

Report to Council



Date: May 27, 2019
File: 1200-31
To: City Manager
From: Policy & Planning Department
Subject: 2040 OCP Update: Land Use Plan Directions

Recommendation:

THAT Council receives, for information, the summary of key directions of a new land use plan being drafted for the 2040 Official Community Plan (OCP) and the corresponding next steps.

Purpose:

To provide Council with an update on the development of a new land use plan for the 2040 OCP, focusing on the key directions that are proposed.

Background:

The City of Kelowna is expected to see significant future growth with an expected population of 178,000 people by 2040. With a growing population, key issues such as housing affordability, complex transportation systems, and aging community facilities and infrastructure represent both opportunities and challenges to the City's ability to adapt. As provided through the extensive Imagine Kelowna process, the community sentiment was for the city to grow in a responsible, sustainable manner which largely translates into honoring the current Permanent Growth Boundary and optimizing land use efficiencies where growth has already been established. The City's Policy and Planning and Transportation teams are working together to update the Official Community Plan (OCP) and Transportation Master Plan (TMP). Themes such as equity, climate change, housing affordability, fiscal responsibility, and changing technology trends will be integrated to ensure the plans are well-positioned for the changing dynamics of our city in the coming decades.

At its meeting of March 4, 2019, Council endorsed a growth scenario to serve as the foundation for the continued development of the OCP, TMP and the 20 Year Servicing Plan. Notably, this growth scenario guides the creation of a new Land Use Plan as part of the OCP. A draft Land Use Plan represents the next level of refinement for how the Imagine Kelowna vision will be translated into a city-wide growth strategy. This report illustrates how Imagine Kelowna and the growth scenario are informing the Land Use Plan, summarizes the major shifts as compared to the current 2030 OCP (referred to as the "Big

Moves”), and identifies some of the changes to the Land Use Plan that Council can expect to see in an upcoming report.

Further work will be required to understand the comprehensive impacts of growth and development outlined in the draft growth strategy, most notably in the areas of City infrastructure that include transportation, water, sanitary and drainage. Accordingly, this report will be followed by a more detailed report in summer 2019 that introduces a new draft Future Land Use Map and the corresponding high level infrastructure impacts that will result.

Translating the Vision into Land Use Directions

Official Community Plans are intended to act as visionary documents, outlining how and where a city intends to grow. Imagine Kelowna and the growth scenario articulate a high level vision for how Kelowna will grow; however, the creation of a new Land Use Plan will begin to showcase how it takes shape. While the 2030 OCP represents a progressive approach to concentrating growth in select geographic areas, the 2040 OCP will expand that direction and be more deliberate to increase residential and employment densities in key locations, and maximize transportation choice through strategic infrastructure investments that benefit the most residents. New and different types of housing will be supported, and the role of ‘infill’ housing will fulfill a critical housing need for many people and families of various life stages.

Big Moves

Termed as the ‘Big Moves’, these five major shifts characterize the new directions of 2040 OCP. They are not intended to capture all of the new policies and directions of the OCP, nor do they reflect all of the existing directions from previous plans and initiatives that the plan will build on. Rather, they outline what this plan will do differently than previous plans. In short, the Big Moves answer the question, “What *new* directions does the OCP take us?” The Big Moves will inform the major shifts that will take place in the draft Land Use Plan, discussed later in this report.

The ‘Big Moves’ are as follows:

- *Complete the Final Suburban Neighbourhoods*
The Land Use Plan will not signal new greenfield developments beyond those already identified in the 2030 OCP, in keeping with the Imagine Kelowna goals of limiting sprawl, protecting agricultural lands and embracing transportation options. Existing suburban neighbourhoods would be completed, but would represent the last greenfield developments in the city, and honor the existing Permanent Growth Boundary (PGB).
- *Promote More Housing Diversity in the Core Area*
Promoting most of the city’s future growth in the Core Area¹ is the most effective action that the city can take to limit sprawl, protect agricultural and natural lands, provide transportation choice and manage infrastructure investments in a more sustainable way. The Land Use Plan would reflect this direction (provided by the growth scenario) to target approximately 2/3 of future residential growth in the Core Area by signaling much of that area for redevelopment.

¹ The term “Core Area” is being used in this report in place of “Urban Core” to address confusion between the Urban Core and Urban Centre areas in the city.

- Connect Our Urban Centres with Multimodal Transportation Options*

With the Urban Centres already established as the hubs for employment, shopping, recreation and the highest residential densities, the plan will see these centres connected to provide easier access to these hubs for more people. The plan will emphasize providing connections both within and between Kelowna's Urban Centres using multimodal transportation options, such as high quality transit, active transportation, and shared mobility options that will make it easier, safer and more enjoyable for people to get around the Urban Core without having to use a personal vehicle.
- Prioritize Parks and Public Spaces in the Core Area*

As the city grows, the health and well-being of the community is strongly tied to the accessibility and availability of community facilities and park spaces. Areas with high pedestrian activity, such as parks and public spaces, (can also include urban plazas, streetscapes and other areas that the public can gather) will be integrated into the urban fabric. These amenities are especially important for neighbourhoods undergoing redevelopment and will advance the quality of life for existing and future residents as these public spaces perform increasingly important roles for neighborhood livability.
- Prepare a Resilient Community that is Adaptable to Change*

The next 20 years are expected to bring with them great change. A more unpredictable climate, new communication and transportation technologies, and demographic shifts are just some of the ways the world is expected to change in the coming years. Some of this change can be anticipated, some of it will impact the city in unpredictable ways. Therefore, promoting the theme of 'urban resilience' whereby the capacity of individuals, communities, and systems within our city can survive, adapt and grow in the face of uncertainty.

Together, Imagine Kelowna, the growth scenario and the Big Moves begin to form a strategy on managing future growth from a land use perspective.

Growth Strategy Districts

The growth strategy speaks clearly to key directions in four major geographic areas, or districts, of the city. Each of these districts signal what types of development would be encouraged and where prioritized investments in transportation, servicing and amenity infrastructure would be focused. For each of these districts, staff is developing a series of new land use designations that are designed to guide growth in each district to ensure the success of the growth strategy through implementation efforts. The four districts of the city would be as follows (see Map 1 and Attachment 1):

Rural

These lands are located outside of the Permanent Growth Boundary and are mostly composed of agricultural lands or large tracts of resource lands. Some pockets of residential neighbourhoods, as well as resort communities, such as Gallagher's Canyon and McKinley Landing are also included in these areas given their geographic locations, as are some industrial lands.

Based on the growth strategy, rural lands would continue to be signaled for agricultural and resource uses, but would not be supported for further urban development or for uses that could have a negative impact on agriculture. Existing residential neighbourhoods would remain, and where zoning is in place they could develop accordingly. Lands designated for industrial uses would be supported for growth, but additional urban development beyond these areas would not be supported.

Suburban

Suburban lands are located outside of the Core Area but within the Permanent Growth Boundary. They are characterized primarily by lower density residential neighbourhoods, select industrial lands, UBCO and Kelowna International Airport. A small amount of commercial uses are found in suburban areas.

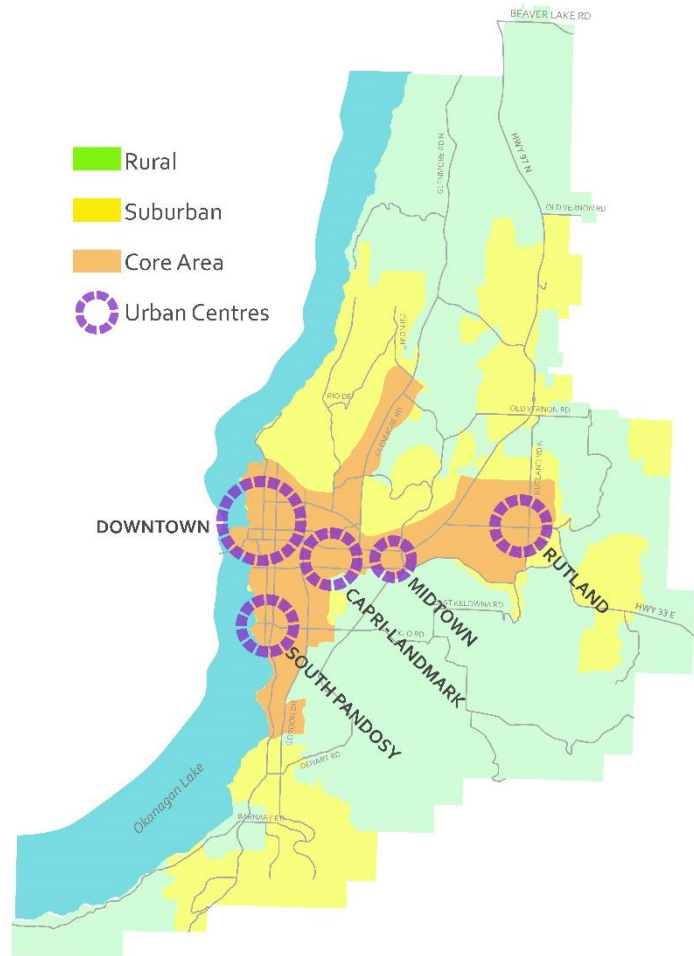
Residential growth would be primarily characterized by single and two-unit development, focused mainly in the new communities currently being built out (with some multi-unit development in strategic locations). The Land Use Plan would continue to signal more employment growth at UBCO and the Airport, and in the case of UBCO, further multi-unit residential development to support a growing student and staff population. The Land Use Plan would also continue to signal employment growth in industrial lands located within this boundary, but it is not anticipated that a significant amount of new designated industrial land would be onboarded.

Core Area

The Core Area includes neighbourhoods that are adjacent to the Urban Centres within the central part of the city. Outside of Urban Centres, the Core Area is currently characterized by lower density residential neighbourhoods, with somewhat more variety of multi-unit development. The Core Area also includes a significant amount of the city's big box retail, clustered along the Highway 97 Corridor, industrial lands, and several major employment destinations, including Kelowna General Hospital.

As outlined in the growth strategy, Core Area neighbourhoods would provide a wide variety of housing forms, focusing primarily on ground oriented missing middle housing, such as smaller homes, house-plexes and row housing, developing in a way that is more sensitive to the surrounding neighbourhood. Along key transportation corridors, some higher density housing mixed with limited commercial development would be supported. The Core Area would be a priority for transportation, infrastructure and parks investments.

Map 1: Growth Strategy Districts



Urban Centres

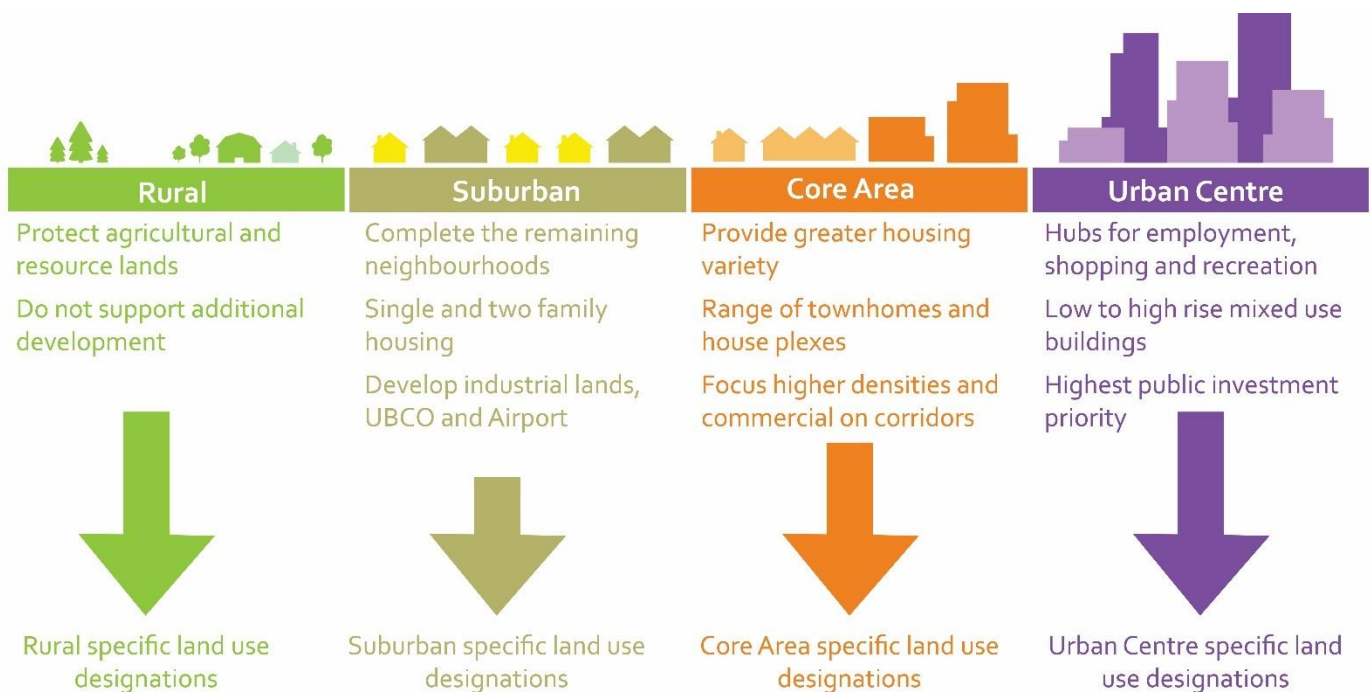
The five Urban Centres (City Centre, South Padosy, Capri Landmark, Midtown and Rutland) would continue to act as the hubs for employment, shopping, entertainment and high density residential development. This focused growth would provide a greater variety of housing and employment closer together to see more effective use of infrastructure investments, promote transportation choice and reduce pressure for development outside of the Permanent Growth Boundary.

In keeping with the 'Big Moves', the Urban Centres would continue to be the highest priority for new development and infrastructure investment, which are critical components to creating desirable neighbourhoods.

Future Land Use Designations – A Refreshed Approach

A new approach to the future land use designations is being developed that reflects the overall direction for each of the four districts and the corresponding land uses (see Figure 1). For example, the Core Area would have land use designations that are only found in that area and encourage the missing middle housing types that are exclusively targeted for that area. However, select land use designations that have a universal role in each of the four districts, such as institutional or utilities uses, for example, will apply across the city. The proposed new land use designations will be outlined in greater detail as part of a future report to Council.

Figure 1: District Based Land Use Designations



What to Expect in the Future Land Use Plan

More Housing Variety in the Core Area

Together, the Core Area and the Urban Centres have been identified to absorb approximately 67% of future residential growth. As a result, the Land Use Plan under development will identify much of the Core Area outside of the Urban Centres that is currently designated exclusively for single and two family housing for a greater range of housing types, allowing uses like fourplexes and row-housing to be considered in these areas.

Multimodal Urban Transportation Corridors

The areas connecting the Urban Centres will be serviced by multimodal transportation options, such as high quality transit, active transportation and shared mobility options. While the Urban Centres focus the highest density housing in the city, further development along these multimodal transportation corridors would take the form of corridors of low rise apartment development and row-housing. In some cases, commercial development would be supported in these corridors, particularly at key intersections. This approach would strengthen the integration of land use and transportation planning.

The Permanent Growth Boundary

The Permanent Growth Boundary would largely remain the same as the current OCP, in keeping with the direction that no new suburban neighbourhoods would be signaled in the draft Land Use Plan. Notably, the only changes to the Permanent Growth Boundary would be the removal of the Diamond Mountain and Eagle Ridge Area Structure Plan areas. This reflects the direction provided by Council in March 2018 to not support ASP processes in those areas.

Suburban Neighbourhoods

Suburban neighbourhoods that are being developed, such as Wilden, Kirschner Mountain, the Ponds and Tower Ranch would continue to be signaled for full build out, as per the existing 2030 OCP. This is consistent with the Growth Scenario endorsed by Council. The Thomson Flats lands are currently under an Area Structure Plan process and pending the outcome, the draft Land Use Map will be amended accordingly.

Industrial Lands

A land capacity report has been completed by an independent third party consultant to inventory the anticipated demand for new commercial and industrial space in the city to 2040. This study has concluded that the current 2030 OCP has an adequate supply of industrial lands out to 2040. As such, no new lands would be signaled in the draft Land Use Plan.

Parks and Open Space

As indicated earlier in this report, the acquisition and development of new parkland in the Core Area is one of the 'Big Moves', and critical to the success of evolving neighbourhoods in that area. However, the draft Land Use Plan will not include new areas identified for parks at this stage. This work will be ongoing throughout the OCP Update process and would be refined following the Fall 2019 public engagement process. It should be noted, however, that the OCP will address parks development at a high, visionary level with the intent for the City to undertake a more detailed planning process for park development as an implementation item following the completion of the OCP project.

Next Steps

The OCP and TMP projects are working towards a fall 2019 target for the next round of public engagement. Between now and that time, the draft Land Use Plan will be completed and the development of policies for the draft plan would continue. The following tasks are currently underway:

Infrastructure Impact Analysis

Staff are currently undertaking a high-level infrastructure impact analysis of the growth scenario that Council endorsed on March 4, 2019. This analysis will indicate where significant investments may be required to service new residential and employment growth, based on where it is targeted. This work is expected to be completed in June 2019 and will assist in the refinement of the draft land use map.

Continued Stakeholder Engagement

Engagement with various impacted community stakeholders has been ongoing since Phase 2 of the planning process, and will continue in Phase 3. As part of the development of the draft Land Use Plan that Council would review in the summer 2019 report, staff will work with various community stakeholders, including industry, government and neighbourhood organizations to refine the plan.

Public Engagement Process Development

Staff is developing the next phase of planned public engagement that is targeting community feedback and ideas on the draft Future Land Use Plan, as well as direction for the development of draft OCP policies that will incorporate the Big Moves. The details of this public engagement process will be outlined in the next report to Council, anticipated for summer 2019.

Summary

The deliberate integration of the OCP and TMP projects represents a commitment to a comprehensive city-wide land use and transportation framework. The development of the draft Land Use Map focuses primarily on the physical community and the functionality of its infrastructure in our everyday lives: affordable housing, transportation options and network improvements, vibrant employment nodes, and the renewal of public facilities. If these challenges are not addressed through City-wide master plans, they will undermine community resilience and future quality of life.

With Imagine Kelowna, the growth scenario and the Big Moves all providing direction through a cohesive growth strategy, City staff are moving forward on development of a draft land use plan and associated policies. This work will require extensive refinement and revision based on feedback from Kelowna residents, community stakeholders and direction from Council. When the first draft of the Land Use Plan is provided to Council later this year, it will represent the Big Moves and the directions outlined in this report, but is not intended to be the final product. Rather, it will represent the start of the community's conversation on the development of this important phase of the OCP update.

Legal/Statutory Authority:

Local Government Act, Part 14, 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:

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Approved for inclusion:



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

Attachments:

- 1) Key Directions Map

cc:

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