Recommendation:

THAT Council receives, for information, the report from the Policy & Planning Department dated July 30, 2018, with respect to the results of the first phase of public engagement for the 2040 OCP update;

AND THAT Council directs staff to proceed with further development of a preferred growth strategy based on Growth Scenario 3, as outlined in the report from the Policy & Planning Department dated July 30, 2018, and report back to Council in September 2018.

Purpose:

To provide Council with information as it relates to the feedback received during the first phase of public engagement for the 2040 OCP update and to provide staff with direction regarding the development of a preferred growth strategy for the OCP update.

Background:

The 2040 OCP update is establishing a policy framework to put us on a path to build a great city – where sense of place, vitality, and connectedness promote a high quality of life. The City is planning for a population of approximately 177,000 people by the year 2040 through this process. Growing to this expected population presents both opportunities and challenges, similar to any other City experiencing similar growth pressures. Through the extensive feedback received through the Imagine Kelowna process, a forward thinking vision was collected from the community about what the future of Kelowna is envisioned to be, and this OCP update aims to put that vision into motion through the development of a growth strategy that is consistent with that vision.

The 2040 OCP is being undertaken concurrently with the Transportation Master Plan (TMP) and the 20 Year Servicing Plan processes, as it is critical that land uses, transportation and infrastructure plans are aligned with one another. The results of the work outlined in this report will also serve to inform those
This is the first time in Kelowna’s history that the OCP and TMP projects have been undertaken concurrently.

**Process To Date**

The OCP Update process is in Phase 2, which focuses primarily on the development of a preferred growth strategy for Council’s consideration. To facilitate the development of this strategy, staff created four growth scenarios, each of which drew from the principles and goals of the Imagine Kelowna process. Each of these growth scenarios distributed future residential growth throughout the city in a different way, resulting in various outcomes for a series of key policy indicators such as transportation, financial resiliency and growth management.

The four growth scenarios were as follows:

1. Slow Shift/Dispersed  
2. Gradual Shift/Dispersed with Urban Centre Revitalization  
3. Progressive Shift/Focused Urban Core  
4. Rapid Shift/Focused Urban Centres

To ensure that the different choices that each growth scenario represented were clear to the public and key stakeholders, an interactive online dashboard was created that visualized where the future growth would be focused and what the various implications of each scenario were. Users of the dashboard could see for example, what the impact of a particular growth scenario could be on transportation, infrastructure maintenance, impacts on greenhouse gas emission targets and a number of other indicators. The four growth scenarios are summarized in ‘Attachment 1’.

**Public Engagement Process**

The purpose of the public engagement process for Phase 2 was to spark meaningful conversations with residents and key stakeholders and to provide them with an opportunity to shape the future of the city based on decisions that they make. It was also important to build on the priorities identified by residents as part of Imagine Kelowna. The process had the following objectives:

- Raise awareness about the process and opportunities for involvement;  
- Build capacity and baseline education among citizens for them to participate in an informed way about issues, trends, tradeoffs and best practices; and  
- Generate excitement and shared ownership over the creation and implementation of the OCP.

To meet these objectives, the process needed to be interactive and illustrate to residents what the impacts of various choices would be on the city’s growth and sustainability. In response, the “Pick Your Path to 2040” approach was developed which allowed residents, either in person or online, to navigate through a series of questions related to issues such as housing, transportation, health and wellness, financial sustainability and agricultural lands. At the end of the questions, the participant would land on one of the four possible growth scenarios based on their choices. This approach facilitated discussion on the impact of City growth-related decisions and the various trade-offs that must be considered when developing such a plan.
The *Pick Your Path to 2040* process commenced on June 2, 2018 and had two main ways for residents to provide input:

1. by participating in a Pick Your Path exhibit at one of five events, or
2. by visiting Kelowna’s website and participating in the digital version of the exhibit.

Both methods included a questionnaire for residents to complete at the end. In total, five exhibits were held, with one at Stuart Park (June 2), two at Okanagan College (June 4 and 5) and two at Rutland Centennial Hall (June 6 and 7). On June 13, staff also provided information for the *Pick Your Path* online exhibit at the Downtown Kelowna Association’s Business After 5 event. The online questionnaire closed on June 30, 2018.

Staff worked with local high schools to promote student participation at the exhibits and teachers from local high schools brought their classes to the exhibit to participate. In total, 222 high school students participated as part of this process.

In total, 610 residents participated in the *Pick Your Path to 2040* process, of which 577 completed a questionnaire. These numbers do not include the high school students who participated. A summary of the results is found below and in ‘Attachment 2’.

**What We Heard**

Based on public input collected through the *Pick Your Path to 2040* engagement process, there is a trend among the 577 respondents in that most would like to see Kelowna move toward a progressive shift in growth with a focused Urban Core.

The questionnaire shows a divide in preference for how residential growth should be focused and/or distributed between the Urban Core and suburban areas. Results also show a trend in respondents’ desire to live close to amenities and employment.

Regarding how development and infrastructure should be distributed between the Urban Core and suburban areas, respondents were also nearly equally divided in their preference for either a mix of development in the Urban Core and suburban areas or more development in the Urban Core. What is clear is that very few respondents wanted to see dispersed development in suburban areas with higher infrastructure maintenance costs.

While the questionnaire revealed a higher preference for a progressive shift and focused Urban Core, there is some concern regarding how the City will manage growth and the increased traffic that might come with it. There is also some concern about what increased density will look like in terms of building height, as some respondents indicated a preference for increasing density through a variety of building types rather than only through high-rise buildings. The full engagement report can be found as ‘Attachment 2’.

Highlights of the feedback include:

- 71.7% of respondents indicated that they preferred either Growth Scenario 3 (41.2%) or Growth Scenario 4 (30.5%), which proposed the largest proportion of development in the Urban Core, as their preferred growth scenario. In contrast, 28.3% of respondents preferred either Growth Scenario 1 (5.2%) or Growth Scenario 2 (23.1%), which were characterized by a comparatively larger proportion of growth outside of the Urban Core.
• 49.6% of respondents indicated that they would prefer a mix of development in suburban areas and in the Urban Core along with modest increases in infrastructure maintenance costs, compared to 45.9% who indicated that they would like to see most development just in the Urban Core along with a smaller increase in maintenance costs. Only 4.5% of respondents indicated that they wanted to see dispersed development in suburban areas and a higher increase in maintenance costs.

• 60.4% of respondents indicated 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.

• 71% of respondents indicated that they would prefer to live closer to employment and amenities to avoid driving in traffic, and 65% of respondents indicated that the physical health benefits of living in a neighborhood near services and amenities is important to them when choosing where to live.

Feedback on the *Pick Your Path to 2040* process itself was positive. 80% of respondents that participated in the exhibit reported that the material provided enough information for them to give informed feedback and 77% indicated that they learned something new as part of the process.

In addition to the respondents identified above, 222 high school students participated in the exhibits. Among these students, Growth Scenario 3 was the most popular choice (noted in Attachment 2).

In summary, the *Pick Your Path to 2040* process identified three key themes:

• A desire for a progressive shift in growth, focused in the Urban Core;
• Concerns about the impacts of redevelopment, particularly too much growth being focused in tall buildings;
• A desire for more active transportation and transit development, coupled with overall concerns about the impacts of growth on traffic congestion.

**Key Stakeholder Engagement**

In addition to the *Pick Your Path* exhibits and online questionnaire, staff have been engaging with key community stakeholders regarding the OCP update. Staff have held regular meetings with the Urban Development Institute – Okanagan Chapter (UDI) to keep them apprised of the process and to identify issues to be explored in the OCP update process. Discussions have been positive and primarily focused on ways that the City can work with the development community to effectively realize the vision outlined in growth scenarios. One-on-one meetings have also been held with Westbank First Nation, UBCO and School District #23 in addition to various other local business groups.

On July 11, 2018, staff hosted a group workshop with key stakeholders from across the City. Groups represented at this workshop included, but were not limited to, Interior Health, BC Transit, the Kelowna Chamber of Commerce, Ministry of Transportation and Infrastructure, UBCO and Okanagan College.
This stakeholder workshop would be the first of several that would be held throughout the OCP Update process and focused primarily on identification of key issues by the stakeholder groups that would need to be explored as part of the OCP and the TMP.

**Preferred Growth Scenario**

To complete Phase 2 of the OCP Update process, a preferred growth scenario must be selected. This growth scenario would be the foundation for the deliverables to be developed in Phase 3 of the process, including a revised future land use map and would be used for modelling for the development of the Transportation Master Plan and to update the 20 Year Servicing Plan and Development Cost Charge Bylaw that would be developed concurrently with the OCP update. Staff will be providing Council with a report recommending a preferred growth scenario in September 2018, which would complete Phase 2 of the OCP Update process and initiate Phase 3.

The four growth scenarios were developed to facilitate discussion amongst residents and stakeholders regarding the impacts of the choices and trade-offs as they relate to future city growth. As such, it is recommended that staff develop a preferred scenario that, while primarily based on one of the four growth scenarios, draws on elements encompassed in others to reflect the feedback received to date as part of the engagement process in alignment with Imagine Kelowna. This growth scenario would need to perform well in the evaluation criteria developed using the key policy indicators described below and reflect the feedback received through the *Pick Your Path* process. It is with these dual filters – technical indicator performance in combination with public sentiment that a preferred growth scenario has been identified. With this in mind, 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.

Growth Scenario 3 proposes an accelerated and deliberate shift towards the compact and complete community that was envisioned as part of the Imagine Kelowna process. Under this growth scenario, new housing would be primarily multi-unit and would include the “missing middle” forms of housing, such as semi-detached, row-housing and town-housing, in addition to apartment housing. This contrasts with Growth Scenario 4, which emphasizes a larger proportion of apartment housing. Growth Scenario 3 also involves a shift away from development in suburban areas and into the Urban Core, requiring a scaling back of development potential in select suburban areas.

Characteristics of Growth Scenario 3 are summarized below:

<table>
<thead>
<tr>
<th><strong>Growth Scenario 3: Progressive Shift / Focused Urban Core – Technical Notes</strong></th>
</tr>
</thead>
</table>
| **Housing Split** | Overall Housing Composition in 2040: 52% multi-unit / 48% single-two unit  
(New growth: 80% multi-unit / 20% single-two unit) |
| **Dominant housing forms (new growth)** | Missing middle, apartments/condos |
| **Transportation impacts** | More transit and active transportation opportunities in the Urban Core. Automobile trips are expected to be shorter |
| **Infrastructure impacts** | Infrastructure investments concentrated in the Urban Core |

This growth scenario 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.

An abbreviated summary of each growth scenario’s indicator performance in tandem with public feedback is summarized below:

<table>
<thead>
<tr>
<th>Policy Indicators</th>
<th>Scenario 1</th>
<th>Scenario 2</th>
<th>Scenario 3</th>
<th>Scenario 4</th>
</tr>
</thead>
<tbody>
<tr>
<td>Themes Identified in Public Engagement</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Agricultural Protection</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>• Support for protection of agricultural lands</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Financially Resilient</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>• 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</td>
<td></td>
<td></td>
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<tr>
<td>Growing Economy</td>
<td>3</td>
<td>3</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>• Desire to live closer to places of employment</td>
<td></td>
<td></td>
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<td></td>
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<tr>
<td>Growth Management</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
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<tr>
<td>• Concerns about impacts of growth and focusing too much growth in tall buildings</td>
<td></td>
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<tr>
<td></td>
<td>• Desire for greater mix of housing choice &amp; lower buildings</td>
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<tr>
<td>Health and Safety</td>
<td>2</td>
<td>2</td>
<td>4</td>
<td>4</td>
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<tr>
<td>• High support for active transportation</td>
<td></td>
<td></td>
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<tr>
<td>Livable Communities</td>
<td>2</td>
<td>3</td>
<td>3</td>
<td>3</td>
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<tr>
<td>• Desire to live closer to community amenities</td>
<td></td>
<td></td>
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<tr>
<td>Mitigate Climate Change</td>
<td>2</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>• Preference for use of active transportation and transit, and retrofitting homes to address climate change</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Travel Choices</td>
<td>2</td>
<td>1</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>• High demand for active transportation and transit</td>
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<tr>
<td></td>
<td>• Desire to avoid driving in traffic</td>
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<td></td>
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<tr>
<td>Total</td>
<td>14</td>
<td>17</td>
<td>26</td>
<td>31</td>
</tr>
<tr>
<td>• Preference for Growth Scenario 3</td>
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</tbody>
</table>

**Next Steps**

Should Council endorse the recommendation outlined in this report, staff will develop a growth scenario for Council’s consideration in September 2018 that is based on Growth Scenario 3 with refinements. These refinements would include a more detailed analysis of growth areas and responses to the feedback received as part of the engagement process. Should Council endorse that scenario at that time, the OCP update process would move into Phase 3, which would be characterized by the following:

- Development of a detailed future land use plan
- Development of policies and a draft Plan
• Development of an implementation plan and indicators
• Continued public and stakeholder engagement
• Coordinated alignment with the Master Transportation Plan next phases and commencement of the 20 Year Servicing Plan update

It is important to note that the timing of a decision on the preferred growth scenario is a critical milestone that will not only form the foundation for continued work on the OCP as part of Phase 3, but also for the TMP, 20 Year Servicing Plan, and DCC Bylaw. The interdependency of these projects provides numerous benefits, however the project coordination to have this growth scenario serve as the framework for the other projects underscores the critical timing to conclude Phase 2 of the OCP project update.

Summary
Building on the momentum of the Imagine Kelowna process, the Pick Your Path to 2040 exhibits have allowed for the refinement of the community’s vision, engaged the public in a meaningful and education way, and provided direction for a preferred growth scenario of the Official Community Plan. The input provided by the community as part of these processes have indicated that, not only do residents want to see a more compact complete community, they want to see that shift take place in a more progressive and deliberate fashion. Growth Scenario 3 will serve as the foundation to advance the Imagine Kelowna vision where in 2040, Kelowna will be a thriving mid-sized city that protects our environment, manages growth and is resilient as the future unfolds.

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:

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

Submitted by:

Robert Miles, OCP Project Planner

Approved for inclusion: Danielle Noble-Brandt, Dept. Manager, Policy & Planning

Attachments:

1) Growth Scenario Summaries and Maps
2) Summary Engagement Report: Official Community Plan & Transportation Master Plan, July 2018
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
Infrastructure Engineering Manager
Community Planning Department Manager
Communication Advisor