amendment or modification is in writing and duly executed by the City and the Owner.

Governing Law

26. This Agreement will be governed by and interpreted in accordance with the laws of British Columbia.

Joint and Several Liability

27. In circumstances where two or more persons comprise the Owner, those persons shall be jointly and severally liable for performance of the obligations of the Owner under this Agreement.

Schedules

28. The following schedules are incorporated into this Agreement:

Schedule "A" – Description of the Improvement
Schedule "B" – Tax Exemption Certificate

Schedule "A"

Description of Eligible Improvement

Eligible improvements include the construction of a 48 unit, multi-family, residential building as shown on the plans attached to and forming part of "City of Penticton Building Permit Nos. BP009647 and BP010371"

Draft

Schedule "B"

Tax Exemption Certificate

In accordance with the "City of Penticton Economic Investment Zone Bylaw No. 2014-04" (the "Bylaw") and in accordance with a Revitalization Tax Exemption Agreement dated for reference the ____th day of October, 2019 (the "Agreement") entered into between The Corporation of the City of Penticton (the "City") and **ELLIS STREET VENTURES LTD** (the "Owners"), the registered owner(s) of that property within Penticton, B.C. legally described as:

PID: 030-362-822

Lot A, District Lot 202, Similkameen Division Yale District, Plan EPP78475, Except Plan EPP91805

(the "Land");

on which has been constructed an improvement eligible under the Bylaw and the Agreement for a Revitalization Tax Exemption (the "Improvement");

This Certificate certifies that the Land is subject to a Revitalization Tax Exemption under section 226 of the *Community Charter*.

The extent of the Tax Exemption is 100% of the municipal property tax under section 197(1)(a) of the *Community Charter* payable on the value of improvements eligible for exemption under the Bylaw and the Agreement, as the value of those improvements varies from year to year during the term of the Tax Exemption.

The annual Tax Exemption under this Agreement is equal to 100% of the municipal property tax under section 197(1)(a) of the *Community Charter* payable on the difference between:

(a) BENEFIT ON ASSESSED "IMPROVEMENT" VALUE (2021 – 2030 tax years)

The annual Tax Exemption under this Agreement is equal to 100% of the municipal property tax under section 197(1)(a) of the *Community Charter* payable on the difference between:

the then most current assessed value of the improvements on the Land

and

the assessed value of the improvements on the Land (if any) in 2018, being the year in which the City issued a building permit in respect of the Improvement.

Notwithstanding the above formula, if improvements other than those comprising the Improvement are made to the Land during the term of the Tax Exemption and those further improvements are not eligible for Tax Exemption under the Bylaw ("Ineligible Improvements"), then the annual Tax Exemption under this Agreement shall be equal to 100% of the municipal property tax under s.197(1)(a) of the *Community Charter* payable on the difference between:

the most current assessed value of the improvements on the Land before the construction of the Ineligible Improvements

and

the assessed value of the improvements on the Land (if any) in the year 2018, being the year in which the City issued a building permit in respect of the Improvement.

The term of the Tax Exemption is 10 years, for each of the taxation years 2021 to 2030 inclusive.

This Certificate is issued on the following conditions:

- (b) **Payment of Taxes** – The Owner must fully pay all outstanding property taxes levied by the City, including penalties and interest, that are payable in respect of the Land, including any taxable improvements, and that are payable in respect of all other properties within the City owned by the Owner, or any Owner in the circumstance where two or more persons constitute the Owner;
- (c) **No Breach of Agreement** - The Owner must not be in breach of this Agreement;
- (d) **Business Licence** – The Owner must possess a valid business licence issued by the City in respect of the Land and authorizing the Owner or a tenant of the Owner to operate on the Land the land use that qualified the Owner for special incentives under the Bylaw;

If this Certificate is cancelled for any reason, the Owner shall remit to the City an amount equal to the value of any and all tax exemptions received in respect of the Improvement, plus interest at the rate of 5% p.a., calculated semi-annually not in advance, as calculated by the City's Revenue Supervisor, as if the taxes had never been exempted (the "Recapture Amount"), even if the tax exemption was given prior to the Owner being the Owner of the Land.

If the City cancels this Certificate for any reason and the Recapture Amount is not paid in full by the Owner by December 31 of that year, then the City's Revenue Supervisor may add the Recapture Amount to the roll for the Land.

DATED the _____th day of _____, 2020

THE CORPORATION OF THE CITY OF PENTICTON
by its authorized signatory

Angela Collison, Corporate Officer

END OF AGREEMENT

Draft

REVITALIZATION TAX EXEMPTION AGREEMENT

THIS AGREEMENT is dated for reference the ____th day of October, 2019

BETWEEN:

THE CORPORATION OF THE CITY OF PENTICTON

171 Main Street
Penticton, BC
V2A 5A9

(the "City")

AND:

0973813 BC LTD

14405 Latimer Ave
SUMMERLAND BC V0H 1Z1

(the "Owner")

WHEREAS:

- A. The Owner is the registered owner in fee simple of land in the City at **647 Okanagan Avenue E** and legally described as:
- PID: 008-860-653
- Lot 4, District Lot 3821S, Similkameen Division Yale District Plan 15261
- (the "Land");
- B. Council of the City has, by adoption of City of Penticton Economic Investment Zone Bylaw No. 2014-44 (the "Bylaw"), established a Revitalization Tax Exemption Program for the purpose of stimulating and encouraging the construction of new buildings and the significant alteration and improvement of existing buildings within specified areas of the City that Council considers need revitalization;
- C. The Owner has constructed new improvements on the Land as described in Schedule "A" to this Agreement (the "Improvement") and has applied to the City to take part in the Revitalization Tax Exemption Program in respect of the Improvement and the City has determined that the Improvement is eligible for a tax exemption pursuant to Section 7 of the Bylaw;
- D. The Bylaw requires the Owner to enter into a tax exemption agreement with the City as a precondition to receiving a tax exemption under the Bylaw and the Owner wishes to enter into this Agreement on the terms and conditions set out below;

NOW THEREFORE in consideration of the promises and premises of this Agreement, the payment by the Owner to the City of consideration in the amount of \$10.00 (Ten Dollars), and other good and valuable consideration (the receipt and sufficiency of which are hereby expressly acknowledged by both parties), the City and the Owner covenant and agree as follows:

Revitalization Tax Exemption

1. As soon as practicable after this Agreement is fully executed by both parties, the City shall issue a revitalization tax exemption certificate (the "Tax Exemption Certificate") in the form attached as Schedule "B" to this Agreement and provide it to the British Columbia Assessment Authority, entitling the Owner to a tax exemption in respect of the municipal property taxes due under Section 197(1)(a) of the *Community Charter* in relation to the improvements on the Land (the "Tax Exemption") in accordance with the terms and conditions of this Agreement and the Bylaw.

Conditions of Maintaining Tax Exemption

2. The Tax Exemption Certificate is subject to the following conditions:
 - (a) **Payment of Taxes** – The Owner must fully pay all outstanding property taxes levied by the City, including penalties and interest, that are payable in respect of the Land, including any taxable improvements, and that are payable in respect of all other properties within the City owned by the Owner, or any Owner in the circumstance where two or more persons constitute the Owner;
 - (b) **Change of Ownership** - The Owner must not sell, assign or otherwise transfer all or a portion of its equitable or legal interest in the Land unless the transferee takes an assignment of this Agreement, in a form satisfactory to the City, and agrees to be bound by it;
 - (c) **No Breach of Agreement** - The Owner must not be in breach of this Agreement;
 - (d) **Business Licence** – The Owner must possess a valid business licence issued by the City in respect of the Land and authorizing the Owner or a tenant of the Owner to operate on the Land the land use that qualified the Owner for special incentives under the Bylaw;

Term of Exemption

3. Provided the requirements of the Tax Exemption Certificate are met and continue to be met, the Tax Exemption shall be for a term of five (5) years (the "Term"). The Tax Exemption shall apply to a calendar year if the Exemption Certificate is issued on or before October 31 in the preceding year. If the Exemption Certificate is issued after October 31, then the Tax Exemption shall not apply to the following calendar year, but to the year after that.

Calculation of Tax Exemption

4. The annual Tax Exemption under this Agreement is equal to 100% of the municipal property tax under section 197(1)(a) of the *Community Charter* payable on the difference between:

the then most current assessed value of the improvements on the Land

and

the assessed value of the improvements on the Land (if any) in 2016, being the year in which the City issued a building permit in respect of the Improvement.

5. Notwithstanding Section 4, if improvements other than those comprising the Improvement are made to the Land during the Term and those further improvements are not eligible for tax exemption under the Bylaw ("Ineligible Improvements"), then the annual Tax Exemption under this Agreement shall be reduced by the taxes payable on the ineligible improvements, and shall be calculated using the following formula

Tax Exemption – (Value of Ineligible Improvements x Current Year Tax Rate)

Cancellation

6. The City may, in its sole discretion, cancel the Tax Exemption Certificate at any time:
 - (a) on the written request of the Owner; or
 - (b) effective immediately upon delivery of a notice of cancellation to the Owner if at any time any of the conditions in the Tax Exemption Certificate are not met.

Recapture of Exempted Taxes

7. If the City cancels a Tax Exemption Certificate for any reason, the Owner shall remit to the City an amount equal to the value of any and all tax exemptions received under this Agreement, plus interest at the rate of 5% p.a., calculated semi-annually not in advance, as calculated by the City's Revenue Supervisor, as if the taxes had never been exempted (the "Recapture Amount"), even if the tax exemption was given at a time prior to the Owner being the owner of the Land.
8. If the City cancels a Tax Exemption Certificate for any reason and the Recapture Amount is not paid in full by the Owner by December 31 of that year, then the City's Revenue Supervisor may add the Recapture Amount to the property tax roll for the Land.

Compliance with Laws

9. The Owner must at all times during the Term use and occupy the Land, including the Improvement, in compliance with all enactments, regulations, and orders of any authority having jurisdiction and, without limiting the generality of the foregoing, all federal, provincial, or municipal laws, statutes, bylaws, licences, permits or approvals, including all the rules, regulations, policies, guidelines, criteria or the like made under any such laws.

No Refund

10. For clarity, under no circumstances will the Owner be entitled under the City's Revitalization Tax Exemption Program to any cash credit, any carry forward tax exemption credit or any refund for any property taxes paid.

Notices

11. All notices to be given under this Agreement must be in writing and may be delivered by hand or mailed by first-class prepaid registered mail.
12. Any notice delivered by hand is deemed to be given and received on the day it is delivered. Any notice mailed is deemed to be given and received on the fourth day after it is posted (unless there is a mail strike, slow down or other labour dispute which might affect delivery, in which case the notice will be effective only if actually delivered).
13. Notices must be addressed to the addresses on page 1 or to such other address as may from time to time be advised by a party in writing.
14. Notices to the City must be addressed to the attention of the "Corporate Officer".

Powers Preserved

15. Nothing contained in or implied by this Agreement prejudices or affects the rights and powers of the City in the exercise of its functions under any enactment or at common law, all of which may be fully and effectively exercised in relation to the Improvement and the Land.

Relationship

16. Nothing in this Agreement is to be interpreted as creating an agency, partnership or joint ventureship between the City and the Owner.

Time

17. Time is of the essence of this Agreement.

Remedies not Exclusive

18. No reference to or exercise of any specific right or remedy by the City prejudices or precludes the City from any other remedy, whether allowed at law or in equity or expressly provided for herein.

Headings

19. The headings appearing in this Agreement have been inserted for reference and as a matter of convenience and in no way define, limit or enlarge the scope or meaning of this Agreement or any provision of it.

Waiver

20. An alleged waiver of any breach of this Agreement is effective only if it is an express waiver in writing of the breach in respect of which the waiver is asserted. A waiver of a breach of this Agreement does not operate as a waiver of any other breach of this Agreement.

Interpretation

21. Wherever the singular or masculine or neuter is used in this Agreement, the same will be construed as meaning the plural, the feminine or body corporate where the context or the parties so require.

Severance

22. If any section, subsection, clause or phrase of this Agreement is held to be invalid for any reason by a court of competent jurisdiction, the invalid portion shall be severed and the decision that it is invalid shall not affect the validity of the remainder of the Agreement.

Enurement

23. This Agreement enures to the benefit of and is binding upon the parties and their respective successors and in the case of the Owner, its permitted assignees.

Statutory References

24. A reference in this Agreement to a statute includes regulations made pursuant to it and includes all amendments and replacements to them from time to time.

Modifications

25. No amendment or modification of any of the terms or provisions of this Agreement will be of any force or effect unless the amendment or modification is in writing and duly executed by the City and the Owner.

Governing Law

26. This Agreement will be governed by and interpreted in accordance with the laws of British Columbia.

Joint and Several Liability

27. In circumstances where two or more persons comprise the Owner, those persons shall be jointly and severally liable for performance of the obligations of the Owner under this Agreement.

Schedules

28. The following schedules are incorporated into this Agreement:

Schedule "A" – Description of the Improvement

Schedule "B" – Tax Exemption Certificate

As evidence of their agreement to be bound by the terms of this Agreement, the parties have executed this Agreement on the dates written below.

DATED the ____ day of _____, 2019

THE CORPORATION OF THE CITY OF PENTICTON)

by its authorized signatories:)

John Vassilaki, Mayor)

Angela Collison, Corporate Officer)

DATED the ____ day of _____, 2019

0973813 BC LTD)
by its authorized signatory(ies):)

Authorized Signatory:)

Authorized Signatory:)

Schedule "A"

Description of Eligible Improvement

Eligible improvements include the construction of an industrial warehouse as shown on the plans attached to and forming part of "City of Penticton Building Permit No. BP009301

Draft

Schedule "B"

Tax Exemption Certificate

In accordance with the "City of Penticton Economic Investment Zone Bylaw No. 2014-44" (the "Bylaw") and in accordance with a Revitalization Tax Exemption Agreement dated for reference the _____th day of October, 2019 (the "Agreement") entered into between The Corporation of the City of Penticton (the "City") and **0973813 BC Ltd.** (the "Owner"), the registered owner(s) of that property within Penticton, B.C. legally described as:

PID: 008-860-653

Lot 4, District Lot 3821S, Similkameen Division Yale District, Plan 15261

(the "Land");

on which has been constructed an improvement eligible under the Bylaw and the Agreement for a Revitalization Tax Exemption (the "Improvement");

This Certificate certifies that the Land is subject to a Revitalization Tax Exemption under section 226 of the *Community Charter*.

The extent of the Tax Exemption is 100% of the municipal property tax under section 197(1)(a) of the *Community Charter* payable on the value of improvements eligible for exemption under the Bylaw and the Agreement, as the value of those improvements varies from year to year during the term of the Tax Exemption.

The annual Tax Exemption under this Agreement is equal to 100% of the municipal property tax under section 197(1)(a) of the *Community Charter* payable on the difference between:

the then most current assessed value of the improvements on the Land

and

the assessed value of the improvements on the Land (if any) in the year 2016, being the year in which the City issued a building permit in respect of the Improvement.

Notwithstanding the above formula, if improvements other than those comprising the Improvement are made to the Land during the term of the Tax Exemption and those further improvements are not eligible for Tax Exemption under the Bylaw ("Ineligible Improvements"), then the annual Tax Exemption under this Agreement shall be equal to 100% of the municipal property tax under s.197(1)(a) of the *Community Charter* payable on the difference between:

the most current assessed value of the improvements on the Land before the construction of the Ineligible Improvements

and

the assessed value of the improvements on the Land (if any) in the year 2016 being the year in which the City issued a building permit in respect of the Improvement.

The term of the Tax Exemption is five (5) years, for each of the taxation years 2020 to 2024 inclusive.

This Certificate is issued on the following conditions:

- (a) **Payment of Taxes** – The Owner must fully pay all outstanding property taxes levied by the City, including penalties and interest, that are payable in respect of the Land, including any taxable improvements, and that are payable in respect of all other properties within the City owned by the Owner, or any Owner in the circumstance where two or more persons constitute the Owner;
- (b) **Change of Ownership** - The Owner must not sell, assign or otherwise transfer all or a portion of its equitable or legal interest in the Land unless the transferee takes an assignment of this Agreement, in a form satisfactory to the City, and agrees to be bound by it;
- (c) **No Breach of Agreement** - The Owner must not be in breach of this Agreement;
- (d) **Business Licence** – The Owner must possess a valid business licence issued by the City in respect of the Land and authorizing the Owner or a tenant of the Owner to operate on the Land the land use that qualified the Owner for special incentives under the Bylaw;

If this Certificate is cancelled for any reason, the Owner shall remit to the City an amount equal to the value of any and all tax exemptions received in respect of the Improvement, plus interest at the rate of 5% p.a., calculated semi-annually not in advance, as calculated by the City's Revenue Supervisor, as if the taxes had never been exempted (the "Recapture Amount"), even if the tax exemption was given prior to the Owner being the Owner of the Land.

If the City cancels this Certificate for any reason and the Recapture Amount is not paid in full by the Owner by December 31 of that year, then the City's Revenue Supervisor may add the Recapture Amount to the roll for the Land.

DATED the _____ day of October, 2019

THE CORPORATION OF THE CITY OF PENTICTON
by its authorized signatory

Angela Collison, Corporate Officer

END OF AGREEMENT

REVITALIZATION TAX EXEMPTION AGREEMENT

THIS AGREEMENT is dated for reference the ____th day of October, 2019

BETWEEN:

THE CORPORATION OF THE CITY OF PENTICTON

171 Main Street
Penticton, BC
V2A 5A9

(the "City")

AND:

WINELIGHT HOLDINGS LTD

11783 Harris Rd
Summerland, BC V0H 1Z7

(the "Owner")

WHEREAS:

- A. The Owner is the registered owner in fee simple of land in the City at 192 Industrial Court and legally described as:
- PID: 003-498-379
- Lot 10, District Lot 115, Similkameen Division Yale District, Plan 32316
- (the "Land");
- B. Council of the City has, by adoption of City of Penticton Economic Investment Zone Bylaw No. 2014-44 (the "Bylaw"), established a Revitalization Tax Exemption Program for the purpose of stimulating and encouraging the construction of new buildings and the significant alteration and improvement of existing buildings within specified areas of the City that Council considers need revitalization;
- C. The Owner has constructed new improvements on the Land as described in Schedule "A" to this Agreement (the "Improvement") and has applied to the City to take part in the Revitalization Tax Exemption Program in respect of the Improvement and the City has determined that the Improvement is eligible for a tax exemption pursuant to Section 7 of the Bylaw;
- D. The Bylaw requires the Owner to enter into a tax exemption agreement with the City as a precondition to receiving a tax exemption under the Bylaw and the Owner wishes to enter into this Agreement on the terms and conditions set out below;

NOW THEREFORE in consideration of the promises and premises of this Agreement, the payment by the Owner to the City of consideration in the amount of \$10.00 (Ten Dollars), and other good and valuable consideration (the receipt and sufficiency of which are hereby expressly acknowledged by both parties), the City and the Owner covenant and agree as follows:

Revitalization Tax Exemption

1. As soon as practicable after this Agreement is fully executed by both parties, the City shall issue a revitalization tax exemption certificate (the "Tax Exemption Certificate") in the form attached as Schedule "B" to this Agreement and provide it to the British Columbia Assessment Authority, entitling the Owner to a tax exemption in respect of the municipal property taxes due under Section 197(1)(a) of the *Community Charter* in relation to the improvements on the Land (the "Tax Exemption") in accordance with the terms and conditions of this Agreement and the Bylaw.

Conditions of Maintaining Tax Exemption

2. The Tax Exemption Certificate is subject to the following conditions:
 - (a) **Payment of Taxes** – The Owner must fully pay all outstanding property taxes levied by the City, including penalties and interest, that are payable in respect of the Land, including any taxable improvements, and that are payable in respect of all other properties within the City owned by the Owner, or any Owner in the circumstance where two or more persons constitute the Owner;
 - (b) **Change of Ownership** - The Owner must not sell, assign or otherwise transfer all or a portion of its equitable or legal interest in the Land unless the transferee takes an assignment of this Agreement, in a form satisfactory to the City, and agrees to be bound by it;
 - (c) **No Breach of Agreement** - The Owner must not be in breach of this Agreement;
 - (d) **Business Licence** – The Owner must possess a valid business licence issued by the City in respect of the Land and authorizing the Owner or a tenant of the Owner to operate on the Land the land use that qualified the Owner for special incentives under the Bylaw;

Term of Exemption

3. Provided the requirements of the Tax Exemption Certificate are met and continue to be met, the Tax Exemption shall be for a term of five (5) years (the "Term"). The Tax Exemption shall apply to a calendar year if the Exemption Certificate is issued on or before October 31 in the preceding year. If the Exemption Certificate is issued after October 31, then the Tax Exemption shall not apply to the following calendar year, but to the year after that.

Calculation of Tax Exemption

4. The annual Tax Exemption under this Agreement is equal to 100% of the municipal property tax under section 197(1)(a) of the *Community Charter* payable on the difference between:

the then most current assessed value of the improvements on the Land

and

the assessed value of the improvements on the Land (if any) in 2016, being the year in which the City issued a building permit in respect of the Improvement.

5. Notwithstanding Section 4, if improvements other than those comprising the Improvement are made to the Land during the Term and those further improvements are not eligible for tax exemption under the Bylaw ("Ineligible Improvements"), then the annual Tax Exemption under this Agreement shall be reduced by the taxes payable on the ineligible improvements, and shall be calculated using the following formula

Tax Exemption – (Value of Ineligible Improvements x Current Year Tax Rate)

Cancellation

6. The City may, in its sole discretion, cancel the Tax Exemption Certificate at any time:
 - (a) on the written request of the Owner; or
 - (b) effective immediately upon delivery of a notice of cancellation to the Owner if at any time any of the conditions in the Tax Exemption Certificate are not met.

Recapture of Exempted Taxes

7. If the City cancels a Tax Exemption Certificate for any reason, the Owner shall remit to the City an amount equal to the value of any and all tax exemptions received under this Agreement, plus interest at the rate of 5% p.a., calculated semi-annually not in advance, as calculated by the City's Revenue Supervisor, as if the taxes had never been exempted (the "Recapture Amount"), even if the tax exemption was given at a time prior to the Owner being the owner of the Land.
8. If the City cancels a Tax Exemption Certificate for any reason and the Recapture Amount is not paid in full by the Owner by December 31 of that year, then the City's Revenue Supervisor may add the Recapture Amount to the property tax roll for the Land.

Compliance with Laws

9. The Owner must at all times during the Term use and occupy the Land, including the Improvement, in compliance with all enactments, regulations, and orders of any authority having jurisdiction and, without limiting the generality of the foregoing, all federal, provincial, or municipal laws, statutes, bylaws, licences, permits or approvals, including all the rules, regulations, policies, guidelines, criteria or the like made under any such laws.

No Refund

10. For clarity, under no circumstances will the Owner be entitled under the City's Revitalization Tax Exemption Program to any cash credit, any carry forward tax exemption credit or any refund for any property taxes paid.

Notices

11. All notices to be given under this Agreement must be in writing and may be delivered by hand or mailed by first-class prepaid registered mail.
12. Any notice delivered by hand is deemed to be given and received on the day it is delivered. Any notice mailed is deemed to be given and received on the fourth day after it is posted (unless there is a mail strike, slow down or other labour dispute which might affect delivery, in which case the notice will be effective only if actually delivered).
13. Notices must be addressed to the addresses on page 1 or to such other address as may from time to time be advised by a party in writing.
14. Notices to the City must be addressed to the attention of the "Corporate Officer".

Powers Preserved

15. Nothing contained in or implied by this Agreement prejudices or affects the rights and powers of the City in the exercise of its functions under any enactment or at common law, all of which may be fully and effectively exercised in relation to the Improvement and the Land.

Relationship

16. Nothing in this Agreement is to be interpreted as creating an agency, partnership or joint ventureship between the City and the Owner.

Time

17. Time is of the essence of this Agreement.

Remedies not Exclusive

18. No reference to or exercise of any specific right or remedy by the City prejudices or precludes the City from any other remedy, whether allowed at law or in equity or expressly provided for herein.

Headings

19. The headings appearing in this Agreement have been inserted for reference and as a matter of convenience and in no way define, limit or enlarge the scope or meaning of this Agreement or any provision of it.

Waiver

20. An alleged waiver of any breach of this Agreement is effective only if it is an express waiver in writing of the breach in respect of which the waiver is asserted. A waiver of a breach of this Agreement does not operate as a waiver of any other breach of this Agreement.

Interpretation

21. Wherever the singular or masculine or neuter is used in this Agreement, the same will be construed as meaning the plural, the feminine or body corporate where the context or the parties so require.

Severance

22. If any section, subsection, clause or phrase of this Agreement is held to be invalid for any reason by a court of competent jurisdiction, the invalid portion shall be severed and the decision that it is invalid shall not affect the validity of the remainder of the Agreement.

Enurement

23. This Agreement enures to the benefit of and is binding upon the parties and their respective successors and in the case of the Owner, its permitted assignees.

Statutory References

24. A reference in this Agreement to a statute includes regulations made pursuant to it and includes all amendments and replacements to them from time to time.

Modifications

25. No amendment or modification of any of the terms or provisions of this Agreement will be of any force or effect unless the amendment or modification is in writing and duly executed by the City and the Owner.

Governing Law

26. This Agreement will be governed by and interpreted in accordance with the laws of British Columbia.

Joint and Several Liability

27. In circumstances where two or more persons comprise the Owner, those persons shall be jointly and severally liable for performance of the obligations of the Owner under this Agreement.

Schedules

28. The following schedules are incorporated into this Agreement:

Schedule "A" – Description of the Improvement

Schedule "B" – Tax Exemption Certificate

As evidence of their agreement to be bound by the terms of this Agreement, the parties have executed this Agreement on the dates written below.

DATED the ____ day of _____, 2019

THE CORPORATION OF THE CITY OF PENTICTON)

by its authorized signatories:)

John Vassilaki, Mayor)

Angela Collison, Corporate Officer)

DATED the ____ day of _____, 2019

WINELIGHT HOLDINGS LTD)
by its authorized signatory(ies):)

Authorized Signatory:)

Authorized Signatory:)

Schedule "A"

Description of Eligible Improvement

Eligible improvements include the construction of an industrial warehouse as shown on the plans attached to and forming part of "City of Penticton Building Permit Nos. BP007970 and BP008359"

Draft

Schedule "B"

Tax Exemption Certificate

In accordance with the "City of Penticton Economic Investment Zone Bylaw No. 2014-44" (the "Bylaw") and in accordance with a Revitalization Tax Exemption Agreement dated for reference the ____th day of October, 2019 (the "Agreement") entered into between The Corporation of the City of Penticton (the "City") and **WINELIGHT HOLDINGS LTD** (the "Owner"), the registered owner(s) of that property within Penticton, B.C. legally described as:

PID: 003-498-379

Lot 10, District Lot 115, Similkameen Division Yale District, Plan 32316

(the "Land");

on which has been constructed an improvement eligible under the Bylaw and the Agreement for a Revitalization Tax Exemption (the "Improvement");

This Certificate certifies that the Land is subject to a Revitalization Tax Exemption under section 226 of the *Community Charter*.

The extent of the Tax Exemption is 100% of the municipal property tax under section 197(1)(a) of the *Community Charter* payable on the value of improvements eligible for exemption under the Bylaw and the Agreement, as the value of those improvements varies from year to year during the term of the Tax Exemption.

The annual Tax Exemption under this Agreement is equal to 100% of the municipal property tax under section 197(1)(a) of the *Community Charter* payable on the difference between:

the then most current assessed value of the improvements on the Land

and

the assessed value of the improvements on the Land (if any) in the year 2016, being the year in which the City issued a building permit in respect of the Improvement.

Notwithstanding the above formula, if improvements other than those comprising the Improvement are made to the Land during the term of the Tax Exemption and those further improvements are not eligible for Tax Exemption under the Bylaw ("Ineligible Improvements"), then the annual Tax Exemption under this Agreement shall be equal to 100% of the municipal property tax under s.197(1)(a) of the *Community Charter* payable on the difference between:

the most current assessed value of the improvements on the Land before the construction of the Ineligible Improvements

and

the assessed value of the improvements on the Land (if any) in the year 2016 being the year in which the City issued a building permit in respect of the Improvement.

The term of the Tax Exemption is five (5) years, for each of the taxation years 2020 to 2024 inclusive.

This Certificate is issued on the following conditions:

- (a) **Payment of Taxes** – The Owner must fully pay all outstanding property taxes levied by the City, including penalties and interest, that are payable in respect of the Land, including any taxable improvements, and that are payable in respect of all other properties within the City owned by the Owner, or any Owner in the circumstance where two or more persons constitute the Owner;
- (b) **Change of Ownership** - The Owner must not sell, assign or otherwise transfer all or a portion of its equitable or legal interest in the Land unless the transferee takes an assignment of this Agreement, in a form satisfactory to the City, and agrees to be bound by it;
- (c) **No Breach of Agreement** - The Owner must not be in breach of this Agreement;
- (d) **Business Licence** – The Owner must possess a valid business licence issued by the City in respect of the Land and authorizing the Owner or a tenant of the Owner to operate on the Land the land use that qualified the Owner for special incentives under the Bylaw;

If this Certificate is cancelled for any reason, the Owner shall remit to the City an amount equal to the value of any and all tax exemptions received in respect of the Improvement, plus interest at the rate of 5% p.a., calculated semi-annually not in advance, as calculated by the City's Revenue Supervisor, as if the taxes had never been exempted (the "Recapture Amount"), even if the tax exemption was given prior to the Owner being the Owner of the Land.

If the City cancels this Certificate for any reason and the Recapture Amount is not paid in full by the Owner by December 31 of that year, then the City's Revenue Supervisor may add the Recapture Amount to the roll for the Land.

DATED the _____ day of _____, 2019

THE CORPORATION OF THE CITY OF PENTICTON
by its authorized signatory

Angela Collison, Corporate Officer

END OF AGREEMENT

REVITALIZATION TAX EXEMPTION AGREEMENT

THIS AGREEMENT is dated for reference the ____th day of October, 2019

BETWEEN:

THE CORPORATION OF THE CITY OF PENTICTON

171 Main Street
Penticton, BC
V2A 5A9

(the "City")

AND:

SIVA CONSTRUCTION LTD

716 Okanagan Ave E
Penticton BC V2A 3K6

(the "Owner")

WHEREAS:

- A. The Owner is the registered owner in fee simple of land in the City at **2147 Dartmouth Road** and legally described as:
- PID: 009-493-492
- Lot 2, District Lot 3821S, Similkameen Division Yale District, Plan 11264, Except Plan KAP70419
- (the "Land");
- B. Council of the City has, by adoption of City of Penticton Economic Investment Zone Bylaw No. 2014-44 (the "Bylaw"), established a Revitalization Tax Exemption Program for the purpose of stimulating and encouraging the construction of new buildings and the significant alteration and improvement of existing buildings within specified areas of the City that Council considers need revitalization;
- C. The Owner has constructed new improvements on the Land as described in Schedule "A" to this Agreement (the "Improvement") and has applied to the City to take part in the Revitalization Tax Exemption Program in respect of the Improvement and the City has determined that the Improvement is eligible for a tax exemption pursuant to Section 7 of the Bylaw;
- D. The Bylaw requires the Owner to enter into a tax exemption agreement with the City as a precondition to receiving a tax exemption under the Bylaw and the Owner wishes to enter into this Agreement on the terms and conditions set out below;

NOW THEREFORE in consideration of the promises and premises of this Agreement, the payment by the Owner to the City of consideration in the amount of \$10.00 (Ten Dollars), and other good and valuable consideration (the receipt and sufficiency of which are hereby expressly acknowledged by both parties), the City and the Owner covenant and agree as follows:

Revitalization Tax Exemption

1. As soon as practicable after this Agreement is fully executed by both parties, the City shall issue a revitalization tax exemption certificate (the "Tax Exemption Certificate") in the form attached as Schedule "B" to this Agreement and provide it to the British Columbia Assessment Authority, entitling the Owner to a tax exemption in respect of the municipal property taxes due under Section 197(1)(a) of the *Community Charter* in relation to the improvements on the Land (the "Tax Exemption") in accordance with the terms and conditions of this Agreement and the Bylaw.

Conditions of Maintaining Tax Exemption

2. The Tax Exemption Certificate is subject to the following conditions:
 - (a) **Payment of Taxes** – The Owner must fully pay all outstanding property taxes levied by the City, including penalties and interest, that are payable in respect of the Land, including any taxable improvements, and that are payable in respect of all other properties within the City owned by the Owner, or any Owner in the circumstance where two or more persons constitute the Owner;
 - (b) **Change of Ownership** - The Owner must not sell, assign or otherwise transfer all or a portion of its equitable or legal interest in the Land unless the transferee takes an assignment of this Agreement, in a form satisfactory to the City, and agrees to be bound by it;
 - (c) **No Breach of Agreement** - The Owner must not be in breach of this Agreement;
 - (d) **Business Licence** – The Owner must possess a valid business licence issued by the City in respect of the Land and authorizing the Owner or a tenant of the Owner to operate on the Land the land use that qualified the Owner for special incentives under the Bylaw;

Term of Exemption

3. Provided the requirements of the Tax Exemption Certificate are met and continue to be met, the Tax Exemption shall be for a term of five (5) years (the "Term"). The Tax Exemption shall apply to a calendar year if the Exemption Certificate is issued on or before October 31 in the preceding year. If the Exemption Certificate is issued after October 31, then the Tax Exemption shall not apply to the following calendar year, but to the year after that.

Calculation of Tax Exemption

4. The annual Tax Exemption under this Agreement is equal to 100% of the municipal property tax under section 197(1)(a) of the *Community Charter* payable on the difference between:

the then most current assessed value of the improvements on the Land

and

the assessed value of the improvements on the Land (if any) in 2017, being the year in which the City issued a building permit in respect of the Improvement.

5. Notwithstanding Section 4, if improvements other than those comprising the Improvement are made to the Land during the Term and those further improvements are not eligible for tax exemption under the Bylaw ("Ineligible Improvements"), then the annual Tax Exemption under this Agreement shall be reduced by the taxes payable on the ineligible improvements, and shall be calculated using the following formula

Tax Exemption – (Value of Ineligible Improvements x Current Year Tax Rate)

Cancellation

6. The City may, in its sole discretion, cancel the Tax Exemption Certificate at any time:
 - (a) on the written request of the Owner; or
 - (b) effective immediately upon delivery of a notice of cancellation to the Owner if at any time any of the conditions in the Tax Exemption Certificate are not met.

Recapture of Exempted Taxes

7. If the City cancels a Tax Exemption Certificate for any reason, the Owner shall remit to the City an amount equal to the value of any and all tax exemptions received under this Agreement, plus interest at the rate of 5% p.a., calculated semi-annually not in advance, as calculated by the City's Revenue Supervisor, as if the taxes had never been exempted (the "Recapture Amount"), even if the tax exemption was given at a time prior to the Owner being the owner of the Land.
8. If the City cancels a Tax Exemption Certificate for any reason and the Recapture Amount is not paid in full by the Owner by December 31 of that year, then the City's Revenue Supervisor may add the Recapture Amount to the property tax roll for the Land.

Compliance with Laws

9. The Owner must at all times during the Term use and occupy the Land, including the Improvement, in compliance with all enactments, regulations, and orders of any authority having jurisdiction and, without limiting the generality of the foregoing, all federal, provincial, or municipal laws, statutes, bylaws, licences, permits or approvals, including all the rules, regulations, policies, guidelines, criteria or the like made under any such laws.

No Refund

10. For clarity, under no circumstances will the Owner be entitled under the City's Revitalization Tax Exemption Program to any cash credit, any carry forward tax exemption credit or any refund for any property taxes paid.

Notices

11. All notices to be given under this Agreement must be in writing and may be delivered by hand or mailed by first-class prepaid registered mail.
12. Any notice delivered by hand is deemed to be given and received on the day it is delivered. Any notice mailed is deemed to be given and received on the fourth day after it is posted (unless there is a mail strike, slow down or other labour dispute which might affect delivery, in which case the notice will be effective only if actually delivered).
13. Notices must be addressed to the addresses on page 1 or to such other address as may from time to time be advised by a party in writing.
14. Notices to the City must be addressed to the attention of the "Corporate Officer".

Powers Preserved

15. Nothing contained in or implied by this Agreement prejudices or affects the rights and powers of the City in the exercise of its functions under any enactment or at common law, all of which may be fully and effectively exercised in relation to the Improvement and the Land.

Relationship

16. Nothing in this Agreement is to be interpreted as creating an agency, partnership or joint ventureship between the City and the Owner.

Time

17. Time is of the essence of this Agreement.

Remedies not Exclusive

18. No reference to or exercise of any specific right or remedy by the City prejudices or precludes the City from any other remedy, whether allowed at law or in equity or expressly provided for herein.

Headings

19. The headings appearing in this Agreement have been inserted for reference and as a matter of convenience and in no way define, limit or enlarge the scope or meaning of this Agreement or any provision of it.

Waiver

20. An alleged waiver of any breach of this Agreement is effective only if it is an express waiver in writing of the breach in respect of which the waiver is asserted. A waiver of a breach of this Agreement does not operate as a waiver of any other breach of this Agreement.

Interpretation

21. Wherever the singular or masculine or neuter is used in this Agreement, the same will be construed as meaning the plural, the feminine or body corporate where the context or the parties so require.

Severance

22. If any section, subsection, clause or phrase of this Agreement is held to be invalid for any reason by a court of competent jurisdiction, the invalid portion shall be severed and the decision that it is invalid shall not affect the validity of the remainder of the Agreement.

Enurement

23. This Agreement enures to the benefit of and is binding upon the parties and their respective successors and in the case of the Owner, its permitted assignees.

Statutory References

24. A reference in this Agreement to a statute includes regulations made pursuant to it and includes all amendments and replacements to them from time to time.

Modifications

25. No amendment or modification of any of the terms or provisions of this Agreement will be of any force or effect unless the amendment or modification is in writing and duly executed by the City and the Owner.

Governing Law

26. This Agreement will be governed by and interpreted in accordance with the laws of British Columbia.

Joint and Several Liability

27. In circumstances where two or more persons comprise the Owner, those persons shall be jointly and severally liable for performance of the obligations of the Owner under this Agreement.

Schedules

28. The following schedules are incorporated into this Agreement:

Schedule "A" – Description of the Improvement

Schedule "B" – Tax Exemption Certificate

As evidence of their agreement to be bound by the terms of this Agreement, the parties have executed this Agreement on the dates written below.

DATED the ____ day of _____, 2019

THE CORPORATION OF THE CITY OF PENTICTON)

by its authorized signatories:)

John Vassilaki, Mayor)

Angela Collison, Corporate Officer)

DATED the ____ day of _____, 2019

SIVA CONSTRUCTION LTD)
by its authorized signatory(ies):)

Authorized Signatory:)

Authorized Signatory:)

Schedule "A"

Description of Eligible Improvement

Eligible improvements include the construction of an industrial warehouse as shown on the plans attached to and forming part of "City of Penticton Building Permit No. BP009235"

Draft

Schedule "B"

Tax Exemption Certificate

In accordance with the "City of Penticton Economic Investment Zone Bylaw No. 2014-44" (the "Bylaw") and in accordance with a Revitalization Tax Exemption Agreement dated for reference the ____th day of October, 2015 (the "Agreement") entered into between The Corporation of the City of Penticton (the "City") and **SIVA CONSTRUCTION LTD** (the "Owner"), the registered owner(s) of that property within Penticton, B.C. legally described as:

PID: 009-493-492

Lot 2, District Lot 3821S, Similkameen Division Yale District, Plan 11264, Except Plan KAP70419

(the "Land");

on which has been constructed an improvement eligible under the Bylaw and the Agreement for a Revitalization Tax Exemption (the "Improvement");

This Certificate certifies that the Land is subject to a Revitalization Tax Exemption under section 226 of the *Community Charter*.

The extent of the Tax Exemption is 100% of the municipal property tax under section 197(1)(a) of the *Community Charter* payable on the value of improvements eligible for exemption under the Bylaw and the Agreement, as the value of those improvements varies from year to year during the term of the Tax Exemption.

The annual Tax Exemption under this Agreement is equal to 100% of the municipal property tax under section 197(1)(a) of the *Community Charter* payable on the difference between:

the then most current assessed value of the improvements on the Land

and

the assessed value of the improvements on the Land (if any) in the year 2017, being the year in which the City issued a building permit in respect of the Improvement.

Notwithstanding the above formula, if improvements other than those comprising the Improvement are made to the Land during the term of the Tax Exemption and those further improvements are not eligible for Tax Exemption under the Bylaw ("Ineligible Improvements"), then the annual Tax Exemption under this Agreement shall be equal to 100% of the municipal property tax under s.197(1)(a) of the *Community Charter* payable on the difference between:

the most current assessed value of the improvements on the Land before the construction of the Ineligible Improvements

and

the assessed value of the improvements on the Land (if any) in the year 2017 being the year in which the City issued a building permit in respect of the Improvement.

The term of the Tax Exemption is five (5) years, for each of the taxation years 2020 to 2024 inclusive.

This Certificate is issued on the following conditions:

- (a) **Payment of Taxes** – The Owner must fully pay all outstanding property taxes levied by the City, including penalties and interest, that are payable in respect of the Land, including any taxable improvements, and that are payable in respect of all other properties within the City owned by the Owner, or any Owner in the circumstance where two or more persons constitute the Owner;
- (b) **Change of Ownership** - The Owner must not sell, assign or otherwise transfer all or a portion of its equitable or legal interest in the Land unless the transferee takes an assignment of this Agreement, in a form satisfactory to the City, and agrees to be bound by it;
- (c) **No Breach of Agreement** - The Owner must not be in breach of this Agreement;
- (d) **Business Licence** – The Owner must possess a valid business licence issued by the City in respect of the Land and authorizing the Owner or a tenant of the Owner to operate on the Land the land use that qualified the Owner for special incentives under the Bylaw;

If this Certificate is cancelled for any reason, the Owner shall remit to the City an amount equal to the value of any and all tax exemptions received in respect of the Improvement, plus interest at the rate of 5% p.a., calculated semi-annually not in advance, as calculated by the City's Revenue Supervisor, as if the taxes had never been exempted (the "Recapture Amount"), even if the tax exemption was given prior to the Owner being the Owner of the Land.

If the City cancels this Certificate for any reason and the Recapture Amount is not paid in full by the Owner by December 31 of that year, then the City's Revenue Supervisor may add the Recapture Amount to the roll for the Land.

DATED the _____ day of _____, 2019

THE CORPORATION OF THE CITY OF PENTICTON
by its authorized signatory

Angela Collison, Corporate Officer

END OF AGREEMENT

REVITALIZATION TAX EXEMPTION AGREEMENT

THIS AGREEMENT is dated for reference the ____th day of October, 2019

BETWEEN:

THE CORPORATION OF THE CITY OF PENTICTON

171 Main Street
Penticton, BC
V2A 5A9

(the "City")

AND:

Lorne MacVicar
Inga MacVicar
128-170 Stocks Crescent
Penticton BC V2A 8P6

(the "Owner")

WHEREAS:

- A. The Owner is the registered owner in fee simple of land in the City at **117-2203 Dartmouth Drive** and legally described as:

PID: 030-591-686

Strata Lot 5, District Lot 3821S, Similkameen Division Yale District, Strata Plan KAS3795, Together With An Interest In The Common Property In Proportion To The Unit Entitlement Of The Strata Lot As Shown On Form V

(the "Land");
- B. Council of the City has, by adoption of City of Penticton Economic Investment Zone Bylaw No. 2014-44 (the "Bylaw"), established a Revitalization Tax Exemption Program for the purpose of stimulating and encouraging the construction of new buildings and the significant alteration and improvement of existing buildings within specified areas of the City that Council considers need revitalization;
- C. The Owner has constructed new improvements on the Land as described in Schedule "A" to this Agreement (the "Improvement") and has applied to the City to take part in the Revitalization Tax Exemption Program in respect of the Improvement and the City has determined that the Improvement is eligible for a tax exemption pursuant to Section 7 of the Bylaw;
- D. The Bylaw requires the Owner to enter into a tax exemption agreement with the City as a precondition to receiving a tax exemption under the Bylaw and the Owner wishes to enter into this Agreement on the terms and conditions set out below;

NOW THEREFORE in consideration of the promises and premises of this Agreement, the payment by the Owner to the City of consideration in the amount of \$10.00 (Ten Dollars), and other good and valuable consideration (the receipt and sufficiency of which are hereby expressly acknowledged by both parties), the City and the Owner covenant and agree as follows:

Revitalization Tax Exemption

1. As soon as practicable after this Agreement is fully executed by both parties, the City shall issue a revitalization tax exemption certificate (the "Tax Exemption Certificate") in the form attached as Schedule "B" to this Agreement and provide it to the British Columbia Assessment Authority, entitling the Owner to a tax exemption in respect of the municipal property taxes due under Section 197(1)(a) of the *Community Charter* in relation to the improvements on the Land (the "Tax Exemption") in accordance with the terms and conditions of this Agreement and the Bylaw.

Conditions of Maintaining Tax Exemption

2. The Tax Exemption Certificate is subject to the following conditions:
 - (a) **Payment of Taxes** – The Owner must fully pay all outstanding property taxes levied by the City, including penalties and interest, that are payable in respect of the Land, including any taxable improvements, and that are payable in respect of all other properties within the City owned by the Owner, or any Owner in the circumstance where two or more persons constitute the Owner;
 - (b) **Change of Ownership** - The Owner must not sell, assign or otherwise transfer all or a portion of its equitable or legal interest in the Land unless the transferee takes an assignment of this Agreement, in a form satisfactory to the City, and agrees to be bound by it;
 - (c) **No Breach of Agreement** - The Owner must not be in breach of this Agreement;
 - (d) **Business Licence** – The Owner must possess a valid business licence issued by the City in respect of the Land and authorizing the Owner or a tenant of the Owner to operate on the Land the land use that qualified the Owner for special incentives under the Bylaw;

Term of Exemption

3. Provided the requirements of the Tax Exemption Certificate are met and continue to be met, the Tax Exemption shall be for a term of five (5) years (the "Term"). The Tax Exemption shall apply to a calendar year if the Exemption Certificate is issued on or before October 31 in the preceding year. If the Exemption Certificate is issued after October 31, then the Tax Exemption shall not apply to the following calendar year, but to the year after that.

Calculation of Tax Exemption

4. The annual Tax Exemption under this Agreement is equal to 100% of the municipal property tax under section 197(1)(a) of the *Community Charter* payable on the difference between:

the then most current assessed value of the improvements on the Land

and

the assessed value of the improvements on the Land (if any) in 2017, being the year in which the City issued a building permit in respect of the Improvement.

5. Notwithstanding Section 4, if improvements other than those comprising the Improvement are made to the Land during the Term and those further improvements are not eligible for tax exemption under the Bylaw ("Ineligible Improvements"), then the annual Tax Exemption under this Agreement shall be reduced by the taxes payable on the ineligible improvements, and shall be calculated using the following formula

Tax Exemption – (Value of Ineligible Improvements x Current Year Tax Rate)

Cancellation

6. The City may, in its sole discretion, cancel the Tax Exemption Certificate at any time:
 - (a) on the written request of the Owner; or
 - (b) effective immediately upon delivery of a notice of cancellation to the Owner if at any time any of the conditions in the Tax Exemption Certificate are not met.

Recapture of Exempted Taxes

7. If the City cancels a Tax Exemption Certificate for any reason, the Owner shall remit to the City an amount equal to the value of any and all tax exemptions received under this Agreement, plus interest at the rate of 5% p.a., calculated semi-annually not in advance, as calculated by the City's Revenue Supervisor, as if the taxes had never been exempted (the "Recapture Amount"), even if the tax exemption was given at a time prior to the Owner being the owner of the Land.
8. If the City cancels a Tax Exemption Certificate for any reason and the Recapture Amount is not paid in full by the Owner by December 31 of that year, then the City's Revenue Supervisor may add the Recapture Amount to the property tax roll for the Land.

Compliance with Laws

9. The Owner must at all times during the Term use and occupy the Land, including the Improvement, in compliance with all enactments, regulations, and orders of any authority having jurisdiction and, without limiting the generality of the foregoing, all federal, provincial, or municipal laws, statutes, bylaws, licences, permits or approvals, including all the rules, regulations, policies, guidelines, criteria or the like made under any such laws.

No Refund

10. For clarity, under no circumstances will the Owner be entitled under the City's Revitalization Tax Exemption Program to any cash credit, any carry forward tax exemption credit or any refund for any property taxes paid.

Notices

11. All notices to be given under this Agreement must be in writing and may be delivered by hand or mailed by first-class prepaid registered mail.
12. Any notice delivered by hand is deemed to be given and received on the day it is delivered. Any notice mailed is deemed to be given and received on the fourth day after it is posted (unless there is a mail strike, slow down or other labour dispute which might affect delivery, in which case the notice will be effective only if actually delivered).
13. Notices must be addressed to the addresses on page 1 or to such other address as may from time to time be advised by a party in writing.
14. Notices to the City must be addressed to the attention of the "Corporate Officer".

Powers Preserved

15. Nothing contained in or implied by this Agreement prejudices or affects the rights and powers of the City in the exercise of its functions under any enactment or at common law, all of which may be fully and effectively exercised in relation to the Improvement and the Land.

Relationship

16. Nothing in this Agreement is to be interpreted as creating an agency, partnership or joint ventureship between the City and the Owner.

Time

17. Time is of the essence of this Agreement.

Remedies not Exclusive

18. No reference to or exercise of any specific right or remedy by the City prejudices or precludes the City from any other remedy, whether allowed at law or in equity or expressly provided for herein.

Headings

19. The headings appearing in this Agreement have been inserted for reference and as a matter of convenience and in no way define, limit or enlarge the scope or meaning of this Agreement or any provision of it.

Waiver

20. An alleged waiver of any breach of this Agreement is effective only if it is an express waiver in writing of the breach in respect of which the waiver is asserted. A waiver of a breach of this Agreement does not operate as a waiver of any other breach of this Agreement.

Interpretation

21. Wherever the singular or masculine or neuter is used in this Agreement, the same will be construed as meaning the plural, the feminine or body corporate where the context or the parties so require.

Severance

22. If any section, subsection, clause or phrase of this Agreement is held to be invalid for any reason by a court of competent jurisdiction, the invalid portion shall be severed and the decision that it is invalid shall not affect the validity of the remainder of the Agreement.

Enurement

23. This Agreement enures to the benefit of and is binding upon the parties and their respective successors and in the case of the Owner, its permitted assignees.

Statutory References

24. A reference in this Agreement to a statute includes regulations made pursuant to it and includes all amendments and replacements to them from time to time.

Modifications

25. No amendment or modification of any of the terms or provisions of this Agreement will be of any force or effect unless the amendment or modification is in writing and duly executed by the City and the Owner.

Governing Law

26. This Agreement will be governed by and interpreted in accordance with the laws of British Columbia.

Joint and Several Liability

27. In circumstances where two or more persons comprise the Owner, those persons shall be jointly and severally liable for performance of the obligations of the Owner under this Agreement.

Schedules

28. The following schedules are incorporated into this Agreement:

Schedule "A" – Description of the Improvement

Schedule "B" – Tax Exemption Certificate

As evidence of their agreement to be bound by the terms of this Agreement, the parties have executed this Agreement on the dates written below.

DATED the ____ day of _____, 2019

THE CORPORATION OF THE CITY OF)
PENTICTON)
by its authorized signatories:)
)
)
_____)
John Vassilaki, Mayor)
)
)
_____)
Angela Collison, Corporate Officer)

DATED the ____ day of _____, 2019

)
)
_____)
Lorne MacVicar)
)
)
)
_____)
Inga MacVicar)
)
)
)

Schedule "A"

Description of Eligible Improvement

Eligible improvements include the construction of an industrial warehouse as shown on the plans attached to and forming part of "City of Penticton Building Permit No. BP009358"

Draft

Schedule "B"

Tax Exemption Certificate

In accordance with the "City of Penticton Economic Investment Zone Bylaw No. 2014-44" (the "Bylaw") and in accordance with a Revitalization Tax Exemption Agreement dated for reference the ____th day of October, 2019 (the "Agreement") entered into between The Corporation of the City of Penticton (the "City") and **Lorne MacVicar and Inga MacVicar** (the "Owner"), the registered owner(s) of that property within Penticton, B.C. legally described as:

PID: 030-591-686

Strata Lot 5, District Lot 3821S, Similkameen Division Yale District, Strata Plan KAS3795, Together With An Interest In The Common Property In Proportion To The Unit Entitlement Of The Strata Lot As Shown On Form V

(the "Land");

on which has been constructed an improvement eligible under the Bylaw and the Agreement for a Revitalization Tax Exemption (the "Improvement");

This Certificate certifies that the Land is subject to a Revitalization Tax Exemption under section 226 of the *Community Charter*.

The extent of the Tax Exemption is 100% of the municipal property tax under section 197(1)(a) of the *Community Charter* payable on the value of improvements eligible for exemption under the Bylaw and the Agreement, as the value of those improvements varies from year to year during the term of the Tax Exemption.

The annual Tax Exemption under this Agreement is equal to 100% of the municipal property tax under section 197(1)(a) of the *Community Charter* payable on the difference between:

the then most current assessed value of the improvements on the Land

and

the assessed value of the improvements on the Land (if any) in the year 2017, being the year in which the City issued a building permit in respect of the Improvement.

Notwithstanding the above formula, if improvements other than those comprising the Improvement are made to the Land during the term of the Tax Exemption and those further improvements are not eligible for Tax Exemption under the Bylaw ("Ineligible Improvements"), then the annual Tax Exemption under this Agreement shall be equal to 100% of the municipal property tax under s.197(1)(a) of the *Community Charter* payable on the difference between:

the most current assessed value of the improvements on the Land before the construction of the Ineligible Improvements

and

the assessed value of the improvements on the Land (if any) in the year 2017 being the year in which the City issued a building permit in respect of the Improvement.

The term of the Tax Exemption is five (5) years, for each of the taxation years 2020 to 2024 inclusive.

This Certificate is issued on the following conditions:

- (a) **Payment of Taxes** – The Owner must fully pay all outstanding property taxes levied by the City, including penalties and interest, that are payable in respect of the Land, including any taxable improvements, and that are payable in respect of all other properties within the City owned by the Owner, or any Owner in the circumstance where two or more persons constitute the Owner;
- (b) **Change of Ownership** - The Owner must not sell, assign or otherwise transfer all or a portion of its equitable or legal interest in the Land unless the transferee takes an assignment of this Agreement, in a form satisfactory to the City, and agrees to be bound by it;
- (c) **No Breach of Agreement** - The Owner must not be in breach of this Agreement;
- (d) **Business Licence** – The Owner must possess a valid business licence issued by the City in respect of the Land and authorizing the Owner or a tenant of the Owner to operate on the Land the land use that qualified the Owner for special incentives under the Bylaw;

If this Certificate is cancelled for any reason, the Owner shall remit to the City an amount equal to the value of any and all tax exemptions received in respect of the Improvement, plus interest at the rate of 5% p.a., calculated semi-annually not in advance, as calculated by the City's Revenue Supervisor, as if the taxes had never been exempted (the "Recapture Amount"), even if the tax exemption was given prior to the Owner being the Owner of the Land.

If the City cancels this Certificate for any reason and the Recapture Amount is not paid in full by the Owner by December 31 of that year, then the City's Revenue Supervisor may add the Recapture Amount to the roll for the Land.

DATED the _____ day of _____, 2019

THE CORPORATION OF THE CITY OF PENTICTON
by its authorized signatory

Angela Collison, Corporate Officer

END OF AGREEMENT

REVITALIZATION TAX EXEMPTION AGREEMENT

THIS AGREEMENT is dated for reference the ____th day of October, 2019

BETWEEN:

THE CORPORATION OF THE CITY OF PENTICTON

171 Main Street
Penticton, BC
V2A 5A9

(the "City")

AND:

1175846 BC LTD

1173 Government St
Penticton BC V2A 4V3

(the "Owner")

WHEREAS:

- A. The Owner is the registered owner in fee simple of land in the City at **121-2203 Dartmouth Drive** and legally described as:

PID: 030-591-694

Strata Lot 6, District Lot 3821S, Similkameen Division Yale District, Strata Plan KAS3795, Together With An Interest In The Common Property In Proportion To The Unit Entitlement Of The Strata Lot As Shown On Form V

(the "Land");

- B. Council of the City has, by adoption of City of Penticton Economic Investment Zone Bylaw No. 2014-44 (the "Bylaw"), established a Revitalization Tax Exemption Program for the purpose of stimulating and encouraging the construction of new buildings and the significant alteration and improvement of existing buildings within specified areas of the City that Council considers need revitalization;
- C. The Owner has constructed new improvements on the Land as described in Schedule "A" to this Agreement (the "Improvement") and has applied to the City to take part in the Revitalization Tax Exemption Program in respect of the Improvement and the City has determined that the Improvement is eligible for a tax exemption pursuant to Section 7 of the Bylaw;
- D. The Bylaw requires the Owner to enter into a tax exemption agreement with the City as a precondition to receiving a tax exemption under the Bylaw and the Owner wishes to enter into this Agreement on the terms and conditions set out below;

NOW THEREFORE in consideration of the promises and premises of this Agreement, the payment by the Owner to the City of consideration in the amount of \$10.00 (Ten Dollars), and other good and valuable consideration (the receipt and sufficiency of which are hereby expressly acknowledged by both parties), the City and the Owner covenant and agree as follows:

Revitalization Tax Exemption

1. As soon as practicable after this Agreement is fully executed by both parties, the City shall issue a revitalization tax exemption certificate (the "Tax Exemption Certificate") in the form attached as Schedule "B" to this Agreement and provide it to the British Columbia Assessment Authority, entitling the Owner to a tax exemption in respect of the municipal property taxes due under Section 197(1)(a) of the *Community Charter* in relation to the improvements on the Land (the "Tax Exemption") in accordance with the terms and conditions of this Agreement and the Bylaw.

Conditions of Maintaining Tax Exemption

2. The Tax Exemption Certificate is subject to the following conditions:
 - (a) **Payment of Taxes** – The Owner must fully pay all outstanding property taxes levied by the City, including penalties and interest, that are payable in respect of the Land, including any taxable improvements, and that are payable in respect of all other properties within the City owned by the Owner, or any Owner in the circumstance where two or more persons constitute the Owner;
 - (b) **Change of Ownership** - The Owner must not sell, assign or otherwise transfer all or a portion of its equitable or legal interest in the Land unless the transferee takes an assignment of this Agreement, in a form satisfactory to the City, and agrees to be bound by it;
 - (c) **No Breach of Agreement** - The Owner must not be in breach of this Agreement;
 - (d) **Business Licence** – The Owner must possess a valid business licence issued by the City in respect of the Land and authorizing the Owner or a tenant of the Owner to operate on the Land the land use that qualified the Owner for special incentives under the Bylaw;

Term of Exemption

3. Provided the requirements of the Tax Exemption Certificate are met and continue to be met, the Tax Exemption shall be for a term of five (5) years (the "Term"). The Tax Exemption shall apply to a calendar year if the Exemption Certificate is issued on or before October 31 in the preceding year. If the Exemption Certificate is issued after October 31, then the Tax Exemption shall not apply to the following calendar year, but to the year after that.

Calculation of Tax Exemption

4. The annual Tax Exemption under this Agreement is equal to 100% of the municipal property tax under section 197(1)(a) of the *Community Charter* payable on the difference between:

the then most current assessed value of the improvements on the Land

and

the assessed value of the improvements on the Land (if any) in 2017, being the year in which the City issued a building permit in respect of the Improvement.

5. Notwithstanding Section 4, if improvements other than those comprising the Improvement are made to the Land during the Term and those further improvements are not eligible for tax exemption under the Bylaw ("Ineligible Improvements"), then the annual Tax Exemption under this Agreement shall be reduced by the taxes payable on the ineligible improvements, and shall be calculated using the following formula

Tax Exemption – (Value of Ineligible Improvements x Current Year Tax Rate)

Cancellation

6. The City may, in its sole discretion, cancel the Tax Exemption Certificate at any time:
 - (a) on the written request of the Owner; or
 - (b) effective immediately upon delivery of a notice of cancellation to the Owner if at any time any of the conditions in the Tax Exemption Certificate are not met.

Recapture of Exempted Taxes

7. If the City cancels a Tax Exemption Certificate for any reason, the Owner shall remit to the City an amount equal to the value of any and all tax exemptions received under this Agreement, plus interest at the rate of 5% p.a., calculated semi-annually not in advance, as calculated by the City's Revenue Supervisor, as if the taxes had never been exempted (the "Recapture Amount"), even if the tax exemption was given at a time prior to the Owner being the owner of the Land.
8. If the City cancels a Tax Exemption Certificate for any reason and the Recapture Amount is not paid in full by the Owner by December 31 of that year, then the City's Revenue Supervisor may add the Recapture Amount to the property tax roll for the Land.

Compliance with Laws

9. The Owner must at all times during the Term use and occupy the Land, including the Improvement, in compliance with all enactments, regulations, and orders of any authority having jurisdiction and, without limiting the generality of the foregoing, all federal, provincial, or municipal laws, statutes, bylaws, licences, permits or approvals, including all the rules, regulations, policies, guidelines, criteria or the like made under any such laws.

No Refund

10. For clarity, under no circumstances will the Owner be entitled under the City's Revitalization Tax Exemption Program to any cash credit, any carry forward tax exemption credit or any refund for any property taxes paid.

Notices

11. All notices to be given under this Agreement must be in writing and may be delivered by hand or mailed by first-class prepaid registered mail.
12. Any notice delivered by hand is deemed to be given and received on the day it is delivered. Any notice mailed is deemed to be given and received on the fourth day after it is posted (unless there is a mail strike, slow down or other labour dispute which might affect delivery, in which case the notice will be effective only if actually delivered).
13. Notices must be addressed to the addresses on page 1 or to such other address as may from time to time be advised by a party in writing.
14. Notices to the City must be addressed to the attention of the "Corporate Officer".

Powers Preserved

15. Nothing contained in or implied by this Agreement prejudices or affects the rights and powers of the City in the exercise of its functions under any enactment or at common law, all of which may be fully and effectively exercised in relation to the Improvement and the Land.

Relationship

16. Nothing in this Agreement is to be interpreted as creating an agency, partnership or joint ventureship between the City and the Owner.

Time

17. Time is of the essence of this Agreement.

Remedies not Exclusive

18. No reference to or exercise of any specific right or remedy by the City prejudices or precludes the City from any other remedy, whether allowed at law or in equity or expressly provided for herein.

Headings

19. The headings appearing in this Agreement have been inserted for reference and as a matter of convenience and in no way define, limit or enlarge the scope or meaning of this Agreement or any provision of it.

Waiver

20. An alleged waiver of any breach of this Agreement is effective only if it is an express waiver in writing of the breach in respect of which the waiver is asserted. A waiver of a breach of this Agreement does not operate as a waiver of any other breach of this Agreement.

Interpretation

21. Wherever the singular or masculine or neuter is used in this Agreement, the same will be construed as meaning the plural, the feminine or body corporate where the context or the parties so require.

Severance

22. If any section, subsection, clause or phrase of this Agreement is held to be invalid for any reason by a court of competent jurisdiction, the invalid portion shall be severed and the decision that it is invalid shall not affect the validity of the remainder of the Agreement.

Enurement

23. This Agreement enures to the benefit of and is binding upon the parties and their respective successors and in the case of the Owner, its permitted assignees.

Statutory References

24. A reference in this Agreement to a statute includes regulations made pursuant to it and includes all amendments and replacements to them from time to time.

Modifications

25. No amendment or modification of any of the terms or provisions of this Agreement will be of any force or effect unless the amendment or modification is in writing and duly executed by the City and the Owner.

Governing Law

26. This Agreement will be governed by and interpreted in accordance with the laws of British Columbia.

Joint and Several Liability

27. In circumstances where two or more persons comprise the Owner, those persons shall be jointly and severally liable for performance of the obligations of the Owner under this Agreement.

Schedules

28. The following schedules are incorporated into this Agreement:

Schedule "A" – Description of the Improvement

Schedule "B" – Tax Exemption Certificate

As evidence of their agreement to be bound by the terms of this Agreement, the parties have executed this Agreement on the dates written below.

DATED the ____ day of _____, 2019

THE CORPORATION OF THE CITY OF)
PENTICTON)
 by its authorized signatories:)
)
)
 _____)
 John Vassilaki, Mayor)
)
)
 _____)
 Angela Collison, Corporate Officer)

DATED the ____ day of _____, 2019

1175846 BC LTD)
 by its authorized signatory(ies):)
)
)
 _____)
 Authorized Signatory:)
)
)
)
)
)
 _____)
 Authorized Signatory:)
)

Schedule "A"

Description of Eligible Improvement

Eligible improvements include the construction of an industrial warehouse as shown on the plans attached to and forming part of "City of Penticton Building Permit No. BP009358"

Draft

Schedule "B"

Tax Exemption Certificate

In accordance with the "City of Penticton Economic Investment Zone Bylaw No. 2014-44" (the "Bylaw") and in accordance with a Revitalization Tax Exemption Agreement dated for reference the ____th day of October, 2019 (the "Agreement") entered into between The Corporation of the City of Penticton (the "City") and 1175846 BC Ltd. (the "Owner"), the registered owner(s) of that property within Penticton, B.C. legally described as:

PID: 030-591-694

Strata Lot 6, District Lot 3821S, Similkameen Division Yale District, Strata Plan KAS3795, Together With An Interest In The Common Property In Proportion To The Unit Entitlement Of The Strata Lot As Shown On Form V

(the "Land");

on which has been constructed an improvement eligible under the Bylaw and the Agreement for a Revitalization Tax Exemption (the "Improvement");

This Certificate certifies that the Land is subject to a Revitalization Tax Exemption under section 226 of the *Community Charter*.

The extent of the Tax Exemption is 100% of the municipal property tax under section 197(1)(a) of the *Community Charter* payable on the value of improvements eligible for exemption under the Bylaw and the Agreement, as the value of those improvements varies from year to year during the term of the Tax Exemption.

The annual Tax Exemption under this Agreement is equal to 100% of the municipal property tax under section 197(1)(a) of the *Community Charter* payable on the difference between:

the then most current assessed value of the improvements on the Land

and

the assessed value of the improvements on the Land (if any) in the year 2017, being the year in which the City issued a building permit in respect of the Improvement.

Notwithstanding the above formula, if improvements other than those comprising the Improvement are made to the Land during the term of the Tax Exemption and those further improvements are not eligible for Tax Exemption under the Bylaw ("Ineligible Improvements"), then the annual Tax Exemption under this Agreement shall be equal to 100% of the municipal property tax under s.197(1)(a) of the *Community Charter* payable on the difference between:

the most current assessed value of the improvements on the Land before the construction of the Ineligible Improvements

and

the assessed value of the improvements on the Land (if any) in the year 2017 being the year in which the City issued a building permit in respect of the Improvement.

The term of the Tax Exemption is five (5) years, for each of the taxation years 2020 to 2024 inclusive.

This Certificate is issued on the following conditions:

- (a) **Payment of Taxes** – The Owner must fully pay all outstanding property taxes levied by the City, including penalties and interest, that are payable in respect of the Land, including any taxable improvements, and that are payable in respect of all other properties within the City owned by the Owner, or any Owner in the circumstance where two or more persons constitute the Owner;
- (b) **Change of Ownership** - The Owner must not sell, assign or otherwise transfer all or a portion of its equitable or legal interest in the Land unless the transferee takes an assignment of this Agreement, in a form satisfactory to the City, and agrees to be bound by it;
- (c) **No Breach of Agreement** - The Owner must not be in breach of this Agreement;
- (d) **Business Licence** – The Owner must possess a valid business licence issued by the City in respect of the Land and authorizing the Owner or a tenant of the Owner to operate on the Land the land use that qualified the Owner for special incentives under the Bylaw;

If this Certificate is cancelled for any reason, the Owner shall remit to the City an amount equal to the value of any and all tax exemptions received in respect of the Improvement, plus interest at the rate of 5% p.a., calculated semi-annually not in advance, as calculated by the City's Revenue Supervisor, as if the taxes had never been exempted (the "Recapture Amount"), even if the tax exemption was given prior to the Owner being the Owner of the Land.

If the City cancels this Certificate for any reason and the Recapture Amount is not paid in full by the Owner by December 31 of that year, then the City's Revenue Supervisor may add the Recapture Amount to the roll for the Land.

DATED the _____ day of _____, 2019

THE CORPORATION OF THE CITY OF PENTICTON
by its authorized signatory

Angela Collison, Corporate Officer

END OF AGREEMENT

REVITALIZATION TAX EXEMPTION AGREEMENT

THIS AGREEMENT is dated for reference the ____th day of October, 2019

BETWEEN:

THE CORPORATION OF THE CITY OF PENTICTON

171 Main Street
Penticton, BC
V2A 5A9

(the "City")

AND:

Hugo Deuschle
Elvira Deuschle
135-695 Pineview Road
Penticton, BC V2A 7S8

Theodore Samuelson
170 Highland Place
Penticton, BC V2A 6M6

(the "Owner")

WHEREAS:

A. The Owner is the registered owner in fee simple of land in the City at **107-2203 Dartmouth Drive** and legally described as:

PID: 030-591-708

Strata Lot 7, District Lot 3821S, Similkameen Division Yale District, Strata Plan KAS3795, Together With An Interest In The Common Property In Proportion To The Unit Entitlement Of The Strata Lot As Shown On Form V

(the "Land");

B. Council of the City has, by adoption of City of Penticton Economic Investment Zone Bylaw No. 2014-44 (the "Bylaw"), established a Revitalization Tax Exemption Program for the purpose of stimulating and encouraging the construction of new buildings and the significant alteration and improvement of existing buildings within specified areas of the City that Council considers need revitalization;

C. The Owner has constructed new improvements on the Land as described in Schedule "A" to this Agreement (the "Improvement") and has applied to the City to take part in the Revitalization Tax Exemption Program in respect of the Improvement and the City has determined that the Improvement is eligible for a tax exemption pursuant to Section 7 of the Bylaw;

D. The Bylaw requires the Owner to enter into a tax exemption agreement with the City as a precondition to receiving a tax exemption under the Bylaw and the Owner wishes to enter into this Agreement on the terms and conditions set out below;

NOW THEREFORE in consideration of the promises and premises of this Agreement, the payment by the Owner to the City of consideration in the amount of \$10.00 (Ten Dollars), and other good and valuable consideration (the receipt and sufficiency of which are hereby expressly acknowledged by both parties), the City and the Owner covenant and agree as follows:

Revitalization Tax Exemption

1. As soon as practicable after this Agreement is fully executed by both parties, the City shall issue a revitalization tax exemption certificate (the "Tax Exemption Certificate") in the form attached as Schedule "B" to this Agreement and provide it to the British Columbia Assessment Authority, entitling the Owner to a tax exemption in respect of the municipal property taxes due under Section 197(1)(a) of the *Community Charter* in relation to the improvements on the Land (the "Tax Exemption") in accordance with the terms and conditions of this Agreement and the Bylaw.

Conditions of Maintaining Tax Exemption

2. The Tax Exemption Certificate is subject to the following conditions:
 - (a) **Payment of Taxes** – The Owner must fully pay all outstanding property taxes levied by the City, including penalties and interest, that are payable in respect of the Land, including any taxable improvements, and that are payable in respect of all other properties within the City owned by the Owner, or any Owner in the circumstance where two or more persons constitute the Owner;
 - (b) **Change of Ownership** - The Owner must not sell, assign or otherwise transfer all or a portion of its equitable or legal interest in the Land unless the transferee takes an assignment of this Agreement, in a form satisfactory to the City, and agrees to be bound by it;
 - (c) **No Breach of Agreement** - The Owner must not be in breach of this Agreement;
 - (d) **Business Licence** – The Owner must possess a valid business licence issued by the City in respect of the Land and authorizing the Owner or a tenant of the Owner to operate on the Land the land use that qualified the Owner for special incentives under the Bylaw;

Term of Exemption

3. Provided the requirements of the Tax Exemption Certificate are met and continue to be met, the Tax Exemption shall be for a term of five (5) years (the "Term"). The Tax Exemption shall apply to a calendar year if the Exemption Certificate is issued on or before October 31 in the preceding year. If the Exemption Certificate is issued after October 31, then the Tax Exemption shall not apply to the following calendar year, but to the year after that.

Calculation of Tax Exemption

4. The annual Tax Exemption under this Agreement is equal to 100% of the municipal property tax under section 197(1)(a) of the *Community Charter* payable on the difference between:

the then most current assessed value of the improvements on the Land

and

the assessed value of the improvements on the Land (if any) in 2017, being the year in which the City issued a building permit in respect of the Improvement.

5. Notwithstanding Section 4, if improvements other than those comprising the Improvement are made to the Land during the Term and those further improvements are not eligible for tax exemption under the Bylaw ("Ineligible Improvements"), then the annual Tax Exemption under this Agreement shall be reduced by the taxes payable on the ineligible improvements, and shall be calculated using the following formula

Tax Exemption – (Value of Ineligible Improvements x Current Year Tax Rate)

Cancellation

6. The City may, in its sole discretion, cancel the Tax Exemption Certificate at any time:
 - (a) on the written request of the Owner; or
 - (b) effective immediately upon delivery of a notice of cancellation to the Owner if at any time any of the conditions in the Tax Exemption Certificate are not met.

Recapture of Exempted Taxes

7. If the City cancels a Tax Exemption Certificate for any reason, the Owner shall remit to the City an amount equal to the value of any and all tax exemptions received under this Agreement, plus interest at the rate of 5% p.a., calculated semi-annually not in advance, as calculated by the City's Revenue Supervisor, as if the taxes had never been exempted (the "Recapture Amount"), even if the tax exemption was given at a time prior to the Owner being the owner of the Land.
8. If the City cancels a Tax Exemption Certificate for any reason and the Recapture Amount is not paid in full by the Owner by December 31 of that year, then the City's Revenue Supervisor may add the Recapture Amount to the property tax roll for the Land.

Compliance with Laws

9. The Owner must at all times during the Term use and occupy the Land, including the Improvement, in compliance with all enactments, regulations, and orders of any authority having jurisdiction and, without limiting the generality of the foregoing, all federal, provincial, or municipal laws, statutes, bylaws, licences, permits or approvals, including all the rules, regulations, policies, guidelines, criteria or the like made under any such laws.

No Refund

10. For clarity, under no circumstances will the Owner be entitled under the City's Revitalization Tax Exemption Program to any cash credit, any carry forward tax exemption credit or any refund for any property taxes paid.

Notices

11. All notices to be given under this Agreement must be in writing and may be delivered by hand or mailed by first-class prepaid registered mail.
12. Any notice delivered by hand is deemed to be given and received on the day it is delivered. Any notice mailed is deemed to be given and received on the fourth day after it is posted (unless there is a mail strike, slow down or other labour dispute which might affect delivery, in which case the notice will be effective only if actually delivered).
13. Notices must be addressed to the addresses on page 1 or to such other address as may from time to time be advised by a party in writing.
14. Notices to the City must be addressed to the attention of the "Corporate Officer".

Powers Preserved

15. Nothing contained in or implied by this Agreement prejudices or affects the rights and powers of the City in the exercise of its functions under any enactment or at common law, all of which may be fully and effectively exercised in relation to the Improvement and the Land.

Relationship

16. Nothing in this Agreement is to be interpreted as creating an agency, partnership or joint ventureship between the City and the Owner.

Time

17. Time is of the essence of this Agreement.

Remedies not Exclusive

18. No reference to or exercise of any specific right or remedy by the City prejudices or precludes the City from any other remedy, whether allowed at law or in equity or expressly provided for herein.

Headings

19. The headings appearing in this Agreement have been inserted for reference and as a matter of convenience and in no way define, limit or enlarge the scope or meaning of this Agreement or any provision of it.

Waiver

20. An alleged waiver of any breach of this Agreement is effective only if it is an express waiver in writing of the breach in respect of which the waiver is asserted. A waiver of a breach of this Agreement does not operate as a waiver of any other breach of this Agreement.

Interpretation

21. Wherever the singular or masculine or neuter is used in this Agreement, the same will be construed as meaning the plural, the feminine or body corporate where the context or the parties so require.

Severance

22. If any section, subsection, clause or phrase of this Agreement is held to be invalid for any reason by a court of competent jurisdiction, the invalid portion shall be severed and the decision that it is invalid shall not affect the validity of the remainder of the Agreement.

Enurement

23. This Agreement enures to the benefit of and is binding upon the parties and their respective successors and in the case of the Owner, its permitted assignees.

Statutory References

24. A reference in this Agreement to a statute includes regulations made pursuant to it and includes all amendments and replacements to them from time to time.

Modifications

25. No amendment or modification of any of the terms or provisions of this Agreement will be of any force or effect unless the amendment or modification is in writing and duly executed by the City and the Owner.

Governing Law

26. This Agreement will be governed by and interpreted in accordance with the laws of British Columbia.

Joint and Several Liability

27. In circumstances where two or more persons comprise the Owner, those persons shall be jointly and severally liable for performance of the obligations of the Owner under this Agreement.

Schedules

28. The following schedules are incorporated into this Agreement:

Schedule "A" – Description of the Improvement

Schedule "B" – Tax Exemption Certificate

As evidence of their agreement to be bound by the terms of this Agreement, the parties have executed this Agreement on the dates written below.

DATED the ____ day of _____, 2019

**THE CORPORATION OF THE CITY OF
PENTICTON**

by its authorized signatories:

John Vassilaki, Mayor

Angela Collison, Corporate Officer

DATED the ____ day of _____, 2019

Hugo Deuschle

Elvira Deuschle

Theodore Samuelson

Schedule "A"

Description of Eligible Improvement

Eligible improvements include the construction of an industrial building as shown on the plans attached to and forming part of "City of Penticton Building Permit No. BP009358"

Draft

Schedule "B"

Tax Exemption Certificate

In accordance with the "City of Penticton Economic Investment Zone Bylaw No. 2014-44" (the "Bylaw") and in accordance with a Revitalization Tax Exemption Agreement dated for reference the ____th day of October, 2019 (the "Agreement") entered into between The Corporation of the City of Penticton (the "City") and **Hugo Deuschle, Elvira Deuschle and Theodore Samuelson** (the "Owner"), the registered owner(s) of that property within Penticton, B.C. legally described as:

PID: 030-591-708

Strata Lot 7, District Lot 3821S, Similkameen Division Yale District, Strata Plan KAS3795, Together With An Interest In The Common Property In Proportion To The Unit Entitlement Of The Strata Lot As Shown On Form V

(the "Land");

on which has been constructed an improvement eligible under the Bylaw and the Agreement for a Revitalization Tax Exemption (the "Improvement");

This Certificate certifies that the Land is subject to a Revitalization Tax Exemption under section 226 of the *Community Charter*.

The extent of the Tax Exemption is 100% of the municipal property tax under section 197(1)(a) of the *Community Charter* payable on the value of improvements eligible for exemption under the Bylaw and the Agreement, as the value of those improvements varies from year to year during the term of the Tax Exemption.

The annual Tax Exemption under this Agreement is equal to 100% of the municipal property tax under section 197(1)(a) of the *Community Charter* payable on the difference between:

the then most current assessed value of the improvements on the Land

and

the assessed value of the improvements on the Land (if any) in the year 2017, being the year in which the City issued a building permit in respect of the Improvement.

Notwithstanding the above formula, if improvements other than those comprising the Improvement are made to the Land during the term of the Tax Exemption and those further improvements are not eligible for Tax Exemption under the Bylaw ("Ineligible Improvements"), then the annual Tax Exemption under this Agreement shall be equal to 100% of the municipal property tax under s.197(1)(a) of the *Community Charter* payable on the difference between:

the most current assessed value of the improvements on the Land before the construction of the Ineligible Improvements

and

the assessed value of the improvements on the Land (if any) in the year 2017 being the year in which the City issued a building permit in respect of the Improvement.

The term of the Tax Exemption is five (5) years, for each of the taxation years 2020 to 2024 inclusive.

This Certificate is issued on the following conditions:

- (a) **Payment of Taxes** – The Owner must fully pay all outstanding property taxes levied by the City, including penalties and interest, that are payable in respect of the Land, including any taxable improvements, and that are payable in respect of all other properties within the City owned by the Owner, or any Owner in the circumstance where two or more persons constitute the Owner;
- (b) **Change of Ownership** - The Owner must not sell, assign or otherwise transfer all or a portion of its equitable or legal interest in the Land unless the transferee takes an assignment of this Agreement, in a form satisfactory to the City, and agrees to be bound by it;
- (c) **No Breach of Agreement** - The Owner must not be in breach of this Agreement;
- (d) **Business Licence** – The Owner must possess a valid business licence issued by the City in respect of the Land and authorizing the Owner or a tenant of the Owner to operate on the Land the land use that qualified the Owner for special incentives under the Bylaw;

If this Certificate is cancelled for any reason, the Owner shall remit to the City an amount equal to the value of any and all tax exemptions received in respect of the Improvement, plus interest at the rate of 5% p.a., calculated semi-annually not in advance, as calculated by the City's Revenue Supervisor, as if the taxes had never been exempted (the "Recapture Amount"), even if the tax exemption was given prior to the Owner being the Owner of the Land.

If the City cancels this Certificate for any reason and the Recapture Amount is not paid in full by the Owner by December 31 of that year, then the City's Revenue Supervisor may add the Recapture Amount to the roll for the Land.

DATED the _____ day of _____, 2019

THE CORPORATION OF THE CITY OF PENTICTON
by its authorized signatory

Angela Collison, Corporate Officer

END OF AGREEMENT

REVITALIZATION TAX EXEMPTION AGREEMENT

THIS AGREEMENT is dated for reference the ____th day of October, 2019

BETWEEN:

THE CORPORATION OF THE CITY OF PENTICTON

171 Main Street
Penticton, BC
V2A 5A9

(the "City")

AND:

Saul T Sharpe
6501 Canyon View Rd
Summerland BC V0H 1Z7

(the "Owner")

WHEREAS:

- A. The Owner is the registered owner in fee simple of land in the City at **129-2203 Dartmouth Drive** and legally described as:

PID: 030-591-716

Strata Lot 8, District Lot 3821S, Similkameen Division Yale District, Strata Plan KAS3795 Together With An Interest In The Common Property In Proportion To The Unit Entitlement Of The Strata Lot As Shown On Form V

(the "Land");
- B. Council of the City has, by adoption of City of Penticton Economic Investment Zone Bylaw No. 2014-44 (the "Bylaw"), established a Revitalization Tax Exemption Program for the purpose of stimulating and encouraging the construction of new buildings and the significant alteration and improvement of existing buildings within specified areas of the City that Council considers need revitalization;
- C. The Owner has constructed new improvements on the Land as described in Schedule "A" to this Agreement (the "Improvement") and has applied to the City to take part in the Revitalization Tax Exemption Program in respect of the Improvement and the City has determined that the Improvement is eligible for a tax exemption pursuant to Section 7 of the Bylaw;
- D. The Bylaw requires the Owner to enter into a tax exemption agreement with the City as a precondition to receiving a tax exemption under the Bylaw and the Owner wishes to enter into this Agreement on the terms and conditions set out below;

NOW THEREFORE in consideration of the promises and premises of this Agreement, the payment by the Owner to the City of consideration in the amount of \$10.00 (Ten Dollars), and other good and valuable consideration (the receipt and sufficiency of which are hereby expressly acknowledged by both parties), the City and the Owner covenant and agree as follows:

Revitalization Tax Exemption

1. As soon as practicable after this Agreement is fully executed by both parties, the City shall issue a revitalization tax exemption certificate (the "Tax Exemption Certificate") in the form attached as Schedule "B" to this Agreement and provide it to the British Columbia Assessment Authority, entitling the Owner to a tax exemption in respect of the municipal property taxes due under Section 197(1)(a) of the *Community Charter* in relation to the improvements on the Land (the "Tax Exemption") in accordance with the terms and conditions of this Agreement and the Bylaw.

Conditions of Maintaining Tax Exemption

2. The Tax Exemption Certificate is subject to the following conditions:
 - (a) **Payment of Taxes** – The Owner must fully pay all outstanding property taxes levied by the City, including penalties and interest, that are payable in respect of the Land, including any taxable improvements, and that are payable in respect of all other properties within the City owned by the Owner, or any Owner in the circumstance where two or more persons constitute the Owner;
 - (b) **Change of Ownership** - The Owner must not sell, assign or otherwise transfer all or a portion of its equitable or legal interest in the Land unless the transferee takes an assignment of this Agreement, in a form satisfactory to the City, and agrees to be bound by it;
 - (c) **No Breach of Agreement** - The Owner must not be in breach of this Agreement;
 - (d) **Business Licence** – The Owner must possess a valid business licence issued by the City in respect of the Land and authorizing the Owner or a tenant of the Owner to operate on the Land the land use that qualified the Owner for special incentives under the Bylaw;

Term of Exemption

3. Provided the requirements of the Tax Exemption Certificate are met and continue to be met, the Tax Exemption shall be for a term of five (5) years (the "Term"). The Tax Exemption shall apply to a calendar year if the Exemption Certificate is issued on or before October 31 in the preceding year. If the Exemption Certificate is issued after October 31, then the Tax Exemption shall not apply to the following calendar year, but to the year after that.

Calculation of Tax Exemption

4. The annual Tax Exemption under this Agreement is equal to 100% of the municipal property tax under section 197(1)(a) of the *Community Charter* payable on the difference between:

the then most current assessed value of the improvements on the Land

and

the assessed value of the improvements on the Land (if any) in 2017, being the year in which the City issued a building permit in respect of the Improvement.

5. Notwithstanding Section 4, if improvements other than those comprising the Improvement are made to the Land during the Term and those further improvements are not eligible for tax exemption under the Bylaw ("Ineligible Improvements"), then the annual Tax Exemption under this Agreement shall be reduced by the taxes payable on the ineligible improvements, and shall be calculated using the following formula

Tax Exemption – (Value of Ineligible Improvements x Current Year Tax Rate)

Cancellation

6. The City may, in its sole discretion, cancel the Tax Exemption Certificate at any time:
 - (a) on the written request of the Owner; or
 - (b) effective immediately upon delivery of a notice of cancellation to the Owner if at any time any of the conditions in the Tax Exemption Certificate are not met.

Recapture of Exempted Taxes

7. If the City cancels a Tax Exemption Certificate for any reason, the Owner shall remit to the City an amount equal to the value of any and all tax exemptions received under this Agreement, plus interest at the rate of 5% p.a., calculated semi-annually not in advance, as calculated by the City's Revenue Supervisor, as if the taxes had never been exempted (the "Recapture Amount"), even if the tax exemption was given at a time prior to the Owner being the owner of the Land.
8. If the City cancels a Tax Exemption Certificate for any reason and the Recapture Amount is not paid in full by the Owner by December 31 of that year, then the City's Revenue Supervisor may add the Recapture Amount to the property tax roll for the Land.

Compliance with Laws

9. The Owner must at all times during the Term use and occupy the Land, including the Improvement, in compliance with all enactments, regulations, and orders of any authority having jurisdiction and, without limiting the generality of the foregoing, all federal, provincial, or municipal laws, statutes, bylaws, licences, permits or approvals, including all the rules, regulations, policies, guidelines, criteria or the like made under any such laws.

No Refund

10. For clarity, under no circumstances will the Owner be entitled under the City's Revitalization Tax Exemption Program to any cash credit, any carry forward tax exemption credit or any refund for any property taxes paid.

Notices

11. All notices to be given under this Agreement must be in writing and may be delivered by hand or mailed by first-class prepaid registered mail.
12. Any notice delivered by hand is deemed to be given and received on the day it is delivered. Any notice mailed is deemed to be given and received on the fourth day after it is posted (unless there is a mail strike, slow down or other labour dispute which might affect delivery, in which case the notice will be effective only if actually delivered).
13. Notices must be addressed to the addresses on page 1 or to such other address as may from time to time be advised by a party in writing.
14. Notices to the City must be addressed to the attention of the "Corporate Officer".

Powers Preserved

15. Nothing contained in or implied by this Agreement prejudices or affects the rights and powers of the City in the exercise of its functions under any enactment or at common law, all of which may be fully and effectively exercised in relation to the Improvement and the Land.

Relationship

16. Nothing in this Agreement is to be interpreted as creating an agency, partnership or joint ventureship between the City and the Owner.

Time

17. Time is of the essence of this Agreement.

Remedies not Exclusive

18. No reference to or exercise of any specific right or remedy by the City prejudices or precludes the City from any other remedy, whether allowed at law or in equity or expressly provided for herein.

Headings

19. The headings appearing in this Agreement have been inserted for reference and as a matter of convenience and in no way define, limit or enlarge the scope or meaning of this Agreement or any provision of it.

Waiver

20. An alleged waiver of any breach of this Agreement is effective only if it is an express waiver in writing of the breach in respect of which the waiver is asserted. A waiver of a breach of this Agreement does not operate as a waiver of any other breach of this Agreement.

Interpretation

21. Wherever the singular or masculine or neuter is used in this Agreement, the same will be construed as meaning the plural, the feminine or body corporate where the context or the parties so require.

Severance

22. If any section, subsection, clause or phrase of this Agreement is held to be invalid for any reason by a court of competent jurisdiction, the invalid portion shall be severed and the decision that it is invalid shall not affect the validity of the remainder of the Agreement.

Enurement

23. This Agreement enures to the benefit of and is binding upon the parties and their respective successors and in the case of the Owner, its permitted assignees.

Statutory References

24. A reference in this Agreement to a statute includes regulations made pursuant to it and includes all amendments and replacements to them from time to time.

Modifications

25. No amendment or modification of any of the terms or provisions of this Agreement will be of any force or effect unless the amendment or modification is in writing and duly executed by the City and the Owner.

Governing Law

26. This Agreement will be governed by and interpreted in accordance with the laws of British Columbia.

Joint and Several Liability

27. In circumstances where two or more persons comprise the Owner, those persons shall be jointly and severally liable for performance of the obligations of the Owner under this Agreement.

Schedules

28. The following schedules are incorporated into this Agreement:

Schedule "A" – Description of the Improvement

Schedule "B" – Tax Exemption Certificate

As evidence of their agreement to be bound by the terms of this Agreement, the parties have executed this Agreement on the dates written below.

DATED the ____ day of _____, 2019

THE CORPORATION OF THE CITY OF PENTICTON)

by its authorized signatories:)

John Vassilaki, Mayor)

Angela Collison, Corporate Officer)

DATED the ____ day of _____, 2019

Saul T Sharpe)

Schedule "A"

Description of Eligible Improvement

Eligible improvements include the construction of an industrial building as shown on the plans attached to and forming part of "City of Penticton Building Permit No. BP009358"

Draft

Schedule "B"

Tax Exemption Certificate

In accordance with the "City of Penticton Economic Investment Zone Bylaw No. 2014-44" (the "Bylaw") and in accordance with a Revitalization Tax Exemption Agreement dated for reference the ____th day of October, 2019 (the "Agreement") entered into between The Corporation of the City of Penticton (the "City") and **Saul T Sharpe** (the "Owner"), the registered owner(s) of that property within Penticton, B.C. legally described as:

PID: 030-591-716

Strata Lot 8, District Lot 3821S, Similkameen Division Yale District, Strata Plan KAS3795 Together With An Interest In The Common Property In Proportion To The Unit Entitlement Of The Strata Lot As Shown On Form V

(the "Land");

on which has been constructed an improvement eligible under the Bylaw and the Agreement for a Revitalization Tax Exemption (the "Improvement");

This Certificate certifies that the Land is subject to a Revitalization Tax Exemption under section 226 of the *Community Charter*.

The extent of the Tax Exemption is 100% of the municipal property tax under section 197(1)(a) of the *Community Charter* payable on the value of improvements eligible for exemption under the Bylaw and the Agreement, as the value of those improvements varies from year to year during the term of the Tax Exemption.

The annual Tax Exemption under this Agreement is equal to 100% of the municipal property tax under section 197(1)(a) of the *Community Charter* payable on the difference between:

the then most current assessed value of the improvements on the Land

and

the assessed value of the improvements on the Land (if any) in the year 2017, being the year in which the City issued a building permit in respect of the Improvement.

Notwithstanding the above formula, if improvements other than those comprising the Improvement are made to the Land during the term of the Tax Exemption and those further improvements are not eligible for Tax Exemption under the Bylaw ("Ineligible Improvements"), then the annual Tax Exemption under this Agreement shall be equal to 100% of the municipal property tax under s.197(1)(a) of the *Community Charter* payable on the difference between:

the most current assessed value of the improvements on the Land before the construction of the Ineligible Improvements

and

the assessed value of the improvements on the Land (if any) in the year 2017 being the year in which the City issued a building permit in respect of the Improvement.

The term of the Tax Exemption is five (5) years, for each of the taxation years 2020 to 2024 inclusive.

This Certificate is issued on the following conditions:

- (a) **Payment of Taxes** – The Owner must fully pay all outstanding property taxes levied by the City, including penalties and interest, that are payable in respect of the Land, including any taxable improvements, and that are payable in respect of all other properties within the City owned by the Owner, or any Owner in the circumstance where two or more persons constitute the Owner;
- (b) **Change of Ownership** - The Owner must not sell, assign or otherwise transfer all or a portion of its equitable or legal interest in the Land unless the transferee takes an assignment of this Agreement, in a form satisfactory to the City, and agrees to be bound by it;
- (c) **No Breach of Agreement** - The Owner must not be in breach of this Agreement;
- (d) **Business Licence** – The Owner must possess a valid business licence issued by the City in respect of the Land and authorizing the Owner or a tenant of the Owner to operate on the Land the land use that qualified the Owner for special incentives under the Bylaw;

If this Certificate is cancelled for any reason, the Owner shall remit to the City an amount equal to the value of any and all tax exemptions received in respect of the Improvement, plus interest at the rate of 5% p.a., calculated semi-annually not in advance, as calculated by the City's Revenue Supervisor, as if the taxes had never been exempted (the "Recapture Amount"), even if the tax exemption was given prior to the Owner being the Owner of the Land.

If the City cancels this Certificate for any reason and the Recapture Amount is not paid in full by the Owner by December 31 of that year, then the City's Revenue Supervisor may add the Recapture Amount to the roll for the Land.

DATED the _____ day of _____, 2019

THE CORPORATION OF THE CITY OF PENTICTON
by its authorized signatory

Angela Collison, Corporate Officer

END OF AGREEMENT

REVITALIZATION TAX EXEMPTION AGREEMENT

THIS AGREEMENT is dated for reference the _____ day of October, 2019

BETWEEN:

THE CORPORATION OF THE CITY OF PENTICTON

171 Main Street
Penticton, BC
V2A 5A9

(the "City")

AND:

0868648 BC LTD.

1000 Lakeshore Drive West
Penticton, BC
V2A 1C1

(the "Owner")

WHEREAS:

- A. The Owner is the registered owner in fee simple of land in the City at **1000 Lakeshore Drive West** and legally described as:
- PID: 002-329-468
- Lot 3, District Lot 3, Group 7, Similkameen Division Yale (Formerly Yale-Lytton)
District, Plan 1897
- (the "Land");
- B. Council of the City has, by adoption of City of Penticton Economic Investment Zone Bylaw No. 2012-5028 (the "Bylaw"), established a Revitalization Tax Exemption Program for the purpose of stimulating and encouraging the construction of new buildings and the significant alteration and improvement of existing buildings within specified areas of the City that Council considers need revitalization;
- C. The Owner has constructed new improvements on the Land as described in Schedule "A" to this Agreement (the "Improvement") and has applied to the City to take part in the Revitalization Tax Exemption Program in respect of the Improvement and the City has determined that the Improvement is eligible for a tax exemption pursuant to Section 12 of the Bylaw;
- D. The Bylaw requires the Owner to enter into a tax exemption agreement with the City as a precondition to receiving a tax exemption under the Bylaw and the Owner wishes to enter into this Agreement on the terms and conditions set out below;

NOW THEREFORE in consideration of the promises and premises of this Agreement, the payment by the Owner to the City of consideration in the amount of \$10.00 (Ten Dollars), and other good and valuable consideration (the receipt and sufficiency of which are hereby expressly acknowledged by both parties), the City and the Owner covenant and agree as follows:

Revitalization Tax Exemption

1. As soon as practicable after this Agreement is fully executed by both parties, the City shall issue a revitalization tax exemption certificate (the "Tax Exemption Certificate") in the form attached as Schedule "B" to this Agreement and provide it to the British Columbia Assessment Authority, entitling the Owner to a tax exemption in respect of the municipal property taxes due under Section 197(1)(a) of the *Community Charter* in relation to the improvements on the Land (the "Tax Exemption") in accordance with the terms and conditions of this Agreement and the Bylaw.

Conditions of Maintaining Tax Exemption

2. The Tax Exemption Certificate is subject to the following conditions:
 - (a) **Payment of Taxes** – The Owner must fully pay all outstanding property taxes levied by the City, including penalties and interest, that are payable in respect of the Land, including any taxable improvements, and that are payable in respect of all other properties within the City owned by the Owner, or any Owner in the circumstance where two or more persons constitute the Owner;
 - (b) **Change of Ownership** - The Owner must not sell, assign or otherwise transfer all or a portion of its equitable or legal interest in the Land unless the transferee takes an assignment of this Agreement, in a form satisfactory to the City, and agrees to be bound by it;
 - (c) **No Breach of Agreement** - The Owner must not be in breach of this Agreement;
 - (d) **Business Licence** – The Owner must possess a valid business licence issued by the City in respect of the Land and authorizing the Owner or a tenant of the Owner to operate on the Land the land use that qualified the Owner for special incentives under the Bylaw;

Term of Exemption

3. Provided the requirements of the Tax Exemption Certificate are met and continue to be met, the Tax Exemption shall be for a term of five (5) years (the "Term"). The Tax Exemption shall apply to a calendar year if the Exemption Certificate is issued on or before October 31 in the preceding year. If the Exemption Certificate is issued after October 31, then the Tax Exemption shall not apply to the following calendar year, but to the year after that.

Calculation of Tax Exemption

4. The annual Tax Exemption under this Agreement is equal to 100% of the municipal property tax under section 197(1)(a) of the *Community Charter* payable on the difference between:

the then most current assessed value of the improvements on the Land

and

the assessed value of the improvements on the Land (if any) in 2014, being the year in which the City issued a building permit in respect of the Improvement.

5. Notwithstanding Section 4, if improvements other than those comprising the Improvement are made to the Land during the Term and those further improvements are not eligible for tax exemption under the Bylaw ("Ineligible Improvements"), then the annual Tax Exemption under this Agreement shall be reduced by the taxes payable on the ineligible improvements, and shall be calculated using the following formula

Tax Exemption – (Value of Ineligible Improvements x Current Year Tax Rate)

Cancellation

6. The City may, in its sole discretion, cancel the Tax Exemption Certificate at any time:
 - (a) on the written request of the Owner; or
 - (b) effective immediately upon delivery of a notice of cancellation to the Owner if at any time any of the conditions in the Tax Exemption Certificate are not met.

Recapture of Exempted Taxes

7. If the City cancels a Tax Exemption Certificate for any reason, the Owner shall remit to the City an amount equal to the value of any and all tax exemptions received under this Agreement, plus interest at the rate of 5% p.a., calculated semi-annually not in advance, as calculated by the City's Revenue Supervisor, as if the taxes had never been exempted (the "Recapture Amount"), even if the tax exemption was given at a time prior to the Owner being the owner of the Land.
8. If the City cancels a Tax Exemption Certificate for any reason and the Recapture Amount is not paid in full by the Owner by December 31 of that year, then the City's Revenue Supervisor may add the Recapture Amount to the property tax roll for the Land.

Compliance with Laws

9. The Owner must at all times during the Term use and occupy the Land, including the Improvement, in compliance with all enactments, regulations, and orders of any authority having jurisdiction and, without limiting the generality of the foregoing, all federal, provincial, or municipal laws, statutes, bylaws, licences, permits or approvals, including all the rules, regulations, policies, guidelines, criteria or the like made under any such laws.

No Refund

10. For clarity, under no circumstances will the Owner be entitled under the City's Revitalization Tax Exemption Program to any cash credit, any carry forward tax exemption credit or any refund for any property taxes paid.

Notices

11. All notices to be given under this Agreement must be in writing and may be delivered by hand or mailed by first-class prepaid registered mail.
12. Any notice delivered by hand is deemed to be given and received on the day it is delivered. Any notice mailed is deemed to be given and received on the fourth day after it is posted (unless there is a mail strike, slow down or other labour dispute which might affect delivery, in which case the notice will be effective only if actually delivered).
13. Notices must be addressed to the addresses on page 1 or to such other address as may from time to time be advised by a party in writing.
14. Notices to the City must be addressed to the attention of the "Corporate Officer".

Powers Preserved

15. Nothing contained in or implied by this Agreement prejudices or affects the rights and powers of the City in the exercise of its functions under any enactment or at common law, all of which may be fully and effectively exercised in relation to the Improvement and the Land.

Relationship

16. Nothing in this Agreement is to be interpreted as creating an agency, partnership or joint ventureship between the City and the Owner.

Time

17. Time is of the essence of this Agreement.

Remedies not Exclusive

18. No reference to or exercise of any specific right or remedy by the City prejudices or precludes the City from any other remedy, whether allowed at law or in equity or expressly provided for herein.

Headings

19. The headings appearing in this Agreement have been inserted for reference and as a matter of convenience and in no way define, limit or enlarge the scope or meaning of this Agreement or any provision of it.

Waiver

20. An alleged waiver of any breach of this Agreement is effective only if it is an express waiver in writing of the breach in respect of which the waiver is asserted. A waiver of a breach of this Agreement does not operate as a waiver of any other breach of this Agreement.

Interpretation

21. Wherever the singular or masculine or neuter is used in this Agreement, the same will be construed as meaning the plural, the feminine or body corporate where the context or the parties so require.

Severance

22. If any section, subsection, clause or phrase of this Agreement is held to be invalid for any reason by a court of competent jurisdiction, the invalid portion shall be severed and the decision that it is invalid shall not affect the validity of the remainder of the Agreement.

Enurement

23. This Agreement enures to the benefit of and is binding upon the parties and their respective successors and in the case of the Owner, its permitted assignees.

Statutory References

24. A reference in this Agreement to a statute includes regulations made pursuant to it and includes all amendments and replacements to them from time to time.

Modifications

25. No amendment or modification of any of the terms or provisions of this Agreement will be of any force or effect unless the amendment or modification is in writing and duly executed by the City and the Owner.

Governing Law

26. This Agreement will be governed by and interpreted in accordance with the laws of British Columbia.

Joint and Several Liability

27. In circumstances where two or more persons comprise the Owner, those persons shall be jointly and severally liable for performance of the obligations of the Owner under this Agreement.

Schedules

28. The following schedules are incorporated into this Agreement:

Schedule "A" – Description of the Improvement
Schedule "B" – Tax Exemption Certificate

As evidence of their agreement to be bound by the terms of this Agreement, the parties have executed this Agreement on the dates written below.

DATED the ____th day of _____, 2019

THE CORPORATION OF THE CITY OF PENTICTON)

by its authorized signatories:)

)

)

_____))

John Vassilaki, Mayor)

)

_____))

Angela Collison, Corporate Officer)

DATED the ____ day of _____, 2019

0868648 BC Ltd.)

by its authorized signatory(ies):)

)

)

_____))

Authorized Signatory:)

)

)

_____))

Authorized Signatory:)

)

)

)

)

Schedule "A"

Description of Eligible Improvement

Eligible improvements include the interior and exterior alterations to an existing food and beverage commercial building as shown on the plans attached to and forming part of "City of Penticton Building Permit No. PR2014-0647, BP008270 and BP008620".

Draft

Schedule "B"

Tax Exemption Certificate

In accordance with the "City of Penticton Economic Investment Zone Bylaw No. 2012-5028" (the "Bylaw") and in accordance with a Revitalization Tax Exemption Agreement dated for reference the ____th day of October, 2019 (the "Agreement") entered into between The Corporation of the City of Penticton (the "City") and **0868648 BC Ltd.** (the "Owner"), the registered owner(s) of that property within Penticton, B.C. legally described as:

PID: 002-329-468

Lot 3, District Lot 3, Group 7, Similkameen Division Yale (Formerly Yale-Lytton)
District, Plan 1897

(the "Land");

on which has been constructed an improvement eligible under the Bylaw and the Agreement for a Revitalization Tax Exemption (the "Improvement");

This Certificate certifies that the Land is subject to a Revitalization Tax Exemption under section 226 of the *Community Charter*.

The extent of the Tax Exemption is 100% of the municipal property tax under section 197(1)(a) of the *Community Charter* payable on the value of improvements eligible for exemption under the Bylaw and the Agreement, as the value of those improvements varies from year to year during the term of the Tax Exemption.

The annual Tax Exemption under this Agreement is equal to 100% of the municipal property tax under section 197(1)(a) of the *Community Charter* payable on the difference between:

the then most current assessed value of the improvements on the Land

and

the assessed value of the improvements on the Land (if any) in the year 2014, being the year in which the City issued a building permit in respect of the Improvement.

Notwithstanding the above formula, if improvements other than those comprising the Improvement are made to the Land during the term of the Tax Exemption and those further improvements are not eligible for Tax Exemption under the Bylaw ("Ineligible Improvements"), then the annual Tax Exemption under this Agreement shall be equal to 100% of the municipal property tax under s.197(1)(a) of the *Community Charter* payable on the difference between:

the most current assessed value of the improvements on the Land before
the construction of the Ineligible Improvements

and

the assessed value of the improvements on the Land (if any) in the year 2014, being the year in which the City issued a building permit in respect of the Improvement.

The term of the Tax Exemption is five years, for each of the taxation years 2020 to 2024 inclusive.

This Certificate is issued on the following conditions:

- (a) **Payment of Taxes** – The Owner must fully pay all outstanding property taxes levied by the City, including penalties and interest, that are payable in respect of the Land, including any taxable improvements, and that are payable in respect of all other properties within the City owned by the Owner, or any Owner in the circumstance where two or more persons constitute the Owner;
- (b) **Change of Ownership** - The Owner must not sell, assign or otherwise transfer all or a portion of its equitable or legal interest in the Land unless the transferee takes an assignment of this Agreement, in a form satisfactory to the City, and agrees to be bound by it;
- (c) **No Breach of Agreement** - The Owner must not be in breach of this Agreement;
- (d) **Business Licence** – The Owner must possess a valid business licence issued by the City in respect of the Land and authorizing the Owner or a tenant of the Owner to operate on the Land the land use that qualified the Owner for special incentives under the Bylaw;

If this Certificate is cancelled for any reason, the Owner shall remit to the City an amount equal to the value of any and all tax exemptions received in respect of the Improvement, plus interest at the rate of 5% p.a., calculated semi-annually not in advance, as calculated by the City's Revenue Supervisor, as if the taxes had never been exempted (the "Recapture Amount"), even if the tax exemption was given prior to the Owner being the Owner of the Land.

If the City cancels this Certificate for any reason and the Recapture Amount is not paid in full by the Owner by December 31 of that year, then the City's Revenue Supervisor may add the Recapture Amount to the roll for the Land.

DATED the _____ day of _____, 2019

THE CORPORATION OF THE CITY OF PENTICTON
by its authorized signatory

Angela Collison, Corporate Officer

END OF AGREEMENT

Council Report

penticton.ca

Date: October 1, 2019
To: Donny van Dyk, Chief Administrative Officer
From: Bregje Kozak, Director Recreation & Facilities

File No:

Subject: Civic Event Delivery Method

Staff Recommendation

THAT Council direct staff to issue an Expression of Interest (EOI) to seek opportunities for delivery of civic events with local service organizations or non-profit societies, and report back to Council with options.

Strategic priority objective

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

Background

At the April 2, 2019 Council meeting, staff were directed to plan and implement multiple civic events which included Canada Day Celebrations and Fireworks, BC Day, Rock the Sun Concert Series (6 nights) and the Santa Claus Parade for 2019.

191/2019

It was **MOVED** and **SECONDED**

THAT Council direct staff to proceed with the planning and implementation of Canada Day/Fireworks, BC Day, 7 nights of Rock the Sun and Santa Parade events for 2019;

AND THAT Council approve the increase \$38,465.10 to the City's Sport and Event budget with funds to be found through administrative savings.

CARRIED
Councillors Regehr and Robinson, Opposed

While the Recreation Department delivered these civic events with success, challenges have been identified that will impede the City of Penticton's ability to deliver these events into 2020 and beyond. These include:

1. Limited City Staff Resources

There is limited capacity within the Recreation Department's current staff resources to maintain these operations. We experienced a high volume of accumulated Earned Time Off (ETO) and

overtime as a direct result of hosting these events.

2. CRA Requirements for Performers

Based on past CRA rulings the City of Penticton follows the practice of taking source deductions for individuals that are not operating as formal businesses. This results in performers and entertainers without formally established businesses to be treated as employees and would require the City to take source deductions. This is not common practice for many entertainment providers and would limit the City's ability to attract performers for the events.

3. Liability Insurance for Performers

The City of Penticton's Liability Protection Agreement does not provide liability coverage for performers or acts at civic events. Since many of those acts don't operate as a business, they also don't carry their own liability insurance. This results in the City needing to retain all the liability exposure for the events and actions of the performers.

4. Special Event Insurance

Typically event hosts secure Special Event Insurance to reduce deductible amounts and liability exposure. As a Municipality, the City is unable to obtain Special Event Insurance.

5. Grants, Donations and Sponsorships

With limited staff resources available and a status as a Municipality, the City of Penticton faces multiple barriers when recruiting sponsorships, donations and grants to support these events and reduce costs. Staff originally projected revenue of \$27,500 through sponsorships and grants for 2019. To date, the City has received a total of \$5,500 from grants and sponsorships.

6. Financial Impacts

In addition to the above noted challenges, the cost of hosting, planning and implementing the events in 2019 is estimated to be approximately \$103,000, including the forecasted cost of the Santa Parade coming up in December.

In order to continue to provide quality cultural events and programming for the community, the City of Penticton needs to determine how to overcome the above challenges, which events to continue hosting, how much funding is required and how to effectively deliver them.

After a review of other municipal civic event hosting structures in the valley, it's been determined that it is common practice for civic events to be hosted by a non-profit society. Societies do not have the same issues in terms of the CRA ruling, liability insurance and special event insurance and are able to secure performers and entertainers accordingly. Societies also have more access to donations and grants than the City is able to receive and are therefore able to offset their expenses to a greater extent.

Staff are proposing that the City of Penticton continue hosting civic events next year using a similar model, through partnering with one or more non-profit societies or service providers. Partnering organizations would be expected to organize and implement the event(s), as well as providing financial contributions by offsetting expenses through maximizing grant opportunities, sponsorships, vendor revenues and/or donations.

Although all of the civic events in 2019 were well attended, the City's ongoing ability to host and fund the events must be considered. Depending on the outcome of the EOI process and level of interest from community partners, will determine which civic events the City will continue to host in 2020 and beyond.

In order to better understand the availability of local service providers to undertake these events as well as the financial impacts, an Expression of Interest (EOI) is required as the next step. The EOI will be structured so that respondents may submit interest for one, multiple or all of the events and will allow staff to report back to Council with options.

Financial implication

None

Analysis

Civic events are valuable to our community in that they activate our park spaces, increase the vibrancy of our community and provide opportunities to showcase local artists and talent. A sustainable and efficient event delivery model is required in order to continue hosting these events in our community.

Partnering with non-profit societies to deliver civic events follows common practice amongst other municipalities, and addresses many of the challenges the City faced in delivery of these events in 2019.

Alternate recommendations

That Council provide alternate direction.

Respectfully submitted,

Bregje Kozak
Director, Recreation and Facilities

Concurrence

Chief Financial Officer <i>JWB</i>	Chief Administrative Officer DyD
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Bylaw No. 2019-36

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. 2019-36".

2. Amendment:

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

Rezone Proposed Lot 2 of the subdivision of Lot 21, District Lot 1, Group 7, Similkameen Division Yale (Formerly Yale Lytton) District Plan 932, Except Plan EPP87415, located at 340 Douglas Avenue as shown on Schedule 'A', from R2 (Small Lot Residential) to RD2 (Duplex Housing: Lane).

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

READ A FIRST time this	17	day of	September, 2019
A PUBLIC HEARING was held this	1	day of	October, 2019
READ A SECOND time this		day of	, 2019
READ A THIRD time this		day of	, 2019
RECEIVED the approval of the		day of	, 2019
Ministry of Transportaton on the			
ADOPTED this		day of	, 2019

Notice of intention to proceed with this bylaw was published on the 20 day of September, 2019 and the 25 day of September, 2019 in the Penticton newspaper, pursuant to Section 94 of the Community Charter.

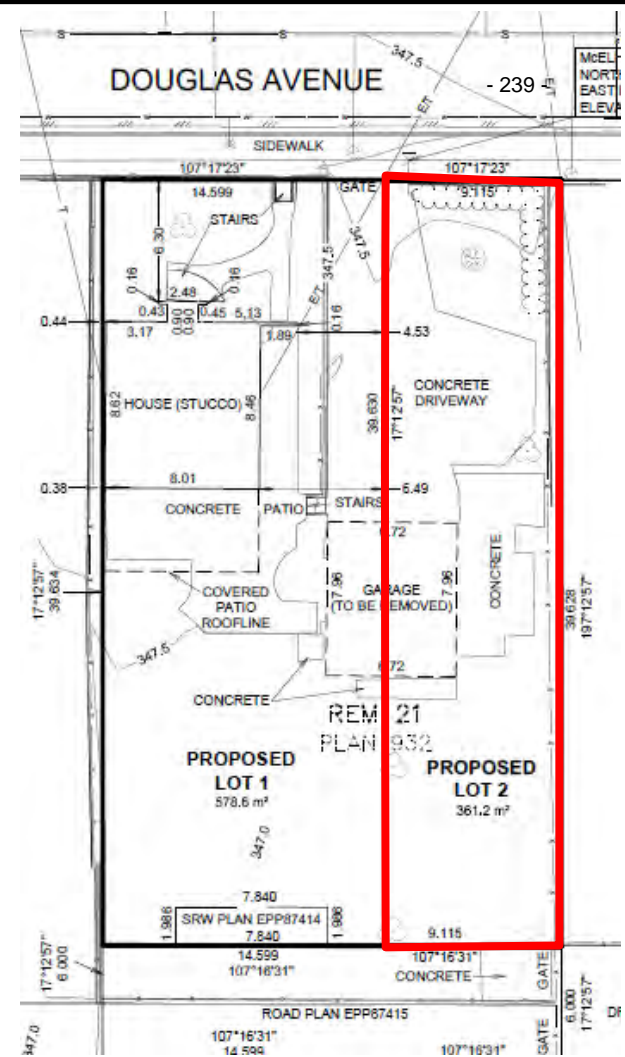
John Vassilaki, Mayor

<p>Approved pursuant to section 52(3)(a) of the <i>Transportation Act</i> this _____ day of _____, 2019</p> <p>_____</p> <p>for Minister of Transportaton & Infrastructure</p>

Angie Collison, Corporate Officer

Rezone Proposed Lot 2 of 340 Douglas Avenue

From R2 (Small Lot Residential) to
RD2 (Duplex Housing: Lane)



City of Penticton – Schedule 'A'

Zoning Amendment Bylaw No. 2019-36

Date: _____

Corporate Officer: _____

The Corporation of the City of Penticton

Bylaw No. 2019-34

A Bylaw to Exempt Certain Parcels of Land from Taxation

WHEREAS it is deemed expedient to exempt certain parcels of land from taxation, subject to final approval of germane authorities;

AND WHEREAS the *Community Charter* provides specific exemptions for certain type or uses of property;

NOW THEREFORE the Municipal Council of The Corporation of the City of Penticton in an open meeting assembled ENACTS as follows:

1. **Title:**

This Bylaw may be cited for all purposes as the "2020 Permissive Tax Exemption Bylaw No. 2019-34".

2. **Administration:**

2.1 This Bylaw shall come into full force and effect and is binding on all persons during the 2020 taxation year.

2.2 The properties described on the attached Schedule "A" shall be permissively exempt from taxation with respect to land and improvements for the year 2020.

READ A FIRST time this 17 day of September, 2019

READ A SECOND time this 17 day of September, 2019

READ A THIRD time this 17 day of September, 2019

ADOPTED this day of , 2019

Notice of intention to proceed with this bylaw was published on the 4 day of September, 2019 and the 13 day of September, 2019 in the Penticton Western newspaper, pursuant to Section 94 of the *Community Charter*.

John Vassilaki, Mayor

Angie Collison, Corporate Officer

Applicant	Folio	Civic Address	Additional Comments	% Permissive Exemption Granted	Estimated Total Exempted 2020 Municipal Tax
Affordable Living for Today Society	02166-020	245 Warren Ave. W.		94.35%	\$6,709
BC Wine Info Centre	05757-020	#101 - 553 Veas Dr.		94.35%	\$3,532
BPOE Penticton Elks Lodge #51	06275-000	343 Ellis St.	Apportioned based on area used for liquor sales - 66.12% of land/improvements used for charitable purposes	94.35%	\$3,031
Cheers the Church	00128-000	639 Main St.		94.35%	\$5,967
Christian Science Society, Penticton, BC	00068-000	608 Winnipeg St.		94.35%	\$1,331
Community Foundation of the South Okanagan Similkameen	00111-005	501 Main St.		94.35%	\$20,159
Concordia Lutheran Church of Penticton BC	03084-000	2800 South Main St.		94.35%	\$4,546
Fraternal Order Of Eagles #4281	01247-000	1197 Main St.	Class 8 portion used for charitable purposes	94.35%	\$3,959
Good Samaritan Canada	01162-580	270 Hastings Ave.		94.35%	\$50,118
Grace Mennonite Brethren Church	01737-000	74 Penticton Ave.		94.35%	\$1,522
Green Mountain Congregation of Jehovah's Witnesses	02068-100	52 Roy Ave.		94.35%	\$3,333
Hellenic community of Penticton	01064-000	1265 Fairview Rd.		94.35%	\$1,292
Holy Cross School	01806-000	1299 Manitoba St.		94.35%	\$15,048
Luso Canadian Multicultural Society	05022-000	135 Winnipeg St.		94.35%	\$2,188
Oasis United Church	02241-101	2964 Skaha Lake Rd.		94.35%	\$10,167
Okanagan Boys & Girls Clubs	01806-010	1295 Manitoba St.		94.35%	\$7,057
Okanagan Similkameen Neurological Society	07464-006	#104 - 550 Carmi Ave.		94.35%	\$1,318
OneSky Community Resources Society	01603-010	470 Edmonton Ave.		94.35%	\$3,025
OneSky Community Resources Society	01603-020	500 Edmonton Ave.		94.35%	\$910
OneSky Community Resources Society	02176-500	2434 Baskin St.		94.35%	\$986
OneSky Community Resources Society	02176-510	2450 Baskin St.		94.35%	\$990
OneSky Community Resources Society	02844-000	150 McPherson Cres.		94.35%	\$2,439
OneSky Community Resources Society	02845-000	154 McPherson Cres.		94.35%	\$2,439
OneSky Community Resources Society	06300-300	330 Ellis St.		94.35%	\$10,958
OneSky Community Resources Society	07643-000	1160 Commercial Way	Leased portion of 1140 Commercial Way	94.35%	\$2,689
OneSky Housing Society	05099-010	285 Nanaimo Ave. W.	Only those residential units held in the name of OneSky/Catalyst (26 units) Land Title registrations in process	94.35%	\$18,118
Ooknakane Friendship Centre	06033-020	146 Ellis St.		94.35%	\$3,647
Our Redeemer Lutheran Church of Penticton, B.C.	02574-110	1370 Church St.		94.35%	\$1,555
Penticton & District Community Arts Council	01807-200	220 Manor Park Ave.		94.35%	\$11,865
Penticton & District Minor Hockey Association	05757-000	399 Power St.		94.35%	\$1,219
Penticton Alliance Church	02178-060	197 Brandon Ave.		94.35%	\$3,918
Penticton and District Emergency Program Society	07565-010	251 Dawson Ave.		94.35%	\$1,349
Penticton and District Multicultural Society	06300-260	340 Ellis St.		94.35%	\$4,306
Penticton and District Society for Community Living	00375-010	453 Winnipeg St.		94.35%	\$3,547
Penticton and District Society for Community Living	01031-000	252 Conklin Ave.		94.35%	\$1,982
Penticton and District Society for Community Living	01522-030	180 Industrial Ave. W.		94.35%	\$10,152
Penticton and District Society for Community Living	01522-040	146 & 150 Bruce Crt.		94.35%	\$8,188
Penticton and District Society for Community Living	04794-000	259 Backstreet Blvd.	Only those residential units held in the name of PDSCL (15 units) Land Title registrations in process.	94.35%	\$7,467
Penticton and District Society for Community Living	06209-000	234 Van Horne St.		94.35%	\$2,313
Penticton and District Society for Community Living	07475-010	1706 Main St.		94.35%	\$13,996
Penticton and Wine Country Chamber of Commerce	06028-000	102 Ellis St.		94.35%	\$2,530
Penticton Art Gallery	05888-000	199 Marina Way		94.35%	\$19,195
Penticton Bethel Pentecostal Tabernacle	01194-000	65 Preston Ave.		94.35%	\$1,995
Penticton Bethel Pentecostal Tabernacle	01194-505	973 Main St.		94.35%	\$4,148
Penticton Bethel Pentecostal Tabernacle	01195-020	945 Main St.		94.35%	\$6,702
Penticton BMX Society	07338-105	630 Munson Mountain Rd.		94.35%	\$2,623
Penticton Christian School Society	01619-000	#102 - 96 Edmonton Ave.		94.35%	\$822
Penticton Community Garden Society	05986-001	480 Vancouver Ave.		94.35%	\$972

Applicant	Folio	Civic Address	Additional Comments	% Permissive Exemption Granted	Estimated Total Exempted 2020 Municipal Tax
Penticton Curling Club	05757-040	505 Vees Dr.		94.35%	\$9,103
Penticton Disc Golf Club	05902-012	500 Marina Way		94.35%	\$18,835
Penticton First Baptist Church	02623-000	1498 Government St.		94.35%	\$5,062
Penticton Free Presbyterian Church	01202-000	120 Preston Ave.		94.35%	\$2,645
Penticton Golf & Country Club	04245-010	600 Comox St.	Approx. 172,000 square feet exempt for land and approx. 10,000 square feet exempt for buildings	94.35%	\$11,276
Penticton Golf & Country Club	04251-000	852 Eckhardt Ave. W.		94.35%	\$15,104
Penticton Kiwanis Housing Society	06064-011	#101 - 150 Van Horne St.		94.35%	\$665
Penticton Kiwanis Housing Society	06064-012	#103 - 150 Van Horne St.		94.35%	\$565
Penticton Kiwanis Housing Society	06064-013	#105 - 150 Van Horne St.		94.35%	\$565
Penticton Kiwanis Housing Society	06064-017	#113 - 150 Van Horne St.		94.35%	\$565
Penticton Kiwanis Housing Society	06064-018	#115 - 150 Van Horne St.		94.35%	\$672
Penticton Kiwanis Housing Society	06064-018	#312 - 150 Van Horne St.		94.35%	\$573
Penticton Kiwanis Housing Society	06064-019	#112 - 150 Van Horne St.		94.35%	\$662
Penticton Kiwanis Housing Society	06064-022	#104 - 150 Van Horne St.		94.35%	\$562
Penticton Kiwanis Housing Society	06064-023	#102 - 150 Van Horne St.		94.35%	\$662
Penticton Kiwanis Housing Society	06064-024	#201 - 150 Van Horne St.		94.35%	\$669
Penticton Kiwanis Housing Society	06064-028	#209 - 150 Van Horne St.		94.35%	\$569
Penticton Kiwanis Housing Society	06064-029	#211 - 150 Van Horne St.		94.35%	\$569
Penticton Kiwanis Housing Society	06064-030	#213 - 150 Van Horne St.		94.35%	\$569
Penticton Kiwanis Housing Society	06064-031	#215 - 150 Van Horne St.		94.35%	\$676
Penticton Kiwanis Housing Society	06064-032	#214 - 150 Van Horne St.		94.35%	\$669
Penticton Kiwanis Housing Society	06064-033	#212 - 150 Van Horne St.		94.35%	\$573
Penticton Kiwanis Housing Society	06064-034	#210 - 150 Van Horne St.		94.35%	\$569
Penticton Kiwanis Housing Society	06064-037	#204 - 150 Van Horne St.		94.35%	\$569
Penticton Kiwanis Housing Society	06064-038	#202 - 150 Van Horne St.		94.35%	\$669
Penticton Kiwanis Housing Society	06064-039	#301 - 150 Van Horne St.		94.35%	\$669
Penticton Kiwanis Housing Society	06064-046	#315 - 150 Van Horne St.		94.35%	\$676
Penticton Kiwanis Housing Society	06064-047	#314 - 150 Van Horne St.		94.35%	\$669
Penticton Kiwanis Housing Society	06064-049	#310 - 150 Van Horne St.		94.35%	\$569
Penticton Kiwanis Housing Society	06064-050	#308 - 150 Van Horne St.		94.35%	\$650
Penticton Kiwanis Housing Society	06064-052	#304 - 150 Van Horne St.		94.35%	\$569
Penticton Kiwanis Housing Society	06064-053	#302 - 150 Van Horne St.		94.35%	\$669
Penticton Kiwanis Housing Society	06064-054	#401 - 150 Van Horne St.		94.35%	\$669
Penticton Kiwanis Housing Society	06064-060	#413 - 150 Van Horne St.		94.35%	\$569
Penticton Kiwanis Housing Society	06064-061	#415 - 150 Van Horne St.		94.35%	\$676
Penticton Kiwanis Housing Society	06064-062	#414 - 150 Van Horne St.		94.35%	\$669
Penticton Kiwanis Housing Society	06064-063	#412 - 150 Van Horne St.		94.35%	\$573
Penticton Kiwanis Housing Society	06064-064	#410 - 150 Van Horne St.		94.35%	\$569
Penticton Kiwanis Housing Society	06064-065	#408 - 150 Van Horne St.		94.35%	\$650
Penticton Kiwanis Housing Society	06064-066	#406 - 150 Van Horne St.		94.35%	\$569
Penticton Kiwanis Housing Society	06064-067	#404 - 150 Van Horne St.		94.35%	\$569
Penticton Kiwanis Housing Society	06064-068	#402 - 150 Van Horne St.		94.35%	\$669
Penticton Lawn Bowling Club	05104-010	260 Brunswick St.		94.35%	\$5,016
Penticton Masonic Building Association	05289-010	416 Westminster Ave. W.		94.35%	\$2,844
Penticton New Beginnings Christian Fellowship	01619-000	#101 - 96 Edmonton Ave.		94.35%	\$822
Penticton Recovery Resource Society (Discovery House)	00634-000	633 Winnipeg St.		94.35%	\$3,460
Penticton Safety Village Society	01603-030	490 Edmonton Ave.		94.35%	\$4,279
Penticton Seniors' Drop-In Centre Society	02233-000	2905 South Main St.		94.35%	\$23,633
Penticton Sikh Temple and Indian Cultural Society	03096-010	3290 South Main St.	Class 1 Residential portion not eligible for exemption & 5% of taxable Class 8 portion not eligible for exemption as not usable in relation to worship or charitable works	94.35%	\$5,836
Penticton Tennis Club	05902-025	675 Marina Way		94.35%	\$2,780
Penticton United Church	06900-000	696 Main St.		94.35%	\$3,348
Penticton Vineyard Community Church	01540-050	1825 Main St.		94.35%	\$9,454
S.S. Sicamous Restoration Society	08729-000	1099 Lakeshore Dr. W.		94.35%	\$9,207
Seventh-day Adventist Church (British Columbia Conference)	02167-000	290 Warren Ave. W.		94.35%	\$4,011
South Okanagan Similkameen Brain Injury Society	00721-000	742 Argyle St.		94.35%	\$2,038
South Okanagan Similkameen Brain Injury Society	00739-000	332 Eckhardt Ave. W.		94.35%	\$2,380
South Okanagan Similkameen Medical Association	07495-005	1748 Camrose St.		94.35%	\$4,857
South Okanagan Similkameen Medical Association	07495-010	1802 Camrose St.		94.35%	\$3,393
South Okanagan Women in Need Society	NOT DISCLOSED	Hughes House	Qualified for Class 03-Supportive Housing in 2019	94.35%	\$0
South Okanagan Women in Need Society	NOT DISCLOSED	Tamarack		94.35%	\$11,826

Applicant	Folio	Civic Address	Additional Comments	% Permissive Exemption Granted	Estimated Total Exempted 2020 Municipal Tax
South Okanagan Women in Need Society	05838-010	#101 - 1027 Westminster Ave. W.		94.35%	\$637
South Okanagan Women in Need Society	05838-020	#102 - 1027 Westminster Ave. W.		94.35%	\$1,303
St. Andrew's Presbyterian Church	04857-000	397 Martin St.		94.35%	\$1,399
St. Andrew's Presbyterian Church	04872-005	157 Wade Ave. W.		94.35%	\$2,316
St. Ann's Parish	01805-000	1296 Main St.	Class 8 portion only	94.35%	\$6,157
St. Ann's Parish (Penticton Recovery Resource Society)	05311-000	397 Wade Ave. W.		94.35%	\$1,435
St. Ann's Parish (Pregnancy Support Program under OneSky Communities)	01804-220	200 Bennett Ave.		94.35%	\$1,515
St. Ann's Parish (St. John Vianney Church)	05310-000	361 Wade Ave. W.	Class 8 portion only	94.35%	\$2,794
St. Saviour's Anglican Church	00059-000	150 Orchard Ave.		94.35%	\$4,671
The British Columbia Society for the Prevention of Cruelty to Animals	07658-050	2200 Dartmouth Dr.		94.35%	\$13,514
The Care Closet	06572-000	574 Main St.		94.35%	\$2,012
The Church of Jesus Christ of Latter-day Saints in Canada	03085-030	2946 South Main St.		94.35%	\$5,150
The Penticton Church of the Nazarene	00238-010	523 Jermyn Ave.	Class 8 only, excludes that portion in Class 1	94.35%	\$2,872
The Penticton Horseshoe Pitchers Club	02233-005	2905 South Main St.		94.35%	\$2,121
The Penticton Kinsmen Disability Resource Center Society	01162-060	216 Hastings Ave.		94.35%	\$8,497
The Salvation Army Penticton	02189-010	2399 South Main St.		94.35%	\$10,253
The Salvation Army Penticton	02193-020	2469 South Main St.		94.35%	\$3,552
The Salvation Army Penticton	06300-355	318 Ellis St.		94.35%	\$3,843
YMCA of Okanagan Association	05628-001	630 Birch Ave.	Portion YMCA occupied land area: 15,700 sf	94.35%	\$2,091
Total One (1) Year Permissive Tax Exemptions:		127 Properties			\$557,900

Bylaw No. 2019-35

A Bylaw to Amend Officers and Delegation of Authority Bylaw No. 2018-75

WHEREAS the Council of the City of Penticton has adopted an Officers and Delegation of Authority Bylaw pursuant the *Community Charter*;

AND WHEREAS the Council of the City of Penticton wishes to amend "Officers and Delegation of Authority Bylaw No. 2018-75";

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 "Officers and Delegation of Authority Amendment Bylaw No. 2019-35".

2. **Amendment:**

2.1 "Officers and Delegation of Authority Bylaw No. 2018-75" is hereby amended by adding the following:

Delegation of Authority

27. Council hereby delegates its authority under section 38 of the *Community Charter* to control traffic on a highway or to temporarily restrict or prohibit all or some types of traffic on a highway to the City Engineer or Development Infrastructure Manager; this includes road closure permits for infrastructure construction, building construction, material storage, parades, races, fundraisers and events.

READ A FIRST time this	17	day of	September, 2019
READ A SECOND time this	17	day of	September, 2019
READ A THIRD time this	17	day of	September, 2019
ADOPTED this		day of	, 2019

John Vassilaki, Mayor

Angie Collison, Corporate Officer

Council Report

penticton.ca

Date: October 1, 2019
To: Donny van Dyk, Chief Administrative Officer
From: Nicole Capewell, Planner 1
Address: 701 Alexander Avenue

Subject: **Development Variance Permit PL2019-8565**
Development Permit PL2019-8593

File No: 2019 PRJ-112

Staff Recommendation

Development Variance Permit

THAT Council approve "Development Variance Permit PL2019-8565", for Lot 2 District Lot 2 Group 7 Similkameen Division Yale (Formerly Yale Lytton) District Plan 1913 Except B5522, located at 701 Alexander Avenue, a permit to increase the maximum building footprint of a carriage house from 90m² to 114 m², and to increase the height of a carriage house from 5.0m to 7.6m.;

AND THAT staff be directed to issue "Development Variance Permit PL2019-8565".

Development Permit

THAT Council, subject to issuance of "Development Variance Permit PL2019-8565", approve "Development Permit PL2019-8593" for 701 Alexander Avenue, a permit to allow for the construction of a carriage house.

Strategic priority objective

Community Design: The City of Penticton will attract, promote and support sustainable growth and development congruent with the community's vision for the future.

Background

The subject property (Figure 1 – Location Map) is zoned R2 (Small Lot Residential) and is designated within the City's Official Community Plan as 'Infill Residential'. 'Infill Residential' is described as transitional lower-height residential areas with new housing types compatible with existing single detached houses in character and scale but providing more units per lot. The subject property is approximately 756 m² (8,145 sq. ft.) in area and contains an older stock single family house and accessory building (garage). Photos of the site are included as Attachment 'C'.

This area of the City contains a variety of zoning types (single family, duplex, multi-family, parks), which results in a variety of housing types including single family dwellings, secondary suites, carriage houses, duplexes, apartment buildings, etc. (Attachment 'A'). This area of the City is also within walking distance of the downtown, Okanagan Lake, the South Okanagan Events Center, and many other desired amenities and services. This area is well serviced for alternative methods of transportation, with adequate sidewalk connections for pedestrians, as well as transit stops located nearby along Churchill Avenue.

The applicant(s) intend to demolish the existing structures (house and garage) on the property and reconstruct a new single family dwelling with a carriage house. A demolition permit has been issued for the property, and the applicant(s) are currently in the process of removing the existing structures. The applicant(s) have also recently applied for a Building Permit for the new single family dwelling on the property.



Figure 1 - Location Map

The subject property has street frontage onto both Alexander Avenue and Churchill Avenue.

This is considered a 'Double Fronting Lot', defined by the City's Zoning Bylaw as a "lot which abuts two (2) streets which are parallel or nearly parallel to the lot. This does not include a lot with a second frontage on a rear lane". The existing house on the property fronts onto Alexander Avenue, however, during the redevelopment of the property, it is the property owner(s) decision as to which street they decide to place their new single family dwelling. The Zoning Bylaw does not require the property owner(s) to continue to use Alexander Avenue as the front yard for their principal dwelling, even though the previous house fronted this side of the property. The property owner(s) have applied for a building permit for a new single family dwelling, which will front onto Churchill Avenue. As a result, the proposed carriage house would be located on the southern side of the property and front onto Alexander Avenue. The carriage house location is set back 6.0m from the south property line, which will be in line with other structures that front onto Alexander Avenue (Figure 2 – Alexander Avenue).



Figure 2 - Alexander Avenue

Because it is the intention of the property owners to match the scale of other houses in the area, the current design of the proposed carriage house does not meet all provisions of the Zoning Bylaw. As such, the applicant(s) are requesting two variances to allow for the construction of the carriage house. These variances include increases to both the height and building footprint of the carriage house.

Proposal

The applicant(s) are proposing to construct a two-storey carriage house with a building footprint of 114m². The carriage house will front onto Alexander Avenue at the south of the property. The applicant is requesting a Development Variance Permit to vary the following sections of Zoning Bylaw No. 2017-08:

1. Section 8.2.3.2: to increase the maximum building footprint of a carriage house in the R2 (Small Lot Residential) zone from 90m² or 15% lot area, not including the principal residence, whichever is less, to 114 m²; and
2. Section 8.2.3.3: to increase the maximum height of a carriage house in the R2 (Small Lot Residential) zone where no lane exists, from 5.0m and one floor to 7.6m and two floors.

The City's Official Community Plan (OCP) was adopted by Council on August 6, 2019. With the adoption of the OCP, came a new requirement for carriage houses to obtain Development Permit approval prior to construction. Development Permits review the form and character (architectural style, materials, etc.) of the buildings proposed. Subject to the Development Variance Permit being supported, the applicant(s) are also seeking approval for a Development Permit to allow construction for the proposed carriage house.

Financial implication

This application does not pose any financial implications to the City. Development costs are the responsibility of the applicant.

Technical Review

This application was reviewed by the City's Technical Planning Committee. Servicing and building code requirements have been identified to the applicant(s) and will be addressed as part of the building permit process. It is the property owner(s) responsibility to provide services and/or upgrade existing services as required. Staff have reviewed the heritage value of the subject property and confirmed that it is not listed on any heritage lists.

Development Statistics

The following tables outlines the proposed development statistics on the plans submitted with the variance application:

	Requirement Carriage House R1 Zone	Provided on Plans
Minimum Lot Area for Carriage House:	370 m ²	757 m ²
Maximum Building Footprint:	90 m ²	114 m ² – Variance Requested
Maximum Carriage House Floor Area (CHFA):	135 m ²	89.5 m ²
Maximum Lot Coverage:	40%	36%
Vehicle Parking:	3	3+
Required Setbacks		
Front Yard (Churchill Ave):	6.0 m	37.5m
Interior Side Yard (west):	1.5 m	1.7m
Interior Side Yard (east):	1.5m	1.7m
Rear Yard (south):	1.5 m	6.0m
Maximum Building Height	5.0 m and one floor	7.6m and two floors – Variance Requested

Analysis

Development Variance Permit

Approve Development Variance Permit

When considering a variance to a City bylaw, staff encourages Council to be mindful as to whether approval of the variance would cause a negative impact on neighbouring properties and if the variance request is reasonable.

The proposed variances and staff’s analysis on each are as follows:

1. *Section 8.2.3.2: to increase the maximum building footprint of a carriage house in the R2 (Small Lot Residential) zone from 90m² or 15% lot area, not including the principal residence, whichever is less, to 114 m².*

The applicant(s) are proposing to redevelop the property at 701 Alexander Avenue. This includes the construction of a new single family home, as well as a carriage house. The applicant(s) have created building

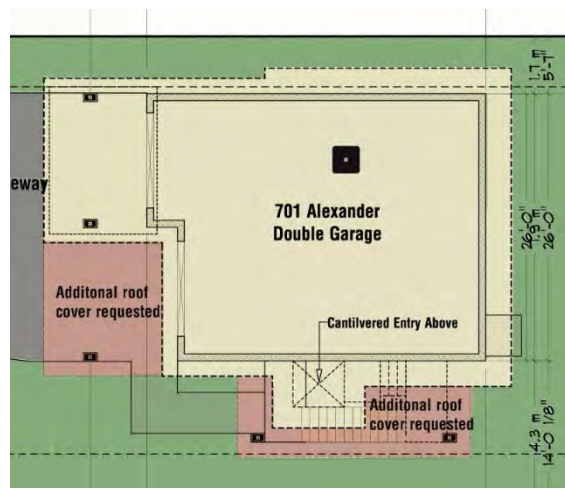


Figure 3 - Carriage House Building Footprint

designs for both the house and the carriage house, which are complementary of each other (Attachment 'F'). Both buildings feature a modern design with sloped, flat roofs which are south facing to accommodate photovoltaic solar panels and maximize solar gain. The proposed design also reflects many of the modern buildings that have been constructed in this area of the City recently (Attachment 'C').

As indicated within the applicant(s) letter of intent and illustrated in 'Figure 3 – Carriage House Building Footprint', the request for an increase in building footprint is to accommodate roof overhangs, not an increase in livable floor space. The total living space of the carriage house is 964 sq. ft. (max allowable is 1453 sq. ft.), which is only the second floor of the proposed building. The main level will be garage space.

The building has been designed with the stairs to access the suite on the exterior of the building, and includes a roof cover over the stairs, which is included in the calculation of building footprint. The applicant has identified the large roof overhang as a desired feature to ensure increased safety for occupants and visitors of the suite, as the roof overhang will protect the stairway from weather elements such as rain and snow. Additionally, the stairs are designed in a 'U-shape', with a landing in the middle to reduce the distance if someone were to trip or fall. This 'U-shape' also results in wider stairs, needing a larger roof overhang.

The second area of roof overhang, which is included in the calculation of building footprint, is along the front of the carriage house, facing Alexander Avenue. This roof extension may help to shade the southern sun to limit over heating of the deck and living spaces. This roof extension also allows for one continuous roofline, which assists in achieving the modern roofline design of the proposed building. As previously mentioned, the roofline is also consistent with the new single family home design.

Staff consider that the two identified areas of roof overhang, which put the building footprint over the maximum allowable size, are as result of a design that places a priority on safety, function and desired architectural design. Staff consider the request reasonable and recommend Council approval.

2. *Section 8.2.3.3: to increase the maximum height of a carriage house in the R2 (Small Lot Residential) zone where no lane exists, from 5.0m and one floor to 7.6m and two floors.*

The applicant(s) are also requesting a variance to the maximum height of the carriage house from 5.0m and one floor, to 7.6m and two floors. The Zoning Bylaw restricts the height of carriage houses on properties that do not have a lane to be 5.0m and one floor. This height restriction was brought in during an amendment to the carriage house regulations in the fall of 2018, for the purposes of limiting the impact of carriage houses on the backyard privacy of neighbours.

The Zoning Bylaw allows for two-storey carriage houses only on properties that have lanes, given that laneways serve as a buffer between properties. Although the subject property does not have a lane, the property is a double fronting lot (the lot has street access on both sides of the property). Staff consider that a two-storey carriage house on a double fronting lot would have a lesser impact on neighbours backyard privacy than those with a lane, as the width of Alexander Avenue is much wider than that of a lane.

Given that the property is a double fronting lot with street frontage on both sides, it is desirable for there to be a carriage house fronting onto Alexander Ave to maintain the residential character of the area. An accessory building (garage) would be permitted in the proposed carriage house location, but would not contribute the same value to the street as a carriage house does. The proposed carriage house will have amenity space on a deck area that will overlook towards Alexander Avenue and create a connection between the public realm and the suite area of the carriage house. Staff consider it is more desirable to have a carriage house at this location than an accessory building (i.e. garage, storage area).

The desired height variance of 7.6m is due to the desire of having a sloped, flat roof (See Figure 4 – Diagram of Proposed Height Variance). Sloped, flat roofs are a popular design feature of many modern builds within the City and in the Alexander/Churchill neighbourhoods. The City’s Zoning Bylaw measures building height on these types of roofs to the topmost part of the roof (as shown in Figure 4).

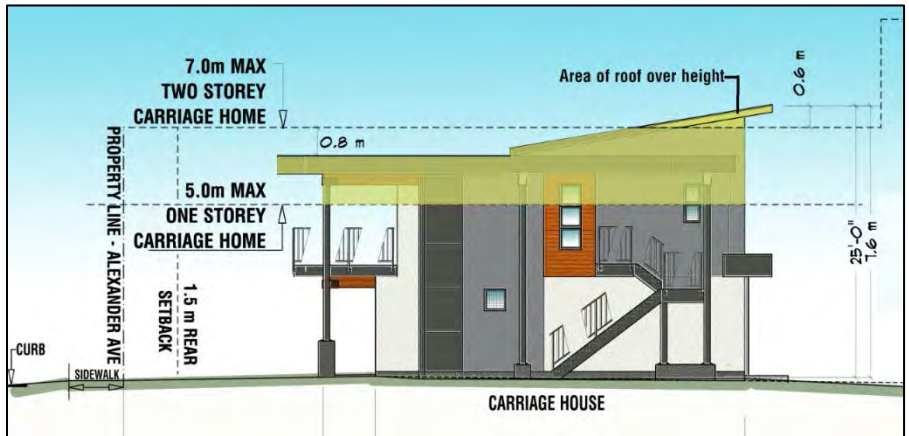


Figure 4 - Diagram of Proposed Height Variance

The applicant(s) have identified that the roof is strategically sloped to maximize solar gain, as it is facing towards the south. The sloped roof also matches the roof design of the single family home (as shown in Attachment ‘F’), which is supported through the Official Community Plan Intensive Residential Guidelines (Guideline IR4) to have roof pitch be the same as the predominant roof pitch of the primary structure.

Given that that the requested height variance is to accommodate a roof design that is promoting energy efficiency, and results in a modern, desirable and interesting design that is compatible with the proposed principal dwelling on the property, staff consider this request reasonable.

In conclusion, the applicant(s) have submitted a carriage house design that demonstrates a successful infill project with high architectural integrity, and reflects an individual property owner(s) desire to create a more sustainable building. Staff consider that the proposal meets several OCP policies, including focusing new development within existing neighbourhoods, increasing housing options, working to create attractive, high quality and energy efficient designs, and supporting projects that incorporate solar production.

Lastly, the applicant(s) have provided a letter of support from one of the neighbours within close proximity of the subject property. The neighbour lives directly across Alexander Avenue from the proposed carriage house and would look directly at the proposed building. This letter has been attached for Council’s consideration (Attachment ‘G’).

Given the above, staff consider the requested variances are reasonable and supported through OCP Policy. Staff recommend that Council support the variance application and direct staff to issue the Development Variance Permit.

Deny Development Variance Permit

Council may consider that the proposed carriage house should be designed to fit within the regulations of the Zoning Bylaw. If this is the case, Council should refer the permit back to staff to work with the applicant as directed by Council.

Should Council choose to deny support for the proposed variances, the applicant(s) may choose to construct a single storey garage at the southern end of their property instead of the proposed carriage house. A single storey garage would be a permitted use within the R2 (Small Lot Residential) zone, and would only require Building Permit approval. There would not be a requirement to have a Development Permit.

Development Permit

Support Development Permit

The City of Penticton Official Community Plan (OCP) Bylaw No. 2019-08 was adopted by Council on August 6, 2019. With the adoption of the OCP, came a new requirement for carriage houses to obtain Development Permit approval prior to construction. The Development Permit for the proposed carriage house at 701 Alexander Avenue has been included for Council's consideration.

Carriage Houses are considered within the Intensive Residential Development Permit Area, which is established to manage form and character that strengthens livability, neighborliness, and visual interest. Staff have completed an in-depth analysis of how the proposed carriage house conforms to the Development Permit Guidelines. As shown within the analysis, there is a strong alignment between the plans and the intent of the Intensive Residential Development Permit Area. The development permit analysis has been attached as Attachment 'D'.

In addition to the design guidelines, the City's OCP provides the following policies which support the proposed development:

- Policy 4.1.1.1 Focus new residential development in or adjacent to existing developed areas.
- Policy 4.1.3.1 Encourage more intensive "infill" residential development in areas close to the Downtown, to employment, services and shopping, through zoning amendments for housing types compatible with existing neighbourhood character, with form and character guided by Development Permit Area Guidelines.
- Policy 4.1.3.2 Increase housing options in low-density single family areas through development of secondary suites and carriage houses, and ensure carriage houses are sensitively integrated and designed according to the Intensive Residential Development Permit Area Guidelines.
- Policy 4.1.4.1 Work with the development community – architects, designers and builders – to create new residential developments that are attractive, high-quality, energy efficient, appropriately scaled and respectful of their context.
- Policy 4.4.4.5 Explore and support initiatives to produce renewable energy, such as photovoltaic/solar (solar gardens, large and small-scale installations), heat exchange, geothermal, and district energy systems.

The proposed development demonstrates strong conformance with the Intensive Residential Development Permit Area Guidelines. The proposed development is also strongly supported through OCP Policy. As such, staff recommend that Council approve the Development Permit.

Deny/Refer Development Permit

Council may consider that the applicant(s) can change the design to more accurately reflect the development permit area guidelines. If this is the case, Council should refer the permit back to staff to work with the applicant(s) as directed by Council.

Alternate recommendations

THAT Council deny "Development Variance Permit PL2019-8565" and "Development Permit PL2019-8593".

Attachments

- Attachment A – Zoning Map of Subject Property
- Attachment B – Official Community Plan Map of Subject Property
- Attachment C – Images of Subject Property
- Attachment D – Development Permit Analysis
- Attachment E – Letter of Intent
- Attachment F – Proposed Site Plan
- Attachment G – Letter of Support from Neighbour
- Attachment H – Draft Development Variance Permit (DVP)
- Attachment I – Draft Development Permit (DP)

Respectfully submitted,

Nicole Capewell
Planner 1

Concurrence

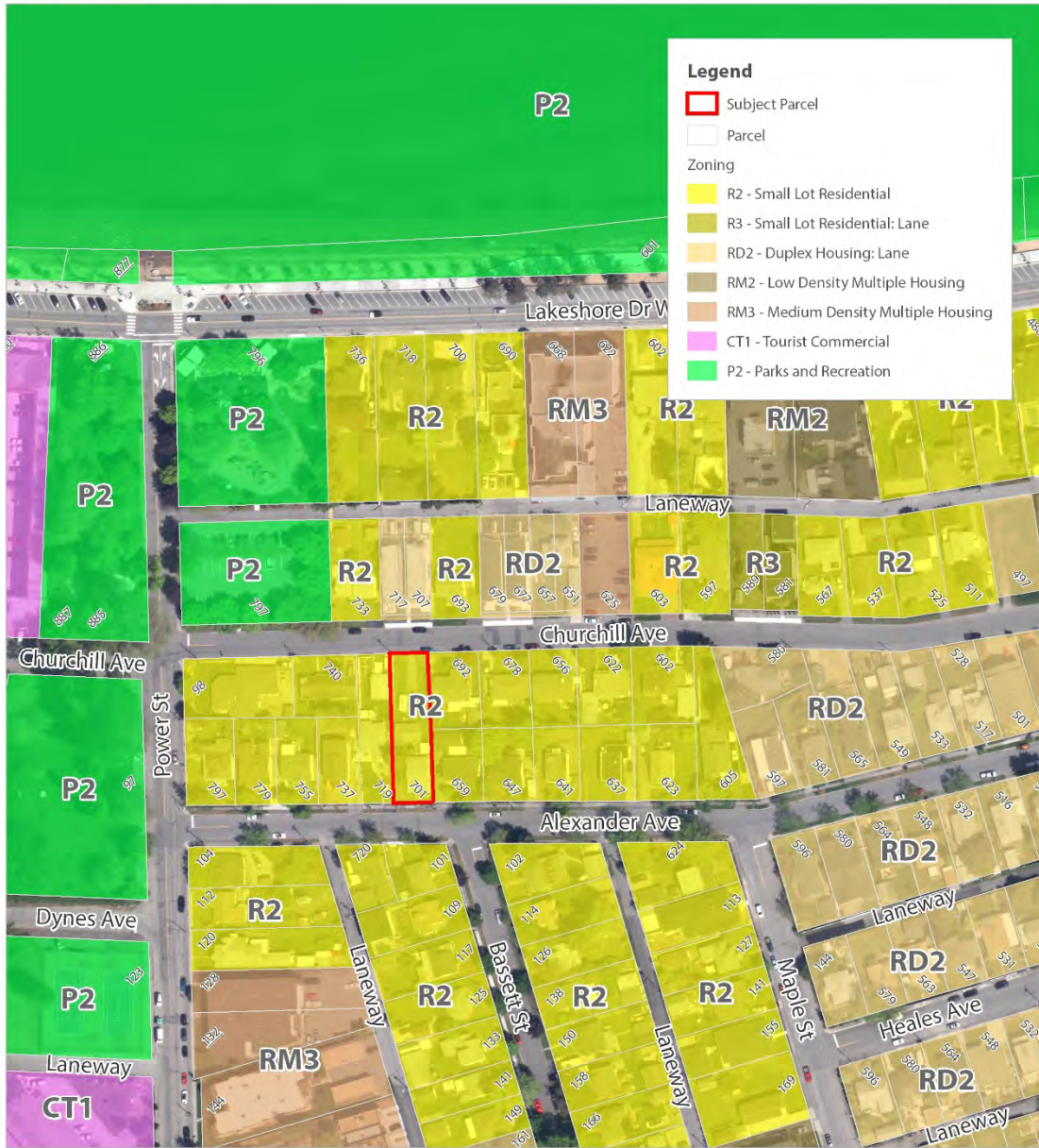
Acting DS Director <i>KK</i>	Chief Administrative Officer DyD
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Attachment A – Zoning Map of Subject Property

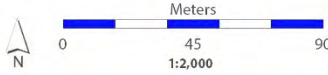


701 Alexander Avenue

Zoning Map



Terms of Use: The City of Penticton is a depository of public information in both printed and digital form. The source, accuracy and completeness of this information varies. As a result, the City does not warrant in any way the mapping information including the accuracy or suitability thereof. The user of this information does so at their own risk and should not rely upon the information without independent verification as to the accuracy or suitability thereof.



Friday, September 6, 2019
2:02:50 PM



penticton.ca

Attachment B – Official Community Plan Map of Subject Property



Attachment C – Images of Subject Property



Figure 5 - Looking south towards subject property fronting onto Churchill Avenue



Figure 6 - Looking north towards subject property from Alexander Avenue (location of proposed carriage house)

Attachment D – Development Permit Analysis

Development Permit Analysis

The proposed carriage house is located within the Intensive Residential Development Permit Area. The following analysis demonstrates how the proposal is aligned with this development permit area.

Guideline IR1 Building Siting: front and rear yard setbacks should relate to those of existing neighbouring buildings.

- The proposed carriage house location is 6.0m from the southern property line, which will place the new building at a similar setback to existing neighborhood buildings (See Figure 3 – Alexander Avenue).

Guideline IR2 Intensive residential (infill) development should offer a diversity of housing to support objectives related to affordability and ageing in place.

- The development of carriage houses within low-density single family areas are supported as a method of increasing housing diversity (OCP Policy 4.1.3.2). This proposal will introduce a carriage house within a desirable area of the City, which is within walking distance of the downtown, Okanagan Lake, Lakawanna Park, the South Okanagan Events Center, and other desired amenities and services.

Guideline IR4 Scale: accessory buildings (garages, storage sheds, covered patios/decks, greenhouses) and accessory dwelling units (carriage houses) shall be modest in scale.

- The proposed floor area of the carriage house will not exceed 60% of the principal building.
- As indicated in Attachment 'F' of staff's report, the proposed height of the carriage house will not exceed the height of the principal building.
- The proposed design of the carriage house attempts to follow modern designs of other buildings occurring within this area of the city.
- The exterior trim and finish of the carriage house has been designed to visually match the principal building.
- The roof pitch of the proposed carriage house has been designed to follow the pitch designed for the principal building. However, this is resulting in a requested variance, as the sloped, flat roof results in an increase in building height on the carriage house.




Guideline IR7 Upper floor balconies must overlook the lane (or street if on a corner lot). Ground floor outdoor spaces may open into the site's shared yard space.

- The proposed carriage house includes a balcony on the southern side of the carriage house, which looks directly to the street.

Guideline IR8 Parking: one additional off-street parking space shall be provided per carriage house.

- The proposed design includes parking for the carriage house on the main floor of the building within the garage area. This will allow for 2 parking spaces within the garage, and an additional 2 spaces in front of the garage doors off of Alexander Avenue. The property will also have parking off of Churchill Avenue for the principal residence.

Attachment E – Letter of Intent

 IRONWOOD RESIDENTIAL DESIGN	Physical Address: 203-69 Nanaimo Ave E., Pentiction	Project #	018-18
		Date	Sept 7/19
PO BOX 22024 Pentiction, B.C. V2A 8L1 250-276-6440 GST # 85363 8997 RT0001			
Rationale for Variance and Development Permit - 701 Alexander Avenue Carriage House			
<p>This outline provides the supporting rationale for the attached development variance permit application. I am requesting two variances; one to exceed allowable carriage house footprint area and the other to allow a 7.6m, two level carriage house accessing a street.</p> <p><u>Design Background</u></p> <p>As shown on the attached site plan, a single family home and carriage home are proposed to be constructed on the property which fronts two streets; Alexander Ave and Churchill Ave. Currently a small, older home fronts Alexander with driveway access off Churchill. (image on left is current home facing Alexander & right image is driveway access from behind on Churchill)</p>			
			
<p>My clients purchased this large property with the intention of building a unique, smaller scale, contemporary home on Churchill with a detached garage at the rear (Alexander) in order to create a private "courtyard" between the two buildings. (both of which are allowed under the current zoning) The home will be of extremely energy efficient construction to exceed current energy code standards. In addition, large areas of photovoltaic solar panels are being included to further offset energy consumption. South facing, sloped roofs have been chosen to maximize solar gain which is a large factor in locating the home on Churchill Ave. (image below shows both buildings with south facing roofs - Alexander on left and Churchill right)</p>			
			
PG 1 OF 2			

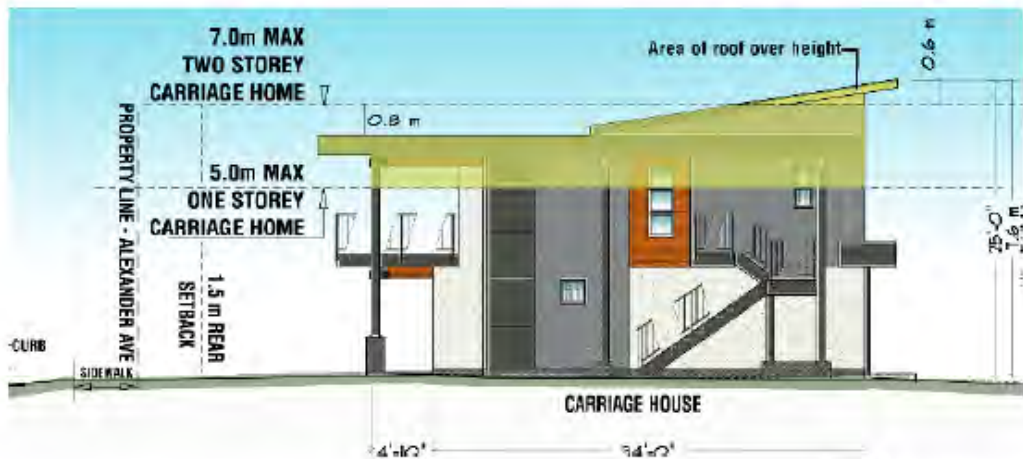
Rationale for Variance and Development Permit - 701 Alexander Avenue Carriage House

In addition, hydro pole tension wires located on the Alexander boulevard were not desirable to have in front of the principal residence. We have since had them moved about half way across the boulevard to allow better driveway access for the carriage home / garage.

Early in the design process we realized that a stand alone, detached garage would not suit the street; is not as welcoming as a home and would be a much smaller scale. Basically, it would be odd to have a one level garage all by itself amongst all the homes facing Alexander. We had the chance to enhance the streetscape, so the decision was made to include a suite above the garage (create a carriage home). My clients have a large family who will enjoy using it during visits and alternatively it can be occupied by a long term tenant. They have run several B and B's over the years and have absolutely zero desire to operate this as a short term rental. They are now retired and want to spend their time outdoors; not managing a property.

Request for Height Variance (from 5.0m one storey to 7.6m two storey)

Once the design was complete, I arranged a pre-application meeting with planning who informed me that while they support the idea of the carriage home, under current zoning the building may not exceed one storey. Zoning bylaw states "where a carriage home accesses a lane, the maximum height is 7.0m and two floors and where no lane exists, maximum height is 5.0m and one floor. Because the definition does not clearly mention "street access" I am limited to one storey. My interpretation of the bylaw intent is that a property with no rear yard vehicle access should not be able to build a two storey home in their back yard. If there is vehicle access then it makes sense to allow a garage underneath and a suite above. I believe I have designed a two storey carriage home that meets the bylaw intent. Planning supports my interpretation of zoning intent but I still must apply to exceed the allowable height of 5.0m. In addition, I have incorporated a small area of sloped roof on the rear of the carriage home which exceeds the two storey 7.0m height by 0.6m. This area of roof serves two purposes; one to the other to allow for solar panels and the other to match the design style of the principal residence. Quite simply, I feel the style of both buildings should closely match; I have created a very distinct home and very much want to ensure the two roofs have a similar feel. For these reasons I ask that you please consider supporting my two level design being 0.6m (24") over height. If the variance were not supported, we would revert back to a conforming one level, double garage.



Project # 018-18

PG 2 of 4

Rationale for Variance and Development Permit - 701 Alexander Avenue Carriage House

Request to increase "footprint" area (from 968 sq.ft. / 90 sq.m. to 1227 sq.ft. / 114 sq.m.)

The maximum allowable carriage house "footprint" area in urban zones is 968 sq.ft incl. decks over 0.6m above grade. My building floor area as shown is 964 sq.ft including covered deck. I would like to add two extended roof overhangs which increase the allowable footprint by 259 sq.ft.

I don't believe I am deviating from the intent of the bylaw by increasing the building overhangs, but simply adding to the style and more importantly, the safety of the occupants. This is not an increase in living area, only footprint area. I could simply pull the roofs back and no variance would be required. I am proposing a roof extend out to cover the entire the exterior stair leading to the upper level. Most importantly this roof adds a factor of safety to the people using the space while travelling up and down the stair in wet or snowy weather. I had the option to tuck a straight run of stairs tight to the building and pull the roof in closer, but I believe that a "U" shaped stair with a landing is far safer (see image below). If someone were to accidentally take a tumble coming down, they don't have as far to fall. Secondly, the roof certainly adds to the architectural style of the building. The open stair can still function without this roof but gives it more style and safety than a typical 24" overhang. This roof area is 126 sq.ft. (11.7 sq.m)

The other roof across the front of the building (above the right side garage door) is not a *required* roof but a *desired* roof. The extension of this roof across the face of the building provides extra shade for the deck, prevents south sun overheating living spaces and ensures one consistent roof plane across the street facing facade. I am allowed the roof over the deck but would love to extend it across the entire facade. I strongly feel it makes the building less "busy" and more consistent. This roof area is 138 sq.ft. (12.8 sq.m)



Again, I request that you please consider my reasoning and support the footprint variance as described.

Below is a list of design criteria considered during the development permit process for carriage homes. I have listed all criteria which we meet and just one we have not below:

- *accessory dwellings not be more than 60% of the floor area of principal residence = yes
- *height of accessory dwellings must not exceed height of principal building = yes
- *accessory buildings should follow considerations for site and neighbourhood fit = yes
- *accessory buildings that face the lane or street should address them in a positive way = yes
- *exterior finish and trim should match the primary structure = yes
- * roof pitch should be the same as the predominant pitch of the primary structure = yes
- *carriage houses should only be built on sites serviced by lanes or large lots or large lots where impact on neighbours is negligible = yes
- *upper floor balconies must overlook a lane or street = yes
- *limit upper level side yard windows to increase privacy and reduce overlook into neighbouring properties = yes
- *on two storey carriage homes, the second level must not exceed 60% of the lower level footprint area = no

Rationale for Variance and Development Permit - 701 Alexander Avenue Carriage House

Below is another view from the west property line of home and carriage home in relation to each other on the lot.



Recently constructed home directly across the street at 720 Alexander (left) and proposed location of carriage home on right (white home to be removed)



Homes shown below are directly across from proposed principal residence facing Churchill. (left are on west side and right are on east)

I don't believe our proposed building designs are out of character with the emerging design trend in the area.



Your consideration and support of these variances is greatly appreciated.

Sincerely,

Dave Sutton
Building Designer

018-18

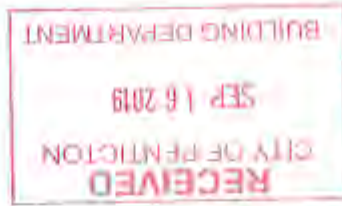
PG 4 OF 4

Attachment F – Proposed Site Plan



Attachment G – Letter of Support from Neighbour

Sept 5, 2019



To whom it may concern:

I am writing in support of the proposed variances to allow a two storey carriage home at 701 Alexander Avenue. I have no opposition to the increased roof cover and feel the style of the two storey structure is well suited to the street.

My home faces this property almost directly and I will be in view of the building for many years to come. I feel the matching style of both the home & carriage home are extremely creative and of a suitable scale for both Churchill and Alexander.

The new structure will be a welcome addition to my street and has my full support.

Sincerely,

A handwritten signature in blue ink that appears to read "Mike Barrett".

Mike Barrett

720 Alexander Ave
Penticton

Attachment H – Draft Development Variance Permit (DVP)



City of Penticton
171 Main St. | Penticton B.C. | V2A 5A9
www.penticton.ca | ask@penticton.ca

Development Variance Permit

Permit Number: DVP PL2019-8565

Owner Name
Owner Address

Conditions of Permit

1. This permit is issued subject to compliance with all of the bylaws of the City, except as specifically varied or supplemented by this Permit.
2. This permit applies to:
Legal: Lot 2 District Lot 2 Group 7 Similkameen Division Yale (Formerly Yale Lytton) District Plan 1913 Except Plan B5522
Civic: 701 Alexander Avenue
PID: 011-075-465
3. This permit has been issued in accordance with Section 498 of the *Local Government Act* to vary the following sections of Zoning Bylaw 2017-08 to allow for the construction of a carriage house:
 1. Section 8.2.3.2: to increase the maximum building footprint of a carriage house in the R2 (Small Lot Residential) zone from 90m² or 15% lot area, not including the principal residence, whichever is less, to 155.4 m²; and
 2. Section 8.2.3.3: to increase the maximum height of a carriage house in the R2 (Small Lot Residential) zone where no lane exists, from 5.0m and one floor to 7.6m and two floors.

General Conditions

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

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

Authorized by City Council, the ____ day of _____, 2019.

Issued this ____ day of _____, 2019.

Angela Collison,
Corporate Officer

Attachment I – Draft Development Permit (DP)



City of Penticton
171 Main St. | Penticton B.C. | V2A 5A9
www.penticton.ca | ask@penticton.ca

Development Permit

Permit Number: DP PL2019-_____

Owner Name
Owner Address

Conditions of Permit

1. This permit is issued subject to compliance with all of the bylaws of the City, except as specifically varied or supplemented by this Permit.
2. This permit applies to:
Legal: Lot 2 District Lot 2 Group 7 Similkameen Division Yale (Formerly Yale Lytton) District
Plan 1913 Except Plan B5522
Civic: 701 Alexander Avenue
PID: 011-075-465
3. This permit has been issued in accordance with Section 489 of the *Local Government Act* to permit the construction of a carriage house as shown in the plans attached in Schedule 'A'.

General Conditions

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

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

Authorized by City Council, the ____ day of _____, 2019.

Issued this ____ day of _____, 2019.

Angela Collison,
Corporate Officer

Council Report



Date: October 1, 2019
To: Donny van Dyk, Chief Administrative Officer
From: Audrey Tanguay, Senior Planner
Address: 1264 Ridgedale Avenue
Subject: **Development Variance Permit PL2019-8574**

File No: DVP PL2019-8574

Staff Recommendation

THAT Council approve "Development Variance Permit PL2019-8574", for Lot A, District Lot 2710 Similkameen Division Yale District Plan 34111, located at 1264 Ridgedale Avenue, a permit to reduce the minimum lot width from 16m to 15.2m to allow for subdivision;

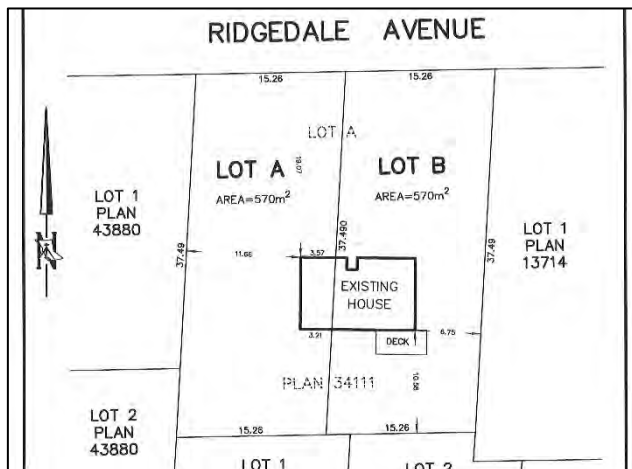
AND THAT staff be directed to issue "Development Variance Permit PL2019-8574."

Strategic priority objective

Community Design: The City of Penticton will attract, promote and support sustainable growth and development congruent with the community's vision for the future.

Background

The subject property is zoned R1 (Large Lot Residential) and is designated in the City's Official Community Plan 2019-08 as Detached Residential. Currently, the site contains an older single family dwelling. Photos of the site are included as Attachment 'D'. The site extends to 1141m² (0.28 acres).



The intention of the applicant is to demolish the existing house, subdivide the property into two lots, and construct a single family dwelling on each lot. The R1 zone however requires both lots to be a minimum of 16m in width and 560m² in area. The lots will be over the 560m² minimum lot area, but will be 0.8m short on the width. To facilitate the subdivision the applicants are requesting a variance to the minimum width provision of the zoning bylaw.

Figure 1 – Proposed Subdivision

Proposal

The applicant is requesting a Development Variance Permit to vary the following section of Zoning Bylaw 2017-08:

- **Section 10.1.2.1: To vary the minimum lot width from 16m to 15.2m**

Financial Implication

This application does not pose any significant financial implications to the City. Development costs are the responsibility of the developer.

Analysis

Support Variance

When considering a variance to a City bylaw, staff encourages Council to be mindful as to whether approval of the variance would cause a negative impact on neighbouring properties and if the variance request is reasonable.

Section 10.1.2.1: To vary the minimum lot width from 16m to 15.2m

The applicant is requesting a minimum lot width reduction to facilitate the creation of two buildable large single family lots. No other variances are required in order to proceed with the subdivision. The approval of the subject variance is the first step in the development process to create an additional residential lot in this area. A couple of similar subdivisions have occurred on Duncan Avenue allowing additional single family dwellings to be built. The reduction in lot width is very minimal and will not have a negative impact on the existing neighbourhood. The OCP encourages new residential development in or adjacent to existing developed areas where compatible, which is the case here. The OCP encourages subdivision of larger lots in established neighborhoods where access and services are adequate. The current proposal will convert a large lot into 2 lots in a desirable location.

Given the above, staff consider that the variance requested is reasonable and recommend that Council, after hearing from any other affected neighbours, support the application.

Deny/Refer Variance

Council may consider that the variance application is premature and more information is required to support the subdivision. If that is the case, Council should deny the application.

Alternate Recommendations

THAT Council deny "Development Variance Permit PL2019-8574" for 1264 Ridgedale Avenue.

Attachments

- Attachment A: Subject Property Location Map
- Attachment B: Zoning Map
- Attachment C: OCP Map
- Attachment D: Photos of Subject Property
- Attachment E: Subdivision Plan
- Attachment F: Letter of Intent
- Attachment G: Development Variance Permit PL2019-8574

Respectfully submitted,

Audrey Tanguay

Senior Planner

Concurrence

Acting DS Director <i>KK</i>	Chief Administrative Officer DyD
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Attachment A – Subject Property Location Map

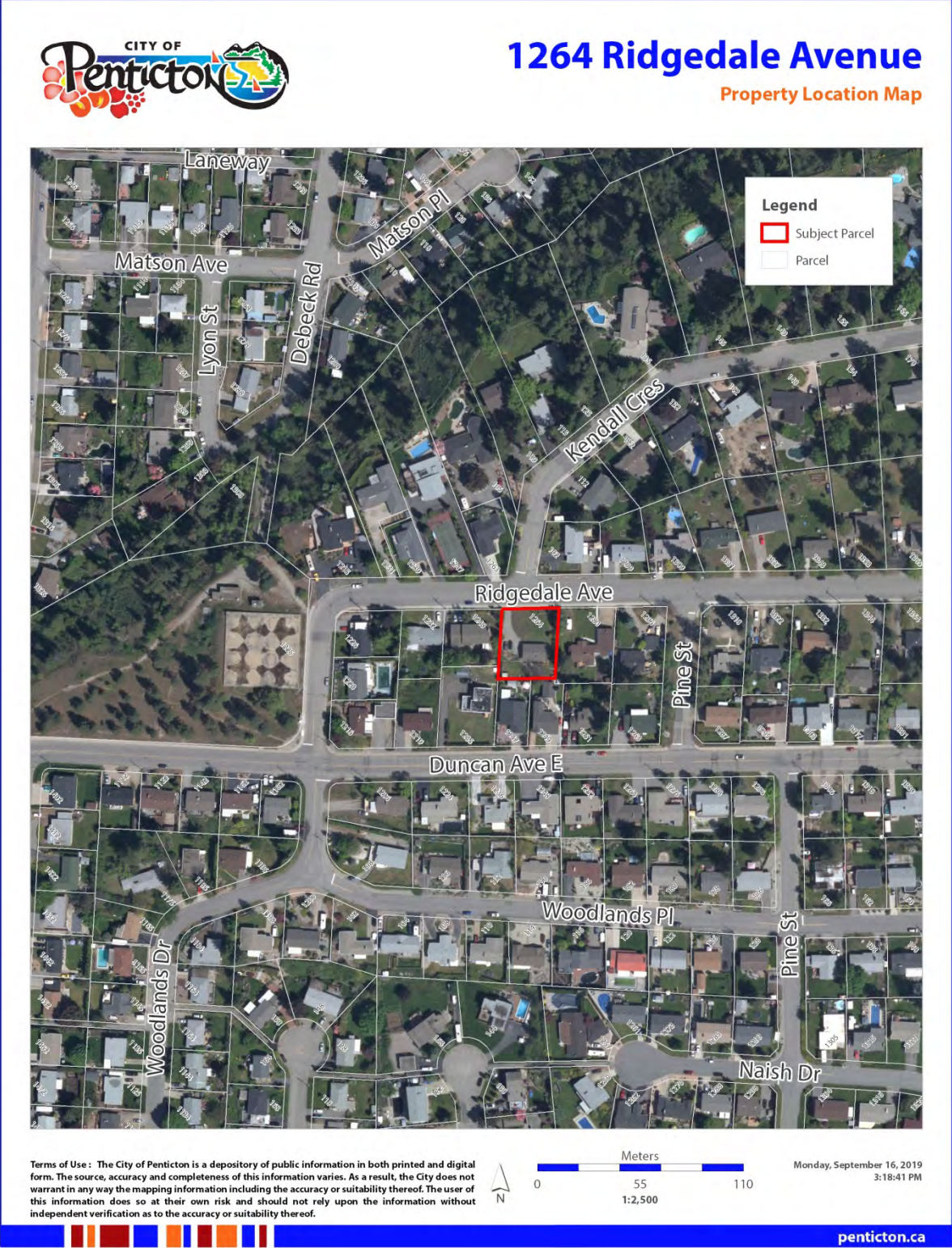


Figure 2: Location Map

Attachment B – Zoning Map of Subject Property

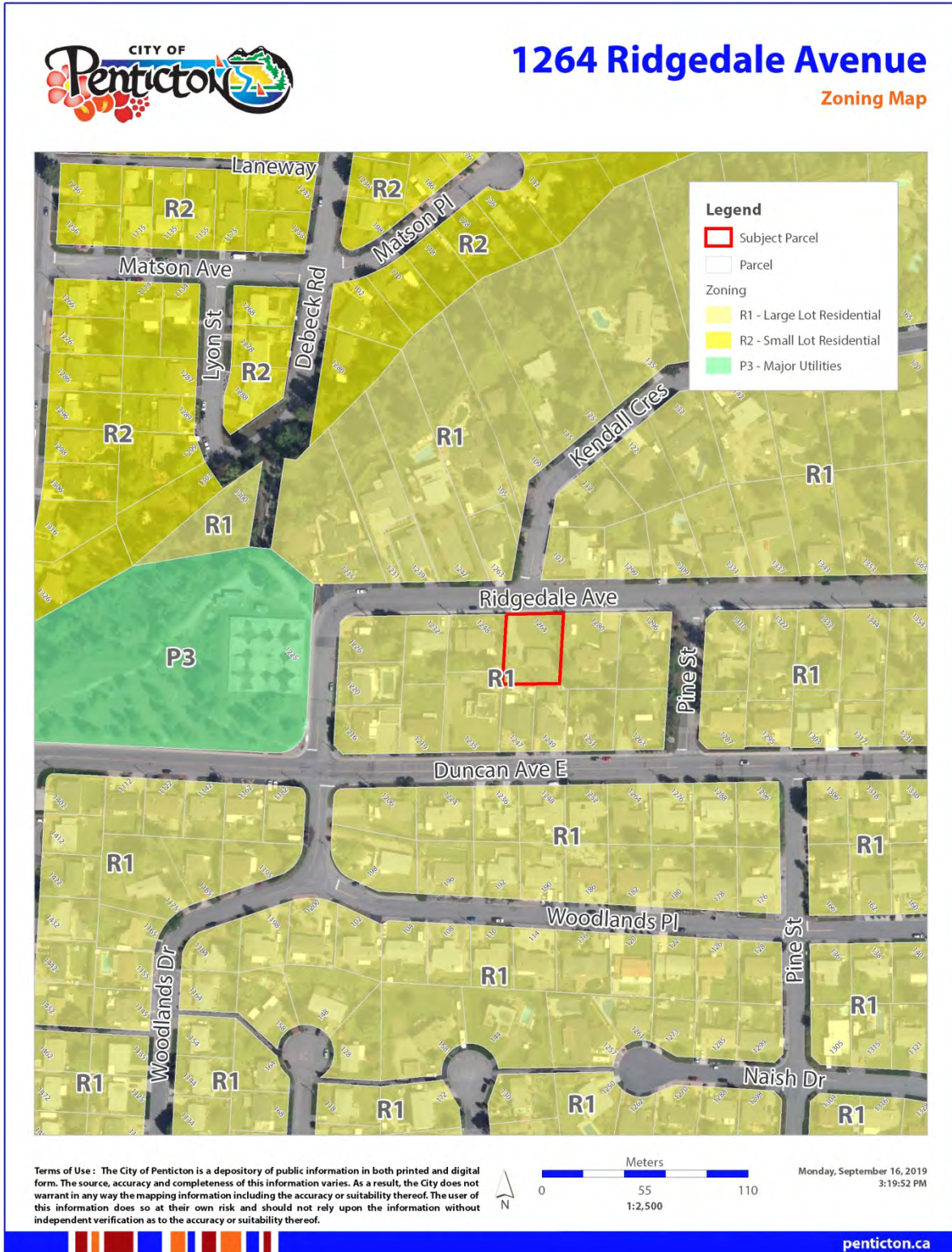


Figure 3: Zoning Map

Attachment C – Official Community Plan Map of Subject Property

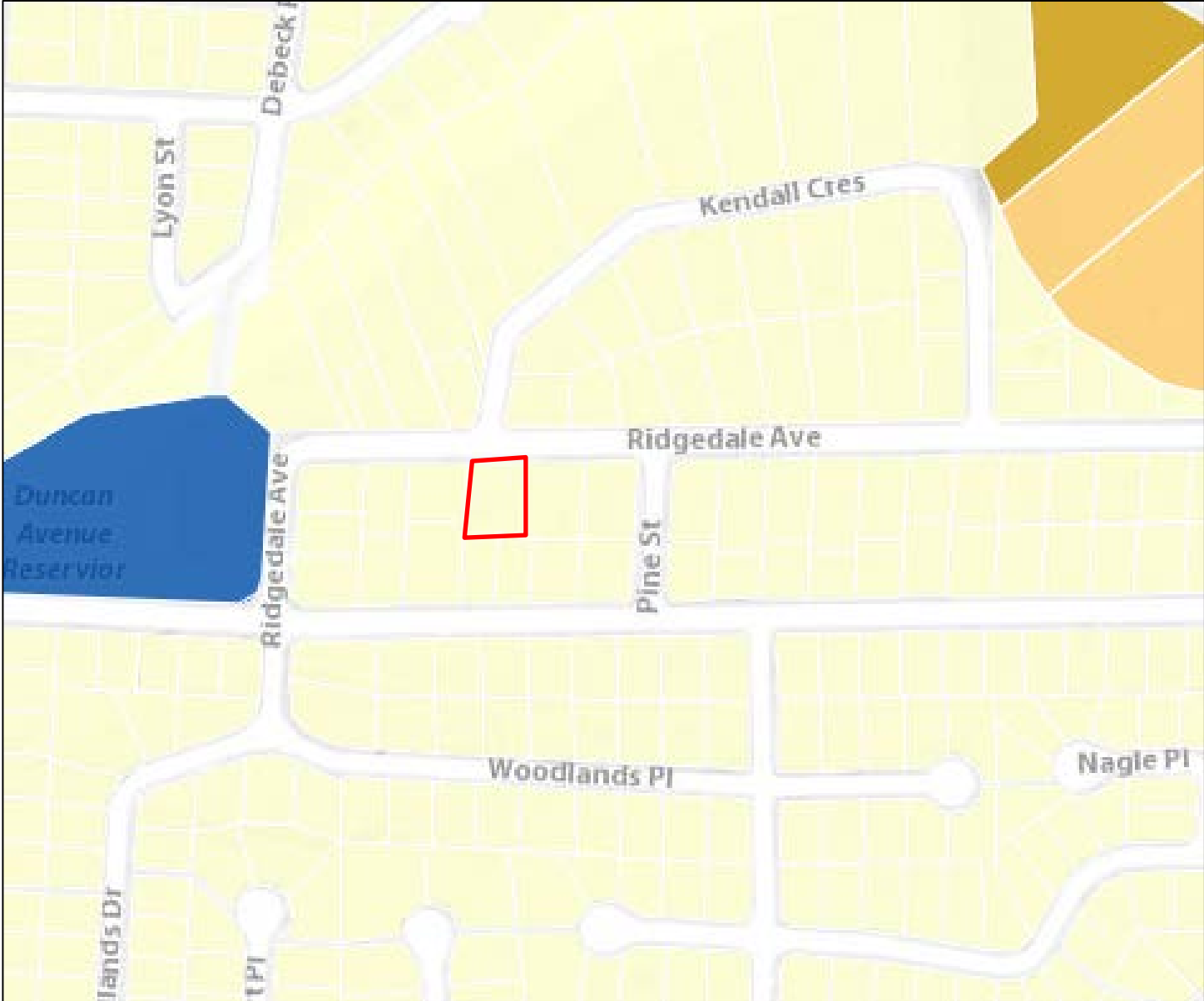


Figure 4: OCPMap

Attachment D: Photos of Subject Property



Figure 5: View on Ridgedale Avenue



Figure 6: View on Ridgedale Avenue

Attachment E: Subdivision Plan

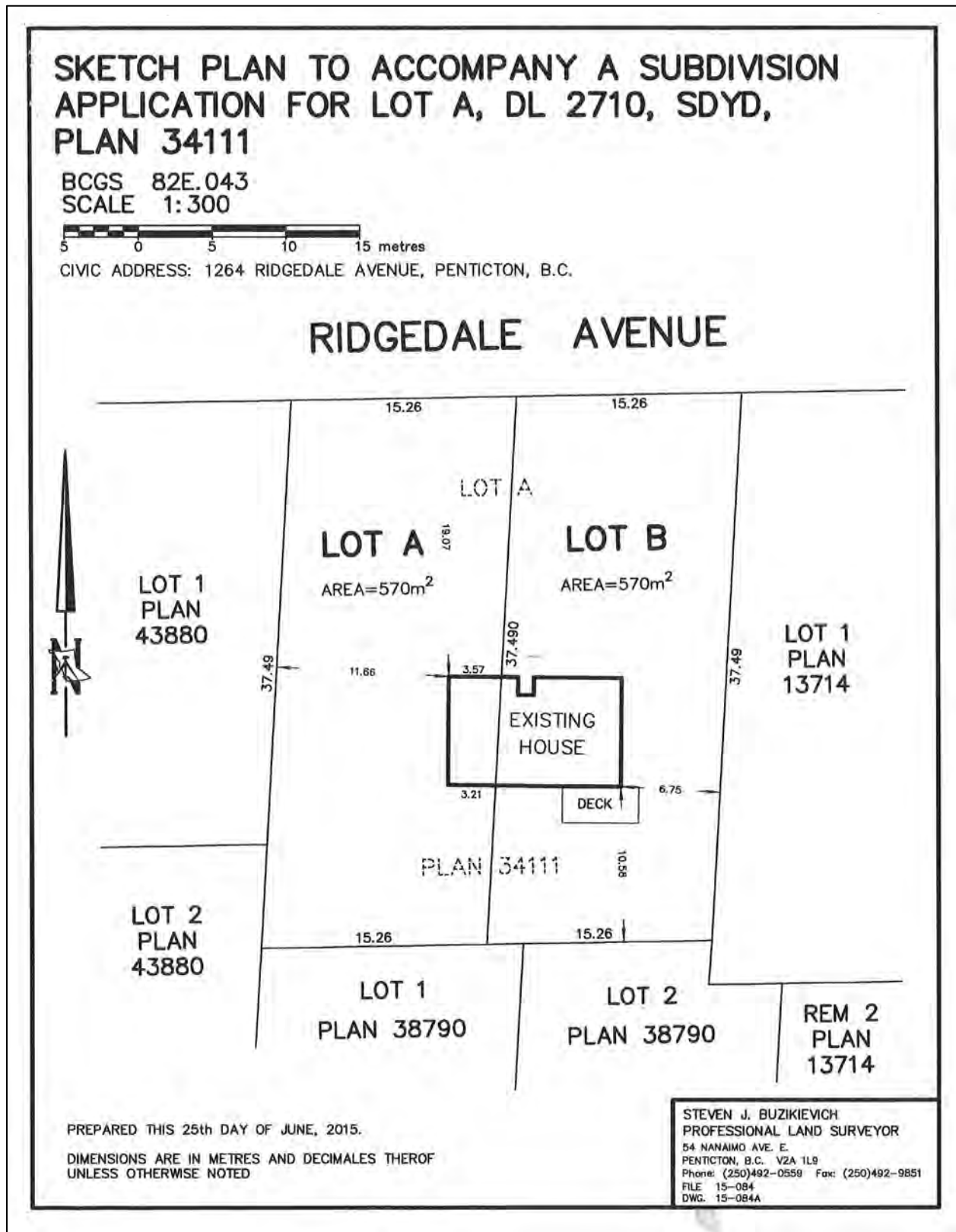


Figure 7: Proposed Subdivision

Attachment F: Letter of Intent

Pauline Trenouth
588 Truro St,
Penticton, BC
V2A 6W4

August 2, 2019

Planning Department-Development Services Division
City of Penticton
171 Main St. Penticton BC,
V2A 5A9

Dear Planning Department-Development Services Division

Please accept this letter as an application for a minor variance. I am seeking to subdivide 1264 Ridgedale Avenue, Penticton. Therefore, I would require a minor variance as the infill lots would be approximately 740mm short of the minimum standard lot width of 16m. However, at 572m, the infill lots would exceed the minimum lot area by 12m² variance from 16m to 15m

While considering this application, please let it be understood that the intention is to create a new infill lot and to build structures sympathetic to the surrounding neighborhood and environment. Trees and buffers between the adjacent properties would be maintained. Landscaping would increase the visual appeal of the streetscape while having the additional benefit of reducing the water footprint.

I am looking forward to your response.

Sincerely,



Pauline Trenouth

Attachment G: Development Variance Permit PL2019-8574



City of Penticton
171 Main St. | Penticton B.C. | V2A 5A9
www.penticton.ca | ask@penticton.ca

Development Variance Permit

Permit Number: DVP PL2019-8574

Conditions of Permit

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

Legal: Lot A, District Lot 2710 Similkameen Division Yale District Plan 34111
Civic: 1264 Ridgedale
PID: 001-457-632
3. This permit has been issued in accordance with Section 498 of the *Local Government Act*, to vary the following section of Zoning Bylaw 2017-08 to allow for subdivision
 - **Section 10.1.2.1: To vary the minimum lot width from 16m to 15.2m**

General Conditions

4. In accordance with Section 501 of the *Local Government Act*, the lands subject to this permit shall be developed in general accordance with this permit and the plans attached as Schedule A.
5. In accordance with Section 504 of the *Local Government Act*, if the holder of this permit does not commence the development authorized by this permit within 2 years of the date of this permit, this permit shall lapse.
6. **This permit is not a building permit. In order to proceed with this development, the holder of this permit must hold a valid building permit issued by the Building Inspection Department.**
7. This permit does not constitute any other municipal, provincial or federal approval. The holder of this permit is responsible to obtain any additional municipal, federal, or provincial approvals prior to commencing the development authorized by this permit.
8. This permit does not include off-site infrastructure costs that may be required at the building permit stage, such as Development Cost Charges (DCC's), road improvements and electrical servicing. There may be substantial infrastructure and servicing costs payable at a later date. For more information on servicing and infrastructure requirements please contact the Development Engineering Department at (250) 490-2501. For more information on electrical servicing costs, please contact the Electric Utility at (250) 490-2535.

Authorized by City Council, the day of, 2019.

Issued this ___ day of _____, 2019

Angie Collison,
Corporate Officer

DVP PL2019-8574

Page 2 of 2

Council Report

penticton.ca

Date: October 1, 2019
To: Donny van Dyk, Chief Administrative Officer
From: Blake Laven, Planning Manager
Address: 157 Abbott Street

File No: RMS/Address

Subject: Development Variance Permit PL2019-8577

Staff Recommendation

THAT Council approve "Development Variance Permit PL2019-8577", a permit reducing the pavement width for a lane from 6.0m to 4.0m, with the remaining 2.0m deemed 'boulevard' for the purposes of Good Neighbour Bylaw 2012-5030, to support the construction of a 'living lane' as part of the 11 lot subdivision of Lot A, District Lot 202, Similkameen Division Tale District, Plan KAP81594, located at 157 Abbott Street.

Strategic priority objective

This application meets Council's Strategic Priority of Community Design: The City of Penticton will attract, promote and support sustainable growth and development congruent with the community's vision for the future.

Background

In December 2018, City Council gave zoning approval to a development proposal for 157 Abbott Street, which will see the creation of 11 new RD3 (Residential Infill) zoned lots, with rear lane access.

As the concept for the development has progressed, the development proponents are proposing the rear lane as a 'living lane'. The lane right-of-way is intended to be 6.0m in width but will feature only 4.0m of paving with 1.0m of landscaping on either side of the pavement. The city's Subdivision and Development Bylaw requires City lanes to be 6.0m in width, with the full width paved with asphalt. To realize their vision for this development, the proponents are requesting a variance to the paving provision of the bylaw.

Proposal

The applicants are requesting a variance to Section 6.2 of Subdivision and Development Bylaw 2004-81, allowing a pavement width of 4.0m, which is currently listed as 6.0m in Section 00400: Schedule "G" – Roads, Table 3.0.

Technical Review

Public Works and Engineering have concerns when reductions to established bylaw standards are contemplated, especially in the case where the City will ultimately be receiving the infrastructure for the long term. In this case, the risk to maintenance is minimized by the requirement for adjacent property owners to maintain the landscaped

areas, as this is required by Section 7.3.2 of the Good Neighbour Bylaw. This means that the non-paved areas of the lane will be the responsibility of the land owners to maintain, in a similar way to the boulevard on a street.

The Development Engineering Department has identified that there are many lanes in the City that have similar reduced width such as these ones. Public Works has indicated that the reduced travel width at the end of the lane will require garbage and recycling will not occur from the lane, which will require all carts to be placed on the fronting streets. The reduced paving width and additional landscaping will also assist in stormwater management.

Even with the reduced width, the lane will be required to be engineered to good engineering practice for the intended use, prior to the City signing off on the design. The developer will be required to install a concrete edging strip to hold together the edge of asphalt on the lane to reduce the edge damage as cars move on and off the paved area, which will be installed prior to the subdivision being registered and individual building permits issued.

Financial implication

While installation of the lane will be fully on the cost of the developer, the City will ultimately own the infrastructure once installed. Given that this is a unique design, there may be some additional maintenance costs that a more traditional lane would see. Maintenance of the landscaping however would fall to the adjacent property owners as per the good neighbour bylaw.

Analysis

Council originally supported the zoning of these properties to support the vision for a unique development in an area currently undergoing revitalization. While there is some risk in having the reduced pavement width, the road right of way is still the required 6.0m and the landscaping areas will be designed to be driven upon, so the risks are minimal. The requirement to maintain the landscaping will ultimately be the responsibility of those that live in the neighbourhood.

For these reasons, staff are recommending support for the reduced pavement width.

Alternate recommendations

Council may feel that the reduced pavement width is not in the best interest of the City. If this is the case, Council should deny the requested variance permit.

THAT Council deny "Development Variance Permit PL2019-8577" for 157 Abbott Street.

Attachments

Attachment A – Property location map

Attachment B – Subdivision Plan

Attachment B – Letter from proponent requesting reduced pavement width reduction

Attachment C – "Development Variance Permit PL2019-8577"

Respectfully submitted,

Blake Laven, RPP, MCIP
Planning Manager

Acting DS Director KK	Manager DS Eng MCH	Chief Administrative Officer DvD
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Attachment A
Property Location Map



Attachment C
Letter of Intent from Applicant

157 Abbott Street- Letter of Intent

Development Variance Permit for the Lane at 157 Abbott St.

August 9, 2019
Blake Laven, Planning Manager
City of Penticton
171 Main Street
Penticton, BC V2A 5A9

Dear Blake,

RE: Development Variance Permit for the Lane at 157 Abbott Street, Penticton.

Van Abbott Holdings Inc. is pleased to submit a formal Development Variance Permit to the City of Penticton for the property located at 157 Abbott Street, Penticton. Van Abbott Holdings Inc. is proposing to subdivide this property into eleven fully serviced lots with rear lane.

The submission seeks to propose a lane design that is unique to Penticton. VanAbbott Holdings Inc. has been inspired by 'Living Lanes' in other progressive communities such as Vancouver and Montreal.

Living lanes essentially reduce the width of paved surfaces and supplement the required lane width with more environmentally friendly, permeable materials. In this case the landscaping recommendation is hearty ground cover such as clover that can handle the inevitable compaction of vehicle traffic, and would be engineered with to appropriate drainage supports. Essentially the right of way width is still 6.0m (as per bylaw) it is only the pavement width that is being reduced.

Operationally, there are many other lanes in the city that are less than 6.0m paved and items such as garbage collection etc. execute effectively. Refer to Image #2 below taken of a 3.35 metre lane between Hastings and Douglas Avenues.

VanAbbott Holdings Inc., strongly believes that this unique lane style can bring value to the subdivision and character that will define the neighbourhood.

The risk on this Development Variance is extremely low as VanAbbott Holding Inc., will pave the lane if the Living Lane fails. The respectful request is that the attempt to try to create this unique lane be supported, and ample time provided for landscaping to grow and mature prior to determining success or failure. VanAbbott Holdings Inc., would work in collaboration with City of Penticton Staff on this over the coming years.

The intent is to build more desirable family oriented units in the downtown area. These lots will be a community within our community, designed like no other subdivision in Penticton. Our vision is to keep with the character of the neighbourhood, while gently modernizing it.

In conclusion, please accept the enclosed application package for 157 Abbott Street. We would greatly appreciate your consideration in granting the request for development permit variance as it relates the lane at 157 Abbott.

Image #1: Lane Viewing North; demonstrates how the asphalt, rock and groundcover can work together



Image #2: Image of 3.35 metre lane currently receiving garbage pick-up in Penticton; between Hastings & Douglas Avenues (photo taken Nov. 20th, 2018)



Your truly,
Van Abbott Holding Inc.

Attachment D
"Development Variance Permit PL2019-8577"



City of Penticton
171 Main St. Penticton B.C. V2A 5A9
www.penticton.ca j.pak@penticton.ca

Development Variance Permit

Permit Number: DVP PL2019-8577

VANABBOTT HOLDINGS INC., INC.NO. BC1122874
101-1531 FAIRVIEW ROAD
PENTICTON BC V2A 8P8

Conditions of Permit

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

Legal: LOT A DISTRICT LOT 202 SIMILKAMEEN DIVISION YALE DISTRICT PLAN KAP01594
Civic: 157 Abbott Street
PID: 026-772-108
3. This permit has been issued in accordance with Section 498 of the *Local Government Act* to vary Section 6.2 of Subdivision and Development Bylaw 2004-81, reducing the pavement width of a lane as listed in Table 3 of Section 00400: Schedule "G" - Roads from a minimum width of 6.0m to a minimum width of 4.0m.
4. The landscape portion of the lane shall be deemed 'boulevard' for the purposes of Good Neighbour Bylaw 2012-5030.

General Conditions

5. In accordance with Section 501 of the *Local Government Act*, the lands subject to this permit shall be developed in general accordance with this permit and the plans attached as Schedule A.
6. In accordance with Section 504 of the *Local Government Act* if the holder of this permit does not commence the development authorized by this permit within 2 years of the date of this permit, this permit shall lapse.
7. This permit is not a building permit. In order to proceed with this development, the holder of this permit must hold a valid building permit issued by the Building Inspection Department.
8. This permit does not constitute any other municipal, provincial or federal approval. The holder of this permit is responsible to obtain any additional municipal, federal, or provincial approvals prior to commencing the development authorized by this permit.
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Engineering Department at (250) 490-2501. For more information on electrical servicing costs, please contact the Electric Utility at (250) 490-2535.

Authorized by City Council, the ____ day of _____ 2019

Development Variance Permit PL2019-8577
Issued this ____ day of _____, 2019

Angie Collison,
Corporate Officer