



# Park Development Funding Program

September 16, 2019



Photo credit: brucekepphotography

# Planning Process



May 2017

Park Development Report



Oct/Nov 2017

Workshops with Council



June 2018

Park Funding Strategy – 'Option 2'

Council  
Direction



Jan 2019

2019 Budget Year – Consultants Retained



June 17, 2019

Park Development Funding Program

Council  
Direction



Sept 16, 2019

Engagement Results

Council  
Direction



Council Consideration

Council  
Approval

# Option 2

**Table 1. Option 2 – Park Funding Report (2018)**

Tool	Option 1	Option 2	Option 3	Option 4
<b>Press forward</b>				
Parks development DCC	\$3,422,000	<b>\$3,422,000</b>	\$3,422,000	\$3,422,000
Infrastructure Levy on General taxation (2% tax for Infrastructure)		<b>\$426,000</b>	\$426,000	\$426,000
Shift from acquisition to development		<b>\$644,000</b>	\$644,000	\$644,000
Commercial/Industrial parks development DCC	\$236,000	<b>\$236,000</b>	\$236,000	\$236,000
<b>Potentially move forward</b>				
Linear parks acquisition DCCs (linked to 'Shift from acquisition to development' above)		<b>Included</b>	Included	Included
Parcel taxation (for 5 years)			\$4,000,000	\$4,000,000
<b>Consider and explore further</b>				
Reduce parks acquisition and development DCC taxation assist from 8% to 1% (plus 3.3%)		<b>\$284,000</b>	\$284,000	\$284,000
Increase in Airport dividend				\$51,000
Community partnerships				\$25,000
Parks revenues		<b>\$163,000</b>	\$163,000	\$163,000
<b>Total</b>	<b>\$3,658,000</b>	<b>\$5,145,000</b>	<b>\$9,195,000</b>	<b>\$9,316,000</b>

	2019	A	B	C	D	2021
		Model A - Full implementation	Model B - With 5% parkland dedication	Model C - Staggered implementation	Model D - Staggered plus 5% dedication	2040 OCP DCC update (2021)
<b>Parkland Acquisition</b>						
Existing DCCs						
<i>Neighbourhood</i>		✓	✗	✓	✗	
<i>Community</i>		✓	✓	✓	✓	
<i>Recreation</i>		✓	✓	✓	✓	
<i>City-wide</i>		✓	✓	✓	✓	
New Linear Parkland Acquisition DCCs		✓	✓	✓	✓	
New Commercial/Industrial Acquisition DCCs		Yr 2 ✓	Yr 2 ✓	Yr 2 ✓	Yr 2 ✓	✓
5% Parkland dedication		✗	✓	✗	✓	
Reduce taxation assist to 1% + 3.4%						✓
Total Acquisition DCCs (per residential unit)	\$7,142	\$7,346	\$5,455	\$7,346	\$5,455	\$7,897
<b>Parkland Development</b>						
New DCCs						
<i>Neighbourhood</i>		✓	✓	Yr 1 ✓	Yr 1 ✓	
<i>Community</i>		✓	✓	Yr 1 ✓	Yr 1 ✓	
<i>Recreation</i>		✓	✓	Yr 2 ✓	Yr 2 ✓	
<i>Linear</i>		✓	✓	Yr 2 ✓	Yr 2 ✓	
<i>City-wide</i>		✓	✓	Yr 3 ✓	Yr 3 ✓	
New Commercial/Industrial Development DCCs		✓	✓	✓	✓	
Reduce taxation assist to 1% + 3.4%						✓
Total Development DCCs (per residential unit)	\$0	\$7,180	\$7,180	Yr 1 \$3,956 Yr 2 \$5,553 Yr 3 \$7,180	Yr 1 \$3,956 Yr 2 \$5,553 Yr 3 \$7,180	\$7,748
Total Existing and New Parks DCCs (per unit)	\$7,142	\$14,526	\$12,635	Yr 1 \$11,384 Yr 2 \$12,899 Yr 3 \$14,526	Yr 1 \$9,411 Yr 2 \$11,008 Yr 3 \$12,635	\$15,645

<b>Matching Revenue Sources</b>						
<b>Parks Program</b>						
Total Parks DCC Revenues (per annum)	\$7,717,645	\$15,697,153	\$13,653,739	\$15,697,153	\$13,653,739	\$16,905,595
<i>Ineligible Parks Costs (per annum)</i>	\$0	\$3,296,189	\$3,296,189	\$3,296,189	\$3,296,189	\$3,296,189
<i>Taxation assist (per annum)</i>	\$993,015	\$2,097,847	\$1,834,297	\$2,097,847	\$1,834,297	\$809,695
Sub-total - Matching Municipal Contribution (per annum)	\$993,015	\$5,394,036	\$5,130,486	\$5,394,036	\$5,130,486	\$4,105,884
Total Parks Program (per annum)	\$8,710,660	\$21,091,189	\$18,784,225	\$21,091,189	\$18,784,225	\$21,011,480
<b>Municipal Revenues</b>						
Taxation/Gas Tax (10-year capital plan) (per annum)	\$994,518	\$3,550,173	\$3,550,173	\$3,550,173	\$3,550,173	\$3,550,173
Infrastructure Levy (27%) (per annum)	\$0	\$1,404,000	\$1,404,000	\$1,404,000	\$1,404,000	\$1,404,000
Parkland Revenues (per annum)	\$0	\$453,500	\$453,500	\$453,500	\$453,500	\$453,500
Municipal revenues surplus (or deficit) (per annum)	\$1,512	\$13,637	\$277,187	\$13,637	\$277,187	\$1,301,789





# Engagement Process



June

Initial Stakeholder Meetings

Public Open House

GetInvolved web site

July – August

Follow up Stakeholder Meetings

Technical Review

August

Institutions

# Policy Framework



## Imagine Kelowna

- Create great public spaces
- Grow vibrant urban centres
- Build healthy neighbourhoods for all



## 2040 Official Community Plan

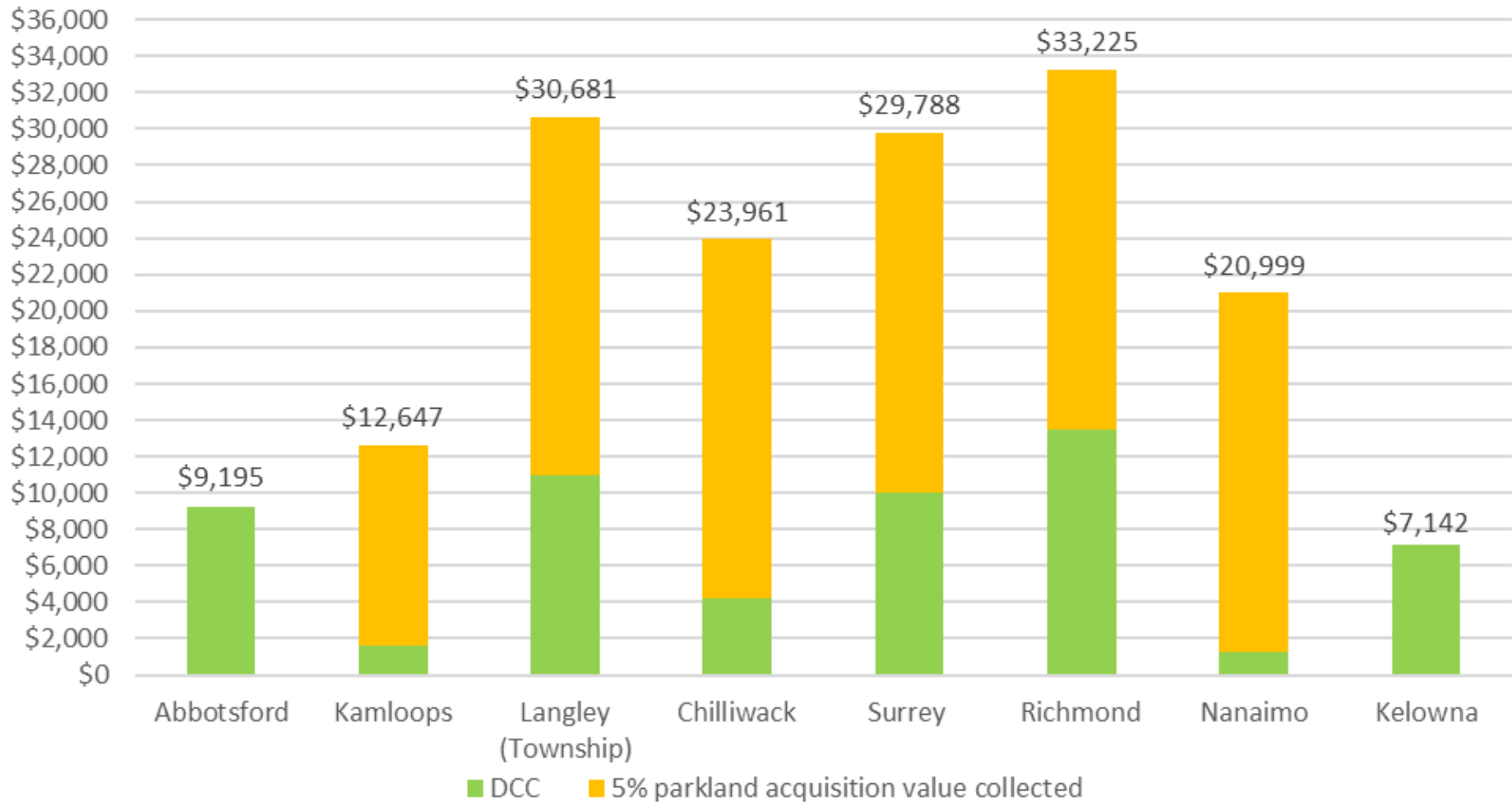
- Big moves :
  - Prioritizing parks and public spaces in the Core area



## 2019 Council Priorities

- Vibrant urban centres
- Animated parks & public spaces
- Accessible & multi-purpose amenities

# Parks DCCs in Other BC Communities



# Park Development Program



Deliver 2.2ha  
Developed  
Parks /1000  
people growth

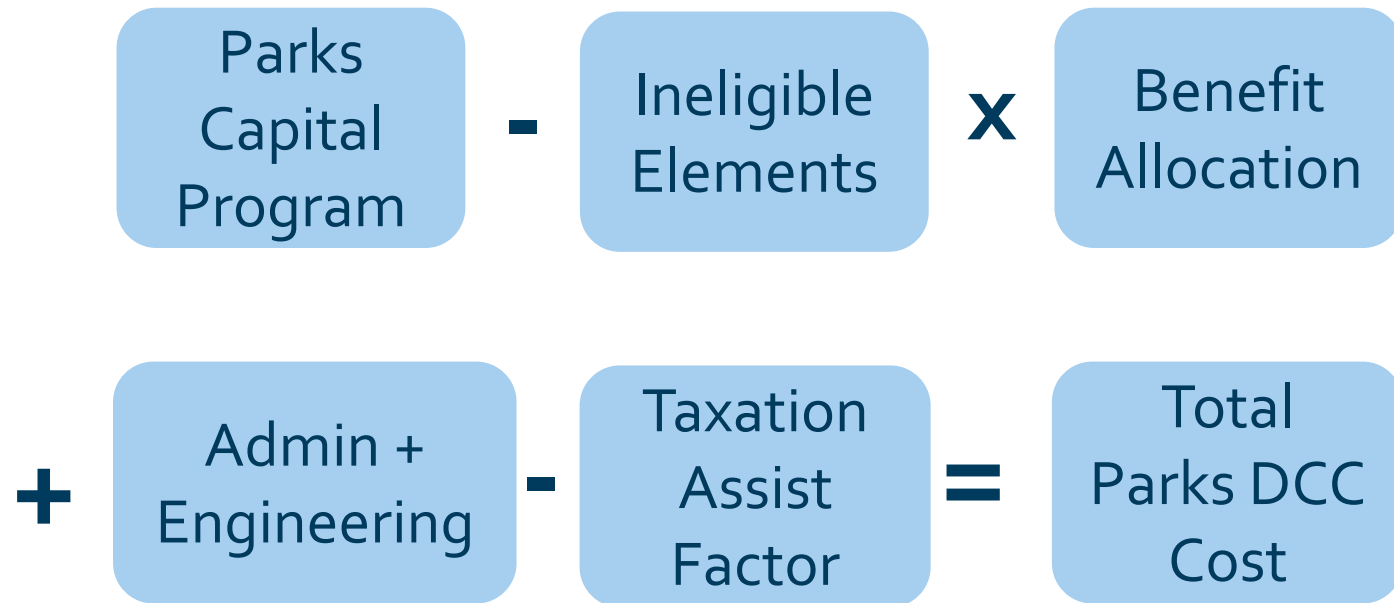
23,773 + People  
to 2030

Parks  
development in  
Growth Areas

- Target to match acquisition rates



# Parks Development DCC





# Infrastructure Levy

- Report assumes 27% of levy funds: \$1,404,000 per annum
- Can be reduced over time as other funding increases

# Park Revenues

## Leases, Rental Revenues & Concessions

- \$219,000 per annum

## Cell Tower Leases

- Currently \$5,000 per annum
- Could increase by \$20,000 per annum

## Parking Revenues

- \$214,000 per annum



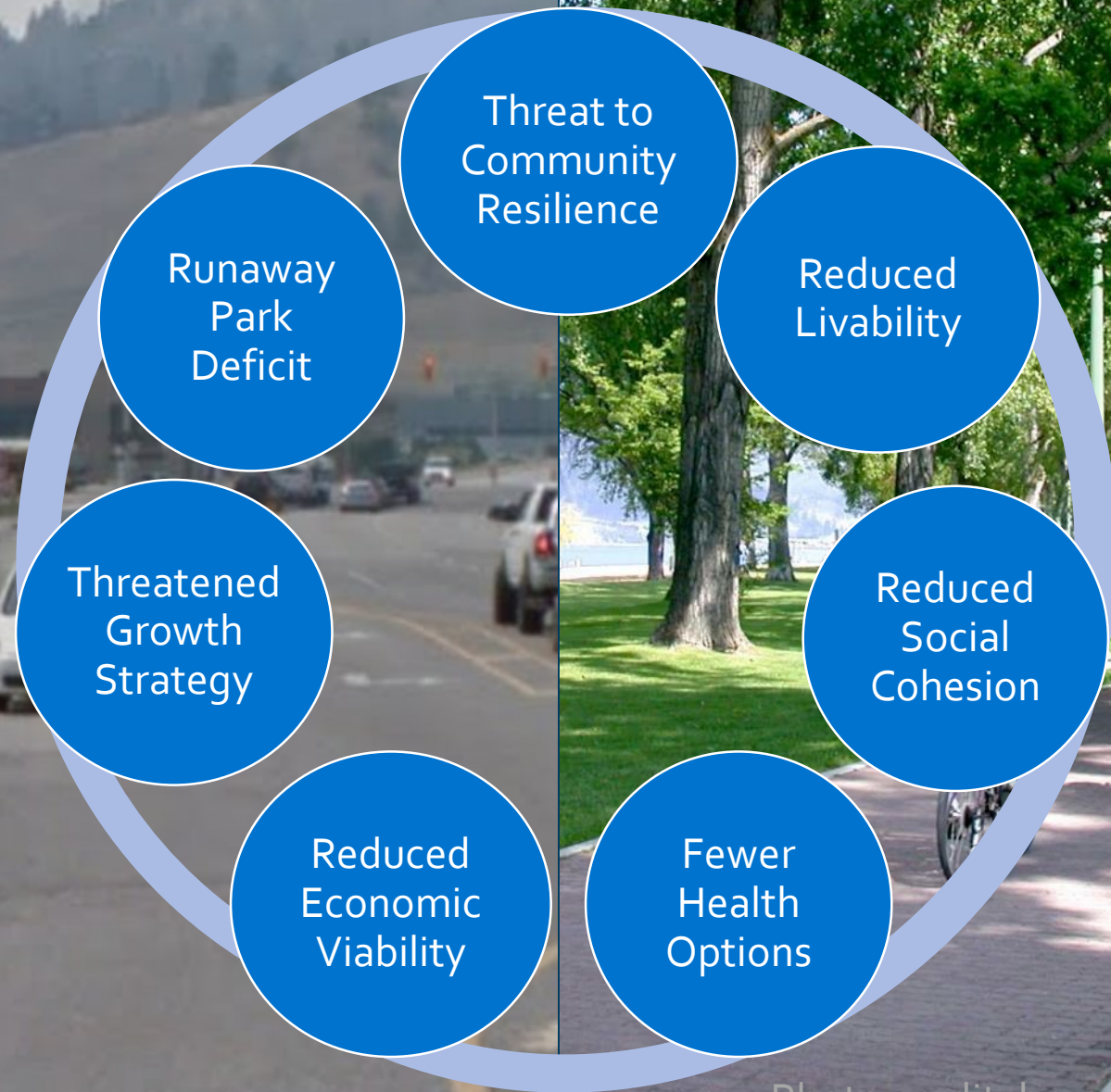


Photo credit: brucekeppphotography

# Community Risks

[kelowna.ca](http://kelowna.ca)





Community  
for All

Social  
Connection

Play &  
Learning

Natural  
Ecosystems

Climate  
Change

Mental  
Health

Active  
Living

Photo credit: brucekeppphotography

# Community Building

[kelowna.ca](http://kelowna.ca)





# Conclusion

+ Infrastructure Levy + Parks Revenues

Total Parks Program:

- \$211 million over ten years
- of which, \$107 million for development

## Ten Year Capital Plan

	P1	P2
Park Development	\$ million	\$ million
Neighbourhood Park	\$2.60	\$13.31
Community	\$10.25	\$38.97
Recreation	\$4.75	\$35.42
City-wide	\$9.85	\$36.22
Linear	\$4.11	\$6.62
<b>Total</b>	<b>\$31.56</b>	<b>\$130.54</b>

**66%**



# Engagement Feedback



## Public Open House – June 25

- Approximately 40 people attendees
- Many different organisations represented
- Attendees were supportive overall of the funding proposal to improve the rate at which new parks are developed
- All attendees had an opportunity to share their views
- All survey results indicated that the information was clear and understandable

# Engagement Feedback



## Written responses

- Received 38 written responses:  
22 organisations and 12 individuals
- Letters of concern: 3 organisations
- Letters in support: 19 organisations and 12 individuals



# Letters of Concern



## Professional Associations

Canadian Home Builders Association  
Kelowna Chamber of Commerce  
Urban Development Institute





# Letters of Concern

## Professional Associations

- The choice of parks reflects municipal deficiencies, and not attributable to growth.
- The City should track and attribute DCCs from core and non-core areas.
- These parks will be used by all, and hence funded through taxation or other tools such as a 5% land dedication, a Hotel Tax or an Airport Levy.
- Concern that the Parks Development DCC will be passed on and affect affordability. Kelowna must stay competitive.





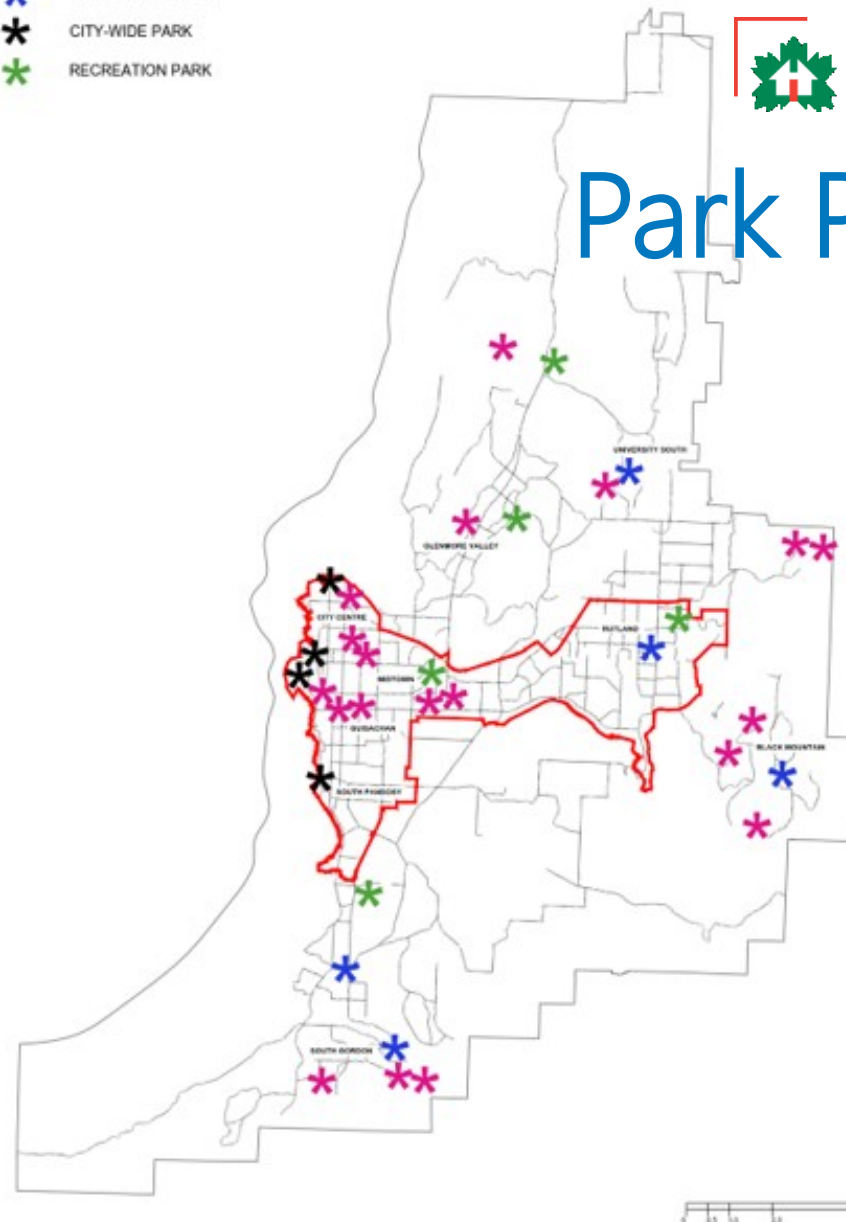
## LEGEND

-  URBAN CORE BOUNDARY
-  NEIGHBOURHOOD PARK
-  COMMUNITY PARK
-  CITY-WIDE PARK
-  RECREATION PARK

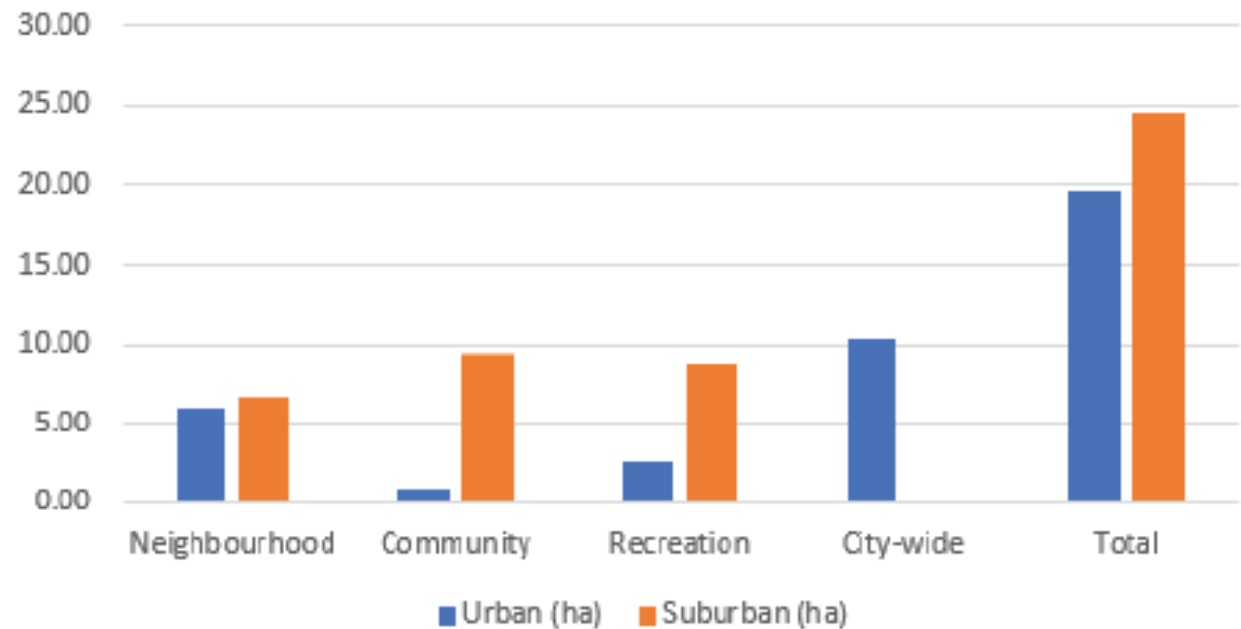


CENTRAL OKANAGAN

# Park Program



## Distribution of Proposed Parks in DCC Program



47% of Parks DCCs will be generated from Urban core areas

City-wide park amenities



## Summary

- Program is design to match new growth: not considered a tool to 'catch up'.
- Provides new amenities to meet growth needs where best located.
- Distributed across the City to serve all new growth.
- Keep it simple.





## Summary

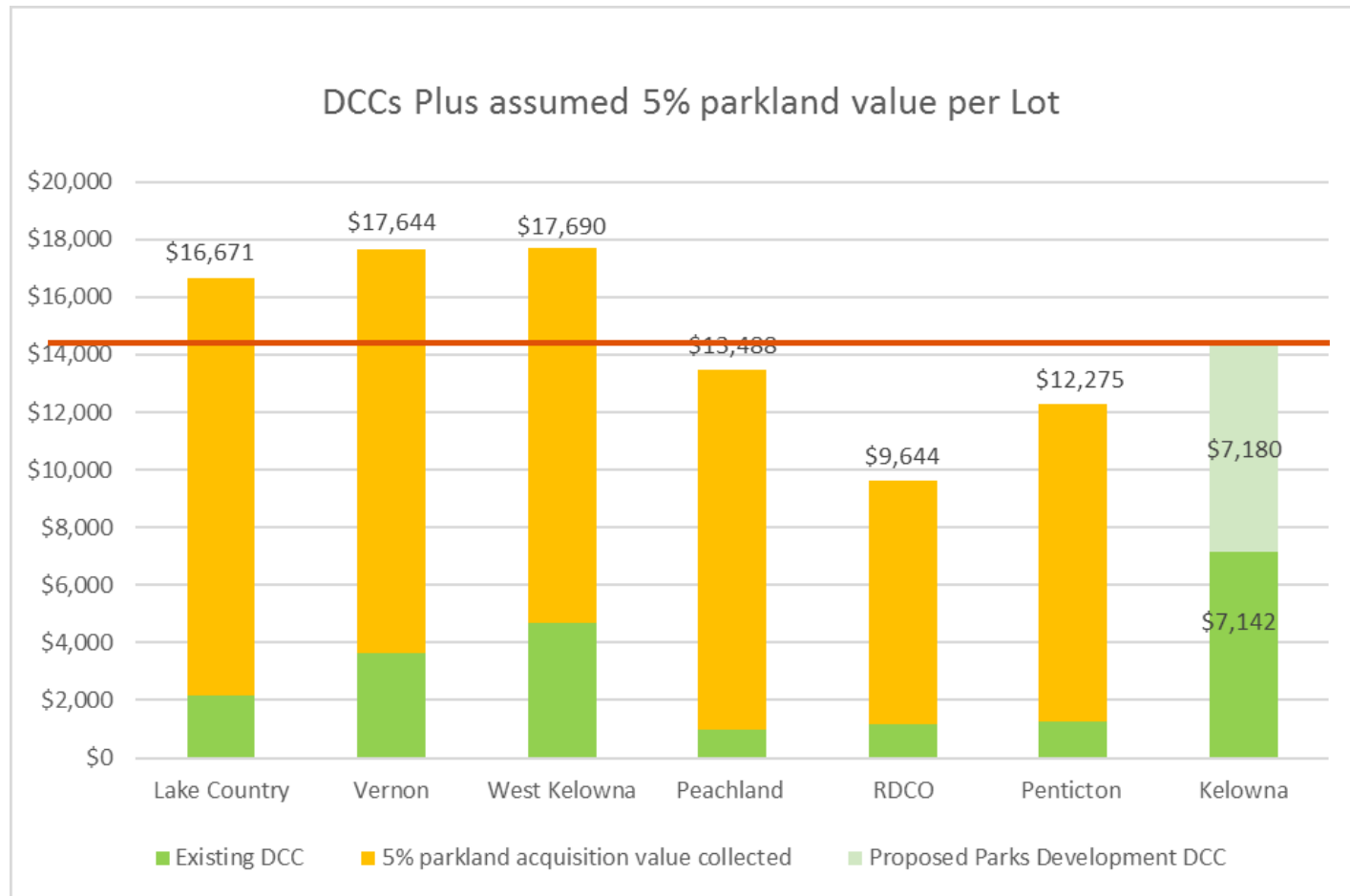
- Many of the alternate suggestions had already been considered by Council.
- Parks DCCs are one part of a range of funding tools.
- Parks DCCs seeks to match costs of growth with new development, as used in most other municipalities.



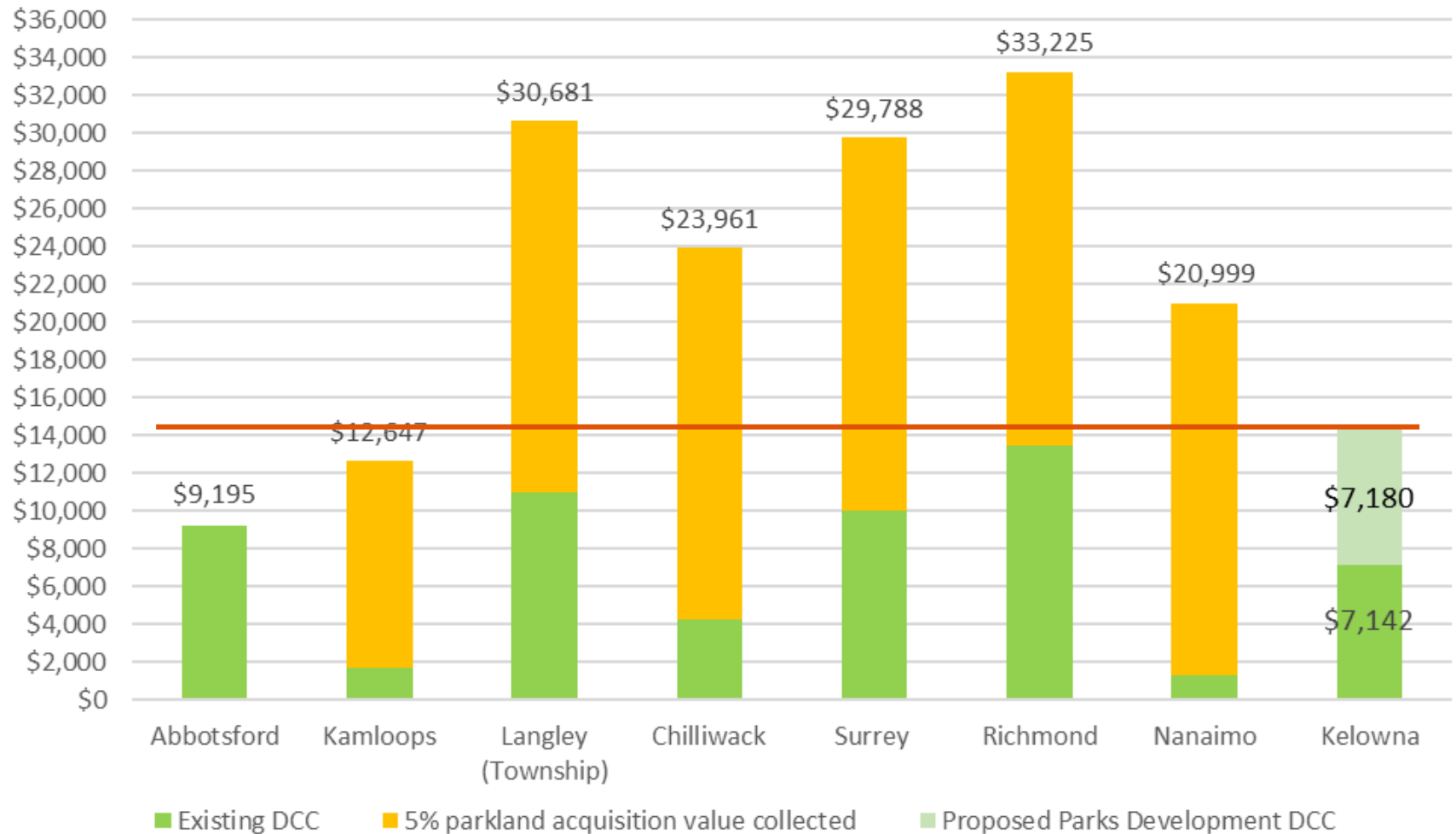
- If a true flow through, still less than 1% on the cost of an average new single family home, and 2% on the cost of an average condo.
- Construction costs have increased significantly more in recent years and hence a much greater factor on housing affordability.



# Parks DCCs in Okanagan Communities



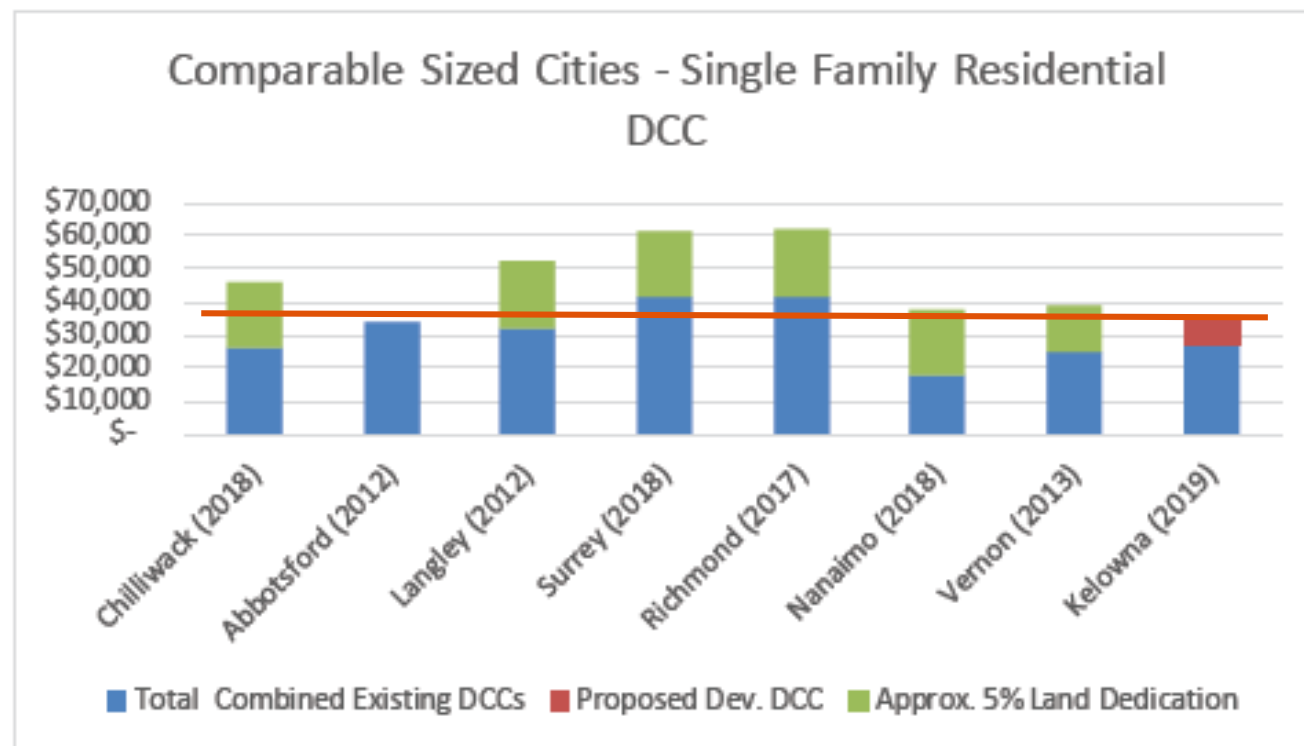
# Parks DCCs in Other BC Communities





CENTRAL OKANAGAN

## Comparison with other BC Municipalities



Affordability

[kelowna.ca](http://kelowna.ca)

## Summary

- Fair and comparable
- Up to 1% on average new single family home, and 2% on an average condo.
- Meets expectations for new residents.





# Letters of Support



## Neighbourhood Associations

Kettle Valley Neighbourhood Association

KLO Neighbourhood Association

Kelowna South Central Association of Neighbourhoods

Quail Ridge Resident's Association

Rutland Resident's Association





# Letters of Support

## Neighbourhood Associations

- Parks are key to providing 'quality of life' and a focal point for their communities.
- Supported the vision and noted future generations will praise forward thinking decisions.
- Each highlighted the needs in their community, but recognized other neighbourhoods face similar frustrations.
- The provision of parks becomes more crucial in the context of rapid growth.



# Letters of Support



## Community Organisations

Lost Creek Park Committee  
Okanagan Xeriscape Association



# Letters of Support



## Community Organisations

- Access to animated park space is a key component of healthy active living and strong vibrant communities.
- Lost Creek pursued numerous funding alternatives and was ultimately realised through a fund-raising partnership. However it was a very difficult and exhausting process over four years.





# Letters of Support



## Institutions

Okanagan College  
University of British Columbia Okanagan  
Interior Health



# Letters of Support

## Institutions

- Parks provide substantial benefits for the quality of life, including active living, connection to nature, space for community and cultural activities, improving air quality and are part of a healthy city.
- Institutions provide many sports fields, playgrounds and public plazas that are all accessible by the public.
- They are also public amenities in themselves.
- They are reliant on public funding and therefore would not support Institutional parks DCCs.



# Letters of Support



## Sports Organisations

Central Okanagan Rugby Enthusiasts

Kelowna Ultimate Players Society

Okanagan College Coyotes Baseball Program

Okanagan Mainline Football Society (Okanagan Sun)

PacificSport Okanagan

Okanagan Youth Soccer

Pickleball Kelowna Club

Tennis BC

Urban Rec Okanagan





# Letters of Support

## Sports Organisations

- Participating in an active lifestyle is crucial to individual health and well-being, builds strong communities through teamwork and social interaction and fosters youth involvement.
- Many highlighted the large numbers of residents their organisations currently serve, and their rapid growth.
- All identified major challenges at inadequate facilities and lack of available field/court time, and the frustration of turning participants away.



# Letters of Support



## Individual Residents

Terry Bridges

Theresa Dunnigan

Bob Evans

Sandra Hordowick

Alfons Janusas

Don Knox

H.P. Kuehn

Maureen Lisle / Lloyd Irwin

Alex Spice

Ivy Thomas

Darrell Uhearn

Colin Wilson



# Letters of Support

## Individual Residents

- Gratitude for the existing parks developed from previous councils, individuals and service clubs
- Concern investment in parks is not keeping pace with growth, and the need to maintain Kelowna as a livable city.
- Specific concerns about access to the waterfront, overcrowded beaches and park space in urban centres.
- Benefits of parks providing health, resiliency and economic vitality to the City.



# Proposed Amendments

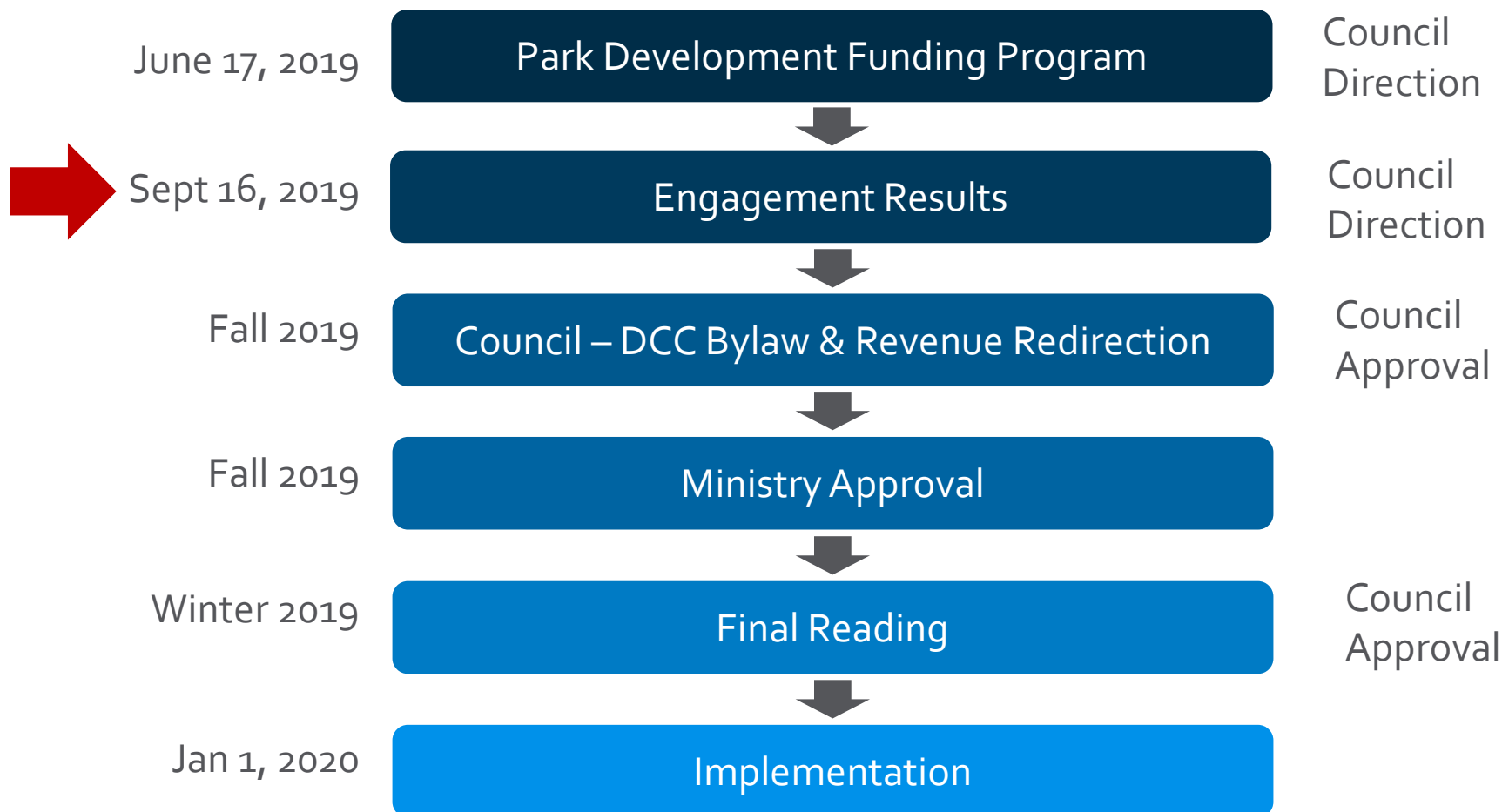


- Add Casorso Park
  - Add Rowcliffe Park Washroom
  - Remove University South Park
  - Remove Ponds Neighbourhood Park #2
  - Remove Band Road Park
- 
- Do not include Institutional Development in the Parks DCC Program.

# Proposed Amendments

				Current Parks DCC	Model A - Full implementation	Model B - With 5% parkland dedication	Model C - Staggered implementation	Model D - Staggered Plus %5 Dedication	2040 OCP DCC update (2021)
Parkland Acquisition									
Existing DCCs	Neighbourhood		✓	✓	X		✓	X	
	Community		✓	✓	✓		✓	✓	
	Recreation		✓	✓	✓		✓	✓	
	City-wide		✓	✓	✓		✓	✓	
New Linear Parkland Acquisition DCCs				✓	✓		✓	✓	
New Commercial/Industrial Acquisition DCCs				Yr 2	Yr 2	✓	Yr 2	Yr 2	✓
5% Parkland dedication				X	✓		X	✓	
Reduce taxation assist to 1% + 3.4%									✓
Total Acquisition DCCs (per residential unit)			\$7,342	\$7,443	\$5,552		\$7,443	\$5,552	\$7,951
Parkland Development									
New DCCs	Neighbourhood			✓	✓	Yr 1	✓	Yr 1	✓
	Community			✓	✓	Yr 1	✓	Yr 1	✓
	Recreation			✓	✓	Yr 2	✓	Yr 2	✓
	Linear			✓	✓	Yr 2	✓	Yr 2	✓
	City-wide			✓	✓	Yr 3	✓	Yr 3	✓
New Commercial/Industrial Development DCCs				✓	✓		✓	✓	
Reduce taxation assist to 1% + 3.4%									✓
Total Development DCCs (per residential unit)			\$0	\$7,058	\$7,058	Yr 1 Yr 2 Yr 3	\$3,791 \$5,410 \$7,058	Yr 1 Yr 2 Yr 3	\$7,616
Total Existing and New Parks DCCs (per unit)			\$7,342	\$14,501	\$12,610	Yr 1 Yr 2 Yr 3	\$11,235 \$12,853 \$14,501	Yr 1 Yr 2 Yr 3	\$15,566

# Next Steps





# Conclusion



Imagine Kelowna

2040 Official Community Plan

2019 Council Priorities





# Conclusion

Balanced Funding Model

Drivers

Comparators

Infrastructure Deficit



# Conclusion

## Deliverables

- 17 Neighbourhood Parks
- Rutland Centennial, De Hart, Gallagher, & Casorso
- Improvements at all four Rec Parks
- Kerry Park, City Park & South Pandosy Waterfront

# Council Resolution



THAT Council receives for information, the report from the Parks & Buildings Planning Manager dated September 16, 2019 with respect to the Parks Development Funding Program – Engagement Summary;

AND THAT Council directs staff to make the amendments to the Parks Development Funding Program as set out in this report in response to the engagement;

AND FURTHER THAT Council directs staff to return to Council with a bylaw amendment based on Model A – Full Implementation, for Council's consideration



*Questions?*

For more information, visit [kelowna.ca](http://kelowna.ca).