

Report to Council



Date: April 7, 2025
To: Council
From: City Manager
Subject: Thriving Urban Centres: Pandosy and Downtown
Department: Long Range Planning

Recommendation:

THAT Council receives, for information, the report from Long Range Planning dated April 7, 2025, with respect to Thriving Urban Centres: Pandosy and Downtown.

Purpose:

To receive an overview of the current state of two of the five Urban Centres: Pandosy and Downtown.

Council Priority Alignment:

Affordable Housing
Economy
Climate and Environment
Transportation

Background:

At the March 10, PM meeting, the [Thriving Urban Centres: 2024 Trends in Urban Centres Report](#) was introduced to Council. The report provided a summary of trends that Kelowna's Urban Centres are experiencing and how they are different compared to the whole city. The Trends Report revealed that Urban Centres are not all the same. At the March 31, AM meeting, staff highlighted how the Rutland, Midtown and Capri-Landmark Urban Centres each contributed differently to quality of life for residents, workers and visitors. This report examines the unique characteristics of the remaining two Urban Centres: Pandosy and Downtown.

Previous Council Resolution

Resolution	Date
THAT Council receives, for information, the report from Long Range Planning dated March 31, 2025, with respect to Thriving Urban Centres: Rutland, Midtown and Capri-Landmark.	March 31, 2025
THAT Council receives, for information, the report from Long Range Planning dated March 10, 2025, with respect to Thriving Urban Centres: Project Update and Trends Report.	March 10, 2025

THAT Council receive the report dated September 11, 2023 regarding the Urban Centre Planning Framework, for information.	September 11, 2023
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Discussion:

In the evolution to become dense, amenity rich, mixed use and walkable areas, Pandosy and Downtown are further along than the other three Urban Centres. They both have many of the key elements that contribute to great Urban Centres, some of which are highlighted in the sections below. Additional highlights are provided in *Attachment A: Highlights of Pandosy and Downtown Urban Centres*.

Pandosy

As Kelowna's most populous Urban Centre, Pandosy has a unique identity. It has some employment density, amenities and services and has seen many new residential units introduced into the neighbourhood over the past few years. Highlights include:

- **Demographics:** Many of Pandosy's demographic indicators are like citywide values, such as median age (40.6), diversity, and percentage of immigrants. Unlike citywide trends, however, Pandosy's median income is nearly 20 per cent lower.
- **Housing:** While most homes are in apartments, nearly a third are ground oriented. Some of these are in areas of older single dwelling neighbourhoods or in new infill or townhouse homes. Of all Urban Centres, Pandosy saw the highest average home sale price in 2023, but costs were still nearly 10 per cent lower than the citywide average.
- **Growth:** Pandosy has experienced significant residential development over the past four years. In fact, if all current building permits issued reach occupancy, this Urban Centre will exceed the OCP's projected residential growth to 2040 by 31 per cent in the next few years. In addition to high residential growth, Pandosy has also seen building permits issued for the second highest commercial and institutional square footage of all the Urban Centres. Pandosy may also be influenced by future growth in the Hospital Transit Oriented area as well as potential for other developments adjacent to its boundaries. This may require further examination to ensure supporting local services can meet that demand.
- **Daily Needs:** Pandosy is the only Urban Centre that has public schools for students from kindergarten to grade 12, making it easier for families who reside in this Urban Centre. While Pandosy has a selection of grocery and other commercial services, it does lack indoor public space (such as libraries, museums and other indoor public facilities), with the nearest facilities (H2O / Mission Recreation Park) at minimum almost 3 kilometers away.
- **Transportation:** Of all Urban Centres, Pandosy has the second highest walking / cycling / transit mode share, with one quarter of all trips using one of these modes. One of the reasons for the high mode share is that nearly 7 out of 10 residents has access to an active transportation corridor within 200 meters. The City's Richter Corridor Study, expected to be complete in 2025, is looking to continue to improve people moving capacity in the area, with improved linkages between Pandosy and Downtown as well as Kelowna General Hospital, Okanagan College and other key destinations.
- **Climate & Environment:** While still well below the OCP's target, Pandosy has the highest canopy coverage of all the Urban Centres. Contributing to this are a network of natural features including Okanagan Lake and Fascieux Creek, and nine active parks (the second highest by both number and land area of all Urban Centres).

Downtown

Known as our city's centre, Downtown is furthest along in its evolution of being a vibrant Urban Centre. It is Kelowna's largest employment centre and new housing options are being added quickly, making it easier for people to live closer to their jobs and amenities. Highlights include:

- *Demographics:* Like all Urban Centres, Downtown is becoming younger faster compared to the whole community. A notable difference however, is the low proportion of children living Downtown, with only nine per cent of the population under the age of 19, compared to 18 per cent citywide.
- *Housing:* Downtown's average household size is 25 per cent smaller than the citywide average, and nearly nine out of ten households are housed in apartments. Approximately half of Downtown households rent, however this number is expected to increase if the almost 1,500 rental units in various stages of the development process reach completion.
- *Growth:* While Pandosy has the largest population, Downtown is growing the fastest. If that growth continues it will become the most populous Urban Centre in the near future. A high volume of residential development has coincided with the population growth, with sixteen per cent of all residential unit building permits between 2021 to 2024 issued in Downtown. Residential development interest in Downtown and adjacent areas (such as the Mill Site) remains high and the area is poised for additional growth beyond what the OCP projects. Supporting this, Downtown is seeing commercial and institutional investments such as the recently completed Bernard Block Office Tower and the construction of the UBCO Downtown Campus.
- *Daily Needs:* The OCP targets a combined 150 to 250 residents and jobs per hectare in Urban Centres to help support a rich array of services and a balanced transportation system that supports efficient travel between Urban Centres. Downtown is approaching the lower end of this threshold as nearly 18 per cent of Kelowna's daytime work population works in this Urban Centre. Downtown is also well serviced with other amenities including shopping, entertainment, museums, library and art galleries. One notable daily needs gap in Downtown is access to schools. There are no public schools within or adjacent to the Urban Centre (although there is one private elementary school located Downtown), making it challenging both for families with children already living in the area and those who would like to locate Downtown to have convenient access to education.
- *Transportation:* Downtown has the highest walking, cycling and transit mode share. With close proximity of jobs and services combined with an extensive sidewalk network, easy access to active transportation corridors and great transit service, nearly 36 per cent of trips are done without a vehicle. Downtown is already demonstrating that these modes can become the preferred choice.
- *Climate & Environment:* Okanagan Lake is a defining characteristic of Downtown, however, Brandt's Creek and Rotary Marsh are also important features to support biodiversity. Adding to this green space are 10 active parks, the most of any Urban Centre. Most of these parks, however, are concentrated along the waterfront making easy neighbourhood access challenging for those living on the east side of the Urban Centre.

Conclusion and Next Steps:

Throughout March and April, staff have been working to engage with the public and interested and affected parties to gather information about how to improve quality of life in each of the five Urban Centres. This information, combined with the development of an interactive Dashboard, and analysis of growth and employment projections will help to inform an Urban Centres Future Direction Report that will be presented to Council this summer. The report will outline options for new policies and actions to help continue to grow each Urban Centre into a complete community.

Internal Circulation:

Climate Action & Environment
 Communications
 Cultural Services
 Development Planning
 Housing Policy and Programs
 Integrated Transportation
 Parks Planning & Design
 Real Estate
 Social Development
 Urban Forestry

Considerations applicable to this report:***Existing Policy:***

- 2040 Official Community Plan
 - Objective 4.1 Strengthen the Urban Centres as Kelowna's primary hubs of activity.
 - Objective 4.2 Foster more inclusive and socially connected Urban Centres.
 - Objective 4.3 Protect and increase greenery in Urban Centres.
 - Objective 4.4 Reinforce Downtown as the Urban Centre with the greatest diversity and intensity of uses in the City.
 - Objective 4.6 Support infill and redevelopment to promote housing diversity and enhanced services and amenities in the Pandosy Urban Centre.
 - Objective 9.1 Incorporate equity into planning decisions and resource allocation in our community
 - Policy 16.3.1 OCP Implementation Actions.
 - Action 18 – Develop a Pandosy Urban Centre Plan (short term)
- 2023-2026 Council Priorities
 - The Urban Centres framework outlined in this report would further advance Council's 2023-2026 priorities, particularly:
 - Affordable Housing: Urban Centre planning advances and streamlines processes to accelerate housing in the areas where 50% of future housing units are targeted.
 - Transportation: The Urban Centres Dashboard will inform upcoming transportation projects.
 - Climate and Environment: Urban Centre planning will explore opportunities to make our Urban Centres low-emission and more resilient to the effects of climate change.
 - Economy: Urban Centre planning allows for a strategic approach to growing employment in Kelowna's busiest activity hubs.

Financial/Budgetary Considerations:

The City has received \$149,500 of grant funding from the Complete Communities Program, administered by the Union of BC Municipalities (UBCM) to assist with this process. These funds supplement the \$75,000 of annual funding for Urban Centre Planning identified in the Long Range Planning base budget.

Consultation and Engagement:

Engagement will help inform the final deliverable of the Thriving Urban Centres – the Future Directions Report. Public engagement wrapped up April 6, 2025. During this process the public had the opportunity

to provide input on actions that could improve quality of life in each of the Urban Centres through a mix of online survey and in-person engagement opportunities.

Throughout the month of April, staff will also be hosting workshops and meetings to gather input from a variety of interested and affected parties including those representing development and building; economic development; major employers; and service providers.

Communications Comments:

Engagement opportunities were posted on the City's [Get Involved Kelowna](#) site and promoted using a variety of City-owned channels, digital ads, print ads and social media.

Considerations not applicable to this report:

Legal/Statutory Authority:

Legal/Statutory Procedural Requirements:

Submitted by: T. Guidi, Planner Specialist

Approved for inclusion: R. Miles, Long Range Planning Department Manager

Attachments:

Attachment A: Highlights of Pandosy and Downtown Urban Centres