



**URBAN DEVELOPMENT INSTITUTE- OKANAGAN CHAPTER**

210 – 1460 Pandosy Street  
Kelowna, BC V1Y 1P3 Canada  
T. 778.478.9649 F. 778.478.0393

[udiokanagan@udi.org](mailto:udiokanagan@udi.org)

[www.udiokanagan.ca](http://www.udiokanagan.ca)

July 16, 2018

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

**Attention: Joel Shaw**

**Subject: Parks Development DCC**

The Urban Development Institute (UDI) is a national association (with international affiliations) of the development industry and its related professions. The corporate members of the UDI - Okanagan Chapter represent hundreds of individuals involved in all facets of land development and planning, including: developers, property managers, financial lenders, lawyers, engineers, planners, architects, appraisers, real estate professionals, local governments and government agencies.

As a Partner in Community Building, the UDI Okanagan Chapter is committed to working with communities and governments to create and achieve the vision of balanced, well-planned, sustainable and affordable communities.

Thank you for inviting representatives of UDI Okanagan to meet with the City of Kelowna to discuss the City's proposed changes to the Development Cost Charge (DCC) program and the addition of new funding sources for park development, including a new Parks DCC. In addition to the many points raised at the meeting, we have had further consultation with our members and have the following additional comments and questions.

- UDI Okanagan is not fundamentally opposed to the creation of a new Parks Development DCC, however, it is not fair to have the cost of past park development funding shortfalls added to the cost of new homes. We understand that the DCC guideline indicates that DCCs should not be used to make up past deficiencies in parkland. Instead, any new Parks Development DCC should only pay for the cost of park development as a result of new growth. As such, we recommend that the City explore alternative funding sources to make up for years of park development funding shortfalls.
- UDI requests that the City explore what the Parks Development DCC would be if only parks development needed for new growth was included.
- UDI requests rationale supporting the proposed 100% allocation of 'future' community, recreation, and city-wide park development to new growth. Is it reasonable to suggest that there

will be no benefit to the existing population with the development of these future park sites (particularly the city-wide and recreation park sites)?

- Would higher density housing units be subject to the same Park Development DCC rates as single family?
- UDI suggests that the City explore extending the time horizon beyond 20 years for catch up on past park development funding shortfalls.
- UDI would like to have further conversations with the City around the current standard of 2.2 hectares of park space, as well as how this compares to other similar municipalities.
- UDI recommends that the City explore options for utilizing a portion of the current Parks Land Acquisition DCC for parks development until such time as the shortfall is made up.
- If a developer provides natural open space land that serves as a public amenity (nature trails), the developer should receive credit for this. It should be considered in the City's parks requirements of 2.2 ha/1,000 people. Please confirm if this would be the case with this new Parks DCC.
- UDI suggests that the proposed Parks DCC be allocated on a sector basis so that it is consistent with the other components of the overall DCC program.
- The DCC projects should have associated triggers based on growth projections that would prioritize and indicate when projects are developed. This will generate consistency and tie parks development projects to where the development is actually occurring.
- Would the City be able to provide some mapping of where the 15 hectares of neighbourhood parks attributed to new growth are expected to be located, along with the 27 hectares of community parks?
- If those lands mentioned in the point above already exist in the form of dedicated park land that has not yet been developed, it should be added to the category of existing development deficiency in table 4.1 and should not be expected to be covered by future growth through a DCC.
- UDI recommends that the City provide revised unit rates on growth projections to get a more accurate unit rate DCC figure. Those used for the presentation to Council were based on the last capital plan and it would be more meaningful to look at the numbers with the same projections being used for the upcoming Official Community Plan (OCP).

As briefly mentioned at our meeting, any increase in DCC costs will be passed on to the end user. Increasing upfront costs simply results in increased purchase costs and therefore reduces affordability for those that need it the most.

We would be happy to meet with the City of Kelowna again over the summer for further conversation and clarification related to the above points and questions. Please suggest a few dates that would be convenient for you to meet and we will work on arranging the meeting.

Sincerely,

**URBAN DEVELOPMENT INSTITUTE OKANAGAN CHAPTER**

Per: Kevin Edgecombe, Chair of UDI Okanagan

2