



City of Kelowna
Danielle Noble-Brandt
City of Kelowna
1435 Water Street
Kelowna, BC
V1Y 1J4

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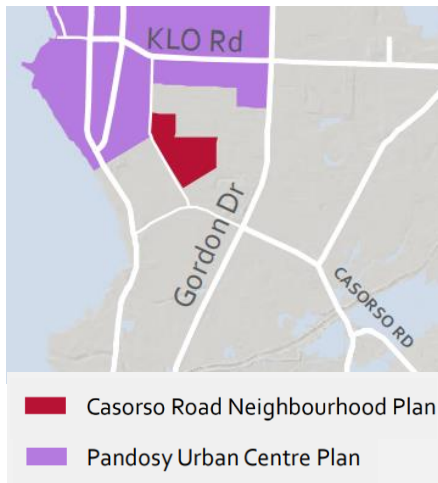
Dear Ms. Noble-Brandt

RE: 3535 Casorso Road Area Redevelopment Plan - Request to Proceed

Further to our previous meetings about our property at 3535 Casorso Road, we are very excited to submit our formal request for Council permission to commence the Area Redevelopment Plan process for this area. We know that the master planning process can take time, so we believe that now is the right time to move forward with beginning the planning process.

Since establishing in the Kelowna market, Kerkhoff: Develop-Build has built hundreds of new purpose built rental homes and for sale homes in the Kelowna area. We are proud to have built Executive House, Kelowna's very first concrete frame tower in the early 1980s, as well as recently completing the One Water Street towers, contributing toward the vitality of downtown Kelowna. Kerkhoff: Develop-Build purchased the Central Mobile Home Park at 3535 Casorso Road in July, 2020. Our plan is to eventually transform this centrally located and highly walkable 25 Acre property into a compact, sustainable and vibrant neighborhood community. We believe that our strong reputation and proven ability to deliver successful projects make this project a unique opportunity to redefine this special part of the community, so are excited to seek Council's support to begin the Area Redevelopment Plan process.

We would like to congratulate the City on their recent adoption of the updated Official Community Plan, acknowledging the key direction provided by residents through the Imagine Kelowna initiative, which focusses on creating connected, denser and more sustainable places. Following such extensive public engagement, we were pleased to see the 3535 Casorso Road area being identified for an Area Redevelopment Plan. We acknowledge the Official Community Plan's call for pedestrian connection and park space within the area, the 1:1 replacement of affordable housing, as well as other important policy direction. We look forward to working with residents and the community to support an engaged process that creates the kind of place envisioned by the Official Community Plan, and sensitively renews the aging homes that presently exist on the property – with the manufactured homes on site currently averaging over 44 years in age.



“Consider redevelopment of the Casorso Road properties, as outlined on Map 16.1, only at such time as an Area Redevelopment Plan is completed, in keeping with Policy 5.3.3. This plan should be initiated by the property owners, and include at minimum, a community park of approximately 2.0 hectares in size fronting Casorso Road and linear park and pedestrian connections from Wintergreen Drive and Invermere Road to Casorso Elementary School”.

*Bylaw No. 12300 – Kelowna 2040 OCP
(Adopted on January 10, 2022)*

Since purchasing the property, Kerkhoff: Develop-Build has regularly communicated with current tenants, and committed to transparency and fairness in our dealings with them. In line with the Council policy, we will prepare a detailed Tenant Relocation Plan prior to submitting a Zoning application, which will identify a strategy to support the sensitive relocation of current tenants within the park. Since 2018, the Manufactured Home Park Tenancy Act was revised by the Province to include more stringent requirements for developers to follow when re-developing manufactured home parks. We will meet (and likely exceed) all of these requirements, having already engaged a seniors housing advocacy organization to support the successful relocation of all tenants. We know of several manufactured home sales in the park that have fallen through when buyers become aware that a developer has bought the property, which has caused some concern amongst the tenants. We recognize the anguish that this transitional period can cause people, prompting us to move forward with a request to prepare an Area Redevelopment Plan, and get closer to providing tenants with certainty, viable options and appropriate compensation, as we get closer to a formal Zoning Amendment request.

With average home prices in the Central Okanagan having surpassed the million dollar benchmark in December, 2021, and then rapidly hitting \$1,129,000 in March, 2022, we all know how acute the housing crisis is in our region. We must commend the City of Kelowna for their strong leadership in creating an effective approvals process, and for developing the Community Trends Report, Healthy Housing Strategy, and Housing Needs Assessment. As the Province prepares legislation to streamline and expedite approvals in British Columbia, and the Federal Finance Minister highlighting that, “over the next ten years, we will double the number of new homes that we build. This must become a great national effort, and it will demand a new spirit of collaboration”. It is our hope that we can be part of this drive to provide substantial new housing options for Kelowna.

In discussions with Staff, we understand that along with Council support to initiate the Area Redevelopment Plan, a detailed scope and terms of reference will be confirmed. The Hierarchy of Plans Policy provides guidance for plan content and process for applicant led proposals, which will be closely followed. Furthermore, Staff have recommended the following content that was used for the larger 40 Acre Mill Site Area Redevelopment Plan, which we also feel will ensure that the critical elements are considered for the Casorso Road Area Redevelopment Plan:

- Direction from other relevant bylaws, plans and policies
- Environmental and hazardous conditions analyses
- Land use (e.g.: residential, mixed-use, commercial, industrial, institutional)
- Development potential and building heights
- Housing and affordability strategies
- Parks and public spaces
- Urban design approaches
- Heritage conservation strategies
- Recreation and cultural facilities needs
- Transportation and mobility strategies
- Utility servicing strategies and infrastructure requirements
- Phasing and implementation strategy

We are aware of the capacity challenges that staff are currently facing, as they complete other Planning projects and keep up with the high volume of development that is occurring in the community. While applicant-led and funded plans require only scope confirmation and review from Staff, compared to City led projects, our offer would be to fund a term contract Planner position for one year, as was recently supported when the Mill Site Area Redevelopment Plan was endorsed by both Staff and Council. This position would add capacity to the City's team, while providing a collaborative solution to creating additional housing supply for the future of Kelowna.

“Municipalities can play a critical role in ensuring the right supply is built and contribute to the affordability of new developments through direct contributions, speeding up the approvals process, and creating greater certainty for approvals.”

*Prof. Carolyn Whitzman
University of Ottawa*

We have begun assembling a team of both domestic and international professionals to begin master-planning this truly spectacular site, and look forward to developing an inspired plan that is crafted in collaboration with the community. We have connected with property owners inside the plan area boundary, and will continue working with the owners closely through the planning process. The total Area Redevelopment Plan boundary includes 30.43 Acres, comprised of the following properties: 3433/3445/3453/3461/3469/3501/3535 Casorso Road, and 843/857/871 Lanfranco Road. The Kerkhoff holdings represent approximately 75% of the plan area. City correspondence identified that “an ARP shall be prepared or submitted by the owner (or owners) of the majority of land within the plan area, or by consultants acting on their behalf”. We look forward to working collaboratively with internal plan area stakeholders, and the broader community, once the process is allowed to begin.

The Kelowna 2040 OCP identifies the Casorso Road Area Redevelopment Plan as an independent plan, located adjacent to

the Pandosy Urban Centre Plan area. This is unlike the Mill Site Area Redevelopment Plan, which lies directly within the North End Neighbourhood Plan boundaries that were established by Council. Recognizing the importance of planning a cohesive neighbourhood, our vision is to complete the Casorso Area Redevelopment Plan, which will establish important baseline data and analysis that can then successfully inform the neighbouring Pandosy Urban Centre Plan process, which we understand is intended to begin shortly. We believe that this approach allows the developer-led (and funded), site level planning needs of the 3535 Casorso Road area to inform and then subsequently complement the higher level, City led requirements of an urban centre planning process occurring nearby. This is very timely, with the recently adopted OCP offering strong policy guidance for this centrally located site, and for the concept that will ultimately be developed.

In closing, we look forward to beginning the Casorso Road Area Redevelopment Plan process together, as is envisioned within the newly adopted OCP. Recognizing that our request at this stage is simply to begin a Planning process, we look forward to working together to engage with the community. We will submit the required paperwork, once Council direction is received, as has been requested. I truly look forward to crafting an inspired plan that not only ensures the provision of much needed affordable, rental, and ownership housing for the community, but creates a sustainable and complete community for the future of Kelowna.

Yours truly,



Leonard Kerkhoff, B.Tech, ASCT
President and CEO

CC: Mayor and Council
Doug Gilchrist, City Manager
Ryan Smith, Divisional Director of Planning and Development Services
Terry Barton, Development Planning Department Manager
Lauren Macauley, Architect/Director, IBI

Attachment A: Legal Descriptions of Applicable Properties

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3501 Casorso Road - LOT 6 DISTRICT LOT 135 OSOYOOS DIVISION YALE DISTRICT PLAN 3463
3469 Casorso Road - LOT 5 DISTRICT LOT 135 OSOYOOS DIVISION YALE DISTRICT PLAN 3463
3461 Casorso Road - LOT 4 DISTRICT LOT 135 OSOYOOS DIVISION YALE DISTRICT PLAN 3463
3453 Casorso Road - LOT 3 DISTRICT LOT 135 OSOYOOS DIVISION YALE DISTRICT PLAN 3463
3445 Casorso Road - LOT 3 DISTRICT LOT 135 OSOYOOS DIVISION YALE DISTRICT PLAN 3463
3433 Casorso Road - LOT 2 DISTRICT LOT 135 OSOYOOS DIVISION YALE DISTRICT PLAN 10171
843 Lanfranco Road - LOT 3 DISTRICT LOT 135 OSOYOOS DIVISION YALE DISTRICT PLAN 10171
857 Lanfranco Road - LOT 4 DISTRICT LOT 135 OSOYOOS DIVISION YALE DISTRICT PLAN 10171
871 Lanfranco Road - LOT 5 DISTRICT LOT 135 OSOYOOS DIVISION YALE DISTRICT PLAN 10171