

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

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 suburban¹ 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

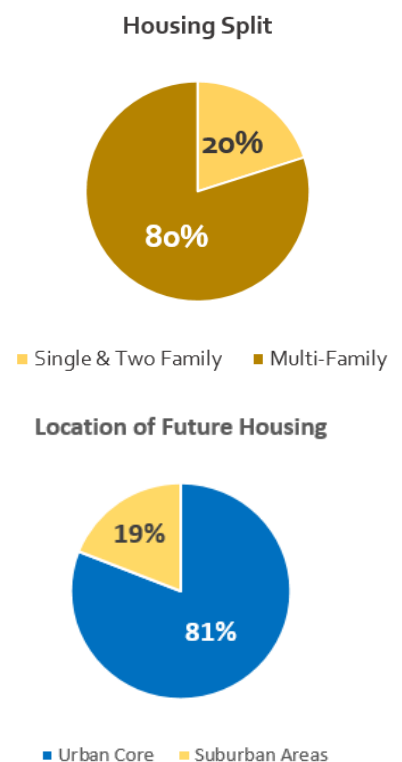
¹ For the purposes of this report, the term 'suburban' refers to all lands that are outside of the Urban Core boundary which encompasses the 5 Urban Centres and the surrounding neighborhoods.

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

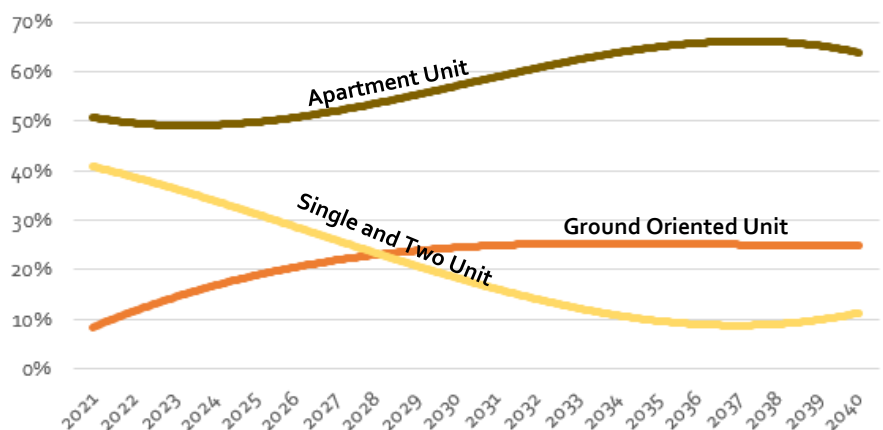
The growth scenario provides a strategic vision to guide the development of the OCP, the TMP and the 20 Year Servicing Plan at a high level. The scenario is characterized primarily by two key measures: future housing split and future housing location (see Figure 1). Given an estimated demand for approximately 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

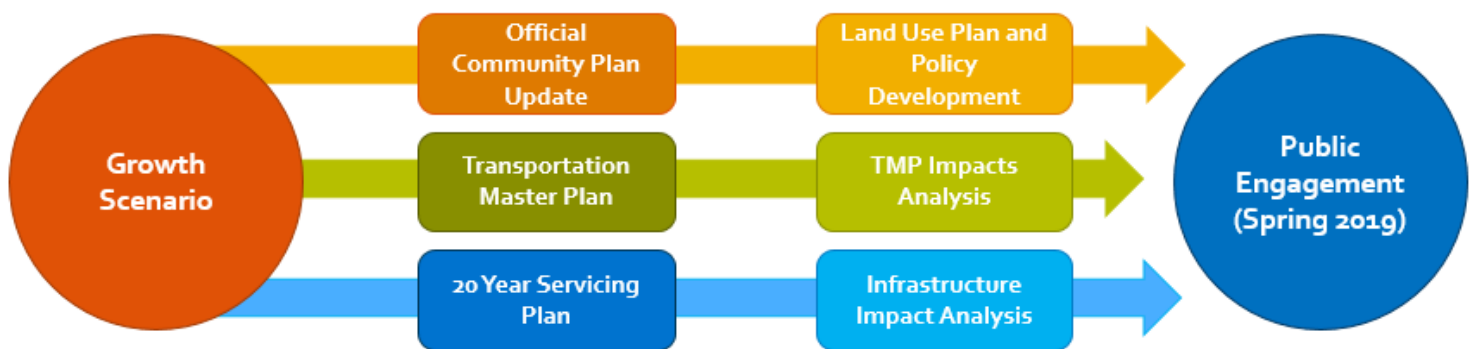
The 2040 OCP Update process is currently in Phase 3, which involves the development of a new draft Future Land Use Plan, the development of corresponding draft OCP policies, and a public participation component of which would result in a draft OCP document for Council's consideration. This phase began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

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

Criteria	Issue Identified	Impact (Land Use Shifts in Bold)
School Site Impacts	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.
Commercial Centre Impacts	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.
Parks System Impacts	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.
Emergency/Secondary Access	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.
Internal Road Network Connectivity	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.
Impacts on Transportation Capital Projects	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.
Viability of Zoned Lands	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.
Proximity to Employment Nodes	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>
833 units	400-500 units	1300-1400 units	250-350 units

Criteria	Issue Identified	Impact (Land Use Shifts in Bold)
School Site Impacts	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.
Commercial Centre Impacts	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. A contraction of commercial designations in the draft Future Land Use Plan is being explored.
Parks System Impacts	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. This property would retain a residential land use designation in the draft Future Land Use Plan.
Emergency/Secondary Access	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.
Internal Road Network Connectivity	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. This property would retain a residential land use designation in the draft Future Land Use Plan.
Impacts on Transportation Capital Projects	No major transportation capital projects identified.	Further changes to the transportation network would be explored through the TMP process.
Viability of Zoned Lands	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.
Proximity to Employment Nodes	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>
264 units	250-300 units	500-600 units	350-450 units

Criteria	Issue Identified	Impact (Land Use Shifts in Bold)
School Site Impacts	Existing schools in place	School District 23 staff have no concerns
Commercial Centre Impacts	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 A contraction of commercial designations in the draft Future Land Use Plan would be explored.
Parks System Impacts	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. Some properties to retain a residential land use designation.
Emergency/Secondary Access	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. A corridor of unzoned lands between Loseth Road and Gallagher Road would retain a residential land use designation.
Internal Road Network Connectivity	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. A corridor of unzoned lands between Loseth Road and Gallagher Road would retain a residential land use designation.
Impacts on Transportation Capital Projects	No major transportation capital projects identified.	Further changes to be explored through the TMP process.
Viability of Zoned Lands	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.
Proximity to Employment Nodes	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. All lands in close proximity to the Village Centre would retain their residential land use designation.
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. A corridor of unzoned lands between Fawn Run Drive and Ponds Avenue would retain a residential land use designation.
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. <i>A corridor of unzoned lands between Fawn Run Drive and Ponds Avenue would retain a residential land use designation.</i>
Impacts on Transportation Capital Projects	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. <i>All unzoned lands would retain their residential land use designation.</i>
Viability of Zoned Lands	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.
Proximity to Employment Nodes	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
Infrastructure Engineering Manager
Community Planning Department Manager
Communication Advisor