

# Report to Council



**Date:** November 4, 2024  
**To:** Council  
**From:** City Manager  
**Subject:** HAF Transit Supportive Corridor Pilot Project  
**Department:** Long Range Planning & Housing Policy and Programs

---

**Recommendation:**

THAT Council receives, for information, the report from the Long Range Planning & Housing Policy and Programs departments dated November 4, 2024 with information about the Housing Accelerator Fund Transit Supportive Corridor Pilot Project.

**Purpose:**

This report is to provide information to and seek feedback from Council regarding the Transit Supportive Corridor Pilot Project occurring as part of the Housing Accelerator Fund.

**Background:**

In 2023, the City of Kelowna received \$31.5M from the federal Housing Accelerator Fund (HAF). The purpose of the HAF is to encourage local governments to increase the housing supply. The HAF requires the City of Kelowna to permit approximately 7,000 housing units by October 2026. To achieve HAF goals, the City established seven HAF Initiatives which were committed to in the grant agreement.

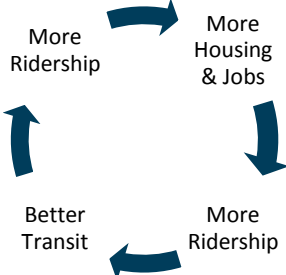
Under one of the HAF Initiatives, the City is leading a Pilot Project to explore pre-zoning select Transit Supportive Corridors (TSCs) to allow for more housing. TSCs are not currently pre-zoned, meaning properties along TSCs must rezone on a case-by-case basis, adding time and uncertainty. As such, properties adjacent to TSCs may be less favourable for redevelopment compared to properties in other areas of the city where zoning is in place such as Urban Centres, Transit-Oriented Areas, and infill areas. This report outlines a vision for what TSCs could look like in the Kelowna context and next steps for the TSC Pilot Project.

**Discussion:**

**Why Transit Supportive Corridors?**

Accommodating new housing in areas close to transit can kickstart a positive feedback loop: adding people and jobs on the way between major destinations increases transit ridership. More ridership allows us to provide better transit, which in turn attracts more riders and supports more housing

Figure 1 - Housing & Transit Feedback Loop



(Figure 1 **Error! Reference source not found.** **Error! Reference source not found.**).

*Multiple dwelling housing is critical to addressing our housing needs.*

Kelowna's [Housing Needs Assessment](#) confirms that 18,750+ new housing units are needed by 2031. Not providing this housing may result in decreased housing affordability and increased homelessness.

In terms of affordability, multiple dwelling homes typically cost 10 to 40 per cent less than comparable single-dwelling homes. Furthermore, 4-6 storey wood frame apartments are faster and less expensive to build than other forms of apartment housing. Low-rise apartments are therefore a more affordable housing option and a key component of meeting our housing targets. In short, Kelowna needs to provide a lot of room for low rise apartments to meet our goals – so, where should this housing go?

*Public transit is vital to addressing our transportation needs.*

Improved transit means more options for residents to get around, which can help to reduce the need for cars and improve traffic outcomes. Strategic investment in transit has numerous benefits including:

- **Higher people-moving capacity.** Transit can move more people using less space than cars.
- **Reduced parking pressure.** Transit provides non-car options to access busy destinations.
- **Safer streets.** Increasing transit use reduces injury and death.
- **Decreased transportation costs.** People with good access to transit typically drive less, reducing their transportation costs.
- **Better access for all.** Transit makes it easier to get around, including for people with disabilities, seniors, youth, lower-income residents, and other populations that are less likely to drive.

*Locating housing on the way between major destinations makes transit better.*

Accommodating housing along corridors between key destinations makes it possible to have a successful transit system that takes people where they want to go. To get transit and housing working together, the City established Transit Supportive Corridors (TSCs): streets identified for more housing, a greater mix of uses, and increased transit service.

Overall, accommodating more housing and services along TSCs—when combined with investment in transportation—can provide economic, environmental, and social benefits including:

- **Optimized infrastructure and transit spending.** Compact development reduces infrastructure costs, allowing more people to be served per dollar invested.
- **Amplified economic impact.** Transit-oriented development aligns with grants, attracts private investment, supports existing and new businesses, and improves access to jobs.
- **Reduced impact on natural areas.** Focusing growth along TSCs reduces pressure to develop on the edges of our city.
- **Reduced climate impacts.** Better access means less driving, which reduces carbon emissions.
- **Improved health outcomes.** Residents of compact neighbourhoods with non-car options are healthier and live longer than residents in car-dependent areas.

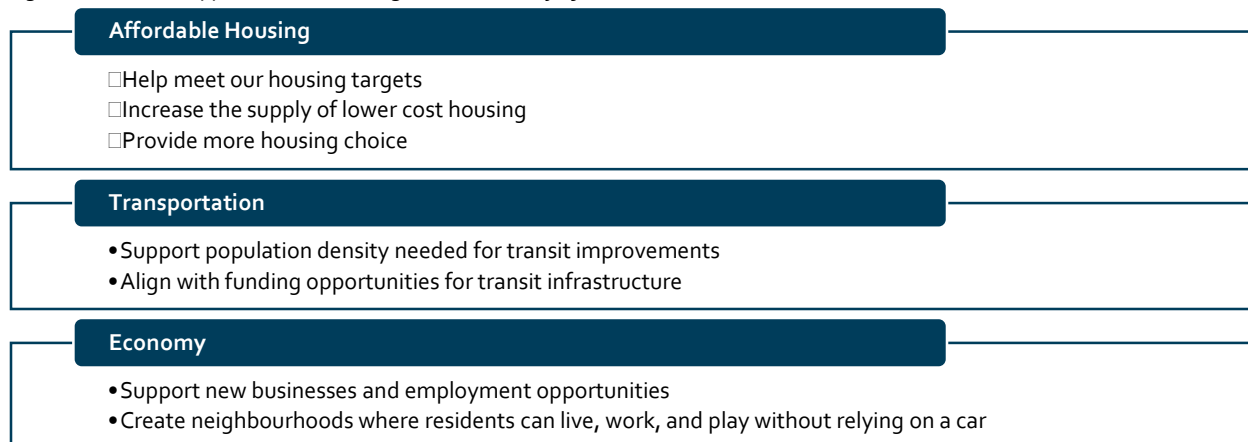
***What challenges are associated with Transit Supportive Corridors?***

TSCs have many benefits, but they also present some challenges. As TSC areas accommodate new housing, businesses, and transit, existing neighbourhoods will experience incremental—but potentially significant—change. Furthermore, new development in TSC areas can help make our streets exciting public spaces but may increase the number of vehicles parked on the street. Additionally, redevelopment may displace existing residents. These challenges must be addressed through thoughtful policies, regulations, and processes.

### ***How do Transit Supportive Corridors fit with the Council Priorities?***

Focusing development along TSCs aligns with several Council Priorities, particularly under the *Affordable Housing, Transportation, and Economy* categories, as identified in Figure 2.

*Figure 2 - Transit Supportive Corridor Alignment with City of Kelowna Council Priorities*



### ***What could Transit Supportive Corridors look like in the Kelowna context?***

Coordinating housing and transportation is an established practice. Successful transit-oriented areas exist in mid-sized cities across North America and beyond. Transit options can include high frequency buses, bus rapid transit, or other options, depending on the city's context. Higher density buildings—including 6-plus storey mixed-use buildings—are common in transit accessible areas, as are public amenities like plazas and street trees.

Under the HAF TSC Pilot Project, staff will review examples and conduct analysis to determine the right mix of transit, residential and commercial density, and public spaces that will work for our city. Ultimately, the aim is to pre-zone parts of select TSCs<sup>1</sup> to enable—over time—densities that can support improved transit and local services. The three central goals of the Pilot Project are to:

1. Achieve residential density that supports our housing and transportation goals
2. Protect enough road right-of-way for current and future transportation needs
3. Support pleasant public spaces

The Pilot Project will address the following questions as per the HAF agreement and Council feedback:

- **Which transportation options are feasible for our TSCs?** The Pilot Project is being coordinated with transportation planning work, such as the Richter Corridor Study, and will include an evaluation of transportation options.
- **How will buildings transition from TSCs to adjacent neighbourhoods?** The Pilot Project will assess neighbourhood transition, including building design, site planning, and parking.
- **How can we support a variety of buildings along TSCs?** The Pilot Project will consider adjustments to the Zoning Bylaw and OCP to allow for variety in the built form along TSCs.

<sup>1</sup> Pilot TSCs include segments of Pandosy St, Richter St, Lakeshore Rd, Clement Ave, Gordon Dr, and Bernard Ave. (Pandosy St: from Francis Ave to Wardlaw Ave. Richter St: Birch Ave to Wardlaw Ave, Brune Ave to Harvey Ave, Bernard Ave to Coronation Ave east side only. Lakeshore Rd: Swordy Rd to Mission Creek. Clement Ave: Richter St to Gordon Dr. Gordon Dr: Clement Ave to Bernard Ave. Bernard Ave: Ethel St to Glenmore Dr.) These TSCs were selected due to coordination with existing projects and to evaluate a variety of TSC types.

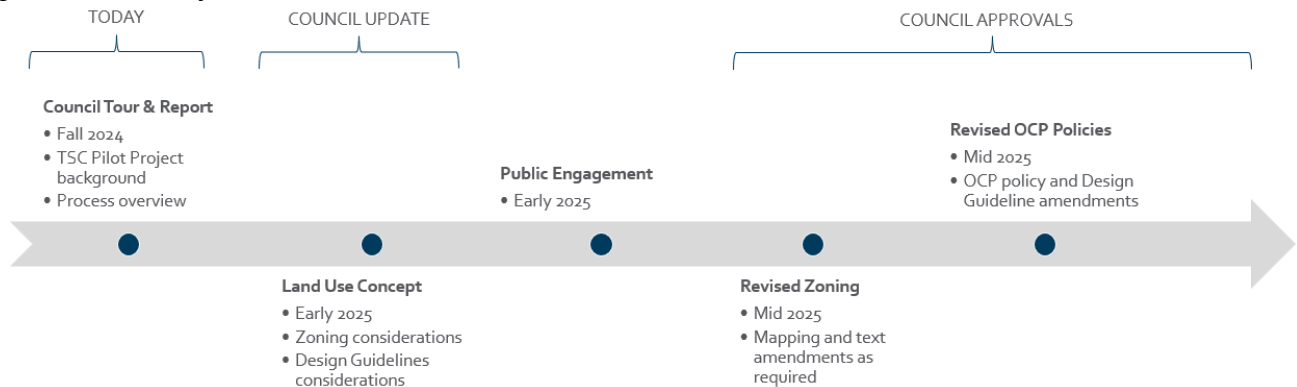
- **How do we ensure that TSCs are pleasant streetscapes?** Staff will examine OCP policy, Functional Road Classifications and cross-section design as part of the Pilot Project.
- **What are the taxation impacts and options for directly impacted property owners?** Staff will work with property owners and BC Assessment to understand implications.

Even with pre-zoning, TSC areas will develop incrementally over many years. Additionally, redevelopment will still have site-specific review through the Development Permit process.

### **What are the next steps?**

The TSC Pilot Project is a cross-departmental, collaborative process. The Pilot Project approach will allow staff to learn from the process which can then inform future work related to TSCs. The project is anticipated to follow the process outlined in Figure 1.

Figure 1 - TSC Pilot Project Process



### **Conclusion:**

In summary, staff are analyzing land use and transportation options for select TSCs via a Pilot Project. The objective of this work, in accordance with the City's HAF commitments, is to pre-zone select TSCs for higher density development. Allowing for higher density development in areas where transit service is—and will continue to be—prioritized supports several Council priorities including *Affordable Housing*, *Transportation*, and *Economy* as well as having additional environmental and social benefits.

### **Internal Circulation:**

Integrated Transportation Department  
 Development Engineering Department  
 Development Planning Department  
 Real Estate Services Department  
 Parks Planning & Design Department

### **Considerations applicable to this report:**

#### Existing Policy:

Orienting development along TSCs aligns with many City policies including but not limited to the *Imagine Kelowna Vision*, the *Official Community Plan Pillars*, and the *Transportation Master Plan Goals*.

#### Financial/Budgetary Considerations:

This project and all associated costs are to be funded by the Housing Accelerator Fund.

### **Considerations not applicable to this report:**

Legal/Statutory Authority

Legal/Statutory Procedural Requirements  
External Agency/Public Comments

**Submitted by:** R. Miles, Long Range Planning Manager & A. Janousek, HAF Project Manager

**Approved for inclusion:** R. Smith, Divisional Director, Planning, Climate Action & Development Services

**Attachments:** Attachment A – PowerPoint Presentation