

# City of Kelowna

## Regular Council Meeting

### AGENDA



Monday, October 19, 2020  
1:30 pm  
Council Chamber  
City Hall, 1435 Water Street

#### Pages

#### 1. Call to Order

I would like to acknowledge that we are gathered today on the traditional, ancestral, unceded territory of the syilx/Okanagan people.

This Meeting is open to the public and all representations to Council form part of the public record. A live audio-video feed is being broadcast and recorded on kelowna.ca and a delayed broadcast is shown on Shaw Cable.

In accordance with Order of the Provincial Health Officer on Gatherings and Events, the City is required to collect the first and last name and telephone number or email address of everyone attending a Council meeting. Thank you for your co-operation.

#### 2. Confirmation of Minutes

4 - 7

PM Meeting - October 5, 2020

#### 3. Development Application Reports & Related Bylaws

##### 3.1. Ethel St 907 - DP19-0026 - Emil Anderson Construction Co. Ltd., Inc.No. 172775

8 - 39

To consider a Development Permit for the form and character of a 4-storey mixed use building containing both industrial and residential uses on the subject lot.

#### 4. Bylaws for Adoption (Development Related)

##### 4.1. Abbott St 1781, BL11923 (HRA18-0001) - Davara Holdings Ltd., Inc. No. BCo797640

40 - 47

To adopt Bylaw No. 11923 in order to enter into a Heritage Revitalization Agreement on the subject property.

##### 4.2. Abbott St 1781, BL11946 (HD19-0002) - Davara Holdings Ltd., Inc. No. BCo797640

48 - 50

To adopt Bylaw No. 11946 in order to designate 1781 Abbott Street (known as the Murchison House) and the building envelope as a heritage building.

|             |   |                  |
|-------------|---|------------------|
| <b>4.3.</b> | <b>Barnaby Rd 779 - BL11925 (Z19-0094) - Jordan Alexander Menzies</b>   | <b>51 - 51</b>   |
|             | To adopt Bylaw No.11925 in order to rezone the subject property from the RR2 – Rural Residential 2 zone to the RU6 – Two Dwelling Housing zone.   |                  |
| <b>4.4.</b> | <b>Pacific Ave 1145 - BL12081 (Z20-0047) - Okanagan Opportunity (Pacific) GP Inc., Inc. No. BC1188652</b>   | <b>52 - 52</b>   |
|             | To adopt Bylaw No. 12081 in order to rezone the subject property from the RM5 – Medium Density Multiple Housing zone to the RM5r - Medium Density Multiple Housing (Residential Rental Tenure Only) zone. |                  |
| <b>4.5.</b> | <b>Clement Ave 599 - BL12082 (Z20-0046) - Okanagan Opportunity GP Inc</b>   | <b>53 - 53</b>   |
|             | To adopt Bylaw No. 12082 in order to rezone the subject property from the RM6 - High Rise Apartment Housing zone to the RM6r - High Rise Apartment Housing (Residential Rental Tenure Only) zone.         |                  |
| <b>4.6.</b> | <b>Lake Ave 286 - BL12099 (Z20-0058) - Ian James Mackay</b>   | <b>54 - 54</b>   |
|             | To adopt Bylaw No. 12099 in order to rezone the subject property from the RU1 – Large Lot Housing zone to the RU1c – Large Lot Housing with Carriage House zone.  |                  |
| <b>4.7.</b> | <b>Mayfair Ct 694 - BL12100 (Z20-0036) - Brandi J. Watson and Brent F. Watson</b>   | <b>55 - 55</b>   |
|             | To adopt Bylaw No. 12100 in order to rezone the subject property from the RU1 – Large Lot Housing zone to the RU1c – Large Lot Housing with Carriage House zone.  |                  |
| <b>5.</b>   | <b>Non-Development Reports &amp; Related Bylaws</b>   |                  |
| <b>5.1.</b> | <b>Water Integration Project Update</b>   | <b>56 - 88</b>   |
|             | To provide Council with an update on the current construction and financial status of the Water Integration Project and identify upcoming project requirements.   |                  |
| <b>5.2.</b> | <b>Community Trends Report 2020 - Cities and COVID-19 Recovery</b>  | <b>89 - 117</b>  |
|             | To introduce "Cities and COVID-19 Recovery - Community Trends Report 2020."   |                  |
| <b>5.3.</b> | <b>Resourcing Accelerated Climate Action</b>  | <b>118 - 176</b> |
|             | To provide the resource implications of accelerating the Community Climate Action Plan..  |                  |
| <b>5.4.</b> | <b>2021 Permissive Tax Exemptions - Bylaw 12034</b>   | <b>177 - 203</b> |
|             | Council to consider a property tax exemption for those organizations that have met the qualifications as outlined in Permissive Tax Exemption Policy #327.  |                  |

- |             |  |                  |
|-------------|--|------------------|
| <b>5.5.</b> | <b>BL12034 - 2021 Permissive Tax Exemption Bylaw</b>                             | <b>204 - 212</b> |
|             | To give Bylaw No. 12034 first, second and third reading.                         |                  |
| <b>5.6.</b> | <b>Business and Entrepreneurial Development</b>                                  | <b>213 - 235</b> |
|             | To provide Council with a review of the Business and Entrepreneurial activities. |                  |
| <b>6.</b>   | <b>Mayor and Councillor Items</b>  |                  |
| <b>7.</b>   | <b>Termination</b>   |                  |



## City of Kelowna Regular Council Meeting Minutes

Date: Monday, October 5, 2020  
 Location: Council Chamber  
 City Hall, 1435 Water Street

Members Present Mayor Colin Basran, Councillors Maxine DeHart, Ryan Donn, Gail Given, Brad Sieben\*, Mohini Singh, Luke Stack and Loyal Wooldridge

Members participating remotely Councillor Charlie Hodge

Staff Present City Manager, Doug Gilchrist; City Clerk, Stephen Fleming; Divisional Director, Planning & Development Services, Ryan Smith\*; Community Planning & Development Manager, Dean Strachan\*; Parking Services Manager, Dave Duncan\*; Divisional Director, Active Living & Culture, Jim Gabriel\*; Social Development Manager, Sue Wheeler\*

Staff participating remotely Legislative Coordinator (Confidential), Arlene McClelland

(\*Denotes partial attendance)

### 1. Call to Order

Mayor Basran called the meeting to order at 1:35 p.m.

Mayor Basran advised that the meeting is open to the public and all representations to Council form part of the public record. A live audio-video feed is being broadcast and recorded on kelowna.ca and a delayed broadcast is shown on Shaw Cable.

### 2. Confirmation of Minutes

Moved By Councillor Given/Seconded By Councillor Wooldridge

R0643/20/10/05 THAT the Minutes of the Regular Meetings of September 28, 2020 be confirmed as circulated.

Carried

### 3. Development Application Reports & Related Bylaws

#### 3.1 East Kelowna Area - LUCT18-0012 (BL11727) - Various Owners

Staff:

- Displayed a PowerPoint Presentation summarizing the application.



Moved By Councillor Sieben/Seconded By Councillor Wooldridge

**Ro644/20/10/05** THAT Land Use Contract Termination Application No. LUCT18-0012 to terminate LUC78-1034 from properties identified in 'Schedule A', located on Eastwood Drive, Eastwood Court, Sunshine Road, Summerside Drive and Suncrest Court, Kelowna, B.C. be considered by Council;

AND THAT the Land Use Contract Termination Bylaw be forwarded to a Public Hearing for further consideration.

Carried

### **3.2 East Kelowna Area - BL11727 (LUCT18-0012) - Various Owners**

Moved By Councillor Given/Seconded By Councillor Singh

**Ro645/20/10/05** THAT Bylaw No. 11727 be read a first time.

Carried

### **3.3 Pinehurst Cres 1508 - Z20-0054 (BL12108) - David and Marti Gramlich**

Staff:

- Displayed a PowerPoint Presentation summarizing the application.

Moved By Councillor Stack/Seconded By Councillor Donn

**Ro646/20/10/05** THAT Rezoning Application No. Z20-0054 to amend the City of Kelowna Zoning Bylaw No. 8000 by changing the zoning classification of Lot 9 Section 29 Township 26 ODYD Plan 9247, located at 1508 Pinehurst Crescent, Kelowna, BC from the RU1 – Large Lot Housing zone to the RU1c – Large Lot Housing with Carriage House zone, be considered by Council;

AND THAT the Rezoning Bylaw be forwarded to a Public Hearing for further consideration.

Carried

### **3.4 Pinehurst Cres 1508 - BL12108 (Z20-0054) - David and Marti Gramlich**

Moved By Councillor Singh/Seconded By Councillor Given

**Ro647/20/10/05** THAT Bylaw No. 12108 be read a first time.

Carried

### **3.5 Richter St 1080-1090 - DP20-0052 - Bromaxx Property Group., Inc. No. BC1021305**

Councillor Sieben declared a conflict of interest due to a financial interest in a business in close proximity that could compete with the application and departed the meeting at 1:40 p.m.

Staff:

- Displayed a PowerPoint Presentation summarizing the application and responded to questions from Council.

Moved By Councillor Hodge/Seconded By Councillor Singh

**R0648/20/10/05** THAT Council authorizes the issuance of Development Permit No. DP20-0052 for Lot 1 District Lot 139 ODYD Plan 7858, located at 1080-1090 Richter Street, Kelowna, BC subject to the following:

1. The dimensions and siting of the building to be constructed on the land be in accordance with Schedule "A,"
2. The exterior design and finish of the building to be constructed on the land, be in accordance with Schedule "B";
3. Landscaping to be provided on the land be in accordance with Schedule "C";
4. The applicant be required to post with the City a Landscape Performance Security deposit in the form of a "Letter of Credit" in the amount of 125% of the estimated value of the landscaping, as determined by a Registered Landscape Architect;

AND FURTHER THAT this Development Permit is valid for two (2) years from the date of Council approval, with no opportunity to extend.

**Carried**

Councillor Sieben rejoined the meeting at 1:43 p.m.

**3.6 Cary Rd 1638 - DP20-0107 - 1099732 BC Ltd Inc. No. BC1099732 and 1087253 BC Ltd Inc. No. BC1087253**

Staff:

- Displayed a PowerPoint Presentation summarizing the application.

Moved By Councillor Donn/Seconded By Councillor Sieben

**R0649/20/10/05** THAT Council authorizes the issuance of Development Permit No. DP20-0107 for Lot A District Lot 125 ODYD Plan KAP77245 at 1638 Cary Road, Kelowna, BC subject to the following:

1. The dimensions and siting of the building to be constructed on the land be in accordance with Schedule "A";
2. The exterior design and finish of the building to be constructed on the land, be in accordance with Schedule "B";
3. Landscaping to be provided on the land in accordance with Schedule "C";
4. The applicant be required to post with the City a Landscape Performance Security deposit in the form of a "Letter of Credit" in the amount of 125% of the estimated value of the landscaping, as determined by a Registered Landscape Architect;

AND THAT this Development Permit is valid for two (2) years from the date of Council approval, with no opportunity to extend.

**Carried**

**4. Non-Development Reports & Related Bylaws**

**4.1 Complimentary Saturday Parking in December 2020**

Staff:

- Provided an overview of the complimentary on-street parking initiative in the downtown area on Saturdays in the month of December and responded to questions from Council.

Moved By Councillor Singh/Seconded By Councillor Hodge

**R0650/20/10/05** THAT Council receives, for information, the report from the Manager, Parking Services dated October 5, 2020, with respect to Complimentary Saturday On-Street Parking in December 2020;

AND THAT Council approves waiving on-street parking fees in the Downtown area on the four (4) Saturdays in December 2020.

**Carried**

#### **4.2 City-Central Okanagan Journey Home Society MOU**

Staff:

- Introduced the new Central Okanagan Journey Home Society Board Chair, Scott Lanigan and displayed a PowerPoint Presentation outlining the roles and responsibilities within the Memorandum of Understanding and responded to questions from Council.

Moved By Councillor Donn/Seconded By Councillor Singh

**R0651/20/10/05** THAT Council receive for information the report from the Active Living and Culture Department dated October 5, 2020 regarding the development of a Memorandum of Understanding between the City and the Central Okanagan Journey Home Society to support the implementation of the Journey Home Strategy;

AND THAT Council approve the Memorandum of Understanding between the City and the Central Okanagan Journey Home Society as attached to the report from the Social Development Manager, dated October 5, 2020.

AND THAT Council authorize the Mayor and City Clerk to sign the Memorandum of Understanding between the City and Central Okanagan Journey Home Society.

**Carried**

#### **5. Bylaws for Adoption (Non-Development Related)**

##### **5.1 BL12109 - Removal of Temporary Delegation Authority Bylaw**

Moved By Councillor Given/Seconded By Councillor Singh

**R0652/20/10/05** THAT Bylaw No. 12109 be adopted.

**Carried**

#### **6. Mayor and Councillor Items – Nil.**

#### **7. Termination**

This meeting was declared terminated at 2:19 p.m.

\_\_\_\_\_  
Mayor Basran

/acm

\_\_\_\_\_  
City Clerk

# REPORT TO COUNCIL



**Date:** October 19, 2020

**To:** Council

**From:** City Manager

**Department:** Development Planning

**Application:** DP19-0026

**Owner:** Emil Anderson Construction  
Co. Ltd., Inc.No. 172775

**Address:** 907 Ethel Street

**Applicant:** Lime Architecture Inc. (Matt  
Johnston)

**Subject:** Development Permit Application

**Existing OCP Designation:** IND – Industrial

**Existing Zone:** I<sub>4</sub> – Central Industrial

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## 1.0 Recommendation

THAT Council authorizes the issuance of Development Permit No. DP19-0026 for Lot A Section 30 Township 26 ODYD Plan 18927, located at 907 Ethel Street, Kelowna, BC subject to the following:

1. The dimensions and siting of the building to be constructed on the land be in accordance with Schedule "A";
2. The exterior design and finish of the building to be constructed on the land, be in accordance with Schedule "B";
3. Landscaping to be provided on the land be in accordance with Schedule "C";
4. The applicant be required to post with the City a Landscape Performance Security deposit in the form of a "Letter of Credit" in the amount of 125% of the estimated value of the landscaping, as determined by a Registered Landscape Architect;

AND FURTHER THAT this Development Permit is valid for two (2) years from the date of Council approval, with no opportunity to extend.

## 2.0 Purpose

To consider a Development Permit for the form and character of a 4-storey mixed use building containing both industrial and residential uses on the subject lot.

### 3.0 Development Planning

Development Planning supports the Development Permit for the proposed 4-storey mixed use building on the subject lot.

The lot is in an industrial area in the City's north end and in an area that would not trigger a development permit for industrial development alone. In this case, a development permit is required due to the inclusion of multiple dwelling housing (apartments) with the development.

The proposed building contains industrial uses on the first 3 storeys and apartments on the 4<sup>th</sup> (top) storey. Normally considered to be conflicting land uses, industrial and residential uses are not often incorporated in the same building, and the building-type would represent a first for Kelowna.

Efforts were made to ensure the industrial and residential uses would co-exist harmoniously and with minimal potential for conflict. For instance, the safe passage of all forms of transportation was considered, and attention paid to ensure workers, residents, clients and visitors could access the building safely by foot, on bike, or by vehicle. On the whole, the development substantially meets the Comprehensive Development Permit Guidelines.

### 4.0 Proposal

#### 4.1 Background

On February 26, 2019 Council gave 2<sup>nd</sup> and 3<sup>rd</sup> Reading to a Text Amendment bylaw (TA18-0010) proposing to allow multiple dwelling housing on the lot, which is zoned I<sub>4</sub> – Central Industrial. As a condition of final adoption of the rezoning, it was stipulated that it be considered in conjunction with a development variance permit, as a variance on height was originally proposed. The specifics of the development have now been changed and the original proposal for a height variance has been eliminated. The current proposal contains no variances. As a result, Staff brought forth a proposal to Council to waive the requirement that would see final adoption of the Text Amendment considered in conjunction with a development variance permit. This proposal was supported by Council and the Text Amendment to allow multiple dwelling housing on the lot was granted final adoption on September 28, 2020.

#### 4.2 Project Description

The applicant seeks to build a 4-storey mixed use building containing both industrial and residential uses on the subject lot. Specifically, the first 3 storeys are to be industrial while the 4<sup>th</sup> (top) storey is to be residential stepped back on all four sides, and to contain 10 apartment units.

#### 4.3 Site Context

The lot is in the Central City Sector in the north end industrial area. The lot is surrounded on all sides by industrial development, except the east, where we find a hillside that is part of Knox Mountain Park.

Specifically, adjacent land uses are as follows:

| Orientation | Zoning                                | Land Use           |
|-------------|---------------------------------------|--------------------|
| North       | I <sub>4</sub> – Central Industrial   | General Industrial |
| East        | P <sub>3</sub> – Parks and Open Space | Park               |
| South       | I <sub>4</sub> – Central Industrial   | Warehouse Sales    |
| West        | I <sub>4</sub> – Central Industrial   | General Industrial |



Subject Property Map: 907 Ethel St.



#### 4.4 Zoning Analysis Table

| Zoning Analysis Table                |                                  |                      |
|--------------------------------------|----------------------------------|----------------------|
| CRITERIA                             | I <sub>4</sub> ZONE REQUIREMENTS | PROPOSAL             |
| Existing Lot/Subdivision Regulations |                                  |                      |
| Min. Lot Area                        | 1,300m <sup>2</sup>              | 15,620m <sup>2</sup> |
| Min. Lot Width                       | 40m                              | 186m                 |
| Min. Lot Depth                       | 30m                              | 93m                  |
| Development Regulations              |                                  |                      |
| Max. Floor Area Ratio                | 3.0                              | 0.4                  |
| Max. Height                          | 18.0m                            | 16.0m                |
| Min. Front Yard                      | 0.0m                             | 11.8m                |
| Min. Side Yard (east)                | 0.0m                             | 6.0m                 |
| Min. Side Yard (west)                | 0.0m                             | >20m                 |
| Min. Rear Yard                       | 0.0m                             | >20m                 |
| Other Regulations                    |                                  |                      |

|                           |    |    |
|---------------------------|----|----|
| Min. Parking Requirements | 86 | 86 |
| Min. Bicycle Parking      | 10 | 10 |
| Min. Loading Space        | 2  | 4  |

## 5.0 Current Development Policies

### 5.1 Kelowna Official Community Plan (OCP)

#### Chapter 14: Urban Design DP Guidelines

##### A. Comprehensive Development Permit Area (Multiple Unit Residential, Commercial, and Industrial Design Guidelines)

Justification: Rapid growth, infill redevelopment pressures, and increasing design expectations from residents require that Comprehensive Design Guidelines with respect to site layout, building form and character, and landscaping will apply to commercial, industrial, multiple family and mixed use development.

##### Objectives:

- Promote a high urban design standard and quality of construction for future development that is coordinated with existing structures;
- Provide for a scale and massing of commercial buildings that promotes a safe, enjoyable living, pedestrian, working, shopping and service experience;
- Promote alternative transportation with enhanced streetscapes and multimodal linkages;

## 6.0 Application Chronology

Date of Application Received: September 8, 2020

Date Public Consultation Completed: N/A

**Report prepared by:** Aaron Thibeault, Planner II

**Reviewed by:** Jocelyn Black, Urban Planning Manager

**Approved for Inclusion:** Terry Barton, Development Planning Department Manager

### Attachments:

Attachment A: Draft Development Permit DP19-0026

Schedule A: Site Plan

Schedule B: Elevations & Materials and Color Board

Schedule C: Landscape Plan & Landscape Estimate

Attachment B: Applicant's Rationale

# Development Permit & DP19-0026

|                                |    |  |
|--------------------------------|----|--|
| <b>ATTACHMENT</b>              |    | <b>A</b>   |
| This forms part of application |    |  |
| # DP19-0026                    |    |  |
| Planner<br>Initials            | AT | <br>City of<br><b>Kelowna</b><br>COMMUNITY PLANNING |



This permit relates to land in the City of Kelowna municipally known as  
907 Ethel St.

and legally known as

Lot A Section 30 Township 26 ODYD Plan 18927

and permits the land to be used for the following development:

**general industrial uses and multiple dwelling housing.**

The present owner and any subsequent owner of the above described land must comply with any attached terms and conditions.

Date of Council Decision                      October 19, 2020

Decision By:                                      COUNCIL

Development Permit Area:                  Comprehensive Development Permit Area

Existing Zone:                                      I4 – Central Industrial

Future Land Use Designation:              IND - Industrial

## **This is NOT a Building Permit.**

In addition to your Development Permit, a Building Permit may be required prior to any work commencing. For further information, contact the City of Kelowna, Development Services Branch.

## **NOTICE**

This permit does not relieve the owner or the owner's authorized agent from full compliance with the requirements of any federal, provincial or other municipal legislation, or the terms and conditions of any easement, covenant, building scheme or agreement affecting the building or land.

Owner:                      Emil Anderson Construction Co. Ltd., Inc.No. 172775

Applicant:                  Matt Johnston

Planner:                    Aaron Thibeault

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Terry Barton  
Community Planning Department Manager  
Planning & Development Services

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Date



## 1. SCOPE OF APPROVAL

This Development Permit applies to and only to those lands within the Municipality as described above, and any and all buildings, structures and other development thereon.

This Development Permit is issued subject to compliance with all of the Bylaws of the Municipality applicable thereto, except as specifically varied or supplemented by this permit, noted in the Terms and Conditions below.

The issuance of a permit limits the permit holder to be in strict compliance with regulations of the Zoning Bylaw and all other Bylaws unless specific variances have been authorized by the Development Permit. No implied variances from bylaw provisions shall be granted by virtue of drawing notations that are inconsistent with bylaw provisions and that may not have been identified as required Variances by the applicant or Municipal staff.

## 2. CONDITIONS OF APPROVAL

- a) The dimensions and siting of the building to be constructed on the land be in accordance with Schedule "A";
- b) The exterior design and finish of the building to be constructed on the land be in accordance with Schedule "B";
- c) Landscaping to be provided on the land be in accordance with Schedule "C"; and
- d) The applicant be required to post with the City a Landscape Performance Security deposit in the form of a "Letter of Credit" in the amount of 125% of the estimated value of the landscaping, as determined by a Registered Landscape Architect.

This Development Permit is valid for two (2) years from the date of approval, with no opportunity to extend.

## 3. PERFORMANCE SECURITY

As a condition of the issuance of this Permit, Council is holding the security set out below to ensure that development is carried out in accordance with the terms and conditions of this Permit. Should any interest be earned upon the security, it shall accrue to the Developer and be paid to the Developer or his or her designate if the security is returned. The condition of the posting of the security is that should the Developer fail to carry out the development hereby authorized, according to the terms and conditions of this Permit within the time provided, the Municipality may enter into an agreement with the property owner of the day to have the work carried out, and any surplus shall be paid over to the property owner of the day. Should the Developer carry out the development permitted by this Permit within the time set out above, the security shall be returned to the Developer or his or her designate. There is filed accordingly:

- a) An Irrevocable Letter of Credit **OR** certified cheque in the amount of **\$111,062.50**

Before any bond or security required under this Permit is reduced or released, the Developer will provide the City with a statutory declaration certifying that all labour, material, workers' compensation and other taxes and costs have been paid.

## 4. INDEMNIFICATION

Upon commencement of the works authorized by this Permit the Developer covenants and agrees to save harmless and effectually indemnify the Municipality against:

- a) All actions and proceedings, costs, damages, expenses, claims, and demands whatsoever and by whomsoever brought, by reason of the Municipality said Permit.

All costs, expenses, claims that may be incurred by the Municipality where the construction, engineering or other types of works as called for by the Permit results in damages to any property owned in whole or in part by the Municipality or which the Municipality by duty or custom is obliged, directly or indirectly in any way or to any degree, to construct, repair, or maintain.

The **PERMIT HOLDER** is the **CURRENT LAND OWNER**.

Security shall **ONLY** be returned to the signatory of the Landscape Agreement or their designates.

**ATTACHMENT**

**A**

This forms part of application

# **DP19-0026**

Planner  
Initials

AT



Development Planning Department 1435 Water Street Kelowna BC V1Y 1J4 [planninginfo@kelowna.ca](mailto:planninginfo@kelowna.ca) 250 469 8626



# 907 ETHEL STREET, KELOWNA, BC

## PROPERTY DESCRIPTION

CWIC : 907 Ethel Street Kelowna, BC  
LEGAL: PLAN K&P 18927, LOT A, SECTION 30, TOWNSHIP 26

## ZONING CALCULATIONS:

City of Kelowna 14 Zoning

## SITE INFORMATION:

Allowed  
Gross Site Area= 172,015sf (15,993 sm)  
F.A.R. = 3.0 (5.6,045sf)

Proposed  
53,382sf (new) + 16,292sf (existing) = 0.4 (69,674sf) TOTAL FAR

## Net Area Calculations:

ENTRY LEVEL: 18,692sf (F2)  
SECOND LEVEL: 7,720sf (F2)  
THIRD LEVEL: 18,299sf (F3)  
FOURTH LEVEL: 9,344sf (Residential)\*  
TOTAL: 53,382sf

Max. Height = Allowed  
Yard setbacks: 18m (59ft)  
Proposed  
16m (4 storeys)

Front yard / Crowley Avenue - 0.0m  
Proposed  
18,534m / 7,024m

Parking yard / Ethel Street- 0.0m  
Proposed  
104.015m

Side yard - 0.0m  
Proposed  
21.045m

Rear yard - 0.0m  
Proposed  
44.044m

## Parking Calculations:

Allowed  
Proposed

## Residential Parking Calculations \*

Apartment Housing (Fourth level) = 1.0 X 10 Two Bedroom Units= 10 required  
Visitor Parking for Apartment Housing (Fourth level) = min. 0.14 X 10 Dwelling Units= 1.4 = 1 required

## General Industrial Uses Parking Calculations -

1.0/100m2 GFA (entry level) = 1,564/100X1.0=17 required  
2.5/100m2 GFA Accessory (Second + Third level) = 2,342/100X2.5=59 required

## Total Stalls:

86 required

86 proposed

## Bicycle Storage:

Required long term - Apartment, 0.75/2 Bedroom= 7,5X10 = 8 (Required)  
Required long term - Industrial, 0.5/1,000m2 GFA= 4,006/100X0.5=20(required)

8 proposed

2 proposed

\*T1A18-0010 : Text amendment to add multiple dwelling housing to the 14 zone applicable only to Lot A Section 30 Township 26 ODV Plan 18927

## ARCHITECTURAL DRAWINGS:

- PROJECT & SITE INFORMATION
- A-001 PROJECT & SITE INFORMATION
  - A-101 ENTRY LEVEL PLAN
  - A-102 SECOND FLOOR PLAN
  - A-103 THIRD FLOOR PLAN
  - A-104 FOURTH FLOOR PLAN
  - A-105 ROOF PLAN LAYOUT
  - A-201 ELEVATIONS
  - A-202 ELEVATIONS
  - A-301 SECTIONS
  - A-302 PROJECT MATERIALS

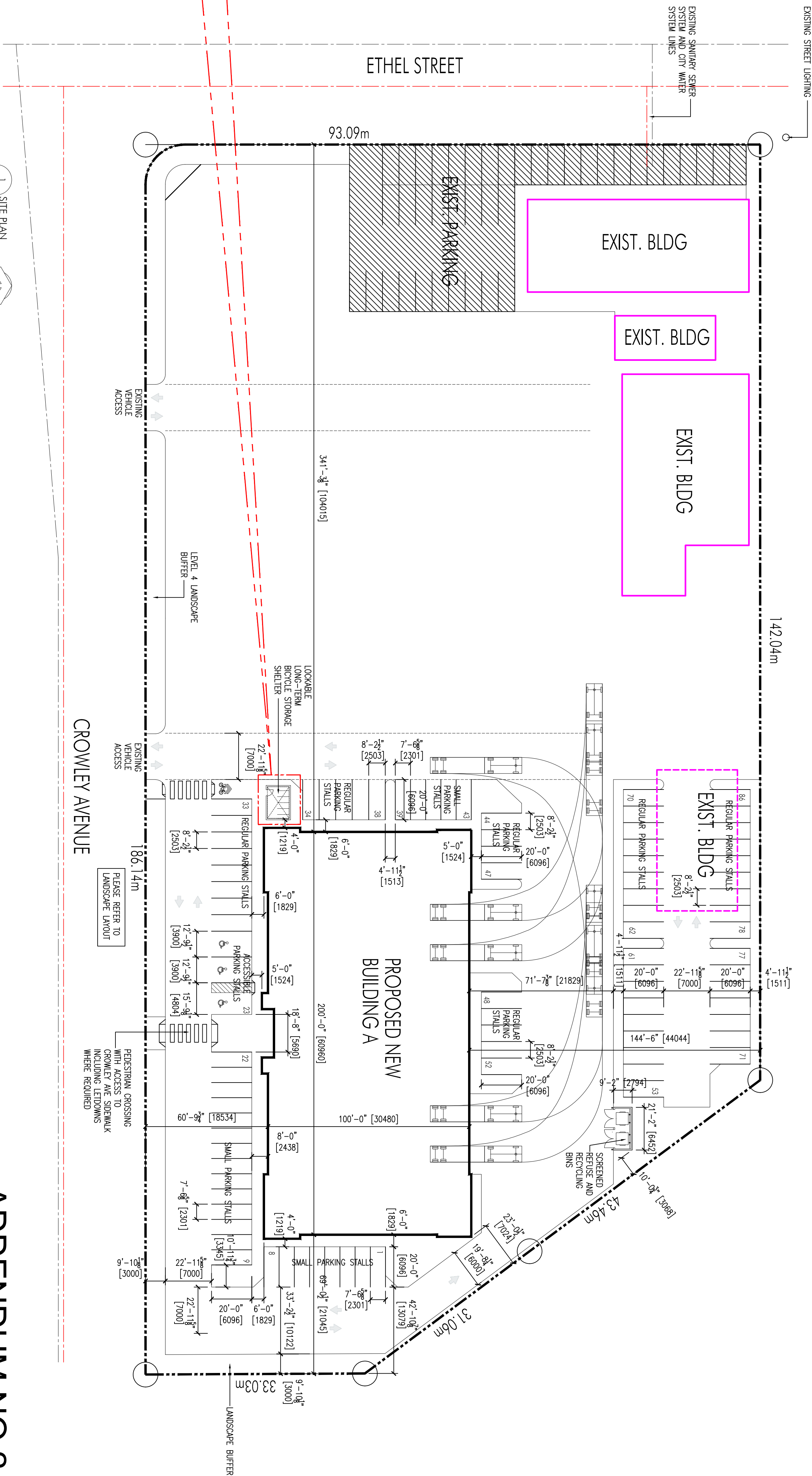
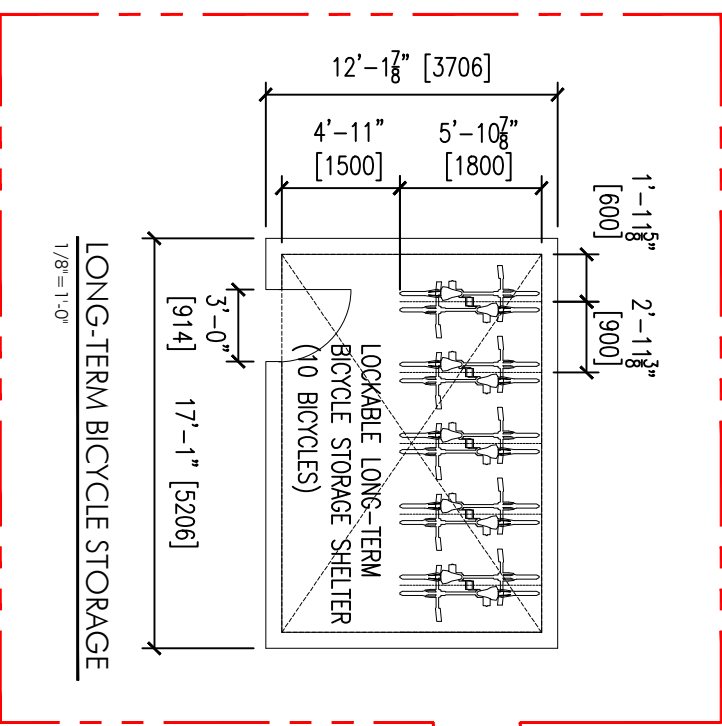


City of  
**Kelowna**  
COMMUNITY PLANNING

**SCHEDULE A**  
This forms part of application  
# DP19-0026

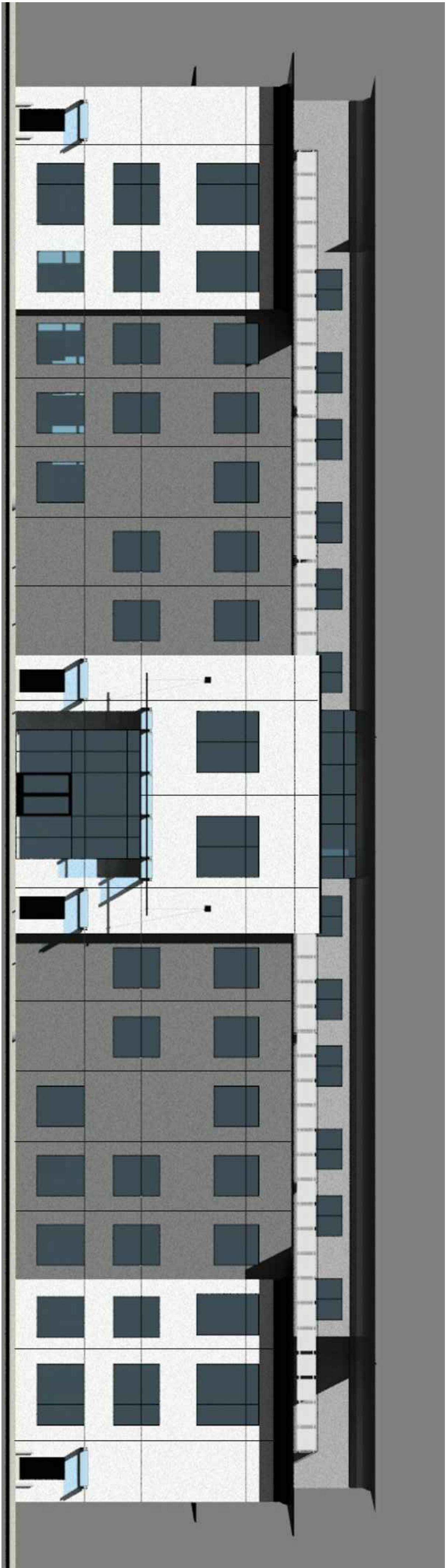
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ADDENDUM NO.2





SOUTH ELEVATION  
NOT TO SCALE



EAST ELEVATION  
NOT TO SCALE



WEST ELEVATION  
NOT TO SCALE



NORTH ELEVATION  
NOT TO SCALE

PROJECT MATERIALS:

- RESIDENTIAL ROOF DECK RAILINGS:
- BLACK ALUMINUM C/W  
FROSTED GLASS PANELS
- ALUMINUM ENTRY AND WINDOW SYSTEM:
- BLACK ANODIZED ALUMINUM
- LIGHT GRAY STUCCO FINISH:  
MATCH BM SILENT NIGHT 1613
- DARK GRAY STUCCO FINISH:  
MATCH BM STOREWAY SKY 1616
- WHITE STUCCO FINISH:  
MATCH GENTEK WHITE
- PREFINISHED ALUMINUM FLASHING  
TO MATCH ADJACENT COLOUR:
- GENTEK BLACK
- GENTEK WHITE
- GENTEK DOVER GRAY



City of  
**Kelowna**  
COMMUNITY PLANNING

SCHEDULE **B**

This forms part of application  
# **DP19-0026**

Planner  
Initials

AT



PHONE: 250-448-7801  
250-1628 Robber Street,  
Kelowna, BC V1Y 2M3  
[www.limearchitecture.com](http://www.limearchitecture.com)

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specifications are the exclusive property of  
LIME Architecture Inc. and shall remain the  
property of LIME Architecture Inc. and shall  
in any manner without the expressed written  
consent of LIME Architecture Inc. All  
Contracting, trades shall check and verify all  
details, dimensions, sizes and conditions on  
site. Any dimensions or conditions not  
immediately to LIME Architecture Inc. Do not  
Scale any dimensions from this drawing.  
All trades are to execute the work in  
accordance with the current municipality  
building bylaws and requirements of the  
local authority having jurisdiction and shall  
the British Columbia Building Code - (most  
recent edition) including all published  
revisions and addenda. All trades shall  
assume full responsibility for the locations  
and protection of all underground and above  
ground utilities, including but not limited to  
water, sewer, gas, hydro and telephone.

**Revision No., Date  
and Description**  
05/16/18 - FOR INFORMATION  
07/24/18 - FOR CITY COMMENT  
09/20/18 - FOR DVP  
07/24/20 - FOR DVP

|   |                                |
|---|--------------------------------|
| <b>Plot Date</b><br>24-Jul-20             | <b>Drawing No.</b><br>A-RENDER |
| <b>PROJECT</b><br>EA - 907 ETHEL ST.      |                                |
| <b>DRAWING TITLE</b><br>PROJECT MATERIALS |                                |





- The illustrated landscape plan is conceptual only, not for construction.
- All plants, material and planting practices to conform to the Canadian Landscape Standard - Current Edition
- Contractor to provide a warranty and maintenance period of 1 year on all plants and materials. Plants and materials that fail before end of the warranty period shall be replaced by the contractor.
- All planting areas to receive 450mm of topsoil
- Prior to delivery to site, a representative sample and test results of topsoil should be made available to the consultant for approval.
- Plant material selections are conceptual only, final planting selections may vary depending on availability. No plant species substitution will be accepted without the written consent of the consultant.
- All planting beds to receive min. 100 mm depth of washed 50-75mm dia. River Rock Mulch.
- Prior to any construction, contractor to verify the location of all existing utilities on the site.
- Install Deep Root Tree Root Barrier U8 18-2 along sidewalk edges within 2.0m of free trunks.
- All planting beds and lawn areas to be irrigated.



| Legend                                      |  |
|---|--|
|   | Sodded Lawn area   |
|   | Mossed planting shrubs, perennials, ornamental grasses in rock mulch-see Plant List L2 |
|   | Dryland Grass Mix  |
| Dryland Grass Mix Seed Blend (lb by weight) |  |
| Application Rate 150kg/ha                   |  |
| Oatfield Wheat Grass                        | 20   |
| Perennial Ryegrass                          | 15   |
| Siberian Ryegrass                           | 10   |
| Siberian Wheat Grass                        | 10   |
| Fall Wheat Grass                            | 10   |
| Creeping Red Fescue                         | 10   |
| Annual Ryegrass                             | 10   |
| Fall Ryegrass                               | 15   |
| Seed mix to be certified #1 Grade.          |  |



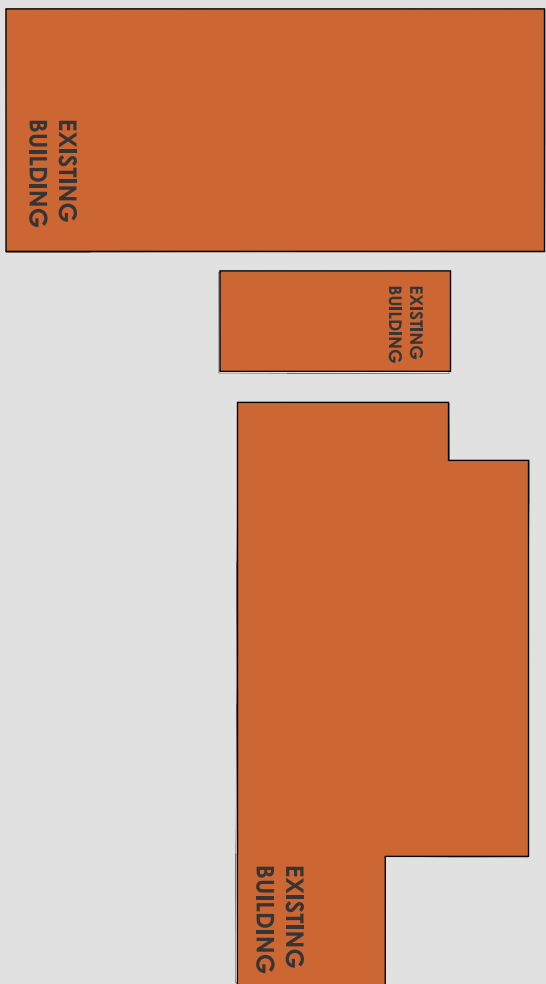
# SCHEDULE

This forms part of application # DP19-0026

Planner Initials

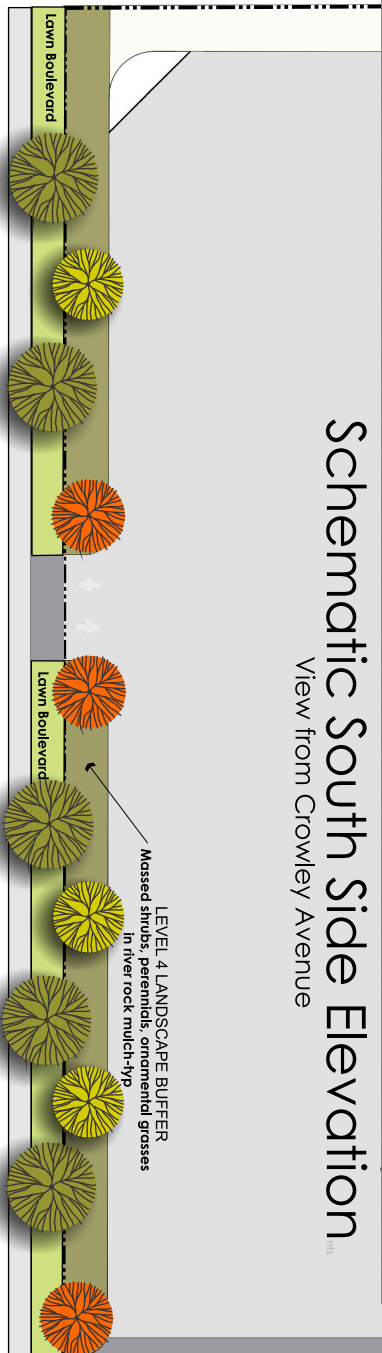
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City of Kelowna  
COMMUNITY PLANNING



Ethel Street

Schematic South Side Elevation  
View from Crowley Avenue



CROWLEY AVENUE

Extent of new asphalt paving



# 907 Ethel Street - MULTI-USE DEVELOPMENT

## Conceptual Landscape Plan





Suggested Ornamental Trees



| Common Name                         |          | Botanical name                              | Comments                                    |
|-------------------------------------|----------|---|---|
|                                     | TREE QTY |   |   |
| Ivory Silk Japanese Tree Lilac      | 8        | Syringa reticulata Ivory Silk               | 60 mm cal                                   |
| Kousa Dogwood                       | 4        | Cornus kousa                                | 60 mm cal                                   |
| Star magnolia                       | 9        | Magnolia stellata "Royal Star"              | 60 mm cal                                   |
| Red Sunset Maple                    | 13       | Acer rubrum 'Red Sunset'                    | 75 mm cal                                   |
| Skyline Honeylocust                 | 13       | Gleditsia triacanthos 'Skyline'             | 75 mm cal                                   |
| Ponderosa pine                      | 11       | Pinus ponderosa                             | 2.0m ht                                     |
| 1 Red Twig Dogwood                  |          | Cornus sericea                              | red twigs winter                            |
| 2 Dwarf Burning Bush                |          | Euonymus alata compacta                     | bright red foliage in fall                  |
| 3 Show Off Forsythia                |          | Forsythia 'Mindor'                          | bright yellow March                         |
| 4 Blizzard Mockorange               |          | Philadelphus lewisii 'Blizzard'             | fragrant white April /May                   |
| 5 Dwarf Mugo Pine                   |          | Pinus mugo pumilio                          | evergreen                                   |
| 6 Stella D'Oro Daylily              |          | Hemerocallis 'Stella d'Oro' (yellow)        | yellow may to aug                           |
| 7 Regal Splendor Hosta              |          | Hosta 'Regal Splendor'                      | white July/Aug                              |
| 8 Munstead Lavander                 |          | Rudbeckia angustifolia 'Munstead'           | purple late june thru August                |
| 9 Goldsturm Gloriosa Daisy          |          | Rudbeckia hirta 'Goldsturm'                 | golden yellow late summer into fall         |
| 10 Russian sage                     |          | Perovskia atriplicifolia                    | purple late spring to fall                  |
| 11 Snow Lady Shasta Daisy           |          | Leucanthemum x superbum 'Snow Lady' (white) | white summer to fall                        |
| 12 Ruby Star Coneflower             |          | Echinacea purpurea 'Ruby Star'              | purple July to Sept                         |
| 13 Frikarts Aster                   |          | Aster frikartii Monch                       | blue Aug to Oct                             |
| 14 Karl Foerster Reed grass         |          | Calamagrostis 'Karl Foerster'               |   |
| 15 Elijah Blue Fescue               |          | Festuca ovina Elijah Blue                   |   |
| 16 Blue Oat Grass                   |          | Helictotrichon sempervirens                 |   |
| 17 Miscanthus sinensis purpurascens |          | Orange Flame grass                          |   |
| 18 Pennisetum alopecuroides         |          | Fountain Grass                              |   |
| 19 Vancouver Jade Kinnikinnick      |          | Arctostaphylos uva ursi 'Vancouver Jade'    | white blooms in April red berries in winter |

Suggested Large Scale Trees



Context Existing Streetscape



SCHEDULE

This forms part of application # DP19-0026

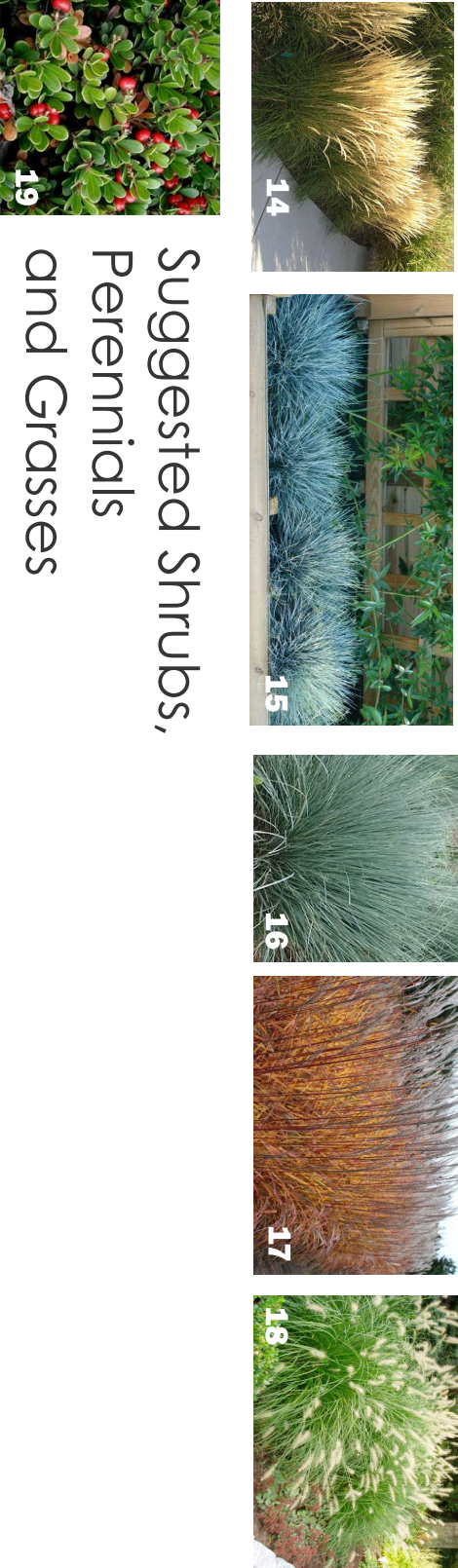
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City of Kelowna

COMMUNITY PLANNING

Suggested Shrubs, Perennials and Grasses





Project No.: 18004

Sept 30.2020

Attention: Mr. Brad Clifton  
Emil Anderson Construction  
907 Ethel Street  
Kelowna BC V1Y 2W1

**Re: 907 Ethel Street – Multi Use Development  
Landscape Cost Estimate**

|   |    |
|---|----|
| <b>SCHEDULE C</b>   |    |
| This forms part of application<br># DP19-0026   |    |
| Planner<br>Initials   | AT |
| <br><b>City of Kelowna</b><br>COMMUNITY PLANNING |    |

Please find below, our preliminary landscape cost estimate for 907 Ethel Street, Multi-Use Development for Emil Anderson Construction, based on the Landscape Concept Plan, prepared by CTQ Consultants Ltd. in September 2020

| ITEM  | UNIT PRICE | UNIT | QTY | SUB-TOTAL          |
|---|------------|------|-----|--------------------|
| <b>Trees</b>  |            |      |     |                    |
| Large Scale Deciduous 60mm cal  | \$600.00   | each | 26  | \$15,600.00        |
| Small Scale Deciduous 50mm cal  | \$400.00   | each | 21  | \$8,400.00         |
| Coniferous Trees – 1.8m ht  | \$350.00   | each | 11  | \$3,850.00         |
| <b>Massed shrubs, perennials and ornamental grasses<br/>(inc 450mm topsoil)</b> | \$60.00    | m2   | 600 | \$36,000.00        |
| <b>River Rock Mulch (100mm depth) and Landscape Fabric</b>                      | \$7.00     | m2   | 200 | \$1,400.00         |
| <b>Sod Lawn (inc 100mm topsoil)</b>   | \$15.00    | m2   | 340 | \$5,100.00         |
| <b>Dryland grass seeding (inc 75mm topsoil)</b>                                 | \$7.00     | m2   | 100 | \$700.00           |
| <b>50 mm depth ogogrow mulch</b>  | \$3.00     | m2   | 600 | \$1,800.00         |
| <b>Irrigation system</b>  | ls         |      |     | \$16,000.00        |
| <b>TOTAL</b>  |            |      |     | <b>\$88,850.00</b> |

Should you have any questions regarding the foregoing, or require additional information, please contact the undersigned.

**CTQ CONSULTANTS LTD.**



Frank Pohland, BES  
Designer



|   |           |
|---|-----------|
| <b>ATTACHMENT B</b>   |           |
| This forms part of application<br># <b>DP19-0026</b>  |           |
| Planner<br>Initials   | <b>AT</b> |
| <br><b>City of Kelowna</b><br>COMMUNITY PLANNING |           |

**To:** Planning Department  
**Cc:** Greg Asling  
**Cc:** Matthew Temple

City of Kelowna  
Emil Anderson Construction (EAC)  
EAC

August 5, 2020

**Re: Design Rationale for Proposed New Mixed Use Building at 907 Ethel Street,  
Kelowna, BC (The Site)**

Dear City of Kelowna Planning Department,

Further to all previously submitted information as it pertains to the proposed Development of 907 Ethel Street in Kelowna, we offer the following updated Design Rationale for the project:

Recognizing the transitional location of the property between existing residential and existing industrial properties located at the north end of Ethel Street in Kelowna, we are proposing a 3 storey buildings that will meet the needs of a mix of uses on the property.

The building being proposed is in an area of the property (eastern edge) that allows a majority of the existing industrial use to continue on The Site while allowing additional tenants to occupy the new building (the current Owner – EAC, will be relocating their office operations to the second storey of the building). This proposed building allows all existing buildings on site to remain functional for current industrial use while introducing a new building whose form and character will add an aesthetic that is complimentary to the nearby residential in lieu of a purely industrial look and feel.

Because of the natural setting, residential neighbourhoods nearby and the needs for employee housing by the property Owner, the design concept includes introducing more than 1 residential unit on the upper level of the new 3 storey building. While the I4 zoning and BC Building Code allow for a single residence when combining F2 occupancy with residential use, the proposed new building separates the medium industrial from the residential in order to develop a mixed use that is complimentary to the property's location and life safe via an alternative solution. Further to the issue of mixed residential and F2 in a single building, precedence for similar mixed use has been set in more than one jurisdiction by way of an alternative solutions. Additionally, previous consideration of this project includes a City of Kelowna Council approved text amendment in support of the additional residential units mixed with ground level F2. The manner by which the proposed building creates a life safe mix of residential and F2 includes a storey of light industrial or clean manufacturing between the F2 and residential as well as ensuring exiting from the commercial/light industrial or clean manufacturing and residential are completely separated from the ground oriented F2 by 2hour rated assemblies.



The rationale for this project can be summarized as follows:

- i. The existing neighbourhood includes a blend of industrial and residential. Accordingly, and in order to provide additional residences on the existing property, the site seems an ideal opportunity to continue the trend of mixed use buildings that use precious developable land in ways that discourage sprawl and integrate the industrial and residential uses.
- ii. The residential units are intended for use by the Owner for employee and/or rental housing and will be life safe as per an alternative solution document. Additionally, the provision of the purpose built residential units integrated into the zone is in keeping with the City's vision to provide a variety of housing types in Kelowna and the City of Kelowna Council has approved a text amendment to allow the proposed mix of uses.
- iii. To create comfortable residences in the zone, the units have been pushed back from the building face below there by creating a sense of privacy for the residences as well as allowing for private outdoor spaces for each of the units.
- iv. Recognizing that this project is a transition property between adjacent residential and industrial properties, the form and character was developed to integrate into the more traditional form and character without introducing the stark style of building that is typical for industrial use. Additionally, colours selected are neutral in nature with contrast created by lighter colour accents giving the building character with subtleties that are not distracting.
- v. A long term tenant has agreed to lease the entry level F2 portion of the building as well as sharing part of level 2 with the Owner.
- vi. The tenant is an established company that is compatible for blending with the existing neighbours.
- vii. The Owner's shop will remain at 907 Ethel Street while the proposed building is constructed and occupied.
- viii. The proposal development is supported in the OCP.
- ix. EAC is working to establish alliances with adjoining property owners for future industrial development that is consistent with the transitional quality between residential and industrial uses of the properties in the area.

This proposed development recognizes the City of Kelowna's strategic approach to overall urban growth including better use of existing land through increased density of existing developable land. The project also results in the addition of much needed more affordable housing as part of the proposal.

We look forward to your supportive comments in response to this Development application.

Please do not hesitate to contact our office if you have any questions or require additional information in these matters.

Sincerely,



Matt Johnston  
Architect AIBC, LEED AP  
**LIME Architecture Inc.**





Existing Site



Proposed Form and Character illustrating residential stepped back on the upper level

**ATTACHMENT B**

This forms part of application  
# DP19-0026

Planner Initials **AT**

City of Kelowna  
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# DP19-0026

# 907 Ethel St.

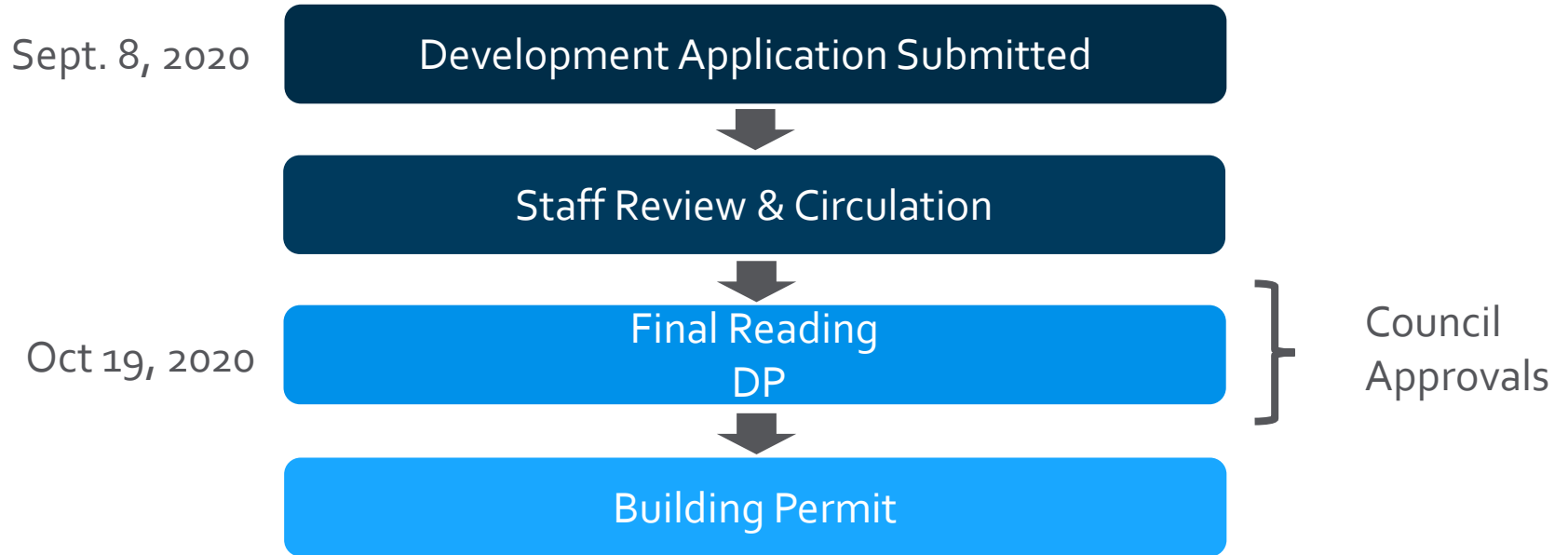
Development Permit Application



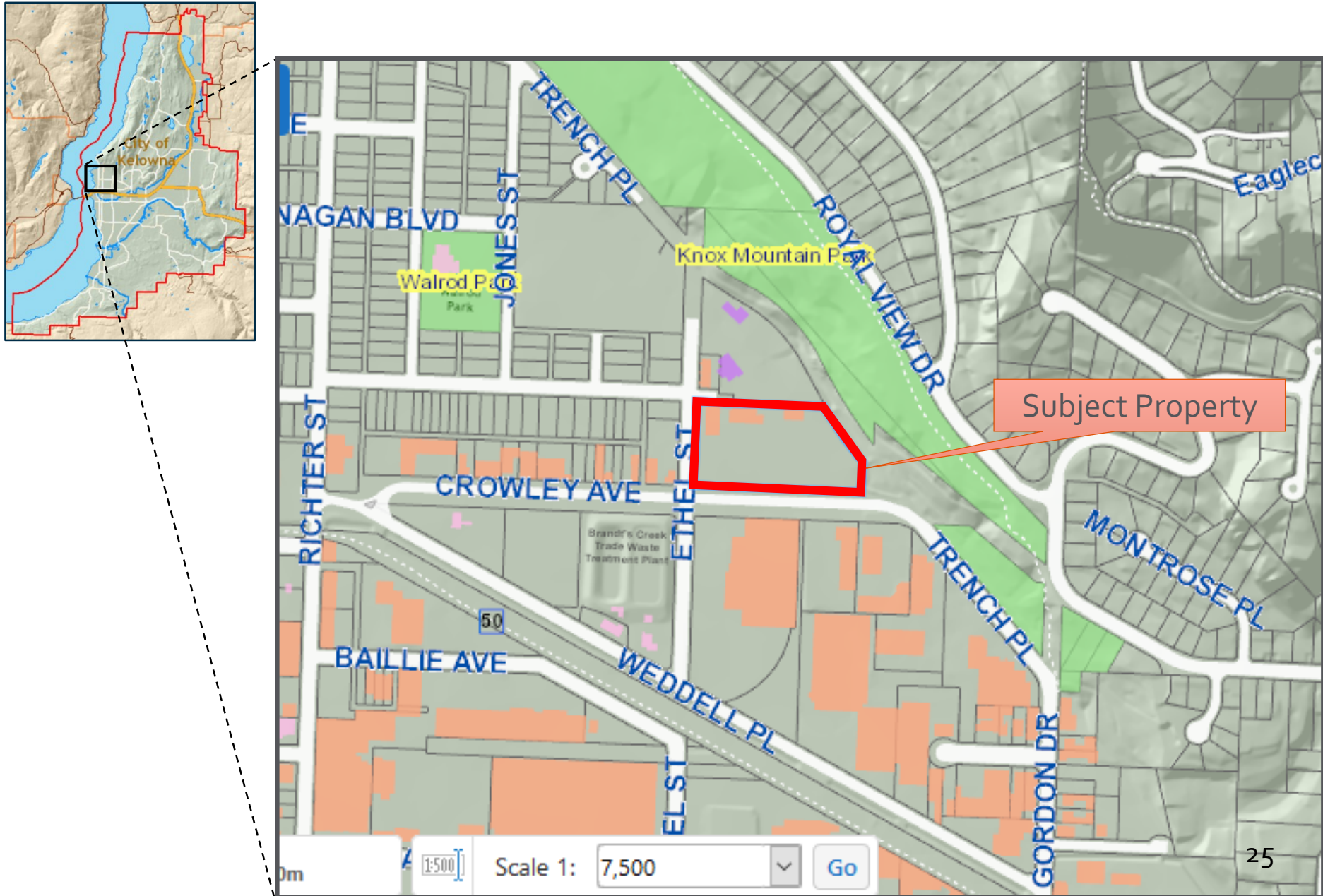
# Proposal

- ▶ To consider a Development Permit for the form and character of a 4-storey mixed use building containing both industrial and residential uses on the subject lot.

# Development Process

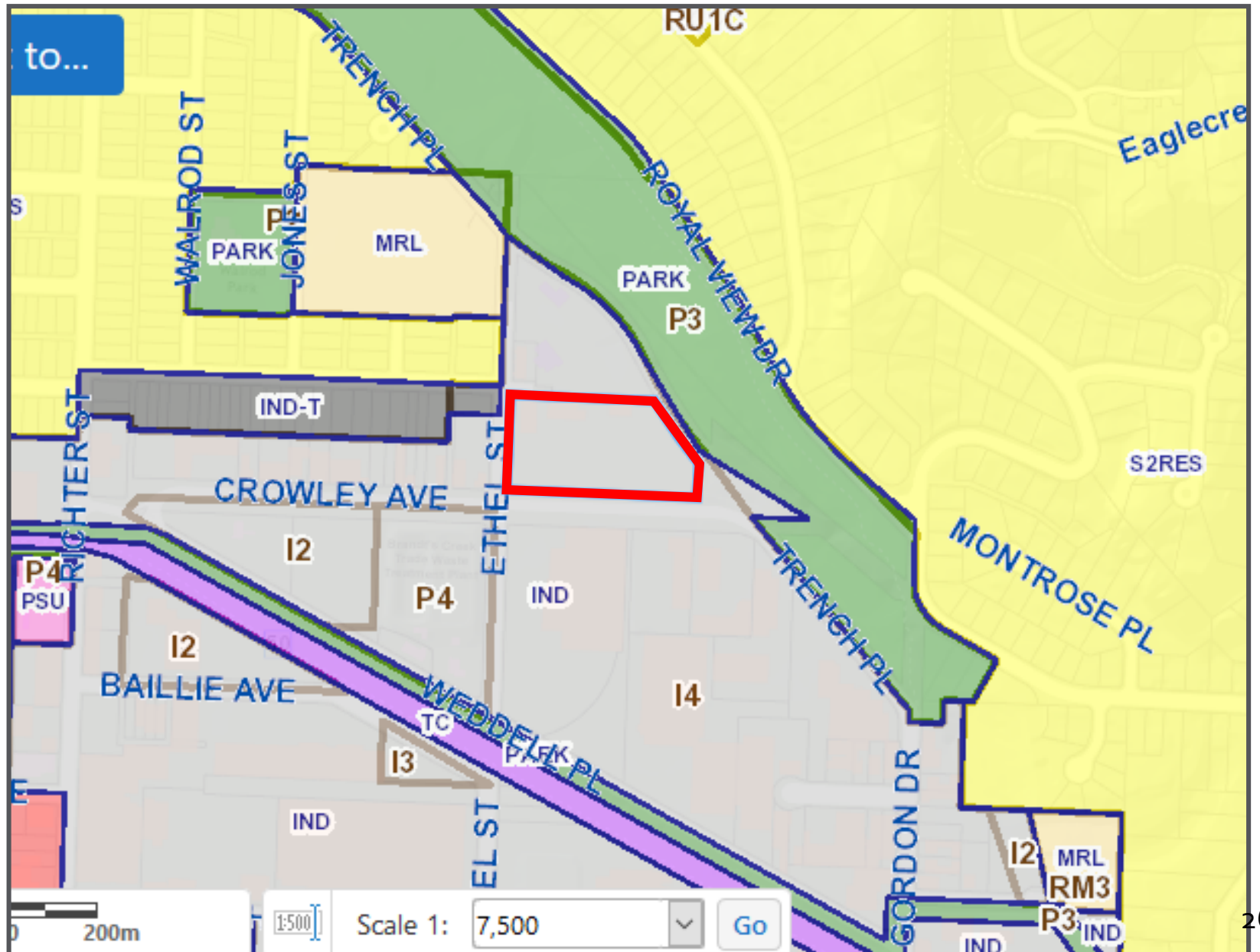


# Context Map





# OCP Future Land Use / Zoning



# Subject Property Map



# Background

- ▶ Industrial and residential uses traditionally thought to be conflicting land uses
  - ▶ City's industrial zones do not normally permit residential uses.
- ▶ Recent trend towards mixed-use buildings has allowed for a greater acceptance of the concept of mixing industrial and residential uses
  - ▶ Concept has now been tried successfully in multiple cases outside of Kelowna.



# Background

- ▶ In 2018 application submitted for a site specific Text Amendment to allow for residential use of 'multiple dwelling housing' on the lot.
  - ▶ Intended to be for workers employed in the building, and not the general rental market
- ▶ Proposal was supported by both Staff and Council.
- ▶ Project was delayed but now ready to move forward
  - ▶ Council recently formally adopted the Text Amendment to allow for multiple dwelling housing on the lot.

# Project/technical details

- ▶ 4-storey mixed use building containing both industrial and residential uses.
- ▶ First 3 storeys to be industrial & 4<sup>th</sup> (top) storey to be residential.
  - ▶ Residential units stepped back on all four sides, and to contain 10 apartment units.

# Project/technical details

- ▶ In considering the DP, attention was paid to ensure the industrial and residential uses would co-exist harmoniously with limited potential for conflict.
  - ▶ Safe passage of all forms of transportation was considered, and attention paid to ensure workers, residents, clients and visitors could access the building safely by foot, on bike, or by vehicle

# Site Plan



# Elevations



SOUTH ELEVATION  
NOT TO SCALE

# Elevations



NORTH ELEVATION  
NOT TO SCALE

# Elevations



EAST ELEVATION  
NOT TO SCALE



WEST ELEVATION  
NOT TO SCALE

# Landscape Plan





# Development Policy

- ▶ Proposal was evaluated against the City's Comprehensive Development Permit Guidelines and deemed to substantially meet the guidelines.
  - ▶ High urban design standard that is coordinated with existing structures;
  - ▶ Scale and massing of commercial buildings that promotes a safe, enjoyable living, pedestrian, working, shopping and service experience;
  - ▶ Promote alternative transportation with enhanced streetscapes and multimodal linkages;

# Staff Recommendation

- ▶ Staff support the form and character DP for the proposed mixed use building.
  - ▶ Minimizes potential for conflict between industrial and residential uses
  - ▶ Ensures safe passage for all, using all forms of transportation
  - ▶ Substantially meets the DP Guidelines



## *Conclusion of Staff Remarks*

# CITY OF KELOWNA

## BYLAW NO. 11923

### Heritage Revitalization Agreement Authorization Bylaw

HRA18-0001 – 1781 Abbott –

Davara Holdings Ltd., Inc. No. BCo797640

---

WHEREAS a local government may, by bylaw, enter into a heritage revitalization agreement with the Owner of property which Council deems to be of heritage value pursuant to section 610 of the *Local Government Act*;

AND WHEREAS the Municipal Council of the City of Kelowna is desirous of entering into a Heritage Revitalization Agreement with Davara Holdings Ltd., Inc. No. BCo797640 for the property located at 1781 Abbott Street;

THEREFORE the Municipal Council of the City of Kelowna, in open meeting assembled, enacts as follows:

1. The Municipal Council of the City of Kelowna hereby authorizes the City of Kelowna to enter into a Heritage Revitalization Agreement with Davara Holdings Ltd., Inc. No. BCo797640 for the property located at 1781 Abbott Street, Kelowna, B.C., and legally described as:

Lot 2, District Lot 14, ODYD, Plan 2614

In the form of such Agreement attached to and forming part of this bylaw as Schedule "A".

2. The Mayor and City Clerk are hereby authorized to execute the attached agreement, as well as any conveyances, deeds, receipts and other documents in connection with the attached agreement, and to affix the corporate seal of the City of Kelowna to same.

Read a first time by the Municipal Council this 7<sup>th</sup> day of October, 2019.

Considered at a Public Hearing this 22<sup>nd</sup> day of October, 2019.

Read a second and third time by the Municipal Council this 22<sup>nd</sup> day of October, 2019.

Approved under the Transportation Act this 23<sup>rd</sup> day of October, 2019.

Audrie Henry  
(Approving Officer-Ministry of Transportation)

Adopted by the Municipal Council of the City of Kelowna this

---

Mayor

---

City Clerk

**SCHEDULE "A"**  
**HERITAGE REVITALIZATION AGREEMENT**

THIS AGREEMENT dated as of the \_\_\_\_\_ day of \_\_\_\_\_, 2019

BETWEEN:

City of Kelowna, a Municipal Corporation having offices at 1435 Water Street, Kelowna, British Columbia V1Y 1J4

(herein called the "CITY")

OF THE FIRST PART

AND: Davara Holdings Ltd. of  
1-911 Borden Avenue, Kelowna, British Columbia, V1Y 6A5

(herein called the "OWNER")

OF THE SECOND PART

WHEREAS a local government may, by bylaw, enter into a Heritage Revitalization Agreement with the Owner of property identified as having heritage value, pursuant to Section 610 of the *Local Government Act*;

AND WHEREAS the Owner owns certain real property on which is situated a building of heritage value, known as the "Murchison House", pursuant to the City's Heritage Register, which property and building are located at 1781 Abbott Street, Kelowna, BC and legally described as:

Parcel Identifier: 010-990-011  
Lot 2, District Lot 14, ODYD, Plan 2614

(herein called the "Subject Property")

AND WHEREAS the Owner has presented to the City a proposal for the use, development and preservation of the Subject Property and has voluntarily and without any requirement by the City, entered into this agreement pursuant to Section 610 of the *Local Government Act*;

AND WHEREAS a local government must hold a Public Hearing on the matter before entering into, or amending, a Heritage Revitalization Agreement if the agreement or amendment would permit a change to the use or density of use that is not otherwise authorized by the applicable zoning of the Subject Property and for these purposes Section 464 through 470 of the *Local Government Act* apply;

AND WHEREAS within thirty days after entering into, or amending, a Heritage Revitalization Agreement the local government must file a notice in the Land Title Office in accordance with Section 594 of the *Local Government Act* and give notice to the Minister responsible for the *Heritage Conservation Act* in accordance with Section 595 of the *Local Government Act*;

NOW THEREFORE in consideration of the mutual promises contained in this agreement and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:



**1.0 Heritage Revitalization**

- 1.1 The parties agree that the Subject Property have heritage value, deserving of protection and conservation and the Owner specifically agrees to rehabilitate<sup>3</sup>, maintain, preserve and protect the heritage character of the existing Heritage Building (Murchison House) located on the Subject Property in accordance with Attachments A, B and C.
- 1.2 The parties agree that the Subject Property may, notwithstanding Zoning Bylaw no. 8000 including the provisions identified in the RU1 – Large Lot Housing zoning on the Subject Property, be used for the following permitted uses:
- (a) The adaptive reuse<sup>4</sup> of the existing Heritage Building on the property to allow office as a permitted use, provided that:
    - i. The the existing Heritage Building is relocated and repositioned as per the Site Plan illustrated in Schedule B;
    - ii. The maximum floor area of the commercial space be limited to 118m<sup>2</sup>;
    - iii. The hours of operation to serve clients from the commercial space shall take place between 7:00am – 6:00pm, Monday through Saturday;
    - iv. The number of staff operating from the existing Heritage Building is limited to a maximum of 5;
    - v. The business sign adhere to the City Sign Bylaw No.11530, and be approved by Development Planning Department prior to installation.
  - (b) The construction of new housing on the property to allow two dwelling housing as a permitted use, provided that:
    - i. The use is in conformance with the Heritage Revitalization Agreement Bylaw No. 11923, as two dwelling housing;
    - ii. The dimensions and the siting of the two dwelling housing to be constructed on the Subject Property be in general accordance with Schedule B;
    - iii. The exterior design and finish of the two dwelling housing to be constructed on the Subject Property be in general accordance with Schedule C.
  - (c) The site planning and landscaping on the Subject Property, provided that:
    - iv. A minimum of six on-site surface parking stalls and a designated area for bike racks shall be provided as per the Site Plan illustrated Schedule B;

<sup>3</sup> As defined by "Standards and Guidelines for the Conservation of Historic Places in Canada", second edition, 2010, and detailed in City of Kelowna's "Adaptive Reuse Guidelines for Residential Heritage Buildings".

- v. A minimum of three dedicated on-site parking stalls shall be provided for the office use operating from the Heritage Building, and three on-site parking stalls shall be provided for the two dwelling housing;
  - vi. Parking signs for minimum of 2 commercial office parking stalls shall be installed, and indicate hours for office parking use: "Commercial Parking 7:00am – 6:00pm, Residential Visitor Parking 6:00pm – 7:00am, Monday to Saturday, and Sunday";
  - vii. A historical plaque summarizing the heritage value of the Heritage Building and the works completed on the Subject Property shall be installed and maintained at the expense of the applicant, subject to approval by the City of Kelowna;
  - viii. The Owner agrees to install and maintain landscaping on the Subject Property in general accordance with the attached landscape plans (Schedule D);
  - ix. The Owner agrees to post a Landscape Performance Security bond with the City in the form of a "Letter of Credit" or cash in the amount of 125% of the estimated value of the landscaping, as determined by a professional landscaper, as outlined in Schedule D.
- 1.3 The parties agree that, except as varied or supplemented by the provisions of this agreement, all bylaws and regulations of the City and all laws of any authority having jurisdiction shall apply to the property and commercial business.
- 1.4 Where a Heritage Alteration Permit is required, the discretion to approve, refuse, or revise such permit is delegated by Council to the Divisional Director, Planning and Development Services.
- 1.5 The Owner agrees to prove and pay for all servicing required by the proposed development of the subject property and to provide required bonding for same, including, but not limited to: domestic water and fire protection, sanitary sewer, storm drainage, road improvements, power and telecommunication services and street lights, as per Development Engineering Memorandum, dated November 14, 2018, (Attachment D).
- 2.0 Conservation and Maintenance of Existing Development.**
- 2.1 The Owner agrees not to alter the exterior of the existing Heritage Building or heritage character other than as described in Schedules B and C pursuant to a Heritage Alteration Permit issued by the City, and in accordance with this agreement;
- 2.2 The Owner agrees to maintain the exterior of the existing Heritage Building on the Subject Property in general accordance with the Acne Building Services Heritage Report entitled "*Davara Holdings Ltd. Rehabilitation Proposal at 1781 Abbott Street, Kelowna*" prepared by Elena Zysblat, registered heritage consultant, dated March 29, 2019, Attachment B;
- 2.3 If original features must be replaced, the new material shall be similar or identical to the original and shall be subject to the issuance of a minor Heritage Alteration Permit. Where original features were removed through earlier renovations or alterations and the replacements were not in keeping with the original style of the existing Heritage Building, any subsequent replacement of these features shall complement the building's heritage style;

- 2.4 The heritage restoration will follow the recommendations outlined in Acne Building Services Heritage Report attached as Attachment B. Any deviations or changes from outlined recommendations will first be reviewed and approved by the Heritage Consultant. Additionally, the design architect will provide a letter of conformance upon completion of heritage restoration and prior to occupancy.
- 2.5 Upon occupancy of the heritage asset, the Heritage Consult must an updated Statement of Significance submit to the City for review.
- 4.0 Commencement and Completion**
- 4.1 The Owner agrees to commence the proposed development upon adoption of City of Kelowna Heritage Revitalization Agreement Authorization Bylaw No. 11923 and to commence all such works within 2 years of the adoption of the HRA.
- 5.0 Damage or Destruction**
- 5.1 In the event that no more than 75% of the Heritage Building is damaged, the parties agree as follows:
- a) The Owner may repair the Heritage Building in which event the Owner shall forthwith commence the repair work and complete same within one year of the date of damage;
- OR, in the event that the Heritage Building is destroyed,
- b) The City may, by bylaw, and after conducting a Public Hearing in the manner prescribed by Sections 464 through 470 of the *Local Government Act*, cancel this agreement, whereupon all use and occupation of the Subject Property shall thenceforth be in accordance with the zoning bylaws of the City and in accordance with all other bylaws or regulations of the City or any other laws of authority having jurisdiction.
- 6.0 Breach**
- 6.1 In the event that the Owner is in breach of any term of this Agreement, the City may give the Owner notice in writing of the breach and the Owner shall remedy the breach within 30 days of receipt of the notice. In the event that the Owner fails to remedy the breach within the time allotted by the notice, the City may, by bylaw and after conducting a Public Hearing in the manner prescribed by Sections 464 through 470 of the *Local Government Act*, cancel this Agreement whereupon all use and occupation of the Subject Property shall thenceforth be in accordance with the zoning bylaws of the City and in accordance with all other bylaws or regulations of the City or any other laws of authority having jurisdiction.
- 7.0 Amendment**
- 7.1 The parties acknowledge and agree that this Agreement may only be amended by one of the following means:
- a) By bylaw with the consent of the parties provided that a Public Hearing shall be held if an amendment would permit a change to use or density of use on site or;
- b) By Heritage Alteration Permit (HAP), issued pursuant to Section 617 of the *Local Government Act*.

**8.0 Representations**

- 8.1 It is mutually understood and agreed upon between the parties that the City has made no representations, covenants, warranties, promises or agreements expressed or implied, other than those expressly contained in this Agreement.

**9.0 Statutory Functions**

- 9.1 Except as expressly varied or supplemented herein, this Agreement shall not prejudice or affect the rights and powers of the City in the exercise of its statutory functions and responsibilities including, but not limited to, the *Local Government Act* and its rights and powers under any enactments, bylaws, order or regulations, all of which, except as expressly varied or supplemented herein, are applicable to the Subject Property.

**10.0 Inurement**

- 10.1 This Agreement inures to the benefit of and is binding upon the parties hereto and their respective heirs, executors, administrators, successors and assigns.

**11.0 Other Documents**

- 11.1 The Owner agrees at the request of the City, to execute and deliver or cause to be executed and delivered all such further agreements, documents and instruments and to do and perform or cause to be done and performed all such acts and things as may be required in the opinion of the City to give full effect to the intent of this Agreement.

**12.0 Notices**

- 12.1 Any notice required to be given pursuant to this Agreement shall be in writing and shall either be delivered mailed by registered mail as follows:

(a) To the City:

City of Kelowna  
1435 Water Street  
Kelowna, B.C. V1Y 1J4  
  
ATTENTION: City Clerk

(b) To the Owner:

David Sargent  
1-911 Borden Ave  
Kelowna, BC  
V1Y 6A5

Or, to such other address to which a party hereto may from time to time advise in writing

**13.0 No Partnership or Agency**

- 13.1 The parties agree that nothing contained herein creates a relationship between the parties of partnership, joint venture or agency.

IN WITNESS WHEREOF this Agreement has been executed by the parties hereto on the day and year first above written.



CITY OF KELOWNA  
By its authorized signatories

\_\_\_\_\_  
Mayor

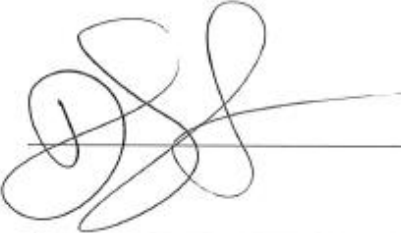
\_\_\_\_\_  
City Clerk

David Sargent

Date: Sept 23/19

In the presence of:

REBECCA ELIZABETH VAN HUIZEN  
A COMMISSIONER FOR TAKING  
AFFIDAVITS FOR BRITISH COLUMBIA  
1135 WATER STREET, KELOWNA, BC V1Y 1J1  
Witness (Print Name) 2016-1155  
Expiry Date: 2019-10-31

  
\_\_\_\_\_

  
Witness (Signature)

\_\_\_\_\_  
Address

\_\_\_\_\_  
Occupation

# CITY OF KELOWNA

## BYLAW NO. 11946

### HD19-0002 - Murchison House Heritage Designation Bylaw - 1781 Abbott Street

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WHEREAS the Municipal Council of the City of Kelowna considers the building known as the "Murchison House" located at Lot 2 District Lot 14 ODYD Plan 2614, on Abbott Street, Kelowna, B.C. to be a building with heritage value and that the designation of the building as a heritage site pursuant to Section 611 of the *Local Government Act* is desirable for the conservation of the building;

AND WHEREAS the Municipal Council of the City of Kelowna considers the building envelope as indicated in Schedule "B" attached to this bylaw located at Lot 2 District Lot 14 ODYD Plan 2614, on Abbott Street, Kelowna, B.C. to be a site with heritage value and that the designation of the site as a heritage site pursuant to Section 611 of the *Local Government Act* is desirable for the conservation of the site;

AND THAT, the Municipal Council of the City of Kelowna, in open meeting assembled, enacts as follows:

1. The building known as the Murchison House situated on lands legally described as Lot 2 District Lot 14 ODYD Plan 2614, located at 1781 Abbott Street, Kelowna, BC is hereby designated a Municipal Heritage Building pursuant to Section 611 of the *Local Government Act*.
2. The building envelope as indicated by Schedule "B" attached to this bylaw, situated on lands legally described as Lot 2 District Lot 14 ODYD Plan 2614, located at 1781 Abbott Street, Kelowna, BC is hereby designated a Municipal Heritage Site pursuant to Section 611 of the *Local Government Act*.
3. Except as authorized by this bylaw or as authorized by a Heritage Revitalization Agreement or a Heritage Alteration Permit approved by Council, no person shall:
  - a) Alter the exterior of any building situated on the property designated by this bylaw;
  - b) Make a structural change to a building or structure situated on property designated by this bylaw;
  - c) Move any building situated on the property designated by this bylaw; or
  - d) Alter, excavate or build on land designated by this bylaw.
4. The following alterations to the designated building are hereby authorized without a Heritage Alteration Permit:
  - a) Normal day to day maintenance and repairs

5. This bylaw may be cited for all purposes as the Heritage Designation Bylaw No. 11946 the Murchison House.

Read a first time by the Municipal Council this 7<sup>th</sup> day of October, 2019.

Considered at a Public Hearing this 22<sup>nd</sup> day of October, 2019.

Read a second and third time by the Municipal Council this 22<sup>nd</sup> day of October, 2019.

Approved under the Transportation Act this  
Not Required

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(Approving Officer – Ministry of Transportation)

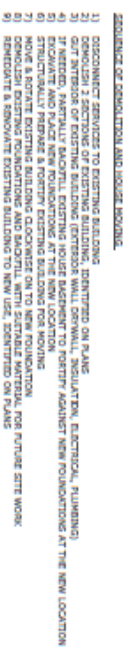
Adopted by the Municipal Council of the City of Kelowna this

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Mayor

---

City Clerk



**SCHEDULE B**  
The second part of application  
# HRA18-0001

City of Kelowna  
1000 Lakeshore Drive  
Kelowna, BC V1Y 9V6  
250.860.8800  
www.kelowna.ca

House  
Relocation Plan  
SOUT  
STANDARD SECTION

**CITY OF KELOWNA**  
**BYLAW NO. 11925**  
**Z19-0094 – 779 Barnaby Road**

---

A bylaw to amend the "City of Kelowna Zoning Bylaw No. 8000".

The Municipal Council of the City of Kelowna, in open meeting assembled, enacts as follows:

1. THAT City of Kelowna Zoning Bylaw No. 8000 be amended by changing the zoning classification of Lot A District Lot 357 Similkameen Division District Plan 25419, located on Barnaby Road, Kelowna, BC from the RR2 – Rural Residential 2 zone to the RU6 – Two Dwelling Housing zone.
2. This bylaw shall come into full force and effect and is binding on all persons as and from the date of adoption.

Read a first time by the Municipal Council this 9<sup>th</sup> day of September, 2019.

Considered at a Public Hearing on the 8<sup>th</sup> day of October, 2019.

Read a second and third time by the Municipal Council this 8<sup>th</sup> day of October, 2019.

Adopted by the Municipal Council of the City of Kelowna this

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Mayor

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City Clerk



**CITY OF KELOWNA**  
**BYLAW NO. 12081**  
**Z20-0047 – 1145 Pacific Avenue**

---

A bylaw to amend the "City of Kelowna Zoning Bylaw No. 8000".

The Municipal Council of the City of Kelowna, in open meeting assembled, enacts as follows:

1. THAT City of Kelowna Zoning Bylaw No. 8000 be amended by changing the zoning classification of Lot A District Lot 137 ODYD Plan EPP84914 located on Pacific Avenue, Kelowna, BC from the RM5 – Medium Density Multiple Housing zone to the RM5r – Medium Density Multiple Housing (Residential Rental Tenure Only) zone.
2. This bylaw shall come into full force and effect and is binding on all persons as and from the date of adoption.

Read a first time by the Municipal Council this 24<sup>th</sup> day of August, 2020.

Considered at a Public Hearing on the 15<sup>th</sup> day of September, 2020.

Read a second and third time by the Municipal Council this 15<sup>th</sup> day of September, 2020.

Approved under the Transportation Act this 16<sup>th</sup> day of September, 2020.

Audrie Henry  
\_\_\_\_\_  
(Approving Officer – Ministry of Transportation)

Adopted by the Municipal Council of the City of Kelowna this

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
City Clerk

**CITY OF KELOWNA**  
**BYLAW NO. 12082**  
**Z20-0046 – 599 Clement Avenue**

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A bylaw to amend the "City of Kelowna Zoning Bylaw No. 8000".

The Municipal Council of the City of Kelowna, in open meeting assembled, enacts as follows:

1. THAT City of Kelowna Zoning Bylaw No. 8000 be amended by changing the zoning classification of Lot A District Lot 139, ODYD, Plan EPP82176 located at Clement Avenue, Kelowna, BC from the RM6 – High Rise Apartment Housing zone to the RM6r – High Rise Apartment Housing (Residential Rental Tenure Only) zone.
2. This bylaw shall come into full force and effect and is binding on all persons as and from the date of adoption.

Read a first time by the Municipal Council this 24<sup>th</sup> day of August, 2020.

Considered at a Public Hearing on the 15<sup>th</sup> day of September, 2020.

Read a second and third time by the Municipal Council this 15<sup>th</sup> day of September, 2020.

Adopted by the Municipal Council of the City of Kelowna this

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Mayor

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City Clerk

**CITY OF KELOWNA**  
**BYLAW NO. 12099**  
**Z20-0058 – 286 Lake Avenue**

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A bylaw to amend the "City of Kelowna Zoning Bylaw No. 8000".

The Municipal Council of the City of Kelowna, in open meeting assembled, enacts as follows:

1. THAT City of Kelowna Zoning Bylaw No. 8000 be amended by changing the zoning classification of Lot 9, Block D, District Lot 14, ODYD, Plan 2220 located at Lake Avenue, Kelowna, BC from the RU1 – Large Lot Housing zone to the RU1c – Large Lot Housing with Carriage House zone.
2. This bylaw shall come into full force and effect and is binding on all persons as and from the date of adoption.

Read a first time by the Municipal Council this 14<sup>th</sup> day of September, 2020.

Considered at a Public Hearing on the 6<sup>th</sup> day of October, 2020.

Read a second and third time by the Municipal Council this 6<sup>th</sup> day of October, 2020.

Approved under the Transportation Act this 14<sup>th</sup> day of October, 2020.

Audrie Henry  
\_\_\_\_\_  
(Approving Officer – Ministry of Transportation)

Adopted by the Municipal Council of the City of Kelowna this

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
City Clerk

**CITY OF KELOWNA**  
**BYLAW NO. 12100**  
**Z20-0036 – 694 Mayfair Court**

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A bylaw to amend the "City of Kelowna Zoning Bylaw No. 8000".

The Municipal Council of the City of Kelowna, in open meeting assembled, enacts as follows:

1. THAT City of Kelowna Zoning Bylaw No. 8000 be amended by changing the zoning classification of Lot 16 District Lot 143 ODYD Plan 43720 located at Mayfair Court, Kelowna, BC from the RU1 – Large Lot Housing zone to the RU1c – Large Lot Housing with Carriage House zone.
2. This bylaw shall come into full force and effect and is binding on all persons as and from the date of adoption.

Read a first time by the Municipal Council this 14<sup>th</sup> day of September, 2020.

Considered at a Public Hearing on the 6<sup>th</sup> day of October, 2020.

Read a second and third time by the Municipal Council this 6<sup>th</sup> day of October, 2020.

Approved under the Transportation Act this 14<sup>th</sup> day of October, 2020.

Audrie Henry  
\_\_\_\_\_  
(Approving Officer – Ministry of Transportation)

Adopted by the Municipal Council of the City of Kelowna this

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
City Clerk

# Report to Council



**Date:** October 19, 2020  
**To:** Council  
**From:** City Manager  
**Subject:** Water Integration Project - Update  
**Department:** Infrastructure

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## **Recommendation:**

THAT Council receives, for information, the report from the Infrastructure Division dated October 19, 2020, with respect to a Water Integration Project update;

AND THAT Council direct staff to increase the project fee from \$32 per month to \$40 per month beginning in 2021 and extend the project fee duration until 2022.

## **Purpose:**

To provide Council with an update on the current construction and financial status of the Water Integration Project and identify upcoming project requirements.

## **Integration Phase 1**

After extensive discussions between the City of Kelowna, the Provincial Government, and the South East Kelowna Irrigation District (SEKID), the parties jointly funded a Value Planning Study which culminated in a final report in February 2017 titled '2017 Kelowna Integrated Water Supply Plan'. This plan laid out the framework and skeletal high-level transmission network requirements for the ultimate integration of water purveyors within the City of Kelowna.

Subsequent to the study, the board of SEKID voted in favor of amalgamation with the City of Kelowna and a transition plan was developed with the dissolution of SEKID taking place by Provincial Order in Council on June 4th, 2018.

Supply upgrades to the City water supply infrastructure support the amalgamation of SEKID and the South Okanagan Mission Irrigation District (SOMID), ultimately leading to the Kelowna Water Integration Phase 1 project and a total project cost of \$86 million. This included funding from an unprecedented Federal and Provincial grant (\$43.9 million), City utility and DCC reserves, and a specific project fee and Local Area Service (LAS) charge for customers within the historic SEKID boundary and a LAS charge for those customers within the historic SOMID boundary.

A design-build (DB) contract was awarded in May 2018 to Emil Anderson Construction Inc, with construction starting in July 2018. Major components of the Phase 1 project include:

- 82 km of domestic transmission and distribution water mains
- Upgrades to 3 existing pump stations
- 1 new pump station
- 3 new reservoirs
- 12 new pressure reducing stations
- 815 new water services
- 2,129 new water meters

Since that time, approximately 480,000 total person-hours, or 230 person-years have been put into the project, along with 650 engineering drawings, 376 meetings and close to 23,000 construction photos. Once complete, the City of Kelowna domestic potable water system will have increased by 20 per cent in just 23 months and added over 2,000 new customers to the water utility.

Although work on the design-build contract is substantially complete, several items being completed separately are still in progress, such as the installation of separate irrigation services for larger properties and water meters. These will be completed in early 2021.

## **Integration Phase 2**

The Provincial Government provided an additional \$12 million grant in September of 2018 to initiate the Phase 2 works, including transmission main and reservoir expansions, which will ultimately lead to supply resiliency and added strength of the overall network to accommodate city wide integration. This additional funding brought the entire project value to approximately \$98 million, with no additional capital cost to residents.

Phase 2 works include the Westpoint transmission main and the KVR reservoir upgrades currently in progress. These projects are scheduled to be complete in the Spring of 2021 and are anticipated to be complete within the project budget.

## **Water Restrictions**

Given the size and complexity of the system and the short timeline for construction (driven by the grant deadlines), operational issues were anticipated during the 2020 transition year. However, the specific nature of the issues and the extent were unknown. Between July 17 and September 1, 2020 water restrictions on residential irrigation were put in place for the legacy SEKID area as well as for Crawford Estates due to our inability to ensure uninterrupted supply of water for domestic, sanitary and firefighting while meeting the high water demand. A higher than anticipated demand has been realized, and attributed to the following:

- 1) Many service lines in the former SEKID area have leaks on private property. As we implement new water meters in the larger lot areas, it is apparent that numerous leaks exist, with some being quite substantial. Most property owners are unaware of their water consumption (including leaks) until meters are in place. Operations staff are working with area residents to have the leaks addressed as they become known.



- As of the first week of October, over 55 per cent of the meters have been installed, with 15 per cent of those showing continuous flow (indicative of leaks and/or 24-hour irrigation), an equivalent average daily flow for approximately 200 homes.
- 2) There are several agricultural properties that are irrigating large landscaped areas with potable water when non-potable water is currently available to them. Again, operations staff are working with these customers to modify their on-site plumbing to irrigate with non-potable water.
- 3) Just over 200 large residential properties have been approached to consider the installation of a small irrigation service for their landscaping. There has been an excellent response rate with 168 of these properties requesting a dedicated non-potable irrigation service. 133 have been installed as of the first week of October and are continually on-going. On-site plumbing modifications are required to be carried out by the property owner to isolate the irrigation system from the potable water.

In time, water demands are expected to drop significantly to expected levels based on resolving the issues noted above, and an increase in consumer awareness as former SEKID customers will receive bills based upon consumption, beginning in January 2021. Water meters and billing based on actual water use has been proven to be the most effective water conservation tool available.

To facilitate this reduction in demand, there are remaining project components which must be finalized. Completion of the meter installation will allow for any significant leak(s) on private property to be identified and the customer notified, and installation of the remaining irrigation services will allow those properties to irrigate with non-potable water. Nevertheless, consumption reductions may take years to be fully realized as we know it takes time to develop a culture of conservation and, ultimately, there will be users that will remain willing to pay for significant volumes of water.

Further to the above, the challenges of this past summer required staff to implement operational changes which improved and optimized the capacity of the system. The modifications included programming changes to optimize reservoir levels, programming of pump operations to meet peak timing requirements, and minor upgrades to valve operations.

We have also identified physical constraints and have identified upgrades required to improve operations through hydraulic improvements, resiliency and redundancy within the existing system and to increase pumping performance. A third pump at the Crawford pump station, piping modifications at the Lower Crawford and Dall Road reservoirs and the addition of variable frequency drives to the Field Road reservoir supply pumps are recommended.

Lastly, in addition to the above, in order to ensure an adequate supply of potable water in 2021 and into the future, supply upgrades are recommended. The new distribution system was designed and built in accordance with our bylaw requirements and has the capacity to deliver the high overall demand. However, there are components of the existing supply system that were not included within the Phase 1 upgrade contract, given the best information that we had at the time. Additional project components would have been included if complete / actual demand data would have been available at the outset. Inclusion of the works will mitigate future water restrictions.

These components include modifications to the Vector valve chamber, a transmission main along Westridge Drive and proposed system separation for 4 agricultural properties along Crawford Road to supply non-potable irrigation water.

Upgrades are proposed to be completed to meet the demand, prior to next irrigation season.

### **Budget**

As the project nears completion, the majority of the estimated project costs are now known, as the assets are completed and commissioned. However, there are projects, as identified above that are still to be completed.

A \$32 per month project fee was instituted by the legacy SEKID board, coming into effect in July of 2018. Previous communications to SEKID customers was such that the \$32 per month project fee would be replaced by an annual LAS fee amounting to approximately \$40 per month in 2021.

As all project costs have not yet been determined, it is proposed to delay the implementation of the LAS until 2022. For 2021, staff recommend that the monthly project fee continue and that the fee be increased to \$40 per month.

Apportionment between the Water Utility, existing capital budgets and the LAS will take place once the projects are completed and final costs are calculated.

### **Financial/Budgetary Considerations:**

For 2021, staff recommend that the monthly project fee continue and that the fee be increased to \$40 per month.

### **Internal Circulation:**

Budget Supervisor  
Financial Analyst  
Divisional Director, Financial Services  
Communications Advisor  
Community Communications Manager  
Utility Planning Manager  
Utility Services Manager  
Water Integration Project Manager  
Infrastructure Delivery Manager  
Divisional Director, Infrastructure

### **Considerations not applicable to this report:**

Legal/Statutory Authority:  
Legal/Statutory Procedural Requirements:  
Existing Policy:  
External Agency/Public Comments:  
Communications Comments:

Submitted by:

Brian Beach, P Eng.  
Infrastructure Delivery Department Manager

**Approved for inclusion:**



Alan Newcombe, Divisional Director, Infrastructure

Attachment 1 – Water Integration Project – Update, Presentation

cc:     Divisional Director, Infrastructure  
         Divisional Director, Corporate Strategic Services  
         Divisional Director, Financial Services



# Kelowna Integrated Water Project

## City Council Update

September 28, 2020

# Presentation Outline



- Project History
- Project Status to Date
- Recent Water Restrictions
- Project Cost / Fee



# 2017 Kelowna Integrated Water Supply Plan

City-wide, integrated water system would achieve:

- ▶ Best, lowest cost city-wide solution
- ▶ Drinking water that meets Canadian Drinking Water Quality Standards
- ▶ Flexibility for administration and operational functions
- ▶ Maintain agriculture interests

Integration plan benefits include:

- ▶ Equitable water rates, quality, supply and service levels for all users
- ▶ Resilient and redundant system that meets long-term domestic and agriculture needs
- ▶ Efficient operations and administration



Mission Creek



BMID



Future Filtration Plant



Water System

GEID

RWW

SEKID

City Utility

McKinley

Poplar  
Point

Cedar  
Creek





On June 4, 2018 the South East Kelowna  
Irrigation District dissolved and  
ownership of their water system was  
transferred to the City of Kelowna.

# Phase 1 Water Integration Project SEKID/SOMID



# Kelowna Integrated Water Project Phase 1

## Objectives:

- Provide upgrades to the south end of the City's water utility
- Provide domestic water to the SEKID utility area
- Separate domestic and irrigation / fire water systems in the SEKID area
- Provide SOMID with reliable irrigation supply

# Kelowna Integrated Water Project Phase 1

## Integration Phase 1 Project Scope

- 82 kms of new watermain
- Upgrades to 3 existing pump stations
- 1 new pump station
- 3 new reservoirs
- 12 new pressure reducing stations
- 815 new water services
- 2100+ new meters

## Timeline

- Planning, pre-design and Procurement: February 2017 to May 2018
- Design and Construction: July 2018 to June 2020

## Budget

- \$86 million



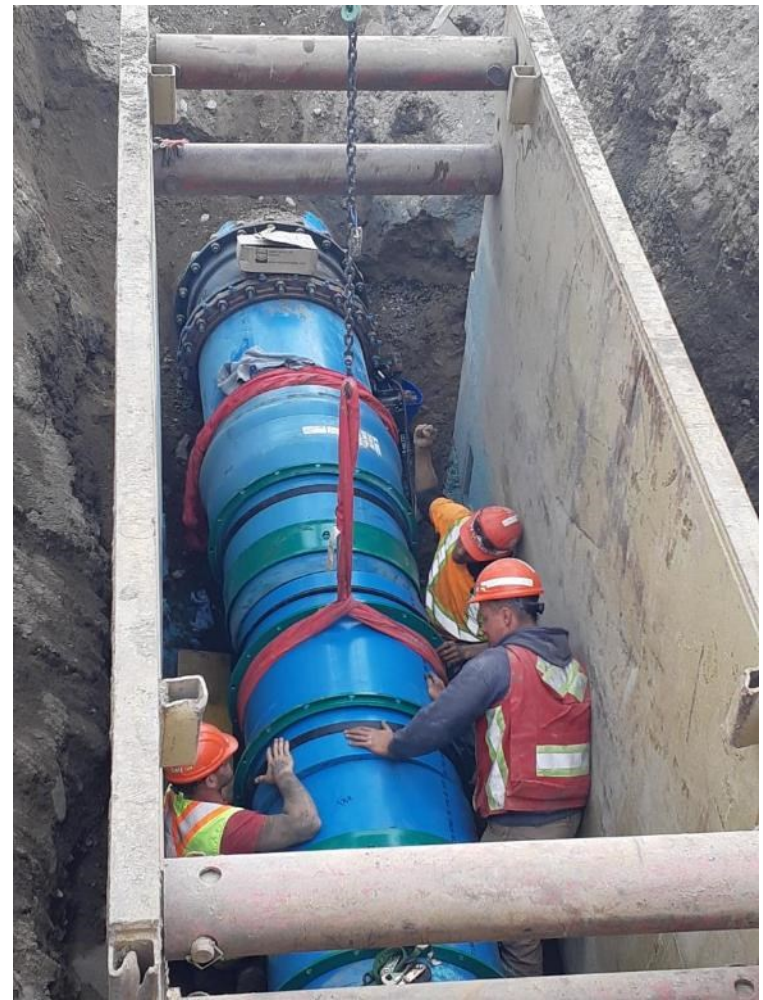




## Waterline construction

Note the 3 pipes in this trench servicing separate pressure zones





750 mm trunk main from  
Kettle Valley Reservoir





HDPE watermain used in challenging terrain





200mm watermain through Myra  
Bellevue Provincial Park.  
Alignment making use of  
abandoned irrigation flume





600mm trunk main across Bellevue Creek  
Pedestrian bridge was constructed to cross creek and improve pedestrian access





Innovative New Products  
Mueller Metering Pit with Dual Check Valve Assembly



Pressure Relief Valve (PRV) in a kiosk





PRV serving dual pressure zones



Stellar Pump Station and Reservoir





Stellar Pump Station





Jean Pump Station and Reservoir





Jean Pump Station and Reservoir

# Phase 1 Project Stats



- 480,000 person-hours
- 650 Engineering Drawings
- 23,000 construction photos
  
- Installation of remaining water meters and services currently underway

# Kelowna Integrated Water Project Phase 1

## Stake Holders and Project Team

- SEKID customers
- South East Kelowna Businesses
- City of Kelowna
  - Infrastructure Delivery
  - Utility Operations
    - Pump Operations
    - Water Distribution
  - Real Estate
  - Finance
  - Human Resources
  - Purchasing
  - Transportation
  - Parks
  - Recreation

- Federal Government
  - Funding
- Provincial Government
  - Municipal Affairs
  - Forests Lands and Natural Resources
  - Interior Health



- Design Build Team – Emil Anderson Construction
  - Maple Reinders
  - Cumming Construction
  - R&L Construction
  - Onsite Civil Excavating
  - Civil Excavating
  - Flury Earth Works
  - Freddex Construction
  - Valley Curbing
  - Rap Tech
  - Keldon Electric
  - Eaton Electric
  - Centrix
  - Iconix
  - Mearl's Machine
  - Stantec
  - Urban Systems
  - Interior Testing
  - CWMM

# Phase 2 Project Update

In June 2018, the BC Government announced an additional \$12M grant to support additional works to facilitate works to facilitate the objective of the 2017 KIWSP

Project work that is still on-going, as part of the additional \$12M grant:

- Westpoint Trunk Main – Raymer Rd to Dehart Rd, under construction, completion in Late Fall 2020
- Kettle Valley Reservoir Expansion, completion in Spring 2021





Westpoint Trunk Main  
under construction

# Water Restrictions in Crawford and SE Kelowna

- Stage 3 Water Restrictions were imposed between July 17 and September 1. This action was necessary in response to the risk of not meeting the high demand.
- Higher than expected demand attributed to:
  - Water leaks on private property that have gone unnoticed without meters
  - Irrigation connections for larger suburban properties not yet utilizing ag water
  - Un-metered historical water usage



# Water Restrictions in Crawford and SE Kelowna

- Future Water Restrictions outside the norm are not anticipated once:
  - Metering and billing based on usage is in place
  - Agricultural service installation is complete and utilized
  - Further education is completed
  - Culture of water conservation is developed
  - Hydraulic constraints are eliminated and supply upgrades are complete
- Constraints and upgrades currently under design with implementation prior to 2021 irrigation season.

# Project Cost / Fee

- Final Project costs will not be compiled until project is complete in 2021
- A project fee of \$32/month was implemented by SEKID (2018) for each customer
- This was to be replaced by a Local Area Service charge of approximately \$40/month in 2021
- Local Area Service implementation is proposed to be delayed until 2022 to allow for a complete and total summation of costs reconciled in 2021.

# *Questions?*

For more information, visit [kelowna.ca/water](http://kelowna.ca/water).



# Report to Council



**Date:** October 19, 2020  
**To:** Council  
**From:** City Manager  
**Subject:** Community Trends Report 2020 – Cities and COVID-19 Recovery  
**Department:** Policy & Planning

---

## **Recommendation:**

THAT Council receives, for information, the report from the Policy & Planning Department dated October 19, 2020 with respect to Kelowna's 2020 Community Trends Report.

## **Purpose:**

To introduce "Cities and COVID-19 Recovery - Community Trends Report 2020."

## **Background:**

Over the last six months the global health pandemic has impacted all aspects of society. The pandemic has changed our day-to-day routines, caused considerable suffering and sent shockwaves through the health care system and global economy. British Columbia has largely limited the loss of life from COVID-19 compared to other jurisdictions, but the province remains under a state of emergency. Although we are still in the acute phase of the COVID-19 pandemic it is important for cities to identify trends emerging from the pandemic and consider how to build back better as we look ahead to the long-term recovery.

This year's Community Trends Report (CTR) examines the role of city-building in the recovery process from three different perspectives. The report explores how cities grow – considering the relationship between community planning and the recovery. Next, by looking at how we prosper, the report explores opportunities to encourage economic success for all through the recovery. Lastly, the report examines how, through the recovery, we can create healthy communities for all.

The CTR is one of several analytical reports produced by the Policy and Planning Department. While other reports focus on specific areas, such as housing or development statistics, the CTR explores major trends and considers local impacts. The CTR is not meant to establish formal City recommendations,

but instead sets the stage for the City's work on other planning projects or initiatives. Ultimately, the aim of the CTR is to understand how larger trends might impact the community in the years ahead and to determine where greater attention and action may be needed in the future.

### **Discussion:**

The CTR focuses on three different parts of the recovery where there is a strong city-building opportunity.

#### *How We Grow*

The physical structure of our community influences behaviours and impacts public health. For example, many people living in suburban areas rely on a car to leave their neighbourhood and access big box retail for many of their day-to-day needs. The pandemic illustrated that these suburban areas lack resiliency, offering citizens little in the way of local supports in times of crisis. At the same time, public health officials are encouraging people to avoid large crowds and gatherings to slow the spread of the virus. In response, cities are exploring how the concept of the *15-minute city* and creating complete communities could make our cities more resilient in times of crisis. Complete communities provide citizens with all their day-to-day services and amenities such as parks within a short walk or cycle. Overall, the call for complete communities as a pandemic response has reinforced the importance of local services and equitable access to public space to create livable communities that are more resilient in times of crisis.

#### *How We Build Healthy Communities*

Cities are also recognizing the importance of providing access to public space for all citizens during the pandemic. Public spaces provide the benefit of safe spaces for citizens to gather and recreate in a physically distanced manner, while enhancing social interaction and community cohesion. Many cities are looking to reduce the immediate risks of the pandemic by reallocating roadway space from cars to walking and cycling to create safer streets and encourage long-term behaviour change that will reduce GHGs and create a healthier city. Many of the initiatives where cities have re-purposed space have also resulted in a more equitable use of public space, creating places that can be accessed by all in the community regardless of vehicle ownership. Although many of these public space initiatives are currently pilot projects to address the immediate challenges of the pandemic, there is an opportunity to look at how these pilot projects could become permanent to create a healthier more equitable city in the future.

#### *How We Prosper*

Although cities are largely focused on the immediate challenges of making communities safer during the pandemic, early efforts are underway to consider how to support the long-term economic recovery. International organizations such as the Organization for Economic Co-operation and Development (OECD) are calling for a people-centered recovery, encouraging cities to prioritize policies and investments that improve human health, the livability of cities and promote climate action through GHG reductions. Recent reports identify the importance of prioritizing investments in infrastructure

that will reduce GHG emissions and create enduring behaviour change. For example, cities are looking at deep energy retrofits of existing building stock that improve energy efficiency and reduce GHGs while creating employment in the green economy. Other examples include investments in protected bike lane projects and pedestrian infrastructure as opposed to traditional roadway expansion projects to generate economic activity, while encouraging healthier, low-carbon transportation options.

Another component of the recovery is looking at how the pandemic has changed the landscape for local businesses and the broader economy. For example, many cities are looking for ways to enable businesses to remain operational in a way that promotes compliance with public health guidelines to keep citizens safe. Cities are shifting how space is allocated on main streets from cars to various uses for people (e.g. temporary patios and road closures / open streets). This approach provides more space for people to patronize businesses in safer outdoor patio areas, supporting local business and rebalancing the role of streets to serve as public spaces.

Other shifts in the economy include the rise of remote working and the shift away from centralized office space to reduce in-person contact during the pandemic. The increase in the number of people working remotely can also reduce peak-hour traffic flows and lower GHG emissions, curbing demand for roadway expansion. Overall, by changing the way we do business, we can create opportunities to put our cities on a path to lower GHGs and create a safer and more resilient community during the pandemic.

### **Conclusion:**

The long-term impacts of the pandemic on cities continues to be a developing story, reinforcing the need for cities to be nimble and adapt to the changing new-normal. As Kelowna works closely with public health to navigate the acute phase of the pandemic, there is an opportunity for city-building efforts to promote a people-centered recovery and advance the goals of Imagine Kelowna. In the short-term, Kelowna can create great public spaces, embrace diverse transportation options and build a more equitable community, while reinforcing public health and climate action objectives.

Looking ahead to the long-term recovery, the City of Kelowna could operationalize many of the ideas and approaches described in the CTR as new master plans are developed, capital planning decisions are made, and new funding partnerships are formed. As investments are made and projects are prioritized, there is an opportunity to create a city that is greener, more inclusive and healthier than the one that existed prior to the pandemic.

### **Internal Circulation:**

Development Planning

Communications

Integrated Transportation

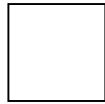
Business and Entrepreneurial Development

Submitted by:

R. Soward, Planner Specialist, Policy & Planning



**Approved for inclusion:**

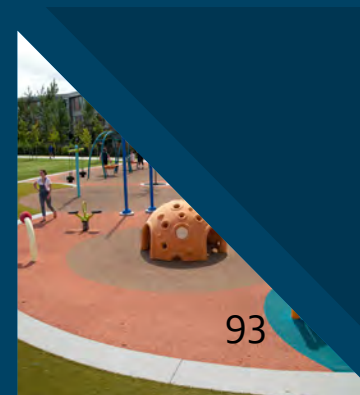


J.Moore, Long Range Policy Planning Manager



# Community Trends 2020

Role of Cities in COVID-19 Recovery



# INTRODUCTION



The Covid-19 pandemic has been an enormous challenge globally, nationally and locally. Its immediate impacts to human health and economic well-being have resulted in the suffering of thousands of Canadians. In comparison to other regions, BC has had success in limiting the loss of life - the result of strong leadership from public health and community buy-in on physical distancing measures. However, British Columbia remains under a state of emergency with big questions surrounding the long-term impact of the pandemic and no defined timetable for a vaccine. This year's Community Trends Report (CTR) explores the challenges presented by the pandemic as well as the role of cities in supporting both the immediate and long-term recovery from this public health emergency.

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**BC Covid-19 related deaths per million stands at 42.8 compared to the national rate of 245 per million.<sup>i</sup>**

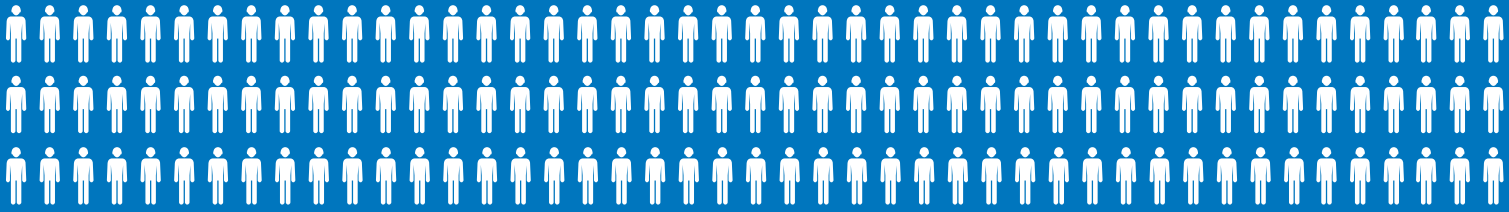
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The CTR is prepared annually to explore how important trends or challenges are impacting our cities and communities. The CTR is a researched-based document that sets the stage for future action by identifying the local implications of broader national or global trends. The report focuses on examining complex topics in a format that is more accessible to the broader community. The CTR is intended to serve as a resource for City of Kelowna staff and Council, while informing residents, businesses and local community organizations about how key trends might impact our region. Given the high level of uncertainty surrounding the global health pandemic this report is by no means comprehensive, but instead highlights emerging trends surrounding the response to the pandemic.

The CTR is comprised of two key parts. First, the infographic highlights data from 2019 and 2020 to provide a snapshot of Kelowna's economic and demographic statistics through summer 2020. This year, the infographic provides additional data related to the impacts of the pandemic on the region and our economy highlighting transportation and tourism. The main part of the CTR explores a larger trend and investigates how it might impact our community, influence business practices, policies or service delivery. This year's CTR examines the role of cities in supporting both the immediate response as well as the long-term recovery from COVID-19 pandemic.

# POPULATION

# >>> 138,500



## MEDIAN HOUSEHOLD INCOME

## *unemployment* rate >>> 7.6%



# \$74,851

Up \$6,224 from 2019



## 2,068 UNITS

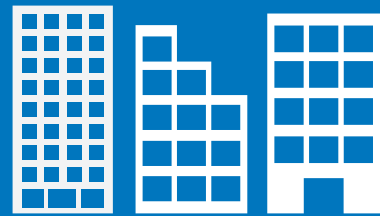
*under construction  
across Kelowna*



## BUILDING

*permits issued*

## FOR 702 UNITS



## SALES OF HOMES OVER \$1 MILLION

*up from 115 to 118*

## RENTAL HOUSING VACANCY RATE 2.7%



## MEDIAN HOUSING COSTS



SINGLE HOMES ↑ 3%

# \$705,000



TOWNHOUSES ↑ 5%

# \$488,000



CONDOS ↓ 6%

# \$334,450

## *greening our city*

# 12.4%

CANOPY  
COVER IN THE  
URBAN CORE



*29 hectares of undeveloped park land*



100-150 TREES  
PLANTED BY THE  
CITY ANNUALLY



# COVID-19

«« 2020 impacts »»

## short term rental listings

 DOWN FROM 2,276 IN 2019 TO 1,827 IN 2020

## BERNARD AVE

26

TEMPORARY PATIO  
LICENSES ISSUED



*pedestrian activity up 85% from 2019*

22% OF CANADIANS  
WORKING REMOTELY  
*compared to 4% in 2016*



11%

*of mortgages deferred  
across British Columbia*

AIRPORT PASSENGERS  
*decreased*



57%

## overnight visitor trips

1.25 MILLION, UP  
7.5% FROM 2019



*e-commerce sales  
increased by  
99.3% from 2019*

## 32% INCREASE IN BUSINESS CLOSURES

*1549 closures in 2020 vs. 1177 in 2019*

## 20-40% DROP IN TRAFFIC >>>

*compared to pre-pandemic levels*



*369 electric vehicles  
in 2019 compared  
to 184 in 2018*



TRANSIT RIDERSHIP  
DOWN 50%  
*compared to 2019*



RAIL TRAIL TRIPS UP  
25% FROM 2019



# CITIES AND PANDEMIC RECOVERY

## CHALLENGES EXPOSED BY THE PANDEMIC

The global pandemic has tested the resilience of the Canadian economy and presented significant challenges to cities across the country. In many ways the pandemic exposed and magnified various issues troubling cities prior to the global pandemic:

**Community design and linkages to health outcomes:** The way we design our communities impacts health, particularly for those citizens with underlying health issues.<sup>ii</sup>

**Housing crisis:** The pandemic has resulted in historic rates of mortgage deferrals, highlighting the importance of affordable housing in a community facing rising rents and housing affordability issues. Also, the challenges of physical distancing in homeless shelters reinforced the urgency of housing for people experiencing homelessness.

**Rising economic inequality:** Prior to the pandemic, cities were starting to incorporate equity in their city-building. The pandemic, however, spiked business closures, and the resulting unemployment impacted low-income and racialized communities the hardest, magnifying the structural conditions that contribute to economic inequality.<sup>iii</sup>

**Shifting to online services:** To reduce the spread of the pandemic many institutions (e.g. libraries, City Hall) were temporarily closed, forcing organizations to accelerate efforts to provide online programming and services.

**Need for safe and accessible public space:** As cities encourage more people to live compactly: there is a greater role for green space in cities. The pandemic has amplified the need for public spaces as citizens look for places to engage with one another while respecting physical distancing guidelines.

While not a comprehensive list, the above highlights how the acute stages of the pandemic magnified several issues cities were already grappling with. For this reason, cities could leverage the short-term and long-term recovery to also address broader structural challenges. Moreover, cities can use the inflection point prompted by the pandemic to reconsider city-building priorities to advance a greener and more equitable future through the recovery.

## ROLE OF CITIES IN PANDEMIC RECOVERY

Canada's five largest cities account for close to 50 per cent of national GDP, functioning as engines of economic and population growth.<sup>iv</sup> Consequently, the way cities approach the pandemic recovery will largely determine how Canada emerges from the global crisis. A coalition of mayors is advocating for cities to move past "business as usual" through the recovery to address

## TRANSPORTATION SECTOR REPRESENTS



**53% OF KELOWNA'S COMMUNITY GHGS**

generational challenges such as climate change, healthy community design, and economic inequality.<sup>v</sup>

The investments and policies that are prioritized through the recovery will have profound impacts on future transportation behaviour, the form of economic development and Greenhouse Gas (GHG) impacts for decades to come. For example, if the recovery prioritizes transportation infrastructure such as highways, cities will be locking-in decades of new GHG emissions and entrenching carbon intensive transportation behaviours. For this reason, cities could shape recovery plans to accelerate transformation toward the economy of the future. For example, transportation investments in infrastructure could encourage walking and cycling to promote enduring behaviour change toward cleaner forms of transportation, creating a greener and more equitable city for all. Cities have the opportunity to make investments that will address some of the urgent risks associated with the pandemic, while simultaneously preparing for future health threats and taking action on climate.

## 2020 COMMUNITY TRENDS FOCUS

The CTR examines the role of city-building in the recovery process from three perspectives. The report explores How We Grow – considering the relationship between community planning and the recovery. Next the How We Build Healthy Communities looks at the relation between health and the built environment for all. The final section of the report How We Prosper explores opportunities to encourage economic success for all through the recovery.

Although we are in the acute phase of the COVID-19 pandemic it is important for cities to identify trends and consider how we can build back better as we look ahead to the long-term recovery. The decisions cities make will have a major impact on the global recovery and a cascading impact on our ability to tackle the climate crisis. The investments of today shape behaviours for decades to come.

# HOW WE GROW

## THE PHYSICAL STRUCTURE OF OUR COMMUNITY INFLUENCES BEHAVIOURS AND PUBLIC HEALTH.

The physical structure of our community influences behaviours and impacts public health. For example, most people living in suburban areas rely on a car to leave their local neighbourhood and drive to busy big box retail (e.g. Costco or Orchard Park Mall) for many of their day-to-day needs, causing increased GHG emissions, and equity challenges. The pandemic spotlighted how this form of development also results in neighbourhoods that lack resiliency, providing citizens with very little in the way of local supports, services or amenities in times of crisis. The lack of local shops and services available is of greater importance during the pandemic as citizens turn to crowded big box stores while public health authorities urge Canadians to avoid large crowds as much as possible. We need to examine how we plan and build complete communities, not only to ensure resiliency in times of crisis, but to also support the transition to equitable, low-carbon neighbourhoods.

### THE 15-MINUTE CITY

A number of cities are exploring how elements of the “15-minute city” could be implemented as a way to enhance equity and to create a more resilient city during times of crisis.<sup>vi</sup> The pandemic highlighted the value of neighbourhoods where all citizens are within a short walk or cycle to essential day-to-day needs. This form of development allows people to avoid traveling out of their neighbourhood to a handful of crowded big box stores for every trip. Also, with services and amenities a short walk away, neighbourhoods can become less car dependent and will be better positioned to adopt the low-carbon lifestyle required to tackle climate change. The concept of the 15-minute city reinforces the city’s Imagine Kelowna direction of working toward complete communities. This approach to community planning embraces the potential of urban living to reduce car dependency, improve resilience and create dynamic local neighbourhoods with a high quality of life.

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**The pandemic outbreak is more about connectivity than density, highlighting the challenges associated with large scale regional destinations (Hamidi, Sabouri & Ewing, 2020)**

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This approach of 15-minute cities or complete communities can’t be implemented in all areas. Lower density urban areas and suburban neighbourhoods will be challenged to become



complete communities. Simply put, low-density car captive communities don't have the densities required to sustain local services and amenities in walking or cycling distance. As a result, these car dependent areas tend to reinforce the reliance on driving to larger employment or big box retail areas. By creating a network of complete communities, cities will be better positioned to realize the quality of life benefits associated with local services that are within a short walk or cycle.

Complete communities require a level of density to sustain local services and reduce reliance on large-format commercial uses. It is the same level of density that allows communities to prioritize more equitable forms of transportation such as walking and cycling. However, density alone is not enough. Cities will need to take direct, and concerted action to support significant behaviour shifts. For instance, developing connected networks of protected bike lanes and streets that are pleasant for walking are key measures needed to encourage more walking and cycling.

At the same time as density increases, a greater proportion of people will live in apartments and townhouses making neighbourhood parks even more important to ensure equitable access to public space for recreation and gathering. These public spaces are also valuable assets during the pandemic as more Canadians look to parks as safe spaces for physically distanced gatherings with friends and family. Overall, the call for complete

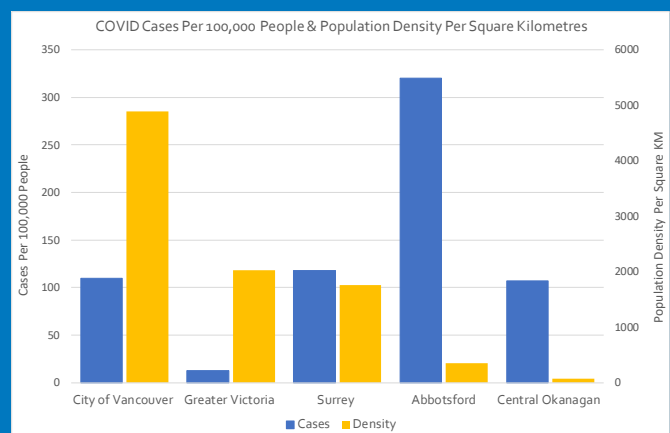
communities and the 15-minute city magnifies the importance of public space and local services to support more equitable and resilient communities in the future.



## DENSITY AND THE LINK TO COVID RATES

Although high-density urban areas would seem to be at a greater risk for COVID-19 due to a perceived inability of residents to effectively physically distance, emerging research indicates there is limited association between population density and COVID-19 rates.<sup>vii</sup> In fact, the City of Vancouver, one of the most densely populated areas of the province, has lower per capita rates of COVID-19 than less densely populated areas of the lower mainland such as Surrey and Abbotsford. The adjacent graph illustrates that population density is a poor predictor based on five different local health areas in British Columbia.

Emerging research indicates the spread of COVID-19 is impacted by many different factors. The most powerful tool for combating the spread of the virus remains physical distancing, and more broadly, adherence to public health guidelines. Other reports indicate the greatest risk factors for the virus were areas with high concentrations of low-income households and large household sizes.<sup>xxi</sup> Further, the proportion of a population employed in jobs where



Source: BC Centre for Disease Control and BC Online Health Atlas

it is difficult to comply with physical distancing guidelines is also known to increase risk for community outbreaks of COVID-19. Other factors such as international tourism are important in global pandemics such as COVID-19. Lastly, researchers have noted that larger metropolitan areas with high levels of regional connectivity could be at a higher risk for spreading the virus based on the interactions and movement of people between different cities in a region.<sup>xxii</sup>



# HOW WE BUILD HEALTHY COMMUNITIES

## PRIORITIZE A GREENER, HEALTHIER AND MORE EQUITABLE ECONOMY.

The pandemic has created significant health impacts for the broader population, but emerging reports are demonstrating that “vulnerable populations” are likely to be disproportionately impacted.<sup>viii</sup> Recent statistics have shown that racialized populations have experienced more negative impacts in the form of wage losses and unemployment and are experiencing more negative health outcomes if they contract COVID-19.<sup>ix</sup> These trends align with previous research on the social determinants of health that have shown that various social and economic factors have a strong correlation to individual and population health. For example, in Canada there is a strong relationship between health and income, with lower levels of socioeconomic status, racialized populations, and people living with disabilities generally at a higher risk for negative health outcomes.<sup>x</sup>

Within many cities, service delivery is traditionally designed to provide equal access on a per capita basis. For example, every 10,000 residents should have access to 2.1 hectares of parks, ignoring the fact that access to parks may be far more important in terms of quality of life for certain populations (e.g. communities without backyards). Another example is how cities often design transit systems to provide similar levels of service

throughout the city without acknowledging that areas with a greater concentration of residents living in poverty would likely be more transit dependent. In low-income communities’ public transit plays a significant role in providing access to community services, employment, education and general day-to-day quality of life. An equity framework acknowledges that vulnerable populations such as people living in poverty, seniors, and people with disabilities are disproportionately impacted by how cities plan, prioritize and deliver services and infrastructure. As cities structure their long-term plans for a recovery it is critical policies and investments acknowledge and infuse equity instead of equality moving forward.

## ROLE OF PUBLIC SPACE

Cities are recognizing how access to public space (e.g. roadways, sidewalks and parks) can play a key role in both the immediate response to the pandemic and support a greener and healthier recovery. To meet the immediate needs of the community, cities are re-purposing public property to provide safe spaces for citizens to gather. Cities are limiting vehicles in larger parks to make it easier for citizens to be active via walking or cycling while maintaining physical distancing rules and also promoting improved air quality. Kelowna, Victoria and Vancouver all implemented temporary measures such as road closures and one-way paths to make large Citywide parks such as Knox Mountain, Beacon Hill Park and Stanley Park safer for recreation



during the pandemic. Public spaces are also important in providing safe spaces for gathering and community cohesion, especially in communities with more people living in apartments without private yards.

Other measures include piloting expanded sidewalks and open-street measures to provide new or expanded public spaces that also make it easier for people to comply with physical distancing guidelines to slow the spread of COVID-19. These measures also make it easy for people to walk and cycle, supporting regular daily physical activity in a safe, physically distanced environment. Cities such as Montreal have temporarily re-allocated vehicle lanes and parking spaces to create capacity for a new network of protected bike routes, recognizing cycling is a practical way for the city to move people, especially given the challenges of reduced service of buses and subway during the pandemic. By reallocating roadway space from cars to walking and cycling there is an opportunity to create safer streets and encourage long-term behaviour change that will reduce GHG emissions and create momentum toward a healthier low-carbon city. Many of these initiatives of re-purposing space also provide a more equitable configuration of public space, creating places that can be accessed by all in the community regardless of vehicle ownership. As cities reconfigure how streets are used, urban areas can become healthier places that can be used by people of all abilities and also areas with lower levels of localized air pollution due to reduced traffic. Although many of these public space initiatives are currently pilot projects to serve the

immediate needs during the pandemic, there is an opportunity to review how projects could become permanent to support a healthy, equitable and low carbon recovery in the longer term.

## EQUITY & TRANSPORTATION POVERTY

Many people have transport disadvantages, but if they have economic means they can overcome these barriers and it does not affect their ability to get to work or school, to grocery shop or go about their daily lives. However, where someone is economically disadvantaged and faced with a transport disadvantage they are then characterized as being in transport poverty. Approximately one million Canadians live in transport poverty, highlighting the connection between transportation and equity. The City of Kelowna is currently working with UBC Community Planning students and Interior Health to conduct an equity analysis for Kelowna.<sup>xi</sup>





# HOW WE PROSPER

## SUPPORTING LOCAL BUSINESSES AND PROMOTE PHYSICAL DISTANCING GUIDELINES.

Although cities are largely focused on the immediate challenges of making their communities safer during the pandemic, planning efforts are also underway for long-term economic recovery. International organizations such as the Organization for Economic Co-operation and Development (OECD) are calling for a new approach around what constitutes a “successful” economic recovery.<sup>xii</sup> A recent OECD report coined the term “people-centred recovery”, encouraging cities to prioritize policies and investments that improve human health, the livability of cities and promote climate action through GHG reductions.<sup>xiii</sup>

The pandemic has prompted an inflection point for cities. The planning for the recovery provides cities with the choice of a recovery that ushers in a green economy by investing in areas such as energy efficient retrofits, electric vehicle charging infrastructure and sustainable transportation, or a recovery that doubles down on the status quo (e.g. highways, parkades,

and auto-oriented development). As Canadian cities look ahead to securing their share of \$3.3 billion in federal stimulus funding, prioritizing low carbon investments that also make our cities more equitable and inclusive could promote a recovery that enhances well-being and quality of life in the long-term. By taking this approach, every dollar invested in the recovery can be leveraged to advance a range of different city-building priorities, while positioning cities to make the shift to an economy of the future that is greener and more resilient.

In order to be resilient in the face of future crisis, recent research suggests recovery efforts should prioritize a greener, healthier and more equitable economy. Recent reports identify the importance of prioritizing investments in infrastructure that will reduce GHG emissions and create enduring behaviour change.<sup>xiv</sup> For example, many cities are looking at deep energy retrofits of existing building stock that improve energy efficiency and reduce GHGs while creating employment in the green economy and lowering operating costs for occupants. Other examples include investments in protected bike lane projects as opposed to traditional roadway expansion projects to generate economic activity, while encouraging healthier, low-carbon transportation options. Instead of building new roads and locking in decades of new GHG emissions, the recovery response could create a greener, healthier and more equitable city.



A University of Massachusetts study, which evaluated job opportunities created by 58 infrastructure projects in 11 U.S. states found that cycling projects create a total of 11.4 local jobs for each \$1 million spent, while roadway projects generate just 7.8 jobs per \$1 million.<sup>xv</sup>

Other opportunities include creating nature-based solutions such as investments in parks and green infrastructure to create jobs which will also enhance climate resiliency and provide much needed public space during the pandemic. Green infrastructure includes natural assets as well as designed and engineered elements that have been created to mimic natural functions.<sup>xvi</sup> For example, green infrastructure includes parks that provide recreation spaces and act as stormwater detention to limit flooding during major rain events. Green spaces such as linear parks also create microclimates that reduce risks of extreme heat in the summer. The pandemic recovery presents an opportunity for cities to make investments that make our cities safer and more resilient to this pandemic and other events, while advancing climate action efforts.

## DEEP ENERGY RETROFITS

Building energy retrofits present a major opportunity to create jobs, save energy, improve home comfort, and reduce GHG emissions. In Kelowna, there are roughly 20,000 homes built before 1980 that offer the best opportunity for deep energy retrofits which could translate into energy savings of 40-80 per cent. Deep energy retrofits are typically actions that improve the energy efficiency of existing buildings by up to 80 per cent. The City is currently working on a retrofit strategy to identify areas of the city that would be the best candidates for retrofit programs and partnerships.<sup>xvii</sup>





## CHANGING HOW WE DO BUSINESS

The pandemic has challenged certain sectors of the economy more than others, specifically retail, tourism and the food and beverage sectors have all experienced major disruptions and job losses. Across Canada we have seen record levels of unemployment, business closures and decreased consumer spending.<sup>xviii</sup> In order to support local economic activity, cities need to think creatively about how to allow businesses to remain operational in a way that promotes compliance with physical distancing public health guidelines to keep citizens safe. Many cities are shifting how space is allocated on main streets from moving cars and parking to various uses for people (e.g. patios, expanded sidewalks, and temporary road closures). This approach provides more space for people to patronize businesses in safer outdoor patio areas, supporting local business and rebalancing the role of streets to serve as public spaces. Cities are demonstrating that city-building responses to the pandemic allow for win-win opportunities to support local businesses and add public space (e.g. open streets) to create more livable urban environments.

Another trend emerging through the pandemic relates to the long-term role of the bricks and mortar office. Recently, several major companies such as Shopify and REI signaled a permanent shift away from large corporate headquarters as they embrace greater levels of remote working and online collaboration tools to maintain productivity and reduce in person contact during the pandemic.<sup>xix</sup> Other local organizations such as UBCO and FortisBC have pivoted to a hybrid of remote and in-person working during the pandemic to reduce the spread of COVID-19. This shift to remote working could also allow employers to expand their geographic reach for new hires, improving their ability to attract the best candidate with less concern for place of residence.

At the same time, the shift to remote working allows cities to significantly decrease peak-hour traffic flows, reducing GHG emissions associated with transportation and curbing demand for roadway expansion. For example, daily global emissions were down by 17 per cent on average as a result of behaviour changes and reduced emissions associated with the transportation sector during the COVID-19 pandemic.<sup>xix</sup>

## BERNARD PEOPLE TRAFFIC UP 85%



*2020 Data retrieved from blocks that were closed to vehicles for Bernad Ave Pilot using City of Kelowna Eco-Counters.*

Through the pandemic Canadians have embraced teleworking with 22% of Canadians working from home up substantially from only 4% in 2016 Census. The remote working response also addresses the acute need to reduce the concentration of people within office environments allowing for improved physical distancing and slowing the spread of COVID-19. Overall, by changing the way we do business we can create opportunities to put our cities on a path to lower GHGs and create a safer and more resilient community during the pandemic.

## THE REMOTE WORKING OPPORTUNITY

To reduce the spread of COVID-19 many businesses and individuals made the shift to remote working in 2020. Kelowna saw a big change in traffic patterns as a result of the shift to remote working and online learning. In Kelowna there was a 20-40 per cent drop in traffic on key arterials from March to June 2020, demonstrating potential for teleworking and other demand management strategies to defer roadway expansion and reduce GHGs. Staff estimates indicate that for every citizen who works from home there is a reduction of roughly 1.5 tonnes of GHG annually and a societal benefit of \$25 per person each day based on time saved, fuel savings, and emissions reductions.

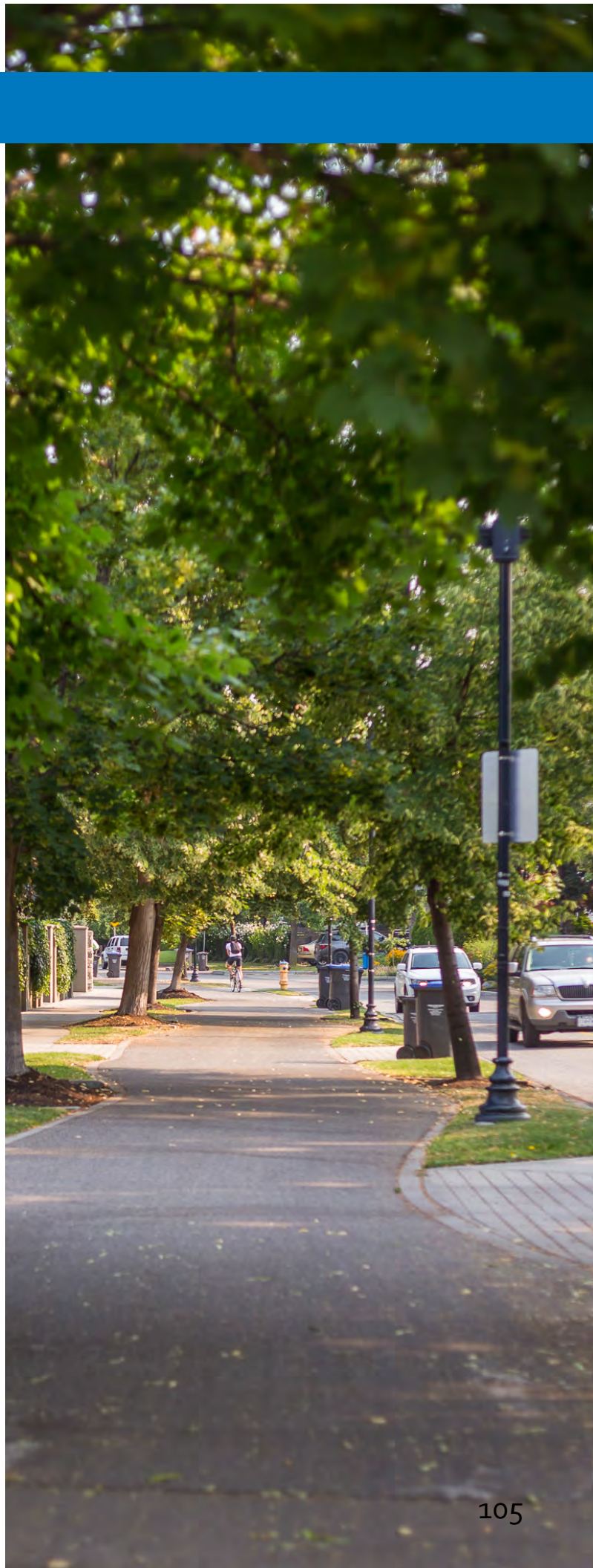
# CONCLUSION

## THE IMPACTS OF THE PANDEMIC ON CITIES IS A DEVELOPING STORY, HIGHLIGHTING THE NEED FOR CITIES TO KEEP ADAPTING.

The question of how the pandemic will impact our cities remains a developing story, highlighting the need for cities to remain nimble and adapt amid such unprecedented events. As Kelowna works closely with public health to navigate the acute phase of the pandemic, there is an opportunity for city-building efforts to promote a people-centred recovery and advance Imagine Kelowna's objectives.

In the short-term and long-term, Kelowna can advance Imagine Kelowna goals related to creating great public space, embracing diverse transportation options and building a more equitable community, while reinforcing public health and climate action objectives. As Kelowna starts to look ahead to the recovery we have the choice of being bold or returning to a business as usual approach.

The City of Kelowna could operationalize many of the ideas and approaches described in this report as new master plans are developed, capital planning decisions are made, and new funding partnerships are formed. As investments are made and projects are prioritized there is an opportunity to create a city that is greener, more inclusive and healthier than the one that existed prior to the pandemic.





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- <sup>xxii</sup> Shima Hamidi, Sadegh Sabouri & Reid Ewing (2020): Does Density Aggravate the COVID-19 Pandemic?, Journal of the American Planning Association, Retrieved from: <https://doi.org/10.1080/01944363.2020.1777891>



# Role of Cities in COVID-19 Pandemic Recovery

2020 Community Trends Report

October 19, 2020



# Role of Community Trends Report

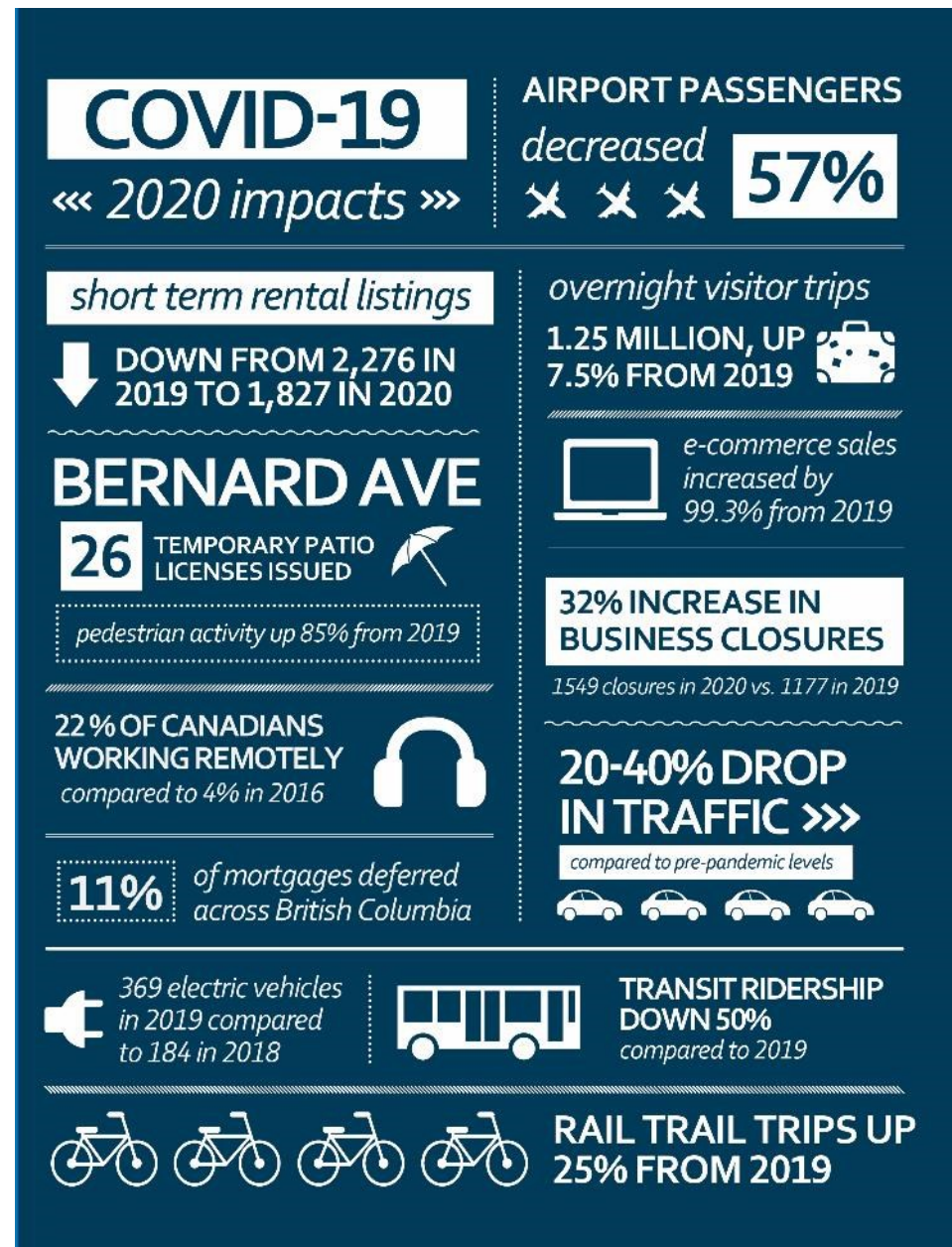
- ▶ Forward looking document
- ▶ Infographic & major theme
- ▶ Understand local impact of global trends
- ▶ Prepare City & community for future trends





# Infographic Dashboard

- ▶ High level of construction activity
- ▶ Housing prices stable
- ▶ Lower levels of economic activity
- ▶ Shift to online
- ▶ Reduced traffic and transit ridership





# Impacts of Pandemic on Cities

- ▶ Magnified existing challenges
  - ▶ Community design linkages to health
  - ▶ Shift to online service delivery
  - ▶ Housing crisis
  - ▶ Rising economic inequality
  - ▶ Need for public space

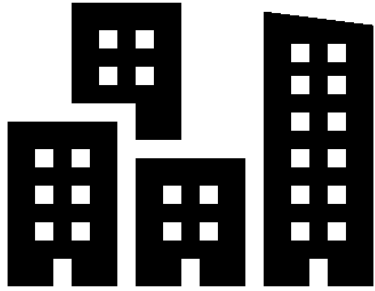


# Role of Cities in Recovery

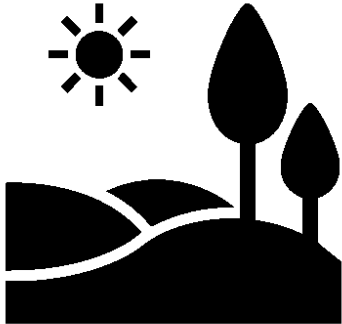
- ▶ Major drivers of growth
- ▶ Business as usual or tackle big challenges
- ▶ Prioritize Investments that shift behaviour and reduce GHGs
- ▶ Recovery from pandemic can prepare for future health & climate threats



# Focus of 2020 Trends Report



How We Grow



How We Build Healthy  
Communities



How We Prosper



# How We Grow

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- ▶ Neighbourhood design impacts resilience
- ▶ 15-minute city or complete communities
- ▶ Easy access to local services & daily needs
- ▶ Provide local access to parks and services







## How we build healthy communities

- ▶ Recognize social determinants of health
- ▶ Role of equity in civic investment
- ▶ Importance of public space
- ▶ Equitable uses of roadway space



## How We Prosper

- ▶ People-centred recovery
- ▶ Support economy & climate resilience
- ▶ Building retrofits
- ▶ Nature-based solutions
- ▶ Sustainable transportation



# How We Prosper

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- ▶ Changing how we do business
- ▶ Support local business and public health goals (e.g. Bernard Ave pilot)
- ▶ Shift to remote work
- ▶ Create safer & more resilient community



# Conclusion

- ▶ Full impacts not understood
- ▶ Cities need to adapt
- ▶ Opportunity for people-centred recovery
- ▶ Advance imagine Kelowna goals & public health direction
- ▶ Long-term recovery can return to business-as-usual or be bold





# Report to Council



**Date:** October 19, 2020  
**To:** Council  
**From:** City Manager  
**Subject:** Resourcing Accelerated Climate Action  
**Department:** Policy & Planning

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## **Recommendation:**

THAT Council receives, for information, the report from the Policy & Planning Department, dated October 19, 2020, with respect to Resourcing Accelerated Climate Action;

AND THAT Council directs staff to implement the recommended accelerated climate action for 2020 as outlined in Table 1 in the report, to submit an application to FCM's Community Efficiency Financing program to conduct a home energy retrofit financing program feasibility study;

AND THAT the 2020 Financial Plan be amended to include up to \$150,000 for the implementation of the 2020 recommended accelerated climate action to conduct a home energy retrofit financing program feasibility study with up to 20 per cent of the funds, to a maximum of \$30,000, from the Climate Action Reserve and the remaining funding (up to \$120,000) to come from the FCM Community Efficiency Financing grant, if successful.

AND FURTHER THAT Council endorse the recommended accelerated climate actions for 2021 as outlined in Table 2 in the report, subject to City budget and grant approvals.

## **Purpose:**

To provide the resource implications of accelerating the Community Climate Action Plan as directed by Council at the Open PM Session on Monday, June 22, 2020 (R0480/20/06/22).

## **Background:**

At the June 22, 2020 Open PM Council Session, staff reported on the initiatives related to Council's Environmental Protection Priority and climate action. The report highlighted actions that supported three of the four Environmental Protection priority result statements that are trending in the right direction: resiliency & adaptability; predictive modelling & forecasting; and emergency response & preparation. The report also highlighted examples of actions Council could take to accelerate implementation of the Community Climate Action Plan (CCAP) and/or align with the

Intergovernmental Panel on Climate Change's (IPCC's) targets to address the only result statement which is not trending in the desired direction: "*greenhouse gas (GHG) emissions are decreasing*". Following the discussion, Council directed staff to report back on the resources that would be required should Council choose to accelerate climate action.

### Discussion:

To make significant progress on reducing GHG emissions, it is imperative that everyone – residents, businesses, industry, and government – take action. Local governments, however, are uniquely positioned to help the community shift towards a low carbon lifestyle and respond to the impacts of climate change. While the amount of influence a local government has varies depending on different sources of GHG emissions within their boundaries, there is an opportunity to strategically plan and build the community so GHG emissions decrease and the community is well-adapted to a changing climate. Fortunately, choosing to invest in climate action does not equate to a trade-off with other Council and community priorities. In fact, climate action is about delivering on the diverse goals and principles of *Imagine Kelowna* as illustrated in Figure 1.

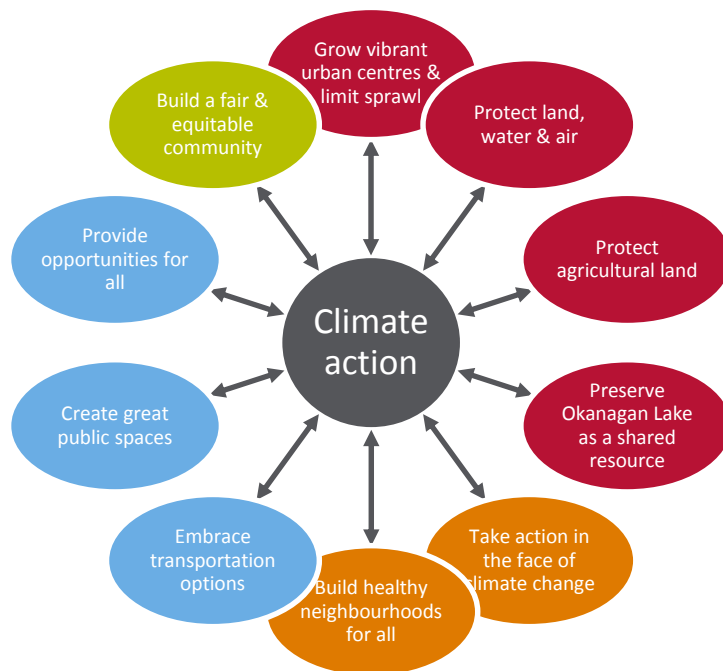








Figure 1: Delivering on Climate Action and Imagine Kelowna Goals

Recognizing community GHG emissions are not decreasing in Kelowna, accelerated action is needed to reverse the trend. As outlined in BC's "Climate Leader's Playbook," action, whether big or small, in the six following areas can put Kelowna on a path to achieve GHG emissions reductions:

1.  On Road Transportation
  - Reducing vehicle kilometres traveled by cars<sup>1</sup>
  - Transitioning to zero emission vehicles
2.  Buildings
  - Transitioning towards net zero energy ready construction for all new buildings
  - Ensure a large portion of existing homes undergo deep energy retrofits annually
3.  Waste
  - Divert organic waste
  - Capture renewable natural gas from waste and biosolids<sup>2</sup>
4.  Complete communities
5.  Natural assets and green infrastructure
6.  Climate leadership in City operations

Corporate climate action and energy reduction initiatives, which represent approximately one per cent of the GHG emissions in Kelowna, have been funded in part through the annual Climate Action Revenue Incentive Program (CARIP) grant; however, no such fund has been established for community GHG reduction initiatives. Up to now accomplishments on the community side have been the result of:

- Existing capital plan projects (e.g. for active transportation, transit, and solid waste projects)
- Grants (e.g. FortisBC grants for Community Energy Specialist position and Disaster Mitigation and Adaptation Fund for climate adaptation projects)
- No or low-cost actions (e.g. bylaw updates)

### **Recommended Approach to Accelerate Climate Action:**

As climate action to-date has not resulted in the GHG emissions reductions to put the community on the path to meet the CCAP or more ambitious IPCC targets, programming needs to be amplified relative to previous years. However, acting quickly and effectively to address the climate crisis is challenging and complex and there is no "silver bullet" solution. To accelerate GHG emissions reduction will require decisions to:

- Dedicate funds to implement actions identified in the CCAP and/or to model and identify actions that would align with more aggressive targets; and
- Support policy shifts that are necessary for long term success.

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<sup>1</sup> Vehicle kilometers traveled can be reduced by shifting as many future trips as possible to sustainable alternatives such as biking walking or transit. VKT can also be reduced through eliminating trips through promotion of work from home and other virtual strategies and/or reducing the distance people need to drive by coordinating land use and transportation planning and limiting development in outlying, car depending areas.

<sup>2</sup> BC Municipal Climate Leadership Council and the Community Energy Association. The Climate Leaders Playbook. Solutions for a Zero Carbon Community by 2050. <https://bcclimateleaders.ca/playbook/the-facts/>

Appendix A, *Options to Accelerate Climate Action*, outlines actions in each of the six key areas the City could take over the next three years to accelerate reductions in GHG emissions. In general, these actions use the six “tools” local governments have at their disposal to influence GHG emissions reduction: policy & regulation; collaboration & partnerships; infrastructure; advocacy; incentives; and outreach & capacity building. This realistic, but progressive list, is what could be achieved with modest investment and was selected based on the following considerations:

- Opportunities for grants or partnerships;
- Balancing limited resources;
- Optimizing resource efficiencies;
- Actions necessary for future work planning; and
- Actions that will help stimulate economic recovery from the COVID pandemic.

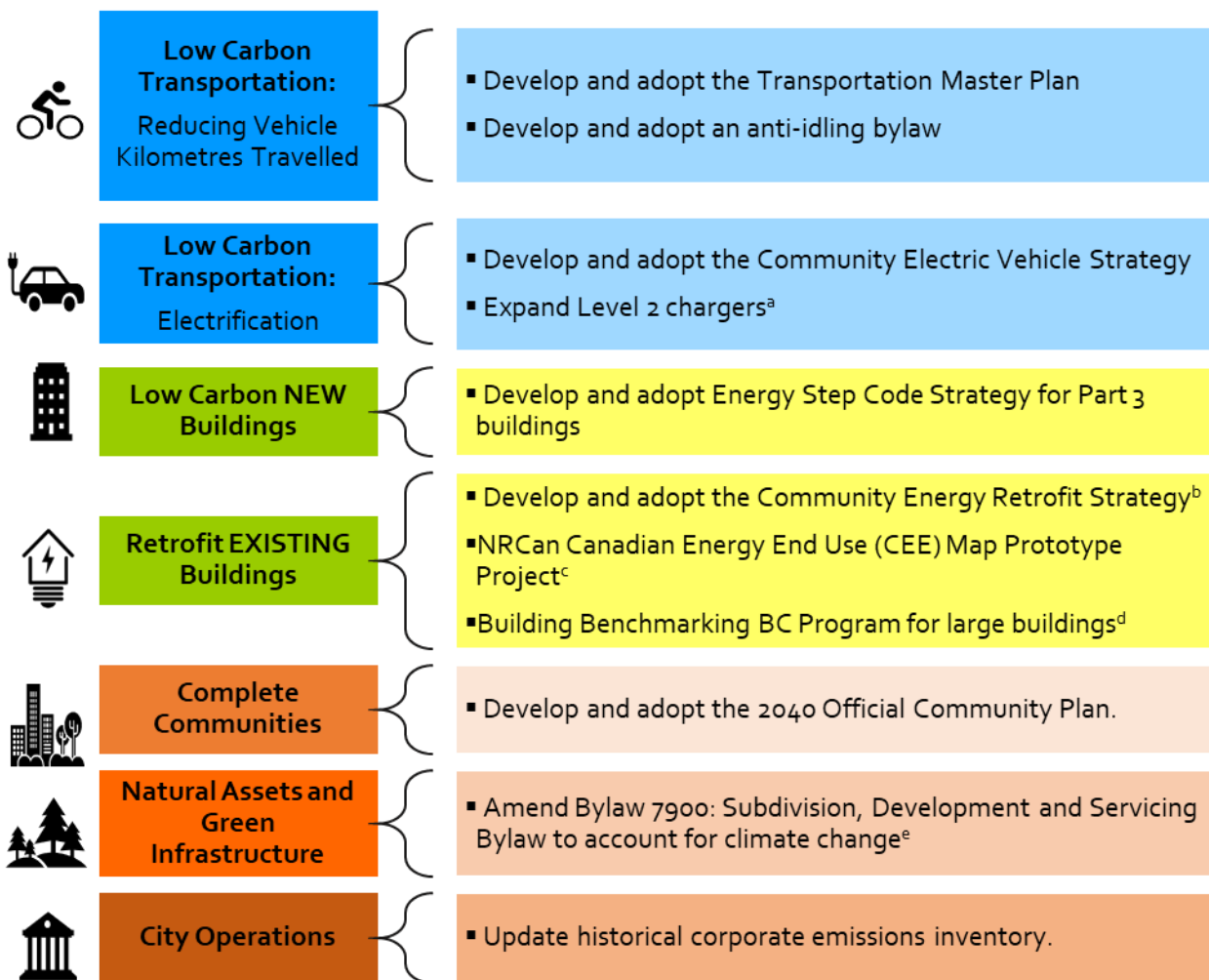
Recognizing that community climate action initiatives currently do not have a dedicated funding source at the City, additional support is needed to implement the recommended actions. Without an approved funding source, these recommended actions are financially constrained to be implemented and progress towards the 2023 GHG emissions reduction target will be slower. Recognizing the challenges of resourcing climate initiatives in a COVID world, it is recommended the actions are resourced by the following:

- Grants and partnerships (some already approved, others will be applied for);
- Existing budgets;
- Climate Action Reserve; and
- Operating and Capital budget requests.

### **Resourcing Accelerated Climate Action in 2020 and 2021**

Numerous actions/projects are already in progress and when complete will support the reduction of GHG emissions.





<sup>a</sup> an application was submitted to NRCan for \$150,000 to expand the network, using the \$135,000 already approved in existing budget as matching funds

<sup>b</sup> a grant from FortisBC for \$22,500 was received to support engagement on this project

<sup>c</sup> this project is valued at \$800,000 in grants and in-kind resources from NRCan


<sup>d</sup> received approval to participate in this pilot program free of charge, valued at \$10,000

<sup>e</sup> a \$12,000 grant was received from the Pacific Institute for Climate Solutions to hire a climate adaptation intern work on this project

Figure 2: Actions and Projections already in progress that will contribute to GHG emissions reduction

As 2020 winds down, progress continues to be made on the projects outlined above. Support, however, is needed for one new project: Home Energy Retrofit Financing Program Feasibility Study to build off the CEE Map Prototype Project, as outlined in Appendix B. While this project would not begin until 2021, matching funds need to be secured to apply for a grant from Federation of Canadian Municipalities (FCM) Community Efficiency Financing (CEF) program.

**Table 1: Recommended Accelerated Climate Actions for 2020**








|   | Action  | Budget Required | Potential Budget Source | Grant / partnership contribution |
|---|---|-----------------|-------------------------|----------------------------------|
|  | Residential: GMF CEF Home Energy Retrofit Financing Program Feasibility Study | up to \$30,000  | Climate Action Reserve  | up to \$120,000                  |

Outlined in the table below is a summary of the action areas and associated investment that the City could take to accelerate climate action progress in 2021 to help deliver on Council's Environmental Protection priority to ensure greenhouse gas emissions are decreasing (a complete list of the recommended actions for 2021 are provided in Appendix C). Understanding the financial constraints created by the COVID pandemic, the recommended actions are based on maximizing limited budgets through grants, and/or actions that could be achieved without investing in additional staff resources. Further, many of the actions identified are crucial not only to reducing GHG emissions but in order to deliver on multiple City priorities, projects or plans.

2021 includes a recommendation to model accelerated climate action. As the current Community Climate Action Plan outlines actions only until 2023, modelling and identifying new actions is essential to develop a future course of action. As the CCAP was developed prior to the release of both the IPCC recommendations and the release of the provincial CleanBC plan, it does not align with these more ambitious targets. This presents an opportunity to develop and model actions for a more aggressive GHG reduction target while at the same time incorporating a resiliency lens to address the changes in climate that Kelowna is already beginning to experience (hotter drier summers; warmer winters; increased precipitation in all seasons except summer and a shifting of the seasons).<sup>3</sup> To maximize efficiencies, it is recommended that once modelling has been completed, a prioritized list and corresponding action and business plan be reported to Council to determine accelerated actions that can be implemented over the following three years.

<sup>3</sup> RDCO, RDNO, RDOS, Pinna Sustainability, February 2020. Climate Projections for the Okanagan Region. [https://www.regionaldistrict.com/media/279459/OK\\_Climate\\_Projections\\_Report\\_Final.pdf](https://www.regionaldistrict.com/media/279459/OK_Climate_Projections_Report_Final.pdf)

**Table 2: Recommended Areas to Accelerate Climate Action for 2021**

| Action Area   | Policy change required | Budget Required       | Grant / partnership contribution | Alignment with other City projects, priorities or Council priorities  |
|---|------------------------|-----------------------|----------------------------------|---|
|  <b>Modelling and new actions</b>                  | No                     | \$70,000              | -                                | <ul style="list-style-type: none"> <li>○ Needed to identify accelerated actions beyond 2021</li> </ul>  |
|  <b>Low carbon transportation: reducing VKT</b>    | Yes                    | \$170,000             | -                                | <ul style="list-style-type: none"> <li>○ Implements early, high priority Transportation Master Plan recommendations</li> <li>○ Council priority: Connecting high density areas</li> <li>○ Council priority: More trips by transit, carpooling, cycling &amp; walking</li> <li>○ Council priority: more opportunities to learn about transportation</li> </ul> |
|  <b>Low carbon transportation: electrification</b> | Yes                    | \$80,000              | \$120,000                        | <ul style="list-style-type: none"> <li>○ Council priority: emerging technologies make it easier to get around</li> </ul>  |
|  <b>Low carbon new buildings</b>                   | Yes                    | \$20,000 <sup>a</sup> | -                                | <ul style="list-style-type: none"> <li>○ Reduces operational costs as outlined in the Healthy Housing Strategy</li> </ul>   |
|  <b>Energy retrofit existing buildings</b>         | No                     | \$40,000              | \$40,000                         | <ul style="list-style-type: none"> <li>○ Reduces operational costs as outlined in the Healthy Housing Strategy</li> </ul>   |
|  <b>Waste and RNG</b>                              | No                     | \$400,000             | -                                | <ul style="list-style-type: none"> <li>○ Addresses biosolids from WWTF</li> <li>○ Council priority: Economic resiliency</li> <li>○ Extends the life of assets</li> <li>○ Supports Area Based Water Management Planning</li> </ul>   |
|  <b>City operations</b>                          | Yes                    | -                     | -                                | <ul style="list-style-type: none"> <li>○ Implements the Corporate Energy and Emissions Plan</li> </ul>  |
| <b>Totals</b>   |                        | <b>\$780,000</b>      | <b>\$160,000</b>                 |   |

It is recommended:

- \$570,000 to be considered through 2021 Preliminary Budget process
- \$260,000 be considered from the Climate Reserve

<sup>a</sup> Opportunities for partnerships will be investigated to reduce this cost

## Conclusion:

Despite the many challenges and competing priorities, taking action to reduce GHG emissions and create a low carbon future is an urgent matter that Council has recognized as a priority.

Accelerating climate action to ensure GHG emissions are decreasing requires ongoing efforts that are backed by staff and financial resources. There is a large global movement to “build back better” from the COVID pandemic in a way that addresses the climate crisis,<sup>4</sup> and while local governments cannot solve the climate crisis on their own, their role is crucial to direct and influence change in the community.

Choosing to accelerate climate action in Kelowna will provide benefits that reach far beyond lowering GHG emissions. These include creating healthier and more livable communities for people of all ages

<sup>4</sup> BBC, June 24, 2020. Has the pandemic helped individuals and leaders get any closer to tackling the environmental crisis?  
<https://www.bbc.com/future/article/20200624-has-covid-19-brought-us-closer-to-stopping-climate-change>

and abilities; greater community resilience; and reduced costs.<sup>5</sup> Further, some of the actions will stimulate economic recovery from the COVID pandemic. While climate action requires an injection of resources to make a meaningful impact, it is an investment that will contribute to the community's well-being and long-term sustainability.

There is no single solution that will solve the crisis. All actions, big and small, will be needed to begin the transition to a thriving, low carbon community. The transition will take time and be challenging, but the actions provide "win-win" solutions that will also help achieve Imagine Kelowna and improve quality of life, all while contributing to a climate-safe future.

#### **Internal Circulation:**

Divisional Director, Planning & Development Services  
Divisional Director of Financial Services  
Development Services Director  
Development Planning Department Manager  
Strategic Transportation Planning Manager  
Community Planning & Development Manager  
Energy Program Manager  
Utilities Planning Manager  
Long Range Policy Planning Acting Manager  
Financial Planning Manager  
Urban Forestry Supervisor  
Transportation Planner  
Urban Forestry Technician

#### **Considerations applicable to this report:**

##### ***Existing Policy:***

- OCP Objective 6.2: Improve energy efficiency and reduce community greenhouse gas emissions
- OCP Policy 6.2.1 *GHG Reduction Target and Actions.* The City of Kelowna will, in partnership with senior governments; local residents and businesses; NGOs; external agencies; and utility providers, work towards reducing absolute community greenhouse gas emissions by:
- 4% below 2007 levels by 2023;
  - 25% below 2007 levels by 2033;
  - 80% below 2007 levels by 2050.

The City of Kelowna's efforts will be focused on creating a dynamic community that embraces sustainable transportation options, energy efficient buildings and vibrant urban centres.

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<sup>5</sup> BC Municipal Climate Leadership Council and the Community Energy Association. The Climate Leaders Playbook. The Facts. <https://bcclimateleaders.ca/playbook/the-facts/>



City will support the reduced use of fossil fuels in buildings by encouraging renewable energy supplies, and energy efficient technologies in new and existing buildings.

The City will lead through example and strive to meet the BC Climate Action Charter Targets for the reduction of GHG emissions from municipal infrastructure.

OCP Policy 7.1.3      *Greenhouse Gas Reduction Criteria.* Incorporate greenhouse gas reduction criteria in infrastructure projects for evaluation / modeling and procurement.

OCP Policy 7.19.2      *Energy Reduction Priorities.* In working to reduce greenhouse gas emissions, place a primary focus on reducing demand, then prioritize further efforts in the following sequence: re-using waste heat, using renewable heat, and then finally on using renewable energy.

Kelowna's Community Climate Action Plan

#### **Financial/Budgetary Considerations:**

Funding is required to implement the 2020 recommended community climate action initiatives outlined in Table 1 above. Staff are recommending that up to \$30,000 of funding come from the newly established Climate Action Reserve as the City's portion of these projects with the remaining funding to come from various grants and existing budgets.

Budget requests for some of the 2021 actions (as outlined in Table 2) and beyond will be submitted as part of the capital and operating budget requests included in the 2021 Preliminary Budget Volume. The Climate Reserve will be considered as a budget source for the remaining 2021 actions.

Submitted by:

T. Guidi, Sustainability Coordinator  
C. Ray, Community Energy Specialist

**Approved for inclusion:**



D. Noble-Brandt, Dept. Manager, Policy & Planning

#### **Attachments**

Appendix A: Options to Accelerate Climate Action  
Appendix B: Home Energy Retrofit Financing Program Feasibility Study  
Appendix C: Recommended Accelerated Climate Actions for 2021

cc:

Divisional Director, Planning & Development Services

Divisional Director of Financial Services

Development Services Director

Development Planning Department Manager

Strategic Transportation Planning Manager

Community Planning & Development Manager

Energy Program Manager

Utilities Planning Manager

Long Range Policy Planning Acting Manager

Financial Planning Manager

Urban Forestry Supervisor

Transportation Planner

Urban Forestry Technician

Appendix A:

# Options to Accelerate Climate Action

## 1. Overview

The Intergovernmental Panel on Climate Change (IPCC) warns that human-caused greenhouse gas (GHG) emissions need to be reduced 45 per cent below 2010 levels by 2030 in order to limit global warming to 1.5°C by 2030 to reduce the risks of extreme weather, rising sea levels and other impacts.<sup>1</sup> To make significant progress on reducing GHG emissions, it is imperative that everyone – residents, businesses, industry and government – take action. Local governments, however, are uniquely positioned as they can influence approximately 60 per cent of the nation's overall energy use and 50 per cent of its GHG emissions.<sup>2</sup> The amount of influence a local government has, however, varies over different sources of GHG emissions within their boundaries as shown in Figure 1.

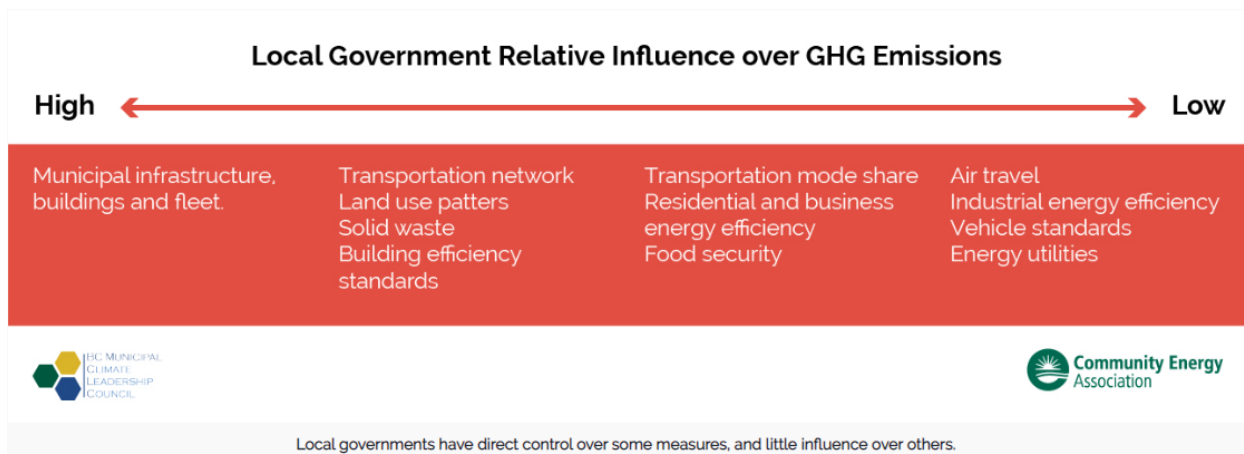


Figure 1: Local government relative influence over GHG Emissions,  
Source: Climate Leaders Playbook

Recognizing community GHG emissions are not decreasing in Kelowna, accelerated action is needed to reverse this trend. As outlined in BC's "Climate Leader's Playbook," action, whether big or small, needs to be taken in the six following areas to achieve the GHG emissions reduction needed to achieve the IPCC's recommendations.





- On Road Transportation**
  - Reducing vehicle kilometres traveled by cars<sup>3</sup>
  - Transitioning to zero emission vehicles
- Buildings**
  - Transitioning towards net zero energy ready construction for all new buildings
  - Ensure a large portion of existing homes undergo deep energy retrofits annually

<sup>1</sup> Intergovernmental Panel on Climate Change (IPCC), October 8, 2018. Summary for Policymakers of IPCC Special Report on Global Warming of 1.5°C approved by governments. <https://www.ipcc.ch/2018/10/08/summary-for-policymakers-of-ipcc-special-report-on-global-warming-of-1-5c-approved-by-governments/>

<sup>2</sup> BC Municipal Climate Leadership Council and the Community Energy Association. The Climate Leaders Playbook. The Facts. <https://bcclimateleaders.ca/playbook/the-facts/>

<sup>3</sup> Vehicle kilometres traveled can be reduced by shifting as many future trips as possible to sustainable alternatives such as biking walking or transit. VKT can also be reduced through eliminating trips through promotion of work from home and other virtual strategies and/or reducing the distance people need to drive by coordinating land use and transportation planning and limiting development in outlying, car depending areas.



3.  Waste
  - Divert organic waste
  - Capture renewable natural gas from waste and biosolids<sup>4</sup>
4.  Build complete communities
5.  Natural assets and green infrastructure
6.  Climate leadership in City operations

Even with these six “big moves”, most communities realize that a gap remains to achieve emission reduction targets aligned with the IPCC and changes in technology and/or senior government regulation will be needed to bridge the remaining reduction required.

## 2. Progressing on Kelowna’s Community Climate Action Plan

Kelowna’s Community Climate Action Plan (CCAP), endorsed in 2018, is a five-year plan that defines a path to slowly reduce GHG emissions by four per cent below 2007 levels by 2023. While the CCAP also identifies mid and longer-term targets (25 per cent reduction by 2033 and 80 per cent reduction by 2050), actions to reduce GHG emissions were only identified for the first five years.

While GHG emissions vary from year to year, progress on achieving the CCAPs short-term target is questionable at best, let alone being on track to achieve the IPCCs more aggressive goals. Data from 2017 (the most recent available for Kelowna) illustrates that GHG emissions have increased six per cent since 2007. Recently released provincial data for 2018 reinforces this trend, as province-wide GHG emissions increased six per cent over 2007 levels.<sup>5</sup> With the community expected to grow by 50,000 residents by 2040, per capita GHG emissions reductions will have to far outpace the rate of population growth to ensure total GHG emissions decline.

The CCAP identified 47 actions, three of which have been completed, and 34 are in progress or are ongoing. This level of action is impressive considering that to date there has been no budget directed specifically towards community climate action. Corporate climate action and energy reduction initiatives have been funded in part through the annual Climate Action Revenue Incentive Program (CARIP) grant; however, no such fund has been established for community GHG reduction initiatives. Up to now accomplishments on the community side have been the result of:

- Existing capital plan projects (e.g. for active transportation, transit, and solid waste projects)
- Grants (e.g. FortisBC grants for Community Energy Specialist position, See the Heat Program, and EV public charging station partnerships; Disaster Mitigation and Adaptation Fund and Pacific Institute for Climate Solutions for climate adaptation projects; BikeBC and ICBC Road Improvement Program for active transportation initiatives; and Tree Canada and Shaw partnerships for tree planting initiatives)
- No or low-cost actions (e.g. bylaw updates)

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<sup>4</sup> BC Municipal Climate Leadership Council and the Community Energy Association. The Climate Leaders Playbook. Solutions for a Zero Carbon Community by 2050. <https://bcclimateleaders.ca/playbook/the-facts/>

<sup>5</sup> Province of BC. Provincial Greenhouse Gas Emissions Inventory. <https://www2.gov.bc.ca/gov/content/environment/climate-change/data/provincial-inventory>

Acting quickly and effectively to address the climate crisis is challenging and complex and there is no “silver bullet” solution. To accelerate action to achieve the CCAPs GHG emissions reduction targets or to put Kelowna on the path to align with the IPCC targets, will require decisions to:

- Dedicate funds to implement actions identified in the CCAP;
- Re-model and identify actions that would align with IPCC targets; and
- Support policy shifts, that in the near term may be unfavourable by some but are necessary for long term success.

Fortunately, choosing to invest in climate action does not equate to a trade-off with other Council and community priorities. In fact, climate action is about delivering on the diverse goals and principles of *Imagine Kelowna* as illustrated in Figure 2. While often pitted as environment versus economy, climate action has benefits that extend beyond reduced GHG emissions. For example, addressing climate change can improve air quality, reduce noise pollution, provide space for recreation and social interaction, enhance natural habitat and biodiversity, and create connected, vibrant, and healthy communities.<sup>6</sup>



Figure 2: Delivering on Climate Action and Imagine Kelowna Goals

<sup>6</sup> City of Halifax, 2020. HalifACT 2050: Acting on Climate Together. <https://www.halifax.ca/sites/default/files/documents/city-hall/regional-council/200623rc916.pdf>.

### 3. Options to Accelerate Climate Action

The following sections provide a suite of actions that can be taken in the short-term (i.e., over the next three years) to accelerate action on climate change. The impact on reducing GHG emissions will be realized more rapidly for some of the actions (i.e., will start to see reductions over the next five to ten years). This includes actions that reduce GHG emissions from new and existing buildings and making progress on transitioning to zero emission vehicles. Equally significant, however, are actions that will result in reductions over a longer trajectory. Actions such as creating complete, compact communities, increasing the mode share of walking, biking and transit, and investing in green infrastructure are essential to lowering emissions, however while these cumulative actions need to be implemented now, their impacts may not be evident until the mid to longer term (i.e. ten to thirty years).<sup>7</sup> In the end, it is vital that all actions are implemented in a timely fashion in order to reach the short and long term targets as illustrated in Figure 3 below.

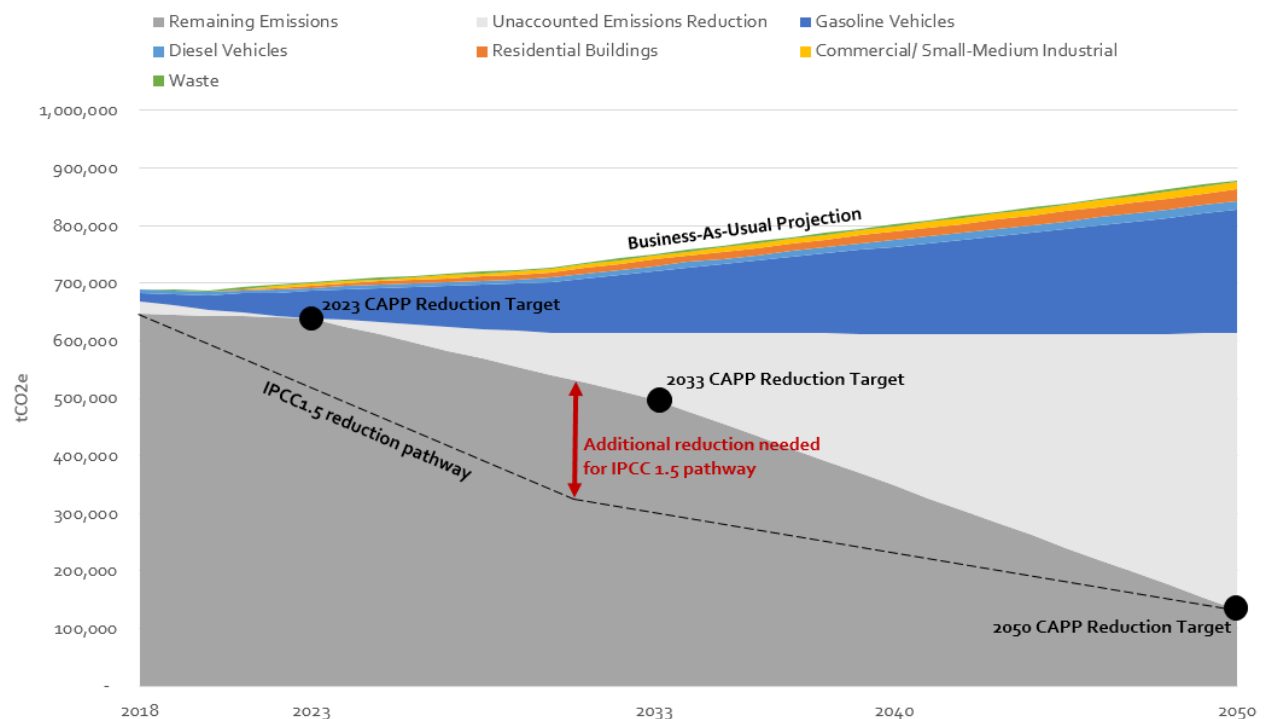


Figure 3: CCAP GHG Emissions Reduction Pathway, for illustration purposes only.

A variety of tools can be utilized by local governments to lay the foundation to enable residents and businesses to reduce emissions including:

- Infrastructure decisions (e.g., providing more active transportation corridors making it easier for residents to walk or cycle);
- Policy and regulation (e.g., requiring all new buildings to achieve a certain level of the Energy Step Code to reduce energy and GHG emissions);
- Outreach and capacity building (e.g., workshops on the benefits of deep energy retrofits);

<sup>7</sup> City of Richmond, November 29, 2019. Community Energy and Emissions Plan 2020-2050 Directions. [January 20 2020 Council Report.](#)

- Incentives (e.g., financial incentives for e-bikes);
- Collaboration and partnerships (e.g., working with local organizations for education and awareness); and
- Advocacy (e.g., encourage the Province to adopt a home energy labelling program).<sup>8</sup>

The actions outlined below include the following:

- **GHG reduction estimates (when available).** These estimates are based on the modelling completed during the CCAP's development. As with all models, the estimates are based on several assumptions, and it is imperative to note that these reduction estimates were based on early implementation and only for the life of the Plan (i.e., 2018 to 2023). Not all actions, however, have reduction estimates due to limitations with the model.
- **High level cost estimates.** Where available this includes total project costs and a separate column for the expected cost to the City. It is anticipated that several of the projects will have supporting partnerships or grants to implement. The estimated City costs do not include the staff resources that are needed to coordinate and implement specific initiatives. Some of the actions have no costs associated with them as they are policy changes, or strategy development that will be completed with City staff resources only.

### 3.1. On Road Transportation

Transportation accounts for 53 per cent of community GHGs in Kelowna, so meeting the City's GHG emissions reduction targets requires major changes in this sector. A low-carbon transportation system begins by reducing the need for travel, achieved through policies such as work from home programs. Next, reducing the need to drive and the distance people drive can be achieved through compact land use and complete communities. This is supplemented by actions to get people out of the single-occupancy vehicle, achieved through mode shifts to cycling, walking, public transit, car sharing, ride sharing, and ride hailing opportunities. Reducing trips and distances travelled and supporting alternative transportation modes are critical because they have benefits that extend beyond GHG emissions reduction, such as reducing traffic congestion. However, people will continue to rely on the automobile for years to come; therefore, GHG emissions from remaining single-occupancy trips can be effectively reduced by improving vehicle efficiency (Provincial and Federal Government jurisdiction) and switching to low carbon vehicles (e.g. electric vehicles (EVs)) (Figure 4).

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<sup>8</sup> City of Richmond, November 29, 2019. Community Energy and Emissions Plan 2020-2050 Directions. [January 20 2020 Council Report](#)



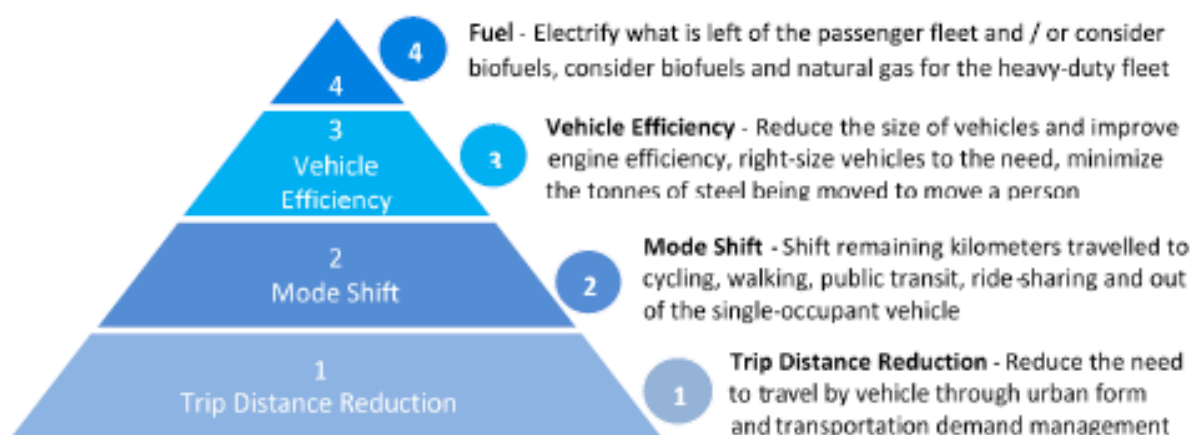





Figure 4: Sustainable Transportation Priorities

It is estimated that daily global GHG emissions decreased by 17 per cent in the peak of the COVID-19 pandemic restrictions in April 2020 compared with mean 2019 levels, mainly due to less travel during quarantine measures.<sup>9</sup> While the circumstances of these reductions are not ideal, the observed GHG emissions reduction suggests that on-going policies and programs to support working from home would be a cost-effective approach to climate mitigation efforts.

### Accelerated Action - Creating a Low-Carbon Transportation System

| 0.5 % increase in active transportation and transit mode split per year             |  |                              | CCAP Reduction Estimate<br>17,800 tCO <sub>2</sub> e |                 |
|---|--|------------------------------|--|-----------------|
|  | Action   | Year                         | Total Cost   | City Cost       |
|   | Develop and adopt Transportation Master Plan Adoption            | 2020 - 2021<br>(in progress) | -  | Existing budget |
|   | Develop and adopt an anti-idling bylaw                           | 2021<br>(in progress)        | -  | -               |
|   | Neighbourhood Bikeway Program                                    | 2021 - 2023                  | \$300,000  | \$300,000       |
|   | Major Employer Trip Reduction & Flexible Workplace Policy        | 2021 - 2023*                 | \$50,000   | \$50,000        |
|   | Transportation Safety Strategy                                   | 2022                         | \$75,000   | \$75,000        |
|   | Pedestrian and Bicycle Master Plan Update                        | 2022 - 2023                  | \$25,000   | \$25,000        |
|   | Pandosy / Richter Transit Corridor Study                         | 2021 - 2022                  | \$100,000  | \$100,000       |
|   | Bike Lane Snow Clearing Study                                    | 2021                         | -  | -               |
|   | Transit Travel Training Program                                  | 2022 - 2023                  | \$100,000  | \$75,000        |
|   | Transportation Education & Awareness Program                     | 2021 - 2023*                 | \$20,000   | \$20,000        |
|   | Income qualified E-bike incentive pilot                          | 2021                         | \$25,000   | \$25,000        |
|   | Corporate E-bike / bike purchase program (a revolving loan fund) | 2022 - 2023                  | \$50,000   | \$50,000        |
|   | Adult & Student Bicycle Skills Training                          | 2022 - 2023                  | \$90,000   | \$90,000        |
|   | Bike and Ped Individualized Educations and Marketing Program     | 2022 - 2023                  | \$100,000  | \$100,000       |

<sup>9</sup> Le Quéré, C., Jackson, R.B., Jones, M.W. et al. (2020). Temporary reduction in daily global CO<sub>2</sub> emissions during the COVID-19 forced confinement. Nat. Clim. Chang. (2020). <https://doi.org/10.1038/s41558-020-0797-x>.

|   |  |                          |  |                       |
|---|--|--------------------------|--|-----------------------|
|  | Safe Routes to School Program Expansion  | 2022 - 2023              | \$200,000  | -                     |
|   | Winter Active Transportation Maintenance   | 2022 - 2023              | \$500,000  | \$500,000             |
|   | Advocate for CleanBC goals and priorities to be reflected in provincial planning and capital investments, including the Central Okanagan Planning Study and increasing funding to enable more students to take school busing.  | 2021                     | -  | -                     |
|   | Advocate to the provincial government for "pay as you drive" insurance (i.e. consider structuring ICBC premiums to charge per kilometer).  | 2022 – 2023              | -  | -                     |
|   | Coordinate with MoTI to consider congestion pricing for dynamic time of day pricing at congested bottlenecks.  | 2022 – 2023              | -  | -                     |
| Increase use of electric vehicles   |  |                          | CCAP Reduction Estimate<br>12,400 tCO <sub>2</sub> e |                       |
|  | Develop and implement a Community Electric Vehicle Strategy  | 2020-2021<br>In progress | \$22,500   | - <sup>a</sup>        |
|   | Expand Level 2 chargers <sup>b</sup>   | 2020-2023<br>In progress | \$555,000  | \$270,000             |
|   | 100% EV Readiness Policy – new residential developments  | 2021                     | -  | -                     |
|   | EV Readiness Policy – new commercial developments  | 2021                     | -  | -                     |
|   | EV Streetlamp Pilot <sup>c</sup>   | 2021                     | \$100,000  | \$75,000              |
|   | Add Level 3 charger at Museum Parking Lot <sup>d</sup>   | 2021                     | \$75,000   | -                     |
|   | EV charger top up  | 2021                     | \$120,000  | \$60,000              |
|   | EV Promotion workshops and training  | 2021-2023                | \$30,000   | \$30,000 <sup>e</sup> |
|   | Advocate to the provincial government to support the transition to electric vehicles with funding to expand the public EV charging network, incentives for workplace/at home charging, incentives for electric vehicles (including electric bikes) and streamlined standards for EV requirements in buildings. | 2021                     | -  | -                     |

<sup>a</sup> Project cost already accounted for in existing budgets

<sup>b</sup> A grant application was submitted to Natural Resources Canada for \$150,000 to expand the network, \$135,000 already approved in existing budget

<sup>c</sup> FortisBC has indicated they would partner on the initiative up to \$25,000

<sup>d</sup> FortisBC is investigating options to expand level 3 charging at the Museum Lot

<sup>e</sup> Opportunities for partnerships will be investigated to reduce this cost


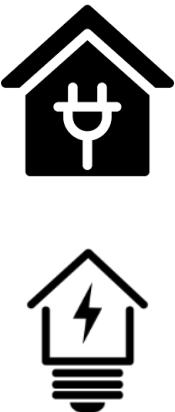
\* Potential to become an on-going annual program.

### 3.2. Buildings

Buildings account for 40 per cent of Kelowna's community greenhouse gas (GHG) emissions and will be a key part of meeting the City's GHG emissions reduction targets. The Provincial Energy Step Code has set the course for improving energy efficiency in new construction and will help achieve energy and GHG emissions reductions from the building sector. Accelerating local endorsement and implementation of mid to upper steps for both Part 9 and Part 3 buildings is the "low hanging fruit" of GHG emissions reduction in the sector. This can be supported by including GHG metrics or low carbon energy system options in the Step Code framework.

While new construction is important, it is estimated that by 2040, 70 per cent of residential units will have been built before 2018, suggesting that most of the energy and GHG emissions reductions from the building sector over the next several decades will be generated from retrofits to existing buildings. Therefore policies, financing opportunities, industry support, and advocacy for provincial and federal government programs present a major challenge and opportunity in the building sector.

### Accelerated Action: Creating low-carbon and energy efficient buildings

| Accelerate Energy Step Code Implementation  |  |                            | CCAP Reduction Estimate<br>1,300 tonnes reduction <sup>a</sup> |                       |
|---|--|----------------------------|--|-----------------------|
|    | Action   | Year                       | Total Cost   | City Cost             |
|   | Part 3 Buildings: Develop and adopt an Energy Step Code Strategy   | 2020 - 2021<br>In progress | -  | -                     |
|   | Part 3 Buildings: Energy Step Code – Revitalization Tax Exemption for highest step   | 2021                       | -  | -                     |
|   | Part 3 Buildings: Implement upper steps  | 2023                       | -  | -                     |
|   | Part 3 Buildings: Enforce high performance section of OCP Form & Character Guidelines  | 2022 - 2023                | -  | -                     |
|   | Part 9 Buildings: Develop and implement an Audit Program   | 2021 - 2023                | \$30,000   | \$30,000              |
|   | Part 3 & 9 Buildings: Promotion, workshops and training  | 2021 - 2022                | \$20,000   | \$20,000 <sup>b</sup> |
|  | Part 3 & 9 Buildings: Advocate for GHG metrics or a low-carbon energy system option in the Step Code Framework, and to apply Energy Step Code consistently across the province instead of each jurisdiction on their own | 2021 - 2023                | -  | -                     |
|   | Retrofit 1% homes annually, achieving 30% reduction  |                            | CCAP Reduction Estimate<br>3,750 tonnes                        |                       |
|   | Residential: Complete Community Energy Retrofit Strategy   | 2020 - 2021<br>In progress | -  | -                     |
|   | Residential: NRCan Canadian Energy End Use (CEE) Map Prototype Project   | 2020 - 2022<br>In progress | \$800,000 <sup>c</sup>   | -                     |
|   | Residential: Municipal top ups – EnerGuide Assessment and Heat Pumps   | 2021 - 2023                | \$228,000 <sup>d</sup>   | \$89,000              |
|   | Residential: Heritage Energy Grant Pilot   | 2021 - 2023                | \$80,000 <sup>e</sup>  | \$45,000              |
|   | Residential: GMF CEF Feasibility and Program Design  | 2020 - 2021                | \$175,000 <sup>f</sup>   | \$35,000              |
|   | Residential: GMF CEF Program Launch  | 2022                       | \$140,000 <sup>g</sup>   | \$35,000              |
|   | Residential: Advocate for PACE-enabling legislation, home-energy labelling requirements  | 2021-2023                  | -  | -                     |
|   | Industrial and Commercial: Building Benchmarking BC Program  | 2021-2023<br>In progress   | \$30,000   | \$20,000 <sup>h</sup> |
|   | Residential, Industrial and Commercial: Promotions, workshops and training   | 2021-2023                  | \$30,000   | \$30,000 <sup>b</sup> |
|   | Advocate to the provincial government to implement a retrofit code; continue and expand incentives for residential, commercial, and industrial retrofits; and for education and promotion to public.                     | 2022 – 2023                | -  | -                     |

<sup>a</sup> GHG reductions from new buildings may be low, but the impact of implementing policies to improve efficiency of buildings will impact emissions for decades.

<sup>b</sup> Opportunities for partnerships will be investigated to reduce this cost.

<sup>c</sup> Grant and in kind partnership confirmed by Natural Resources Canada

<sup>d</sup> Betterhomes BC offers \$300 rebate an EnerGuide energy assessment and up to \$3,000 incentive for heat pump

<sup>e</sup> FortisBC has expressed interest in joint pilot

<sup>f</sup> Would apply for a Green Municipal Fund Community Efficiency Financing grant for the project

<sup>g</sup> Project funds covered in 2021 through pilot opportunity


<sup>h</sup> Received approval to participate in 2020/2021 pilot at no charge.

### 3.3. Waste

The City's solid waste production results in 9 per cent of Kelowna's GHG footprint. Actions to reduce GHG emissions from this source result in other benefits including prolonging the lifespan of the Glenmore Landfill, and the creation of useful by-products such as compost and fertilizer, and the capture of biogas and methane to produce natural gas. Similar to the transportation and building sectors, the best way to reduce GHG emissions is to focus on reducing energy demand, which equates to reducing waste through reducing, reusing, and recycling. Because waste management is under regional jurisdiction, the City will need to work with the Regional District of Central Okanagan to develop new programs to accelerate implementation of the Solid Waste Management Plan.

Opportunities are available to reduce GHG emissions once waste reaches a landfill or treatment site. Organic matter decomposes to release methane gas; so capturing, upgrading, and reusing this gas can provide significant GHG emissions reduction. The Glenmore Landfill is one of only two FortisBC landfill gas capture sites in BC, and the City invests around \$450,000 annually to maintain the system. After gas upgrading, around 65,000 GJ<sup>10</sup> worth of renewable natural gas (RNG) is injected into FortisBC's distribution system annually. The City is looking at other RNG projects including an anaerobic digester and associated RNG capture from biosolids produced from the wastewater treatment facility.

#### Accelerated Action: Investigate opportunities to reduce waste and increase the supply of renewable natural gas

| Reduce solid waste 12% and implement new processes to capture renewable natural gas. |   |             | CCAP Reduction Estimate<br>4,300 |                  |
|--|---|-------------|----------------------------------|------------------|
|   | Action  | Year        | Total Cost                       | City Cost        |
|  | Incorporate new programs to accelerate implementation of the Solid Waste Management Plan to reduce per capita disposal 12% by 2022              | 2020-2022   | This is a regional program       |                  |
|  | Develop and implement a business plan for the extent of anaerobic digestion necessary for biosolids and the production of renewable natural gas | 2021 - 2022 | \$1.0 M                          | To be determined |

<sup>10</sup> One gigajoule of natural gas is approximately equivalent to 27 litres of fuel oil, 39 litres of propane, 26 litres of gasoline or 277 kilowatt hours of electricity.



### 3.4. Complete Communities


Land use planning plays a critical role in designing and building communities that can mitigate and adapt to climate change.

As previously mentioned, transportation is the biggest source of Kelowna's community GHG emissions. The way a community is designed will determine travel distances between the places where residents live, work, and play. Further, street design combined with investments in transit and active transportation infrastructure will influence people's transportation choices.<sup>11</sup> Creating a complete, compact community is the most influential way local government can reduce reliance on personal automobiles.

Energy use can also be lowered by shifting from larger single-family homes to multi-family dwellings, where the energy demand per unit can be much lower. Additionally, higher densities increase the potential for efficient energy systems such as district heating systems and combined heat and power.

Land use strategies that emphasize green spaces, urban forests, and community spaces will help mitigate climate change by sequestering carbon. But these spaces will also help adapt to a changing climate by reducing the urban heat island effect and capturing and storing storm water.<sup>12</sup>

#### Accelerated Action: Complete communities

| By 2040 target 67% of all new housing units in the Core Area.<br>By 2040 target 75% of all new units to be multi-family. <sup>13</sup> |                              |                          | CCAP Reduction Estimate<br>N/A |                |
|--|------------------------------|--------------------------|--------------------------------|----------------|
|    | Action                       | Year                     | Total Cost                     | City Cost      |
|  | 2040 Official Community Plan | 2020-2021<br>In progress | -                              | _ <sup>a</sup> |
|  | Implementation of 2040 OCP   | 2021 – 2023              | To be determined               |                |

<sup>a</sup> project cost already accounted for in existing budgets

### 3.5. Enhance Green Infrastructure

Natural assets refer to a community's stock of natural resources and ecosystems that provides benefits to people, and can include lakes, creeks, wetlands, forests and natural areas.<sup>14</sup> Green infrastructure, a broader term, includes natural assets as well as designed and engineered elements that have been created to mimic natural functions.<sup>15</sup> Communities are finding ways to use these natural solutions because they are more adaptable and resilient to climate change and can be multi-functional when compared to traditional engineered solutions.<sup>16</sup> For example, a created stormwater pond, much like a

<sup>11</sup> Federation of Canadian Municipalities, 2019. Sustainable Land Use Practices in Canadian Municipalities: A Snapshot. <https://data.fcm.ca/documents/reports/GMF/2020/sustainable-land-use-practices-in-canadian-municipalities.pdf>

<sup>12</sup> City of Halifax, 2020. HalifACT 2050: Acting on Climate Together. <https://www.halifax.ca/sites/default/files/documents/city-hall/regional-council/200623rc916.pdf>

<sup>13</sup> City of Kelowna. Official Community Plan 2040 Growth Scenario Overview. [https://www.kelowna.ca/sites/files/1/docs/growth\\_scenario\\_overview\\_ocr\\_tmpl\\_2019.pdf](https://www.kelowna.ca/sites/files/1/docs/growth_scenario_overview_ocr_tmpl_2019.pdf)

<sup>14</sup> Brooke, R., Cairns, S., et al., 2017. Municipal Natural Asset Management as a Sustainable Infrastructure Strategy: the Emergency Evidence. <https://www.greengrowthknowledge.org/resource/municipal-natural-asset-management-sustainable-infrastructure-strategy-emerging-evidence>


<sup>15</sup> Primer on Natural Asset Management for FCM's 2018 Sustainable Communities Conference. <https://www.civinfo.bc.ca/planning-guides?toolkitid=868>

<sup>16</sup> Brooke, R., Cairns, S., et al., 2017. Municipal Natural Asset Management as a Sustainable Infrastructure Strategy: the Emergency Evidence. <https://www.greengrowthknowledge.org/resource/municipal-natural-asset-management-sustainable-infrastructure-strategy-emerging-evidence>

natural wetland, can help attenuate water to reduce downstream flooding impacts during intense storms, which are anticipated to increase with a changing climate. The storm water pond can also act as a carbon sink to help with climate mitigation efforts.

Kelowna's urban forests will play a key role in climate change solutions, sequestering carbon, reducing the urban heat island effect, improving air quality, and buffering winds from storms. These urban forests are also crucial in creating a more livable, healthy, and economically vibrant community.<sup>17</sup>

### Accelerated Action: Enhance Green Infrastructure

| Enhance green infrastructure  |  |                            | CCAP Reduction Estimate<br>N/A |                       |
|---|--|----------------------------|--------------------------------|-----------------------|
|  | Action   | Year                       | Total Cost                     | City Cost             |
|   | Tree Protection Bylaw  | 2022                       | -                              | -                     |
|   | Amend Bylaw 7900: Subdivision, Development and Servicing Bylaw to account for climate change                                   | 2020 – 2021<br>In progress | \$15,000 <sup>a</sup>          | -                     |
|   | Update the Urban Forestry Strategy   | 2022                       | \$60,000                       | \$60,000 <sup>b</sup> |
|   | Improve landscape standards (e.g. Landscape standards and maintenance bylaw or updates to Zoning/ Subdivision Servicing Bylaws | 2022                       | -                              | -                     |
|   | Natural asset inventory  | 2022                       | \$60,000                       | \$60,000              |

<sup>a</sup> \$12,000 grant received from Pacific Institute for Climate Solutions to hire a Climate Adaptation Intern to review and make recommendations to green Bylaw 7900. Remaining \$3,000 will be funded through existing budgets.

<sup>b</sup> Opportunities for grants to reduce project costs will be investigated.

### 3.6. Climate leadership in City operations

The City's corporate GHG emissions are only a very small percentage (approximately one per cent) of Kelowna's total community GHG emissions. Local government leadership, however, plays a vital role in building knowledge in the community that can lead to further GHG emissions reductions.<sup>18</sup> When local government works to reduce GHG emissions in their own corporate operations, they lead by example and set the stage for citizens, business, and industry to take action and help move whole communities towards greater energy efficiency and sustainability.<sup>19</sup>

Taking action to reduce corporate GHG emissions can improve energy efficiency, optimize systems, strengthen performance, and reduce long term operating costs. For over a decade, the City has been working diligently to lower its energy and emissions for corporate operations. This has involved major projects such as LED Streetlighting upgrades, and multitudes of smaller projects focused on making municipal facilities more energy efficient and the corporate fleet more fuel efficient (which was recently recognized as one of the top 50 fleets in North America<sup>20</sup>).

As reported previously, recent changes in utility billing revealed some of the City's electricity and natural gas accounts were not included in the utility usage reports, resulting in corporate GHG emissions being

<sup>17</sup> BC Climate Action Toolkit. Urban Forests. <https://www.toolkit.bc.ca/Plan-Do/Urban-Forests>


<sup>18</sup> BC Climate Action Toolkit. Taking Action in Government Operations. <https://www.toolkit.bc.ca/taking-action/Operations>

<sup>19</sup> Province of BC. Local Government Climate Change Mitigation. <https://www2.gov.bc.ca/gov/content/governments/local-governments/climate-action/climate-change-mitigation>

<sup>20</sup> Government Fleet, March 24, 2020. Announcing the 2020 Leading Fleets. <https://www.government-fleet.com/353875/announcing-the-2020-leading-fleets>

underreported. Reconciling this historical data is the first step to determine how the City is progressing on its corporate GHG emissions target (12 per cent below 2007 levels by 2022) and must be completed prior to identifying and building business cases for new actions to go beyond 2022.

#### Accelerated Action: Climate leadership in City operations

|   |   |           | CCAP Reduction Estimate<br>N/A |                           |
|---|---|-----------|--------------------------------|---------------------------|
|  | Action  | Year      | Total Cost                     | City Cost                 |
|   | Update historical corporate emissions inventory   | 2020-2021 | -                              | -                         |
|   | Establish policy for Energy Committee guidance on energy and GHG reduction opportunities on purchase, renewal and operation of energy consuming assets. | 2021      | -                              | -                         |
|   | Identify and implement comprehensive, facility wide energy and GHG reduction projects <sup>a</sup>  | 2020-2023 | \$5M - \$10M                   | \$5M - \$10M <sup>b</sup> |
|   | Develop sustainability standards for new construction   | 2022      | \$50,000                       | \$50,000                  |


<sup>a</sup> the high return investment opportunities have already been completed so there will be a growing cost to reducing corporate GHG emissions moving forward.

<sup>b</sup> 2020 and 2021 would focus on project identification, there may be opportunities for grants and rebates to reduce the City's costs when projects are implemented

## 4. Future Steps

As the CCAP was developed prior to the release of the both the IPCC recommendations and the release of the provincial CleanBC plan, it does not align with these more ambitious targets. Further, the CCAP only recommends actions until 2023. This presents an opportunity to develop and model actions for a more aggressive GHG reduction target while at the same time incorporating a resiliency lens to address the changes in climate that Kelowna is already beginning to experience (hotter drier summers; warmer winters; increased precipitation in all seasons except summer and a shifting of the seasons.)<sup>21</sup> To maximize efficiencies, it is recommended that once modelling has been completed, a prioritized list and corresponding action and business plan is reported to Council to determine accelerated actions that can be implemented over the following three years (i.e. 2022-2024).

#### Accelerated Action: Modelling and actions to achieve more aggressive reduction targets

|  | Action   | Year | Total Cost | City Cost |
|---|--|------|------------|-----------|
|   | Re-model GHG Emissions reductions in line with more aggressive targets | 2021 | \$70,000   | \$70,000  |
|   | Update CCAP to a Climate Resiliency Plan including actions beyond 2023 | 2022 | \$100,000  | \$100,000 |

While not necessarily the impetus, capital investments in active transportation, transit, waste services, and parks all contribute to the reduction of GHG emissions. Further, to date Kelowna has been very

<sup>21</sup> RDCO, RDNO, RDOS, Pinna Sustainability, February 2020. Climate Projections for the Okanagan Region.  
[https://www.regionaldistrict.com/media/279459/OK\\_Climate\\_Projections\\_Report\\_Final.pdf](https://www.regionaldistrict.com/media/279459/OK_Climate_Projections_Report_Final.pdf)

fortunate to receive grants for staff resources and projects to further work on energy and GHG emissions reductions. However, to accelerate action, additional resources, both financial and staff will be required. With the completion of modeling, actions identified will require an ongoing financial commitment to implement. Further, many these costs do not account for the extra staff resources that may be required to address the extra workload associated with taking on these projects. This may include expanding staff resources to include a climate action program coordinator or climate adaptation planner or developing a climate action advisory committee.

## 5. Recommended approach for Kelowna for 2020 and 2021

During the last several months, COVID-19 has brought unprecedented changes to our community. While most of the changes have upheaved the systems and processes that serve us, the response to the pandemic has impacted climate efforts positively and provides a glimpse of what could be achieved if aggressive action continues. COVID19 provides an opportunity to “build back better” in a way that addresses the climate crisis. The community has demonstrated the ability to take swift, deliberate action in the face of a global threat. Instead of “returning to normal” after the pandemic, Kelowna can build on the significant changes already made (e.g. remote working), to reduce emissions significantly over the next ten years to avoid catastrophic impacts.

Funding climate action will continue to be challenging as the City will have to adjust to new financial circumstances caused by the pandemic. Understanding that community climate action initiatives currently do not have a dedicated funding source, to implement the recommended actions additional financial support is needed. Without an approved funding source, these recommended actions are financially constrained to be implemented and progress towards the 2023 GHG emissions reduction target will likely stall. Recognizing the challenges of resourcing climate initiatives in a COVID world, it is recommended the actions are resourced by the following:

- Grants and partnerships (some already approved, others will be applied for);
- Existing budgets;
- Climate Action Reserve; and
- Operating and Capital budget requests.


The tables below provide a realistic, but progressive list of recommended actions that could be achieved with modest investment in 2020 and 2021 using the tools available to the City. Actions were selected based on the following considerations:

1. Opportunities for grants or partnerships;
2. Balancing limited resources;
3. Providing resource efficiencies;
4. Action is necessary for future work; and
5. Actions that could also help stimulate economic recovery from the COVID pandemic (these actions have been identified with a [blue CR](#)).

As 2020 winds down, progress continues to be made on the projects outlined above. Support, however, is needed for one new project: Home Energy Retrofit Financing Program Feasibility Study to build off the CEE Map Prototype Project, as outlined in Appendix B. While this project would not begin until 2021, matching funds need to be secured to apply for a grant from Federation of Canadian Municipalities (FCM) Community Efficiency Financing program.









### Recommended Accelerated Climate Actions for 2020

|   | Action  | Budget Required | Potential Budget Source | Grant / partnership contribution |
|---|---|-----------------|-------------------------|----------------------------------|
|  Retrofit existing buildings | Residential: GMF CEF Home Energy Retrofit Financing Program Feasibility Study | up to \$30,000  | Climate Action Reserve  | up to \$120,000                  |

Understanding the financial constraints created by the COVID pandemic, the recommended actions for 2021 are based on maximizing limited budgets through grants, and/or actions that could be achieved without investing in additional staff resources. Further, many of the actions identified are crucial not only to reducing GHG emissions but in order to deliver on multiple City priorities, projects or plans. While the list appears comprehensive, there is a lot more that could be done to accelerate action more quickly if abundant staff and financial resources were available.

Recommended Accelerated Climate Actions for **2021** (note: some of these actions will continue beyond 2021)

|  | Action   | City Investment type | 2021 Capital or Operating Request | 2021 Climate Reserve Request | Grant / partnership contribution | 2021 Total Cost  |
|--|--|----------------------|-----------------------------------|------------------------------|----------------------------------|------------------|
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| <br><b>Low carbon transportation: reducing VKT</b>    | Neighborhood Bikeway Program   | Annual               | -                                 | \$50,000                     | -                                | \$50,000         |
|  | Major Employer Trip Reduction & Flexible Workplace Policy  | Annual               | \$50,000                          | -                            | -                                | \$50,000         |
|  | Pandosy / Richter Transit Corridor Study   | One-time             | \$100,000                         | -                            | -                                | \$100,000        |
|  | Bike Lane Snow Clearing Study  | One-time             | -                                 | -                            | -                                | -                |
|  | Transportation Education & Awareness Program   | Annual               | \$20,000                          | -                            | -                                | \$20,000         |
|  | Advocate for CleanBC goals and priorities to be reflected in provincial planning and capital investments, including the Central Okanagan Planning Study and increasing funding to enable more students to take school busing.  | One-time             | -                                 | -                            | -                                | -                |
| <br><b>Low carbon transportation: Electrification</b> | Income qualified E-bike incentive pilot  | One-time             | -                                 | \$25,000                     | -                                | \$25,000         |
|  | 100% EV Readiness Policy – new residential developments  | One-time             | -                                 | -                            | -                                | -                |
|  | EV Readiness Policy – new commercial developments  | One-time             | -                                 | -                            | -                                | -                |
|  | EV Streetlamp Pilot  | One-time             | -                                 | \$25,000                     | \$25,000 <sup>a</sup>            | \$50,000         |
|  | Add Level 3 charger at Museum Parking Lot  | One-time             | -                                 | -                            | \$75,000 <sup>b</sup>            | \$75,000         |
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|  | EV promotion, workshops and training   | Annual               | -                                 | \$10,000 <sup>d</sup>        | -                                | \$10,000         |
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| <br><b>Low carbon new buildings</b>                   | Part 9 Buildings: Develop and implement an Audit Program   | Annual               | -                                 | \$10,000                     | -                                | \$10,000         |
|  | Part 3 Buildings: Energy Step Code – Investigate Revitalization Tax Exemption for highest step   | One-time             | -                                 | -                            | -                                | -                |
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| <br><b>Energy Retrofits</b>                         | Residential: Heritage Energy Grant Pilot <sup>CR</sup>   | Annual               | -                                 | \$15,000                     | \$15,000 <sup>e</sup>            | \$30,000         |
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| <br><b>City operations</b>                          | Establish policy for Energy Committee guidance on energy and GHG reduction opportunities for energy consuming assets.  | -                    | -                                 | -                            | -                                | -                |
|  | Identify comprehensive, facility wide energy and GHG reduction projects. <sup>m CR</sup>   | -                    | -                                 | -                            | -                                | -                |
| <b>TOTAL COST</b>  |  |                      | <b>\$570,000</b>                  | <b>\$260,000</b>             | <b>\$160,000</b>                 | <b>\$990,000</b> |

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<sup>e</sup> Grant unconfirmed - FortisBC has expressed interest in joint pilot..

## 6. Conclusion

Despite the many challenges and competing priorities, taking action to reduce GHG emissions and create a low carbon future is an urgent matter that Council has recognized as a priority.

Accelerating climate action to ensure GHG emissions are decreasing requires ongoing efforts that are backed by staff and financial resources. There is a large global movement to “build back better” from the COVID pandemic in a way that addresses the climate crisis,<sup>22</sup> and while local governments cannot solve the climate crisis on their own, their role is crucial to direct and influence change in the community.

Choosing to accelerate climate action in Kelowna will provide benefits that reach far beyond lowering GHG emissions. These include creating healthier and more livable communities for people of all ages and abilities; greater community resilience; and reduced costs.<sup>23</sup> Further, some of the actions will stimulate economic recovery from the COVID pandemic. Thus, while climate action requires an immediate injection of resources to make a meaningful impact, it is an investment that will contribute to the community’s well-being and long-term sustainability.

There is no single solution that will solve the crisis. All actions, big and small, will be needed to begin the transition to a thriving, low carbon community. The transition will take time and be challenging, but the actions provide “win-win” solutions that will also help achieve Imagine Kelowna and improve quality of life, all while contributing to a climate-safe future.

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<sup>22</sup> BBC, June 24, 2020. Has the pandemic helped individuals and leaders get any closer to tackling the environmental crisis? <https://www.bbc.com/future/article/20200624-has-covid-19-brought-us-closer-to-stopping-climate-change>

<sup>23</sup> BC Municipal Climate Leadership Council and the Community Energy Association. The Climate Leaders Playbook. The Facts. <https://bcclimateleaders.ca/playbook/the-facts/>



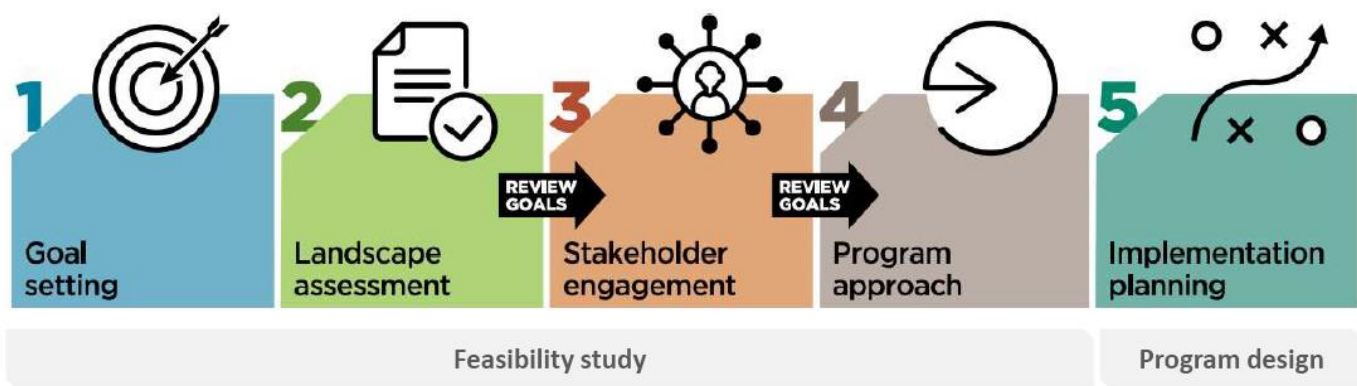
## Appendix B: Home Energy Retrofit Financing Program Feasibility Study

Community Efficiency Financing (CEF) is a new initiative of the Federation of Canadian Municipalities' (FCM) Green Municipal Fund (GMF). CEF supports municipalities at all stages of the journey in assessing feasibility, designing, implementing, scaling up and evaluating financing programs for home energy upgrades that have triple-bottom line benefits.

CEF focuses on energy efficiency and renewable energy as a driver for greenhouse gas (GHG) emissions reductions. Specifically, it unlocks new approaches to financing energy upgrades in existing homes within the low-rise residential sector (e.g., Property Assessed Clean Energy financing, on-bill, third party lending). This call for applications provides grants for studies to be undertaken by municipalities to:

- Explore the feasibility of financing for home energy upgrades
- Design new financing programs for home energy upgrades
- Evaluate existing initiatives

GMF will provide grants for up to 80 per cent of eligible costs, up to a maximum of \$175,000. The application intake window is June 30 to October 30, 2020.



*CEF phases of program planning<sup>1</sup>*







Based on initial conversations with FCM staff, the City of Kelowna is currently at the Feasibility Study stage, where CEF funded studies will explore and assess options for a financing program for home energy upgrades. This may include:

- A baseline assessment of a community's housing stock and energy upgrade potential
- An analysis of how financing may address homeowner barriers to energy efficiency and/or renewable energy upgrades or existing efficiency programs
- An evaluation of available financing models within the context of municipal law
- Engagement with key municipal and external stakeholders on shared goals for a local financing initiative.<sup>2</sup>

<sup>1</sup> Federation of Canadian Municipalities (FCM). 2020. Presentation (September 15, 2020): Learn how GMF's Community Efficiency Financing (CEF) study grants can benefit your community.

<sup>2</sup> Federation of Canadian Municipalities (FCM). 2020. Community Efficiency Financing: Application Guide (Feasibility, program design and evaluation studies). Retrieved from: <https://fcm.ca/en/programs/green-municipal-fund/community-efficiency-financing>.

## Appendix C: Recommended Accelerated Climate Actions for 2021 (note: some of these actions will continue beyond 2021)

|  | Action   | City Investment type | 2021 Capital or Operating Request | 2021 Climate Reserve Request | Grant / partnership contribution | 2021 Total Cost  |
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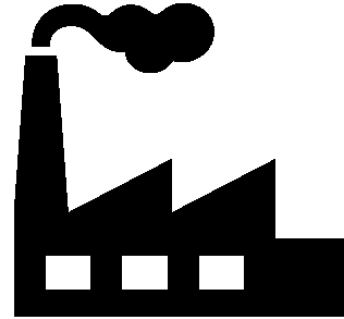
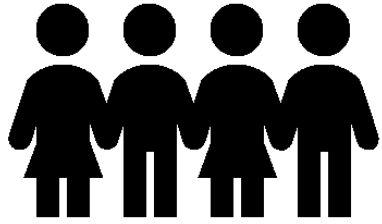
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# Resourcing Accelerated Climate Action

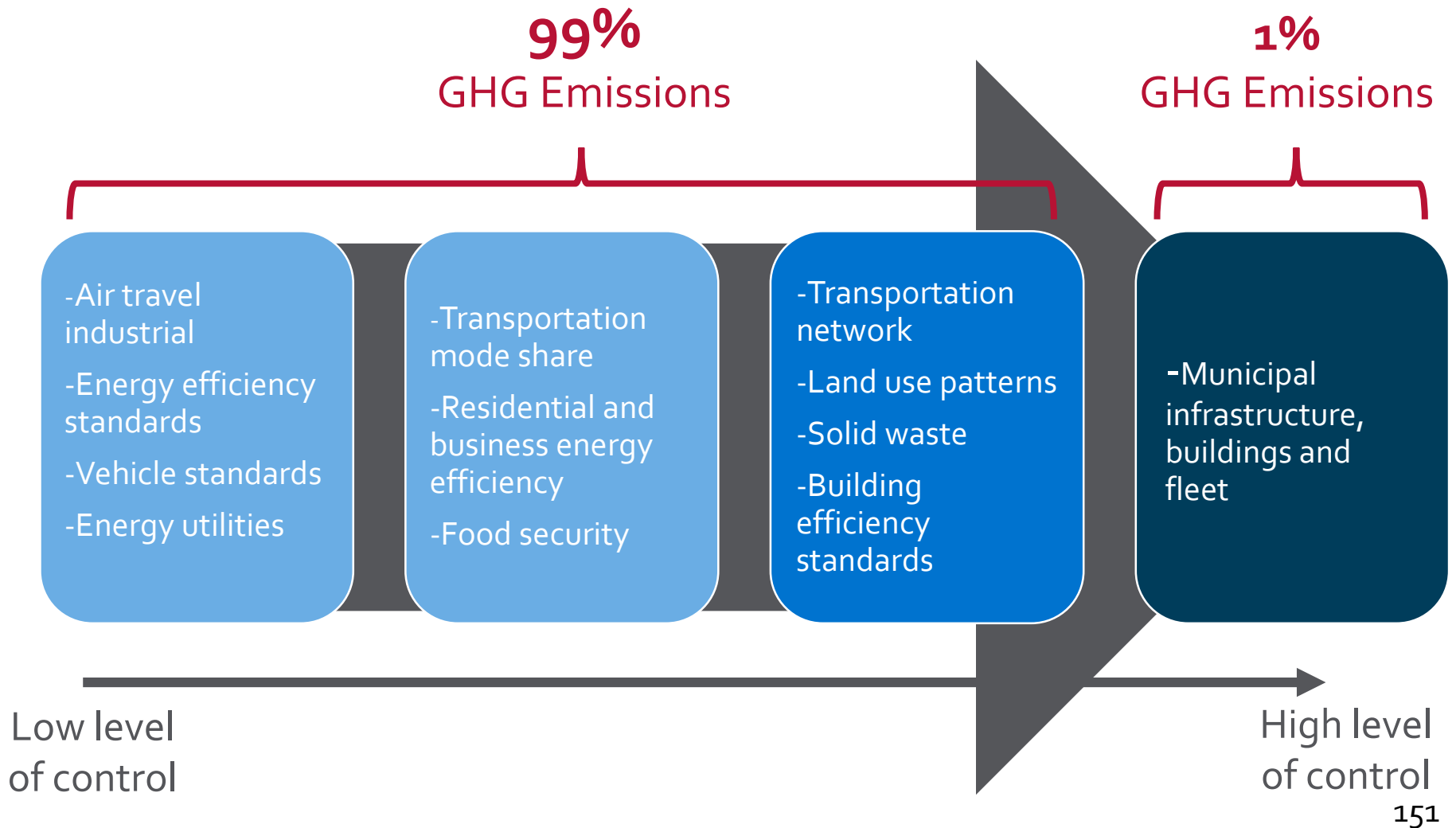
September 2020





Everyone needs to act

# Local government relative control over GHG emissions



# Council Priority: Environmental Protection

Resiliency & adaptability  
to climate change



Greenhouse gas  
emissions are decreasing

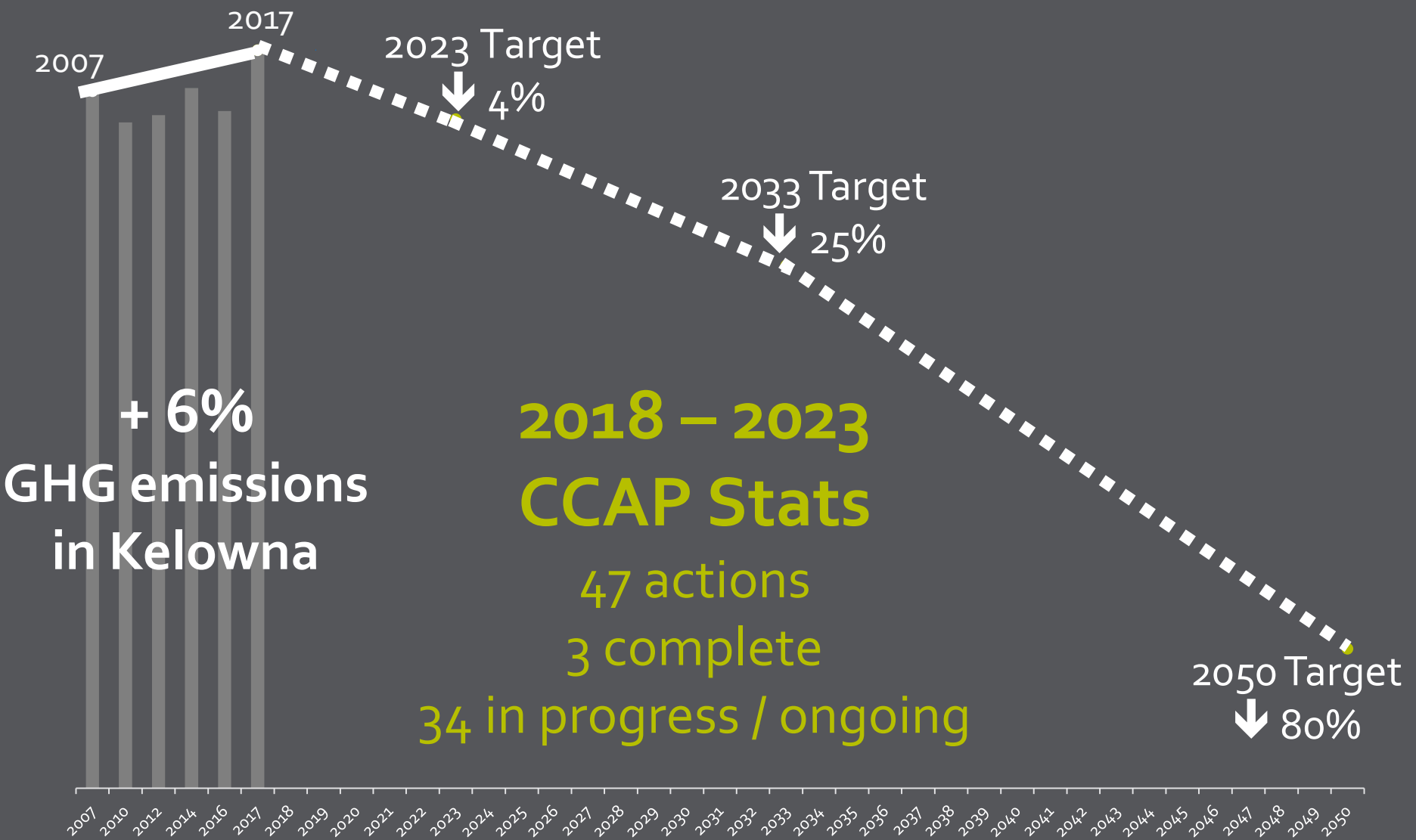


Predictive modelling &  
forecasting



Emergency response &  
preparation







## CHALLENGES

↑ GHG emissions

↑ 50,000 residents

Global pandemic

☒ dedicated climate budget

CCAP only to 2023

Delayed action = consequences

## OPPORTUNITIES

↑ build back better from pandemic

↑ community health

↑ environmental sustainability

↓ costs long term

= IMAGINE KELOWNA

# The “Toolkit”



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Infrastructure

---

Policy and regulation

---

Outreach and capacity building

---

Incentives

---

Collaboration and partnerships

---

Advocacy

# Accelerated action needs

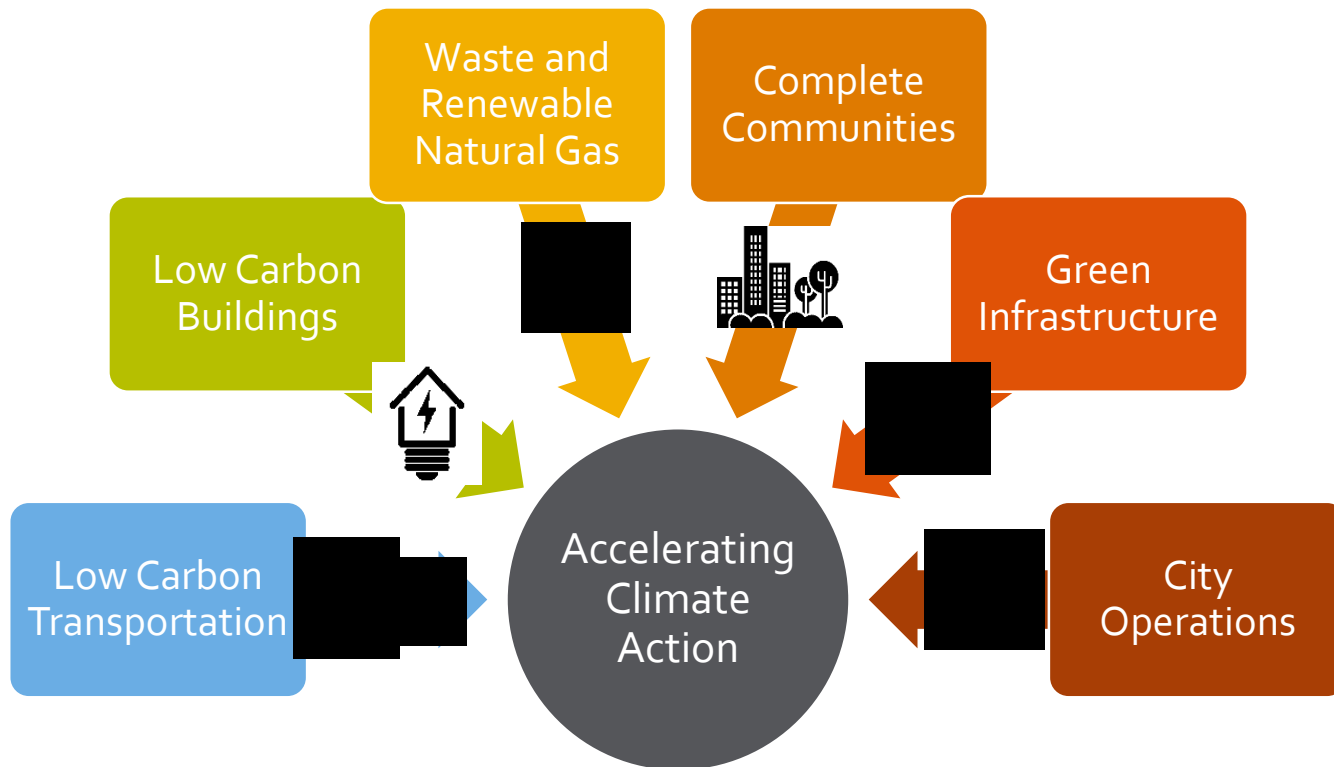


DEDICATED FUNDS

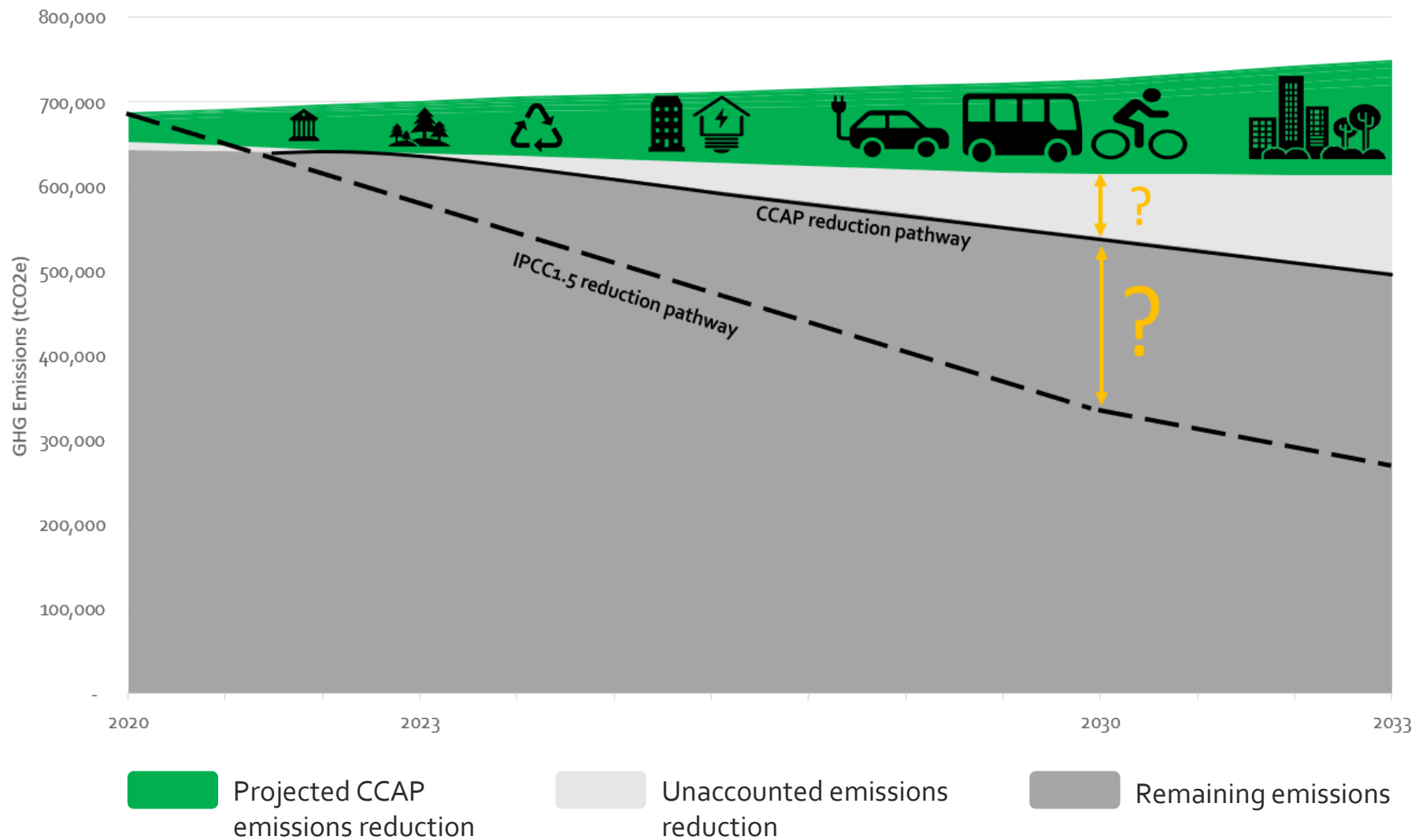


POLICY SHIFTS

# Priority Action Areas







Incremental steps to achieve the target<sub>158</sub>

# Recommendations for 2020/2021

- 1 Implement and fund 2020 recommended action
- 2 Implement and fund 2021 actions, subject to budget and grant approvals
- 3 Model accelerated climate action

# 2020 and 2021 accelerated actions considerations



Opportunities for grants or partnerships



Balancing limited resources



Optimizing resource efficiencies

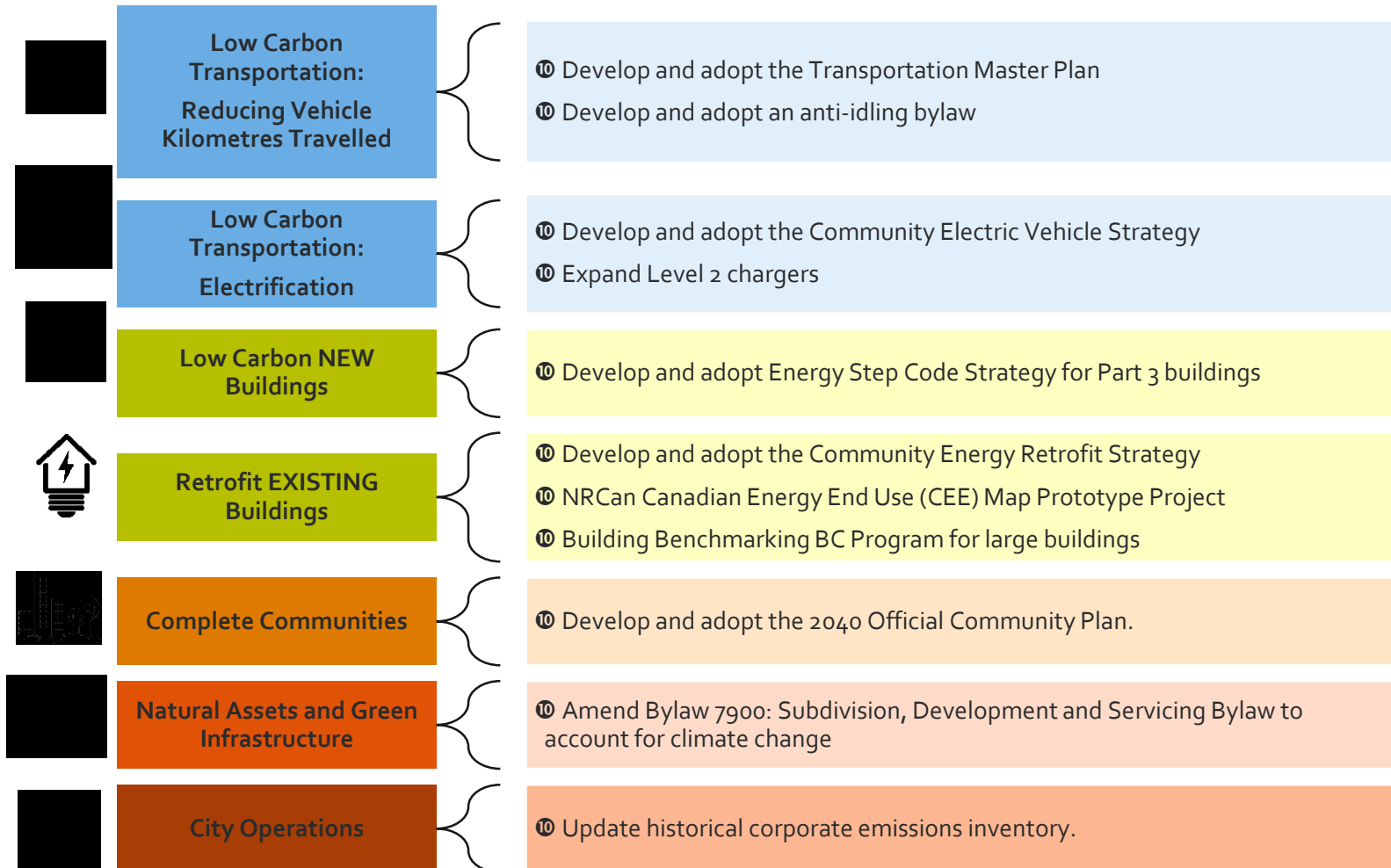


Action is necessary for future work planning



Action will help stimulate economic recovery

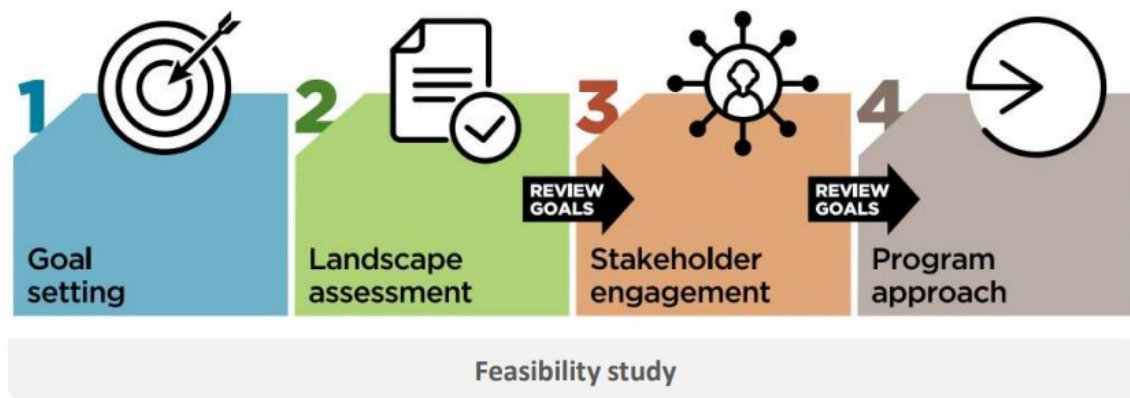
# Actions already in progress





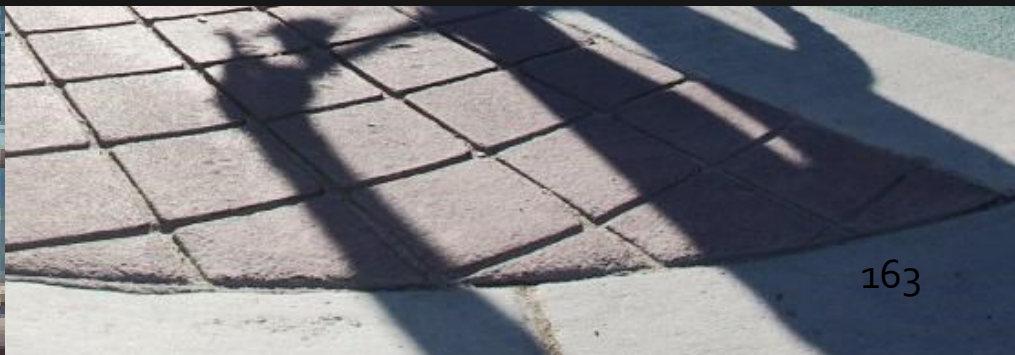
# 2020 Recommended Action: Support and Fund FCM Community Efficiency Financing Grant

| Category                    | Action   | Grant / partnership contribution | City Budget Required | Potential Budget Source |
|-----------------------------|--|----------------------------------|----------------------|-------------------------|
| Retrofit existing buildings | Feasibility study for a home energy efficiency financing program | Up to \$120K                     | Up to \$30K          | Climate Action Reserve  |





# 2021 Recommended Actions



# Recommended Actions: Active Transportation



Neighbourhood Bikeways Program



Bike Lane Snow Clearing Study



Income qualified E-bike incentive Pilot program

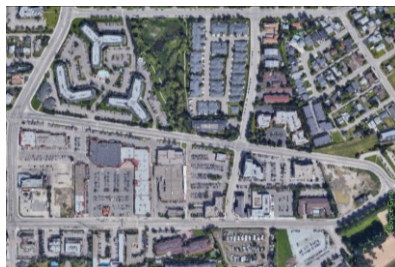
Ongoing / Annual budget required

No financial budget

# Recommended Actions: Sustainable Transportation Programs



Trip Reduction and  
Flexible Workplace  
Policy



Pandory / Richter  
Transit Corridor Study



Education &  
Awareness Program

3-year pilot project

One-time funding required

Ongoing / Annual budget required



# Recommended Actions: Sustainable Transportation Advocacy



Advocate for CleanBC goals to be reflected in provincial planning and capital investments

No financial budget

# Recommended Actions: Electric Vehicles



EV Readiness Policy for new developments



Streetlamp charging pilot project



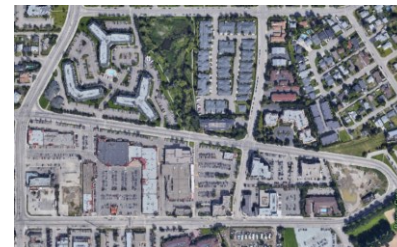
Municipal top-up for residential chargers



Promotion, workshops, and training



Add Level 3 DCFC charger at Museum Parking Lot



Advocate for provincial EV programs

No financial budget or  
Already budgeted

Ongoing / Annual budget required

One-time funding required

# Recommended Actions: Low Carbon NEW Buildings



Audit Program for Energy  
Step Code (Part 9 Buildings)



Investigate RTE for highest  
step (Part 3 buildings)



Advocate for GHG metrics in the  
Energy Step Code framework



Promotion, workshops, and  
Industry training

No financial budget or  
Already budgeted

Ongoing / Annual budget required

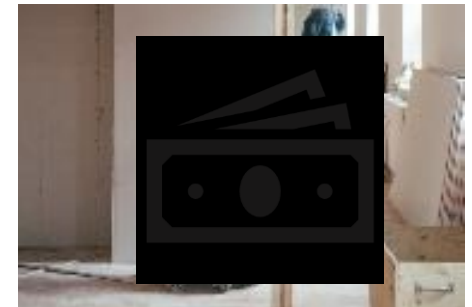
# Recommended Actions: Low Carbon EXISTING Buildings



Municipal top-up for  
heat pumps and  
EnerGuide  
assessments



Heritage Energy Grant  
Pilot Program



Advocate for PACE-  
enabling legislation  
and home energy  
labelling

No financial budget or  
Already budgeted

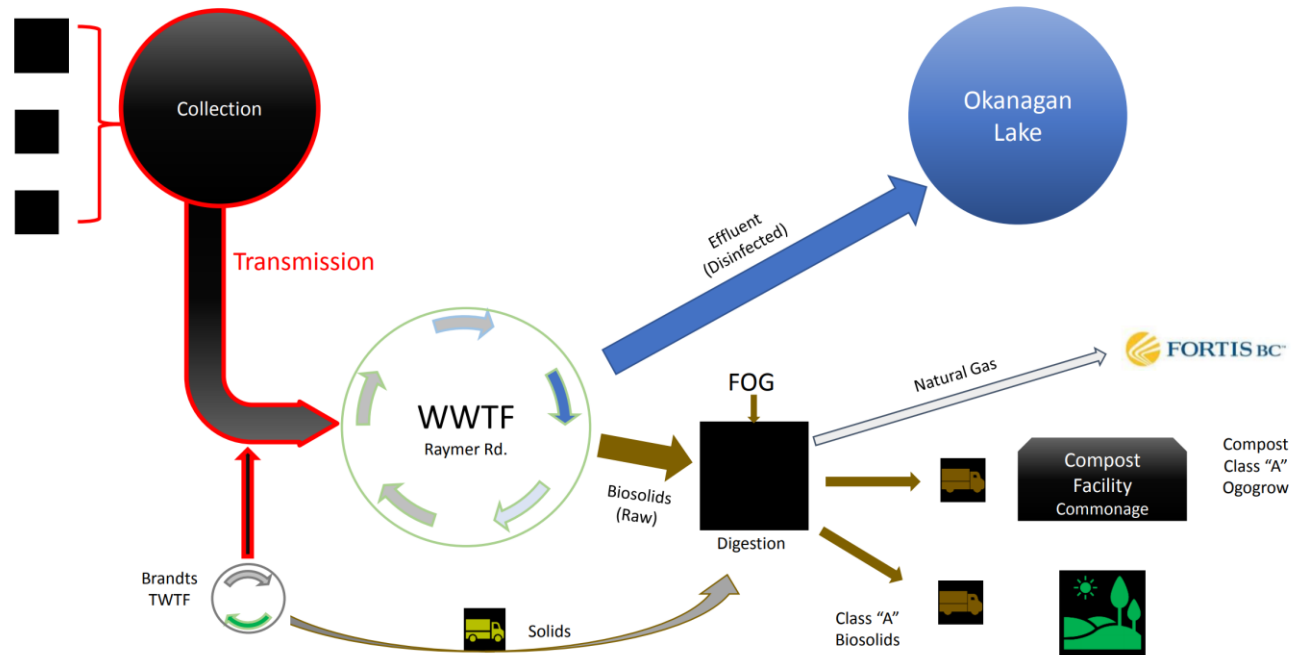
Ongoing / Annual budget required

One-time funding required



# Recommended Actions: Waste and Renewable Natural Gas

Develop business plan and regional extent of anaerobic digestion inputs and post-processing



One-time funding required

# Recommended Actions: City Operations



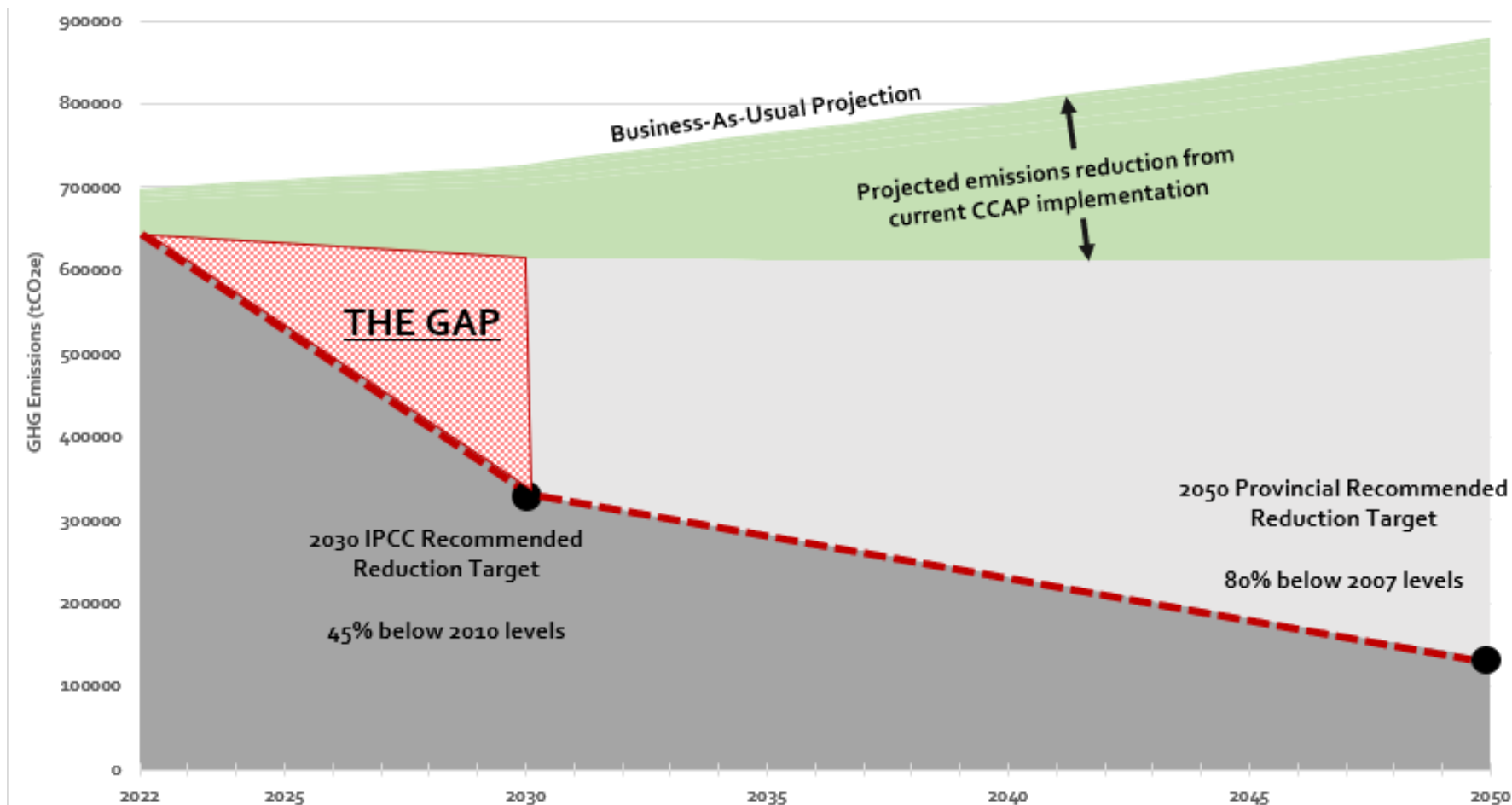
Establish updated policy  
for the **Corporate Energy  
Committee**










Identify comprehensive,  
**facility-wide energy and  
GHG reduction projects**

 No financial budget

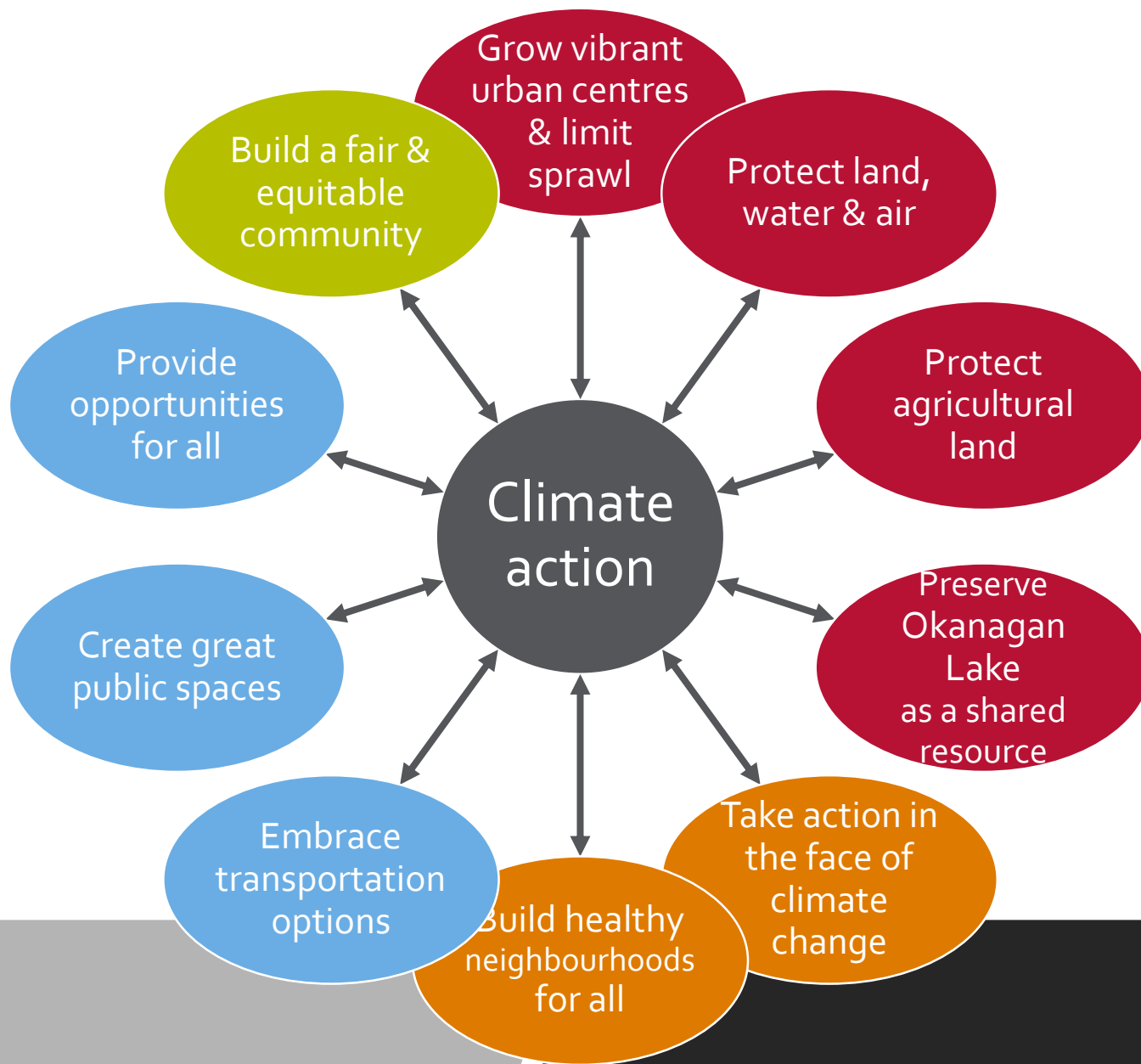
# Recommended Action: Re-model GHG emissions reduction pathway



# 2021 Summary of Costs and External Contributions

| Category   | Policy Alignment and Justification   | Budget Required | Grant / Partnership Contribution |
|--|--|-----------------|----------------------------------|
|  Re-modelling GHGs and identifying new actions | <ul style="list-style-type: none"> <li>• CCAP: need to identify accelerated actions beyond 2021</li> </ul>   | \$70K           | -                                |
|  Low-carbon transportation: reduce VKT         | <ul style="list-style-type: none"> <li>• Council priorities:               <ul style="list-style-type: none"> <li>• Connecting high density areas</li> <li>• More trips by transit, cycling &amp; walking</li> <li>• More opportunities to learn about transportation</li> </ul> </li> </ul> | \$170K          | -                                |
|  Low-carbon transportation: electrification    | <ul style="list-style-type: none"> <li>• Council priority: emerging technologies make it easier to get around</li> </ul>   | \$80K           | \$120K                           |
|  Retrofit EXISTING buildings                   | <ul style="list-style-type: none"> <li>• Healthy Housing Strategy: reduce household carrying costs</li> </ul>  | \$40K           | \$40K                            |
|  Low carbon NEW buildings                     | <ul style="list-style-type: none"> <li>• Healthy Housing Strategy: reduce household carrying costs</li> </ul>  | \$20K           | -                                |
|  Waste and RNG                               | <ul style="list-style-type: none"> <li>• Council priority: Economic resiliency</li> </ul>  | \$400K          | -                                |
|  City operations                             | <ul style="list-style-type: none"> <li>• Corporate Energy and Emissions Plan</li> </ul>  | -               | -                                |
|  |  | \$830K          | \$160K <sup>173</sup>            |











# Win-Win Solutions



## *Questions?*

For more information, visit [kelowna.ca](http://kelowna.ca).

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|   | Residential: Heritage Energy Grant Pilot <sup>CR</sup>   | Annual               | -                                 | \$15,000                     | \$15,000 <sup>a</sup>            | \$30,000        |
|   | Residential: Municipal top up – for CleanBC Better Homes Program <sup>CR</sup>   | Annual               | -                                 | \$20,000                     | \$25,000 <sup>c</sup>            | \$45,000        |
|   | Residential, Commercial, and Industrial: Promotions, workshops and training  | Annual               | -                                 | \$5,000 <sup>d</sup>         | -                                | \$5,000         |
| <br>Waste and RNG                            | Residential, Commercial, and Industrial: Advocate for PACE-enabling legislation, home-energy labelling requirements <sup>CR</sup>  | -                    | -                                 | -                            | -                                | -               |
|   | Develop business plan and regional extent of digestion inputs and post-processing <sup>CR</sup>  | One-time             | \$400,000                         | -                            | -                                | \$400,000       |
| <br>City operations                           | Establish policy for Energy Committee guidance on energy and GHG reduction opportunities for energy consuming assets.  | -                    | -                                 | -                            | -                                | -               |
|   | Identify comprehensive, facility wide energy and GHG reduction projects <sup>m CR</sup>  | -                    | -                                 | -                            | -                                | -               |
| TOTAL COST  |  |                      | \$570,000                         | \$260,000                    | \$160,000                        | \$990,000       |

# Report to Council



**Date:** October 19, 2020  
**To:** Council  
**From:** City Manager  
**Subject:** 2021 Permissive Tax Exemption Bylaw No. 12034  
**Department:** Financial Services

---

## **Recommendation:**

THAT Council receives, for information, the Report from the Revenue Department dated October 19, 2020 with respect to the 2021 Permissive Tax Exemption Bylaw;

AND THAT Bylaw No. 12034, being the Permissive Tax Exemption Bylaw be forwarded for reading consideration.

## **Purpose:**

**Council to consider a property tax exemption for those organizations that have met the qualifications as outlined in Permissive Tax Exemption Policy #327.**

## **Background:**

Section 224 of the Community Charter provides the authority for permissive tax exemptions. Council may exempt land and improvements in their entirety or a portion thereof for a period of up to 10 years. Authority to grant permissive tax exemptions is a policy tool available to Council to promote or achieve specific goals. As a general rule when Council grants a permissive tax exemption on a specific property, that property is automatically exempted from municipal, school, regional district, hospital and BC Assessment taxes. The permissive tax exemption does not apply to utility fees such as garbage/landfill/recycle charges or to parcel taxes such as the Water Parcel tax.

Permissive Tax Exemption Policy #327 sets out the extent, conditions, and penalties, along with the general process and the eligibility criteria used by the City of Kelowna to determine property eligibility for Permissive Tax Exemptions.

There is no obligation on the part of Council to grant a permissive tax exemption in any year. Permissive tax exemptions that are granted in any year reduce the total value of the tax base for that year and thereby increase the burden of taxation to properties that are not exempt.



## Discussion:

The process requires the completion of applications on a five-year basis for places of worship, private schools and hospitals, with other non-profit organizations reapplying and being reconsidered annually. The year 2021 is the first in this five-year cycle for places of worship, private schools and hospitals.

Renewal applications for all currently exempt applicants as well as new applicants were reviewed by staff in relation to Council Policy # 327 and the below recommendations represent the changes to the status of each applicant.

The estimated municipal tax impact related to the 2021 permissive exemptions is \$1,964,117.

The following changes to Schedules A through H of the 2020 Tax Exemption Bylaw No. 11936 for 2021 property tax exemption are placed before Council for consideration:

### Schedule A, Public Worship:

| FOLIO     | LEGAL DESCRIPTION   | REGISTERED OWNER/LESSEE   | CHANGE/COMMENT                                       |
|-----------|---|---|--|
| 016620    | Lot 8, Plan 1303 & Lot 1, DL 139 PL13585 & Lot 1 DL139 PL3585 | The BC Conference of the Mennonite Brethren Church                      | Add – Reclassification from Schedule H to A          |
| 016680    | Plan KAP1303, Lot 17, DL139                                   | The BC Conference of Mennonite Brethren Church & Chronos Properties Ltd | Add – Reclassification from Schedule H to A          |
| 05669.001 | Lot A, Plan 51686   | Okanagan Buddhist Cultural Centre                                       | Remove – Not Eligible. Land and building not in use. |

### Schedule B, Private Schools:

| FOLIO  | LEGAL DESCRIPTION         | REGISTERED OWNER/LESSEE         | CHANGE/COMMENT                                 |
|--------|---------------------------|---------------------------------|--|
| 052700 | Lot C, Plan 12546, DL 138 | Roman Catholic Bishop of Nelson | Remove – Reclassification from Schedule B to E |

### Schedule C, Hospitals: No change

### Schedule D, Special Needs Housing:

| FOLIO  | LEGAL DESCRIPTION | REGISTERED OWNER/LESSEE                         | CHANGE/COMMENT   |
|--------|-------------------|---|--|
| 046240 | Lot 20, Plan 9138 | Kelowna Gospel Mission Society                  | Remove – housing provided beyond 2 years                   |
| 046250 | Lot 21, Plan 9138 | Kelowna Gospel Mission Society                  | Remove – housing provided beyond 2 years                   |
| 071805 | Lot 1, Plan 31133 | Adult Integrated Mental Health Services Society | Remove – no application as housing provided beyond 2 years |

**Schedule E, Social Services:**

| FOLIO  | LEGAL DESCRIPTION                 | REGISTERED OWNER/LESSEE                         | CHANGE/COMMENT   |
|--------|-----------------------------------|---|--|
| 052700 | Lot C, Plan 12546, DL 138         | Roman Catholic Bishop of Nelson                 | Add – Reclassification from Schedule B to E                          |
| 057010 | Lot 1, Sec 20, Twp 26, Plan 15741 | Starbright Children's Development Centre Assoc. | Change – taxable portion for lease/rental to third parties increased |

**Schedule F, Public Park/Recreation Ground, Public Athletic/Recreational:**

| FOLIO                   | LEGAL DESCRIPTION                    | REGISTERED OWNER/LESSEE                                     | CHANGE/COMMENT   |
|-------------------------|--------------------------------------|---|--|
| 09461.001/<br>09472.588 | Lot B/Lot 2, DL 14, LD 41, KAP 10727 | Kelowna Outrigger Racing Canoe Club Society/City of Kelowna | Remove – folio change, see folios 09461.002-09461.005                |
| 09461.002-<br>09461.005 | Lot B, DL 14, LD 41, KAP 10727       | Kelowna Outrigger Racing Canoe Club Society/City of Kelowna | Add – folio change, see folios 09461.001 and 09472.588               |
| 11501.989/<br>11501.979 | Lot 1, Plan 35229                    | Central Okanagan Small Boat Association/City of Kelowna     | Change – taxable portion for lease/rental to third parties decreased |

**Schedule G, Cultural Organizations:**

| FOLIO  | LEGAL DESCRIPTION | REGISTERED OWNER/LESSEE                           | CHANGE/COMMENT  |
|--------|-------------------|---|-----------------|
| 080256 | Lot A, KAP67454   | Kelowna Visual and Performing Arts Centre Society | Add – new folio |

**Schedule H, Other Non-Profit Societies:**

| FOLIO                   | LEGAL DESCRIPTION   | REGISTERED OWNER/LESSEE   | CHANGE/COMMENT                                 |
|-------------------------|---|---|--|
| 06371.365-<br>06371.403 | Lot 1-39, Plan KAS384   | The Society of Housing Opportunities and Progressive Employment         | Remove – housing provided beyond 2 years       |
| 016620                  | Lot 8, Plan 1303 & Lot 1, DL 139 PL13585 & Lot 1 DL139 PL3585 | The BC Conference of the Mennonite Brethren Church                      | Remove – Reclassification from Schedule H to A |
| 016680                  | Plan KAP1303, Lot 17, DL139                                   | The BC Conference of Mennonite Brethren Church & Chronos Properties Ltd | Remove – Reclassification from Schedule H to A |
| 000641                  | Plan EPP 74060, Lot 1527                                      | Tourism Kelowna Society   | Change – taxable portion for retail space      |

The following application was received and reviewed, but is not recommended to be approved for an exemption:

| FOLIO  | LEGAL DESCRIPTION           | REGISTERED OWNER/LESSEE                         | COMMENT                               |
|--------|-----------------------------|---|---------------------------------------|
| 072685 | LB551701,<br>KAP31716 Lot G | SCHOOL DISTRICT NO. 23<br>(CENTRAL<br>OKANAGAN) | Not eligible. Vacant land not in use. |

On October 1, 2012, Council endorsed Policy # 327 (Permissive Tax Exemption Policy), reaffirming that it is fair, consistent and appropriate.

**Conclusion:**

It is recommended that Council approve the changes to Schedules A through H shown in the tables above and approve the complete Schedules A through H in the attached proposed Bylaw No. 12034.

**Internal Circulation:**

Active Living & Culture  
Cultural Services  
Business & Entrepreneurial Development

**Considerations applicable to this report:**

***Legal/Statutory Authority:***

Council may, by bylaw in accordance with sections 220, 224 and 225 of the Community Charter exempt land or improvements, or both, from taxation to the extent, for the period and subject to the conditions provided in the bylaw

***Legal/Statutory Procedural Requirements:***

Under section 227 of the Community Charter, Council must give notice of a proposed bylaw in accordance with section 94 [public notice must be once a week for 2 consecutive weeks], identifying the property that would be subject to the bylaw, describe the proposed exemption, state the number of years that the exemption may be provided and provide an estimate of the amount of taxes that would be imposed on the property if it were not exempt, for the year in which the proposed bylaw is to take effect and the following 2 years.

Under Division 7 – Permissive Exemptions of the Community Charter a bylaw may only be adopted by an affirmative vote of the majority of Council and does not apply to taxation in a calendar year unless it comes into force on or before October 31 in the preceding year.

***Existing Policy:***

Permissive Tax Exemption Policy 327

***Financial/Budgetary Considerations:***

Tax exemptions are not financed through a budgetary line item in the same way as municipal spending, nor do they affect the amount that has to be raised through property taxes. Nevertheless, tax exemptions do impose a cost on taxpayers who are not exempt. Tax exemptions reduce the total value of the tax base (i.e. the taxable value of property). Therefore, tax exemptions transfer the burden of taxation from properties that are exempt to properties that are taxable. An increase in the value of tax exemptions increases the taxes paid by properties that are not tax exempt. Refer to Appendix A, 2021 Tax Exemptions Summary – Municipal Tax Impact related to General Exemption and Permissive Exemption and Appendix B, 2021 Tax Exemptions Summary – Municipal Tax Impact related to Permissive Exemption only.

**Considerations not applicable to this report:**

***External Agency/Public Comments:***

***Communications Comments:***

Submitted by: A. Schumacher, Revenue Supervisor

**Approved for inclusion:**



G. Davidson, Divisional Director, Financial Services

cc: BC Assessment

**Attachments:**

PTE 2021 Permissive Tax Exemptions Presentation

Appendix A, 2021 Tax Exemptions Summary –Municipal Tax Impact related to General Exemption and Permissive Exemption

Appendix B, 2021 Tax Exemptions Summary –Municipal Tax Impact related to Permissive Exemption only

Appendix C, Policy # 327

Appendix D, Tax Exemption Bylaw –Schedules Background



**Appendix A, 2021 Tax Exemptions Summary – Municipal Tax Impact related to General Exemption and Permissive Exemption:**

| Schedule   | Class 01:<br>Residential | Class 06:<br>Business | Class 08:<br>Recreation /<br>Non-Profit | Total              |
|--|--------------------------|-----------------------|---|--------------------|
| <b>A - Places of Worship</b>   |                          |                       |   |                    |
| Assessed Values  | 0                        | 7,977,550             | 185,087,500                             | 193,065,050        |
| Municipal Taxes  | \$0                      | \$56,984              | \$608,584                               | \$665,568          |
| <b>B - Private Schools</b>   |                          |                       |   |                    |
| Assessed Values  | 0                        | 76,145,450            | 12,372,700                              | 88,518,150         |
| Municipal Taxes  | \$0                      | \$543,911             | \$40,683                                | \$584,593          |
| <b>C - Hospitals</b>   |                          |                       |   |                    |
| Assessed Values  | 0                        | 6,905,000             | 0                                       | 6,905,000          |
| Municipal Taxes  | \$0                      | \$49,323              | \$0                                     | \$49,323           |
| <b>D - Special Needs Housing</b>   |                          |                       |   |                    |
| Assessed Values  | 16,882,000               | 463,600               | 0                                       | 17,345,600         |
| Municipal Taxes  | \$55,509                 | \$3,312               | \$0                                     | \$58,820           |
| <b>E - Social Services</b>   |                          |                       |   |                    |
| Assessed Values  | 4,252,600                | 38,550,200            | 3,518,300                               | 46,321,100         |
| Municipal Taxes  | \$13,983                 | \$275,366             | \$11,568                                | \$300,916          |
| <b>F - Public Park or Recreation Ground, Public Athletic or Recreational</b> |                          |                       |   |                    |
| Assessed Values  | 21,171,800               | 10,607,300            | 94,238,300                              | 126,017,400        |
| Municipal Taxes  | \$69,615                 | \$75,769              | \$309,864                               | \$455,248          |
| <b>G - Cultural</b>  |                          |                       |   |                    |
| Assessed Values  | 455,100                  | 56,973,700            | 3,787,500                               | 61,216,300         |
| Municipal Taxes  | \$1,496                  | \$406,967             | \$12,454                                | \$420,917          |
| <b>H - Other</b>   |                          |                       |   |                    |
| Assessed Values  | 702,000                  | 8,091,000             | 0                                       | 8,793,000          |
| Municipal Taxes  | \$2,308                  | \$57,794              | \$0                                     | \$60,102           |
| <b>Grand Total</b>   |                          |                       |   |                    |
| Assessed Values  | 43,463,500               | 205,713,800           | 299,004,300                             | 548,181,600        |
| Municipal Taxes  | <b>\$142,911</b>         | <b>\$1,469,426</b>    | <b>\$983,153</b>                        | <b>\$2,595,490</b> |

Note: Schedules A, B & C include the land assessed values of the buildings footprint which is a general exemption.

**Appendix B, 2021 Tax Exemptions Summary – Municipal Tax Impact related to Permissive Exemption only:**

| Schedule   | Class 01:<br>Residential | Class 06:<br>Business | Class 08:<br>Recreation /<br>Non-Profit | Total              |
|--|--------------------------|-----------------------|---|--------------------|
| <b>A - Places of<br/>Worship</b>   |                          |                       |   |                    |
| Assessed Values  | 0                        | 2,497,500             | 114,789,900                             | 117,287,400        |
| Municipal Taxes  | \$0                      | \$17,832              | \$377,439                               | \$395,271          |
| <b>B - Private Schools</b>   |                          |                       |   |                    |
| Assessed Values  | 0                        | 34,335,500            | 4,143,000                               | 38,478,500         |
| Municipal Taxes  | \$0                      | \$245,259             | \$13,623                                | \$258,882          |
| <b>C - Hospitals</b>   |                          |                       |   |                    |
| Assessed Values  | 0                        | 2,763,000             | 0                                       | 2,763,000          |
| Municipal Taxes  | \$0                      | \$19,736              | \$0                                     | \$19,736           |
| <b>D - Special Needs Housing</b>   |                          |                       |   |                    |
| Assessed Values  | 16,882,000               | 443,600               | 0                                       | 17,325,600         |
| Municipal Taxes  | \$55,507                 | \$3,171               | \$0                                     | \$58,678           |
| <b>E - Social Services</b>   |                          |                       |   |                    |
| Assessed Values  | 4,252,600                | 38,062,000            | 3,518,300                               | 45,832,900         |
| Municipal Taxes  | \$13,983                 | \$271,878             | \$11,568                                | \$297,429          |
| <b>F - Public Park or Recreation Ground, Public Athletic or Recreational</b> |                          |                       |   |                    |
| Assessed Values  | 21,171,800               | 10,497,300            | 94,238,300                              | 125,907,400        |
| Municipal Taxes  | \$69,615                 | \$74,979              | \$309,864                               | \$454,458          |
| <b>G - Cultural</b>  |                          |                       |   |                    |
| Assessed Values  | 455,100                  | 56,843,700            | 3,787,500                               | 61,086,300         |
| Municipal Taxes  | \$1,496                  | \$406,038             | \$12,454                                | \$419,988          |
| <b>H - Other</b>   |                          |                       |   |                    |
| Assessed Values  | 702,000                  | 7,971,000             | 0                                       | 8,673,000          |
| Municipal Taxes  | \$2,308                  | \$57,367              | \$0                                     | \$59,675           |
| <b>Grand Total</b>   |                          |                       |   |                    |
| Assessed Values  | 43,463,500               | 153,413,600           | 220,477,000                             | 417,354,100        |
| Municipal Taxes  | 142,909                  | 1,096,260             | 724,948                                 | <b>\$1,964,117</b> |

Note: Schedules A, B & C include the land assessed values of the buildings footprint which is a general exemption.



City of Kelowna  
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# Council Policy

## Permissive Tax Exemption Policy

APPROVED August 8, 2005

RESOLUTION R840/17/10/16

REPLACING: R375/10/04/26; R446/06/05/15; R759/05/08/08

DATE OF LAST REVIEW: October 2017

### A. PREAMBLE

The City of Kelowna recognizes the significant value of volunteers, volunteer groups and agencies to the spiritual, educational, social, cultural, and physical well-being of the community. A permissive tax exemption is a means for Council to support organizations within the community that further Council's objective to enhance the quality of life while delivering services economically to the citizens of Kelowna.

The Permissive Tax Exemption Policy is intended to:

- Provide clarity, consistency and certainty to the municipality, the public and prospective applicants.

### B. EXTENT, CONDITIONS, AND PENALTIES

1. Council may designate only a portion of land/improvements as exempted where the following circumstances exist:
  - a. A portion of the land/improvements is used by private sector and/or organization not meeting Council's exemption criteria.
  - b. The applicant already receives grant in aid from the municipality, provincial or federal government.
  - c. The applicant meets all eligibility criteria, however Council may at its discretion grant a partial exemption.
2. Council may impose conditions on the exempted land/improvements with the applicant organization, including but not limited to:
  - a. Registration of a covenant restricting use of the property.
  - b. An agreement committing the organization to continue a specific service/program
  - c. An agreement committing the organization to have field/facilities open for public use for specific times or a total amount of time
  - d. An agreement committing the organization to offer use of the field/facility to certain groups free of charge or at reduced rates.
  - e. An agreement committing the organization to immediately disclose any substantial increase in the organization's revenue or anticipated revenue (i.e. receives large operating grant from senior government)
3. Council may impose penalties on an exempted organization for knowingly breaching conditions of exemption, including but not limited to:
  - a. Revoking exemption with notice.
  - b. Disqualifying any future application for exemption for specific time period.
  - c. Requiring repayment of monies equal to the foregone tax revenue.

### C. PROCESS

Council will consider permissive tax exemption applications from Places of Worship, Private Schools and Hospitals for a period of up to 5 years. Other Non-Profit organizations will be considered annually.

The opportunity to apply for a permissive tax exemption will be advertised in the local newspaper once in the month of June. Application forms can be downloaded from the City of Kelowna website, or picked up at City Hall in the Revenue Branch of the Financial Services Department.

### Application Forms

Places of Worship, Private Schools and Hospitals are required to complete the Place of Worship, Private School, and Hospital 5 Year Application. The City of Kelowna will administer these applications on a 5-year cycle. If the application is approved the organization will be exempt for the number of years remaining in the cycle. At the end of the 5 year cycle all organizations must complete an application for the next 5 years. It is the organization's responsibility to notify the City of Kelowna of any changes in property ownership and/or use of the property.

For example:

| Application Period | Number of Years Exempt | Application Due Date |
|--------------------|------------------------|----------------------|
| 2011 – 2015        | 5 Years                | July 15, 2010        |
| 2012 – 2015        | 4 Years                | July 15, 2011        |
| 2013 – 2015        | 3 Years                | July 15, 2012        |
| 2014 – 2015        | 2 Years                | July 15, 2013        |
| 2015               | 1 Year                 | July 15, 2014        |

Other Non-Profit Organizations will be required to complete a Comprehensive Non-Profit Application. If the application is approved for the next tax year, the organization will be required to submit a short renewal application every year for the next 4 tax years. The renewal application is confirmation that ownership and use of property has not changed and will be reviewed and approved before a permissive tax exemption is granted.

The Place of Worship, Private Schools and Hospital applications and the Comprehensive Non-Profit applications must have the following information attached before consideration of a 5-year permissive tax exemption:

- Copy of last Registered Charity Information Return or Non-Profit Organization Information Return submitted to the CCRA
- Copy of most current Audited Financial Statements
- Financial Budget (pro-forma Balance Sheet and Income Statement) for the current 12 months
- Scale Drawing of Property, that includes buildings, parking lots, landscaping, playgrounds, fields, etc.
- Copy of Lease Agreement if applicable

Applications with required supporting information must be submitted prior to July 15th of each year to be considered for the next permissive tax exemption year or cycle.

### Additional Information

Council may request a presentation from applying organization.

The City of Kelowna may request additional information.

The City of Kelowna reserves the right to review records and/or property to verify information provided in support of application.

Successful applicants may be asked to publicly acknowledge the exemption.

Council may, at its discretion, reject any or all applicants in any given year.

This policy does not apply to permissive tax exemptions for heritage revitalization, riparian, and other special exemption authority.

### Eligibility Criteria

To be eligible for a permissive tax exemption an organization must comply with all of the eligibility criteria outlined below. The application forms and supporting documentation are an integral part of this policy. There is no obligation on the part of Council to grant permissive tax exemptions in any given year.

The applicant(s):

1. qualifies for an exemption under the provisions of the Community Charter, general authority for permissive exemptions. (Part 7, Division 7, Section 224).
2. and/or the property owner is in compliance with municipal policies, plans, bylaws, and regulations (i.e. business licensing, zoning).
3. is a Non-Profit Organization.

Tax exemptions will only be granted to organizations that are a Registered Charity or Non-Profit Organization.

The intent of this requirement is to ensure that municipal support is not used to further activities of an organization or individual that, if not for its not-for-profit status would otherwise be considered business, i.e. an organization that is operating as a Non-Profit; although it charges market value for services available, and would be comparable in operations and perception to public as a For Profit Business.

Non-profit organizations conducting retail and/or commercial activity and charging rates or fees at market value are considered to be in competition with for-profit businesses and will not be eligible for tax exemption.

4. provides services or programs that are compatible or complementary to those offered by the City of Kelowna. When a service or program is offered by a non-profit group or club, the Community may benefit from a more cost effective provision of services.

Services provided by an organization should fulfill some basic need, or otherwise improve the quality of life for residents of Kelowna.

5. principal use of property meets Council's objectives. The "principal use of the property" refers to the use related directly to the principal purpose of the organization **owning** the property.

Permissive tax exemptions will be based on the principal use of the property, not on the non-profit or charitable services of the organization.

6. will provide benefits and accessibility to the residents for Kelowna. Specifically, members of the public, within the appropriate age range, are able to join a club or organization and participate in its activities for a nominal rate or fee.

Kelowna residents must be the primary beneficiaries of the organization's services. The services provided on the property must be accessible to the public. Council may at its discretion provide partial exemptions.

7. that provide liquor and/or meal services as their primary function and/or source of revenue will not be eligible for permissive tax exemption.

8. provides short term housing with length of stay up to a maximum of two years.

This would include: emergency shelters, transitional housing, supportive housing for people with special needs, and group homes.

9. that have a residence in the building or on the property will only be exempt if a caretaking function is performed and the property owner (organization) can provide a copy of an agreement demonstrating:

- a. rent is not collected on the residence, and
- b. there is a caretaker agreement in place.

#### Administration

The Revenue Branch in the Financial Services Department will review all applications for completeness and contact the applicant if additional information is necessary.

The Revenue Branch will prepare a summary report of applications and bylaw for presentation to Council the first week of October for approval and adoption prior to October 31st of each year.

A public notice will be placed in the local newspaper of proposed bylaw. The notice will include:

- Property subject to bylaw
- Description of the proposed exemption
- Number of years the exemption will be provided



- Estimate of the amount of taxes that would be imposed on the property if it were not exempt for the year of exemption and following 2 years.

Public notice will be in accordance with Section 94 of the Community Charter.

Places of Worship, Private Schools, and Hospitals that have been approved for permissive tax exemption will be exempt for up to 5 years.

All other Non-Profit Organizations that have been approved will be exempt for 1 year. To be considered for future years a renewal application must be submitted prior to July 15th of each year of the next 4 tax years. A comprehensive application must be submitted at least every 5 years.

#### Late Application

Applications that meet the qualification requirements for permissive tax exemption that are received after the July 15<sup>th</sup> application deadline may be considered for inclusion in the Permissive Tax Exemption Bylaw to be presented to Council in October of the same year. No further consideration will be given to applications received after the current year's Bylaw has been presented to Council.

#### REASON FOR POLICY

Provide clarity for permissive property tax exemption applications.

#### LEGISLATIVE AUTHORITY

Section 224 – *Community Charter*

#### PROCEDURE FOR IMPLEMENTATION

Council Resolution

## APPENDIX D PERMISSIVE TAX EXEMPTION SCHEDULES BACKGROUND

*(all references to “Section” relate to the Community Charter)*

### **SCHEDULE A – Public Worship:**

#### **Statutory Exemption**

A building set apart for public worship, and the land on which the building stands is exempt from taxation (Section 220(1)(h)) if title to the land is registered in:

- the name of the religious organization using the building,
- the trustees for the use of that organization, or
- religious organization granting a lease of the building and land to be used solely for public worship

A permissive tax exemption may be provided for the land surrounding the exempt building that Council considers necessary (Section 224(2)(f)).

A permissive tax exemption may be provided for land and improvements used or occupied by a religious organization, as a tenant or licensee, for the purpose of public worship (Section 224(2)(g)). The lessee under the lease must be required to pay property taxes directly to the City of Kelowna.

### **SCHEDULE B – Private Schools:**

#### **Statutory Exemption**

A building and the land on which the building stands if owned by an incorporated institution of learning that is regularly giving children instruction accepted as equivalent to that given in a public school, is exempt from taxation (Section 220(1)(l)).

A permissive tax exemption may be provided for the land surrounding the exempt building (Section 224(2)(h.1)).

### **SCHEDULE C – Hospitals:**

#### **Statutory Exemption**

A building set apart and used solely as a hospital under the Hospital Act, except a private hospital under that Act, together with the land on which the building stands is exempt from taxation (Section 220(1)(j)).

A permissive tax exemption may be provided for the land surrounding the exempt building (Section 224(2)(h)).

A permissive tax exemption may be provided for land or improvements owned or held by a person or organization and operated as a private hospital licensee under the Hospital Act, or an institution licensed under the Community Care Facility Act (Section 224(2)(j)).

### **SCHEDULE D – Special Need Housing:**

A permissive tax exemption may be provided for land and improvements that are owned or held by a registered charity or non-profit, and Council considers are used for a purpose that is directly related to the purposes of the corporation (Section 224(2)(a)). Special needs housing to members of the community such as:

- Short term emergency or protection housing
- Halfway houses, group homes, or supportive housing for people with special needs

**SCHEDULE E – Social Services:**

A permissive tax exemption may be provided for land and improvements that are owned or held by a registered charity or non-profit, and Council considers are used for a purpose that is directly related to the purposes of the corporation (Section 224(2)(a)). Social services to members of the community such as:

- Food banks, drop in centres for people with special needs, seniors or youth.
- Support services and programs for people with special needs, who are in some way disadvantaged and need assistance in maximizing their quality of life. (i.e. counselling for substance abuse, employment re-entry programs)

**SCHEDULE F – Public Park or Recreation Ground, Public Athletic or Recreational**

A permissive tax exemption may be provided for land or improvements owned or held by a person or athletic or service club or association and used as a public park or recreational ground or for public athletic or recreational purposes (Section 224(2)(i)).

- Facilities must be available to the public; exclusive membership clubs or associations not eligible for exemption.
- Council may impose covenant restricting use of property or require agreement committing organization to offer the field/facility to certain groups free of charge or at reduced rates.

A permissive exemption may be provided when land and improvements are owned by public authority or local authority and used by a non-profit organization for the purpose of public park or recreation ground or athletic or recreational purposes, which would have been exempt if land and improvements were owned by that organization (Section 224(2)(d)). The lessee under the lease must be required to pay the property taxes directly to the City of Kelowna, or have a partnership agreement with the City of Kelowna.

**SCHEDULE G – Cultural Organizations**

A permissive exemption may be provided for land and improvements that are owned or held by a non-profit that provides cultural education and recreation (Section 224(2)(a)). The Facility must be available for members of the public.

**SCHEDULE H – Other Non-Profit Societies**

A permissive tax exemption may be provided for land and improvements that are owned or held by a registered charity or nonprofit society that Council deems beneficial to the community, such as museums, animal shelters, property to preserve wildlife and environmental areas (Section 224(2)(a)).

A permissive tax exemption may be provided for land or improvements, for which a grant has been made, after March 31, 1974, under the Housing Construction (Elderly Citizens) Act before its repeal (Section 224(2)(k)).

**SCHEDULE I – Assessment and Taxation Impact**

Includes land and improvements associated with the following:

- Total projected municipal taxation impact for each of Schedules A through H by assessment class for the years 2021, 2022 and 2023.



# PERMISSIVE TAX EXEMPTIONS 2021



# PERMISSIVE TAX EXEMPTION 2021

A permissive tax exemption is a means for Council to support organizations within the community that further Council's objective to enhance the quality of life while delivering services economically to the citizens of Kelowna.



# PERMISSIVE TAX EXEMPTION 2021

The 2021 taxation year is the beginning of a new five-year cycle for the City of Kelowna's Permissive Tax Exemption process.

# PERMISSIVE TAX EXEMPTION 2021

- ▶ No Changes for 2021
  - ▶ Schedule C, Hospitals

# PERMISSIVE TAX EXEMPTION 2021

## ► Schedule A, Public Worship

| ROLL NO.      | REGISTERED OWNER/LESSEE           | Change                  |
|---------------|-----------------------------------|-------------------------|
| 05669.001     | Okanagan Buddhist Cultural Centre | Removed                 |
| 016620/016680 | Mennonite Brethren Church         | Reclass from Schedule H |

# PERMISSIVE TAX EXEMPTION 2021

## ► Schedule B, Private Schools

| ROLL NO. | REGISTERED OWNER/LESSEE         | Change                |
|----------|---------------------------------|-----------------------|
| 052700   | Roman Catholic Bishop of Nelson | Reclass to Schedule E |

# PERMISSIVE TAX EXEMPTION 2021

## ► Schedule D, Special Needs Housing

| ROLL NO. | REGISTERED OWNER/LESSEE                         | Change  |
|----------|---|---------|
| 046240   | Kelowna Gospel Mission Society                  | Removed |
| 046250   | Kelowna Gospel Mission Society                  | Removed |
| 071805   | Adult Integrated Mental Health Services Society | Removed |



# PERMISSIVE TAX EXEMPTION 2021

## ► Schedule E, Social Services

| ROLL NO. | REGISTERED OWNER/LESSEE                         | Change                    |
|----------|---|---------------------------|
| 052700   | Roman Catholic Bishop of Nelson                 | Reclass from Schedule B   |
| 057010   | Starbright Children's Development Centre Assoc. | Taxable portion increased |

# PERMISSIVE TAX EXEMPTION 2021

## ► Schedule F, Public Park/Recreation Ground, Public Athletic/Recreational

| ROLL NO.            | REGISTERED OWNER/LESSEE                                     | Change                    |
|---------------------|---|---------------------------|
| 09461.001/09472.588 | Kelowna Outrigger Racing Canoe Club Society/City of Kelowna | Removed – folio change    |
| 09461.002-09461.005 | Kelowna Outrigger Racing Canoe Club Society/City of Kelowna | Addition – folio change   |
| 11501.989/11501.979 | Central Okanagan Small Boat Association/City of Kelowna     | Taxable portion decreased |

# PERMISSIVE TAX EXEMPTION 2021

## ► Schedule G, Cultural Organizations

| ROLL NO. | REGISTERED OWNER/LESSEE                           | Change                |
|----------|---|-----------------------|
| o80256   | Kelowna Visual and Performing Arts Centre Society | Addition of new folio |

# PERMISSIVE TAX EXEMPTION 2021

## ► Schedule H, Other Non-Profit Societies

| ROLL NO.            | REGISTERED OWNER/LESSEE                                   | Change                |
|---------------------|---|-----------------------|
| 06371.365-06371.403 | Society of Housing Opportunities & Progressive Employment | Removed               |
| 016620/016680       | Mennonite Brethren Church                                 | Reclass to Schedule A |
| 000641              | Tourism Kelowna Society                                   | Taxable portion added |

# PERMISSIVE TAX EXEMPTION 2021

- ▶ Exemption requests not being recommended
  - ▶ Do not meet eligibility requirements

| ROLL NO. | REGISTERED OWNER/LESSEE                       | Change       |
|----------|---|--------------|
| 072685   | School District No 23 (Central Okanagan)/YMCA | Not eligible |



# PERMISSIVE TAX EXEMPTION 2021

- ▶ 2021 Tax Exemptions Summary – Estimated Municipal Tax Impact related to Permissive Exemption only:

| Municipal Tax Impact | Class o1:<br>Residential | Class o6:<br>Business | Class o8:<br>Recreation/<br>Non-Profit | Total       |
|----------------------|--------------------------|-----------------------|--|-------------|
| Assessed Values      | 43,463,500               | 153,403,600           | 220,477,000                            | 417,354,100 |
| Municipal Taxes      | 142,909                  | 1,096,260             | 724,948                                | \$1,964,117 |



## *Questions?*

For more information, visit [kelowna.ca](http://kelowna.ca).

# CITY OF KELOWNA

## BYLAW NO. 12034

### 2021 Permissive Tax Exemption Bylaw

A bylaw pursuant to Sections 220, 224 and 225 of the Community Charter, to exempt from taxation certain lands and improvements situated in the City of Kelowna

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The Municipal Council of the City of Kelowna, in open meeting assembled, enacts as follows:

1. Those certain parcels or tracts of land and improvements, situated, lying and being in the City of Kelowna, as described in Schedules "A" to "J" attached hereto and forming part of this bylaw, shall be exempt from taxation.
2. This bylaw shall come into full force and effect and is binding on all persons during the 2021 taxation year.
3. This bylaw may be cited as "2021 Permissive Tax Exemption Bylaw No. 12034".

Read a first, second and third time by the Municipal Council this

Adopted by 2/3 of the Municipal Council of the City of Kelowna this

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Mayor

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City Clerk

| Schedule A – Public Worship |  |  |                    |
|-----------------------------|--|--|--------------------|
| FOLIO                       | LEGAL DESCRIPTION  | REGISTERED OWNER/LESSEE  | COMMENTS           |
| 001230                      | Lot 1, Blk 13, Plan 202, DL138                           | The Union of Slavic Churches of Evangelical Christians c/o Trustees    |                    |
| 001350                      | Lots 2 and 3, Blk 15, Plan 202, DL 138                   | Trustees of First United Church  |                    |
| 001360                      | Lot 4, Blk 15, Plan 202, DL 138 In Trust - DD 197582F    | Trustees of First United Church  |                    |
| 001370                      | Lot 5, Blk 15, Plan 202, DL 138 In Trust - DD 197582F    | Trustees of First United Church  |                    |
| 006911                      | Lot 25, Plan 578, DL 138, Except Plan H16278, & Lot A PL | Kelowna Buddhist Society   |                    |
| 018380                      | Lot 2, Plan KAP1319, DL 138                              | Truth Now Tabernacle United Pentecostal Church                         |                    |
| 021300                      | Lot 19-20, Plan 2085, District Lot 139                   | Unitarian Fellowship of Kelowna Society                                | Daycare excluded   |
| 022500                      | Lot 6, Plan 2271, DL 139                                 | Kelowna Tabernacle Congregation - Trustees                             |                    |
| 051070                      | Lot 1, Plan 11332, DL 137                                | Governing Council of the Salvation Army in Canada                      |                    |
| 057510                      | Lot A, Plan 16013, DL 137                                | Convention Baptist Churches of BC                                      |                    |
| 062110                      | Lot A, KAP65650  | The Trustees of Congregation of Kelowna Bible Chapel                   |                    |
| 062120                      | Lot 2, Plan 17933  | Congregation of Kelowna Bible Chapel                                   |                    |
| 068680                      | Lot 3, Plan 25524  | Trustees Congregation - Grace Baptist Church                           |                    |
| 069380                      | Lot A, Plan 27070  | Roman Catholic Bishop Of Nelson  | Residence excluded |
| 071130                      | Lot 1, Plan 30180, DL137                                 | Governing Council of the Salvation Army in Canada (Community Church)   |                    |
| 071680                      | Lot 4, Plan 30824  | BC Corp of the Seventh-Day Adventist Church                            |                    |
| 074502                      | Lot A, Plan 33076, DL138                                 | Roman Catholic Bishop of Nelson  | Residence excluded |
| 075210                      | Lot 1, Plan 34637  | Trustees of The Congregation of the Christ Evangelical Lutheran Church |                    |
| 076394                      | Lot C, Plan 40170, DL137                                 | The Congregation of the First Mennonite Church                         |                    |
| 078266                      | Lot 1, Plan KAP47242                                     | Ukrainian Catholic Eparchy of New Westminster                          | Residence excluded |
| 083239                      | Lot A, Plan KAP91385, DL 14                              | Synod of the Diocese of Kootenay                                       |                    |
| 03255.224                   | Lot 1, Plan KAP56294                                     | Trust Cong St David's Presb Church                                     |                    |
| 03337.370                   | Lot A, Plan 23927  | Kelowna Christian Reformed Church                                      | Daycare excluded   |
| 03337.769                   | Lot A, Plan KAP83760                                     | Okanagan Jewish Community Association                                  | Daycare excluded   |
| 03378.102                   | Lot A, Plan 44041  | Trustees of the Glenmore Congregation of Jehovah's Witnesses           |                    |
| 03922.000                   | Lot A, Plan 5223   | BC Association of Seventh Day Adventists                               |                    |
| 04310.442                   | Lot A, Plan 31085  | Seventh-Day Adventist Church (BC Conference)                           |                    |

| Schedule A – Public Worship |  |   |                                     |
|-----------------------------|--|---|-------------------------------------|
| FOLIO                       | LEGAL DESCRIPTION  | REGISTERED OWNER/LESSEE   | COMMENTS                            |
| 04423.888                   | Lot PT 26, Plan 187 Except Plan 3067, That PT of L 25 PL 187 S/O PL B130 | Synod of the Diocese of Kootenay                                    |                                     |
| 04571.592                   | Lot 1, Sec 19, Twp 26, Plan 37842  | Kelowna Full Gospel Church Society                                  | Housing society residences excluded |
| 04645.000                   | Lot 7, Plan 3727   | Church of the Nazarene - Canada Pacific                             |                                     |
| 04660.000                   | Lot 1, Plan 4877   | Serbian Orthodox Par-Holy Prophet St Ilija (Parish)                 | Residence excluded                  |
| 04803.157                   | Lot A, Sec 22, Twp 26, Plan 71145  | Seventh-Day Adventist Church (BC Conference)                        | Residence excluded                  |
| 04804.250                   | Lot A, Plan 29696  | Gurdwara Guru Amardas Darbar Sikh Society                           | Residence excluded                  |
| 05475.931                   | Lot Pcl Z, Sec 23, Twp 26, Plan 24426, Except Plan KAP69971, DD J53659   | Evangelical Missionary Church of Canada                             |                                     |
| 05476.791                   | Lot B, Plan 41234  | BC Conference of Mennonite Brethren Churches                        | Housing society residences excluded |
| 05606.001                   | Lot A, Plan KAP76650   | Okanagan Sikh Temple & Cultural Society                             | Residence excluded                  |
| 05611.000                   | Lot PT 2, Plan 2166  | Roman Catholic Bishop of Nelson                                     | Residence excluded                  |
| 05752.000                   | Lot A, Plan 4841   | Okanagan Chinese Baptist Church                                     |                                     |
| 06198.870                   | Lots 78, 79 & 80, Sec 26, Twp 26, Plan 22239                             | Pentecostal Assemblies of Canada                                    |                                     |
| 06199.358                   | Lot H, Sec 26, Twp 26, Plan 26182  | Faith Lutheran Church of Kelowna                                    | Daycare excluded                    |
| 06337.001                   | Lot 1, Sec 27, Twp 26 Plan 63747   | BC Muslim Association   |                                     |
| 06370.120                   | Lot A, Plan 19465, DL 143, Sec 27, Twp 26                                | Trustees of Spring Valley Congregation of Jehovah's Witnesses       |                                     |
| 06372.497                   | Lot 1, Plan KAP55460   | Kelowna Christian Centre Society Inc                                | Property 50/50 split church/school  |
| 06372.506                   | Lot A, Plan KAP56177   | New Apostolic Church of Canada Inc.                                 |                                     |
| 06496.742                   | Lot 1, Sec 29 & 32, Plan KAP64073  | The Church of Jesus Christ of Latter-Day Saints                     |                                     |
| 06735.000                   | Lot A, Plan 11320  | Trustees Rutland United Church Pastoral Charge of the United Church | Daycare excluded                    |
| 06198.872                   | Parcel A, Plan 22239   | Synod of the Diocese of Kootenay                                    |                                     |
| 07212.492                   | Lot 1, Plan 37256  | Synod of the Diocese of Kootenay                                    |                                     |
| 10407.200                   | Lot A, Plan 20452, DL 128  | Christian & Missionary Alliance - Canadian Pacific District         |                                     |
| 10468.000                   | Lot 2, Plan 9491, DL 129   | St. Peter & Paul Ukrainian Greek Orthodox Church of Kelowna         | Housing society residences excluded |
| 10519.844                   | Lot A, Plan 37351 (Portion of Lot)                                       | Apostolic Resource Centre Society                                   | Commercial lease space excluded     |
| 10519.903                   | EPP64708, Lot A, DI 129, LD 41   | Kelowna Trinity Baptist Church                                      |                                     |
| 10738.366                   | Lot 2, Plan KAP44292, DL 131   | Evangel Tabernacle of Kelowna                                       | Property 50/50 split church/school  |



| Schedule A – Public Worship |   |  |   |
|-----------------------------|---|--|---|
| FOLIO                       | LEGAL DESCRIPTION   | REGISTERED OWNER/LESSEE  | COMMENTS  |
| 10768.002                   | Lot 2, Plan KAP81588  | Roman Catholic Bishop of Nelson  | Residence excluded  |
| 10936.348                   | Lot 1, Plan 35917   | Kelowna Gospel Fellowship Church   |   |
| 10936.653                   | Lot 1, Plan 41844   | Canadian Mission Board of the Church of God in Canada                    | Housing society residences excluded                                   |
| 10937.443                   | Lot A, Plan KAP76720  | First Lutheran Church of Kelowna BC                                      | Property 50/50 split church/school                                    |
| 11025.140                   | Lot 1, Plan 25466, DL 135   | Trustees of The Lakeshore Congregation of Jehovah's Witnesses            |   |
| 11025.172                   | Lot 7, Plan 25798, DL 135   | Congregation of Bethel Church of Kelowna                                 |   |
| 11059.000                   | Lot 1, Plan 12441, DL 136<br>Trustees                             | Providence Baptist Church  |   |
| 11097.073                   | Lot 1, Plan KAP52447, DL 136                                      | C3 Church  |   |
| 016620                      | Lot 8, Plan 1303 & Lot 1, DL 139<br>PL13585 & Lot 1 DL139 PL 3585 | The BC Conference of the Mennonite Brethren Church                       |   |
| 016680                      | Plan KAP 1303, Lot 17, DL 139                                     | The BC Conference of Mennonite Brethren Church & Chronos Properties Ltd. | Partial exemption as 48% ownership (property utilized 100% by Church) |

| Schedule B – Private Schools |                              |  |                                    |
|------------------------------|------------------------------|--|------------------------------------|
| FOLIO                        | LEGAL DESCRIPTION            | REGISTERED OWNER/LESSEE                            | COMMENTS                           |
| 025561                       | LT 1, PL EPP68016, DL 138    | Catholic Independent Schools of Nelson Diocese     |                                    |
| 074502                       | Lot A, Plan 33076, DL 138    | Roman Catholic Bishop of Nelson                    | Residence excluded                 |
| 03458.033                    | Lot 1, KAP86356              | Aberdeen Hall Senior School Society                | Vacant land excluded               |
| 04417.000                    | Lot A, Plan KAP1725          | Okanagan Montessori Elementary School Society      |                                    |
| 05122.000                    | Lot 2, KAP3849               | Seventh-Day Adventist Church - BC Conference       |                                    |
| 06372.497                    | Lot 1, Plan KAP55460         | Kelowna Christian Centre Society Inc               | Property 50/50 split church/school |
| 06372.527                    | Lot A, Plan KAP71175         | Vedanta Educational Society Inc                    |                                    |
| 07212.595                    | Lot A, Plan KAP48732         | Lakeside Educational Society of Kelowna            |                                    |
| 07212.596                    | Lot B, Plan KAP48732         | Lakeside Educational Society of Kelowna            |                                    |
| 10589.111                    | Lot 1, Plan KAP59724         | Kelowna Society for Christian Education            |                                    |
| 10738.366                    | Lot 2, Plan KAP44292, DL 131 | Evangel Tabernacle of Kelowna                      | Property 50/50 split church/school |
| 10738.378                    | Lot A, Plan KAP54674, DL 131 | The Catholic Independent Schools of Nelson Diocese |                                    |
| 10937.443                    | Lot A, Plan KAP76720         | First Lutheran Church of Kelowna                   | Property 50/50 split church/school |

| Schedule C – Hospitals |                             |                         |          |
|------------------------|-----------------------------|-------------------------|----------|
| FOLIO                  | LEGAL DESCRIPTION           | REGISTERED OWNER/LESSEE | COMMENTS |
| 079392                 | Lot A, Plan KAP60581, DL 14 | Canadian Cancer Society |          |

| Schedule D – Special Needs Housing |                              |  |          |
|------------------------------------|------------------------------|--|----------|
| FOLIO                              | LEGAL DESCRIPTION            | REGISTERED OWNER/LESSEE                                  | COMMENTS |
| 004340                             | Lot 15, Plan 462, DL 139     | Kelowna Gospel Mission Society                           |          |
| 007270                             | Lot 4, Plan 635, DL 14       | The Bridge Youth & Family Services Society               |          |
| 023390                             | Lot 10, Plan 2498, DL 137    | Bridges to New Life Society                              |          |
| 033110                             | Lot 2, Plan 3929             | New Opportunities for Women (NOW) Canada Society         |          |
| 048500                             | Lot 8, Plan 10011            | Okanagan Halfway House Society Inc                       |          |
| 048770                             | Lot 35, Plan 10011           | Okanagan Halfway House Society                           |          |
| 048730                             | Lot 31, Plan 10011, DL 137   | Resurrection Recovery Resource Society                   |          |
| 048740                             | Lot 32, Plan 10011, DL 137   | Resurrection Recovery Resource Society                   |          |
| 048750                             | Lot 33, Plan 10011, D.L. 137 | Resurrection Recovery Resource Society                   |          |
| 050050                             | Lot 22, Plan KAP10689        | Resurrection Recovery Resource Society                   |          |
| 050060                             | Lot 23, Plan 10689           | Resurrection Recovery Resource Society                   |          |
| 050070                             | Plan 10689, Lot 24           | Resurrection Recovery Resource Society                   |          |
| 050080                             | Lot 25, Plan 10689           | Resurrection Recovery Resource Society                   |          |
| 050650                             | Lot A, PL 11018              | Society of St. Vincent De Paul of Central Okanagan       |          |
| 055030                             | Lot 4, Plan 14741            | Central Okanagan Emergency Shelter Society               |          |
| 055040                             | Lot 5, Plan 14741            | Central Okanagan Emergency Shelter Society               |          |
| 055150                             | Lot A, Plan 14836            | Okanagan Halfway House Society                           |          |
| 080873                             | Plan KAS2634, Lot 1          | Okanagan Mental Health Services Society                  |          |
| 05476.630                          | Plan KAP33003, Lot A         | The Bridge Youth & Family Services Society               |          |
| 06370.241                          | Plan KAP22268, Lot D         | The Bridge Youth & Family Services Society               |          |
| 11097.075                          | PCL A, Plan KAP52447, DL 136 | National Society of Hope /Provincial Rental Housing Corp |          |

| Schedule E – Social Services |   |   |          |
|------------------------------|---|---|----------|
| FOLIO                        | LEGAL DESCRIPTION                                   | REGISTERED OWNER/LESSEE                     | COMMENTS |
| 004330                       | Lot 14, Plan 462 Block 5                            | Kelowna Gospel Mission Society              |          |
| 004580                       | Lots 3 and 4, Blk 8, DL 139, Plan 462               | Ki-Low-Na Friendship Society                |          |
| 009900                       | Plan 830, Lot 2, DL 14, Blk 21 exc Parcel 2A, B1750 | Canadian Mental Health Association          |          |
| 010470                       | Lot 11, Plan 922                                    | Kelowna & District S.H.A.R.E. Society       |          |
| 016740                       | Lot A, Plan 46222                                   | Pathways Abilities Society                  |          |
| 026190                       | Lot 138, Plan 3163                                  | Okanagan Boys & Girls Clubs/City of Kelowna |          |

| Schedule E – Social Services |  |   |  |
|------------------------------|--|---|--|
| FOLIO                        | LEGAL DESCRIPTION                              | REGISTERED OWNER/LESSEE                           | COMMENTS   |
| 045862                       | Lot A, Plan 9012                               | Okanagan Boys & Girls Clubs/City of Kelowna       |  |
| 052700                       | Lot C, Plan 12546, DL 138                      | Roman Catholic Bishop of Nelson                   |  |
| 055261                       | Plan EPP11464 Lot A                            | Daycare Connection Childcare Society              |  |
| 057060                       | Plan 15778, Lot B                              | Ki-Low-Na Friendship Society                      |  |
| 059530                       | Lot A, Plan 16898                              | Okanagan Boys & Girls Clubs/City of Kelowna       |  |
| 066250                       | Lot 1, Plan 22678                              | Kelowna(#26) Royal Canadian Legion                | Criteria #7: 1,786 sq ft taxable for liquor/food services          |
| 070175                       | Lot A, Plan 28500                              | Central Okanagan Community Food Bank Society      |  |
| 076262                       | Lot 1, Blk 6, Sec 20, Twp 26, ODYD, Plan 39580 | Central Okanagan Child Development Association    |  |
| 079078                       | Lot A, FL 139, LD 41, Plan KAP58056            | Kelowna Community Resources Society               |  |
| 04918.002                    | Lot A Plan KAP90062                            | Governing Council of the Salvation Army in Canada |  |
| 05477.053                    | Lot 5 Plan KAS2126                             | MADAY Society for Seniors                         |  |
| 06198.704                    | Lot 1, Plan KAP91112                           | Boys & Girls Clubs/City of Kelowna                |  |
| 06370.273                    | Lot 19, Plan 23749                             | Ki-Low-Na Friendship Society                      |  |
| 06371.030                    | Lot 2, Plan KAP30323                           | Pathways Abilities Society                        |  |
| 06774.486                    | Lot 2 Plan: KAS2048                            | Big Brothers Big Sisters of the Okanagan Society  |  |
| 06774.491                    | Lot:7 Plan KAS2048                             | Big Brothers Big Sisters of the Okanagan Society  |  |
| 10508.002                    | Lot 2, Plan 15777                              | Kalano Club of Kelowna                            |  |
| 10519.925                    | Lot A, Plan KAP54261                           | Reach Out Youth Counselling & Services Society    |  |
| 10519.958                    | Lot 4, Plan KAS1717                            | Kelowna Child Care Society                        |  |
| 10707.000                    | Lot 1, Plan 15596, Except Plan KAP73753        | BHF Building Healthy Families Society             |  |
| 057010                       | Lot 1, Sec 20, Twp 26, ODYD, Plan 15741        | Starbright Children's Development Centre Assoc.   | Criteria #5: 7,568 sq ft taxable for lease/rental to third parties |

| Schedule F – Public Park or Recreation Ground, Public Athletic or Recreational |  |  |   |
|--|--|--|---|
| FOLIO  | LEGAL DESCRIPTION                        | REGISTERED OWNER/LESSEE                                    | COMMENTS  |
| 000571   | Part DL 14 (.727 Acres) Lot A, Plan 5352 | Kelowna Lawn Bowling Club /City of Kelowna                 |   |
| 037220   | Lot 4, Plan 4921                         | Kelowna Badminton Club/City of Kelowna                     |   |
| 073507   | Lot 2, Plan 32159                        | Kelowna Cricket Club/City of Kelowna                       |   |
| 080966   | Lot B, Plan KAP76448                     | Kelowna Major Men's Fastball Association / City of Kelowna |   |
| 080967   | Lot A, Plan KAP76448                     | Kelowna Curling Club / City of Kelowna                     | Criteria #7: 2,000 sq ft taxable for liquor/food services |

| Schedule F – Public Park or Recreation Ground, Public Athletic or Recreational |   |  |  |
|--|---|--|--|
| FOLIO  | LEGAL DESCRIPTION   | REGISTERED OWNER/LESSEE  | COMMENTS   |
| 083521   | Lot 1, Plan EPP29214  | Kelowna Yacht Club   | Criteria #7: 21,168 sq ft taxable for liquor/food services         |
| 04009.000  | Plan 2020, Parcel A , PCL A (KG34204)                                   | Kelowna & District Fish & Game Club                                | Exemption for Class 8 portion only                                 |
| 04078.511  | Lot 2, KAP80134   | Kelowna United Football Club/City of Kelowna                       |  |
| 04078.511  | Lot 2, KAP80134   | RG Arenas (Kelowna) Ltd/City of Kelowna                            | H2O Centre (except retail on folio 04078.513)                      |
| 04453.000  | Lot 1 & 2, Plan 3067  | East Kelowna Community Hall Association                            | Criteria#9: Caretaker Agreement in place                           |
| 04525.505  | Lot 1, KAP61083   | Central Okanagan Land Trust / Central Okanagan (Regional District) | Land Conservation (Parkland)                                       |
| 06198.705  | Lot 1, Plan KAP91112  | Okanagan Gymnastic Centre / City of Kelowna                        |  |
| 06225.585  | Lot B, Plan KAP53836  | Rutland Park Society   | Criteria #5: 1,200 sq ft taxable for lease/rental to third parties |
| 06935.000  | Part S 1/2 of SW 1/4  | Central Okanagan Land Trust / Central Okanagan (Regional District) | Land Conservation (Parkland)                                       |
| 06936.000  | Part N 1/2 of SW 1/4  | Central Okanagan Land Trust / Central Okanagan (Regional District) | Land Conservation (Parkland)                                       |
| 06961.000  | Lot Fr E 1/2 Sec 17, Twp 28 exc Plan B4553                              | Nature Trust of BC   | Land Conservation (Parkland)                                       |
| 06962.004  | Fr NE 1/4 Sec 17, Twp 28 SDYD, shown Amended Plan B4553, exc Plan 26911 | Nature Trust of BC   | Land Conservation (Parkland)                                       |
| 06962.006  | Lot A, Sec 17, Twp 28, Plan 41403                                       | Nature Trust of BC   | Land Conservation (Parkland)                                       |
| 06962.008  | Lot B, Plan 41403   | Nature Trust of BC   | Land Conservation (Parkland)                                       |
| 06974.000-06974.001  | Lot 11, Sec. 22, Plan 4080  | Scout Properties (BC/Yukon) Ltd                                    |  |
| 06976.000  | Lot 14, Sec. 28, Plan 8258  | Scout Properties (BC/Yukon) Ltd                                    |  |
| 09461.002-09461.005  | Lot A-D, DL 14, Plan EPP96732   | Kelowna Outrigger Racing Canoe Club Association/City of Kelowna    | Criteria #9: Caretaker Agreement in place                          |
| 10776.000  | Plan 9359, Lot 2  | Kelowna Riding Club  | Criteria #9: Caretaker Agreement in place                          |
| 11501.989/11501.979  | Lot 1, Plan 35229   | Central Okanagan Small Boat Association / City of Kelowna          | Criteria #9: 541 sq ft taxable for residence                       |
| 11151.004  | Lot 1, Plan 11796   | Kelowna Minor Fastball Society/City of Kelowna                     |  |
| 12184.556  | Lot 1, Plan KAP69898  | Okanagan Mission Community Hall Association                        |  |

| Schedule G – Cultural |                           |   |          |
|-----------------------|---------------------------|---|----------|
| FOLIO                 | LEGAL DESCRIPTION         | REGISTERED OWNER/LESSEE                 | COMMENTS |
| 000950                | Lot 1, Block 12, Plan 202 | Centre Cultural François De L' Okanagan |          |
| 001830                | Lot 49, Plan 262, Blk 15  | Kelowna Canadian Italian Club           |          |

| Schedule G – Cultural |  |   |   |
|-----------------------|--|---|---|
| FOLIO                 | LEGAL DESCRIPTION                        | REGISTERED OWNER/LESSEE   | COMMENTS  |
| 038641                | Lot A, Plan 5438                         | Kelowna Museums Society / City of Kelowna                           |   |
| 038644                | Plan 5438, D.L. 139                      | Kelowna Museums Society / City of Kelowna                           |   |
| 075959                | Lot 2, Plan 37880                        | Kelowna Music Society   |   |
| 077062                | Lot 1, Plan 42511                        | City of Kelowna/Kelowna Museums Society                             | Criteria #3: 200 sq ft taxable for retail space           |
| 079932                | Lot A, Plan KAP67454                     | Kelowna Art Gallery   |   |
| 080250                | Lot A, KAP67454                          | Kelowna Visual & Performing Arts Centre Society / City of Kelowna   |   |
| 080252                | Lot A, KAP67454                          | Kelowna Visual & Performing Arts Centre Society / City of Kelowna   |   |
| 080256                | Lot A, KAP67454                          | Kelowna Visual and Performing Arts Centre Society / City of Kelowna |   |
| 080259                | Lot A, KAP67456                          | Kelowna Visual & Performing Arts Centre Society / City of Kelowna   |   |
| 083355                | Lot 1, KAP92254                          | Okanagan Symphony Society/City of Kelowna                           |   |
| 07212.624             | Lot 10, KAP72245                         | Westbank First Nation   |   |
| 10349.220             | Lot B, Plan 28112                        | German - Canadian Harmonie Club                                     | Criteria #7: 4,413 sq ft taxable for liquor/meal services |
| 10388.000             | Lots 15 and 16, Blk. 7, Plan 415B        | Central Okanagan Heritage Society                                   | Criteria #9: Caretaker agreement in place                 |
| 10768.001             | Lot A, Plan 6710                         | Roman Catholic Bishop of Nelson Pandosy Mission                     |   |
| 04571.614             | Plan KAS944 Lot 1 Section 19 Township 26 | OCCA Communities Association  |   |

| Schedule H – Other Non-Profit Societies |                                   |   |   |
|---|-----------------------------------|---|---|
| FOLIO                                   | LEGAL DESCRIPTION                 | REGISTERED OWNER/LESSEE                                     | COMMENTS  |
| 000641                                  | Plan EPP 74060, Lot 1527          | Tourism Kelowna Society                                     | Criteria #3: 165 sq ft taxable for retail space |
| 016670                                  | Lot 16, Plan 1303                 | Kelowna Yoga House Society                                  |   |
| 028740                                  | Lot 8, Plan 3398                  | Kelowna Centre for Positive Living Society                  |   |
| 077364                                  | Lot A, Plan 43658                 | Kelowna Sr. Citizens Society of BC                          | Criteria #9: Caretaker agreement in place       |
| 05763.001                               | Lot A, Plan KAP82536              | Kelowna General Hospital Foundation                         |   |
| 06198.706                               | PL KAP91112, LT 1, SEC 26, TWP 26 | Kelowna & District Safety Council Society / City of Kelowna |   |
| 10759.011                               | Lot 11, Plan 515, Blk 1           | BC Society for Prevention of Cruelty to Animals             |   |



**Schedule J - Municipal Tax impact for the years 2021-2023:**

| <b>Schedule</b>  | <b>Property Classification</b>   | <b>2021</b>        | <b>2022</b>        | <b>2023</b>        |
|--|----------------------------------|--------------------|--------------------|--------------------|
| <b>A - Places of Worship</b>   |                                  |                    |                    |                    |
|  | Class 01 - Residential           | 0                  | 0                  | 0                  |
|  | Class 06 - Business              | 17,832             | 18,836             | 19,774             |
|  | Class 08 - Recreation/Non-Profit | 377,439            | 398,495            | 418,340            |
|  | <b>Total Municipal Taxes</b>     | <b>\$395,271</b>   | <b>\$417,331</b>   | <b>\$438,114</b>   |
| <b>B - Private Schools</b>   |                                  |                    |                    |                    |
|  | Class 01 - Residential           | 0                  | 0                  | 0                  |
|  | Class 06 - Business              | 245,259            | 258,944            | 271,839            |
|  | Class 08 - Recreation/Non-Profit | 13,623             | 14,383             | 15,100             |
|  | <b>Total Municipal Taxes</b>     | <b>\$258,882</b>   | <b>\$273,327</b>   | <b>\$286,939</b>   |
| <b>C - Hospitals</b>   |                                  |                    |                    |                    |
|  | Class 01 - Residential           | 0                  | 0                  | 0                  |
|  | Class 06 - Business              | 19,736             | 20,837             | 21,875             |
|  | Class 08 - Recreation/Non-Profit | 0                  | 0                  | 0                  |
|  | <b>Total Municipal Taxes</b>     | <b>\$19,736</b>    | <b>\$20,837</b>    | <b>\$21,875</b>    |
| <b>D - Special Needs Housing</b>   |                                  |                    |                    |                    |
|  | Class 01 - Residential           | 55,507             | 58,607             | 61,526             |
|  | Class 06 - Business              | 3,171              | 3,346              | 3,513              |
|  | Class 08 - Recreation/Non-Profit | 0                  | 0                  | 0                  |
|  | <b>Total Municipal Taxes</b>     | <b>\$58,678</b>    | <b>\$61,953</b>    | <b>\$65,039</b>    |
| <b>E - Social Services</b>   |                                  |                    |                    |                    |
|  | Class 01 - Residential           | 13,983             | 14,764             | 15,500             |
|  | Class 06 - Business              | 271,878            | 287,048            | 301,342            |
|  | Class 08 - Recreation/Non-Profit | 11,568             | 12,214             | 12,822             |
|  | <b>Total Municipal Taxes</b>     | <b>\$297,429</b>   | <b>\$314,026</b>   | <b>\$329,664</b>   |
| <b>F - Public Park or Recreation Ground, Public Athletic or Recreational</b> |                                  |                    |                    |                    |
|  | Class 01 - Residential           | 69,615             | 73,496             | 77,157             |
|  | Class 06 - Business              | 74,979             | 79,168             | 83,111             |
|  | Class 08 - Recreation/Non-Profit | 309,864            | 327,152            | 343,443            |
|  | <b>Total Municipal Taxes</b>     | <b>\$454,458</b>   | <b>\$479,816</b>   | <b>\$503,711</b>   |
| <b>G - Cultural</b>  |                                  |                    |                    |                    |
|  | Class 01 - Residential           | 1,496              | 1,580              | 1,658              |
|  | Class 06 - Business              | 406,038            | 428,692            | 450,040            |
|  | Class 08 - Recreation/Non-Profit | 12,454             | 13,149             | 13,804             |
|  | <b>Total Municipal Taxes</b>     | <b>\$419,988</b>   | <b>\$443,421</b>   | <b>\$465,502</b>   |
| <b>H - Other</b>   |                                  |                    |                    |                    |
|  | Class 01 - Residential           | 2,308              | 2,437              | 2,558              |
|  | Class 06 - Business              | 57,367             | 60,567             | 63,584             |
|  | Class 08 - Recreation/Non-Profit | 0                  | 0                  | 0                  |
|  | <b>Total Municipal Taxes</b>     | <b>\$59,675</b>    | <b>\$63,004</b>    | <b>\$66,142</b>    |
| <b>Total Impact</b>  |                                  |                    |                    |                    |
|  | Class 01 - Residential           | 142,909            | 150,884            | 158,399            |
|  | Class 06 - Business              | 1,096,260          | 1,157,438          | 1,215,078          |
|  | Class 08 - Recreation/Non-Profit | 724,948            | 765,393            | 803,509            |
|  | <b>Total Municipal Taxes</b>     | <b>\$1,964,117</b> | <b>\$2,073,715</b> | <b>\$2,176,986</b> |

# Report to Council



**Date:** Oct 15, 2020  
**To:** Council  
**From:** City Manager  
**Subject:** Update on Activities  
**Department:** Business and Entrepreneurial Development

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## **Recommendation:**

THAT Council receives for information the report of the Director of Business and Entrepreneurial Development dated November 22, 2018, regarding the activities and accomplishments of the program.

## **Purpose:**

To provide Council with a review of the Business and Entrepreneurial activities as requested by Council following conclusion of two years regarding workplan activities and overall direction.

## **Background:**

In February of 2018, Council endorsed a shift in direction for the Business and Entrepreneurial Development program including a change of program mandate, focusing on four primary areas: Business Investment Evaluation, Strategic Negotiations, Business Development and Financial Investment (longer term).

In June of 2019, the City Manager re-organized several divisions and created the Partnership & Investment Division. The Division now has an expanded mandate which includes a Partnership Office (including the Partnership Manager, Grants Manager and Sponsorship and Advertising Manager).

The Director of Business and Entrepreneurial Development was appointed to lead the Partnership office to define how this exciting new area will operate. For the purpose of this report, specific focus will be placed upon the activities and accomplishments of the Business and Entrepreneurial Development program, and not the Partnership Office as a whole.

## **Activity 1 - BUSINESS INVESTMENT EVALUATION**

### *Business Investment Evaluation Advisory Service (BIEAS)*

A Business Investment Evaluation Advisory Service (BIEAS) was implemented to allow for and expedite reviews of proposed investment or partnership opportunities, utilizing a business development evaluation team. A landing page with resources and the template was developed and is active on InSites, to both encourage staff to utilize the system and provide insight into how the partnership office can help.

To date several initiatives have utilized the service. A summary can be found below:

| Initiative                                | Summary  |
|---|--|
| Technology Opportunity                    | The idea was supported with a full report to Council in 2022 when the next opportunity is available.   |
| Bikeshare Review – Dropbike               | The BIEAS team worked with Active Transportation to do a post-service evaluation in order to provide a framework for future negotiations and discussions regarding rideshare programs. |
| Recreational Partnership                  | Working with the Partnership manager, the BIEAS team reviewed the detailed proposal for a facility and supported the initiative moving forward.  |
| Dark Fibre                                | The initial model would have the City of Kelowna provide fibre in a partnership arrangement.   |
| New Energy Project                        | Discussions in process focused on a joint opportunity with new potential energy producer.  |
| Technology Adoption in municipal facility | Support to move forward with pilot project subject to further negotiations with the proponent  |

#### *Business Innovation*

Staff are proactively seeking Alternative Service Delivery (ASD) methods as a means of producing operational efficiencies, financial returns or improved service levels. These include the following:

| ASD Method                              | Operational Efficiencies   |
|---|--|
| Dark Fibre Network                      | There are now 14 paid monthly leases with both non-profit and commercial entities, generating approximately \$160,000 annually in revenue. Development of new marketing collateral materials and the contracting of a part-time salesperson with the anticipation of new customer development was completed in 2019. A total of 55 inquiries have been dealt with in 2020. |
| Start-up Solutions                      | A partnership program that turns the City of Kelowna into a lab to test new ideas, products or services will early in 2021.  |
| Unsolicited Administrative Policy (USP) | A policy has been developed that outlines the approach used to manage new and innovative ideas being presented to the City of Kelowna from the community at large.   |

|                              |   |
|------------------------------|---|
| Innovation Capacity Building | A teaching and learning framework to advance and sustain innovative approaches within the City of Kelowna and share information internally will be begin later this year. |
|------------------------------|---|

## Activity 2 – STRATEGIC NEGOTIATIONS

As a normal course of business, the City will be engaged, from time to time, in critical external negotiations that involve multiple parties and dynamic circumstances. An inventory of key negotiations was undertaken, and a training program was developed. To date, 32 members of staff have been trained. Skills acquired have been utilized with acknowledgement that most recent negotiations have resulted in financial contributions flowing to the City that had not previously.

## Activity 3 – BUSINESS DEVELOPMENT

The Director of Business and Entrepreneurial development is a conduit to the business sector, to ensure that the City creates a climate that supports the growth of emerging businesses and attracts new investment opportunities, including the following:

| Business Outreach   |
|---|
| <ul style="list-style-type: none"> <li>A total of sixty site visits were completed visiting local businesses with follow-up done with 22 businesses from simple demographics work to workforce development challenges.</li> <li>Continued the Mayor's Business Visitation Program, with Mayor Basran spending an hour with key employers in the City. A total of fifteen have been completed in the past year.</li> </ul> |

Regular connection to business stakeholders such as the Kelowna Chamber of Commerce, the Downtown Kelowna Association, Central Okanagan Economic Development Commission, the Uptown Rutland Business Association, Accelerate Okanagan, Metabridge and more. Other highlights include:

| Other Highlights   |
|--|
| <ul style="list-style-type: none"> <li>Handled 700 inquiries from local and external businesses in inquiries. Areas of focus continue to be in the relocation opportunities from Vancouver and Toronto and workforce development inquiries.</li> <li>Updated stats including census releases interpreted and made available to the community to assist in business development and for internal use within City hall.</li> <li>Collaboration with internal business units to ensure a business perspective in considered</li> <li>Active role in, and involvement in number of city policy initiatives (COVID Working Group, Mayors Task Force, Disruptive Technologies, Supportive Housing and Shelter, Ag Plan, Smart Cities, Cannabis Retailing, Bike and Scooter share)</li> <li>Economic Scorecard – The economic scorecard project was completed in January of 2019 and provided an evidence-based view of Kelowna's performance in comparison to 16 other North American and International cities.</li> </ul> |

**Internal Circulation:**

Information Services  
Property Management  
Purchasing  
Partnerships & Investments

**Considerations not applicable to this report:**

Existing Policy:  
Legal/Statutory Authority:  
Legal/Statutory Procedural Requirements:  
External Agency/Public Comments:  
Communications Comments:  
Alternate Recommendation:

**Submitted by:** R. Fine, Director of Business and Entrepreneurial Development

**Approved for inclusion:** D. Edstrom, Divisional Director, Real Estate

**Attachments:** 1. Schedule A – PowerPoint Presentation



## Appendix A



**Date:** Oct. 15 2020  
**To:** City Manager  
**From:** R. Fine, Director, Business and Entrepreneurial Development  
**Subject:** Update on Activities

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### **Background:**

In February of 2018, Council endorse the continued direction of the Business and Entrepreneurial Development program. At the time Council supported the change of program mandate, focusing on four primary areas:

- 1) Business Investment Evaluation - Through circumstantial opportunities or by proactively seeking out innovative solutions to corporate and community challenges the City will often be required to evaluate investment and service delivery alternatives. The Program will develop an objective tool and set of criteria to aid in this evaluation and when called upon, complete a review of the proposed investment or partnership opportunity.
- 2) Strategic Negotiations - As a normal course of business the City will be engaged, from time-to-time, in critical external negotiations that involve multiple parties and dynamic circumstances.
- 3) Business Development - The City plays a key role as a catalyst in supporting and generating economic benefits to our community. Through the purposeful delivery of key business development strategies, the Program will be a primary conduit to the business sector.
- 4) Financial Investment – longer term

To purposely build and enhance investment opportunities across the organization that have a higher risk/reward tradeoff with the intention of creating greater inter-generational wealth, alternative revenue and ongoing capital funding for key goals of Council .

## The Partnership Office

In June of 2019, the City Manager re-organized several divisions and created the Partnership & Investment Division focusing on strategic investments in real estate, and now includes investment in parks and city buildings. The division now has an expanded mandate which includes a (including the Partnership Manager, Grants Manager and Sponsorship and Advertising Manager

The Director of Business and Entrepreneurial Development, was appointed to lead the Partnerships Office to define how this exciting new area will operate. This report will specifically focus on the accomplishments of the Business and Entrepreneurial Development function.

### Activities to Date

#### Activity 1 - BUSINESS INVESTMENT EVALUATION

The screenshot shows a web page titled "Business Investment Evaluation Advisory Service" on the InSites platform. The page has a blue sidebar with a navigation menu including: Advertising, Agency of Record, Awards & Recognition, BEST, Corporate Identity, Council, Divisions, Indigenous Connections, Internal Communication, Kelowna 2040, Managers Area, Pandemic Planning, Policies & Procedures, Public Engagement, RIM, Safety, Strategic Direction, Teams & Committees, United Way, Work Planning, Project Charters, Annual Action Plan, BUSINESS INVESTMENT EVALUATION (highlighted), and Divisional Plans. The main content area has a header "Business Investment Evaluation Advisory Service" and a sub-header "Through circumstantial opportunities or by proactively seeking out innovative solutions to corporate and community challenges the City will often be required to evaluate investment and service delivery alternatives." Below this is a paragraph explaining the purpose of the service and a section titled "How it works:" which lists four steps: 1. Opportunity identified by project sponsor, 2. Project sponsor completes Business Investment Evaluation Template, 3. Review team completes Evaluation Assessment, and 4. Review team responds to project sponsor with recommendation, opportunities and deficiencies identified. A note at the bottom states: "If a submission is beyond the scope of the review team's capabilities, third-party consultants can be accessed to evaluate the opportunity." The right sidebar contains sections for "Resources" (Project submission template.docx) and "Related Documents" (Principles and Strategies Framework.pdf).

#### Business Investment Evaluation Advisory Service – BIEAS

Through circumstantial opportunities or by proactively seeking out innovative solutions to corporate and community challenges, the City will often have the opportunity to evaluate investment and service delivery alternatives. To this end, a Business Investment Evaluation Advisory service was implemented to allow for and expedite reviews of proposed investment or partnership ventures. This will ensure that the City takes full advantage of these opportunities while seeing that risk is minimized and where appropriate, recommend measures to ensure effective implementation and create a strong proposal prior to submission to the work planning system.

This program offers an objective tool and set of criteria to aid in evaluation of proposed investments or partnership opportunities. A landing page with resources and a template was developed and is active on Insites, to both encourage staff to utilize the system and provide insight into how the Partnership office can help.

The following steps are involved:

Step 1: Opportunity identified by project sponsor

Step 2: Project sponsor completes Business Investment Evaluation Template

Step 3: Review team completes Evaluation Assessment

Step 4: Review team responds to project sponsor with recommendation, opportunities and deficiencies identified

If a submission is beyond the scope of the review team's capabilities, third-party consultants can be accessed to evaluate the opportunity.

To date, a number of initiatives have utilized the service. A summary can be found below:

| Initiative                                | Summary  |
|---|--|
| Technology Opportunity                    | The idea was supported with a full report to Council in 2022 when the next opportunity is available.   |
| Bikeshare Review – Dropbike               | The BIEAS team worked with Active Transportation to do a post-service evaluation in order to provide a framework for future negotiations and discussions regarding rideshare programs. |
| Recreational Partnership                  | Working with the Partnership manager, the BIEAS team reviewed the detailed proposal for a facility and supported the initiative moving forward.  |
| Dark Fibre                                | The initial model would have the City of Kelowna provide fibre in a partnership arrangement.   |
| New Energy Project                        | Discussions in process focused on a joint opportunity with new potential energy producer.  |
| Technology Adoption in municipal facility | Support to move forward with pilot project subject to further negotiations with the proponent  |

### *Business Innovation*

Staff are proactively seeking alternative service delivery (ASD) methods as a means of producing operational efficiencies, financial returns or improved service levels. Staff will utilize a model for receipt and evaluation of unsolicited proposals, seeking new and innovative ideas that would assist the City in achieving its goals. The City has great success when it proactively determines a need and solicits opportunities. This is in contrast to being reactive to another parties requests and demands to fulfill a perceived civic need. Staff will focus on identifying opportunities to solve known challenges and

recommend the terms under which solutions may be sought.

#### Dark Fibre Network



The City's Dark Fibre network, which has now expanded to 32 km, has continued to generate revenue and cost avoidance for the City while delivering a market driven service. There are now fourteen paid monthly leases with both non-profit and commercial entities, generating approximately \$160,000.

A total of fifty-five inquiries are typically processed in any given year and numerous presentations to community groups, tech organizations and metabrige, the annual global technology event held in Kelowna have helped place Kelowna in the forefront of innovative service delivery

Development of new marketing collateral materials and map to reflect expansion of Fibre Network with two new routes, and the contracting of a part-time salesperson with the anticipation of new customer development was completed in 2019. An 8-month program aimed at assessing the current and future market potential for Dark Fibre sales in Kelowna has led to several conclusions. To begin with, there is limited value in marketing the opportunities in terms of a dedicated full-time staff or the development of extensive marketing campaigns. The drop-in competitors pricing, the limited area which is accessible to our network and the lack of firms requiring high speed, point to point, large data transfer is limited. The network will continue to grow with a few additional customers each year.

## Start-up Solutions



A partnership program that turns the City of Kelowna into a lab to test new ideas, products or services will launch later this Fall. Through the program innovation-based companies participants get access to staff, data and facilities to assist with making Kelowna more efficient and encourage a culture of innovation at the City. Startups and entrepreneurs' partner with the City to test out a product or service that helps local government become more efficient and encourage a culture of innovation.

As a significant client and testing ground, the City can give entrepreneurs a valuable use case for their products and services. This exposure can potentially help attract new investors and clients. In return for providing a valuable testing ground and special access to resources to selected entrepreneurs, the City hopes to learn about new technologies and approaches to improve the delivery of new services or provide savings to Kelowna residents.

A unique opportunity for local companies to get a chance to do research in our "sandbox" which can lead to bigger success for Start-up companies. A new business attraction tool is established to provide added emphasis to starting a business in Kelowna vs. other cities. New processes, products or services offered to the City are at no appreciable cost, solving City problems in an innovative fashion.

Unsolicited Administrative Policy (USP) – The City of Kelowna is often approached with great ideas, and in considering these, Council needs to demonstrate transparency and accountability. A policy has been developed that outlines the approach used to manage new and innovative ideas being presented to the City. It is intended to give confidence to innovators, entrepreneurs, investors and the community that proposals will be considered in a consistent, transparent, efficient and lawful manner to deliver the highest standards of public value.

USPs allow the City to identify and prioritize projects, help overcome challenges related to early stage project identification and assessment and generate innovative solutions to infrastructure opportunities. An appropriately designed USP process that allows private entities to propose project ideas that are in line with a government's infrastructure plan can harness the private sector's interest in developing commercially viable project solutions. An intake process and template has been developed to implement the Program before year end.





### *Innovation Capacity Building*

A teaching and learning framework to advance and sustain innovative approaches within the City and share information internally will be completed this year.

As the City moves to leverage innovation as a capability to create current and future value, there is both excitement and expectation, but alas no training component to make this possible. A pilot project to train staff with a structured process and practical tools that they need to generate breakthrough solutions to everyday challenges. Two potential platforms have been identified that would focus on the foundation of innovation. In focusing on associating, questioning, observing, networking, and experimenting, an innovation assessment will provide the insight needed to connect opportunity with the City's desired outcomes. Through the review of 200 distinct data points, the process identifies skills/capacity gaps and develops a blueprint for where to invest focus and time. From there a go-forward plan with clear objectives and measurable results would be developed.

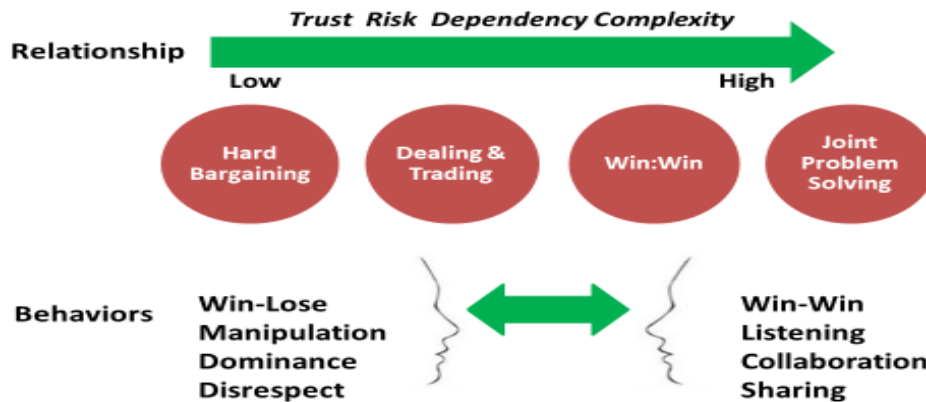
The innovation platform will result in the "Art of the possible" mindset in City teams, unlocking our resources creative capacity. Building a culture of curiosity into the unknown, testing & experimenting and acting on new ideas. will lead to cost savings, efficiencies, new programming and will supplement tools like the Business Investment Evaluation Advisory Service. Training will be completed in partnership with the City's Intelligent Cities manager, and the delivery of pilot training day for the Senior Leadership Team.

### **Activity 2 - Strategic Negotiations**

As a normal course of business, the City will be engaged, from time to time, in critical external negotiations that involve multiple parties and dynamic circumstances. Often these negotiations will not

be directly aligned with a primary department or the department most closely aligned may not have the capacity or ability to lead the negotiations.

## Negotiating Style Continuum



In order to ensure that the resource capacity and capability is available to achieve the desired outcome on key negotiations for the City, a detailed training program was developed. The program was created to ensure that the City systematically and appropriately prepares for key/critical external negotiations, utilizing strong project management strategies, negotiating techniques and selection of resources/expertise.

The program developed training tools to equip staff resulting in better outcomes, included:

- Awareness and readiness – improved awareness of when a negotiation is occurring and how to prepare and respond
- Recruitment – skills to hire key staff in a range that is appropriate to internal standards
- Collective bargaining – the skills introduced prepare HR professionals for bargaining
- Strategic deals – the ability to plan complex deals, generate creative options and make deals happen

An inventory of key/critical external negotiations was identified and completed prior to the training being offered to ensure those City staff with significant negotiations would have access to the training program developed.

To date, 32 members of staff have been trained. Feedback has been highly positive and skills acquired have been utilized with acknowledgement that some recent negotiations resulted in financial contributions flowing to the City that had not previously.

Where partnership negotiations exist, which do not fall into the category of strict financial investment, it is seen that we have now built a team of strategic negotiators that could assist across departments to be managed by the Partnership office. A second more advance training for those identified by the trainer as being most capable may be offered in 2021.

### **Activity 3 - Business Development**

The City plays a key role as a catalyst in supporting and generating economic benefits to our community. Through the purposeful delivery of key business development strategies, the Director of Business and Entrepreneurial development will be a primary conduit to the business sector, to ensure that the City creates a climate that supports the growth of emerging businesses and attracts new investment that will foster economic growth and employment.

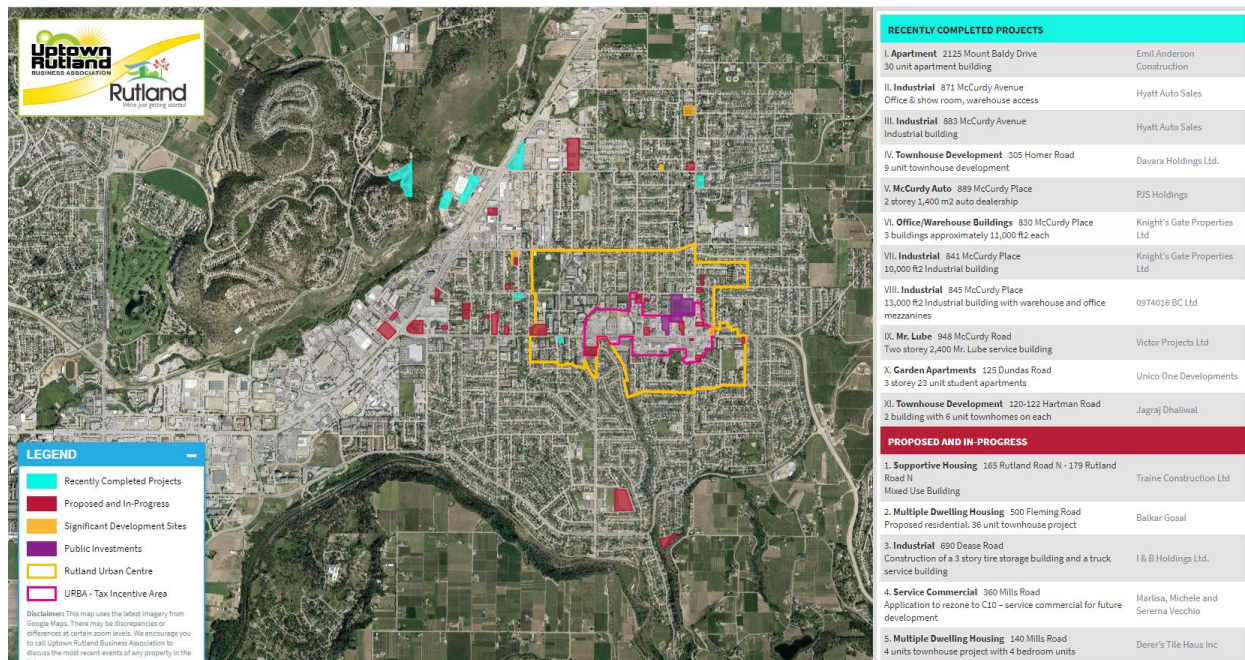
#### *Business Outreach*



Program staff proactively connect with business owners and operators to ensure that the business climate remains healthy and that local businesses are aware of the services that are available to help them thrive. By building ongoing relationships, the City can stay ahead of business trends, demonstrate support, improve communication and ensure a higher rate of business retention each year. Highlights in the past two years include:

- A total of sixty site visits were completed visiting local businesses with follow up done with 22 businesses from simple demographics work to workforce development challenges.
- Continued the Mayor's Business Visitation Program, with Mayor Basran spending an hour with key employers in the City. A total of fifteen have been completed to date

#### *Agency Liaison*



The Director of Business and Entrepreneurial Development works closely with business service providers and organizations to ensure a strong link between City objectives and business objectives. Keeping apprised of programs and activities being undertaken by business and community organizations and feeding back issues and opportunities to City staff is a primary strategy to ensure we maintain and build a strong business environment

Regular connection to well business stakeholders such as the Kelowna Chamber of Commerce, DKA, COEDC, URBA, AO and more.

One annual partnering project, with the DKA and URBA, is the Downtown prospectus and the new Rutland Prospectus, highlighting recent and completed developments, potential development sites, incentive areas, projects proposed, and public investments.

### Information Sharing

The City facilitates the sharing of information to assist new investors in successfully addressing key decision triggers. As well, the City will develop and maintain statistical analysis and information from a range of sources, to assist in completing a comprehensive economic picture of the City to share with the community at large, those seeking location assistance, and other business service providers. Highlights include:

- Handled 700 inquiries from local and external businesses in inquiries. Areas of focus continue to be in the relocation opportunities from Vancouver and Toronto and workforce development inquiries.
- Updated stats including census releases interpreted and made available to the community to assist in



business development and for internal use within City hall.

- Collaboration with internal business units to ensure a business perspective is considered
- Active role in, and involvement in number of city policy initiatives (Disruptive Technologies, Supportive Housing, Pandemic work, Ag Plan, Smart Cities, Cannabis Retailing, Bike and Scooter share)
- Initiated meetings to begin grassroots discussion regarding the startup ecosystem as identified in Techstars initiative.



Economic Scorecard - This economic scorecard project was completed in January of 2019 and provided an evidence-based view of Kelowna's performance in comparison to 16 other North American and International cities. Data was drawn from 78 sources to generate scores and grades on 24 indicators – 12 social indicators and 12 economic indicators.

Overall, Kelowna came in 10th out of 17 cities with a final grade of C with the City of Kelowna performing better on the Economic indicators (6th) than on the Social indicators (14th). At the top end of the scorecard, Kelowna received three A grades (income inequality, self-employed in labour force, and total value of building permits per capita.) At the bottom end, Kelowna received five D grades (proportion of population with at least a post-secondary degree/diploma, non-visible minorities as a percentage of population, real GDP per capita, high tech employment share, and disposable income per capita.)

The results of this scorecard have been used by community stakeholders to create initiatives that help make Kelowna a better place to live, work, and prosper. Three areas were identified for future improvement – housing affordability, youth retention and immigration diversity. For example, COLIP, the Central Okanagan Local Immigration Partnership, has worked to create a number of employment forums to promote diversity in the workforce and the opportunities to hire new Canadians. As well, a number of new prospective residents and investors have appreciated the honest and non-marketing approach in presenting another set of tools to look more objectively at Kelowna.

Moving forward, the scorecard's data will be maintained and updated by the Kelowna Chamber of Commerce. This will allow progress to be monitored and will help stakeholders adjust their initiatives to respond to real-world changes.



## Knowledge Economy Support - metabridge



The City fosters the continued growth of the knowledge economy in Kelowna by connecting with existing and growing firms, seeking input and providing assistance in identifying long term strategic challenges and opportunities for the sector. The promotion of Kelowna as technology sector, encouraging both human and investment capital, by showcasing successes and facilitating the development of new training outlets, while building on efforts being undertaken regionally.

Metabridge is an executive program that connects technology CEO's and Founders at intimate events and networking retreats. The program provides access to an extensive network of Alumni who have built and sold companies, established in Silicon Valley, partners at top venture capital firms in North America and executives at global enterprise technology organizations. Those who attend the annual retreat come to disconnect and network with like-minded peers. Visions are shared and relationships are formed, with the content led by the attendees. Those who have attended on more than one occasion become part of the metabridge charter member group, providing help to others by connecting them up through their business network..

In the past year, the event has connected with over 60 inbound investment opportunities from across the globe including new restaurant, recruitment firms and a technology cloud company looking to establish opportunities in Kelowna. In its 12<sup>th</sup> year, over \$2 million has been invested by metabridge in the program in the region and over last decade, \$488 million in investment attracted and 29 metabridge companies acquired over past decade with relocations in process, and numerous tech entrepreneurs now calling Kelowna home.



# Business and Entrepreneurial Development

## Activity Update

October 19, 2020





# Background

- ▶ Feb. 2018 – Council endorse new direction – focus on four areas:
  - ▶ Business Investment Evaluation
  - ▶ Strategic Negotiations
  - ▶ Business Development
  - ▶ Financial Investments
- ▶ June 2020 – Partnership office formed

# Business Investment Evaluation

- ▶ Tech opportunity
- ▶ Bike Share
- ▶ Recreation Partnership
- ▶ Dark Fibre
- ▶ Clean Energy





# Business Innovation

- ▶ Encourage Alternative Approaches
- ▶ Dark Fibre – market assessment
- ▶ 14 paid leases, cost avoidance
- ▶ Start-up Solutions Program
- ▶ Unsolicited Proposal
- ▶ Innovation Capacity Building



# Strategic Negotiations

- ▶ Course developed & delivered
- ▶ Inventory completed
- ▶ 32 attendees over 2 years
- ▶ Success





# Business Development

- ▶ Mayor's Employer Visits
- ▶ 700+ inquiries
- ▶ Economic Scorecard
- ▶ DKA & URBA Prospectus
- ▶ Metabridge

A person with a backpack is standing on a mountain trail, looking at a wooden signpost. The scene is set against a dramatic sunset sky with orange and yellow clouds. The person is silhouetted against the bright light of the setting sun. The signpost is a simple wooden structure with a flat top. The background shows rolling mountains under the twilight sky.

# Questions ?