

# Report to Council



**Date:** August 12, 2019  
**File:** 1200-31  
**To:** Council  
**From:** City Manager  
**Subject:** OCP 2040: Draft Land Use Map and Public Engagement Process

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## **Recommendation:**

THAT Council receives the report from Policy and Planning Department, dated August 12, 2019, for information;

AND THAT Council direct staff to initiate the public engagement process, as outlined in this report, and include the initial draft Land Use Map in that process to gain community feedback.

## **Purpose:**

To provide Council with a draft Future Land Use map that translates the ideas and objectives of the Official Community Plan Update process to date into a draft land use vision for the purposes of public engagement in Fall 2019.

## **Background:**

The 2040 Official Community Plan (OCP) Update process is currently in Phase 3, of which the major deliverable is a draft Future Land Use Map for Council's endorsement. This Phase requires the translation of the ideas and 'Big Moves' into a refreshed Future Land Use Map and a public engagement process, all crafted concurrently with updates to the Transportation Master Plan (TMP) and 20 Year Servicing Plan projects in their respective phases.

At its meeting of May 27, 2019, Council received a report that outlined five major shifts, called "Big Moves" that characterized new directions of the 2040 OCP. The report also indicated that a draft Future Land Use map was being developed that reflected these Big Moves, the Growth Scenario endorsed by Council on March 4, 2019 and Imagine Kelowna, and that this land use plan would be provided for Council's review to be included as part of the public engagement process for Phase 3 of the OCP review, targeted for Fall 2019.

This report serves to provide Council with the introduction of the new future land use designations and the corresponding draft Future Land Use Plan that is intended to be rolled out for the next phase of public engagement.

### A New Future Land Use Plan

Official Community Plans are intended to act as visionary documents, outlining at a high level, how and where a city intends to grow. The land use maps that form part of an OCP illustrate this vision, leaving the zoning bylaw to handle uses on a much more fine-grained, site-by-site basis. These visionary maps form one part of the overall growth strategy that will guide decisions on rezoning applications, investments in amenities and transportation, and prioritize the required utility and servicing improvements.

As outlined in the previous Council report, the draft Future Land Use Plan would take a refreshed approach to signaling land use in the city. Most notably, this approach would link many land use designations to five geographic Growth Strategy Districts: Urban Centres, Core Area, Suburban, Rural, and a newly proposed Gateway District (see Figure 1).

Each of these Growth Strategy Districts covers a geographic area within the city and signals what types of development would be supported and where prioritized investments in transportation, servicing and amenity infrastructure would be focused.

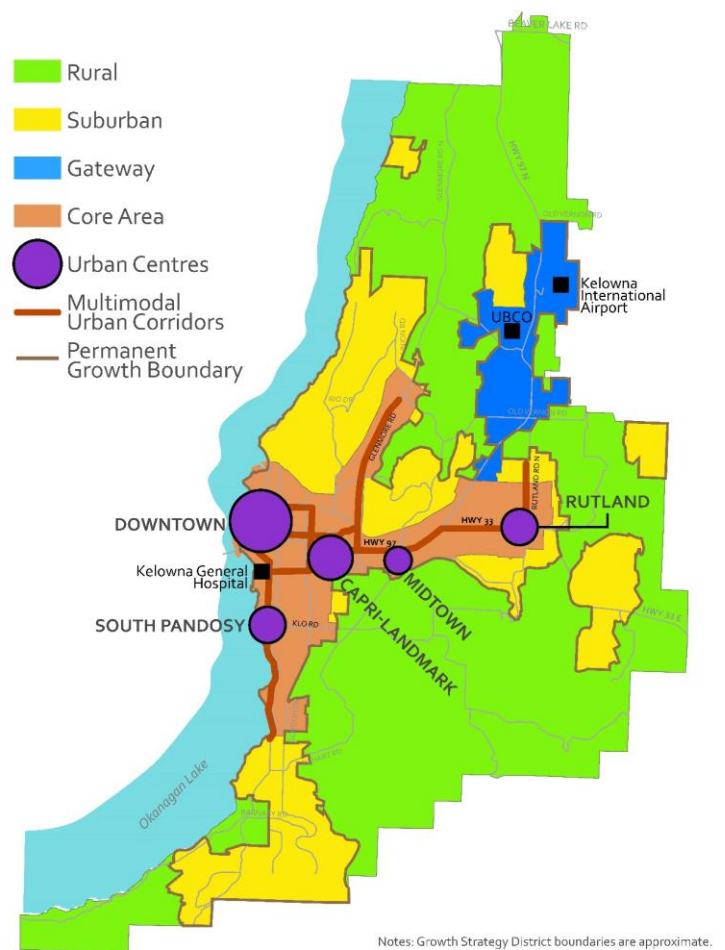
#### Urban Centres

The five Urban Centres (City Centre, South Pandosy, 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. This approach would be coupled with investments in transportation that prioritize walking, cycling, transit, and other modes while de-prioritizing the car.

#### Core Area

The Core Area includes neighbourhoods that are adjacent to the Urban Centres within the central part of the city. 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

Figure 1: OCP 2040 Growth Strategy



employment destinations, including Kelowna General Hospital. Core Area neighbourhoods would provide a wide variety of housing forms, focusing primarily on ground-oriented housing, such as smaller homes, house-plexes and row housing. Low rise apartment development would be targeted along a series of corridors, following major transit routes between Urban Centres. Like the Urban Centres, investments in transit, active transportation and other modes that do not involve the vehicle would be prioritized with an emphasis on key network improvements to connect residents with the Urban Centre hubs.

### 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 with some commercial uses. 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). Given the lower densities and road network patterns of these neighbourhoods, investments in transit and active transportation would be lower than the Urban Centres and Core Area.

### 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 are also included in these areas given their existing status, as are some industrial lands. Rural lands would not be supported for further urban development beyond areas already zoned and designated in the 2030 OCP. Transit and active transportation would not be prioritized in these areas.

### Gateway

Following feedback from Council at its May 27, 2019 meeting, a new Growth Strategy District has been created: Gateway. The Gateway District includes the University of British Columbia – Okanagan campus (UBCO), Kelowna International Airport (YLW) and surrounding residential, commercial and industrial lands (see Map 1 and Attachment 1). The Gateway District was created to allow for policy development that specifically addresses the unique character of the area and the roles that UBCO and YLW perform in the city. These lands were formerly part of the Suburban District (which is now characterized almost exclusively by residential neighbourhoods), allowing policy development to focus more on guiding growth and development in this distinct area.

## **New Land Use Designations**

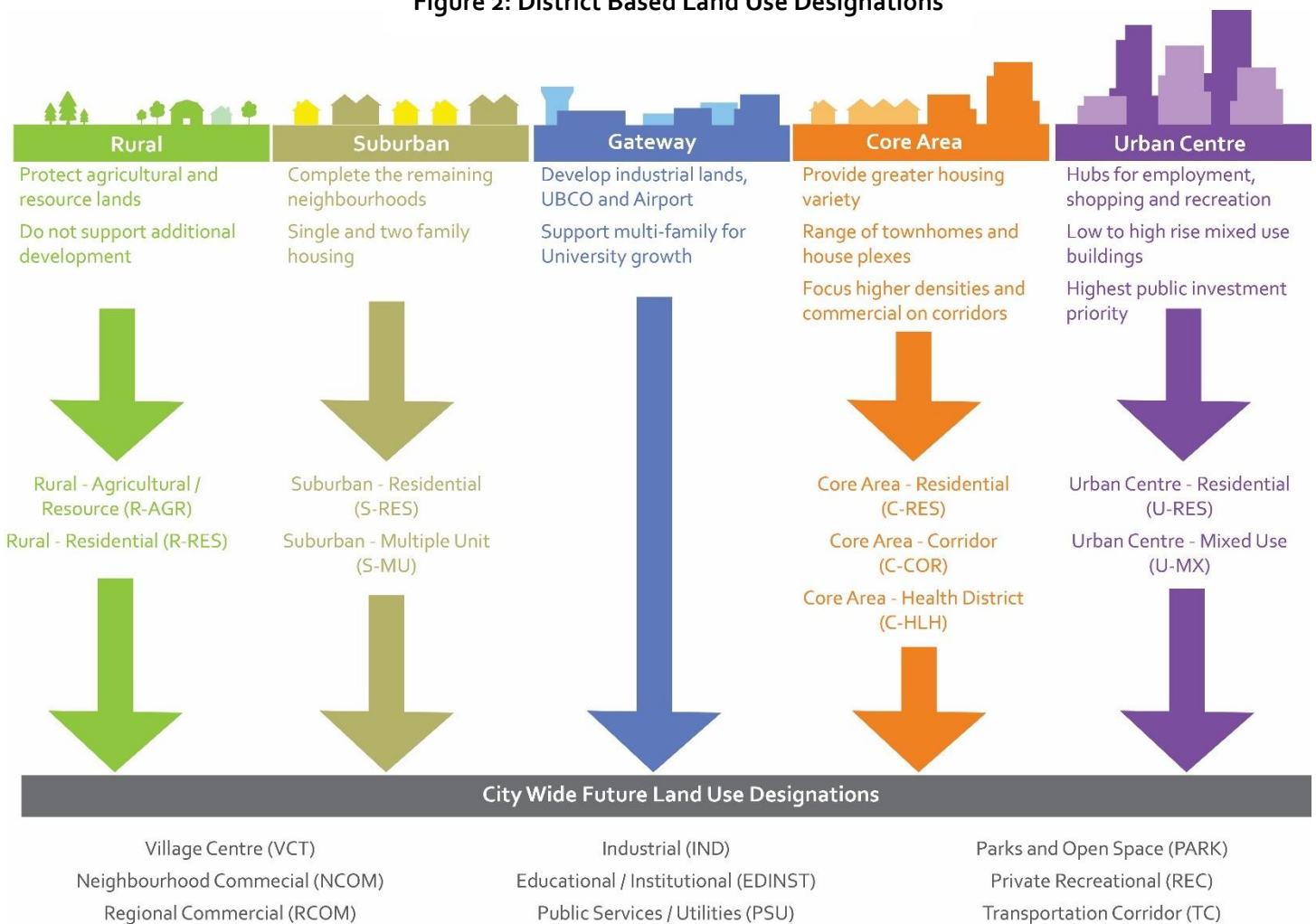
A new approach to the future land use designations is proposed as part of this draft land use map that reflects the overall direction for each of the five growth strategy districts (see Figure 2). For example, the Core Area would have land use designations that encourage the missing middle housing types that are exclusively targeted for that district, whereas the Urban Centres would have land use designations that encourage high density mixed-use development. However, select land use designations that have a universal role in each of the five districts, such as institutional or utilities uses, for example, will apply across the city.

Many future land use designations will accommodate a greater number of supported uses to illustrate the plan's vision for how the neighbourhood would develop and change over the next 20 years. These designations will not speak to supporting specific zones, but would include more in-depth policy to articulate this vision clearly. In some cases, additional policy maps such as density thresholds and building heights will be developed to provide further, more detailed guidance. This approach would allow for greater flexibility in land use decisions made by Council, in particular at the rezoning stage.

Updates to the Zoning Bylaw as part of OCP implementation would provide more detailed direction on a more property specific basis.

The draft Future Land Use Map and associated land use designations are included with this report as Attachments 2 and 3.

**Figure 2: District Based Land Use Designations**



### Why a New Approach?

The deliberate coordination of transportation and long-range land use planning is fostering the principle of 're-urbanization' – a term used to describe a coordinated approach to the redevelopment of land within the existing urban fabric. By promoting efficiencies and optimizing land and infrastructure prior to promoting development at the fringes, re-urbanization helps to reduce demands on ecosystems and natural areas, and improve livability by:

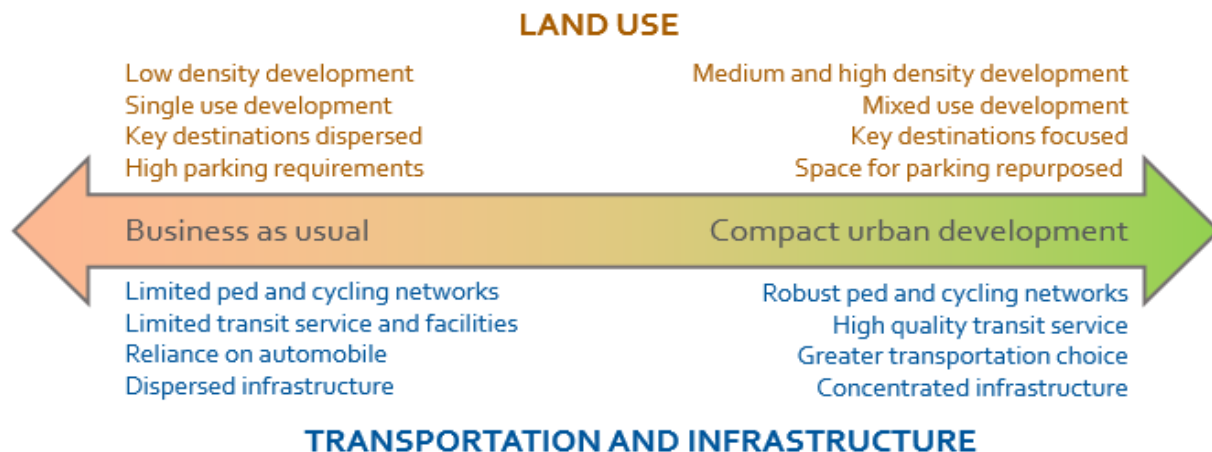
- Preserving high quality agricultural lands;
- Reducing reliance on the private automobile;
- Reducing GHG's in the face of climate change;

- Reducing consumption of non-renewable resources;
- Promoting financial responsibility by investing in infrastructure that will benefit the majority of the community population; and
- Promoting different forms and tenures of housing in targeted locations to meet residents' needs of all ages and life stages.

Land use designations are among the OCP's most important implementation tool for delivering the growth strategy to direct major growth to some parts of the City and deter it from others. Each land use designation establishes the general uses that are anticipated for each designation. In their whole, they tell a story where housing can be built, where retail stores, offices and industry can invest, and where mixed uses will be supported. The land uses in each designation are generalized, which would then default to the Zoning Bylaw to prescribe the development regulations and land use permissions that will reflect the various areas of our City.

As noted above, many of the new designations are crafted to encourage a broad range of commercial, residential, and industrial uses. Careful consideration has been applied to strategically signal where future redevelopment in these areas will best accommodate increases in population and jobs along transit corridors. Other employment hubs for a maturing City are the institutional areas where hospitals, university and college campuses, and key government centers can reinforce key linkages to ensure vibrant, economic centers. Together, this integrated approach aims to underscore mutually supportive transportation and land use policies that combine the mechanisms of mobility and proximity to maximize accessibility (see Figure 3).

**Figure 3: The Land Use, Transportation and Infrastructure Relationship**



From a financial perspective, the City benefits from proactively planning for growth and being positioned to anticipate and prepare for the additional strain that a growing population adds to existing infrastructure. The current 10-year Capital Plan establishes the City's infrastructure needs and currently forecasts \$1.25 billion in infrastructure investment required to renew existing infrastructure and to put in place the necessary infrastructure to accommodate growth and meet our community's evolving service expectations. The City's general fund is forecasted to provide funding of \$573 million, leaving a \$478 million dollar infrastructure deficit in the general fund. If we take this trajectory out to 2040, the rising cost of this infrastructure deficit will be even greater to correct. It is more cost effective and

efficient to renew infrastructure in our urbanized areas than to build new and expand this network with ongoing maintenance and renewal costs.

### Translating the 'Big Moves' into a Future Land Use Plan

At its May 27, 2019 meeting, Council was provided with major changes that were anticipated in the draft land use plan based on the Big Moves, the OCP's Growth Scenario and Imagine Kelowna. These changes are outlined below.

#### More Housing Variety in the Core Area

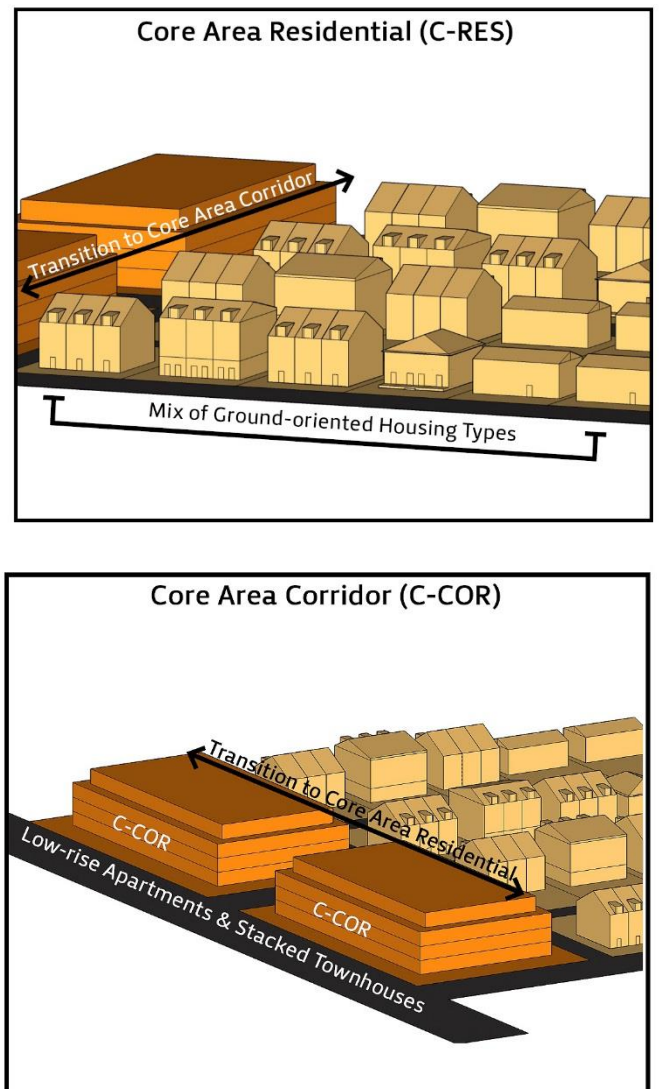
The May 27<sup>th</sup> report indicated that the Core Area (much of which is currently designated exclusively for single and two family housing), would be signaled to accommodate more housing types, allowing uses like fourplexes and row-housing to be considered in these areas. The draft Land Use Plan lays out this vision for future development in the Core Area with two land use designations: Core Area – Residential (C-RES) and Core Area - Corridor (C-COR). These two designations signal greater housing variety in the Core Area, with C-RES signaling lower density forms of housing, such as single detached homes, semi-detached homes and row-housing, and C-COR signaling medium density forms of housing, such as row-housing and low-rise apartments. Both land use designations signal small scale commercial and institutional uses to create more complete, walkable communities. Both of these land use designations signal different types of development for the Core Area, as outlined in Figure 4 and in Attachments 2 and 3.

#### Multimodal Urban Corridors

One of the other 'big moves' is for growth to be focused along transit-oriented corridors linking the 5 Urban Centres. This approach would further strengthen the integration of land use and transportation planning by locating medium density residential, and in some cases mixed-use development, along corridors that are targeted for transit prioritization. This approach would put more people, jobs and destinations in close proximity to transit infrastructure outside of the Urban Centres, making it a more viable and attractive option.

This approach would be reflected in the draft Future Land Use Plan by designating properties along these corridors as Core Area – Corridor (C-COR).

Figure 4: Core Area Land Use Designations



### Suburban Neighbourhoods

The endorsed Growth Strategy signaled that approximately 33 per cent of future residential growth would be accommodated outside of the city's Urban Centres and Core Area. Most of this growth would take place in areas currently signaled in the 2030 OCP for future development. The draft Future Land Use plan largely reflects the existing vision of these neighbourhoods. However, the vision is reflected by new future land use designations exclusively for the Suburban Growth Strategy District: Suburban – Residential (S-RES) and Suburban – Multi Unit (S-MU) (see Attachments 2 and 3).

These two designations signal in Suburban neighbourhoods where various types of housing would be supported (often as a direct translation as identified in the corresponding Area Structure Plans- ASPs). S-RES would signal where single and two family development would be supported. S-MU would be used primarily where multi-unit development has already been identified in the 2030 OCP.

### The Permanent Growth Boundary (PGB)

In keeping with the direction that no new suburban neighbourhoods would be signaled in the 2040 OCP, the Permanent Growth Boundary remains largely unchanged, with three notable exceptions:

- Modifications have been made to accommodate future airport expansion, as per the YLW *Airport Master Plan 2045*;
- The boundary area has been retracted from the Crawford rural residential neighborhood, as no further residential units are signaled for this area and infrastructure investments will not be prioritized to urbanize this neighborhood;
- The PGB now envelops the McKinley Beach neighborhood, to acknowledge and signal the existing and upgraded infrastructure services and number of residential units that will be built out in this node of the City.

Lands beyond the PGB are included in the Rural Growth Strategy District, with two land use designations that specifically guide land use direction: Rural – Agricultural and Resource (R-AGR) and Rural – Residential (R-RES). While R-AGR signals lands to be protected for agricultural uses and/or lands that are signaled to maintain their rural character, R-RES applies to properties where residential development has already taken place or would continue due to existing zoning.

### 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. Industrial uses would now be signaled by a single Industrial Land Use Designation (IND), eliminating the current Industrial – Transitional (IND-T) and the Industrial – Limited (IND-L) designations.

### Parks and Open Space

The draft Land Use Map has not identified new areas for parks at this stage. Through this process, Staff will evaluate the options to signal parks lands in a way that distinguishes natural areas from 'active' or programmed parks. This work will be ongoing throughout the OCP Update process and would be informed from the Fall 2019 public engagement process.

## Other Changes

### Retraction of Urban Centre Boundaries

The five Urban Centres are envisioned as the primary hubs for employment, shopping, and other activities. They are also signaled to absorb nearly 50 per cent of future residential growth, creating more vibrant, diverse neighbourhoods. However, the boundaries for three Urban Centres: South Pandosy, Rutland and Midtown have been retracted.

The South Pandosy and Rutland Urban Centre boundaries were contracted to more accurately reflect where higher density mixed-use and residential development is anticipated, and to keep the development signaled in the Urban Centres relatively compact and close to amenities and services.

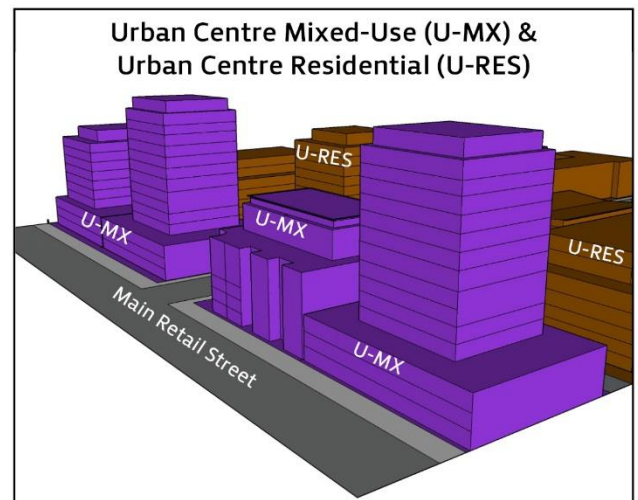
The Midtown Urban Centre boundary has been contracted significantly. This approach was taken to reflect that the Midtown is still considered at the very early stages of development, and as such, is characterized by a lack of parks and public spaces, an automobile dominated landscape, and poor pedestrian connectivity. Creating a vibrant Urban Centre in this environment will require significant investments in parkland purchases and development, new street connections and upgrades, and a major shift in private sector investment in the commercial landscape. Shrinking the boundary of Midtown, while maintaining the targets for residential growth outlined in the Growth Scenario would focus future residential growth into a smaller area, allowing investments in parks, public spaces, transportation infrastructure, and other amenities to benefit a much greater proportion of new residents.

Development in the Urban Centres would be guided primarily by two future land use designations: Urban Centre – Mixed Use (U-MX) and Urban Centre – Residential (U-RES). U-MX signals the development of hubs for activity through the mixing of commercial, employment, and residential uses in the five Urban Centres focused along identified retail streets, while U-RES signals primarily multifamily residential adjacent to these mixed-use hubs (see Attachments 2 and 3 and Figure 5). Both designations would signal the highest densities in the city; however, these densities would vary between different Urban Centres to reflect their specific context. For example, where Downtown would likely signal the highest densities supported in the city with more towers, Rutland would likely see somewhat lower densities achieved through more low or mid-rise development. Ongoing policy and urban design guideline development throughout the remainder of Phase 3 is expected to provide greater clarity and direction for differences in densities and heights across the Urban Centres.

### New Village Centres Approach

The draft land use map takes a new approach to signaling Village Centres, which involves designating larger areas of those areas with a single Village Centre land use designation. The approach allows for greater flexibility for land use decisions within Village Centres, as guided by policy within the OCP.

**Figure 5: Urban Centre Land Use Designations**





A new Village Centre is signaled along Lakeshore Road between Mission Creek and Lexington/Bluebird Road to reflected continued growth of commercial and office uses mixed with residential development in that area.

#### *New Regional Commercial Designation*

While much of the OCP Update process has focused on the development of vibrant Urban Centres in compact, complete communities, Kelowna remains a regional destination for shopping, drawing in people from across the Southern Interior. Many of these destinations take the form of big box retail that require extensive parking and storage facilities, making them unsuitable for Urban Centres and many Core Area neighbourhoods. These uses would be directed to a new Regional Commercial (RCOM) land use designation (see Attachment 2).

The RCOM land use designation would be primarily applied to lands along Highway 97, Enterprise Way and Springfield Road that are currently designated Commercial and Service Commercial in the 2030 OCP. It would be characterized by large format development for the sale of goods and services and would include businesses that require extensive onsite storage as well as service commercial uses. Some residential uses would be permitted in conjunction with commercial uses, but only where they would be in close proximity and have easy pedestrian access to amenities like parks, high frequency transit and schools, for example.

Ongoing policy and design guideline development would see future development directed to make the highway corridor a more attractive urban environment, given the focus of rapid bus service on that corridor.

### **Next Steps**

#### *Fall Public Engagement*

Engagement sessions in different areas of the City will provide an opportunity for stakeholders and residents to share feedback on key elements of the OCP in specific neighbourhood contexts. Residents will be directly invited to participate, in addition to smaller stakeholder meetings later in the process. The online engagement tool will reflect the same engagement, enabling residents to participate who cannot attend in person. Residents can share input via online surveys and/or discussion forum tools. A project topic will be created before the first in-person public engagement at [getinvolved.kelowna.ca](http://getinvolved.kelowna.ca). In addition, Staff will be mobilizing engagement with identified stakeholder groups and developing process to engage with local First Nations and other indigenous groups.

Following the completion of this phase of the public engagement process, the following activities would be undertaken:

#### *Further Land Use Plan Refinements & Detailed Servicing Impact and Costing Analysis*

Using the feedback provided during the public engagement, Staff will further refine the draft land use map and provide an updated map for Council's consideration later in 2019. Should Council endorse that revised map, it would form the basis for more detailed infrastructure modelling for the Transportation Master Plan and the 20-Year Servicing Plan. This will yield the first preliminary costing analysis to support and implement the growth strategy.

### Policy Development & Development Permit Guidelines

Policies for the following topic areas would be reviewed and updated to ensure they align with the growth strategy and 'big moves' direction:

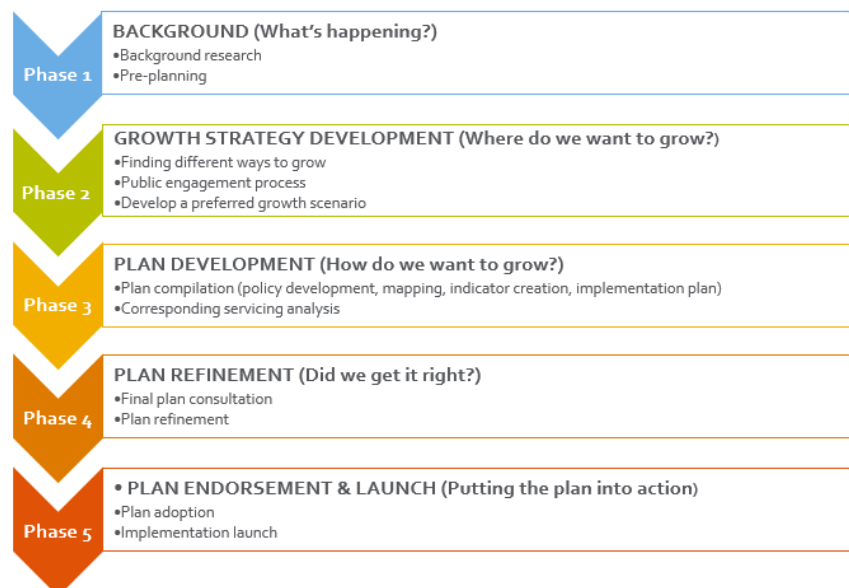
- Land use and housing
- Transportation
- Infrastructure
- Healthy, social and connected
- Arts, culture and heritage
- Climate change mitigation and adaptation
- Environment

As part of the OCP update process, the Development Permit guidelines need to be updated to reflect the corresponding policy. Notably, given the emphasis on neighborhood infill and densification in the Core Area, the importance of high caliber urban design guidelines will be imperative. Therefore, a significant amount of time and resources will be dedicated to updating the Urban Design Guidelines for various building typologies to ensure that the standard of design expectations will be clear and have corresponding explanatory graphics and illustrations. As such, the Guidelines will focus on high quality built environment, healthy community building, and ensuring a lasting contribution to the aesthetics of our community.

### Draft Plan Development

The final deliverable for Phase 3 of the OCP update process is a to develop a complete draft Official Community Plan for the final phase of public engagement (see Figure 6). As part of this process, the new OCP will be revealed as an online, interactive document. In tandem with the TMP, this will be the first time the City showcases Master Plans through an online, interactive, web-friendly platform with the aim of heightening usability for all audiences. Should Council endorse the draft plan for further consultation and refinement, the project would move into Phase 4 (~2020) for final Plan refinement and consultation with the legislated agencies.

**Figure 6: Official Community Plan Update Schedule**



## Summary

The progress of the 2040 OCP update is at an exciting time in its formation, and this stage of the Plan development represents the first draft of translating vision and ideas into an initial Future Land Use Map. This milestone represents an initial draft map for public feedback, and it is important to acknowledge that this draft Future Land Use Map will change and be refined as new information, feedback, and community considerations are factored in. This is part of an iterative and responsive process as the project works through the various stages prior to the final Plan endorsement.

This initial draft Future Land Use Map sets the stage for the corresponding content in the OCP, TMP and the Servicing Plan projects. Their collective goal is to ensure that as the City of Kelowna grows and evolves, our community will realize its full potential in areas such as transportation and transit investments, land use development and infrastructure and financing through long-term strategic plans and investments. At this critical point in the City's evolution, we have the opportunity to take the next step towards realizing the bold vision of Imagine Kelowna through Master Plans that demonstrate foresight and intention.

### 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:  
Robert Miles, OCP Project Planner

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

### Attachments:

- 1) Attachment 1: Growth Strategy Map
- 2) Attachment 2: Draft Future Land Use Plan
- 3) Attachment 3: Draft Future Land Use Designations

cc:  
Divisional Director, Planning and Development Services  
Divisional Director, Infrastructure  
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