

Report to Council



Date: March 4, 2024
To: Council
From: City Manager
Subject: Subdivision, Development and Servicing Bylaw No. 7900 – Infill Housing Update
Department: Development Engineering Branch

Recommendation:

THAT Council receives, for information, the report from the Development Engineering Branch with respect to amending the Subdivision, Development and Servicing Bylaw No. 7900 and Council Policy No. 101, being Conversion of Overhead Power Lines to Underground Installation, dated March 4, 2024;

AND THAT Bylaw No. 12624, being Amendment No. 26 to Subdivision, Development and Servicing Bylaw No. 7900, be forwarded for reading consideration;

AND THAT Council adopts the revised Council Policy No. 101 Conversion of Overhead Power Lines to Underground Installation, as outlined in the report from Development Engineering dated March 4, 2024.

Purpose:

To amend various sections of Subdivision, Development and Servicing Bylaw No. 7900 and Council Policy No. 101 in response to the implementation of the Provincial legislation for Small-Scale Multi-Unit Housing and Transit Oriented Development Areas.

Council Priority Alignment:

Affordable Housing
Transportation

Background:

In late 2016 and in September 2022, the City of Kelowna approved changes to the Zoning Bylaw to allow multi-unit housing up to four units on a single lot in a limited area of the Downtown and Pandosy neighbourhoods (i.e., the Infill Challenge 1.0” initiative) and to allow higher densities within the Urban Centre areas. In November 2023, the Province of British Columbia passed Bill 44 and Bill 47 related to multi-unit housing and increased density in transit-oriented areas; in response to this legislation, the City of Kelowna is considering further amendments to the Zoning Bylaw to allow multi-unit housing in

all neighbourhoods within the Permanent Growth Boundary and additional increased density in several transit-oriented areas.

The Subdivision, Development & Servicing Bylaw No. 7900 (Bylaw 7900) sets the minimum design and construction standards for civil infrastructure works and services within the City of Kelowna (City) as a condition of development approval. Where historically, changes in land use had been subject to a rezoning process where servicing could be upgraded as a condition of rezoning, the “pre-zoning” of urban centres and for infill requires more robust servicing requirements be implemented at time of building permit, rather than at rezoning.

Council Policy No. 101 was first adopted in 2003 and provides direction to the City Engineer for when to require the undergrounding of existing overhead power and telecommunication wiring as a condition of development approval.

Previous Council Resolution

Resolution	Date
THAT for smaller Latecomer Agreements (the lesser of \$1.5m or \$50k/property), Council delegate authority to authorize and prepare the Latecomer Agreements to the Development Engineering Manager, and authority to execute to the Mayor and Clerk.	R611/19/06/10 June 10, 2019

Discussion:

In response to past and future anticipated amendments to the Zoning Bylaw, the proposed changes to Bylaw 7900 and Council Policy 101 are intended to simplify administrative processes, maintain an acceptable level of service for community safety, and ensure a robust standard for the provision of municipal civil infrastructure. The proposed changes can be grouped into 3 categories:

1. Latecomer Procedures for Excess or Extended Services
2. Water Supply for Fire Protection
3. Infrastructure and Transportation Capacity Design Standards

1. Latecomer Procedures for Excess or Extended Services

Excess or Extended Services are infrastructure works that are required to be completed of a development that benefit other lands. This occurs when adjacent or upstream lands are anticipated to require future capacity in an infrastructure system that is being provided by downstream development. The cost to provide Excess or Extended Services can either be borne by the City or the Developer (the Firstcomer). In either case, the cost to provide Excess or Extended Services is eligible for cost recovery via a Latecomer Agreement, which requires all benefiting lands to pay a proportion of the cost back to the Firstcomer.

The procedure for implementing a Latecomer Agreement is outlined in Bylaw 7900; they are primarily technical engineering documents that are prepared by the City Engineer and currently require a Council resolution to finalize. The bylaw under consideration proposes to make this a fully staff-delegated procedure for improved administrative efficiency due to the technical nature of the subject matter and the expected increase in volume in Latecomer Agreements associated with infill development. With an increase in infill developments, newly constructed infrastructure will generally benefit surrounding lands

and Latecomer Agreements will be necessary with more frequency than was historically seen with greenfield development.

Improving efficiency will enable a reduction in staff time and subsequent cost to development (application fee), which will reduce barriers to pursuing cost-recovery and support affordable infill housing developments.

2. Water Supply for Fire Protection

With past and future anticipated changes to the Zoning Bylaw comes increased pressure on aging and potentially capacity-strained municipal infrastructure. This can result in a discrepancy between the defined levels of service for water supply, firefighting, and sanitary sewer servicing and what the City's infrastructure can provide. It also changes historical practice of requiring land to be sufficiently serviced as a condition of granting a higher land use and necessitates these servicing upgrades be made as a condition of building permit issuance.

With the objective of balancing the somewhat competing objectives of ensuring adequate water supply for firefighting while maintaining housing affordability, the amendments to Bylaw 7900 are informed by recommendations from the Integrated Community Fire Protection report. This review provided an overview of the important considerations, challenges, and solution frameworks in three areas:

1. Fire Department Response Planning (Response-Oriented Solutions),
2. Water Supply and Distribution Network (Network-Oriented Solutions), and
3. Neighbourhood and Building Fire Risk (Building-Oriented Solutions)

Through the internal consultation undertaken with stakeholder departments, it is generally agreed that to provide sufficient water for firefighting efforts for exposure control (i.e., to contain fires to subject properties and stop them from spreading to adjacent structures) as a minimum in constrained situations as a condition of development approval is an acceptable level of service for community safety. This approach balances affordable housing objectives while ensuring sufficient water for exposure control is available and that this amount is prioritized for public fire protection use over private systems.

While the vast majority of development will have sufficient water for fully extinguishing structure fires, when a minimum fire flow for "exposure-control only" is provided through the development approval process in constrained situations, in conjunction with a well-equipped and informed fire department, modern building construction for fire resistivity, and increased spacing between buildings, it is suggested that infill housing redevelopment represents a relatively neutral risk to community fire safety.

3. Infrastructure Capacity Design Standards

The bylaw under consideration also proposed several changes to the detailed water, sanitary sewer, and transportation design standards in response to network and servicing capacity impacts of small-scale infill multi-unit housing. These changes are to ensure systems are designed for future capacity and to protect transit supportive corridors and encourage access consolidation on major arterial roads.

Council Policy 101 is proposed to be amended to expand the requirement to underground overhead power and telecommunication wiring for most development within the Core Area. This had previously been limited to Urban and Village Centres. This is in accordance with the objectives of the Official

Community Plan, the Transportation Master Plan, and the Urban Forestry Branch for the provision of the City's urban tree canopy. It is also necessary to support the financial viability of the Neighbourhood Street Urbanization Program.

Conclusion:

The proposed changes to Subdivision, Development and Servicing Bylaw No. 7900 and Council Policy 101 are in response to past and future anticipated Zoning Bylaw changes for the provision of multi-unit infill housing in areas of the City where infrastructure constraints exist. The proposed changes will simplify administrative processes, maintain an acceptable level of service for community safety, and ensure a robust standard for the provision of municipal civil infrastructure.

Internal Circulation:

Kelowna Fire Department
Utility Planning
Integrated Transportation
Infrastructure Operations
Development Services

Considerations applicable to this report:

Legal/Statutory Authority: *Local Government Act, Division 11, Section 507 and 508*

Existing Policy: *Council Policy No. 101*

Considerations not applicable to this report:

Legal/Statutory Procedural Requirements:

Financial/Budgetary Considerations:

Consultation and Engagement:

Communications Comments:

Submitted by:

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Approved for inclusion:

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