

Report to Council



Date: November 14, 2016
File: 1200-40
To: City Manager
From: James Moore, Acting Department Manager, Policy & Planning
Subject: Infill Challenge Implementation

Recommendation:

THAT Official Community Plan Bylaw Amendment No. OCP16-0015 to amend Kelowna 2030 - Official Community Plan Bylaw No. 10500 by adding a new Future Land Use classification entitled Sensitive Infill Housing (Low Density), as outlined in the Report of the Land Use Management Department dated November 14, 2016, be considered by Council;

AND THAT Official Community Plan Bylaw Amendment No. OCP16-0015 to amend Map 4.1 of the Kelowna 2030 - Official Community Plan Bylaw No. 10500, by changing the Future Land Use designation of the properties identified in Map "A" and in the Bylaw attached to the report from the Policy & Planning Department, dated November 14, 2016, from the Single/Two Unit Residential designation to the Sensitive Infill Housing (Low Density) designation, be considered by Council;

AND THAT Official Community Plan Bylaw Amendment No. OCP16-0015 to amend Kelowna 2030 - Official Community Plan Bylaw No. 10500 by adding a new Development Permit Area and corresponding guidelines entitled "Intensive Residential - Infill Neighbourhood Development Permit Area", as outlined in the Report of the Land Use Management Department dated November 14, 2016, be considered by Council;

AND THAT Official Community Plan Bylaw Amendment No. OCP16-0015 to amend Map 5.8 of the Kelowna 2030 - Official Community Plan Bylaw No. 10500, by adding the Intensive Residential - Infill Neighbourhood Development Permit Area Designation to the properties identified in Map "A" and in the Bylaw attached to the report from the Policy & Planning Department, dated November 14, 2016, be considered by Council;

AND THAT the Official Community Plan Amendment Bylaw be forwarded to a Public Hearing for further consideration;

AND FURTHER THAT Council considers the Infill Challenge public process to be appropriate consultation for the purpose of Section 475 of the Local Government Act, as outlined in the Report of the Land Use Management Department dated November 14, 2016.

Purpose:

To consider changes to the Official Community Plan necessary to implement the outcomes of the Infill Challenge project. The proposed changes include the introduction of a new Development Permit Area and associated guidelines and the creation of a new Future Land Use classification.

Background:

On May 30, 2016, Council endorsed the two recommended winners from the Infill Challenge process and further directed staff to bring forward the bylaw and process changes needed to implement them.

This Council resolution marked the successful conclusion of an in-depth, year-long process to identify new forms of sensitive infill housing for portions of the city's Urban Core Area. The process utilized a design competition to generate new ideas from the development, home building and design communities. The submissions demonstrated that there is ample room for more creativity, diversity and flexibility in new housing forms that still respect the character of their existing neighbourhoods. Only the winning designs from the design competition have been used as the basis upon which to craft proposed bylaw and process changes.

Public Engagement:

A broad cross-section of community and industry stakeholders came together in a Community Panel and helped to guide the entire process, from setting the vision to selecting the recommended winners for Council consideration. The Community Panel provided a balance of perspectives and included representatives from neighbourhood associations, architects and designers, Canada Mortgage and Housing Corporation (CMHC), School District 23, Interior Health (IH), Canadian Home Builders Association (CHBA), Okanagan Mainline Real Estate Board (OMREB), and the Urban Development Institute (UDI).

Work with the Community Panel has taken place generally as follows:

June, 2015 - the Panel met to set the overall vision for infill housing in Kelowna neighbourhoods.

July, 2015 - the Panel met to set the parameters of the competition and to define the key characteristics of successful infill housing.

February, 2016 - the Evaluation Committee (a sub-group of the Panel) met to begin evaluating the submissions.

March, 2016 - the Evaluation Committee met again to finalize its recommendations for Council.

Following Council's resolution to prepare bylaw amendments, staff organized a final Community Panel meeting on September 29, 2016 to review the draft regulations and guidelines needed to implement the Infill Challenge.

In addition, staff contacted all the affected land owners by direct mail and held a Public Information Meeting on October 26, 2016. A total of approximately 200 residents attended the meeting. The feedback was generally positive at the open house. The concerns raised are summarized below with a staff response immediately following each point.

- *Parking* - the most common concern among attendees was parking. In particular, residents were concerned that 1 stall per unit is not enough and that there will be considerable congestion to on-street parking.

Staff Response - The rezoning areas have been selected in part for their proximity to urban centres, as major nodes of employment, entertainment and services. The aim of this was to ensure that residents could choose to reduce their vehicle dependency, electing instead to walk, to take transit, or to cycle to nearby destinations. Staff acknowledge that on-street parking availability will be impacted by the proposed parking standards. Residents who have extra vehicles will likely look for on-street parking as the most convenient alternative. Staff will need to monitor on-street parking and to implement the appropriate parking management practices as required.

- *Green Space* - some residents expressed concerns that infill housing may result in a significant loss of green space on lots.

Staff response - The proposed RU7 zone allows only 5% more site coverage than the existing zone, which will not result in any significantly greater loss of green space. In addition, the proposed guidelines set high standards for landscaping, including tree replacement, and strongly encourage the retention of mature trees.

- *Infrastructure* - several attendees noted the need for improvements to laneways (e.g.: paving, lighting) and fronting streets (e.g.: sidewalks, boulevards) in conjunction with new development.

Staff response - As density in these neighbourhoods increases, so does the importance of the public realm. In these neighbourhoods, the public realm consists mainly of public roads. At present, many of these represent standards that were seen to be appropriate well over 50 years ago, having irregular sidewalks, no boulevard or street trees, poor lighting and gravel "soaker strips". Some laneways are also not in ideal condition. If these infill neighbourhoods are truly going to be successful, investment in addressing these deficiencies will be required. Much of this investment will be enabled through the collection of frontage improvement fees associated with each development.

- *Tenure* - residents also shared their concerns that infill housing would introduce more renters into the subject areas.

Staff response - Infill housing will likely introduce more of all tenure types into these neighbourhoods over the coming decades, from home owners to renters. This diversity is key to the concept of the Infill Challenge project.

- *Overall Character* - some concern was noted regarding the relatively large scale of new development versus existing development sometimes resulting in large new homes next to very small older homes. This was seen to be an undesirable state that damages neighbourhood character (i.e.: “doesn’t fit in”).

Staff response - Much of the concern about neighbourhood character emerges from building scale, where new homes are much larger than many of the older homes in the infill neighbourhoods. The proposed Design Guidelines and RU7 zoning regulations attempt to ensure that homes “fit in” to the neighbourhood. However, it must be acknowledged that new homes reflect the demands of new generations of homeowners, which have changed considerably since the smaller, older homes were constructed.

Given the amount of public engagement undertaken to date, staff are recommending newspaper advertising along with some non-statutory methods (website, etc...) prior to Public Hearing. Should Council desire to exceed statutory advertising, staff could be instructed to conduct further community engagement.

Proposed Official Community Plan (OCP) Changes:

Two key changes to the Official Community Plan (OCP) are needed to implement the Infill Challenge:

1. A new Future Land Use classification entitled “Sensitive Infill Housing (Low Density)” to apply to the properties in the Infill Challenge, as listed in Table “A” and shown on Map “A”; and
2. The addition of a new Development Permit Area and related guidelines to ensure that new infill development meets the elevated quality standards expected by staff, Council and the community.

Each of these proposed changes will be discussed in more detail below. Please note that the required Zoning Bylaw and Subdivision, Development and Servicing Bylaw changes are being brought forward to Council in a related report by Community Planning.

New Future Land Use

The existing Future Land Use (FLU) designation for the subject properties is all Single / Two Unit Residential (S2RES). This FLU does not contemplate the varied forms of housing and tenures envisioned by the Infill Challenge. Therefore, a new FLU classification is proposed entitled “Sensitive Infill Housing (Low Density)”. This new FLU will be applied to the properties noted in Map “A” and Table “A”, allowing for a broader range of housing types and tenures. The designation specifically references the RU7 - Infill Housing zone, which is the subject of a separate report from the Community Planning Department.

The proposed new FLU designation reads as follows:

“Sensitive Infill Housing (Low Density)

A variety of housing types and tenures (fee simple, strata, rental), including, but not limited to, single detached homes, semi-detached homes, duplexes, triplexes, four-plexes, and combinations thereof, along with those complementary uses, that are integral components of complete, walkable neighbourhoods. The design of sensitive infill housing should respect the character of the neighbourhood, having limited massing, a positive relationship to the street, and high-quality green space. Densities and standards for housing within this designation should be consistent with the RU7 zone. Sensitive infill housing should only be permitted within the Core Area Map 5.1 where there is direct lane access.”

New Development Permit Area

As housing density increases, so must the attention to the quality of design and architecture. City staff is committed to dedicating the attention needed to ensure that new infill housing meets the high expectations of Council and the community. To achieve this, a clear set of design guidelines is proposed.

The proposed Development Permit design guidelines are based on direction and feedback from the Community Panel process and have been informed by best practices. The guidelines provide clear direction to citizens, applicants, Council and staff about expectations for issues such as landscaping, exterior building materials, building size and architecture, lighting, and site planning. Noteworthy within these guidelines is that the winning Infill Challenge designs will be exempted from the requirement to obtain a Development Permit, meaning that those who are able to utilize the winning designs will benefit from an expedited approval process.

All of the subject properties are currently covered under two layers of existing Development Permit Areas. The first of these is the Two Dwelling Housing layer, which is intended to cover carriage homes and duplexes. The second is the Character Area layer, which is intended to cover all housing forms and to protect the character of established neighbourhoods in transition. In coordination with the Infill Challenge process, staff are proposing to eliminate these two Development Permit Areas in their entirety. The existing areas are not seen to be adding value, and occupy significant amounts of staff time that will be required if infill housing is to be given the attention needed to ensure high quality standards. The proposed elimination of these Development Permit Areas is outlined in a separate report from the Community Planning Department.

Internal Circulation:

Doug Gilchrist, Divisional Director, Community Planning & Real Estate
Ryan Smith, Department Manager, Community Planning
Kari O'Rourke, Community Engagement Consultant
Marnie Douglas, Communications Consultant
Mo Bayat, Director of Development Services
Joel Shaw, Infrastructure Engineering Manager
Purvez Irani, Manager, Development Engineering
Derek Edstrom, Director, Real Estate
Stephen Fleming, City Clerk
Alan Newcombe, Divisional Director, Infrastructure

Legal/Statutory Authority:

LGA, Development Permit Areas

Existing Policy:

Official Community Plan (OCP) - Goals for a Sustainable Future

1. *Contain Urban Growth.* Reduce greenfield urban sprawl and focus growth in compact, connected and mixed-use (residential and commercial) urban and village centres.

2. *Address Housing Needs of All Residents.* Address housing needs of all residents by working towards an adequate supply of a variety of housing.

Kelowna Housing Strategy, 2012.

Recommendations number 2 (Communities),3 (Understanding),6 (Housing Mix),10 (Fee Simple Townhouses),11 (Courtyard Housing)

Infrastructure Comments:

While staff are not concerned about the capacity of existing infrastructure (water, sanitary, drainage) immediately, the potential impacts to infrastructure should be considered holistically during the upcoming 20-year Servicing Plan reviews in conjunction with the next OCP review.

Considerations not applicable to this report:

Legal/Statutory Procedural Requirements
Alternate Recommendation
Personnel Implications
Communications Comments
External Agency/Public Comments
Financial/Budgetary Considerations

Submitted by:

James Moore, MCIP, RPP
Acting Department Manager, Policy & Planning

Approved for inclusion:



D. Gilchrist, Div. Dir., Community Planning & Real Estate

cc:

Doug Gilchrist, Divisional Director, Community Planning & Real Estate

Ryan Smith, Department Manager, Community Planning

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Attachments:

Map "A" - Infill Challenge Area Map

Map "A" - Infill Challenge Area Map

