

# City of Kelowna

## Regular Council Meeting

### AGENDA



Monday, March 4, 2019  
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 and video feed is being broadcast and recorded by CastaNet and a delayed broadcast is shown on Shaw Cable.

#### 2. Confirmation of Minutes

4 - 13

PM Regular Meeting - February 25, 2019

#### 3. Committee Reports

##### 3.1 44th Annual Civic & Community Awards Finalist Announcement

14 - 15

To announce the 44th Annual Civic & Community Award finalists.

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

##### 4.1 Nickel Rd 240, 250, 260 - Z18-0033 - 1129410 BC Ltd.

16 - 21

To rezone the subject property from RU1 - Large Lot Housing to the RM3 - Low Density Multiple Housing zone to facilitate the development of 16 row housing units.

##### 4.2 Nickel Rd 240, 250, 260, BL11772 (Z18-0033) - 1129410 BC Ltd.

22 - 22

To give Bylaw No. 11772 first reading in order to rezone the subject property from the RU1 Large Lot Housing zone to the RM3 - Low Density Multiple Housing zone.

##### 4.3 Retail Cannabis Sales Update and Amendment to Development Application Fees Bylaw No. 10560

23 - 28

To provide Council with an update following the evaluation of the first applications received for retail cannabis sales establishments and the next steps, and to amend the Development Application Fees Bylaw No. 10560 to remove the application fee for rezoning to a retail cannabis sales subzone.

<b>4.4</b>	<b>BL11760 - Amendment No. 9 to Development Application Fees Bylaw No. 10560</b>	<b>29 - 29</b>
	To give Bylaw No. 11760 first, second and third reading in order to amend the Development Application Fees Bylaw No. 10560.	
<b>5.</b>	<b>Bylaws for Adoption (Development Related)</b>	
<b>5.1</b>	<b>Text Amendment for Cannabis Production and Retail Cannabis Sales TA18-0008 (BL11679) - City of Kelowna</b>	<b>30 - 30</b>
	To adopt Bylaw No. 11679 in order to amend the Zoning Bylaw to include updates pertaining to Cannabis Production and Retail Cannabis Sales.	
<b>6.</b>	<b>Non-Development Reports &amp; Related Bylaws</b>	
<b>6.1</b>	<b>2040 OCP Growth Scenario Implementation</b>	<b>31 - 143</b>
	To provide Council with an update on the work that has been undertaken in the 2040 OCP update process since the endorsement of a growth scenario in December 2018 and to signal some of the key directional shifts that would guide the development of a Future Land Use plan under this scenario.	
<b>6.2</b>	<b>Short-Term Rental Accommodation Business Licence and Regulation</b>	<b>144 - 161</b>
	To consider a new Business Licence and Regulation Bylaw for Short-Term Rental Accommodations and to allow for members of the public to make representations to Council regarding the proposed Bylaw.	
<b>6.3</b>	<b>Short-Term Rental Accommodation Business Licence and Regulation Bylaw No. 11720</b>	<b>162 - 169</b>
	To give Bylaw No. 11720 first, second and third readings in order to create a new bylaw for Short-Term Rental Accommodation Business Licence and Regulation.	
<b>6.4</b>	<b>BL11771 - Amendment No. 23 to Bylaw Notice Enforcement Bylaw No.10475 Bylaw</b>	<b>170 - 172</b>
	To give Bylaw No. 11771 first, second and third readings in order to amend Bylaw Notice Enforcement Bylaw No. 10475.	
<b>6.5</b>	<b>Bikeshare Pilot Update</b>	<b>173 - 200</b>
	To present council with an update on the Kelowna Bikeshare Pilot and explore next steps to create a program to regulate bikeshare operators into the near future.	
<b>6.6</b>	<b>Groves Ave 424-460 – Road Closure</b>	<b>201 - 203</b>
	To close a 594.3 square metre portion of road north of 424-460 Groves Avenue.	

**6.7 Groves Ave 424-460, BL11756 - Road Closure Bylaw** 204 - 205

To give Bylaw No. 11756 first, second and third readings in order to authorize the City to permanently close and remove the highway dedication of a portion of Highway adjacent to Groves Avenue.

**6.8 A portion of Dall Rd - Road Closure** 206 - 208

To close a 700.5 square metre portion of Dall Road.

**6.9 A portion of Dall Rd, BL11773 - Road Closure Bylaw** 209 - 210

To give Bylaw No. 11773 first, second and third readings in order to permanently close and remove the highway dedication of a portion of highway on Dall Road.

**7. Bylaws for Adoption (Non-Development Related)**

**7.1 BL11763 - Amendment No. 34 to Airport Fees Bylaw No. 7982** 211 - 212

To adopt Bylaw No. 11763 in order to amend the Airport Fees Bylaw No. 7982.

**8. Mayor and Councillor Items**

**9. Termination**



## City of Kelowna Regular Council Meeting Minutes

Date: Monday, February 25, 2019

Location: Council Chamber  
City Hall, 1435 Water Street

Members Present Mayor Colin Basran, Councillors Maxine Dehart\*, Ryan Donn, Gail Given, Charlie Hodge, Brad Sieben\*, Luke Stack and Loyal Wooldridge

Members Absent Councillor Mohini Singh

Staff Present City Manager, Doug Gilchrist; City Clerk, Stephen Fleming; Acting Divisional Director, Community Planning & Strategic Investments, Derek Edstrom\*; Community Planning Department Manager, Ryan Smith; Urban Planning Manager, Terry Barton\*; Suburban and Rural Planning Manager, Dean Strachan\*; Community Planning Supervisor, Laura Bentley\*; Acting Manager, Lance Kayfish\*; Development Engineering Manager, James Kay\*; Senior Airport Finance & Corporate Services Manager, Shayne Dyrdal\*; Cultural Services Manager, Christine McWillis\*; Divisional Director, Infrastructure, Alan Newcombe\*; Utility Services Manager, Kevin Van Vliet\*; Senior Engineer – Infrastructure, Ron Westlake\*; Infrastructure Engineering Manager, Joel Shaw\*; Utility Planning Manager, Rod MacLean\*; Solid Waste Supervisor, Scott Hoekstra\*; Legislative Coordinator (Confidential), Rebecca Van Huizen\*; Legislative Coordinator (Confidential) Clint McKenzie

(\*denotes partial attendance)

### 1. Call to Order

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

Mayor Basran advised that the meeting is open to the public and all representations to Council form part of the public record. A live audio and video 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 Given



(R0169/19/02/25) THAT the Minutes of the Regular Meetings of February 11, 2019 be confirmed as circulated.

Carried

### 3. Development Application Reports & Related Bylaws

#### 3.1 McClain Rd 4159, Z18-0123 - Daniel Rae Dorssers and Christyane Ramonde Dorssers

Staff presented a PowerPoint presentation summarizing the reasons for the non-support and responded to questions from Council.

Dan Dorssers, Applicant/Owner:

-Read a revised letter of rationale and displayed it on the ELMO.

-Responded to questions from Council.

Councillor Sieben joined the meeting at 1:41 p.m.

Moved By Councillor Donn/Seconded By Councillor Hodge

(R0170/19/02/25) THAT Rezoning Application No. Z18-0123 to amend the City of Kelowna Zoning Bylaw No. 8000 by changing the zoning classification of Lot 2 Sections 2 and 3 Township 26 Osoyoos Division Yale District Plan KAP91355, located at 4159 McClain Road, Kelowna, BC from the RR1 – Rural Residential 1 zone to the RR1C – Rural Residential 1 with Carriage House zone NOT be considered by Council.

Carried

Councillors Dehart and Stack - Opposed

#### 3.2 Altura Rd 30, Z18-0102 - David & Camille Harkins

Staff presented a PowerPoint presentation summarizing the application and responded to questions from council.

Moved By Councillor Dehart/Seconded By Councillor Wooldridge

(R0171/19/02/25) THAT Rezoning Application No. Z18-0102 to amend the City of Kelowna Zoning Bylaw No.8000 by changing the zoning classification of Lot 1 Section 32 Township 26 ODYD Plan 35716, located at 30 Altura Rd, Kelowna, BC from the RU2- Medium Lot Housing Zone to the RU2c – Medium 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

Councillor Given - Opposed

#### 3.3 Altura Rd 30, BL11759 (Z18-0102) - David & Camille Harkins

Moved By Councillor Dehart/Seconded By Councillor Stack

(R0172/19/02/25) THAT Bylaw No. 11759 be read a first time.

Carried

Councillor Given - Opposed

#### 3.4 Short-Term Rental Accommodation Regulations

Councillor Dehart declared a conflict of interest on items 3.4, 3.5 and 3.6 as it is in direct competition with her hotel employer and she also owns property on Sunset Dr and left the meeting at 1:48 p.m.

Staff presented a PowerPoint presentation summarizing the proposed short-term rental accommodation use and regulations and responded to questions from Council.

Moved By Councillor Given/Seconded By Councillor Stack

**(R0173/19/02/25)** THAT Zoning Bylaw Text Amendment Application No. TA19-0007 to amend City of Kelowna Zoning Bylaw No. 8000 as outlined in the Report from the Community Planning Department dated February 25, 2018 be considered by Council;

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

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

**Carried**

### **3.5 Short-Term Rental Accommodation Non-Conforming Use Provisions**

Staff displayed a PowerPoint presentation summarizing the non-conforming status of various properties under construction and responded to questions from Council.

Moved By Councillor Stack/Seconded By Councillor Hodge

**(R0174/19/02/25)** THAT Council receives, for information, the report from the Community Planning Department dated February 25, 2019, with respect to non-conforming use provisions for short-term rental accommodations.

**Carried**

### **3.6 Short Term Rental Accommodation, BL11766 (TA19-0007) - City of Kelowna**

Moved By Councillor Stack/Seconded By Councillor Given

**(R0175/19/02/25)** THAT Bylaw No. 11766 be read a first time.

**Carried**

Councillor Dehart rejoined the meeting at 3:08 pm.

### **3.7 Pandosy St 2565 - 2579, Z17-0113 Extension - 1018545 BC Ltd, Inc No BC1018545**

Moved By Councillor Stack/Seconded By Councillor Hodge

**(R0176/19/02/25)** THAT in accordance with Development Application Procedures Bylaw No. 10540, the deadline for the adoption of Rezoning Bylaw No. 11562, be extended from March 20, 2019 to March 20, 2020.

AND THAT Council directs Staff to not accept any further extension requests.

**Carried**

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

### **4.1 4610 Darin Place, Z17-0054 (BL11463) - Randall Schmidt and Josephine Pirolli**

Moved By Councillor Wooldridge/Seconded By Councillor Given

(R0177/19/02/25) THAT Bylaw No. 11463 be adopted.

Carried

**4.2 Cross Rd 1967, 1969 & 1973 Z17-0083 (BL11603) - Maxwell House Developments Ltd, Glen Park Village Inc & City of Kelowna**

Moved By Councillor Given/Seconded By Councillor Wooldridge

(R0178/19/02/25) THAT Bylaw No. 11603 be adopted.

Carried

**4.3 170 & 230 Nickel Road, Z17-0039 (BL11429) - 554764 BC Ltd**

Moved By Councillor Stack/Seconded By Councillor Dehart

(R0179/19/02/25) THAT Bylaw No. 11429 be amended at 3<sup>rd</sup> reading by deleting that title that reads:

- Z17-0039 – 170 & 230 Nickel Rd

And replacing it with:

- Z17-0039 – 200 Nickel Rd

And that the legal descriptions be deleted that read:

- Lot A Section 27 Township 26 ODYD Plan 25115
- Lot B Section 27 Township 26 ODYD Plan 25115 Except Plan KAP65522

And replace with:

- Lot 1 Section 27 Township 26 ODYD Plan EPP73636

Carried

Moved By Councillor Stack/Seconded By Councillor Dehart

(R0180/19/02/25) AND THAT Bylaw No. 11429 as amended, be adopted.

Carried

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

**5.1 Remedial Action Orders To Address Slope Instability and Unsafe Conditions**

Staff: Introduced the item, displayed a PowerPoint presentation summarizing the slope instability and unsafe condition and responded to questions from Council.

Mayor: Advised two property owners directly impacted may address Council. Correspondence received from owners was circulated to Council. Council was given opportunity to read the two letters.

Meeting adjourned at 3:32 p.m.

Meeting reconvened at 3:43 p.m.



Stephen Smith and Sara Potton, Owners, Kloppenburg Ct:

- Read letter previously submitted.
- Made additional comments regarding the situation.

Staff responded to questions from Council.

Moved By Councillor Stack/Seconded By Councillor Given

**(R0181/19/02/25)** WHEREAS the Council of the City of Kelowna has the authority under Section 72 (1) (a) and (b) of the Community Charter to impose a remedial action requirement in relation to hazardous/unsafe conditions or declared nuisances;

Council hereby considers that the fill slopes located at 2045 Loseth Road, Kelowna (the "Loseth Property") are in, and create, an unsafe condition, within the meaning of Section 73 (2)(a) of the Community Charter, as a result of the soil stability having an inadequate factor of safety and being susceptible to further destabilization from increased groundwater pressures.

Council hereby considers that the fill slopes located at 2001 Kloppenburg Court, Kelowna (the "Kloppenburg Ct. Property") are in, and create, an unsafe condition, within the meaning of Section 73 (2)(a) of the Community Charter, as a result of the soil stability having an inadequate factor of safety and being susceptible to further destabilization from increased groundwater pressures.

Council hereby declares the fill slopes at the Loseth Property to be a nuisance, within the meaning of Section 74 (2) of the Community Charter.

Council hereby declares the fill slopes at the Kloppenburg Ct. Property to be a nuisance, within the meaning of Section 74 (2) of the Community Charter.

Council considers that there is a significant risk to health and safety and that, pursuant to s. 79 of the Community Charter, the time limit set complying with any remedial action requirements should be shorter than the 30-day minimum period provided under section 76 and that the time limit for requesting reconsideration by Council of any remedial action requirement be reduced to 7 days.

Council hereby imposes on the registered owner of the Loseth Property the following remedial action requirement to address and remediate the unsafe condition and nuisance:

1. prepare and present to the City's Manager, Development Engineering a remediation plan based on the January 24, 2019 Geotechnical Investigation Report of Westrek Geotechnical Services Ltd. (the "Westrek Report") that will achieve a factor of safety of 1.3 for the fill slopes;
2. provide the remediation plan to the City's Manager, Development Engineering (the "Manager") no later than March 11, 2019;
3. the remediation plan must be prepared or approved by a professional engineer or professional geoscientist with experience or training in geotechnical study and geohazard assessments (the "Qualified Professional");
4. complete the work in accordance with the approved remediation plan by March 30, 2019;
5. provide a report by the Qualified Professional to the Manager within two weeks of completion of the work, certifying the safe condition of the fill slopes.

Council hereby imposes on the registered owner of the Kloppenburg Ct. Property the following remedial action requirement to address and remediate the unsafe condition and nuisance:

1. prepare and present to the City's Manager, Development Engineering a remediation plan based on the January 24, 2019 Geotechnical Investigation Report of Westrek Geotechnical Services Ltd. (the "Westrek Report") that will achieve a factor of safety of 1.3 for the fill slopes;
2. provide the remediation plan to the City's Manager, Development Engineering (the "Manager") no later than March 11, 2019;
3. the remediation plan must be prepared or approved by a professional engineer or professional geoscientist with experience or training in geotechnical study and geohazard assessments (the "Qualified Professional");
4. complete the work in accordance with the approved remediation plan by March 30, 2019;
5. provide a report by the Qualified Professional to the Manager within two weeks of completion of the work, certifying the condition of the fill slopes as having a factor of safety of 1.3.

Carried

## **5.2 Kelowna International Airport Improvement Fee Memorandum of Agreement Amendment**

Staff provided background to the extension request.

Moved By Councillor Donn/Seconded By Councillor Stack

**(R0182/19/02/25)** THAT Council receive for information the report of the Senior Airport Finance and Corporate Services Manager dated February 25, 2019 with respect to the amendment of the Airport Improvement Fee Memorandum of Agreement;

AND THAT the Airport Director be authorized to execute all documents necessary to complete this amendment.

Carried

## **5.3 Kelowna International Airport Bylaw Amendment**

Staff provided background to proposed fee amendments.

Moved By Councillor Sieben/Seconded By Councillor Donn

**(R0183/19/02/25)** THAT Council receive for information the report of the Senior Airport Finance and Corporate Services Manager dated February 25, 2019 with respect to amending City of Kelowna Airport Fees Bylaw No. 7982;

AND THAT Bylaw No. 11763 being Amendment No. 34 to the City of Kelowna Airport Fees Bylaw No. 7982 be advanced for reading consideration.

Carried

## **5.4 BL11763 - Amendment No. 34 to Airport Fees Bylaw No. 7982**

Moved By Councillor Stack/Seconded By Councillor Dehart

(R0184/19/02/25) THAT Bylaw No. 11763 be read a first, second and third time.

Carried

#### **5.5 Kelowna-Kasugai Sister City Association Sponsor Agreement**

Staff displayed a PowerPoint presentation summarizing the terms of the proposed agreement and responded to questions from Council.

Moved By Councillor Given/Seconded By Councillor Wooldridge

(R0185/19/02/25) THAT Council authorizes the City to enter into a Sister City Sponsor Agreement with the Kelowna-Kasugai Sister City Association, in the form attached to the Report from the Cultural Services Manager dated February 25, 2019;

AND THAT Council authorizes the Mayor and City Clerk to execute all documents associated with this Agreement.

Carried

#### **5.6 2019 Heritage Grants Program Agreement**

Staff displayed a PowerPoint presentation summarizing the terms of the proposed agreement and responded to questions from Council.

Moved By Councillor Hodge/Seconded By Councillor Donn

(R0186/19/02/25) THAT Council authorizes the City to enter into a Grant Administration Agreement for the Heritage Grants Program with the Central Okanagan Heritage Society in the form attached to the Report from the Cultural Services Manager dated February 25, 2019;

AND THAT Council authorizes the Mayor and City Clerk to execute all documents associated with this Agreement.

Carried

#### **5.7 Budget Amendment for the Rehabilitation of City Park Water Park**

Staff provided background to impacts of flooding on the park, reasons for the budget amendment and questions from Council.

Moved By Councillor Donn/Seconded By Councillor Hodge

(R0187/19/02/25) THAT Council receives for information, the report from the Divisional Director, Infrastructure dated February 25, 2019, with respect to the Budget Amendment for the Rehabilitation of City Park Water Park;

AND THAT the 2019 Financial Plan be amended to include the initial use of up to \$410,000 funded from the Insurance Deductible reserve for the restoration of the City Park Water Park;

AND THAT the 2019 financial Plan be amended to include receipt from the City's Insurance Provider estimated at \$410,000 for the insurance claim proceeds to the Insurance Deductible reserve.

Carried



### 5.8 Update on Kelowna Joint Water Committee

Staff summarized reasons for recommending the Committee be disbanded.

Moved By Councillor Sieben/Seconded By Councillor Given

**(R0188/19/02/25)** THAT Council support dissolution of the Kelowna Joint Water Committee and direct staff to continue to work together with Improvement District staff to improve overall efficiencies, reduce risks and form partnerships for shared services in an effort to best serve all of the citizens of Kelowna.

Carried

### 5.9 Water System Integration Policy

Staff provided background to the proposed policy and responded to questions from Council.

Moved By Councillor Hodge/Seconded By Councillor Stack

**(R0189/19/02/25)** THAT Council receives, for information, the report from the Senior Engineer – Infrastructure dated February 25, 2019, with respect to the Water System Integration Policy;

AND THAT Council endorse the vision for City-wide integrated water supply and distribution as per the '2017 Kelowna Integrated Water Supply Plan – Value Planning Study' dated February 2017;

AND THAT Council approve Policy No.378 titled 'Water Systems Integration Policy' as attached to the report of the Senior Engineer – Infrastructure dated February 25, 2018;

AND FURTHER THAT Council rescind Council Policy No.31, 'Municipal Water Supply Within City Boundaries'.

Carried

### 5.10 South Okanagan Mission Agricultural Users Local Area Service – Certificate of Sufficiency

Moved By Councillor Stack/Seconded By Councillor Hodge

**(R0190/19/02/25)** THAT Council receives for information, the report from the City Clerk, dated February 25, 2019 regarding South Okanagan Mission Irrigation Water Integration Local Service Area;

AND THAT Council receive the Certificate of Sufficiency dated February 13, 2019 pertaining to the South Okanagan Mission Agricultural Local Area Service;

AND THAT Bylaw No.11745 being South Okanagan Mission Agricultural Users Local Area Service Establishment Bylaw be forwarded for Council consideration;

AND FURTHER THAT Bylaw No.11746 South Okanagan Mission Agricultural Users Loan Authorization Bylaw be forwarded for Council consideration.

Carried

### 5.11 BL11745 - South Okanagan Mission Agricultural Users Local Area Service Establishment Bylaw

Moved By Councillor Donn/Seconded By Councillor Hodge

(R0191/19/02/25) THAT Bylaw No. 11745 be read a first, second and third time.

Carried

#### **5.12 BL11746 - South Okanagan Mission Agricultural Users Loan Authorization Bylaw**

Moved By Councillor Hodge/Seconded By Councillor Donn

(R0192/19/02/25) THAT Bylaw No. 11746 be read a first, second and third time.

Carried

#### **5.13 Development Cost Charges Bylaw No. 11755 Amendment No.4 to Development Cost Charge Bylaw No.10515**

Staff displayed a PowerPoint presentation summarizing the update process, input from the Urban Development Institute and responded to questions from Council.

Moved By Councillor Sieben/Seconded By Councillor Given

(R0193/19/02/25) THAT Council receives, for information, the report from the Infrastructure Engineering Manager dated February 25, 2019, with respect to amending the Development Cost Charge Bylaw No.10515.

AND THAT Bylaw No. 11755 being Amendment No.4 to Development Cost Charge Bylaw No.10515 be forwarded for reading consideration;

AND THAT Council direct staff to submit DCC Bylaw and supporting documentation to Ministry of Community Services for their review and approval prior to fourth reading and adoption of the DCC Bylaw by Council.

Carried

#### **5.14 BL11755 - Amendment No. 4 to Development Cost Charge Bylaw No. 10515**

Moved By Councillor Donn/Seconded By Councillor Hodge

(R0194/19/02/25) THAT Bylaw No. 11755 be read a first, second and third time.

Carried

#### **5.15 Landfill Design Operations and Closure Plan (DOCP)**

Staff displayed a PowerPoint presentation summarizing the DOCP process, highlights of the report and responded to questions from Council.

Moved By Councillor Dehart/Seconded By Councillor Given

(R0195/19/02/25) THAT Council receives for information, the report from the Utility Planning Manager dated February 25, 2019, regarding the Landfill Design Operations and Closure Plan;

AND THAT Council adopt the Landfill Design Operations and Closure Plan provided by GHD Consultants Ltd as summarized and attached to the report from the Utility Planning Manager, dated February 25, 2019;



AND THAT Council direct staff to submit the Landfill Design Operations and Closure Plan to the Province as required to maintain the Glenmore Landfill Operational Certificate 12218.

Carried

## 6. Bylaws for Adoption (Non-Development Related)

### 6.1 Saucier Rd (Adjacent to 1690), BL11740 - Road Closure Bylaw

Mayor Basran invited anyone in the public gallery who deemed themselves affected to come forward, followed by comments from Council.

No one came forward.

Moved By Councillor Given/Seconded By Councillor Wooldridge

(R0196/19/02/25) THAT Bylaw No. 11740 be adopted.

Carried

### 6.2 Saucier Rd (Adjacent to 1651), BL11741 - Road Closure Bylaw

Mayor Basran invited anyone in the public gallery who deemed themselves affected to come forward, followed by comments from Council.

No one came forward.

Moved By Councillor Wooldridge/Seconded By Councillor Given

(R0197/19/02/25) THAT Bylaw No. 11741 be adopted.

Carried

## 7. Mayor and Councillor Items

Councillor Stack:

- Participated in the Coldest Night of the Year event, along with the Mayor.

Councillor Hodge:

- Dropped ceremonial puck at a recent Rutland Chiefs Game.
- Mentioned that tomorrow night is the Downtown Kelowna Association After 5 Event.
- Mentioned that Pink Shirt Day is February 27<sup>th</sup>.

## 8. Termination

This meeting was declared terminated at 5:20 p.m.

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

sf/rvh

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

## Report to Council



**Date:** March 4, 2019  
**File:** 0100-01  
**To:** City Manager  
**From:** Civic & Community Awards Steering Committee  
**Subject:** 44th Annual Civic & Community Awards Finalist Announcement

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**Recommendation:**

THAT Council receives, for information, the report from the Recreation Technician, dated March 4, 2019, regarding the finalists for the 44th Annual Civic & Community Awards.

**Purpose:**

To announce the 44th Annual Civic & Community Award finalists.

**Background:**

The annual awards program recognizes the outstanding achievements and contributions made in the city of Kelowna in 2018. There are 16 award categories to honour volunteers, artists, athletes, environment efforts and community-minded businesses:

- Bob Giordano Memorial Award – Coach or Sport Administrator of the Year
- Bryan Couling Memorial Award - Athletic Team of the Year
- Male and Female Athlete of the Year
- Augie Ciancone Memorial Award - Male & Female High School Athlete of the Year
- Young Male & Female Volunteer of the Year
- Teen Honour in the Arts
- Honour in the Arts
- Champion for the Environment
- The Central Okanagan Foundation - Volunteer Organization of the Year
- The Sarah Donalds Treadgold Memorial Award - Woman of the Year
- The Fred Macklin Memorial Award - Man of the Year
- Corporate Community of the Year - Small Business and Medium to Large Business

Up to three finalists have been selected in each category, with one recipient being announced during the awards ceremony.

Two categories also have scholarship components, with finalists in the Young Male and Female Volunteer Awards receiving scholarships from The Dillon Thomas Budd and Payton Leigh Budd Youth Scholarship, and the recipient of the Teen Honour in the Arts Award receiving an entrance scholarship to the UBCO Faculty of Creative and Critical Studies.

The Mayor's Reception, to recognize each of the deserving finalists, will be on Sunday, April 14, 2019, at the Parkinson Recreation Centre from 3:00 to 4:30p.m. The reception serves as a special celebration for the finalists to share with their nominator, and receive a custom designed recognition plaque from the City of Kelowna.

The 44<sup>th</sup> Annual Civic & Community Awards Night, to formally announce the award recipients for each category, will be held on Wednesday April 24, 2019, at the Kelowna Community Theatre. Tickets go on sale March 4, 2019, and are available through KelownaTickets.com or by calling 250-862-2867. The cost is \$28 per ticket.

The award recipients are further recognized over the next year with their names on an individual name plate, placed in Jim Stuart Park. At the conclusion of the next year's Civic & Community Awards, the name plates will be replaced with the current award recipients and the name plates removed will be given to the past recipient as a keepsake.

**Internal Circulation:**

Divisional Director, Active Living & Culture  
Community & Neighborhood Services Manager  
Communications Advisor

**Communications Comments:**

Communications will distribute news releases and media packages.

**Considerations not applicable to this report:**

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

Submitted by: Melina Moran, Recreation Technician

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

Attachment: Presentation – 44<sup>th</sup> Annual Civic & Community Awards Finalists

cc:

Divisional Director, Corporate Strategic Services

# REPORT TO COUNCIL



**Date:** March 4, 2019

**RIM No.** 1250-30

**To:** City Manager

**From:** Community Planning Department (LKC)

**Application:** Z18-0033

**Owner:** 1129410 BC Ltd.

**Address:** 240, 250, 260 Nickel Rd

**Applicant:** Novation Design Studio

**Subject:** Rezoning Application

Existing OCP Designation: MRL – Multiple Unit Residential (Low Density)

Existing Zone: RU1 – Large Lot Housing

Proposed Zone: RM3 – Low Density Multiple Housing

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## **1.0 Recommendation**

THAT Rezoning Application No. Z18-0033 to amend the City of Kelowna Zoning Bylaw No.8000 by changing the zoning classification of Lots 1, 2 & 3, Section 27, Township 26, ODYD Plan 8839, located at 240, 250, 260 Nickel Rd Kelowna, BC from the RU1-Large Lot Housing Zone to the RM3 – Low Density Multiple Housing be considered by Council;

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

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

## **2.0 Purpose**

To consider a development application to rezone to the RM3 - Low Density Multiple Housing zone to facilitate the development of 16 row housing units.

## **3.0 Community Planning**

Staff are recommending support for the proposed rezoning of the subject property to RM3 – Low Density Multiple Housing as it is consistent with the Official Community Plan (OCP) Future Land Use designation and infill policies for the property. The property is located within the Permanent Growth Boundary, is fully serviced, and is located near Ben Lee Park. The subject property has a Walk Score of 60, as some errands can be accomplished on foot.

#### 4.0 Proposal

##### 4.1 Background

The three subject properties front Nickel Rd. Each lot currently has an existing single family dwelling located on the property. The existing RU1 zoned properties do not allow for the density the applicant wishes to have on the subject properties, and is why a rezoning is requested. By rezoning to RM3 the applicant can achieve the desired density, permitting the use of the proposed four, 2 storey row housing buildings with a total unit yield of 16 units. The demolition of these three houses located on 240, 250, and 260 Nickel Rd, is necessary for the proposed development to occur and for the consolidation of these three lots.

##### 4.2 Project Description

The proposed rezoning is necessary to allow for the development of the proposed four, 2 storey row housing buildings. This change in land use would allow for an increase in density on the lot. There are currently no identified variances associated with this project.

##### 4.3 Site Context

The subject property is located in the Rutland neighbourhood and is surrounded by properties zoned RM3 – Low Density Multiple Housing, RM4 – Transitional Low Density Housing, and RU6 – Two Dwelling Housing.

##### Subject Property Map:



## **5.0 Current Development Policies**

### **5.1 Kelowna Official Community Plan (OCP)**

#### **Development Process**

**Compact Urban Form.**<sup>1</sup> Develop a compact urban form that maximizes the use of existing infrastructure and contributes to energy efficient settlement patterns. This will be done by increasing densities (approximately 75 - 100 people and/or jobs located within a 400 metre walking distance of transit stops is required to support the level of transit service) through development, conversion, and re-development within Urban Centres (see Map 5.3) in particular and existing areas as per the provisions of the Generalized Future Land Use Map 4.1.

## **6.0 Technical Comments**

### **7.0 Application Chronology**

Date of Application Received: March 9, 2018

Date Public Consultation Completed: July 10, 2018

**Report prepared by:** Levan King Cranston, Planner 1

**Reviewed by:** Dean Strachan, Suburban and Rural Planning Manager

**Approved for Inclusion:** Ryan Smith, Community Planning Department Manager

#### **Attachments**

Schedule A: Site Plan

Schedule B: Landscape Plan

Schedule C: Street Perspective

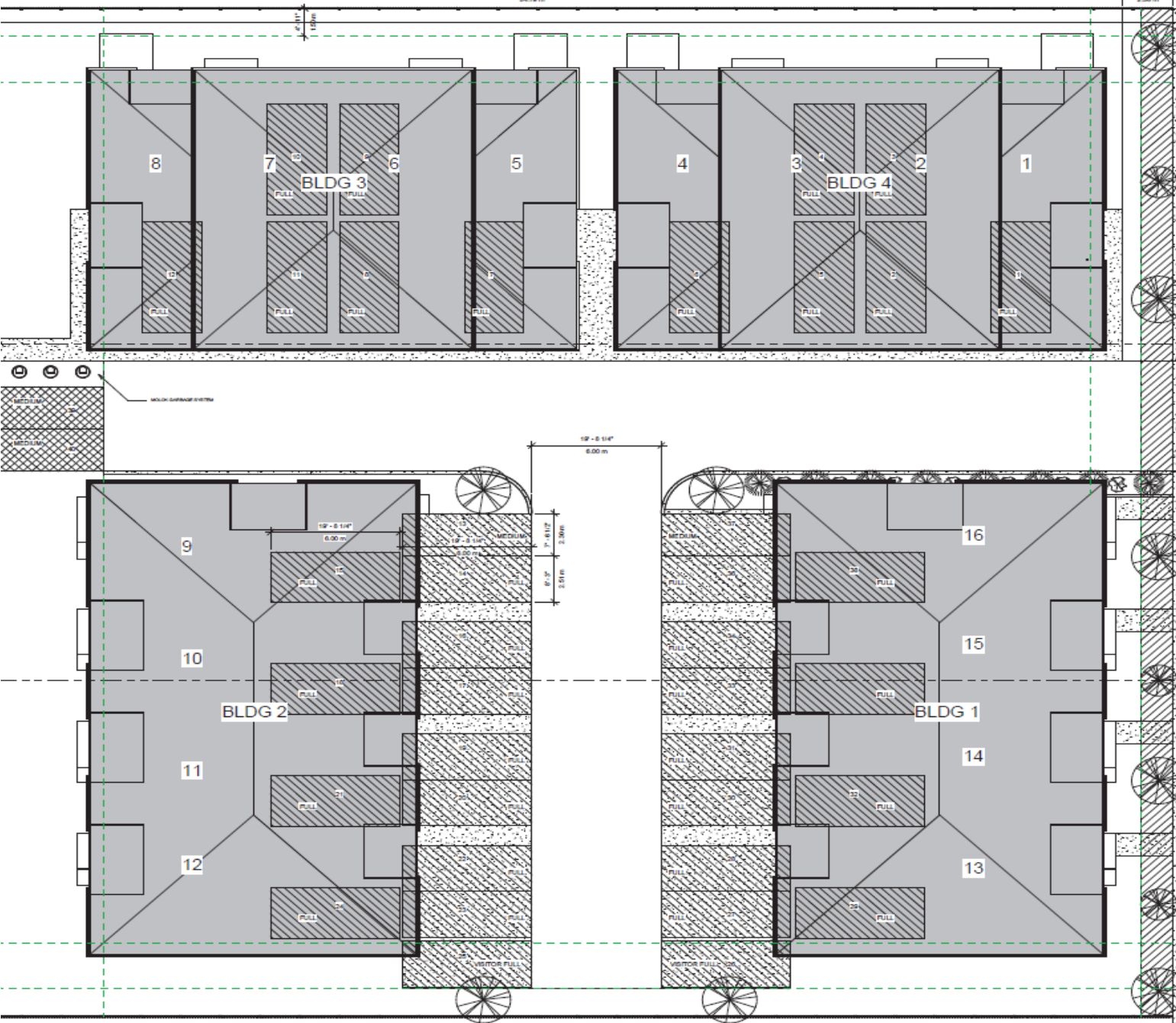
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<sup>1</sup> City of Kelowna Official Community Plan, Policy 5.2.3 (Development Process Chapter).



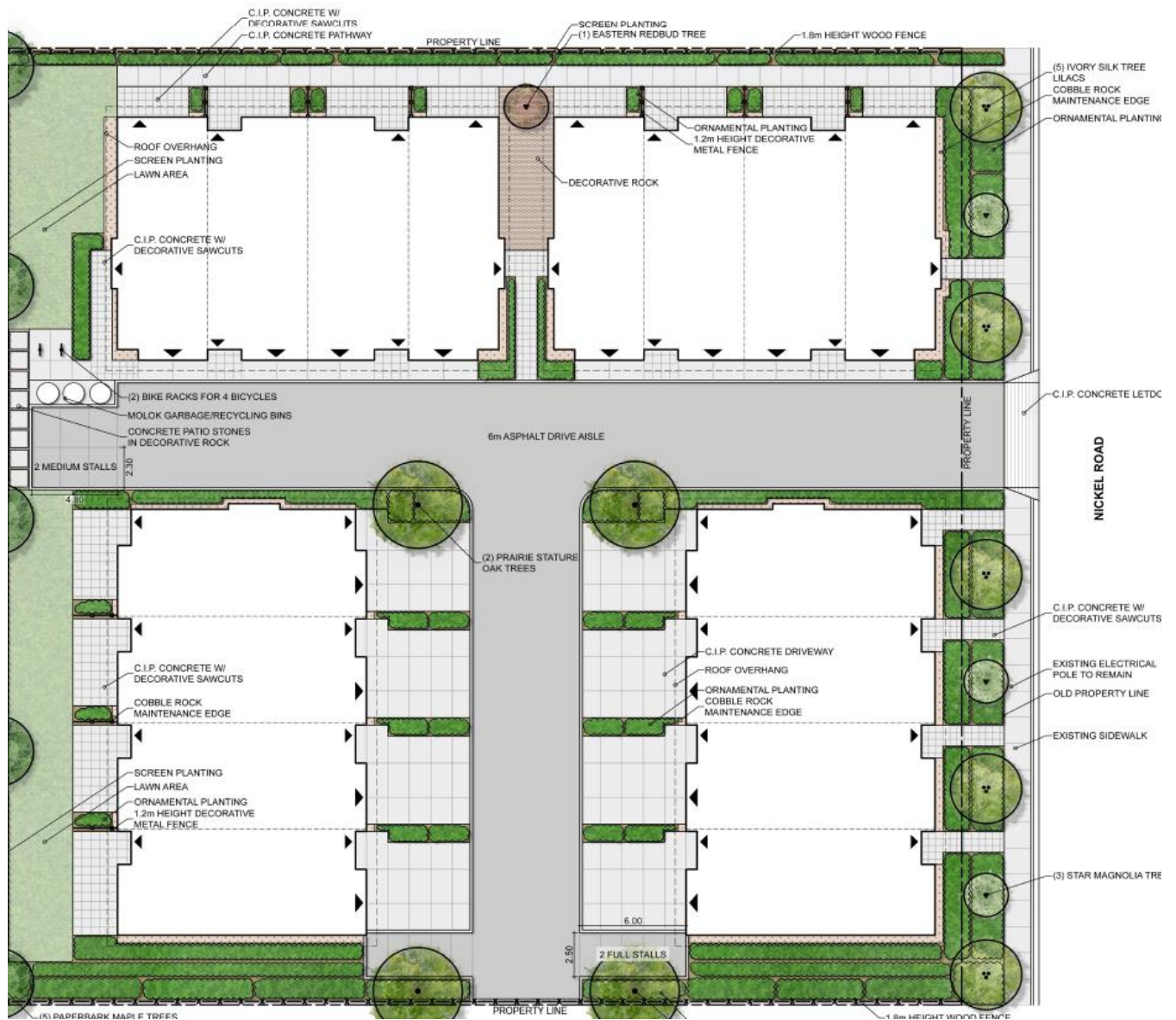
# SCHEDULE A – Site Plan

Subject: 240, 250, 260 Nickel Rd. (Application Z18-0033)



# SCHEDULE B – Landscape Plan

**Subject:** 240, 250, 260 Nickel Rd. (Application Z18-0033)





## SCHEDULE C – Street Perspective

**Subject:** 240, 250, 260 Nickel Rd. (Application Z18-0033)



**CITY OF KELOWNA**  
**BYLAW NO. 11772**  
**Z18-0033 – 240, 250 & 260 Nickel Rd**

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

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

1. THAT City of Kelowna Zoning Bylaw No. 8000 be amended by changing the zoning classification of Lots 1,2 & 3, Section 27, Township 26, ODYD Plan 8839, located on Nickel Rd Kelowna, BC from the RU1-Large Lot Housing Zone to the RM3 – Low Density Multiple Housing.
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 this

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(Approving Officer – Ministry of Transportation)

Adopted by the Municipal Council of the City of Kelowna this

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Mayor

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City Clerk

# Report to Council



**Date:** March 4, 2019  
**File:** 1250-04  
**To:** City Manager  
**From:** Ryan Smith, Community Planning Department Manager  
**Subject:** Process Update for Retail Cannabis Sales Rezoning Applications and Amendment to Development Application Fees Bylaw No. 10560

Report Prepared by: Kimberly Brunet, Planner

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## **Recommendation:**

THAT Council receives, for information, the report from the Community Planning Department Manager dated March 4, 2019, with respect to the status of applications for rezoning to allow for retail cannabis sales establishments;

AND THAT Bylaw No. 11760 being Amendment No. 9 to the Development Application Fees Bylaw No. 10560 be forwarded for reading consideration.

## **Purpose:**

To provide Council with an update following the evaluation of the first applications received for retail cannabis sales establishments and the next steps, and to amend the Development Application Fees Bylaw No. 10560 to remove the application fee for rezoning to a retail cannabis sales subzone.

## **Background:**

Between October 1, 2018 and November 30, 2018, the City of Kelowna received 41 applications seeking a rezoning to allow for a retail cannabis sales establishment on a subject property. Council provided endorsement on October 1, 2018 for a process for Staff to evaluate these applications. This resulted in 35 applications being evaluated by a seven-member committee, which occurred in January 2019.

The Community Planning Department put out a Request for Proposals, and Grant Thornton LLP was selected to independently oversee the evaluation and lottery process. Of the 35 applications reviewed, 10 applications were accepted (based on a combination of scoring and location), and 13 required a lottery to determine which application would be accepted. Five applications were accepted as a result of this lottery process. A report from Grant Thornton LLP outlining the process is attached to this report.

**Next Steps:**

It is anticipated that Council will be presented with the first proposed rezoning bylaws for consideration of retail cannabis sales establishments in later this month. Rezoning applications that were not selected to move forward at this time are eligible to submit an application for a Zoning Bylaw Text Amendment. This Text Amendment application would be subject to Council approvals, and would allow for retail cannabis sales establishment to be set back at a reduced distance than is what is established in Section 9.16 of Zoning Bylaw No. 8000. Staff will report back to Council about a proposed process for how to handle applications that were received during this first intake, but were not selected to move forward at this time.

Community Planning Staff are also proposing an amendment to the Development Application Fee Bylaw No. 10560 to remove the application fee for the retail cannabis sales subzone, and the reference to this fee being not-refundable. This fee captured the costs associated with the initial evaluation review of rezoning applications during the first intake. As there will be no further evaluation of applications by a committee, it is proposed this fee is removed.

**Internal Circulation:**

Bylaw Services Manager  
Business License Manager  
Building & Permitting Manager  
City Clerk  
Communications Advisor, Community Engagement  
Crime Prevention Supervisor  
Director, Business and Entrepreneurial Development

**Legal/Statutory Authority:** Fees in the Development Application Fee Bylaw are pursuant to Zoning Bylaw No. 8000 and the Local Government Act.

**Existing Policy:** Council gave final reading to a Text Amendment to Zoning Bylaw No. 8000 (TA18-0008, BL11659) on October 1, 2018, which included updates pertaining to cannabis production and retail cannabis sales.

**Personnel Implications:** Short term impacts are anticipated in development application and business license processes. Each rezoning application is estimated to take approximately 40 hours of staff time to process.

**Considerations not applicable to this report:**

**Legal/Statutory Procedural Requirements:** N/A

**Financial/Budgetary Considerations:** N/A

**External Agency/Public Comments:** N/A

**Communications Comments:** N/A

**Alternate Recommendation:** N/A

**Approved for inclusion:** R. Smith, Community Planning Department Manager

**Attachments:**

Schedule "A" – Amendment to Development Application Fees Bylaw No. 10560  
Report from Grant Thornton

SCHEDULE "A" – Amendments to City of Kelowna Development Application Fee Bylaw No. 10560

Development Application Fee Bylaw No. 10560														
No.	Section	Existing Text						Proposed Text						Rationale
1.	Schedule "A"  Development Application Fees – Table 1		2016	2017	2018	2019			2016	2017	2018	2019	Removal of the Application Fee for Retail Cannabis Sales Subzone Initial Evaluation Review, as this process has now been completed.	
		Zoning Amendments						Zoning Amendments						
		Retail Cannabis Sales Subzone	N/A	N/A	\$9495	\$9685		Retail Cannabis Sales Subzone	N/A	N/A	\$9495	\$9685		
		Application Fee - Retail Cannabis Sales Subzone Initial Evaluation Review	N/A	N/A	\$1000	\$1020		Application Fee – Retail Cannabis Sales Subzone Initial Evaluation Review	N/A	N/A	\$1000	\$1020		
2.	Schedule "A"  Development Application Fees – Table 1	<sup>1</sup> Refundable Amounts: (a) Development fees which are refunded prior to Council consideration are eligible for the cost of the development fee less 50% administrative costs. (b) No development fees will be refunded if the application has been submitted to Council. (c) The application fee for the "Retail Cannabis Sales Subzone Initial Evaluation Review" is not refundable						<sup>1</sup> Refundable Amounts: (a) Development fees which are refunded prior to Council consideration are eligible for the cost of the development fee less 50% administrative costs. (b) No development fees will be refunded if the application has been submitted to Council. (c) The application fee for the "Retail Cannabis Sales Subzone Initial Evaluation Review" is not refundable						Removal of the reference to the application fee being not refundable, as this fee has been removed.

Ryan Smith  
Community Planning Department Manager  
City of Kelowna  
1435 Water Street  
Kelowna BC V1Y 1J4

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**Grant Thornton LLP**  
200-1633 Ellis Street  
Kelowna, BC  
V1Y 2A8  
T +1 250 712 6800  
F +1 250 712 6850

February 25, 2019

Dear Mr. Smith

**Re: Retail Cannabis Sales Application Oversight**

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The City of Kelowna conducted a process to evaluate, score and prioritize applications for changes required to move to zoning for retail cannabis sales subzones. To ensure that the process was followed consistently in accordance with the council endorsed process, and that process was applied fairly, we were engaged to provide oversight of the process and the application of the scoring matrix.

**The Scoring Process**

All applicants were given the opportunity to review the scoring matrix prior to finalizing their applications and the planning department was available to respond to applicants' inquiries. All applications for rezoning were concluded by the deadline of November 30, 2018.

A committee was formed from city staff representing seven (7) departments, with three (3) alternate staff available from three (3) specific departments in order to cover potential scheduling conflicts. All city staff including alternates attended the initial planning meeting. At the beginning of the scoring process, all members of the committee, including alternates, signed conflict of interest statements declaring that they had no conflicts with or financial interests in any of the applicants.

Prior to the first committee meeting applications which did not have conflicts were provided to the committee for review. At the first meeting, the committee reviewed these applications and deployed the scoring matrix to each application while ensuring that all committee members understood the how the scoring matrix was to be applied. For the remaining applications there were three additional meetings in which the scoring process was undertaken.

The committee applied scores in increments within the maximum and minimum scores defined within all evaluation criteria of the matrix. Final scoring included consideration of additional analysis that the committee requested from the city planning department relating to conflicting use.

Grant Thornton collected, scanned and recorded all of the scores to calculate total scores from each of the seven committee members as well as average scores overall for each applicant. These results and scoring sheets were provided to the City planning team. We employed a two stage process of review to ensure all scores were accurately captured, recorded and calculated.

## The Lottery

In accordance with the Council endorsed process, a lottery was held for conflicting applications where the scoring process results were not materially different (within 5% of each other). There were thirteen (13) applications entered into five (5) lotteries.

The lotteries were run in Council chambers and recorded on video with the applicants invited to attend. The City provided a commercial grade bingo wheel with wooden balls. The process was explained to the applicants in attendance and then balls were randomly assigned to applications by drawing them from a bag. Then for each lottery the specific balls for those participating applications were drawn from the bingo wheel.

- Three of these lotteries were for two applications each. None of these lotteries were contingent on the result of any other lottery.
- The Downtown lottery involved four (4) applications that all scored within five (5) percent of awarded points from each other. In addition, there was a 5<sup>th</sup> application that scored within five (5) awarded percentage points of the two (2) lower scoring applications in the lottery.
  - Applying the council endorsed process to this scenario, the top 4 applications were materially equivalent to each other and the 5<sup>th</sup> application was only materially equivalent to the 3<sup>rd</sup> and 4<sup>th</sup>.
  - To ensure that these equivalencies were handled through the lottery process, a reverse lottery was designed. In the reverse lottery, the last ball drawn would be the one representing the application that would move forward to council.
  - The first 4 balls to go into the lottery were the ones representing the highest scoring applications that were materially equivalent. As each ball was drawn, the application it represented was removed from the lottery.
  - In the event that the top two scores (which were outside 5 awarded percentage points of the 5<sup>th</sup> application) were no longer in the lottery, the ball representing the 5<sup>th</sup> application would enter the lottery.
  - As a result of this process, the top two applications each had a 25% chance, the next two each had a 22.2% chance and the 5<sup>th</sup> had a 5.6% chance of moving forward.
  - The final ball remaining belonged to one of the top two scoring applications and therefore the ball representing the 5<sup>th</sup> highest scoring application was not entered into the lottery.
- The lottery regarding St. Paul had two applications, however, one application was within 500m of a higher scoring application that was involved in the Downtown lottery. As a result, this lottery was contingent on the results of the Downtown lottery. This lottery did not occur since the winning application Downtown was within 500m of one St. Paul application and its score was higher by more than 5 awarded percentage points (the equivalency threshold). The remaining application for St. Paul moved forward to Council.

## Fairness and consistency

Based on our observations of the process, it appears that the scoring and lottery process were applied in accordance with the Council endorsed process to ensure fairness and consistency across all applicants.

This report is intended solely for the information and use of the City of Kelowna. Our work was conducted on behalf of management and accordingly we provide no opinion, attestation or other form of assurance with respect to our work or the information upon which our work is based. The procedures performing under this engagement do not constitute an examination or a review in accordance with generally accepted auditing standards or attestation standards.

Yours sincerely,

Grant Thornton LLP



Shane Troyer  
Partner, Risk and Forensic Services



# CITY OF KELOWNA

## BYLAW NO. 11760

### Amendment No. 9 to Development Application Fees Bylaw No. 10560

The Municipal Council of the City of Kelowna, in open meeting assembled, enacts that the City of Kelowna Development Applications Fees Bylaw No. 10560 be amended as follows:

1. THAT **Schedule "A" - DEVELOPMENT APPLICATION FEES –Development Application Fees – Table 1 FEES PURSUANT TO ZONING BYLAW NO. 8000 AND LOCAL GOVERNMENT ACT** be amended by:

a) deleting under Zoning Amendments the following that reads:

Application Fee - Retail Cannabis Sales Subzone Initial Evaluation Review	n/a	n/a	\$1000	\$1020
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b) deleting under <sup>1</sup> Refundable Amounts sub-paragraph c that reads:

"(c) The application fee for the "Retail Cannabis Sales Subzone Initial Evaluation Review" is not refundable."

2. This bylaw may be cited for all purposes as "Bylaw No. 11760, being Amendment No. 9 to Development Applications Fees Bylaw No.10560."
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, 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. 11679

### TA18-0008 – Cannabis Agricultural Amendments

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

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

1. THAT **Section 2 – Interpretation, 2.3.3 – General Definitions** be amended by adding a new definition for **FARM RETAIL SALES STANDS** in its appropriate location that reads;

**"FARM RETAIL SALES STANDS** means those accessory **buildings** and **structures** for retailing agricultural products on a farm. This **use** does not include the retail sale or dispensing of **cannabis**."

2. AND THAT Section 11 – Agricultural Zones, 11.1.6 - Development Regulations be amended by adding a new subparagraph (g) in its appropriate location that reads as follows:

"(g) Land or a **building** or **structure** used for **cannabis** production may not be located within 60 metres of any **lot** outside of the **Agricultural Land Reserve** that has a residential use as a **principal use**, measured from closest **lot line** to closest **lot line**."

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 27<sup>th</sup> day of August, 2018.

Considered at a Public Hearing on the 18<sup>th</sup> of September, 2018.

Read a second and third time by the Municipal Council this 18<sup>th</sup> of September, 2018.

Approved under the Transportation Act this 26<sup>th</sup> of September, 2018.

Audrie Henry  
(Approving Officer-Ministry of Transportation)

Approved by the Ministry of Agriculture this 5<sup>th</sup> day of February, 2019.

Doug Donaldson  
(Minister of Agriculture)

Adopted by the Municipal Council of the City of Kelowna this

\_\_\_\_\_  
Mayor

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

# Report to Council



**Date:** March 4, 2019  
**File:** 1200-31  
**To:** City Manager  
**From:** Policy & Planning Department  
**Subject:** 2040 OCP Growth Scenario Implementation  
Report Prepared by: Robert Miles, OCP Project Planner

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## **Recommendation:**

THAT Council receives, for information, the summary of the land use impacts as they relate to Growth Scenario 3 and corresponding next steps for the 2040 OCP Update process.

## **Purpose:**

To provide Council with an update on the work that has been undertaken in the 2040 OCP update process since the endorsement of a growth scenario in December 2018 and to signal some of the key directional shifts that would guide the development of a Future Land Use plan under this scenario.

## **Summary:**

At its meeting of December 10, 2018, Council endorsed Growth Scenario 3 to guide the development of the Official Community Plan (OCP), Transportation Master Plan (TMP) and the 20 Year Servicing Plan. Growth Scenario 3 (referred to in the rest of this report as simply "the growth scenario") provides high level targets for where future residential growth would be generally located throughout the city. The growth scenario sets ambitious targets for multi-unit development in the city's Urban Core, while containing growth in suburban<sup>1</sup> neighbourhoods.

The growth scenario endorsed by Council forms the foundation of much of the work underway and moving forward on all three plans. For the OCP, it guides the development of a new Future Land Use Plan, which would indicate what uses are envisioned to accommodate the expected growth to 2040, and include locations for commercial, industrial, institutional and other land uses. It also forms the foundation for the modelling work required to develop strategies and plans for the TMP and the 20

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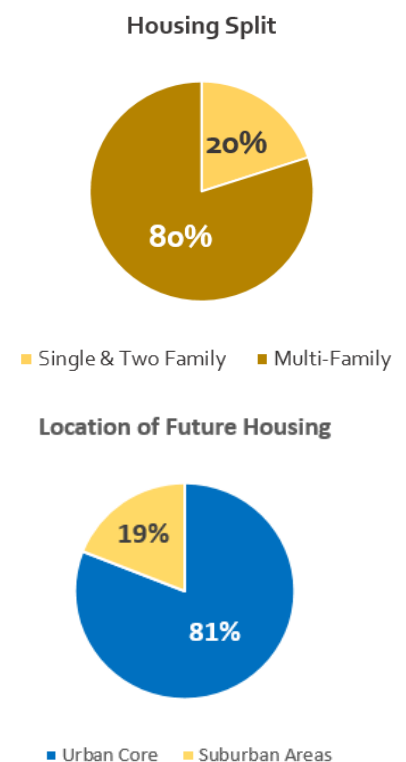
<sup>1</sup> For the purposes of this report, the term 'suburban' refers to all lands that are outside of the Urban Core boundary which encompasses the 5 Urban Centres and the surrounding neighborhoods.

Year Servicing Plan. As shifts in this growth scenario would require much of this work to be re-examined, the endorsement of the growth scenario is a critical milestone.

This report aims to provide Council with an update on the activities undertaken by staff since endorsement of the growth scenario and identify some of the major land use shifts anticipated to be incorporated into the draft Future Land Use Plan, which staff expects to bring to Council for discussion in Spring 2019. These land use shifts include:

- Providing substantially more multi-unit residential development potential, focusing on missing middle housing throughout the Urban Core;
- Removing residential development potential in suburban neighbourhoods, notably four growth nodes that are impacted as follows:
  - Removing residential development potential in all lands not currently zoned for development in Wilden;
  - Removing residential development potential in some, but not all, lands not currently zoned for development in Black Mountain and Kirschner Mountain; and
  - Retaining residential development potential in all lands not currently zoned for development in the Ponds.

**Figure 1: Growth Scenario Housing Targets**



### The Growth Scenario

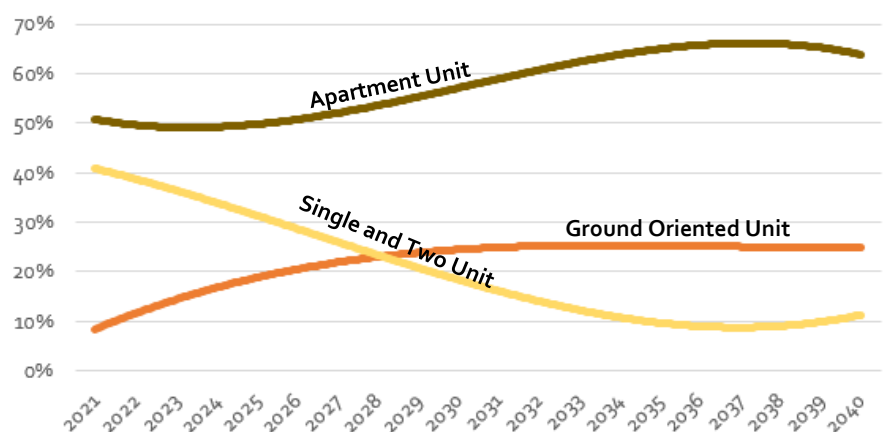
The growth scenario provides a strategic vision to guide the development of the OCP, the TMP and the 20 Year Servicing Plan at a high level. The scenario is characterized primarily by two key measures: future housing split and future housing location (see Figure 1). Given an estimated demand for approximately 25,000 housing units, this means that 20,000 units of multi-unit housing would be provided, along with approximately 5,000 units of single and two family development.

This shift in housing type between 2020 and 2040 would be gradual, with a 60% multi-unit and 40% single and two unit split being anticipated well into the mid-2020's. The shift toward multi-unit housing would accelerate in the late 2020's and early 2030's as the supply of land designated for single and

two unit housing begins to become more scarce. Throughout the 2030's, the new housing stock would be largely multi-unit, representing up to 90% of new construction.

Figure 2 illustrates this projection, splitting multi-unit development into apartment units and ground oriented units, representing the growth in missing middle housing. This distinction is provided because

**Figure 2: Transition of New Housing Types: 2020-2040**



the growth scenario focuses somewhat less on apartment housing in the Urban Centres and more on missing middle housing throughout the Urban Core, recognizing that this form of development would provide infill housing that better suits the context of many surrounding neighbourhoods.

To meet the targets for future growth within the Urban Core and Suburban Areas, lands that are designated for future residential development in several suburban neighbourhoods in the current 2030 OCP, but not yet zoned, would be re-designated to a rural designation. This would reduce the number of residential uses anticipated in those neighbourhoods. Staff have been undertaking an analysis of these lands, as outlined later in this report.

Beyond the housing targets, the growth scenario is also characterized by more opportunities for transit and active transportation use particularly in the Urban Core, as well as opportunities for concentration of infrastructure investments in the Urban Core, as opposed to outward expansion in suburban areas. Figure 3 (below) summarizes how Growth Scenario 3 performed with the policy indicators used during the Pick Your Path process in 2018.

**Figure 3: Growth Scenario 3 Policy Indicator Performance**

Policy Indicator Accounts	Performance
Growth Management	81% of units in the Urban Core and 19% in Suburban Areas
Travel Choices	A -7.1% shift in mode share away from driving to other modes
Financially Resilient	Infrastructure investments would be highly focused in the Urban Core. More detailed assessments would be developed with the 20 Year Serving Plan.
Mitigate Climate Change	50% of new units would be located in hazard areas (40% would be located in flood hazard areas; 10% in fire hazard areas in suburban areas)
Health and Safety	96% of new units would be constructed within the Fire Response zone
Livable Communities	89% of new units would be within 400 metres of an existing park. 76% would be within 400 metres of local services.
Agricultural Protection	4.3% of new units would be constructed within 100 metres of ALR
Growing Economy	78% of new units would be within 400 metres of employment hubs.

#### **Activities Undertaken Since Growth Scenario Endorsement**

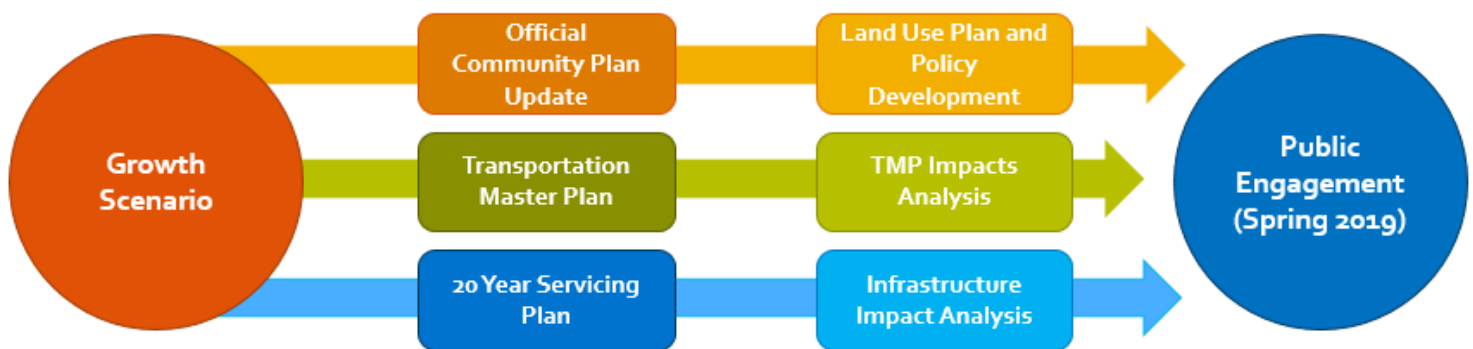
The 2040 OCP Update process is currently in Phase 3, which involves the development of a new draft Future Land Use Plan, the development of corresponding draft OCP policies, and a public participation component of which would result in a draft OCP document for Council's consideration. This phase began in Fall 2018 and is expected to continue into early 2020.

Following Council's endorsement of the growth scenario, staff identified lands without residential zoning in suburban neighbourhoods that would see their Future Land Use designation changed to a 'rural' land use, removing much of the future development that would be permitted. Identification of these lands included discussions with the development community, which are summarized below. This work has involved acknowledging the current realities of development progress of those suburban neighborhoods.

### *Future Land Use Plan Development*

Development of an updated OCP Future Land Use Plan is underway that meets Council's direction for the growth scenario. To translate the 2040 OCP into a document that is responsive and adaptable yet directional, Staff is developing a new approach to Future Land Use designations for the OCP with the goal of improving the intent and vision for how different areas of the city will develop. Staff will be providing Council with a report that outlines the background and rationale for the direction along with the draft Future Land Use Plan itself. Staff have initiated the Infrastructure Impact Analysis and the development of potential transportation strategies to inform the TMP, looking towards the proposed public engagement process targeted for Spring 2019 (see Figure 4).

**Figure 4: Coordination of Activities Between OCP Update, TMP and 20 Year Servicing Plan:  
Fall 2018 - Spring 2019**



### *Industry Stakeholder Consultation*

Following Council's endorsement of the growth scenario, Staff have held numerous meetings with impacted property owners and/or developers to discuss how the growth scenario could impact development potential on their lands. These discussions included the review of lands that would see their development potential reduced (as outlined in later sections of this report). It should be made clear that review of these impacted lands in no way suggests that the stakeholders support these changes. Numerous concerns about the impact of these shifts were raised by the industry stakeholders, who provided written correspondence outlining these concerns (see Attachments 1-5).

Staff also met with the Urban Development Institute – Okanagan Chapter (UDI) to discuss the growth scenario and its implications. UDI provided a letter in response that highlighted a number of concerns with the growth scenario (see Attachment 6). The Canadian Homebuilder's Association of the Central Okanagan (CHBA) and the Kelowna Chamber of Commerce also provided letters outlining concerns (see Attachments 7 and 8).

Staff also discussed the potential impacts of the growth scenario with the Black Mountain Irrigation District (BMID) and the Glenmore Ellison Improvement District (GEID). The two organizations provided the following comments:

- Fewer units developed, resulting in fewer resources for long term capital projects, jeopardizing long term projects;
- Oversized infrastructure put into place; and
- Possible shifts in growth from Kelowna to neighbouring communities, putting demand on the system in unanticipated areas.

In addition to the stakeholders outlined above, the City has received correspondence from other organizations in support of the endorsed growth scenario:

- The Okanagan Sustainable Leadership Council,
- the Okanagan Mission Residents Association and the
- KLO Neighbourhood Association
- Kelowna South Central Association of Neighbourhoods (KSAN)
- Kettle Valley Neighbourhood Association (see Attachments 9-13).

### **Key Directions in the Urban Core**

The growth scenario anticipates approximately 81% of future residential growth to take place in the Urban Core, requiring that significantly more development potential be considered. While a shift of development into the Urban Core has been anticipated in all the growth scenario options and Imagine Kelowna, Staff is examining opportunities to incorporate more development opportunities and examining available capacity within the Urban Core through the draft Future Land Use Plan process.

Given that one of the distinctive features of the growth scenario is a greater emphasis on missing middle housing, most of the attention on accommodating additional housing opportunities in the Urban Core would likely be focused on providing that housing type. When a draft Future Land Use Plan is brought forward, Council can expect to see a more significant shift in the Future Land Use designations within the Urban Core, reflecting this approach.

A Commercial and Industrial Lands Inventory study has been completed that has provided guidance for accommodating those uses in the Future Land Use Plan. The study has indicated that the city can accommodate the anticipated growth in commercial and industrial demand within the Urban Core and in lands currently designated for industrial uses. With this in mind, and in keeping with the Imagine Kelowna goals of growing vibrant Urban Centres and embracing diverse transportation options, the Future Land Use Plan would continue to focus most future commercial and industrial growth in the Urban Core and in existing industrial lands respectively.

### **Key Directions in Suburban Neighbourhoods**

Achieving the vision outlined in the growth scenario requires that many properties in suburban areas designated for development, but have not been rezoned, not develop as envisioned in the current 2030 OCP. However, in examining the lands that are currently unzoned and which should retain their residential designation, Staff prioritized lands that would see the neighbourhood build out in a more complete fashion, even though it would not build out to the original vision.

As such, Staff reviewed neighbourhoods with unzoned lands, focusing on Wilden, Black Mountain, Kirschner Mountain and the Ponds, and considered where lands should retain their residential designation. This had to be considered carefully, given that these neighbourhoods were developed as part of an Area Structure Plan (ASP) process.

An ASP provides a critical link between Kelowna's Official Community Plan (OCP) and specific land development applications. Where an OCP is too broad to determine appropriate land use designations in areas where detailed investigation is required, and where a single development application is too narrow a focus to address broader issues, an ASP provides the necessary framework. It allows land owners to work with City staff to conduct the necessary investigations to examine in detail the potential for development in a given area and to determine how that development would best meet City objectives, including issues such as land use, servicing, environmental protection, hazardous conditions, form and character, parks and community resources, and heritage.

Area Structure Plans are endorsed by Council and the land use designations are carried forward as amendments to the OCP. Rezoning of properties typically follows, being phased in over time as development proceeds. Investments by the developer in infrastructure to support the development is driven by requirements and expectations outlined in ASPs, which form the basis of servicing agreements. Given the interconnectedness of land use to infrastructure and amenities, staff examined the following key questions:

- School Sites: What would the impacts of removal be on current/future construction of identified school sites for each neighbourhood?
- Commercial Centre Impacts: How does the removal impact the viability of planned commercial centres in the neighbourhood?
- Emergency Access: Is secondary and/or emergency access still provided if lands are removed?
- Road Connectivity: Does the removal create a significant connectivity gap in the neighbourhood's internal road network?
- Impacts on Capital Projects: Does the removal of select designated lands hinder the financial viability of planned transportation capital improvement projects in the neighbourhood?
- Viability of Zoned Lands: Are there any direct impacts on the viability of development on adjacent zoned lands, such as a lack of road/emergency access, that warrant consideration?
- Proximity to Employment: What is the impact of removal on the proximity of future development to employment nodes?

It is important to note that the analysis of these questions was undertaken at a high level, with the intent that further, more detailed work would be undertaken throughout the remainder of Phase 3 of the OCP process. This would be supplemented with public and stakeholder consultation, ultimately leading to a draft Future Land Use Plan that is more refined than the information presented in this report. The following section outlines how each of these questions were addressed in these respective neighbourhoods. For each neighbourhood, the following estimates on residential development impacts are provided:

- **Units built today**: the total number of units currently completed in the neighbourhood;
- **Future growth (per growth scenario)**: a high level estimate of how many units could be constructed within remaining zoned land, and in some cases, unzoned lands that would retain their residential land use designation under the proposed unit allocation;
- **Total projected capacity**: the number of units built added to the future growth estimates (above); and
- **Estimated number of units removed**: a high level estimate of how many units could be removed with lands being redesignated to a rural land use.



## Wilden

The Wilden neighbourhood would see the most significant changes to its Future Land Use designation under as a result of the growth scenario. The Future Land Use map being developed would not include residential designation for any lands within the neighbourhood that are not currently zoned (see Attachment 14). While the reduction in the number of residential units in the neighbourhood is expected to reduce the amount of viable commercial space in Wilden's planned commercial node, School District 23 has confirmed that the timing for the construction of the planned school in the neighbourhood would not be impacted by this shift (see Figure 5 below).

**Figure 5: Wilden Land Use Considerations Summary**

<b>Units Built Today</b>	<b>Future Growth (per Growth Scenario)</b>	<b>Total Projected Capacity</b>	<b>Estimated Number of Units Removed</b>
<b>934 units</b>	<b>800-1000 units</b>	<b>1800-2000 units</b>	<b>700-900 units</b>

<b>Criteria</b>	<b>Issue Identified</b>	<b>Impact (Land Use Shifts in Bold)</b>
<b>School Site Impacts</b>	An elementary school site is identified in the OCP in the Wilden neighbourhood, and School District 23 has identified construction of the school as a priority.	School District 23 staff have confirmed that demand for the new school already exists and construction timing would not be impacted by reduced growth in Wilden.
<b>Commercial Centre Impacts</b>	Development of the "Market Square" commercial area is predicated on anticipated growth in Wilden and surrounding neighbourhoods.	The Market Square area will likely see its commercial space reduced or eliminated altogether, impacting access to commercial services within the neighbourhood and reducing planned amenities.
<b>Parks System Impacts</b>	A Parks Agreement in place with Wilden indicates what parklands would be dedicated to the City at certain stages of development.	Some parkland identified on lands that would not develop would likely not be dedicated to the City. Staff will review the parks agreement to determine what parks areas may be impacted as part of the OCP process moving forward.
<b>Emergency/Secondary Access</b>	Some areas in the Wilden neighbourhood are located in Fire Interface Areas. Emergency and/or secondary access should be provided.	Additional access to the neighbourhood via Clifton Road and Begbie Road to be accommodated through zoned lands and under construction, respectively.
<b>Internal Road Network Connectivity</b>	Some connectivity challenges were identified beyond secondary access, due to lack of looping roads planned through unzoned lands.	Staff would work with developer to address any issues identified. Full road network connectivity will be jeopardized.
<b>Impacts on Transportation Capital Projects</b>	No major transportation capital projects identified.	Removing lands for development from the Wilden neighbourhood will require a review of the transportation network as part of the TMP process.
<b>Viability of Zoned Lands</b>	Some lands zoned for residential uses may be challenging to develop without adjacent or nearby lands developing.	Staff will work with developer to seek solutions to permit development of zoned lands.
<b>Proximity to Employment Nodes</b>	Wilden provides housing in close proximity to the emerging employment nodes at UBCO and Kelowna International Airport.	The number of housing units in proximity to UBCO and Kelowna International Airport would be reduced.

## Black Mountain

Neighbourhood connectivity was a challenge identified by staff during the review of land use in Black Mountain. The property located at 1170 Band Road is designated for future residential development, but has yet to be zoned. The location of this property is critical to the planned road connections between the western neighbourhoods with the southern neighbourhoods and as such, would continue to be designated for future residential development (see Attachment 15). Development of this property would also allow for the acquisition of identified parkland.

**Figure 5: Black Mountain Land Use Considerations Summary**

<i>Units Built Today</i>	<i>Future Growth (per Growth Scenario)</i>	<i>Total Projected Capacity</i>	<i>Estimated Number of Units Removed</i>
<b>833 units</b>	<b>400-500 units</b>	<b>1300-1400 units</b>	<b>250-350 units</b>

<b>Criteria</b>	<b>Issue Identified</b>	<b>Impact (Land Use Shifts in Bold)</b>
<b>School Site Impacts</b>	Existing schools in place in the Black Mountain / Kirschner Mountain neighbourhoods.	School District 23 staff have no concerns regarding reduced build out in Black Mountain neighbourhood.
<b>Commercial Centre Impacts</b>	Development of the Black Mountain Village Centre anticipates build out of Black Mountain and Kirschner Mountain for its financial viability.	The Black Mountain Village Centre will likely see its anticipated commercial space reduced, impacting access to local commercial services within the neighbourhood. <b>A contraction of commercial designations in the draft Future Land Use Plan is being explored.</b>
<b>Parks System Impacts</b>	Parks acquisition identified on 1170 Band Road, a small property in the southwest of the neighbourhood. This park space would provide needed park space near existing residential neighbourhood and provide connectivity to Mine Hill Park.	Removing 1170 Band Road would remove the opportunity to acquire the park space through the development process. <b>This property would retain a residential land use designation in the draft Future Land Use Plan.</b>
<b>Emergency/Secondary Access</b>	Some areas in the Black Mountain neighbourhood are located in Fire Interface Areas. Emergency and/or secondary access should be provided.	Additional accesses are planned for and can be accommodated through the development of zoned land.
<b>Internal Road Network Connectivity</b>	Anticipated development of 1170 Band Road would provide street connectivity between western and southern portions of the Black Mountain neighbourhood.	Removing residential land use designation on 1170 Band Road would remove the possibility of dedication of connecting roads between the western and southern neighbourhoods. <b>This property would retain a residential land use designation in the draft Future Land Use Plan.</b>
<b>Impacts on Transportation Capital Projects</b>	No major transportation capital projects identified.	Further changes to the transportation network would be explored through the TMP process.
<b>Viability of Zoned Lands</b>	Some lands zoned for residential uses may be challenging to develop without adjacent or nearby lands developing.	Staff will work with developer to seek solutions to permit development of zoned lands.
<b>Proximity to Employment Nodes</b>	Black Mountain provides housing in close proximity to the Rutland Urban Centre.	The growth scenario envisions concentrating residential development within walking distance to employment opportunities in the Rutland Urban Centre.

## Kirschner Mountain

Similar to Black Mountain, the major challenge identified with the removal of unzoned lands was connectivity. Significant portions of the Kirschner Mountain neighbourhood have only one access via Loseth Road, with buildout in the southern areas of the neighbourhood anticipated to provide a road connection to Gallagher Road in the southeast. As such, unzoned lands connecting Loseth Road to Gallagher Road would remain with a residential Future Land Use designation in the draft plan (see Attachment 16). In addition, staff also identified a small area of unzoned land at the northern end of Bella Vista Road that would continue to retain a residential designation. This approach would allow for between 4-6 residential units, but provides additional access to Bella Vista Park.

**Figure 6: Kirschner Mountain Land Use Considerations Summary**

<i>Units Built Today</i>	<i>Future Growth (per Growth Scenario)</i>	<i>Total Projected Capacity</i>	<i>Estimated Number of Units Removed</i>
<b>264 units</b>	<b>250-300 units</b>	<b>500-600 units</b>	<b>350-450 units</b>

<b>Criteria</b>	<b>Issue Identified</b>	<b>Impact (Land Use Shifts in Bold)</b>
<b>School Site Impacts</b>	Existing schools in place	School District 23 staff have no concerns
<b>Commercial Centre Impacts</b>	Development of the Village Centre anticipates build out of Black Mountain and Kirschner Mountain for its financial viability.	The Village Centre will likely see its commercial space reduced, impacting access to commercial services <b>A contraction of commercial designations in the draft Future Land Use Plan would be explored.</b>
<b>Parks System Impacts</b>	Significant park land is identified for dedication as the neighbourhood builds out.	Park acquisition unlikely on the hilltop. Some lands would retain their residential designation to support acquisition of key trail connections. <b>Some properties to retain a residential land use designation.</b>
<b>Emergency/Secondary Access</b>	Kirschner Mountain currently lacks a secondary access to its south. A ring road around the mountain and a connection to Gallagher Road.	Removing unzoned lands would make providing access to Gallagher Road challenging to provide. <b>A corridor of unzoned lands between Loseth Road and Gallagher Road would retain a residential land use designation.</b>
<b>Internal Road Network Connectivity</b>	The Kirschner Mountain neighbourhood was envisioned to have a ring road through the neighbourhood for internal road connectivity.	Removing unzoned lands would likely result in the ring road not being completed. <b>A corridor of unzoned lands between Loseth Road and Gallagher Road would retain a residential land use designation.</b>
<b>Impacts on Transportation Capital Projects</b>	No major transportation capital projects identified.	Further changes to be explored through the TMP process.
<b>Viability of Zoned Lands</b>	Some lands zoned for residential uses may be challenging to develop without secondary access.	Removal of unzoned lands in southeast corner would likely result in the loss of those planned connections. Alternative ways to provide greater connectivity would be explored throughout the OCP process.
<b>Proximity to Employment Nodes</b>	Black Mountain provides housing in close proximity to the Rutland Urban Centre.	The growth scenario envisions concentrating residential development within walking distance to employment opportunities in the Rutland Urban Centre.

## The Ponds

Three major issues were identified during the analysis of the Ponds neighbourhood that resulted in the identification of all lands being retained for residential development purposes (see Attachment 17).

Neighbourhood connectivity was identified as a major challenge for the Ponds neighbourhood, in particular with regard to connecting the Fawn Run neighbourhood to residential development to the southwest via designated, but unzoned lands, creating a looping road that provides two access points to Gordon Drive instead of just one. Permitting these lands to rezone and develop as per their Future Land Use designation would allow for this connection.

The South Gordon Village Centre is located in the Ponds neighbourhood, and is identified in the current OCP as a strategically located commercial node to serve residents of Southwest Mission. Reduction in the number of units is anticipated to reduce the commercial demand in the area and therefore the viability of securing commercial anchor tenants to activate this commercial node.

When exploring removal of lands for development, the review of existing infrastructure commitments and requirements indicated that this neighbourhood would need to be fully built out to adequately fund the DCC program in Sector B, which includes the South Perimeter Road (SPR) and associated transportation projects. Should units be removed from the Ponds neighbourhood, there would be a resulting shortfall in the DCC program, most notably to fund SPR and the corresponding network improvements that are required. As such, the Future Land Use Map would retain all the lands in the Ponds neighbourhood designated for development, as they are in the existing OCP.

**Figure 7: The Ponds Land Use Considerations Summary**

<i>Units Built Today</i>	<i>Future Growth (per Growth Scenario)</i>	<i>Total Projected Capacity</i>	<i>Estimated Number of Units Removed</i>
<i>297 units</i>	<i>600-800 units</i>	<i>900 -1100 units</i>	<i>0 units</i>

Criteria	Issue Identified	Impact (Land Use Shifts in Bold)
School Site Impacts	A new middle school is under construction in the Ponds neighbourhood.	Reduced buildout could impact the timing of a school site development in Crawford, but identified it is a long term project.
Commercial Centre Impacts	Development of the South Gordon Village Centre anticipates build out of the remainder of the Ponds neighbourhood for its financial viability. Some lands adjacent to or nearby the Village Centre are unzoned.	The South Gordon Village Centre will likely see its commercial space reduced, impacting access to commercial services within the neighbourhood. <b>All lands in close proximity to the Village Centre would retain their residential land use designation.</b>
Parks System Impacts	Some neighbourhood parks and trail systems remain to be dedicated through the development process.	The City would likely lose the ability to acquire additional park space and trail connections in unzoned lands.
Emergency/Secondary Access	Some neighbourhoods within the Ponds lack a secondary access.	Removing unzoned lands would impede an additional access to Gordon Drive through a looping road network. <b>A corridor of unzoned lands between Fawn Run Drive and Ponds Avenue would retain a residential land use designation.</b>
Internal Road Network Connectivity	The Ponds neighbourhood was envisioned to have a looping road	Removing unzoned lands would impede an additional access to Gordon Drive through a

	through the neighbourhood for internal road connectivity.	looping road network. <b><i>A corridor of unzoned lands between Fawn Run Drive and Ponds Avenue would retain a residential land use designation.</i></b>
<b>Impacts on Transportation Capital Projects</b>	The Sector B Transportation DCC funding program has identified numerous projects, including the South Perimeter Road (SPR).	Delivery of the Sector B Transportation DCC projects, most notably the construction of SPR, requires complete build out of the Ponds Neighbourhood to realize the DCC contributions. <b><i>All unzoned lands would retain their residential land use designation.</i></b>
<b>Viability of Zoned Lands</b>	Few lands in the Ponds are currently zoned for residential development.	Given that few lands in the Ponds are currently zoned for residential development, the removal of all unzoned lands would have a dramatic impact to this neighborhood's land supply to be developable.
<b>Proximity to Employment Nodes</b>	Of the four neighbourhoods examined, the Ponds is farthest from major employment nodes in the South Pandosy Urban Centre and Kelowna General Hospital.	Removal of units in the Ponds neighbourhood would have the smallest impact in keeping residents closer to jobs.

#### *Implications for the Thomson Flats Area Structure Plan and the Future Urban Reserve*

The Thomson Flats ASP process was initiated on March 4, 2014 and is currently underway. Staff are currently processing this application, and continue to provide technical analysis to this complex application. However, given that the growth scenario requires that properties that are currently designated for residential development would be considered for removal, the Thomson Flats ASP process would cease. In this case, staff would bring forward a report for Council's consideration to formally bring the process to a close. The Future Urban Reserve (FUR) designation would be removed and replaced with a rural designation. No new ASP areas or FUR designations would be contemplated in other areas of the city.

Representatives from Melcor, Canadian Horizons and Oracle Developments Ltd. provided staff with letters outlining their concerns with ceasing the ASP process and removal of the FUR designation on these lands (see Attachments 18 and 19).

#### *Rezoning Applications in Suburban Lands*

The 2040 OCP update process is in the early stages of Phase 3, with adoption of a new OCP anticipated in late 2020. While the plan is being developed, applications could be made to rezone properties that are currently designated for residential development in the existing OCP, but not designated in the pending 2040 OCP. Should Council wish to explore giving staff direction on managing rezoning applications in the neighbourhoods outlined in this report, staff can report back on a process at a future meeting.

#### **Summary of Land Use Shifts**

The shifts in land use outlined in this report bring the anticipated housing splits closer to the targets outlined in the growth scenario. It is estimated that this approach would result in a 78% multi-unit and

22% single and two unit housing split, as well as a 75% Urban Core and 25% Suburban location split. However, it is important to recognize that these represent very high level estimates during what is still an early stage of the OCP's update process to guide the development of the Future Land Use Plan and associated policies.

### **Next Steps**

Moving forward, Staff will continue the development of the City-wide draft Future Land Use plan and bring that forward for Council. Prior to that plan being presented, Staff will provide Council with a comprehensive report outlining the major shifts that the OCP is anticipating to move *Imagine Kelowna* principles into a growth strategy framework. The direction provided by the growth scenario will guide the analysis already underway to develop content for the TMP and the 20 Year Servicing Plan.

Staff is targeting May and June 2019 for the next public engagement milestone that would focus primarily on getting feedback on the draft land use plan and what changes it is signaling for specific neighbourhoods. This feedback would be used to further refine the draft Future Land Use plan, with the intent of providing a more refined Future Land Use Plan for Council's consideration and for continued modelling work for the TMP and the 20 Year Servicing Plan. This process would be held concurrently with engagement for the TMP, providing residents with the opportunity to have a more comprehensive discussion about the ways that Kelowna could grow and move to 2040. A report outlining these engagement activities is expected to be provided to Council in May 2019.

### **Conclusion**

The 2040 OCP once adopted, will be the foremost plan among a suite of interconnected growth management plans to guide future development and support the efficient provision of transportation, infrastructure, community services and amenities. In combination with other master plans, the OCP will help meet the community's *Imagine Kelowna's* goals and support the long-term commitment to a sustainable future.

Following the endorsement of the growth scenario in December 2018, considerable technical analysis and industry consultation has taken place. Moving forward, these efforts will continue toward development a draft Future Land Use Plan and prepare for the next round of public engagement.

### **Legal/Statutory Authority:**

*Local Government Act*, Section 471

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

*Local Government Act*, Sections 472, 473, 474, 475, 476, 477, 478

### **Existing Policy:**

Imagine Kelowna  
2030 Official Community Plan  
20 Year Servicing Plan  
Council Policy No. 372: Engage Policy



Approved for inclusion:



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

**Attachments:**

- 1) Letter dated January 15, 2019 from Blenk Development Corporation re: Impacts of Growth Scenario 3 to Wilden Development
- 2) Letter dated February 21, 2019 from Crystal Wariach Law re: 1151 McKenzie Road and Growth Scenario 3
- 3) Letter dated January 21, 2019 from CTQ Consultants re: Implications on Kirschner Mountain
- 4) Letter dated January 25, 2019 from The Ponds Development Group re: Implications on Neighbourhood 3 ASP
- 5) Letter dated February 19, 2019 from Ponds Venture Inc. re: Growth Scenario 3 Endorsement Implications – Ponds Ventures Inc.
- 6) Letter from Urban Development Institute – Okanagan Chapter: Kelowna's Next Official Community Plan 2020-2040
- 7) Letter dated February 11, 2019 from the Canadian Homebuilder's Association – Central Okanagan re: Kelowna's Next Official Community Plan 2020-2040
- 8) Letter dated February 12, 2019 from the Kelowna Chamber of Commerce re: Kelowna's Official Community Plan 2020-2040
- 9) Submission from the Okanagan Sustainable Leadership Council re: Kelowna's Next Official Community Plan 2020-2040
- 10) Letter dated February 20, 2019 from the Okanagan Mission Residents Association re: Growth Scenario 3
- 11) Letter dated February 26, 2019 from the KLO Neighbourhood Association re: Letter of Support – Growth Scenario 3
- 12) Letter dated February 27, 2019 from KSAN re: Letter of Support – Growth Scenario 3
- 13) Email dated February 27, 2019 from the Kettle Valley Neighbourhood Association re: Support for Growth Scenario 3
- 14) Map A: Wilden Proposed Future Land Use Designation Shifts
- 15) Map B: Black Mountain Proposed Future Land Use Designation Shifts
- 16) Map C: Kirschner Mountain: Proposed Future Land Use Designation Shifts
- 17) Map D: The Ponds: Proposed Future Land Use Designation Shifts
- 18) Letter dated January 11, 2019 from Melcor and Canadian Horizons re: Thomson Flats ASP Process
- 19) Letter dated February 19, 2019 from Oracle Investments Inc. re: Growth Scenario 3 Endorsement Implications – Oracle Developments Inc.

cc:

Acting Divisional Director, Community Planning & Strategic Investments  
Divisional Director, Infrastructure  
Divisional Director, Human Resources  
Divisional Director, Financial Services  
Divisional Director, Corporate Strategic Services  
Divisional Director, Acting Living and Culture  
Acting Director, Strategic Investments  
Department Manager, Integrated Transportation

Strategic Transportation Planning Manager  
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**City of Kelowna**  
1435 Water Street  
Kelowna, BC, V1Y 1J4

January 15, 2019

Attention: Danielle Noble-Brandt  
Department Manager, Policy and Planning

**Re: OCP Updates Based on Growth Scenario 3  
Impacts to the Wilden Development**

Blenk Development Corp., the developer of Wilden, offers the following comments in follow-up to our January 10, 2019 meeting.

At the meeting, City staff explained that they have been directed by Council to move forward with the development of an OCP that adheres to Growth Scenario 3, which necessitate the removal of all the Wilden land previously approved for development in the Area Structure Plan, but currently unzoned. This land is known as Phase 3 of Wilden. Be advised that Blenk Development Corp. is strongly opposed to this unforeseen and extreme change in City direction.

There are a number of potentially detrimental citywide effects from a change to the OCP of this magnitude, and Wilden will continue to work with industry organizations such as UDI and CHBA on a comprehensive response to the City. For the purposes of this letter, our comments will be restricted to the specific impacts at Wilden.

In 2001 the City of Kelowna and Blenk Development Corp and the Blenk family, agreed on an Area Structure Plan and overall master plan for the orderly development of Wilden. We worked hand-in-hand with the City over a 2 years period in development of the ASP, with well over a million dollars spent on the process. During these past 18 years we've poured a significant amount of resources into infrastructure to support this plan. This investment was made on the belief that if Wilden lived up to their ASP commitments, we could trust the City and Council to do the same. Our understanding is that the revised OCP based on Growth Scenario 3, if approved by Council, would effectively remove the entire Phase 3 area of Wilden from the OCP. Phase 3 consist of 42% of all Wilden lands and approximately 1,000 units, roughly one-third of the total development yield. We at Wilden have always worked cooperatively with the City and stayed true to our commitments with respect to the ASP, however the removal of the Phase 3 land from the OCP by the City at this point in the project will jeopardize the entire project and frankly, brings into question the City's commitments to any subsequent agreements moving forward.

From the early stages, we've always considered Wilden as a complete project and our financial plans made according to this holistic approach. All proceeds from sales have been continuously re-invested in the project with the break-even point anticipated at some time during the development of Phase 3. Over the years the Blenk family has devoted significant resources into maintaining quality

and sustainable growth at Wilden, while foregoing short-term profitability. The removal of the Phase 3 lands would make the financial viability of the project doubtful at best.

Not only the viability, but the vision the Blenk family and management have for Wilden to grow into a self-sufficient and complete community would be at risk. It will not be possible to remove this major portion of the overall master plan without negatively impacting the currently zoned land, and in some cases due to roads and servicing constraints, would render areas of zoned land undevelopable.

A few specific consequences:

- The Wilden Village and Market Square area, which has been painstakingly planned out in cooperation with City staff, is currently in the process of a zoning adjustment. The attached retail market study shows that Phase 3 of Wilden represents roughly 50% of the total population in the Primary Trade Area contributing to the Market Square commercial. The Village and Market Square shops, services, mixed-use rental buildings, office space, elementary school, community gathering venues, pedestrian-only areas and cultural events represent the heart of the community. Without the Phase 3 population to support it, the Market Square commercial component would not be financially possible. The concept of the Market Square was presented to our residents in cooperation with the City at a February 15, 2018 information open house and was welcomed and approved by over 80% of those attending. It would be a major setback for Wilden and of great concern to all existing residents if these amenities are no longer possible.
- Wilden has made commitment to our approximately 2,000 current residents based on the master plan. Specifically, this relates to amenities such as the Village and Market Square, school, roads and services network and product mix. Both Wilden and the City's reputation and credibility with residents will be compromised should the plan be significantly altered due to the removal of Phase 3 lands.
- The higher density multi-family housing within and around the Wilden Village would suffer without the commercial amenities to support them. Development of this higher density type housing would likely be delayed indefinitely or changed to a much lower density form.
- The planned Elementary School would be at risk due to the diminished population. A substantial number of our customers bought into Wilden because of the promise of a school as shown on the master plan. The School District has identified this site as a priority and has requested funding from the Ministry of Education in their five-year capital plan.
- The community we envisioned is based on a wide mix of products to provide options to all segments of the market from apartment rentals, condos, townhomes, duplexes, single family homes and suites. Without Phase 3 this mix would be compromised. Several low-density family orientated townhome developments were intended to be included in Phase 3.
- The need for the infrastructure that has already been constructed and being constructing today, in particular the Begbie Road connection to Glenmore Road, are put into question without development of the Village Centre and removal of the Phase 3 lands. We will need to consider halting construction of Begbie Road pending a traffic study to determine if this road connection is still required.
- In the early stages, Wilden was faced with significant up-front cost to complete off-site works required by the City to support the full master plan build-out of Wilden. These off-site works included pre-payment for the four-laning of a portion of Glenmore Road and upgrades to the

McKinley Reservoir. These works may not have been necessary if the Phase 3 lands were excluded from the master plan.

- Since the first construction in 2003, the on-site roads and servicing networks have been completed to support the entire master plan, including the Phase 3 lands. All costs invested in this upfront infrastructure to support the servicing of Phase 3 would be lost.
- Without the Phase 3 lands and the looping of Wilden Ridge Drive to Union Road, the technical feasibility of developing certain areas of currently zoned land is questionable and would result in a disjointed roads and servicing network.

These are just a few of the negative repercussions that come to mind and we're confident that more will become evident should the City proceed with proposed OCP changes.

We recently developed a viable growth strategy for Wilden that was compatible with the City's Growth Scenario 2.5. This was a challenging exercise, but we endeavoured to come to a workable solution in terms of adjustments to the Phase 3 product mix. The complete removal of the Phase 3 lands from the OCP is an entirely different situation and simply not workable for Wilden.

We trust that staff and Council can appreciate the consequences to Wilden and our residents should they move forward with Growth Scenario 3, and respectfully request that the City reconsider their decision on this in the best interest of Wilden and the entire city.

Respectfully,

Karin Eger-Blenk  
Chairman

Russ Foster  
President

Cc: Doug Gilchrist, City Manager  
James Moore, Long Range Policy Planning Manager  
Gerhard Blenk

# CRYSTAL WARIACH LAW

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February 21, 2019

**DELIVERED VIA EMAIL:**  
**mayorandcouncil@kelowna.ca**

**Cc: jmoore@kelowna.ca**  
**dnoblebrandtkelowna.ca**

Mayor & Council  
City of Kelowna  
1435 Water Street  
Kelowna, B.C.  
V1Y 1J4

Dear Mayor & Councillors:

**RE: 1151 McKenzie Road, Bell Mountain ASP, and Growth Scenario 3**

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I act as solicitor for Mr. Balbir Wariache and Mrs. Prem Wariache, the owners of 1151 McKenzie Road, Kelowna, B.C., (hereinafter referred to as the "Property").

The Property consists of 90.19 acres and is not in the Agricultural Land Reserve (except for a part of the Property's driveway). **Kelowna's current Official Community Plan supports the development of almost the entire Property into "Single / Two-unit Residential Hillside" dwellings (OCP designations S2RESH and S2RES).** The Property is currently zoned A1.

Over the past two years, my clients have had professional development plans created for the Property. The plans provide for the build out of up to 320 lots for single family homes on the Property. They were made available to the Community Planning Department in 2018. Meetings were also held with city staff to identify the requirements to rezone and develop the Property.

My clients strongly oppose the decision made by Mayor and Council in December, 2018 to pursue "Growth Scenario 3", and the proposed changes to the Official Community Plan which would completely **remove the long-standing OCP support for the development of their Property.**

## **BACKGROUND:**

My clients purchased the Property in 1999 with a vision to develop it into a vibrant family-oriented community. Accordingly, they were party to the **Bell Mountain Area Structure Plan (ASP)** of 2003. The 90-acre Property accounts for approximately 20% of the total area



encompassed by the Bell Mountain ASP. The purpose of the Bell Mountain ASP was to provide the applicant and future property owners with a blueprint for development, and an understanding of the associated requirements for any subsequent rezoning, subdivision, and development permit applications. Development of the Property is vital to the full realization of the Bell Mountain ASP.

#### **PRESENT:**

In accordance to the Bell Mountain ASP, most of the land surrounding the Property is zoned RU1H and is being developed into single-family housing. The area has seen steady growth over the past 15 years. It has resulted in the creation of the vibrant communities of Blue Sky and Prospect Mountain, which are home to hundreds of families. It has also resulted in the recent expansion of Lone Pine Estates. The construction of Phase 6 of Lone Pine Estates brought a paved road and utilities to the Property's southern boundary last summer, making it ripe for development.

#### **FUTURE:**

Over the past several months, my clients negotiated and secured a Road Reservation over 685 Lone Pine Drive, to the benefit of the City of Kelowna. This reservation helps allow the municipality to accomplish its goals for the area with respect to its **"20 Year Major Road Network"**.

Specifically, it allows for the construction of a road between the Property and Toovey Road, or Lone Pine Drive, or Highway 33, or all three. Development of the Property would ultimately lead to the construction of a Minor Collector Road **through the Property and up to Turnberry Street**. This road would interconnect all the surrounding subdivisions (Blue Sky, Lone Pine Estates, and Toovey Heights).

The creation of this road network would provide for an additional exit for the Blue Sky and Lone Pine neighbourhoods, improving traffic flow and benefiting over 100 current and future homes in the event of a wildfire or other emergency. Currently, both Turnberry Street and Deans Drive are dead-end roads.

**Without allowing for the Property to be developed, these roads will likely never be built because the City would have to purchase or expropriate land and pay for road construction.**

#### **GROWTH SCENARIO 3:**

The current and historical statistical data of the supply and demand of the various types of dwellings in Kelowna directly contradicts the proposed and desired results of Growth Scenario 3 to achieve certain goals e.g. densification of the urban core by severely limiting single family homes.

Growth Scenario 3 undoubtedly creates an artificial growth plan that will create significant, negative ripple effects including, but not limited to: severely limiting or ending the build-out of both pre-planned neighborhoods and planned future development sites, to the direct detriment of the residents who purchased homes in those specific neighborhoods on the basis of full build out of their neighborhood(s); pushing residents looking to purchase single family homes out to surrounding communities such as Lake Country and West Kelowna; and, impacting the development and construction industry in every area e.g. contributions to the local economy, job creation, taxation, etc.

My clients respectfully request that Mayor and Council reconsider the approval of Growth Scenario 3. Further, my clients request that their Property be allowed to rightfully retain its Future Land Use Designations under the current Official Community Plan.

Yours truly,



Crystal K. Wariach, B.A., J.D.  
Barrister & Solicitor

## MEMORANDUM

**To:** James Moore (Via email) **Date:** January 21<sup>st</sup>, 2019  
**Project Name:** Kirschner Mountain Development **Project #:** 14087-60  
**Copy To:** Doug Gilchrist; Allan Kirschner; Dave Cullen; UDI Okanagan  
**Re:** Initial Thoughts on Implications of Scenario 3 in Kelowna Council Growth Strategy

This memo represents our clients initial thoughts of the implications to the Kirschner Mountain Development Plan based on the City of Kelowna Council's decision to move forward with Scenario 3 for the growth strategy on the OCP. It is not an exhaustive list but one that we were asked to submit by you in our meeting of January 10<sup>th</sup>, 2019.

### Kirschner Mountain Estates – Implications of the OCP Proposed Scenario #3

Kirschner Mountain Estates Ltd has recently been made aware that on December 10, 2018 the City of Kelowna Council endorsed a motion that would see a significant shift in where development will occur in the immediate future. This decision is expected to have direct implications on our clients project that is currently under development. The project entails a privately held land mass of 208 acres with OCP (Area Plan) approval first granted in December 2001 and revised in November 2015. Although a portion has been zoned for low density residential (RU1H), a significant amount of the total approved area plan remains without zoning. The direction of *Scenario #3* has implied that development as envisioned by the approved plan at Kirschner Mountain will be constricted, potentially curtailing development for many years, so that future growth can be redirected into the Core area.

Kirschner Mountain Estates firmly believes that this action by the City is injurious for many reasons. They also feel that the Kirschner Mountain lands have been grouped in with other suburban properties that likely have more reason to be considered in conflict with Council's vision for future growth. We strongly suggest that the situation with Kirschner Mountain be brought to the attention of Council immediately so to avoid negative impact of current and hopefully misdirected planning policy.

The following are some of the critical elements of our situation:

1. **Mountain Top Reservoir and Water Infrastructure** – In order to receive the approval for a new planned neighbourhood at Kirschner Mountain, our client spent over \$2.1 million to establish the necessary storage capacity for water. This was done with full city engineering and BMID endorsement for the new reservoir. The facility was built to accommodate up to 600 units and attendant needs for domestic and fire flows. The design capacity reflects the full build out

of the Kirschner Mountain property which was forecast to build out in approximately 15 years. Recovery of this large expenditure will not be achievable in their life time if they are not permitted to build to capacity.

2. Included with the reservoir, water mains were also designed for future capacity. This water infrastructure work also included pump station upgrades. CTQ has determined that the low usage of the largely built system will lose operating efficiencies, have a significant implied economic loss and potentially pose health risks to the limited residents in the area.
3. **Economics of the Project** – It is typically understood in all large comprehensively planned developments, that it is only the latter phases of the entire project that help achieve economic viability. This will not occur with front end / minor development phases that may now be limited to at Kirschner Mountain.
4. **Wildfire Risk** - It is well known that Kirschner Mountain and many of the other upslope development locations in Kelowna are subject to wildfire risk along the interface areas with the forest cover. This was documented in reports provided by professional foresters as were required by the City of Kelowna Planning Department when CTQ submitted documentation for the OCP amendment at Kirschner Mountain. Partially completed roads, and land areas that were planned for development but that will not be selectively logged or maintained, will be major wildfire risks to the partially built community on the mountain. This tenuous situation will be further exacerbated by the extensive open space / forested natural areas that occupy much of the mountain terrain.
5. **Parks, Open Space and Trails** – The parks, trails and open space system were planned for the entire community at Kirschner Mountain. The approved zoned development will not benefit from an incompleting system, detracting from the new home owner's expectations of a high quality livable neighbourhood. Recent home buyers will potentially see the implications on future house values and resales.
6. **Safety** – Related to the wildfire issue, the major ring road that was planned and designed to provide efficient and safe access to all sub-neighbourhoods on the mountain will not be completed if further rezoning is not permitted. The backside of the mountain will not permit egress posing threats for safe and quick escape or access by emergency vehicles.
7. **Cost of Infrastructure and utilities** – Significant financial contribution have been made, and systems were designed for, the ultimate buildout. Due to the constraint on phasing in new or incremental development, cost recovery will be limited or non-existent.
8. **Forecast affecting economic proforma** – The Kirschner Mountain project was planned with an estimated buildout in approximately 15 years. With the implications of Scenario #3, build out would not occur for at least 30 years, fully destroying the economic performance of the Kirschner



family's investment, not even including lending rates and other economic factors taken into consideration (cost of construction, materials, blasting, and engineering / planning fees).

9. **Complete community** – Kirschner Mountain Estates was comprehensively planned as a community with a diversity of housing, parks, trails and even amenities and some minor convenience commercial. Current buyers will be directly affected due to the lack of the complementary development.
  10. The Kirschner Mountain/Black Mountain area of Kelowna has always expected an area of commercial services to eventually be focused along Highway 97. Areas have been designated but commercial development has been slow to occur due to the formerly small consumer base. The constrained development at Kirschner Mountain will potentially continue to delay the growth of the consumer market for a new commercial node.
  11. In summary we note that the City's identification of Kirschner Mountain as a suburban location that may detract from focusing residential development in the core area is also injurious and misdirected. We offer that Council please consider the facts:
  12. The Kirschner Mountain area has always been recognized as an integral part of Rutland where services and amenities are in close proximity. The growing Kirschner Mountain population will only continue to add strength to achieving the town center status that Rutland has strived for. The Highway 33 infrastructure has ample capacity to support safe and quick transportation movements between the town center and the Loseth Road intersection.
  13. The nearby Black Mountain community on the other side of Highway 33 has received zoning and is almost built out. Kirschner Mountain therefore becomes a 'development pocket' that will not be able to achieve its planned build out for many years. Its proximate geographic location should not be treated similar to the more distant suburban sites.
  14. Approval of this development area to progress in the short term (to achieve both planning and economic objectives) will not detract from Council's vision of still focusing development in the city's core area. The type of housing including multi-family and single family envisioned for Kirschner Mountain will be different from what is expected to be built in the core and town center proper. Suppressing the supply of different product will only continue to fuel the crisis of affordable housing in Kelowna. The vision of council to encourage more people living in high density forms of housing is admirable but its influence on affordability is known to be a weak argument. The realtors will confirm that what is currently happening with the cost of new units in the inner / town center areas will continue to exclude a significant segment part of the market. Kirschner Mountain has the approved and planned areas to provide different product that can be made affordable and will not be in direct competition with Council's vision.
- Playing the numbers game alone is **NOT** what will help us build a sustainable Kelowna.

Kirschner Mountain Estates requests a meeting with Council to formally address our position on this very important matter.

Regards,



Matt Cameron, P.Eng., FEC  
Managing Partner

**Copy to:** (Via email)

Kelowna City Manager – Mr. Doug Gilchrist

The Kirschner Family – Mr. Allen Kirschner

CTQ Project Manager – Mr. Dave Cullen

UDI Okanagan – Okanagan Chapter – Executive Director – Jennifer Dixon





# MEMO

**Date:** January 25, 2019

**To:** Policy & Planning Department Manager

**From:** The Ponds Development Group  
(The Ponds, Mair Developments, Arthon, and, Callahan Property Group,)

**Subject:** **Growth Scenario 3 Endorsement Implications  
Neighbourhood 3 Area Structure Plan**

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The Ponds Development Group requested a meeting with the Policy and Planning Department for an update on the implications of the recent decision by Council to shift the growth scenario for the 2020-2040 OCP. Preliminary public correspondence received in January via UDI indicated that one of the key attributes of Growth Scenario 3 was that it would eliminate the remaining development of The Ponds.

The Ponds developers are absolutely opposed to this direction. We have been working through the buildout of the approved Neighbourhood #3 Area Structure Plan (NH3 ASP) for over a decade. We have followed direction by Council and staff completing the requirements of an extremely detailed Terms of Reference, under the approved NH3 ASP, over and above the works put into the SW Mission Sector Plan.

The Ponds is a unique suburban community that is situated in close proximity to major amenities including the Capital News Centre and H2O, sports fields, and the South Pandosy Urban Centre. The Ponds is a complete master planned community featuring:

1. A pedestrian oriented Village Centre (300,000 sq ft of zoned commercial space).
2. A healthy housing mix with a variety of housing forms, including multi-family, large and small lot single family, laneway housing, and townhouses.
3. A Ponds Master Plan that offers higher density housing in convenient proximity to a school, shopping and transit.
4. A Ponds Master Plan with a buildout that supports the critical mass required to achieve the OCP's vision of dense, amenity rich, mixed-use and walkable urban place.
5. A planned completion that allows for an array of services and amenities to meet the daily needs of residents within The Ponds and the neighbouring South West Mission Sector.
6. Multiple public gathering spaces, flexible and inclusive areas with a mix of integrated uses that have a distinct sense of space.
7. Streetscapes and walkways that have been designed with connectivity and walkability in mind, meeting the OCP vision of urban centres that have street trees, sidewalks with landscape buffers, street furnishings and integrated paths between city blocks that improve pedestrian connectivity.



Stopping the remaining growth in mid-stream will negate the opportunity to realize the full potential of the master plan with an array of services and amenities required to meet the daily needs of existing residents within The Ponds and the Sector.

## WHERE ARE WE AT:

Predicated upon the good faith and assumption that the NH3 Area Structure Plan would be built out in accordance with the approved residential density and infrastructure, significant Financial Investment has taken place. Reduced density will put the ability to recoup these infrastructure and amenity investments in jeopardy. Implementing changes within an approved master planned community, after investments have been made, also serves to reduce the confidence and trust developers require to invest in future long term community development.

To meet the goals and direction provided in the Neighbourhood 3 ASP, significant financial investments that have already been made include:

### 1. **Infrastructure costs have been expended to meet the ultimate buildout of The Ponds including:**

- arterial roads,
- water reservoir expansions,
- waterline looping and pressure zone connections and upgrades/oversizing,
- storm detention facilities,
- oversized sewer systems,
- land dedications of sites for planned City Recreation Parks,
- land dedications and construction of playgrounds for neighbourhood parks,
- land dedication and construction of universally accessible paved walking trails and looped paths to encourage an active lifestyle and a connected community,
- land dedications and sizing of the Canyon Falls Middle School, which is well under construction.

2. **Significant commercial site investment** has already been made predicated upon the good faith assumption that the NH3 Area Structure Plan would supply the critical residential density and road connectivity set out in accordance with the approved ASP. There is also significant additional investment required to implement the brick and mortar component of the commercial centre. Adequate density is crucial to its ultimate success. As a result, The Commercial Development is on hold pending the construction start for the South Perimeter Road, and confirmation of the residential density to support tenant lease requirements.

3. **The local School District has invested over \$36 million dollars** towards the construction of Canyon Falls Middle. Currently under construction and slated to open in Fall of 2019, this school will service many integrated Upper Mission communities. This decision to proceed was based on population projections extrapolated from the current OCP and the Neighbourhood 3 Area Structure Plan.



4. **There is a current commitment to construct South Perimeter Road**, (a DCC road within the Master Transportation Plan). Repayment for construction via sector DCCs has been approved by Council. Investments by the developer and the City of Kelowna to date include:
- The developer has incurred holding costs and significant planning and design costs in preparation of building this amenity.
  - The necessary expropriations have been completed and the required lands have already been purchased by the City of Kelowna.
5. The residential development constructed within the Master Plan to date includes a mix of only the large and small lot single family housing and some laneway housing. **A denser housing product is on hold pending approval of the commercial site** which will function as a neighbourhood hub and in turn, supports the viability of higher density housing forms.
6. There is a very **low environmental impact** associated with future development of the remaining land base as it is primarily dominated by lands that were burned in the Okanagan Mountain Park wildfire in 2003. Much of the tree cover and other vegetation was burned and the area has not experienced much revegetation. As a result of development in The Ponds to date, the primary wetlands and surrounding areas are being restored and enhanced including significant upgrades to Mair Pond Dam, Jack Smith Lake, and, Hill Spring Pond. It is worthy to note that the environmental restoration resulting from growth in Neighbourhood 3 is also serving to reducing the real threat of future wildfire.

## IMPLICATIONS OF GROWTH SCENARIO 3 ON THE PONDS NEIGHBOURHOOD:

The realization of the components associated with a healthy, efficient and complete community, as envisioned in the Area 3 ASP, is based on the housing density required to support these objectives. Not allowing the growth envisioned within the Area 3 ASP would impede reaching these goals. More specifically, the following impacts on reducing density in the area would include:

### 1. The Neighbourhood Commercial Centre would not be viable

- The Ponds Neighbourhood commercial center would not be developed as proposed **because the critical population mass would not meet commercial thresholds for feasibility**. This commercial center would provide employment directly within the neighbourhood and reduce the traffic generated in the Sector that is currently reliant on commercial amenities in the Panodsy area.
- The pedestrian oriented commercial village centre is key to the viability and success of the Ponds' neighbourhood goal of achieving a high quality, attractive, complete community where many of the residents' day-to-day needs will be met with less reliance on the automobile in general.



- If the Ponds commercial centre were no longer viable because the critical mass is not achieved, this would not only be a huge disappointment for all the residents who have invested in properties in this sector but would also exacerbate the shortage of commercial services for the Southwest Mission Sector.

## 2. Lack of Revenue to Support Infrastructure

There would likely be a **lack of DCC revenue to pay for the South Perimeter Road (SPR) and other required infrastructure** without the full buildout of the master planned development (both residential and commercial).

- The SPR is needed as a third arterial/collector in and out of this sector regardless of further development of un-zoned lands.
- There are additional planned improvements for water and sewer infrastructure in this sector that are required to meet current needs. Again, denying planned and OCP approved development would likely reduce the City's ability to fund these projects.

## 3. Significant financial shortfalls

There would be **significant financial shortfalls to both the developers and the City on existing infrastructure** investment.

- Millions of dollars already spent on oversizing infrastructure to meet projected demand (including collector and arterial roads, water pressure zones, dam upgrades, water reservoir expansions demand) would be wasted as underutilized utilities.
- The operational inefficiency of not achieving the maximum utilization from this infrastructure would be counter to the Scenario 3 objective of achieving maximum efficiency from infrastructure. The City would be stuck maintaining oversized infrastructure without the projected tax base to pay for it.

## 4. Inefficient Transit System

The population density, commercial centre and completed road network are necessary to achieve **an efficient transit loop system that will further encourage alternate forms of transportation and less automobile reliance**. The master planned road system was designed with integrated active transportation corridors in mind. Discontinuing growth in the area will render the system inefficient and incomplete.



## 5. Reduced Housing Mix

The remaining **residential buildout that would be discontinued under Growth Scenario 3 offers the ‘missing middle’ housing mix that Council is trying to achieve under the OCP vision.** It is envisioned that the remaining development will feature a healthy mix of 300 multi-family housing units and 400 additional units of housing varying between clustered multi-family/townhouse sites close to shopping and transit, small-lot and laneway housing, and large lot housing. It is worthy to note that **this housing mix would allow residents to age in place.**

## CONCLUSION:

It is our position that completion of the approved buildout of NH3 under the current ASP is actually required to meet many of the objectives under the new OCP vision, including:

- Offering a healthy variety in forms of housing.
- Offering higher density housing in convenient proximity to employment, shopping and transit.
- Fulfilling the full buildout to maximum density of residential units provides the best support for economic viability of the zoned commercial space. This will serve as a hub for The Ponds neighbourhood and the surrounding South Slopes, reducing the automobile dependency of these communities.
- Realizing the full buildout of residential units provides the necessary economic return on the millions of dollars of infrastructure already invested. As noted above, most of the existing infrastructure has been over-sized for the long term development yield. Reducing this yield makes the existing infrastructure more expensive/less efficient and reduces the tax base required to pay for the infrastructure maintenance. Reducing density will also eliminate the main source of funding for possible future infrastructure requirements by diminishing DCC potential.
- By providing the basic amenities within 5 minutes of residents, the existing traffic congestion plaguing the South slopes due to current road failures or shortfalls will be reduced. The day-to-day needs of immediate residents will be met with shorter travel distances and with less reliance on automobiles.
- Providing complete infrastructure and occupancy targets will result in a complete and more connected road network between South Mission and Crawford. This will allow for a more effective, efficient and frequent public transportation system that will encourage use of alternate transportation.



- Due to the effect of the 2003 fires there is a very low environmental impact associated with developing the remainder of The Ponds. The buildout will result in further enhancements of natural open space and the restoration of key sustainable environmental reserves. In addition, the lands subject to development will include the green design of street trees and landscaped boulevards to achieve the OCP vision. This will be done at a much more economical manner than retrofitting streetscapes along existing roads.
- New building code and community design guidelines for landscaping result in a very efficient, low energy, low water consumption housing form.

In summary, and as a general observation, the suggested shift in policy would have a significant negative affect on land currently designated for development in the OCP but not zoned. This is clearly in bad faith. Trust from the development community has been placed in long range planning resulting in the Area Structure Plan approved by Council. Based on this planning and Council direction, long term investments in land, infrastructure, neighbourhood amenities, and consulting services have been made. Moreover, by changing direction mid-stream, the goals of achieving the ultimate vision of a vibrant complete community in Neighbourhood 3 - The Ponds, is being put at risk.

While we have focussed on impacts directly related to The Ponds and the NH3 ASP, we also strongly believe that denying the ability to develop as planned and approved under the current Area Structure Plan and OCP will lead to a number of unintended consequences on a macro level. As a result, we will be participating with UDI and other community stakeholders to prepare and submit a comprehensive response focussing on the community-wide implications of Council's latest direction.

Respectfully submitted by the development community of Neighbourhood 3,

*The Ponds,*

*Mair Developments,*

*Ponds Ventures, and,*

*Callahan Property Group*



# Ponds Ventures Inc.

P.O. Box 29053, Okanagan Mission RPO Kelowna, BC V1W 4A7

February 19, 2019

Danielle Noble-Brandt  
Policy & Planning Development Manager  
City of Kelowna  
1435 Water Street  
Kelowna, BC, V1Y 1J4

Dear Ms. Noble-Brandt,

## **Re: Growth Scenario 3 Endorsement Implications – Ponds Ventures Inc.**

Ponds Ventures Inc. (PVI) has been working closely with the City of Kelowna (City) on the proposed advanced construction of the South Perimeter Road (SPR) project since 2012. The proposal will see PVI advanced construct SPR as a City and developer collaborative design/build project. The repayment structure would be a partial lump sum payment upon construction completion, from the current road development cost (DCC) fund, with the balance of the project repayment being 80% of the road DCCs collected as development occurs in the Southwest Mission Sector.

In January 2018, City Council approved a bylaw to enter into an agreement with PVI for this project, based on the noted repayment scenario. Since the adoption of that bylaw, PVI and the City have been addressing some outstanding project technical issues, which are now resolved. As such, the City and PVI are close finalizing the agreement to advance construct SPR.

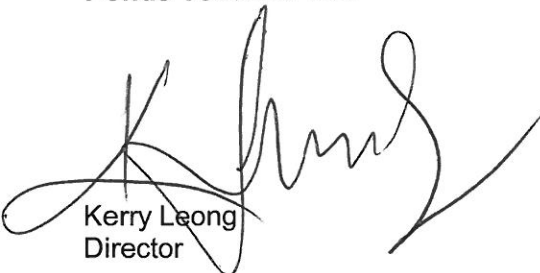
However, PVI is very concerned about Council direction to staff regarding Growth Scenario 3 and the implications to the SPR project. If this direction is to become policy, this could see all of the un-zoned residential land remain un-zoned and thereby undevelopable.

The City's repayment obligations to PVI regarding the SPR project includes a payment on completion of SPR, and thereafter the balance owing is paid by the City as it receives "Southwest Mission Service Area Roads Development Cost Charges ("Roads DCCs"). For reference, the equivalent of approximately 470 single family dwelling equivalent units must be developed for the City to satisfy its repayment obligations to PVI.

As PVI is the developer of the advanced construction of SPR, as well as the owner of undeveloped land in the sector, removal of the current un-zoned residential land could have a material negative impact on PVI's ability to commence construction of SPR and jeopardize the entire SPR project.

The advanced construction of SPR has been a priority for Council for a number of years, with significant PVI time and costs invested in getting the project to this stage. PVI encourages Council to reconsider the direction to staff with respect to Growth Scenario 3 direction due to the significant impact may have on the advanced construction of the SPR.

Sincerely,  
**Ponds Ventures Inc.**



Kerry Leong  
Director

/KL





## **Kelowna's Next Official Community Plan 2020-2040**

**and**

## **Why Growth Scenario 3 is a Bad Choice for the Community**

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### **Executive Summary**

- The City of Kelowna is working towards a new Official Community Plan (OCP) that will shape how the city accommodates growth from 2020-2040.
- The Growth Scenario component of the OCP sets the basic parameters for the overall growth target and how and where the residential growth will be accommodated in general terms.
- City Council rejected their own staff recommendation, which was developed in consultation with the public and industry, in favour of a more aggressive approach to restricting single family and suburban growth. This is Growth Scenario 3.
- Growth scenario 3 has been approved without the due diligence and open discussion regarding impacts. A more complete discussion of the ramifications should be required of a decision that will have such a serious impact on Kelowna.
- Growth Scenario 3 results in an imbalance between single detached housing and multiple housing when compared to historical data and future forecasts based on historical demand.
- Growth Scenario 3 would actually rescind areas within Wilden, Kirschner Mountain and The Ponds that were previously approved by Council. These are the areas in jeopardy.
- The areas in jeopardy are already well under construction and have installed infrastructure to service the master planned areas as previously approved. The overall vision for these communities would never be realized, nor will the expectations of the residents who purchased in those communities.
- Artificially restricting supply in the face of steady demand will result in price increases for all housing types from single family to multifamily. This will in turn impact the cost and feasibility for re-developing areas where the City wants to see infill development of multifamily housing projects. Affordability will decrease.
- Demand for single detached housing will be supplied by neighboring communities while the City of Kelowna will have to deal with the impacts of more regional commuter traffic. Additionally, traffic will continue to increase within the city as the residents of neighbourhoods like Wilden, The Ponds, Kirschner Mountain, Crawford Estates, etc. all continue to drive significant distances for services.

## **Background**

City staff and Council have been working towards a new Official Community Plan (OCP) for the City of Kelowna for approximately the last two years. Staff has conducted significant public consultation through the Imagine Kelowna process and other initiatives to help define the highest level goals and parameters for the next OCP. In 2018, staff spent a lot of time and effort to portray four different and distinct Growth Scenarios (one through four) which were again presented to the public and stakeholder groups for input. All four scenarios were based on overall growth in population of 50,000 in Kelowna by the time we reach 2040. The scenarios differed in how this growth would be accommodated. Generally, Scenarios 1 and 2 saw a continuation of past trends with a balance of suburban and urban development while scenarios 3 and 4 pushed more growth into the core urban areas and restricted growth in suburban areas.

Staff developed a hybrid scenario that fell somewhere between Scenario 2 and 3 as their recommendation to Council based on a number of factors. This hybrid has been termed Scenario 2.5 and called for the majority of the population growth housed in multi-family housing (75% multi-family and 25% single/two family) with 33% of development in suburban areas and 66% in urban areas.

UDI/Industry Stakeholders commented back to City staff that this was still an aggressive shift in the type and location of housing to support growth, but understood that this was a compromise and were prepared to continue to work with staff on refining Scenario 2.5. Staff took a report to Council on December 10, 2018 recommending that Council endorse Scenario 2.5 for the basis of further work on developing a land use plan and other policies for the new OCP. In a 5-4 vote, Council rejected the recommendation and followed up with a Council Resolution to endorse Scenario 3. Currently, staff are working on an information update for Council likely to happen in the second half of February 2019 but no firm date has been set.

Scenario 3 requires that 80% of the housing for the growth in population be in the form of multi-family and 20% be provided in single/two family. Further, and possibly of higher market and feasibility impact, only 19% of this growth is to occur in suburban areas and 81% will have to occur in urban areas. In order to achieve this scenario, lands in the SW Mission, Kirschner Mountain and Wilden that are already supported by the current OCP for suburban growth will have to be re-designated with planned development cancelled.

The implications of Scenario 3 are far reaching and there are significant unintended consequences that cannot be accurately predicted. The following discussion paper outlines the implications that UDI and Industry Stakeholders have identified as negative outcomes of this current direction by City Council.

## **By the Numbers**

Development statistics are readily available from the City and these have been used to demonstrate past residential growth by housing type.

Housing Type	2008-2017 Total	10 Yr Annual Average	2013-2017 Total	5 Yr Annual Average
Single Detached	5110	511	3278	656
Multiple Housing	6327	633	4363	873

This simplified table shows that both single detached and multiple housing average annual unit construction are higher in the past five-year trend than they are over the longer 10 year trend. This is to be expected in a community such as Kelowna where overall growth rates have been generally positive year over year. The averages also hide the highs and lows. For example, in the past ten years, we have seen a low of 280 single detached homes in 2009 to a high of 939 in 2017. Similarly, multiple housing hit a low of only 90 units constructed in 2011 and a high 1583 in 2017. The housing market is dynamic and there are many factors that contribute to highs and lows. That is why we look at historical averages as the best way to try and predict future growth – both long and short term.

Between 2015 and 2018, there were at least 2000 purpose built rental housing units constructed. This is not a long-term trend, but rather, a result of a limited market opportunity. The number of purpose built rental units has already declined in the near term and the city will not likely see this rate of construction again for some time. The combination of market conditions that led to this burst of rental construction were sustained periods of low vacancy rates, low interest rates and developers who wanted to add revenue generating properties to their holdings. These factors have now eased, and recent provincial policies regarding rental housing are unfavorable to market rental housing developers. Purpose built rentals do not financially work for many rental projects now under consideration in Kelowna and the rest of BC. This should be factored in to the 5-year average which would likely decrease the annual unit count in the next few years for multiple housing units. If even 50% of the purpose built rental housing units continue, the five-year annual average is likely closer to 675-700 unit per year. In reality, purpose built rental will likely decrease further as an annual contributor to multiple housing starts.

The OCP Growth Scenarios set the targets for overall growth over the twenty-year period from 2020-2040. The table below compares the five and ten-year average to the twenty-year average that Growth Scenario 3 equates to.

Housing Type	10 Yr Average	5 year Average	Scenario 3 Average
Single Detached	511	656	250
Multiple Housing	633	873	1000
Multiple Housing Adjusted for Reduced Purpose Built Rental Starts	533	673	1000

The above table demonstrates how radical a shift in housing production Scenario 3 represents. The difference in historical annual average and the twenty-year average under scenario 3 is even more significant when a gradual shift is factored in. For example, it is unlikely that single detached construction will drop by 50-60% to 250 units in 2020, rather it will continue at or close to historical averages until there is no more land left for this kind of housing. That would result in no new single detached housing opportunities within the City of Kelowna in 8-10 years. Similarly, market demand for multiple housing is unlikely to shift upward by 25-40% in 2020. Since the market is what governs what product the development industry builds, the shortfalls in the multi-family housing goals will only be exacerbated as time goes on. The implications around these shifts are significant and there are likely many that cannot be predicted.

It is also worthy to note that recent market forecasting for the entire Central Okanagan Regional District (Andrew Ramlo, Rennie Marketing) estimated that the demand by housing type for the period up to 2036 would be approximately 24,481 ground oriented units and 9747 apartment units. Essentially the exact opposite comparative mix than Growth Scenario 3 endorses. Since the City of Kelowna does not control the decisions outside of its borders, it will be other communities that will meet the need for ground-oriented family housing. Those residents will then continue to work in, and use the services of, Kelowna without contributing to the cost of our infrastructure and services.

### **Supply and Demand**

Basic economic principles of supply and demand foreshadow that single detached housing will increase in value if the supply is restricted. Similarly, it will not be possible to physically obtain approvals and construct the volume of multifamily units projected by this growth scenario, again, leading to increased prices due to limited supply. Generally, industry builds to market demand and self corrects when imbalance occurs between demand and supply. No market is perfectly balanced nor efficient, so 1000 less single family units will not equate to 1000 new multi starts. It must be pointed out that these conditions are being created artificially by OCP Growth Scenario Policy. There is significant amount of suburban land that has been planned and already serviced to meet market demand. Multi-family housing projects are currently being received well by the market, and are being supplied at a healthy rate. In other words, market conditions are considered relatively in balance for multiple housing

Price escalation for single detached housing will also not be limited to new housing stock. All single detached housing will rise in value exacerbating the challenge of housing affordability or attainability. This has further implications for the older neighbourhoods where the City wants to see infill re-development. Infill re-development requires land assembly of existing housing stock or assets. As new single family lots and single family housing increases in price due to artificially lowered supply through scenario 3, the existing asset values (older stock housing for redevelopment) will also rise making projects infeasible or will increase the price of the finished product for infill re-development.

In summary, all housing types, due to economic supply and demand principles, will become less affordable due to this policy as opposed to gradual changes based on free market supply and demand.

## **Master Planned Communities at Risk**

Suburban growth areas have all been planned for a significant amount of time. In some cases, the City conducted a Sector Plan which looks at a large area of the City and sets a plan for land use and infrastructure servicing requirements. The South West Mission area is an example of the result of a Sector Plan. For slightly smaller areas that are typically controlled by one or a few land owners, the City requires an Area Structure Plan to achieve the same purpose – determine land use and servicing requirements. Kirschner Mountain, Kettle Valley (Neighbourhood 1), Southridge and the Quarry (Neighbourhood 2), The Ponds (Neighbourhood 3), and Wilden are examples of Area Structure Plans. Once these broad-based plans are adopted by Council, the OCP is typically updated to acknowledge that certain lands will be developed for certain broad uses. The Area Structure Plan process is also commonly referred to as a Master Planned Community.

City staff has confirmed that Growth Scenario 3 will require areas of at least three Area Structure Plans to be rescinded for future development. Wilden, Kirschner Mountain and the Ponds are all exposed to having lands that are currently supported for development re-designated for some non-development use. Set aside the financial implications for the land owners and developers; set aside the notion of bad faith on the part of Council and staff; set aside the higher taxes (for decades in many cases) paid by the landowners on BC Assessment valuations based on the Sector Area planned development units; set aside the sunk cost of the studies and plans; set aside the sunk cost of infrastructure that is already in the ground; set aside that some of the infrastructure may not function properly if there is not the planned amount of development: the real impact is that these communities will never fulfill the vision that they were planned for. The residents who have already invested in homes and business opportunities will never have their community completed to fulfill the original vision. Park and trail networks will not be completed, commercial services will never get developed as intended, road systems will not be completed leaving missing links or dead ends, school sites will not be developed as planned. In summary, this policy will short change thousands of residents who purchased on the faith of previous City Councils' endorsements of these communities.

Similar to the analogy of oil and gas reductions where we cannot quit 'cold turkey' and will likely take 2-4 decades to move fully away from these energy sources to more renewable energy and material sources, when it comes to housing, a community cannot reasonably transition away from predominantly suburban growth to predominantly multi-family growth in a quick and dramatic way over a short period of time without significant consequences. We can transition to this scenario in a responsible way though, but only with sufficient lead time, resources, collaborative planning with industry and government, along with creative planning/zoning, and an affordable land base. As noted, too fast of a shift will permanently drive all land prices up significantly. A more gradual plan to achieve the desired outcome would be to work with industry and stakeholders to plan something sustainable, evolving over the next decade that is not financially punitive/adverse to the current development community and radically distorts the existing balanced Kelowna housing market.

### **Impacts of Regional Growth**

If suburban development and the supply of single detached housing is restricted, it follows that market demand for this kind of housing cannot be satisfied within Kelowna city limits. There are opportunities in Lake Country and West Kelowna and beyond for suburban development that can meet the demand. Despite the fact that these communities are their own municipalities, Kelowna is the centre and will continue to be the prime location for most of the employment, commercial, industrial and institutional services for the regional area. People who choose to live in the surrounding municipalities will still have an impact on the services Kelowna provides and the roads we build.

Recent statistics for Lake Country show the potential impact of differential regional policies. Total building permit values jumped ten-fold from 2017 to 2018 from approximately \$9 million to \$95 million. This was likely partially due to a slight difference in affordability, but most likely influenced by the provincial speculation tax policy that applies to Kelowna, but not Lake Country. If Kelowna artificially restricts single detached housing, the demand will shift to neighboring municipalities where the demand can be supplied.

City staff are quick to dismiss this aspect, responding that growth in those areas is going to happen regardless of how we grow within our City. The difference is this -- any development within the City of Kelowna contributes significant money for infrastructure, Development Cost Charges, School Site Acquisition Charges, provision of parks and the resulting ongoing tax base. Development outside of the City contributes none of this. So again, if we accept that this growth is going to happen within our boundaries or immediately outside of it, why wouldn't we want to get the financial benefits of it within our boundaries? The City should be competing for this development, not shunning it.

### **Infrastructure**

The suburban areas currently identified for growth all have the majority of the infrastructure installed. If the infrastructure is not yet installed, then the current capital plan, which all development funds, has provision for the required upgrades based on future contributions from planned development. If some of this future planned development is rescinded, it makes the infrastructure already committed less efficient and it jeopardizes the required upgrades that, in some cases, are already necessary. For communities such as Wilden and Kirschner Mountain, the proposed reduction in future development would mean that some infrastructure components that are already constructed would effectively be oversized and may never function as efficiently or safely as designed.

### **Affordability**

The concentration of all future growth in a very small area in the city will have a major impact on affordability. The majority of sites within the proposed growth areas are not for sale and will not be for sale over the life of this OCP. Typically, less than 3% of land in the city changes hands in a year, even less in the denser urban areas. This means that a very small fraction of the lands within the proposed growth areas will actually be for sale in the next 10 years (likely less than 25%). All developers who are then trying to build to meet the demand for housing will have to compete for those few sites. This will

cause a significant price escalation. It is important that Council not underestimate the implications that Scenario 3 will have on the escalation of pricing of all forms of housing within Kelowna.

The focus on high density residential also raises another challenge. Those buildings bring many units into the market at the same time and, if they are towers, they have to presell upwards of 100 units in order to acquire financing to build the building (given a typical tower will have approx. 20 storeys at 6 units per floor). Towers often also can cost in the range of \$100 million to construct, thereby removing most existing Kelowna developers and homebuilders from being able to participate in supplying units to meet Kelowna's demand. This means that only large development companies (many from Vancouver, other major Canadian Cities or International firms) can build these. Furthermore, these companies then have to wait until the market pressure is significant to be able to presell that many units – and both factors are associated with driving up housing costs.

The relative lock-down on new single family in a context of a continued healthy demand for single family will further drive up the price of that housing type, regardless of the age of the home, and affordability for families will be further eroded, rather than improved. Since no one has the right to tell a family what type of housing to choose, if a single-family home option is sought, it will be found outside of Kelowna's boundaries.

Housing affordability is now one of the greatest threats that Kelowna faces for its future. With housing expected to become even more unaffordable for many families and seniors on fixed incomes, a balance with all demographics represented well within our city will be significantly impacted.

### **Climate change**

It has been stated that one of the key reasons some council members have supported scenario 3 is based on the assumption that scenario 3 will reduce the overall amount of automobile travel required for daily living and thereby reduce carbon emissions. The challenge with the proposed approach in Scenario 3 is that because Kelowna is part of a regional context where its neighbours are embracing development (Lake Country, West Kelowna, others), and because the market still wants single family homes, those who want or need to purchase a single-family home to meet the needs of their family, will now purchase in the other regional municipalities and commute into Kelowna for work and shopping. This pattern will then actually increase the average distance of commuting and thereby climate emissions.

Further, with complete communities not to be realized in the already-planned master-planned communities, those residents will continue to drive long distances for services. The 'walkability' that was promised to them will not occur. The decision to curtail the completion of those communities will add to the traffic on our roads, not decrease it.

When looking through the lens of sustainability, it is important that all three legs of sustainability are equally implemented to prevent adverse effects to the others not considered: economic, social, environmental.



With regards to the environmental sustainability and cost differentials for the various types of built forms, it becomes apparent that all forms of wood frame construction are more environmental and more affordable when compared to steel and concrete forms. For example, a single-family wood frame built to the minimum code requirements costs \$270/SF to build, whereas wood frame midrise is \$425/SF and concrete high-rise is \$650/SF+. Low density wood frame can be constructed to a passive house standard (beyond step 5) for \$315/SF. This can only be achieved with an affordable land base. Home emissions and GHGs from passive houses likely more than offset transportation reductions associated with living in higher density multi-family units. Furthermore, it is widely anticipated that personal transportation will undergo a dramatic change over the next twenty years including electric vehicles (or other cleaner alternative fuels than petroleum), ride sharing, autonomous vehicles, etc., all of which are anticipated to reduce the environmental impact of personal travel.

### **Shifting the focus from housing to complete neighbourhoods**

The City of Kelowna has no control over what type of home a Canadian citizen chooses to buy in the Okanagan, but they can support the location of homes to be as close to mixed uses and thereby minimize travel distances.

While a move to increasing the availability and diversity of multi-family housing is a positive direction overall, the distance between housing and jobs, shopping and schools is the result of city-wide zoning patterns, and thereby entirely constructed by city planners and Council. The decision to force the majority of office growth into a small area in the old city has created the commuting problem for the entire region and thus set the stage for the push for Scenario 3, to force housing closer to where the city put those jobs.

That pattern cannot continue into the future as there is little land left for the next 10-20 years of growth of commercial in the old city area. Furthermore, the cost of constructing towers scale development in the old city area is overly expensive due to the hydro-geological conditions. In addition, forcing the next generation of families into a small area in the core will overload those few schools left close to core areas and public amenities over the next decade or two. It should be considered where the School District has new schools planned – mostly in suburban and single family neighborhoods.

The city can however achieve a better overall environmental, economic and social performance by shifting its focus from solely the location of housing to the location of complete neighbourhoods with housing, jobs, shopping and education. By moving employment and major shopping areas in the future out of the core and into new corridors and centres across the city closer to where there is land available for housing, the commuting distance reductions will be equal or less to the proposed scenario and the diversity and affordability of housing in the city will exceed that envisioned in Scenario 3.

The location of commercial areas is as easy to reposition in the city as residential areas are. The City needs to stop focusing on where residential goes presuming commercial areas cannot move. The locations and types of both are equally flexible.

Instead of pursuing Scenario 3 with a focus solely on housing, Kelowna should refocus on establishing a greater density and presence of commercial in many new town centres and commercial corridors across the city that will create a balance in housing, jobs and education capacity in every neighbourhood. This increases sustainability, resiliency, healthy neighbourhood performance, and interestingly, is also exactly what the market wants today (i.e.: the importance of walk-score in real estate marketing).

The three suburban areas that are in jeopardy for future development under Scenario 3 all have commercial components planned within or nearby. They similarly have schools that either exist, are under construction or are planned in the near future to serve the planned growth. If the residential capacity is reduced or diminished, both the commercial and institutional projects are also in jeopardy. This is a backward step towards making these suburban areas more complete communities and derails the benefits that could lessen the overall impact of these developments on transportation infrastructure and the environment.

### **What's the Upside?**

For those that see this as a one-sided argument for more suburban development, that is not the intent. The goals and plans the City has for densifying the urban areas are admirable. The City has done a great job of fostering a conducive environment for densification in areas such as Downtown and South Pandosy. The results speak for themselves. However, policy decision can only influence the market, they cannot dictate it. Growth Scenario 3 results in combined and cumulative impacts that will not be positive influences on either suburban or urban residential growth. We will eventually run out of suburban land that is suitable for development. While this is a reality based on our geography, the City should not artificially hasten the reality. The City has already implemented a Permanent Growth Boundary to restrict the extent of development in suburban areas. Lands within the Permanent Growth boundary should be developed as efficiently as possible to accommodate as much housing as possible. Instead, the direction of Council with its support of Scenario 3 is to do the opposite.

If it is assumed that Kelowna will bear the impact of Regional Growth; if it is assumed that market demand for suburban development will continue; if it is assumed that less than the anticipated 80% of the 50,000 new residents to Kelowna will want to live in multiple-unit housing; if we believe that those landowners and developers who have invested millions of dollars in a shared vision supported by Council deserve better; if we believe the residents who believed in the notion of a Master Planned Community deserve to see the vision completed: Growth Scenario 3 is not the right path for the City of Kelowna and will result in un-intended consequences the magnitude of which will only be realized over the coming years, at which time, an attempt to change course abruptly will be very difficult

Council is urged to reconsider its path regarding the next OCP and re-visit the growth strategy to ensure that all existing master planned communities are allowed to be completed as proposed in the current OCP and Area Structure Plans. Alternatively, further consultation with industry to find a better compromise would be welcomed because the healthy future of our City is of critical importance to all of us. Councilors are also urged to find consensus amongst their elected colleagues – a 5 to 4 vote on something as important as our next OCP does not provide a level of confidence for your staff or the

public. There should be much great consensus on the vision for Kelowna's future, consensus we believe can be reached if a more thorough discussion is had regarding the consequences of the choices before Council.



February 12, 2019

Danielle Noble-Brandt  
Department Manager, Policy and Planning  
City of Kelowna

**Re: Kelowna's Official Community Plan 2020 – 2040**

On behalf of the Board of Directors of the Kelowna Chamber I write this letter in support of communications that you have recently received from UDI Okanagan and the Canadian Homebuilders Association Central Okanagan: communications that have expressed concern following Council's recent decision to choose Growth Scenario 3.0 during its OCP discussions.

We appreciate that Council is divided in its view and we hope as a team Council will pause and reflect on the concern being expressed and then re-engage the development community in coming up with a direction that balances Council's desire to encourage increased density with the realities of market demand and the economic impact on house prices flowing from the various scenarios provided.

As you are aware the Kelowna Chamber of Commerce has participated in the current stakeholder input process regarding the OCP 2020-2040 and the City's Transportation Master Plan and we look forward to continual involvement as the process unfolds. The Chamber is on record as stating that the plans the City has voiced for densification are commendable as a means to mitigate rising infrastructure costs.

We also share the vision for a City that is livable, affordable, and sustainable with opportunities for all citizens to prosper. With that said, we believe that current and future residents would be well-served if Council reconsidered its proposed aggressive approach to increasing density as described under Growth Scenario 3.0. It is our understanding that the shift under this scenario requires that 80% of new housing be multi-family with 81% occurring in urban areas. This is a significant change from the current multi-family/single family detached ratio of 65%/35% and as such is reason enough to be cautious and reflective before charging ahead.

There is limited space in Kelowna's urban centre for new multi-family housing, with building costs per square foot for high-rises nearly three times that of single-family dwellings. It seems clear that housing affordability will be negatively impacted with 80% of housing stock falling into the higher cost building categories. I note that in the Kelowna Economic Scorecard 2019 Kelowna scored a D grade in housing affordability. We should be making decisions to improve this rating, not entrench it as a too-rapid implementation of Growth Scenario 3.0 could do.

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*Helping grow the people who power Kelowna*

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## UNINTENDED CONSEQUENCES OF GOVERNMENT INFLUENCE ON MARKET FORCES

We are concerned about the potential unintended consequences of local government playing such a major role in restricting the supply of single-family detached housing. Given the desire for choice, there is a good argument that Growth Scenario 3.0 could drive up housing prices and further encourage regional sprawl with adjacent communities giving consumers housing options not available in the City of Kelowna.

At the very least those adjacent communities would be seen as an attractive alternative with slightly more affordable housing options. Such a situation has already been accelerated by the Province's introduction of its Speculation Tax and the growth levels of Lake Country and other adjacent communities are evidence this reality is accelerating, putting even greater demand on regional transportation infrastructure.

This trend is also important to understand as the City of Kelowna develops its Transportation Master Plan as it's becoming clearer that a regional approach to transportation planning is essential in consideration of the reality that thousands of people live in one city in the Okanagan and work in another. This trend is likely to continue no matter what growth strategies the City of Kelowna puts in place.

As Vancouver has shown, the drive for high density within a specific core can create the situation where those who are required to work in service jobs in high density areas can't afford to live in the very area where they are employed thus resulting in a situation where transportation planning (ease of mobility) becomes a more important planning tool than choosing land use options within an OCP. In other words, getting the transportation system right is as important as controlling land use. A remedy for this situation would be amalgamation of the municipalities adjacent to Kelowna so that broader planning could take place, but we realize that is a much different subject and a discussion for another day.

## POTENTIAL BACKTRACKING ON PREVIOUS DECISIONS – MASTER PLANNED COMMUNITIES

We join UDI and others in flagging concern as to how Council's decision to choose Growth Scenario 3.0 may impact Master Planned Communities such as Wilden, Kirschner Mountain and the Ponds. While it can be said that Council can't bind the hands of a future Council, it is also worth stating that the current Council shouldn't be taking steps to undo decisions already made. Businesses seek certainty more than anything else and any decision that leaves the impression that the rules are being changed after decisions have been made sends a dangerous signal to investors.

We take special note of UDI's submission in which it encourages Council to consider shifting its focus from restricting housing options to instead encouraging complete neighbourhoods with nodes of commercial development (page 9 of UDI submission). There is increasing evidence that allowing commercial development along transportation corridors rather than expanding out from one high density core, actually increases choice and results in more modest impact to housing affordability while enabling cost efficient and environmentally sensitive mobility.

We are already seeing cities become more linear in nature with clusters of commercial nodes surrounded by housing with a solid transportation system linking them all. One just needs to observe how Greater Vancouver's Skytrain routes have spawned increased density in housing and commercial development all along its route. The downside of the Skytrain system is its high capital costs but those have only arisen because it is being

established after previous land-use decisions were made without forethought of setting aside robust transportation corridors. This is a situation we in the Okanagan can avoid if we think long term and plan for a transportation system that will serve not just citizens in a decade or two but those that come to the Okanagan Valley in the latter half of this century.

## CONCLUSION

In closing, the Board of the Kelowna Chamber appreciates the complexity of this issue and the difficult decision before you, but we would encourage the city to take the time it needs to engage the development community to see if a compromise can be found prior to entrenching Growth Scenario 3.0 into the final OCP.

We appreciate that further discussion and study on the various Growth Scenarios could delay final preparation of the new OCP, but we believe taking the time to get the plan done right is more important than simply getting it done. It is vital to the future well-being of the city and its future residents that the options be fully examined prior to being cemented into place.

Sincerely,

A handwritten signature in black ink, appearing to read 'C. Sparg', with a long horizontal line extending to the right.

Carmen Sparg, President  
Kelowna Chamber of Commerce

February 11, 2019

City of Kelowna  
Danielle Noble-Brandt  
Department Manager, Policy and Planning

## Re: Kelowna's Next Official Community Plan 2020 – 2040

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The Canadian Home Builders Association of the Central Okanagan (CHBA CO) applauds the ongoing efforts by the City of Kelowna to ensure a uniform and collaborative approach to the Official Community Plan for 2020 - 2040. The CHBA CO has attended several round table discussion groups with other Industry Stakeholders and we are encouraged by the open dialogue.

Between Industry Stakeholders and City Staff, Growth Scenario 2.5 was developed which is a hybrid scenario that fell between Growth Scenario 2 and 3. This called for the majority of population growth housed in multi-family housing, with 33% of development in suburban areas and 66% in urban areas.

Growth Scenario 3 requires 80% of the population growth to be in the form of multi-family and 20% be provided in single/two family. Further, and possibly of higher market and feasibility impact, only 19% of this growth is to occur in new development suburban areas and 81% will need to occur in urban in-fill areas. In order to achieve this scenario, lands in the SW Mission, Kirschner Mountain and Wilden that are already supported by the current OCP for housing growth, will have to be re-designated with planned development cancelled.

CHBA CO is in full support of the letter submitted by the Urban Development Institute to City staff and Council on February 4, 2019, entitled Why Growth Scenario 3 is a Bad Choice for the Community. Further to the UDI letter, the direct impacts to the Canadian Home Builders' Association of the Central Okanagan is outlined in this letter. We encourage City staff and Council to review all documentation pertaining to the OCP.

### The Impact

According to BC Housing, the City of Kelowna currently has 318 licensed builders. Those 318 builders compete for, on average, 656 single family units per year. Under Growth Scenario 3 this number would be reduced to 250. The majority of these builders are small business owners and employ on average 10 employees. **If Growth Scenario 3 is adopted these builders are going to see a reduction in their sales by an average of 62%.** This will cause many companies to either make significant layoffs, close their doors completely, or move to another community.

On average a single-family home provides work for over 60 local trades and represents 1,294<sup>1</sup> impacted establishments with employees in the construction industry. Multi-family units are often built by companies from outside of Kelowna who use trade and suppliers from their area. The Madison on Ellis is a perfect example of this. These large towers don't provide the economic boost to the City that one would assume. The economic impact goes far past just the builder, it impacts all small businesses in the Okanagan that contribute to building a home; designers, cabinets, manufacturers, countertop fabricators, framers, plumbers, material suppliers, etc.

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<sup>1</sup> Source: Statistics Canada, Canadian Business Counts, Special Run for CHBA, CANSIM Table 552-0006.



Smaller multifamily units, such as fourplexes or row homes, are a great boost to our economy, but they are not something all licensed builders are familiar with or have the capacity to take on. These units require a large amount of investment money up front. Rather than searching for homeowners to fund a single-family home, builders will now be forced to find an investor to build the project and then homeowners to buy it at the end. Not all companies are set up for this type of process and if they want to restructure their business, it should be because the market dictates it and not because the government has mandated it. With many more products to sell for smaller companies, the uncertainty will lead to higher risks for these companies. With increased risk comes higher prices, which affects affordability.

### Housing Affordability

Housing affordability is now one of the greatest threats to sustainable growth in Kelowna. With housing quickly becoming unaffordable for many families and seniors on fixed incomes, the balanced socio-income of Kelowna will be put at risk through Growth Scenario 3. In addition, it will hamper Kelowna's long term social and economic viability as the next generation of families will have to choose elsewhere to live.

Within the proposed growth areas, the majority of sites will not be for sale over the life of the OCP. Typically, less than 3% of land in the city changes hands in a year, even less in the denser urban areas. Within the next 10 years, a very small percentage of the lands within the proposed growth areas will actually be for sale. With all future growth being concentrated in a small area within the city, this will have a significant impact on housing affordability.

With the primary focus being on high density residential buildings, most developers will need to presell a significant portion of the units in order to secure financing to build the project. Companies will need to wait until the market demand is high enough to be able to presell these units, which in turn, will drive up housing costs. High-rise towers of this magnitude could potentially cost \$100 million to construct, therefore removing existing Kelowna developers and home builders from being able to partake in the construction process. This means that large developers, primarily from the Lower Mainland, will be building these. Once again, not only affecting our local builders and developers, but also the hundreds of trades that would work on a project of this type of scale.

Kelowna is amongst many neighbouring municipalities. By Kelowna locking in on this vision, buyers who seek single family homes will head to suburban communities like Lake Country, West Kelowna and Peachland, with many returning to Kelowna for work and core services, while not contributing to the costs through property taxes or DCC's.

### Master Planned Communities

Growth Scenario 3 would require projects such as Wilden, Kirschner Mountain and the Ponds to have lands previously approved for development re-designated for non-development use. The amount of time, energy, money and resources that the developers have already invested into these Master Plan Communities will suffer, resulting in:

- Negative financial implications for land owners, developers, and home builders;
- Loss of the sunk costs for studies, planning, engineering and infrastructure that is already in the ground;
- Current infrastructure that does not function properly without the planned development; and
- Developers not being able to fulfill their obligations to existing residents in terms of amenities.

New homes will not be built, local trades will be out of work, park and trail networks will not be constructed, commercial services may not be available, road systems may not be completed, and schools may never be built. By implementing Growth Scenario 3, the entire vision of these developments will go

**Canadian Home Builders' Association Central Okanagan**

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unfulfilled, putting residents, developers, home builders, trades, suppliers and the City in a very difficult situation.

Through collaborative planning with industry and government and sufficient lead times, we can transition to Growth Scenario 3 in an effective and efficient way. We can not take these housing communities that are predominantly suburban growth and move towards a more multi-family approach over a relatively short period of time without major consequences. Industry Stakeholders, such as CHBA CO are pleased to work with the City and staff on developing a plan that works for both the industry and the City of Kelowna.

### Conclusion

The industry has been working collaboratively towards Growth Scenario 2.5 and with the sudden shift to Growth Scenario 3, it undermines the collaborative process between the City of Kelowna and Industry Stakeholders, such as CHBA CO. Our concerns come from creating good paying jobs and economic opportunity for the existing home building sector, respecting years of community development thus far, and ultimately protecting affordability for those who live in Kelowna now and those who want to join our community in the future.

These Industry Stakeholders have come together because of the shared concerns on this issue and CHBA would like to urge City Council to revisit their decision on Growth Scenario 3 and adopt a growth scenario that does not necessitate the removal of any land currently slated for development from the OCP. CHBA CO would like to encourage City Council and Staff to have further consultation with the industry to find a collective solution between the City and Industry Stakeholders.

Regards,



Cassidy deVeer  
CHBA CO President

CC:  
Mayor, Colin Basran  
City Manager, Doug Gilchrist  
Councilors, Maxine DeHart, Ryan Donn, Gail Given, Charlie Hodge, Brad Sieben, Mohini Singh, Luke Stack, Loyal Woolridge

# Submission from Okanagan Sustainable Leadership Council

## Kelowna's Next Official Community Plan 2020-2040 and Why Growth Scenario 3 is the Best Choice and Necessary for the Community

Robert Stupka, MAsc., P.Eng.

[robert.stupka@gmail.com](mailto:robert.stupka@gmail.com)

(Slide2)

### Key Message:

On March 4<sup>th</sup>, 2019 Growth Scenario 3 will be presented to Kelowna City Council. This scenario is supported by input from 4,000 Kelowna citizens that have spoken for what kind of future they want for their community via their engagement in Imagine Kelowna and numerous related plans. This Scenario is under threat by powerful special interests who have driven land use policy in the past. Growth Scenario 3 must be defended as it is the outcome of a democratic process that aligns with planning best practices to help Kelowna thrive in the challenges ahead.

### Why Growth Scenario 3 is the Best Choice and Necessary for Kelowna:

(Slide 3)

This paper is in defence of Kelowna City Council's adoption of Growth Scenario 3 that will form the basis of the Kelowna's next Official Community Plan. With a narrow 5:4 support for this growth scenario and objections being presented by influential groups outside of the public consultation processes there is a genuine concern that this direction is under threat.

This submission is accompanied by a slide presentation. Slide numbers are identified in this report to correspond to the text.

The author is an engineer, local pundit, and policy wonk with a masters degree in sustainable infrastructure, with over a decade of experience in consulting in the field. He is a father of a young family who is defending a future city and planet that is livable. Most importantly, he is someone who is also inspired and optimistic for the future by the direction the community has given city council through the Pick Your Path Process, Imagine Kelowna, and the Transportation Master Plan vision.

Growth Scenario 3 is under threat by the emergence of Growth Scenario 2.5 which undermines the consultation processes, best practices in city building, economic responsibility, and numerous council endorsed initiatives that are dependent on Kelowna's next Official Community Plan. Consequently, support for Scenario 3 should have been unanimous.

The UDI policy position "**Kelowna's Next Official Community Plan 2020-2040 and Why Growth Scenario 3 is a Bad Choice for the Community**" provides arguments to convince Kelowna City Council otherwise.

The position can be found online here:

<https://www.udiokanagan.ca/wp-content/uploads/Final-UDI-GS-3-Comprehensive-Response.pdf>

It is odd that UDI is taking a position on this matter considering that many of its members would benefit from increased density and larger scale development the group primarily advocates for. If 50,000 people are coming to Kelowna by 2040, economic opportunities will present themselves regardless. The public should also hope that such an influential body whose work has great consequences on the sustainability of the built environment and economy for generations it would instead advocate for growth and development responds to the challenges ahead.

Demand for development is an outcome of a successful city. With change there will always be winners and losers, however, it is not the City's role to pick who those winners and losers are. The city's role is to lead with best practices and foresight so that the development it inherits is smart and provides a net benefit for all residents. The more livable we can make our community, the more economic development and talented people we will attract.

As the citizens who participated within the public consultation processes do not have a larger organized group to defend their voice, I offer the following counter arguments to demonstrate why Growth Scenario 3 is the best choice and it is necessary for Kelowna City Council to defend this path.

(Slide 4)

**UDI: “City Council rejected their own staff recommendation, which was developed in consultation with the public and industry, in favour of a more aggressive approach to restricting single family and suburban growth. This is Growth Scenario 3.”**

This is a false statement. On July 30, 2018, Council supported staff’s recommendation for a refined Scenario 3, most favoured by the public (Pick Your Path Process) and aligning well with the direction of Imagine Kelowna.

The original recommendation out of the public consultation process was the following:

“staff are recommending that Growth Scenario 3 form the basis of the preferred growth scenario to be further refined for Council’s consideration in September 2018.”<sup>1</sup>

Subsequently, Growth Scenario 2.5 emerged. The emergence of Growth Scenario 2.5 and the lack of transparency of its origins bring to question whose voices and interests matter most in Kelowna, especially considering its opposite direction from the public consultation and council endorsed Climate Action Plan, Imagine Kelowna, Healthy Housing Strategy, Agricultural Plan, and the Transportation Master Plan vision.

The public was never consulted on Growth Scenario 2.5, only Scenarios 1, 2, 3 and 4. The results of the public consultation undertaken from the “pick your path process” were presented to Kelowna City Council on July 30, 2018<sup>2</sup>. Overwhelmingly, 72% of respondents supported denser scenarios 3 and 4.

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<sup>1</sup> City of Kelowna Report to Council – July 30, 2018 – Subject: OCP Update: Engagement Report and Interim Growth Scenario, <https://kelownapublishing.escribemeetings.com/filestream.ashx?DocumentId=16873>

The July 30<sup>th</sup> Council Report stated “What is clear is that very few respondents wanted to see dispersed development in suburban areas with higher infrastructure maintenance costs.”

The report goes on to state that Growth Scenario 3 “...best reflects the input from the Pick Your Path process and the stakeholder engagement, while performing well in evaluation criteria developed to measure the four growth scenarios against various policy indicators. It addresses public feedback for a desire to concentrate development in the Urban Core, while providing a broader range of housing types that includes the “missing middle” and doesn’t primarily focus on tall buildings to accommodate population growth.”

“Simultaneously, it opens up more opportunities for transit and active transportation improvements, which in turn would result in more modest increases in infrastructure capital and maintenance costs compared to the more dispersed scenarios (Scenarios 1 and 2). However, Growth Scenario 3 would involve the removal of development potential in some suburban areas to focus more growth in the Urban Core.”

At the July 30<sup>th</sup>, council meeting, staff were directed “to undertake the development of a preferred growth scenario with key characteristics of Growth Scenario 3, but with refinements based on the technical analysis undertaken, additional feedback received during the Pick Your Path process and a more detailed review of identified growth areas.”

(Slide 5)

However, at an August 13, 2018 council meeting a Scenario 2.5 emerged which when eventually presented to council without public consultation on December 10, 2018 significantly deviated from any resemblance of Scenario 3. Scenario 2.5 directed 33% of new growth to suburban areas. In fact, it resembles more the original Scenario 2.0 that directed 35% of new growth to suburban areas and was overwhelmingly rejected by the public consultation.

Importantly, the iteration of Growth Scenario 3 endorsed by council on December 10, 2018 is actually a refined version of the original scenario presented to the public during the pick your path process. The December 10<sup>th</sup> version of Growth Scenario 3.0 allows for 19% of growth in suburban areas. The original Growth Scenario 3.0 that the public supported allowed for only 15% of growth in suburban areas.

(Slide 6)

**UDI: Growth scenario 3 has been approved without the due diligence and open discussion regarding impacts. A more complete discussion of the ramifications should be required of a decision that will have such a serious impact on Kelowna.**

When growth Scenario 2.5 was presented for council endorsement staff notified council that it would be only possible to fully develop one scenario. However, the general characteristics of the growth scenarios

were evaluated and presented in the July 30, 2018 Report to Council and Growth Scenario 2.5 closely resembles the original Scenario 2.0.

The scenarios with greater intensification ranked higher in all policy indicators. These indicators are the foundation of numerous other city plans and address critical issues in the community that could get worse if sprawl development continues. Particularly, reducing auto dependence to ease congestion, housing affordability by offering a variety of housing types, and reducing tax burdens through lower infrastructure expansion from new sprawl development and greater use of existing infrastructure through intensification. Among these criteria, Scenario 2.0 (and in turn Scenario 2.5) ranks second worst.

Staff's development of Scenario 3 to be presented on March 4, 2019, is expected to characterize ramifications in greater detail including the implications on future land use and infrastructure requirements. While this may negatively impact the build out of certain developments, it should prioritize those developments that would positively support the city's priorities to proceed.

The City needs to be concerned with what development best meets the needs of the whole community rather than being influenced by the interests of individual developers whose interests differ.

(Slide 7)

**UDI: Growth Scenario 3 results in an imbalance between single detached housing and multiple housing when compared to historical data and future forecasts based on historical demand.**

Historical housing demand is a false assumption. Kelowna's building permit trends show annual decreases in the share of single family housing and Growth Scenario 3 is more appropriate to accommodate our anticipated housing need.

The 2017 Housing Needs Assessment forecasts that future housing demand will differ from historical demand. Preferences are shifting toward smaller housing that is more affordable for families, and a greater variety of housing types.

The responses from the pick your path process in fact show that only 12.8% of responses preferred to live in a larger single family home in a suburban or hillside neighbourhood. "60.4% of respondents indicated that that they would prefer to live in a smaller single family home or townhome closer to employment and amenities that offers good cycling and transit options. 26.8% indicated a preference for an apartment within easy walking distance of amenities and employment, while 12.8% preferred a larger single family home in a suburban or hillside neighborhood."

City building permits already show a significant trend toward multi-unit housing with a multi-unit / single family / two unit split of 67/33. This is similar to the suburban development ratio shown in growth Scenario 2.5. Growth Scenario 2.5 however would likely result in an oversupply of suburban development given that there will be single family and two-unit housing in infill areas. Infill housing is producing viable alternatives to suburban development with a variety of ground oriented townhomes, carriage houses, and four plexes because they are more affordable than larger new suburban homes and changing consumer preferences.

(Slide 8)

**UDI: Growth Scenario 3 would actually rescind areas within Wilden, Kirschner Mountain and The Ponds that were previously approved by Council. These are the areas in jeopardy.**

Kelowna can't afford sprawl that further increases its infrastructure deficit and traffic congestion. The city however, needs to have influence over long term future development in order to develop the community in a responsible way that is aligned with its priorities. 82% of existing homes in Kelowna are auto-dependent sprawl which results in high infrastructure cost and congestion. From this starting point, a drastic shift is necessary to have a meaningful and beneficial impact on the City. Scenario 2.5 is too close to the status quo to address this gap.

(Slide 9)

It is expected that for any growth scenario being developed, staff would review the existing serving capacity and infrastructure needs in order to ensure that growth provides a net community benefit rather than a liability. None of the growth scenarios including Scenario 3 stop suburban growth in areas such as Wilden, Kirschner Mountain and The Ponds, however they could limit them in these areas over the long term. With 19% growth in suburban areas, Scenario 3 allows for significant development that is sufficient enough in the short and medium term for areas already under development and with infrastructure capacity to be developed.

(Slide 10)

**UDI: The areas in jeopardy are already well under construction and have installed infrastructure to service the master planned areas as previously approved. The overall vision for these communities would never be realized, nor will the expectations of the residents who purchased in those communities.**

Suburban growth is limited, but not eliminated with Scenario 3. The 19% allocation allows those developments with sufficient existing infrastructure capacity to grow and where additional growth makes sense to meet the expectations of the residents.

Curtailling some developments could be beneficial if they will not provide a net benefit to the community particularly not significantly shift transportation behaviour, reduce per capita servicing costs, future infrastructure requirements, or reduce congestion coming from them.

Even those master plans with some commercial component are unlikely to be sufficient to provide opportunities for many locals to work there, meet daily needs, or sustain rapid and reliable transit service to alter transportation behaviour. Kettle Valley is one particular example where frustrated residents are stuck in traffic even with the village centre with no prospect of improved alternative modes of transportation to ease congestion planned.

(Slide 11)



**UDI: Artificially restricting supply in the face of steady demand will result in price increases for all housing types from single family to multifamily. This will in turn impact the cost and feasibility for re-developing areas where the City wants to see infill development of multifamily housing projects. Affordability will decrease.**

Kelowna's unimpeded suburban development has not helped Kelowna avoid an affordable housing crisis. That's even with 82% of our community located in auto dependent suburbs and exurban areas. And yet, Kelowna has among the country's highest real estate and rental costs.

The economic success of Kelowna and BC, and the recent rise in construction costs have had far greater impacts on housing costs than land use policies.

(Slide 12)

There is no reason to believe that more suburban housing will increase affordability because new suburban development is producing some of the most expensive housing stock in the city. The most unaffordable housing stock in Kelowna are new detached homes, the average home in Wilden and Ponds sell for now exceed \$900,000, far above what any average family in Kelowna can afford. The most affordable detached housing stock are in existing infill areas and with new ground oriented attached housing.

(Slide 13)

Affordability requires consideration of both housing and transportation costs. Studies in Metro Vancouver prove that Vancouver which has the highest housing costs compared with nine communities in the region, ranks 7<sup>th</sup> in terms of affordability when transportation is accounted for. Meanwhile, Kelowna's suburbs are producing both high housing and transportation costs.

(Slide 14)

**UDI: Demand for single detached housing will be supplied by neighboring communities while the City of Kelowna will have to deal with the impacts of more regional commuter traffic. Additionally, traffic will continue to increase within the city as the residents of neighbourhoods like Wilden, The Ponds, Kirschner Mountain, Crawford Estates, etc. all continue to drive significant distances for services.**

A regional approach to growth should take place to support regional transportation and economic development. Communities outside Kelowna are also facing challenges to service suburban development and are starting to experience the consequences and infrastructure deficit generated by those developments. It would be a financial liability for those communities to allow uncontrolled suburban growth and become bedroom communities to Kelowna. Regardless Kelowna still needs to take leadership to curb sprawl for its own sake.

Citizen surveys show that traffic congestion currently a top concern. The congestion is largely attributed from Kelowna being is among the most auto dependent communities in the country. This is the product of sprawl development.

An additional 50,000 people in similar development patterns will worsen traffic. To the extent this congestion is mitigated will depend the how much new growth will be directed toward areas in close proximity to amenities and alternative modes of transportation.

70% of Kelowna residents support the vision statement for the Transportation Master Plan that “Kelowna is a city with vibrant urban centres where people and places are conveniently connected by diverse transportation options that help us shift away from our car-centric culture.”

(Slide 15)

It is clear that Kelowna residents want more transportation options. Of the responses on goals for the Transportation Master Plan, “Improve travel choices’ ranked 2<sup>nd</sup> most important after safety. More density is required to effectively and economically accomplish this.

(Slide 16)

While suburban development may occur in neighbouring communities, congestion in Kelowna will be lower with more intensification than with less. Trips will be shorter and the city will be able to invest in viable modes of transportation reducing Kelowna’s auto dependence.

Under Growth Scenario 3, congestion would be more geographically constrained. The intense development of Kelowna’s five town centres will reduce trips by local residents and concentrate commuters from neighbouring communities to those areas containing them to the connecting main transportation corridors. This concentration of traffic will help make rapid and reliable alternative transportation viable. I could also avoid some road expansion and infrastructure costs in areas outside of the town centres.

More local suburban development in areas within the city such as Wilden, The Ponds, Kirschner Mountain, Crawford Estates, etc would result in more trip generation and longer trips into Kelowna’s transportation network increasing congestion throughout the community and be most concentrated to those already living and commuting from Kelowna’s suburban areas. Traffic congestion from Kettle Valley is a top issue of residents because of over development and no feasible transportation alternatives.

Limiting suburban development can avoid more congestion for existing suburban residents where it is difficult to provide amenities and alternative transportation while reducing auto trips from those downstream of suburban areas freeing up road space for those who have to drive.

Where new suburban growth occurs needs to be strategic based on what’s best for the City. Will it bring amenities to more people? Will it enable alternative transportation to be viable? Will the development’s additional tax base provide a net benefit to Kelowna’s infrastructure deficit?

(Slide 17)

What is required is beautifully summed in the introduction to Imagine Kelowna:

“Kelowna is a thriving city and an incredible place to call home. To flourish in the future, we need to be agile, resilient and unafraid to do things differently. The community has made it clear that as we grow, we need to look out for one another and protect the stunning environment that sustains us. Our vision for an inclusive, welcoming, prosperous and sustainable future calls upon us all to be ambitious to embrace the challenges ahead.”

This vision is what attracts so many families to move here, the people we are looking to plan for and it is so clear that we need to not be afraid to change and adapt for it to become reality.

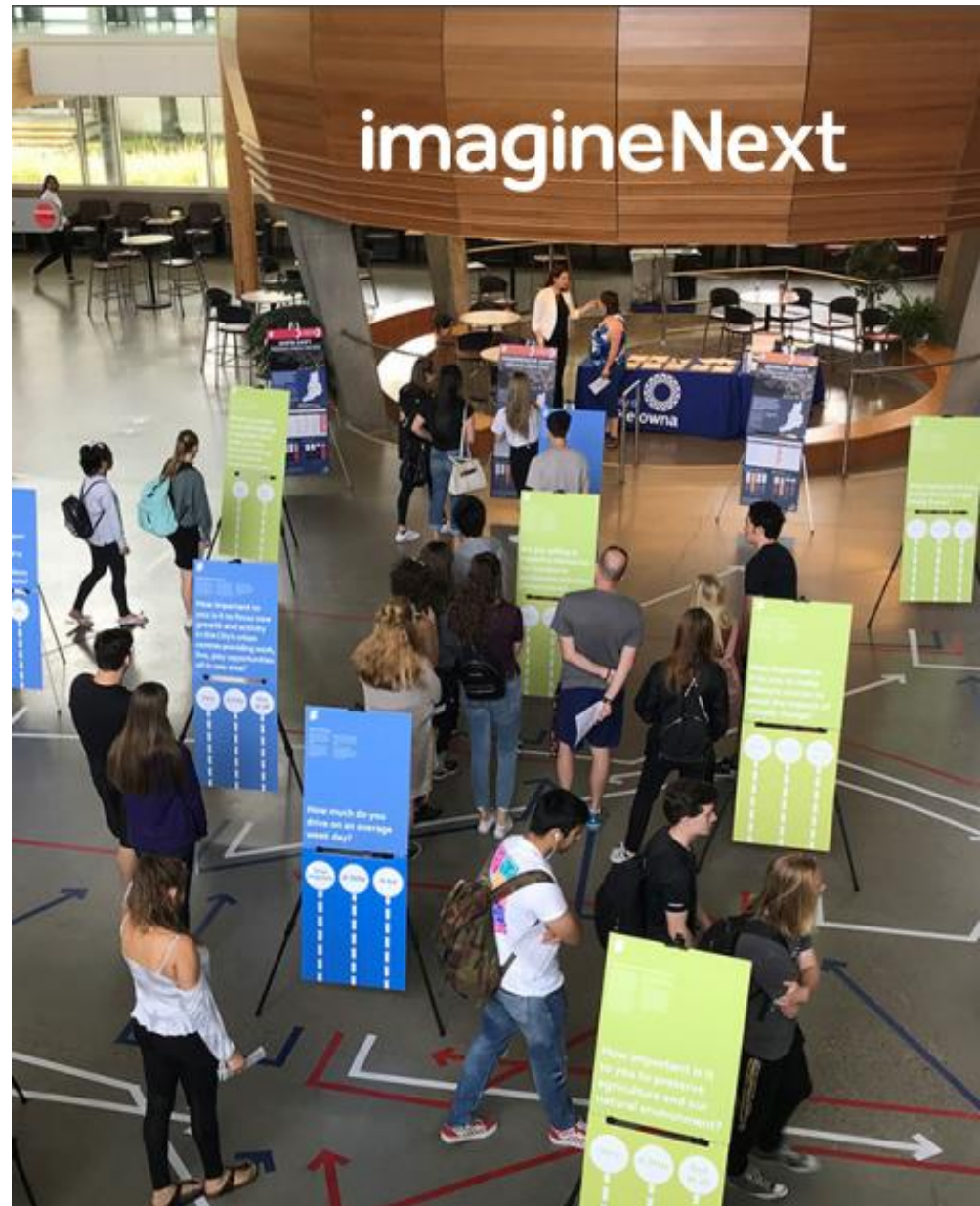
It is also why following that contentious council vote the Kelowna Capital News declared “Kelowna growing up, in more ways than one.”

(Slide 18)

It is rare for a city to have such overwhelming support behind intensification and policies that align with best practices for 21<sup>st</sup> century city building. The people have spoken, they are ahead and now is the time for city council’s support of this direction in defence of Growth Scenario 3.

# Why Growth Scenario 3 is the Best Choice and Necessary for the Community

A Response to UDI's Position against Growth Scenario 3



Presented by: Robert Stupka, MASC., P.Eng., Kelowna, BC, [robert.stupka@gmail.com](mailto:robert.stupka@gmail.com)  
Engineer, pundit, and policy wonk with a masters degree in sustainable infrastructure, with over a decade of experience in consulting in the field. A father of a young family who is defending a future city and planet that is livable.

# Key Message

On March 4<sup>th</sup>, 2019 Growth Scenario 3 will be presented to Kelowna City Council.

This scenario is supported by input from 4,000 Kelowna citizens that have spoken for what kind of future they want for their community via their engagement in Imagine Kelowna and numerous related plans. This Scenario is under threat by powerful special interests who have driven land use policy in the past.

Growth Scenario 3 must be defended as it is the outcome of a democratic process that aligns with planning best practices to help Kelowna thrive in the challenges ahead.

- The Urban Development Institute (UDI) has presented the city of Kelowna with a white paper **“Kelowna’s Next Official Community Plan 2020-2040 and Why Growth Scenario 3 is a Bad Choice for the Community”** identifying its objections to Growth Scenario 3 which Kelowna City Council endorsed on December 10, 2018 for the direction of Kelowna’s next Official Community Plan.

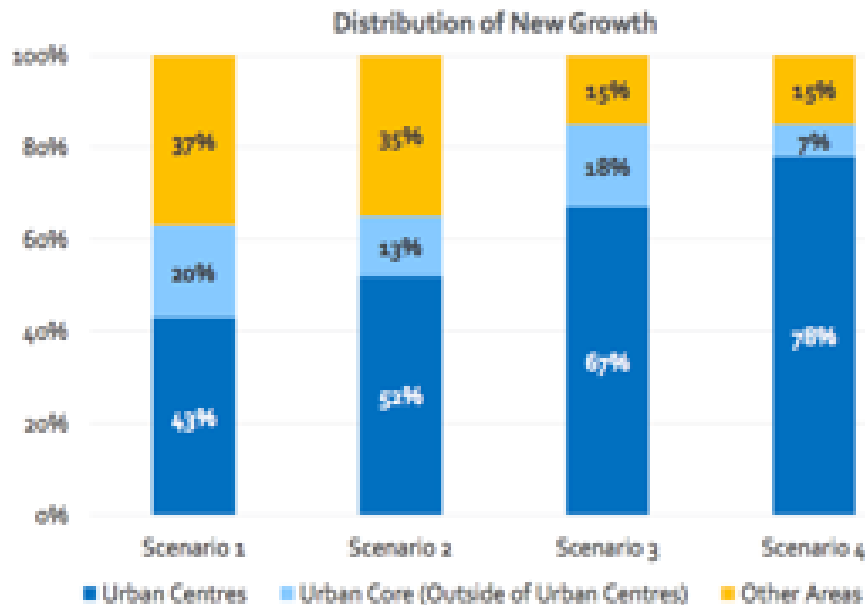
<https://www.udiokanagan.ca/wp-content/uploads/Final-UDI-GS-3-Comprehensive-Response.pdf>

- Going backwards to a more sprawling Growth Scenario 2.5 will have significant negative consequences on the City of Kelowna that UDI fails to identify and undermines the consultation processes, best practices in city building, economic responsibility, and numerous council endorsed initiatives that are dependent on the OCP.
- With Kelowna adding 50,000 more people by 2040, a shift from the status quo is required. This is the only opportunity to get it right.
- The following presentation corrects the arguments presented by UDI and describes why Growth Scenario 3 needs to be defended. It is accompanied by a written response that includes further details and references.

**“City Council rejected their own staff recommendation, which was developed in consultation with the public and industry, in favour of a more aggressive approach to restricting single family and suburban growth. This is Growth Scenario 3.” - UDI**

Scenarios Presented in July, 2018

## Growth Scenario Summary



- This is a false statement. On July 30, 2018, Council supported staff’s recommendation for a refined Scenario 3, most favoured by the public (Pick Your Path Process) and aligning well with the direction of Imagine Kelowna.
- Overwhelmingly, 72% of respondents supported denser scenarios 3 and 4 over the more sprawling scenarios 1 and 2.
- There was never any public consultation on Growth Scenario 2.5

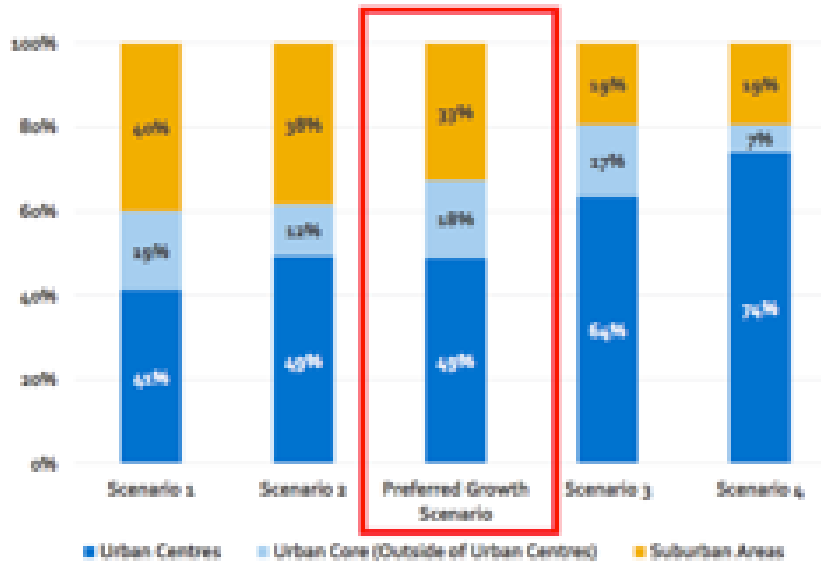
Public’s  
Preference

5.2%      23.1%      41.2%      30.5%



**“City Council rejected their own staff recommendation, which was developed in consultation with the public and industry, in favour of a more aggressive approach to restricting single family and suburban growth. This is Growth Scenario 3.” - UDI**

## Distribution of Future Growth



Scenario 2.5

Scenarios Presented December 10, 2018

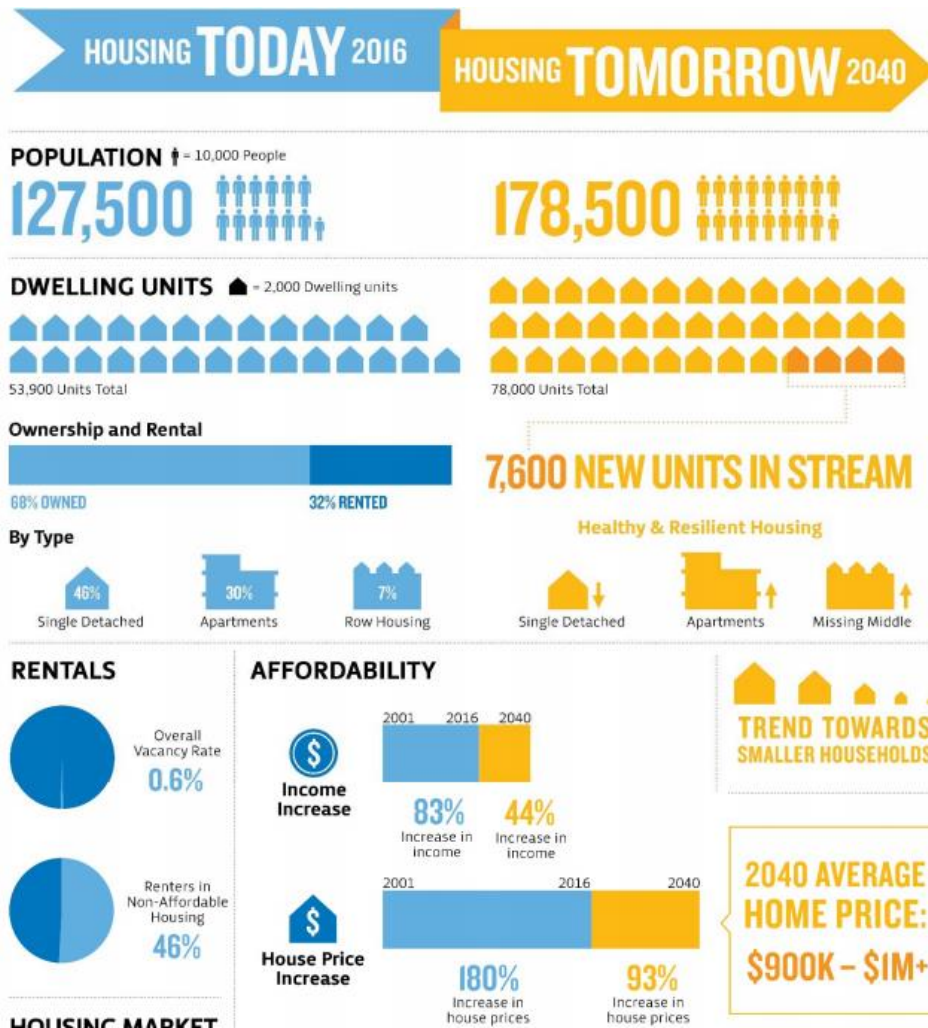
- On December 10, Scenario 2.5 presented to council for vote allowing 33% suburban development. It resembles more Scenario 2 from July 30 (35% suburban growth), than Scenario 3.
- Percentages of all scenarios have been juggled to allow more suburban development.
- The new Scenario 3 reflects more July 30 direction for a refined scenario & increases suburban growth by 4%.
- The origins of the directive for Scenario 2.5 are unknown. There was never any public
- Council marginally support the new Scenario 3 in a 5 / 4 vote.

**“Growth scenario 3 has been approved without the due diligence and open discussion regarding impacts. A more complete discussion of the ramifications should be required of a decision that will have such a serious impact on Kelowna.” - UDI**

Evaluation by Relative Rank (4 is aligned most with policy, 1 is least)					
Policy Indicators	Scenario Ranking				Themes Identified in Public Engagement
	Scenario 1	Scenario 2	Scenario 3	Scenario 4	
Agricultural Protection	1	2	3	4	<ul style="list-style-type: none"> <li>Support for protection of agricultural lands</li> </ul>
Financially Resilient	1	2	3	4	<ul style="list-style-type: none"> <li>Split between focusing most development in Urban Core with smaller increase in infrastructure costs and a mix of development in Urban Core and suburban areas with modest increases in infrastructure maintenance costs</li> </ul>
Growing Economy	3	3	4	4	<ul style="list-style-type: none"> <li>Desire to live closer to places of employment</li> </ul>
Growth Management	1	2	3	4	<ul style="list-style-type: none"> <li>Concerns about impacts of growth and focusing too much growth in tall buildings</li> <li>Desire for greater mix of housing choice &amp; lower buildings</li> </ul>
Health and Safety	2	2	4	4	<ul style="list-style-type: none"> <li>High support for active transportation</li> </ul>
Livable Communities	2	3	3	3	<ul style="list-style-type: none"> <li>Desire to live closer to community amenities</li> </ul>
Mitigate Climate Change	2	2	3	4	<ul style="list-style-type: none"> <li>Preference for use of active transportation and transit, and retrofitting homes to address climate change</li> </ul>
Travel Choices	2	1	3	4	<ul style="list-style-type: none"> <li>High demand for active transportation and transit</li> <li>Desire to avoid driving in traffic</li> </ul>
<b>Total</b>	<b>14</b>	<b>17</b>	<b>26</b>	<b>31</b>	<ul style="list-style-type: none"> <li><b>Preference for Growth Scenario 3</b></li> </ul>

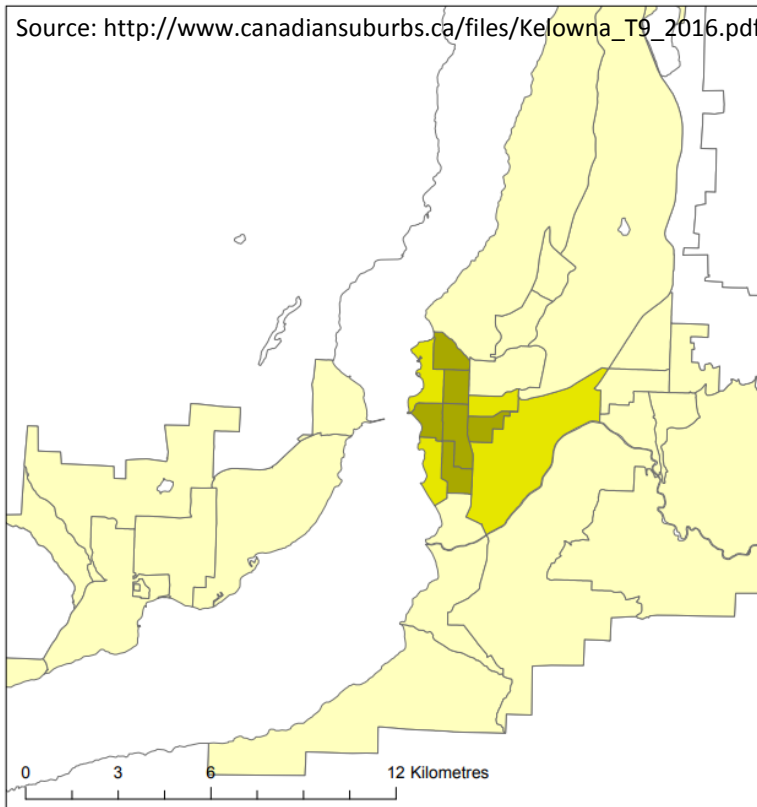
- The composition of Scenario 2.5 is similar to the version of Scenario 2 presented in this table.
- Scenario 3 ranks 2<sup>nd</sup> best in aligning most with the city policies. Scenarios 1 and 2 have significantly more are out of alignment negative & will pose negative ramifications.
- Staff’s development of Scenario 3 is expected to characterize ramifications in greater detail including the implications on future land use and infrastructure requirements. Projects that are aligned with the priorities & provide a net benefit should proceed over ones that are contrary & net liabilities.
- Selecting Scenario 2.5 would be in contradiction to the direction that council has already support including the Imagine Kelowna, Pick Your Path Process, Transportation Master Plan, Climate Leadership Plan, Agriculture Plan, Healthy Housing Strategy, Urban Centres, and Infrastructure Plan to name a few.

**“Growth Scenario 3 results in an imbalance between single detached housing and multiple housing when compared to historical data and future forecasts based on historical demand.” - UDI**



- Growth Scenario 3 is more appropriate to accommodate future growth than Scenario 2.5 which is more status quo.
- Historical demand is a false assumption. Kelowna's building permit trends show annual decreases in the share of single family housing.
- The results of the housing needs assessment prove that historical data not reflective of future demand. Preferences and needs are changing.
- The responses from the pick your path process:
  - only 12.8% of responses preferred to live in a larger single family home in a suburban or hillside neighbourhood.
  - 60.4% of respondents indicated that that they would prefer to live in a smaller single family home or townhome closer to employment and amenities that offers good cycling and transit options.
  - 26.8% indicated a preference for an apartment within easy walking distance of amenities and employment

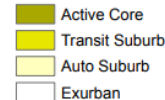
**“Growth Scenario 3 would actually rescind areas within Wilden, Kirschner Mountain and The Ponds that were previously approved by Council. These are the areas in jeopardy.” - UDI**



## Kelowna

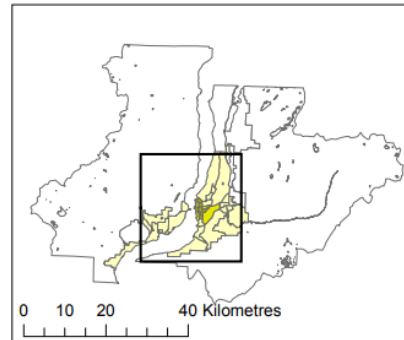
Transportation T9 Method

### Legend

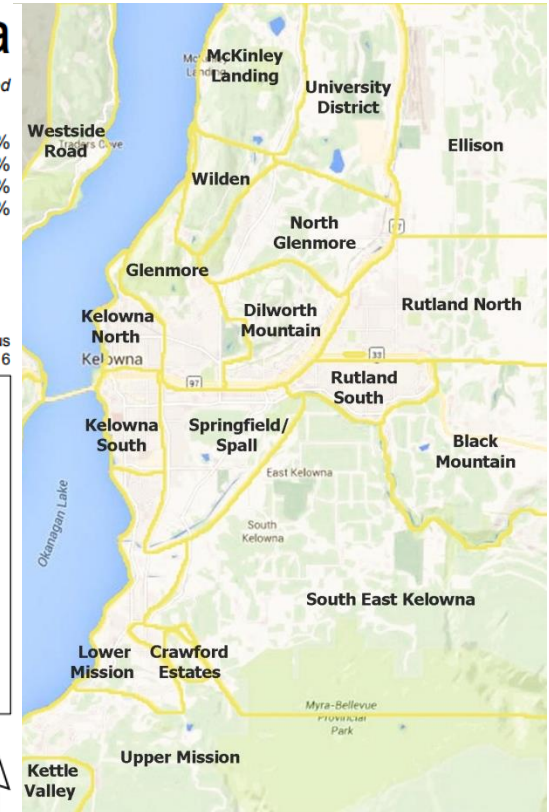


Active Core:	10%
Transit Suburb:	8%
Auto Suburb:	68%
Exurban:	14%

Census Tracts and Population Data: 2016 Census  
Census Tract Classification: 2016



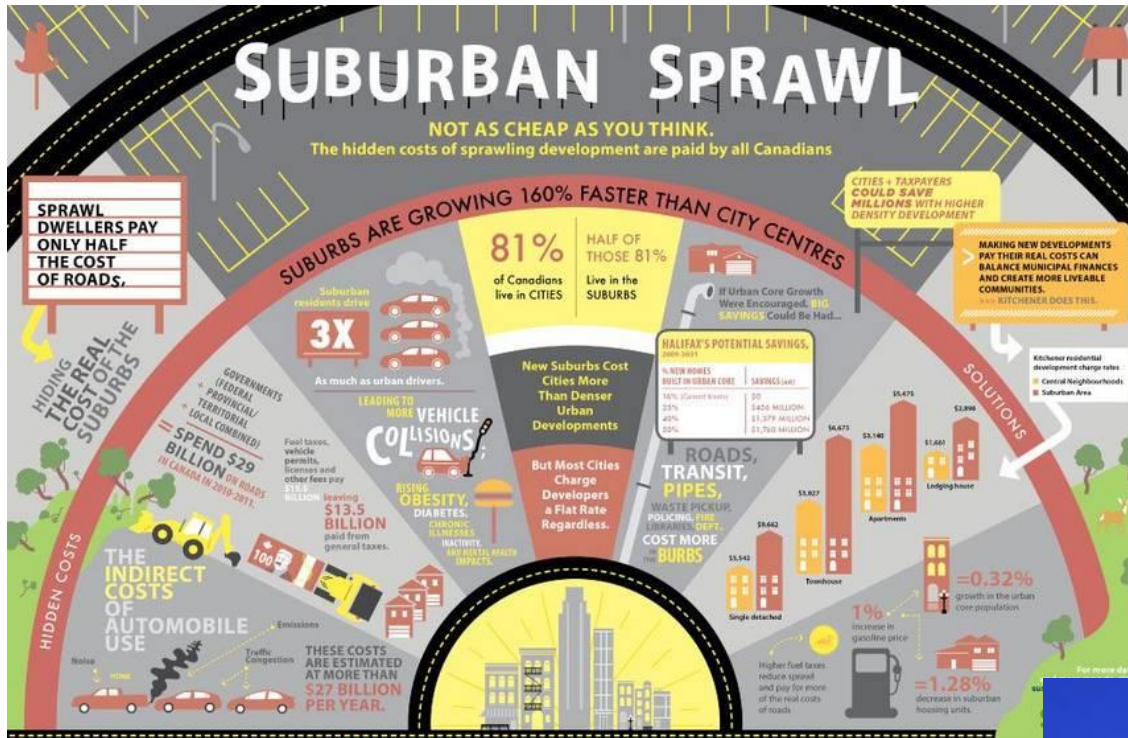
Queen's School of Urban and Regional Planning  
Principal Investigator: David Gordon  
Research Assistant: Chris Willms & Lyra Hindrichs



- Kelowna can't afford more sprawl. 82% of development in Kelowna is auto-dependent sprawl which has contributed to peak car use and a \$500 million infrastructure deficit.
- 33% of new growth in the suburbs as proposed in Scenario 2.5 could result in an over supply as consumer preferences change and infill is increasingly providing more ground oriented housing options that are more affordable than new suburban neighbourhoods offer.



**“Growth Scenario 3 would actually rescind areas within Wilden, Kirschner Mountain and The Ponds that were previously approved by Council. These are the areas in jeopardy.”**



Infrastructure Deficit New, Growth & Renewal 2018-2027 \$477 (millions)

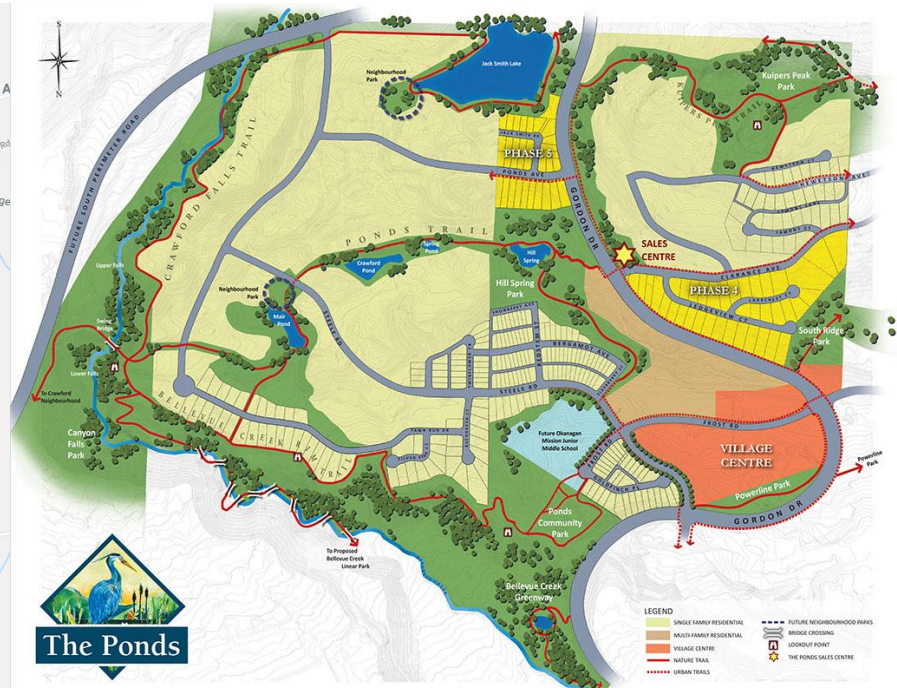
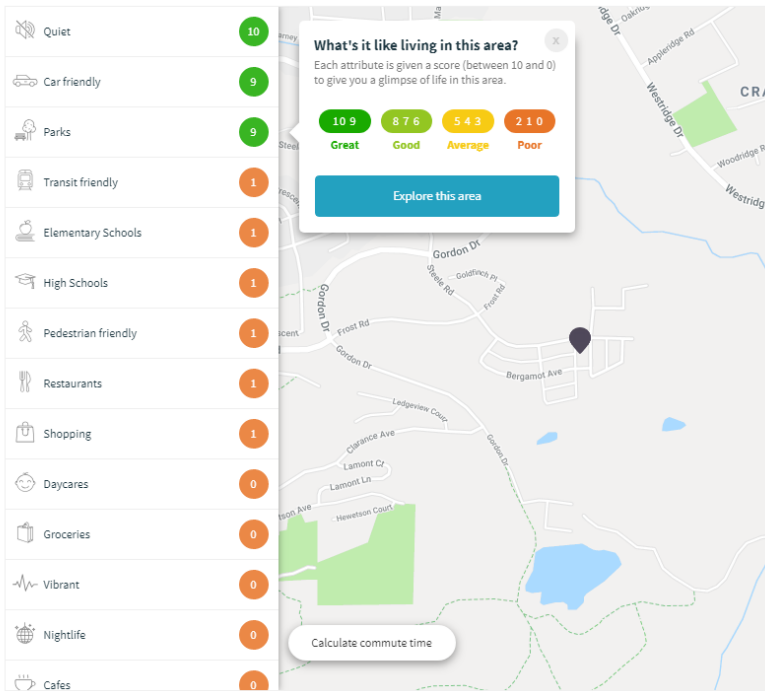


- Rescinding some areas could avoid future tax increases and protect livability. Little can be done to change existing development; however, a \$500 million infrastructure deficit requires that only new development that provides a net asset to the community be constructed. Those that are liabilities should not be built.
- Growth Scenario 3 allows sufficient development for those that provide a net asset to be built while curtailing those that will only cost us. Growth Scenario 2.5 has too much sprawl to provide this choice.

**"WE CAN'T PREDICT THE FUTURE.**  
Flexibility and adaptability is what is going to help us through all the changes. Values last longer than plans, we can't prepare for everything in the future."

- Imagine Kelowna participant

**“The areas in jeopardy are already well under construction and have installed infrastructure to service the master planned areas as previously approved. The overall vision for these communities would never be realized, nor will the expectations of the residents who purchased in those communities.” - UDI**



- Scenario 3 doesn't eliminate suburban growth. The 19% allocation allows those developments with sufficient existing infrastructure capacity to grow and where additional growth makes sense to meet the expectations of the residents.
- Even those master plans with some commercial component are unlikely to be sufficient to provide opportunities for many locals to work there, meet daily needs, or sustain rapid and reliable transit service to alter transportation behaviour. Reducing development in areas benefit existing residents by reducing congestion and avoided service costs. Kettle Valley is an example where frustrated residents are stuck in traffic even with the village centre with no feasible options to ease congestion in sight.



**“Artificially restricting supply in the face of steady demand will result in price increases for all housing types from single family to multifamily. This will in turn impact the cost and feasibility for re-developing areas where the City wants to see infill development of multifamily housing projects. Affordability will decrease.”**

**- UDI**



- The greatest affordability is in old neighbourhoods & in the new and diverse infill housing recently developed. These new projects have been very successful. Growth Scenario 3 will support more of these affordable housing options.

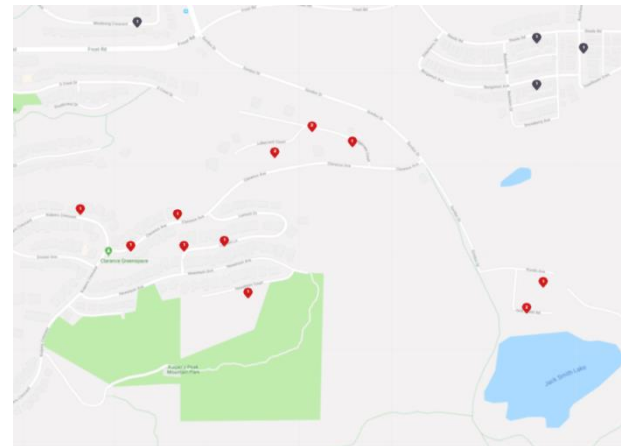
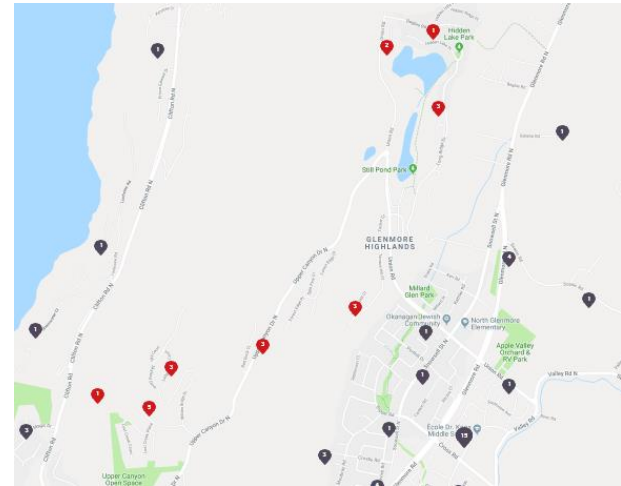
“If we want to attract and retain people of all ages in Kelowna, like we plan to, housing must continue to be a priority. When it comes to home ownership, we must work with developers and builders on ways to make it attainable through new forms of housing and changing city policy where needed to encourage it.”

**- Colin Basran, 2018 Inauguration Speech**



**“Artificially restricting supply in the face of steady demand will result in price increases for all housing types from single family to multifamily. This will in turn impact the cost and feasibility for re-developing areas where the City wants to see infill development of multifamily housing projects. Affordability will decrease.” - UDI**

<p><b>\$567,500</b> #16 1450 Union Road, Kelowna, British Columbia 3 Bedrooms, 3 Bathrooms, Single Family Macdonald Realty Kelowna</p>	<p><b>\$699,999</b> #11 1865 Baggie Road, Kelowna, British Columbia 4 Bedrooms, 3 Bathrooms, Single Family Royal LePage Kelowna</p>	<p><b>\$724,900</b> #18 1450 Union Road, Kelowna, British Columbia 4 Bedrooms, 3 Bathrooms, Single Family Sotheby's International Realty Canada</p>	<p><b>\$799,000</b> 150 Wilken Ridge Drive, N/E, Kelowna, British Columbia 4 Bedrooms, 3 Bathrooms, Single Family Century 21 Kelowna</p>
<p><b>\$834,900</b> 37 Forest Edge Drive, SE, Kelowna, British Columbia 3 Bedrooms, 3 Bathrooms, Single Family Vantage West Realty Inc.</p>	<p><b>\$839,900</b> 1217 Jack Smith Road, Kelowna, British Columbia 3 Bedrooms, 3 Bathrooms, Single Family Sage Executive Group Real Estate</p>	<p><b>\$889,900</b> 1217 Jack Smith Road, Kelowna, British Columbia 4 Bedrooms, 4 Bathrooms, Single Family RE/MAX Kelowna</p>	<p><b>\$899,000</b> 1280 Jack Smith Road, Kelowna, British Columbia 3 Bedrooms, 2 Bathrooms, Single Family Sage Executive Group Real Estate</p>
<p><b>\$939,900</b> 1283 Rocky Point Drive, Kelowna, British Columbia 3 Bedrooms, 4 Bathrooms, Single Family Coldwell Banker Four Seasons Real Estate</p>	<p><b>\$949,900</b> 45 Forest Edge Drive, Kelowna, British Columbia 4 Bedrooms, 4 Bathrooms, Single Family 3 Percent Realty Okanagan Ltd.</p>	<p><b>\$969,000</b> 1923 Baggie Road, Kelowna, British Columbia 4 Bedrooms, 4 Bathrooms, Single Family Coldwell Banker Horizon Realty</p>	<p><b>\$1,128,000</b> 882 Long Ridge Court, Kelowna, British Columbia 5 Bedrooms, 4 Bathrooms, Single Family Royal LePage Kelowna</p>



- Growth Scenario 2.5 would support more housing the average Kelowna family can't afford.

**“Artificially restricting supply in the face of steady demand will result in price increases for all housing types from single family to multifamily. This will in turn impact the cost and feasibility for re-developing areas where the City wants to see infill development of multifamily housing projects. Affordability will decrease.”**

**Table 2: Owners with Mortgages in Metro Vancouver**

City	1= Highest Cost Burden and 9= Lowest Cost Burden		Change in Relative Cost Burden
	Housing % of Subregional Median Income	Housing & Transportation % of Subregional Median Income	
Vancouver/UEL	1	7	Improved
Richmond	2	1	Worsened
North Shore	3	8	Improved
Burnaby/New Westminster	4	5	Improved
Surrey/White Rock	5	3	Worsened
Northeast Sector	6	6	No change
Langley City and Township	7	2	Worsened
Pitt Meadows / Maple Ridge	8	4	Worsened
Delta	9	9	No change

Source: Metro Vancouver Housing and Transportation Cost Burden Study

- Affordability is a combination of housing and transportation costs. Land use that enables lower cost transportation choices has a significant impact on affordability and livability as demonstrated in the table ranking affordability of communities in Metro Vancouver.
- Growth Scenario 3 would support the combination of more diverse and affordable housing options and transportation options that don't require auto dependence.

“Vancouver is the most expensive of all jurisdictions, but when considering housing plus transportation, Vancouver moves to the third least expensive (seventh of nine). For renters Vancouver jumps from second most expensive, to least expensive. The Metro Vancouver report demonstrates how the availability of transit services can dramatically effect the transportation costs associated with living in various areas, and provides insight into how transportation is key to understanding true affordability.”

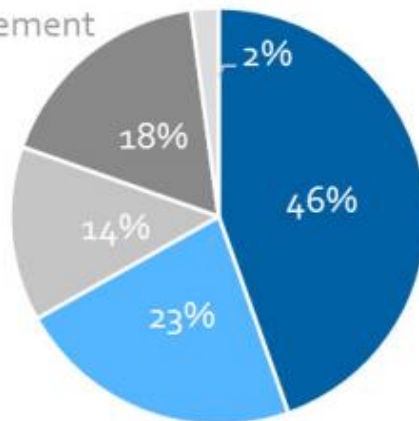
**“Demand for single detached housing will be supplied by neighboring communities while the City of Kelowna will have to deal with the impacts of more regional commuter traffic. Additionally, traffic will continue to increase within the city as the residents of neighbourhoods like Wilden, The Ponds, Kirschner Mountain, Crawford Estates, etc. all continue to drive significant distances for services.” - UDI**

“Kelowna is a city with vibrant urban centres where people and places are conveniently connected by diverse transportation options that help us shift away from our car-centric culture.”

- Fortunately, Growth Scenario 3 is more aligned with the City of Kelowna’s Transportation Master Plan vision statement. It is impossible to achieve this vision without changing land use policy toward less sprawl.
- Growth Scenario 2.5 is incompatible with this vision.

Support for Vision Statement

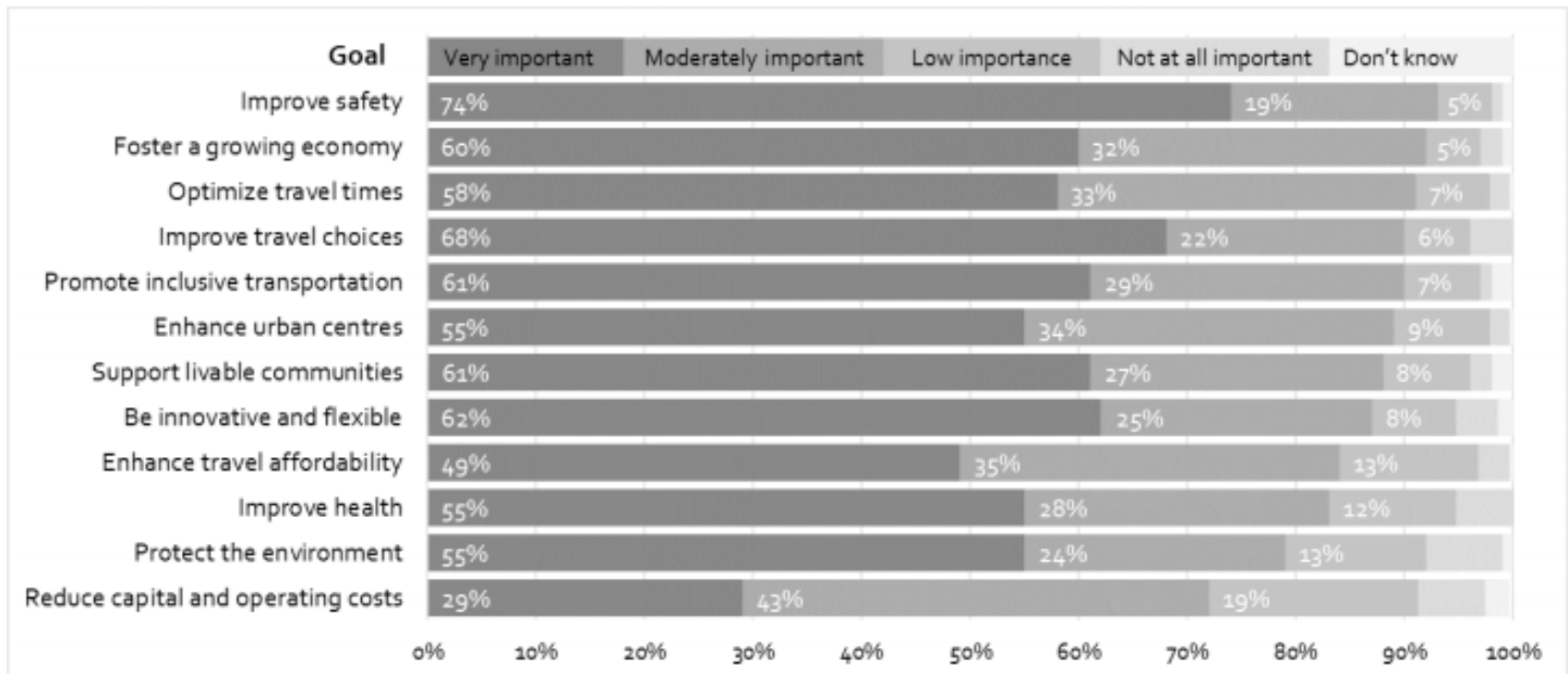
- Strongly support
- Somewhat support
- Somewhat oppose
- Strongly oppose
- Don't know



Source: Engagement Report Transportation Master Plan: Phase 1

**Demand for single detached housing will be supplied by neighboring communities while the City of Kelowna will have to deal with the impacts of more regional commuter traffic. Additionally, traffic will continue to increase within the city as the residents of neighbourhoods like Wilden, The Ponds, Kirschner Mountain, Crawford Estates, etc. all continue to drive significant distances for services. - UDI**

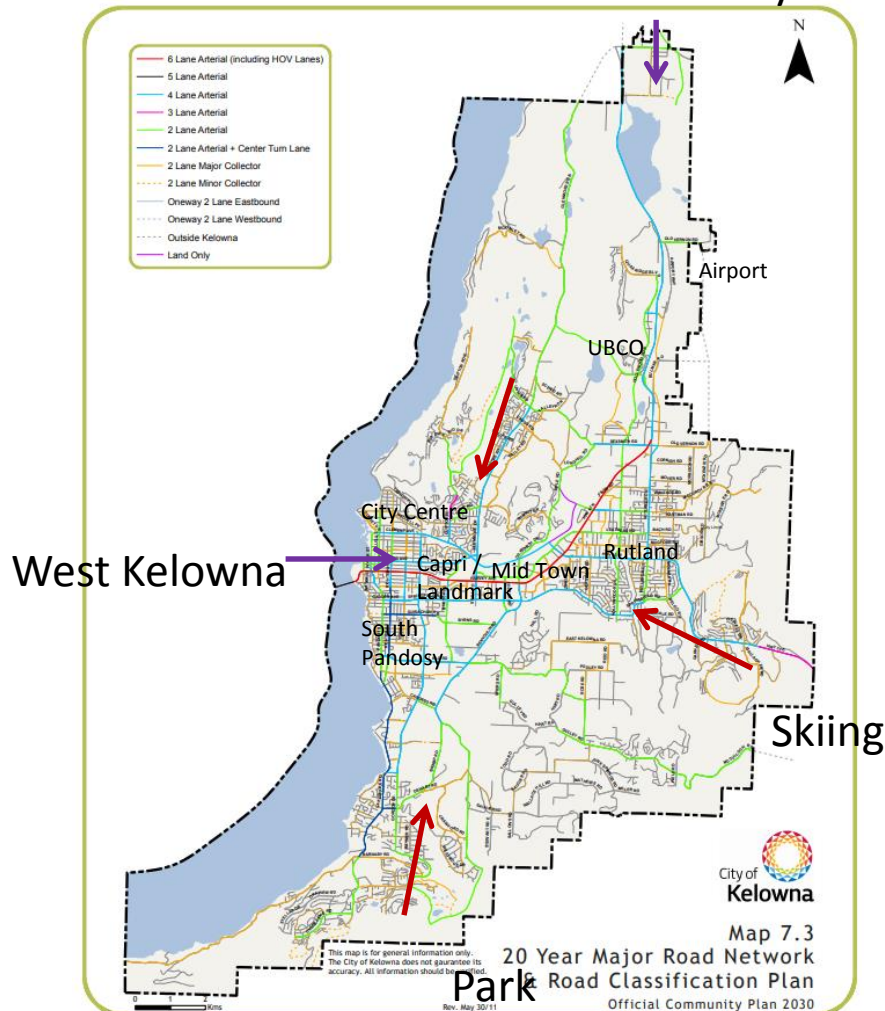
- All of these transportation goals that are important to the community align more with Growth Scenario 3. Note that “improve travel choices” is second most important after Improve safety.



Source: Engagement Report Transportation Master Plan:  
Phase 1

**“Demand for single detached housing will be supplied by neighboring communities while the City of Kelowna will have to deal with the impacts of more regional commuter traffic. Additionally, traffic will continue to increase within the city as the residents of neighbourhoods like Wilden, The Ponds, Kirschner Mountain, Crawford Estates, etc. all continue to drive significant distances for services.” - UDI**

## Lake Country



- An additional 50,000 people in the same development patterns will worsen traffic.
- Most jobs are located within Kelowna's 5 town centres.
- Kelowna's unique geography means regional and local commuter traffic is concentrated along two main corridors.
- More people in the town centres will mean less local commuter traffic in those areas and avoided congestion in other parts of the road network. It will also support rapid and reliable transit further creating a mode shift.
- More sprawl in Kelowna means more and longer car trips that will result in more congestion throughout the entire road network and may result costly road expansion as opposed transit expansion further inducing more traffic.



# Growth Scenario 3 is the Right Path

“Kelowna is a thriving city and an incredible place to call home. To flourish in the future, we need to be agile, resilient and unafraid to do things differently. The community has made it clear that as we grow, we need to look out for one another and protect the stunning environment that sustains us. Our vision for an inclusive, welcoming, prosperous and sustainable future calls upon us all to be ambitious to embrace the challenges ahead.”

- Imagine Kelowna



## Waters: Kelowna growing up, in more ways than one

Council's decision to go with a more urban development future is a major change

ALISTAIR WATERS / Dec. 12, 2018 7:00 a.m. / COLUMNISTS / OPINION



Urban growth or suburban growth?

That was the question for Kelowna city council Monday as it grappled with which version of the future it wants to see for development within its boundaries.

Having already indicated it liked a hybrid version of growth, one that would err on the side of single-family homes in suburban areas, council, in a close 5-4 vote, flip-flopped in favour of more urban development instead. And that will put more people into multi-family buildings in areas like the downtown, the Capri-Landmark area, Midtown, South Pandosy and the Rutland town centre.

Overall, most of the development is expected, under the new scenario, to take place in what's considered the city's urban core, with just 19 per cent in suburban areas.

# What Are We Going To Do?

Council is narrowly split 5:4 in favour of Growth Scenario 3. The Scenario is being developed further and will be presented to council February 4. It can still be defeated. Your support is needed to protect this positive direction.



Demand for development is an outcome of a successful city. With change there will always be winners and losers, however, it is not the City's role to pick who those winners or losers are. The city's role is to lead with best practices and foresight so that the development we do inherit is smart and provides a net benefit for all residents. The more livable we can make our community, the more economic development and talented people we will attract.





City of Kelowna  
1435 Water Street  
Kelowna, BC V1Y 1J4

February 20, 2019

Dear Mayor and Council,

The Okanagan Mission Residents Association is one of Kelowna's largest and most active community associations in recent decades. OMRA was formed for the following purposes as outlined in our constitution:

- To promote the interests of the residents within the boundaries of the Association including the quality of life of the community members and the quality of the environment.
- To proactively facilitate dialogue and interact with the City of Kelowna and other levels of government, on all matters affecting the present and future quality of life of Okanagan Mission residents including, but not limited to, land use planning, transportation, parks, pedestrian systems, transit, and our air and water quality. The Association will endeavor to ensure the concerns of Okanagan Mission residents are considered in the City's decision-making process, and will strive to ensure that due process is followed on all City matters affecting the residents of the Okanagan Mission area.

Public engagement and consultation for the new Official Community included the "Pick your Path to 2040" engagement process which presented four growth scenarios to the public in mid-2018. Scenarios 3 and 4 focused on shifting density to our urban centres, and reports by City staff dated July 30, 2018 outlined the many benefits of growth Scenarios 3 and 4 based on the public feedback, which included:

- Smaller increases in future infrastructure replacement and maintenance costs. Only 4.5% of the respondents wanted to see higher infrastructure costs in the future which would result from continuing to allow dispersed (sprawl) development in suburban areas.
- More mobility options such as transit and cycling, and more homes closer to employment and amenities were preferred by 60.4%.
- Less need to drive in traffic was preferred by 71% of the public, and a similar percentage reported that the physical health benefits of living near services and amenities were important to them.

Overall, 71.7% of respondents preferred either growth scenario 3 or 4. These two scenarios ranked highest on all major policy indicators, including agricultural protection, financial resiliency, health and safety, climate change mitigation, and travel choices. All of these will greatly impact quality of life for existing residents and voters.

During the recent election, a consortium of community groups asked candidates which growth scenario they supported. Six of the current council members openly supported Scenario 3; one partially supported Scenario 4; one preferred a mid-point between 2 and 3, and one did not respond to the question.

We understand that extensive lobbying is underway at this time with the intention of pressuring council to revoke their selection of Scenario 3 on December 10, 2018, and switch to a new sprawl-oriented Scenario 2.5 which closely resembles Scenario 2. A decision for any of the sprawl-oriented scenarios will cost taxpayers more money in the future and diminish the quality of life for Kelowna residents, as outlined in the July 30, 2018 staff report.

Our next OCP should be focused on achieving the long term benefits of focused growth in our urban core and urban centres. OMRA believes that the overwhelming majority of Kelowna residents who selected Scenarios 3 and 4 in "Pick your Path to 2040" should carry the most weight in deciding the future of our community. As taxpayers, we flatly reject the larger tax increases which will result from Scenarios 1, 2, or 2.5, the increased congestion on our roadways, and the reduced mobility options that would be available to citizens in the future.

Sincerely,

A handwritten signature in black ink, appearing to read 'Darren Schlamp', written in a cursive style.

Darren Schlamp

President, Okanagan Mission Residents Association







City of Kelowna  
[dnoble-brandt@kelowna.ca](mailto:dnoble-brandt@kelowna.ca)  
[mayorandcouncil@kelowna.ca](mailto:mayorandcouncil@kelowna.ca)

February 26, 2019

Letter of Support – Growth Scenario 3

The K.L.O. Neighbourhood Association is a community organization whose mission is to provide transparent and informed leadership to our member and assist them in dealing with issues within our boundaries. Within the mandate we are engaged and advocate for infrastructure, amenities and development that enhances the quality of our community.

Our part of Kelowna will inevitably continue to experience significant growth, but it has to be done responsibly to maintain the quality of life in our neighbourhood and reduce future tax burdens. We are, therefore concerned with having a voice in both local planning decisions and city wide planning decisions such as the OCP Growth Scenario.

We are generally supportive the principles of Imagine Kelowna and recognize that to “flourish in the future, we need to be agile, resilient and unafraid to do things differently.” **Scenario 3 best characterizes that path.** It is both the most balanced path the scores highly on city priorities and also happens to be the choice of the majority of people during the pick your path process, 41.2%.

Given council’s narrow vote of support for Growth Scenario 3 and a UDI lobbying effort outside of the public engagement process to flip council’s vote, we are therefore greatly concerned of council moving backwards to a Growth Scenario 2.5. We support the analysis completed by Robert Stupka, P.Eng., for the Sustainable Leadership Council, attached and are dismayed that such a rebuttal to UDI’s submission is even required given that both staff reports and the public engagement has equipped council with all the information needed to solidly support Growth Scenario 3.

We note that when compared with the July 30, 2018 iteration, Scenario 2.5 is really a refined iteration of Scenario 2.0 that the public clearly rejected (not supported by 77%) and is in the opposite direction with Imagine Kelowna and related plans endorsed by council.

**Scenario 2.5 would put 7,000 more future residents into suburban areas than Scenario 3!**

This additional growth will be taxpayer subsidized as clearly articulated on Page 9 in the 2018 Community Trends Report.<sup>1</sup> It's hard for us to understand how you could justify subsidizing more sprawl and yet not have sufficient funds to develop Cedar Ave park to a basic level despite there being a current and future tax base will actually pay for it.

We know that Scenario 2.5 will also result in more traffic congestion passing through our neighbourhood rather than to our neighbourhood, tax increases, constrain deploying transportation options in urban centers like ours, and negatively impact livability and sustainability of our community.

In light of this, it is difficult to comprehend how with a \$500 million infrastructure deficit and addition to tax increases and infrastructure levies council can justify supporting a scenario that makes the situation worse, and goes against the will of the people. We will have to see on March 4.

We ask you to respect Imagine Kelowna and the 4,000 people, who participated, the pick your path process and your own support on July 30, 2018 and again on December 10, 2018 for Growth Scenario 3.

Should you have any questions, please contact me Paul Clark, Co-chairman at (250) 864-9247, or Joe Uhearn, Co-chairman at 250-575-8022.

Dr. Paul Clark and Joe Uhearn  
Co-Chairmen KLONA

Attachments:

1. Why Growth Scenario 3 is the Best Choice
2. Why Growth Scenario 3 is the Best Choice – Presentation

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<sup>1</sup> [https://www.kelowna.ca/sites/files/1/docs/2018\\_community\\_trends\\_report\\_-\\_responding\\_to\\_the\\_infrastructure\\_challenge.pdf](https://www.kelowna.ca/sites/files/1/docs/2018_community_trends_report_-_responding_to_the_infrastructure_challenge.pdf)







**Kelowna South Central Association of Neighbourhoods**

*Knowles House – 865 Bernard Avenue, Kelowna, BC*

[www.ksan-kelowna.ca](http://www.ksan-kelowna.ca)

February 27, 2019.

Mayor Colin Basran and Council,  
City of Kelowna,  
1435 Water Street, Kelowna.

**Subject:** Letter of Support – Growth Scenario 3 - Official Community Plan Revisions

The Kelowna South Central Neighborhood Association (KSAN) represents residents working together for over 25 years to promote the livability of our neighbourhoods.

The KSAN Board of Directors wishes to confirm our support of Growth Scenario which has been approved by Council twice (on July 30 and on Dec 10, 2018) and overwhelmingly by the public. This scenario will encourage densification of the city centre while limiting urban sprawl. It is well documented that urban sprawl results in more costly infrastructure such as roads, water, electricity, and policing. Sprawl increases car use and traffic congestion and is inefficient and not considered sustainable development.

More concentrated population growth, such as with Growth Scenario 3, results in the generation of municipal taxes between \$100,000 to \$250,000/hectare in Kelowna while in the suburban areas, taxes are in the order of \$10,000/hectare – roughly 1/10 to 1/25 of the taxes collected from the urban core. Apparently, City Council is being lobbied by groups, such as the Urban Development Institute (UDI), to change their support to a new scenario 2.5 which allows for urban sprawl at 33% of future development - more than double of the preferred Scenario 3. This not only represents an inefficient use of tax dollars; it is a more costly growth scenario, it is less sustainable environmentally, and should not be the scenario supported by Council.

We look forward to a response to this letter of concern regarding Kelowna's future growth scenarios.

Erica Bell-Lowther

Erica Bell-Lowther, PhD  
President, Kelowna South-Central Association of Neighbourhoods (KSAN)  
778-484-2125  
[www.ksan-kelowna.ca](http://www.ksan-kelowna.ca)

### **Re: Support for Growth Scenario 3**

In August 2003 it was only by the grace of God that fire marshals were able to evacuate hundreds of Kettle Valley families down Chute Lake Road, through side roads and over fields to escape from the devastating Okanagan Mountain Fire.

This event repeats itself in our minds every day as we inch down the same road in the ever-increasing morning traffic congestion. It is this vision that many of us carried to the Imagine Kelowna initiative to express our concern that more should be done to match accelerated residential development in Neighbourhoods 1, 2 and 3. with adequate arterial road access.

It was with great relief when Growth Scenario 3 was released in 2018 recognizing our input and was subsequently endorsed by Mayor and Council. The report was thoughtful and conclusive as it recognized the Canary in the Coal Mine warning of August 2003 for the need to make major changes in matching future residential development with anticipated vehicle traffic volumes (and more creative public transit).

It will be with great regret to our residents to learn that City Council is now considering a step backwards to a Growth Scenario 2.5 plan, which appears to be a compromise with Growth Scenario 2, a previously rejected plan in the public consulting process.

Residents and neighbours of the Kettle Valley Neighbourhood will be meeting with City transportation staff (Mayor Basran is also graciously considering attending.) on April 2 for an information meeting at Chute Lake Elementary on this very subject. We will be reviewing the history of arterial roadway development in the Upper Mission and a What's Next scenario.

The voters who participated in the Image Kelowna initiative have clearly provided the sustainability tools to best shape the next Official Community Plan, so it is our hope that on March 4 Kelowna City Council will unanimously support the mayor and city staff in their endorsement of Growth Scenario 3.

Respectfully yours,

**Len McFarlane**

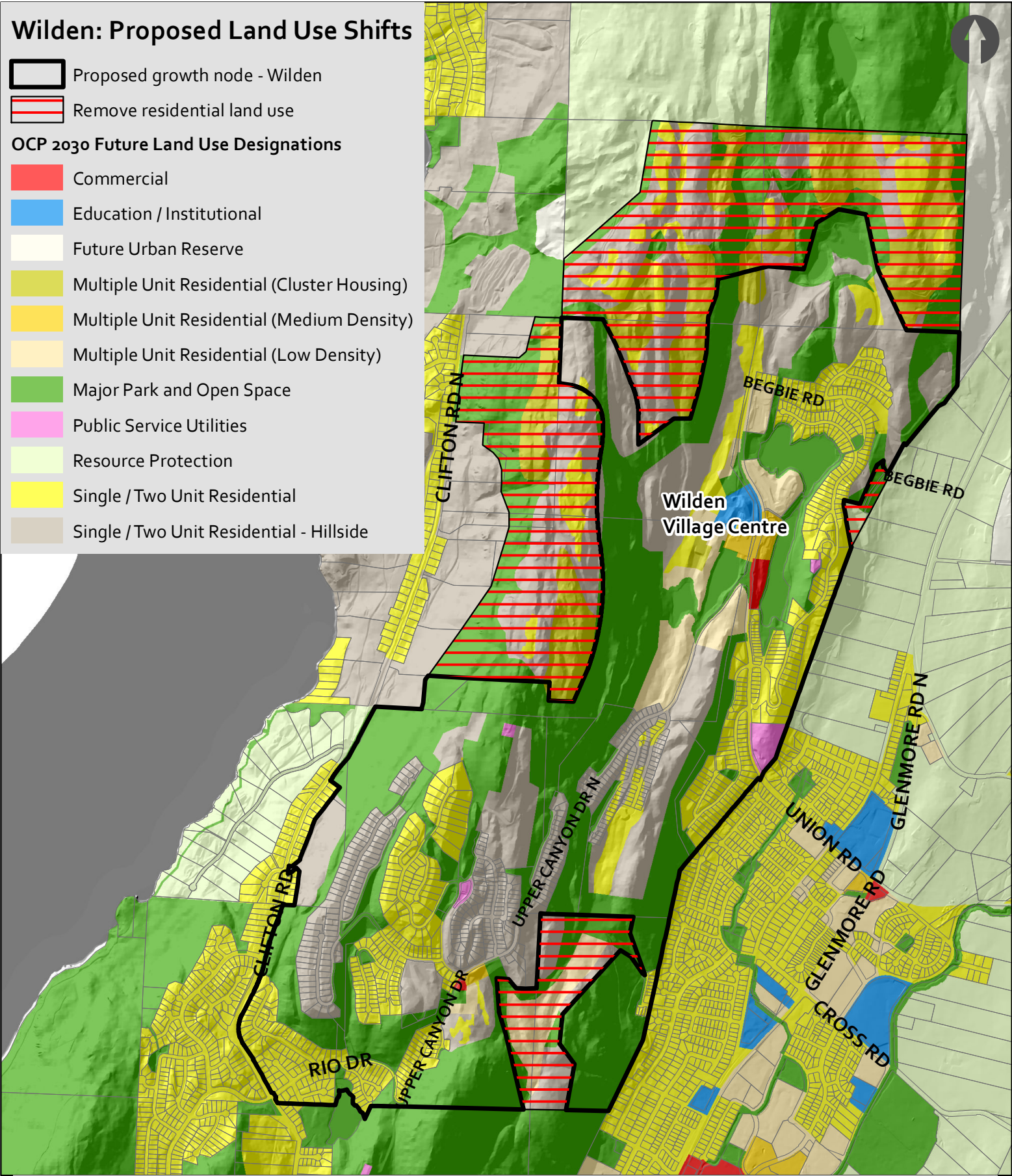
Chairman, Kettle Valley Neighbourhood Association

Wilden: Proposed Land Use Shifts

- Proposed growth node - Wilden
- Remove residential land use

OCP 2030 Future Land Use Designations

- Commercial
- Education / Institutional
- Future Urban Reserve
- Multiple Unit Residential (Cluster Housing)
- Multiple Unit Residential (Medium Density)
- Multiple Unit Residential (Low Density)
- Major Park and Open Space
- Public Service Utilities
- Resource Protection
- Single / Two Unit Residential
- Single / Two Unit Residential - Hillside



Wilden Land Use Considerations Summary

Units Built Today (Estimate)	Future Growth (per Growth Scenario)	Total Projected Capacity	Estimated Number of Units Removed
934 units	800-1000 units	1800-2000 units	700-900 units



Black Mountain: Proposed Land Use Shifts



- Proposed growth node - Black Mtn

Remove residential land use

Retain residential land use
- OCP 2030 Future Land Use Designations

Commercial

Education / Institutional

Multiple Unit Residential (Medium Density)

Multiple Unit Residential (Low Density)

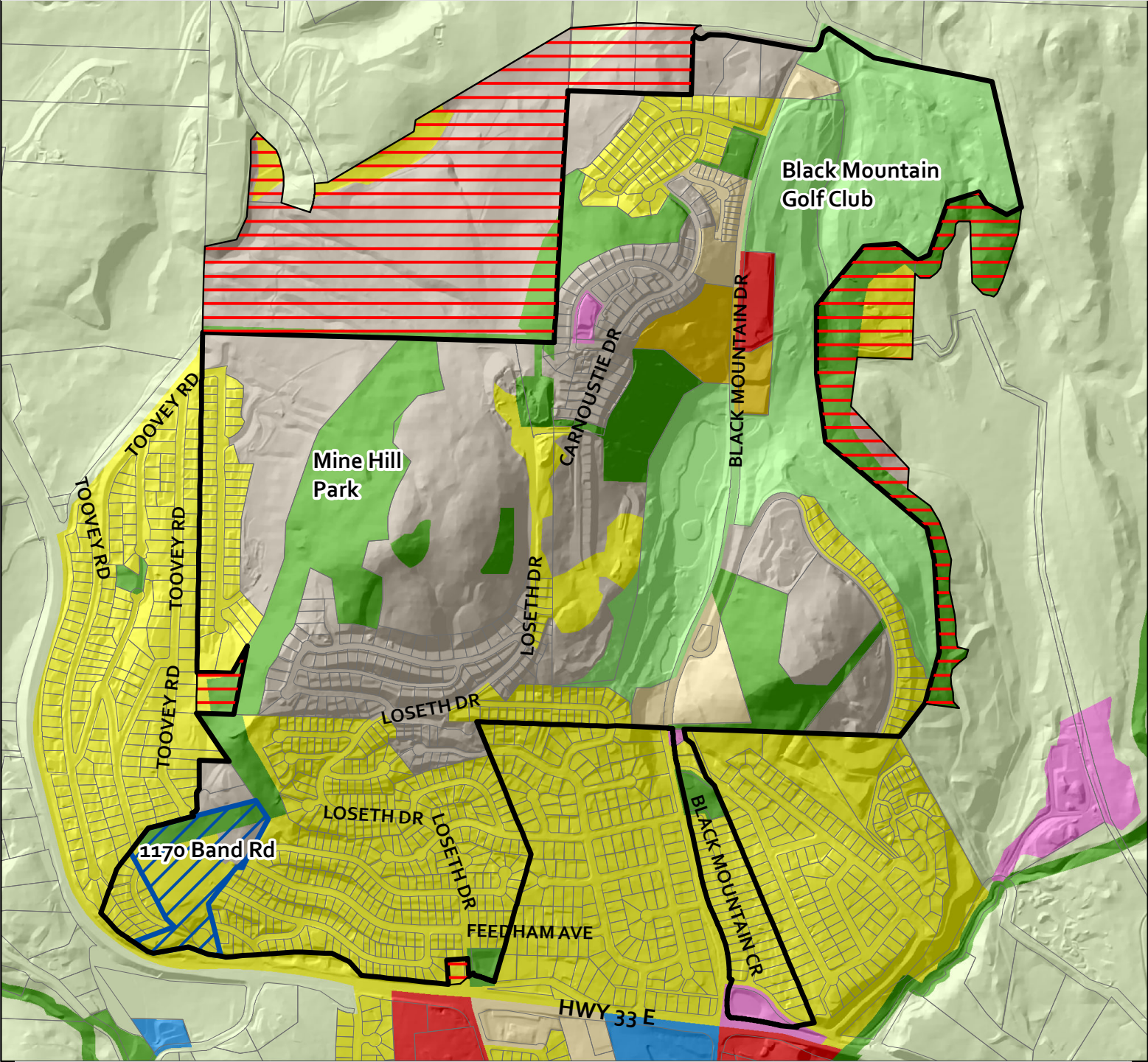
Major Park and Open Space
- Public Service Utilities

Private Recreational

Resource Protection

Single / Two Unit Residential

Single / Two Unit Residential - Hillside



Black Mountain Land Use Considerations Summary

Units Built Today (Estimate)	Future Growth (per Growth Scenario)	Total Projected Capacity	Estimated Number of Units Removed
833 units	400-500 units	1300-1400 units	250-350 units



# Kirschner Mountain: Proposed Land Use Shifts



- Proposed growth node - Kirschner Mtn

Proposed growth node - Black Mtn

Remove residential land use

Retain residential land use
- OCP 2030 Future Land Use Designations

Commercial

Education / Institutional

First Nations Reserve

Multiple Unit Residential (Cluster Housing)

Multiple Unit Residential (Low Density)

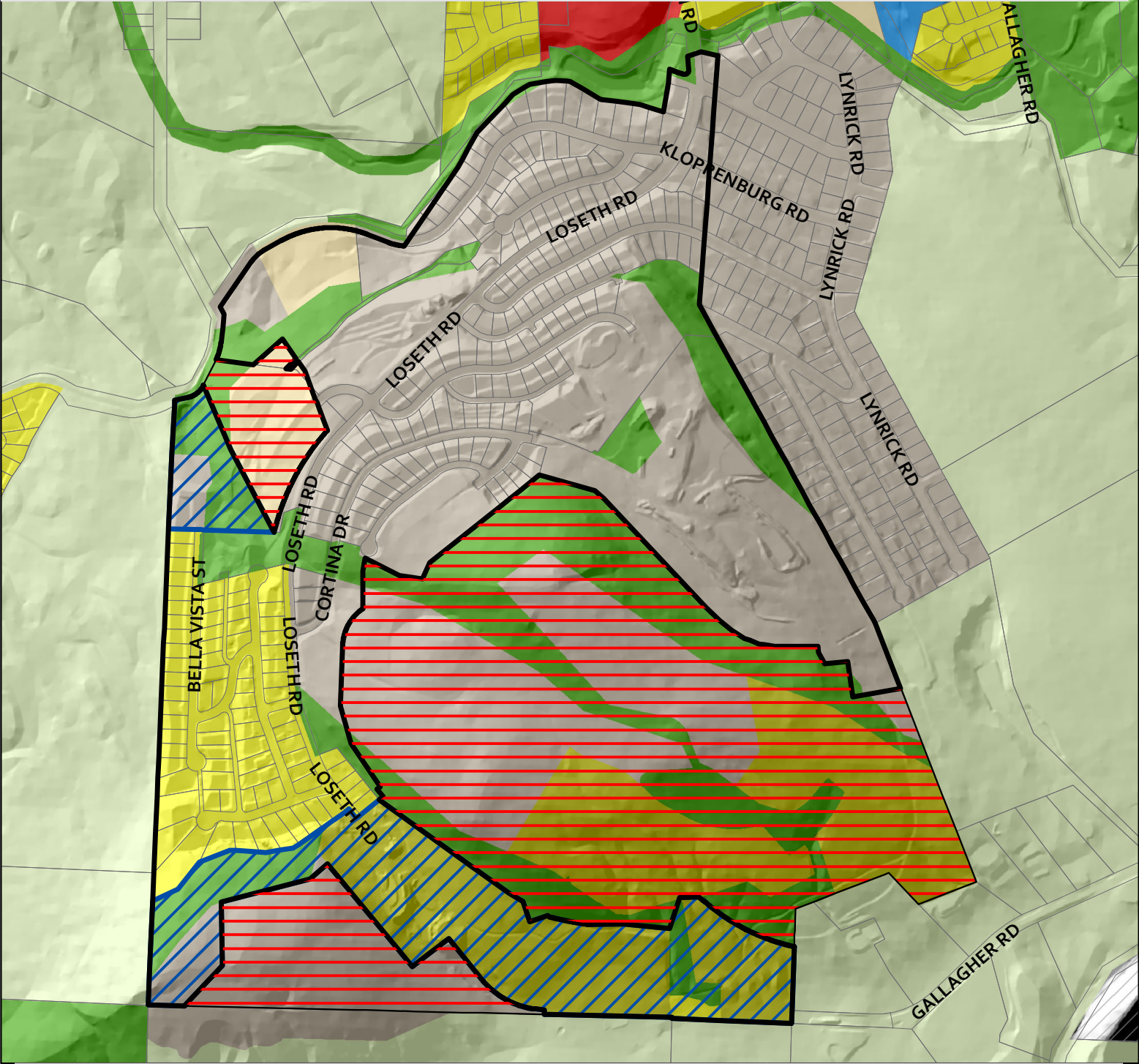
Major Park and Open Space

Public Service Utilities

Resource Protection

Single / Two Unit Residential

Single / Two Unit Residential - Hillside



Kirschner Mountain Land Use Considerations Summary

Units Built Today (Estimate)	Future Growth (per Growth Scenario)	Total Projected Capacity	Estimated Number of Units Removed
264 units	250-300 units	500-600 units	350-450 units

# The Ponds: Proposed Land Use Shifts

- Proposed growth node - The Ponds

Retain residential land use

OCP 2030 Future Land Use Designations

Commercial

Education / Institutional

Future Urban Reserve

Multiple Unit Residential (Cluster Housing)

Multiple Unit Residential (Medium Density)

Multiple Unit Residential (Low Density)

Major Park and Open Space

Public Service Utilities

Resource Protection

Single / Two Unit Residential

Single / Two Unit Residential - Hillside
- The map displays the 'The Ponds' area with various land use designations. A thick black line outlines the 'Proposed growth node - The Ponds'. Areas within this boundary are marked with blue diagonal hatching to indicate 'Retain residential land use'. Surrounding areas are color-coded according to the 'OCP 2030 Future Land Use Designations' legend. Key features include 'The Ponds Community Park' (green) and 'South Gordon Village Centre' (red). Roads shown include STEELE RD, FROST RD, GORDON DR, CLARANCE AVE, POND SA VE, and FAWN RUN DR. The map also shows existing residential areas with different patterns and colors, such as yellow for 'Multiple Unit Residential (Medium Density)' and light yellow for 'Multiple Unit Residential (Low Density)'.
- | The Ponds Land Use Considerations Summary |  |                             |                                      |
|---|--|-----------------------------|--------------------------------------|
| Units Built Today<br>(Estimate)           | Future Growth (per<br>Growth Scenario) | Total Projected<br>Capacity | Estimated Number of Units<br>Removed |
| 297 units                                 | 600-800 units                          | 900-1100 units              | 0 units                              |
- 116



## MEMORANDUM

<b>To</b>	Danielle Noble-Brandt, James Moore, Doug Gilchrist
<b>From</b>	Andrew Bruce, Nathan Hildebrand (Canadian Horizons)
<b>Date</b>	January 11, 2019
<b>Re</b>	Thomson Flats ASP, OCP Growth Scenarios

Please accept the following notes on behalf of Melcor Developments and Canadian Horizons in follow up to a meeting held at 8:30 AM of the date of this memo.

City staff opened the meeting indicating they wanted to update us on the implications of the recent decision by Council to shift the growth scenario for the 2020-2040 OCP such that it would eliminate the potential development of Thomson Flats by way or an overall reduction of planned suburban growth.

Melcor and Canadian Horizons both are absolutely opposed to this direction. We have been working through the Thomson Flats ASP for about four and half years and at a cost of approximately \$500,000. We have followed direction by Council and staff in completing the requirements of an extremely detailed Terms of Reference. Our position is that we should be able to complete the ASP (which is probably 90% complete) and present it to Council under the current OCP. The relevance to the current OCP is that we have been approved to prepare the ASP under this document and we can show that the Thomson Flats mid-term development yield is within the approximate total development yield originally intended for this sector of the City. In other words, there is no net impact to the plans and policies of the current OCP. Furthermore, through the ASP work, we have identified road infrastructure failures or shortfalls that will occur regardless of whether Thomson Flats is approved for development or not. Thomson Flats development could resolve these issues through the DCC contributions and other benefits accruing to the City from the development of Thomson Flats. We see no reason that the Thomson Flats ASP cannot or should not be considered under the current OCP policies.

Furthermore, we recognize that this shift in OCP policy may affect surrounding lands that are OCP designated for development but not zoned. This is clearly bad faith. Those lands have been the subject of their own Area Structure Plans and represent long term investments in land, consulting services and opportunity costs. Denying them the ability to develop as planned and approved at the OCP level will lead to a number of unintended consequences:

- The Ponds commercial sector would not likely be developed as the population density would not meet commercial thresholds for feasibility. This would not only be a huge disappointment for all the residents who have invested in properties in this sector but would also exacerbate the shortage of commercial services for the Southwest Mission Sector.
- Without the planned development (both residential and commercial) there would likely be a lack of DCC revenue to pay for the South Perimeter Road which is needed as a third arterial/collector in and out of this sector regardless of further development of unzoned lands.
- There are additional planned improvements to water and sewer infrastructure in this sector that are required. Again, denying planned and OCP approved development would likely create revenue shortfalls to the City for funding.



When we think about all of this at the macro level, we anticipate that there will be broad implications for the entire City and no real advantages to the portions of the OCP plan that are desired. Just to touch on a few:

- The restriction in supply of single family lots will have the effect of increasing prices. But this will not be limited to new housing – all single family housing stock will appreciate in value proportionately. This will impact the entire housing spectrum and will make the infill and re-development opportunities that much more expensive/less feasible.
- It will spell the end of the single family home building sector in Kelowna. If market demand stays even at our ten year average, there will be no new lots in 8-10 years.
- Infrastructure Effectiveness – most of the suburban areas already have access to infrastructure that was sized for the long term development yield. Reducing this yield make the existing infrastructure more expensive/less effective and if there are further works required, it has eliminated the main source of funding through DCC reductions.
- The extent of growth proposed to be achieved through multi-family development is challenging if not unfeasible. Whether you look at it from land assembly, development approvals, or market demand, it is unlikely that the volume of multi-family development will be achieved. When you combine this with underserving the market demand for single family, the entire growth projection is in jeopardy.
- Current home builders in Kelowna will look to adjacent communities to develop and build single family homes. Buyers looking for this type of affordable product will decide to locate just outside the city boundaries but chose to commute to the City and thus utilize infrastructure without the City having any benefit because of the lack of supply

We will be participating with UDI and possible other community stakeholder to prepare and submit a comprehensive response to Council's latest direction.

Specifically to Thomson Flats, we cannot understand a scenario where we would not have the opportunity to complete our ASP in the next few months under the current OCP, which is the formal bylaw governing development proposals. The next OCP is just that – something that does not exist yet. We are not naïve enough to think that the discussion on the next OCP won't have influence over our application, but it should not prevent us from completing this project that has been underway for four and a half years. We expect a response from staff regarding the completion of the Thomson Flats ASP under the current OCP.

# Oracle Investments Inc.

P.O. Box 29053, Okanagan Mission RPO Kelowna, BC V1W 4A7

February 19, 2019

Danielle Noble-Brandt  
Policy & Planning Development Manager  
City of Kelowna  
1435 Water Street  
Kelowna, BC, V1Y 1J4

Dear Ms. Noble-Brandt,

## **Re: Growth Scenario 3 Endorsement Implications – Oracle Investments Inc.**

Oracle Investments Inc. (Oracle) is a local, family-owned land development company in Kelowna. Oracle has been in Kelowna for over thirty years and is well known for its development work of the Crawford neighbourhood in the North Okanagan Mission Sector. The undeveloped Oracle lands are in the North Crawford – Mission Sector and within the Permanent Growth Boundary, with the land currently being aggregate mined. As per the existing Official Community Plan, the Oracle lands are identified as Future Urban Reserve.

We are writing to express our significant concern with the direction Council took in December 2018 with respect to Growth Scenario 3 and are fully unsupportive of this direction. It is our position that, if implemented by policy, this direction will have significant implications to existing and new residents of Kelowna by restricting their home ownership lifestyle choices. Oracle's intention, as supported by its current aggregate mining operations, is to apply rezone the land to support both single and multi-family residential development.

Further, it is our position that drastically restricting the supply of single family residential developable land in Kelowna will both increase the cost of the remaining single-family developable land, thereby negatively affecting the cost of affordable housing, as well as force people to look at neighbouring municipalities for their new homes.

Oracle does not support Council's direction on Growth Strategy 3 and encourages Council to reconsider its position due to the effects and consequences of this direction.

Sincerely,  
**Oracle Investments Inc.**



Kerry Leong  
Director

/KL



# Our Kelowna as we Grow 2040







# imagineKelowna

THE VISION TO 2040 - June 2018

# From Vision to Plan



Preserve and protect our natural environment and agricultural areas

Emphasize convenient walking, cycling and transit access

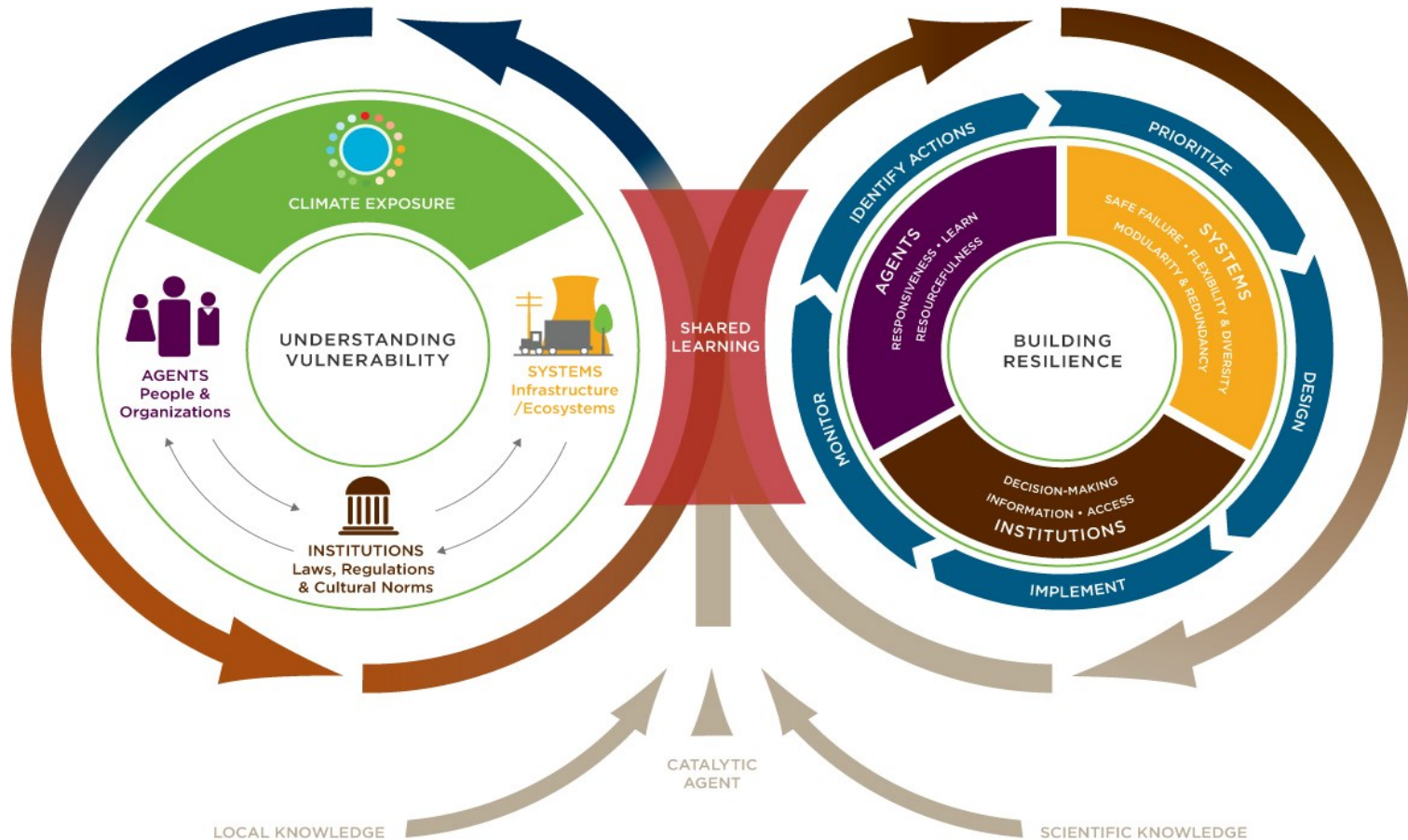
Promote a diversity of housing types



Integrate the theme of 'resiliency' to ensure our community can adapt and respond to uncertain future conditions.

Deliver strategic infrastructure investments to maximize return on investment for infrastructure and ongoing maintenance costs

# A Resilient City



Copyright © 2015 ISET-International

# Council's Direction

- ▶ On December 10<sup>th</sup>, 2018 Council directed the following:
  - ▶ *THAT Council endorses Growth Scenario 3 to serve as the foundation in developing a draft 2040 Official Community Plan.*

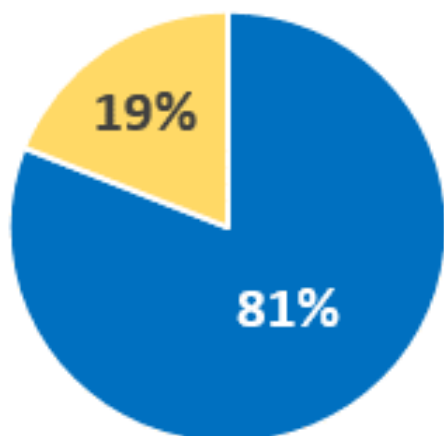


# The Growth Scenario

Technical Notes	
Housing Split	<p>Overall Housing Composition: 52% multi-unit / 48% single-two unit</p> <p><i>(New Growth: 80% multi-unit / 20% single-two unit)</i></p>
Housing Forms	Missing middle, apartments
Mode Split/Transportation	More transit and active transportation opportunities throughout the Urban Core. Auto trips are expected to be shorter.
Infrastructure impacts	Infrastructure investments concentrated in the Urban Core.

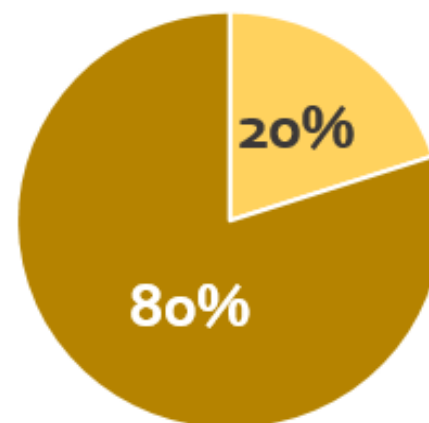
# The Growth Scenario

Location of Future Housing



■ Urban Core ■ Suburban Areas

Housing Split



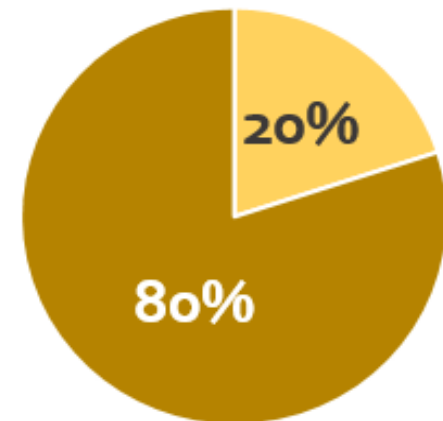
■ Single & Two Family ■ Multi-Family

# The Growth Scenario



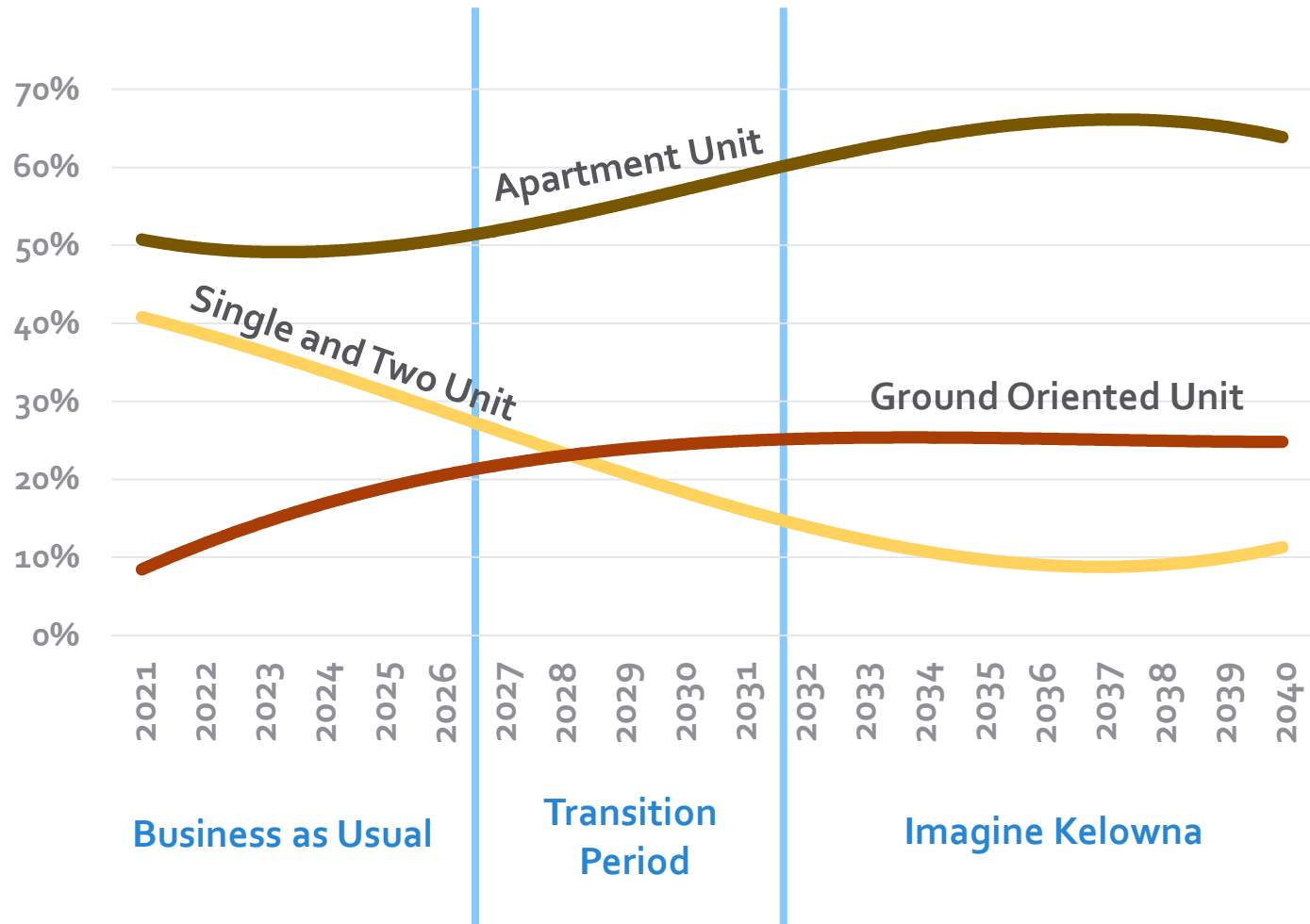
Source: Hripko Nelson & Associates

Housing Split

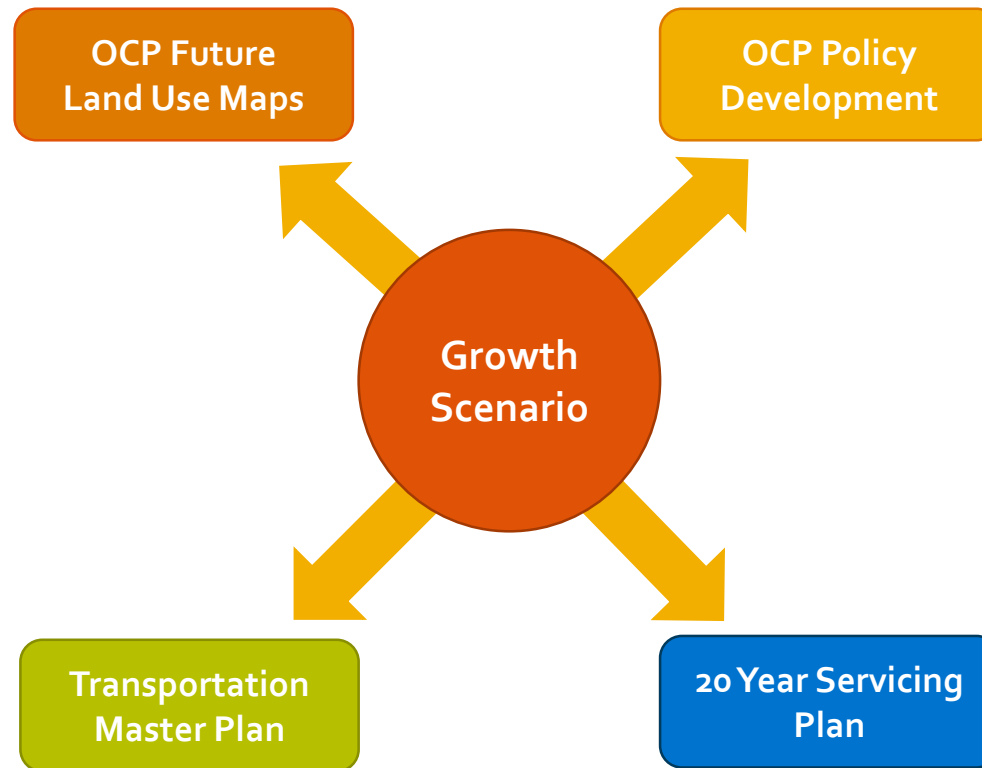


■ Single & Two Family    ■ Multi-Family

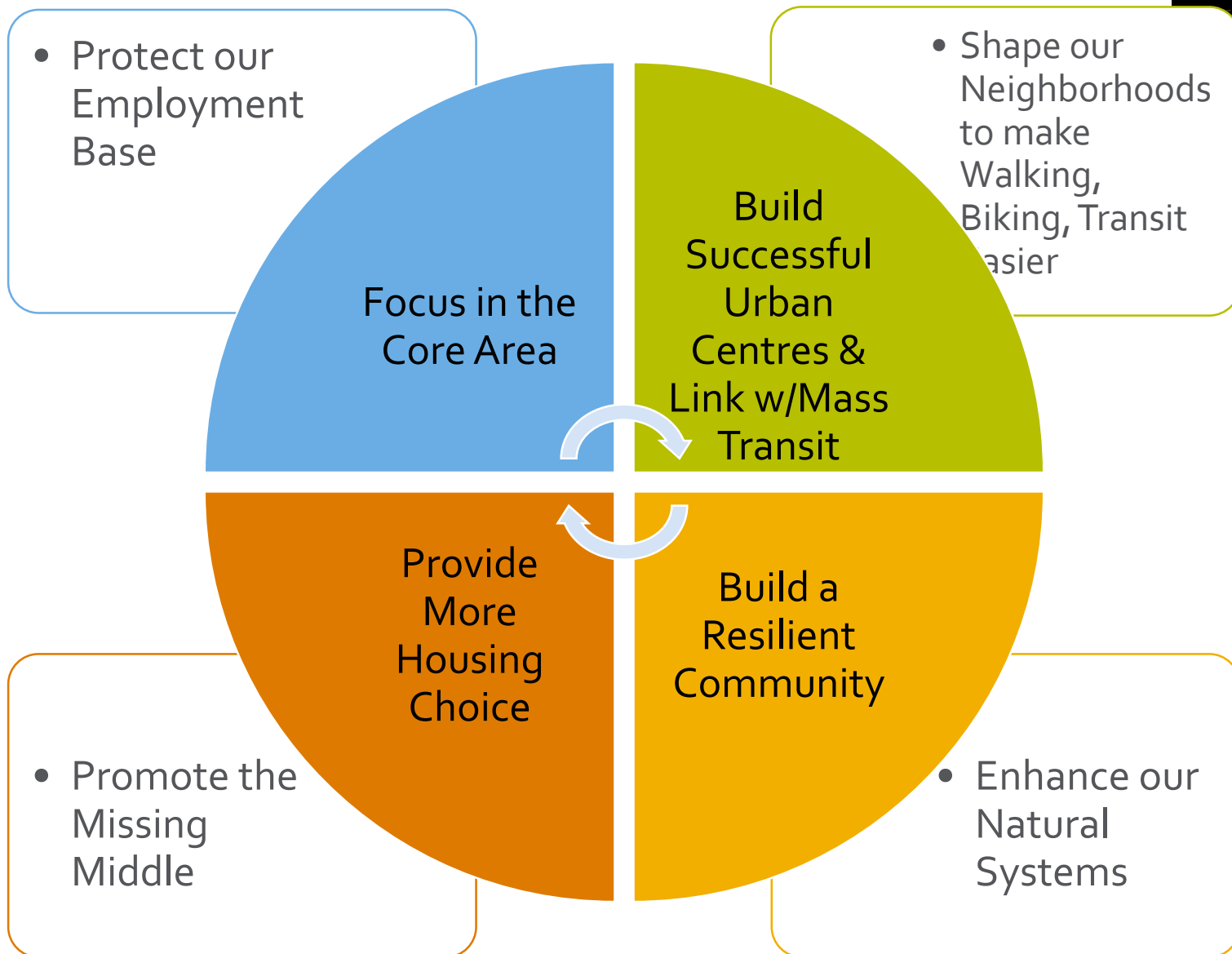
# Transition of Housing Types



# Growth Scenario Framework



# Big Ideas





## Legend

Permanent Growth Boundary

## Land Use Designations

- Agri-Business (AB)
- Commercial (COMM)
- Education / Institutional (EDINST)
- First Nations Reserve (FNR)
- Future Urban Reserve (FUR)
- Health District (HLTH)
- Industrial (IND)
- Industrial - Limited (IND-L)
- Industrial - Transition (IND-T)
- Major Park and Open Space (PAOS)
- Mixed Use (Residential / Commercial) (MXR)
- Mixed Use Tourism (MXT)
- Multiple Unit Residential (Cluster Housing) (MRC)
- Multiple Unit Residential (Low Density) (ML)
- Multiple Unit Residential (Medium Density) (MRM)
- Multiple Unit Residential (High Density) (MRH)
- Private Recreational (REC)
- Public Service Utilities (PSU)
- Transportation Corridor (TC)
- Resource Protection Area (RPA)
- Service Commercial (SC)
- Single / Two Unit Residential (SZRES)
- Single / Two Unit Residential - Hillside (SZRESH)
- Sensitive Infill Housing (SIH)

Future Land Use Boundaries on lots with more than one Land Use Designation are conceptual only and may change based on Development Proposals.

## NOTES

### AREA STRUCTURE PLAN

- A AIRPORT
- F FERRIS
- K KITCHEN
- L LAKE
- S SCHOOL
- W WAREHOUSE
- CE CEMETERY
- ST STATION
- UNO UNIVERSITY OF O.C. UNIVERSITY
- CC CANADIAN COLLEGE

Adaptive Re-use of Heritage Buildings may be permitted within any Future Land Use Designation.

Temporary Commercial and Industrial Uses are not shown on this map. For information on approved temporary uses, please consult chapter 19 of the Official Community Plan.

Landuse designations apply only to legal parcels (i.e. roads, creeks, wetlands, etc. that are not a separate legal parcel have no land use designation applicable). The colours on the Future Land Use Map that extend to the middle of these features are applied to improve map aesthetics.

This map is for general information only. The City of Kelowna does not guarantee its accuracy. All information should be verified.

Rev. Feb 22, 2017



Map 4.1  
Generalized Future  
Land Use  
Official Community Plan 2030



# Future Land Use Plan

- Shifts in the Urban Core
- Shifts in the Suburban Areas

# Direction for the Urban Core





# Direction for Suburban Neighbourhoods



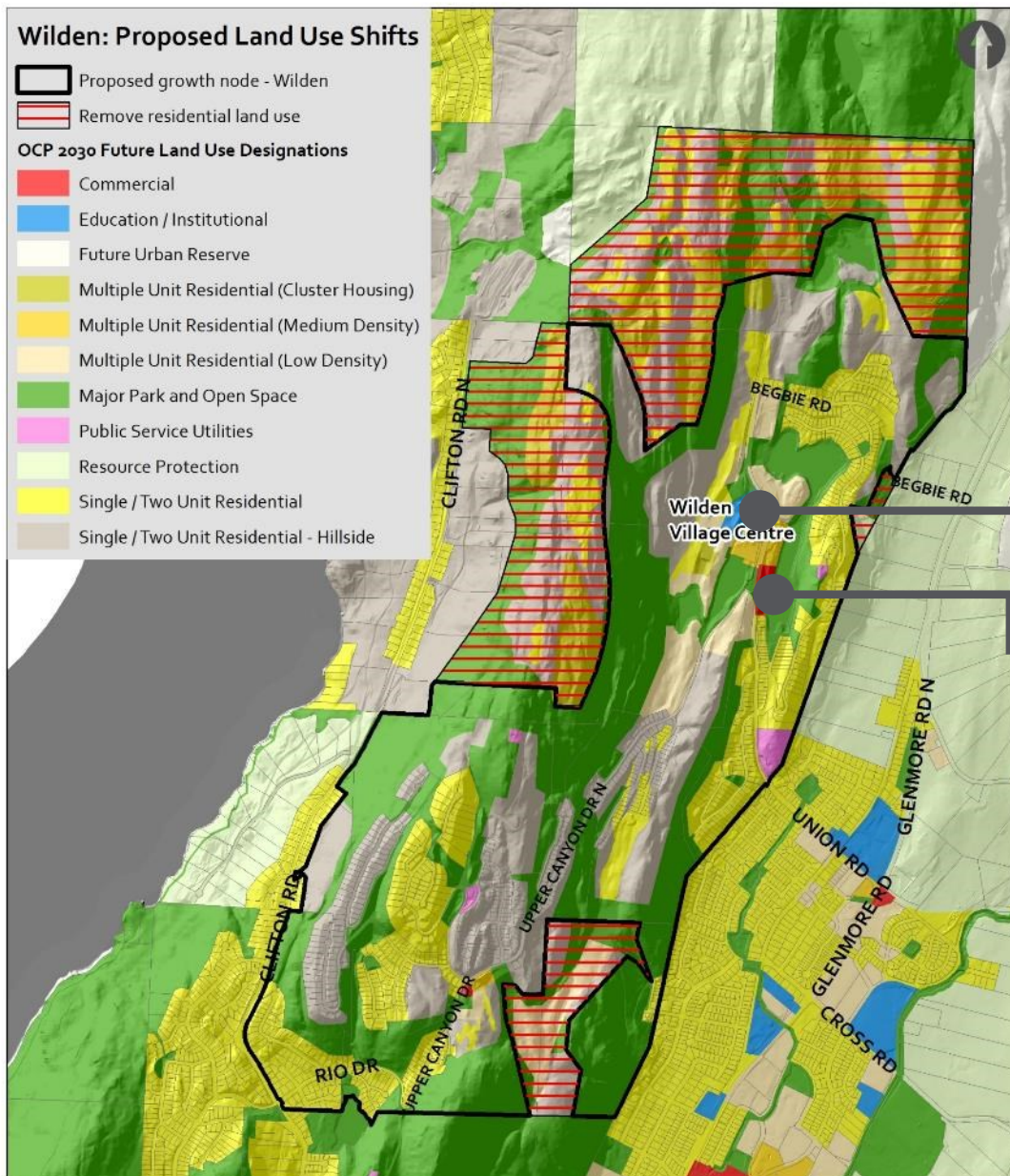
# Criteria for Analysis of Suburban Lands

- ▶ School sites
- ▶ Commercial centres
- ▶ Emergency and secondary access
- ▶ Road connectivity
- ▶ Impacts on planned capital projects
- ▶ Viability of zoned lands
- ▶ Proximity to employment

# Wilden

School site

Wilden Market Square



Wilden Land Use Considerations Summary

Units Built Today (Estimate)	Future Growth (per Growth Scenario)	Total Projected Capacity	Estimated Number of Units Removed
934 units	800-1000 units	1800-2000 units	700-900 units



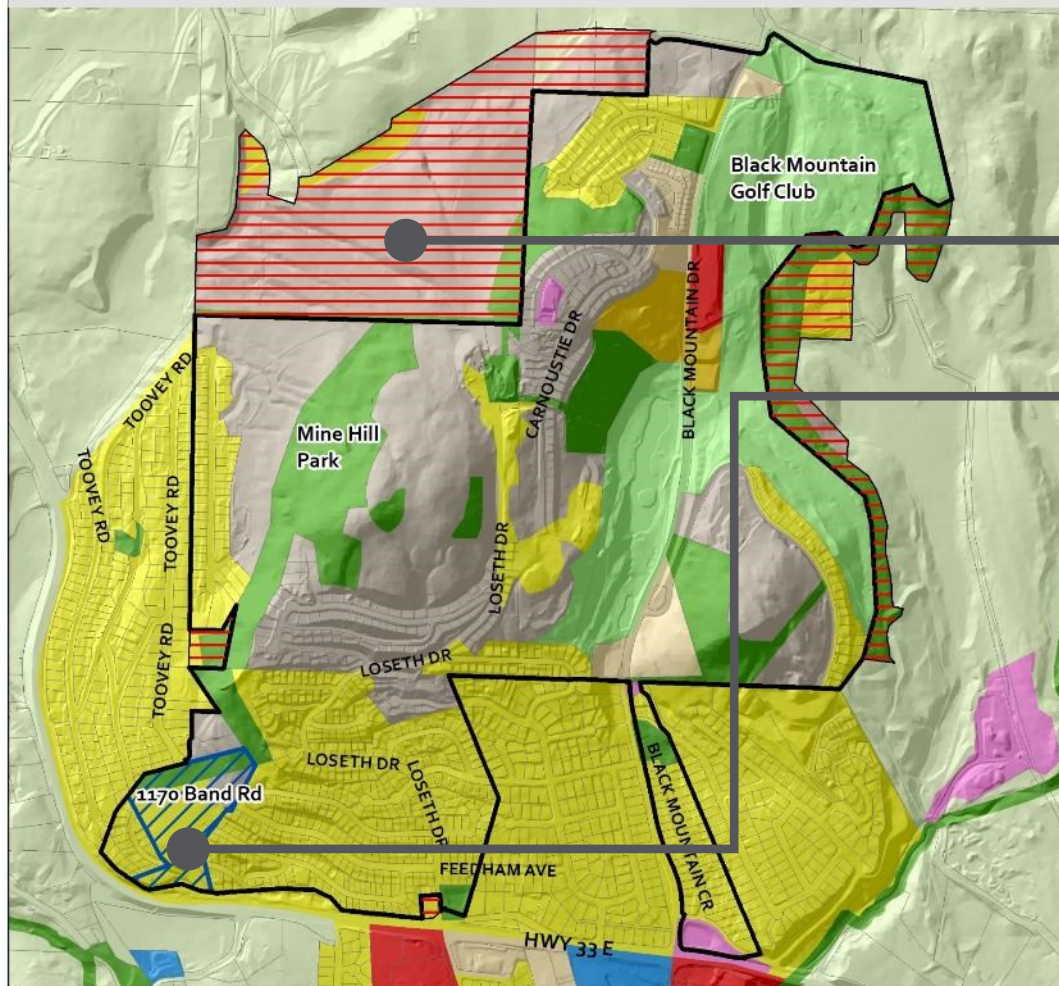
## Black Mountain: Proposed Land Use Shifts



# Black Mountain

1151 McKenzie Road

1170 Band Road



*Black Mountain Land Use Considerations Summary*

Units Built Today (Estimate)	Future Growth (per Growth Scenario)	Total Projected Capacity	Estimated Number of Units Removed
833 units	400-500 units	1300-1400 units	250-350 units



## Kirschner Mountain: Proposed Land Use Shifts



# Kirschner Mountain












1205 Montenegro Drive

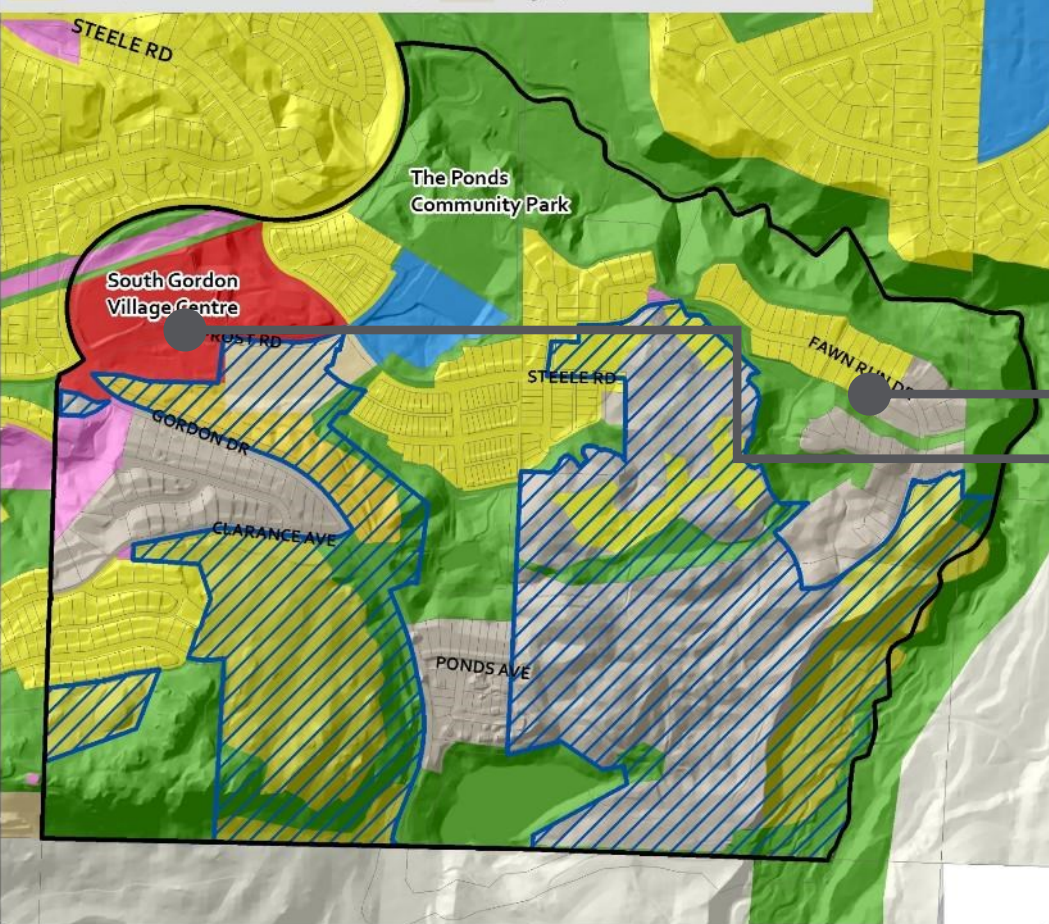
Development corridor for  
 Loseth / Gallagher Road  
 connection

*Kirschner Mountain Land Use Considerations Summary*

Units Built Today (Estimate)	Future Growth (per Growth Scenario)	Total Projected Capacity	Estimated Number of Units Removed
264 units	250-300 units	500-600 units	350-450 units

## The Ponds: Proposed Land Use Shifts

-  Proposed growth node - The Ponds
-  Retain residential land use
- OCP 2030 Future Land Use Designations**
-  Commercial
-  Education / Institutional
-  Future Urban Reserve
-  Multiple Unit Residential (Cluster Housing)
-  Multiple Unit Residential (Medium Density)
-  Multiple Unit Residential (Low Density)
-  Major Park and Open Space
-  Public Service Utilities
-  Resource Protection
-  Single / Two Unit Residential
-  Single / Two Unit Residential - Hillside



# The Ponds

Fawn Run  
Neighbourhood

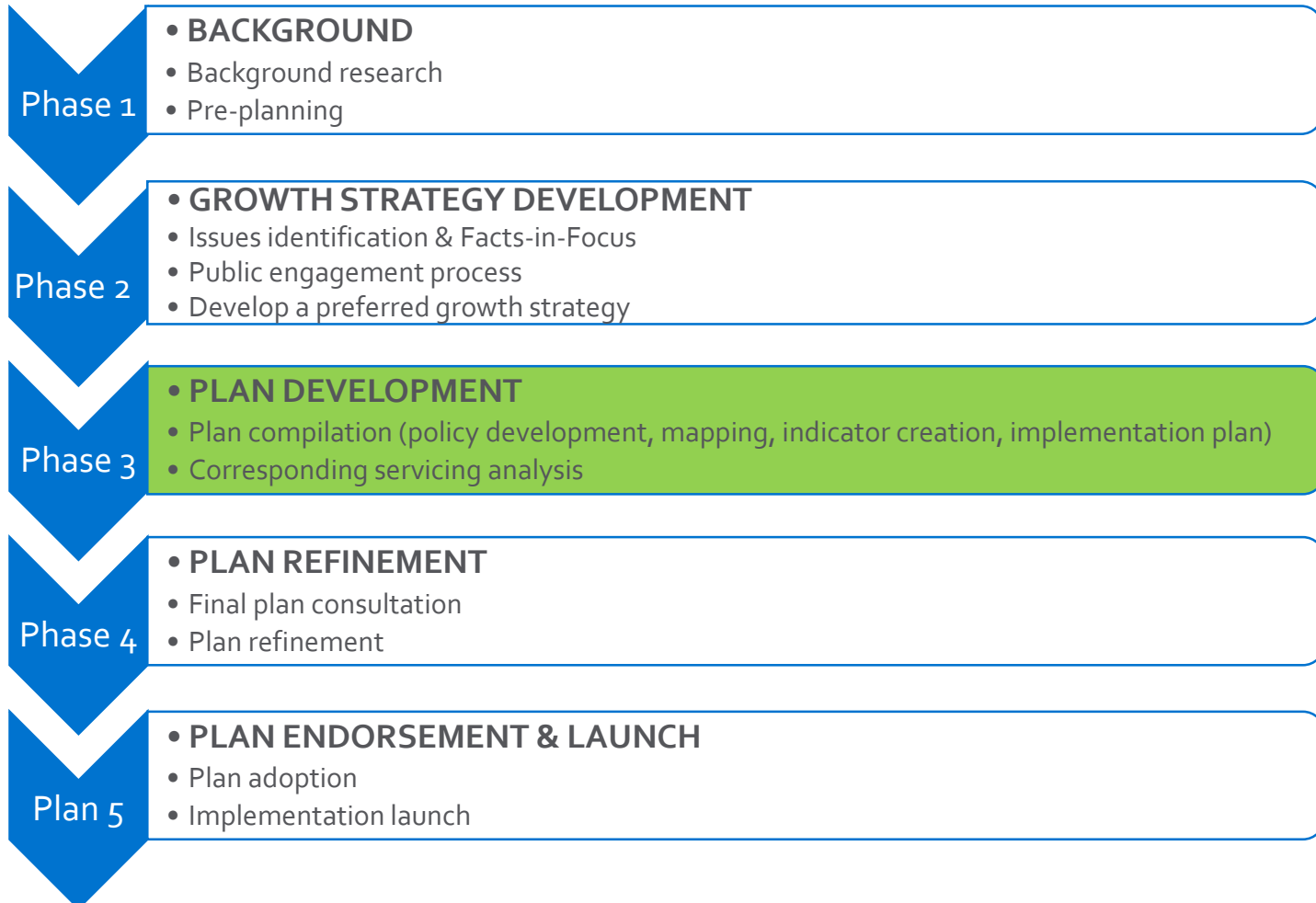
South Gordon  
Village Centre

*The Ponds Land Use Considerations Summary*

Units Built Today (Estimate)	Future Growth (per Growth Scenario)	Total Projected Capacity	Estimated Number of Units Removed
297 units	600-800 units	900-1100 units	0 units

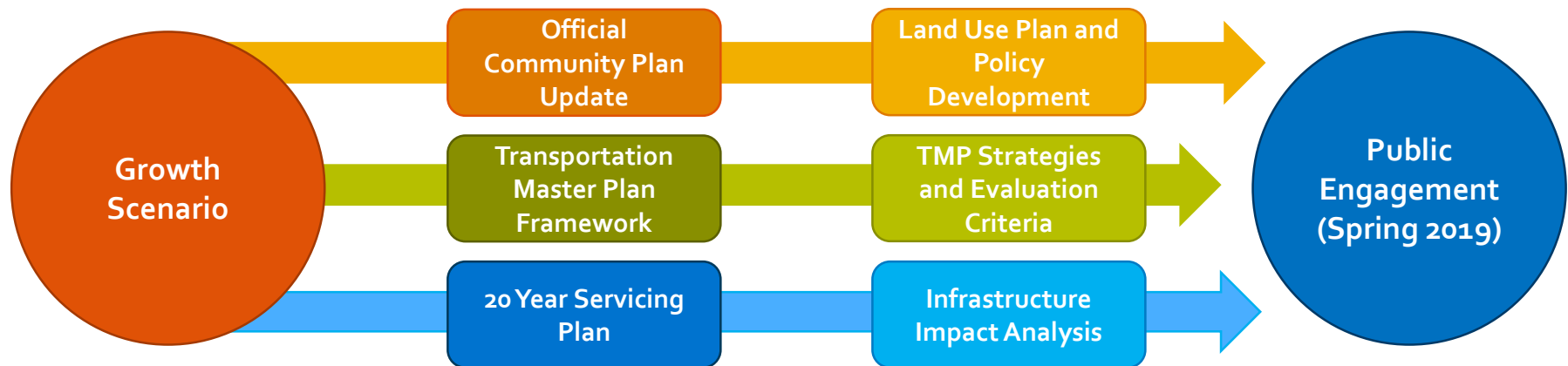


# Next Steps

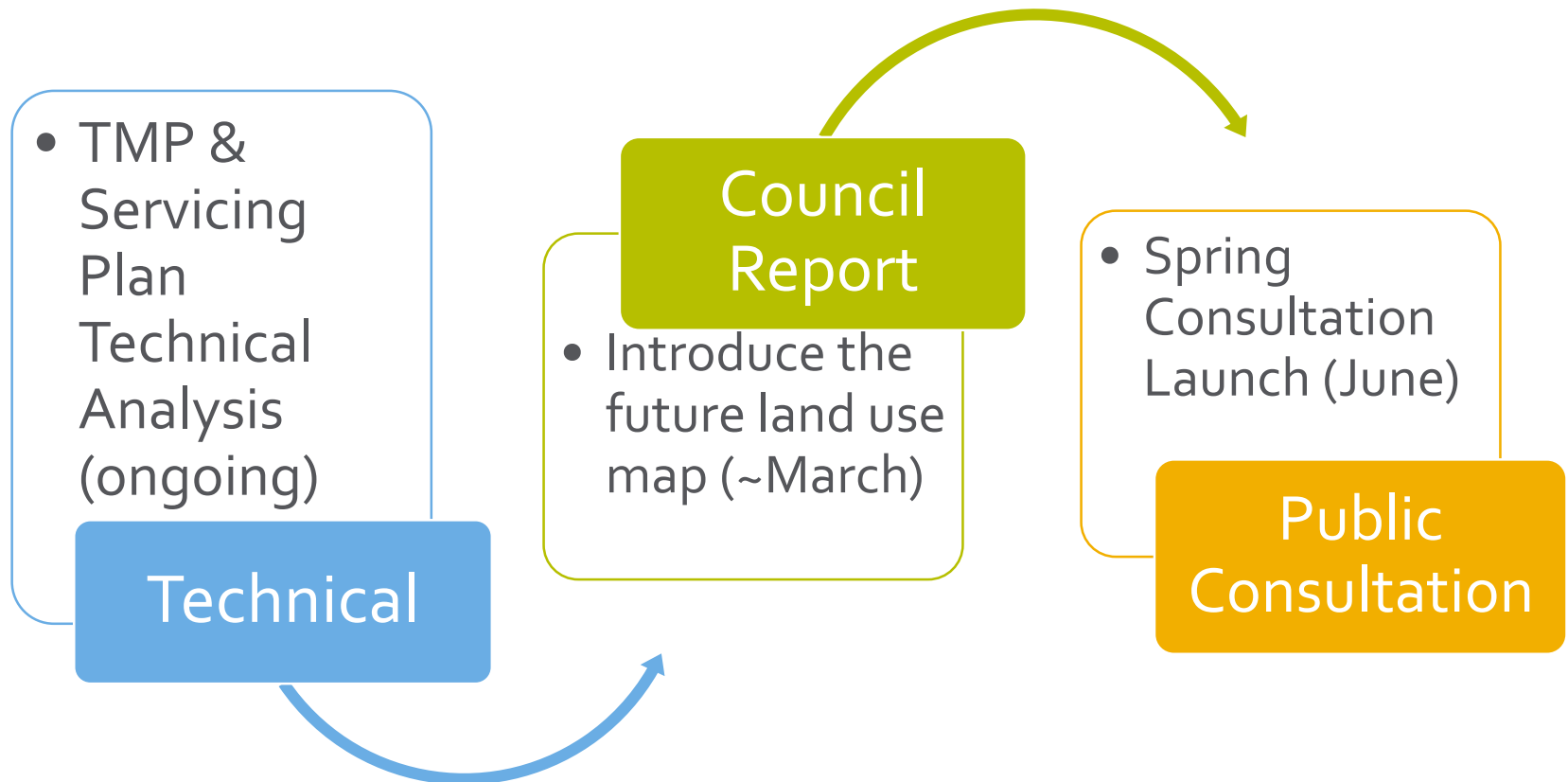




# Growth Strategy Coordination



# Next Steps









*Questions?*

# Report to Council



**Date:** March 4<sup>th</sup>, 2019  
**File:** 0100-01  
**To:** City Manager  
**From:** Greg Wise, Business Licensing Manager  
**Subject:** Short-Term Rental Accommodation Business Licence and Regulation Bylaw No. 11720

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## **Recommendation:**

THAT Council receives for information, the report from the Business Licensing Manager, dated March 4, 2019, with regards to creating a new Short-Term Rental Accommodation Business Licence and Regulation Bylaw;

AND THAT Bylaw No. 11720 being Short-Term Rental Accommodation Business Licence and Regulation Bylaw be forwarded for reading consideration;

AND THAT Bylaw No. 11771 being Amendment Bylaw No. 23 to Bylaw Notice Enforcement Bylaw No. 10475 be forwarded for reading consideration;

AND THAT Council provide an opportunity for persons who consider themselves affected by this application to make representations to Council during the March 12, 2019, Public Hearing on the associated Text Amendment Bylaw No 11766;

AND FURTHER THAT Council direct staff to give notice of its intention to provide for public input on Bylaw No. 11720 being Short-Term Rental Accommodation Business Licence and Regulation Bylaw by advertising in the in the Daily Courier on Wednesday, March 6<sup>th</sup> and Friday, March 8<sup>th</sup>; in the Okanagan Saturday edition on March 9<sup>th</sup> and by being posted on the City Hall Notice Board on Tuesday, March 5, 2019.

## **Purpose:**

To consider a new Business Licence and Regulation Bylaw for Short-Term- Rental Accommodations and to allow for members of the public to make representations to Council regarding the proposed Bylaw.

### **Background:**

On December 3, 2018, Council directed staff to proceed with preparing bylaws to implement the proposed short-term rental accommodation regulations and licensing requirements related to the short-term rental accommodations. The proposed regulations were based on the guiding principles Council endorsed on July 16, 2018, as well as best practice research and input from residents and stakeholders.

Recent proposed Zoning amendments to allow short-term rental accommodation within Zoning Bylaw 8000, will require associated Business Licence regulations and conditions pertaining to the operation of such short-term rental accommodations.

The regulations aim to balance the desire to allow short-term rentals as an option for tourists and visitors with the need to protect long-term rentals and to limit impacts on neighbouring properties. Establishing these regulations will help provide clarity to residents about how short-term rentals can be operated. The zoning amendments define short-term rental accommodation as a new use, identify more specific regulations associated with it, and introduce it as a principal or secondary use in the appropriate zones. The proposed Licence regulations are in keeping with Council approved Guiding Principles and in step with the "Housing Needs Assessment", and "Healthy Housing Strategy" and will further clarify regulations pertaining to the operation of such short-term rental units within the community.

### ***Business Licencing***

All short-term rentals, including legal non-conforming operations, will require a business license. Staff are proposing a business license fee of \$345 where the short-term rental is in the operator's principal residence, and a fee of \$750 where it is not the operator's principal residence. These fees are within range of several other BC Municipalities that have initiated regulations for short-term rentals and would be adjusted annually with the Consumer Price Index. Fees are intended to support cost recovery for licensing and compliance requirements associated with short-term rental accommodations and to provide equity among operators.

Staff will work with applicants to inform them of the license requirements and conditions. A comprehensive communications plan and support documentation has been developed to roll out the new program. It is anticipated following adoption and approval of the new bylaw, licencing will commence early Spring of 2019, a formal start date will be communicated to the public as part of a larger education package on the subject.

To support the first two guiding principles (protection of long-term housing, and ensure short-term rental accommodations are good neighbours) and that rental units are safe, staff propose the following documentation, conditions and operational requirements as part of the new license regime:

### ***Highlights of licence requirements and conditions are as follows:***

- All short-term rental accommodation operators are to hold an annual Business Licence.
- All operators are to sign a Good Neighbour Agreement with the City, agreeing to be a responsible good neighbour short-term rental operator.

- Principal residence operators must provide documentation confirming the residential address is the operator's principal residence.
- Submit proof of property ownership, or if a tenant, documentation confirming approval of provision of the short-term rental accommodation by the applying tenant/operator.
- Operators that are located within a strata, will need to provide documentation confirming the short-term rental does not conflict with any strata bylaws.
- Operators, or the "Responsible Person" are required to respond to any complaints.
- Operators will ensure all marketing of the short-term rental accommodation indicates a business licence number and the number of approved rental sleeping units (bedrooms).
- Provide a self-evaluation safety audit and attestation form confirming fire and life safety measures are addressed.
- Provide a floor plan indicating safety exits, fire alarm and fire extinguisher locations and display the plan in the accommodation.
- Provide a parking plan which conforms to the parking requirements of the Zoning bylaw.

#### ***Compliance with Regulations:***

Should the proposed regulations move forward, staff will initiate a communications plan to notify the public of these new regulation requirements, and will focus on education and information distribution in the initial quarter of the year, prior to directing resources to a proactive compliance model. To support compliance efforts and mitigate impacts to staff resources, staff propose contracting a third party company with software capable of searching listings across multiple online accommodation platforms to effectively provide accurate and enforceable information. These companies offer a range of services, including license application platforms and listings identification to more robust monitoring and communications services. Complaint-based enforcement through Bylaw Services will still form part of the compliance strategy, particularly as it relates to nuisance issues. Education will be the initial focus. Compliance will be pursued as needed in a fair but firm manner for those in breach of any bylaw conditions, including the Good Neighbour Agreement.

#### ***Next Steps***

Should the proposed Zoning Bylaw amendments and Business Licence Bylaw regulations be adopted, those looking to operate a short-term rental would be required to obtain a business license prior to operating. Staff will provide communication and a simple application package for the operators to complete.

Staff will also review and report back to Council after two tourist seasons following implementation of new regulations. A review presents an opportunity to consider how the regulations are working, as well as to explore whether or not other suggestions should be incorporated into the regulation of short-term rental accommodation. Furthermore, as the industry continues to evolve, a review gives staff and Council the opportunity to review the regulations as they relate to ongoing changes in the accommodation industry and within our community.

**Internal Circulation:**

Community Planning Department Manager  
Bylaw Services Manager  
Community Communications Manager  
Fire Chief

**Legal/Statutory Authority:**

Sections 8(6) and 15 of the *Community Charter*, S.B.C. 2003, c. 26

**Legal/Statutory Procedural Requirements:**

*Community Charter* 59(2) give notice of intention and to provide opportunity of those affected to make representation to Council

*Community Charter* S.59(3) advertise in a manner that Council considers reasonable

**Financial/Budgetary Considerations:**

Estimated \$320,000 annually for business licensing and enforcement (approved in budget). Business license fees to support cost recovery.

**Personnel Implications:**

One new License and Bylaw Inspection Officer and one new Administrative Clerk needed to support licensing needs associated with short-term rental accommodation (approved in budget). The positions will be shared with the need for additional resources to support demands of new cannabis retail sales establishments and cannabis production facilities.

**Communications Comments:**

A comprehensive Communications plan has been developed to educate both internal departments and external stakeholders and the General Public of these new regulations and the licensing process requirements.

**Submitted by:** Greg Wise, Business Licensing Manager

**Approved for inclusion:** Derek Edstrom, (Acting) Divisional Director  
Community Planning and Strategic Investments

cc: R. Smith, Community Planning Department Manager  
L. Bentley, Community Planning Supervisor  
D. Gazley, Bylaw Services Manager  
T. Whiting, Fire Chief  
S. Cronquist, Deputy Fire Chief Admin, Training, & Fire Prevention  
K. O'Rourke, Community Communication Manager



# Short-Term Rental Accommodation & Business Licence Bylaw

Bylaw No. 11720

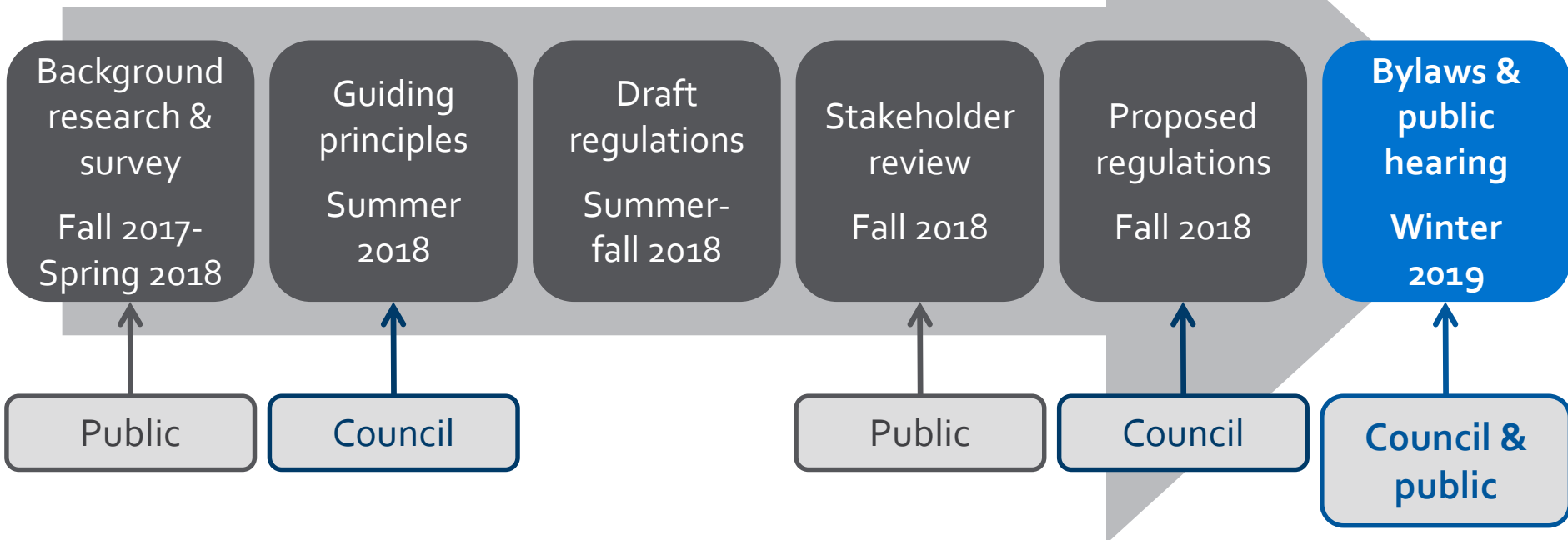
March 4, 2019



# Overview

- ▶ Regulation process
- ▶ Context
- ▶ Guiding principles
- ▶ Licence requirements & fees
- ▶ Licence application process
- ▶ Next steps

# Regulation Process to date



# Context

- ▶ Housing Needs Assessment
  - ▶ Security of tenure & short-term rentals
- ▶ Healthy Housing Strategy
  - ▶ Key direction: Promote & protect rental housing

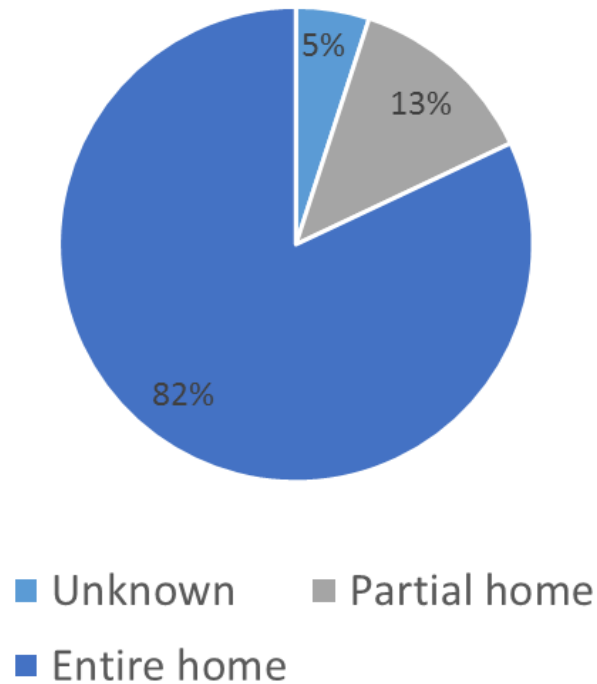
Action: Develop policy & regulations to protect the rental stock from the impacts of short-term rentals.

# Guiding Principles

1. Ensure short-term rental accommodations **do not impact long-term rental housing supply** in negative way.
2. Ensure short-term rental accommodations are **good neighbours**.
3. Ensure **equity among** short-term accommodation providers.

# Short-Term Rental Listings

Listing Types



## *Current listings in Kelowna*

- Majority are whole home
- Median no. of rental days - 30
- Median nightly rate \$220
- Median annual income \$6600

Median nightly rate: \$220

# Licensing fee

- ▶ Business licence will be required to operate
  - ▶ Fees will support cost recovery and mitigate taxation
- Proposed fees :
  - ▶ \$345 (principal residence) \$750 (non-principal)
- ▶ Supports
  - ▶ Third party monitoring & compliance
    - ▶ Payment based off total listings found, not licenced
  - ▶ Staff
  - ▶ Compliance focused staff structure



# Fee Comparison

Municipality	Licence Category #1	Licence Category #2
<b>Kelowna</b>	\$345.00	\$750.00
Category desc	Principal Residence	Non-Principal Residence
<b>Victoria</b>	\$150.00	\$1500.0
Category desc	Principle Residence	Non-Principal Residence
<b>Vancouver</b>	\$51.00	\$109.00
Category desc	One fee only	Includes app fee
<b>Tofino</b>	\$450.00	\$750.00
Category desc	Short Term Rental 1 Rm	Short Term Rental 3 Rm
<b>Nelson</b>	\$200.00	\$450.00 <sup>155</sup>
Category desc	1 unit	3 units

# Licensing & Compliance

- ▶ Business licence will be required
  - ▶ Fees to support cost recovery
  - ▶ Documentation requirements
  - ▶ License conditions
- ▶ Third party monitoring & compliance
  - ▶ Proactive approach to enforcement
  - ▶ Provide additional tools
  - ▶ Limit impact on staff resources

# Application

- ▶ Proof of principal residence status
  - ▶ If applicable
- ▶ Identify responsible person
- ▶ Good neighbour agreement
- ▶ Safety audit attestation form
  - ▶ Confirming fire & safety standards are met

# Application Process

- ▶ Simplified process
- ▶ Communications
  - ▶ Clear and easy
  - ▶ One package of information
- ▶ Submit form online PDF
  - ▶ Move to online with new system

# Meeting the Principles

Requirement	Protect Long-Term Rentals	Good Neighbour	Short-Term Accommodation Equity
Operator's principal residence	X	X	
No suites or carriage houses	X		
Max. number of people, bedrooms & bookings		X	
Business license	X	X	X
Online accommodation platform taxes			X

# Next Steps

- ▶ Business License Bylaw
- ▶ Public Hearing
- ▶ Adoption & implementation
  - ▶ Education & application materials
  - ▶ Business license application intake
  - ▶ Third party compliance company
- ▶ Ongoing monitoring & review





*Questions?*

# CITY OF KELOWNA

## BYLAW NO. 11720

### Short-Term Rental Accommodation

### Business Licence and Regulation Bylaw

---

WHEREAS under sections 8(6) and 15 of the *Community Charter*, S.B.C. 2003, c. 26, a municipal council may, by bylaw, regulate in relation to business;

AND WHEREAS under section 15 of the *Community Charter*, a municipal council may provide for a system of licences, permits or approvals;

AND WHEREAS the Council of the City of Kelowna considers it necessary and expedient to provide for the regulation of short-term rental accommodation businesses and to require that such businesses be licenced;

AND WHEREAS the Council of the City of Kelowna has provided notice of its intention to adopt this bylaw and an opportunity to make representations, and the Council of the City has done so in a form and manner and at times and as often as it considers reasonable;

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

#### SECTION 1 - INTRODUCTION

1.1 This Bylaw may be cited as the "Short-Term Rental Accommodation Business Licence and Regulation Bylaw No. 11720".

#### 1.2 Definitions

1.2.1 In this Bylaw:

**"Business Licence Bylaw"** means the City of Kelowna Business Licence and Regulation Bylaw No. 7878, 1996; as amended or replaced from time to time.

**"Licence Inspector"** means the officials appointed by Council under Section 14 of the Business Licence and Regulation Bylaw No. 7878, and also includes Building Inspectors and Plumbing Inspectors and Fire Inspection Officers.

**"marketing"** means to offer for sale, promote, canvass, solicit, advertise, book, arrange or facilitate a rental, and includes placing, posting or erecting advertisements physically or online, but does not include the mere provision of a neutral space or location for such marketing activities in newspapers, bulletin boards or online.

**“operator”** means a person who rents out, or offers for rent, any **premises** for **short-term rental accommodation** but does not include a person who acts as an intermediary between the short-term rental tenant and the person who receives the rent.

**“premises”** means an area of land, including a lot or parcel of land with or without buildings.

**“principal residence”** means the usual place where an individual makes their home for the majority of a calendar year and lives within the residence a minimum 240 days per year and for these purposes a person cannot normally reside at more than one dwelling or location.

**“responsible person”** means a person designated by an **operator** as the primary contact for the **short-term rental accommodation**.

**“short-term rental accommodation”** has the same definition described within the **Zoning Bylaw**.

**“short-term rental property”** means **premises** in the City where accommodation of paying guests for 29 days or less is a permitted use pursuant to the **Zoning Bylaw** and other land use enactments.

**“sleeping unit”** has the same definition described within the **Zoning Bylaw**.

**“strata corporation”, “strata council”, and “strata lot”** have the same meaning as in the *Strata Property Act*.

**“Zoning Bylaw”** means the City of Kelowna Zoning Bylaw No. 8000, 1998; as amended or replaced from time to time.

## **SECTION 2 – LICENCING PERIOD**

- 2.1 Each licence issued under this Bylaw shall commence on January 1 of the year in which it is issued and terminate on December 31 of the same year, unless earlier renewed for the following calendar year by submission of a complete licence renewal form and payment of the annual licence fee prior to January 15 of the following year.

## **SECTION 3 – PRO-RATING OF LICENCE FEE FIRST YEAR ONLY**

- 3.1 The licence fees described in this Bylaw may be reduced pro-rata on a quarterly basis in respect of any **operator** who becomes liable to be licenced after January 15 in a year, during that **operator’s** first year of operation only.

## **SECTION 4 - LICENCE REQUIRED**

- 4.1 A person must not carry on business as an **operator** unless the person holds a valid licence issued under the provisions of this Bylaw and the Business Licence and Regulation Bylaw No. 7878.

4.2 A person applying for the issuance or renewal of a licence to operate a **short-term rental accommodation** must, in addition to meeting the requirements of the **Zoning Bylaw** and the **Business Licence Bylaw**:

- (a) make an application to the **Licence Inspector** on the form provided for that purpose;
- (b) pay to the City the applicable licence fee prescribed under subsection 4.3;
- (c) provide, in the form satisfactory to the **Licence Inspector**, evidence that:
  - (i) the **operator** owns the **premises** where the **short-term rental accommodation** will be offered, or
  - (ii) the owner of the **premises** where the **short-term rental accommodation** will be offered has consented to this use of the **premises**;
- (d) when the **premises** where the **short-term rental accommodation** is offered is located within a **strata lot**, provide a letter from the **strata council** confirming that use of the **premises** for **short-term rental accommodation** does not contradict any bylaws of the **strata corporation** or applicable provisions of the *Strata Property Act*;
- (e) when the **premises** where the **short-term rental accommodation** is offered is located in a zone where **short-term rental accommodation** is only permitted as a secondary use, provide in the form satisfactory to the **Licence Inspector**, evidence that the **premises** where the **short-term rental accommodation** will be offered is occupied by the **operator** as their **principal residence**;
- (f) when the **short-term rental accommodation** is a principal use, provide the name and contact information for the **responsible person**;
- (g) submit a self-evaluation safety audit and attestation form provided for that purpose;
- (h) provide a floor plan of the **premises** upon which the **short-term rental accommodation** is to be conducted, identifying the location of smoke alarms and carbon monoxide alarms, fire extinguishers, fire exits, each **sleeping unit**, the types of bed in each **sleeping unit**, and the location of any sofa beds;
- (i) provide a parking plan which complies with the parking requirements of the **Zoning Bylaw**; and
- (j) provide any other information the **Licence Inspector** may require for the purposes of ensuring compliance with the City's bylaws and other enactments.

4.3 The licence fee is:

- (a) Minor **Short Term Rental Accommodation** Licence: (type code: 7316)  
where the **short-term rental accommodation** is offered in the **operator's principal residence**: \$345.00, plus an amount reflecting the combined annual adjustment increase starting from 2017, based on the Consumer Price Index (CPI) published by Statistics Canada for Vancouver (2002=100) for the twelve-month period from January to December of the previous year.
- (b) Major **Short Term Rental Accommodation** Licence: (type code: 7317)  
for all **short-term rental accommodations** that do not qualify under paragraph (a): \$750.00, plus an amount reflecting the combined annual adjustment increase starting from 2017, based on the Consumer Price Index (CPI) published by Statistics Canada for Vancouver (2002=100) for the twelve-month period from January to December of the previous year.

4.4 If a person submits a licence application for which additional information or documentation is required by the **Licence Inspector**, the person shall supply all required information and documentation within 30 days of the request made by the **Licence Inspector**, after which time the application may be refused and a new application for a licence required.

4.5 Where the **short-term rental accommodation** is a secondary use, the **operator** may not be a corporation or society.

## SECTION 5 - LICENCE INSPECTOR POWERS

5.0 Council hereby authorizes the **Licence Inspector** to:

- (a) grant, refuse, suspend and cancel licences under this Bylaw;
- (b) suspend, cancel or refuse to issue licences in accordance with subsection 5.1;
- (c) impose conditions on a licence at the time of issuance, renewal, or suspension for the purposes of ensuring compliance with all applicable enactments pertaining to the business;
- (d) enter at all reasonable time, on any property that is subject to the regulation of this Bylaw in order to inspect and ascertain whether such regulations are being observed; and
- (e) prepare, from time to time, forms to be used for the purpose of making applications under this Bylaw, including, but not limited to a form of licence application, information sheet, and licence transfer application.

5.1 In addition to Council's powers under section 60 of the *Community Charter* and the **Licence Inspector's** powers under Section 12.1 of the **Business Licence Bylaw**, the **Licence Inspector** may refuse to grant, or suspend, cancel, or revoke a licence for a **short-term rental accommodation** if, in the opinion of the **Licence Inspector**:

- (a) the applicant for the licence has failed to comply with section 4;
  - (b) the **short-term rental accommodation** in question would or does contravene a City bylaw or another enactment;
  - (c) the applicant for the licence or the **operator** has provided false information to the **Licence Inspector**; or
  - (d) the **operator** of the **short-term rental accommodation** is not in compliance with the conditions of this Bylaw or of the licence.
- 5.2 When a **Licence Inspector** suspends, cancels or refuses to issue or renew a licence, the **Licence Inspector** will provide the applicant for the licence or the **operator** with a formal letter outlining the reason(s) for the refusal.
- 5.3 An applicant for a licence or an **operator** may request that Council reconsider a decision of the **Licence Inspector** under subsection 5.1 by delivering a request in writing to the City Clerk within 30 days of the **Licence Inspector's** decision being sent.
- 5.4 No person shall offer, or continue through **marketing** to advertise or provide any **short-term rental accommodation** pursuant to their licence during a period of suspension of that licence.

## SECTION 6 - LICENCE NUMBER AND APPROVED SLEEPING UNIT COUNT TO BE INCLUDED IN MARKETING

- 6.1 The **operator** of a **short-term rental accommodation** must ensure that any **marketing**, publication, listing or promotional material offering for the **short-term rental accommodation** includes the licence number of a valid licence issued for that **premises** under this Bylaw and the approved **sleeping unit** count.

## SECTION 7 - RESPONSIBLE PERSON

- 7.1 An **operator** who operates a **short-term rental accommodation** in their **principal residence** is the **responsible person** for that **short-term rental accommodation**.
- 7.2 An **operator** who operates a **short-term rental accommodation** in **premises** other than their **principal residence** must designate a **responsible person** as part of their licence application, and must ensure the **responsible person** has access to the licenced **premises** and authority to make decisions in relation to the **premises** and the rental agreement, at all times that the **short-term rental accommodation** is operated.
- 7.3 The **operator** must ensure that the name and contact information of the **responsible person** is prominently displayed in the **short-term rental property** at all times while the **short-term rental accommodation** is operated.



- 7.4 The **responsible person** must attend at the **short-term rental property** within two hours of being requested by the **operator** or a short-term rental tenant to do so.
- 7.5 Should an **operator** who operates a **short-term rental accommodation** in their **principal residence** be absent overnight from the **principal residence** at a time when the **short-term rental accommodation** is rented, the **operator** must appoint an agent to fulfill the obligations of a **responsible person** under this Section 7 during that time.

## SECTION 8 - CONDITIONS OF LICENCE

8.1 An **operator** of a **short-term rental accommodation** must:

- (a) operate a **short-term rental accommodation** only on a licenced **premises**;
- (b) operate only on a **short-term rental property**;
- (c) notify neighboring property owners on all adjacent sides of the licenced **premises** that a **short-term rental accommodation** is being operated thereupon, and provide the contact information for the **operator** or **responsible person** to such neighbours;
- (d) display the licence inside the entry way to the **short-term rental property**;
- (e) display in each approved **sleeping unit**, and in the entryway of the of the **short-term rental accommodation**, a floor plan identifying the location of smoke alarms and carbon monoxide alarms, fire extinguishers, fire exits, each approved **sleeping unit**, the types of bed in each **sleeping unit**, and the location of any sofa beds;
- (f) display the **responsible person's** contact information inside the entry way of the **short-term rental property**;
- (g) ensure the **operator** or **responsible person** is available for contact 24 hours a day during periods when the **short-term rental property** is rented to short-term rental tenants, and responds to any nuisance complaint within 2 hours of notification;
- (h) notify the **Licence Inspector** within 24 hours of a change in contact information for an **operator** or **responsible person**;
- (i) hold a separate licence for each **premises** that it operates;
- (j) comply with all applicable requirements in the **Zoning Bylaw**, the Building Bylaw, the BC Building Code, the BC Fire Code, and related enactments;
- (k) cooperate and ensure cooperation of **responsible person** with City Licencing, RCMP or City Bylaw Services during investigation of any complaint associated with the **short-term rental accommodation**;
- (l) facilitate periodic inspections of the **short-term rental property** as requested and conducted by the **Licence Inspector** and other City staff;

- (m) ensure that the **short-term rental property** is in compliance with the City's bylaws regarding signage;
- (n) keep a written registry of all guests that are staying or have stayed on the **premises** and make this registry readily available to the **Licence Inspector** upon request; and
- (o) submit an annual self-evaluation safety audit and attestation in the form provided for that purpose by the **Licence Inspector**; and
- (p) ensure no more than one booking is permitted within the **short-term rental accommodation** at one time.

8.2 An **operator** of a **short-term rental accommodation** must not:

- (a) rent out any **sleeping units** or provide any sleeping accommodation within any secondary suite, carriage house, vehicle, tent, or accessory building; or
- (b) allow to be used as **sleeping units**, any rooms that are not approved and identified on the licence application for that **premises** as **sleeping units**.

## SECTION 9 - OFFENCES AND PENALTIES

- 9.1 Every person who violates any of the provisions of this Bylaw or who suffers or permits any act or thing to be done in contravention or in violation of any of the provisions of this Bylaw, or who neglects to do or refrains from doing anything required to be done by any of the provisions of this Bylaw or who does any act which violates any of the provisions of this Bylaw, shall be guilty of an offence against this Bylaw.
- 9.2 Every person who commits an offence against this Bylaw shall be liable upon summary conviction to a fine not exceeding \$10,000.00 for every instance that an offence occurs or each day that it continues. Any penalty imposed pursuant to this Bylaw shall be in addition to, and not in substitution for, any other penalty or remedy imposed pursuant to any other applicable statute, law or legislation.
- 9.3 Each day that a violation is of this Bylaw is caused or allowed to continue constitutes a separate offence.

## SECTION 10 - SEVERABILITY

- 10.1 If a portion of this Bylaw is held invalid by a Court of competent jurisdiction, then the invalid portion must be severed and the remainder of this Bylaw is deemed to have been adopted without the severed section, subsection, paragraph, subparagraph, clause or phrase.

## SECTION 11 - TRANSITION PROVISIONS

- 11.1 Any **operator** who, at the time of adoption of this Bylaw, holds a valid licence for a vacation rental under the **Business Licence Bylaw** shall be credited with amount paid for that licence towards the fee payable under subsection 4.3

## SECTION 12 - EFFECTIVE DATE

- 12.1 This Bylaw comes into full force and effect and is binding on all persons as from the date of adoption.

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

Adopted by the Municipal Council this

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Mayor

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City Clerk

# CITY OF KELOWNA

## BYLAW NO. 11771

### Amendment No. 23 to Bylaw Notice Enforcement Bylaw No. 10475

The Municipal Council of the City of Kelowna, in open meeting assembled, enacts that the City of Kelowna Bylaw Notice Enforcement Bylaw No. 10475 be amended as follows:

1. THAT **Schedule "A"** be amended by adding in its appropriate location a new section pertaining to the **Short-Term Accommodation Business Licence and Regulation Bylaw No. 11720** that reads as follows:

Bylaw No.	Section	Description	A1 Penalty	A2 Early Payment Penalty	A3 Late Payment Penalty	A4 Compliance Agreement Available  (*Maximum 50% Reduction in Penalty Amount Where Compliance Agreement is Shown as "Yes")
<b>Short-Term Rental Accommodation Business Licence and Regulation Bylaw No. 11720</b>						
11720	4.1	Carry on business without a licence	\$500.00	\$450.00	\$500.00	Yes
11720	5.4	Carry on or market business while licence suspended	\$500.00	\$450.00	\$500.00	No
11720	6.1	Marketing without Licence No. or sleeping unit count	\$250.00	\$225.00	\$275.00	Yes
11720	7.2	Fail to designate responsible person with access and authority	\$250.00	\$225.00	\$275.00	Yes

11720	7.3	Fail to display responsible person information	\$100.00	\$90.00	\$110.00	Yes
11720	7.4	Fail to attend premises within required time period	\$250.00	\$225.00	\$275.00	Yes
11720	8.1 (a)	Operate on unlicensed premises	\$500.00	\$450.00	\$500.00	Yes
11720	8.1 (c)	Fail to notify property owners	\$100.00	\$90.00	\$110.00	Yes
11720	8.1 (d)	Fail to display licence	\$50.00	\$45.00	\$55.00	No
11720	8.1 (e)	Fail to display fire evacuation plan	\$100.00	\$90.00	\$110.00	Yes
11720	8.1 (h)	Fail to update change in contact for operator/responsible person	\$250.00	\$225.00	\$275.00	No
11720	8.1 (k)	Obstruct Licence Inspector	\$500.00	\$450.00	\$500.00	No
11720	8.1(l)	Prohibit entry of License Inspector	\$500.00	\$450.00	\$500.00	No
11720	8.1 (n)	Fail to keep or provide registry records	\$100.00	\$90.00	\$110.00	Yes
11720	8.1 (o)	Fail to submit safety audit documentation	\$250.00	\$225.00	\$275.00	Yes
11720	8.2 (a)	Operate contrary to licence conditions	\$500.00	\$450.00	\$500.00	No
11720	8.2 (b)	Use unauthorized sleeping unit	\$500.00	\$450.00	\$500.00	No
11720	8.2 (c)	Permit multiple booking	\$500.00	\$450.00	\$500.00	No

2. This bylaw may be cited for all purposes as "Bylaw No. 11771 being Amendment No. 23 to Bylaw Notice Enforcement Bylaw No. 10475."
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, second and third time by the Municipal Council this

Adopted by the Municipal Council of the City of Kelowna this

\_\_\_\_\_  
Mayor

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



# Report to Council



**Date:** March 4, 2019

**File:** 1350-30

**To:** City Manager

**From:** Jerry Dombowsky, Transit and Programs Manager

**Subject:** Bikeshare Pilot Update and Next Steps

Report Prepared by Matt Worona, Active Transportation Coordinator

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## **Recommendation:**

THAT Council receive for information, the report from the Transit and Programs Manager, dated March 4, 2019 with regard to the Bikeshare Pilot Update and Next Steps;

AND THAT Council direct staff to explore a system to regulate use of the public right-of-way for bikeshare service that allows for multiple operators and multiple vehicle types and report back to a future Regular Meeting of Council.

## **Purpose:**

To present council with an update on the Kelowna Bikeshare Pilot and explore next steps to create a program to regulate bikeshare operators into the near future.

## **Background:**

Bikeshare is a service where bicycles and other small vehicles are made available for shared use to individuals on a short-term basis. These systems allow users the ability to pick up a vehicle in one location and return it to another located within a service area.

The City is currently working to deliver on the recommendations from the Kelowna On The Move Pedestrian and Bicycle Master Plan which recommends that staff "research and develop a strategy to demonstrate which programs would be most effective in achieving behavioural change to grow the share of residents selecting active modes of transportation." Through the pilot, staff have discovered that bikeshare can act as an extension of the public transportation system and add new mobility options for residents and visitors to our City.

The Kelowna Bikeshare Pilot launched in June 2018 and wound down for winter in November. This report provides an update on how the program has performed and direction for the future. System data provides information on usage and travel patterns while a user survey provides insight into user behavior

and demographic information. In addition, our experience with the operator and some of the challenges met provide an invaluable learning experience that will help shape bikeshare in the future.

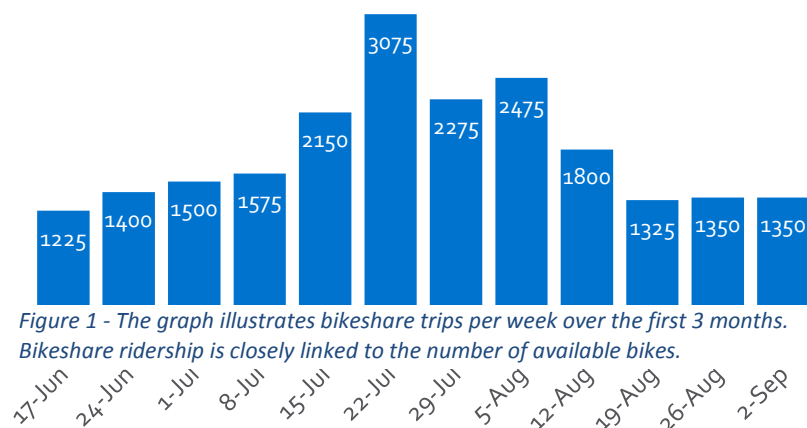


Figure 1 - The graph illustrates bikeshare trips per week over the first 3 months. Bikeshare ridership is closely linked to the number of available bikes.

#### Results to date

The uptake of bikeshare in Kelowna has been higher than expected. Over the first three months, from June 12<sup>th</sup> to September 9<sup>th</sup>, there were more than 33,000 rides from 9,000 unique users on 331 bikes. For a mid-size community, this is a strong indication of future potential. Breaking the data down further, roughly a third of the total trips were made by 600

frequent users which indicates that there is a dedicated user base emerging for this service. As anticipated, the pilot proved to be a learning experience, and valuable insight was gained.

#### User Survey

User feedback on bikeshare was determined through a survey delivered by the operator, Dropbike. The survey's questions were developed by both the City of Kelowna and Dropbike. The opt-in survey received 374 responses. High-level results tell us that there is considerable support for the service (95%) from users.

The survey revealed that Kelowna bikeshare users were younger and wealthier than the average Kelowna resident. Interestingly, 73% of Kelowna bikeshare users have access to a bicycle, and 92% have access to a car. Several conclusions can be drawn from this. One is that bikeshare is a service that increases travel options across the income spectrum. Another conclusion is that staff should examine how accessible the service is for the economically disadvantaged, making amendments if prudent.

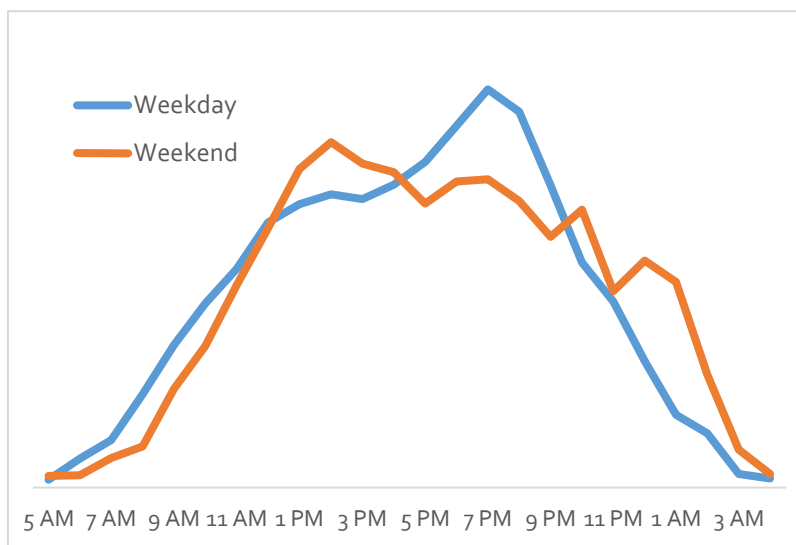


Figure 2 - Weekday and weekend hourly trip volumes displayed distinct peaks and overall trends.

Survey results indicated that 28% of all bikeshare trips would have been made by driving. Benchmarked to systems worldwide, bikeshare in Kelowna was able to pull people out of their cars at a higher rate. Because Kelowna's transportation network isn't as diversified as larger cities where bikeshare has been implemented, it is believed that pedal bikeshare, and other services like it, can compete more directly with personal car trips.

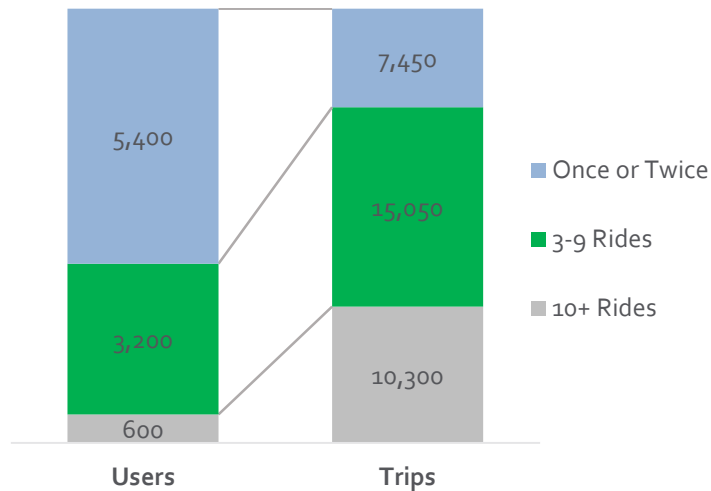


Figure 3 - While most bikeshare users accessed the service only a handful of times, almost a third of trips were taken by a small subset of 600 frequent users.

our bikeshare system and have not yet been deployed including cash payments, debit credit payments, and unlocking a bike with a text message. Consequently, to date staff have been unable to evaluate the impact of these features on ridership.

The durability of the bikeshare fleet was tested in the pilot. Over the first three months, every bike was ridden more than one hundred times on average. Kelowna was the initial market for the operator's third generation bicycles; allowing for lessons to be learned about various design elements that did not perform well with active use and

An additional 50% of bikeshare trips would have been made by walking. It is believed that bikeshare is offering benefits to users for distances between a long walk but still too short to take transit or drive and park.

### Opportunities for Improvement & Lessons Learned

Learning opportunities are one of the benefits of a pilot program in which both successes and failures help to formulate the best model moving forward. In this respect, the experience to date with the current operator has highlighted some areas for attention.

Multiple features were to be included in

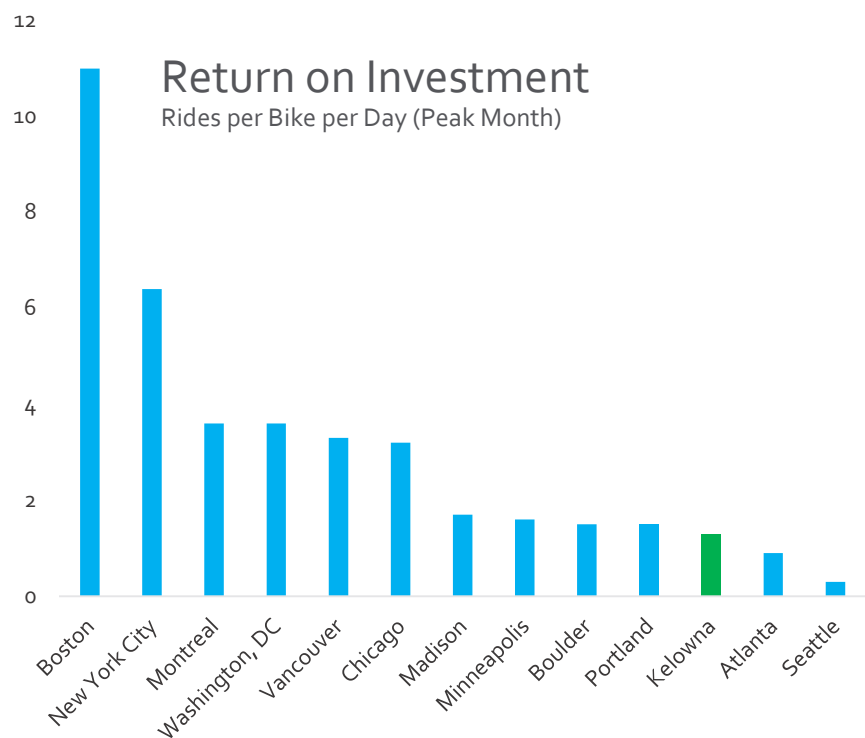


Figure 4 – Traditionally bikeshare has been measured on utilization. Cities had invested heavily in these systems and as a result metrics were developed to understand return on investment. This measure is less helpful for cities, like Kelowna, that did not finance large upfront capital costs associated with their systems.<sup>1</sup>

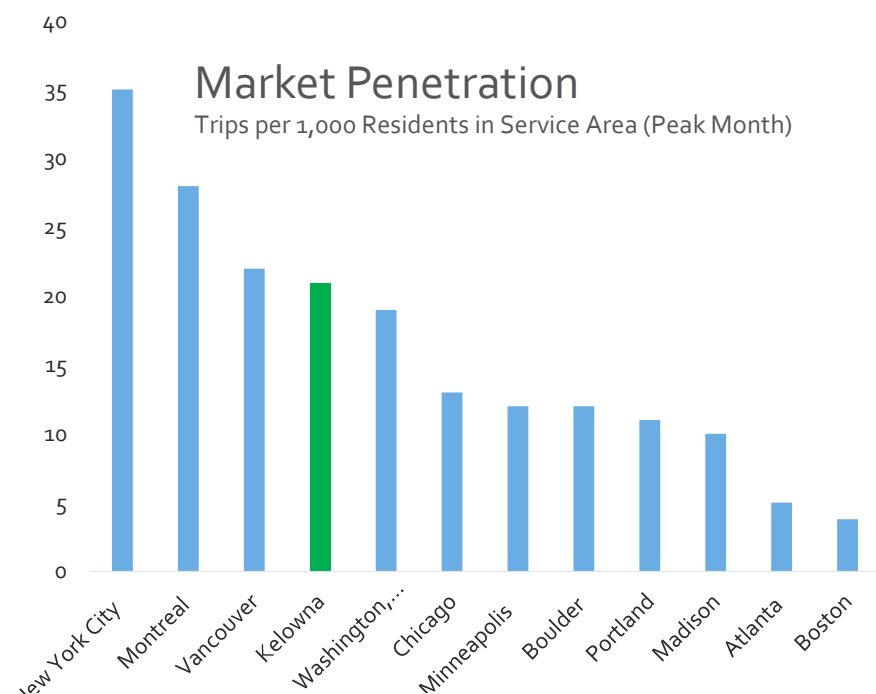


Figure 5 – New metrics have been developed to reflect the changing landscapes and new ways to assess elements of bikeshare performance. A measure of market penetration or ridership per capita is more appropriate for Kelowna's bikeshare landscape.<sup>1</sup>

exposure to the elements. Also, requiring bikeshare operators to deliver real-time availability data is an emerging bikeshare best practice. Real-time bikeshare availability enables mobility applications such as Google Maps to incorporate bikeshare availability into trip planning to shorten journeys.<sup>2</sup>

Meeting operating standards the City of Kelowna set for returning bikes into the service area, as well as timelines for removing broken bikes, was another issue experienced. In the future, staff believe a fine for failing to deliver would incentivize operators to adhere to these timelines.

### Future of Bikeshare in Kelowna

Since the introduction of bikeshare in Kelowna, the industry has itself experienced considerable growth<sup>3</sup> and has changed how bikeshare can be delivered.

The latest improvement in bikeshare technology is in electrified fleets. As a result, bikeshare operators are integrating a variety of electrified vehicle types into their fleets including e-bikes, e-scooters, and others.<sup>4</sup> A larger share of the total travel market can be encouraged to make a trip on a small electric vehicle than traditional bikeshare even with a higher price point.<sup>5</sup> These vehicles show signs of competing more directly with car trips while also displaying much faster adoption rates than pedal bicycles. For every pedal bike ride, bikeshare operators see more than two electric bicycle rides.<sup>6</sup>

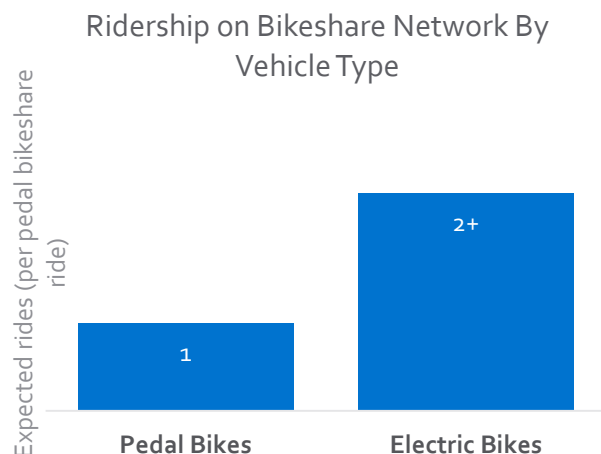


Figure 6 - Bikeshare operators can expect at a minimum double the rides on electrified vehicles when compared to pedal bikes.

There is a potential to reach more residents and attract more trips on our existing active transportation facilities by enabling private bikeshare operators to compete and deliver a variety of vehicle types.<sup>7</sup> With the evolution of the industry to more electrified vehicles, bikeshare companies are now growing faster than Uber did when it first launched.<sup>8</sup> Considerable potential now exists to attract seasoned global operators to invest in Kelowna.<sup>9</sup>



*Figure 7 - Jump (owned by Uber) and Lime (formerly Limebike) operate e-bikes and e-scooters (pictured above) in networks as a shared transportation service in many cities worldwide.<sup>10,11</sup>*

### Approach to Future Bikeshare Regulation

The speed of change in the bikeshare industry has been remarkable in the last 12 months. There currently exists considerable opportunity to modernize our bikeshare regulations. Dependable and flexible regulations will likely scale up the area serviced, the ridership from these fleets, and the variety of vehicles available to residents and visitors. It also poses the opportunity to close gaps experienced within our current bikeshare agreement and ensure we are responding to resident concerns that were identified in the pilot. Staff recommends exploring new ways of providing flexible, affordable, and accessible transportation options.

#### *Transportation Master Plan Vision*

*"Kelowna will be a city with vibrant urban centres where people and places are conveniently connected by diverse transportation options that help us transition from our car-centric culture."*

From the City of Kelowna's Transportation Master Plan vision, bikeshare should aim to achieve the best quality service, delivering that service to the highest number of people and managing negative externalities like disorder within the public realm and on our right-of-way. By establishing future bikeshare regulations, we will be able to maximize investment and competition from firms delivering shared small vehicles in Kelowna.

Based on the TMP vision, staff have built the following guiding principles for bikeshare regulation to deliver on:

- *Deliver the opportunity for more residents not to drive* by building and enabling an interconnected network of transportation options.
- *Ensure public benefit* by removing the pressure to move more cars on our road network, therefore, minimizing the requirements for new transportation infrastructure investment associated with growth in travel demand.
- *Encourage people to walk, cycle and take public transit* more often, by adding options that improve the utility of other sustainable travel modes.
- *Lower the cost of living* by giving residents the opportunity to build a robust set of options around how they move, enabling some to avoid the cost of car ownership.
- *Build on a culture of active living* in the community.

### **Next Steps**

Assuming council direction, staff will explore a system to regulate bikeshare into the near future. This evaluation will center on enabling a competitive bikeshare marketplace allowing for multiple operators to deliver a variety of vehicles types while managing conflicts within the right-of-way.

### **Internal Circulation:**

Communications Advisor  
 Department Manager, Infrastructure Operations  
 Deputy City Clerk  
 Director, Business and Entrepreneurial Development  
 Divisional Director, Community Planning and Strategic Investments  
 Divisional Director, Corporate Strategic Services  
 Divisional Director, Infrastructure  
 Manager, By-Law Services  
 Manager, Community Communications  
 Manager, Financial Planning  
 Manager, Long Range Policy Planning  
 Manager, Transportation Engineering  
 Park and Landscape Planner  
 Planner Specialist  
 Traffic Operations and Technical Services Supervisor  
 Transit Service Coordinator  
 Transportation Planner

### **Existing Policy:**

*The Kelowna On The Move: Pedestrian and Bicycle Master Plan* recommends staff “research and develop a strategy to demonstrate which programs would be most effective in achieving behavioural change to grow the share of residents selecting active modes of transportation.”

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

Pandosy Village Business Association  
 Downtown Kelowna Business Association



**Considerations not applicable to this report:**

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

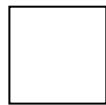
Submitted by:

J. Dombowsky, Transit and Programs Manager

Approved by:

R. Villarreal, Department Manager, Integrated Transportation

Approved for inclusion:



A. Newcombe, Divisional Director, Infrastructure

**Attachment 1 - Bikeshare Pilot Update – Presentation**

cc: City Clerk  
Deputy City Manager  
Divisional Director, Community Planning & Strategic Investments  
Divisional Director, Corporate Strategic Services  
Divisional Director, Financial Services  
Divisional Director, Infrastructure  
Infrastructure Operations Department Manager

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<sup>1</sup> “The Online Bikeshare Planning Guide.” Institute for Transportation and Development Policy, 18 July 2018, [www.itdp.org/2018/06/13/the-bike-share-planning-guide-2/](http://www.itdp.org/2018/06/13/the-bike-share-planning-guide-2/).

<sup>2</sup> Mogg, Trevor. “Google Maps Makes It Easier Than Ever to Find a Lime Bike or Scooter.” Digital Trends, 14 Dec. 2018, [www.digitaltrends.com/outdoors/google-maps-makes-it-easier-than-ever-to-find-a-lime-bike-or-scooter/](http://www.digitaltrends.com/outdoors/google-maps-makes-it-easier-than-ever-to-find-a-lime-bike-or-scooter/).

<sup>3</sup> Heineke, Kersten, et al. “Micromobility's 15,000-Mile Checkup.” McKinsey & Company, Jan. 2019, [www.mckinsey.com/industries/automotive-and-assembly/our-insights/micromobilitys-15000-mile-checkup](http://www.mckinsey.com/industries/automotive-and-assembly/our-insights/micromobilitys-15000-mile-checkup).

<sup>4</sup> Lazo, Luz. *First the Dockless Bikes, Now Scooters*. The Washington Post, 13 Mar. 2018, [www.washingtonpost.com/news/dr-gridlock/wp/2018/03/13/first-the-dockless-bikes-now-you-can-hop-on-a-scooter-at-a-sidewalk-near-you/?noredirect=on&utm\\_term=.ee1c10f17ec1](http://www.washingtonpost.com/news/dr-gridlock/wp/2018/03/13/first-the-dockless-bikes-now-you-can-hop-on-a-scooter-at-a-sidewalk-near-you/?noredirect=on&utm_term=.ee1c10f17ec1).

<sup>5</sup> Russell, Melia. “Lime Dropped the 'Bike' from Its Name; Now the Bikes Are Disappearing.” San Francisco Chronicle, 16 Feb. 2019, [www.sfchronicle.com/business/article/Lime-dropped-the-bike-from-its-name-now-13621057.php](http://www.sfchronicle.com/business/article/Lime-dropped-the-bike-from-its-name-now-13621057.php).

<sup>6</sup> Wachunas, John. “Lime One Year Report Reveals Early Impact Of Scooter And Bike Sharing.” Lime, July 2018, [www.li.me/blog/lime-one-year-report-scooter-bike-sharing](http://www.li.me/blog/lime-one-year-report-scooter-bike-sharing).

<sup>7</sup> Cao, Guangyu, et al. “Competition with Network Effects in Bike-Sharing.” The Centre for Economic Policy Research, 9 Nov. 2018, [voxeu.org/article/market-expanding-network-effects-bike-sharing](http://voxeu.org/article/market-expanding-network-effects-bike-sharing).

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<sup>8</sup> Dediu, Horace. "Who's the Fastest of Them All?" *Twitter*, @asymco, 8 Nov. 2018, [twitter.com/asymco/status/1060649488208089093](https://twitter.com/asymco/status/1060649488208089093).

<sup>9</sup> Schwartz, Zane. "Bird and Lime Eyeing Expansions into a Combined 14 Countries." *The Logic*, 5 Feb. 2019, [thelogic.co/news/exclusive/bird-and-lime-eyeing-expansions-into-a-combined-14-countries/](https://thelogic.co/news/exclusive/bird-and-lime-eyeing-expansions-into-a-combined-14-countries/).

#### Photo References

<sup>10</sup> "Press." Lime, [www.li.me/press](http://www.li.me/press).

<sup>11</sup> "Press Kit." JUMP Bikes, [jump.com/press-kit/](http://jump.com/press-kit/).



# Bikeshare Pilot

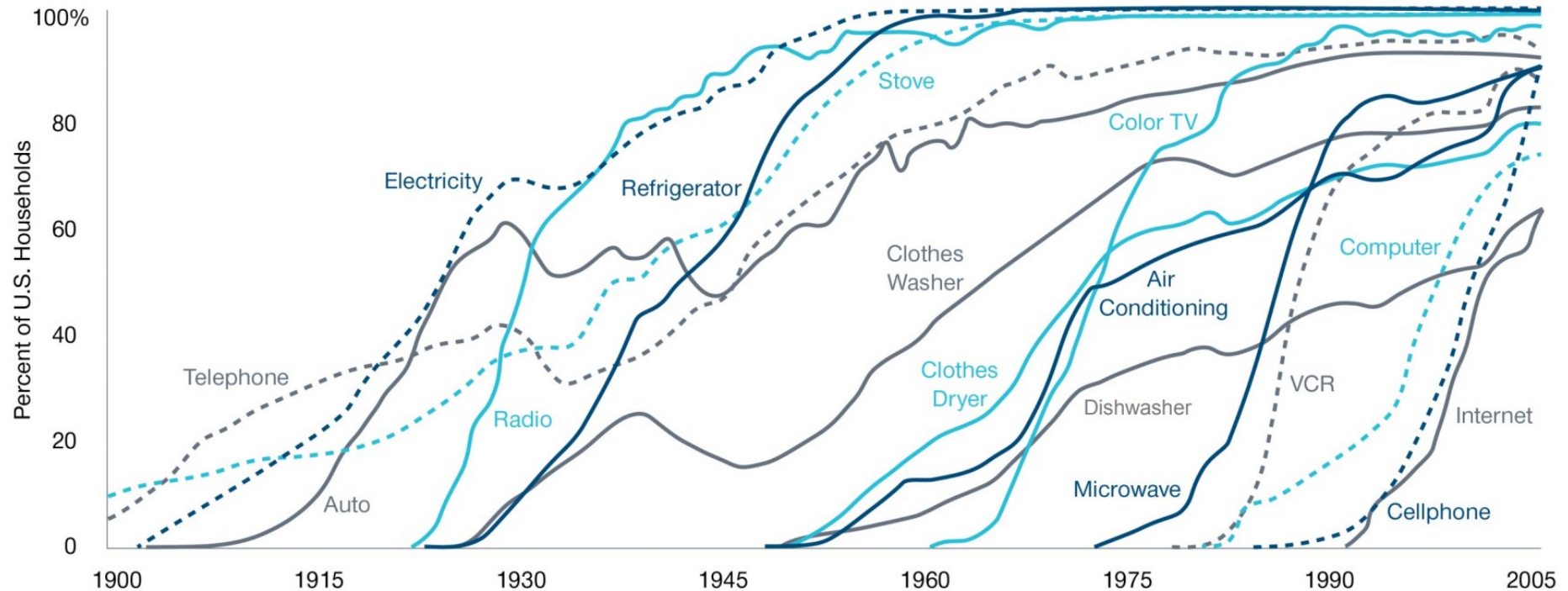
Update and Next Steps

March 4<sup>th</sup>, 2019

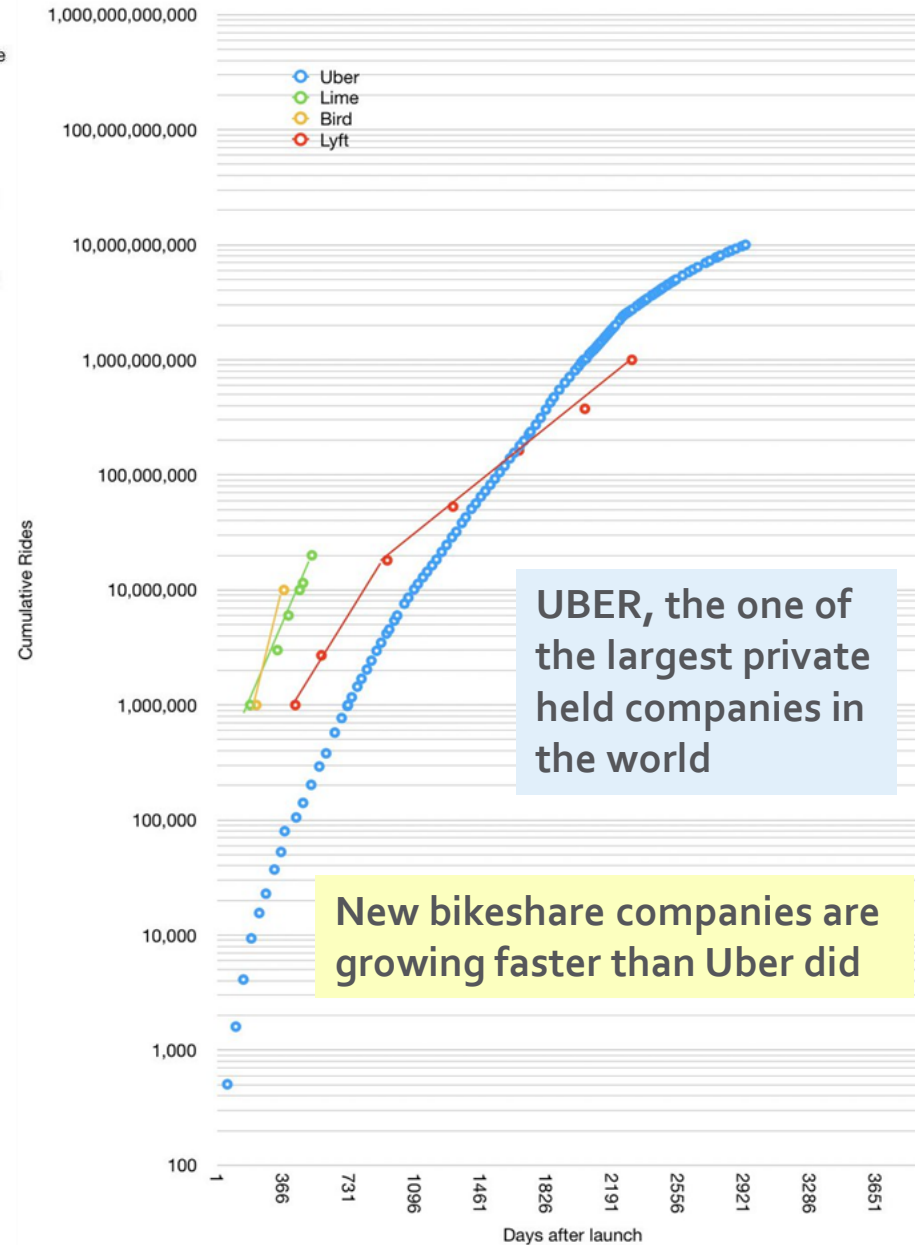
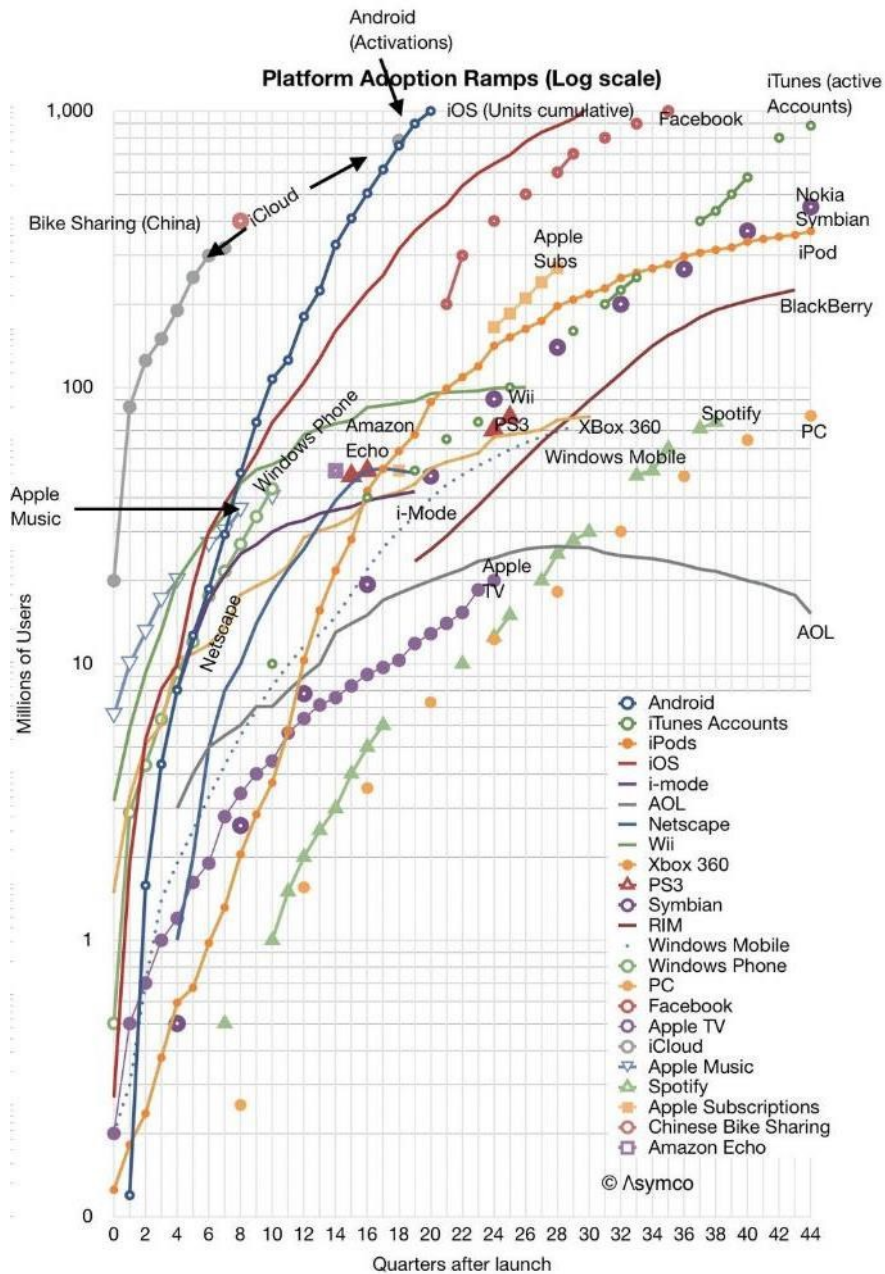




# Technology Adoption



Source: Felton, Nicholas. "Consumption Spreads Faster Today." The New York Times, 10 Feb. 2008, <https://nyti.ms/2TeMvjT>





# Objectives

- ▶ Bikeshare pilot update
- ▶ The path ahead: Future of bikeshare in Kelowna
- ▶ To build on the momentum and learnings
  - ▶ A city with the agility to respond to change
  - ▶ Market Kelowna's brand: Investors, entrepreneurs, partnerships and innovation
  - ▶ Add mobility options to our residents and visitors

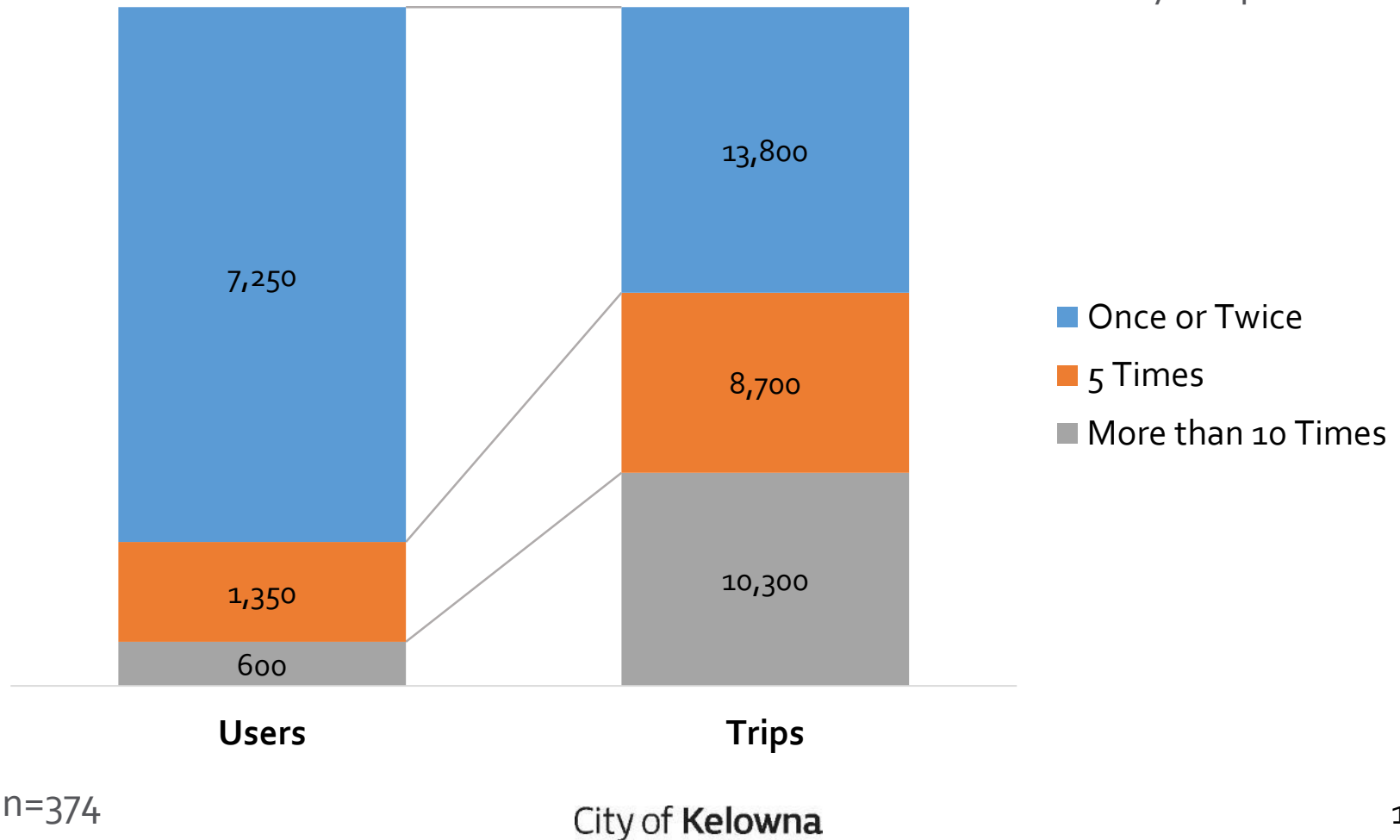
# Where is Kelowna at

# Bikeshare in Review

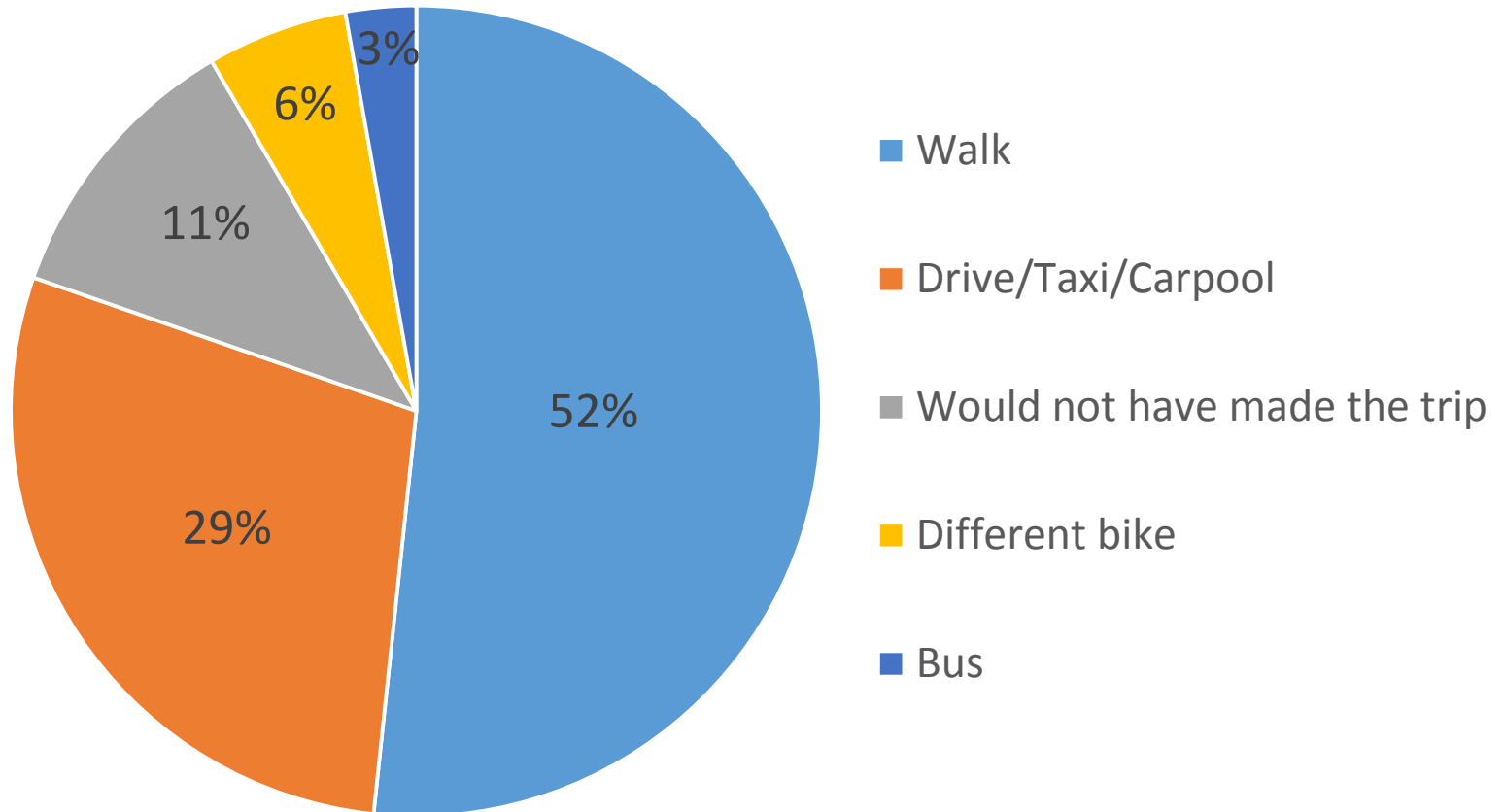


# Frequency of Use

33% of the trips were made by frequent users



# How would trips have been made without bikeshare?



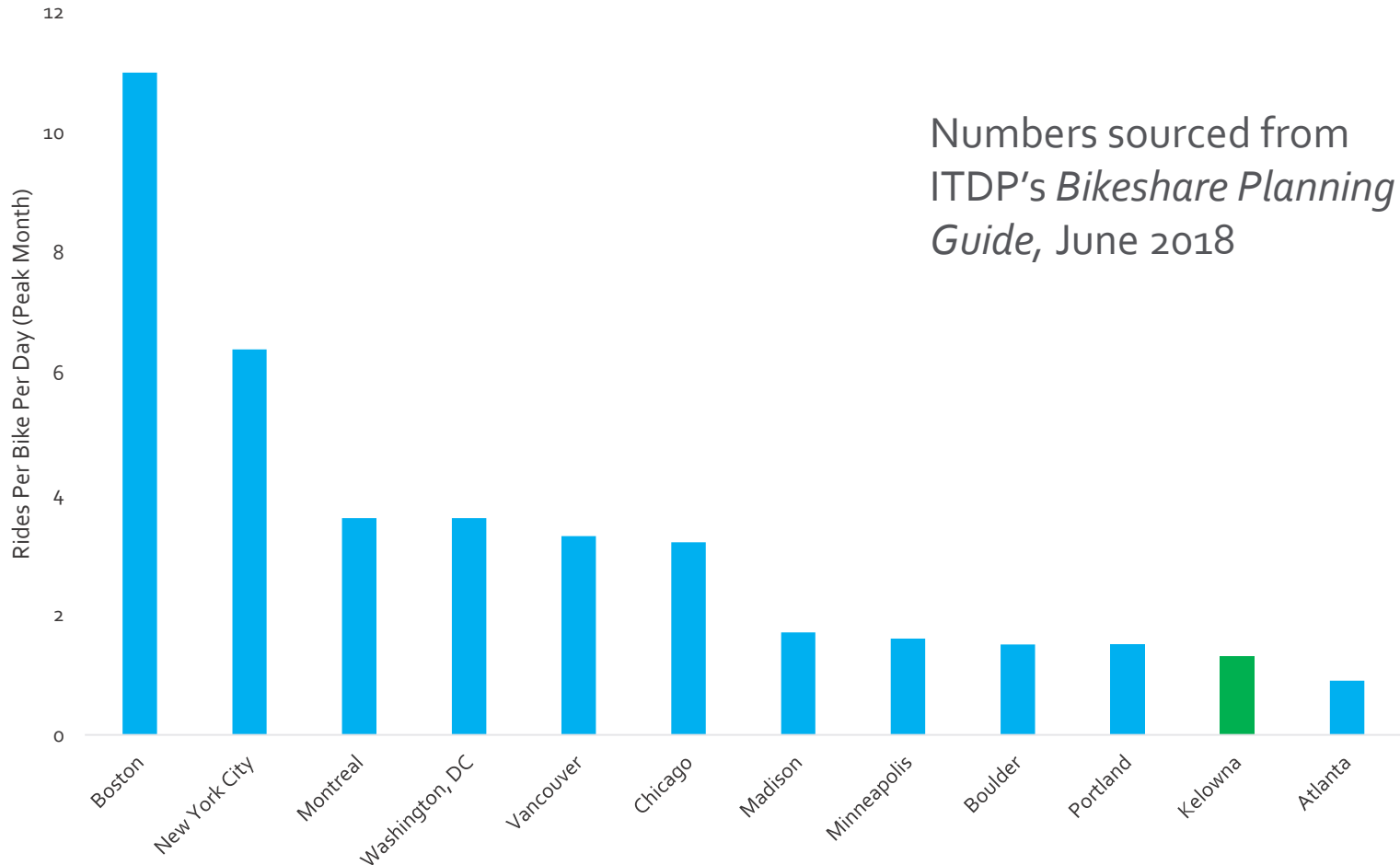
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City of Kelowna

189

# Rides per Bike per Day

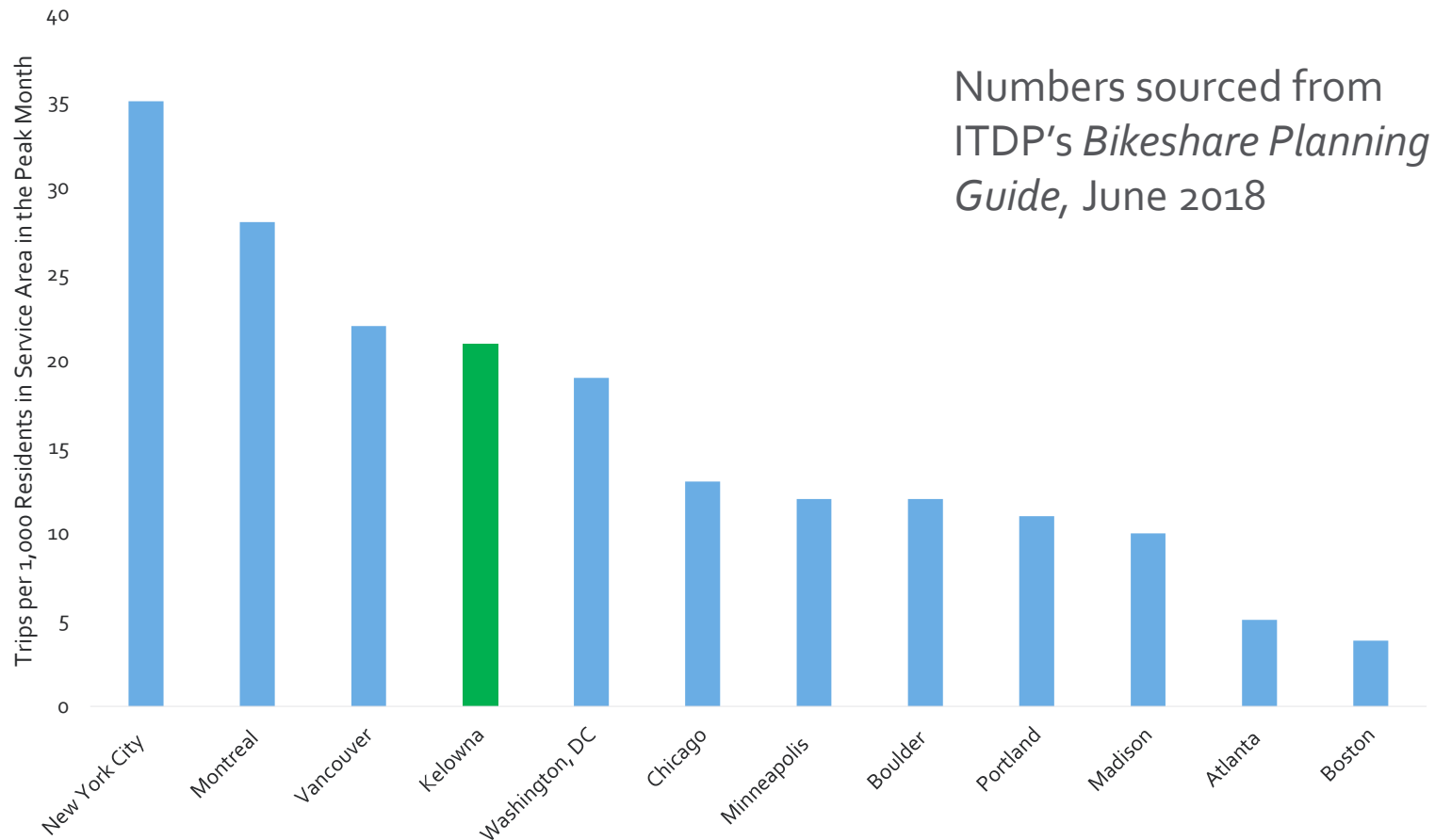
Rides per Bike per Day (Peak Month)





# Bikeshare Market Penetration

Trips per 1,000 Residents in Service Area (Peak Month)



# The Future of Bikeshare in Kelowna

# Initial Bikeshare Timeline

Bikeshare Systems Options Report

• Dec 11 2017

Dropbike Bikeshare Pilot Launch

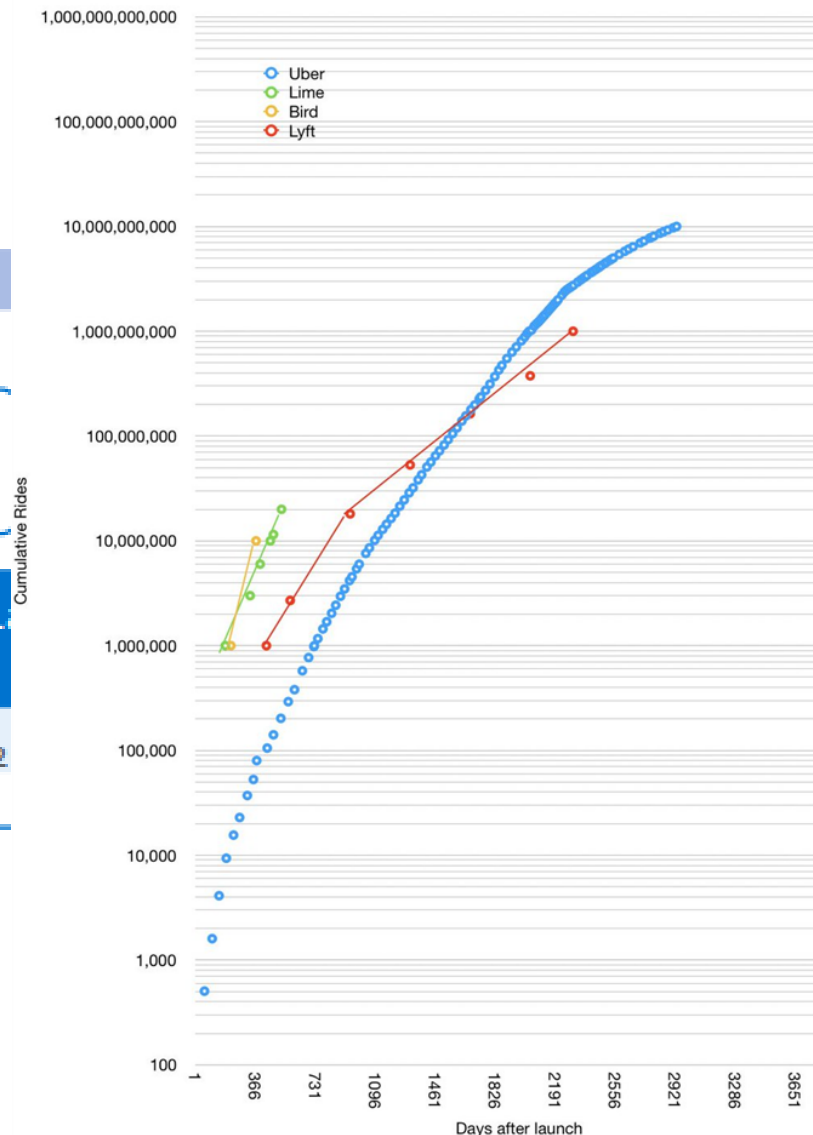
• Expected Spring 2018

Bikeshare License Agreement to Council

• January 29 2018

Proposal to Council

• Expected Fall 2019



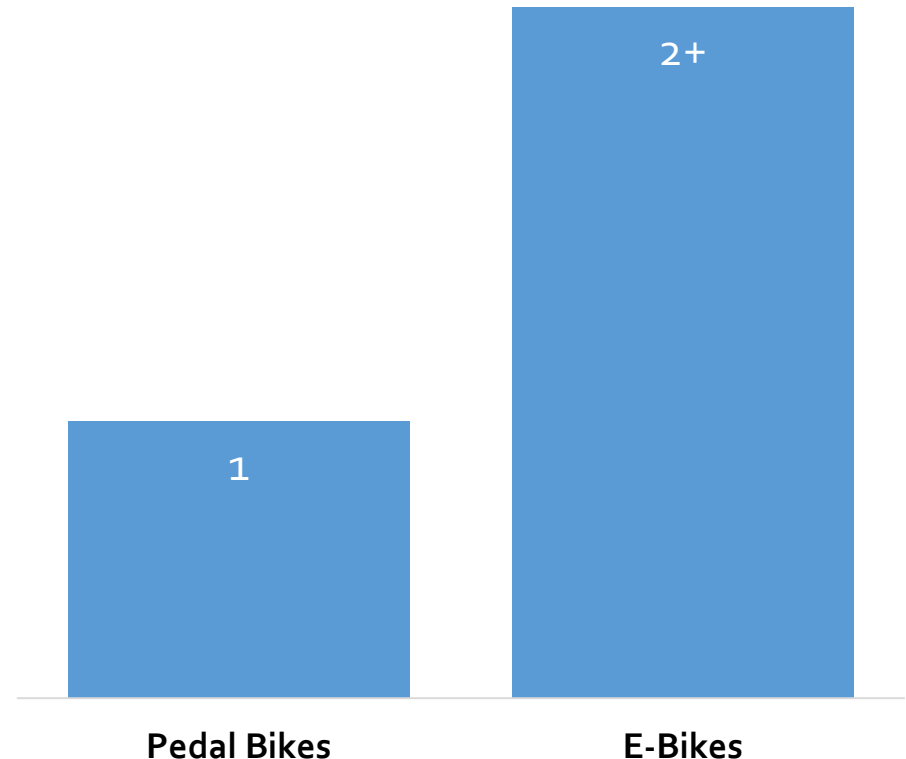
# Initial Pilot

- ▶ One operator
  - ▶ Multi-year feasibility study vs. pilot
  - ▶ Ability to learn
  - ▶ City of Kelowna is one of the Canadian experts in dockless bikeshare
- ▶ Opportunity: Leverage expertise in shifting bikeshare landscape



# Future of Bikeshare

- ▶ Bringing bikeshare to a wider audience
- ▶ Serving more areas of the city
- ▶ Serving a larger portion of daily travel



Source: "Lime One Year Report." *Lime Blog*, Lime, Dec. 2017, [www.li.me/hubfs/Lime\\_Official\\_One\\_Year\\_Report.pdf](http://www.li.me/hubfs/Lime_Official_One_Year_Report.pdf).

# Future of Bikeshare is Electric

## ► E-Bikes



## ► Small Electric Vehicles





# Future Regulation

- ▶ Multiple companies to invest in Kelowna
- ▶ Better manage risks and compliance (through fees)
- ▶ Scale up catchment areas and the amount of travel served by bikeshare



# Recommendation

- ▶ Explore and bring back a program to regulate bikeshare that allows:
  - ▶ Multiple operators
  - ▶ Multiple vehicle types
  - ▶ Regulatory certainty for investors





# Questions?



# References

Felton, Nicholas. "Consumption Spreads Faster Today." The New York Times, 10 Feb. 2008, <https://nyti.ms/2TeMvjT>

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"Press - Global." Scoot, [scoot.co/corporate/press/#](http://scoot.co/corporate/press/#).

@missfilgate. Instagram, [www.instagram.com/p/Bn3-8nflAjf/?hl=en](https://www.instagram.com/p/Bn3-8nflAjf/?hl=en).

@jverdes. Instagram, [www.instagram.com/p/BpdN3oWKaIJ/?hl=en](https://www.instagram.com/p/BpdN3oWKaIJ/?hl=en).

# Report to Council



**Date:** March 4, 2019  
**File:** 1125-51-052  
**To:** City Manager  
**From:** A. Warrender, Acting Real Estate Manager  
**Subject:** 424-460 Groves Avenue – Road Closure  
Report Prepared by: B. Walker, Property Officer

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## **Recommendation:**

THAT Council receives, for information, the Report from the Acting Manager, Real Estate Services dated March 4, 2019, recommending that Council adopt the proposed closure of a portion of road north of 424-460 Groves Avenue;

AND THAT Bylaw No. 11576, being a proposed road closure of a portion of road north of 424-460 Groves Avenue, be given reading consideration.

## **Purpose:**

To close a 594.3 square metre portion of road north of 424-460 Groves Avenue.

## **Background:**

The proposed road closure (shown as "Parcel A" on the attached Schedule 'A') is for a portion of laneway that is no longer required for access to the adjacent properties. The road closure area will be used for the expansion of Abbott Park, with an access easement over a portion of the area for the properties fronting Groves Avenue. The intention of the access easement will be to provide a better interface with, and direct access to, Abbott Park.

Revenues associated with the access easement will be used to design and convert the balance of the road closure area to a park-like standard.

## **Internal Circulation:**

Manager, Development Engineering  
Manager, Parks and Buildings Planning  
Manager, Transportation Engineering

Manager, Urban Planning  
Department Manager, Community Planning

**Legal/Statutory Authority:**

Section 26 and 40, Community Charter

**Considerations not applicable to this report:**

Legal/Statutory Procedural Requirements:

Existing Policy:

Financial/Budgetary Considerations:

Personnel Implications:

External Agency/Public Comments:

Communications Comments:

Alternate Recommendation:

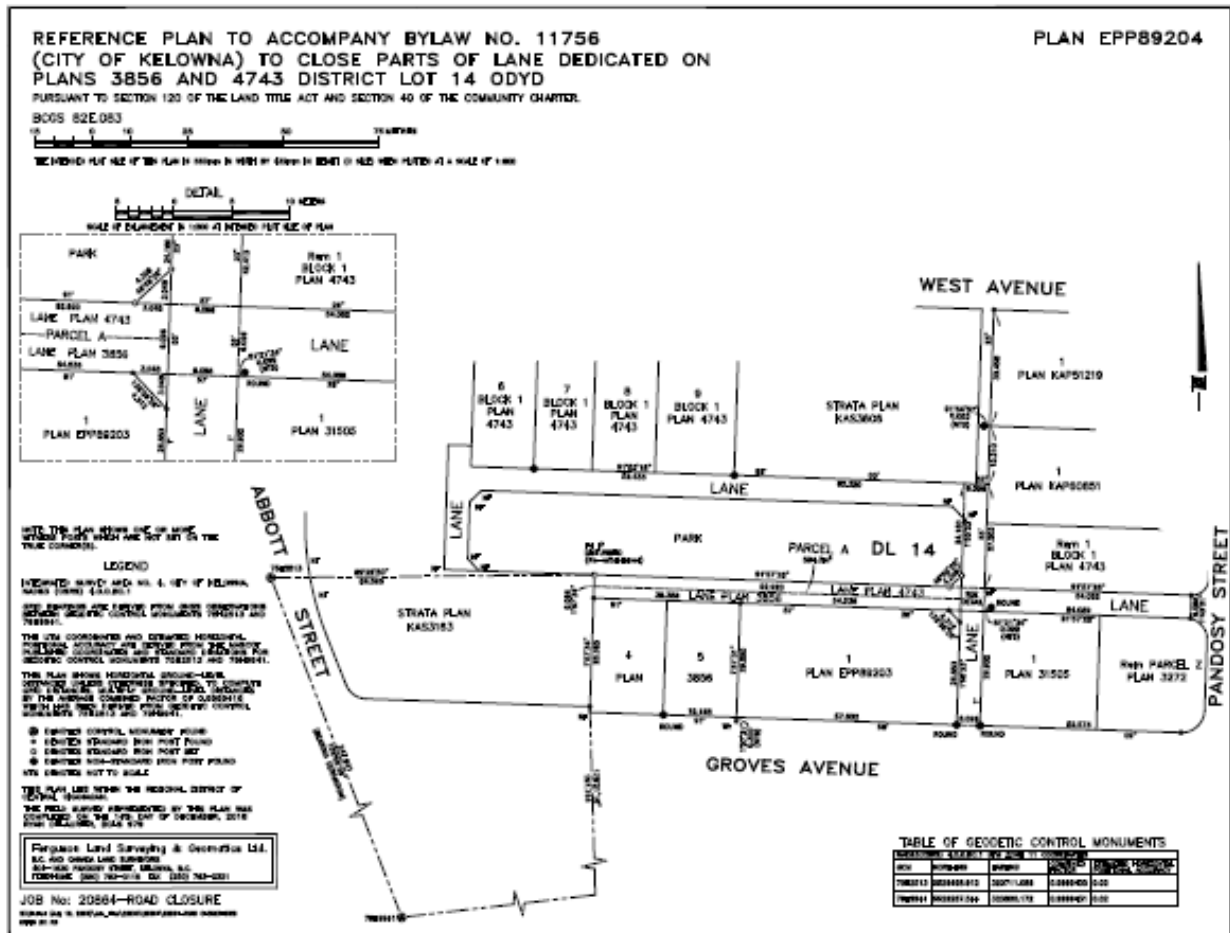
**Submitted by:** A. Warrender, Acting Manager, Real Estate Services

**Approved for inclusion:** J. Säufferer, Acting Director, Strategic Investments

cc: J. Kay, Manager, Development Engineering  
R. Parlane, Manager, Parks and Buildings Planning  
G. Foy, Manager, Transportation Engineering  
T. Barton, Manager, Urban Planning  
R. Smith, Department Manager, Community Planning



## Schedule A



# CITY OF KELOWNA

## BYLAW NO. 11756

### **Road Closure and Removal of Highway Dedication Bylaw** **(Portion of Groves Avenue)**

**A bylaw pursuant to Section 40 of the Community Charter to authorize the City to permanently close and remove the highway dedication of a portion of highway on Groves Avenue**

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

1. That portion of highway attached as Schedule "A" comprising 594.3m<sup>2</sup> shown in bold black as Parcel A on the Reference Plan prepared by Ryan Delaurier, B.C.L.S., is hereby stopped up and closed to traffic and the highway dedication removed.
2. The Mayor and City Clerk of the City of Kelowna are hereby authorized to execute such conveyances, titles, survey plans, forms and other documents on behalf of the said City as may be necessary for the purposes aforesaid.

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

Adopted by the Municipal Council of the City of Kelowna this

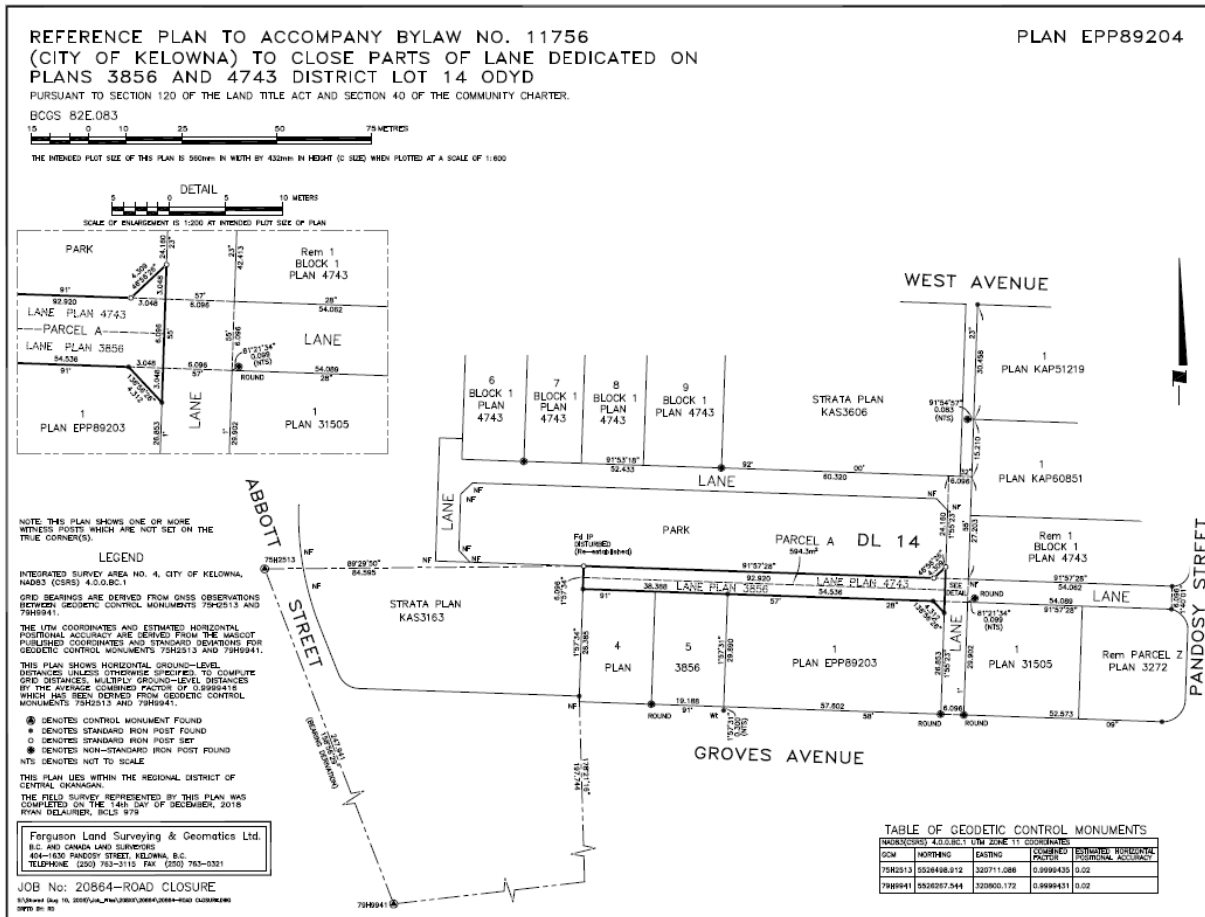
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Mayor

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City Clerk

## Schedule "A"



# Report to Council



**Date:** March 4, 2019  
**File:** 1110-21-049  
**To:** City Manager  
**From:** A. Warrender, Acting Manager, Real Estate Services  
**Subject:** Road Closure – Portion of Dall Road adjacent to 3060 Pooley Road  
Report Prepared by: R. Smith, Property Officer

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## **Recommendation:**

THAT Council receives, for information, the report from the Acting Manager, Real Estate Services dated March 4, 2019, recommending that Council adopt the proposed closure of a portion of Dall Road adjacent to 3060 Pooley Road;

AND THAT Bylaw No. 11773, being a proposed road closure of a portion of Dall Road adjacent to 3060 Pooley Road, be given reading consideration.

## **Purpose:**

To close a 700.5 square metre portion of Dall Road adjacent to 3060 Pooley Road.

## **Background:**

The proposed road closure (shown as closed road on the attached Schedule 'A') is for a portion of excess roadway. The road closure area will be consolidated with the newly created Dall Road Reservoir property as part of the Kelowna Integrated Water Project to provide clean drinking water to South East Kelowna.

## **Internal Circulation:**

Manager, Development Engineering  
Manager, Transportation Engineering  
Manager, Urban Planning  
Department Manager, Community Planning  
Supervisor, Community Planning  
Senior Project Manager

## **Legal/Statutory Authority:**

Section 26 and 40, Community Charter

**Considerations not applicable to this report:**

Legal/Statutory Procedural Requirements:

Existing Policy:

Financial/Budgetary Considerations:

Personnel Implications:

External Agency/Public Comments:

Communications Comments:

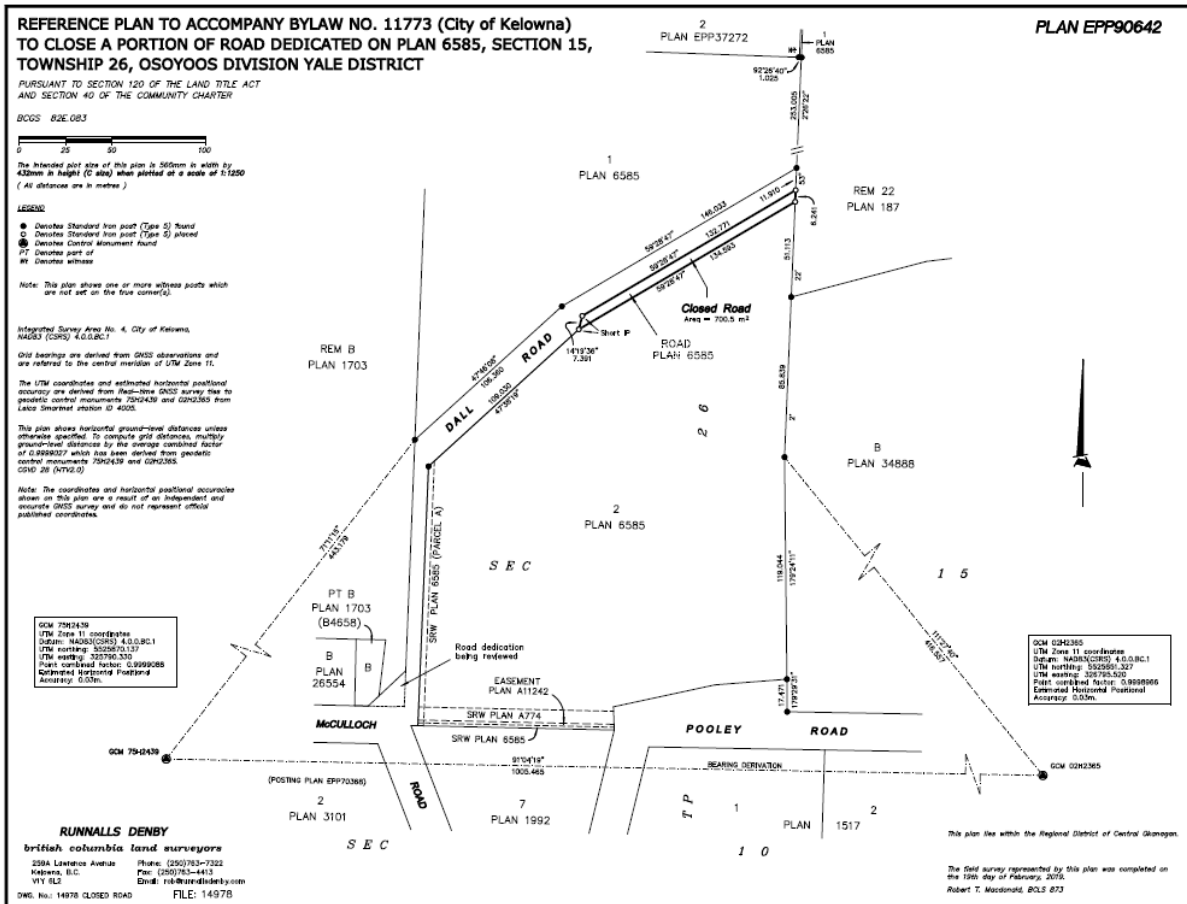
Alternate Recommendation:

**Submitted by:** A. Warrender, Acting Manager, Real Estate Services

**Approved for inclusion:** J. Säufferer, Acting Director, Strategic Investments

cc: J. Kay, Manager, Development Engineering  
G. Foy, Manager, Transportation Engineering  
T. Barton, Manager, Urban Planning  
R. Smith, Department Manager, Community Planning  
L. Bentley, Community Planning Supervisor  
P. Aylard, Senior Project Manager

# Schedule A





# CITY OF KELOWNA

## BYLAW NO. 11773

### **Road Closure and Removal of Highway Dedication Bylaw** **(Portion of Dall Road)**

**A bylaw pursuant to Section 40 of the Community Charter to authorize the City to permanently close and remove the highway dedication of a portion of Dall Road adjacent to 3060 Pooley Road**

---

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

1. That portion of highway attached as Schedule "A" comprising 700.5m<sup>2</sup> shown in bold black as Closed Road on the Reference Plan prepared by Robert T. Macdonald B.C.L.S., is hereby stopped up and closed to traffic and the highway dedication removed.
2. The Mayor and City Clerk of the City of Kelowna are hereby authorized to execute such conveyances, titles, survey plans, forms and other documents on behalf of the said City as may be necessary for the purposes aforesaid.

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

Adopted by the Municipal Council of the City of Kelowna this

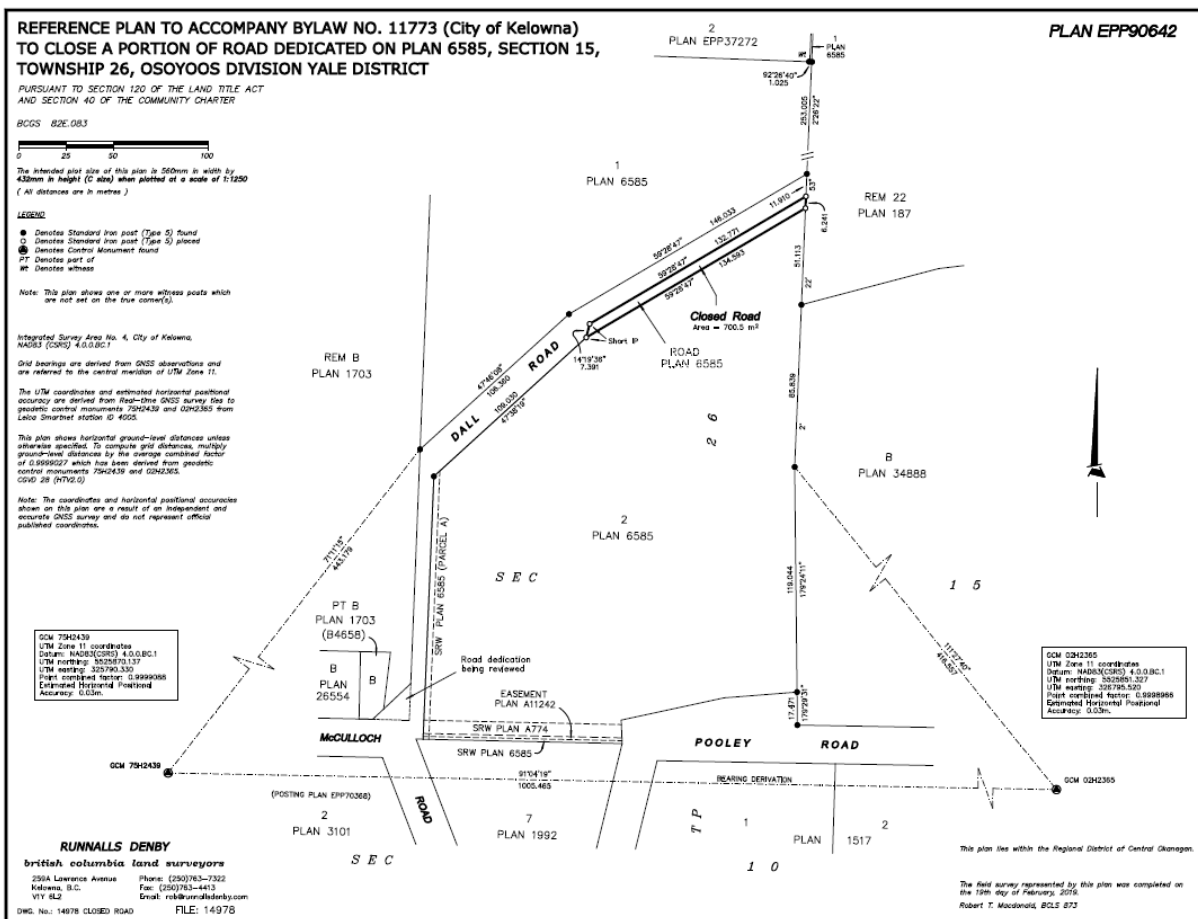
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Mayor

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City Clerk

### Schedule "A"



# CITY OF KELOWNA

## BYLAW NO. 11763

### Amendment No. 34 to Airport Fees Bylaw No. 7982

The Municipal Council of the City of Kelowna, in open meeting assembled, enacts that the City of Kelowna Airport Fees Bylaw No. 7982 be amended as follows:

1. THAT **Schedule A, 1. AIRCRAFT LANDING FEES, 1.4** be amended by replacing the word "six" after "and terminal fees for a maximum of" with the word "twelve".
2. THAT **Schedule A, 3. AIRCRAFT PARKING FEE, 3.2(ii)** be amended by adding the words "*per annum*" after \$500.
3. THAT **Schedule A, 18. COURTESY SHUTTLE BUS & BAGGAGE DELIVERY SERVICES**, be amended by deleting the title that reads:

- a. **COURTESY SHUTTLE BUS & BAGGAGE DELIVERY SERVICES**

And replacing it with:

**SHUTTLE BUS & BAGGAGE DELIVERY SERVICES**

And deleting subsection 18.1 that reads:

- b. Courtesy Shuttle Bus services will be licensed at a rate of \$200.00 per month over the period operated. (Example: Big White Shuttle Bus Service during the winter months for ski season).

And replacing it with:

Shuttle Bus services will be licensed at a rate of \$200.00 per month over the period operated.

4. THAT **Schedule A, 20. AIRPORT BUS SERVICE**, be amended by deleting in its entirety:

"A percentage rate of the gross revenue will be charged for the licence agreement to transfer passengers to and/or from the Kelowna Airport as follows:

<u>Effective Date</u>	<u>Percentage of Gross Revenue to be Charged</u>
July 1, 2005	2%
July 1, 2006	2.5%
July 1, 2007	3%
July 1, 2008	3.5%
July 1, 2009	4%

5. THAT **Schedule A, 22. AIRPORT IMPROVEMENT FEES, 22.1** be amended by replacing "AIR TRANSPORT ASSOCIATION (ATAC)" with "AIRPORT IMPROVEMENT FEE (AIF)".
6. This bylaw may be cited for all purposes as "Bylaw No. 11763, being Amendment No. 34 to Airport Fees Bylaw No. 7982."
7. 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, second and third time by the Municipal Council this 25<sup>th</sup> day of February, 2019.

Adopted by the Municipal Council of the City of Kelowna this

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Mayor

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City Clerk