

# 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

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(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.

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**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.

Curtailing 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.

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**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.”

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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.