

Report to Council



Date: 07/06/2016
File: 1840-10
To: City Manager
From: R. Parlane, Parks and Buildings Planning Manager, Infrastructure Planning
Subject: Lost Creek Neighbourhood Park Development

Recommendation:

THAT Council receives, for information, the report from the Parks and Buildings Planning Manager dated 7 June, 2016 with respect to Lost Creek Neighbourhood Park Development;

AND THAT Council directs staff to work with the Neighbourhood group and the Developer to define the details of the partnership and return to Council with the partnership details for Council's consideration.

Purpose:

To develop an appropriate means to partner with the Neighbourhood group who wish to accelerate construction of this undeveloped park in their neighbourhood.

Background:

The City of Kelowna has many undeveloped neighbourhood and community parks. These parks have been acquired through the Development Cost Charge (DCC) Parkland Acquisition program. The DCC Parkland Acquisition program is funded at 89% development and 11% taxation. There is no specific funding program for park development. Parkland development is not a requirement of subdivisions, therefore the current responsibility for funding falls to the City, and is dependent on capacity in the Annual Capital Plan.

Staff have been active in pursuing partnerships with the development community as new subdivisions come in stream, with the goal of the developer contributing a minimum of 50% of costs attributable to park development. However, these partnerships are voluntary on the developers' behalf: there is no policy mandating compulsory participation by the developer to help satisfy park demand created by their subdivision. As a result, some neighbourhood and community parks, especially those where developers choose not to partner, remain undeveloped for many years.

An example of this is Lost Creek Neighbourhood Park within the Wilden subdivision. Lost Creek Neighbourhood Park, is 0.21 ha in size and is located west of Upper Canyon Drive. It was purchased through the DCC program in 2010. Lost Creek Park is considered a lower priority for development given its limited service area and relatively remote location.

Eager to see the park developed, the residents have been proactive and have developed their own vision for the park, (refer to Attachment 1). The neighbourhood group requested an Owner-initiated Local Area Service (LAS) be established to cover the development costs of the Lost Creek Neighbourhood Park including: irrigation, site furniture, landscaping, play equipment and pedestrian circulation, (refer to Attachment 2). The total cost is estimated to be \$400,000. The resident group proposed 25% of development costs be paid by the property owners, 25% of the costs be paid by the Developer, and 50% of costs be paid by the City. The Developer has confirmed his willingness to participate in this partnership (refer to Attachment 3). While LAS's are used to fund large infrastructure projects, there is no precedent in Kelowna for their use to fund a small park development project.

The legislation does allow LAS to be used for park development, however it is an administratively cumbersome tool to raise a relatively small amount of funding. The primary challenge is the excessive administrative costs within Financial Services to establish the LAS and administer it for up to 20 years. These costs would need to be included in the value of the LAS, and would be disproportionate to the relatively small sum to be raised.

Staff met with the neighbourhood group and the Developer to discuss these concerns. An alternative partnership was proposed, that the neighbourhood group and developer be responsible for raising 50% of the costs, with the City providing the other 50%. This places responsibility for administration onto the neighbourhood group, as well as allowing them to pursue fundraising or grant options. Staff will work with the Neighbourhood group and the Developer to define the details of the partnership and return to Council for consideration.

Financial/Budgetary Considerations:

For the partnership to proceed, the City would have to budget \$200,000 for its' share of the project costs. These costs are not budgeted within the 2030 Infrastructure Plan. If an agreement is reached promptly, the proposal will be assessed, along with similar requests, for priority in the 2017 Capital budget. Other park works may be deferred as a result, and the impacts of this change would be reflected in the 10-Year Capital Plan that will be presented to Council during budget deliberations in December.

Internal Circulation:

Divisional Director, Infrastructure
City Clerk
Financial Projects Manager
Financial Services Director
Infrastructure Engineering Manager

Considerations not applicable to this report:

Legal/Statutory Authority:
Legal/Statutory Procedural Requirements:
Existing Policy:

Personnel Implications:

External Agency/Public Comments: Communications Comments:

Submitted by:

R. Parlane, Parks and Buildings Planning Manager

Approved for inclusion:



A. Newcombe, Divisional Director, Infrastructure

Attachment 1: Neighbourhood generated concept plan

Attachment 2: Letter from Neighbourhood group

Attachment 3: Letter from Developer, Blenk Development Corp

cc: Divisional Director, Infrastructure
City Clerk
Financial Projects Manager
Financial Services Director
Infrastructure Engineering Manager