

Report to Council



Date: April 11, 2022
To: Council
From: City Manager
Subject: New Zoning Bylaw - Consultation Results
Department: Development Planning Department

Recommendation:

THAT Council receives, for information, the report from the Development Planning Department, dated April 11, 2022, that outlines the public and stakeholder consultation efforts for the new Zoning Bylaw.

Purpose:

To provide Council with the results of the public engagement and stakeholder consultation efforts in relation to the new Zoning Bylaw.

Background:

Previous Council Resolutions

Resolution	Date
THAT Council endorse the proposed new Zoning Bylaw process, as outlined in this report from the Development Planning Department Manager, dated October 4, 2021.	October 4, 2021
THAT Council receives, for information, the report from the Development Planning Department, dated January 17, 2022, with respect to the City of Kelowna's current Density Bonus Program.	January 17, 2022

The Planning Department is completing a comprehensive review and rewrite of Zoning Bylaw No. 8000. The new Zoning Bylaw is intended to follow the adoption of the 2040 Official Community Plan (OCP), meet the current Provincial legislative requirements and respond to current development and real estate trends.

The new Zoning Bylaw project is a six-stage process that began in Fall of 2020 (Attachment A - Figure 1: Project Stages). To date, the project has progressed through Stages 1 through 3, and most recently completed Stage 4 – Stakeholder Engagement. During Stage 4, the Project Team engaged with internal and external stakeholders, processed, and reviewed close to one thousand comments, refined

the draft Zoning Bylaw based on stakeholder feedback, and completed the second draft of the document. This report will summarize the results of the new Zoning Bylaw consultation process.

Introduction:

The public engagement and stakeholder consultation process related to the draft Zoning Bylaw builds on efforts first initiated in 2019 in conjunction with 2040 OCP engagement events. This included multiple open houses where staff provided information to the public on the key objectives of the proposed new Zoning Bylaw. In Fall 2021, the draft Zoning Bylaw was made available for review by the public, developers and industry stakeholders as well as internal stakeholder. Residents and stakeholders were asked to review and share feedback on the content and readability of the new Zoning Bylaw.

Discussion:

The main purpose of the public engagement and stakeholder consultation process were to:

- Inform Kelowna residents about the proposed new Zoning Bylaw and facilitate understanding of the role the document plays in land use and development; and,
- Gather feedback on proposed changes to the Bylaw.

As the Zoning Bylaw is closely aligned with the OCP, the draft Zoning Bylaw process was built upon the robust public engagement that took place during the development of the 2040 OCP. Due to public health and safety concerns related to and limitations created by Covid-19, engagement took place online and by virtual meetings.

Early in the project, the Ministry of Agriculture (MoA), Agriculture Land Commission (ALC) and the Agriculture Advisory Committee (AAC) provided formal comments in the form of virtual and in-person workshops with preliminary support of the new Zoning Bylaw (approximately between February – May 2021). Additionally, the Ministry of Transportation and Infrastructure (MoTI) was engaged in preliminary review and discussions of the proposed new Zoning Bylaw ahead of a formal review and approval process (approximately between September 2021 – current).

Industry and internal stakeholder engagement activities took place for one month over October and November 2021, and then for a second time between late-January to early-February 2022. The participants consisted of Kelowna residents, development and industry stakeholders including the Urban Development Institute-Okanagan (UDI) and Canadian Home Builders' Association Central Okanagan (CHBACO), consultants and professionals such as architects and engineering firms, and institutes such as UBCO. The Project Team also engaged with various interdepartmental stakeholders, including Policy and Planning, Transportation, Real Estate, Parks and Buildings, Clerks, and Development Engineering departments.

Public engagement took place from October – November 2021 via the City's online platform, Get Involved.

What we heard:

Through various mediums including Get Involved, email, and one-on-one virtual information sessions and workshops, stakeholders were invited to provide comments related to the changes in the draft Zoning Bylaw. Feedback spanned several areas however, most comments were technical in nature, having to do with development regulations such as setbacks, lot areas, site coverage, height, and grade, as well refining and further clarifying definitions and illustrations. There were a few key themes that emerged through the engagement process which garnered discussions and lead to notable changes to the draft Zoning Bylaw. These topics were:

1. Updating the new Zoning Bylaw to align with Provincial legislation, regulations, and policies, as well as current internal policies and processes.
2. Strengthening the protection of agricultural land
3. Electric Vehicle (EV) ready infrastructure in new residential developments
4. Proposed new density bonus model
5. Blanket zoning and affordable housing
6. Amenity space in multi-family zones
7. Technical comments

Attachment B provides details of the Stakeholder Engagement process and summarizes the results of the engagement period.

How the Zoning Bylaw responded:

1. *Align with Provincial Legislation and Current Internal Policies and Processes:*

One of the main objectives of the new Zoning Bylaw was to align the document with Provincial legislation, regulations, and policies, as well as current internal policies and processes. This objective was highlighted during engagement with ministerial authorities (MoA, ALC, and MoTI) as well as interdepartmental stakeholders. The following is a summary of changes the Project Team made to the Zoning Bylaw:

- Updating new Zoning Bylaw regulations to match the current BC Building Code.
- Updating landscaping standards to reflect best practice, industry standards and address goals in the 2040 OCP.
- Updating the new Zoning Bylaw to address the implementation of the 2040 OCP. For example, addressing urban infill development, development regulations for the “Core Area” and strengthening the protection of agricultural land.
- Updating and modernizing use categories and ensuring they are aligned with current business licensing process. For example, removing outdated uses, consolidating where possible and providing clarity for agricultural use categories.

2. *Strengthening the Protection of Agricultural Land:*

Following MoA and ALC feedback and in keeping with aligning the new Zoning Bylaw with Provincial legislation, regulations, and policies, the Project Team made the following amendments to the new Zoning Bylaw:

- Allocated the appropriate agricultural zones to all parcels based on their ALR status and created two Agriculture zones:
 - The A1 – Agriculture zone will apply to all properties that are within the ALR.
 - The A2 – Agriculture / Rural Residential zone, will apply to agricultural properties that are not within the ALR
- Revise permitted land uses in the Agricultural zones to comply and align with Provincial legislation, regulations, and policies

3. Electric Vehicle (EV) Ready Infrastructure in New Residential Developments:

On February 7, 2022, Council endorsed Staff's recommendations to have a minimum of 1 (one) energized EV outlet per dwelling unit (capable of providing Level 1 charging) in all new residential developments and to further investigate infrastructure requirements for new institutional, commercial, industrial, and service station developments and report back on these recommendations. Upon review of the initial feedback, the Project Team separated the EV section out of the project scope. A separate report will come forward in the future with proposed recommendations to Council on this subject.

4. Proposed New Density Bonus Model:

Upon review of the initial feedback, the Project Team reviewed and subsequently made the following amendments:

- The proposed payment scenario is based on lot area versus linear street frontage.
- Purpose-built rental housing was further explored by Staff and included in the bonusing program. Staff recognize there are key goals in the 2040 OCP and Healthy Housing Strategy to promote and protect purpose-built rental housing and affordable housing and have updated the Zoning Bylaw to assist in the implementation of these goals through density bonusing.

The Project Team reviewed the initial feedback and proceeded with engagement and structuring of the Density Bonusing Program in multiple phases. An initial presentation to Council was made on January 17, 2022, to provide information regarding the existing density bonus program. Following this presentation, further consultation occurred with the development industry and an updated report back to Council is scheduled. Base density was adjusted based on stakeholder feedback and 2040 OCP density and height objectives.

5. Blanket zoning and Affordable Housing:

General public shared concerns around additional height and density in established residential neighbourhoods, about speculation, gentrification, displacement and that the new Zoning Bylaw would primarily benefit developers. The citizens also shared concerns that the new Zoning Bylaw was not doing enough to address existing housing crisis and affordable housing.

Staff worked to create a new Zoning Bylaw with several progressive measures to help guide growth in the future. Zoning regulations followed the higher level 2040 OCP vision and policy direction and should be seen as an implementation of that document. Additional density in core areas of the City is

an OCP objective to increase livability and decrease the dependence on single occupancy automobiles. Taller, denser buildings are not necessarily a negative form of development and if done right can help contribute to the growing urban sophistication of Kelowna and help to increase supply to the marketplace. The new OCP contained new Urban Design Guidelines that will help guide development to more favorable forms. Finally, the new density bonus program emphasizes purpose built rental and affordable housing as key objectives to help address the housing needs of the city.

6. Amenity Space in Multi-Family Zones:

The Project Team acknowledged the concerns and completed further analysis and review of best practice for amenity space in multifamily development. The 2040 OCP indicates the desire for an increased livability in urban environments through the allocation of amenity space. The development community acknowledged the importance of this objective, however requested flexibility in its implementation. Staff included a new regulation for increased total amenity space and allowed developers flexibility in the ration of private to common space.

7. Technical Comments:

Overall, majority of feedback in general were technical in nature, having to do with development regulations such as setbacks, lot areas, site coverage, height, and grade, as well refining and further clarifying definitions. The Project Team acknowledged concerns raised on two main topics, height and grade, and building height and made following changes:

Height and grade:

- For greater clarity, height restrictions based on number of storeys has been removed and height is regulated by dimension (meters).
- The definition of grade has been updated based on best practice of other municipalities in British Columbia.
- Illustrations for the definition of height and grade were updated as per stakeholder feedback.

Building height - Base building heights directly follow Heights follow 2040 OCP policy and the 2040 OCP Building Height maps for Urban Centres.

Conclusion:

Many regulations, definitions, and sections of the proposed Zoning Bylaw were refined based on public consultation and stakeholder engagement comments and feedback. Outcome from the consultation process also identified several bylaw and policy gaps. These gaps are future opportunities for other implementation tools which is outside the scope of the new Zoning Bylaw. Some examples of future works may include:

- Drainage Bylaw
- Updates to Subdivision, Development and Servicing Bylaw 7900
- Landscaping and Maintenance Bylaw
- Tree Protection (in process)

Next Steps:

The purpose of Stage 4 - Stakeholder Consultation was to inform Kelowna residents, to hear from various stakeholders about the proposed new Zoning Bylaw and gather feedback on the proposed changes to the Bylaw. Through the virtual platforms, information sessions and workshops, the Project Team helped facilitate the public to understand the role the new Zoning Bylaw will play in land use and development. Through this process, staff then refined the new Zoning Bylaw based on community comments and feedback while delivering on the six key objectives that directed the new Bylaw.

With the completion of Stage 4 Consultation, the new Zoning Bylaw process is moving towards its final stages. Following final refinements of the new Zoning Bylaw it is anticipated that staff will come forward with Initial Consideration of the new Zoning Bylaw for Council consideration in mid-May. Anticipated timeframes for next steps are as follows:



Internal Circulation:

Policy and Planning Department
Development Services

Considerations not applicable to this report:

Legal/Statutory Authority
Legal/Statutory Procedural Requirements
Existing Policy
Financial/Budgetary Considerations
External Agency/Public Comments
Communication Comments

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Attachments:

Attachment A - The New Zoning Bylaw: Project Stages
Attachment B – Proposed New Zoning Bylaw: Consultation Summary Report