

City of Kelowna

Regular Council Meeting

AGENDA



Monday, September 28, 2015

1:30 pm

Council Chamber

City Hall, 1435 Water Street

Pages

1. Call to Order

This meeting is open to the public and all representations to Council form part of the public record. A live audio feed is being broadcast and recorded by CastaNet and a delayed broadcast is shown on Shaw Cable.

2. Confirmation of Minutes

4 - 14

Regular PM Meeting - September 14, 2015

3. Public in Attendance

3.1 International Childrens' Games Legacy Committee

15 - 26

Annual presentation to Council by the Committee Chair, Heather Schneider.

4. Development Application Reports & Related Bylaws

4.1 653 Harvey Avenue, 1770 Richter Street, 1800 Richter Street, 1755 Chapman Place, TA15-0003 & OCP15-0008 - 1017476 BC Ltd. et al

27 - 44

To amend the Official Community Plan and Zoning Bylaw by changing the proposed site plan and setback requirements in the CD22 Central Green Comprehensive Development Zone.

4.2 BL11119 (OCP15-0008) - Amendment to Chapter 4 - Future Land Use - MRM

45 - 45

Requires a majority of all members of Council (5).

To give Bylaw No. 11119 first reading in order to amend the Official Community Plan with respect to the CD22 Central Green Comprehensive Development Zone.

4.3 BL11118 (TA15-0003) - CD22 - Central Green Comprehensive Development Zone Amendments 46 - 50

To give Bylaw No. 11118 first reading in order to amend City of Kelowna Zoning Bylaw No. 8000 with respect to the requirements of the CD22 Central Green Comprehensive Development Zone.

4.4 975 - 985 Academy Way, Z15-0033 - Academy Apartments Ltd. 51 - 62

To rezone the subject property to facilitate a retail liquor store.

4.5 975 - 985 Academy Way, BL11148 (Z15-0033) - Academy Apartments Ltd. 63 - 63

To give Bylaw No. 11148 first reading in order to rezone the subject property to facilitate a retail liquor store.

5. Bylaws for Adoption (Development Related)

5.1 BL11077 (OCP14-0002) - Amendments to Chapter 14 - Urban Design DP Guidelines 64 - 66

Requires a majority of all members of Council (5).

To adopt Bylaw No. 11077 in order to amend the Official Community Plan to clarify Development Permit Guidelines in Limited Industrial Areas.

5.2 BL11082 (TA14-0001) - Amendment to Section 15 - Industrial Zones 67 - 71

To adopt Bylaw No. 111082 in order to amend the Zoning Bylaw to amend permitted uses and building forms in the I6 - Transitional Industrial Zone.

6. Non-Development Reports & Related Bylaws

6.1 Policy and Regulation relating to the Retail Sale of Liquor in Kelowna 72 - 87

To provide Council with an update on the details of Retail Liquor Store Policy and Regulation in Kelowna and British Columbia.

6.2 Housing Strategy Implementation Update 88 - 131

To provide Council with an update on the work completed, in progress, considered ongoing base business, or postponed to a later date, resulting from the twenty-five recommendations contained in the Kelowna Housing Strategy.

6.3 Rutland Arena Heat Recovery Project 132 - 166

To advise Council on the elements of the proposed capital funding agreements from FortisBC (attachment 1) and the Community Energy Leadership Program (attachment 2), the benefits for the City to implement all the Energy Conservation Measures and update the status of the Rutland Arena Heat Recovery project. The additional funding provided by FortisBC and CELP will support the scope increase, without increasing the City's financial contribution.

6.4 Community Wildfire Protection Plan 167 - 168

To request support for pursuing provincial funds through the Union of British Columbia Municipalities (UBCM) - Strategic Wildfire Prevention Initiative for updating our Community Wildfire Protection Plan (CWPP).

6.5 Purchase of Scissor Lift - Kelowna Community Theatre 169 - 170

To amend the 2015 Financial Plan in order to purchase a new scissor lift for the Kelowna Community Theatre.

7. Mayor and Councillor Items

8. Termination



City of Kelowna Regular Council Meeting Minutes

Date: Monday, September 14, 2015

Location: Council Chamber
City Hall, 1435 Water Street

Members Present Mayor Colin Basran, Councillors Maxine DeHart, Ryan Donn, Gail Given, Tracy Gray, Charlie Hodge, Brad Sieben, Mohini Singh, and Luke Stack

Staff Present Deputy City Manager, Paul Macklem; City Clerk, Stephen Fleming; Suburban & Rural Planning Manager, Todd Cashin*; Community Planning Manager, Ryan Smith*; Community Planning Supervisor, Lindsey Ganczar*; Suburban & Rural Planner, Damien Burggraeve*; Urban Planning Manager, Terry Barton*; Cultural Services Manager, Sandra Kochan*; Cemetery Manager, David Gatzke*; Parks Services Manager, Ian Wilson*; Communications & Information Director, Carla Weaden*; Council Recording Secretary, Arlene McClelland

(* Denotes partial attendance)

1. Call to Order

Mayor Basran called the meeting to order at 1:37 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 feed is being broadcast and recorded by CastaNet and a delayed broadcast is shown on Shaw Cable.

2. Confirmation of Minutes

Moved By Councillor Hodge/Seconded By Councillor DeHart

R680/15/09/14 THAT the Minutes of the Regular Meetings of August 24, 2015 be confirmed as circulated.

Carried

3. Development Application Reports & Related Bylaws

3.1 1090 McKenzie Road, FH15-0001 - GP Sandher Holdings Ltd.

Staff:

- Displayed a PowerPoint presentation summarizing the application, reasons for staff's non-support and responded to questions from Council.

Mayor to invite the Applicants or Applicants' Representative to come forward.

Biri Sandher & Sukhwinderjit Sandher, 1610 Swainson Road, Applicant

- Provided farming history and advised they currently farm 425 acres.
- Currently has 50 local workers and will need 300 to 320 workers for the next year depending on the crops.
- Workers are currently living in several locations. It is costly to have housing on various properties as well the cost of gasoline transporting workers is expensive and time consuming.
- It is strictly for economic reasons to have one large facility on one site.
- Confirmed the proposed building would be empty for 10 months out of a year.
- Responded to questions from Council.

There were no further comments.

Moved By Councillor Hodge/Seconded By Councillor Donn

R681/15/09/14 THAT Council authorizes the issuance of Development Permit No. FH14-0001 for *Lot 2 Section 25 TWP 26 ODYD Plan 4586 Except (1) Parcel A Plan B7112 (2) Plans 19263 and 20308*, located on *1090 McKenzie Road*, Kelowna, BC subject to the following:

1. Approval from the Agricultural Land Commission through a Non-Farm Use Application.
2. Restrictive Covenant specifying the use to be restricted to Temporary Farm Workers only, and requiring the removal of the structure if not used for the intended use for a continuous period of two years.

Defeated
Mayor Basran, Councillors Sieben, Stack, Given, DeHart and Gray - Opposed

Moved By Councillor Stack/Seconded By Councillor Given

R682/15/09/14 THAT Council NOT authorize the issuance of Development Permit No. FH15-0001 for *Lot 2 Section 25 TWP 26 ODYD Plan 486 Except (1) Parcel A Plan B7112 (2) Plans 19263 and 20308* for *1090 McKenzie Road*, Kelowna, BC.

Carried
Councillors Hodge and Singh - Opposed

3.2 TA15-0007 - Micro Suite Text Amendment

Staff:

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

Moved By Councillor Stack/Seconded By Councillor Hodge

R683/15/09/14 THAT Zoning Bylaw Text Amendment Application No. TA15-0007 to amend City of Kelowna Zoning Bylaw No. 8000 as described in Attachment A to the Report from the Community Planning Department dated August 24, 2015 be considered by Council;

AND THAT the Zoning Bylaw Text Amending Bylaw be forwarded to a Public Hearing for further consideration.

Carried

3.3 BL11131 (TA15-0007) - Micro Suite Housing Amendments to Zoning Bylaw No. 8000

Moved By Councillor Given/Seconded By Councillor Donn

R684/15/09/14 THAT Bylaw No. 11131 be read a first time.

Carried

3.4 1981 Cross Road, Z15-0030 - Lorne Pearson

Staff:

- Displayed a PowerPoint presentation summarizing the application.

Moved By Councillor Given/Seconded By Councillor Gray

R685/15/09/14 THAT Rezoning Application No. Z15-0030 to amend the City of Kelowna Zoning Bylaw No. 8000 by changing the zoning classification of Lot 2 Section 4 Township 23 ODYD Plan 10134 Except Plan H8323, located at 1981 Cross Road, Kelowna, BC from the A1 - Agricultural 1 zone to the RU2 - Medium Lot Housing zone, be considered by Council;

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

AND THAT final adoption of the Rezoning Bylaw be considered subsequent to the conditions of approval as outlined in Schedule (A) attached to the Report from the Community Planning Department dated September 14, 2015;

AND THAT final adoption of the Rezoning Bylaw be considered subsequent to the requirements of the Glenmore-Ellison Improvement District being completed to their satisfaction as outlined in Schedule (B);

AND THAT final adoption of the Rezoning Bylaw be considered subsequent to the issuance of a Preliminary Layout Review Letter by the Approving Officer;

AND FURTHER THAT final adoption of the Rezoning Bylaw be considered in conjunction with Council's consideration of a Development Permit and Development Variance Permit for the subject property.

Carried

3.5 1981 Cross Road, BL11134 (Z15-0030) - Lorne Pearson

Moved By Councillor Donn/Seconded By Councillor Given

R686/15/09/14 THAT Bylaw No. 11134 be read a first time.

Carried

3.6 4619 Gordon Drive, Z15-0036 - Dwight Schreiner & Cheryl Hank

Staff:

- Displayed a PowerPoint presentation summarizing the application.

Moved By Councillor Given/Seconded By Councillor Donn

R687/15/09/14 THAT Rezoning Application No. Z15-0036 to amend the City of Kelowna Zoning Bylaw No. 8000 by changing the zoning classification of Lot 2 District Lot 357 ODYD Plan KAP46269, located at 4619 Gordon Drive, Kelowna, BC from RU1 - Large Lot Housing zone to 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

3.7 4619 Gordon Drive, BL11135 (Z15-0036) - Dwight Schreiner & Cheryl Hank

Moved By Councillor Given/Seconded By Councillor Donn

R688/15/09/14 THAT Bylaw No. 11135 be read a first time.

Carried

3.8 4077 Lakeshore Road, OCP15-0011 & Z15-0031 - Greencorp. Ventures Inc.

Staff:

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

Moved By Councillor Stack/Seconded By Councillor Gray

R689/15/09/14 THAT Official Community Plan Map Amendment Application No. OCP15-0011 to amend Map 4.1 in the Kelowna 2030 - Official Community Plan Bylaw No. 10500 by changing the Future Land Use designation of Lot B Section 6 Township 26 ODYD Plan 10613, located at 4077 Lakeshore Avenue, Kelowna, BC from the S2RES - Single/Two Unit Residential designation to the MRL - Multiple Unit Residential (Low Density) designation, be considered by Council;

AND THAT Rezoning Application No. Z15-0031 to amend the City of Kelowna Zoning Bylaw No. 8000 by changing the zoning classification of Lot B Section 6 Township 26 ODYD Plan 10613, located at 4077 Lakeshore Avenue, Kelowna, BC from the RU1 - Large Lot Housing zone to the RM3 - Low Density Multiple Housing zone, be considered by Council;

AND THAT the Official Community Plan Map Amending Bylaw and Rezoning Bylaw be forwarded to a Public Hearing for further consideration;

AND THAT final adoption of the Official Community Plan Map Amending Bylaw and Rezoning Bylaw be considered subsequent to the conditions of approval as outlined in Schedule "A" attached to the Report from the Community Planning Department dated September 14, 2015;

AND FURTHER THAT final adoption of the Official Community Plan Map Amending Bylaw and Rezoning Bylaw be considered in conjunction with Council's consideration of a Development Permit and Development Variance Permit for the subject property.

Carried

3.9 4077 Lakeshore Road, BL11136 (OCP15-0011) - Greencorp Ventures Inc.

Moved By Councillor Donn/Seconded By Councillor Given

R690/15/09/14 THAT Bylaw No. 11136 be read a first time;

AND THAT the bylaw has been considered in conjunction with the City's Financial Plan and Waste Management Plan.

Carried

3.10 4077 Lakeshore Road, BL11137 (Z15-0031) - Greencorp Ventures Inc.

Moved By Councillor Gray/Seconded By Councillor Hodge

R691/15/09/14 THAT Bylaw No. 11137 be read a first time.

Carried

3.11 5305 and 5315 Main Street, TA15-0009 Zoning Bylaw Text Amendment

Staff:

- Displayed a PowerPoint presentation summarizing the application.

Moved By Councillor Hodge/Seconded By Councillor Donn

R692/15/09/14 THAT Zoning Bylaw Text Amendment No. TA15-0009 to amend the City of Kelowna Zoning Bylaw No. 8000 by adding "Retail Liquor Sales Establishment - applicable only to Lot 1, District Lot 23, Township 28, SDYD, Plan KAP91191 (5305-5315 Main Street)" to Section 1.2 Principal Uses in the CD2 - Kettle Valley Comprehensive Residential Development zone be considered by Council;

AND THAT the Zoning Bylaw Text Amending Bylaw be forwarded to a Public Hearing for further consideration.

Carried

3.12 5305 and 5315 Main Street, BL11138 (TA15-0009) - Anthony and Susan Overton

Moved By Councillor Hodge/Seconded By Councillor Gray

R693/15/09/14 THAT Bylaw No. 11138 be read a first time.

Carried

3.13 TA14-0022 - Housekeeping Text Amendments

Staff:

- Displayed a PowerPoint presentation summarizing the application.

Moved By Councillor Sieben/Seconded By Councillor Singh

R694/15/09/14 THAT Zoning Bylaw Text Amendment No. TA14-0022 to amend City of Kelowna Zoning Bylaw No. 8000 by amending the text found in "Schedule A" of the Report of the Urban Planning Department dated March 18, 2015, be considered by Council;

AND THAT the Text Amendment bylaw be forwarded to Public Hearing for further consideration.

AND FURTHER THAT final adoption of the Zone Amending Bylaw be considered subsequent to a review by the Ministry of Transportation & Infrastructure being completed to their satisfaction.

Carried

3.14 BL11139 (TA14-0022) - Housekeeping Text Amendments to Zoning Bylaw No. 8000

Moved By Councillor Gray/Seconded By Councillor Hodge

R695/15/09/14 THAT Bylaw No. 11139 be read a first time.

Carried

3.15 BL11140 (TA14-0022) - Housekeeping Text Amendments to Zoning Bylaw No. 8000

Moved By Councillor Donn/Seconded By Councillor Gray

R696/15/09/14 THAT Bylaw No. 11140 be read a first time.

Carried

3.16 BL11141 (TA14-0022) - Housekeeping Text Amendments to Zoning Bylaw No. 8000

Moved By Councillor Donn/Seconded By Councillor Hodge

R697/15/09/14 THAT Bylaw No. 11141 be read a first time.

Carried

3.17 605 Stirling Road, Z15-0024 - 1009440 BC Ltd.

Staff:

- Displayed a PowerPoint presentation summarizing the application.

Moved By Councillor Sieben/Seconded By Councillor Gray

R698/15/09/14 THAT Rezoning Application No. Z15-0024 to amend the City of Kelowna Zoning Bylaw No. 8000 by changing the zoning classification of Lot 9 Section 22 Township 26 ODYD Plan 21786, located at 605 Stirling Road, Kelowna, BC from the RU1 - Large Lot Housing zone to the RU6 - Two Dwelling Housing zone, be considered by Council;

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

AND THAT final adoption of the Rezoning Bylaw be considered subsequent to the outstanding conditions of approval as set out in Schedule "A" attached to the Report from the Community Planning Department dated June 10, 2015;

AND THAT final adoption of the Rezoning Bylaw be considered in conjunction with Council's consideration of a Development Permit for the subject property;

AND FURTHER THAT final adoption of the Rezoning Bylaw be considered subsequent to approval of the Ministry of Transportation and Infrastructure.

Carried

3.18 605 Stirling Road, BL11142 (Z15-0024) - 1009440 BC Ltd.

Moved By Councillor Sieben/Seconded By Councillor Singh

R699/15/09/14 THAT Bylaw No. 11142 be read a first time.

Carried

3.19 (South of) Academy Way, Z15-0006 - Watermark Development Ltd. & City of Kelowna

Staff:

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

Moved By Councillor Sieben/Seconded By Councillor Stack

R700/15/09/14 THAT Rezoning Application No. Z15-0006 to amend the City of Kelowna Zoning Bylaw No. 8000 by changing the zoning classification of:

1. Part(s) of Lot C Section 3 Township 23 Osoyoos Division Yale District Plan EPP33993, "see plan as to limited access", located (S of) Academy Way from A1 - Agriculture 1 to RU1h - Large Lot Housing (Hillside Area), from A1 - Agricultural 1 to P3 - Parks and Open Space, from A1 - Agricultural 1 to P4 - Utilities, from RM5 - Medium Density Multiple Housing to RU1h - Large Lot Housing (Hillside Area), and from P3 - Parks and Open Space to RU1h - Large Lot Housing (Hillside Area).
2. Part(s) of Lot 1 Sections 3 and 10 Township 23 Osoyoos Division Yale District Plan EPP45918, located at 800 Academy Way from P3 - Parks and Open Space to RM5 - Medium Density Multiple Housing and from A1 - Agricultural 1 to RM5 - Medium Density Multiple Housing.
3. Part(s) of Lot A Section 3 Township 23 Osoyoos Division Yale District Plan EPP33993 "see plan as to limited access", located (S OF) Academy Way from RM5 - Medium Density Multiple Housing to P3 - Parks and Open Space and from A1 - Agricultural 1 to P3 - Parks and Open Space.

As shown on Map "A" attached to the Report from the Community Planning Department dated September 14, 2015.

AND THAT the Zone Amending Bylaw be forwarded to a Public Hearing for further consideration

AND THAT final adoption of the Rezoning Bylaw be considered subsequent to the outstanding conditions of approval as set out in Schedule "B" attached to the Report from the Community Planning Department dated September 14, 2015;

AND FURTHER THAT final adoption of the Zone Amending Bylaw be considered subsequent to the issuance of a Preliminary Layout Review by the City of Kelowna's Subdivision Approving Officer.

Carried

3.20 (S of) Academy Way, BL11143 (Z15-0006) - Watermark Development Ltd. & City of Kelowna

Moved By Councillor DeHart/Seconded By Councillor Stack

R701/15/09/14 THAT Bylaw No. 11143 be given first reading.

Carried

3.21 1225 Lund Road, OCP14-0010 & Z14-0020 - Melcor Lakeside Ltd.

Staff:

- Displayed a PowerPoint presentation summarizing the application.

Moved By Councillor Given/Seconded By Councillor Donn

R702/15/09/14 THAT Council receives, for information, the Report from the Community Planning Department dated September 14, 2015 with respect to Official Community Plan Application No. OCP14-0010 for the property located at Lot 47, Section18, Township 27, ODYD, Plan KAP82430, located at 1225 Lund Road, Kelowna, BC;

AND THAT Council receives, for information, the Report from the Community Planning Department dated September 14, 2015 with respect to Rezoning Application No. Z14-0020 for the property located at Lot 47, Section18, Township 27, ODYD, Plan KAP82430, located at 1225 Lund Road, Kelowna, BC;

AND THAT Bylaw Nos. 10992 & 10993 be forwarded for rescindment consideration and the files be closed.

Carried

3.22 1225 Lund Road, BL10992 (OCP14-0010) - Melcor Lakeside Inc.

Moved By Councillor Stack/Seconded By Councillor DeHart

R703/15/09/14 THAT Bylaw No. 10992 be rescinded and the file closed.

Carried

3.23 1225 Lund Road, BL10993 (Z14-0020) - Melcor Lakeside Inc.

Moved By Councillor Stack/Seconded By Councillor Singh

R704/15/09/14 THAT Bylaw No. 10993 be rescinded and the file closed.

Carried

4. Bylaws for Adoption (Development Related)

4.1 1924 and (Part of) Henkel Road, BL10940 (OCP14-0007) - Surinder Gosal and City of Kelowna

Moved By Councillor Stack/Seconded By Councillor DeHart

R705/15/09/14 THAT Bylaw No. 10940 be adopted.

Carried

4.2 1908, 1924 and (Part of) Henkel Road, BL10941 (Z14-0002) - Surinder Gosal & City of Kelowna

Moved By Councillor Sieben/Seconded By Councillor Singh

R706/15/09/14 THAT Bylaw No. 10941 be adopted.

Carried

4.3 4975 Buckhaven Court, BL11072 (OCP15-0003) - Vincent & Pamela Blaskovich

Moved By Councillor DeHart/Seconded By Councillor Stack

R707/15/09/14 THAT Bylaw No. 11072 be adopted.

Carried

4.4 4975 Buckhaven Court, BL11073 (Z14-0057) - Vincent & Pamela Blaskovich

Moved By Councillor Sieben/Seconded By Councillor Singh

R708/15/09/14 THAT Bylaw No. 11073 be adopted.

Carried

4.5 1285 Graham Road, BL11126 (Z15-0029) - W-Ten Development Ltd.

Moved By Councillor Stack/Seconded By Councillor DeHart

R709/15/09/14 THAT Bylaw No. 11126 be adopted.

Carried

5. Non-Development Reports & Related Bylaws

5.1 Policy and Regulation relating to Night Club/Bar Closing Times

Councillor Sieben declared a conflict of interest due to being part owner of a liquor establishment in the downtown area and left the meeting at 3:41 p.m.

Councillor DeHart declared a conflict of interest as her employer operates a liquor establishment and left the meeting at 3:41 p.m.

Staff:

- Displayed a PowerPoint presentation summarizing the Policy changes related to Night Club/Bar closing times and responded to questions from Council.

Moved By Councillor Hodge/Seconded By Councillor Donn

R710/15/09/14 THAT Council receives, for information, the Report from the Community Planning Department Manager dated August 24, 2015 entitled "Policy and Regulation relating to the Night Club/Bar Closing Times";

AND THAT Council Policy No. 359, being Liquor Licensing Policy & Procedures, be amended as set out in Schedule "A" of the Report from the Community Planning Department Manager dated August 24, 2015.

Carried
Councillor Stack - Opposed

Councillors Sieben and DeHart rejoined the meeting at 4:04 p.m.

5.2 2015 Creative City Summit and Culture Days

Staff:

- Provided a PowerPoint presentation summarizing the 2015 Creative City Summit agenda and Culture Days events.

Moved By Councillor Donn/Seconded By Councillor Singh

R711/15/09/14 THAT Council receives for information the report of the Cultural Services Manager dated September 14, 2015 regarding the 2015 Creative City Summit and Culture Days.

Carried

5.3 Kelowna Memorial Park Cemetery Master Plan

Staff:

- Provided an overview of the Cemetery Master Plan and how it would be used as a guide for future development.

Moved By Councillor Hodge/Seconded By Councillor Sieben

R712/15/09/14 THAT Council receives, for information, the Report of the Cemetery Manager dated August 24, 2015 with respect to the Kelowna Memorial Park Cemetery Master Plan;

AND THAT Council endorses the Kelowna Memorial Park Cemetery Master Plan as attached to the Report of the Cemetery Manager dated August 24, 2015 as a guide for future Cemetery business development.

Carried

6. Mayor and Councillor Items

Mayor Basran:

- Presented Council Priorities "Open for Opportunity" 2014-2018.

Councillor Stack:

- Spoke to his attendance at the Communities in Bloom Award Ceremony.

Councillor DeHart:

- Spoke to her attendance at the Ovarian Cancer Walk on Sunday, September 13th.

Councillor Hodge:

- Spoke to his attendance at the Peachland Fall Fair on Sunday, September 13th.
- Thanked the Kelowna Fire Department and RCMP for their quick response to a car fire in front of his house this past weekend.

Councillor Gray:

- Spoke to her attendance at the Kelowna Firefighters Burn Fundraiser on Sunday, September 13th.

Councillor Donn:

- Inquired if the Running Man sculpture will be returned to the Queensway Transit Station.
- Is working on a Notice of Motion for options and solutions for littered cigarette butts.

Councillor Given:

- Reminder that this Saturday the Parkinson Recreation Centre is hosting the Volunteer Opportunities Fair beginning at 9:45 a.m.
- Reminder that the Terry Fox Run begins at UBCO on Sunday, September 20th.

Mayor Basran:

- Identified two Syrian refugee information sessions; one at the Okanagan College, Friday, September 25th and one at UBCO, Saturday September 26th.

7. Termination

This meeting was declared terminated at 4:52 p.m.

Mayor

/acm



City Clerk



International Children's Games Legacy Committee – report to City Council

September 28, 2015

Team Kelowna



Team Kelowna Facts

- * Kelowna ICG Legacy Committee organizing 1 – 2 teams a year go to the games
- * Kelowna - only city from Western Canada
- * Been to 7 Games – 2 more being planned: Innsbruck and New Taipei City
- * 19 different sports participated in



More Team Kelowna Facts

- * 14 medals
- * 4 gold, 5 silver and 5 bronze
- * Summer and winter medals
- * 228 athletes and coaches
- * 14 different sponsors in 2015
- * Alumni =
 - * provincial and national recognition
 - * nominated as Kelowna's athlete(s) of the year
 - * community sport heroes
 - * coaches and mentors



Team Kelowna – Alkmaar , the Netherlands

- * Swimming
- * Golf
- * Tennis
- * Volleyball – girls
- * 15 athletes
- * 4 coaches
- * 1 HOD, 1 Legacy Rep.
- * 25 Family & Friends



The Alkmaar Games



A Great “Dutch” Experience



An Alkmaar Games story

* Amy Wu



Team Kelowna Innsbruck January 11 – 16, 2016

Freestyle Skiing

Biathlon

Cross Country

Alpine Skiing

16 athletes

5 coaches

1 HOD, 1 Legacy Rep.

25 family and friends

Oops - 112 days left until the games.

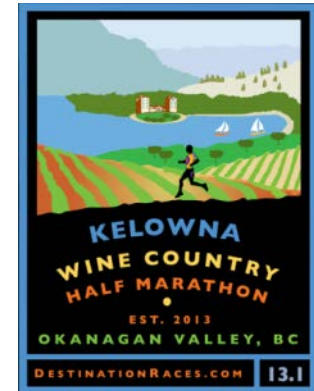


The Innsbruck story

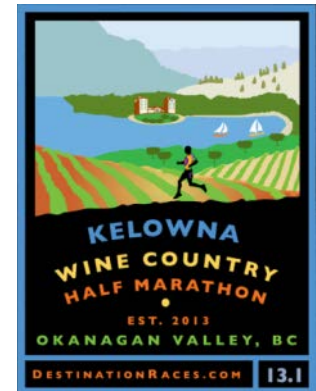
- * Looking forward to Innsbruck
- * Ainsley Macdonald – freestyle skier



Thanks Alkmaar Sponsors



Thanks Innsbruck Sponsors



What's next for the ICG Committee ?

Innsbruck Winter Games - January 11 - 16, 2016



New Taipei City – summer Games - July 2016

Kaunas Lithuania – June 2017 Summer Games

Jerusalem, Israel – July 2018 Summer games

REPORT TO COUNCIL



Date: September 28, 2015

RIM No. 1250-04

To: City Manager

From: Urban Planning, Community Planning & Real Estate

Application:	TA15-0003, OCP15-0008	Owner:	1017476 BC LTD
			1017482 BC LTD
			1017489 BC LTD
			1017496 BC LTD

Address:	653 Harvey Ave, 1770 Richter St., 1800 Richter St., 1755 Chapman Pl.	Applicant:	Mission Group Homes
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Subject: Text Amendment - Central Green

Existing OCP Designation: MXR - Mixed Use (Residential/Commercial), MRM (Multiple Unit Residential (Medium Density))

Existing Zone: CD22 - Central Green Comprehensive Development Zone

Proposed Zone: CD22 - Central Green Comprehensive Development Zone

1.0 Recommendation

THAT Official Community Plan Bylaw Text Amendment No. OCP15-0008 to amend Kelowna 2030 - Official Community Plan Bylaw No. 10500 as outlined in the Report of the Community Planning Department dated July 13, 2015 be considered by Council.

AND THAT prior to the public hearing, that the Applicant conduct an additional public information session to inform interested stakeholders of the proposed bylaw amendments.

AND THAT Zoning Bylaw Text Amendment No. TA15-0003 to amend City of Kelowna Zoning Bylaw No. 8000 by amending the CD22 Zone as outlined in the Report of the Community Planning Department dated September 28, 2015, be considered by Council.

AND FURTHER THAT prior to adoption, the applicant and property owner enter into a Servicing Brief with the Development Engineering Branch.

2.0 Purpose

To amend the Official Community Plan and Zoning Bylaw by changing the proposed site plan and setback requirements in the CD22 Central Green Comprehensive Development Zone.

3.0 Urban Planning

Urban Planning staff support this application. Staff have worked for almost a year with the proponents in developing a site plan that meets the community objectives for the Central Green site while also being economical to develop.

The proposed amendments allow building massing to be pulled away from the highway and south towards Rowcliffe Park.

The proposed setback amendments will allow the commercial building to be built to the property line at Harvey and Richter, keeping with City urban design principles and avoiding a variance application in the future.

The guiding principal of Central Green was to create a community in the core of Kelowna that would "set a new standard for development within the city and exemplify sustainable planning and building practices in an economically responsible manner." The concept of a pedestrian walkway running from Harvey to Rowcliffe park through a master planned group of multi-family homes and small scale commercial uses remains central to the new design.

The proposed amendments do not compromise other City goals for the project, including a requirement that buildings be built to a LEED Certified Standard and the entire site, including the park, achieve LEED ND (neighbourhood level) certification.

4.0 Proposal

4.1 Background

The Central Green project is intended to be a large scale mixed use development at the corner of Richter and Harvey. Between 2007 and 2012, the City led a major planning exercise to determine the future land use and form on the site, which ended up including both market rental and affordable housing components.

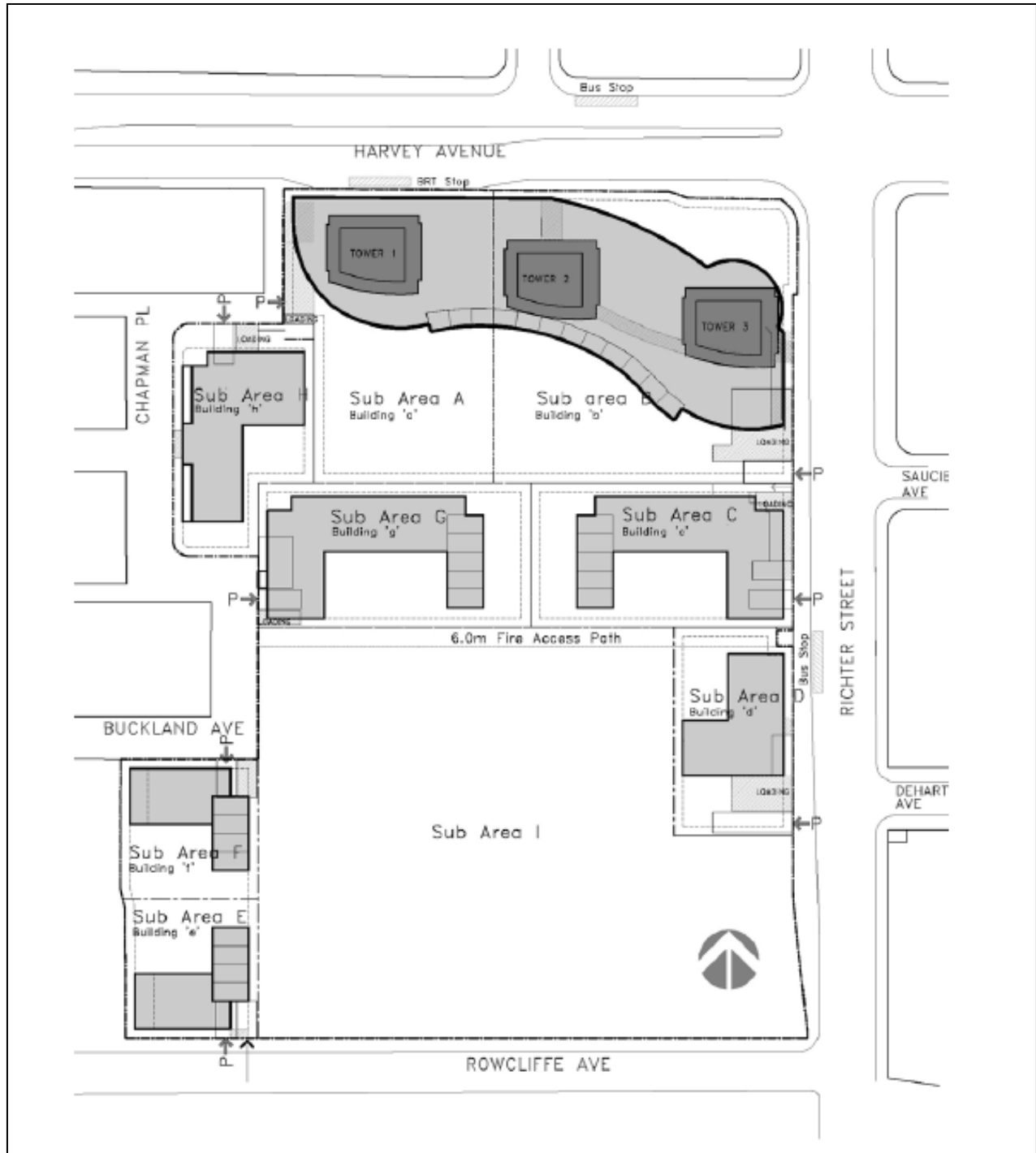
Council has already approved the two affordable housing projects on the Central Green site. One of these projects is currently under construction and one has recently received a development permit. These projects will achieve the City's affordable housing goals for the site well ahead of schedule.

The balance of the site was purchased by Al Stober Construction, whom, in conjunction with Mission Group Homes, have worked with City staff to develop a proposal for a combination of market rental housing and market strata units.

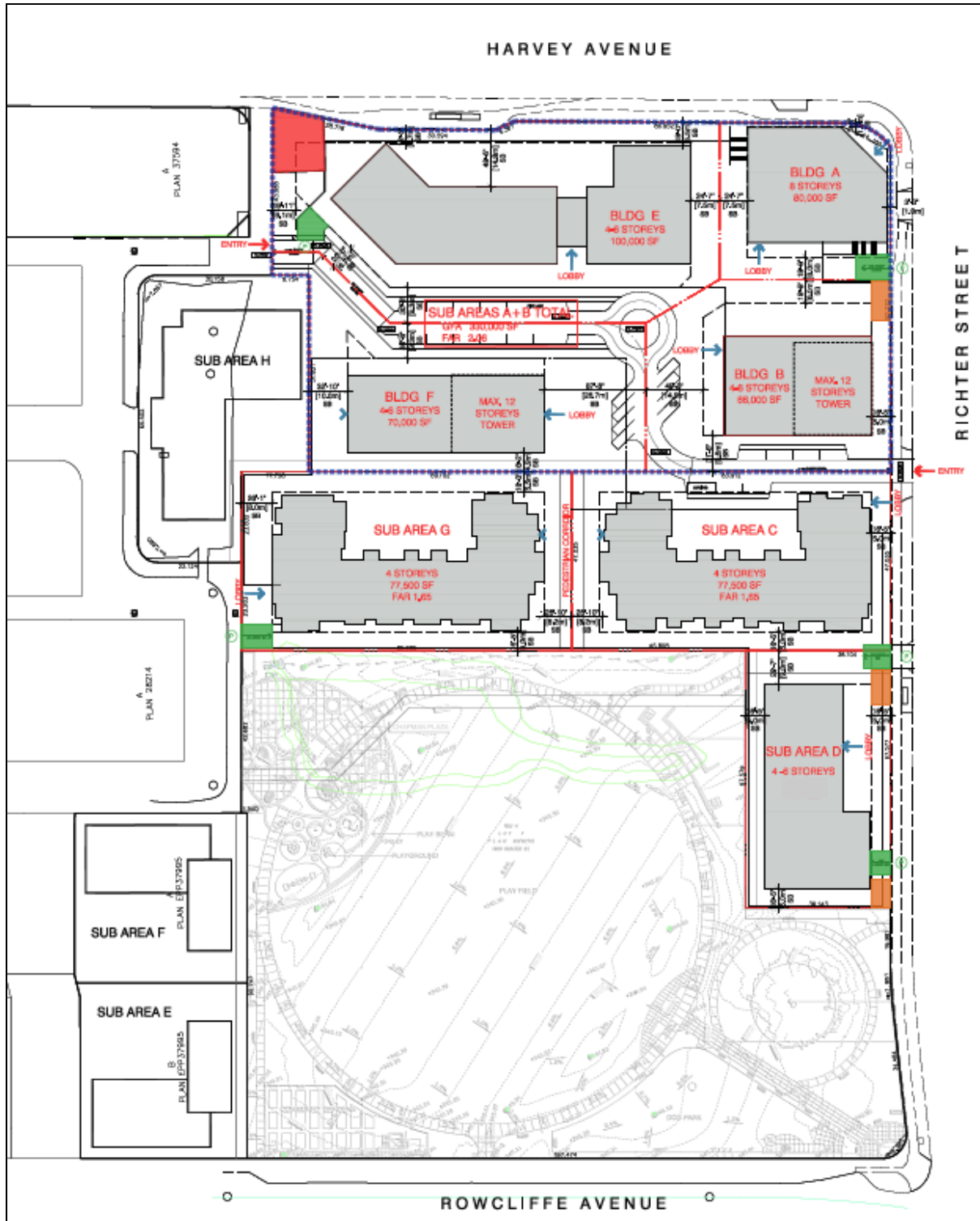
4.2 Zoning Bylaw Amendment

The CD22 zone is highly prescriptive in terms of building form and layout and lays out maximum densities and FARs on different portions of the site. The applicants have developed a plan which sees density pulled away from Harvey and closer to Rowcliffe Park.

The applicants have proposed to amend the Site Plan in the Zoning Bylaw, moving from the initial series of towers along Harvey to a plan which pulls some building massing to the center of the site. The developer would also build a low speed private road through the site, to improve access to internal buildings and commercial retail units.



Current Site Plan



Proposed Site Plan

Overall, the proposed densities are lower than the initial CD22 zone. The initial CD22 zone envisioned three 15 to 20 storey towers along Harvey Avenue. The new layout would see two towers further away from Harvey, surrounded by 4 to 6 storey buildings.

Sub Area AB (Bldgs A, B, E + F)	Current Zoning	Proposed
FAR (Combined)	3.3 / 4.5	4.0
Building Height	3 - 20 storeys	3-20 storeys
Sub Area C	Current Zoning	Proposed
FAR (Combined)	1.55	2.0
Building Height	4 storeys	4 storeys
Sub Area G	Current Zoning	Proposed
FAR (Combined)	1.6	2.0
Building Height	4 storeys	4 storeys
Sub Area D	Current Zoning	Proposed
FAR (Combined)	1.51	2.0
Building Height	4 storeys	4 storeys

In addition to amending the site Floor Area Ratios, the amendments would also remove net floor area restrictions. These restrictions are redundant with the FAR requirements and serve only to add a layer of complexity. FAR would remain the tool to control site density.

The Bylaw Amendments include minor amendments to the required setbacks along Richter Avenue for commercial uses, allowing commercial uses to be built to the property line. There are also additional amendments slightly reducing the minimum distance between Buildings C & G, from 24.0 m to 14.0 m. Additional setback amendments will allow small gaps in the parking structure to accommodate the access roads.

The Bylaw amendments also allow "Financial Services" in the commercial portion of the site, to accommodate a potential bank tenant in the office building. Staff feel that Financial Services are an appropriate use within the office building at the northeast corner of the site.

The bylaw amendments also remove numerical standards from the Development Permit Guidelines attached to the CD22 Zone. These numerical standards contradict or do not match new standards in the zone itself and can be removed without compromising development objectives.

The Bylaw amendments are intended to meet the major objectives of the Central Green plan while also producing a financial feasible and marketable design.

4.3 Official Community Plan Amendment

The Official Community Plan includes similar prescriptive language to the Zoning Bylaw. Within the Future Land Use Section under the requirements for Multiple Unit Residential (Medium Density), there is a stipulation that:

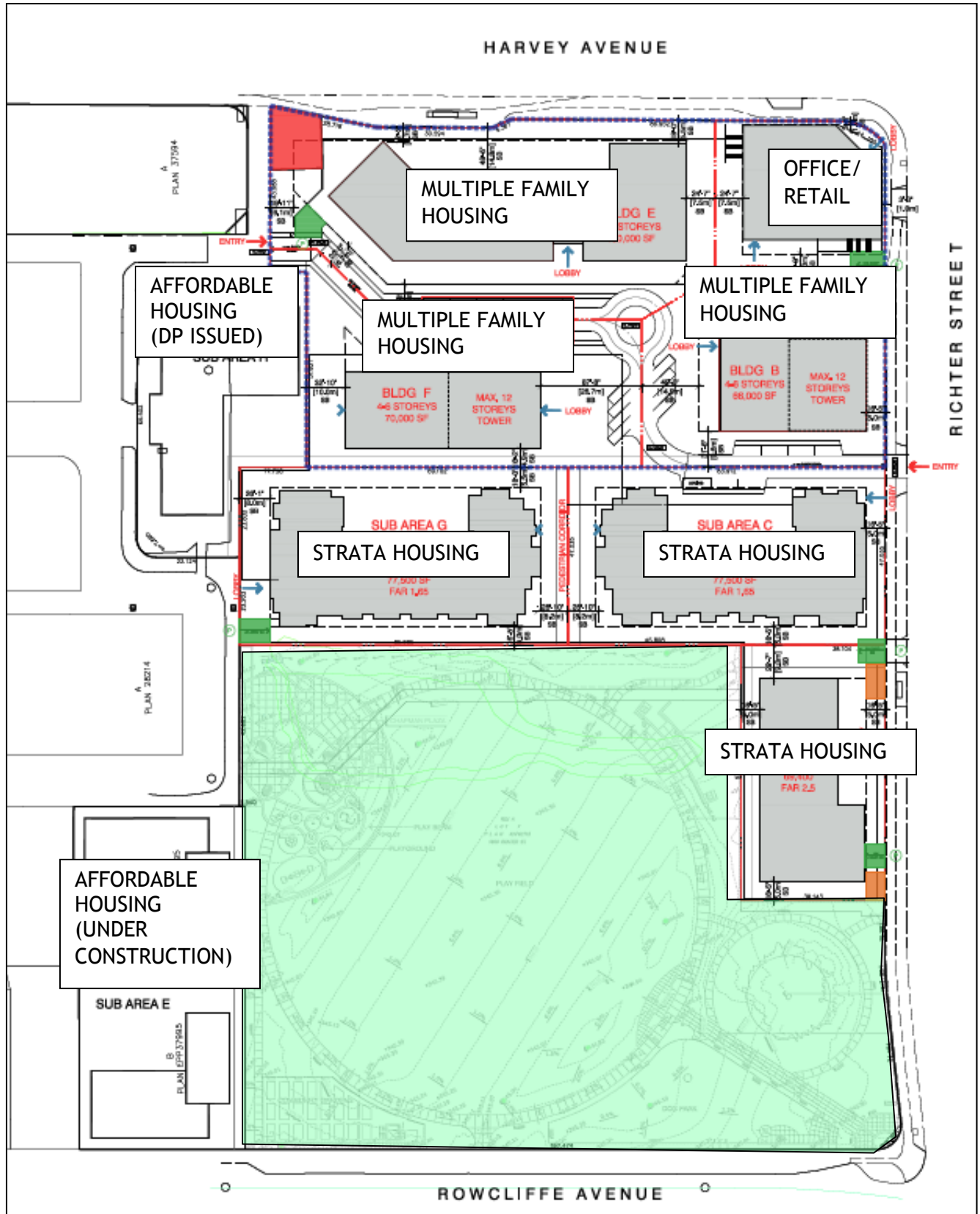
This designation provides potential for increased density specific to four (4) buildings that meet the RM5 Zone height regulations as per the Central Green CD 22 Zone. The maximum of Floor Area Ratio (FAR) for sub-area D is 1.5; for sub-areas C & G it is 1.6 and for sub-area H it is 1.7.

Staff recommend that this stipulation be deleted in its entirety, and that site density be addressed through the Zoning Bylaw. The clause is unnecessary.

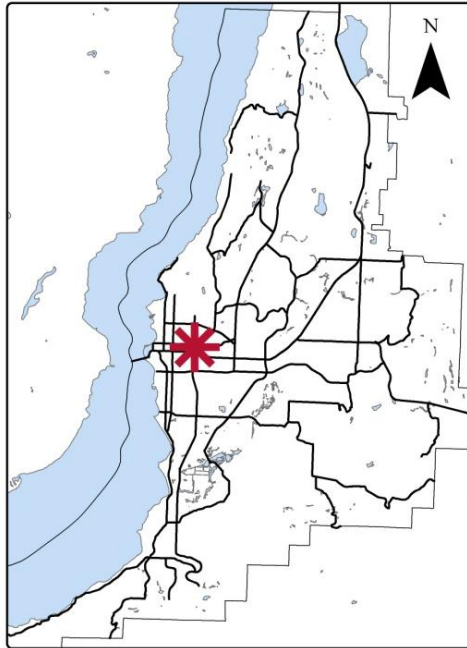
Further amendments remove additional zoning type language from the Central Green Guidelines. These include guidelines about building heights, setbacks, private open space and step-backs. This language will remain in the Zoning portion of the CD22 regulations, but will be removed from the guideline section for ease of implementation.

Major Changes in Site Plan	Rationale
Roadway through site	Low speed roadway enhances site usability, allows safer exit onto Chapman rather than forcing traffic on Richter, supports commercial on site
22 parking stalls on site	Limited parking on site allows better loading/unloading without parking on Harvey or Richter, supports coffee shop in plaza, allows visitor/delivery parking on site
Density moved to middle of site	Pulls residential units away from street noise along Harvey while retaining option for towers on site
Commercial plaza	Small inward facing coffee shop and limited services to serve residents and passers through, reduces size of 'green' in centre of property
Removal of podium	With reduction of size of Harvey fronting buildings, no podium required

Unchanged Elements	
All resident parking underground	Connection to Rowcliffe emphasized
North/South travel line through site emphasized	Mixture of rental, strata and office space
Connectivity across Harvey with pedestrian flyover	15% of site dedicated to affordable housing
LEED Certification for all buildings	LEED ND certification for overall site



Subject Property Map:



5.0 Current Development Policies

5.1 Kelowna Official Community Plan (OCP)

Staff have reviewed this application, and it may move forward without affecting either the City's Financial Plan or Waste Management Plan.

5.2 Kelowna Policy 367 Public Notification & Consultation for Development Applications

The Applicant has conducted an Open House in accordance with the requirements of Policy #367. The Open House was held on August 20, 2015. Approximately 50 people attended.

The Central Green Plan was the result of considerable public process on the part of the City and participating community stakeholders. Because of the magnitude of the level of public engagement during the development of the initial plan, staff are recommending to Council that prior to the public hearing, the applicant conduct an additional on site Public Open House to inform interested stakeholders about the proposed bylaw amendments. Staff will inform stakeholders via e-mail of the time and date of the Open House.

6.0 Technical Comments

6.1 Development Engineering Department

1. See Memo dated June 4, 2015.

7.0 Application Chronology

Date of Application Received: April 13, 2015

Report prepared by:

Ryan Roycroft, Planner

Reviewed by:



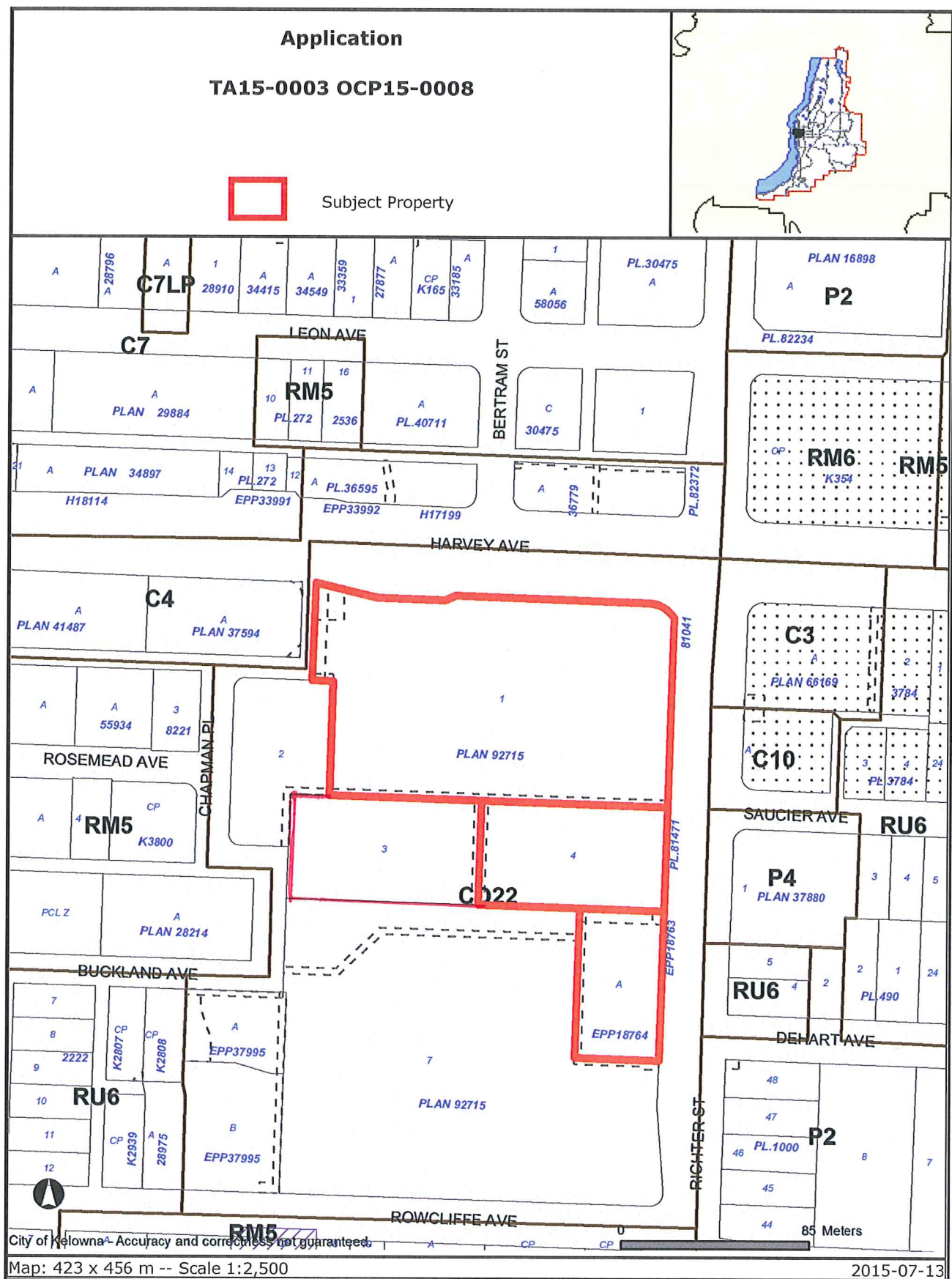
Ryan Smith, Department Manager, Community Planning

Attachments:

Bylaw Amendment Table

Memo from Development Engineering

Design Renderings



Certain layers such as lots, zoning and dp areas are updated bi-weekly. This map is for general information only.
The City of Kelowna does not guarantee its accuracy. All information should be verified.

Zoning Bylaw No. 8000				
No.	Section	Existing Text	Proposed Text	Explanation of change
1	1 - CD 22 7.3 Secondary Uses		Add "Financial Services" as Secondary use	<i>Allows Financial Services as a secondary use to accommodate a potential tenant on the commercial building.</i>
2.	CD 22 7.5 Density	7.5 Parcel Size The maximum number of lots to be created from these Sub-Areas A and B is two and if created, such parcels shall have the area, size and shape of CD22 Central Green Sub- Areas A and B, all as shown on Plan CG-1.	7.5 Parcel Size The maximum number of lots to be created from these Sub-Areas A and B is four.	<i>The applicants intend to have a mix of commercial, rental and strata units in Areas A & B, and require flexibility in the number of parcels to accommodate all tenures.</i>
	CD 22 7.6 Density	If the lands in Sub-Areas A and B are subdivided into two parcels, then the maximum permitted density in Sub-Area A shall be the lesser of Gross Floor Area 20,000m² or FAR 3.3, and the maximum permitted density on Sub-Area B shall be the lesser of Gross Floor Area 40,000m² or FAR 4.5; however if the lands on Sub- Area A and B are not subdivided to create two separate parcels and constitute a single parcel then the maximum permitted density permitted shall be 60,000m ² of Gross Floor Area or FAR	7.6 Density (a) The maximum permitted FAR in Sub-Area AB shall be 4.0.	<i>Greatly simplifies density calculations. Reduces maximum density in Area AB to allow additional density elsewhere on site.</i>

		4.0.			
CD 22 Setbacks	7.9	<p>Setbacks</p> <p>(a) The minimum front yard setback along Harvey Avenue is 4.5m.</p> <p>(b) The minimum rear and side yard setbacks, excluding the parking structure, shall be 3.0m.</p> <p>(c) The parking structures must have a 0.0m rear yard setback and must be coordinated with the parking structure of Sub-Areas C and G to ensure a contiguous public open space is created above the parking structures.</p>	<p>Setbacks</p> <p>(a) The minimum setback along Harvey Avenue is 0.0m.</p> <p>(b) The minimum setback along Richter Avenue is 0.0m.</p> <p>(c) The minimum side yard setback where not fronting Richter is 3.0m.</p> <p>(d) The minimum rear yard setback, excluding the parking structure is 3.0m.</p> <p>(e) The parking structures must have a 0.0m rear yard setback and must be coordinated with the parking structure of Sub-Areas C and G to ensure a contiguous public open space is created above the parking structures.</p>	<p>Amends setback for Richter frontage, to allow commercial development to be built directly to property line.</p>	
CD 22 Permitted Uses	8.1	<p>8.1 Permitted Uses</p> <p>The uses set out above are permitted, provided that:</p> <p>(a) Off-street vehicular parking and off-street loading must only be sited and located below grade at street level</p>	<p>Delete</p>	<p>Delete. A small number of business visitor parking lots are proposed for the site, to allow for access and deliveries to the plaza commercial sites.</p>	
CD 22 8.3 Density		<p>Density</p> <p>If the lands Sub-Areas C and G are subdivided into two parcels, then the maximum permitted density in each of Sub-Areas C and G shall be the lesser</p>	<p>8.3 Density</p> <p>(a) The maximum permitted FAR in Sub-Area C shall be 2.0.</p> <p>(b) The maximum permitted FAR in Sub-Area G shall be 2.0.</p>	<p>Increases Density allowed in sub-areas further from Harvey</p>	

		of Gross Floor Area of 6500m ² or FAR of 1.6; however, if the lands Sub-Areas C and G are not subdivided to create two parcels and constitute a single parcel, then the maximum density permitted density shall be the lesser of Gross Floor Area 13,000m ² or 1.6 FAR.		
	CD 22 8.6 Setback	(b) The minimum rear yard setback, excluding the parking structure, shall be 12.0m.	(b) The minimum rear yard setback, excluding the parking structure, shall be 7.0 m.	<i>Allows reconfiguration of strata buildings.</i>
	CD 22 9.1 Permitted Uses	9.1 Permitted Uses The uses set out above are permitted, provided that: (a) Off-street vehicular parking and off-street loading must only be sited and located below grade at street level	Delete	<i>Delete. A small number of business visitor parking lots are proposed for the site, to allow for access and deliveries to the plaza commercial sites.</i>
	CD 22 9.3 Density	9.3 Density The permitted density in this CD22 Central Green Sub-Area D must not exceed a Gross Floor Area of the lesser of 3,900 m ² or an FAR of 1.50	9.3 Density The maximum permitted FAR in Sub-Area D shall be FAR 2.0.	<i>Increases Density allowed in sub-areas further from Harvey</i>
	CD22 Annexure 1 2.15 Plan CG-1		Replace Plan CG-1 with Amended Plan CG-1	Replace with amended site plan

CD22 Annexure 1 2.16 Plan Central Green Design Guidelines			Delete Plan	Redundant and inconsistent with requirements elsewhere in Zoning Bylaw
CD22 Annexure 1 3.1.2.6 Towers	h) Maximum Gross Floor Area for all floor levels above podium is 750 m2 i) The maximum height of the buildings located within CD22 Sub- Area A & B shall be as follows...		Delete 3.1.2.6.h) and 3.1.2.6.i)	Remove Zoning style language from guidelines

CITY OF KELOWNA

MEMORANDUM

Date: April 27, 2015
File No.: TA15-0003
To: Urban Planning Department (RR)
From: Development Engineer Manager (SM)
Subject: Central Green CD22 - (653 Harvey Av, 1775 Chapman Pl, 1770 & 1800 Richter Street)

Development Engineering Services comments and requirements regarding this text amendment are as follows:

1. The proposed concept plans do presents concerns with access locations and access movements to and from the site. Development Engineering with the support of Transportation is working with the applicant to address these concerns which will satisfy the City's road network and the safety of all vehicular movements to and from the site.
2. The subject properties servicing and upgrades required will be dealt with at Development/Building Permit application.

Steve Muenz, P.Eng.
Development Engineering Manager

SS







CITY OF KELOWNA

BYLAW NO. 11119

Official Community Plan Amendment No. OCP15-0008 Amendment to Chapter 4 - Future Land Use - MRM

A bylaw to amend the "*Kelowna 2030* - Official Community Plan Bylaw No. 10500".

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

1. THAT Chapter 4 - Future Land Use, LAND USE DESIGNATION DEFINITIONS, Multiple Unit Residential (Medium Density) (MRM) be amended by deleting the following:

"This designation provides potential for increased density specific to four (4) buildings that meet the RM5 Zone height regulations as per the Central Green CD 22 Zone. The maximum of Floor Area Ratio (FAR) for sub-area D is 1.5; for sub-areas C&G it is 1.6 and for sub-area H it is 1.7."
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

Considered at a Public Hearing on the

Read a second and third time by the Municipal Council this

Adopted by the Municipal Council of the City of Kelowna this

Mayor

City Clerk

CITY OF KELOWNA
BYLAW NO. 11118
TA15-0003 - CD22 - Central Green Comprehensive
Development Zone Amendments

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, **Schedule 'B' - Comprehensive Development Zones, CD22 - Central Green Comprehensive Development, SCHEDULE 7- CD22 Sub-Areas A & B Zoning** be amended by:

- a) Adding "**financial services**" in its appropriate location and re-numbering subsequent sub-sections to section **7.3 Secondary Uses**; and

- b) Deleting section **7.5 Parcel Size** that reads:

"The maximum number of **lots** to be created from these Sub-Areas A and B is two and if created, such parcels shall have the area, size and shape of CD22 Central Green Sub-Areas A and B, all as shown on Plan CG-1."

And replacing it with:

"The maximum number of **lots** to be created from these Sub-Areas A and B is four."

- c) Deleting section **7.6 Density** that reads:

"If the lands in Sub-Areas A and B are subdivided into two parcels, then the maximum permitted **density** in Sub-Area A shall be the lesser of **Gross Floor Area** 20,000m² or FAR 3.3, and the maximum permitted **density** on Sub-Area B shall be the lesser of **Gross Floor Area** 40,000m² or FAR 4.5; however if the lands on Sub-Area A and B are not subdivided to create two separate parcels and constitute a single parcel then the maximum permitted density permitted shall be 60,000m² of **Gross Floor Area** or FAR 4.0."

And replacing it with:

"(a) The maximum permitted FAR in Sub-Area AB shall be 4.0."

- d) Deleting section **7.9 Setbacks** that reads:

"(a) The minimum **front yard** setback along Harvey Avenue is 4.5m.

(b) The minimum **rear** and **side yard** setbacks, excluding the parking structure, shall be 3.0m.

- (c) The parking structures must have a 0.0m **rear yard** setback and must be coordinated with the parking structure of Sub-Areas C and G to ensure a contiguous public open space is created above the parking structures.”

And replacing it with:

- “(a) The minimum setback along Harvey Avenue is 0.0m.
- (b) The minimum setback along Richter Avenue is 0.0m.
- (c) The minimum side yard setback where not fronting Richter is 3.0m.
- (d) The minimum rear yard setback, excluding the parking structure is 3.0m.
- (e) The parking structures must have a 0.0m rear yard setback and must be coordinated with the parking structure of Sub-Areas C and G to ensure a contiguous public open space is created above the parking structures.”

2. THAT City of Kelowna Zoning Bylaw No. 8000, **Schedule ‘B’ - Comprehensive Development Zones, CD22 - Central Green Comprehensive Development, SCHEDULE 8- CD22 Sub-Areas C & G Zoning** be amended by:

- a) Deleting under section **8.1 Permitted Uses** in its entirety that reads:

“The uses set out above are permitted, provided that:

- (a) Off-street vehicular parking and off-street loading must only be sited and located below grade at street level.”

- b) Deleting section **8.3 Density** in its entirety that reads:

“If the lands Sub-Areas C and G are subdivided into two parcels, then the maximum permitted density in each of Sub-Areas C and G shall be the lesser of **Gross Floor Area** of 6500m² or FAR of 1.6; however, if the lands Sub-Areas C and G are not subdivided to create two parcels and constitute a single parcel, then the maximum density permitted density shall be the lesser of **Gross Floor Area** 13,000m² or 1.6 FAR.”

And replacing it with:

- “(a) The maximum permitted FAR in Sub-Area C shall be 2.0.
- (b) The maximum permitted FAR in Sub-Area G shall be 2.0.”

- c) Deleting section **8.6 Setbacks** (b) in its entirety that reads:

“(b) The minimum **rear yard** setback, excluding the parking structure, shall be 12.0m.”

And replacing it with:

“(b) The minimum **rear yard** setback, excluding the parking structure, shall be 7.0 m.”

3. THAT City of Kelowna Zoning Bylaw No. 8000, **Schedule 'B' - Comprehensive Development Zones, CD22 - Central Green Comprehensive Development, SCHEDULE 9- CD22 Sub-Areas D Zoning** be amended by:

- a) Deleting under section **9.1 Permitted Uses** in its entirety that reads:

"The uses set out above are permitted, provided that:

- a) Off-street vehicular parking and off-street loading must only be sited and located below grade at street level."

- b) Deleting section **9.3 Density** in its entirety that reads:

"The permitted density in this CD22 Central Green Sub-Area D must not exceed a **Gross Floor Area** of the lesser of 3,900 m² or an **FAR** of 1.50"

And replacing it with:

"The maximum permitted FAR in Sub-Area D shall be FAR 2.0."

4. THAT City of Kelowna Zoning Bylaw No. 8000, **Schedule 'B' - Comprehensive Development Zones, CD22 - Central Green Comprehensive Development, ANNEXURE 1 - Central Green Development Permit Area Guidelines** be amended by:

- a) deleting Diagram 2.15 Plan CG-1 and replacing it with a new Diagram 2.15 Plan CG-1 as attached to and forming part of this bylaw;
- b) deleting 2.16 Plan Central Green Design Guidelines in its entirety;
- c) deleting 3.0 Sub-Area Guidelines, 3.1.2.6 Towers, sub-section h) and i) be deleted in their entirety that reads;

"h) Maximum Gross Floor Area for all floor levels above podium is 750 m².

- i) The maximum height of the buildings located within CD22 Sub-Area A & B shall be as follows:

- A) the maximum height for the podium is the lesser of 18.0m or 4 storeys, minimum height of podium shall be 10m above grade or 2 storeys;
- B) the maximum height for tower #1 is 60m;
- C) the maximum height for tower #2 is 66m; and;
- D) the maximum height for tower #3 is 72m."

5. 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

Considered at a Public Hearing on the

Read a second and third time by the Municipal Council this

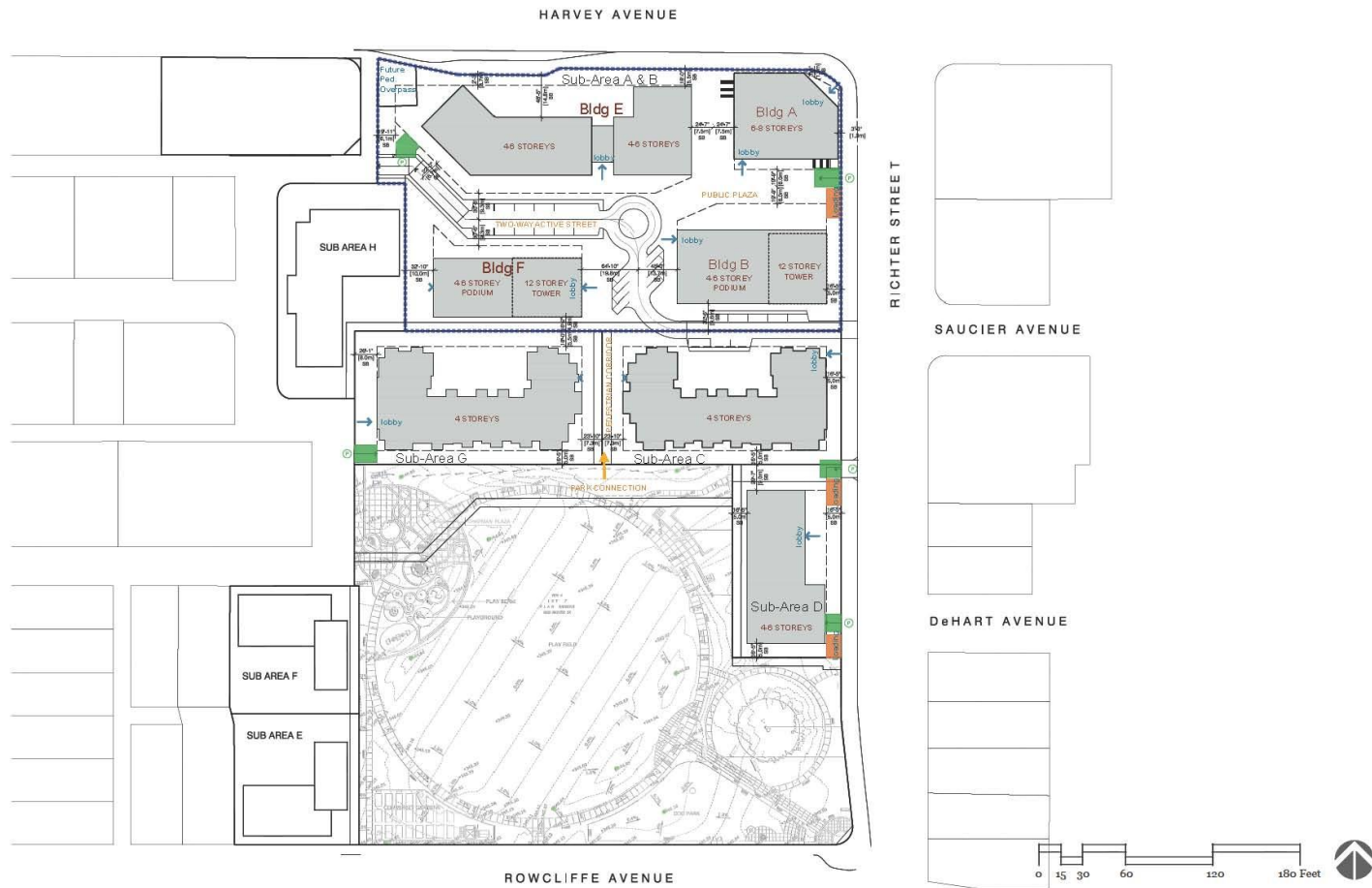
Approved under the Transportation Act

(Approving Officer-Ministry of Transportation)

Adopted by the Municipal Council of the City of Kelowna this

Mayor

City Clerk



C22 - Central Green Comprehensive Development Zone
Proposed Text Amendment
Revised June 2015

ARCHITECTURAL & SITE ACCESS PLAN

REPORT TO COUNCIL



Date: September 28, 2015

RIM No. 1250-30

To: City Manager

From: Community Planning Department (TY)

Application: Z15-0033 **Owner:** Academy Apartments Ltd.

Address: 975 - 985 Academy Way **Applicant:** Academy Apartments Ltd.

Subject: Rezoning Application

Existing OCP Designation: COMM - Commercial
PARK - Major Park / Open Space (Public)

Existing Zone: C3 - Community Commercial

Proposed Zone: C3rls - Community Commercial (Retail Liquor Sales)

1.0 Recommendation

THAT Rezoning Application No. Z15-0033 to amend the City of Kelowna Zoning Bylaw No. 8000 by changing the zoning classification of Strata Lot 1 Section 10 Township 23 ODYD Strata Plan EPS1461 together with an interest in the common property in proportion to the unit entitlement of the Strata Lot as shown on Form V, located at 975 - 985 Academy Way, Kelowna, BC from the C3 - Community Commercial zone to the C3rls - Community Commercial (Retail Liquor Sales), be considered by Council;

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

2.0 Purpose

To rezone the subject property to facilitate a retail liquor store.

3.0 Community Planning

Community Planning Staff supports the proposed rezoning which will permit a retail liquor store in the University South Village Centre. The proposed retail liquor store meets Council policy 359 as well as Liquor Control And Licensing Branch legislation. Council Policy 359, Liquor Licensing Policy & Procedures provides some guidance related to the location of liquor stores that aims to limit the potential land use conflicts and community disturbance issues related to liquor stores and liquor primary establishments. There are no liquor primary establishments in this area. Space is designated for a food primary licensed restaurant on the subject property which does not have restrictions with regards to proximity to a retail liquor store. The Liquor Regulations require that any new or relocated private liquor store must be a minimum of 1 km from another private liquor

store. The proposed liquor store relocation complies with this regulation as the closest private liquor store, "Public Liquor" is located at 1.8 km away.

The subject property is near educational institutions such as Aberdeen Preparatory School (K-12), UBCO and multiple family residential developments. The subject property is zoned C3 - Community Commercial which aims to connect surrounding residential neighbourhoods with community commercial services. A retail liquor store is recognized as a community commercial use in this zone. The subject property is accessible to neighbouring properties by pedestrian and cycling traffic via a multiple use pathway that runs along the front of the property. The pathway will continue to run adjacent to the future Academy Way extension.

The site currently meets parking requirements for the retail use, and no variances are requested as a result of this rezoning application.

4.0 Proposal

4.1 Background

Currently the subject property contains two four-storey buildings. The first building (Phase I of III), was constructed in 2012 and is a mixed use building with commercial on the first storey and multiple family residential on the upper three storeys. The second building (phase II of III), was constructed in 2013 and is entirely multiple family residential. A third building is planned for this property (Phase III) and is intended as a commercial use. No application has been submitted for development of this building to-date.

4.2 Project Description

The applicant is proposing to rezone the subject property in order to relocate a private liquor store license to the mix-use building (Phase I) on the subject property. The liquor store will be located in vacant space on the ground floor as shown on the attached Conceptual Site Plan. There are no proposed changes to the exterior of the building or parking.

4.3 Site Context

The subject property is located on the north east portion of Academy Way at the corner of Academy Way and John Hindle Drive in the Highway 97 sector of Kelowna. The property is currently zoned C3 and has a Future Land Use of COMM - Commercial and PARK - Major Park / Open Space (Public) and is in the Permanent Growth Boundary.

Adjacent land uses are as follows:

Orientation	Zoning	Land Use
North	CD20	UBCO
East	A1	Farmland & Forest
South	RM4	Multiple Family Residential
West	P2	Aberdeen Hall School

Subject Property Map: 975 - 985 Academy Way



4.4 Zoning Analysis Table of entire subject property

Zoning Analysis Table		
CRITERIA	C3r1s ZONE REQUIREMENTS	EXISTING
Existing Lot/Subdivision Regulations		
Minimum Lot Area	1,300 m ²	20,633 m ²
Minimum Lot Width	40.0 m	117 m
Minimum Lot Depth	30.0 m	163 m
Development Regulations		
Maximum Floor Area Ratio	1.0	0.42
Maximum Site Coverage (buildings)	50%	26 %
Maximum Height	15 m / 4 storeys	14.8 m / 4 storeys
Minimum Front Yard	3.0 m	21.1 m
Minimum Side Yard (south)	2.0 m	8.9 m
Minimum Side Yard (north)	0.0 m	21.9 m
Minimum Rear Yard	0.0 m	17.8 m
Other Regulations		
Minimum Parking Requirements (entire site)	164 stalls	164 stalls
Minimum Bicycle Parking (Building I)	Class I - 46stalls Class II - 22 stalls	Class I - 47 stalls Class II - 22 stalls
Minimum Private Open Space	1,125 m ²	1,655 m ²
Minimum Loading Space	2 stalls	2 stalls

5.0 Current Development Policies

5.1 Kelowna Official Community Plan (OCP)

Transportation Networks.¹ Ensure transportation networks support continued success and future expansion of key employment nodes (as indicated with commercial, mixed use, and institutional designations in the OCP). Provide effective and efficient levels of transit service and convenient walking and cycling connections between key employment nodes and surrounding residential areas.

The subject property is a mixed use property with multiple family residential as well and commercial. This property fronts a multiple use pathway was constructed as part of this development which will run parallel with Academy Way extension.

Village Centre (University South)² A cluster of small-scale, residential, retail, and office uses, which provide for convenience needs of area residents. Village Centres are located along an arterial or collector road and would typically be located more than two kilometres from other City or Town Centre commercial facilities.

The addition of a retail liquor store in the village centre brings this retail need to the multiple family residence.

5.2 Liquor Control & Licensing Branch

Relocate a licensee retail store.³ the new location of the licensee retail store is at least 1.0 km from the site of another licensee retail store or liquor store or the proposed location of another store;

6.0 Technical Comments

No Comments

7.0 Application Chronology

Date of Application Received:	June 16, 2015
Date Public Consultation Completed:	September 9, 2015

¹ City of Kelowna Official Community Plan, Objective 8.7.2 (Economic Development Chapter).

² City of Kelowna Official Community Plan (Definitions Chapter).

³ Liquor Control And Licensing Regulation, Licensee retail stores, 14.5.a.

Report prepared by:

Tracey Yuzik, Planner

Reviewed by:

☐

Lindsey Ganczar, Planning Supervisor

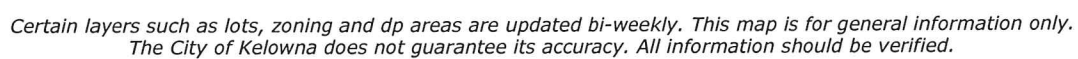
Approved for Inclusion:

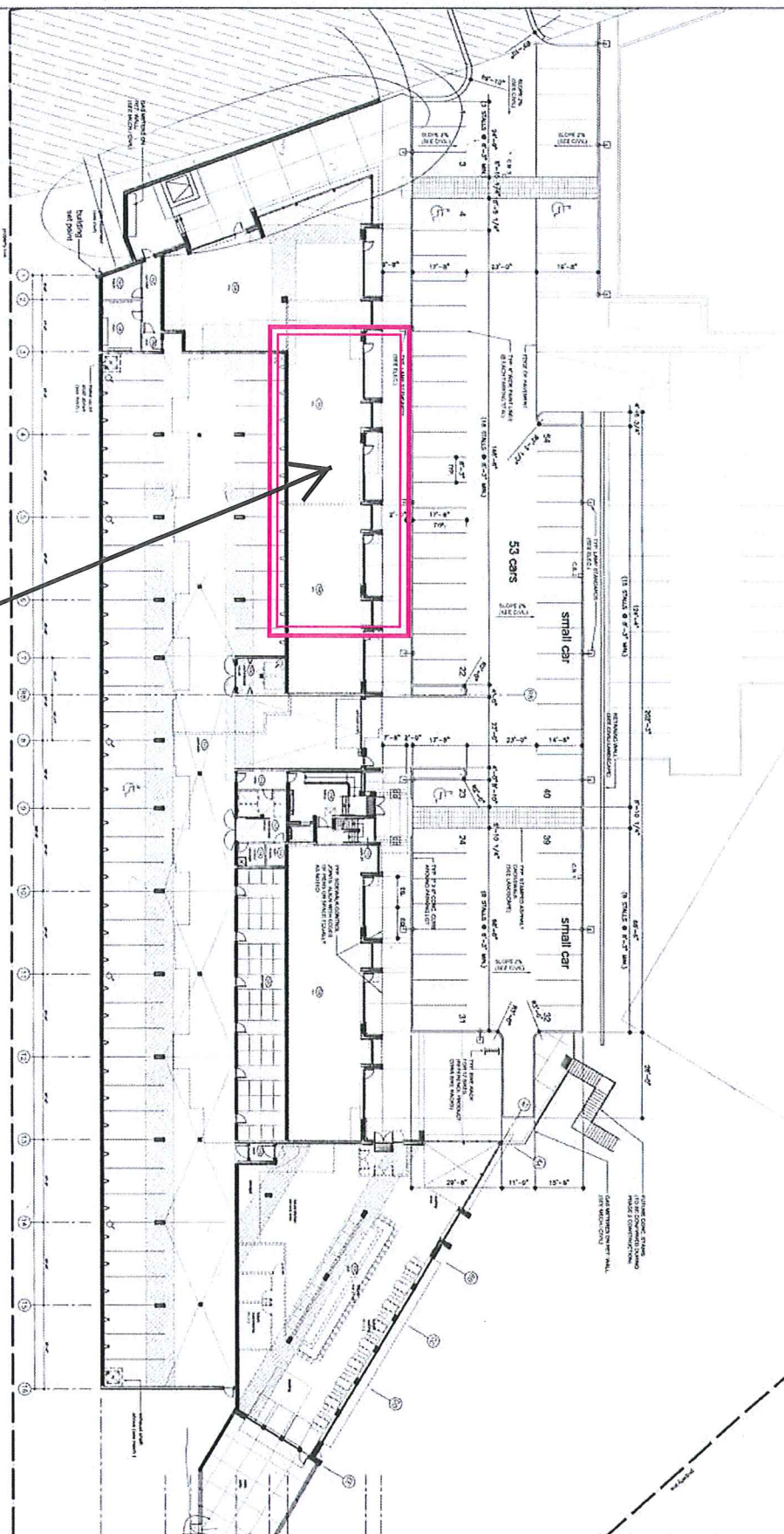
☐

Ryan Smith, Community Planning Department Manager

Attachments:

Subject Property Map
Conceptual Site Plan
Conceptual Elevations
Context/Site Photos





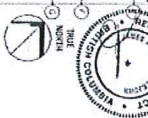
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MAIN FLOOR
(PARADE/CRU)
KEY PLAN

Drawing Date: 03/11/2016
 Date Rec'd: 03/11/2016
 Date: 03/11/2016
 By: [Signature]
 Checked: [Signature]
 Scale: 1/8"

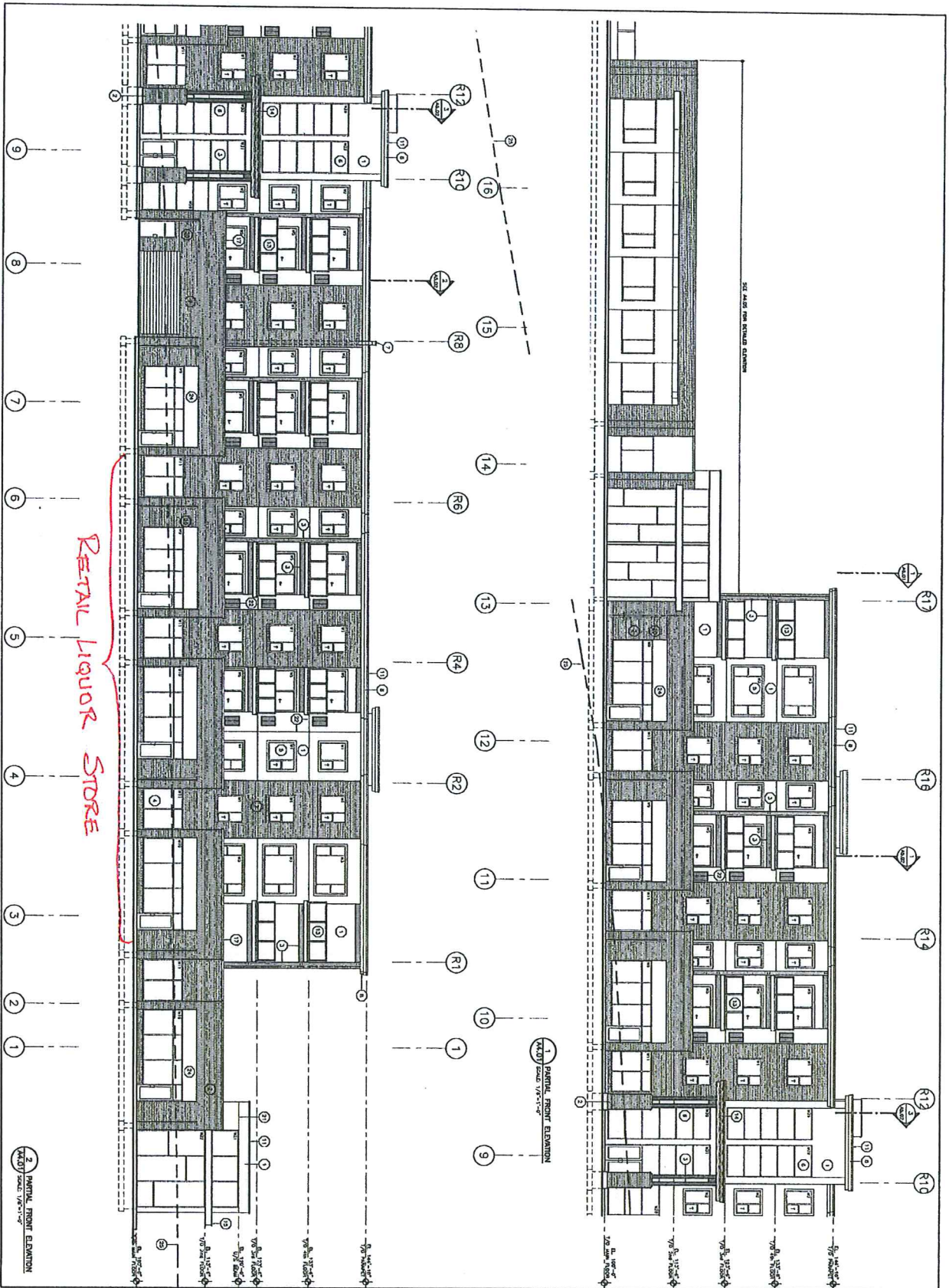
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MAIN FLOOR
(PARKADE/ CRU)
KEY PLAN



MEIKLEJOHN ARCHITECTS INC.

2007 MARCH STREET
PHOENIX, AZ, U.S.A.
602.462.1400
TEL: 202.697.3543
FAX: 202.697.0119
EMAIL: info@mcgrath.com



m+m
MEIKLEJOHN ARCHITECTS INC.

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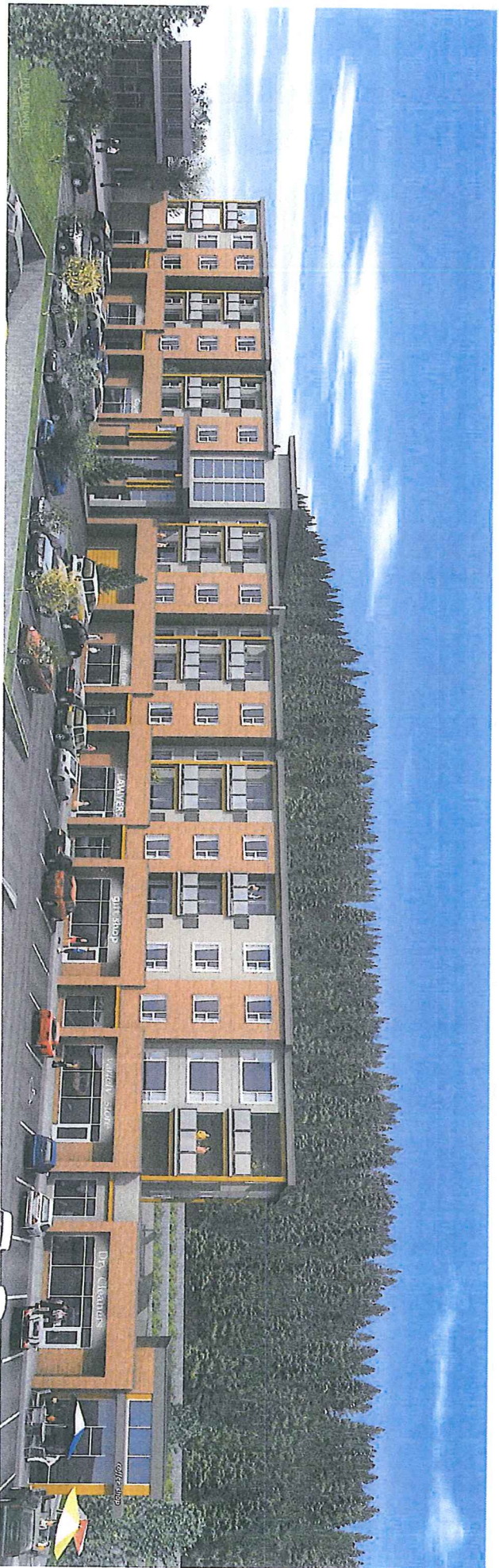
NOT FOR
CONSTRUCTION

ACADEMY HILL
PHASE I

A4.01

FRONT ELEVATION

DATE	10/10/11
BY	ADAM J. BROWN
CHECKED	J.P.



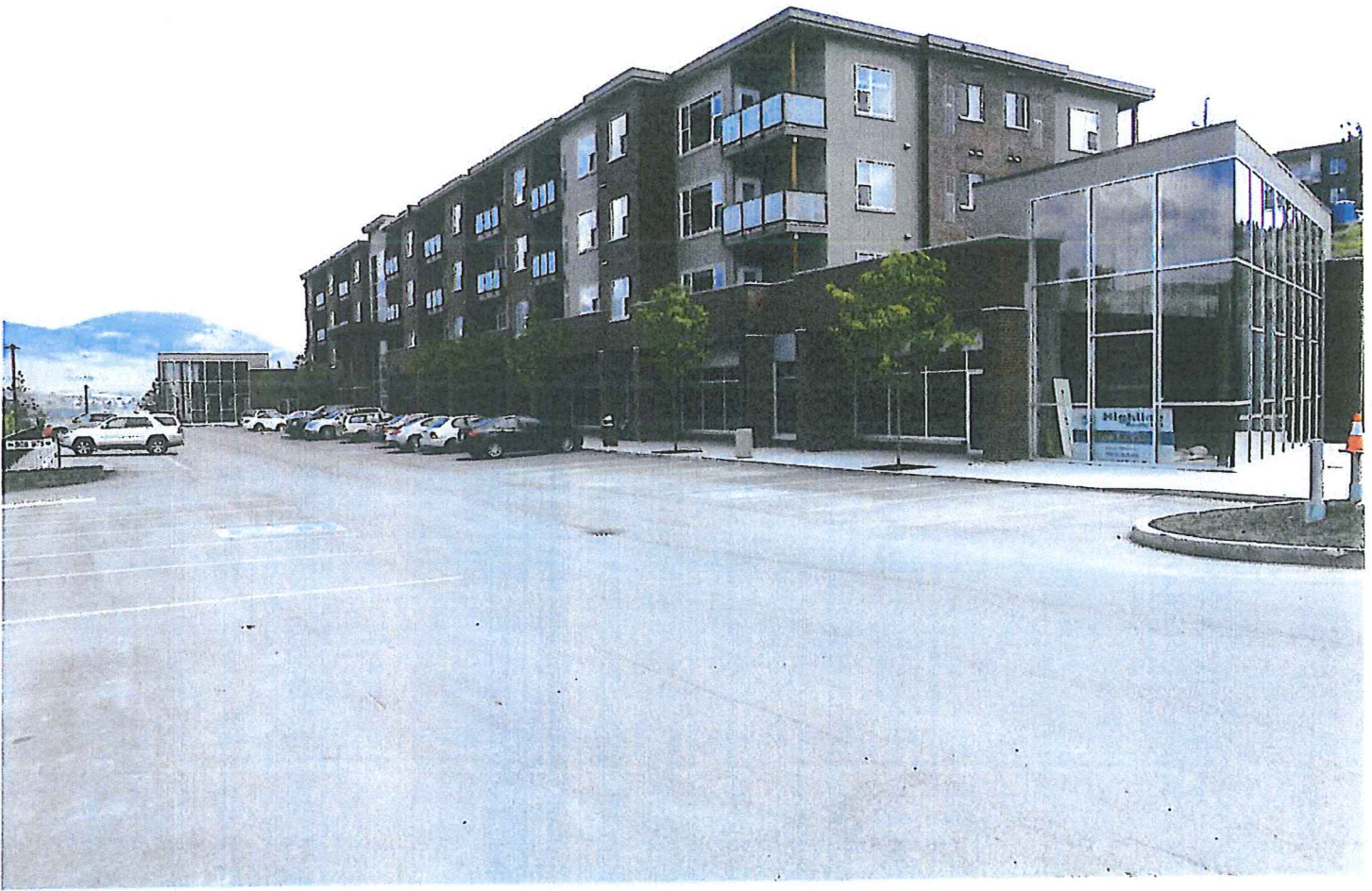
MEIKLEJOHN ARCHITECTS

Academy Hill - Phase 1

4 storey with parkade

MAY 18, 2012





CITY OF KELOWNA
BYLAW NO. 11148
Z15-0033 - Academy Apartments Ltd. Inc. No. BC0868449
975-985 Academy Way

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 Strata Lot 1, Section 10, Township 23, ODYD, Strata Plan EPS1461 together with an interest in the common property in proportion to the unit entitlement of the Strata Lot as shown on Form V located on Academy Way, Kelowna, B.C., from the C3 - Community Commercial zone to the C3rls - Community Commercial (Retail Liquor Sales) 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

Considered at a Public Hearing on the

Read a second and third time by the Municipal Council this

Approved under the Transportation Act

(Approving Officer-Ministry of Transportation)

Adopted by the Municipal Council of the City of Kelowna this

Mayor

City Clerk

CITY OF KELOWNA

BYLAW NO. 11077

Official Community Plan Amendment No. OCP14-0002 Amendments to Chapter 14 - Urban Design DP Guidelines

A bylaw to amend the "*Kelowna 2030* - Official Community Plan Bylaw No. 10500".

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

1. THAT Map 5.8 - Urban Design DP Area Designation of "*Kelowna 2030* - Official Community Plan Bylaw No. 10500" be deleted in its entirety and replaced with a new Map 5.8 - Urban Design DP Area Designation as outlined in Schedule "A" attached;
2. AND THAT Chapter 14 - Urban Design DP Guidelines, A. Comprehensive Development Permit Area (Multiple unit Residential, Commercial and Industrial Design Guidelines be amended by adding a new Section 18.0 Transitional Industrial in its appropriate location the following:

"18.0 Transitional Industrial

In areas designated for Industrial - Limited use, these guidelines must be considered as well as all other guidelines in this section.

- 18.1 Industrial development adjacent to residential land uses must be planned, landscaped and screened to maintain the privacy of residential uses.
- 18.2 Where new industrial development is occurring adjacent to residential uses, window openings shall be placed to reduce the opportunity for overlook and be offset from residential windows.
- 18.3 Unfinished concrete block shall not be used as an exterior building material for principal facades or where the façade faces a residential land use.
- 18.4 Where loading doors face the street, they shall be set back from the main building plane.
- 18.5 The primary entrance of the main building on site should face the roadway.
- 18.6 Where security concerns limit windows and other openings, building design should employ other design techniques to avoid creating long blank walls.
- 18.7 Rooftop screening of mechanical and electrical equipment must be provided using materials consistent with the treatment of principal facades.

- 18.8 All lighting shall be oriented facing the site, pointed in a downward direction and constructed at the lowest practical elevation to minimize light trespass over surrounding properties.
- 18.9 Tall, broadcast or flood lights are not permitted.
- 18.10 Where possible, parking and outdoor storage should be located behind buildings or other structures. Where parking and storage is not behind buildings, it must be screened with landscaping or fencing.
- 18.11 Unpaved parking and storage surfaces should be made dust free through design or treatment.”
3. 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 13th day of April, 2015.

Considered at a Public Hearing on the 28th day of April, 2015.

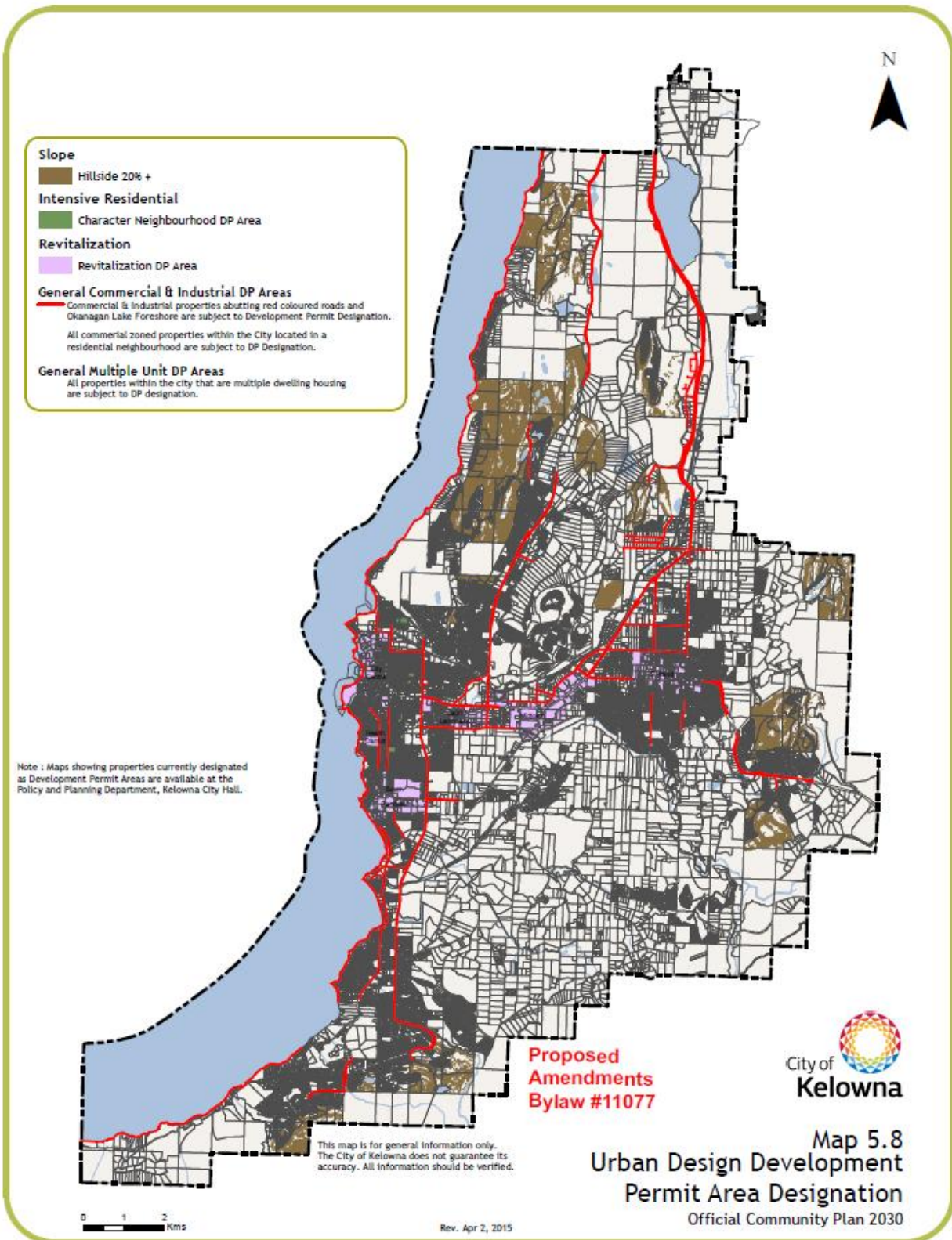
Read a second and third time by the Municipal Council this 28th day of April, 2015.

Adopted by the Municipal Council of the City of Kelowna this

Mayor

City Clerk

Schedule "A"



CITY OF KELOWNA
BYLAW NO. 11082
TA14-0001 - Amendment to Section 15-Industrial Zones

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, **Section 15 - Industrial Zones, 15.6 I6 - Low-Impact Transitional Industrial (Liquor Primary)** be amended by:
 - a) Adding to **15.6.1 Purpose**, after the first sentence the following: "Uses should be primarily indoors, with limited outdoor storage behind extensive buffering or screening.";
 - b) Adding in its appropriate location to **15.6.2 Principal Uses "Business Support Services"** and **"Outdoor Storage"** and renumber subsequent sub-paragraphs;
 - c) Deleting from **15.6.2 Principal Uses "Food Primary Establishment"** and **"Liquor Primary Establishment, minor"** and renumber subsequent sub-paragraphs;
 - d) Adding to **15.6.3 Secondary Uses** a new sub-paragraph "d) **secondary suite within single dwelling housing**" in its appropriate location;
 - e) Deleing **15.6.5 Development Regulations**, in its entirety that reads:
 - a) The maximum **floor area ratio** is 1.0.
 - b) The maximum **site coverage** is 60% including **buildings**, driveways and parking areas.
 - c) The maximum **height** is as follows:
 - Lesser of 2 ½ **storeys** or 9.5 m for residential **buildings** and **structures**.
 - Lesser of 3 **storeys** or 14.0 m for industrial **buildings** and **structures**.
 - d) The minimum **front yards** are as follows:
 - 4.5 m for all **buildings** and **structures**.
 - 9.0 m from a garage or **carport** having vehicular entry from the front.
 - 6.0 m for portions of industrial **buildings** and **structures** greater than two **storeys** or 9.5 m in **height**.
 - e) The minimum **side yards** are as follows:
 - 3.0 m for residential **buildings** and **structures**.
 - 0.0 m for industrial **buildings** and **structures**, except when adjacent to a residential land use it is 3.0 m for a one **storey** industrial **building** or **structure** (not to exceed 4.5 m in **height**) and 7.5 m for industrial **buildings** and **structures** greater than one **storey** in **height**.
 - In all cases, not less than 4.5 m from a **flanking street**.
 - f) The minimum **rear yards** are as follows:
 - 7.5 m for residential **buildings** and **structures**.
 - 0.0 m for industrial **buildings** and **structures**, except when adjacent to a residential land use it is 30.0 m"

And replace it with a new **15.6.5 Development Regulations** that reads:

- a) The maximum **site coverage** is 50%.
- b) The maximum **height** is as follows:
 - Lesser of 2 ½ storeys or 9.5 m for residential **buildings and structures**
 - Lesser of 2 ½ storeys or 9.5 m for industrial **buildings and structures**.
 - No more than 4.8 m for **accessory buildings or structures**.
- c) The minimum **front yards** are as follows:
 - 4.5 m for all **buildings and structures**.
 - 6.0 m from a garage or **carport** having vehicular entry from the front.
- d) The minimum **side yards** are as follows:
 - 3.0 m for residential **buildings and structures**.
 - 4.5 m for industrial **buildings and structures**, except it is:
 - 7.5 m where the side yard is adjacent to a non-industrial future land use designation.
- e) The minimum **rear yards** are as follows:
 - 7.5 m for residential **buildings and structures**.
 - 7.5 m for industrial **buildings and structures**, except it is:
 - 30.0 m where the **rear yard** is adjacent to a non-industrial future land use designation.”
- f) Deleing **15.6.6 Other Regulations** sub-paragraph c) in its entirety that reads “Drive in food services are not a permitted form of development.”
- g) Deleing **15.6.7 Building massing and design** in its entirety that reads:

“15.6.7 Building massing and design

- a) **Buildings** shall be oriented to prominently address the **street** and shall include **street**-facing, human-scale elements including windows and identifiable pedestrian entrance doors. Glazing on the principal façade should amount to not less than 30% of the total façade.
- b) Façade design should incorporate elements and style from commercial and/or residential **buildings**, as opposed to purely industrial/utilitarian design.
- c) Front façade design should promote no more than a two **storey** presence. Higher portions of the building should be set back and finished with different colour(s) and/or material(s) that the first two **storeys**.
- d) Where new industrial **development** is occurring adjacent to residential uses, window openings shall be placed to reduce the opportunity for overlook and should be offset in plan from residential windows.
- e) Unfinished concrete block shall not be used as an exterior building material for principal facades or when the façade faces a residential land use.

- f) Rooftop screening of mechanical and electrical equipment shall be provided using materials consistent with the treatment of principal facades.
- g) When loading doors occur on **street** facing facades they shall be set back from the main building plane and articulated in a manner that compliments the **building** façade.
- h) Signage shall be limited to discrete sign band areas on the building and/or low level free standing signage areas incorporated into the **front yard landscaping**. Large areas of signage shall not dominate the front façade of the building.”

h) Deleing **15.6.8 Light, noise, dust, odour and emissions** in its entirety that reads:

“15.6.8 Light, noise, dust, odour and emissions

- a) Energy efficient light sources (e.g. LED) and energy sources (e.g. solar) are encouraged.
- b) All lighting shall be oriented such that it faces into the **site**, is downward directional, and is constructed at the lowest elevation practical for the intended application so as to minimize light trespass onto neighbouring properties.
- c) All activities resulting in dust, odour, noise or other emissions must take place inside a **structure** designed to contain said emission. **Building** ventilation must adequately remove/filter the emission (e.g. dust or odour) and not simply expel it from the building.
- d) Tall, broadcast or flood light sources are not permitted.
- e) Outdoor paging or sound broadcast systems are not permitted.”

i) Deleing **15.6.9 Landscaping, buffering and parking** in its entirety that reads:

“15.6.9 Landscaping, buffering and parking

- a) Parking within the **front yard** shall be limited to customer and visitor parking only; all other parking should be provided elsewhere on site.
- b) Permeable or alternate paving surface treatments are encouraged for light duty parking areas (e.g. customer or visitor parking). Swales and bio-filtering are encouraged to be incorporated into **landscaping** adjacent to parking areas in order to aid storm water infiltration.
- c) **Landscape** materials shall be drought tolerant and appropriate for the Okanagan climate. Rain water capture and re-use for irrigation is encouraged.
- d) **Fencing** (in addition to **landscaping**) shall be installed on all property boundaries adjacent to residential use. All installed **fencing** shall be opaque except for decorative fencing in a front yard.
- e) Where new industrial **development** is occurring adjacent to residential land uses, the interface shall be site planned, designed, and **landscaped** to promote privacy for the residential land use.

And replace it with a new **15.6.9 Landscaping, buffering and parking** that reads:

- "a) No parking shall be permitted:
- in the **front yard** except visitor and residential parking;
 - in required **side yards**;
 - in the **rear yard** within 7.5m of an adjacent non industrial future land use designation."
- j) Deleing **15.6.10 Landscaping, buffering and parking** in its entirety that reads:

"15.6.10 Outdoor storage and display

- a) **Outdoor storage ancillary** to a permitted **use** is not permitted in the **front yard**, or within the minimum **side and rear yard** setbacks (but may be accommodated in the **side and rear yards** when located beyond the minimum setback).
- b) All **outdoor storage** shall be screened from view of any **street** or adjoining property utilizing opaque **fencing** and **landscaping** materials which are consistent with the overall **site development**.
- c) **Outdoor storage** shall be consolidated into a single area per **lot**.
- d) **Outdoor storage ancillary** to a permitted **use** shall not exceed in area the **building** area used by the **business** on the property to perform its operations.
- e) There shall be no **outdoor storage** of toxic, noxious, explosive, odorous or radioactive materials.
- f) Materials in **outdoor storage** shall be associated with the principal **use** located on the site, and there shall be no **outdoor storage** of unrelated materials.
- g) Illumination of **outdoor storage** areas shall be such that light falling onto abutting properties is minimized.
- h) Outdoor display or sales, or **non-accessory parking**, shall not encroach into **landscaped** areas.
- i) Equipment or vehicles in an outdoor display or sales, or **non-accessory parking**, shall not be in a state of disrepair.
- j) Lighting of outdoor display areas shall not include broadcast light fixtures but rather directional lighting specific to the display items."

And replace it with a new **15.6.10 Outdoor storage and display** that reads:

"15.6.10 Outdoor storage and display

- a) No outdoor storage is permitted in the front yard or in required side or rear yard setbacks.
- b) All **outdoor storage** shall be screened from view of any **street** or adjoining property utilizing opaque **fencing** and **landscaping** materials which are consistent with the overall **site development**.
- c) **Outdoor storage** shall be consolidated into a single area per **lot**.

d) Outdoor display or sales, or **non-accessory parking**, shall not encroach into landscaped areas.”

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 13th day of April, 2015.

Considered at a Public Hearing on the 28th day of April, 2015.

Read a second and third time by the Municipal Council this 28th day of April, 2015.

Approved under the Transportation Act this 22nd day of September, 2015.

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: 9/28/2015
File: 0930-50
To: City Manager
From: Ryan Smith, Community Planning Department Manager
Subject: Policy and Regulation relating to the Retail Sale of Liquor in Kelowna

Recommendation:

THAT Council receives, for information, the Report from the Community Planning Department Manager dated September 28, 2015 with respect to "Policy and Regulation relating to the Retail Sale of Liquor in Kelowna".

Purpose:

To provide Council with an update on the details of Retail Liquor Store Policy and Regulation in Kelowna and British Columbia.

Background:

The City of Kelowna regulates the retail sale of liquor through its Zoning Bylaw No.8000 and through Council Policy #359. The current regulations pertaining to the retail sale of liquor were introduced into the bylaw in 2004. During this update, staff created a Zoning Bylaw definition for the retail sale of liquor:

RETAIL LIQUOR SALES ESTABLISHMENT (rls) means development used for the retail sale of liquor, wine, beer and other such alcoholic beverages. Typical uses include provincially operated Liquor retail stores, **Licensee Retail Stores (LRS)**, **VQA Wine Retail Stores** and cold beer and wine stores. The stores may sell liquor and alcohol any time between the hours of 9:00 a.m. and 11:00 p.m. daily and may also sell convenience retail products. Minors are allowed in **retail liquor sales establishments** if accompanied by a parent or guardian. This use does not include the retail sale of wine/cider by wineries/cideries at the site where they are produced.

This definition would include any business retailing liquor in a commercial area of the City (on a permanent or temporary basis). Further to this land use definition, staff also created a sub-

zoning designation within a number of the City's zones. This designation is called the "RLS" designation. Any business wishing to sell liquor in one of the City's commercial zones requires this designation. Those retail liquor establishments that were in existence when the bylaw was adopted in 2004, were all given an "RLS" designation. New "RLS" operations require a rezoning to allow retail liquor sales.

Policy Context

City of Kelowna Mayors Entertainment District Task Force Report (2004)

This process reinforced staff's use of the the "subzone" designation method to regulate by land use the location and relocation of retail liquor stores. The report also proposed proximity restrictions to liquor primary establishments. These proximity policies were entrenched in Council Policy #315 which was later superseded by Council Policy #359 containing similar proximity policy.

City of Kelowna Liquor Policy Review 2011

The 2011 Liquor Policy Review did not contain any proposed changes to the "subzone" regime to control the location of retail liquor stores and noted that the existing policy/regulation in place was considered adequate.

Current Liquor Control and Licensing Branch Regulations for Licensee Retail Stores (private liquor store)

Currently a 1km rule prohibits liquor stores from locating within 1km (as the crow flies) of each other. A retail liquor store may also relocate from any area of the province provided that the new location meets the 1km rule.

**Note: See attached map showing the impacts of this rule in Kelowna.*

The rules noted above will not apply to grocery stores should they seek to sell BC wine on store shelves.

2014/2015 Provincial Government Liquor Law Changes Impacting the Retail Sale of Liquor

In January 2014, the Provincial Government completed its BC Liquor Policy Review (by John Yap) considering 73 recommendations. At that time, the provincial government voted to endorse all recommendations. Since this time, the Provincial Government and Liquor Control and Licensing Branch (LCLB) have been working with stakeholders to implement the recommendations. The implementation of the "liquor sales in grocery stores" recommendation has become quite controversial.

The recommendations relating to the provinces liquor retail model are the following:

19. The Province should develop and implement a retail model that meets consumer demands for more convenience by permitting the sale of liquor in grocery stores. Government should continue to restrict the total number of retail

outlets and require separation of grocery products and liquor. This reflects the views of health and safety advocates and the acknowledged safety benefits of restricting minors' access to liquor.

20. Introducing liquor in grocery stores should be phased in, giving public and private liquor stores time to adjust to the new retail model.

22. As a grocery model is developed, government should look at consistency in operating hours for licensed, rural agency and manufacturer retail stores.

As of April 1, 2015, a grocery store may acquire a retail liquor store license and incorporate it into its footprint provided it adheres to a "store within a store" model. A select number of grocery stores (yet to be determined) will also be able to sell BC wine on their shelves. While the "store within a store" model is subject to the 1km separation rule, the sale of BC wine on grocery store shelves would not be.

Discussion

The City's 2011 Liquor Policy review did not indicate any dissatisfaction with the current model of regulating retail liquor sales by land use. Staff have been actively involved in the province's roll-out of liquor licensing changes in order to monitor the potential impacts on land use regulation. The current zoning regime which controls the location of retail liquor stores by zoning "sub-designation" is considered to give Council adequate control over the location of new and relocated liquor licenses in the community in most situations.

Staff would require the "RLS" sub-designation in the following situations:

- retail sale of BC wine on the shelves of a liquor store
- retail sale of liquor at a temporary market
- retail sale of liquor in the "store within a store" model
- retail sale of liquor by a BC liquor store

The only situation where Council could not regulate the retail sale of liquor would be if the province granted a grocery store on the same site as private liquor store the ability to sell wine on the shelves. In this case, the property would already hold an "RLS" subdesignation and therefore the use would be permitted. If Council was concerned about this situation, additional proximity regulations could be added into the City's Zoning Bylaw to prevent this situation. This situation exists on fewer than 5 properties in Kelowna at the moment. Additional regulations relating to proximity would make some of the existing liquor stores in close proximity to one another legally non-conforming. At the present time, staff are not aware of any conflicts caused by the proximity of retail stores already operating within 1km of one another.

Other than in the 5 cases mentioned above, staff would like to highlight that Council has control over the location of new BCLS and private liquor retailers. At this time 3 of the 5 grocery stores which currently sit on land with the 'RLS' subdesignation have acquired BC VQA Liquor Sales licenses and are seeking to retail wine on grocery store shelves.

Liquor Sales Model	Municipal Regulation	Provincial Regulation	Other Info
Stand-alone Retail Liquor Store	Requires "RLS" Retail Liquor Sale zoning	1km Separation required to another	Properties with Grocery stores which

	designation	Retail Liquor Store	currently have an RLS designation: -Save-on-Food Mission -Urban Fare - Mission Park Mall -Save-on-Foods - Orchard Plaza -IGA - Willow Park -IGA - Glenpark Village
Store Inside a Grocery Store	Requires "RLS" Retail Liquor Sale zoning designation	1km Separation required to another Retail Liquor Store	n/a
BC Wine on Grocery Store Shelves	Requires "RLS" Retail Liquor Sale zoning designation	N/A	-Save-on-Food Mission* -Urban Fare - Mission Park Mall* -Save-on-Foods - Orchard Plaza* *Establishment has acquired VQA Wine Store License
Government Liquor Store	Requires "RLS" Retail Liquor Sale zoning designation	1km Separation required to another Retail Liquor Store	n/a
VQA/Specialty Wine Store	Requires "RLS" Retail Liquor Sale zoning designation	N/A	n/a

Internal Circulation:

Policy and Planning Manager

Legal/Statutory Authority:

Liquor Control and Licensing Act and Local Government Act

Existing Policy:

Council Policy #359 Liquor Licensing Policy and Procedures

External Agency/Public Comments:

See attachement from BC Private Liquor Store Association.

Considerations not applicable to this report:

Financial/Budgetary Considerations: n/a

Personnel Implications: n/a

Alternate Recommendation: n/a

Communications Comments: n/a

Legal/Statutory Procedural Requirements: n/a

Submitted by:

R.Smith
Urban Planning Manager

Approved for inclusion:

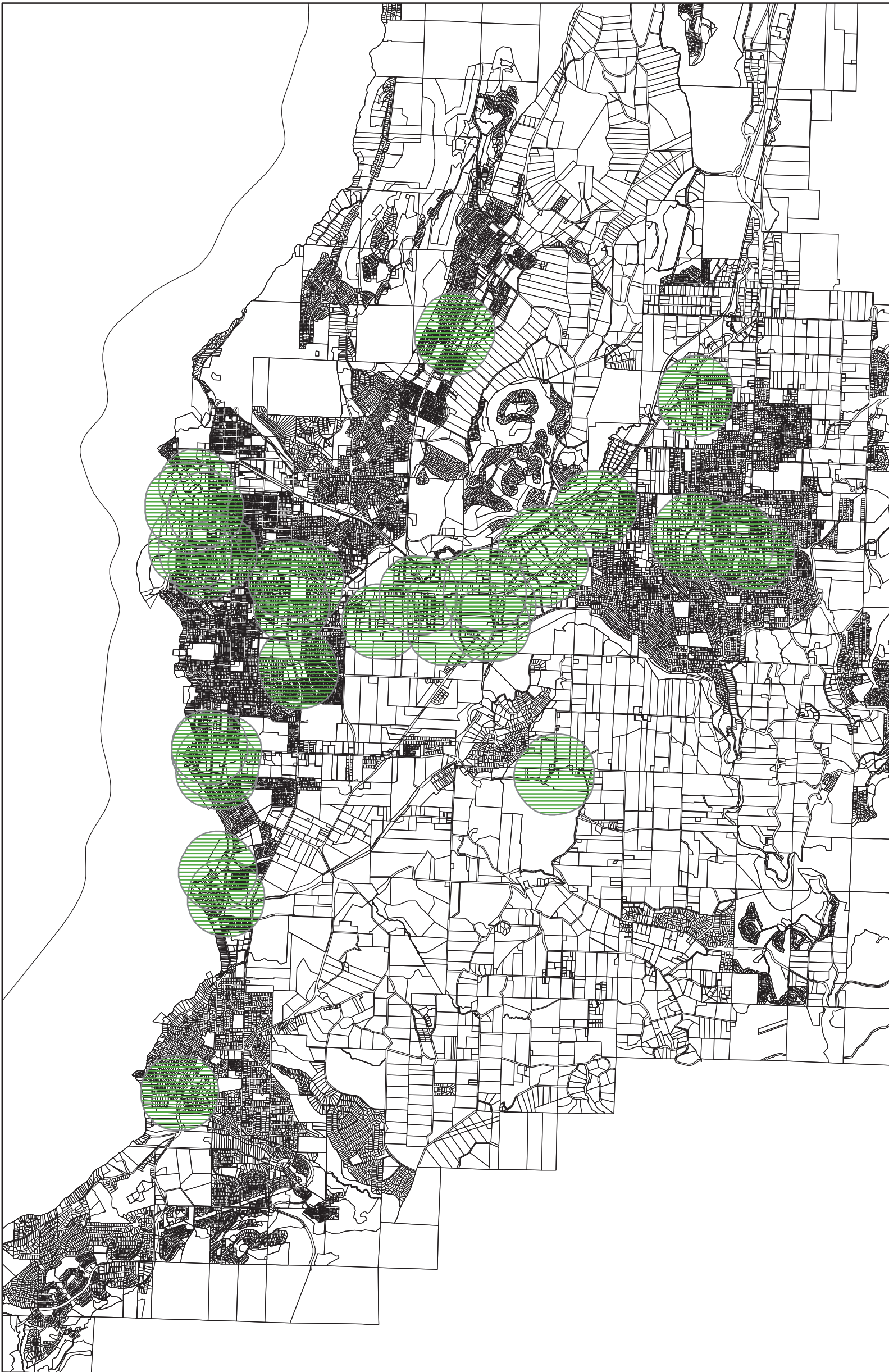


Doug Gilchrist, Division Director of Community Planning and Real Estate

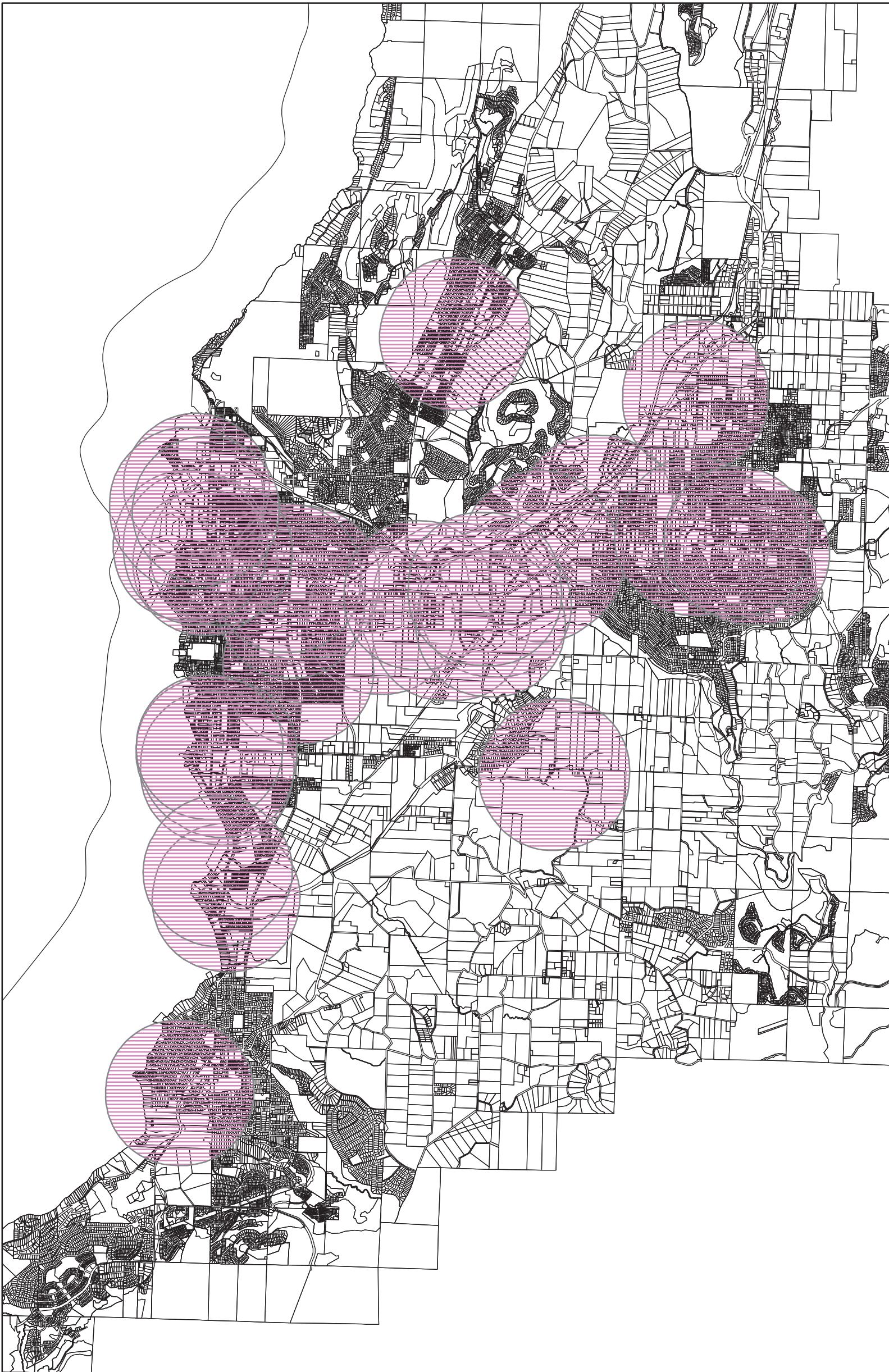
Attachments:

2004 Mayor's Entertainment District Task Force Report
2011 City of Kelowna Liquor Policy Review Report
British Columbia Private Liquor Store Association Bulletin
Council Policy #359
Map "A" 1 Km buffer for Retail Liquor Store locations

cc: Policy and Planning Manager



LR zones and 500 m buffer



LR zones and 1000 m buffer



City of Kelowna
1435 Water Street
Kelowna, BC V1Y 1J4
250 469-8500
kelowna.ca

Council Policy

Liquor Licensing Policy & Procedures

APPROVED February 21, 2011

RESOLUTION: R710/15/09/14
REPLACING: R170/11/02/21; Council Policy No. 315
DATE OF LAST REVIEW: August 2015

A. BACKGROUND

The Provincial Liquor Control and Licensing Branch (LCLB) regulates the licensing of all liquor establishments and the retail sale of alcohol in British Columbia. City of Kelowna Municipal Council is referred on a number of these applications, including Liquor Primary applications, and other license endorsements. Local government comment is a key component of the LCLB's licensing decisions.

Council recognizes the importance of public entertainment venues, including liquor establishments, as a component of all vibrant cities. Managing the priorities of all community stakeholders is a delicate balance. As part of Council's on-going interest in establishing vibrant, livable Urban Centres, a 2003 report from the Mayor's Entertainment District Task Force was endorsed, relating to liquor licensing policy. The relevant policy from this 2003 report was adopted in former Council Policy #315 – "Liquor Licensing Procedures Liquor Primary (lp) and Retail Liquor Sales (rls)". At Council's request, a new review was completed by City staff in 2010. This new policy summarizes the pertinent policies endorsed in the Liquor Policy Review (2010), and is intended to guide future liquor license applications – including Provincial referral requests and rezoning applications on a City-wide basis.

B. LIQUOR PRIMARY (LP) ESTABLISHMENTS

In consideration of new, expanded or relocated Liquor Primary Establishments (cabarets/nightclubs, pubs, lounges), the following guidelines should be considered (see table below):

1. Siting/Density Guidelines:

- a) No establishment with a person capacity greater than 500 persons should be permitted.
- b) Large establishments (with person capacity greater than 249 persons):
 - i) Should only be located within an Urban Centre.
 - ii) Should be located a minimum of 250m from another Large establishment.
 - iii) Should be located a minimum of 100m from a Medium establishment.
 - iv) Should not be located beside a Small establishment.
- c) Medium establishments (with person capacity between 100-249 persons):
 - i) Should only be located within an Urban or Village Centre.
 - ii) Should be located a minimum of 100m from a Large or Medium establishment.
 - iii) Should not be located beside a Small establishment.
- d) Small establishments (with person capacity less than 100 persons):
 - i) Should not be located beside another liquor primary establishment.

The above siting guidelines are summarized in the following table:

Establishment Type	Siting requirements from:			Location
	Small (<100 persons)	Medium (100-249 persons)	Large (250+ persons)	
Small (<100 persons)	Not beside.	Not beside	Not beside	City-wide
Medium (100-249 persons)	Not beside	Minimum 100m separation	Minimum 100m separation	Urban or Village Centre
Large (250+ persons)	Not beside	Minimum 100m separation	Minimum 250m separation	Only Urban Centre

- d) The resolution from Municipal Council is then forwarded to the LCLB by the Community Planning Department for their final review.

3. Notification Requirements:

- a) Notification requirements are as per Development Application Procedures Bylaw.
- b) The applicant will be required to place notification signage on the property at least ten days prior to the public meeting date. Signs are to be purchased at City Hall.
- c) Notification is sent to property owners within a distance of 100 metres in Urban Centres and 400 metres in all other areas. This notification is coordinated by the Office of the City Clerk.
- d) Newspaper advertisements must take place in at least two consecutive issues, with the last publication to appear not less than three and not more than ten days before the Public Hearing or Public Meeting. Municipal Staff shall be responsible for the placement of the notification with the appropriate papers.
- e) Public notification and newspaper advertisement shall be completed at the applicant's expense.

E. TEMPORARY LICENSE CHANGES

Temporary license changes may be considered by the Community Planning Manager or designate. Temporary Changes will only be considered by Council should the applicant wish to appeal the decision of the Community Planning Manager.

Where appropriate, temporary changes are reviewed with the RCMP, Fire Department, Building and Permitting Department, and the local liquor inspector.

Staff may consider up to six temporary license changes per calendar year for Liquor Primary establishments that are members in good standing of the bar owners association known as "The Standard", including late closing requests. These requests will be considered on a case-by-case basis, and will be subject to additional policing costs being paid prior to the event (for example, 4:00am closings). Any establishment that generates concerns or complaints as a result of the use of temporary changes or through general operations of their establishment will have their temporary changes reduced to 3 for the first incident and 0 for any subsequent incidents at the discretion of the RCMP and Liquor Licensing Inspector.

F. SPECIAL OCCASION LICENSE

The following considerations should be applied to Special Occasion License requests:

- a) SOL requests that require RCMP/Local Government consideration will be evaluated on a case-by-case basis.
- b) Review of SOL requests will include review of a number of factors, including (but not limited to) location, capacity, hours of operation, previous compliance, and impact on surrounding neighbours.
- c) SOL requests are intended to be for infrequent events, and are not to be used as a substitute for a permanent liquor license at a venue. Attention will be given to the number of SOL requests made in a given time period at one property.
- d) The RCMP have the authority to place additional restrictions on SOL's should they have public safety concerns associated with the event.
- e) No SOL's are to be granted where the proposed event is intended to cater to youth or where youth (under the age of 19) will be present.
- f) SOL licensees are to retain qualified private security personnel to monitor access to and from licensed events, where requested.
- g) All SOL events must respect the City of Kelowna Noise Bylaw.

REASON FOR POLICY

To establish revised policy and procedures for processing liquor license applications.

LEGISLATIVE AUTHORITY

Liquor Control & Licensing Act

PROCEDURE FOR IMPLEMENTATION

As outlined in the Liquor Policy Review Final Report.

Retail and Convenience

BC Liquor Stores' Sales by Region (2012/13)

Vancouver Island and Coast

Spirits:	\$62.9m
Wine:	\$81.1m
Beer:	\$55.0m

Mainland and Southwest

Spirits:	\$213.4m
Wine:	\$284.4m
Beer:	\$184.4m

Thompson Okanagan

Spirits:	\$49.8m
Wine:	\$51.0m
Beer:	\$46.8m

Kootenay

Spirits:	\$15.7m
Wine:	\$13.9m
Beer:	\$19.5m

Cariboo

Spirits:	\$15.8m
Wine:	\$10.5m
Beer:	\$14.6m

North Coast

Spirits:	\$5.3m
Wine:	\$4.0m
Beer:	\$5.1m

Nechako

Spirits:	\$4.8m
Wine:	\$2.8m
Beer:	\$5.7m

Northeast

Spirits:	\$7.6m
Wine:	\$3.5m
Beer:	\$7.8m

Total

Spirits:	\$375.4m
Wine:	\$451.1m
Beer:	\$339.0m

British Columbians enjoy the responsible use of alcohol, buying a wide range of wine, beer and spirits – especially those produced in our own province. In the 12 months ending September 2013, British Columbians bought 32.7 million litres of B.C. wine and 31.4 million of imported wine. B.C. craft beers are gaining popularity: 10 new breweries opened across the province since Jan. 1, 2013 and many applications are in progress. There is also a growing interest in B.C. spirits. There are 19 distilleries and craft distilleries (those producing with 100 per cent B.C. agricultural inputs) currently operating in the province. This is a new industry with significant potential for long-term growth.

Eighty per cent of alcohol sales in B.C. are for personal use, through BC Liquor and private retail stores. There are a total of 1,147 liquor retail outlets in the province:

- ▶ Most alcohol sales (48 per cent of dollar value) are through 195 government liquor stores. They are operated by the provincial LDB across the province and sell all types of liquor.
- ▶ Private retail stores were introduced in 1985. Initially, they were restricted and sold only beer and wine. In 2002, they began selling spirits. There are 670 private retail stores in B.C., selling 41 per cent (dollar value) of retail alcohol. In 2002, a long-standing moratorium on new licences was temporarily lifted, resulting in the licensing of almost 400 new stores. The moratorium was reintroduced and the number of stores in B.C. has remained constant. Private retail stores have adjusted to changes as the marketplace has evolved, showcasing B.C. liquors and consistently looking for new opportunities to expand.
- ▶ British Columbia has developed a vibrant and quality wine-manufacturing industry. Wineries sell directly to the public, to licensees and to liquor stores. In addition, the BC Wine Institute has been issued 21 store licences throughout the province to sell Vintners Quality Alliance (VQA) wines produced by many of the province's wineries. As British Columbians have become more educated about and interested in wine, these specialty stores have cultivated a strong niche market.
- ▶ The 221 rural agency stores in B.C. provide a convenience for people in rural and isolated resort areas who are not served by a government or private retail liquor store, and hold only a four per cent share (dollar value) of the retail market. Their delivery model is unique in B.C.: bottles of beer, wine and spirits are sold alongside food, household supplies, newspapers, magazines and other general consumer goods. rural agency stores are important contributors to the development of rural communities throughout the province; they meet the needs of convenience and choice expected by many consumers today.

@BobBrayCR: The store within a store concept for beer and wine sales is working very well on Quadra Island. **#bcliquor**
#bccp #bcpoli #leadbcc

As with all retail markets, convenience is a key decision point for consumers. The resounding message I heard throughout the Liquor Policy Review was the firmly held public view that alcohol sales in British Columbia do not meet the needs or expectations of most consumers.

We strongly support broad modernization of our liquor laws. Specifically, we support broader distribution at regular retail outlets (grocery stores, warehouse outlets) and new, creative places (hair salons, spas, retail shopping, farmers' markets; anything that is fun and new), competition on selection (allow merchants to source in the open market), price, and convenience. We disagree in the strongest terms possible that the above changes will increase irresponsible behavior; see Europe as a model that trusts its citizens to behave while providing harm reduction services in parallel).

In summary, enough of the Nanny-State; allow creativity and enjoyment to flourish in BC, tax revenue to be raised, and social services to benefit as a result.

Mark, Sept. 29

Increased convenience for consumers

Allowing liquor to be sold in grocery stores drew more public interest and comment than any other topic examined in the Liquor Policy Review. By the end of our public engagement process, almost 75 per cent of people commenting on grocery were generally in favour of changing the regulations to allow for access to liquor products in grocery stores.

Some B.C. residents are already very familiar with the convenience of buying liquor along with their groceries and other household supplies. Since the 1970s, British Columbians in rural communities have bought beer and wine at rural agency stores. They currently have a unique status, and their customers are well-accustomed to the convenience of one-stop shopping near their homes.

@badkaren67: **@John_Yap** pls keep in mind that big cities & small towns r NOT the same. One size does not fit all **#bcliquor**

October 2, 2013
meeting with the
Alliance of Beverage
Licensees



Urban British Columbians do not enjoy this same convenience, and this issue was raised repeatedly on the Liquor Policy Review website. British Columbians are more exposed than ever before to ideas in other jurisdictions. People are very much aware that when we compare our liquor policies with others parts of North America and around the world, ours is much more control-oriented, more restrictive. I repeatedly heard comparisons with shopping for wine and beer in Washington, Oregon and California, in Ontario, Quebec and Nova Scotia, and across Europe.

I would love to be able to purchase beer and wine at grocery stores. Especially with the boom in local craft breweries and an increasing focus on buying “local”, it would be wonderful to be able to buy my food AND drinks from the same store, that offers local goods. 90% of my purchasing is beer and wine, and I am happy to go to liquor-only stores for the other 10%.

Caitlin, Oct. 10

Each of these jurisdictions has its own history with the regulation and sale of alcohol, and each has developed its own retail model. Some, such as France, treat alcohol – particularly wine – as part of the meal. Alcohol is on the grocery shelves, with no retail restrictions. Other jurisdictions, such as Nova Scotia, meet the customer’s demand for one-stop shopping with a government liquor store beside – or even inside – the grocery store, with an open doorway connecting the distinct liquor and food outlets.

My conclusion is that today’s retail model has not kept pace with consumers’ expectations.

British Columbians have communicated that they want more convenience. The response to this expectation by consumers should be tailored to the British Columbia marketplace. Key considerations include:

- In 2012, the moratorium on expanding the number of liquor retail store licence holders was confirmed and will remain in place until 2022. Any recommendations for new retail models must meet this requirement that the total number of licences does not exceed 670.
- British Columbia has a thriving wine industry, a growing craft beer industry and an emerging artisan spirit sector. British Columbians are loyal to B.C. producers and are keen to buy local, regional and provincial liquors that showcase exceptional B.C. products.
- British Columbia has a complex retail environment for alcohol sales. Developing a new sales model will have to respect the mixed public and private marketplace, and the significant investment these businesses have made in terms of both direct financial investment and job creation. It will also mean greater flexibility may be needed around the business model and hours for private licensees.
- The production, distribution and sale of B.C. liquors is a significant contributor to the economy, contributing more than \$1.1 billion to the Province.

One of the most important points to emerge in the Liquor Policy Review conversations is the significant gap between how consumers live today, the dramatic shift caused by online purchasing, and how little the alcohol sales model in British Columbia has changed. British Columbians do not have the same luxury of time that they used to have, and many have radically altered the way they shop. As more alternatives become available, consumers are increasingly frustrated with the time-consuming chore of travelling to several locations for their purchases. That's why government should look at consistency in operating hours for licensed, rural agency and manufacturer retail stores.

@hed3393: Buying booze in grocery stores would be way more convenient **#bcliqur**

@erinmct: Lets get liquor in BC grocery stores. It's long overdue
@John_Yap #bcliqur

@BC_Deb: @John_Yap It is quite a long drive to the nearest govt. liquor store, for me, and I am in Victoria! Grocery Stores are everywhere **#bcliqur**

@carolynjohnst16: #liquor sold in the grocery stores?!
#bcliqur... good idea but **#regulation** needed.

Beyond that, maintaining the current number of retail liquor outlets while allowing sales in grocery stores may require a new flexibility for the licensed retail stores, such as allowing them to relocate or transfer/sell their licences. Government-owned BC Liquor Stores will also be impacted by a new grocery retail model; those stores, too, should have the ability to be part of a new approach. Throughout my consultations, I heard from individuals and groups that people prefer our mixed model, with both public and private retail stores.

The public engagement process left a very clear impression: British Columbians want the convenience of buying beer and wine with their groceries. While government and industry should meet the demands of the changing marketplace, we also need to recognize the challenges for private and public retail stores to adapt quickly to new business models. Consideration must be given to a phased-in approach.

Any grocery model must, at a minimum, maintain the current revenue to government from liquor sales and respect the obligations that exist in current collective agreements. As part of this new retail approach, B.C. products should continue to be featured and highlighted. Supporting B.C. manufacturers and products meets consumer demands and contributes to the province's economic development.

Communities that have rural agency stores appear to already offer a level of convenience for customers perhaps even beyond what British Columbians are looking for in the rest of the province. As that is the case, I would not anticipate any new grocery model to impact these retailers. In fact, I would suggest that those communities with rural agency stores should be able to maintain their current model once a new grocery model is introduced in other communities. I am not recommending alcohol be made available in convenience stores outside of the rural agency store (RAS) model.

Finally, as noted earlier, the Centre for Addiction and Mental Health has ranked B.C.'s alcohol policy as the second best in Canada in terms of health and safety. This existing regime that protects health and public safety supports B.C. maintaining its moratorium on new retail liquor licences and acknowledges the safety benefits of continuing to put thoughtful restrictions on minors' access.

According to the BC Wine Institute,
B.C. has **227 wineries** (up from 17 in 1990)
and more than **864 vineyards** on more than
9,800 acres of land.

British Columbia News

B.C. wine on grocery shelves ripe for the picking

<https://news.gov.bc.ca/stories/bc-wine-on-grocery-shelves-ripe-for-the-picking>

Wednesday, April 1, 2015 10:00 AM

SURREY - 80% of all feedback during the Liquor Policy Review asked for it, government promised it and now consumers will benefit from it: liquor sales in grocery stores start today.

First out of the gate for the wine-on-shelves model is the Save-On-Foods in Surrey, partnering with the BC Wine Institute to represent almost 100 wineries, and selling around 500 different B.C. wines on its shelves for customers. To celebrate, a local winemaker and Save-On-Foods chef joined forces to offer expert advice and create a menu perfect for pairing with the 100% B.C. wines now sold in-store - signalling the start of a new grocery shopping experience for British Columbians.

To safeguard public safety and prevent access to alcohol by minors, all wine will be kept on designated shelves, and must be purchased at tills that have a Serving It Right certified, 19+ cashier. Food and wine pairings, including samples of wine, are also allowed in-aisle, thanks to recently updated rules.

Also on the radar is the new store-within-a-store model, which allows grocery stores to offer a full-suite of alcohol products. This model will be adopted gradually, as licences begin to relocate throughout the province - to other locations, and into grocery stores - providing more flexibility for businesses.

Today also marks a number of other changes that will increase competition in the marketplace, bring convenience, choice and selection for British Columbians, and support a level playing field for liquor retailers throughout B.C.:

- BC Liquor Stores will begin rolling out refrigeration, offering Sunday openings and extending their operating hours at a number of locations throughout the province.
- Many BC Liquor Stores will be opening their doors during the Easter holidays. Check out the changed hours at your local BC Liquor Store here: www.bcliquorstores.com
- All BC Liquor Stores prices on the shelf are now the pre-tax amount - with no significant change in the price customers see on their receipt.
- All liquor retailers - including BC Liquor Stores - will purchase their alcohol at the same wholesale price, using B.C.'s new wholesale model for liquor purchasing and distribution.

Quotes:

Suzanne Anton, Minister of Justice -

"This is a milestone event for B.C.'s progress in modernizing our liquor laws - a culmination of our public and industry consultations, our work to update B.C.'s liquor laws, and our promise to get out of the way and let B.C. businesses do what they do best: create jobs and enhance our economy.

- All stores will be closed on Easter Sunday
- 27 stores will be open on Easter Monday

Learn More:

View a list of BC Liquor Stores that have signed on for extended hours, including on Sunday:
www.bcliquorstores.com

Find answers to questions about liquor in B.C. grocery stores and the lottery process:
www.pssg.gov.bc.ca/lclb/policy/qa.htm

Learn about applying for your special occasion licence online: www.solo.bclddb.com

Media Contacts:

Ministry of Justice
Government Communications and Public Engagement
250 213-3602

Media Assets

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- [img_7305.jpg](#)
- [2015jag0078-000432.pdf](#)

<https://news.gov.bc.ca/08151>

Report to Council



Date: September 28, 2015
File: 1200-40
To: City Manager
From: L. Sanbrooks, Planner II, Policy and Planning Department
Subject: Housing Strategy Implementation Update

Recommendation:

THAT Council receives, for information, the report from the Policy and Planning Department dated September 28, 2015, with respect to the implementation of the Housing Strategy.

Purpose:

To provide Council with an update on the work completed, in progress, considered ongoing base business, or postponed to a later date, resulting from the twenty-five recommendations contained in the Kelowna Housing Strategy.

Background:

Addressing the housing needs of all residents is key to the long-term sustainability of any city. This principle is echoed in the City's Official Community Plan. However, building a successful approach to housing is not the sole responsibility of the City. A successful housing sector is dependent on commitment from all levels of government, support and cooperation of stakeholders and partners, and widespread support from the community. The City's role in housing is to determine future housing needs, to provide supporting infrastructure and to guide development through zoning regulations and policy direction. The Housing Strategy is one tool of many that the City uses to execute change in order to achieve housing goals.

The Kelowna [Housing Strategy](#) (2012) (Appendix A) identifies twenty-five policy, zoning and procedural recommendations regarding the City's approach to housing supply. City Council endorsed these recommendations on November 7, 2011. This strategy is considered relevant in today's environment and remains an important guiding document.

As of June, 2015, it was confirmed that 96% of the recommendations noted in the Kelowna Housing Strategy are complete, ongoing or in progress, with the remaining (1) recommendation postponed to a later date. A brief update on the twenty-five recommendations is provided in Appendix B - Recommendation Implementation Status.

Complete	17 recommendations
In progress	3 recommendations
Ongoing	4 recommendations
Postponed	1 recommendations

The completed recommendations have resulted in OCP policy changes, new zoning bylaw requirements, development application process changes and changes to financial incentives. The outcome of the completed recommendations has contributed to an increased supply of housing options for households of different ages, family types and incomes. In addition, there are a significant number of current projects under construction or in the approval process that span the full spectrum of housing options for our citizens.

Next Steps:

Staff will be working towards completion of the last recommendation that has been postponed to a later date, subject to the Zoning Bylaw update that supports this initiative. Specifically, staff is presently working on bringing forward new regulations to incorporate the code requirements of six-storey wood frame buildings within the existing multi-family zones of the Zoning Bylaw. It is anticipated that these will be brought forward for Council consideration in the near future.

With the above in mind, the execution of the recommendations included in the 2012 Housing Strategy is nearing completion. Still, housing in Kelowna remains a critical issue, and one that remains top of mind for residents, as demonstrated in the most recent Citizen Survey. Many other municipalities face similar challenges, and developing policies and strategies to deliver the full housing spectrum is vital to the economic and social health of our community.

Despite its prominence as an issue in the community, housing should not be approached in isolation. Rather, it should be understood thoroughly in the context of the economic, social, demographic and growth trends in Kelowna. As such, staff are proposing to undertake a thorough review of housing through a multi-faceted lens as a lead up to the OCP review, which is set to begin in 2018.

In the interim, Staff are in the midst of completing community and stakeholder consultation for the 'Infill Challenge' - an exciting project that is focused on bringing forward new concepts for infill housing in Kelowna's core neighbourhoods. The hope is to define a new form of infill housing that respects the values of existing residents, understands the needs of potential residents, and integrates the economic realities of the development industry.

In addition, the financial incentives, such as the Rental Housing Grants Policy, the Revitalization Tax Exemptions and the Permissive Tax Exemptions, and programs that the City continues to offer and deliver are essential components of ensuring progress on our Housing spectrum for the City of Kelowna.

In conclusion, the existing Housing Strategy of the City of Kelowna (2012) is delivering on its goals and ensuring a spectrum of housing for our citizens. Staff will continue to implement the tools and programs related to housing, continue to monitor the housing inventory and bring forward additional recommendations to Council as required.

Internal Circulation:

Community Planning and Real Estate Divisional Director
Community Planning Department Manager

Legal/Statutory Authority:

Local Government Act (LGA) 890 (1) (4), Community Charter

Legal/Statutory Procedural Requirements:

[Housing Opportunities Reserve Fund By-law 8593](#)

[Revitalization Tax Exemption By-law 9561](#)

Existing Policy:

Official Community Plan (OCP)

The OCP identifies housing as one of the ten goals for creating a sustainable future:

2. Address Housing Needs of All Residents. Address housing needs of all residents by working towards an adequate supply of a variety of housing.

Chapter 5 - Development Process

Objective 5.9 Support the creation of affordable and safe rental, non-market and/or special needs housing.

Objective 5.22 Ensure context sensitive housing development.

Chapter 10 - Social Sustainability

Objective 10.3 Support the creation of affordable and safe rental, non-market and/or special needs housing.

Other Policies:

[Rental Grants Policy 335](#)

Considerations not applicable to this report:

Financial/Budgetary Considerations:

Personnel Implications:

External Agency/Public Comments:

Communications Comments:

Alternate Recommendation:

Submitted by:

L. Sanbrooks, Planner II, Policy and Planning

Approved for inclusion:



Danielle Noble-Brandt, Department Manager of Policy &

Planning

cc:

City Clerk

Community Planning Department Manager

Community Planning and Real Estate Divisional Director

Community & Neighbourhood Services Manager

Grants & Partnerships Manager

Attachments

Appendix A - Housing Strategy

Appendix B - Recommendation Implementation Status

Kelowna Housing Strategy

March, 2012



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Foreword:

This document is intended to read like an executive summary. The idea is to provide an “easy read” instead of a long dissertation. Considerable supporting research has been conducted and is documented on the City website on the Housing Strategy page. If any issue is of particular interest, see if the materials on the website can augment the background information behind the Housing Strategy. <http://www.kelowna.ca/CM/Page2806.aspx>

Acknowledgements:

The City would like to acknowledge all of the people, agencies and staff who helped to complete the City’s Housing Strategy, including:

- All residents who provided their thoughts, either through participating in surveys, attending the public open house in September of 2011, or otherwise touching base with the City;
- All members of the City’s Housing Committee who devoted 20 meetings to help form the basis of the Housing Strategy;
- Builders and developers who, not only participated in workshops or on the Housing Committee, but shared their business information with the City;
- All government agencies and ministry representatives who provided their expertise, time and participation in the City’s consultation processes;
- Contracted staff; Jamie McEwan and Hannah Bellamy, who each devoted several months to the City conducting research and adding their knowledge to the development of a comprehensive set of ideas and actions;
- All City Councillors who helped by providing their valued thoughts and support to this work during many Council meetings where the Housing Strategy was considered; and
- All City departments and staff who have moved the Housing Strategy forward by ensuring that workable, sound actions are pursued by the City to answer the housing needs of its residents.

Sincere and heartfelt thanks to all of you!

Introduction

Goal

Strive to ensure that every Kelowna resident has suitable housing.

A healthy housing supply is fundamental to the economic and social well-being of a community. Without appropriate housing to meet the needs of every resident, a number of issues arise: the labour supply becomes limited, hampering the viability of local employers; the cost of health care escalates as a result of inadequate or unhealthy housing; and quality of life can plummet. Visible homelessness is but the tip of the iceberg.

The City's Role

Determining future housing needs, providing supporting infrastructure, and appropriately guiding development are key municipal responsibilities. Much of the daily services and activity of the City revolve around these responsibilities. So the role of the City in guiding the delivery of housing in the marketplace is clear and central to a sustainable and healthy community. These activities can include identifying areas for growth and setting out the servicing needs and implementation strategies for these areas. Defining appropriate densities for various neighbourhoods and then prescribing housing forms accordingly are very key areas of municipal influence over the housing supply. These matters are generally set out in the Official Community Plan, Zoning Bylaw and Finance and Servicing Plan for the city.

Local Government Roles in Housing



When housing policy or actions differ from these more familiar roles, the appropriate and possible actions of the City become less clear. Municipal roles also vary in Canada between provinces. The adjacent chart, based on the one developed for the Calgary Housing Strategy, helps to describe Kelowna's involvement with housing. The City has been active to varying degrees in all but two areas of the housing supply shown on the chart. *Management of non-market housing and administration of resources from other governments* don't apply in the Kelowna situation, since funds are not assigned to municipalities in BC to fund low cost housing the way they are in some other provinces.

A Housing Strategy needs to delve into areas that are not necessarily defined in the standard plans and bylaws that guide decision making for local government. Addressing the housing needs of all the city's residents, including all age groups, income levels and abilities, is often a less understood area of influence. The City of Kelowna has done quite well in terms of recognizing that there are a multitude of life circumstances that affect housing choices to meet needs of households in the context of these scenarios. Examples include those who need some health services or support as part of their housing, people with physical limitations or simply those who would not be able or willing to choose a more conventional home. Such needs can be met more effectively with flexibility in land use and zoning that allows health care licensed housing, group living arrangements, boarding homes and unrelated people to share housing for, example. Kelowna was recognized for this approach through an award from the Federation of Canadian Municipalities in 2010 for Sustainable Residential Development.

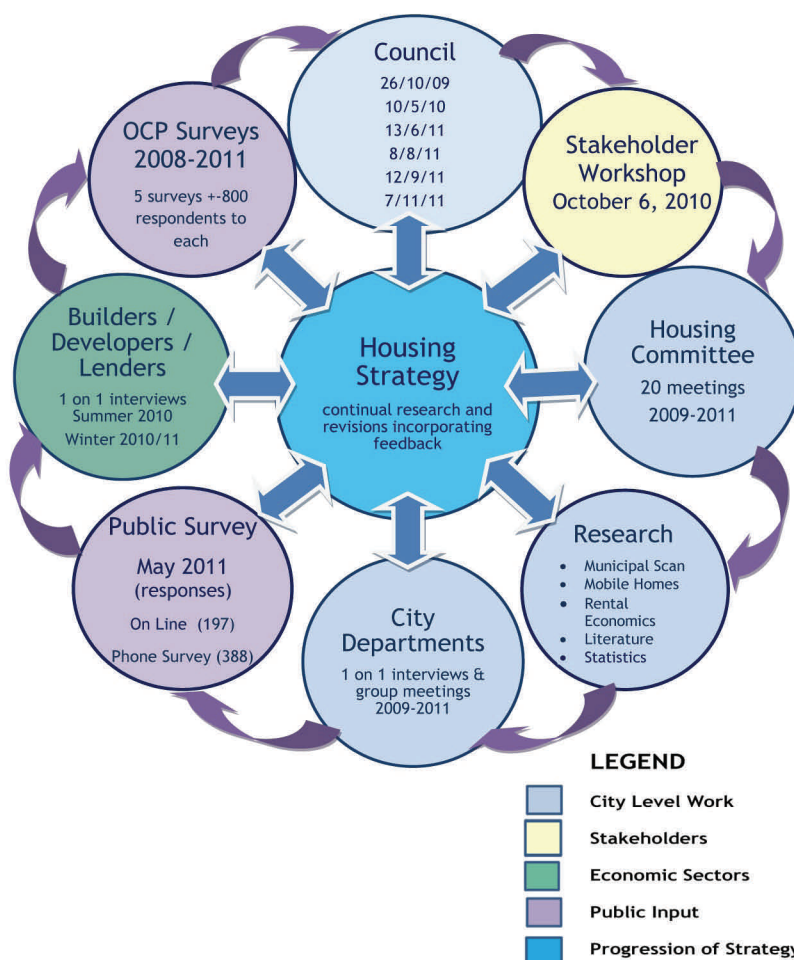
Aging in place is a key life situation that Kelowna is now able to embrace, recognizing its status as one of the communities with the highest percentage of older people in the country.

The Process

Necessity often precipitates creativity. It is also the fuel behind a strategic process. In order to achieve a current and comprehensive approach to ensure that all avenues towards a healthy housing supply had been explored, the City followed a thorough research and consultation process, described by the adjacent chart.

Stakeholders from all sectors were integral to the development of a current Housing Strategy for Kelowna. Government, industry, non-profit and community stakeholders were included.

Workshops, committees, an open house and surveys were all used in addition to research undertaken by the City. Progress reports were delivered more than half a dozen times to City Council. The chart adjacent describes the actions undertaken and the timeframes.



Kelowna's Housing Landscape

“Canada’s housing system, unlike that of most western Nations, relies almost exclusively on market mechanisms for the provision, allocation and maintenance of housing.” - Hulchanski

The market will supply new housing in accordance with its economic viability. Developers use stringent “pro-forma” calculations to ensure that their housing proposals can be financed and will provide a return on investment. This situation exists in all Canadian communities.

In the last few decades, economic viability of new housing generally means that owner-occupied housing is favoured in the new housing supply. Not surprisingly, owners have double the median income of tenants. This also means most people presently living in rental housing could not afford to own their own homes.

Similarly, growth in rental housing supply in Kelowna is not occurring in tandem with new population and increased demand, due to the unfavourable economic prognosis of this type of development, compared to owner-occupied housing. Kelowna has a limited supply of older buildings that were built as rental housing (referred to as “purpose-built” rental housing).

More than 60% of the rental stock is found in buildings like houses, duplexes and stratified apartments that are not owner-occupied. One limitation of this is that these dwellings are not considered long-term rental housing, since many of these situations are temporary. The table below gives the results of the annual CMHC Market Rental Survey. Shorter term rentals like recreation condominiums, are not included.

Kelowna CMA	2011 Total	2010 Total	2009 Total	Change 2010-2011	Change 2009-2010
apartments & row housing	4459	4324	4280	135	44
Secondary	Rentals				
single detached	3017	3806	4022	-789	-216
semi-row & duplex	3562	2481	2719	1081	-238
accessory suites	2353	1346	1322	1007	24
TOTAL CMHC Rentals	11038	11957	12343	1434	-386

This table shows dwellings included in the CMHC Rental Survey over the last three years. For the Kelowna Census Metropolitan Area, which includes areas beyond the city boundary (Lake Country, West Kelowna and areas east of the city referred to as Central Okanagan Subdivision 1); the rental supply has fluctuated, showing some increases from 2010 to 2011. The 2006 Census counted 12,200 tenant households within city limits, about 28% of Kelowna’s 44,000 households. Population forecasts anticipate 1,000 additional homes each year will be needed for growth alone. Based on 30% of these households renting, about 300 additional rentals per year are needed. Although the annual market rental survey may be missing rentals such as suites in small buildings, or temporary rentals, the supply is not consistent with the need for rental housing.

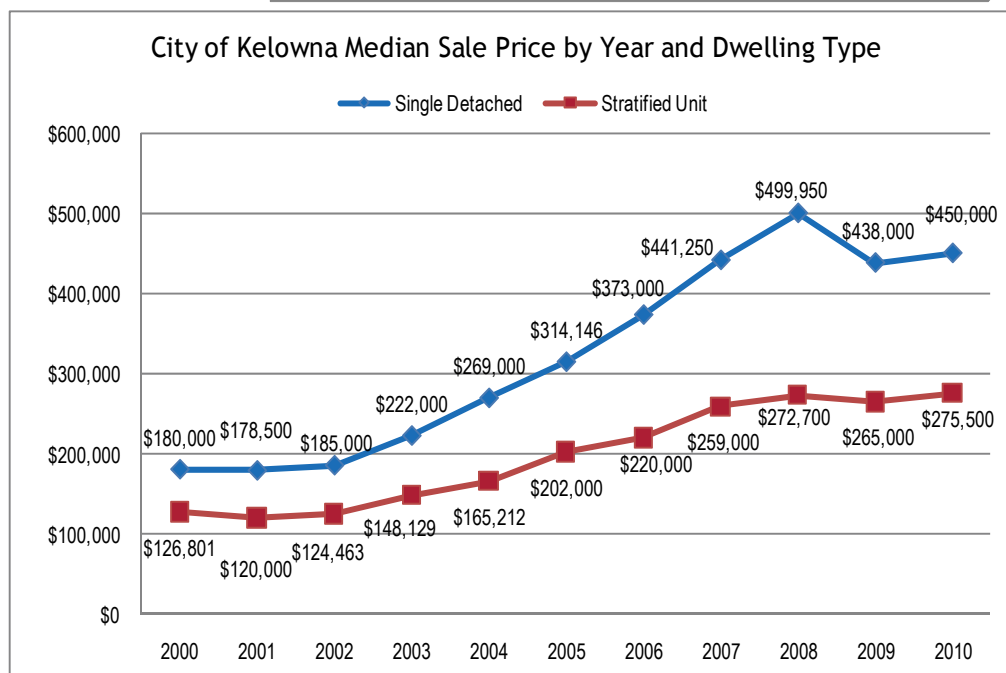
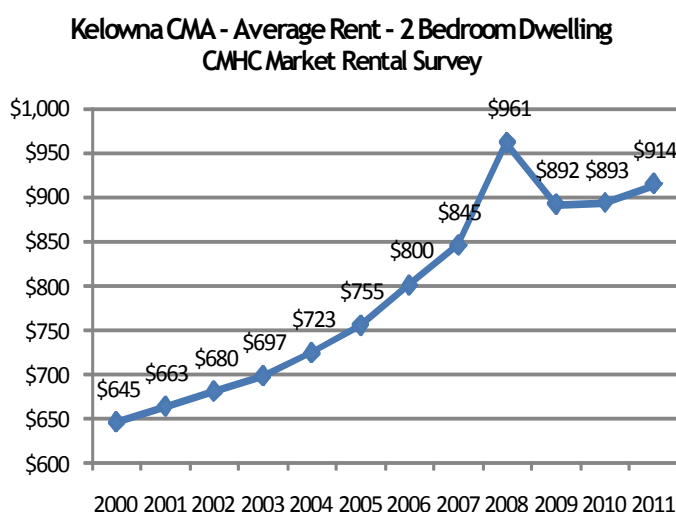
Income and Housing

Kelowna is faced with several housing affordability challenges. It has some of the highest housing costs and lowest income levels in BC. The adjacent table gives a comparison of the income levels recorded for the 2006 Census for Kelowna relative to other BC centres.

Location	2005 Median Family Income - Census
Kelowna	\$59,087
B.C.	\$62,346
Kamloops	\$64,117
Vancouver	\$64,332
Victoria	\$69,025
Prince George	\$72,698

Home prices, by contrast, have escalated since 2003, while rents have followed a similar pattern. Some adjustments have been made with the more recent economic climate, but it appears to be a case of “too little—too late” for those in need of decent housing.

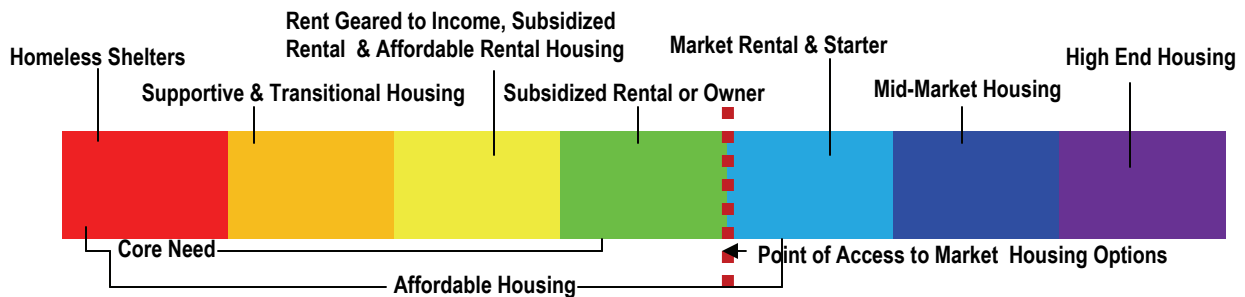
Incomes simply have not kept up with the cost of housing. Incomes are harder to track as well, since the Census is the most accurate source of income data and is conducted once every five years. Income is estimated in years between receipt of Census income information using the BC average annual consumer price index (i.e.: cost of living /inflation). Inflation increased 20.4% since 2000-2011, compared to rents which increased 42% over the same time-frame and single detached home prices which increased about 150% from 2000 to 2010.



The Housing Continuum

Just as people differ from each other, there is a wide variety of housing forms needed to suit all their different needs. These are determined by income primarily, followed by number of people living together, ability and age. Noted already, Kelowna has historically provided zoning for the housing forms suited to an aging population. These housing forms also serve other populations well: such as people with physical and/or mental disabilities; those recovering from illness, including addictions; and those recovering from homelessness. The City has chosen to focus on housing forms, rather than defining housing based on its occupants. The latter risks exclusion of other populations which may be well suited to the building forms. The fact that “seniors housing” works for other populations is a prime example.

There is a model that describes housing using income as the determining factor of the form of housing needed. This is referred to as the “housing continuum” or “spectrum” and there are several versions used in other municipalities. Kelowna has borrowed and adapted one from the City of Saskatoon, as provided below:



The areas on the left side of the red, dashed line represent households whose income levels mean they can’t afford conventional rental or owner housing provided by the housing market, but need assistance, either in the form of income subsidies or subsidized housing, to achieve safe and appropriate housing. In the supportive, and transitional housing situations there may be health and/or ability issues that must be addressed as part of the housing provided (e.g. seniors, people with disabilities, people who are or have been homeless). When housing needs are not met on the left side of the red line, economic costs to the community include: inadequate and/or dysfunctional labour force, higher health costs, unacceptable housing conditions and homelessness. These problems exist in Kelowna much as they do in most North American cities.

The right side of the red line describes the types of housing that are provided in the market without government subsidies. The lighter blue area would include market rentals and resale condominium apartments, for example, while purple basically indicates the part of the community that has sufficient income to secure higher-end single detached homes. Providing new housing to support increases in population for all areas of the continuum is always a challenge due to the costs attached to building, land in particular. The greatest challenge is to provide housing that matches the community’s capacity to pay. Although the chart shows that owner-occupied housing is generally not subsidized, the BC Homeowners grant is a subsidy that is often overlooked.

Defining Housing Affordability

So how do we define housing affordability? Generally, 30% of total income before tax is the accepted standard of the maximum that should be spent to afford housing.

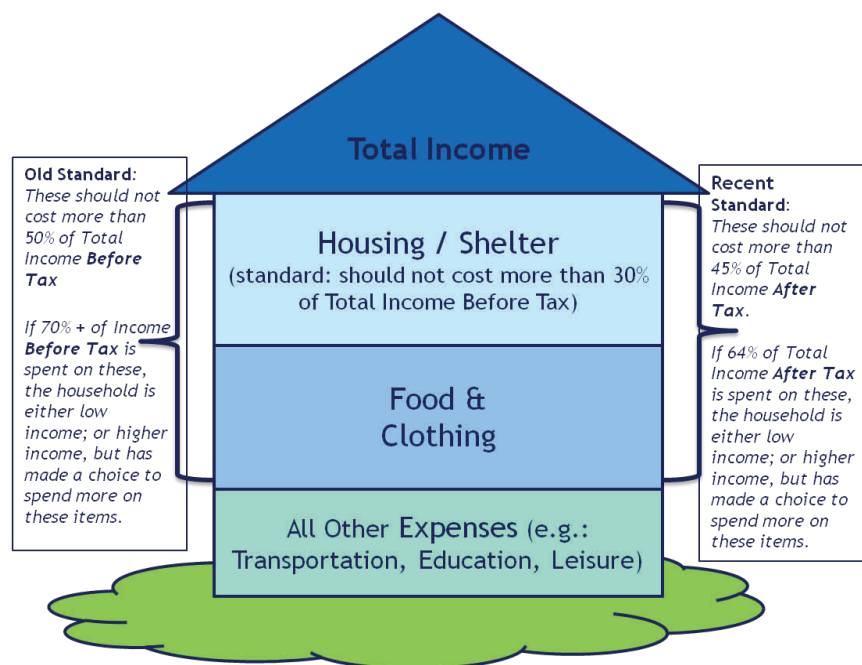
Based on all available research, the City has approved definitions of housing affordability for Kelowna. These are found within the Official Community Plan (OCP) and are quoted below.

The illustration at the bottom of the page describes the parameters for housing affordability. Although Canada does not have a defined poverty line, if income is insufficient for basic necessities, including housing, food and clothing, then a family or household is considered at or below a low income threshold. Low Income housing needs are discussed separately.

Official Community Plan 2030

Affordability benchmarks will be published annually in information bulletins, using accepted methodologies and data from Statistics Canada, BC Statistics and Canada Mortgage and Housing Corporation. They are based on the following criteria:

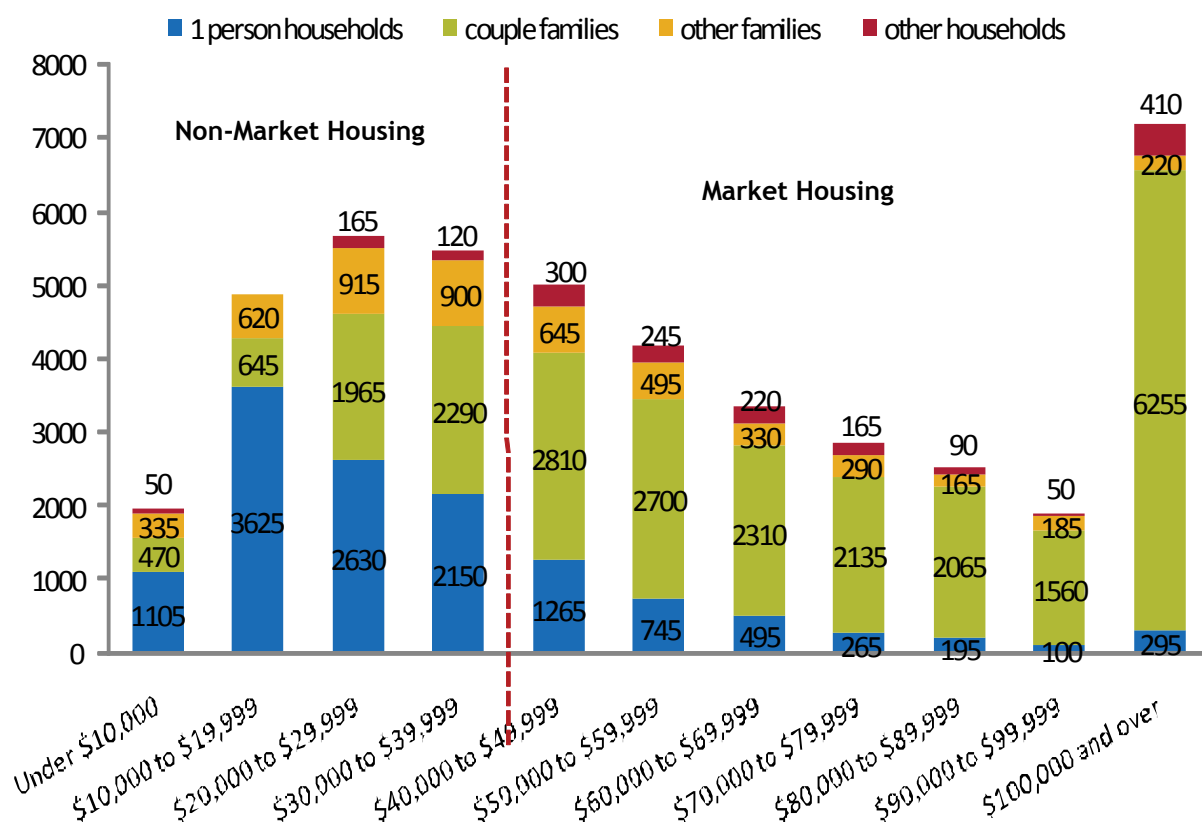
- *“Affordable Rental”: Affordable rents will be the average rents for Kelowna from the annual Canada Mortgage and Housing Corporation (CMHC) Rental Market Report;*
- *“Affordable Ownership”: Ownership affordability is based on the income level at which a household would be capable of entering the ownership market. This is equivalent to the “starter home” price and is derived based on the purchase ability at the median income level for all two or more person households from the most recent Census, assuming 30 % of gross household income expenditure for shelter. The starter home price will be updated annually between Census years using the B.C. Consumer Price Index (CPI), be published annually by the City and be given for a non-strata-titled home, a strata-titled home and a mobile / manufactured home.*



Kelowna's Households by Income:

The distribution of households in Kelowna, according to the 2006 Census, has been thoroughly explored as part of the City's housing research. The chart below shows how households were distributed by income levels and living arrangements. Significant numbers of households that include families and singles, under the \$40,000 income level in 2005 (the red dashed line) who could not afford housing provided by the market place, meaning that they are living in sub-standard housing with relatively few receiving rent subsidies or living in subsidized housing. Some may be seniors living in mortgage-free homes and receiving a pension. The total number of households at this income level is just under 18,000; alarming, considering this is 2006 information and recently released 2011 Census total population figures (117,000) show a 9.6% growth in population and 12% increase in households between 2006 and 2011. An estimate of 20,000 out of the 49,668 total households in 2011 that are unable to afford market housing is therefore realistic. Given that there are so many households that would be considered low income and not able to afford most of the conventional housing in the city, an overview of low income households and their needs is provided next.

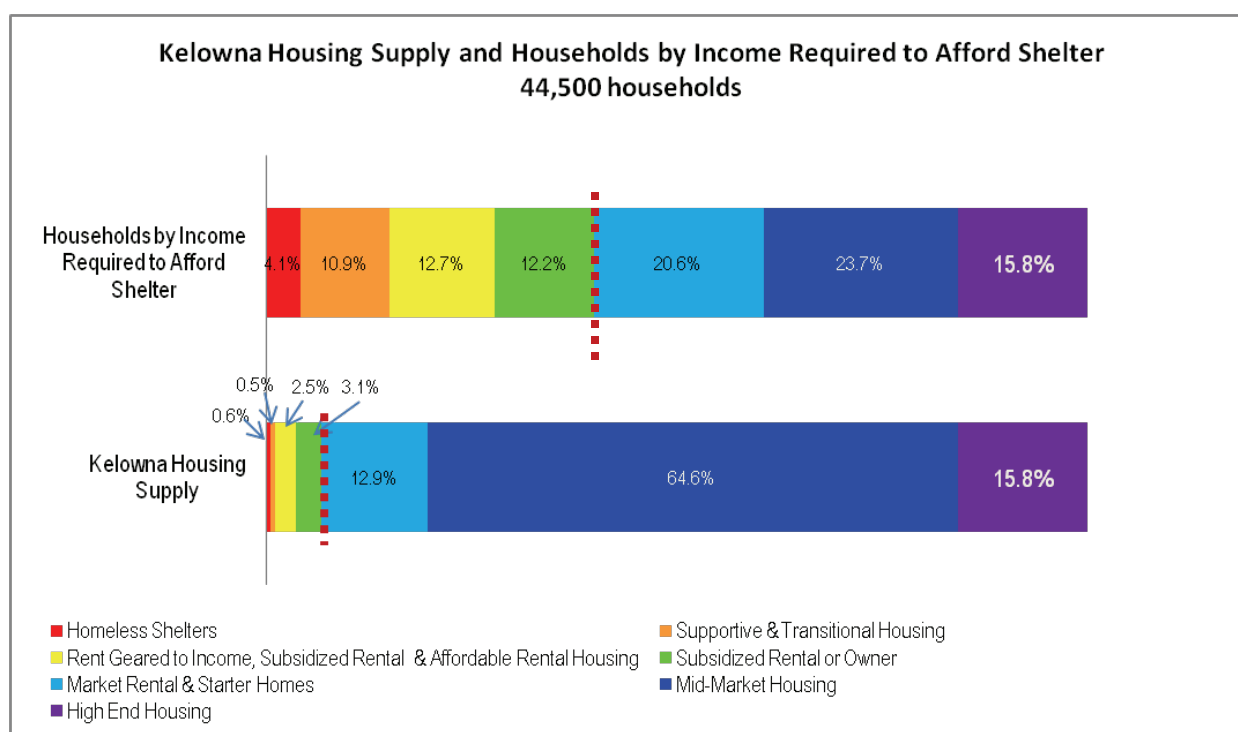
Kelowna Households by Income and Type 2006 Census



Kelowna's Housing Supply:

The Need Vs. the Supply:

Using the distribution of households by income and applying 30% of gross income for shelter, available information has been assembled to compare the Kelowna population to the housing supply. There are a multitude of ways of looking at this, but the idea is to create a model that helps to describe the supply situation. It is mostly about the imbalance of income against supply. The bar graph below is representational, but based on interpretation of the available data. It serves to describe the abundance of housing supply to match mid to high income households (i.e.: those making \$60,000 or more at 2005 gross income levels (roughly \$66,000 at 2011 level using the BC Consumer Price Index). It also shows the lack of housing suited to those who cannot afford market housing meaning their income is \$40,000 (equivalent to \$44,080 in 2011) or less. Many Kelowna households are living in housing that would cost much more than 30% of their income. Some are retired and have homes that are mortgage-free; some are tenants who are frequently moving due to unsuitable housing, or rent they cannot afford; some choose to pay more to acquire the housing they prefer (e.g. new housing). It also shows that; based on requiring \$66,000 to own a home at 2011 income levels, much more rental housing is needed, both on the market rental side, for those at the \$44,000 to \$66,000 income range and subsidized housing or income assistance, for those who are under the \$44,000 income level at 2011 income levels.



Core/Low Income Housing

There are many ways to quantify low income housing needs. Wait lists are one example. In BC, it is defined as people who are in “core need” of housing. Numbers for this are produced by BC Housing, based on the Census www.bchousing.org. A description of core need & numbers for Kelowna are provided here. To meet these needs, some kind of housing subsidy is essential, whether it’s a rent subsidy, subsidized housing or a combination of these.

CORE NEED:

People in core need of housing extend across all age groups and living arrangements. Most are not homeless, but either cannot afford their housing and/or live in housing that is too small or in poor condition because they are unable to afford anything else.

Number & Proportion of Households in Core Housing Need in the City of Kelowna by Household type, 2006

Household Type	# of Households in Core Housing Need	Total # of Households (Hhlds)	% of Hhlds in Core Housing Need
One-person Hhlds	2,490	12,860	19%
Lone-parent Hhlds	1,135	4,485	25%
Couple with children Hhlds	660	10,420	6%
Couple without children Hhlds	545	13,765	4%
Other Households	320	3,080	10%
Total Households	5,150	44,605	12%

Number & Proportion of Households in Core Housing Need in the City of Kelowna by Age Groups, 2006

Age Grouping	# of Hhlds in Core Housing Need	Total # of Hhlds	% of Hhlds in Core Housing Need
Under 25 years	470	2,270	21%
25 to 44 years	1,575	13,235	12%
45 to 54 years	925	9,325	10%
55 to 64 years	680	7,175	9%
65 years +	1,500	12,600	12%
Total	5,150	44,605	12%

Source: Statistics Canada, Custom Tabulations, based on the 2006 Census (CRO0109569), January 2010.

Prepared by: BC Housing's Research and Corporate Planning Department, July 2011.

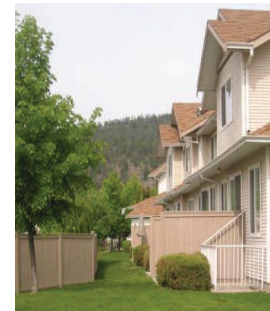
Low Income Housing Supply

Number of Units Administered By BC Housing in the City of Kelowna by Target Client Type for September 30, 2011

Client Type	Number of Units	Percentage of Total Units
Homeless Shelters	80	3%
Homeless Housed	351	12%
Frail Seniors	225	8%
Special Needs	190	6%
Low Income Seniors	599	15%
Low Income Families	453	20%
Aboriginal	95	3%
Rental Assistance Program (RAP)	270	9%
Shelter Aid for Elderly Renters (SAFER)	691	23%
Total Units	2,954	

Source: BC Housing, Unit Count Pivot Tables, September 30, 2011

The Provincial Ministry of Social Development advised there were approximately 750 families and 2,135 singles receiving BC Shelter Assistance in 2010, which would be additional to the numbers shown above, although there may be some overlap. (e.g. homeless people may be receiving shelter assistance).



Above, left is a boarding home for men and right is the Cardington Apartments for people who've been homeless.



Examples of non-profit, subsidized family housing in Kelowna; coop housing on the left.



Best Practices

The City of Kelowna has a track record of action to address the housing needs of its residents. Using the chart to describe municipal roles in the delivery of housing. that was used at the beginning of this document, these initiatives are described below:

Land Partnerships

The City of Kelowna has provided land at no cost to eight different sites for affordable housing partnerships. A commitment has been made for 170 supportive dwellings, with 116 built and 49 under construction. Approximately 75 units are to be built on a partnership site on the Central Green (former Kelowna Secondary School (KSS) site). There is potential for another 75 affordable units to be built on the same site in a separate building.

Eight shelter beds are in place for youth at the City-owned Glenn Ave. School.

Pleasantvale Homes, on formerly City-owned land, has been transferred to BC Housing and is committed as a location for affordable housing redevelopment. It continues to provide 50 low cost senior citizens’ apartments.

The City also has an inventory of about 52 homes that are rented at market rents until they are needed for their intended purpose of future City services, such as parks, parking areas, roads and utilities.

Housing Opportunities Reserve Fund (HORF)

The City has directed about \$2.5 million to this fund since 2001. Nearly \$700,000 has come from developer contributions and the rest from annual taxation and redirected funds. Funds go to grants and land acquisition for affordable housing.

Rental Housing Grants

Grants are awarded from the annual budget allocation to the HORF, with a portion specifically for these grants. Since 2006, the City has awarded \$782,735 in rental housing grants for a total of 92 rental dwellings. The program has been well-received, with the majority of the dwellings being in the non-profit sector



Local Government Roles in Housing

The colours and roles identified in the above chart are used to categorize the actions and recommendations that exist or are approved for Kelowna.

Strategic Partnerships

Direct Funding & Development

Direct Funding & Development

Density Bonuses

Quoted in best practices publications, “density or amenity bonusing”, sometimes referred to as “inclusionary zoning” (US) is often flagged as the way to achieve affordable housing as part of new development. The concept is based on the premise that the developer achieves added value by increasing the development capacity of the land and can therefore afford to give something back to the municipality in terms of needed housing or community services. It is not a popular concept with developers due to the fact that developing new housing can be a risky and expensive undertaking. Added costs are not welcomed. Planners also have concerns that this approach appears to encourage density that is not predicted within land use and servicing plans and therefore the costs may outweigh the benefits.

Planning &
Regulation

However, there are some very modest density bonuses written into the existing Zoning By-law and there has been some limited history of negotiating with developers when a development goes beyond predicted densities. The results to 2010 have been:

- ▶ 45 starter homes for purchase;
- ▶ 23 rental homes;
- ▶ 67 market rental homes; and
- ▶ \$700,000 in developer contributions to the Housing Opportunities Reserve Fund.

Municipal Property Taxes

The City budgets annually to provide exemptions to City property taxes for transitional and residential care housing (permissive tax exemptions).

It also has a tax incentive program which offers tax relief from the City portion of property taxes for up to ten years for new developments in specific areas of Downtown and the Rutland City Centre to promote economic vitality and sustainable urban growth in these areas (see By-law 9561).

Direct Funding
& Development



One of the more recent rental buildings that has been built in Kelowna.

One of the buildings that received a rental housing grant (on the right).



Willowbridge (right): one of several supportive housing buildings on City-owned land. This building and the one above are also eligible for City property tax exemptions as transitional housing.



Development Cost Charges (DCCs)

Planning and
Regulation

The City has consistently adopted best practices with the application of development cost charges (DCCs). DCCs are essential for the funding of expansions to City services resulting from new growth. A DCC may be as much as \$10,000 per dwelling or more, depending on dwelling size, density, location and servicing needed. Typically, Kelowna has been a consistent growth area for BC and has needed to plan for funding of services accordingly. However, by being diligent in its knowledge of the servicing needs of various forms of housing, the City has been able to ease the burden of DCCs for needed housing forms in various ways, including:

- ▶ The application of institutional DCC rates for congregate housing and supportive housing with health care.
- ▶ Reduced DCCs (\$2,500) for new secondary suites;
- ▶ Since 2009, lower DCCs are charged for units 600 square feet or less in size.
- ▶ Density gradient: there are lower DCCs for developments that use less infrastructure (e.g., dwellings are smaller and closer together).

Reduced DCCs have saved some buildings \$1,000,000 or more. The rental grants program to provide relief from DCCs has already been outlined in the Housing Opportunities Reserve Fund discussion.



Mountainview Village is a seniors housing complex that facilitates ageing in place. It received provincial and federal funding. The City was able to offer lower institutional DCCs.



Fernbrae Manor is a congregate seniors housing facility that benefited from the institutional DCC. The complex is market, not subsidized housing.

Comprehensive Zoning

Planning and
Regulation

Zoning has been put in place that provides for a variety of housing types and support services in most residential and commercial zones, involving defining appropriate building forms and setting performance standards for corresponding density (e.g. less parking for some housing types). Zoning regulations and uses were introduced into zones that facilitate aging in place and housing for people with special needs, including boarding and lodging; group living homes; supportive housing; congregate housing; and day care centres. This has been working effectively for over a decade by allowing diverse housing forms for specific needs populations to fit seamlessly into neighbourhoods without the need for re-zoning. Housing forms are based on the appropriate density for the given zone.

Recommendations

Following the process described earlier in this document, the City has developed recommendations for new directions in its approach to the housing supply. These are the cumulative result of consultation and research that took place mostly in 2011. City Council endorsed these recommendations on November 7, 2011. The City will work to implement these recommendations, continually focusing its efforts on current resources and housing needs.

There is more than one way to organize the recommendations. The approach taken in the ensuing text is to look at the nature of the action that is recommended and to categorize it based on whether it is:

- Policy – new or amended policies;
- Zoning– additions or changes to the Zoning By-law; or
- Procedural – means of addressing housing needs through various processes available to the City.

Recommendations that have been approved are shown in *italics* text. The recommended actions are primarily focused on immediate or short term implementation schedules, particularly new policies the City can adopt. However some are longer term due to the fact that resources and budget are not available in 2012 to begin the work required. Longer term actions are flagged with gray highlight.

Initiatives are also coded to reflect the local government roles that have been defined and used in the previous sections of this report. The colours used match the pie chart that was used in the “Best Practices” section.

POLICY RECOMMENDATIONS	
	ROLES
<p>Recommendation:</p> <p><i>1. Family Housing Policy: Add policy to the OCP to express support for housing alternatives for families when single detached housing is too costly. This would include wording that describes the things that are important to families including: outdoor space, direct access to grade, workshop space, larger units, safe design, and neighbourhood characteristics (e.g.: location and amenities).</i></p> <p>Rationale:</p> <p>The income distribution of households in Kelowna shows that there are many family-sized households making less than the median income of a Kelowna two or more person household , which is close to \$66,000 in 2011 values. This gross income level would allow the purchase of a home with strata fees priced at \$206,000, or a fee simple home at about \$220,000. Realistically, the market has few choices in the lower price ranges of homes for families. That leaves the choice of renting suitable housing or buying some form of attached housing because single-detached housing is beyond the financial capability of the majority of families. The City’s policies therefore would encourage alternate housing forms that meet these needs.</p>	<p>Planning and Regulation</p>

POLICY RECOMMENDATIONS CONTINUED

ROLES

Recommendation:

2. Communities: *Introduce a new OCP policy to foster healthy, inclusive communities and a diverse mix of housing forms, consistent with the appearance of the neighbourhood.*

Planning and
Regulation

Rationale:

This recommendation re-affirms the importance of creating a diverse, healthy community, while also providing for a broad range of housing needs.

Recommendation:

3. Understanding: *Provide OCP policy to support means of increasing understanding of various housing needs and forms; and reducing “Not in My Back Yard” (NIMBY) syndrome.*

Community
Development &
Education

Rationale:

There is plenty of good information on how to help neighbourhoods and individuals understand, cope with, and even support different types of housing in their community. NIMBY should not be dismissed, but recognized and addressed. At times change will be so unpredictable and significant that serious and sometimes costly action is necessary: e.g.: assisting people to relocate their homes and/or buy property. The City must do this on occasion for City services to be constructed (new roads or utilities) or to assemble land for subsidized housing.

Recommendation:

4. Neighbourhood Impact: *Introduce OCP policy that requires the City to carefully consider the impacts on land values and neighbourhoods when assessing requests for amendments to the OCP.*

Planning and
Regulation

Rationale:

Land value research was done by a land economist for the City in 2008. It showed that the Kelowna land market was operating based on the value of the highest anticipated development capacity, beyond what the City had forecast. This was one of the prime reasons that affordability of new housing and new subsidized housing were so difficult to deliver. The land market is adjusting due to changes in the economy. A consistent approach to development by the City would serve to stabilize land prices over the longer term. There may be significant servicing costs & impacts of increasing densities beyond the intent of the OCP, some of which cannot be defined without professional consultation (e.g. traffic impact studies, environmental impact studies, etc.).

POLICY RECOMMENDATIONS CONTINUED

ROLES

Recommendation:

5. Adaptable Housing: *Introduce policy to promote adaptable design.*

Rationale:

The District of Saanich has one of the clearest explanations & guidelines on adaptable design. See the link: <http://www.saanich.ca/business/adaptable>. This is *not* handicapped accessible housing, but dwellings designed so that they can easily be adapted to meet a number of different future needs. Cost savings over the long term are significant with an initial cost of under \$1,000/ dwelling. It is best suited to apartment housing.

Planning and
Regulation

Recommendation:

6. Housing Mix: *Provide policy that supports a greater mix of sizes, forms, and tenures of housing in new multi-unit & mixed use developments.*

Rationale:

This policy would recognize the need to promote a healthy mix of housing types serving a broad spectrum of needs.

Planning and
Regulation

Recommendation:

7. Secondary Suites and Accessory Apartments: *Add OCP policy to encourage secondary suites and accessory apartments through appropriate zoning regulations.*

Rationale:

In 2011, surveys showed over 70% in favour of secondary suites and 80% support for “suites in my neighbourhood”¹. Several other municipalities have brought in zoning that allows a suite in any single detached dwelling. Aside from the opportunity of enabling legal secondary suites, there lies a further opportunity for rental apartments to be added to apartments or other attached, stratified dwellings to address needs that would include: family such as young adults, relatives with disabilities or seniors. It would be beneficial to students to have more housing options.

Planning and
Regulation

The photos below provide three illustrations of legal secondary suites in Kelowna. The middle one is detached.



¹Based on over 300 respondents to a statistically valid phone survey and nearly 200 respondents to an on-line survey.

POLICY RECOMMENDATIONS CONTINUED	
	ROLES
<p>Recommendation:</p> <p>8. Housing as Secondary to Light Industrial: Create policy to explore limited expansion of housing options as secondary uses in light/transitional industrial areas.</p>	Planning and Regulation
<p>Rationale:</p> <p>Discussions with the Housing Committee favoured housing as a secondary use in light industrial areas. Based on examples that had been witnessed in other cities, this was thought to be a way to create housing that may be less costly and attractive to specific populations like single young working people and students.</p> <p>At the time of these discussions, research conducted for the Official Community Plan had determined that land allocated for residential growth to the year 2030 was more than sufficient for forecasted growth. Also, industrial lands in Kelowna are already subject to development pressures to other uses. There has been a historical desire to protect these lands to serve industrial needs. Additionally, there was a political concern about conflicts between residents and businesses in these areas.</p>	
<p>Recommendation:</p> <p>9. Monitor Industrial Transitional Areas: Provide policy to monitor Industrial transition areas and apply the results to future approaches to residential uses in industrial areas.</p>	Planning and Regulation
<p>Rationale:</p> <p>Although the current land supply does not indicate a need to provide housing in areas that presently do not allow it, light industrial areas were seen by the Housing Committee as having potential for less costly housing serving particular needs for students and single working people. Therefore, the City would be looking at the limited industrial transition areas that exist and refining means of ensuring the industrial uses and housing are compatible through policies and regulations.</p>	



Housing should meet the needs of all generations.



The Ellis St. area (below) gave the Housing Committee the idea that the industrial business park near UBCO (left) could provide student housing above business uses.

ZONING RECOMMENDATIONS

ROLES

Recommendation:

10. Fee Simple Townhouses: Add zoning to allow for fee simple townhouses that would have their own public road frontage and lots.

Rationale:

The results of surveys the City conducted in May of 2011 identified townhouses (row housing) and duplexes as the preferred choice of respondents if a single detached home is not financially feasible. Larger dwellings (3 bedroom) were also preferred. The current zoning does not have regulations that would facilitate ownership of townhomes on fee simple lots. This is therefore recommended as a housing form that could be purchased (or rented) for family housing.

Planning and
Regulation

Recommendation:

11. Courtyard Housing: Create the zoning regulations needed to allow courtyard housing.

Rationale:

Courtyard housing is an older concept that is being revived in the central neighbourhoods of cities like Los Angeles and Portland as a housing choice for families that promotes a sustainable lifestyle. Similar to row housing, it features buildings closer to the road on a typical city block, with open, courtyard areas in the centre of the block that can be used as play/recreation areas for the residents. It can be done in Kelowna by amending the Zoning By-law. Mapping research shows that there are over 1,000 existing lots large enough and properly designated in the OCP to allow this type of housing, creating opportunities for developers and residents (could be owner or rental housing).

Planning and
Regulation

Recommendation:

12. Six Storey Buildings: Provide zoning that would accommodate six-storey, wood frame buildings.

Rationale:

Six storey buildings are promoted by the Province as a more affordable choice for developers to build apartment housing.

Planning and
Regulation



Facilitating
different
forms of
multi-unit
housing helps
increase
choice.

ZONING RECOMMENDATIONS CONTINUED

ROLES

Recommendation:

13. Accessory Apartments: Provide zoning that would facilitate accessory apartments.

Rationale:

Noted before, these apartments would be located within strata-titled apartments or other attached housing forms. Accessory apartments serve as a source of rental housing for students, singles and people needing some assistance including people with disabilities and seniors; and can also serve as mortgage helpers. When under 29 m² (312 sq. ft.), there is no development cost charge for new dwellings (provincial law). This provides an opportunity for developers, homeowners and single/small tenant households; particularly suited to families with adult children, members with disabilities or seniors, who want or need proximity to family but also seek the privacy of their own home.

Planning and
Regulation

Recommendation:

14. Suite Parking: Ensure that the required off street parking space for a secondary suite is not provided as tandem parking.

Rationale:

In 2011, City Council and the Housing Committee described on-street parking as one of the main issues regarding secondary suites. For this reason, they asked that regulations ensure accessible off-street parking is provided for secondary suites.

Planning and
Regulation

Recommendation:

15. Less Parking Required: Reduce minimum parking requirements in the Zoning By-law for new multi unit housing in the Urban Core.

Rationale:

This is a way to encourage or reward housing that conforms to OCP policy and make housing more financially viable. It also aligns with supporting transit and reducing vehicle use. Parking spaces are expensive to provide, ranging from about \$10,000 / surface parking space to \$30,000 + / space for under-building parking.

Planning and
Regulation

Newer town-
housing in
Kelowna

Houses on small lots were once thought to be a more affordable choice. Single detached homes are now too costly for many households.



ZONING RECOMMENDATIONS CONTINUED

ROLES

Recommendation:

16. Secondary Suite Zoning: Refine zone regulations for secondary suites to improve the fit of suites in the neighbourhood.

Planning and
Regulation

Rationale:

This action serves neighbourhoods as well as those whose housing needs can be met in secondary suites. There has been concern expressed to the City about the appearance of secondary suites, particularly when they are located in separate buildings from the main house. This is currently being addressed. Usually, other complaints related to suites involve illegal suites or extra dwellings in duplexes or larger buildings.

Recommendation:

17. Secondary Suites in the Urban Core: Zone for secondary suites within the main dwelling in Single/Two Unit OCP designation within the Urban Core.

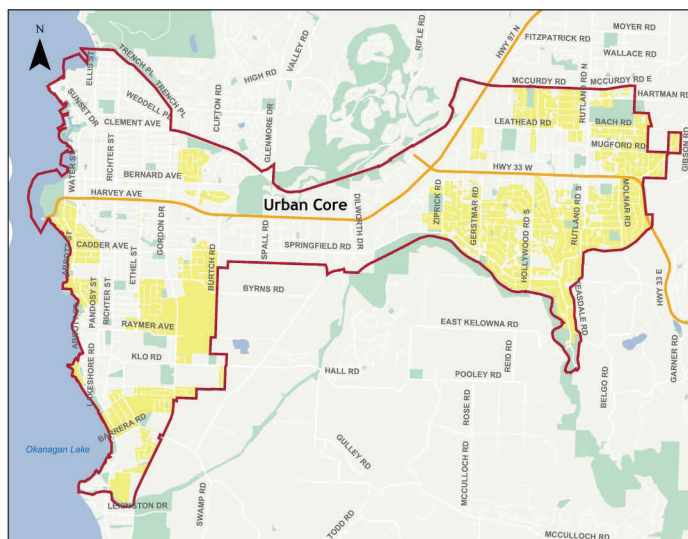
Planning and
Regulation

Rationale:

This recommendation was put forward as a way to introduce more areas where suites may be allowed without the need for a rezoning on the basis of selecting areas that are in good proximity to the services offered in the core area of the city, including employment, shopping, health or personal services and transit. The potential freezing of lands suited to future multi-residential uses is avoided by only looking at lands within the Single/Two Unit land use designation in the OCP. Council was supportive to the approach in November of 2011.

Staff is currently working on an expanded version of this approach.

The adjacent map shows the Single Two-Unit areas in yellow that would be allowed secondary suites within the main house and which are currently not zoned for secondary suites



PROCEDURAL RECOMMENDATIONS

ROLES

Recommendation:

18. Partnerships: Continue to seek partnerships to achieve affordable housing using City owned land and the rental housing grants program. Expand these partnerships within the private sector.

Rationale:

The intent of this recommendation is to state the City's desire to achieve housing partnerships with the private sector. The City's existing rental grants program involves non-profit rental housing or affordable rental housing. A move to encourage purpose-built rental housing is sought in the immediate short term.

Strategic
Partnerships

Recommendation:

19. Canada Mortgage and Housing Corporation: Work with the Canadian Mortgage and Housing (CMHC) Partnership Office to achieve more affordable rental housing.

Rationale:

2011 consultation with the CMHC Partnership office confirmed interest in helping the City achieve partnerships to create affordable rental housing.

Direct Funding
and Development

Recommendation:

20. Tax Exemption: Expand the application of 10 year property tax exemptions to affordable rental housing.

Rationale:

Section 226 of the Community Charter provides for property tax exemptions for a maximum of ten years for improvements (e.g. new buildings) for the purpose of revitalization. Augmenting the rental housing supply is considered a revitalization strategy to help provide the kind of housing Kelowna needs.

Direct Funding
and Development

Recommendation:

21. Housing Opportunities Reserve Fund: Determine funding for the Housing Opportunities Reserve Fund annually based on budget considerations and a business plan.

Rationale:

In 2011, Council requested that prior to any decision to increase taxation allocations to the HORF, the Council of the day would need to see a business plan that would outline all the development proposals for housing that would qualify for City contributions.

PROCEDURAL RECOMMENDATIONS CONTINUED

ROLES

Recommendation:

22. Public Hearing: Consider waiving the public hearing for needed housing requiring a rezoning, if it conforms to the Official Community Plan (OCP), & meets all City requirements; for fee simple town-housing and affordable rental housing.

Planning and
Regulation

Rationale:

This action encourages development that meets the City's policy framework. A newer approach to development looks at providing whatever incentives are feasible to promote growth or change that is serviceable and appropriate. It compares against traditional processes that look to extract requirements from new development.

It is part of increasing efforts by the City to promote economic sustainability. This and similar supported recommendations also support the following economic OCP objective and policy:

Objective 8.5 Ensure Kelowna is competitive relative to other jurisdictions.

Policy .1 Monitor Costs. Continually monitor municipal charges affecting businesses (e.g. property taxes, DCCs, application costs, off-site servicing costs, property/commercial taxes, user fees, utility charges, development fees, etc.) to identify whether costs are deterring economic activity. Charges will also be monitored to assess whether the costs of providing services are being recouped and whether revenue being collected is sufficient to deliver the services expected by Kelowna residents. The aim would be to deliver community-desired services as efficiently as possible in a fashion that supports overall prosperity. The information obtained from continual monitoring of costs will be communicated to residents and business interests.

Recommendation:

23. Advisory Planning Commission: Remove referral to the Advisory Planning Commission (APC) for rental housing, courtyard housing or town-housing that is consistent with the OCP.

Planning and
Regulation

Rationale:

This was a 2011 Council commitment to reduce process. It is now redundant without the continuation of the Advisory Planning Commission, following the start of the 2012 to 2015 City Council.

PROCEDURAL RECOMMENDATIONS CONTINUED

ROLES

Recommendation:

24. On-Street Parking: *As part of a comprehensive parking plan for the city, explore expanding use of time limits for on-street parking on local, residential streets in order to reduce the neighbourhood impact of residential on-street parking.*

Planning and
Regulation

Rationale:

Staff review of the recommendations indicated that on-street parking issues are much broader than parking for secondary suites. This issue is under review as part of the ongoing work of developing a Parking Strategy for the City.

Recommendation:

25. Public Hearing—Suite: *Consider waiving the public hearing for suites within the principal (main) dwelling within the Urban Core.*

Planning and
Regulation

Rationale:

Historically up to 2011, there has been a desire to provide for neighbourhood input when recognizing secondary suites, even though many illegal suites exist in every neighbourhood. If legal secondary suites are to be encouraged, the removal of a public hearing is one step to make the process a little easier.

The photo below is of the Kelowna Council Chambers where public hearings are held. It is an unfamiliar environment to many.



“Carriage home”-style suites can look nice, but are not everyone’s choice and they do change the look of the neighbourhood.



Conclusion:

This Housing Strategy is the culmination of the work of many people who are passionate about housing in Kelowna. It has also examined what is being done in other municipalities across North America and beyond to determine what could be brought to Kelowna as a workable approach to meet the needs of the community. There was excellent support from the stakeholders and members of the public who have contributed to the process.

The Strategy has outlined what the City is already doing to augment the housing supply for the complete continuum of housing needs. It also builds on what is happening and has been done to ensure that efforts are expanded, particularly to the populations that are overlooked in the housing market.

Developers have made it clear that if they cannot finance new housing that may be addressing a critical area of need, it simply won't happen. So the City has listened and put forward actions to encourage rental housing as a specified need in Kelowna. Market rental housing is still subject to rent controls and is the most affordable form of housing that can be provided in the private sector. It is clear that barriers to providing new rental housing include costs that are beyond the jurisdiction of the City. The focus has been placed on what is feasible at the local government level.

A further tactic is to recognize and reward new housing that conforms to the Official Community Plan, instead of extracting contributions from new development.

Partnerships with all viable business, government and non-profit sectors will be critical to a healthy housing supply into the future. Moving forward with the actions that are outlined will help to ensure the City is a fully engaged partner. A sustainable community must include a responsive and appropriate housing supply. This approach also supports a vigorous economy.



Housing Strategy Recommendation	Recommendation Implementation Status (July, 2015)
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Policy Recommendations - New or amended policies	
1. Family Housing Policy: Add policy to the OCP to express support for housing alternatives for families when single detached housing is too costly. This would include wording that describes the things that are important to families including: outdoor space, direct access to grade, workshop space, larger units, safe design, and neighbourhood characteristics (e.g.: location and amenities).	New implemented Policy in the Official Community Plan (OCP) Policy 5.22.13 <u>Family Housing. Support housing alternatives for families when single detached housing is too costly, including features that are important to families such as: outdoor space, direct access to grade, workshop space, larger units, safe design, and neighbourhood characteristics (e.g.: location and amenities).</u>
2. Communities: Introduce a new OCP policy to foster healthy, inclusive communities and a diverse mix of housing forms, consistent with the appearance of the neighbourhood.	New implemented Policy in the Official Community Plan (OCP) Policy 5.22.7 <u>Healthy Communities. Through current zoning regulations and development processes, foster healthy, inclusive communities and a diverse mix of housing forms, consistent with the appearance of the surrounding neighbourhood.</u>
3. Understanding: Provide OCP policy to support means of increasing understanding of various housing needs and forms; and reducing Not in My Back Yard (NIMBY) syndrome.	Amended Policy in the Official Community Plan (OCP) Reworded: Policy 5.22.8 <u>Embracing Diversity. Increase understanding of various forms of housing needs and styles toward increasing acceptance of housing meeting the needs of diverse populations by encouraging applicants to undertake early and on-going consultation relating to their project,</u>

Complete
In progress
Ongoing
Postponed to a later date

Housing Strategy Recommendation	Recommendation Implementation Status (July, 2015)
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	<u>including provision of support material where appropriate.</u>
4. Neighbourhood Impact: Introduce OCP policy that requires the City to carefully consider the impacts on land values and neighbourhoods when assessing requests for amendments to the OCP.	New implemented Policy in the Official Community Plan (OCP) Policy 5.22.9 <u>Neighbourhood Impact.</u> When considering an OCP Amendment, the City will seek information with respect to the impact on land values related to the likelihood that other properties in the immediate neighbourhood will remain or develop as indicated in the OCP.
5. Adaptable Housing: Introduce policy to promote adaptable design.	New implemented Policy in the Official Community Plan (OCP) Policy 5.22.10 <u>Adaptable Housing.</u> Encourage the use of adaptable design to increase flexibility of housing by referring developers to adaptable design guidelines.
6. Housing Mix: Provide policy that supports a greater mix of sizes, forms, and tenures of housing in new multi-unit & mixed use developments.	New implemented Policy in the Official Community Plan (OCP) Policy 5.22.11 <u>Housing Mix.</u> Support a greater mix of housing unit size, form and tenure in new multi-unit residential and mixed use developments.
7. Carriage Houses Secondary Suites and Accessory Apartments: Add OCP policy to encourage carriage houses secondary suites and accessory apartments through appropriate zoning regulations.	New implemented Policy in the Official Community Plan (OCP) Policy 5.22.12 <u>Carriage Houses Secondary Suites and Accessory Apartments.</u> Support carriage houses secondary suites and accessory apartments through appropriate zoning regulations.

Complete
In progress
Ongoing
Postponed to a later date

Housing Strategy Recommendation	Recommendation Implementation Status (July, 2015)
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<i>*Housing Strategy Policy amended to remove reference to Secondary Suites and replaced with "Carriage Houses."</i>	Council directed that suites in-house be allowed across the city.
8. Housing as Secondary to Light Industrial: <i>Create policy to explore limited expansion of housing options as secondary uses in light/transitional industrial areas.</i>	New implemented Policy in the Official Community Plan (OCP) Policy 5.29.2 <u>Secondary Housing in Light Industrial Areas. Consider the limited expansion of housing as a secondary use within industrial buildings in light or transitional industrial areas.</u>
9. Monitor Industrial Transition Areas: <i>Provide policy to monitor Industrial transition areas and apply the results to future approaches to residential uses in industrial areas.</i>	16 Zone Amendments are at third reading, to introduce mixed-used industrial/residential opportunities for a pilot project on Hollywood Rd. North. Depending on the success of this pilot project, this zone may be considered for other select parcels across the City of Kelowna.
Zoning Recommendations - Additions or changes to the Zoning By-law	
10. Fee Simple Townhouses: <i>Add zoning to allow for fee simple townhouses that would have their own public road frontage and lots.</i>	Zoning Bylaw amendments completed.
11. Courtyard Housing: <i>Create the zoning regulations needed to allow courtyard</i>	Zoning Bylaw amendments completed.

Complete
In progress
Ongoing
Postponed to a later date

Housing Strategy Recommendation	Recommendation Implementation Status (July, 2015)
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<i>housing.</i>	
12. Six Storey Buildings: <i>Provide zoning that would accommodate six-storey, wood frame buildings.</i>	Staff are preparing a new six storey zoning amendment and OCP amendment Council Report to allow for six story buildings within Urban Centre areas that are designated either Multiple Unit Residential - Medium Density (MRM) or Mixed Use - Residential/Commercial (MXR).
13. Accessory Apartments: <i>Provide zoning that would facilitate accessory apartments.</i>	In progress - Evaluation of micro-suites to deliver on this portion of the housing spectrum.
14. Suite Parking: <i>Ensure that the required off street parking space for a secondary suite is not provided as tandem parking.</i>	Zoning Bylaw amendments completed.
15. Less Parking Required: <i>Reduce minimum parking requirements in the Zoning By-law for new multi unit housing in the Urban Core.</i>	Postponed - pending Zoning Bylaw comprehensive update (2015-2016).
16. Secondary Suite Zoning: <i>Refine zone regulations for secondary suites to improve the fit of suites in the neighbourhood.</i>	Council directed that suites in-house be allowed across the city - no rezoning required. See Rec. 7.
17. Secondary Suites in the Urban Core: <i>Zone for secondary suites within the main dwelling in Single/Two Unit OCP designation within the Urban Core.</i>	Council directed that suites in-house be allowed across the city - no rezoning required. See Rec. 7.

Complete
In progress
Ongoing
Postponed to a later date

Housing Strategy Recommendation	Recommendation Implementation Status (July, 2015)
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Procedural Recommendations - Means of addressing housing needs through various processes available to the City	
18. Partnerships: Continue to seek partnerships to achieve affordable housing using City owned land and the rental housing grants program. Expand these partnerships within the private sector.	Ongoing housing partnerships, including BC Housing and Canada Mortgage and Housing Corporation. Examples include Pleasantvale Homes and the Central Green site for rental housing.
19. Canada Mortgage and Housing Corporation: Work with the Canada Mortgage and Housing Corporation (CMHC) Partnership Office to achieve more affordable rental housing.	Ongoing work with CMHC.
20. Tax Exemption: Expand the application of ten year property tax exemptions to affordable rental housing.	Amendment in 2014 to strengthen the implementation wording in the agreement.
21. Housing Opportunities Reserve Fund: Determine funding for the Housing Opportunities Reserve Fund annually based on budget considerations and a business plan.	Ongoing on an annual basis.
22. Public Hearing: Consider waiving the public hearing for needed housing requiring a re-zoning, if it conforms to the Official Community Plan (OCP), & meets all City requirements; for fee simple town-housing	Considered on a case by case basis.

Complete
In progress
Ongoing
Postponed to a later date

Housing Strategy Recommendation	Recommendation Implementation Status (July, 2015)
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<i>and affordable rental housing.</i>	
23. Advisory Planning Commission: Remove referral to the Advisory Planning Commission (APC) for rental housing, courtyard housing or town-housing that is consistent with the OCP.	This is considered complete, as the APC is no longer an active Council committee.
24. On-Street Parking: As part of a comprehensive parking plan for the city, explore expanding use of time limits for on-street parking on local, residential streets in order to reduce the neighbourhood impact of residential on-street parking.	There is currently a process in place (under Council Policy no. 366) that allows for the implementation of new time restrictions in residential areas, either imposed by staff or requested by the residents of an area via a petition process. Current resources for the enforcement of time restricted areas are fully utilized and any expansion to these areas will require additional staffing and equipment to implement.
25. Public Hearing—Suite: Consider waiving the public hearing for suites within the principal (main) dwelling within the Urban Core.	Secondary suites text amendments have negated this recommendation.

Complete
In progress
Ongoing
Postponed to a later date

HOUSING STRATEGY

IMPLEMENTATION UPDATE



WHAT IS THE HOUSING STRATEGY?

- ▶ A long-term strategy designed to achieve housing goals
- ▶ Endorsed by Council in 2012
- ▶ Recommendations, policies, directions, priorities, definitions and annual targets

WHAT ARE THE RECOMMENDATIONS?

- ▶ Recommendations:
 - ▶ Policy changes
 - ▶ Zoning amendments
 - ▶ Procedural changes

- ▶ Status update:

Complete	17 recommendations
In progress	3 recommendations
Ongoing	4 recommendations
Postponed	1 recommendations

POLICY RECOMMENDATIONS

Recommendations

2. ***Communities:*** Introduce a new OCP policy to foster healthy, inclusive communities and a diverse mix of housing forms, consistent with the appearance of the neighbourhood.
3. ***Understanding:*** Provide OCP policy to support means of increasing understanding of various housing needs and forms; and reducing Not in My Back Yard (NIMBY) syndrome.
6. ***Housing Mix:*** Provide policy that supports a greater mix of sizes, forms, and tenures of housing in new multi-unit & mixed use developments.

ZONING RECOMMENDATIONS

Recommendations

- | | |
|-----|---|
| 10. | <i>Fee Simple Townhouses:</i> Add zoning to allow for fee simple townhouses that would have their own public road frontage and lots. |
| 11. | <i>Courtyard Housing:</i> Create the zoning regulations needed to allow courtyard housing. |
| 12. | <i>Six Storey Buildings:</i> Provide zoning that would accommodate six-storey, wood frame buildings. |
| 15. | <i>Less Parking Required:</i> Reduce minimum parking requirements in the Zoning By-law for new multi unit housing in the Urban Core. |

PROCEDURAL RECOMMENDATIONS

Recommendations

- | | |
|-----|---|
| 18. | <i>Partnerships:</i> Continue to seek partnerships to achieve affordable housing using City owned land and the rental housing grants program. Expand these partnerships within the private sector. |
| 20. | <i>Tax Exemption:</i> Expand the application of ten year property tax exemptions to affordable rental housing. |
| 21. | <i>Housing Opportunities Reserve Fund:</i> Determine funding for the Housing Opportunities Reserve Fund annually based on budget considerations and a business plan. |

NEXT STEPS

- ▶ Interim:
 - ▶ The Rental Housing Grants Policy, the Revitalization Tax Exemptions and the Permissive Tax Exemptions
 - ▶ Infill Housing Challenge Project
- ▶ Long term:
 - ▶ OCP review



Report to Council



Date: 9/28/2015
File: 1825-03
To: City Manager
From: Energy Specialist, Building Services
Subject: Rutland Arena Heat Recovery Project

Recommendation:

THAT Council receives, for information, the report from the Energy Specialist Building Services, dated September 28, 2015, with respect to the proposed FortisBC - Capital Service Agreement and Community Energy Leadership Program - Funding Agreement.

AND THAT Council authorizes the Manager of Building Services to execute the FortisBC Capital Services and Community Energy leadership Program funding agreements regarding capital incentive funding for the Rutland Arena Heat Recovery Project.

Purpose:

To advise Council on the elements of the proposed capital funding agreements from FortisBC (attachment 1) and the Community Energy Leadership Program (attachment 2), the benefits for the City to implement all the Energy Conservation Measures and update the status of the Rutland Arena Heat Recovery project. The additional funding provided by FortisBC and CELP will support the scope increase, without increasing the City's financial contribution.

Background:

In 2014, Council approved \$100,000 in funding for a Domestic Hot Water Heat Recovery project for Rutland Twin Arenas. The project was estimated to save \$16,000 in operational cost through reduced energy consumption of 1,320 GJ annually and pay for itself in 6 years. Since that time, FortisBC approached the City of Kelowna suggesting that the Rutland Twin Arenas may be an ideal place for significant energy savings as part of their Commercial Custom Design Program. The program included funding for an energy study to identify Energy Conservation Measures (ECM's), as well as incentives towards the implementation of those measures. A comprehensive Energy Study was conducted by SES consulting to evaluate the potential for energy savings throughout the facility. The study was then passed along to FortisBC for review and analysis. The report outlined 4 ECM's that have a simple payback of 6 years. The equipment upgrades are expected to have a service life of 20 - 25 years.

FortisBC Capital Incentive Funding

FortisBC has approved funding for all of the measures proposed in the Energy Study, which include:

1. ECM 1 - Replacement of the existing boiler that provides hot water for the zamboni with a new high efficiency condensing boiler,
2. ECM 2 - Optimization of the controls for the roof top units (RTU's) that provide heating and cooling to the dressing rooms and offices,
3. ECM 3 - Replacement of the existing dehumidification system with a low temperature, high efficiency system, that can utilize recovered heat from the ice plant, and,
4. ECM 4 - Ice plant heat recovery.

Fortis has agreed, upon successful implementation of each measure, to provide funding up to \$106,849. The funding for each measure is as follows:

1. ECM 1 - Condensing Boiler - \$5,619
2. ECM 2 - RTU Optimization - \$15,581
3. ECM 3 - Dehumidification System - \$48,463
4. ECM 4 - Ice Plant Heat Recovery - \$37,186

In parallel to the FortisBC Custom Design Program, the City responded to a call for Expressions of Interest from the BC Ministry of Energy and Mines for Energy Efficiency projects. The Community Energy Leadership Program (CELP) is a component of the Ministry of Energy and Mines Innovative Clean Energy (ICE) Fund, designed to support local government's energy, economic, environmental and greenhouse gas reduction priorities and advance British Columbia's clean energy sector.

The Domestic Hot Water recovery project for Rutland Twin Arenas was identified as the best fit corporately for this funding opportunity based on the application criteria and project timelines detailed in the submission requirements.

Ninety Four (94) expressions of Interest were received by the Ministry of Energy and Mines. Fifty Three (53) were invited to submit formal applications for review. The City's application was shortlisted for a detailed review and was ultimately successful being awarded funding of \$45,000 for the heat recovery project.

Benefits for Kelowna:

Successful implementation of all of the Energy Conservation Measures (ECM's) will significantly reduce operating costs for the Rutland Twin Arenas, reduce the carbon footprint for the City of Kelowna, and extend the useful life of this facility. Annual savings are estimated to be \$49,000, with associated energy savings of approximately 3,900 GJ, which is 27% of the current annual energy consumption for this facility. This will reduce the City of Kelowna's carbon footprint by 204 tonnes CO₂e (carbon dioxide equivalent) per year.

City Obligations:

To secure the available funding provided by the CELP and FortisBC, The City will need to increase the scope of the Domestic Hot Water Heat Recovery project to include the installation of the condensing boiler and RTU optimization controls, as well as the design portion for the future replacement of the dehumidification system using heat recovery. The additional funding provided by Fortis and CELP will support the scope increase, without increasing the City's financial contribution

Financial/Budgetary Considerations:

The addition of the dehumidification system replacement will require additional funding, and has been submitted for approval in the 2016 budget.

Internal Circulation:

Divisional Director, Civic Operations

Director, Financial Services

Manager, Building Services

Considerations not applicable to this report:

Existing Policy:

Legal/Statutory Authority:

Legal/Statutory Procedural Requirements:

Personnel Implications:

External Agency/Public Comments:

Communications Comments:

Alternate Recommendation:

Submitted by:

B. Tollefson, Energy Specialist, Building Services

Approved for inclusion:



J. Creron, Divisional Director, Civic Operations

Attachments:

- Attachment 1: FortisBC - Capital Incentive Letter
- Attachment 2: Community Energy Leadership Program - Contribution Agreement

cc: Divisional Director, Civic Operations
Director, Financial Services

September 1, 2015

City of Kelowna
c/o Brydan Tollefson
1435 Water Street
Kelowna, BC
V1Y 1J4

COMMERCIAL CUSTOM DESIGN PROGRAM - Retrofit Projects Capital Incentive Approval Letter

SUBJECT: CDP Ra_000059 / CCDP- 101, Rutland Arena, Kelowna

FortisBC Energy Inc. is pleased to advise you that your Energy Study Report dated **July 9, 2015** for building site address **Rutland Arena, 645 Dodd Road, Kelowna, BC V1W 4Z1** has been approved and a cheque in the amount of **\$8,100** will be sent to you shortly. Based on FortisBC's review, the following Energy Conservation Measures have been found eligible for FortisBC incentives in the following estimated amounts:

Capital Incentive Funding				
Approved energy conservation measures		Est. cost per measure (\$)	Est. annual natural gas savings (GJ/yr)	Est. Incentive amount per measure (\$)
ECM 2	RTU Optimization	\$45,000	920	\$15,581
ECM 3	New Low Temp Desiccant	\$103,919	1,380	\$48,463
ECM 4	Ice Plant Heat Reclaim	\$80,000	1,380	\$37,186
TOTAL		\$228,919	3,680	\$101,230*

Implementation Bonus Funding

In order to qualify for implementation bonus funding of **\$8,100**, you must implement enough of the measures indicated above to achieve at least 51% (**1,877 GJ/year**) of the approved estimated annual natural gas savings.

Optional Measures

Should you implement **ALL** of the measures identified in the Capital Incentive Funding table above, you may choose to further implement any of the optional measures listed below and receive the associated incentive funding.

Optional Measures				
Approved energy conservation measures		Est. cost per measure (\$)	Est. annual natural gas savings (GJ/yr)	Est. Incentive amount per measure (\$)
ECM 1	Condensing Boiler	\$20,000	160	\$5,619
TOTAL		\$20,000	160	\$5,619*

**Subject to the attached General Terms and Conditions, please note that the incentive payments listed above will only be paid if the Energy Conservation Measures have been installed as described in the approved Energy Study and the final incentive amounts will be adjusted to suite measure cost underruns, system design or equipment changes which materially impact the natural gas savings identified in the approved Energy Study.*

Next steps

The General Terms and Conditions attached to this offer of Capital Incentive Funding are provided with this letter. Please review them in their entirety. In order to receive the above funding, you must submit the following to FortisBC:

- ☐ A signed and dated copy of this Capital Incentive Approval Letter indicating your acceptance of the General Terms and Conditions and your intention to implement approved energy conservation measures **within 30 days** of receipt.
- ☐ Approved energy conservation measures must be installed and operational **within 18 months** of signing this Capital Incentive Approval Letter
- ☐ Invoice copies and supporting documentation must be received **within 180 days** of energy conservation measures becoming operational.

Please refer to sections two and three of the attached General Terms and Conditions for additional details pertaining to the payment of the approved funding. Note that the funding will only be paid if the conditions laid out in the General Terms and Conditions are satisfied.

Questions

If you have additional questions, please consult the attached General Terms and Conditions or speak directly with a Commercial Custom Design Program representative by calling **1-866-884-8833** or by emailing customdesign@fortisbc.com

Applicant declaration

I, the Applicant, declare that:

- I am the owner or long-term lessee of or a duly authorized representative of the owner or long-term lessee of the building(s) described within the Energy Study Report.
- The information in the Energy Study Report is accurate and completed and that I will promptly notify FortisBC in writing if any information in the Energy Study Report ceases to remain true and correct.
- I represent and warrant that I have reviewed the Capital Incentive Funding Eligibility Requirements and both I and the building(s) described in the Energy Study Report fully comply with the same.
- I have read and understood the Capital Incentive Funding General Terms and Conditions and agree to comply with same.
- If I apply for and/or receive funding from any other organization for conducting an Energy Study and/or implementing approved Energy Conservation Measures, I will notify FortisBC in writing, providing the name of the funding organization(s) and the amount of funds that will be made available by each funding organization.
- I have not already ordered or purchased any of the materials or equipment required to implement the energy conservation measures described in the Energy Study Proposal.

If there is an expected date that the energy conservation measures will be implemented by please state the **approximate completion date here:**_____.

Applicant name (please print)

Position/title

Signature

Date (Yr/Mth/Day)

Mail to: Energy Efficiency & Conservation
FortisBC Energy Inc. 16705 Fraser Highway
Surrey, B.C. V4N 0E8

Fax to: 604-592-7618
Email to: customdesign@fortisbc.com

Commercial Custom Design Program – Retrofit

Capital cost incentive overview and program eligibility terms and conditions



PROGRAM OVERVIEW

FortisBC Energy Inc., FortisBC Energy (Vancouver Island) Inc. and FortisBC Energy (Whistler) Inc. (together "FortisBC") wish to work with owners and long-term tenants of existing buildings in British Columbia to encourage greater energy efficiency in the province's existing building stock. The **Commercial Custom Design Program – Retrofit** (the "Program") provides an opportunity to qualifying commercial, institutional and light industrial building owners and qualifying long-term lease holders (each, an "Applicant") to minimize their operating costs and improve whole building performance of their facilities through the more efficient use of natural gas for space and domestic water heating. The purpose of the Program is to provide funding assistance to natural gas energy efficiency projects that are beyond the scope of other incentive programs currently offered by FortisBC. Such projects may include, but are not restricted to energy conservation measures ("Energy Conservation Measures") that will:

- improve building envelope performance;
- use more efficient equipment or systems;
- recover and reuse energy that is currently lost;
- capture and use solar energy for heating air or water;
- reduce the rate of energy consumption by systems or equipment in low occupancy periods; and
- eliminate unnecessary energy usage by shutting off idling or unneeded equipment.

Before applying to this Program, Applicants are required to have obtained an energy study for the building or facility which is the subject of this application, and which meets the following requirements (each, an "Energy Study"):

- conforms to the requirements of the FortisBC Commercial Custom Design Program **Energy Study Guide – Retrofit Projects**;
- completed before application to this Program (the date of completion of the Energy Study must not be more than 12 months prior to its submission for review to FortisBC);
- identifies those Energy Conservation Measures for which the Applicant requests funding assistance under this Program; and
- accepted and approved in writing by a FortisBC Commercial Custom Design Program Representative.

PROGRAM ELIGIBILITY REQUIREMENTS

In order to be eligible for funding assistance towards capital upgrades under the Program ("Funding"), Applicants must sign the applicant declaration on the capital incentive approval letter (the "Approval Letter") and satisfy the following requirements:

- Proposed projects must be quantitatively analyzed using industry standard engineering techniques, tools and/or software and the results submitted to, and approved by, FortisBC in the form of an Energy Study. For Energy Study requirements please refer to Commercial Custom Design Program **Energy Study Guide - Retrofit Projects**.
- Proposed projects must be located within the FortisBC service territories. Proposed projects must be subject to one of the following Rate Schedules, as amended from time to time: 2, 2.1, 2.2, 2U, 3, 3U, 4, 5, 7, 22, 23, 25, 27, AGS, SCS-1, SCS-2, LCS-1, LCS-2, LCS-3.
- Proposed projects must demonstrate reduced natural gas consumption for space and/or potable hot water heating in existing buildings or facilities. Manufacturing/transformation process and similar heating loads are not eligible except where waste heat from processes is used to offset space or domestic hot water heating requirements.
- Buildings and facilities wherein the proposed Energy Conservation Measures will be implemented must be commercial, institutional, multi-unit residential (MURB), or light industrial in nature.

- Such buildings or facilities must use natural gas as a space heating and/or domestic hot water heating fuel source, either solely or in tandem with other lower carbon energy sources after the proposed Energy Conservation Measures have been implemented or installed.
- Proposed projects must not achieve natural gas savings by switching to higher carbon energy sources, electric resistance heating, or to electric boilers.
- Proposed Energy Conservation Measures must specify the use of products and/or equipment that are new, CSA-approved or certified by a recognized accredited independent organization.
- Proposed Energy Conservation Measures and all their components, applications and installations must meet or exceed the requirements of the *Energy Efficiency Act* (British Columbia) and the *Energy Efficiency Act* (Canada), as amended from time to time, and any applicable regulatory requirements in British Columbia, as determined by FortisBC, in its sole discretion.
- The proposed building or facility must be owned by the Applicant or leased by the Applicant under a Long Term Lease. "Long Term Lease" means a commercial lease with a term of 120 months or more, with an option to renew for at least a further 60 months, which lease will continue for at least 36 months prior to expiry at the time of the Application.
- Upon request, the Applicant will provide, in a form satisfactory to FortisBC, in its sole discretion, proof of ownership or details and landlord confirmation of a Long Term Lease with respect to the proposed building or facility. Proof of ownership may include a recent title search.
- The Applicant must be a customer of FortisBC in good standing, the accounts of which are not in arrears at the time of payment of Funding.

In addition to the above, only one Funding commitment shall be extended per 12 month period per eligible building or facility.

In order to qualify for Funding, the Applicant must receive approval in writing from an authorized FortisBC Commercial Custom Design Program Representative and accept these General Terms & Conditions by signing the applicant declaration on the Approval Letter and sending a signed copy back to FortisBC before installation of any Energy Conservation Measures. FortisBC, in its sole discretion, reserves the right to approve or reject any Application.

GENERAL TERMS AND CONDITIONS

1. **General**
 - 1.1. **By its submission of an Application, the Applicant agrees to all terms and conditions herein, as amended from time to time.**
 - 1.2. **The decisions of FortisBC Energy Inc., FortisBC Energy (Vancouver Island) Inc., and/or FortisBC Energy (Whistler) Inc. (together, "FortisBC") with respect to this Application, including but not limited to, decisions relating to the proposed Energy Conservation Measures, Applicant eligibility, energy saving potential of the proposed Energy Conservation Measures, and amount of Funding, are final and binding on all Applicants. If FortisBC, acting reasonably, rejects an Application or any part thereof, FortisBC will, upon request, provide the Applicant with reasons for such rejection.**
 - 1.3. **The Applicant acknowledges and agrees that in order to qualify for Funding under the Program, the Applicant has received approval from FortisBC of an Energy Study with respect to the building or facility that is the subject of this Application, that such an Energy Study has been completed and such Energy Study identifies those Energy Conservation Measures for which the Applicant requests Funding. The Applicant will provide a copy of such Energy Study to FortisBC upon FortisBC's request, within 30 days of the request being made.**

- 1.4. **The Applicant acknowledges and agrees that in order to qualify for Funding, the Applicant must receive approval in writing from an authorized FortisBC Commercial Custom Design Program Representative and accept these General Terms & Conditions before installation of any Energy Conservation Measures and the Applicant will not order or purchase any of the materials or equipment required to implement such Energy Conservation Measures without the prior written approval of FortisBC. Written approval shall be communicated to the Applicant via the Capital Incentive approval letter ("Approval Letter").**

2. Funding

- 2.1. Upon approval of the Energy Study in its sole discretion, FortisBC will identify and communicate to the Applicant the Energy Conservation Measures approved by FortisBC and the amount of Funding available to the Applicant with respect to the installation of such Energy Conservation Measures, subject to the terms and conditions herein. Upon receipt of the Approval Letter identifying the Funding available, the Applicant will read and accept these terms and conditions, and sign the Applicant Declaration on the Approval Letter, and return a copy to FortisBC. The signed Applicant Declaration must be returned to FortisBC within 3 months from the date of the Approval Letter. The Applicant may then commence installation of the Energy Conservation Measures forthwith.
- 2.2. Subject to the terms and conditions herein, the Energy Conservation Measures eligible to receive Funding and the associated Funding amounts are identified in the Approval Letter. The amount of Funding available to the Applicant pursuant to this Application will be limited to, and will not exceed, the amount approved by FortisBC as identified in the Approval Letter.
- 2.3. Within **180 days** of the approved Energy Conservation Measures becoming operational, the Applicant will provide to FortisBC the following:
- 2.3.1. executed Completion Declaration Form.
 - 2.3.2. a completed invoice reconciliation document in the form as attached to the Approval Letter; and
 - 2.3.3. all requested supporting documentation as described in Section 2.5.
- 2.4. In the event the Applicant fails to submit to FortisBC all information and documentation set out in section 2.3 within **180 days** of the approved Energy Conservation Measures becoming operational, any and all obligations of FortisBC with respect to the Program and the Applicant will terminate, and any obligations of FortisBC to the Applicant, including any obligation to advance Funding will cease.
- 2.5. At the request of FortisBC, in its sole discretion, the Applicant will supply supporting evidence that the Energy Conservation Measures have been installed, in accordance with these terms and conditions, which evidence may include:

- 2.5.1. with respect to the Energy Conservation Measures, copies of supporting itemized invoices and documentation detailing the following: contractor/vendor name, address, phone and invoice numbers; purchaser name and address where installed; date of purchase; manufacturer makes(s) and model no(s) and quantities; itemization of costs;
- 2.5.2. written Declaration of Substantial Completion by the architect, mechanical engineer and electrical engineer where applicable;
- 2.5.3. a copy of the Occupancy Permit;
- 2.5.4. equipment shop drawings, installation permits, start up reports, and the results of any commissioning tests;
- 2.5.5. inspection activity reports and final acceptances by building inspectors and/or the British Columbia Safety Authority where applicable; and
- 2.5.6. any other applicable permits.

FortisBC will advance the Funding in full to the Applicant upon receipt and approval of all documentation set out in section 2.3, including all requested supporting information set out in section 2.5 and completion of the following items to the satisfaction of FortisBC, in its sole discretion:

- 2.5.7. on-site inspection/audit by FortisBC of the installation of the approved Energy Saving Measures; and
- 2.5.8. final acceptance and written approval of FortisBC of the installation of the Energy Saving Measures; where FortisBC shall complete such items within 60 days of receipt and approval of all information set out in section 2.3.

- 2.6. **Where the total final value of the Funding does not exceed \$149,999, FortisBC will advance the Funding in full to the Applicant upon receipt and approval of all documentation set out in section 2.3 and completion of the items set out in section 2.8.**
- 2.7. **Where the total final value of the Funding exceeds \$149,999, the Funding will be subject, in part, to a Pay for Performance payment structure. In such cases FortisBC will advance the Funding as follows:**

- 2.7.1. **Where 80% of the final value of the Funding does not exceed \$149,999, FortisBC will advance \$149,999 to the Applicant upon receipt and approval of all documentation set out in section 2.3 and completion of the items set out in section 2.8. The remainder of the Funding will be provided as set out in item 2.7.3.**
- 2.7.2. **Where 80% of the final value of the Funding exceeds \$149,999, FortisBC will advance 80% of the final value of the Funding to the Applicant upon receipt and approval of all documentation set out in section 2.3 and completion of the items set out in section 2.8. The remainder of the Funding will be provided as set out in item 2.7.3.**
- 2.7.3. **The remainder of the Funding will be held in reserve, to be paid in direct proportion to the natural gas savings realized at the Applicant's building or facility, as determined in accordance with section 4. Any additional portion of such Funding to which the Applicant is found to be eligible shall be paid to the Applicant no less than 12 months, but no greater than 18 months after the payment of the portion of the Funding set out in item 2.7.1 or 2.7.2.**

- 2.8. **The following items must be completed to the satisfaction of FortisBC, in its sole discretion:**

- 2.8.1. **on-site inspection/audit by FortisBC of the installation of the approved Energy Conservation Measures; and**
- 2.8.2. **final acceptance and written approval of FortisBC of the installation of the Energy Conservation Measures;**

where FortisBC shall complete such items within 60 days of receipt and approval of all information set out in section 2.3.

3. Installation Requirements of Energy Conservation Measures

- 3.1. The approved Energy Conservation Measures must be installed by the Applicant and operational within 18 months of the date of the Applicant's signature of the Applicant Declaration.
- 3.2. FortisBC may conduct a pre-installation inspection of the project as described in the Application, to verify the existing condition of the building(s) / facilities and existing equipment.
- 3.3. The Applicant will install all Energy Conservation Measures in accordance with all applicable laws, orders, regulations, ordinances standard, codes and other rules, licenses and

permits of all lawful authorities. HVAC and control redesigns should adhere to applicable ASHRAE guidelines and calculation procedures.

- 3.4. If the Applicant proposes to install the Energy Conservation Measures in a building or facility that is held by the Applicant pursuant to a Long Term Lease, the Applicant will provide to FortisBC the written consent of the landlord/owner prior to installation of such Energy Conservation Measures. Written consent shall clearly indicate the term of the lease, the number of months remaining prior to expiry and a confirmation that the Applicant is entitled to implement the approved Energy Conservation Measures.
- 3.5. The Applicant agrees to operate the Energy Conservation Measures for a period of at least 36 months following installation.
- 3.6. The Applicant agrees to allow periodic inspections of the Energy Conservation Measures and the premises on which they are installed, by representatives of FortisBC, during normal business hours, anytime from the date of the Application until 36 months after the Energy Conservation Measures are complete and operational.
- 3.7. FortisBC will have no right, title or interest in the equipment or systems which comprise the Energy Conservation Measures which are eligible for and which ultimately receive Funding.

4. Warranties and Agreements

- 4.1. The Applicant represents, warrants and agrees that:
 - 4.1.1. the Applicant's authorized representative has read the Program Eligibility Requirements and the Applicant fully meets all such requirements to participate in the Program set out therein;
 - 4.1.2. all products, equipment and materials forming the Energy Conservation Measures installed by the Applicant pursuant to this Program will fully qualify and comply with the Program Eligibility Requirements; and
 - 4.1.3. all information submitted by the Applicant to FortisBC pursuant to the Application and otherwise communicated to FortisBC with respect to the Program will be true and correct.

The Applicant acknowledges and agrees that FortisBC reserves the right to amend these terms and conditions without notice or terminate this Program at any time.

5. Adjustment and Repayment of Funding

- 5.1. The Applicant will immediately notify FortisBC in writing if the Applicant receives contributions or contribution commitments toward completion of the approved Energy Conservation Measures through financial incentive programs from organizations other than FortisBC ("Third Party Contributions"), and the Applicant will advise FortisBC of the nature and extent of the Third Party Contributions.
- 5.2. Subject to 6.3, the maximum eligible incentive is the Incremental Cost of the Energy Conservation Measures approved by FortisBC pursuant to this Application less an amount equal to the dollar value of the expected energy savings. The "Incremental Cost" means the additional cost born by the Applicant to implement the approved Energy Conservation Measures in lieu of a less efficient, otherwise equivalent option (the "Baseline"). Generally, the Baseline shall be those equipment, system designs, and operating strategies as required by all applicable codes, laws or standards. The Incremental Cost shall include additional costs to purchase equipment for the Energy Conservation Measures, as well as additional labour cost to install/implement the Energy Conservation Measures. Energy Conservation Measures which cost less than the Baseline are not eligible for Funding. If at any time, the combined total of the Funding and all Third Party Contributions exceeds the maximum eligible incentive the Applicant will, upon demand by FortisBC, repay FortisBC for the full amount of the excess within 30 days of such demand, which amount will not exceed the total amount of Funding received by the Applicant.
- 5.3. **The maximum amount that any customer entity shall be entitled to receive in combined energy study funding and**

capital upgrade funding is limited to \$500,000 per calendar year, where a customer entity is defined as any public or private sector organization, or individual, that owns, leases or otherwise occupies a building or facility.

- 5.4. The Applicant will be responsible for all commitments and costs to implement the approved Energy Conservation Measures and all cost overruns are the sole risk of the Applicant and will be borne by the Applicant. Any cost underruns in excess of 10% of the costs described in the FortisBC approved Energy Study, as determined on an aggregate basis by FortisBC at its sole discretion, will be shared equally by the Applicant and FortisBC. FortisBC may deduct from the Funding or otherwise recover from the Applicant any amount owing to FortisBC in respect of cost underruns.
- 5.5. The Applicant will advise FortisBC promptly if, during the course of the design, tender or construction of the Energy Conservation Measures, changes are made which eliminate or substantially change the design and operation of the approved Energy Conservation Measures. In the event of such changes, the Applicant must have the approved Energy Study updated to reflect such modifications, must forward the results to FortisBC for review and the Applicant shall be responsible for the full cost of the updates to the Energy Study. FortisBC will make adjustments to the Funding pursuant to the amended Energy Study accordingly, in its sole discretion.
- 5.6. The Funding is conditional upon FortisBC's on-site inspection, final acceptance and written approval of the installed Energy Conservation Measures. If FortisBC determines, at its sole discretion, that the installed Energy Conservation Measures differ substantially from the approved Energy Conservation Measures, the Applicant must have the approved Energy Study updated to reflect such modifications, and must forward the results to FortisBC for review. The Applicant shall be responsible for the full cost of the updates to the Energy Study. FortisBC will, at its sole discretion, make adjustments to the Funding accordingly. Should the Applicant fail to have the approved Energy Study updated, FortisBC will adjust the Funding accordingly, in its sole discretion.
- 5.7. The Funding is conditional upon the building or facility in which the approved Energy Conservation Measures are installed remaining a natural gas consuming customer for a minimum period of 36 months from the date of payment of the Funding. In the event that such building or facility ceases to be a natural gas customer prior to the expiry of the said 36 month period, the Applicant shall forthwith repay to FortisBC a pro rata payment equivalent to 1/36th of the total incentive, multiplied by the number of months or partial months remaining in the 36 month period.
- 5.8. The Applicant agrees that any repayment amounts incurred pursuant to these terms and conditions will be billed to the Applicant via a separate invoice, payable within 90 days of receipt.

6. Measurement & Verification

- 6.1. Pursuant to section 3.6, the Applicant agrees to periodic inspection of the Energy Conservation Measures and the premises wherein they are installed by FortisBC or its authorized representatives to verify that the Energy Conservation Measures have been installed and are operational, and to cooperate with FortisBC thereafter to gather information necessary to assess the success of the Program.
- 6.2. The Applicant agrees that FortisBC, at its sole discretion, may require the Energy Conservation Measures which receive Funding pursuant to this Agreement be subjected to a measurement and verification protocol. FortisBC shall communicate this requirement to the Applicant in writing.
- 6.3. Upon receiving written notification of the above, the Applicant shall work with FortisBC to develop a measurement and verification plan, which plan must include the estimated costs for implementing the plan. Upon approval of the measurement and verification plan by FortisBC, the Applicant will implement the plan forthwith. FortisBC will pay for 50% of the cost to implement the approved measurement and verification plan. The Applicant agrees that it will not unreasonably withhold its approval of and cooperation with such a plan.

7. Inspection of Premises and Energy Conservation Measures

- 7.1 Pursuant to sections 2.6, 3.2, 3.6 and 6, the Applicant does hereby grant a non-exclusive license to FortisBC and its authorized employees, contractors and agents to access the building, facility or premises in which the approved Energy Conservation Measures are to be or have been installed for the purposes of performing an on-site inspection of such building, facility or premises and the Energy Conservation Measures. If the approved Energy Conservation Measures are the subject of inspection, the Energy Conservation Measures must be complete, operational and accessible at the time of the inspection. FortisBC agrees to provide 48 hours prior notice to the Applicant in order to make arrangements for access to the building, facility or premises for such inspection purposes.

8. Termination and Repayment

- 8.1. The Applicant acknowledges that FortisBC is a “public utility” as defined in the Utilities Commission Act, R.S.B.C 1996, c. 473, and further acknowledges and agrees that payment of the Funding as set forth in section 2 is subject to the approval of the British Columbia Utilities Commission (“BCUC”) on terms satisfactory to FortisBC, acting in its sole discretion. In the event that the BCUC withdraws approval or changes the terms and conditions of such approval either with respect to this Program or energy efficiency funding generally, on terms and conditions not satisfactory to FortisBC, in its sole discretion, FortisBC may terminate any and all agreements with the Applicant with respect to this Program upon 30 days notice and the Applicant acknowledges and agrees that FortisBC shall be under no obligation to pay any further Funding to the Applicant.
- 8.2. In the event that the Applicant fails to comply with any of these terms and conditions, or becomes insolvent or bankrupt, FortisBC may, in addition to any other right or remedy available to it, terminate any relationship with the Applicant created pursuant to these terms and conditions and any obligation to provide Funding by giving notice to the Applicant.
- 8.3. Upon such termination, the Applicant will repay FortisBC in full for any Funding provided by FortisBC to the Applicant and such amount shall constitute a debt due and owing to FortisBC.

9. Liability and Indemnity

Notwithstanding that FortisBC or its employees, representatives or agents may have reviewed the information contained in the Application and any associated Energy Study, the Applicant acknowledges and agrees that FortisBC, not being a contractor, system designer, manufacturer or installer of any of the features incorporated into the Energy Conservation Measures, makes no representations or warranties with respect to the Energy Conservation Measures whatsoever, express or implied, as to the quality of design or installation, workmanship, merchantability and fitness for a particular purpose, nor with respect to the expected or anticipated natural gas consumption, nor does FortisBC warrant that any Energy Conservation Measures approved for Funding will satisfy the requirements of any law, rule specification or contract.

- 9.1. The Applicant does hereby indemnify and save harmless FortisBC Energy Inc., FortisBC Energy (Vancouver Island) Inc., FortisBC Energy (Whistler) Inc. and their respective directors, officers, agents, and employees from all liability, damages, claims, demands, expenses and costs for claims, costs for injury or death of any person, damage to or destruction of property, and all economic loss suffered by any person arising from or occurring by reason of the Program, receipt of Funding or actual or alleged preparation or installation or use of the approved Energy Conservation Measures, including any actions or omissions by third party consultants or contractors in the preparation or installation of such Energy Conservation Measures.
- 9.2. FortisBC will not be responsible for any tax liability imposed on the Applicant as a result of any payment of Funding.
- 9.3. FortisBC does not endorse any particular consultant, manufacturer, product, system, design, contractor, supplier or installer in promoting this Program.
- 9.4. The Applicant acknowledges and agrees that the Applicant is responsible for the disposal of all hazardous materials that may

result from the installation or Energy Conservation Measures, and such disposal will be conducted in accordance with all applicable government regulations and the Applicant agrees that FortisBC has no responsibility with respect to same.

- 9.5. Approval of this Application or the provision of Funding does not constitute approval of the British Columbia Safety Authority, approval of a building inspector, or any other required approval.

10. Additional Terms and Conditions

- 10.1. The Application, these terms and conditions and any agreements formed by acceptance of the Application by FortisBC pursuant to the Approval Letter (the “Contract Documents”) will be governed by and interpreted in accordance with the laws of the Province of British Columbia.
- 10.2. The Contract Documents embody the entire Agreement between the parties with regard to the subject matters dealt with herein, and no understanding or agreements, oral or otherwise, exist between FortisBC and the Applicant except as contained in the Contract Documents.
- 10.3. Subject to section 10.8 below, unless otherwise earlier terminated according to sections 2.4 or 8, the Contract Documents will expire upon completion of the disbursement of the Funding as described in section 2 of this Agreement.
- 10.4. The Contract Documents may not be modified except in writing signed by both parties.
- 10.5. The Applicant does hereby agree to allow FortisBC to publish the Applicant's business name, a general description of the Energy Conservation Measures implemented and installed and resulting energy performance and payback period for the purpose of promoting the Program. The Applicant will review and approve any promotional material prior to publication, such approval not to be unreasonably withheld. The Applicant further agrees not to use FortisBC's name or any of its trademarks without the express written consent of same, such approval not to be unreasonably withheld.
- 10.6. The Applicant agrees to acknowledge the assistance provided by FortisBC in all publications, publicity material and other forms of release or communication pertaining to the project. All such communications mentioning FortisBC must first be submitted to and approved in writing by FortisBC before publication.
- 10.7. Subject to section 10.5 FortisBC will keep confidential any confidential business, technical or financial information or records made available to FortisBC by the Applicant in connection with matters arising under the Program, and will not disclose such information except as may be required by law.
- 10.8. Sections 0, 8.3, 9, 10.1 and 10.2 and any rights and obligations of the parties under this Agreement which are by their nature continuing, will survive expiry or termination of this Agreement.
- 10.9. A notice that either party may be required or may desire to give the other party will be in writing and will be given to and received by the addressee on the day when it is delivered, by hand, by courier, or by prepaid mail, at the following addresses:

If to FortisBC:

FortisBC Energy Inc.

Attention: Energy Efficiency and Conservation

16705 Fraser Highway

Surrey, BC V4N 0E8

If to Applicant: at the name and address provided by the Applicant in the Application

Either party may from time to time change its address for notice by giving notice to the other party.



Natural Resource Sector

**GOVERNMENT TRANSFER –
SHARED COST ARRANGEMENT**

Agreement #: CA16MAN0008

Project Title: RUTLAND ARENA – ENERGY CONSERVATION MEASURES

THIS AGREEMENT dated for reference the 01 day of AUGUST, 2015.

BETWEEN

HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF
BRITISH COLUMBIA, represented by the Minister of **ENERGY AND
MINES**

(the "Province")

AND

City of Kelowna

(the "Recipient")

The parties to this Agreement agree as follows:

SECTION 1 - DEFINITIONS

1. Where used in this Agreement

- (a) "Financial Contribution" means the total aggregate value stipulated in Schedule B;
- (b) "Material" means all findings, data, reports, documents, records and material, (both printed and electronic, including but not limited to, hard disk or diskettes), whether complete or otherwise, that have been produced, received, compiled or acquired by, or provided by or on behalf of the Province to, the Recipient as a direct result of this Agreement, but does not include
 - I. personal Information which could reasonably be expected to reveal the identity of clients;
 - II. property owned by the Recipient;
- (c) "Project" means the project described in Schedule A;
- (d) "Services" means the services described in Schedule A;
- (e) "Term" means the duration of the Agreement stipulated in Schedule A;
- (f) "Third Party" means any person or entity or its officers, employees or agents, other than a party to this Agreement that is involved in the delivery of the Services.
- (g) "Refund" means any refund or remission of federal or provincial tax or duty available with respect to any items that the Province has paid for or agreed to pay for under this Agreement.

SECTION 2 - APPOINTMENT

The Recipient must carry out and complete the Project described in Schedule A and may use the Province's funding only for the purpose specified in Schedule A.

SECTION 3 – PAYMENT OF FINANCIAL CONTRIBUTION

Subject to the provisions of this Agreement, the Province must pay the Recipient the amount, in the manner, and at the times set out in Schedule B.

The Province has no obligation to make the Financial Contribution unless the Recipient has complied with the criteria set out in Schedule A.

The Province's obligation to make the Financial Contribution is subject to

- (a) sufficient monies being available in an appropriation, as defined in the *Financial Administration Act* ("FAA"), to enable the Province, in any fiscal year when any payment of money by the Province to the Recipient falls due pursuant to this Agreement, to make that payment; and
- (b) Treasury Board, as defined in the FAA, not having controlled or limited, pursuant to the FAA, expenditure under any appropriation referred to in subparagraph (a) of this paragraph.

The Recipient must

- (a) apply for any Refund or remission of federal or provincial tax or duty available with respect to any items that the Province has paid for or agreed to pay for under this Agreement, and
- (b) on receipt of the Refund, comply with the requirements concerning the use, application or remittance of the Refund set out in Schedule B.

The previous paragraph continues in force indefinitely, even after this Agreement expires or is terminated.

The Recipient is responsible for any Provincial Sales Tax (PST) and Goods and Services Tax (GST) and any other charges for which the Province has not expressly agreed to accept responsibility under the terms of this Agreement.

The Recipient must declare any amounts owing to the government under legislation or an agreement. Amounts due to the Recipient under this Agreement may be set-off against amounts owing to the government.

SECTION 4 - REPRESENTATIONS AND WARRANTIES

The Recipient represents and warrants to the Province, with the intent that the Province rely on it in entering into this Agreement, that

- (a) all information, statements, documents and reports furnished or submitted by the Recipient to the Province in connection with this Agreement are true and correct;

- (b) the Recipient has no knowledge of any fact that materially adversely affects, or so far as it can foresee, might materially adversely affect, the Recipient's properties, assets, condition (financial or otherwise), business or operations or its ability to fulfill its obligations under this Agreement; and
- (c) the Recipient is not in breach of, or in default under, any law of Canada or of the Province of British Columbia applicable to or binding on it.

All statements contained in any certificate, application, proposal or other document delivered by or on behalf of the Recipient to the Province under this Agreement or in connection with any of the transactions contemplated by it are deemed to be representations and warranties by the Recipient under this Agreement.

All representations, warranties, covenants and agreements made in this Agreement and all certificates, applications or other documents delivered by or on behalf of the Recipient are material, have been relied on by the Province, and continue in effect during the continuation of this Agreement.

SECTION 5 - INDEPENDENT RELATIONSHIP

No partnership, joint venture, agency or other legal entity is created by this Agreement or by any actions of the parties pursuant to this Agreement.

The Recipient is independent and neither the Recipient nor its servants, agents or employees are the servants, employees, or agents of the Province.

The Recipient must not commit or purport to commit the Province to the payment of money to anyone.

SECTION 6 – RECIPIENT'S OBLIGATIONS

The Recipient must

- (a) carry out the Services in accordance with the terms of this Agreement during the Term stated in Schedule A;
- (b) comply with the payment requirements set out in Schedule B, including all requirements concerning the use, application and expenditure of the payments provided under this Agreement;
- (c) comply with all applicable laws;
- (d) hire and retain only qualified staff;
- (e) unless agreed otherwise, supply, at its own cost, all labour, materials and approvals necessary to carry out the Services;
- (f) unless agreed otherwise, retain ownership to all assets acquired or intangible property created in the process of carrying out this Agreement;

- (g) co-operate with the Province in making the public announcements regarding the Services and the details of this Agreement that the Province requests; and
- (h) acknowledge the financial contribution made by the Province to the Recipient for the Services in any Materials, by printing on each of the Materials the following statement:

"We gratefully acknowledge the financial support of the Province of British Columbia"

SECTION 7 - RECORDS

The Recipient must

- (a) establish and maintain accounting and administrative records in form and content satisfactory of the Province, to be used as the basis for the calculation of amounts owing;
- (b) establish and maintain books of account, invoices, receipts and vouchers for all expenses incurred in form and content satisfactory to the Province; and
- (c) permit the Province, for contract monitoring and audit purposes, at all reasonable times, on reasonable notice, to enter any premises used by the Recipient to deliver the Services or keep any documents or records pertaining to the Services, in order for the Province to inspect, audit, examine, review and copy any findings, data, specifications, drawings, working papers, reports, surveys, spread sheets, evaluations, documents, databases and material, (both printed and electronic, including, but not limited to, hard disk or diskettes), whether complete or not, that are produced, received or otherwise acquired by the Recipient as a result of this Agreement.

The Province does not have control, for the purpose of the *Freedom of Information and Protection of Privacy Act*, of the records held by the Recipient.

SECTION 8 - REPORTS/STATEMENTS AND ACCOUNTING

At the sole option of the Province, any portion of the funds provided to the Recipient under this Agreement and not expended at the end of the Term

- (a) must be returned by the Recipient to the Minister of Finance;
- (b) may be retained by the Recipient as supplemental funding provided for under an amendment to this Agreement; or
- (c) may be deducted by the Province from any future funding requests submitted by the Recipient and approved by the Province.

SECTION 9 - CONFLICT OF INTEREST

The Recipient must not, during the Term, perform a service for or provide advice to any person if the performance of that service or the provision of the advice may, in the reasonable opinion of the Province, give rise to a conflict of interest between the obligations of the Recipient to the Province under this Agreement and the obligations of the Recipient to the other person.

SECTION 10 - CONFIDENTIALITY

The Recipient must treat as confidential all information and material supplied to or obtained by the Recipient, or any Third Party, as a result of this Agreement. The Recipient must not, without the prior written consent of the Province, permit its disclosure, except as required by applicable law or to the extent that the disclosure is necessary to enable the Recipient to fulfill its obligations under this Agreement.

SECTION 11 - DEFAULT

Any of the following events constitute an Event of Default:

- (a) the Recipient fails to comply with any provision of this Agreement;
- (b) any representation or warranty made by the Recipient in accepting this Agreement is untrue or incorrect;
- (c) any information, statement, certificate, report or other document furnished or submitted by or on behalf of the Recipient pursuant to or as a result of this Agreement is untrue or incorrect;
- (d) the Recipient ceases, in the opinion of the Province, to operate;
- (e) a change occurs with respect to any one or more, of the properties, assets, condition (financial or otherwise), business or operations of the Recipient which, in the opinion of the Province, materially adversely affects the ability of the Recipient to fulfill its obligations under this Agreement;
- (f) an order is made or a resolution is passed or a petition is filed for the liquidation or winding up of the Recipient;
- (g) the Recipient becomes insolvent or commits an act of bankruptcy or makes an assignment for the benefit of its creditors or otherwise acknowledges its insolvency;
- (h) a bankruptcy petition is filed or presented against, or a proposal under *the Bankruptcy and Insolvency Act* (Canada) is made by, the Recipient;
- (i) a receiver or receiver-manager of any property of the Recipient is appointed;
- (j) the Recipient permits any sum which is not disputed to be due by it to remain unpaid after legal proceedings have been commenced to enforce payment.

SECTION 12 - TERMINATION

Upon the occurrence of any Event of Default and at any time after that the Province may, despite any other provision of this Agreement, at its option, elect to do any one or more of the following:

- (a) terminate this Agreement, in which case the payment of the amount required under the last paragraph of Section 12 of this Agreement discharges the Province of all liability to the Recipient under this Agreement;
- (b) require the Event of Default be remedied within a time period specified by the Province;
- (c) suspend any installment of the Financial Contribution or any amount that is due to the Recipient while the Event of Default continues;
- (d) waive the Event of Default;
- (e) pursue any other remedy available at law or in equity.

The Province may also terminate this Agreement on 30 days written notice, without cause.

The payment of the amount required under the last paragraph of Section 12 of this Agreement discharges the Province of all liability to the Recipient under this Agreement.

If this Agreement is terminated before 100% completion of the Project, the Province must pay to the Recipient that portion of the Financial Contribution which is equal to the portion of the Project completed to the satisfaction of the Province prior to termination.

SECTION 13 – DISPUTE RESOLUTION

The Parties agree to first refer any matter in dispute under this Agreement to senior officers of the Parties. If the matter cannot be resolved, they must submit it to a mediator as agreed upon by both Parties. The Parties must bear equally the expenditures directly related to the mediation process.

SECTION 14 – INSURANCE AND INDEMNITY

Insurance

Without limiting its obligations or liabilities under this Agreement, and at its own expense, the Recipient must obtain and maintain insurance which it is required to have by law and insurance which a prudent businessperson conducting similar operations would obtain and maintain to cover the risks it has assumed or may encounter as a result of entering into this Agreement or providing the Services during the Term.

If applicable, the Recipient must ensure the Province is added as an additional insured on insurance policies of the Recipient and Third Parties.

Within 10 business days of obtaining each relevant policy of insurance, and from time to time if requested by the Province, the Recipient must provide to the Province evidence of the insurance in the form of a completed Province of British Columbia Certificate of Insurance. If requested by the Province at any time, the Recipient must provide to the province certified true copies of the relevant insurance policies.

The Recipient must require and ensure that each Third Party maintains insurances comparable to those required above.

Indemnity

The Recipient must indemnify and save harmless the Province, its employees and agents, from and against any and all losses, claims, damages, actions, causes of action, cost and expenses that the Province may sustain, incur, suffer or be put to at any time either before or after the expiration or termination of this Agreement, if the same or any of them are based on, arise out of or occur, directly or indirectly, by reason of any act or omission of the Recipient, or of any agent, employee, officer, director or Third Party pursuant to this Agreement, excepting always liability arising out of the independent negligent acts of the Province.

SECTION 15 – ASSIGNMENT AND SUB-CONTRACTING

The Recipient must not, without the prior, written consent of the Province

- (a) assign, either directly or indirectly, this Agreement or any right of the Recipient under this Agreement; or
- (b) sub-contract any obligation of the Recipient under this Agreement.

No sub-contract entered into by the Recipient relieves the Recipient from any of its obligations under this Agreement or imposes on the Province any obligation or liability arising from it.

This Agreement binds the Province and its assigns and the Recipient and the Recipient's successors and permitted assigns.

SECTION 16 - REPAYMENT OR REDUCTIONS

An amount paid by the Province to the Recipient or which is treated as such pursuant to the terms of this Agreement, and to which the Recipient is not entitled according to the terms of this Agreement is repayable to the Province and until repaid constitutes a debt due to the Province.

If for any reason, the Project is not completed to the satisfaction of the Province, the Recipient must repay to the Province the Province's Financial Contribution (or any part which has been paid to the Recipient) under this Agreement, within 30 days of receipt by the Recipient of a written request for repayment from the Province.

SECTION 17 – OTHER FUNDING

If the Recipient receives funding for or in respect of the Services from any person, firm, corporation or other government or governmental body, then the Recipient must immediately provide the Province with full details.

SECTION 18 - NOTICES

If in this Agreement any notice or other communication is required to be given by any of the parties, it must be given in writing. It is effectively given

- (a) by delivery to the address of the party set out below, on the date of delivery; or,
- (b) by pre-paid registered mail, to the address of the party set out below, on the fifth business day after mailing;
- (c) by facsimile, to the facsimile number of the party, mentioned in this Agreement, on the date the facsimile is sent; or
- (d) by e-mail, to the e-mail address of the party, mentioned in this Agreement, on the date the e-mail is sent.

The contact details of the parties are

Province:

Ministry of Energy and Mines
Leah Davies leah.davies@gov.bc.ca
PO Box 9314 Stn Prov Govt,
Victoria BC V8W 9N1
Phone- 250-952-0665 Fax 250-952-0258

Recipient:

CITY OF KELOWNA
1435 WATER STREET,
KELOWNA, BC V1Y 1J4
Martin Johansen mjohansen@kelowna.ca
PHONE: (250) 469-8997

The address, phone number, facsimile number, or email set out above may be changed by notice in the manner set out in this provision.

SECTION 19 - NON-WAIVER

No term or condition of this Agreement and no breach by the Recipient of any term or condition is waived unless the waiver is in writing signed by the Province and the Recipient.

A written waiver by the Province of any breach by the Recipient of any provision of this Agreement is not a waiver of any other provision or of any subsequent breach of the same or any other provision of this Agreement.

SECTION 20 – ENTIRE AGREEMENT

This Agreement including the Schedules constitutes the entire Agreement between the parties with respect to the subject matter of this Agreement.

SECTION 21 - MISCELLANEOUS

Changes to this Agreement are only effective if made in writing and by both parties.

All of the provisions of this Agreement in favour of the Province and all of the rights and remedies of the Province, either at law or in equity, survive any expiration or sooner termination of this Agreement.

Nothing in this Agreement operates as a consent, permit, approval or authorization by the Province to or for anything related to the Project that by law, the Recipient is required to obtain unless it is expressly stated to be.

SECTION 22 - ACCEPTANCE

The Recipient indicates its agreement by dating and executing both copies of this Agreement in the space and manner indicated below and returning them to the contact shown above, free of any conditions. In signing or executing below, the Recipient is committing to a binding agreement.

IN WITNESS OF WHICH the parties have duly executed this Agreement as of the
_____ day of _____, 20__.

SIGNED AND DELIVERED on behalf of the Recipient

Signature of Recipient's Signing Authority

Date

Printed Name & Title of Recipient's Signing Authority

SIGNED AND DELIVERED on behalf of the Province,

Signature of Province's Signing Authority

Date

Printed Name & Title of Province's Signing Authority

SCHEDULE A – SERVICES

The Project

TERM

Notwithstanding the date of execution of this Agreement, the term of this Agreement starts on August 1, 2015 and ends on March 31, 2016.

PROJECT

In partnership with FortisBC and the Provincial Government, the City of Kelowna will implement a heat recovery project at the Rutland Twin Arena beginning in the Fall of 2015. This initiative will reduce energy consumption at the arena by up to 20 percent and reduce the City's carbon footprint by 131 tonnes of CO₂e (carbon dioxide equivalent) per year.

This project is a direct result of the City of Kelowna's strategic goals to be a Sustainable City and Grow our Economy by re-investing in existing assets, pursuing partnerships, and reducing energy consumption and GHG emissions.

After an extensive Energy Study by SES Consulting in partnership with Fortis BC, the following project bundle has been identified as having the most favorable business case for the Rutland Twin Arenas.

1. Design and installation of Ammonia Desuperheater Heat Reclaim system to transfer waste heat from the refrigeration plant to preheat shower and zamboni domestic hot water and improve the performance of the Snow Pit melting system.
2. Condensing boiler upgrade for zamboni heating including installation of an automatic shut-off at the zamboni fill station.
3. Mechanical system Retro-commissioning to identify and improve less-than-optimal performance of the arena's HVAC system supplying the dressing rooms.

This project bundle takes full advantage of the considerable heat rejected by the refrigeration plant, improves existing equipment efficiency, and addresses operational inefficiencies.

PURPOSE & EXPECTED RESULTS

The purpose of this heat recovery project is to reduce the City of Kelowna's dependence on fossil fuels, reduce GHG emissions and unnecessary operating costs and extend the life of infrastructure and assets. The resulting energy savings will also help the City of Kelowna get closer to the energy reduction target as outlined in its 2011 Corporate Energy and GHG Emissions Plan.

CA16MAN0008

The project is estimated to save \$26,600 in operational savings and will pay for itself within 6.4 years. This correlates to annual energy savings at the Arena of 2,660 GJ, which is approximately 20% of the current annual energy consumption for this facility.

In addition, this project will provide the opportunity to upgrade existing infrastructure, extending the useful life of this facility.

Funding from FortisBC is available for this project however it is conditional upon the City implementing the entire project bundle. Funding provided by the province through the Community Energy Leadership Program (CELP) will allow the City of Kelowna to implement the full project bundle and achieve the full potential energy savings as identified in the Energy Study. The expected energy savings will help the City of Kelowna as well as the province of BC reduce its reliance on fossil fuels and reduce the energy footprint resulting from Civic facilities.

FortisBC, as part of their funding requirements, will be monitoring the energy savings for one year, to ensure the expected savings are achieved. A portion of the funding from FortisBC is predicated on maintaining the estimated energy savings for one year and full funding will only be delivered to the City of Kelowna if the total savings are achieved. The City of Kelowna is motivated to achieve full funding and will ensure operators receive adequate training to continue to monitor the systems performance through the Building Management System and utilize the DDC controls to achieve maximum results.

DELIVERABLES

PROJECT COSTS

Cost Explanation	Amount (\$)	CELP	Fortis	City of Kelowna
Consulting - Heat Recovery Design	\$28,000		\$21,000	\$7,000
Boiler Replacement, RTU Commissioning	\$77,383	\$20,000	\$15,581	\$41,802
Heat Reclaim	\$92,384	\$25,000	\$16,186	\$51,198
Total Cost	\$197,767	\$45,000	\$52,767	\$100,000

*Please note that the cost of consulting is slightly higher than originally estimated, and the contribution from Fortis has increased the scope of work to provide additional capacity for an upcoming dehumidification project.

PROJECT MONTHLY COSTS

Month	Amount (\$)	Description
August	\$0	
September	\$0	
October	\$7,000	Heat Reclaim Design
November	\$14,000	Heat Reclaim Design
December	\$80,000	Equipment (desuperheater, storage tanks) and Labour
January	\$80,000	Equipment (Boiler and materials) and Labour
February	\$16,767	Labour

TIMELINE

Major Milestones	Duration or Date	Deliverable(s) (optional)
Tender	Nov 1, 2015	
Construction Start Date	Dec 1, 2015	
Construction End Date	Mar 15, 2016	

Total Duration: 4.5 MONTHS (based on the milestone table above.)

The Recipient is to use the Financial Contribution only for the eligible costs as laid out in the Community Energy Leadership Program CELP – 2015/16 Program Guide, attached as Appendix A.

The Recipient must:

1. Design and install Ammonia Desuperheater Heat Reclaim system to transfer waste heat from the refrigeration plant to preheat the shower and Zamboni domestic hot water and improve the performance of the Snow Pit melting system.
2. Condense boiler upgrade for Zamboni heating including installing of an automatic shut-off at the Zamboni fill station.
3. Use Mechanical system retro-commissioning to identify and improve less-than-optimal performance of the arena's HVAC system supplying the dressing rooms.
4. Provide more information on additional deliverables once a contractor is selected and equipment purchased.

The CELP funding will be used to:

- a) Pay for a portion of the RTU commissioning component. This could include controls equipment and contractor costs. (CELP funding estimated to be \$20,000)
- b) Purchase equipment for the heat reclaim system. This could include an ammonia desuperheater for recovering heat, and thermal storage tanks for storing the heat until it is needed. This portion of the project is estimated to be \$80,000. (CELP funding estimated to be \$24,000)

REPORTING REQUIREMENTS:

Financial and Project Reporting:

Interim Reporting

The Recipient must, by December 31, 2015 provide to the Province, a progress report on the Project, and progress made in achieving the results as set out in Schedule A. (to include a schedule with expenditures to date.)

Ongoing Communication

The Recipient must make all reasonable efforts to respond to ad-hoc requests by the Province for information on Project progress. The Recipient must also advise the Province immediately of any substantial events that could impact the Project timeline.

By March 30, 2016 provide to the Province, and email to confirm project completion with an attached final invoice for payment.

Final Reporting

Following completion of the Project the Recipient must, no later than 30 days after the end of the Term, provide to the Province, a final report in a two page case study format that may be made public, (template provided) including:

- a) photos, energy and emissions impacts, jobs creations, budget summary, schedule from start to finish; and
- b) details on how the project aligns with community leadership and community goals; and
- c) lessons learned and recommendations for other communities

Final Financial Reporting

Following completion of the Project the Recipient must, no later than 30 days after the end of the Term provide to the Province a project income and expenditure summary which identifies all sources and use of the total Project budget over the duration of the entire Agreement. The summary will include eligible and non-eligible expenditures, as laid out in Appendix A, detailing the use of the Province's contributions of no more than 33% from the Community Energy Leadership Program (CELP), including an explanation of any financial variances.

Certification / Attestation

All financial reports submitted by the Recipient must be certified by a senior officer of the Recipient's organization (such as a CEO or CFO) attesting to the correctness and completeness of the financial information provided.

SCHEDULE B

FINANCIAL CONTRIBUTION

PAYMENTS

The Province agrees to provide to the Recipient up to a maximum amount of \$45,000* during the Term of the Agreement, for only eligible costs that are stated in Appendix A.

1. Payment will be triggered within thirty (30) days as follows:
 - a) on completion of the Project; and
 - b) upon receipt and approval by the Province of the final written report clearly demonstrating; how the CELP requirements in Appendix A were met and deliverables noted in Schedule A were met and formatted as outlined in the reporting section of the Schedule A; and
 - c) upon receipt and approval by the Province of the financial report as outlined in the reporting section of the Schedule A and demonstrating that the invoice and requested payment meet the eligibility requirements in Appendix A; and
 - d) upon receipt by the Province of an invoice for the Project The invoice is to include:
 - i. the Recipient's legal name and address;
 - ii. the date of the invoice and an invoice number for identification;
 - iii. the Agreement Number;
 - iv. the calculation of the Financial Contribution being claimed, with reasonable detail of the Project completed; and
 - v. any other billing information reasonably requested by the Province.

* Payment not to exceed \$45,000 and will be less than \$45,000 if the total actual eligible costs for the project are less than the total project costs stated in Schedule A that are to be CELP funded, but will be no more than \$45,000 if the total actual eligible costs that are to be CELP funded for the project exceed the total project costs stated in Schedule A.

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Community Energy Leadership Program

CELP – 2015/16

Program Guide



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1. Program Overview

1.1. Purpose

Most local governments and First Nations communities across British Columbia have adopted climate action, energy efficiency and/or clean energy reporting and policies through broad-based plans and commitments, such as Community Energy and Emissions Plans, Comprehensive Community Plans, and the Climate Action Charter. Partnerships between BC communities and the energy efficiency and clean energy sectors in the province continue to grow, but there remain substantial opportunities to develop local small-scale projects with the right combination of community champions, strategic partnerships and secured funding.

In order to advance these prospects, the Community Energy Leadership Program (CELP or Program) has been established to support local governments' and First Nations' investments in energy efficiency and clean energy projects. The primary purposes of the Program are to reduce greenhouse gas emissions, increase energy efficiency, stimulate economic activity in the clean energy sector, and support vibrant and resilient communities.

Funding will support new community energy partnerships that will encourage investments in small-scale community-owned energy generation from clean or renewable resources such as biomass, biogas, geothermal heat, hydro, solar, ocean or wind. The Program will also encourage energy efficiency through retrofits of community-owned buildings and other infrastructure. The Program will promote community projects and partnerships with industry that advance this growing sector of the provincial economy.

Funding for CELP was established through the Innovative Clean Energy (ICE) Fund. Established in 2007, the ICE Fund is designed to support the province's energy, economic, environmental and greenhouse gas reduction priorities and advance B.C.'s clean energy sector.

The Community Energy Leadership Program was designed in accordance with, and to advance, the goals and objectives of the: *Clean Energy Act*, Climate Action Plan, Energy Plan, Jobs Plan, and Energy Efficient Buildings Strategy.

1.2. Amount of Contribution

CELP is currently funded with \$1.24 million over three fiscal years (2015/16 through 2017/18 inclusive). Separate calls for applications will be made each year. For 2015/16, a total allotment of \$250,000 is available to fund projects; contributions will range from \$20,000 to \$80,000 per proponent.

This funding will be administered via a conditional Contribution Agreement between successful proponents and the Ministry of Energy and Mines (Ministry).

2 Eligibility

2.1. Eligible Applicants

Eligible applicants or proponents are:

- British Columbia local governments, which includes municipalities and regional districts. Local governments must be signatories to the B.C. Climate Action Charter to be eligible; or

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- First Nations governments.

2.2. Eligible Projects

Eligible projects encompass:

- energy efficiency and clean or renewable energy projects as defined in B.C.'s *Clean Energy Act*. Under the *Act*:
 - A "clean or renewable resource means biomass, biogas, geothermal heat, hydro, solar, ocean, wind or any other prescribed resource"; and
 - A "demand-side measure includes a project that aims to conserve energy or promote energy efficiency";
- new construction, renewal, retrofit, expansion or material enhancements; and
- investment in either community-owned infrastructure, community-owned clean or renewable energy projects, or a community-owned equity stake in clean or renewable energy projects.

2.3. Ineligible Projects

Projects will be considered ineligible where:

- the project does not meet the definition of Eligible Projects in Section 2.2 of this Program Guide;
- the applicant does not meet either one of the definitions of Eligible Applicants in Section 2.1;
- the project has already received funding from the Innovative Clean Energy Fund;
- construction has already begun on the project;
- the proposed project is determined to be routine maintenance or repair;
- the project will either not be completed, or will not be significantly close to completion, prior to March 31, 2016; or
- the project does not otherwise meet the mandatory criteria as outlined in this Program Guide.

2.4. Eligible Costs

Eligible costs are defined as all direct costs properly and reasonably incurred, and paid solely and specifically in relation to the project. Such costs would normally be capitalized in the records of the local or First Nations government.

Eligible costs* for reimbursement by the Program include:

- engineering;
- contract labour and equipment for project construction, including site preparation;
- energy efficiency and clean energy technology; and
- associated materials.

*Only those itemized project costs approved by the Province will be funded.

When calculating the total overall project costs to determine the project's percentage of Program funding, the proponent's staff labour costs that can be demonstrated to be used directly for project construction can be used to calculate total project costs. These costs are, however, not reimbursable by the Program.

2.5. Ineligible Costs

Cost items that are not eligible include:

- administration or administrative overhead charges;

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- PST and GST;
- preliminary planning and design;
- costs incurred prior to execution of a Contribution Agreement resulting from this Call for Applications;
- training costs;
- proponent's own staff costs (although these can be used for calculating total project costs);
- costs incurred after March 31, 2016; and
- land and building acquisition.

Application Process

2.6. How to Apply

Each proponent, upon receipt of the Call for Applications, is allowed to submit **one application**, and only for the project specifically selected by the Ministry from the Request for Expression of Interest (RFEI) (RFEI Number: CELP2015).

Step 1: Download and read the Community Energy Leadership Program Guide (this is the Guide).

Step 2: Download the Application Form

at: <http://www.empr.gov.bc.ca/EAED/ICEFund/Documents/Application%20Form.docx>

Step 3: The Application Form is a protected Word® Document which must be completed electronically. Please note that the response area below each question will expand as necessary to provide additional space to answer a question. Note – use <http://www.empr.gov.bc.ca/EAED/ICEFund/Documents/Energy%20and%20GHG%20Calculator.xlsx> when completing Section D of the Application Form – Energy and Greenhouse Gas Savings.

Step 4: Save the completed Application Form with the following filename format using the applicant's name, CELP (acronym of the Program) and date completed (yymmdd).

For example: **CommunityName_CELP_150620.doc**.

Step 5: Prepare supporting documentation that will be submitted with the Application Form (see Guide Section 4: Application Guidelines and Documentation).

Step 6: Email the completed Application Form and any supporting documentation to the Ministry at: CELP@gov.bc.ca.

Closing Date for Applications to CELP:

All completed applications and supporting documentation must be received in the CELP@gov.bc.ca inbox **by 5:00pm, Pacific Daylight Time, Tuesday, June 23, 2015** in order to be considered.

Notes:

- For each project, a proponent must submit a completed Application Form and related supporting documentation. Proponents are responsible for ensuring that full and accurate information is submitted to the Ministry. Applications with incomplete information will not be considered.
- The information being collected is for the administration of the Program and will be used to evaluate eligibility. The information submitted is subject to the *Freedom of Information and*

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Protection of Privacy Act. As such, any questions about the collection, use or disclosure of this information should be directed to the Contact at the end of this Program Guide.

- The Ministry will review applications and assign each with a CELP file number. Acknowledgement of application receipt will be sent to proponents by Friday, June 26, 2015. If a proponent has not heard from the Ministry by that time, please contact CELP@gov.bc.ca. The Ministry will strive to notify successful proponents by July 31, 2015.
- This Call for Applications must not be construed as an agreement to purchase goods or services, or as approval of any activity or development contemplated in any proposal that requires any approval, permit or license pursuant to any federal, provincial, regional district or municipal statute, regulation or by-law. The Province is not bound to enter into an agreement with any applicant. Applications will be evaluated in light of the Mandatory and Evaluation Criteria. The Province will be under no obligation to receive further information, whether written or oral, from any Proponent. All application approval decisions are final.

2.7. Application Evaluation

2.7.1 *Initial Screening - Mandatory Criteria*

For projects to be considered for evaluation, CELP applications will be initially screened to ensure that the following mandatory criteria have been completely fulfilled:

- ☐ The completed project Application Form and supporting documentation are submitted by email to CELP@gov.bc.ca by **5:00pm, Pacific Daylight Time, Tuesday, June 23, 2015**.
- ☐ The proponent, the project and proposed costs are all eligible as defined in this Guide (see Section 2: Eligibility).
- ☐ The application confirms that the proponent is covering a minimum of 5% of the total project costs, that no more than 33% of total project costs are being requested from the Program, and that the CELP portion will be applied 100% to the portion owned by the proponent.
- ☐ The application clearly stipulates that the project will be completed, or will be significantly close to completion, on or prior to March 31, 2016.
- ☐ If approved by the Ministry, the project will be duly authorized by a Resolution of the appropriate Municipal Council, Regional District Board or First Nations Council, or it is clearly stated in the Application that this will take place before the execution of a Contribution Agreement.
- ☐ The proposed project must not already have received funding through the Innovative Clean Energy Fund.
- ☐ For local governments only: Local Government applicants are a signatory to the Climate Action Charter.

Applications not meeting each of the Mandatory Criteria above will not be considered

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further for evaluation.

3.2.2 Evaluation Criteria

Applications meeting the Mandatory Criteria will be further reviewed against the Evaluation Criteria. These criteria are designed to allow the selection committee to assess applications against their ability to support the Program Purpose as outlined in Section 1.1.

The selection committee will use the following criteria and point system, drawing primarily on the information provided by each proponent in the submitted application form, and secondly on the relevant information in the supporting documentation that is highlighted for reviewers to consider (see Section 4 for examples of supporting documentation).

Table 1: Evaluation Points by Criteria

Criteria	Points	Minimum Score*
Project Feasibility	50	35
Energy & GHG Savings	15	10
Employment and Economic Benefits	15	10
Other Benefits to the Community	5	n/a
Innovation & Replicability	5	n/a
Demonstrated Need for Funding	5	n/a
Leverage of Other Funding	5	n/a
Total	100	65

During the evaluation period, proponents may be contacted directly to provide clarification on their application. Applicants must not send unsolicited additional information after the closing date.

Applications must meet the minimum score for each of the three categories and the total minimum score noted above. Applications that do not meet any one of the minimum scores will not be eligible for funding.

Final funding approval decisions will be made based on:

- Each application's final score; and
- Availability of the \$250,000 maximum allotment for 2015/16 CELP projects.

The selection committee will strive for a reasonable balance of selected projects between Renewable Energy and Energy Efficiency, and between First Nations and Local Governments, as long as the relative quality of the applications among the four categories warrants such a balance.

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Application Guidelines and Documentation

When preparing applications, please refer to Table 2 below for the guidelines on submitting information and supporting documentation to address the evaluation criteria. The supporting documents listed are examples; proponents may wish to substitute alternative documentation that includes the information being evaluated.

NOTE: When attaching supporting documentation, please ensure that the text in the Application Form highlights the relevant points and references the page / sections in the supporting materials where this information can be found. If the selection committee cannot easily identify or find relevant information in the supporting documentation pursuant to the evaluation criteria, an application may receive a low score.

Table 2: Guidelines for Submissions

Section	Evaluation Criteria	Example Supporting Documentation
	Project Relevance and Feasibility Describe the rationale for the project, why it is feasible and will succeed, using the following five categories:	
Section 4.1.1	<u>Community Leadership</u> Describe why the project is important to the community and consistent with the community's broader strategic, energy and / or capital plan. Reference the specific rationale or the relevant energy/greenhouse gas context for the proposed project in one of the appropriate broader community planning documents - answer the question, "Why is this project important to the community?". If relevant, describe broader community consultation on the project, and the community's level of support.	<ul style="list-style-type: none"> Comprehensive Community Plan / Community Energy & Emissions Plan / Corporate Climate Action Plan / Integrated Community Sustainability Plan / Capital Asset Plan
Section 4.1.2	<u>Project Management, Plan & Schedule</u> Identify the community's own project management team (including the council and staff champions). From the project plan, describe the project's purpose, goals and deliverable(s), a project map, and the detailed tasks, resources and schedule for completing (or close to completing) the project no later than March 31, 2016. Finally, provide assurance that sufficient staffing or other resources will be in place to reliably operate and maintain the facility/equipment over its service life.	<ul style="list-style-type: none"> Project Plan and Schedule / Timeline
Section 4.1.3	<u>Technical Feasibility and Preparedness</u> Demonstrate the project's technical feasibility and readiness by: <ul style="list-style-type: none"> providing a feasibility study, business case, or similar plan that clearly demonstrates the viability of the project including costs and benefits; 	<ul style="list-style-type: none"> Feasibility Study Business Case

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Section	Evaluation Criteria	Example Supporting Documentation
Section 4.1.4	<ul style="list-style-type: none"> • showing that all initial design work has been completed, all federal, provincial or local licenses, approvals or permits are either in place or there is a reasonable expectation to obtain permits without compromising the project schedule; and • providing reasonable evidence that the project team is ready to proceed, including the technical team's track record of successfully delivering similar projects. <p>Budget & Financial Feasibility Provide a summary of the project budget, including total project cost. The project budget must also detail the funding commitment from all partners, and verify both the amount and the percentage of CELP funding requested in relation to total project costs.</p> <p>The proponent will identify:</p> <ul style="list-style-type: none"> • the total before-tax estimated cost of the project; • the community's own contribution; • the other funder(s) and funding amount(s) (itemized); • the funding amount requested from CELP; and • an itemized cost estimate of the project components <p>The budget should outline the project's monthly costs until project completion, and then predicted quarterly or annual revenue or energy cost savings following project completion.</p> <p>If relevant, for any funding shortfall, the proponent must demonstrate the capacity to borrow the balance outstanding, or will receive additional funding from project partners prior to execution of a Contribution Agreement with the Ministry.</p>	<ul style="list-style-type: none"> • Copies of approved permits, etc. • Professional Team credentials • Project Plan • Detailed project budget, including all funding documentation
Section 4.1.5	<p>Risks Outline any project risks to completion (financial, regulatory, operational or seasonal), and describe risk mitigation measures that are in place to ensure project success.</p>	<ul style="list-style-type: none"> • Risk Register • Project Plan
Section 4.2.0	<p>Energy and GHG Savings For either renewable energy or energy efficiency projects, state the annual energy projected to be saved (if an energy efficiency project), or produced (if a renewable energy project), and greenhouse gas emissions reduced compared to business-as-usual as a result of the completed project.</p> <p>Use the "Energy&GHG Calculator" provided.</p>	<ul style="list-style-type: none"> • Feasibility Study or similar documentation modelling annual energy savings and/or GHG emission reductions

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Section	Evaluation Criteria	Example Supporting Documentation
Section 4.3.0	<p>Employment and Economic Benefits</p> <p>Detail the additional employment hours that the project will create during the construction phase, as well as during the operations & maintenance phase. Describe the types of employment and number of jobs, and training (if relevant).</p> <p>Describe any broader economic benefits to the community and to the clean energy sector in B.C.</p>	<ul style="list-style-type: none"> Feasibility Study, business case, Project Plan, or similar documentation demonstrating employment hours
Section 4.4.0	<p>Other Benefits to the Community</p> <p>This section should outline how the project is expected to benefit the community, aside from energy savings, greenhouse gas emissions reductions and economic benefits:</p> <ul style="list-style-type: none"> Explain the nature of community collaboration or consultation undertaken, and partnerships gained, either as part of gaining approval for the proposed project, or during the community's larger planning process (many other benefits come out of such engagements); Describe measures that minimize environmental impact on build-out (e.g., materials use, local ecological sensitivities, local air quality) and during ongoing operations; Describe the 'sense of place' of the community: fosters its established identity or culture, and possibly its 'fit' with the surrounding environment; and Profile any other benefits you feel will result from the project. 	<ul style="list-style-type: none"> Project Plan Feasibility Study Business Case Stakeholder letters of support
Section 4.5.0	<p>Innovation and Replicability</p> <p>Describe how this project is innovative globally, nationally, provincially, or within your region. The selection committee recognizes that although a technology might be generally proven, the project might be innovative in your community for a variety of reasons. If this is the case, please describe why this is either innovative for your community or for the specific application.</p> <p>Describe how this project or its components could be replicated in other communities in B.C., how this project's completion might inform the further development of the clean energy sector, and how the lessons learned from this project might be shared.</p> <p>Describe your interest and availability to participate in interviews, webinars or conferences to share project outcomes.</p>	<ul style="list-style-type: none"> Project Plan or similar documentation

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Section	Evaluation Criteria	Example Supporting Documentation
Section 4.6.0	Funding Need & Leveraging Describe and demonstrate how this project cannot proceed as described in this application without the assistance of CELP funding, and to what extent this funding has been able to confirm or leverage funding from other sources (itemized amounts by funding source).	<ul style="list-style-type: none"> Project Budget

Approval and Contribution Agreements

It is anticipated that successful proponents will receive notification of approved project funding by July 31, 2015. Once contribution agreements are finalized, all proponents will be advised of the successful CELP projects funded for the 2015/16 fiscal year.

Successful proponents will enter into a Contribution Agreement with the Ministry that sets out the terms and conditions of the funding. This will confirm both parties' understanding of the project, the maximum contribution amount to which the proponent is entitled, reporting requirements and the payment terms and conditions. CELP funding will be provided to the successful applicants following the execution of the Contribution Agreement, and as project expenses are incurred, with a 10% hold back, payable upon project completion and acceptance of a Final Project Report, submitted by the proponent.

Contributions are project-specific and may not be transferred from an approved application to a new proposal.

Recipients will be required to complete quarterly Progress Reports and a Final Report in accordance with terms in the Contribution Agreement.

Contact Information

Contact

Leah Davies - Coordinator, Community Energy Programs, Ministry of Energy and Mines

Email: CELP@gov.bc.ca

Other links: <http://www.empr.gov.bc.ca/EAED/ICEFund/Documents/Application%20Form.docx>
<http://www.empr.gov.bc.ca/EAED/ICEFund/Documents/Energy%20and%20GHG%20Calculator.xlsx>

Report to Council



Date: September 28th, 2015
Rim No. 0610-01
To: City Manager
From: Andrew Hunsberger, Urban Forest Health Technician
Subject: Community Wildfire Protection Plan

Recommendation:

THAT Council approves staff applying for a grant through the Union of British Columbia Municipalities (UBCM) Strategic Wildfire Prevention Initiative to update the City of Kelowna's Community Wildfire Protection Plan (CWPP).

Purpose:

To request support for pursuing provincial funds through the Union of British Columbia Municipalities (UBCM) - Strategic Wildfire Prevention Initiative for updating our Community Wildfire Protection Plan (CWPP).

Background:

The City of Kelowna has a well established Community Wildfire Protection Program. The program priorities are determined by our *Community Wildfire Protection Plan (CWPP)* which was last updated in 2011. The CWPP is based upon a 20-year planning cycle with anticipated plan updates every five (5) years.

The CWPP is a document that defines the risk from wildfires in an identified area, identifies measures necessary to mitigate those risks and outlines a plan of action to implement measures. The *Wildfire Fuel Mitigation Program* and the *FireSmart Education & Communication Program* are the two main facets of achieving the goals outline in the CWPP. They are now well established programs that drive our efforts to minimize the risk of wildfire in the city.

An update to a CWPP is necessary for a number of reasons. The most significant is due to continual growth and development in the wildland-urban interface where the risk of wildfires is most prevalent. The city has also experienced considerable forest health issues due to the most recent outbreak of pine beetle and the prolonged drought. These forest health issues have lead to tree mortality and subsequent increases in wildfire risk.

The UBCM can contribute up to a maximum of 50% or \$15,000 for the development of the plan. The remainder is required to be funded through community contributions. Examples of community contributions include; the development of a communications strategy, consultation with the Ministry of Forest, Lands, Natural Resource Operations (MFLNRO) Fuel Management Specialist, amendments to city plans, bylaws and policies that are specific to the CWPP and monetary contributions.

The update to the CWPP will be initiated in the winter of 2015-16 pending the funding and will be presented to council in the spring of 2016 prior to the wildfire season.

Internal Circulation:

Ian Wilson, Parks Services Manager
Maria Lee, Communications
Jeff Carlisle, Kelowna Fire Department
Todd Cashin, Subdivision, Agriculture and Environment Services
Lorna Gunn, Grants and Partnership Manager
James Moore, Long Range Policy Planning Manager

Considerations not applicable to this report:

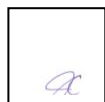
Legal/Statutory Authority:
Legal/Statutory Procedural Requirements:
Existing Policy:
Financial/Budgetary Considerations:
Personnel Implications:
External Agency/Public Comments:
Communications Comments:
Alternate Recommendation:

Submitted by:



A. Hunsberger, Urban Forest Health Technician

Approved for inclusion:



Joe Creron, Divisional Director, Civic Operations

cc: Ian Wilson, Park Services Manager

Report to Council



Date: September 23, 2015
File: 1810-60
To: City Manager
From: Randy Zahara, Kelowna Community Theatre Manager
Subject: Purchase of Scissor Lift - Kelowna Community Theatre

Recommendation:

THAT Council receives for information the report from the Kelowna Community Theatre Manager dated September 23, 2015 regarding the purchase of a scissor lift for the Kelowna Community Theatre;

AND THAT Council authorize the expenditure of up to \$21,000 for a scissor lift from the Theatre Improvement Reserve;

AND FURTHER THAT the 2015 Financial Plan be amended to include up to \$21,000 funded from the Theatre Improvement Reserve.

Purpose:

To amend the 2015 Financial Plan in order to purchase a new scissor lift for the Kelowna Community Theatre.

Background:

For more than 40 years a wooden A-Frame Trestle Ladder has been used at the Kelowna Community Theatre to focus lighting instruments above the stage and in the black box and to perform regular maintenance on lighting instruments and theatre rigging equipment.

The City of Kelowna Occupational Health and Safety Advisor has recommended that the trestle ladder be re-certified or replaced. Staff have learned that re-certification of the ladder will not be possible due to a lack of verifiable information about its manufacture and specifications.

Kelowna Community Theatre technical staff research has shown that the best equipment to replace the trestle ladder is a mechanical arial work platform (scissor lift) that has the following capabilities:

- A tight turning radius to maneuver between props and equipment on stage
- The ability to reach a fully extended platform height of 15' and working height of 20'
- A load bearing capacity of 500 lbs, (including the weight of equipment and staff).
- Safety railings above the platform for staff safety.
- The ability for staff to 'drive' and manoeuvre the unit while at full working height.

The addition of this piece of equipment will make working on the overhead stage lights and stage rigging equipment far more comfortable, secure and efficient, improving staff safety, customer service and sustainability.

Internal Circulation: Divisional Director, Active Living & Culture; Cultural Services Manager; Financial Planning Manager; Safety Advisor

Legal/Statutory Authority:

Schedule H of Recreation & Cultural Services Bylaw 9601 provides that a Capital Improvement Fee (CIF) of \$1.50 is charged to renters for each attendee at the Kelowna Community Theatre. Funds are placed into a CIF reserve account. CIF charges are standard practice for public theatre venues and are used to maintain and/or replace essential theatre equipment and furnishings.

Financial/Budgetary Considerations:

The purchase of a scissor lift is not part of the City's current financial plan. The 2015 Capital Financial Plan will require an addition of up to \$21,000 funded from the Theatre Improvement Reserve.

Considerations not applicable to this report:

- External Agency/Public Comments
- Alternate Recommendation
- Communications Comments
- Legal/Statutory Procedural Requirements
- Existing Policy
- Personnel Implications

Submitted by:

R Zahara Kelowna Community Theatre manager

Approved for inclusion: J. Gabriel, Divisional Director, Active Living & Culture

Cc: Divisional Director, Active Living & Culture
Financial Planning Manager
Cultural Services Manager
Safety Advisor