

Electronic Regular Council Meeting

to be held at
City of Penticton

To view the Council Meeting, visit www.penticton.ca

In accordance with the Province of BC Ministerial Order No. M139, the Council of the City of Penticton is participating in the meeting by electronic means.

**Tuesday, May 19, 2020
at 1:00 p.m.**

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

2. **Adoption of Agenda**

3. **Adoption of Minutes:**

3.1 Minutes of the May 5, 2020 Electronic Regular Council Meeting 1-7 Adopt

4. **Consent Agenda**

5. **Correspondence:**

5.1 BC Seniors' Week 2020 and Proclamation 8-9

Recommendation: THAT Council proclaim June 1 – 8, 2020 as BC Seniors' Week.

5.2 Slackwater Brewing 10-11

Re: Variance to Martin Street Storefront Bylaw – Parts 8 and 9

Staff Comments:

With Council's direction staff would provide recommendation to amend Part 8 and 9 of Martin Street Storefront Use Bylaw 2014-12 allowing for more individual flexibility for the design of the patio area, while ensuring safety and protection of city infrastructure. In speaking with other operators, this bylaw modification would also benefit other businesses within the 200 Block of Martin Street. The building permit drawings for this project substantially complied with the Bylaw and was unfortunately not discovered to have been not adhered to until partial occupancy was granted.

5.3 Supporting Businesses by Making Liquor Licensing More Flexible 12-14

Staff Comments:

Council may wish to send a similar letter of support to the Honorable David Eby, Attorney General in support of flexible liquor licensing regulations for businesses who are looking to expand their outdoor seating area as BC begins its COVID-19 restart plan.

6. **Staff Reports:**

Bauer 6.1 2019 Audited Financial Statements 15-55

Jonathan McGraw, BDO Canada LLP

Staff Recommendation: THAT Council accept the Financial Statements as co-presented by BDO Canada LLP and the Chief Financial Officer for the year ending December 31, 2019.

Bauer	6.2	Permissive Tax Exemption Policy Amendment <i>Staff Recommendation: THAT Council approve the amended "Permissive Tax Exemption Policy", a policy that provides direction on the requirements and evaluation of applications made pursuant to Section 224 of the Community Charter.</i>	56-66	
Kemp	6.3	Economic Recovery Task Force Recommendations <i>Staff Recommendation: THAT Council support the following initiatives recommended by the Economic Recovery Task Force to assist the community in the recovery from the economic impacts of the COVID-19 pandemic:</i> <ul style="list-style-type: none"> - Waive fees for sidewalk/storefront use permits and relax design standards for 2020; - Continue to look for ways to promote safety and security city wide, supporting Bylaw and RCMP; - Support the security of the industrial park through a Crime Prevention campaign; - Support recovery efforts through the "Love Local Penticton" campaign, which has started; <i>AND THAT Council direct staff to begin implementation of the initiatives.</i>	67-69	
Laven	6.4	Penticton Yacht Club – Liquor Primary (Club) – Structural Change <i>Staff Recommendation: THAT Council recommend to the Liquor & Cannabis Regulation Branch (LCRB) that it supports the application from the Penticton Yacht Club located at 293 Marina Way for a Liquor Primary (Club) structural change to increase the exterior patio area and occupant load from 32 persons to 70 persons.</i>	70-78	
Laven	6.5	Development Variance Permit PL2020-8754 Re: 690 Nelson Avenue <i>Staff Recommendation: THAT Council approve "Development Variance Permit PL2020-8754" for Lot 35 District Lot 250 Osoyoos Division Yale District Plan 842, located at 690 Nelson Avenue, a permit to reduce the front yard setback from 4.5m to 2.7m, to reduce the exterior side yard setback from 3.0m to 1.7m, and to reduce the interior side yard setback from 1.5m to 1.3m to allow for the construction of an addition and covered porch on the existing single detached dwelling;</i> <i>AND THAT Council direct staff to issue "Development Variance Permit PL2020-8754".</i>	79-97	
7.	Bylaws and Permits:			
Laven	7.1	Zoning Amendment Bylaw No. 2020-09 Development Permit PL2019-8613 Re: 2301 Baskin Street	98-99 100-106	Adopt Approve
8.	Business Arising			
9.	Council Round Table			
10.	Adjournment to a Closed Meeting: <i>Resolution: THAT Council adjourn to a closed meeting of Council pursuant to the provisions of the Community Charter as follows: Section 90 (1)</i> <ul style="list-style-type: none"> (c) labour relations or other employee relations; (j) information that is prohibited, or information that if it were presented in a document would be prohibited, from disclosure under section 21 of the Freedom of Information and Protection of Privacy Act. 			

Minutes

penticton.ca

Electronic Regular Council Meeting¹

held at City of Penticton
via WebEx www.penticton.ca

Tuesday, May 5, 2020
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
Blake Laven, Director of Development Services
Mitch Moroziuk, General Manager of Infrastructure

1. Call to Order

The Mayor called the Electronic Regular Council Meeting to order at 1:04 p.m.

2. Application of rules of procedure

107/2020

It was MOVED and SECONDED

THAT Council authorize that all regular meetings, special meetings, and committee meetings of the City of Penticton be conducted by electronic means allowing all members of Council, to attend electronically for the duration of the British Columbia provincial state of emergency in response to the COVID-19 pandemic;

AND THAT Council restrict public attendance at open meetings for the duration of the British Columbia provincial state of emergency in response to the COVID-19 pandemic;

AND THAT Council temporarily suspend the voting at meeting procedures (Council Procedure Bylaw No. 2018-35 25.(1)(b)) and when ready to vote and the question is called those in favor will say "In favour" and those opposed will say "opposed" for the duration of the British Columbia provincial state of emergency in response to the COVID-19 pandemic.

CARRIED UNANIMOUSLY

¹ In accordance with the Province of BC Ministerial Order No. M139, the Council of the City of Penticton is participating in the meeting by electronic means, without public attendance and may adopt a bylaw on the same day as third reading.

3. Adoption of Agenda

108/2020

It was MOVED and SECONDED

THAT Council adopt the agenda for the Electronic Regular Council Meeting held on May 5, 2020 as amended to include correspondence from Penticton Farmers' Market as item 6.3 and add correspondence from Cantex to item 7.1.

CARRIED UNANIMOUSLY

4. Adoption of Minutes:

4.1 Minutes of the April 21, 2020 Electronic Regular Meeting of Council

109/2020

It was MOVED and SECONDED

THAT Council adopt the minutes of the April 21, 2020 Electronic Regular Meeting of Council as presented.

CARRIED UNANIMOUSLY

4.2 Minutes of the April 23, 2020 Electronic Special Meeting of Council

110/2020

It was MOVED and SECONDED

THAT Council adopt the minutes of the April 23, 2020 Electronic Special Meeting of Council as presented.

CARRIED UNANIMOUSLY

5. Consent Agenda:

111/2020

It was MOVED and SECONDED

THAT Council approve the Consent Agenda:

1. Penticton and Ellis Creek Restoration Committee Meeting Draft Minutes of March 11, 2020;
2. Safety and Security Committee Meeting Draft Minutes of March 16, 2020.

CARRIED UNANIMOUSLY

6. Correspondence:

The meeting recessed at 1:09 p.m. due to livestream issues and reconvened at 1:19 p.m.

6.1 Proclamation "Building Safety Month" May 2020

112/2020

It was MOVED and SECONDED

THAT Council proclaim May 2020 as Building Safety Month.

CARRIED UNANIMOUSLY

6.2 Removal of property from the City of Penticton Heritage Registry
Re: 452 Lakeshore Drive

113/2020

It was MOVED and SECONDED

THAT Council remove the property located at 452 Lakeshore Drive from the City of Penticton Heritage Registry.

CARRIED UNANIMOUSLY

6.3 Penticton Farmers' Market

114/2020

It was MOVED and SECONDED

THAT Council refer the correspondence from the Penticton Farmers' Market dated May 3, 2020 to Emergency Operations Centre.

CARRIED UNANIMOUSLY

7. Staff Reports:

7.1 Ellis Creek Master Plan

115/2020

It was MOVED and SECONDED

THAT Council respond to the issues raised by Cantex in their letter of February 12, 2020 and in their presentation at the Committee of the Whole on March 3, 2020 with respect to the Ellis Creek Master Plan by:

1. Requesting Cantex to complete, at their cost, a Riparian Area Regulations Report and Environmental Assessment Report encompassing Ellis Creek along the Cantex property extents to determine the Stream Side Protection Area and the Environmental protection area required for the proposed industrial park plan;
2. That the two above noted documents be submitted to the City and the Province of BC to determine if they are acceptable as per the BC reg. 178/2019 Riparian Areas Protection Regulation and City Riparian Area and Environmental Development Permit Area guidelines; and
3. That should Cantex decide to proceed with their subdivision development, after hearing from the Province of BC and the City about the status of their Riparian Area Regulations Report and Environmental Assessment Report, that the City sole source to Stantec Consulting Ltd. a \$165,000 contract to complete a full Predesign Report, including discussions with the Penticton Indian Band, for the reach of Ellis Creek through the Cantex property as outlined in the Stantec letter proposal of November 22, 2019.

AND THAT the 2021 capital budget consider the \$165,000 required for the predesign.

CARRIED UNANIMOUSLY

116/2020

It was MOVED and SECONDED

THAT Council approve the Ellis Creek Master Plan dated March 18, 2020 (Attachment A), as a guiding document which includes the amendments suggested by the Penticton Creek and Ellis Creek Restoration Committee at their March 11, 2020 meeting.

CARRIED UNANIMOUSLY

The meeting recessed at 2:40 p.m. for a 15 minute break and reconvened at 2:55 p.m.

7.2 BC Transit City of Penticton Annual Operating Agreement 2020-2021

117/2020

It was MOVED and SECONDED

THAT Council authorize the Mayor and Corporate Officer to execute the 2020 - 2021 Annual Operating Agreement Conventional and Custom Transit as contained in Attachment "A".

CARRIED UNANIMOUSLY

7.3 Revenue Anticipation Borrowing Bylaw No. 2020-10

118/2020

It was MOVED and SECONDED

THAT Council give first, second and third reading to "Revenue Anticipation Borrowing Bylaw No. 2020-10", a bylaw to provide for the borrowing of money in anticipation of revenue;
AND THAT Council adopt "Revenue Anticipation Borrowing Bylaw No. 2020-10".

CARRIED UNANIMOUSLY

7.4 Property Tax Grant

119/2020

It was MOVED and SECONDED

THAT Council approve the following resolution under sections 20(2) and 21(a) of the *Community Charter*:

The taxpayers and residents of the City are living with the COVID-19 pandemic, and Council anticipates various levels of provincial orders and guidelines over the remainder of the 2020 tax year that can only be enforced by the Province and not by the City under BC law. Accordingly, in order to see that social distancing, reopening, and other provincial requirements are properly carried out in the City, and in order to manage the City's resources and property tax regime, the City under sections 20(2) and 21(a) of the *Community Charter* offers to enter and does hereby enter a partnering agreement with each property taxpayer that constitutes a business, under which the taxpayer executes and delivers a City standard form partnering agreement under section 21(a) of the *Community Charter* to provide an activity, facility, work or similar service on behalf of the City, including on behalf of the City the enforcement of section 9 of COVID-19 Order 084 of the Province, the COVID-19 Guidelines of the Provincial Health Officer, and other provincial orders and guidelines governing social distancing, isolation and reopening in relation to the business and the premises of the business.

CARRIED UNANIMOUSLY

7.5 Tax Rates Bylaw No. 2020-16

120/2020

It was MOVED and SECONDED

THAT Council give first, second and third reading to "Tax Rates Bylaw No. 2020-16", a bylaw that establishes property taxation rates for the 2020 tax year;
AND THAT Council adopt "Tax Rates Bylaw No. 2020-16".

CARRIED
Councillor Regehr, Opposed

7.6 Fees and Charges Amendment Bylaw No. 2020-15
Re: Appendix 7, 25, 29 – Utility Fees

121/2020

It was MOVED and SECONDED

THAT Council give first, second and third reading to "Fees and Charges Amendment Bylaw No. 2020-15", a bylaw which reduces applicable utility rates by 10% in order to provide the prompt payment discount for all rate payers;
AND THAT Council adopt "Fees and Charges Amendment Bylaw No. 2020-15".

CARRIED
Councillor Bloomfield, Opposed

- 7.7 Fees and Charges Amendment Bylaw No. 2020-17
Re: Business Licensing and Building Permitting Fees

122/2020

It was MOVED and SECONDED

THAT Council give first, second and third reading to "Fees and Charges Amendment Bylaw No. 2020-17", a bylaw that temporarily reduces certain fees & charges relating to business licensing and building permitting due to COVID-19;
AND THAT Council adopt "Fees and Charges Amendment Bylaw No. 2020-17".

CARRIED UNANIMOUSLY

- 7.8 Development Variance Permit PL2020-8734
Development Permit PL2020-8732
Re: 285 Westminster Avenue West

123/2020

It was MOVED and SECONDED

THAT Council approve "Development Variance Permit PL2020-8734", for Lot 1 District Lot 4 Group 7 Similkameen Division Yale (Formerly Yale Lytton) District Plan EPP99696, located at 285 Westminster Avenue West, a permit to vary Section 6.1.5.3 of Zoning Bylaw No. 2017-08, to increase the maximum percentage (%) of off-street small car parking spaces from 25% to 44%;
AND THAT staff be directed to issue "Development Variance Permit PL2020-8734";
AND THAT Council, subject to approval of "Development Variance Permit PL2020-8734", approve "Development Permit PL2020-8732", for 285 Westminster Avenue West, a permit to allow for the construction of a 5-storey mixed-use development featuring 75 residential units and approximately 2,400sq. ft. of ground floor commercial retail space.

CARRIED UNANIMOUSLY

- 7.9 Development Permit PL2019-8654
Re: 3352 Hemlock Street

124/2020

It was MOVED and SECONDED

THAT Council approve "Development Permit PL2019-8654", for Lot 1 District Lot 189 Similkameen Division Yale District Plan KAP90435, located at 3352 Hemlock Street, a permit to allow for the construction of a 6-storey, 165-unit apartment building;
AND THAT Council approve, through the issuance of "Development Permit PL2019-8654", in accordance with Official Community Plan Bylaw No. 2019-08, Section 5.1.4.3, a minor variance to at-grade amenity area requirements, that does not reduce at-grade amenity space to less than 10% of the total required amenity area;
AND THAT staff be directed to issue "Development Permit PL2019-8654".

CARRIED UNANIMOUSLY

- 7.10 Development Variance Permit PL2020-8720
Re: 1384 Commercial Way

125/2020

It was MOVED and SECONDED

THAT Council deny "Development Variance Permit PL2020-8720", for Lot 6 District Lot 3821S Similkameen Division Yale District Plan 17297, located at 1384 Commercial Way, a permit to allow razor wire fencing.

DEFEATED

Mayor Vassilaki, Councillors Bloomfield, Regehr, and Watt, Opposed

126/2020

It was MOVED and SECONDED

THAT Council approve "Development Variance Permit PL2020-8720", for Lot 6 District Lot 3821S Similkameen Division Yale District Plan 17297, located at 1384 Commercial Way, a permit to allow razor wire fencing.

CARRIED

Councillors Kimberley, Robinson, and Sentes, Opposed

8. Bylaws and Permits:

- 8.1 Zoning Amendment Bylaw No. 2020-08
Development Permit PL2019-8613
Re: 352 Winnipeg Street

127/2020

It was MOVED and SECONDED

THAT Council adopt "Zoning Amendment Bylaw No. 2020-08";
AND THAT Council approve "Development Permit PL2019-8613".

CARRIED UNANIMOUSLY

- 8.2 Zoning Amendment Bylaw No. 2020-09
Re: 2301 Baskin Street

128/2020

It was MOVED and SECONDED

THAT Council give second and third reading to "Zoning Amendment Bylaw No. 2020-09".

CARRIED UNANIMOUSLY

- 8.3 Zoning Amendment Bylaw No. 2020-12
Re: 130 and 152 Greenwood Drive

129/2020

It was MOVED and SECONDED

THAT Council give second and third reading to "Zoning Amendment Bylaw No. 2020-08";
AND THAT Council adopt "Zoning Amendment Bylaw No. 2020-08".

CARRIED

Councillor Robinson, Opposed

- 8.4 Zoning Amendment Bylaw No. 2020-13
Re: 418 Scott Avenue

130/2020

It was MOVED and SECONDED

THAT Council give second and third reading to "Zoning Amendment Bylaw No. 2020-13".

DEFEATED

Mayor Vassilaki, Councillors Regehr, Robinson, and Sentes, Opposed

131/2020

It was MOVED and SECONDED

THAT Council close and abandon "Zoning Amendment Bylaw No. 2020-13".

CARRIED

Councillor Kimberley, Opposed

8.5 Zoning Amendment Bylaw No. 2020-14
Re: 154 Brunswick Street

132/2020

It was MOVED and SECONDED

THAT Council give second and third reading to "Zoning Amendment Bylaw No. 2020-14".

CARRIED UNANIMOUSLY

9. Council Round Table

10. Adjournment to a Closed Meeting:

133/2020

It was MOVED and SECONDED

THAT Council adjourn at 5:04 p.m. to a closed meeting of Council pursuant to the provisions of the Community Charter as follows: Section 90 (1)

(c) labour relations or other employee relations;

Section 90 (2) (c) a matter that is being investigated under the Ombudsperson Act of which the municipality has been notified under section 14 [Ombudsperson to notify authority] of that Act.

CARRIED UNANIMOUSLY

Certified correct:

Confirmed:

Angie Collison
Corporate Officer

John Vassilaki
Mayor

May 11, 2020

Mayor John Vassilaki and Council
171 Main Street
Penticton, BC V2A 5A9

Dear Mayor Vassilaki and Council

As organizers of the highly successful BC Seniors' Week 2019, we were looking forward to bringing BC Seniors' Week 2020 back to our community in June. Plans for a bigger and better week of celebrating were well underway, however, due to COVID-19 outbreak, the event celebrating seniors and their contributions has been cancelled and will be rescheduled for June 2021.

Although the event is not going ahead this year the Penticton Seniors Community Action Committee would like to extend thanks to Council for their enthusiastic and generous support for this undertaking. It is appreciated.

Despite the fact, the event is cancelled, we would still like the week acknowledged. It is our request that Council proclaim June 1 – 8, 2020 BC Seniors' Week in Penticton. If the proclamation were also announced in a press release more seniors in our community would be made aware of the appreciation Council has for our seniors.

Thank you for your ongoing support and your consideration of our request.

Yours truly,

Mignonne Wood
President, Penticton Seniors' Drop-In Centre Society

Elmie Saaltink
Chair, South Okanagan Seniors' Wellness Society

Myrna Tischer
Program Coordinator, Better at Home, One Sky Community Resources

cc. Elmie Saaltink; Myrna Tischer; Sue Premack; Wendy Stewart; Tina Begg, Adam Goodwin

Proclamation

penticton.ca

Seniors' Week June 1 – 8, 2020

- WHEREAS:** Seniors are a diverse population within a society that supports its members throughout the life continuum, and recognizes individual rights to dignity, respect, autonomy and choice, and
- WHEREAS:** Seniors in British Columbia through their various contributions have helped to establish a province which reflects a unique, economic, cultural and ethnic heritage, and
- WHEREAS:** The Government of British Columbia is committed to ensuring that the voices of seniors are heard, and that seniors are valued as partners in shaping the future of this province,
- AND WHEREAS:** Seniors' Week is a time to acknowledge the diversity of seniors and to increase public awareness of their vital role in British Columbia Society.

NOW, THEREFORE I, Mayor John Vassilaki, **DO HEREBY PROCLAIM** June 1 – 8, 2020 as "**Seniors' Week**" in the City of Penticton.

A handwritten signature in blue ink that reads "John Vassilaki".

Mayor John Vassilaki



Slackwater Brewing

218 Martin St.

Penticton BC

V2A 5K3

7th May 2020

RE: Variance to Martin Street Storefront Bylaw - Parts 8 and 9

Dear Mayor & Council,

I am writing on behalf of Slackwater Brewing to request a variance to parts 8 and 9 to the Martin Street Storefront Bylaw.

Our cedar decking and fenced patio was constructed with the knowledge of the city and our architect and was signed off during our occupancy inspection. Post-occupancy, it was brought to my attention by the City Building Manager that the fencing around the patio was not in compliance with the aforementioned bylaw. Both the building inspectors and architect were unaware of the bylaw at the time.

I understand that there is an aesthetic variance from the building permit submission, however, there were several other changes (*internal*) that were of no issue or concern. The decision to build the whole deck out of cedar tied the patio into the building design and matches the cedar banding on the Martin St elevation of the building.

We feel that our patio is a great addition to the 200 block of Martin St, animated with happy guests, bright umbrellas during the summer months - a beacon on our block, in our humble opinion. As individuals and business owners, we should be allowed to express our building and brand aesthetic. Enforcing a material change to our building during the current economic climate is unfeasible and hope that the mayor, council and city staff will permit a variance so that we may have our patio available for summer. Encouraging patio and al fresco dining appears to be a pillar of Dr. Bonnie Henry's post-COVID reality, so we feel it is important to maintain our patio, status quo, as a viable option for Penticton diners as relief from restrictions is now on the horizon.

Thank you for your time and consideration and I look forward to hearing from you. I hope everyone, their friends and family, have stayed safe and healthy through these trying times.

Kind regards,

Liam Peyton

*Co-Founder, General & Marketing Manager
Slackwater Brewing*





May 8, 2020

Hon. David Eby
Room 232 Parliament Buildings
501 Belleville St.
Victoria, BC V8V 1X4

Dear Minister Eby:

RE: Supporting Businesses by Making Liquor Licensing More Flexible

As Mayor of the City of North Vancouver I want to start by thanking you for the work you have done to serve British Columbians.

I appreciate how quickly your government has responded to the needs of people and businesses. This pandemic has highlighted, among other things, the agility and speed of our public service when they are needed urgently.

It is with that same urgency I ask you to consider examining how we can increase flexibility in outdoor seating and liquor licensing in support of our businesses.

I have been hosting business round tables to learn about the unique needs of our business sectors. From these conversations I have learned of a few actions that could be taken immediately to ensure restaurants, pubs, and breweries can be resilient businesses as we begin to re-open gradually.

As you are aware, the current liquor licensing regulations for pubs, breweries and restaurants requires only permanent changes when adding potential capacity such as increased outdoor patio space.

Our City is in the process of revising our outdoor dining process to allow these businesses to expand their patio areas on a temporary basis as we begin BC's restart plan. This will assist these businesses to be able to serve customers on their premises while meeting safe distancing requirements.

My understanding is that the current provincial licensing requirements will not permit temporary changes, therefore I am concerned this will negatively impact these businesses and discourage many from being able to open up to serve the public on their premises.

Changing this model to allow greater flexibility could be the difference in countless businesses being able to keep their doors open and expanding their service from their current significantly reduced levels.

We have seen new challenges like never before, and your government has acted swiftly to deliver results. I urge you to consider what I have detailed to you in this letter. We now know

changes can happen quickly when they are needed, and these changes are needed immediately to support our food and liquor industry.

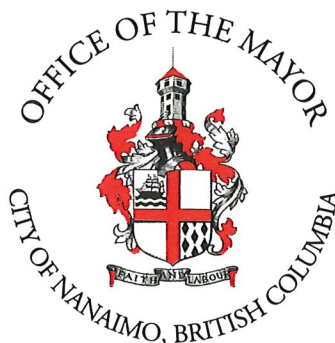
Do not hesitate to contact me if you require additional information. I thank you in advance for your consideration.

Yours Truly,



Linda Buchanan
Mayor of the City of North Vancouver

c.c. All B.C. municipal governments
Bowinn Ma, MLA for North Vancouver-Lonsdale
BC Restaurant & Food Services Association
Alliance of Beverage Licensees
BC Craft Brewer's Guild
North Vancouver Chamber of Commerce
Lower Lonsdale Business Improvement Association



2020-May-13

Via email: AG.Minister@gov.bc.ca

Honourable David Eby, Q.C.
Attorney General
Parliament Buildings (Room 232)
Victoria, BC V8V 1X4

Dear Minister Eby,

Re: Supporting Businesses by Making Liquor Licensing More Flexible

At the Special Council meeting of 2020-May-11, the City of Nanaimo Mayor and Council, by way of motion, unanimously supported the City of North Vancouver - Mayor Linda Buchanan's letter of May 8, 2020 regarding the request for flexibility with the liquor licensing regulations for businesses who are looking to expand their outdoor seating area as BC begins its COVID-19 Phase 2 restart plan with enhanced protocols.

Council's motion reads as follows:

"It was moved and seconded that Council direct Mayor Krog to write a letter in support of the City of North Vancouver's request to Honourable David Eby, Q.C. supporting businesses by making liquor licensing more flexible."

The City of Nanaimo firmly believes if the province can provide pliancy, in these unprecedented times, to amend the current liquor licensing regulations community businesses will have a better chance of success.

Sincerely,


Leonard Krog
MAYOR

cc: Mayor Linda Buchanan, City of North Vancouver, mayor@cnv.org
All BC municipal governments
MLA Sheila Malcolmson, sheila.malcolmson.mla@leg.bc.ca
MLA Doug Routley, douglas.routley.mla@leg.bc.ca
Michelle Stilwell, michelle.stilwell.mla@leg.bc.ca
Nanaimo Chamber of Commerce, ceo@nanaimochamber.bc.ca

Council Report

penticton.ca

Date: May 19, 2020
To: Donny van Dyk, Chief Administrative Officer
From: Angela Campbell, Controller
Subject: **2019 Audited Financial Statements**

File No:

Staff Recommendation

THAT Council accept the Financial Statements as co-presented by BDO Canada LLP and the Chief Financial Officer for the year ending December 31, 2019.

Background

Per the *Community Charter* Section 167, municipal financial statements for the year must be prepared by the financial officer and presented to Council for acceptance.

Section 171 of the *Community Charter* requires that the municipal auditor report to Council on the annual financial statements of the municipality.

The City's Financial Statements are prepared according to Public Sector Accounting Standards (PSAS) and report the actual use of City resources in the past year in comparison to the original Council approved Financial Plan. Upon consolidation, PSAS requires the City to eliminate entries for transactions including but not limited to inter-fund transactions and reserve transfers. The Financial Statements vary from the City's approved Financial Plan due to the eliminating entries, removal of debt repayments and the recording of Tangible Capital Assets as non-financial assets.

Financial Implication

The Consolidated Surplus for the fiscal year ended December 31, 2019 is \$11,082,066 an increase of \$1,873,726 over the 2018 consolidated surplus of \$9,208,340.

Overall consolidated revenues grew slightly (1.14% increase) from 2018 to a total of \$121,138,444 while consolidated expenditures decreased by .45% from 2018 to a total of \$110,056,378.

Overall the financial position of the City remains strong with net financial assets of \$42.6 million and non-financial assets of \$324 million.

Some specific significant highlights from the statements include:

- Financial Assets
 - Increase in cash/investments of \$12M

- Financial Liabilities
 - Decrease in long term debt of \$3.4M
- Revenues
 - One-time increase in Gas Tax funding \$1.5M
 - Increase in investment revenues \$1M
 - Recovery of \$386,000 of Casino revenues that had decreased by \$436,000 in the prior year
 - Prior year had land sales proceeds of \$846,000, none in 2019
 - Prior year had recovery of \$600,000 of emergency related costs from the Province related to flood and other response activities, none in 2019
 - Prior year had contributed assets of \$2.0 million relating to development projects, \$12,000 contributed assets in 2019
- Expenses:
 - Increase in Policing costs of \$500,000
 - Prior year Carmi substation upgrade project cost of \$1.5 million, this accounts for the current year reduction in Electrical Supply
- Reserves:
 - Overall increase in reserves of \$9.6M
 - Decrease in Own Reserves \$2M
 - Increase in Statutory Reserves \$9.4M
 - Transfers between Own and Statutory reserves of \$6.8M (Council approved in early 2019)
 - Increase in DCC reserves \$2M

Attachments

Attachment A – Management Letter

Attachment B – Audit Report

Attachment C – Draft Financial Statements

Respectfully submitted,



Angela Campbell
Controller

Chief Financial Officer <i>JWB</i>	Chief Administrative Officer DyD
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Tel: 250-492-6020
Fax: 250-492-8110
Toll free: 800-279-3658
www.bdo.ca

BDO Canada LLP
10 Front Street, Unit 102
Penticton, British Columbia
V2A 1H1

May 19, 2020

The Corporation of the City of Penticton
171 Main Street
Penticton, British Columbia,
V2A 5A9

Dear Ms. Campbell, ACIA, CGA, CPA

During the course of our audit of the consolidated financial statements ("financial statements") of The Corporation of the City of Penticton for the year ended December 31, 2019, we identified matters which may be of interest to management. The objective of an audit is to obtain reasonable assurance whether the financial statements are free of any material misstatement and it is not designed to identify matters that may be of interest to management in discharging its responsibilities. Accordingly an audit would not usually identify all such matters.

The responsibility for producing financial statements and ensuring adequate internal controls and sound business practices is the responsibility of the Board of Directors through management and is a part of management's overall responsibility for the ongoing activities of the municipality. Policies and procedures developed by the municipality to safeguard its assets and to provide reasonable assurance that errors and irregularities or illegal acts are promptly identified, must be properly monitored to ensure that all staff are complying with the guidelines provided. Where we determined, from our testing, that there exists a need for improvement in existing systems of internal control or if we detected that the municipality's staff are not complying with the critical accounting policies and procedures provided by management, we increased our year-end testing of account balances to ensure that audit risk was kept to an appropriately low level.

The comments and concerns expressed herein did not have a material effect on the municipality's financial statements and, as such, our opinion thereon was without reservation. However, in order for the municipality to ensure the safeguarding of its assets and the accuracy of its records, we believe our comments and concerns should be taken into consideration by management. Our comments are not intended to reflect upon the honesty or competence of the municipality's employees.

The matters we have identified are discussed in Appendix 1.

This communication is prepared solely for the information of management and is not intended for any other purposes. We accept no responsibility to a third party who uses this communication.



We would like to express our appreciation for the cooperation and assistance which we received during the course of our audit from the entire finance team of the City. In order to conduct this audit entirely remotely took significant effort and additional time and patience by all staff involved, and we greatly appreciate it.

We shall be pleased to discuss with you further any matters mentioned in this report at your convenience.

Yours truly,

A handwritten signature in blue ink, appearing to read "Sinéad Scanlon". The signature is fluid and cursive, with the first name "Sinéad" and last name "Scanlon" clearly distinguishable.

Sinéad Scanlon, CPA, CA
Partner
BDO Canada LLP
Chartered Professional Accountants



Appendix 1

Control Weaknesses			
Title	Weakness	Effect	Recommendation
A considerable amount of deposits held are over 10 years old.	We noted that there is no formal coordinated process in place to review the deposits held on a regular basis.	As with any financial liability, it is important that there is adequate documentation to support that each liability exists and is accurately stated.	We recommend that management ensure the deposit listings contain only the current listing of required deposits with regular reviews by the originating department of the deposit. This is required to ensure recognition or return of deposits is completed which will ensure the accuracy of the amounts held.

Independent Auditor's Report

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

Opinion

We have audited the financial statements of the Corporation of the City of Penticton and its controlled entities (the "Consolidated Entity"), which comprise the consolidated statement of financial position as at December 31, 2019, and the consolidated statement of operations, the consolidated statement of change in net financial assets and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Consolidated Entity as at December 31, 2019, and its consolidated results of operations, its consolidated change in net financial assets, and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

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

Unaudited Information

We have not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the supplementary schedules on pages 22 through 35 of the City of the City of Penticton's Financial Statements.

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

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

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

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

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

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

Chartered Professional Accountants

Penticton, British Columbia
May 5, 2020

**THE CITY OF PENTICTON
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2019**

	2019	2018
Financial Assets		
Cash	\$ 6,113,656	\$ 7,623,410
Term Deposits (Note 1)	98,229,334	84,097,897
Accounts Receivable (Note 2)	10,293,510	11,216,855
	<u>114,636,500</u>	<u>102,938,162</u>
Financial Liabilities		
Accounts Payable and Accrued Liabilities	13,523,160	14,594,055
Development Cost Charges (Note 3)	17,825,761	15,657,283
Deferred Revenue	6,195,860	5,590,939
Deposits	3,509,106	4,105,303
Long Term Debt (Note 9)	30,980,819	34,373,676
	<u>72,034,706</u>	<u>74,321,256</u>
Net Financial Assets	\$ 42,601,794	\$ 28,616,906
Non-Financial Assets		
Tangible Capital Assets (Note 10)	\$319,836,475	\$322,516,179
Inventory	3,554,394	3,806,292
Prepaid Expenses	529,972	501,192
	<u>323,920,841</u>	<u>326,823,663</u>
Accumulated Surplus	<u>\$366,522,635</u>	<u>\$355,440,569</u>

See accompanying notes to the Consolidated Financial Statements.

**THE CITY OF PENTICTON
CONSOLIDATED STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS
YEAR ENDED DECEMBER 31, 2019**

	2019 Budget (Note 14)	2019	2018
Revenue			
Taxation (Note 17)	\$ 33,937,395	\$ 33,975,415	\$ 32,206,019
Sales of Services	68,050,216	70,096,334	69,631,879
Government Grants and Transfers (Note 15)	2,410,315	3,863,313	2,981,154
Other Revenue	7,681,182	10,690,252	9,339,446
Other Contributions	2,432,076	2,438,716	3,448,277
Gain on Disposal	30,000	62,414	133,843
Contributed Asset	-	12,000	2,021,239
	<u>114,541,184</u>	<u>121,138,444</u>	<u>119,761,857</u>
Expenditure (Note 11)			
General Government	10,558,481	19,635,410	19,033,265
Protective Services	16,731,306	16,675,134	15,967,295
Transportation Services	5,839,571	9,868,392	10,823,613
Environmental Health Services	1,850,857	1,897,990	1,735,059
Public Health and Safety	275,000	244,253	231,941
Environmental Development Services	3,774,195	3,466,906	3,652,838
Recreation and Culture	10,973,017	12,040,690	12,127,262
Electrical Supply	33,985,196	35,680,839	37,215,864
Sewer System Utility	3,937,863	5,585,922	5,209,151
Water Utility Services	3,466,538	4,960,842	4,557,229
	<u>91,392,024</u>	<u>110,056,378</u>	<u>110,553,517</u>
Annual Surplus	23,149,160	11,082,066	9,208,340
Accumulated Surplus, Beginning of Year	<u>355,440,569</u>	<u>355,440,569</u>	<u>346,232,229</u>
Accumulated Surplus, End of Year	<u><u>\$378,589,729</u></u>	<u><u>\$366,522,635</u></u>	<u><u>\$355,440,569</u></u>

See accompanying notes to the Consolidated Financial Statements.

**THE CITY OF PENTICTON
CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS
YEAR ENDED DECEMBER 31, 2019**

	2019 Budget	2019	2018
Annual surplus	\$ 23,149,160	\$ 11,082,066	\$ 9,208,340
Acquisition of Tangible Capital Assets (Note 10)	(20,743,635)	(11,555,786)	(20,968,033)
Amortization (Note 10)	-	14,218,490	13,846,173
Net Disposal of Tangible Capital Assets (Note 10)	-	29,000	817,727
Contributed Tangible Capital Assets (Note 10)	-	(12,000)	(2,021,239)
Asset reclassification (Note 10)	-	-	217,783
	<u>2,405,525</u>	<u>13,761,770</u>	<u>1,100,751</u>
Change in Prepaid Expenses (Increase)	-	(28,780)	95,346
Consumption of Supplies Inventories	-	251,898	(170,020)
	<u>-</u>	<u>223,118</u>	<u>(74,674)</u>
Increase in Net Financial Assets	2,405,525	13,984,888	1,026,077
Net Financial Assets, Beginning of Year	28,616,906	28,616,906	27,590,829
Net Financial Assets, End of Year	<u>\$ 31,022,431</u>	<u>\$ 42,601,794</u>	<u>\$ 28,616,906</u>

See accompanying notes to the Consolidated Financial Statements.

**THE CITY OF PENTICTON
CONSOLIDATED STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2019**

	2019	2018
Operating Transactions		
Annual Surplus	\$ 11,082,066	\$ 9,208,340
Change in Non-Cash Operating Items		
(Increase) decrease in Accounts Receivable	923,345	132,837
Decrease in Trade Accounts Payable and Accrued Liabilities	(1,070,895)	(950,330)
Increase in Development Cost Charges	2,168,478	1,067,316
Increase in Deferred Revenues	604,921	216,373
Decrease in Deposits	(596,197)	(500,372)
(Increase) decrease in Prepaid Expenses	(28,780)	95,346
(Increase) decrease in Inventory	251,898	(170,020)
Net Disposal of Tangible Capital Assets	29,000	817,727
Amortization	14,218,490	13,846,173
Contributed Tangible Capital Assets	(12,000)	(2,021,239)
Asset reclassification	-	217,782
	16,488,260	12,751,593
Cash Provided by Operating Activities	27,570,326	21,959,933
Capital Transactions		
Cash Used to Acquire Tangible Capital Assets	(11,555,786)	(20,968,033)
Financing Transactions		
Debt Proceeds	-	1,530,000
Debt Repayment	(3,392,857)	(4,329,729)
Investing Transactions		
(Increase) decrease in Term Deposits	(14,131,437)	3,701,186
Change in Cash	(1,509,754)	1,893,357
Cash, Beginning of Year	7,623,410	5,730,053
Cash, End of Year	\$ 6,113,656	\$ 7,623,410
Supplemental Cash Flow Information	2019	2018
Interest Paid	\$ 1,806,219	\$ 2,717,396

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

See accompanying notes to the Consolidated Financial Statements.

**THE CITY OF PENTICTON
SIGNIFICANT ACCOUNTING POLICIES
DECEMBER 31, 2019**

Management's Responsibility for the Financial Statements

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

Basis of Consolidation

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

Penticton Public Library

Deferred Revenue

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

Revenue Recognition

Taxation

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

Government Transfers

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

Utilities

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

**THE CITY OF PENTICTON
SIGNIFICANT ACCOUNTING POLICIES
DECEMBER 31, 2019**

Revenue Recognition continued

Fee for Service

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

Inventory

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

Tangible Capital Assets

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

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

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

**THE CITY OF PENTICTON
SIGNIFICANT ACCOUNTING POLICIES
DECEMBER 31, 2019**

Retirement and Employee Benefits

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

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

Reserve for Future Expenditure

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

Statutory Reserve Funds

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

Use of Estimates

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

Collection of Taxes on Behalf of Other Taxation Authorities

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

Contaminated Sites

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

- a) An environmental standard exists
- b) Contamination exceeds the environmental standard
- c) The City is directly responsible or accepts responsibility for remediation
- d) It is expected that future economic benefits will be given up; and
- e) A reasonable estimate of the amount can be made.

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

As at December 31, 2019 the City has no liability for contaminated sites.

THE CITY OF PENTICTON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2019

1. Term Deposits

	Maturity Date	Effective Interest Rate (%)	2019	2018
Valley First	Feb 25, 2020	3.05	\$ 6,000,000	\$ -
Valley First	Feb 27, 2020	2.70	5,000,000	-
Valley First	Feb 27, 2020	2.70	3,000,000	-
Valley First	Aug 9, 2020	2.40	5,000,000	-
Valley First	Aug 17, 2020	2.45	6,168,541	-
Valley First	Dec 3, 2020	2.50	5,000,000	-
Valley First	Aug 9, 2021	2.45	5,000,000	-
Valley First	Dec 3, 2022	2.60	8,000,000	-
Valley First	Aug 17, 2023	3.05	5,152,500	-
Valley First	n/a	-	11,908,293	-
Canaccord	May 19, 2020	2.35	10,000,000	-
Canaccord	May 19, 2020	2.55	4,000,000	-
Canaccord	May 17, 2021	2.80	1,000,000	-
Canaccord	May 17, 2021	2.90	7,000,000	-
Canaccord	May 17, 2021	2.80	6,000,000	-
Canaccord	Aug 17, 2022	2.50	5,000,000	-
Canaccord	Aug 17, 2024	2.80	2,500,000	-
Canaccord	Aug 17, 2024	2.75	2,500,000	-
Valley First Redemptions		-	-	57,054,750
Municipal Finance Authority		-	-	27,043,147
			<u>\$ 98,229,334</u>	<u>\$ 84,097,897</u>

**THE CITY OF PENTICTON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2019**

2. Accounts Receivable

	2019	2018
Property Taxes	\$ 1,237,588	\$ 956,826
Other Receivables	1,957,233	3,468,399
Federal Government	218,107	266,759
Provincial Government	617,235	1,117,793
Regional District Okanagan Similkameen	103	167,580
Other Government Agencies	63,927	50,131
Utility Rates Receivable	4,920,631	4,764,047
Accrued Interest Receivable	1,271,140	402,634
Cemetery Trust Fund Receivable	7,546	22,686
	<u>\$ 10,293,510</u>	<u>\$ 11,216,855</u>

3. Development Cost Charges (DCC)

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

	2019	2018
DCC by Type		
Roads DCC	\$ 2,028,043	\$ 1,831,008
Parks DCC	1,017,251	833,394
Drainage DCC	451,100	328,395
Waste Water DCC	9,936,906	8,632,969
Water DCC	4,392,461	4,031,517
	<u>17,825,761</u>	<u>15,657,283</u>
DCC Activity		
Balance, Beginning of Year	15,657,283	14,589,967
Return on Investments	287,495	264,877
DCCs Levied in the Year	2,082,890	1,239,738
Transfers to General Operating and Capital	(201,907)	(437,299)
	<u>\$ 17,825,761</u>	<u>\$ 15,657,283</u>

**THE CITY OF PENTICTON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2019**

4. Development Cost Charges Reductions

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

The DCC reductions and Economic Incentive tax exemption program have been implemented in accordance with the provisions of Section 933(1) of the Local Government Act and Section 226 of the Community Charter, respectively. In 2019 \$357,149 (2018 - \$390,373) of Economic Incentive tax exemptions were granted. In addition, Council approved \$138,292 (2018 - \$910,736) of DCC reductions in 2019.

5. Deferred Revenue

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

	Taxes	Rec	Other	Total
Balance at December 31, 2018	\$ 4,503,159	\$ 224,461	\$ 863,319	\$ 5,590,939
Collected	9,374,946	703,199	593,741	10,671,886
Recognized	(8,841,412)	(677,004)	(548,549)	(10,066,965)
Balance at December 31, 2019	\$ 5,036,693	\$ 250,656	\$ 908,511	\$ 6,195,860

**THE CITY OF PENTICTON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2019**

6. Pension Liability

The City and its employees contribute to the Municipal Pension Plan (the Plan), a jointly trustee pension plan. The Board of Trustees, representing plan members and employers, is responsible for administering the Plan, including investment of the assets and administration of benefits. The Plan is a multi-employer defined benefit pension plan. Basic pension benefits are based on a formula. As at December 31, 2018, the Plan has about 205,000 active members and approximately 101,000 retired members. Active members include approximately 40,000 contributors from local governments.

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

The most recent actuarial valuation as at December 31, 2018 indicated a \$2,866 million funding surplus for basic pension benefits on a going concern basis.

The City of Penticton paid \$2,170,449 (2018 - \$2,104,076) for employer contributions to the Plan in fiscal 2019.

The next valuation will be as at December 31, 2021 with results available in 2022.

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

7. Contingent Liabilities

a. Regional District of Okanagan Similkameen

Under Section 836 of the Local Government Act, all monies borrowed by a Regional District, shall be upon its credit at large and shall, in the event of any default, constitute an indebtedness of the member municipalities for which they are jointly and severally liable. At December 31, 2019, the long term debt of the Regional District aggregated \$75,748,289 (2018 - \$79,084,988).

**THE CITY OF PENTICTON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2019**

7. Contingent Liabilities continued

b. Legal Actions

As at December 31, 2019, certain legal actions are pending against the City as follows:

1. The City is aware of various liens registered against the City owned properties located at 903-969 Eckhardt Ave W. These liens were filed by various companies engaged by the third party purchaser of the same properties who subsequently defaulted on the purchase. These companies were not paid and they filed liens against the properties. Twelve liens were filed representing claims totaling \$2,111,921.90. Since then, and within the one year limitation period under the Builders Lien Act, five lien claimants had started legal actions against various parties, including the City, and filed certificates of pending litigation ("CPL") against the properties. One claimant has subsequently abandoned its lien claim and discontinued its action and another claimant reached a settlement. The remaining three claims remain alive with the value of these lien claims totaling \$663,851. It is unknown at this time the likely outcome; however, damages could reach \$66,000, which is 10% of the total claims still being advanced.
2. The City has been named a party to an action with respect to a claim made for interference with development rights. The Claimant may have a reasonable basis for a claim; however given the uncertainty of the amount and likeliness of the claim, no accrual has been recorded in regards to these costs.

c. General Contingencies

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

8. Letters of Credit

In addition to the performance deposits reflected in the Consolidated Statement of Financial Position, the City is holding irrevocable Letters of Credit in the amount of \$664,938 which were received from depositors to ensure their performance of works to be undertaken within the City. These amounts are not reflected in the Consolidated Financial Statements but are available to satisfy liabilities arising from non-performance by the depositors.

**THE CITY OF PENTICTON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2019**

9. Long Term Debt

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

	2019	2018
Long Term Debt	\$ 30,980,819	\$ 34,373,676

Principal repayments relating to long term debt of \$30,980,819 outstanding are due as follows (in thousands):

	2020	2021	2022	2023	2024	Thereafter	Sinking Fund
General Fund	\$ 1,346	\$ 1,215	\$ 1,215	\$ 1,218	\$ 915	\$ 3,277	\$ 6,142
Sewer Fund	539	539	539	539	539	2,356	4,023
Water Fund	422	422	422	422	422	1,506	2,962
	<u>\$ 2,307</u>	<u>\$ 2,176</u>	<u>\$ 2,176</u>	<u>\$ 2,179</u>	<u>\$ 1,876</u>	<u>\$ 7,139</u>	<u>\$ 13,127</u>

Long term debt is secured by the assets of the City. The Long Term Debt is held by the Municipal Finance Authority. The principal payments are invested by the Municipal Finance Authority into a Sinking Fund. The principal repayments are currently calculated at a rate of 2.5%. The 2019 earnings in the Sinking Fund were calculated to be \$1,060,511 and are included in Other Revenue on the Consolidated Statement of Operations.

10. Tangible Capital Assets

The City of Penticton budgets for Tangible Capital Assets (TCA) as well as non-operating repairs and maintenance through the capital budget. During the year, the City incurred \$17,461,473 of expenditures that fall within the Capital Budget. Of this amount, \$11,404,021 met the TCA capitalization policy criteria while the remaining \$6,057,452 was expensed due to the expenditure being outside the TCA capitalization policy criteria or they were related to repairs and maintenance.

THE CITY OF PENTICTON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2019

10. Tangible Capital Assets continued

	Land	Building	Equipment	Sewer Infrastructure	Water Infrastructure	Electrical Infrastructure	Roads	Construction in Progress	2019 Total
COST									
Opening Balance	\$ 52,381,359	\$ 166,727,589	\$ 44,118,377	\$ 54,760,269	\$ 59,058,201	\$ 79,195,259	\$ 91,949,590	\$ 2,034,141	\$ 550,224,785
Add: Additions	-	1,851,292	2,466,157	737,132	853,496	935,875	2,105,293	2,606,539	11,555,784
Add: Trsf to/from Construction in Progress	-	590,092	-	-	-	1,232,956	-	(1,823,048)	-
Add: Contributed Assets	12,000	-	-	-	-	-	-	-	12,000
Less: Disposals	-	-	352,569	-	-	11,158	-	-	363,727
	<u>52,393,359</u>	<u>169,168,973</u>	<u>46,231,965</u>	<u>55,497,401</u>	<u>59,911,697</u>	<u>81,352,932</u>	<u>94,054,883</u>	<u>2,817,632</u>	<u>561,428,842</u>
ACCUMULATED AMORTIZATION									
Opening Balance	-	76,120,294	29,452,871	11,606,550	20,017,692	38,646,995	51,864,202	-	227,708,604
Add: Amortization	-	5,048,036	2,102,122	1,108,100	908,014	2,175,669	2,876,549	-	14,218,490
Less: Acc Amortization on Disposals	-	-	323,569	-	-	11,158	-	-	334,727
	<u>-</u>	<u>81,168,330</u>	<u>31,231,424</u>	<u>12,714,650</u>	<u>20,925,706</u>	<u>40,811,506</u>	<u>54,740,751</u>	<u>-</u>	<u>241,592,367</u>
Net Book Value for Year Ended Dec. 31, 2019	<u>\$ 52,393,359</u>	<u>\$ 88,000,643</u>	<u>\$ 15,000,541</u>	<u>\$ 42,782,751</u>	<u>\$ 38,985,991</u>	<u>\$ 40,541,426</u>	<u>\$ 39,314,132</u>	<u>\$ 2,817,632</u>	<u>\$ 319,836,475</u>

THE CITY OF PENTICTON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2019

10. Tangible Capital Assets continued

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

**THE CITY OF PENTICTON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2019**

11. Reporting by Object

	2019	2018
Salaries and Benefits	\$ 29,837,885	\$ 27,897,780
Goods and Services	50,910,359	51,773,399
Interest	1,806,219	2,717,396
Amortization	14,218,490	13,846,173
Other Expenses	1,911,656	2,285,572
Vehicle & Equipment Maintenance	3,844,906	5,002,150
Policing Agreement	7,526,863	7,031,047
	<u>\$ 110,056,378</u>	<u>\$ 110,553,517</u>

12. Credit Facilities

a. Line of Credit

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

As of December 31, 2019 there was no balance outstanding.

b. Bank Indebtedness

The City holds a \$4,230,000 EFT limit.

13. Municipal Finance Authority

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

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

As at December 31, 2019 the Debt Reserve Fund demand note requirements were \$1,830,379 (2018 - \$1,847,557). In addition, cash deposits totaling \$859,924 (2018 - \$844,411) were held by the MFA.

**THE CITY OF PENTICTON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2019**

14. Budget

The Financial Plan (Budget) Bylaw No. 2019-10 adopted by Council on April 2, 2019 was not prepared on a basis consistent with that used to report actual results (Public Sector Accounting Standards). The budget figures anticipated use of reserves accumulated in previous years to reduce current year expenditures in excess of current year revenues to Nil. In addition, the budget expensed all tangible capital expenditures rather than including amortization expense. As a result, the budget figures presented in the statements of operations and change in net financial assets represent the Financial Plan adopted by Council with adjustments as follows:

	2019
Financial Plan (Budget) Bylaw surplus for the year	\$ -
Add:	
Transfer to Funds/Reserves	21,973,920
Debt Principal Repayments	2,333,054
Budgeted Capital Expenditures - General	6,960,397
Budgeted Capital Expenditures - Electric	3,693,238
Budgeted Capital Expenditures - Sewer	4,577,800
Budgeted Capital Expenditures - Water	5,512,200
Less:	
Budgeted Transfers from Surplus	21,901,449
Budget Surplus per Statement of Operations	\$ 23,149,160

15. Transfers From Other Governments

	2019	2018
Gas tax community works fund	\$ 2,984,053	\$ 1,507,824
Traffic fine revenue sharing	385,097	385,881
Okanagan Basin Water Board grants	174,654	211,504
Province of British Columbia - Carmi Reservoir	-	511,705
BC Arts Council	20,900	18,000
Library	131,916	132,218
Miscellaneous	166,693	214,022
	\$ 3,863,313	\$ 2,981,154

**THE CITY OF PENTICTON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2019**

16. Penticton Public Library

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

17. Taxation

	Budget	2019	2018
Municipal Taxation			
Real Property	\$ 33,431,395	\$ 33,368,337	\$ 31,575,505
Special Assessments	171,000	147,128	170,067
Grants in Lieu	335,000	459,950	460,447
Total municipal taxation	33,937,395	33,975,415	32,206,019
Collections For other Governments			
School	17,394,721	15,866,523	15,647,890
Regional District	1,639,331	2,078,370	1,940,995
Regional Hospital	2,662,296	2,625,433	2,603,331
BCAA	482,507	413,586	409,730
Total collections for other taxing authorities	22,178,855	20,983,912	20,601,946
Transfers to Other Governments	(22,178,855)	(20,988,919)	(20,595,283)
Supplemental Taxation Recovered (Remitted)	-	5,007	(6,663)
Net taxation for municipal purposes	\$ 33,937,395	\$ 33,975,415	\$ 32,206,019

18. Comparative Figures

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

**THE CITY OF PENTICTON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2019**

19. Contractual Rights

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

The Penticton Golf & Country Club

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

Art Gallery of the South Okanagan (Inc. 9986)

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

Penticton Seniors' Drop-in Centre Society

The LEASE Agreement between The City of Penticton and the Penticton Seniors' Drop-in Centre Society dated May 31, 2019, will generate an asset to the City upon expiry of the lease. The LEASE Agreement grants the right of ownership of the Drop-In Centre Building to the City; the current market value for this building is \$1,708,000. This is a 20 year Lease, due to expire in 2039.

Gateway Casinos & Entertainment Limited

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

20. Segmented Information

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

General Government Services

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

**THE CITY OF PENTICTON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2019**

20. Segmented Information continued

Protective Services

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

Transportation Services

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

Environmental Health Services

Environmental services consists of providing waste disposal to citizens.

Public Health and Safety

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

Environmental Development Services

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

Recreation and Culture

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

Electrical Utility

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

Sewer Utility

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

**THE CITY OF PENTICTON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2019**

20. Segmented Information continued

Water Utility

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

21. Cemetery Perpetual Trust Fund

The Cemetery Trust fund is established in accordance with the Cremation, Interment, and Funeral Services Act, to upkeep the cemetery grounds/facilities upon closure of the cemetery. As per legislation, current interest income earned on the Reserve balance may be used to offset cemetery operating and capital expenditures. Annual cemetery operating and capital expenditures are approved by Council through the annual budgeting process. The trust fund assets and liabilities are not included in the consolidated financial statements. At December 31, 2019, the balance of funds held in trust was \$1,056,150 (2018 - \$1,017,095).

22. COVID-19

Subsequent to year end, the impact of COVID-19 in Canada and on the global economy increased significantly. As the impacts of COVID-19 continue, there could be further impact on the City, its citizens, employees, suppliers and other third party business associates that could impact the timing and amounts realized on the City's assets and future ability to deliver services and projects. At this time, the full potential impact of COVID-19 on the City is not known. Although the disruption from the virus is expected to be temporary, given the dynamic nature of these circumstances, the duration of disruption and the related financial impact cannot be reasonably estimated at this time. The City's ability to continue delivering non-essential services and employ related staff, will depend on the legislative mandates from the various levels of government. The City will continue to focus on collecting receivables, managing expenditures, and leveraging existing reserves and available credit facilities to ensure it is able to continue providing essential services to its citizens.

THE CITY OF PENTICTON
SCHEDULE OF SEGMENT DISCLOSURE
DECEMBER 31, 2019

	General Government Services	Protective Services	Transportation Services	Environmental Health Services	Public Health and Safety	Environmental Development Services	Recreation and Culture	Electrical Utility	Sewer Utility	Water Utility	2019 Total
REVENUE											
Taxation	\$ 33,975,415	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 33,975,415
Sales of Services	2,582,643	1,234,345	1,754,814	2,593,063	423,325	135,027	2,597,542	43,097,201	6,464,890	9,213,484	70,096,334
Government Grants and Transfers	3,438,030	36,548	-	-	-	55,553	158,528	-	174,654	-	3,863,313
Other Revenue	9,195,223	157,563	37,525	-	-	-	1,287,568	12,373	-	-	10,690,252
Other Contributions	199,671	-	483,757	-	-	-	-	1,198,357	69,907	487,024	2,438,716
Gain (loss) on Disposal	14,264	-	48,150	-	-	-	-	-	-	-	62,414
Contributed Asset	12,000	-	-	-	-	-	-	-	-	-	12,000
	<u>49,417,246</u>	<u>1,428,456</u>	<u>2,324,246</u>	<u>2,593,063</u>	<u>423,325</u>	<u>190,580</u>	<u>4,043,638</u>	<u>44,307,931</u>	<u>6,709,451</u>	<u>9,700,508</u>	<u>121,138,444</u>
EXPENDITURE											
Salaries and Benefits	5,753,230	7,997,780	2,093,755	154,102	39,752	1,802,940	6,201,658	2,087,480	1,881,362	1,825,826	29,837,885
Goods and Services	4,291,797	970,019	3,579,516	1,739,964	201,203	951,124	4,597,872	31,160,431	1,728,056	1,690,377	50,910,359
Interest	42,980	78,625	68,114	-	-	-	763,474	-	514,500	338,526	1,806,219
Amortization	8,028,713	-	1,997,994	-	-	-	-	2,175,669	1,108,100	908,014	14,218,490
Other Expenses	1,087,452	5,546	4,546	-	-	703,551	28,457	53,500	6,203	22,401	1,911,656
Vehicle & Equipment Maintenance	431,238	96,301	2,124,467	3,924	3,298	9,291	449,229	203,759	347,701	175,698	3,844,906
Policing Agreement	-	7,526,863	-	-	-	-	-	-	-	-	7,526,863
	<u>19,635,410</u>	<u>16,675,134</u>	<u>9,868,392</u>	<u>1,897,990</u>	<u>244,253</u>	<u>3,466,906</u>	<u>12,040,690</u>	<u>35,680,839</u>	<u>5,585,922</u>	<u>4,960,842</u>	<u>110,056,378</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 29,781,836</u>	<u>\$ (15,246,678)</u>	<u>\$ (7,544,146)</u>	<u>\$ 695,073</u>	<u>\$ 179,072</u>	<u>\$ (3,276,326)</u>	<u>\$ (7,997,052)</u>	<u>\$ 8,627,092</u>	<u>\$ 1,123,529</u>	<u>\$ 4,739,666</u>	<u>\$ 11,082,066</u>

**THE CITY OF PENTICTON
SCHEDULE OF SEGMENT DISCLOSURE
DECEMBER 31, 2018**

	General Government Services	Protective Services	Transportation Services	Environmental Health Services	Public Health and Safety	Environmental Development Services	Recreation and Culture	Electrical Supply	Sewer System Utility	Water Utility Services	2018 Total
REVENUE											
Taxation	\$ 32,206,019	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 32,206,019
Sales of Services	2,677,060	1,141,643	2,331,909	2,454,942	312,235	108,071	2,433,900	43,690,448	5,618,853	8,862,818	69,631,879
Government Grants and Transfers	1,923,706	111,701	-	-	-	52,320	170,218	-	211,504	511,705	2,981,154
Other Revenue	7,876,949	149,897	30,000	-	-	-	1,264,420	12,235	-	5,945	9,339,446
Other Contributions	218,821	-	1,396,927	-	-	-	-	1,111,216	81,378	639,935	3,448,277
Gain (loss) on Disposal	(106,012)	-	(537,499)	-	-	-	777,354	-	-	-	133,843
Contributed Asset	2,021,239	-	-	-	-	-	-	-	-	-	2,021,239
	<u>46,817,782</u>	<u>1,403,241</u>	<u>3,221,337</u>	<u>2,454,942</u>	<u>312,235</u>	<u>160,391</u>	<u>4,645,892</u>	<u>44,813,899</u>	<u>5,911,735</u>	<u>10,020,403</u>	<u>119,761,857</u>
EXPENDITURE											
Salaries and Benefits	5,480,065	7,756,242	2,044,532	132,471	42,422	1,807,943	5,637,748	1,939,788	1,510,690	1,545,879	27,897,780
Goods and Services	3,886,886	981,438	4,799,740	1,598,205	186,953	1,196,674	4,611,349	31,430,798	1,565,363	1,515,993	51,773,399
Interest	(27,144)	84,000	131,732	-	-	-	1,384,852	-	709,613	434,343	2,717,396
Amortization	7,833,058	-	1,904,865	-	-	-	-	2,119,112	1,098,271	890,867	13,846,173
Other Expenses	1,534,785	26,927	10,868	-	-	640,005	24,889	36,579	2,252	9,267	2,285,572
Vehicle & Equipment Maintenance	325,615	87,641	1,931,876	4,383	2,566	8,216	468,424	1,689,587	322,962	160,880	5,002,150
Policing Agreement	-	7,031,047	-	-	-	-	-	-	-	-	7,031,047
	<u>19,033,265</u>	<u>15,967,295</u>	<u>10,823,613</u>	<u>1,735,059</u>	<u>231,941</u>	<u>3,652,838</u>	<u>12,127,262</u>	<u>37,215,864</u>	<u>5,209,151</u>	<u>4,557,229</u>	<u>110,553,517</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 27,784,517</u>	<u>\$ (14,564,054)</u>	<u>\$ (7,602,276)</u>	<u>\$ 719,883</u>	<u>\$ 80,294</u>	<u>\$ (3,492,447)</u>	<u>\$ (7,481,370)</u>	<u>\$ 7,598,035</u>	<u>\$ 702,584</u>	<u>\$ 5,463,174</u>	<u>\$ 9,208,340</u>

**THE CITY OF PENTICTON
GENERAL REVENUE FUND
STATEMENT OF OPERATIONS
YEAR ENDED DECEMBER 31, 2019
(UNAUDITED)**

	2019 Budget	2019	2018
Revenue			
Taxation	\$ 33,937,395	\$ 33,975,415	\$ 32,206,019
Sales of Services	15,047,470	16,010,962	16,137,073
Government Grants and Transfers	2,137,257	3,688,659	2,257,945
Transfer From Other Funds/Reserves	1,453,469	5,917,384	6,090,564
Other Revenue	7,671,912	10,677,879	9,321,265
Other Contributions	205,768	683,425	1,615,748
Sale of Assets	30,000	62,414	133,843
Collections For other Governments	22,178,855	20,983,911	20,601,945
	<u>82,662,126</u>	<u>92,000,049</u>	<u>88,364,402</u>
Expenditure			
Salaries and Benefits	23,306,946	24,660,270	23,501,703
Goods and Services	15,760,459	17,337,285	18,270,358
Interest	961,606	953,193	1,573,440
Principal Payments	1,365,859	1,365,151	1,985,239
Other Expenses	2,005,033	1,829,550	2,237,473
Vehicle & Equipment Maintenance	1,982,221	3,117,748	2,828,721
Policing Agreement	7,737,010	7,526,863	7,031,047
Transfer to Other Funds/Reserves	7,364,137	12,929,031	9,809,192
Transfers to Other Governments	22,178,855	20,988,919	20,595,283
	<u>82,662,126</u>	<u>90,708,010</u>	<u>87,832,456</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>-</u>	<u>1,292,039</u>	<u>531,946</u>
CHANGE IN FUND BALANCES	-	1,292,039	531,946
FUND BALANCES, BEGINNING OF YEAR	6,557,954	6,557,954	6,026,008
FUND BALANCES, END OF YEAR	<u>\$ 6,557,954</u>	<u>\$ 7,849,993</u>	<u>\$ 6,557,954</u>

**THE CITY OF PENTICTON
RESERVE FUNDS
STATEMENT OF FINANCIAL POSITION
YEAR ENDED DECEMBER 31, 2019
(UNAUDITED)**

	2019	2018
Balance, Beginning of Year	\$ 14,595,289	\$ 14,539,200
Add		
Transfers from:		
Revenue Funds	6,088,229	5,165,260
Interest Earned	324,063	247,129
Non-Statutory Reserves	6,800,000	-
Deduct		
Transfers to:		
Capital Funds	3,520,493	5,356,300
Revenue Funds	338,222	-
	<u>\$ 23,948,866</u>	<u>\$ 14,595,289</u>
 STATUTORY RESERVE FUND BALANCES		
Equipment Replacement Reserve Fund	6,112,126	4,337,362
Tax Sale Lands Reserve Fund	7,820	7,687
Capital Reserve Fund	2,272,450	2,665,542
Land Acquisition Reserve	83,326	81,909
Local Improvement	1,151,936	1,062,349
Off-Site Parking Reserve Fund	126,732	124,577
Community Works Reserve Fund	2,879,469	1,066,911
Public Amenity Reserve	118,048	75,267
Affordable Housing Reserve	216,433	171,979
Alternative Transportation Reserve	153,442	53,666
Asset Sustainability	4,244,407	2,443,294
Water Capital Reserve Fund	935,879	919,964
Sewer Capital Reserve Fund	561,888	552,333
Electric Capital Reserve Fund	5,084,910	1,032,449
	<u>23,948,866</u>	<u>14,595,289</u>
Balance, End of Year	<u>\$ 23,948,866</u>	<u>\$ 14,595,289</u>

THE CITY OF PENTICTON
RESERVE FUNDS
STATEMENT OF CHANGES IN FUND BALANCES
YEAR ENDED DECEMBER 31, 2019
(UNAUDITED)

	Balance, Beginning of Year	Transfer from General Revenue Fund	Interest Earned	Transfer to/from General Revenue/Capital Fund	Transfer to Sewer Capital Fund	Inter-reserve Transfers	2019 Total
Reserve							
Equipment Replacement	\$ 4,337,362	\$ 1,462,380	\$ 85,203	\$ (1,772,819)	\$ -	\$ 2,000,000	\$ 6,112,126
Tax Sale Lands	7,687	-	133	-	-	-	7,820
Capital	2,665,542	65,981	41,781	(500,854)	-	-	2,272,450
Land Acquisition	81,909	-	1,417	-	-	-	83,326
Local Improvement	1,062,349	112,897	18,171	(41,481)	-	-	1,151,936
Off-Street Parking	124,577	-	2,155	-	-	-	126,732
Community Works	1,066,911	2,984,053	33,844	(1,205,339)	-	-	2,879,469
Public Amenity	75,267	41,123	1,658	-	-	-	118,048
Affordable Housing	171,979	41,123	3,331	-	-	-	216,433
Alternative Transportation	53,666	98,000	1,776	-	-	-	153,442
Asset Sustainability	2,443,294	1,282,672	56,663	(338,222)	-	800,000	4,244,407
Water Capital	919,964	-	15,915	-	-	-	935,879
Sewer Capital	552,333	-	9,555	-	-	-	561,888
Electric Capital	1,032,449	-	52,461	-	-	4,000,000	5,084,910
	\$ 14,595,289	\$ 6,088,229	\$ 324,063	\$ (3,858,715)	\$ -	\$ 6,800,000	\$ 23,948,866

**THE CITY OF PENTICTON
RESERVES
STATEMENT OF CHANGES IN FUND BALANCES
YEAR ENDED DECEMBER 31, 2019
(UNAUDITED)**

	Balance, Beginning of Year	Transfers In	Transfers Out	Interest	Inter-reserve Transfers	2019 Total
Non-Statutory						
Asset Emergency	\$ 765,443	\$ 1,015,082	\$ (285,582)	\$ -	\$ 1,200,000	\$ 2,694,943
Building Permit Stabilization	45,011	-	-	-	(45,011)	-
Carbon Tax Credit Reserve	152,421	-	-	-	(152,421)	-
Cemetery Land	133,000	-	-	-	-	133,000
Climate Action	231,640	48,000	-	-	152,421	432,061
Election	-	30,000	-	-	-	30,000
Electric Surplus	19,056,284	3,329,605	-	-	(4,000,000)	18,385,889
Financial Stabilization	211,554	323,010	-	-	570,012	1,104,576
Gaming	4,767,594	1,674,525	(211,352)	-	(3,600,000)	2,630,767
General Surplus	6,557,956	1,292,039	-	-	-	7,849,995
Infrastructure	400,000	-	-	-	(400,000)	-
Investment Income	1,369,942	-	-	-	-	1,369,942
Liability Insurance	250,001	-	-	-	(250,001)	-
Marinas	608,098	49,963	(64,230)	-	-	593,831
Multi-Material BC	292,428	499,807	(246,000)	-	-	546,235
Northgate	52,000	-	(52,000)	-	-	-
Parking & Revitalization	51,765	-	-	-	-	51,765
Public Art	94,771	-	(18,000)	-	-	76,771
Rate Stabilization	200,000	-	-	-	(200,000)	-
RCMP	459,999	100,000	(16,705)	-	-	543,294
Sewer Equipment Replacement	180,268	-	-	-	-	180,268
Sewer Surplus	3,621,719	-	(2,133,152)	-	-	1,488,567
Snow Clearing Stabilization	75,000	-	-	-	(75,000)	-
Special Events Site	21,166	-	(21,166)	-	-	-
Water Surplus	6,802,114	-	(374,129)	-	-	6,427,985
West Bench Capital	1,185,185	-	-	-	-	1,185,185
West Bench Water	1,566,720	-	(78,336)	-	-	1,488,384
Wine/Info	13,150	-	(13,150)	-	-	-
	49,165,229	8,362,031	(3,513,802)	-	(6,800,000)	47,213,458
Statutory	14,595,289	6,088,229	(3,858,715)	324,063	6,800,000	23,948,866
DCC	15,657,283	2,082,890	(201,907)	287,495	-	17,825,761
	<u>\$ 79,417,801</u>	<u>\$ 16,533,150</u>	<u>\$ (7,574,424)</u>	<u>\$ 611,558</u>	<u>\$ -</u>	<u>\$ 88,988,085</u>

**THE CITY OF PENTICTON
SEWER REVENUE FUND
STATEMENT OF OPERATIONS
YEAR ENDED DECEMBER 31, 2019
(UNAUDITED)**

	2019 Budget	2019	2018
Revenue			
Sales of Services	\$ 6,914,622	\$ 6,464,890	\$ 5,618,853
Government Grants and Transfers	208,058	174,654	211,504
Transfer From Other Funds/Reserves	1,000,000	1,238,157	1,252,791
	<u>8,122,680</u>	<u>7,877,701</u>	<u>7,083,148</u>
Expenditure			
Salaries and Benefits	1,653,534	1,881,362	1,510,690
Goods and Services	2,000,297	2,469,665	2,214,963
Interest	546,515	514,500	709,613
Principal Payments	545,072	545,072	575,057
Other Expenses	-	6,203	2,252
Vehicle & Equipment Maintenance	479,125	347,701	322,962
Transfer to Other Funds/Reserves	2,898,137	4,246,350	3,337,569
	<u>8,122,680</u>	<u>10,010,853</u>	<u>8,673,106</u>
DEFICIENCY OF REVENUES OVER EXPENDITURES	<u>-</u>	<u>(2,133,152)</u>	<u>(1,589,958)</u>
CHANGE IN FUND BALANCES	-	(2,133,152)	(1,589,958)
FUND BALANCES, BEGINNING OF YEAR	3,621,719	3,621,719	5,211,677
FUND BALANCES, END OF YEAR	<u>\$ 3,621,719</u>	<u>\$ 1,488,567</u>	<u>\$ 3,621,719</u>

**THE CITY OF PENTICTON
WATER REVENUE FUND
STATEMENT OF OPERATIONS
YEAR ENDED DECEMBER 31, 2019
(UNAUDITED)**

	2019 Budget	2019	2018
Revenue			
Sales of Services	\$ 8,822,919	\$ 9,213,484	\$ 8,862,818
Government Grants and Transfers	-	-	511,705
Transfer From Other Funds/Reserves	78,336	1,313,493	3,080,159
Other Revenue	-	-	5,945
	<u>8,901,255</u>	<u>10,526,977</u>	<u>12,460,627</u>
Expenditure			
Salaries and Benefits	1,662,381	1,825,826	1,545,878
Goods and Services	1,960,010	2,491,923	2,231,481
Interest	358,795	338,526	434,343
Principal Payments	422,123	422,123	422,123
Other Expenses	23,224	22,401	9,267
Vehicle & Equipment Maintenance	263,675	175,698	160,880
Transfer to Other Funds/Reserves	4,211,047	5,624,609	5,763,988
	<u>8,901,255</u>	<u>10,901,106</u>	<u>10,567,960</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>-</u>	<u>(374,129)</u>	<u>1,892,667</u>
CHANGE IN FUND BALANCES	-	(374,129)	1,892,667
FUND BALANCES, BEGINNING OF YEAR	6,802,117	6,802,117	4,909,450
FUND BALANCES, END OF YEAR	<u>\$ 6,802,117</u>	<u>\$ 6,427,988</u>	<u>\$ 6,802,117</u>

**THE CITY OF PENTICTON
ELECTRIC REVENUE FUND
STATEMENT OF OPERATIONS
YEAR ENDED DECEMBER 31, 2019
(UNAUDITED)**

	2019 Budget	2019	2018
Revenue			
Sales of Services	\$ 42,083,420	\$ 43,097,201	\$ 43,690,448
Other Revenue	9,270	12,373	12,235
Transfer From Other Funds/Reserves	-	350,430	482,324
	<u>42,092,690</u>	<u>43,460,004</u>	<u>44,185,007</u>
Expenditure			
Salaries and Benefits	1,608,704	2,087,480	1,939,788
Goods and Services	33,606,451	32,684,642	33,133,633
Other Expenses	108,156	53,500	36,579
Vehicle & Equipment Maintenance	186,096	203,759	1,689,587
Transfer to Other Funds/Reserves	6,583,283	9,101,018	5,151,755
	<u>42,092,690</u>	<u>44,130,399</u>	<u>41,951,342</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>-</u>	<u>(670,395)</u>	<u>2,233,665</u>
CHANGE IN FUND BALANCES	-	(670,395)	2,233,665
FUND BALANCES, BEGINNING OF YEAR	19,056,284	19,056,284	16,822,619
FUND BALANCES, END OF YEAR	<u>\$ 19,056,284</u>	<u>\$ 18,385,889</u>	<u>\$ 19,056,284</u>

**THE CITY OF PENTICTON
STORM WATER
STATEMENT OF REVENUE AND EXPENDITURE
YEAR ENDED DECEMBER 31, 2019
(UNAUDITED)**

	2019 Budget	2019	2018
REVENUE			
Sales of Services	\$ 367,000	\$ 362,063	\$ 172,729
Government Grants and Transfers	-	-	10,000
	<u>367,000</u>	<u>362,063</u>	<u>182,729</u>
EXPENDITURE			
Salaries and Benefits	248,300	202,504	131,920
Goods and Services	122,000	148,623	136,874
Other Expenses	-	-	155
Vehicle & Equipment Maintenance	55,000	17,322	32,261
	<u>425,300</u>	<u>368,449</u>	<u>301,210</u>
DEFICIENCY OF REVENUES OVER EXPENDITURES	<u>\$ (58,300)</u>	<u>\$ (6,386)</u>	<u>\$ (118,481)</u>

See accompanying notes to the Consolidated Financial Statements.

**THE CITY OF PENTICTON
DEBT ISSUED AND OUTSTANDING
DECEMBER 31, 2019
(UNAUDITED)**

										2019 Payments	
LIA B Law	S/1 B Law	Issue	Issue Date	Purpose	Issue Amount	Outstanding Amount	Term (Years)	Maturity	Rate (%)	Interest	Principal
General Fund											
9925	20005	72	12-Apr-00	RCMP Building	\$ 2,500,000	\$ 186,960	20	2020	1.670	\$ 47,125	\$ 82,873
9925	20046	73	07-Nov-00	RCMP Building	1,500,000	112,176	20	2020	2.100	31,500	49,725
2003-15	2268	81	22-Apr-04	Storm Sewer	337,500	117,250	20	2024	2.625	8,859	10,207
2004-16	859-2004	85	25-Oct-04	Parks-Land Acquisition	1,680,000	583,646	20	2024	2.000	33,600	50,807
2004-18	859/2004	85	25-Oct-04	Road Works-S. Main St.	195,000	67,745	20	2024	2.000	3,900	5,897
2004-19	859/2004	85	25-Oct-04	Road Design-Main St.	150,000	52,111	20	2024	2.000	3,000	4,536
2004-20	859/2004	85	25-Oct-04	Integrated Waterfront	550,000	191,075	20	2024	2.000	11,000	16,633
2004-21	859/2004	85	25-Oct-04	Youth Park	50,000	17,370	20	2024	2.000	1,000	1,512
2004-11	1108/2004	93	06-Apr-05	Wine Information Centre	800,000	283,527	20	2025	5.100	15,562	43,228
2004-20	1108-2004	93	06-Apr-05	Integrated Waterfront	520,000	184,292	20	2025	5.100	10,115	28,098
2004-21	614/2005	95	13-Oct-05	Youth Park	150,000	57,358	20	2025	1.800	2,700	5,514
2005-18	615/2005	95	13-Oct-05	Integrated Waterfront	825,000	315,469	20	2025	1.800	14,850	30,328
2006-15	17/17/2006	99	07-Nov-06	Road Works-Fairview/Ind	1,595,000	704,419	20	2026	1.750	27,913	53,563
2006-17	17/17/2006	99	07-Nov-06	Sportsfields	3,200,000	1,413,253	20	2026	1.750	56,000	107,462
2006-33	273/2007	102	02-Nov-07	Integrated Waterfront '06	350,000	173,393	20	2027	2.250	7,875	11,754
2006-76	024/2008	103	23-Apr-08	Wellness Centre	3,000,000	1,641,314	20	2028	2.650	79,500	100,745
2007-41	333/2008	104	20-Nov-08	Cemetery-Columbarium	2,500,000	1,367,762	20	2028	2.900	72,500	83,954
2007-52	333/2008	104	20-Nov-08	Indoor Soccer Facility	1,000,000	547,105	20	2028	2.900	29,000	33,582
2007-57	333/2008	104	20-Nov-08	Integrated Waterfront	530,000	289,965	20	2028	2.900	15,370	17,798
2007-60	157-2009	105	21-Apr-09	PIDA	231,344	-	10	2019	4.900	5,668	19,269
2007-52	638/2009	106	13-Oct-09	Indoor Soccer Facility	415,000	247,678	20	2029	4.130	17,140	13,936
2007-52	15/30/2010	110	08-Apr-10	Indoor Soccer Ph2	586,000	377,742	20	2030	4.500	26,370	19,679
2009-14	15/30/2010	110	08-Apr-10	Pool Upgrades	7,400,000	4,770,123	20	2030	4.500	333,000	248,505
2007-52	B25/2011	116	04-Apr-11	Indoor Soccer Facility	135,000	93,227	20	2031	4.200	5,670	4,534
2009-43	B25/2011	116	04-Apr-11	Road Wrks-Smythe Dr	447,000	308,685	20	2031	4.200	18,774	15,011
26/2018				Downtown 300 Block Main Street	1,530,000	1,224,000	5		-	32,222	306,000

**THE CITY OF PENTICTON
DEBT ISSUED AND OUTSTANDING
DECEMBER 31, 2019
(UNAUDITED)**

LIA B Law	S/1 B Law	Issue	Issue Date	Purpose	Issue Amount	Outstanding Amount	Term (Years)	Maturity	Rate (%)	2019 Payments	
										Interest	Principal
					<u>32,176,844</u>	<u>15,327,645</u>				<u>910,213</u>	<u>1,365,150</u>
Water Fund											
2006-07	17/07/2006	99	07-Nov-06	Naramata Rd. Upgrade	4,670,000	2,062,467	20	2026	1.750	81,725	156,827
2007-83	333/2008	104	20-Nov-08	Water Filtration Plant	4,000,000	2,188,419	20	2028	2.900	116,000	134,327
2007-83	638/2009	106	13-Oct-09	Water Filtration Plant	3,900,000	2,327,574	20	2029	4.130	161,070	130,969
					<u>12,570,000</u>	<u>6,578,460</u>				<u>358,795</u>	<u>422,123</u>
Sewer Fund											
2006-61	273/2007	102	02-Nov-07	Septage Handling Facility	1,050,000	520,177	20	2027	2.250	23,625	35,261
2008-10	333-2008	104	02-Nov-07	Sewer System Upgrade	8,000,000	4,376,838	20	2028	2.900	232,000	268,654
2007-60	157/2009	105	21-Apr-09	PIDA	73,056	-	10	2019	4.900	1,790	6,085
2008-10	638-2009	106	13-Oct-09	Sewer Plant Expansion	7,000,000	4,177,697	20	2029	4.130	289,100	235,072
					<u>16,123,056</u>	<u>9,074,712</u>				<u>546,515</u>	<u>545,072</u>
					<u>\$ 60,869,900</u>	<u>\$ 30,980,817</u>				<u>\$ 1,815,523</u>	<u>\$ 2,332,345</u>

**THE CITY OF PENTICTON
CEMETERY PERPETUAL TRUST FUND
STATEMENT OF FINANCIAL POSITION
YEAR ENDED DECEMBER 31, 2019
(UNAUDITED)**

ASSETS

Bank Term Deposits

Less:

Due To General Revenue Fund

SURPLUS

Balance, Beginning of Year

Add:

Care Fund Contributions

Interest Earned

Deduct:

Cemetery Maintenance

Balance, End of Year

2019	2018
\$ 1,063,696	\$ 1,039,781
7,546	22,686
<u>\$ 1,056,150</u>	<u>\$ 1,017,095</u>
\$ 1,017,095	\$ 986,694
39,037	30,324
23,918	23,377
<u>62,955</u>	<u>53,701</u>
23,900	23,300
<u>\$ 1,056,150</u>	<u>\$ 1,017,095</u>

Council Report

penticton.ca

Date: May 19, 2020
To: Donny van Dyk, Chief Administrative Officer
From: Amber Coates, Revenue Supervisor
Subject: **Permissive Tax Exemption Policy Amendment**

File No: 1970-04

Staff Recommendation

THAT Council approve the amended "Permissive Tax Exemption Policy", a policy that provides direction on the requirements and evaluation of applications made pursuant to Section 224 of the *Community Charter*.

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

Local governments have the authority to exempt eligible properties from property taxation for a specified period of time. Such exemptions must be provided by bylaw. Permissive exemptions are different to statutory exemptions, which are automatic and not at the discretion of a local government.

The authority to grant permissive exemptions allows municipalities to promote or achieve goals deemed to be of high importance to the local community. These often include societies and non-profits providing support services, programs, and housing to at-risk members of the community, as well as those that provide increased well-being to members of the community at large.

Local governments are limited by Section 224 of the *Community Charter* as to which types or applicants and services may be considered for Permissive Tax Exemption. Exemptions provided for in Section 224 are at the discretion of Council and there is no obligation to give the exemption.

During the 2020 Permissive Tax Exemption bylaw readings in September 2019 and later adoption October 18, 2019, staff was requested to review and come forward with potential changes to section 3.14 of the policy as the policy-stated cap of 1.68% was exceeded.

Analysis

Staff revisited the summary table of practices followed by other municipalities from the large update performed on the policy in 2019.

Municipality	Published Cap	Categories	Last Updated
City of Vernon	None 3 year phase-in	Yes Based on Resident Benefit	2018
City of Kelowna	None	None	2017
District of West Kelowna	None	Yes Based on Resident Benefit	2015
District of Summerland	None	None	2014
Town of Oliver	None	None	2011
City of Kamloops	Amount Set each Cycle	Yes Based on Type	2016
City of Victoria	1.60% of taxes + Category %	Yes Based on Type	2013
City of Abbotsford	Amount Set at Budget	Yes Based on Resident Benefit	2016
City of Courtenay	2.00% of taxes + Category %	Yes Based on Resident Benefit	2017
Township of Langley	None	Yes Based on Type	2006
City of Penticton (current)	1.68% of taxes	Yes Based on Type	2019

The two most common mechanisms in use for limiting taxes foregone are a percentage cap per category, or a percentage cap based on the general municipal tax amounts. Suggested options for either of those two mechanisms are provided in the alternate recommendations 1 and 2 respectively.

In consideration of the discussion at the September and October Council meetings last year that limiting the assistance to organizations that benefit from permissive tax exemptions and in turn benefit the community is not desirable in a wholesale fashion. Instead, staff is recommending that Council be provided with an overview of new applicants, or applications where organizations have made significant changes to their property or services. This approach will help to ensure the services align with the community priorities and needs prior to providing the applicant with a permissive tax exemption through the annual bylaw adoption. Returning applicants with no significant changes and that continue to qualify under the *Community Charter* would automatically be included at the full 100%.

In this way, Council and returning applicants with no significant changes will be assured of continuation of services provided, but Council will have the opportunity to review and discuss significant changes or new applications to ensure they are suited to the community and should be provided the benefit of a permissive tax exemption prior to the property being adopted into the annual bylaw.

Alternate recommendations

1. THAT Council direct staff to remove the property taxes foregone percentage in section 3.14 and instead incorporate a maximum percentage per Evaluation Category:
 - Affordable Rental Housing: 100%
 - Special Needs and Supportive Housing: 100%
 - Health, Safety and Social Service properties: 100%
 - Arts, Cultural and Heritage facilities: 80%
 - Parks, Recreation and Sports facilities: 80%
 - Places of Worship, Private School and Hospitals ancillary properties: 100%
2. THAT Council direct staff to amend the cap for the property taxes foregone percentage in section 3.14 of the policy at 2.00% as opposed to the current 1.68%.
3. THAT Council direct staff to continue to use the current Permissive Tax Exemption policy.

Attachments

Attachment A – Amended Permissive Tax Exemption Policy (Proposed)

Attachment B – Permissive Tax Exemption Policy

Respectfully submitted,

Amber Coates
Revenue Supervisor

Concurrence

Chief Financial Officer <i>JWB</i>	Chief Administrative Officer DyD
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Council Policy

penticton.ca

Approval date: May 19, 2020

Resolution No.: XXX/2020

Subject: **Permissive Tax Exemption Policy**

1.0 Goal

The goal is to provide clarity, consistency and certainty to the municipality, the public and the prospective applicants in the requirements and evaluations of applications for exemption from property taxes pursuant to Section 224 of the Community Charter.

2.0 Background and Scope

Section 224 of the Community Charter provides for permissive tax exemptions for properties used by a variety of non-profit organizations or properties that Council considers are used for a purpose directly related to the purposes of the organization. It also provides for permissive exemptions for some properties which are additional to statutory exemptions under Section 220, such as church halls or ancillary land surrounding places for public worship or privately run schools.

Exemptions provided for in Section 224 are established by Council bylaw at the absolute discretion of Council. There is no obligation to give the exemption or to continue it in future years.

Exemptions cannot be granted if the organization does not qualify under the Community Charter.

The intent of this policy and associated evaluation categories and guidelines is to identify the services and organizations which are the most complementary extensions of municipal services, and for which the burden resulting from the exemption is a justifiable expense to the taxpayers of Penticton. Support will be directed towards services the City would consider providing given adequate resources.

3.0 Policy

- 3.1** Applications for permissive tax exemption will only be accepted during the annual advertised application period and using the prescribed application method and form in order to ensure reasonable consideration and opportunity for all applicants.
- 3.2** The following information will be considered when determining whether to grant a permissive tax exemption:
 - a) The principal use of the property, including the services offered
 - b) The need for the services
 - c) The availability of the services

- d) Other funding sources
- e) The use of volunteers to deliver services

3.3 A permissive tax exemption may be granted when:

- a) The organization is able to demonstrate a need for its services
- b) The organization has made an effort to obtain other funding sources for provision of services
- c) The organization does make use of volunteers to provide services

3.4 Exemptions are based on the principal use of the property, not on the charitable service of the organization as a whole.

3.5 Exemptions can only be granted to the portion of a property that meets all the requirements of this policy. The exemption may apply to the whole or part of the taxable assessed value of land, improvements, or both.

3.6 Only that part of the property used for non-profit activities will be considered for exemption. Commercial activities will be excluded. For clarity, society administration is considered part of the non-profit organization's program delivery.

3.7 Applicants must show evidence of a clear mandate and competent administration.

3.8 Applicants must not be in arrears with the City in regard to any accounts for taxes, fees or charges.

3.9 The use of the property must be consistent with and in compliance with all applicable municipal policies, bylaws and legislation.

3.10 The organization must justify the need for the services and may be required to make a presentation to Council.

3.11 The organization must be seen to be working towards self-sufficiency by seeking funding from other sources.

3.12 The organization may be required to show evidence of ongoing, active volunteer involvement.

3.13 Services and activities should be equally available to all residents of the City, and benefit primarily residents of the City.

3.14 Each year, new property applications and applications with significant changes will be highlighted at the time of the annual bylaw presentation in order to demonstrate the additional benefits of services being provided for in the community. Council will have the opportunity to deny the addition of any new or changed properties whose services do not align with the current community priorities or needs.

4.0 Evaluation Categories

All applications must meet the description of at least one of the categories below, and self-declare their primary category as part of the application:

- 4.1 **Affordable Rental Housing:** housing with rents equal to, or lower than, average rates in the private market.
- 4.2 **Special Needs and Supportive Housing:** short term emergency or crisis protection for members of the community, supportive housing for people with special needs, halfway houses, transitional homes and group homes with supportive staff and programs.
- 4.3 **Health, Safety and Social Service properties:** support services and programs to assist maximizing the health, safety, and quality of life of members of the community.
- 4.4 **Arts, Cultural and Heritage facilities:** preparation and delivery of artistic, cultural or historical events, exhibits, or education to the public.
- 4.5 **Parks, Recreation and Sports facilities:** provide space and equipment for the physical and mental enjoyment of the participants.
- 4.6 **Places of Worship, Private Schools and Hospitals ancillary properties:** must be recognized by BC Assessment as operating in one of these capacities as well as be able to provide supporting documentation to that effect.

5.0 Application and Exemption Cycle

- 5.1 **Applications:** The annual application period will be during the Spring months of each year in order to apply to the following tax year. Each year in advance of the application period the dates will be advertised in the local newspaper, as well as notice made to prior year applicants if possible.
 - a) **Long Form Application:** form to be used for first time applications on a property, or if a property has had significant changes in use, applicant, or physical changes to the site since the prior year application.
 - b) **Short Form Application:** form to be used for prior year exempted properties with no significant changes in use, applicant, or physical changes to the site.
- 5.2 **Evaluations and Bylaw Preparation:** The annual evaluation period will be during the Summer months of each year for the following tax year. During the evaluation time period applicants may be contacted for additional information as needed or to appear before Council to make a presentation.
- 5.3 **Bylaw Review and Adoption:** The Permissive Tax Exemption Bylaw, or amendments to the Permissive Tax Exemption Bylaw, must be adopted and submitted to BC Assessment prior to the end of October in order to apply for the following tax year in order for the exemptions to take

effect. Proposed bylaw or bylaw amendment and the dates Council will deliberate will be advertised in accordance to the Community Charter Section 227.

Previous revisions

Approval Date: April 2, 2013

Council Resolution: 200/2013

Approval Date: April 2, 2019

Council Resolution: 190/2019

Certified correct:

Angie Collison, Corporate Officer

Council Policy

penticton.ca

Approval date: April 2, 2019

Resolution No.: 190/2019

Subject: **Permissive Tax Exemption Policy**

1.0 Goal

The goal is to provide clarity, consistency and certainty to the municipality, the public and the prospective applicants in the requirements and evaluations of applications for exemption from property taxes pursuant to Section 224 of the Community Charter.

2.0 Background and Scope

Section 224 of the Community Charter provides for permissive tax exemptions for properties used by a variety of non-profit organizations or properties that Council considers are used for a purpose directly related to the purposes of the organization. It also provides for permissive exemptions for some properties which are additional to statutory exemptions under Section 220, such as church halls or ancillary land surrounding places for public worship or privately run schools.

Exemptions provided for in Section 224 are established by Council bylaw at the absolute discretion of Council. There is no obligation to give the exemption or to continue it in future years.

Exemptions cannot be granted if the organization does not qualify under the Community Charter.

The intent of this policy and associated evaluation categories and guidelines is to identify the services and organizations which are the most complementary extensions of municipal services, and for which the burden resulting from the exemption is a justifiable expense to the taxpayers of Penticton. Support will be directed towards services the City would consider providing given adequate resources.

3.0 Policy

- 3.1** Applications for permissive tax exemption will only be accepted during the annual advertised application period and using the prescribed application method and form in order to ensure reasonable consideration and opportunity for all applicants.
- 3.2** The following information will be considered when determining whether to grant a permissive tax exemption:
 - a) The principal use of the property, including the services offered
 - b) The need for the services
 - c) The availability of the services

- d) Other funding sources
- e) The use of volunteers to deliver services

3.3 A permissive tax exemption may be granted when:

- a) The organization is able to demonstrate a need for its services
- b) The organization has made an effort to obtain other funding sources for provision of services
- c) The organization does make use of volunteers to provide services

3.4 Exemptions are based on the principal use of the property, not on the charitable service of the organization as a whole.

3.5 Exemptions can only be granted to the portion of a property that meets all the requirements of this policy. The exemption may apply to the whole or part of the taxable assessed value of land, improvements, or both.

3.6 Only that part of the property used for non-profit activities will be considered for exemption. Commercial activities will be excluded. For clarity, society administration is considered part of the non-profit organization's program delivery.

3.7 Applicants must show evidence of a clear mandate and competent administration.

3.8 Applicants must not be in arrears with the City in regard to any accounts for taxes, fees or charges.

3.9 The use of the property must be consistent with and in compliance with all applicable municipal policies, bylaws and legislation.

3.10 The organization must justify the need for the services and may be required to make a presentation to Council.

3.11 The organization must be seen to be working towards self-sufficiency by seeking funding from other sources.

3.12 The organization may be required to show evidence of ongoing, active volunteer involvement.

3.13 Services and activities should be equally available to all residents of the City, and benefit primarily residents of the City.

3.14 Permissive tax exemptions approved in the current year for the subsequent tax year will not exceed 1.68% of the current year's total budgeted general municipal property tax requisition. The permissive exemption general municipal tax values will be calculated by using the current year's assessment multiplied by the current year's general municipal tax rates. In the case where the calculated permissive exemption values for the subsequent year exceed 1.68% of the current year's tax requisition, all permissive exemptions will be proportionately reduced, or in an alternate method as directed by Council during the annual Bylaw adoption process.

4.0 Evaluation Categories

All applications must meet the description of at least one of the categories below, and self-declare their primary category as part of the application:

- 4.1 Affordable Rental Housing:** housing with rents equal to, or lower than, average rates in the private market.
- 4.2 Special Needs and Supportive Housing:** short term emergency or crisis protection for members of the community, supportive housing for people with special needs, halfway houses, transitional homes and group homes with supportive staff and programs.
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- 5.1 Applications:** The annual application period will be during the Spring months of each year in order to apply to the following tax year. Each year in advance of the application period the dates will be advertised in the local newspaper, as well as notice made to prior year applicants if possible.
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- 5.3 Bylaw Review and Adoption:** The Permissive Tax Exemption Bylaw, or amendments to the Permissive Tax Exemption Bylaw, must be adopted and submitted to BC Assessment prior to the end of October in order to apply for the following tax year in order for the exemptions to take

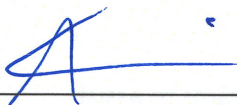
effect. Proposed bylaw or bylaw amendment and the dates Council will deliberate will be advertised in accordance to the Community Charter Section 227.

Previous revisions

Approval Date: April 2, 2013

Council Resolution: 200/2013

Certified correct:

A handwritten signature in blue ink, appearing to be 'A. Collison', written over a horizontal line.

Angie Collison, Corporate Officer

Council Report

penticton.ca

Date: May 19, 2020
To: Donny van Dyk, Chief Administrative Officer
From: Andrew Kemp, Economic Development Specialist

File No: 6750-20

Subject: Economic Recovery Task Force Recommendations

Staff Recommendation

THAT Council support the following initiatives recommended by the Economic Recovery Task Force to assist the community in the recovery from the economic impacts of the COVID-19 pandemic:

- Waive fees for sidewalk/storefront use permits and relax design standards for 2020;
- Continue to look for ways to promote safety and security city wide, supporting Bylaw and RCMP;
- Support the security of the industrial park through a Crime Prevention campaign;
- Support recovery efforts through the "Love Local Penticton" campaign, which has started;

AND THAT Council direct staff to begin implementation of the initiatives.

Strategic priority objective

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

Background

The COVID-19 pandemic is having a profound impact on our community both economically and psychologically. In response to the pandemic, the Economic Development Department has convened an Economic Recovery Task Force with key local businesses and community leaders to advise the City on potential policy changes and financial assistance ideas to provide relief to the community and assist in recovery from the pandemic. The Task Force have been meeting on a regular basis and have made the following recommendations:

1. Waive fees for sidewalk / street use permits for 2020
2. Continue to look for ways to promote safety and security city wide, supporting Bylaw and RCMP
3. Support the security of the industrial park through a Crime Prevention campaign
4. Support recovery efforts through a "Love Local Penticton" campaign

Analysis and Financial Implications

Staff are supportive of all 4 recommendations made by the task force and can provide the following analysis / comment:

1. Waive fees for sidewalk/storefront use permits and relax design standards for 2020

As businesses, specifically food and beverage and retail, begin to re-open and pivot their operational plans, there will be increased demand to utilize City sidewalks for patios and retail space. It is likely that restaurants will only be able to open at half capacity, making it difficult to survive financially. Utilizing outdoor space, where transmission of virus is much less of a concern, businesses may be able to increase the number of seats. In addition, patios and sidewalk uses add vibrancy to the streetscape.

Removing the permit costs and relaxing some of the design standards for storefront patios and sidewalk retail display areas will encourage more businesses to take advantage of the areas in front of their storefronts. Staff have also continued to improve efficiencies to help support the retail and food services industry with a fast, flexible, and nimble permitting and business services to help them get back up and running. Should council support this approach, staff will bring a report to Council that will proposed amended policies and bylaws that deal with patios and allow for more seating and ensure social distancing is met.

Financial Impact: Approximately \$4,000

2. Continue to look for ways to promote safety and security city wide, supporting Bylaw and RCMP

Task Force members continue to highlight the pervasive property crime issues aimed at local businesses and the frustrations with the lack of progress on detaining caught perpetrators. There is the fear that as the long term financial impacts of COVID are realized that these activities will worsen. The Task Force was extremely sympathetic to Superintendent Hunter's presentation to Council and want to ensure the Council knows that continued Bylaw Enforcement and RCMP resources are needed.

While this recommendation does not have an easy solution, the Task Force wanted to continue to highlight the need for a coordinated strategy and action on this issue.

Financial Impact: N/A

3. Support the security of the industrial park through a Crime Prevention campaign

In line with the previous recommendation, the Task Force had more specific recommendations around the Industrial Park, which include a crime prevention campaign for that area. Should Council support this idea, the Economic Development Work Plan and budget would be amended to shift resource away from the manufacturing cluster study and towards a strategy to make the Industrial Park less susceptible to crime. This would involve working with the Penticton Industrial Development Association and individual owners to do Crime Prevention Through Environmental Design (CPTED) analysis on individual properties and educating property owners on the importance of reporting crimes as well as other aspects.

Should Council support this initiative, it will be forwarded to the Safety and Security Advisory Committee when it resumes operation.

Financial Impact: N/A

4. "Love Local Penticton" campaign

In discussing ways the City through its Economic Development Department could help local businesses, the Task Force supported the idea of a local feel good campaign. The Love Local Penticton campaign will highlight the efforts of the community to remain strong during the shutdown and the resiliency coming out of it. The campaign utilizes the City's media channels to amplify the messaging from other agencies - such as Travel Penticton, the Downtown Penticton Association and create original content to highlight the business sector, not-for profit sector and arts and culture industry.

Should Council support the continuation of the campaign, existing Economic Development Department and Communication Department resources will be utilized to tell stories and create a record of Penticton's resilience through this period.

Financial Impact: The \$15,000 cost associated with this initiative can be covered within the existing Economic Development budget by reallocating from Future Biz.

Staff's recommendation is for Council to direct staff to follow through on all the described initiatives and that the Economic Recovery Task Force be dissolved by the end of May. It is suggested that the economic recovery discussion be continued through the Economic Prosperity & Development Services Advisory Committee and the Safety and Security Advisory Committee for the remainder of this year.

Respectfully submitted,

Andrew Kemp
Economic Development Specialist

Concurrence

Acting Director of Development Services KK	Chief Financial Officer <i>JWB</i>	Chief Administrative Officer DvD
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Council Report

penticton.ca

Date: May 19, 2020 **File No:** RMS/Address
To: Donny van Dyk, Chief Administrative Officer
From: Ken Kunka, Deputy Director of Development Services
Address: 293 Marina Way
Subject: **Penticton Yacht Club - Liquor Primary (Club) – Structural Change**

Staff Recommendation

THAT Council recommend to the Liquor & Cannabis Regulation Branch (LCRB) that it supports the application from the Penticton Yacht Club located at 293 Marina Way for a Liquor Primary (Club) structural change to increase the exterior patio area and occupant load from 32 persons to 70 persons.

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 City has received a Liquor Primary (club) structural change application from the Penticton Yacht Club located at 293 Marina Way. Their intention is to add additional exterior patio space for their patrons with a proposed increased occupant load from 32 to 70 persons. The existing licence conditions restrict patio service hours from 11:00am to 11:00pm (patio to be cleared by 11:00pm) with no amplified music on the patio.

Site Context

The current property is zoned P2 – Parks and Recreation and the proposed use meets zoning regulations. The property is relatively isolated with residential units to the south and mixed recreational spaces to the east, north and west.



Liquor & Cannabis Regulation Branch (LCRB) Legislation

As per the Liquor Licensing Regulations the Liquor and Cannabis Regulation Branch (LCRB) requests that the City review the application request and provide a resolution related to the following criteria:

- Gather public input from the community within the immediate vicinity of the establishment,
- The location of the establishment, person capacity and hours of liquor service of the establishment, .
- The impact of noise on nearby residents,
- The impact on the community if the application is approved, and
- The view of residents and a description of the method used to gather views.

Financial implication

The public consultation process costs will be offset by the Liquor Review application fee.

Analysis

As part of the Liquor and Cannabis Regulation Branch (LCRB) requirements, the City has conducted an assessment of the resolution criteria as well as conducting a public consultation review. In consideration of the criteria, the following information has been provided from staff and the City's Liquor Licensing Technical Review Committee (LLTRC).

Technical Review

The Liquor Control and Licensing Branch (LCLB) require that the local government considers and comments on five specific criteria location, capacity, hours of service, noise and impact on community. In consideration of these criteria, the following information has been provided from the City's Liquor Licensing Technical Review Committee with regards to this application:

The location of the establishment (patio):

- The closest residential property is over 120m (south) of the patio location,
- This portion of Marina Way has no designated road classification and traffic is limited to marina and tennis court usage,
- Parking for increased occupant loads has been reviewed and meets Zoning regulations,
- There is no other liquor establishments within 500m of the property.

The person capacity and hours of liquor service of the establishment (patio):

- The proposed patio will have a maximum of 70 patrons, which has been reviewed by the building department. There are no additional Code related safety or health requirements.
- There will be no change to the existing licensed hours of operation.
- COVID 19 protocols will be required to be followed, which is under the oversight of Interior Health, WorkSafe BC and the Liquor & Cannabis Regulation Branch (LCRB).

The impact of noise on nearby residents:

- There will be no change to the existing licensed hours of operation,
- There is no permitted use of amplified music on the patio,
- Staff have notified the application of noise concerns (see public consultation),

- To date the staff have recorded only one noise nuisance complaint over the last 24 months.
- Any potential impact to the surrounding neighborhood will be governed by the City's existing Bylaw regulations.

The impact on the community if the application is approved:

The proposal will complement the existing business model adding value to the Club members and community.

Public Consultation

As this application is an amendment to an existing licence, public notification was undertaken as part of staff and the LLTRC review. Input from local residents allows staff to engage with the applicant to address any concerns and provide mitigation measures prior to final recommendation to Council for endorsement. A notice of application and request for comment was mailed out to the business owners and residents within 100m of the subject property (Attachment D).

One letter of support and one letter of non-support was received at the time this report was prepared (included as Attachment E). The non-support letter highlighted potential noise generated from the patio and overall usage of the marina, which is not relevant to this application review but will be reviewed with the Club.

Staff Recommendation:

Based upon the comments received by the Liquor Licensing Technical Review Committee, staff and public consultation it is recommended that the proposed application be supported with no further restrictions. COVID 19 protocols will be required to be followed which may limit the maximum capacity of the patio. This final determination will be under the oversight of Interior Health, WorkSafe BC and the Liquor & Cannabis Regulation Branch (LCRB).

Alternate recommendations

Council can support the recommendation as provided by staff. Alternatively Council could deny support for the application. If that is the case the applicant will be informed of Council's decision and a Council resolution outlining the reason for the denial is forwarded to LCRB.

1. THAT Council deny the Penticton Yacht Club Liquor Primary (Club) structural change application.

Attachments

Attachment A – Site and Zoning Map

Attachment B – Patio Plan layout

Attachment C – Letter of Intent

Attachment D – Public Consultation Map & Site Signage

Attachment E – Public Consultation comments

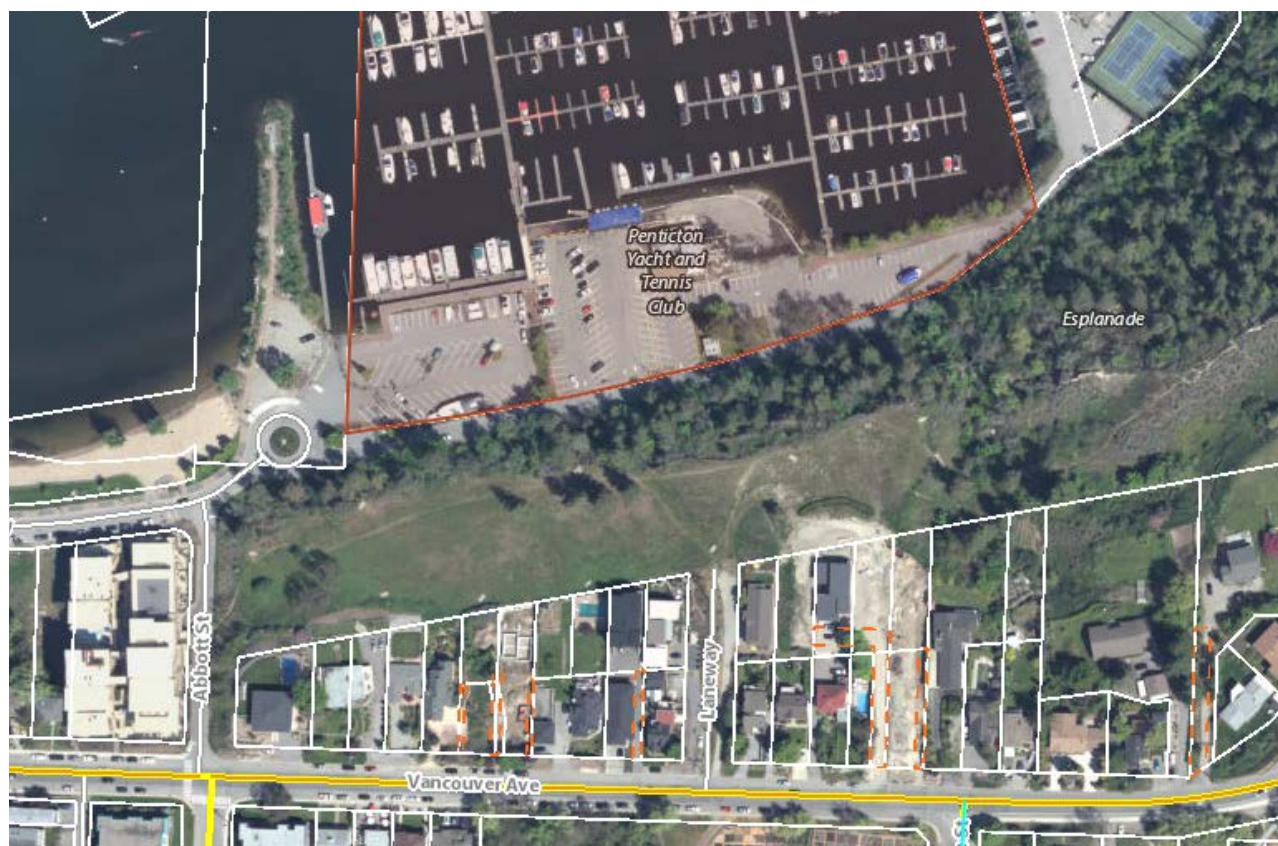
Director BL	Chief Administrative Officer DyD
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Respectfully submitted,

Ken Kunka ASCT, RBO

Deputy Director of Development Services

Attachment A Site Map





Attachment C
Applicant Impact Statement



Penticton Yacht Club

293 Marina Way
Penticton, BC V2A
(250) 770-2000

pentictonyachtclub@outlook.com

www.pycmarina.com

March 3, 2020

City of Penticton

RE: Liquor Review Application

The Penticton Yacht Club operates under a Liquor Primary Licensed Club #06837. We currently provide food and beverages to club members with indoor space and outdoor patio. We are licensed for 32 people in the patio area and are applying for additional patio space to better meet the needs of our members.

Sincerely

A handwritten signature in blue ink, appearing to read 'Marc Tougas', is written over a horizontal line.

Marc Tougas

Commodore
Penticton Yacht Club

Attachment D Public Consultation Map and Site Sign



Attachment E
Public Consultation Comments

For

We own and live in unit XXX, Lakeview Terrace's and are in favor of the application. This will enhance the area and create more desirable activity in the area.

Tom and Pat Lawrence

Against

April 30, 2020

██████████ Marina Way
Penticton, B.C. V2A1H4

Corporate Officer
City of Penticton
171 Main Street
Penticton B.C. V2A5A9

Re: Penticton Yacht Club Application for Structure Change

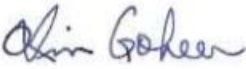
Dear Sirs:

We do not support the yacht club's application to increase their exterior patio.

- 1) They used to play live music. On most nights they would open all the windows and doors while the band was playing. The noise was so loud that we could not sit on our deck and have a conversation. It was so loud that it would come through the walls and make it even unbearable indoors. This finally stopped after numerous complaints when their license was cancelled. At least we understand it was cancelled. It would be a serious breach of trust if that license for live music was ever reinstated.
- 2) The yacht club has repeatedly failed to supervise those it rents moorage space. Several of the owners of houseboats moored along the shore believe the boats are music studios. These people cannot abuse their neighbours at home and get away with it, so they come down to the marina and abuse us.

The houseboats are connected to shore-based power. The city's "good neighbour" by-law (Article 6.5) clearly applies. Complaints to the city seem of little avail. It was explained to us that the yacht club would also be informed and required to address the violators.

To date, the yacht club has not shown the courtesy and respect due those that live near the marina. They have not demonstrated they can responsibly manage the increased traffic and noise that would come with an expanded outdoor patio.



Vicky and Kim Goheen

From: marctougas
Sent: May-13-20 7:49 PM
To: General Manager - Penticton Yacht Club; Ken Kunka
Cc: Sheri Raposo
Subject: Re: Penticton Yacht Club Liquor Amendment request

Hi Ken

Thank you for your support. I want to reassure you that our management team, admin team and board members are very proactive and do address all issues that arise from time to time. With 600 members in the marina it does happen that some issues arise of course. We do deal with them and will continue to do so. The incident of July 2019 last year was certainly dealt with. We do keep in constant communication with Sheri Raposo and City Staff on many issues that arise. Please let us know when ever you have any concerns.

Regards
Marc Tougas
PYC Commodore

Cc. Sheri Raposo

From: General Manager - Penticton Yacht Club
Sent: Wednesday, May 13, 2020 4:00 PM
To: Ken Kunka
Cc: Marc Tougas
Subject: RE: Penticton Yacht Club Liquor Amendment request

Hi Ken

Thanks for your email and comments.

Penticton Yacht Club is committed to making our hours of operation on the patio a 11pm closure if not earlier.

We take note and action of any noise complaint very seriously and will continue to do so. I have re drafted a noise regulations

Policy for all members and once it is approved by the Board of Directors , within the next week I will reissue to all as a reminder.

PYC is also committed to following the WorkSafe BC Standards for Patio Service when the addition is approved and new standards are issued.

Graham Perrie

General Manager
Penticton Yacht Club
293 Marina Way, Penticton, BC V2A 1H5
Email: pentictonyachtclub@outlook.com
Ph: 250.770.2000



Council Report

penticton.ca

Date: May 19, 2020
To: Donny van Dyk, Chief Administrative Officer
From: Steven Collyer, Planner 1
Address: 690 Nelson Avenue
Subject: Development Variance Permit PL2020-8754

File No: RMS/690 Nelson Ave

Staff Recommendation

THAT Council approve "Development Variance Permit PL2020-8754" for Lot 35 District Lot 250 Osoyoos Division Yale District Plan 842, located at 690 Nelson Avenue, a permit to reduce the front yard setback from 4.5m to 2.7m, to reduce the exterior side yard setback from 3.0m to 1.7m, and to reduce the interior side yard setback from 1.5m to 1.3m to allow for the construction of an addition and covered porch on the existing single detached dwelling;

AND THAT Council direct staff to issue "Development Variance Permit PL2020-8754".

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.

Proposal

The applicant is proposing to construct a 1.6 m² (17.5 ft²) addition on the existing single detached dwelling and add a 9 m² (97 ft²) covered porch extending 1.35m (4.5 ft) from the building face towards King Street. The existing building setbacks do not meet the current requirements of the R2 zone, and as such the applicant has submitted this Development Variance Permit application to legalize the existing setbacks and proceed with the proposed development.

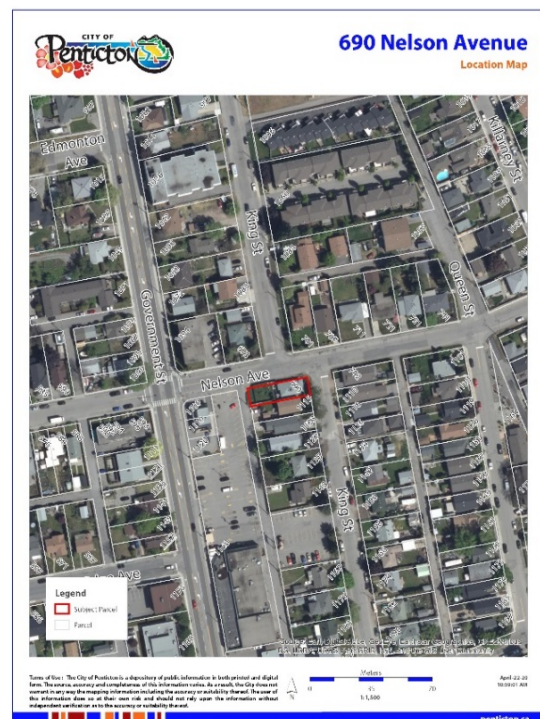


Figure 1 - Property Location Map

Background

The subject property is located at the corner of Nelson Avenue and King Street (Figure 1). The lands contain a single detached dwelling with parking accessed from the rear lane. The property is zoned R2 - Small Lot Residential and is designated 'Detached Residential' by the City's Official Community Plan (OCP).

The subject property is located in a primarily residential neighbourhood, consisting of single detached dwellings along King Street to the south and along Nelson Ave. There are a few multifamily residential uses further north along King Street and a mix of commercial and residential uses along Government Street to the west.

The applicant has begun renovations under an approved Building Permit, as described in the Letter of Intent (Attachment 'D'). The applicant wishes to make two external changes to the dwelling by 'squaring off' the current entrance to extend the living room space inside, and to add a covered porch facing King Street where the new primary entrance will be located. These two proposed external projects have resulted in the subject Development Variance Permit application coming forward.

Technical Review

The Planning and Building Departments have worked with the applicant on the existing Building Permit and the current Development Variance Permit application. Should the requested variances be approved by Council, a revision to the building permit will be implemented to proceed with the changes to the entrance, the enclosing of the current entrance, and the construction of the covered porch. The applicant has requested a King Street address, which will be processed through the Building Permit application.

Development Statistics

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

	R2 Zone Requirement	Provided on Plans
Minimum Lot Width:	15 m	10 m *
Minimum Lot Area:	390 m ²	348 m ² *
Maximum Lot Coverage:	40%	Approx. 30%
Vehicle Parking:	2 spaces	2 spaces
Required Setbacks Front Yard (King Street): Exterior Side Yard (Nelson Avenue): Interior Side Yard (south): Rear Yard (lane):	4.5 m 3.0 m 1.5 m 6.0 m	2.7 m (existing) - Variance Requested 1.7 m (existing) - Variance Requested 1.3 m (existing) - Variance Requested 17.8 m (existing)
Maximum Building Height	10.5 m	3.35 m
Other Information:	* The subdivision regulations for lot width and lot area only apply to the creation of new lots, and not to existing lots.	

Analysis

When considering a variance to a City bylaw, staff encourages Council to consider if there is a hardship on the property that makes following the bylaw difficult or impossible, whether approval of the variance would cause a negative impact on neighbouring properties, and if the variance request is reasonable.

The proposed development maintains the residential character of the existing dwelling and maintains the intent of the Detached Residential designation. In addition, the proposed works are aligned with the following OCP policy

OCP Policy	Work with the development community – architects, designers and builders – to create
4.1.4.1	new residential developments that are attractive, high-quality, energy efficient, appropriately scale and respectful of their context.

Staff have reviewed the application and are recommending approval based on the following:

1. The current setbacks are legal non-conforming, creating a hardship for the applicant when planning any exterior additions.

The existing house was originally built approximately 100 years ago with the previous additions completed in the 1960s, prior to the current setback requirements. This presents challenges to the applicant now that they are underway with renovations to the dwelling and wish to add a 1.6 m² (17.5 ft²) addition at the corner and a covered porch facing King Street. Although the proposed addition is consistent with the existing setbacks, new construction is required to meet the current setback requirements of the Zoning Bylaw. The applicant experiences a hardship to follow these requirements in that there is no opportunity to do either exterior project while following the current Zoning Bylaw requirements. The proposed addition follows the existing building setbacks, essentially filling in the corner which has an existing concrete pad for the main entrance (Figure 2). This does not extend the building face any closer to Nelson Avenue or King Street than the current structure.



Figure 2 - Location of Proposed Exterior

2. The ongoing interior renovations and proposed exterior additions provide positive impacts to the surrounding neighbourhood.

The investment to renovate older housing stock can have positive impacts on the surrounding neighbourhood. The renovations and proposed addition and covered porch are anticipated to improve the curb appeal of the home and re-orient the home to face King Street. The covered porch will lead to the building facing King Street, provide additional amenity space for future residents, and create a valuable semi-private realm on the property. Several homes fronting King Street in the adjacent area have covered entrances or porches. Covered porches provide the opportunity for

better engagement with the street; residents can casually observe activity on the street from the covered porch and engage with neighbours passing by.

3. The requested variances are considered minor in nature and reasonable in this instance.

The proposed addition is 1.6 m² (17.5 ft²) in area. The proposed covered porch is 9 m² (97 ft²) in area. The proposed covered porch will project 1.35m from the building face, which is less than the maximum 1.5m projection allowed into the required front yard by the Zoning Bylaw (Section 4.9). Should the variance be approved, this projection will be measured from the adjusted 2.7m front yard setback. Both of these external changes function to re-orient the building to face King Street in a positive way.

Staff consider the request to reduce the front yard setback from 4.5m to 2.7m, to reduce the exterior side yard setback from 3.0m to 1.7m, and to reduce the interior side yard setback from 1.5m to 1.3m reasonable. As such, staff are recommending that Council approve the Development Variance Permit.

Alternate Recommendations

Council may feel the proposed development is not in keeping with the character of the neighbourhood, or that the variance request is unreasonable. If this is the case, Council should deny the Development Variance Permit. This would require the applicant to amend their plans to come up with a design which meets the Zoning Bylaw regulations. Staff are recommending against this option, as in staff's opinion the variance request is reasonable.

1. THAT Council deny "Development Variance Permit PL2020-8754" for Lot 35 District Lot 250 Osoyoos Division Yale District Plan 842, located at 690 Nelson Avenue, a permit to reduce the front yard setback from 4.5m to 2.7m, to reduce the exterior side yard setback from 3.0m to 1.7m, and to reduce the interior side yard setback from 1.5m to 1.3m to allow for the construction of an addition and covered porch on the existing single detached dwelling.

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 – Survey Sketch of Subject Property
Attachment F – Development Plans
Attachment G – Draft Development Variance Permit PL2020-8754

Respectfully submitted,

Steven Collyer
Planner 1

Concurrence

Director <i>BL</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





Attachment D – Letter of Intent

City Of Penticton – Planning Department – Development Services Division.

Development Variance Application – Letter of intent.

Ref: 690 Nelson Ave - Building Permit Number. BP011355

Date. April 20th, 2020.

As part of more extensive home renovation, being completed under Building Permit Number BP011355, I apply here for a Development Variance that will address Zoning Bylaw requirements that relate to Front and Side Yard property line setbacks, as they apply to the existing house and a proposed awning and porch, as well as the closing-in of an existing front door and entry way, that will be relocated.

The following references to front and side yard setbacks, are given that a proposed address change, under the aforementioned Building Permit, is also approved, making the King St end of the property the Front and the Nelson Ave. end of the property, the new Side.

The variances would be:

1) To reduce the required front yard from 4.5m to 2.77m.

If approved, this variance will allow the proposed covered porch (awning) on the King St. end, because the proposed 1.35m projection will be measured from 2.77m back from the property line instead of 4.5m.

2) To reduce the required exterior side yard (Nelson Ave side) set back from 3m to 1.74m.

3) To reduce the required interior side yard setback from 1.5m to 1.3m, in line with the existing structure.

These changes would allow the current entrance area on the Nelson Ave end, to be enclosed by walls.

The resulting alterations will improve the appearance and design of the house and will also make the lane between King St and Government St, appear at the rear of the property, consistent with other properties on the same block.

Thanks for your consideration.

Kevin Cutjar

c. [REDACTED]
e. [REDACTED]

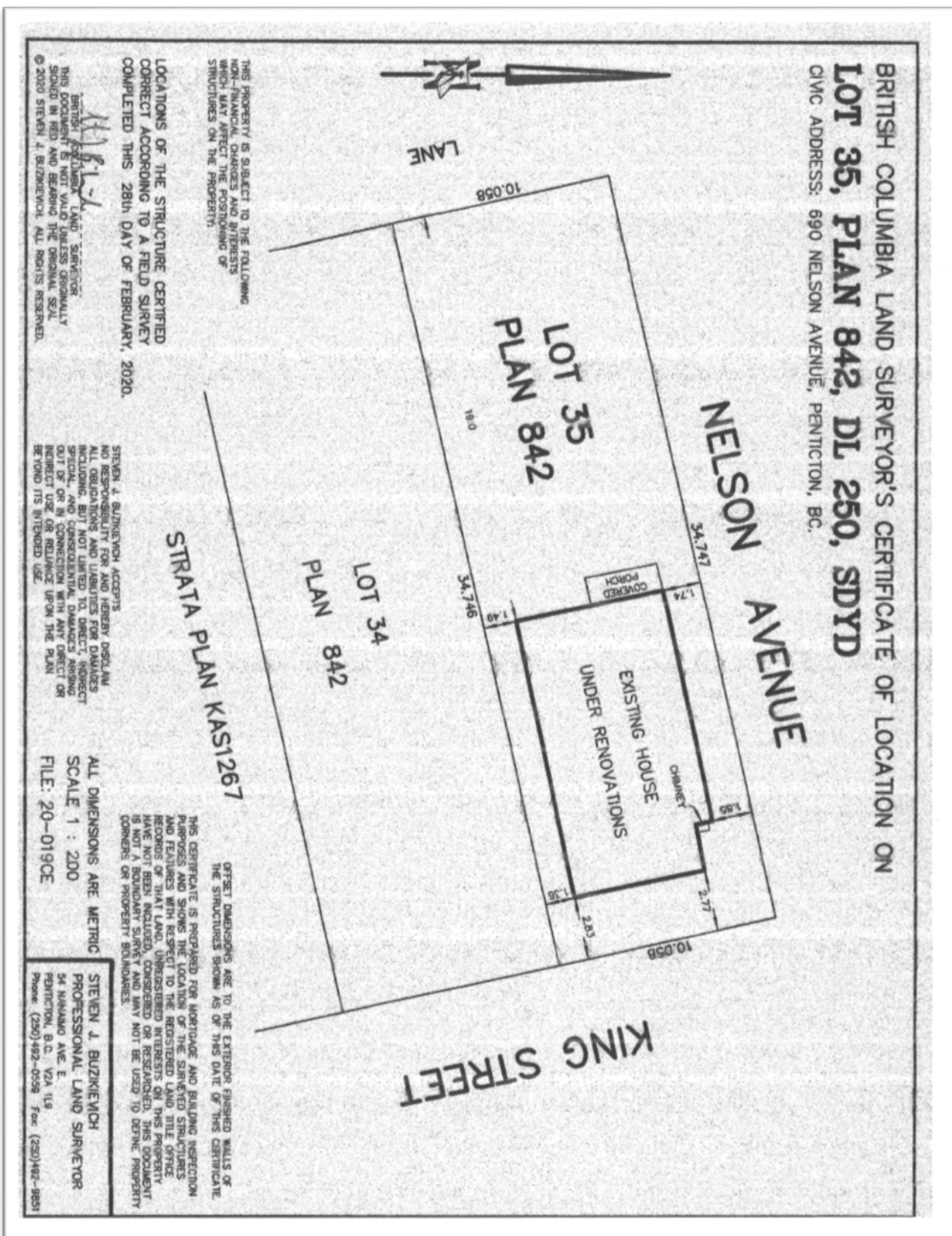
AWNING/LANDING DETAIL

- The existing King St end of the house appears to have had a porch closed in, to become an integral part of the main residence. This area contains the main front entry and a portion of the main bedroom.
- The roof-line lends itself to being extended East, to create an awning and landing. Proposed roof extension indicated on image below:

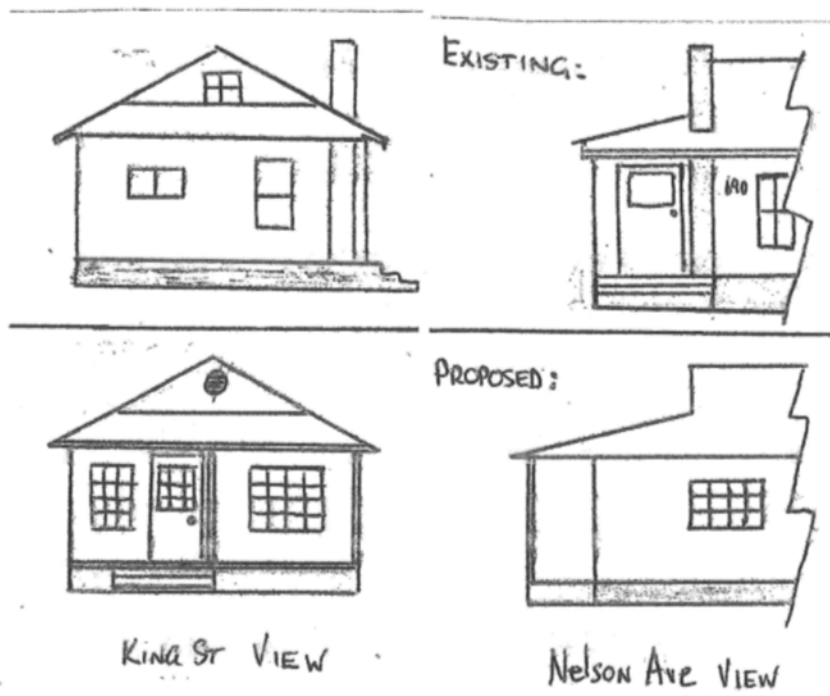


Proposed Landing would be less than 24inchs above grade and would not exceed the awning projection and extend the width of the house.

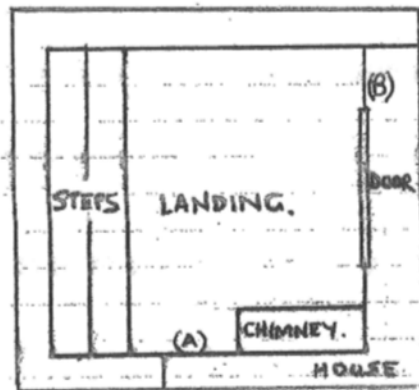
Attachment E – Survey Sketch of Subject Property



Attachment F – Development Plans

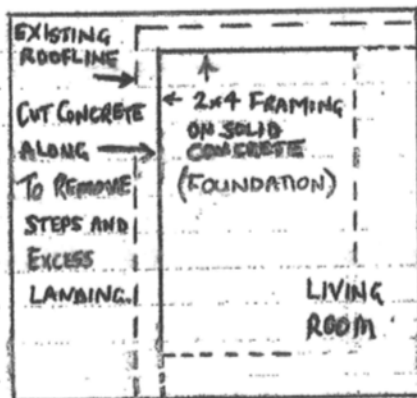
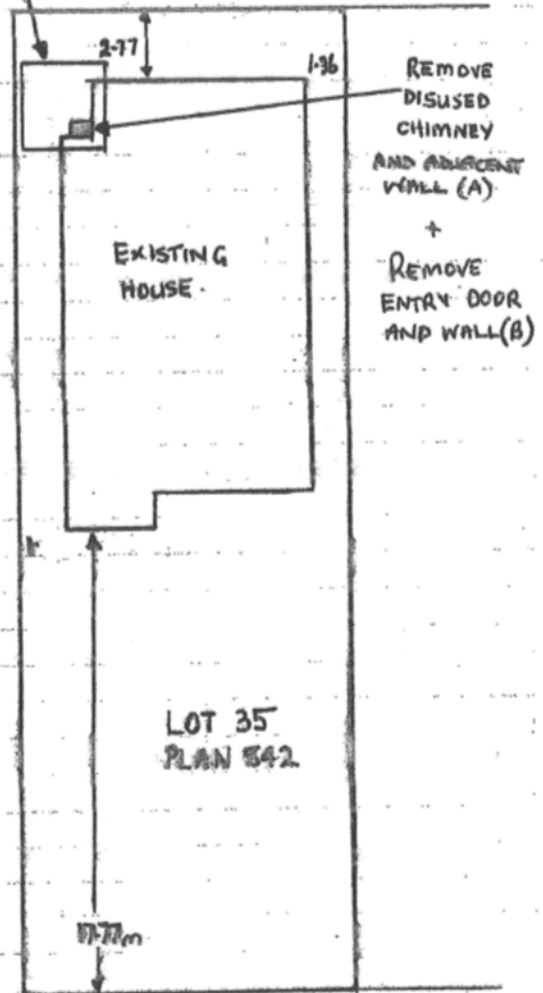


ENCLOSE N-E CORNER - KING ST END - DETAIL.



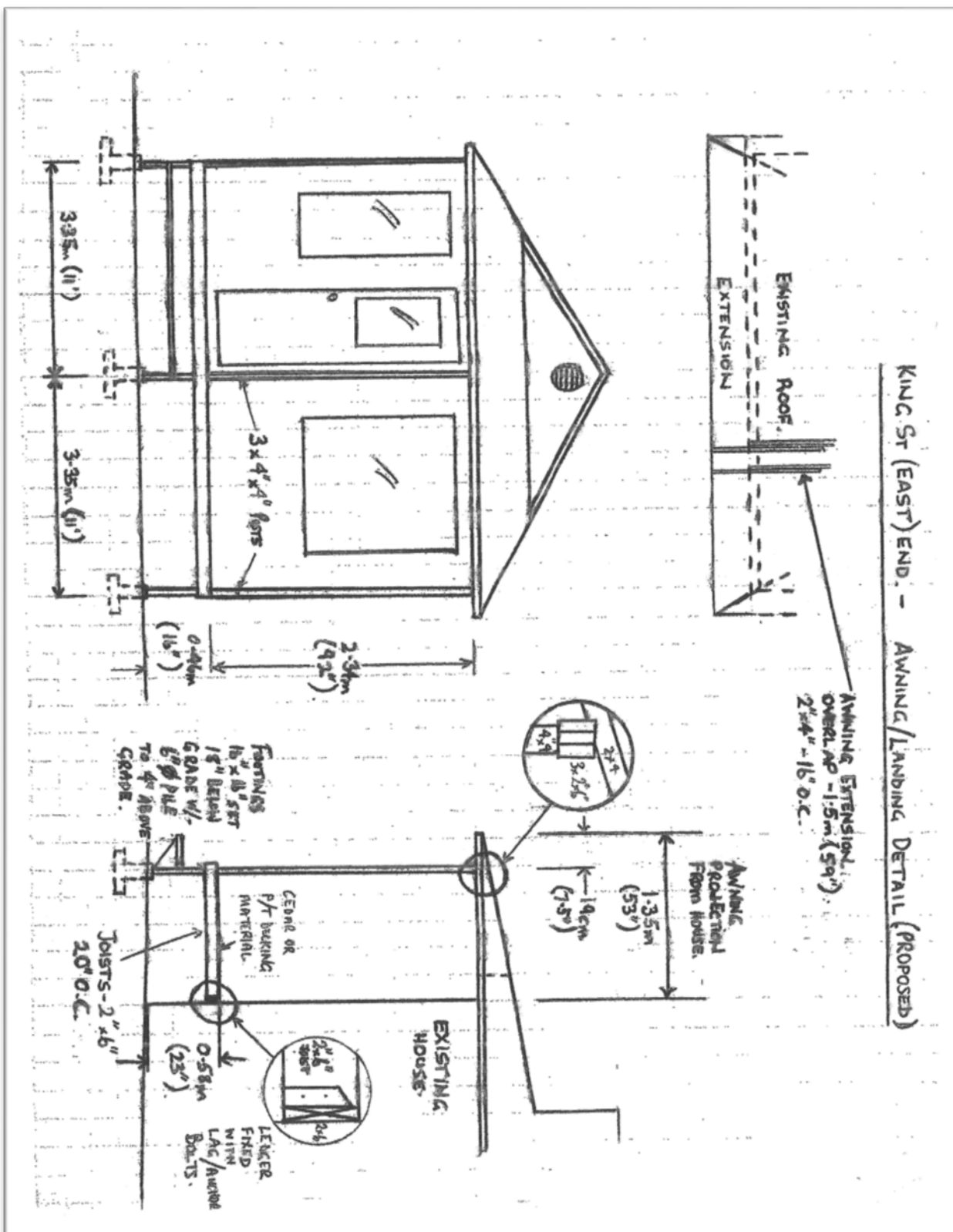
INSET (EXISTING)

KING ST.



PROPOSED REMOVAL OF EXISTING ENTRY / LIVING ROOM EXTENSION

LANE



Development Variance Permit

Permit Number: DVP PL2020-8754

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 35 District Lot 250 Osoyoos Division Yale District Plan 842
 - Civic: 690 Nelson Avenue
 - PID: 011-204-249
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 an addition to the single detached dwelling and a new covered porch, as shown in the plans attached in Schedule 'A':
 - a. Section 10.2.2.5: to reduce the front yard from 4.5m to 2.7m.
 - b. Section 10.2.2.6: to reduce the exterior side yard from 3.0m to 1.7m.
 - c. Section 10.2.2.6: to reduce the interior side yard from 1.5m to 1.3m.

General Conditions

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

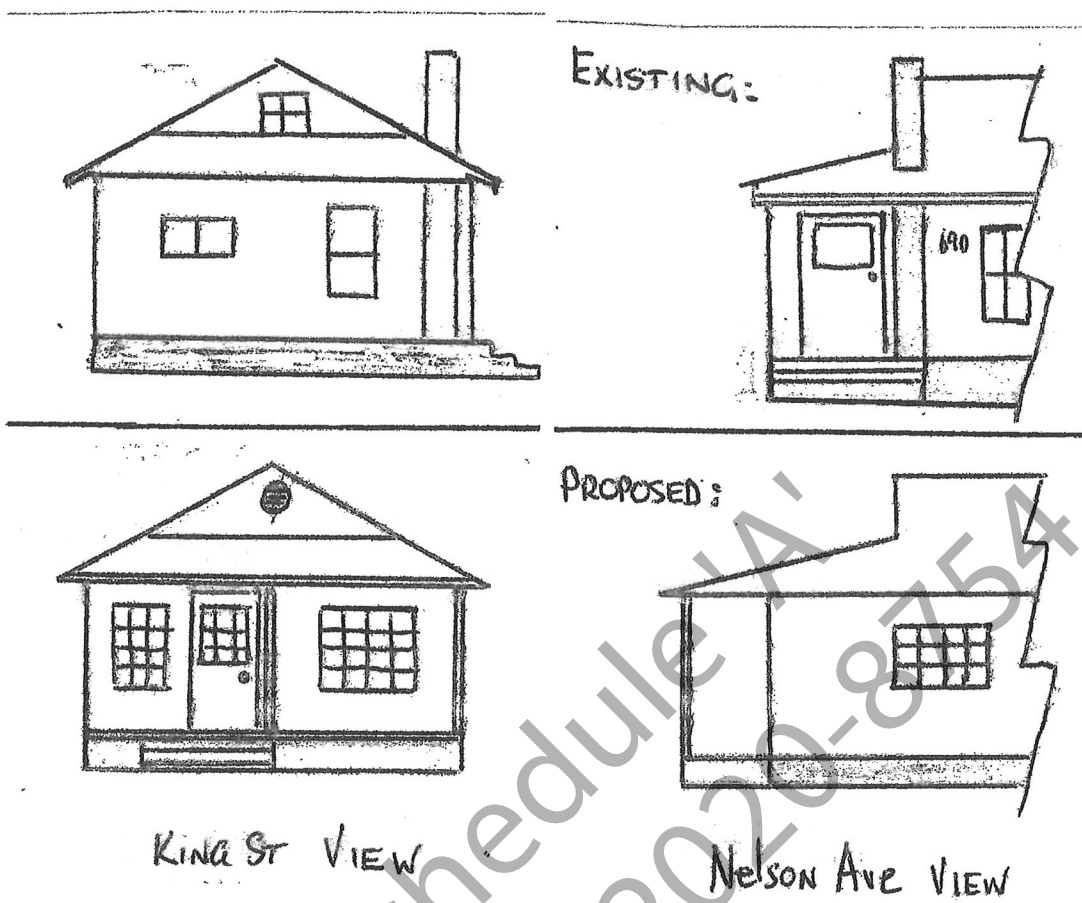
Engineering Department at (250) 490-2501. For more information on electrical servicing costs, please contact the Electric Utility at (250) 490-2535.

Authorized by City Council, the ____ day of _____, 2020.

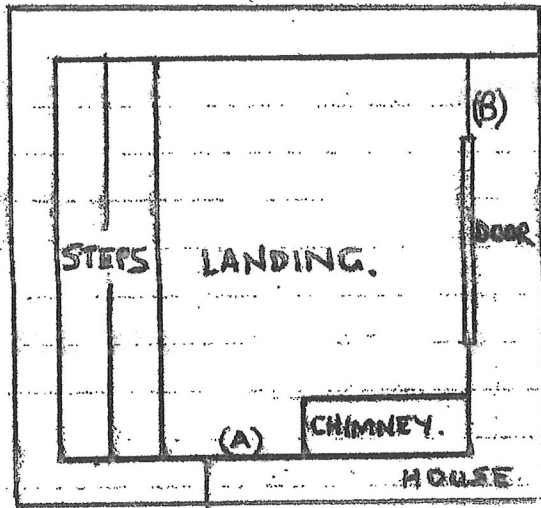
Issued this ____ day of _____, 2020.

Angela Collison
Corporate Officer

DRAFT

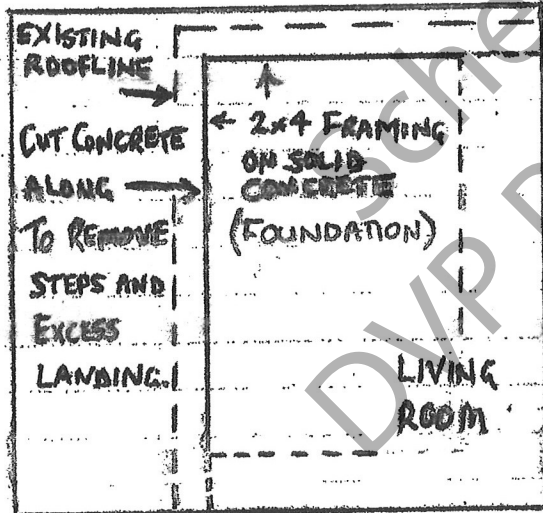
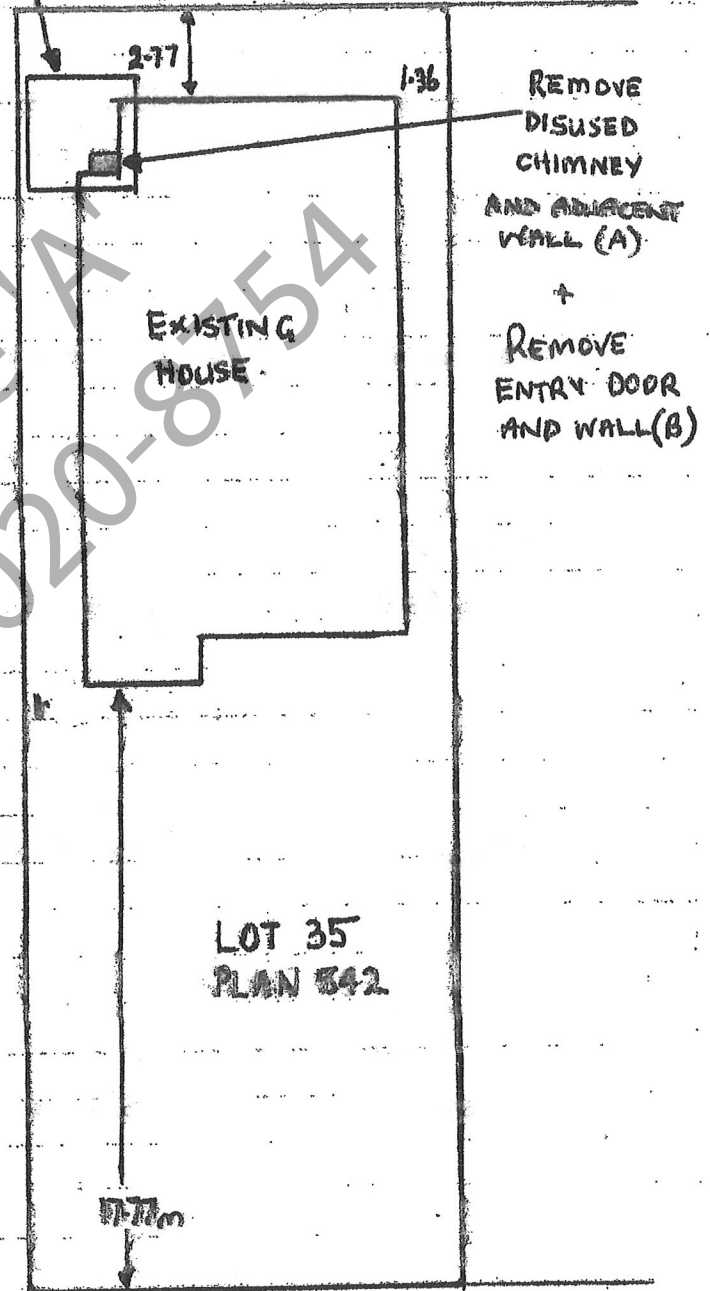


ENCLOSE N-E CORNER - KING ST END - DETAIL.



INSET (EXISTING)

KING ST.

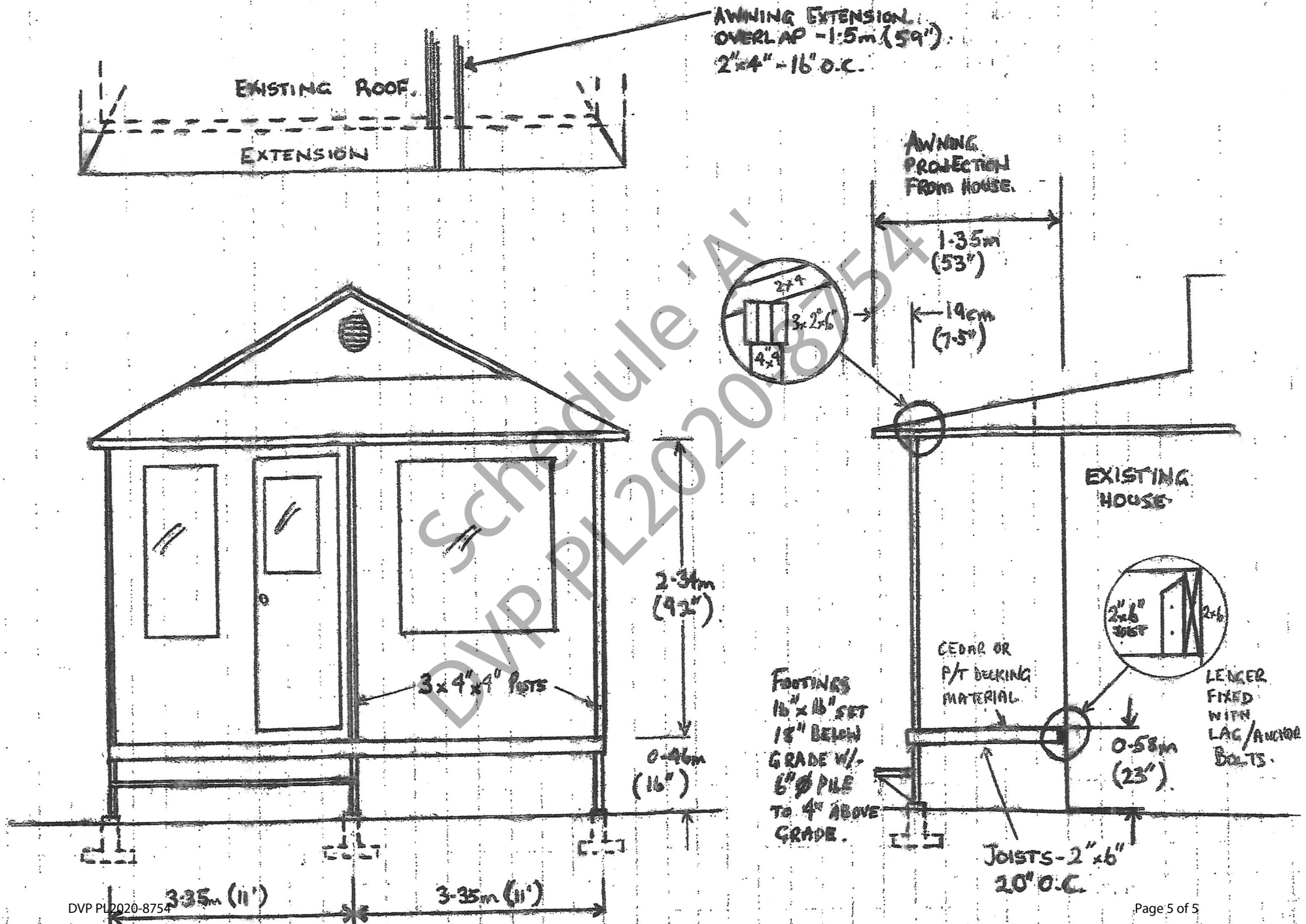


PROPOSED REMOVAL OF EXISTING ENTRY / LIVING ROOM EXTENSION.

LANE

KING ST (EAST) END. - AWNING/LANDING DETAIL (PROPOSED)

- 97 -



Bylaw No. 2020-09

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. 2020-09".

2. **Amendment:**

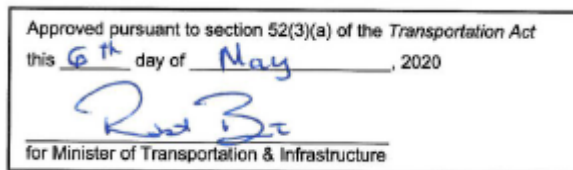
2.1 Zoning Bylaw No. 2017-08 is hereby amended as follows:

Rezone Lot 3 District Lot 198 Similkameen Division Yale District Plan 25054, located at 2301 Baskin Street from R2 (Small Lot Residential) to RM2 (Low Density Multiple Housing).

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

READ A FIRST time this	21	day of	April, 2020
READ A SECOND time this	5	day of	May, 2020
READ A THIRD time this	5	day of	May, 2020
RECEIVED the approval of the	6	day of	May, 2020
Ministry of Transportation on the			
ADOPTED this		day of	2020

Council resolved to waive the public hearing on April 21, 2020 and notice of intention to waive public hearing for this bylaw was published on the 23 day of April, 2020 and the 28 day of April, 2020 in the Penticton Herald newspaper, pursuant to Section 467 of the *Local Government Act*.



John Vassilaki, Mayor

Angie Collison, Corporate Officer

2301 Baskin Street

Rezone from R2 (Small Lot Residential)
to RM2 (Low Density Multiple Housing)



City of Penticton – Schedule 'A'

Zoning Amendment Bylaw No. 2020-09

Date: _____

Corporate Officer: _____



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

Development Permit

Permit Number: DP PL2019-8669

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 3 District Lot 198 Similkameen Division Yale District Plan 25054
 - Civic: 2301 Baskin Street
 - PID: 005-690-099
3. This permit has been issued in accordance with Section 489 of the *Local Government Act*, to permit the construction of two duplexes 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 in accordance with the City of Penticton Fees and Charges Bylaw (as amended from time to time).

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 _____, 2020.

Issued this _____ day of _____, 2020.

Angela Collison
Corporate Officer

BUILDING STATISTICS:

NEW PROPOSED 4 UNITS
SIDE BY SIDE DUPLEX + UNFINISHED BASEMENT = 1
UP AND DOWN DUPLEX = 1

TOTAL UNIT COUNT = 4

BUILDING NET AREA (SIDE BY SIDE DUPLEX + UP AND DOWN DUPLEX) : 5848.87M²

ZONING ANALYSIS

EXISTING	PROPOSED
ZONING:	RND - LOW DENSITY MULTIPLE HOUSING (CLUSTER HOUSING)
RM2 ZONING REQUIREMENTS:	
ALLOWED	PROPOSED
FAR	0.60
NET AREA	5,848.87 M ²
NET AREA	5,848.87 M ²
MAXIMUM COVERAGE PERCENTAGE	30.45%
MINIMUM COVERAGE PERCENTAGE	16.6%
MINIMUM HEIGHT	1.2m
MINIMUM	8.5m - 2 STOREYS - MAIN LEVEL ELEVATION SET AT 1.2m ABOVE GRADE
FRONT	3.0m
SIDE (INT)	3.0m
SIDE (EXT)	4.5m
REAR	6.0m
MINIMUM	PROPOSED
REQUIRED: 20m ² + 4 UNITS + 40M ² (INT)	GRASS YARDS AT GROUND: OVER 65M ² (INT) OR (OVER 600M ² (INT))
PROPOSED	PROPOSED
CLUSTER HOUSING	4 STALLS + 1 VISITOR PARKING +
TRAVELLING DISTANCE PLUS 0.25	ADDITIONAL SPACE IN GARAGE
SPACED OUT FOR VISITORS	
WASTE(1) + RECYCLING(1)	WASTE(1) + RECYCLING(1)

GENERAL SITE NOTES:

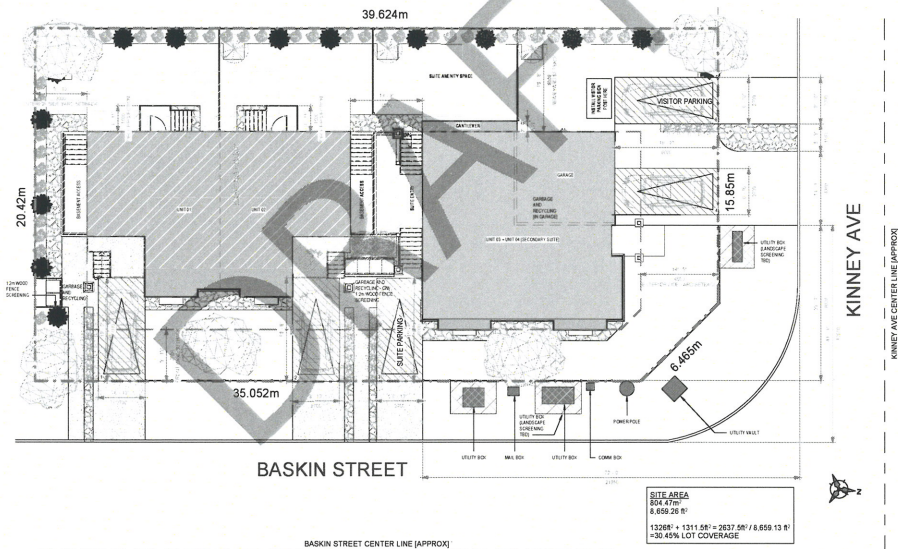
ROOF DRAINAGE SYSTEM SPLASH PADS
LEADERS AS PER DETAIL
STORM WATER TO BE MAINTAINED ON-SITE
WATER METERS IN INDIVIDUAL DWELLING UNITS
GARBAGE AND RECYCLING WILL BE INSIDE GARAGE
PROTECT EXISTING TREES WITH 25m SNOW FENCING BUFFER AROUND BASE
NO EXISTING COFFERING BARRY
OVERHANG THAT IS WITHIN 1.2m OF PROPERTY LINE
ALL DIMENSIONS ON PLAN ARE PERPENDICULAR TO PROPERTY LINES

CITY STREET TREE PLANTING STANDARDS (SECTION 2)

2. STREET TREES SHALL NOT BE PLANTED WITHIN 1.0M FROM STREET INTERSECTIONS & CROSS WALKS - PROTECT LIGHT LINES
3. 3M FROM STREET LIGHTING - PROTECTS LUMINAIRES
3. 3M FROM UTILITY POLES, JUNCTION BOXES & VALVES
4. 3M FROM CATCH BASINS, DRIVEWAYS, UTILITY SERVICES, HYDRANTS & MANHOLES TO ALSO DIRECTLY UNDER THE ROOTBALL
5. TREE SPECIES NEAR OVERHEAD POWER LINES SELECTED TO ENSURE CANOPY OF MATURE TREE MAINTAIN MINIMUM DISTANCE REQUIRED BY ELECTRICAL REGULATION
7. CONSIDERATION TO TREE LOCATION WITHIN THE ROW/RIGHT-OF-WAY TO AVOID OBSTRUCTING TRAFFIC SIGNAL, DRIVEWAYS & LIGHT LINES
8. THE VIEW CORRIDOR OF MAIN WINDOWS OR PATIOS

LEVEL	IMPERIAL	METRIC
BSMT LEVEL	1,382.5 ft	418.80 m
MAIN LEVEL	1,311.5 ft	402.81 m
UPPER LEVEL	1,373 ft	418.91 m
TOTAL	3,067 ft	934.52 m

PROJECT DATA
GROUP C - RESIDENTIAL OCCUPANCY
PROJECT ADDRESS
2301 BASKIN ST. PENITICK, BC
FILE: 2301-BASKIN
REV: 005-000-009
PLAN: 005-000-009
Parcel Class: Subdivision
Future Use: 2 ACRES
Penitick, The Corporation of the City of
LOT 3 DISTRICT LOT 188 (MILKMAN DIVISION)
TALE DISTRICT PLAN 2004
OWNER
Vic Nguyen Xuan Thy + Dirk, Bnh
200-482-8152
DESIGNER
DAVID HAYWOOD
HAYWOOD DESIGN - 250.328.4740
ZONING
CLUSTER ZONE: RND
PROPOSED REZONING TO
RND - LOW DENSITY MULTIPLE HOUSING



1 OVERALL SITE PLAN
SCALE: 1:100



HAYWOOD HOMES
190 - 1475 Fairview Road
Penitick, BC
250.328.4740

david@haywooddesignbuild.com
www.haywooddesignbuild.com

PREPARED FOR:

No.	Description	Date
1	ISSUE FOR REZONING + DP	2019-12-02
2	SITE PLAN REVISIONS	2020-02-20

2301 BASKIN ST - DUPLEX + SUITED HOUSE

SITE PLAN - OVERALL

Project Number	19-1928
Date	2020-02-20
Drawn By	DH
Checked By	DH

A1.1

Scale: As indicated

THIS DRAWING MUST NOT BE SCALED. VERIFY ALL DIMENSIONS AND DATUMS PRIOR TO COMMENCEMENT OF WORK. REPORT ALL ERRORS AND OMISSIONS TO THE DESIGNER. VARIATIONS AND MODIFICATIONS ARE NOT ALLOWED WITHOUT WRITTEN PERMISSION FROM THE DESIGNER. THIS DRAWING IS THE EXCLUSIVE PROPERTY OF THE DESIGNER.



**HAYWOOD
HOMES**

190 - 1475 Fairview Road
Penikese, BC
250.328.4740

david@haywooddesignbuild.com
www.haywooddesignbuild.com

PREPARED FOR:

No.	Description	Date
1	ISSUE FOR REZONING + DP	2019-12-02
2	SITE PLAN REVISIONS	2020-02-20

2301 BASKIN ST - DUPLEX + SUITED HOUSE

LANDSCAPE PLAN

Project Number 19-1928

Date 2020-02-20

Drawn By DH

Checked By DH

A1.2

Scale As indicated

2021/02/20 2:24:34 PM

CITY STREET TREE PLANTING STANDARDS (SECTION 3)

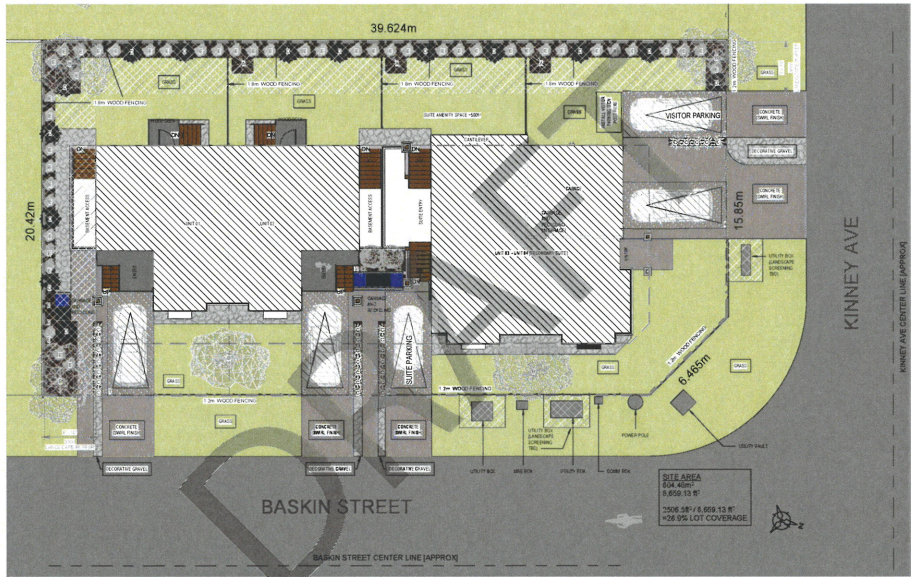
1. STREET TREES SHALL NOT BE PLANTED WITHIN:
 - 1.8M FROM STREET INTERSECTIONS & CROSS WALKS - PROTECTS SIGHT LINE
 - 2.8M FROM STREET LIGHTING - PROTECTS ILLUMINATION
 - 3.3M FROM UTILITY POLES, JUNCTION BOXES & VALVES
 - 4.3M FROM CATCH BASINS, DRIVEWAYS, UTILITY SERVICES, HYDRAULIC & MANHOLES
 - 5. NO UNDERGROUND UTILITIES TO PASS DIRECTLY UNDER THE ROOTBALL
 - 6. TREE SPECIES NEAR OVERHEAD POWER LINES SELECTED TO ENSURE CANOPY OF MATURE TREE WITHIN MINIMUM CLEARANCE REQUIRED BY ELECTRICAL REGULATIONS
 - 7. CONSIDERATION IN TREE LOCATION WITHIN THE BOULEVARDS TO AVOID OBSTRUCTING TRAFFIC SIGNS, DRIVEWAYS & SIGHT LINES
 - 8. THE VIEW CORRIDOR OF MAIN WINDOWS OR PATIOS

GENERAL SITE NOTES:

- ROOF DRAINAGE SYSTEM & LEAK PADS REQUIRED FOR ROOF RAINWATER LEAKAGE AS PER DETAIL
- STORM WATER TO BE MAINTAINED ON-SITE
- WATER METERS IN INDIVIDUAL DWELLING UNITS
- GARAGE AND RECYCLING WILL BE INSIDE GARAGE
- PROTECT EXISTING TREES WITH 25M SNOW FENCING BUFFER AROUND BASE
- NO VENTED SOFFITING IN ANY OVERHANG THAT IS WITHIN 1.3M OF PROPERTY LINE
- ALL DIMENSIONS ON PLAN ARE PERPENDICULAR TO PROPERTY LINES

LANDSCAPE NOTES:

- WOOD FENCE TO BE (1) 1.8M P EXCEPT IN FRONT YARD AND SIDE YARD SETBACK AS NOTED (1.7M) 4"
- STORM WATER TO BE MAINTAINED ON-SITE
- GRAVEL TO BE LANDSCAPE ROCK
- ONE (1) TREE FOR EVERY 10.5 LINEAR METERS OF REQUIRED 3.0M BUFFER AREA
- DISJOINTED TREES NEED TO MEET A MINIMUM 60MM IN CALIPER AND HAVE A CLEAR STEM HEIGHT OF 1.8M
- ONE (1) SHRUB FOR EVERY 1.5 LINEAR METERS OF REQUIRED 3.0M BUFFER AREA
- FULLY AUTOMATIC UNDERGROUND IRRIGATION
- PROTECT EXISTING TREES WITH SNOW FENCING 3.25M BUFFER AROUND BASE



1 LANDSCAPE PLAN
SCALE 1:100

AREA TYPE	TOTAL LANDSCAPED YARDS	
LOT AREA	56.18	0% PL
BUILDING FOOTPRINTS	504.48	8,658.13
LANDSCAPE AREA FOR CALC	22.96	2,581.5
LANDSCAPING % FOR PROJECT	69.99%	6,192.62
CONCRETE SIDEWALKS + PARKING + PATIOS	189.06	2,004.11
TURF AREA (GRASS)	272.95	2,891.87
SOIL AREA CIVIL PLANTING	70.25	758.18
DECORATIVE GRAVEL	36.35	390.47

LANDSCAPE LEGEND	GALLON	CALIPER	STEM HEIGHT
A - (3) JAPANESE MAPLE (ACER PALMATUM/OSAKAZUKI)	#10 POT	60mm (1/2")	1.5m (5m)
B - (5) MAPLE (ACER TATARIAN/NOT WINDST)	#10 POT	60mm (1/2")	1.5m (5m)
C - (20) KARL FORESTER GRASS (CALAMAGROSTIS 2 ACTIFLORA)	#1 POT		
D - (150) HOSTA (HOSTA KIKUTSI 'MILK LILLY BLUE') OR SIMILAR	#1 POT		
E - (47) JAPANESE BOXWOOD (BUXUS MICROPHYLLA VAR. JAPONICA) OR SIMILAR	#2 POT		



**HAYWOOD
HOMES**
190 - 1475 Fairview Road
Penticton, BC
250.328.4740

david@haywooddesignbuild.com
www.haywooddesignbuild.com

PREPARED FOR:

No.	Description	Date
1	ISSUE FOR RECONING + DP	2019-12-02

2301 BASKIN ST - DUPLEX + SUITED HOUSE

EXTERIOR ELEVATIONS

Project Number 19-1928

Date 2019-12-02

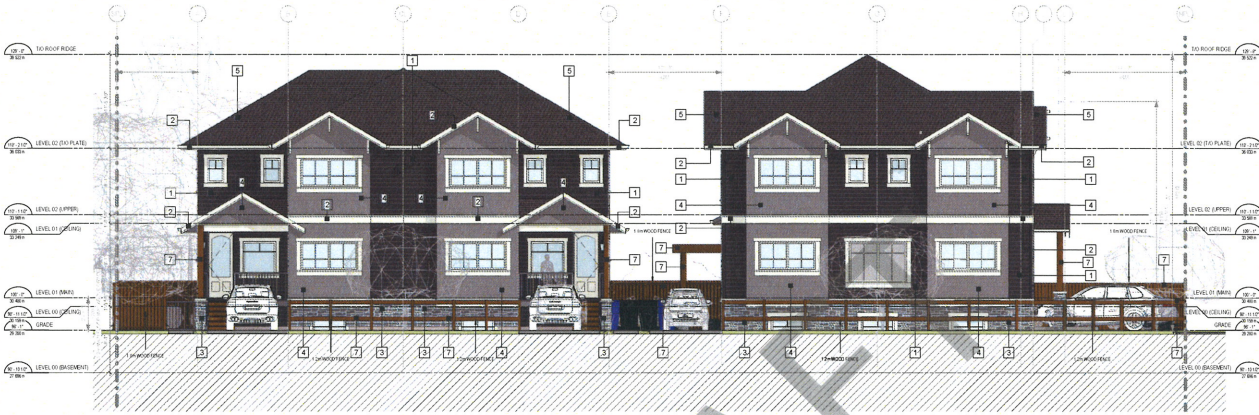
Drawn By DH

Checked By DH

A4.1

Scale As indicated

2019-12-03 10:27:50 AM



1 EAST ELEVATION - BASKIN ST
SCALE: 3/8" = 1'-0"

EXTERIOR FINISH KEYNOTE LEGEND

1. CLADDING: HORIZONTAL - LAP SIDING
PREPARED CEMENTITIOUS WOOD
SCHEME 01: HARDBOARD - IRON GREY OR PEWTER
2. LP SMARTSIDE TRIM (WHITE)
3. ARCHITECTURAL STONE
CULTURED STONE - PAINTED
4. CLADDING: ARCHITECTURAL SHINGLES - STAGGERED
EDGE
PREPARED CEMENTITIOUS WOOD
SCHEME 01: HARDBOARD - PEARL WHITE
5. ASPHALT SHINGLE (KO DUAL BLACK)
6. PREPARED ALUMINUM FASCIA GUTTER WITH
PREPARED ALUMINUM DOWNSPOUTS
SCHEME 01: PAINT - WHITE
7. FIR TIMBER FENCE (STAINED - SIKKENS TEAK OR CEDAR)

EXTERIOR NOTES

ALL WINDOWS & DOORS SHALL CONFORM TO SECTION 8.7.2018
B.C.C.

DOORS: U-11 & M-1
WINDOWS: U-11 & S-10-0-35

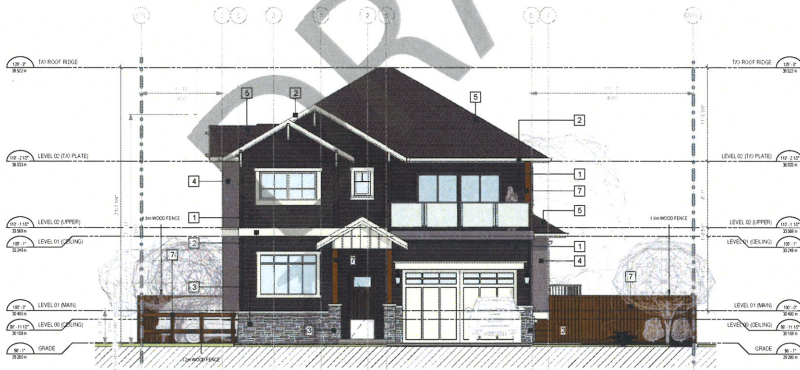
RESISTANCE TO FORCED ENTRY REQUIRED FOR WINDOWS
WITHIN 36" OF FINISHED GRADE OR 5.5'

FLASHING REQUIRED ABOVE & BELOW ALL UNPROTECTED
OPENINGS & HORIZONTAL TRANSITIONS

CLEARANCE BETWEEN STRUCTURAL WOOD ELEMENTS AND
FINISHED GRADE SHALL NOT BE LESS THAN 1" IF ABOVE UNLESS
SPECIAL PRECAUTIONS ARE TAKEN

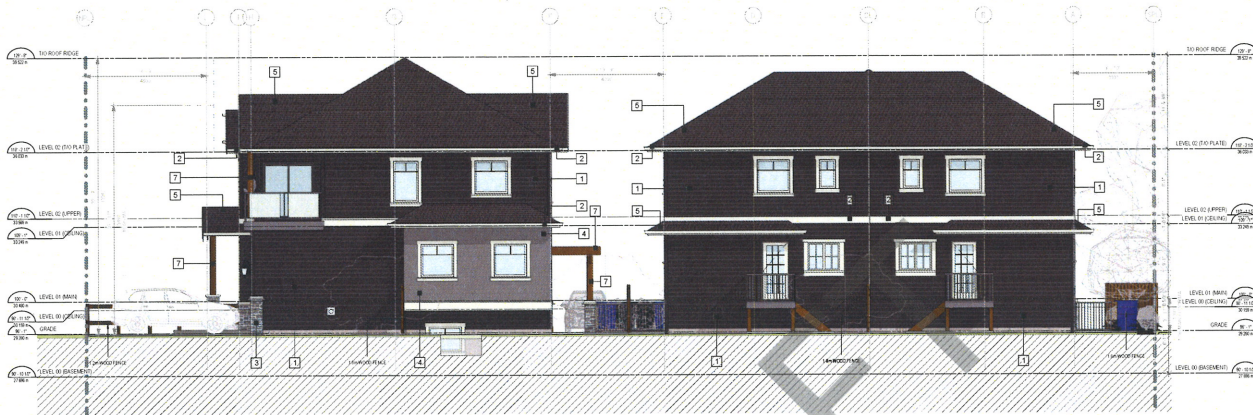
NO SOFFIT VENTING IN ANY OVERHANG THAT IS WITHIN 1.2m
SIDE SETBACK

ALL OTHER GRADES SHOWN ARE EXISTING



2 NORTH ELEVATION (HOUSE FRONT) - KINNEY AVE
SCALE: 3/8" = 1'-0"

THIS DRAWING MUST NOT BE SCALED. VERIFY ALL DIMENSIONS AND DATES PRIOR TO COMMENCEMENT OF WORK. REPORT ALL ERRORS AND OMISSIONS TO THE DESIGNER. VARIATIONS AND MODIFICATIONS ARE NOT ALLOWED WITHOUT WRITTEN PERMISSION FROM THE DESIGNER. THIS DRAWING IS THE EXCLUSIVE PROPERTY OF THE DESIGNER.



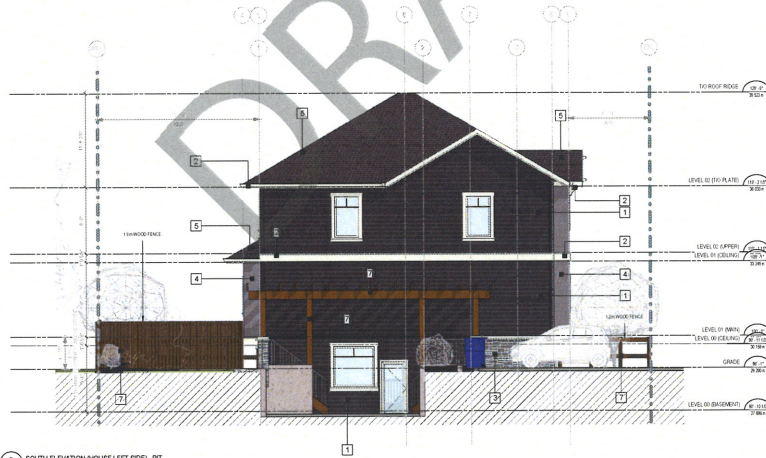
1 WEST ELEVATION - REAR
SCALE: 3/8" = 1'-0"

EXTERIOR FINISH KEYNOTE LEGEND

1. CLADDING: HORIZONTAL LAP SIDING
PREFINISHED CEMENTITIOUS WOOD
SCHEME 01: HARBORBOARD - IRON GREY OR PEWTER
2. LP (SMARTSIDE TRIM (WHITE))
3. ARCHITECTURAL STONE
CULTURED STONE - PAINTED
4. CLADDING: ARCHITECTURAL SHINGLES - STAGGERED
EDGE
PREFINISHED CEMENTITIOUS WOOD
SCHEME 01: HARBORBOARD - PEARL WHITE
5. ASPHALT SHINGLE (PKO DUAL BLACK)
6. PREFINISHED ALUMINUM FASCIA GUTTER WITH
PREFINISHED ALUMINUM DOWNSPOUTS
SCHEME 01: PAINT - WHITE
7. FRT TIMBER FENCE (STAINED - SHINGLES TEAK OR CEDAR)

EXTERIOR NOTES

ALL WINDOWS & DOORS SHALL CONFORM TO SECTION 9.7.2018
B.C.B.C.
DOORS: U-1 & MIN.
WINDOWS: U-1 & SHOC-0.25
RESISTANCE TO FORCED ENTRY REQUIRED FOR WINDOWS
WITHIN 2m OF FINISHED GRADE (9.7.5.3)
FLASHING REQUIRED ABOVE & BELOW ALL UNPROTECTED
OPENINGS & HORIZONTAL TRANSITIONS
CLEARANCE BETWEEN STRUCTURAL WOOD ELEMENTS AND
FINISHED GRADE SHALL NOT BE LESS THAN 1" (40mm) UNLESS
PRESSURE PRESERVATIVE TREATED
NO SOFFIT VENTING IN ANY OVERHANG THAT IS WITHIN 1.2m
SIDE SETBACK
ALL OTHER GRADES SHOWN ARE EXISTING



2 SOUTH ELEVATION HOUSE (LEFT SIDE) - PT.
SCALE: 3/8" = 1'-0"



**HAYWOOD
HOMES**

190 - 1475 Fairview Road
Penticton, BC
250.328.4740

david@haywooddesignbuild.com
www.haywooddesignbuild.com

PREPARED FOR:

No.	Description	Date
1	ISSUE FOR REZONING + DP	2019-12-02

2301 BASKIN ST - DUPLEX +
SUITED HOUSE

EXTERIOR ELEVATIONS

Project Number 19-1928

Date 2019-12-02

Drawn By DH

Checked By DH

A4.2

Scale As indicated

2019-12-02 10:28:02 AM

190 - 1475 Fairview Road
Penticton, BC
250.328.4740

david@haywooddesignbuild.com
www.haywooddesignbuild.com

PREPARED FOR:

[illegible]

2301 BASKIN ST - DUPLEX +
SUITED HOUSE

EXTERIOR ELEVATIONS

Project Number	19-1928
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Date	2019-12-02
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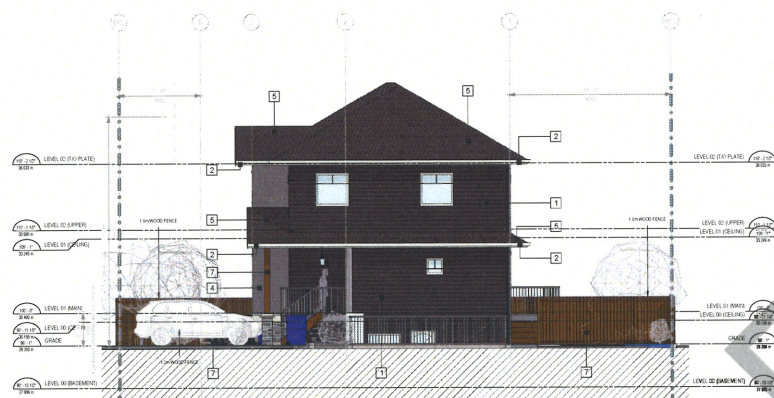
Drawn By	Author
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Checked By	Checker
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A4.3

Scale	As indicated
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100



1 SOUTH ELEVATION (DUPLEX RIGHT) - PIT
SCALE 3/16" = 1'-0"

EXTERIOR FINISH KEYNOTE LEGEND

1. CLADDING: HORIZONTAL - LAP SIDING
PREFINISHED CEMENTITIOUS WOOD
SCHEME 01: HARDSIDE - IRON GREY OR PEWTER
2. LP SMARTSIDE TRIM [WHITE]
3. ARCHITECTURAL STONE
CULTURED STONE - PAINTED
4. CLADDING: ARCHITECTURAL SHINGLES - STAGGERED
EDGE
PREFINISHED CEMENTITIOUS WOOD
SCHEME 01: HARDSIDE - PEARL WHITE
5. ASPHALT SHINGLE [KIX DUAL BLACK]
6. PREFINISHED ALUMINUM FASCIA/GUTTER WITH
PREFINISHED ALUMINUM DOWNSPOUTS
SCHEME 01: PART - WHITE
7. FIR/TIMBER FENCE/STAINED - SIKKENS TEAK OR CEDAR

EXTERIOR NOTES

ALL WINDOWS & DOORS SHALL CONFORM TO SECTION 9.7 2019 BCBC.

DOORS: U=1.8 MIN.
WINDOWS: U=1.8, SHGC=0.25

RESISTANCE TO FORCED ENTRY REQUIRED FOR WINDOWS
WITHIN 2m OF FINISHED GRADE (§ 7.5.3)

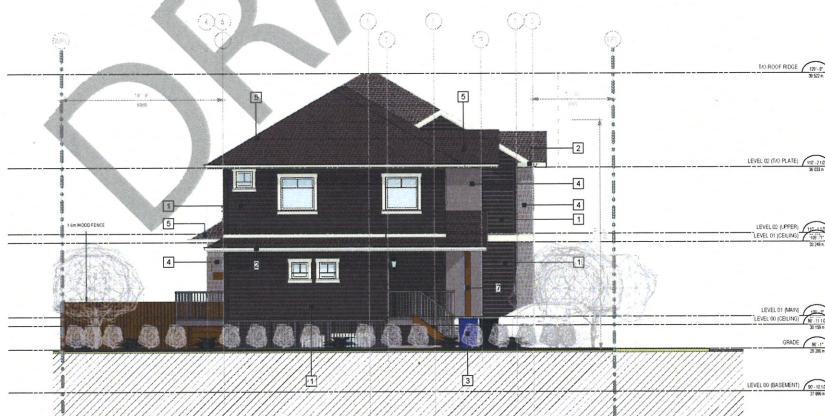
FLASHING REQUIRED ABOVE & BELOW ALL UNPROTECTED

CLEARANCE BETWEEN STRUCTURAL WOOD ELEMENTS AND

FINISHED GRADE SHALL NOT BE LESS THAN 1'-6" (450mm) UN
PRESSURE-PRESERVATIVE TREATED

NO SOFFIT VENTING IN ANY OVERHANG THAT IS WITHIN 1.2m
SIDE SETBACK

ALL OTHER GRADES SHOWN ARE EXISTING



2 SOUTH ELEVATION - (DUPLEX LEFT SIDE)
SCALE: 3/16" = 1'-0"