REPORT TO COUNCIL

Date:	July 26, 2021		
To:	Council		
From:	City Manager		
Department:	Development Planning Department		
Application:	OCP21-0004, Z21-0005, TA21-0002	**Owner:**	Kinnikinnik Developments Inc., Inc. No. BC0622664
Address:	1890 and 1988 McKinley Road; and 3850 and 3912 Glenmore Road North	**Applicant:**	WSP Canada
Subject:	Rezoning and Text Amendment Applications		

Existing OCP Designation:	REP - Resource Protection Area, REC – Private Recreation, PSU – Public Services/Utilities
Proposed OCP Designation:	MXT - Mixed Use Tourism and PARK - Major Park/Open Space (public)
Existing Zone:	A1 – Agriculture 1 and P3 – Parks and Open Space
Proposed Zone:	CD18 – McKinley Beach Comprehensive Resort Development and P3 – Parks and Open Space

1.0 Recommendation

THAT Official Community Plan Map Amendment Application No. OCP21-0004 to amend Map 4.1 in the Kelowna 2030 – Official Community Plan Bylaw No. 10500 by changing the Future Land Use designations of portions of Lot 5 Sections 21 and 28 Township 23 ODYD Plan EPP8753 and Lot 6 Sections 21 and 28 Township 23 ODYD Plan EPP8753 Except Plans EPP40437 and EPP92220 located at 1890 and 1988 McKinley Road, Kelowna BC and Lot 4 Sections 28 and 33 Township 23 ODYD Plan EPP8753 Except Plans EPP40437 and EPP76020 and Lot 3 Sections 28 and 33 Township 23 ODYD Plan EPP8753 Except Part in Plan EPP76020 located at 3850 and 3912 Glenmore Road North, Kelowna, BC from the REP - Resource Protection Area, REC - Private Recreation and PSU - Public Services/Utilities designations to the MXT – Mixed Use Tourism and PARK - Major Park/ Open Space (public) designations as shown on Map "A" attached to the Report from the Development Planning Department dated July 26, 2021, be considered by Council;

AND THAT Zoning Bylaw Text Amendment Application No. TA21-0002 to amend City of Kelowna Zoning Bylaw No. 8000 as outlined in Attachment "C" attached to the Report from the Development Planning Department dated July 26, 2021, be considered by Council;

AND THAT Rezoning Application No. Z21-0005 to amend the City of Kelowna Zoning Bylaw No. 8000 by changing the zoning classification of portions of Lot 5 Sections 21 and 28 Township 23 ODYD Plan EPP8753 and Lot 6 Sections 21 and 28 Township 23 ODYD Plan EPP8753 Except Plans EPP40437 and EPP92220 located at 1890 and 1988 McKinley Road, Kelowna BC and Lot 4 Sections 28 and 33 Township 23 ODYD Plan EPP8753 Except Plans EPP40437 and EPP76020 and Lot 3 Sections 28 and 33 Township 23 ODYD Plan EPP8753 Except Part in Plan EPP76020 located at 3850 and 3912 Glenmore Road North, Kelowna, BC from the A1 – Agriculture 1 and P3 – Parks and Open Space zones to the CD18 – McKinley Beach Comprehensive Resort Development and P3 – Parks and Open Space zones as shown on Map "B" attached to the Report from the Development Planning Department dated July 26, 2021, be considered by Council;

AND THAT the OCP Amendment, Zoning Bylaw Text Amendment, and Rezoning Applications be forwarded to a Public Hearing for Further Consideration;

AND THAT final adoption of the Rezoning Bylaw be considered subsequent to the Servicing Agreement dated June 29, 2009, currently in place being amended in accordance with the requirements outlined in the Report from the Development Planning Department dated July 26, 2021 and signed by the property owners;

AND FURTHER THAT final adoption of the Rezoning Bylaw be considered subsequent to the owners transferring to the City parkland areas totaling approximately 246 acres (99.6 hectares).

2.0 Purpose

To amend the Official Community Plan Future Land Use areas, amend the CD18 – McKinley Beach Comprehensive Resort Development zone, and rezone portions of the subject properties to extend the development boundary of the McKinley Beach CD18 zone and add land for park and open space use.

3.0 Development Planning

The master developer has submitted an application to extend the development boundaries of the McKinley CD18 zone to add lands for further residential development. The application includes text amendments to the CD18 zone, amendments to the OCP Future Land Use map and associated rezoning of the lands. Planning Staff are recommending support to Council for the proposal as the request to extend the development boundary for development will not result in any additional residential densities from the existing CD18 zone capacity limit of 1300 units. Rather, the additional lands will allow more space for the residential development which will help in achieving greater environmental, hillside and park protection as well as integrating the residential development to be less dominate.

The proposal includes a significant amount of public park dedication. The proposed dedication would include approximately 246 acres (99.6 Hectares), with an approximate value of $11,000,000 (value based on appraisal completed for the Real Estate Department in 2019). The first dedicated area would secure the eastern portion of the hilltop adding to the existing McKinley Mountain Park completing the full circumference of the mountain top (see Attachment G). Second, lands that were originally identified for a future golf course in the CD18 zone would become public park creating an extension from Stephens Coyote Ridge Regional Park through to McKinley Mountain Park (see Attachment G).

The proposed parkland dedication includes a significant portion of ALR land, that as City owned parkland would remain in its current state as natural lands and protected into the future should the lands be required by the community for development into active farmland.

The proposed parkland dedications offer opportunity for public passive recreation and offer protection of a variety of sensitive contiguous ecosystems. Other areas of sensitive ecosystems within the residential development areas will be identified and protected through covenants or dedication to the City as a condition of future subdivisions of the subject lands, these additional areas are estimated at approximately 45 ha (112 acres). With the connection to Stephens Coyote Ridge Regional Park there would be the opportunity for connecting recreation opportunities significantly expanding the options for future use.

The ridges and hills above Okanagan lake in the City include areas of highly sensitive ecosystems that are both terrestrial (rock outcrops and shallow to bedrock) as well as riparian (upland wetlands). The proposed parkland area includes significant components of both of these highly sensitive ecosystem. Under the Environmental policies of the OCP the City strives to protect and preserve the sensitive and ecologically important area whenever the opportunity is presented.

Kelowna Parks Comparison

Park Name	Park Size (ha)	Ownership
Knox Mountain Park	549.6	City
Scenic Canyon Regional Park	245.4	Regional
Black Mountain Regional Park	130.0	Regional
Dilworth Mountain Park	128.1	City
McKinley Mountain Park	123.4 *	City
Myra Bellevue Provincial Park	114.3	Provincial
Stephens Coyote Ridge Regional Park	111.8	Regional

*including proposed additional park

The residential development will also trigger a number of infrastructure and roadway requirements which will offer public benefits to the overall area. The existing Servicing Agreement would be revised to include the following (see Attachment E):

a. The reallocation of $1.5M in Glenmore Road works to new works on Glenmore Road not identified as needed at the time the original Servicing Agreement. Glenmore Road was identified for expansion to four lanes previously, however, is now identified through the Transportation Master Plan to remain a 2 lane road;

b. The construction of an emergency access road from Wild Rose Road to Finch Road. This emergency access has been identified by the Kelowna Fire Department as a critical component from a public safety standpoint (see Attachment F);

c. The construction of a connection road from McKinley Road through to the northern boundary of the subject lands facilitating the future connector road through to Lake Country; and

d. The current servicing agreement identifies major requirements triggered at time of application for development beyond 60% of the allocated density, however the current development pattern, if continued, would not likely see this threshold reached. The total allocation of units for the McKinley Beach development area is 1300 units, to date 485 units have been permitted/constructed (approximately 37%), leaving 815 units to be allocated in future development.

Staff have reviewed this application, and it may move forward without affecting either the City's Financial Plan or Waste Management Plan.

4.0 Proposal

4.1 Background

The subject lands were included within the original development proposals and were included within the original Servicing agreement from 2009, however, the lands were not included in the Rezoning Bylaw creating the CD 18 zone. The density allocation for the development was set at 1300 units and 271,500 sqm gross floor area. The applications if approved would allow for the density allocation to be applied to a larger area (including the subject the subject properties) in addition to the existing lands within the CD18 zone.

4.2 Project Description

The proposed OCP Amendment would redesignate the properties to allow for rezoning and future development on a portion of the lands and protection of a very large area of parkland, which the City has sought to acquire for many years.

The proposed Zoning Bylaw Text Amendment would amend the CD18 zone to add a new area, Area V - Uplands Residential Area, the uses and regulations for this additional area are in line with other residential areas within the zone.

The proposed Rezoning application would amend the zoning for the subject properties to the P3-Parks and Open Space zone for the lands proposed to be dedicated to the City, the remainder to the new Area V of the CD18 zone This would allow for future subdivision applications on these lands.

4.3 Site Context

The subject properties are within the McKinley City Sector. The subject properties are adjacent to the east of the existing lands within the McKinley Beach development area. Portions of the subject properties front onto Glenmore Road and onto McKinley Road. To the east and north of the subject lands are properties.

5.0 Current Policies

5.1 Kelowna Official Community Plan 2030

a. Chapter 1: Goals for a Sustainable Future

   Protect and Enhance Natural Areas, Protect and enhance natural areas by creating an open space network that protects sensitive ecosystems, including watersheds, and links important habitat areas.

b. Chapter 6; Environment:

   Objective 6.1, The City of Kelowna Will Protect and enhance Kelowna's biodiversity

   Objective 6.3, The City of Kelowna Will Maintain and enhance Kelowna's natural resources

c. Chapter 7, Infrastructure;

Parks Policies, Objective 7.12, Provide active and passive parks for a diversity of people and a variety of uses.

Policy 2: Natural Areas and Open Space. Provide a City-wide network of natural area parks which meet the following criteria:

- Contains representative Okanagan ecosystems;
- Contains areas of outstanding natural beauty (including areas with high visual vulnerability, such as rocky outcrops, ridge lines, hilltops, silt slopes, canyons, and water edges);
- The land area is contiguous and forms part of a larger open space network;
- Contains conservation areas; and.
- Protects viewshed corridors.

5.2 Hillside Development Guidelines

Development applications within hillside areas should work to achieve the vision for hillside development by focusing on the following principles:

- Damage to the environment and natural features should be avoided
- Suitable density and diversity of housing type mitigate impacts
- All users are accommodated on neighbourhood streets
- Views are preserved for residents and visitors
- Building sites are safe

6.0 Application Chronology

Date of Application Received: January 14, 2021
Date Public Consultation Completed: June 21, 2021

Report prepared by: Dean Strachan, Manager, Community Planning and Development

Reviewed by: Terry Barton, Department Manager, Development Planning

Approved for Inclusion: Ryan Smith, Divisional Director, Planning & Development Services

Attachments:

Map A: Proposed OCP Amendment
Map B: Proposed Rezoning
Attachment C: Proposed Zoning Bylaw Text Amendment
Attachment D: Applicant Summary Letter
Attachment E: Development Engineering Servicing Report
Attachment F: Memo from Travis Whiting, Fire Chief
Attachment G: Proposed Park Dedication