

**Date:** September 10, 2003

**File No.:** (3360-20) **OCP03-0002**

**To:** City Manager

**From:** Planning & Corporate Services Department

**Subject:**

APPLICATION NO. OCP03-0003      OWNER: BERTHA HELEN FLINTOFT,  
DOUGLAS GEORGE FLINTOFT

AT: 2010 McKINLEY ROAD,      APPLICANT: 622664 BC LTD  
WEST OF SLATER ROAD, &  
3650 FINCH ROAD      (GRANT GAUCHER)

PURPOSE: TO CHANGE THE FUTURE LAND USE DESIGNATION OF  
SUBJECT PROPERTIES IN THE OCP FROM "FUTURE  
RESERVE" TO THE PROPOSED "COMPREHENSIVE  
DEVELOPMENT PROJECT" DESIGNATION

EXISTING ZONE: A1 – AGRICULTURE 1

PROPOSED ZONE: COMPREHENSIVE DEVELOPMENT ZONE

REPORT PREPARED BY: PAUL McVEY

## 1.0 RECOMMENDATION

1. NW ¼, Sec. 21, Twp. 23, O.D.Y.D., Exc. Plans DD24364, 18403,
2. SW ¼ Sec. 28, Twp. 23, O.D.Y.D.,
3. NW ¼, Sec. 28, Twp. 23, O.D.Y.D.
4. FRAC. NE ¼, Sec. 29, Twp. 23, O.D.Y.D., Said to contain 91 Ac. More or less.

located on McKinley Road, Glenmore Road North, and Finch Road, Kelowna, B.C., from the "Future Urban Reserve" designation to the "Comprehensive Development Project" designation, as shown on Map "A" attached to the report of Planning & Corporate Services Department, dated September 9, 2003, **NOT** be approved by Council;

## 2.0 SUMMARY

The applicants wish to develop the subject properties with a Comprehensive Development project consisting of a;

1. Resort hotel and Conference Centre,
2. Wellness Village,
3. Golf Course,
4. Vineyard and Cottage Winery, and
5. Education and Retreat Centre.

As the subject properties are located within an area identified as “Future Urban Reserve”, this application for an Official Community Plan amendment has been submitted to change the future land use designation of the subject properties noted in the OCP from the current designation of “Future Urban Reserve” to the proposed “Comprehensive Development Project” designation for the portions of the property noted as Area “A” & “B” on the site map, in order to support the proposed Comprehensive Development of the site.

### 2.1 Advisory Planning Commission

The above noted application (OCP03-0002) was reviewed by the Advisory Planning Commission at the meeting of August 26, 2003 and the following recommendation was passed:

THAT the Advisory Planning Commission supports OCP03-0002, 2010 McKinley Road (west of Slater Road), Lot A, Plan 18402, Sec. 21, Twp. 23, ODYD; NW ¼, Sec. 21, Twp. 23, ODYD, except Plan DD24364 18402 and SW ¼, Sec. 28, Twp. 23; Lot NW ¼, Sec. 28, Twp. 23, ODYD; and Lot FR NE ¼, Sec. 29, Twp. 23, ODYD, by 622664 BC Ltd (Grant Gaucher), To amend the Official Community Plan Future Land use designation from the Future Urban Reserve and Rural/Agricultural to the Comprehensive Development Project to allow for a Wellness Village and associated resort hotel, subject to the applicant completing an Area Structure Plan.

## 3.0 BACKGROUND

### 3.1 The Proposal

The subject properties comprise a total area of approximately 288.5 Ha (713 Ac.). The property is undeveloped, except for some single family dwellings and some farm outbuildings. The site has been partially used for agricultural uses.

The entire area is located within an area that is designated as “Future Urban Reserve” in the City of Kelowna Official Community Plan.

The Official Community Plan definition for “Future Urban Reserve” is;

“Land that has some development potential but is not projected for development within the Official Community Plan 20-year time horizon. There is potential for the reconsideration of the status of these lands as part of a future review and updating of the Official Community Plan. These boundaries are schematic in nature, and include lands that may remain within the ALR.”

This current OCP amendment application seeks to change that OCP designation from the existing “Future Urban Reserve” to the proposed designation of “Comprehensive Development Project” only in the locations identified as “Area A” and “Area B” as shown on the “Map A”. The remainder of the property will remain designated “Future Urban Reserve”. The purpose of this OCP amendment is to permit the development of the subject property with the submitted Comprehensive Development proposal consisting of;

1. Resort hotel and Conference Centre,
2. Wellness Village,
3. Golf Course,
4. Vineyard and Cottage Winery, and
5. Education and Retreat Centre.

It is the intent of the applicant to create a world class facility for the provision of wellness and lifestyle counselling and treatment. The plan is to combine traditional allopathic “western” medicine with naturopathic and alternative practices to provide a wide range of treatment options. It is anticipated that the “Wellness” centre will provide not only a wide range of diagnostic facilities on site, but also provide various treatments and therapies on site as well. There will also be a variety of housing options available on site to provide accommodation for clients while they are under care. There will be the resort hotel to provide full service accommodation to clients, or a number of hillside bungalows or lakeside bungalows to provide more private accommodation. It is also anticipated that there will be additional accommodation available adjacent to the “Wellness Centre”. There will be no permanent residential units provided.

The main access to the development area is designed to enter the development site from McKinley Road, west of the McKinley reservoir. This access road runs northward along the bottom of a “draw” parallel to the ridge that separates the site from Glenmore Road, and is anticipated to form a future grid road to serve the lands located to the north of the subject properties. From this grid road, there is a proposed access road located on the east side that provides connection to the proposed Golf Club and wine tasting facility located adjacent to the existing McKinley reservoir. Further north along the proposed grid road is an access road that connects the subject properties to the end of the existing Slater Road. There is the access road on the west side of the grid road that provides the main access road into the resort and wellness centre of this development proposal.

## **GOLF COURSE**

The area adjacent to the McKinley reservoir (Area “B”) is proposed to be the location of an 18 hole championship Golf Course, managed in an “organic” fashion to reduce reliance on harmful chemicals and pesticides. It is anticipated that the golf course development would also include an associated pro-shop and club house facilities that would normally be part of a golf course development. As well, there is a wine shop and tasting facility that is proposed to be located adjacent to the reservoir in conjunction with the golf course facility.

## **EDUCATION / RETREAT CENTRE**

An Education / Retreat Centre is located on the bench located at the top of the slope from the lake, at the proposed intersection of the access road to the hotel and wellness centre and the proposed main grid road that runs through the site. This location was selected as an appropriate site for the outdoor education centre as it is the location of a natural depression that contains a small pond, and is naturally secluded from the

remainder of the site. There are also a number of cabins proposed to surround the pond to provide space for meetings or gatherings.

### **VINEYARD AND COTTAGE WINERY**

The proposed Vineyard and associated Winery is designed to be located in the north-west corner of the subject property. The proposed vineyard is anticipated to be managed in an “organic manner” which will reduce or eliminate the use of harmful chemicals and pesticides on the vineyard. The entire property is anticipated to be planted with a variety of grapes, some in productive vineyards, some in ornamental planting beds, to give the entire site the sense of a cohesive theme of a vineyard setting. The proposed working winery is anticipated to be a 600 ton, “first class” facility. The Vineyard and Cottage Winery area does not require an amendment to the OCP nor rezoning as the entire property is currently zoned “A1 – Agriculture 1”.

### **WELLNESS CENTRE**

Uphill from the resort hotel site is the proposed location of the Wellness Centre. It is anticipated that the wellness centre will provide space for an assortment of medical specialists and associated treatment or surgical facilities. Associated with the wellness centre are also 2 areas of “Wellness Lots”, which appear to provide for either accommodation or satellite treatment. The first phase is anticipated to be approximately 5,574 m<sup>2</sup> (60,000 SF), with a potential to expand up to 55,740 m<sup>2</sup> (600,000 SF) at build-out.

### **RESORT HOTEL**

In the centre of the site, adjacent to the Okanagan Lake frontage, is the proposed site of the 226 room Resort Hotel and associated convention centre and spa. The hotel is designed to follow the slope of the land, which gives the designers the opportunity to design a hotel building that is 17 storeys high when viewed from the lake, but only 6 storeys when viewed from the entry driveway and porte cochere feature, located higher up the slope. Adjacent to the entry drive aisle is located a conference centre on one side and a spa area on the other. The proposed design of the hotel building includes the potential to provide for 6 levels of under-building parking for approximately 1230 vehicles. The character sketches for the proposed hotel indicate a “Canadian Railway – Chateau” style of design, reminiscent of the Banff Springs Hotel or the Chateau Frontenac located in Quebec City.

### **BUNGALOWS**

Nestled amongst the natural vegetation of the site is proposed to be developed approximately 574 hillside, beachside, and marina bungalows to provide an alternate means of accommodation for patrons of the wellness centre. The bungalow units are located on both sides of the main access route on several benches which step up from the level of the lake.

There are also a Marina Village and Beach Club located at the lake level which is designed to provide a blend of hospitality suites located on the water and beachside bungalows located adjacent to the marina to provide accommodation. There is a beachfront boardwalk proposed for the entire lakeshore. It is anticipated that there will be a small commercial node adjacent to the marina area to provide for lakefront bistro, small shops, and meeting area, as well as a public boat launch. The architectural style

for the marina village is proposed to replicate the style of French and Italian coastal villages.

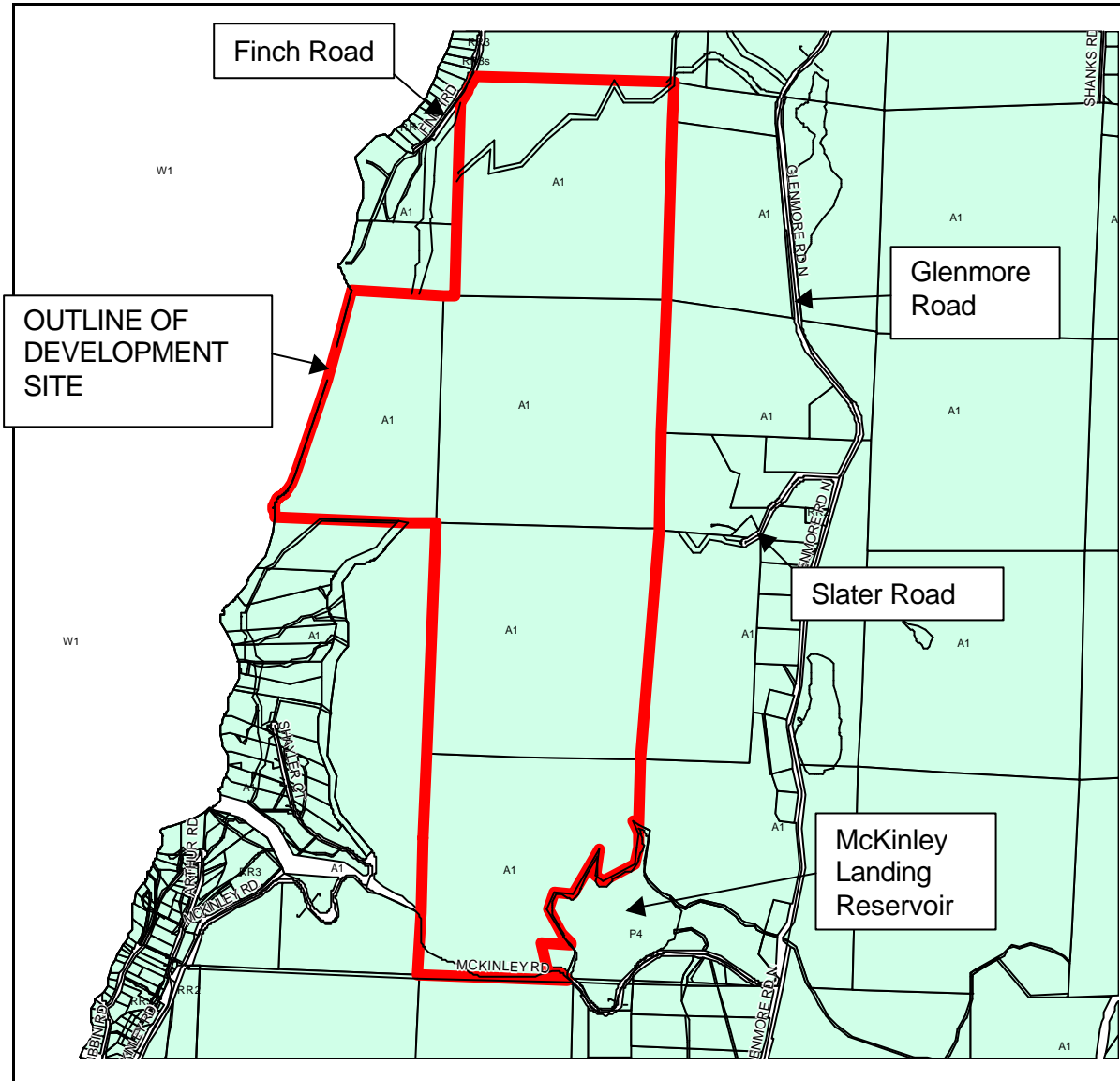
The site plan for the development site indicates that the majority of the site is to remain in its natural state. The applicant has had extensive environmental survey work done on the site to identify significant environmental features of the site, as well as fish spawning habitat along the lake shore. The consultants have also provided substantial slope analysis to substantiate buildable areas on the site. The intent of the applicant is to create a sense of harmony between the built environment and the existing topography to reinforce the natural state of the site to enhance the connection between nature and the visiting clients of the “wellness centre” and the resort hotel.

The development of the site is also anticipated to create a network of trails approximately 15 – 20 km in length to take advantage of the natural setting and lake views.

Summary Table of Proposed Uses, Areas, and Parking:

	USE	DESCRIPTION	SIZE	PARKING
A1	Outdoor Education Ctr			102 Stalls
A2	Community Centre			47 Stalls
A3	Cabins	20 Cabins		32 Stalls
B1	Wellness Centre – Ph1		100,000 SF	350 Stalls
B1	Wellness Centre – Ph2		60,000 SF	125 Stalls
B2	Wellness Lots A	23 Lots	315,050 SF	788 Stalls
B3	Wellness Lots B	10 Lots	145,100SF	675 Stalls
C1	Resort Hotel	226 Rooms		1230 Stalls
C2	Conference Ctr		40000 SF	
C3	Spa		25000 SF	
C4	Beach Club		24000 SF	
C5	Beach Club Suites	15 Units		
C6	Beach Club Marina	30 Slips		
C7	Future Conference Ctr & Ballroom Extension		15000 SF	
D1	Hillside Bungalows	114 Units		243 Stalls
D2	Hillside Bungalows	166 Units		301 Stalls
D3	Hillside Bungalows	98 Units		156 Stalls
E1	Marina Bungalows	118 Units		187 Stalls
F1	Marina Village	18 Units	18,000 SF	55 Stalls
G1	Marina / Docks	245 Slips		
H1	Wine Tasting Cave		4,000 SF	41 Stalls
	<b>TOTALS</b>	Hotel – 226 rooms Units – 574 <b>Total – 835 units</b>	746,150 SF + hotel  Boat Slips	<b>4,332 Stalls</b>  <b>275 Slips</b>

## SUBJECT PROPERTY MAP



### 3.2 Site Context

The subject property is located in an undeveloped area of north McKinley Landing that spans the area from the McKinley reservoir to the south, Finch Road to the north, Slater road to the east, and Okanagan Lake to the west. The site is generally sloping down from east to west, with intermittent valleys, draws, and plateaus, and a steeply sloped section down to Okanagan Lake. The area that is sloped down to the lake also has a small ravine that slopes to the lake. There is a gravel beach along the lake front that has a small dock existing. The site has been used primarily as range land for the grazing of cattle.

Adjacent zones and uses are, to the:

- North - A1 – Agriculture 1 / Finch Road
- East - A1 – Agriculture 1 / End of Slater Road
- South - A1 – Agriculture 1 / McKinley Road
- West - A1 – Agriculture 1 / Okanagan Lake

### 3.3 Existing Development Potential

The existing zone of A1 - Agricultural 1 allows for agriculture, animal clinics – major (in existence prior to July 1, 1998), aquaculture, greenhouses and plant nurseries, mobile homes, single detached housing, and utility services – minor impact as permitted principal uses. The zone also permits agricultural dwellings – additional, agri-tourism accommodation, animal clinics – major and minor, bed and breakfast homes, care centres major and minor, group homes- minor, home based businesses – minor, major, rural, kennels and stables, and wineries and cideries as permitted secondary uses.

### 3.4 Current Development Policy

#### 3.4.1 Kelowna Official Community Plan

This application is **NOT** consistent with the current future land use designation of “Future Urban Reserve”. The OCP defines “Future Urban Reserve” as;

“Land that has some development potential but is not projected for development within the Official Community Plan 20-year time horizon. There is potential for the reconsideration of the status of these lands as part of a future review and updating of the Official Community Plan. These boundaries are schematic in nature, and include lands that may remain within the ALR.”

#### 3.4.2 City of Kelowna Strategic Plan (1992)

The City of Kelowna Strategic Plan contains the following statements;

#### Financing of Servicing

Strategy 5.2 To avoid significant financial risk to the taxpayers, the City will stage the development of services to accommodate growth consistent with the land use strategies of this plan. The City will in the context of the Official Community Plan revision, also revise its servicing plan and financial strategy based on the staging plan set out in the revised OCP

#### Environment, Protection of natural features;

Objective 6.9 To take into account the continued protection of natural features in the City’s land use and servicing policies

Strategy 6.10 The City will establish a program directed to the preservation and planting of trees in the City emphasizing tree cover on visible slopes, heritage trees, and trees along water courses.

#### 4.0 TECHNICAL COMMENTS

This application is for an Official Community Plan amendment. The specific servicing requirements for the proposed development will have to be addressed as part of the detailed design studies that would be associated with subsequent applications, should Council support this amendment to the OCP.

#### 4.1 POLICY, RESEARCH, & STRATEGIC PLANNING DEPARTMENT COMMENTS

The subject property is designated as Future Urban Reserve in the Official Community Plan (OCP). The applicant is requesting a change in designation to Comprehensive Development Project to accommodate a major resort / recreation project. There is also a rezoning application (Z03-0009) seeking a new CD zone specific to this proposal. In addition, a portion of the site at the south end is currently in the ALR.

Should Council support this application for an OCP Amendment, it will be necessary for the applicant to consult with the various provincial agencies as outlined in the City of Kelowna OCP Consultation Policy No. 269. Staff can work with the applicant to establish a specific consultation policy with respect to this application should Council advance this application.

##### Regional Growth Strategy (RGS)

The Regional Board passed a Regional Growth Management Strategy Bylaw in June 2000. The Growth Management Strategy applies to the whole of the Regional District of Central Okanagan and **all** Regional District and **Municipal planning policies shall be consistent** with the Strategy. The relevant policies are indicated below:

All local governments shall use appropriate tools to place greater emphasis on containing urban growth to Town Centres and those areas already fully serviced, toward realization of Official Community Plan objectives. Growth and redevelopment in existing settlement areas with full services will be supported prior to supporting growth and development elsewhere.

Urban services, including an adequate supply of potable water, an appropriate means of sewage treatment and solid waste disposal, and an appropriate means of access must be available before development is permitted to occur.

Proposals for new growth areas, major OCP Amendments and major infrastructure projects shall assess the following:

- the impact on existing services and facilities, and the ability of local governments and agencies to provide services in a timely, affordable, and effective manner;
- the short and long-term fiscal impact of the development on the community.

Require an environmental review of developments deemed to impact the ability of the land, watershed, and other natural resources to accommodate the proposed development.



Urban development is to be directed away from hazardous areas, sensitive environmental areas, resource extraction areas, and farmlands, to reduce land use conflicts and development encroachments.

The efficiency of the transportation system is to be maximized by:

- integrating land use and transportation planning;
- making more efficient use of the existing infrastructure;
- investing in transit and other travel demand management programs;
- providing safe and convenient places to walk, cycle, and access transit;
- supporting initiatives which reduce the need to travel and support other modes of travel (e.g. telecommuting, pedestrian-friendly communities, mixed-use developments);
- considering needed and effective capital improvements to the regional transportation infrastructure.

Support a coordinated approach to the expansion and diversification of the economic base that provides for a healthy and dynamic business community and includes consideration of:

- distribution;
- sustainability;
- compatibility.

In summary, the Regional Growth Strategy (RGS) focus is on the establishment of overall policies that seek to contain urban growth to existing settlement areas with full urban services prior to development being permitted to occur elsewhere. The RGS policies also focus on the need for impact assessments for major OCP amendments or infrastructure projects, environmental review, preservation of hazardous or sensitive areas and farmland, and maximizing the efficiency of the transportation system. A co-ordinated approach to diversification of the economic base is encouraged, within the context that considers regional distribution, sustainability and compatibility issues. (In other words, economic development should not be the sole reason for supporting any specific project)

This proposal would appear to contravene the major emphasis of the RGS in that this development is outside the envisaged urban area (at least for 20 years) and is located where there are no services available or even contemplated.

As a result of the Regional Board adoption of the RGS, the City was required to update the OCP to include a Regional Context Statement that indicates how the OCP reflects and implements the RGS. The Regional Context Statement outlines the general and specific policies throughout the OCP that address the RGS. In addition, the amended OCP also includes a Growth Management Chapter specific to the City of Kelowna.

#### OCP Growth Management Chapter

The OCP growth management policies provide an overall direction for the policies throughout the rest of the OCP. The growth management policies are focussed on Transportation Demand Management (TDM), sustaining the environment, protection of hillside areas, and minimizing impact on agricultural lands. In particular, the policy on developing a compact urban form is the most significant direction in support of the RGS:

**5.1.10 Develop a Compact Urban Form.** Develop a more compact urban form that maximizes the use of existing infrastructure, by increasing densities through development, conversion and re-development within existing areas, particularly in designated Urban Centres, and by providing for higher densities within future urban areas. Encourage development to proceed in a logical, sequential order, concurrently with availability of required urban services.

Again, this proposal would appear to contravene the major emphasis of the OCP in terms of growth management in that this development is outside the envisaged urban area and is located where there are no services available or even contemplated. Allowing more peripheral development would weaken the OCP direction to increase densities in Urban Centre areas. This development would also be competing with development in existing areas already serviced, which could mean that we would not be taking full advantage of money already spent on services, in favour of new development at 2004 dollars.

This type of “leapfrog” development would be considered sprawl. There is no logical or sequential extension of development and related services. The logical progression of development, after the build out of the Glenmore Highlands, would be to extend into the South McKinley area and only after substantial completion of South McKinley would there be a need to extend to the North McKinley area, most likely in a time frame outside the currently envisaged OCP time horizon. Hence, the designation as Future Urban Reserve in the OCP.

#### OCP Future Land Use

There is a need to consider the current OCP designation of Future Urban Reserve and what that means or what is intended by that designation. OCP Bylaw 7600 includes the following:

##### **Future Urban Reserve**

Land that has some development potential but is not projected for development within the Official Community Plan 20-year time horizon. There is potential for the reconsideration of the status of these lands as part of a future review and updating of the Official Community Plan. These boundaries are schematic in nature, and include lands that may remain within the ALR.

This designation applies to lands that are not needed for development within the 20 year horizon of the OCP. At this time, that horizon is 2013. When the draft OCP is adopted that horizon will be extended to 2020 and even in that time frame this land would still be designated as Future Urban Reserve. There is no demonstrated need to develop this or adjoining lands to fulfill the OCP growth strategy and housing projections for the foreseeable future and there are other issues with respect to the future expectation of the value of this land to the community.

The primary OCP objective is one of growth management that will lead to a more efficient City. This efficiency is measured in terms of accessibility, cost of servicing, reduced land consumption, preservation of farmland and sustaining our environment. Compact urban form and higher density development are seen as the tools to manage growth.

Compact urban form and higher density development inherently means less sprawl, reduced land consumption, preservation of farmland, a more efficient transportation system and reduced impact on the natural environment. Compact urban form and higher density development also contribute to more efficient use of services and infrastructure, thereby keeping the cost of providing services and infrastructure down as much as possible.

Approximately 40 % of the City land base is within the ALR and therefore not available to development. Another 30 % is already developed. Some 17 % of the land base is not available for development due to steep slopes or natural environment conditions. The 14 % of the land base left is located in areas that are more difficult to service due to distance from existing services or more difficult terrain, generally in the North and South McKinley area as well as Southwest Mission. There is a need to reduce our consumption of land in recognition that the City has a finite land base.

The City OCP policies therefore focus on redevelopment and densification in inner City areas. Not only does this provide some economic benefit in the short term, it preserves land for future growth in a more sustainable model that ensures opportunity for future generations.

The growth projections for the City of Kelowna over the next 20 years can be accommodated through the more efficient redevelopment and densification in existing urban areas and in new development areas contiguous with existing development. Our 20 year single family housing growth needs have been adequately provided for / committed to in other areas of the community (e.g. SW Mission, Glenmore Highlands, Black Mountain, University South etc.), but, the North McKinley area is needed to maintain a supply of land for future single family housing. As a result, lands in the extreme north end and south end of the City have been designated as Future Urban Reserve in recognition that development of these lands is not, from a City perspective, necessary or economically viable at this time. **This designation is intended to preserve the opportunity to use this land for growth in the future when other development options are no longer available.** The value of this land to the future residential growth of the community is incalculable. The other aspect of preserving this land for use in the future is that the City still must use that land in an efficient manner. Development in the future will also need to be compact.

Such uses as isolated wellness centres could be very land consumptive uses that would take up land not intended for development within the 20-year horizon of the OCP. Not only would that land not be available for more intensive urban uses in the future, such uses now would generate increased pressure on adjoining lands for development well in advance of need and place increased pressure for service extensions and/or upgrades that are not financially efficient.

The site area of this proposal represents approximately 15 % of the land designated in the OCP as Future Urban Reserve (North / South McKinley, SW Mission). If the steeper terrain is taken into consideration that percentage would likely be significantly higher. In other words, this specific proposal will remove a minimum of 15 % of our potential housing development in the City intended for development beyond 20 years.

In addition, this proposal is for an isolated rural resort / wellness centre. It should be recognized that in the future the area would not remain as an isolated rural area given the City objectives for future growth beyond the 20 year planning horizon that entail a mixture of lower and higher density residential uses in a fully serviced urban community that would likely include a commercial Village Centre, schools, parks etc. The specifics

of this proposal do not seem to outweigh the value of retaining future growth options and the cost of servicing that development now may compromise other community objectives.

The draft Commercial Land Use study that is currently under review also contains the following statements relating to Commercial Development proposed in areas that are not designated for development within the 20 year time frame of the Official Community Plan:

**Policy #8 of Draft Commercial Land Use Review**

That an OCP policy be added to direct commercial developments seeking rezoning (to other than C1) not supported by the OCP Future Land Use Map to locate on currently designated and/or zoned commercial sites. If there are no suitable designated or zoned commercial sites, other sites may be considered provided that such sites are indicated in the City's Servicing Plan as being provided with full urban services within the OCP's time horizon. Furthermore, if the argument is made that there are no suitable sites, the City should require the development proponent to fund a Retail Impact Analysis identifying the Urban Centre impacts of allowing the requested rezoning, using Terms of Reference developed by the City.

Servicing

This particular proposal is intended as an isolated, rural, recreation / resort complex, however, the scale of development is such that there should be no consideration for this development without full urban services. There will need to be upgraded roads (McKinley and Glenmore Roads) and possibly new roads (Postill Road). Significant drainage works to maintain the quantity and quality of run-off without impacting Lake Okanagan, including fish habitat, will be required.

The proposed site is well outside the intended service area for sanitary sewer as indicated on map 13.2 Sanitary Sewer System in the OCP. The extension of the sanitary sewer system would need to be about 1.9 Km (1.2 miles) from the Regional Landfill site. This trunk goes through Quail Ridge to the Hwy 97 trunk, which would involve pumping, and the assumption that there is capacity in the Hwy 97 trunk. Another alternative would be to hook into the Glenmore Road trunk which is 5.0 Km (3.1 miles) from the proposed development site, which would also require pumping and the assumption that there is capacity in the Glenmore trunk.

Preliminary review of this OCP amendment by the Waste Water Manager has indicated that the Waste Water Master Plan anticipates that this area of north McKinley Landing is to be serviced by a trunk main connecting to the system proposed for Clifton Road.

The provision of water in this area would presumably be the responsibility of the Glenmore-Ellison Irrigation District (GEID), and / or McKinley Landing Waterworks Ltd. Neither has current capacity but could service through significant new infrastructure.

The concern is that the cost of extending / providing the necessary services in such an isolated area could be astronomical and that there will be pressure to allow substantial residential development on site or to develop adjoining lands, well in advance of the need, to justify the expense of extending services. The impact of this proposal on a growth strategy that is focussed on a compact urban form and Urban Centre

densification could be significant if commercial development and residential development on the subject lands or adjoining lands become necessary to sustain the project due to servicing costs. Through the OCP, the City has already committed to a growth strategy that allocates development (housing units, commercial, industrial, institutional) to specific areas and services are planned accordingly. Any change to this growth strategy would mean that housing units, in particular, would likely need to be re-assigned. If this area were to be supported for urbanization now, it may mean that other areas already acknowledged by Council for development through approval of the Official Community Plan would need to be removed from the growth strategy and designated as "Future Urban Reserve".

In addition, once services are extended to North McKinley, there will be increased pressure along those service corridors for new development in advance of the need simply because there is a piece of pipe in the ground or a new road that makes development of those intervening lands possible. This type of "leapfrog" development could be considered sprawl in its worst form because there is no logical, sequential extension of development and related services.

#### 20 Year Servicing Plan and Financing Strategy

As noted above the 20 Year Servicing Plan and Financing Strategy is predicated on the OCP growth strategy that allocates housing units, as well as commercial, industrial and institutional development in various growth nodes throughout the City. This level of development has been used to determine not only the level of services required but the cost of those services. The cost of those services is then apportioned to the respective development units in the form of Development Cost Charges (DCC's) on an equivalent unit basis. Any re-allocation of the 20 year growth strategy units will mean new units in North McKinley that will need to be serviced, with costs and DCC's calculated for that new development, but at the same time the unit yield in other areas would need to be reduced to compensate. When the unit yield is reduced in other areas, there is still the overall per linear foot cost of servicing that will not change, but the number of development units to pay for that service within the OCP time horizon will decrease, thereby potentially increasing the cost per unit for those developments already acknowledged through the OCP growth strategy. A potential increase in DCC's would not be very popular with currently active developments and proposed developments within the growth strategy.

The whole 20 Year Servicing Plan and Financing Strategy would have to be re-worked to generate new DCC's for all areas of the City to reflect a revised growth strategy. The growth strategy is based on specific assumptions with respect to growth rate trends, household size trends and housing mix. The City cannot simply increase the growth rate or add extra units into the growth strategy to allow for more development in North McKinley in order to keep all the other areas the same.

#### Recommendation

It is recommended that this OCP amendment application NOT be supported.

## 5.0 PLANNING AND CORPORATE SERVICES DEPARTMENT COMMENTS

The Planning and Corporate Services Department has concerns with this development proposal. Normally, for a development proposal of this size and complexity, it would be required for the proponent to enter into an “Area Structure Plan” process to deal with the wide range of issues impacted by such a large scale development proposal. This area has been deemed beyond the 20 year development horizon in the Official Community Plan, and consequently, there has never been a Sector Plan developed for this area. The proposed OCP amendment would therefore have to be considered in an area void of any completed planning policy.

In the hierarchy of plans, the **Official Community Plan** provides a comprehensive statement of the City of Kelowna’s broad objectives and policies respecting the form and character of existing and proposed land use and servicing requirements in the area covered by the plan. The policies contained within the OCP provides the framework for the more detailed Neighbourhood and Sector Plans. Once the OCP is adopted, all bylaws enacted and works undertaken by City Council must be consistent with the OCP.

A **Sector Plan** provides the intermediate link between the Official Community Plan and the Neighbourhood Structure Plan or Area Structure Plan. It is the framework for the future development of an area that is considered as an integrated planning unit. The Sector Plan is a non-statutory document that provides general guidelines directed towards ensuring the orderly and efficient development of a plan area. The Sector Plan addresses essential services and facilities, land use, transportation system, population density and sequencing of development. Full consideration must be given to the costs and benefits of various actions upon the present and future social, economic, and environmental fabric of the area. The Sector Plan will adhere to the intent and spirit of the Kelowna Official Community Plan, the Zoning Bylaw, the Kelowna Strategic Plan and various municipal policies related to planning and development. Sector Plans will be endorsed by Council and only specific OCP related policy changes and Future Land Use designation changes will be brought forward as an OCP amendment.

To date, Sector Plans have been prepared for the Glenmore/Clifton/Dilworth, Black Mountain, Highway 97 North, Southeast Kelowna, Southwest Okanagan Mission, North Mission/Crawford, Rutland, and South Pandosy/K.L.O. areas.

**Area Structure Plans (ASPs)** shall be prepared by an individual landowner or owners of the majority of land for areas identified in the Official Community Plan as ASP areas, or for areas where the proponent is contemplating a proposal which:

- does not conform to the purpose and intent of the Official Community Plan; and is of sufficient magnitude in terms of population, units of development, servicing constraints, social impact or economic burden on the municipality; or
- in Council’s view may affect adjacent properties, land use or the natural environment; or
- in Council’s view may be affected by hazardous conditions; or
- in Council’s view may affect municipal heritage sites, or a revitalization area; and
- such other matters as may be required, unique to the plan area under consideration.

ASP’s provide an inventory of existing conditions, a statement of development objectives and policies, information on the natural environment and associated influences on development, identification of major future land use by type and density, general location of transportation networks, identification of need for major institutional facilities, and information on the location and type of development permit areas.

The Plan area shall be as outlined in the OCP or as authorized by resolution of Council. The Plan will work towards those objectives and policies stated in the OCP. Area Structure Plans are non-statutory documents that will be endorsed by Council, and only specific OCP related policy changes and Future Land Use designation changes will be brought forward as an OCP amendment.

The subject property is located in an area that is not anticipated for development within the next 20 years. There are concerns with the implications created by extending municipal services such a long distance to service the proposed development through areas that are not anticipated to be developed in the next 20 years. By having services running past properties that are currently designated “Future Urban Reserve”, there will be pressure to develop these properties now to recover costs of construction of the services. Further, there are issues related to traffic that will put further pressure on the sub-standard road infrastructure that exists in the neighbourhood.

This is a creative development proposal that has the potential to enhance Kelowna as a resort destination. However, it is in an area beyond the 20 year service area and in a fragile natural environment. The Planning and Corporate Services Department is concerned that the proposed development significantly compromises the principals of sequential and logical planning and development as the subject area is considerably removed from areas that have been planned for development within the current 20 year development horizon. As well, by providing an increased level of service to a sparsely populated area will create another situation where the financial impact of development in the area will burden the City financially for infrastructure improvements that will occur out of sequence from the orderly development timelines outlined in both the Official Community Plan and the associated 20 Year Servicing Plan and Financing Strategy.

In light of the above, the Planning and Corporate Services Department **cannot** support this application.

6.0 ALTERNATE RECOMMENDATION

Should City Council support this application to amend the Official Community Plan, the following recommendations are offered for consideration:

THAT Council defer consideration of OCP Bylaw Amendment No. OCP03-0002 until such time as a Sector Plan for the North McKinley area has been completed.

Council should be aware that there is currently no scheduled timeframe for staff to initiate a Sector Plan for this area of the City.

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Andrew Bruce  
Manager Development Services

Approved for inclusion ☐

R.L. (Ron) Mattiussi, ACP, MCIP  
Director of Community and Corporate Services

PMc/pmc  
Attach.



**FACT SHEET**

- |   |  |
|---|--|
| <b>1. APPLICATION NO.:</b>                  | OCP03-0002   |
| <b>2. APPLICATION TYPE:</b>                 | OCP Amendment  |
| <b>3. OWNER:</b>                            | Bertha Helen Flintoft<br>Douglas George Flintoft   |
| . ADDRESS                                   | 2010 McKinley Rd.  |
| . CITY                                      | Kelowna, BC  |
| . POSTAL CODE                               | V1V 2B6  |
| <b>4. APPLICANT/CONTACT PERSON:</b>         | 622664 BC Ltd. / Grant Gaucher   |
| . ADDRESS                                   | #200 – 3275 Lakeshore Rd.  |
| . CITY                                      | Kelowna, BC  |
| . POSTAL CODE                               | V1W 3S9  |
| . TELEPHONE/FAX NO.:                        | 763-4444/763-1000  |
| <b>5. APPLICATION PROGRESS:</b>             |  |
| Date of Application:                        | February 28, 2003  |
| Date Application Complete:                  | July 21, 2003  |
| Servicing Agreement Forwarded to Applicant: | N/A  |
| Servicing Agreement Concluded:              | N/A  |
| Staff Report to Council:                    | September 10, 2003   |
| <b>6. LEGAL DESCRIPTION:</b>                | 1. NW ¼, Sec. 21, Twp. 23,<br>O.D.Y.D., Exc. Plans DD24364,<br>18403,<br>2. SW ¼ Sec. 28, Twp. 23, O.D.Y.D.,<br>3. NW ¼, Sec. 28, Twp. 23, O.D.Y.D.,<br>4. FRAC. NE ¼, Sec. 29, Twp. 23,<br>O.D.Y.D., Said to contain 91 Ac.<br>More or less |
| <b>7. SITE LOCATION:</b>                    | McKinley Landing, North of McKinley<br>Reservoir, Between Okanagan Lake<br>and End of Slater Road  |
| <b>8. CIVIC ADDRESS:</b>                    | 2010 McKinley Road<br>1595 Glenmore Rd. N.<br>West of Slater Road<br>3650 Finch Road   |
| <b>9. AREA OF SUBJECT PROPERTY:</b>         | 229 Ha.  |
| <b>10. AREA OF PROPOSED REZONING:</b>       | 107 Ha   |
| <b>11. EXISTING ZONE CATEGORY:</b>          | A1 – Agriculture 1   |
| <b>12. PROPOSED ZONE:</b>                   | Comprehensive Development Zone   |

- |  |   |
|--|---|
| <b>13. PURPOSE OF THE APPLICATION:</b>   | To Change The Future Land Use Designation Of The Subject Properties In The OCP From "Future Urban Reserve" To The Proposed "Comprehensive Development Project" Designation, and |
| <b>14. MIN. OF TRANS./HIGHWAYS FILES NO.:<br/>NOTE: IF LANDS ARE WITHIN 800 m OF A<br/>CONTROLLED ACCESS HIGHWAY</b> | Pending   |
| <b>15. DEVELOPMENT PERMIT MAP 13.2<br/>IMPLICATIONS</b>  | Pending   |

Attachments

Subject Property Map  
Map "A" OCP Amendment Map (1 page)  
Detail Site Plan (1 page)