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# CITY OF KELOWNA

## MEMORANDUM

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**Date:** October 15, 2003  
**File No.:** File #: 6480-30

**To:** City Manager

**From:** Planning and Corporate Services Department

**Subject:** Official Community Plan – Draft (Amendment of Bylaw 8600)

Report prepared by: Gary L. Stephen

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### 1.0 Recommendation

THAT Council receive the Planning and Corporate Services report of October 15, 2003, plus attachments, regarding the draft OCP “*Kelowna 2020 – Official Community Plan*” for information;

AND THAT the remaining components of the draft OCP “*Kelowna 2020 – Official Community Plan*” be authorized for presentation at a public open house and at the Advisory Planning Commission prior to formal introduction of the bylaw for Council consideration;

AND FURTHER THAT the remaining components of the draft OCP “*Kelowna 2020 – Official Community Plan*” be forwarded to the Regional Board, Agricultural Land Commission, and adjoining municipalities for initial review prior to the formal referral after first reading.

### 2.0 Background

The draft 2020 OCP was last presented to the public at a series of open houses in January of 2001. On March 26, 2001 Council directed that additional consultation on the Water / Pandosy / Richter one-way couplet system be undertaken prior to consideration of the draft OCP. When it became apparent that additional information would be required to facilitate that consultation and that the collection of the information would likely take some time, Council decided to undertake the OCP update in two phases. The policy content of the draft OCP (those portions not affecting the transportation network, future land use and therefore the financing strategy) were brought forward for Council’s immediate consideration, as an amendment to the existing OCP Bylaw 7600. On March 5, 2002 Council adopted an amendment to the Official Community Plan Bylaw 7600 that incorporated most of the new policy direction and mapping from the draft OCP process. The amended Bylaw 7600 retained the growth strategy, 20 Year Major Road Network map, Generalized Future Land Use Map and Financing chapter for the 1994 – 2013 timeframe.

The housing distribution / growth strategy, 20 Year Major Road Network Map, Generalized Future Land Use Map and Chapter text, and the Financing Chapter text from the draft Kelowna 2020 OCP were to be brought back at a later date after the completion of the consultation process. Consultation as per Council Policy No. 296 on the Water / Pandosy / Richter one-way couplet system has now been completed and the consultant report will be included as part of the public input when the new OCP Bylaw is brought forward to a Public Hearing. The 20 Year Servicing Plan and Financing Strategy has also been updated, including public consultation, and is currently before Council for adoption.

The *Local Government Act* requires that after first reading of the Bylaw Council must, in sequence, consider the OCP in conjunction with its Financial Plan and any Waste Management Plan, and then refer the OCP to the Regional Board, Agricultural Land Commission, and adjoining municipalities.

### 3.0 Process

Given the time elapsed since the last public presentation of the 20 Year Major Road Network and Generalized Future Land Use components of the draft OCP it is suggested that it would be appropriate to provide an opportunity for further public review of these specific OCP components. Attachment 1 to this report outlines a tentative schedule of Council, public and committee sessions in order to bring the draft OCP process forward for completion in a timely manner. In addition to the public hearing, the proposed process offers opportunity for public review of the draft at a public open house and through review of the document on-line or at City Hall.

As noted above, there are a number of agencies to whom we must refer the OCP bylaw after first reading. It is suggested that in order to meet a tight time schedule, copies of this revised OCP material be forwarded to these agencies as soon as possible for their review. It is hoped that these agencies may be able to provide a quicker turn around time after the formal referral at first reading by virtue of having the draft to review in advance.

### 4.0 Content

It is proposed that the current OCP Bylaw 7600 be repealed and that the contents of that bylaw be carried forward and amalgamated with the remaining draft OCP components to update the OCP timeframe to 2020 in a new Bylaw 8600. There are a number of minor housekeeping items that need to be taken care of in order to update the policy and mapping to refer to the new OCP title and time frame. There have been a number of Council approved bylaws that have amended the Natural Environment / Hazardous Condition DP Areas map and the Generalized Future Land Use map incorporated into the relevant map. These maps have also been updated to reflect recent subdivisions with refinements that confirm the DP status or Future Land Use status of individual properties. The new OCP bylaw must also include the updated text for the Future Land Use chapter and Financing chapter. Attachment No. 2 outlines the changes necessary to complete the OCP update.

Attachment 3 is the revised Map 7.1 - Natural Environment / Hazardous Condition DP Areas.

Attachment 4 provides copies of Map 8.1 – New Housing Distribution and Table 8.1 – New Housing Distribution. This information needs to be incorporated as the link between the projected growth strategy and the 20 Year Servicing Plan and Financing Strategy.

Attachment 5 is the revised Map 12.1 - 20 Year Major Road Network and Road Classification Plan, including the Water / Pandosy / Richter one-way couplet system.

Attachment 6 is the revised Future Land Use chapter text, including Map 19.2 Neighbourhood and Sector Plans, to replace the existing text.

Attachment 7 is the revised Map 19.1 - Generalized Future Land Use.

Attachment 8 is the revised Financing chapter text, which reflects the 20 Year Servicing Plan and Financing Strategy currently under consideration by Council.

## 6.0 Conclusion

The completion of the draft OCP process to incorporate the text and mapping updates to the 2020 timeframe will be brought forward in as timely a manner as possible. To that end it is recommended that staff be authorized to display the remainder of the draft OCP components to the public at an open house to provide additional input given the time elapsed since the last public review. Referral to the Advisory Planning Commission as an avenue for additional public comment would also be appropriate. Finally, given the short time frame proposed for completion of the draft OCP amendment it is recommended that specific referral agencies be forwarded the amendment material for review in advance of the formal referral after first reading.

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Signe K. Bagh  
Manager, Policy / Research / Strategic Planning

Approved for inclusion

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R.L. Mattiussi, ACP, MCIP  
Director of Planning and Corporate Services

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Attachments

## **Projected Timeline**

1. Report to Council - October 20, 2003
2. Advertising for Open House - October 24 and 31, 2003 (deadline October 21)
3. Draft OCP Amendment package available for review on-line and on display at City Hall
4. Open House - November 6, 2003 (Firehall # 1)
5. Advisory Planning Commission - November 25, 2003
6. Initial consideration - December 1, 2003
7. First Reading - December 2 or December 8, 2003
8. Formal referral to Regional District of Central Okanagan, District of Lake Country, Agricultural Land Commission
9. Public Hearing - January 13/04

## **Proposed Amendments to Bylaw 8600.**

Bring forward all the existing policy and mapping from Bylaw 7600 into Bylaw 8600 and then repeal Bylaw 7600. Amend Bylaw 8600 with Bylaw 9096, which will update policies and mapping as follows:

**1. Update text and all maps to the new OCP labels:**

The footer on all text pages and all maps should be labeled as “*Kelowna 2020* – Official Community Plan” to reflect the updated time frame of 2001 to 2020.

**2. Insert Revised Map 7.1 - Natural Environment / Hazardous Condition DP Areas:**

Map 7.1 revised to include recent Council approved amendments with respect to steep sloped areas in University South, Southwest Mission, Kirschner Mountain and Glenmore Highlands as well as minor housekeeping adjustments to reflect recent subdivision approvals that affect both Natural Environment and Hazardous Condition DP areas.

**3. Amend existing Housing Policy 8.1.35 as follows:**

**Apartments and Townhouses.** Encourage development to contribute to the City's goal of, over the 2001 - 2020 timeframe, having 53% of new residential units be in the form of apartments, townhouses (and cluster housing), or other multiple unit buildings;

**4. Potential new Housing Policy:**

**New Housing Distribution.** Support a new housing distribution as outlined in Table 8.1 and Map 8.1, which represents the housing component of the growth strategy used to establish the 20 Year Servicing Plan and Financing Strategy.

**5. Insert a new map into Chapter 8 - Housing: Map 8.1 – New Housing Distribution**

**6. Insert Table 8-1 - New Housing Distribution:**

**7. Insert New Map 12.1 20 Year Major Road Network:**

This new map reflects the 20 year major road network and future lane capacity and standard utilized to establish the 20 Year Servicing Plan and Financing Strategy.

**8. Replace text in Chapter 19 – Future Land Use.**

The text in the new Chapter 19, includes Map 19.2 Neighbourhood and Sector Plans.

**9. Replace Map 19.1 with a new Map 19.1 Generalized Future Land Use:**

New map updated from July 3, 2001 version, which was the last one discussed publicly.

**10. Replace text in Chapter 20 – Financing the Plan.**

Updated text from Finance department

Attachment 3

**Insert New Map 7.1 Natural Environment / Hazardous Condition DP Areas**

Attachment 4

**Insert New Map 8.1 – New Housing Distribution and**

**Table 8 - 1 New Housing Distribution**

The development of new housing is projected to occur as a function of both development / redevelopment in some areas, and development initiatives in new growth areas. Based on related Neighbourhood and Sector Plan initiatives, and approved projects within the community, a pattern of housing growth is projected to occur on a distribution of 53% multiple unit and 47% single / two unit as shown in **Table 8-1**.

	<b>20 year Development Projection</b>			<b>Residual Potential</b>			<b>Total</b>
	<b>SU</b>	<b>MU</b>	<b>SubTotal</b>	<b>SU</b>	<b>MU</b>	<b>SubTotal</b>	<b>Buildout</b>
North Clifton	35	-	35	-	-	-	35
Glenmore Highlands	2000	200	2200	125	375	500	2700
Glenmore Valley	173	814	987	-	275	275	1262
Clifton / South Glenmore	660	110	770	-	-	-	770
Inner City / Waterfront	-	4157	4157	-	3514	3514	7671 (a)
South Pandosy	-	1510	1510	-	1052	1052	2562
Guisachan	-	332	332	-	186	186	518
North Mission/Crawford	251	723	974	430	-	430	1404
Southwest Mission	3082	709	3791	1139	1636	2775	6566
Southeast Kelowna	654	50	704	-	-	-	704
Black Mountain	1778	-	1778	142	-	142	1920 (b)
Dilworth Mountain	314	231	545 (c)	-	-	-	545
Hwy 97 / Springfield	-	1653	1653	-	-	-	1653
Rutland	267	1932	2199	-	785	785	2984
Tower Ranch	691	111	802	-	-	-	802
University South	1005	590	1595	-	400	400	1995
University North	101	406	507	-	295	295	802
South McKinley	-	-	-	n/a	n/a	3500	3500
North McKinley	-	-	-	n/a	n/a	3500	3500
Secondary Suites	1000	-	1000	undetermined			1000
<b>Total</b>	<b>12011</b>	<b>13528</b>	<b>25539</b>	<b>1836(d)</b>	<b>8518(d)</b>	<b>17354</b>	<b>42893</b>

The Projected Growth Strategy assumes development continues or commences within five years in the Clifton Area, South Glenmore, Glenmore Valley, Glenmore Highlands, Inner City/Waterfront, South Pandosy, Guisachan, North Mission/Crawford, Southwest Mission, Southeast Kelowna, Black Mountain, Dilworth Mountain, Highway 97 / Springfield, Rutland, and University North areas.

Development is projected to commence after the initial five years in the Hall Road, Tower Ranch, and University South areas.

**Notes:**

- (a) The Inner-City / Waterfront area includes those lands in the South Central, North Central, North End, Kelowna Centre, Downtown and between Gordon and Burtch from Sutherland to Bernard Avenue.
- (b) Consideration may be given to a more comprehensive form of cluster housing within the context of the overall Black Mountain Sector Plan.
- (c) Includes 150 units at Mt. Baldy, outside of LUC.
- (d) The sum of the residual totals for the single unit and multiple unit split are not the same as the residual total because that level of detail has not been pursued for the North and South McKinley areas at this time.



Attachment 5

**Insert New Map 12.1 - 20 Year Major Road Network and Road Classification Plan**

# 19

Attachment 6

## Future Land Uses

The objectives and policies outlined in the preceding chapters provide the basis for the land use designations to satisfy the growth needs projected in this Plan, as indicated on the Generalized Future Land Use Map 19.1. The land use designations shown are described below and reference should also be made to the specifics of the City's Zoning Bylaw and any Area Structure, Neighbourhood Structure and Sector Plans that provide more detailed information regarding appropriate land uses. As it is a goal of the City of Kelowna to respect our heritage and preserve special features of our past for the benefit of present and future generations, the adaptive re-use of heritage buildings is considered appropriate within any future land use designation.

### Mapping Designations and Notes

#### Land Use Designations

##### **Rural/Agricultural**

Land within the Agricultural Land Reserve and other rural farm and non-farm lands where natural physical constraints or lack of services and utilities limit land use intensification. Generally land areas within this designation will not be supported for exclusion from the ALR or for more intensive development than that allowed under current zoning regulations, except in specific circumstances where the City of Kelowna will allow exceptions to satisfy civic objectives for the provision of industrial or park/recreation uses. Non-ALR lands will not be supported for development to parcel sizes less than 4.0 ha (10 acres).

##### **Single/Two Unit Residential**

Single detached homes for occupancy by one family, single detached homes with a secondary suite, semi-detached buildings used for two dwelling units, modular homes, bareland strata, and those complementary uses (i.e. local commercial, minor care centres, minor public services/utilities, and neighbourhood parks), which are integral components of urban neighbourhoods. Suitability of non-residential developments within the neighbourhood environment will be determined on a site-specific basis, or according to policies developed in local area or other plans.

##### **Multiple Unit Residential (Low Density)**

Townhouses, garden apartments, apartments, buildings containing three or more residential units, and cluster forms of housing. Complementary uses (i.e. care centres, minor public services/utilities, and neighbourhood parks), that are integral components of urban neighbourhoods would also be permitted. Building densities would be generally consistent with the provisions of the RM1 – Four-plex Housing, RM2 – Low Density Row Housing, or RM3 – Low Density Multiple Housing zones of the Zoning Bylaw and may include CD Comprehensive Development zoning for similar densities or land uses.

### **Multiple Unit Residential (Medium Density)**

Townhouses, garden apartments, and apartment buildings. Complementary uses (i.e. care centres up to 25 people, minor public services/utilities, and neighbourhood parks) which are integral components of urban neighbourhoods would also be permitted. Building densities would be generally consistent with the provisions of the RM4 – Transitional Low Density Housing and RM5 – Medium Density Multiple Housing zones of the Zoning Bylaw and may include CD Comprehensive Development zoning for similar densities or land uses.

### **Multiple Unit Residential (High Density)**

High rise apartments, over four storeys in height. Complementary uses (i.e. care centres up to 25 people, minor public services/utilities, and neighbourhood parks) which are integral components of urban neighbourhoods would also be permitted. Building densities would be generally consistent with the provisions of the RM6 – High Rise Apartment Housing zone of the Zoning Bylaw and may include CD Comprehensive Development zoning for similar densities or land uses.

### **Commercial**

Developments for the sale of goods and services. Integration of residential uses into commercial developments as mixed-use projects is encouraged in Urban Centres. Building heights of up to four storeys in the South Pandosy Urban Centre and up to six storeys at selected locations in the Rutland Urban Centre are encouraged. In the City and Highway Urban Centres buildings up to twelve or sixteen storeys will be encouraged, depending on site specific conditions. Existing Commercial zoning along Highway 97 North is acknowledged. This designation may also include CD Comprehensive Development zoning that includes commercial uses. Exclusively residential projects will be permitted under the commercial land use designation only where such use is supported by the Downtown Plan.

### **Educational/Major Institutional**

Schools, university, colleges, correctional facilities, hospital, fire halls, cemeteries, major government, cultural or recreational facilities, religious assembly and seniors facilities. Religious assembly uses may include a residential component only where land is designated for higher density uses and as permitted in the City's Zoning Bylaw. Major government, cultural, and recreational facilities may include associated commercial uses.

### **Public Services/Utilities**

Facilities provided as services to the general public, such as the landfill operation, electrical, gas, or telephone installations, sewage treatment plant, Airport, and irrigation / water suppliers.

### **Industrial**

Light and heavy industrial uses as well as Industrial/Business activities and airport related industrial uses. Industrial/business service refers to uses that provide services and support to industrial and business customers. This designation may also include CD Comprehensive Development zoning that includes industrial uses.

### **Major Park/Open Space (public or private)**

City, District, Community, Neighbourhood and Linear parks and protected natural open spaces, areas including steeply sloped lands, Natural Environment/Hazardous Condition Areas, and other natural features such as watercourses, water bodies, wetlands, plant and wildlife habitat, and significant visual features. Not all parks required over the next 20 years are indicated on the map, as Neighbourhood parks will be provided at City standards as integral components of

new and redevelopment initiatives. A major District Park may be provided in the Glenmore Valley area. Open space indicated at the south end of Ellison Lake is intended as wildlife habitat preservation subject to approval of the Agricultural Land Commission.

### **Private Recreation**

Large-scale recreation uses such as golf courses, driving ranges, and rifle ranges, operating as commercial ventures or clubs.

### **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. Lands within this designation will not be supported for development to parcels less than 4.0 ha (10 acres).

## **Mapping Notes**

### **First Nations Reserve**

Land with Reserve status as provided by the Federal Government for use by First Nations people.

Okanagan First Nations lands at the northerly limit of the City are currently developed as manufactured home parks, recreational vehicle resorts and campgrounds. Additional development potential has not been identified at this time. Westbank First Nations land at Mission Creek and Casorso Road is part of the Mission Creek / Priest Creek ecosystem and is considered environmentally sensitive. Similarly, reserve lands owned by the Westbank First Nations at the eastern limit of the City along Mission Creek and beyond City boundaries are considered environmentally sensitive.

### **Area Structure Plans**

Area Structure Plans provide the link between the Official Community Plan and an actual development proposal.

Area Structure Plans (ASP's) shall be prepared by an individual land owner 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 uses 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.

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. Approval of the Future

Land Use Plan of the ASP as an OCP amendment will be considered by Council following a Public Hearing.

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 uses 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.

An Area Structure Plan (ASP) will elaborate on specific development areas in a manner consistent with the ASP terms of reference and the guiding principles of any applicable Sector Plan.

At this time, Area Structure Plans (ASP's) are anticipated for the five areas noted on the **Generalized Future Land Use Map 19.1**. The ASP boundaries may be further refined to reflect the subject planning area in physical and functional terms. **Table 19.1** indicates potential development components within the ASP areas.

This mapping note has been applied in those cases where it is difficult to convey in map form the future uses on a particular site either because insufficient information is available from a technical/servicing point of view or because the precise location breakdown of various types of uses has yet to be determined. This OCP recognizes those uses that are currently in place as a function of existing zoning. Preparation of an Area Structure Plan would be required prior to rezoning being considered. The land uses provided for in this OCP are as follows:

**TABLE 19.1 - Potential ASP Development Components**

Area Structure Plans	A	B	C	D	E	F	G	H	I	J	K
1. Pier Mac	•			•	•		•	•		•	
2. North Clifton Road <sup>1</sup>	Potential Future Land Uses to be Determined										
3. Knox Mtn.E <sup>2</sup>											
4. Bell Mtn.	•	•	•			•	•				
5. S. W. Mission	•	•	•			•	•	•			•

A. Public Open Space

B. School/College/University

C. Neighbourhood Commercial

D. General Commercial

E. Tourism Commercial

F. One/Two Unit Residential

G. Multi-Unit Residential (Low)

H. Multi-Unit Residential (Medium)

I. Multi-Unit Residential (High)

J. Industrial

K. Agricultural

1. The North Clifton Road area, although generally considered to be beyond the 20 year time horizon, may be considered for some low density 1.0 ha rural residential development as an interim step toward any future more intensive development. Any development will include the provision of emergency access between Clifton Road and McKinley Road.
2. The Glenmore/Clifton/Dilworth Sector Plan strongly encouraged that any development potential possible to be identified on the upper portion (S.E. ¼ Sec. 31, Twp. 26) be transferred to the area below the escarpment and adjacent to Clifton Road in order to support the retention of the upper portion of this site as natural open space. In the calculation of density transfer, due consideration should be given to the extent of developable area, servicing costs associated with development on the upper portion of the property and revenue likely to be generated from the lots.

The future land use component of Area Structure Plans approved by Council will be incorporated into the **Generalized Future Land Use Map 19.1**. All development within the ASP boundaries must be consistent with the directions set out in the Area Structure Plan. The future land use maps of the following Area Structure Plans are hereby incorporated into the Kelowna Official Community Plan:

- Gallagher's Canyon Golf Resort Area Structure Plan, dated October 1995, as amended April 2001.
- Southwest Okanagan Mission Neighbourhood Area Structure Plan, Neighbourhood 1, dated January 1996.
- Southwest Okanagan Mission Neighbourhood Area Structure Plan, Neighbourhood 2, dated January 2000.
- University South Area Structure Plan, dated June 1997.
- Tower Ranch Area Structure Plan, dated November 1993.
- Quail Ridge Area Structure Plan, dated March 1994, as amended.
- Highway 33 East Area Structure Plan, dated April 1997.
- Glenmore Highlands Area Structure Plan, dated February 2000, as amended.
- Central Park Golf Course Area Structure Plan, dated May 2000, as amended.
- Canada Lands Area Structure Plan, dated December 2000, as amended.
- Kirschner Mountain Area Structure Plan, dated February 2002, as amended

### **Slopes + 30%**

Mapping indicates slopes greater than 30% and generally discouraged for development purposes.

### **20 Year Major Road Network**

The 20 Year Road Network requirements are directed primarily at achieving optimal utilization of existing facilities. These initiatives are more fully discussed in the Transportation section of the OCP. These staged network improvements and a land use pattern that concentrates development seeks to preserve future road network options for reconsideration at such time as the OCP is reviewed and updated. Retention of the existing railway corridor as a potential future transportation / transit corridor is an important component of the Transportation Plan. Several of the road alignments that penetrate ALR lands are schematic only and will require approval by the Agricultural Land Commission. A longer-term road network, beyond the 20-year timeframe of this OCP, is part of the Transportation Study.

## **Sector And Neighbourhood Plans**

More detailed Plans have been prepared for a number of areas in the City. The areas of the City covered by these plans are illustrated on **Map 19.2** and these plans are reflected in the **Generalized Future Land Use Map 19.1**. Ongoing planning review will be required to ensure consistency between all levels of planning documents (i.e. OCP, Sector Plans, Neighbourhood Structure Plans, and ASP's). After adoption of the OCP and the undertaking of any required refinements, the land use designations and servicing components of these plans will be incorporated as part of the Official Community Plan.

### **Glenmore/Clifton/Dilworth Sector Plan (1998)**

The Sector Plan makes provision for an additional 4261 housing units in the Glenmore/Clifton/Dilworth area. It is estimated that 2273 (53%) of those units would be single detached units and 1988 (47%) would be multiple dwelling units. Of those units, it is thought that 3585 (84%) would be constructed by 2018. Densification would occur primarily on large parcels which are not currently fully developed, the Glenmore Valley Residential Urban Village, along major arterial roads, and on those properties presently zoned for multiple dwelling units. Commercial development would be focused on the Glenmore Valley Residential Urban Village. A number of smaller scale stores will provide for the local shopping needs of area residents. Neighbourhood and Community Park open space will be acquired as per guidelines. The creation of a District Park site in the Glenmore area will likely require the cooperation of the Agricultural Land Commission since a property fulfilling the City's park criteria is not available outside the A.L.R. The Glenmore/Clifton/Dilworth area will likely also play some role in contributing to the City's stated goal of achieving the preservation of 5% of the City's land base as Natural Open Space. Please refer to the Glenmore/Clifton/Dilworth Sector Plan for details.

### **Black Mountain Sector Plan (1991)**

Much of the plan area is projected to remain in rural or agricultural use. Future urban development will be directed to the defined urban area. Within that area, the single unit residential character will be maintained by limiting the range of land uses and densities. Much of the area is composed of slopes greater than 30% and these will remain as open space. Neighbourhood parks, and compatible institutional uses such as schools, churches and day cares will be located as needs arise. A community park will eventually be located south of Highway 33, east of the existing school site. Limited commercial development will be supported as part of an urban village adjacent to the school and park sites.

### **Highway 97 Sector Plan (1994)**

The Highway 97 Sector Plan area provides primarily for light industrial, commercial and medium density multiple unit residential development. Airport-related industrial uses are recommended for the lands surrounding that facility. Significant development is suggested for Reid's Corner at the intersection of Old Vernon Road and Highway 97 as a major arrival feature to the City of Kelowna. A residential urban village encompassing the OUC campus and adjacent development lands is envisaged. Agricultural uses will continue in areas that are not subject to urban pressures and conflicts. A residential urban village encompassing the OUC campus and adjacent development lands is encouraged.

Insert Map 19.2 – Sector and Neighbourhood Plans



### **Southeast Kelowna Sector Plan (1994)**

Agriculture will remain the dominant land use within the Southeast Kelowna Sector Plan boundaries. The plan provides for the creation of a rural large-lot transition zone between urban and rural development. Residential development in the Hall Road and Gallagher's area, with the exception of Gallagher's Canyon Golf Resort and designated rural residential lots, will be single units, with lot sizes and densities consistent with existing RR3 – Rural Residential 3 development. Commercial development will be limited to the KLO/McCulloch/East Kelowna intersection, and the southeast corner of the proposed intersection of McCulloch and Carter.

### **Southwest Mission Sector Plan (1994)**

The Southwest Mission Sector Plan will support new development consistent with the residential character of the area. Limited low density multiple unit residential development (to a maximum of 10%) will be within the Village Centre along the new South Connector. The Village Centre will also provide limited commercial and institutional opportunities. A further 20% of the housing mix may be multiple unit housing in the form of cluster housing which is to be located throughout the plan area in response to the topography and natural environment. Areas with slopes in excess of 30% will not generally be available for development. Viable agricultural areas will be preserved.

### **North Mission & Crawford Sector Plan (1996)**

The North Mission and Crawford Sector Plan will provide for densification of the largely single unit area in a manner sensitive to the area's rural and natural character and context. Densification will be focused onto the larger vacant parcels and the urban and neighbourhood villages. Public access to natural features will be increased with the ultimate creation of linear corridors along Mission Creek, Bellevue Creek, Thomson Creek, and Mission Ridge Escarpment, and expansion of open space nodes along the lakefront. The plan also provides direction for the expansion of the community centre for North Mission and Crawford along Dehart Road between Lakeshore Road and Gordon Drive. Please refer to the North Mission and Crawford Sector Plan for details.

### **South Pandosy/K.L.O. Sector Plan (1997)**

The South Pandosy/K.L.O. Sector Plan will provide for the containment of the urban area generally within the existing boundaries. Densification of dwelling units, jobs, as well as, goods and services is forecast within the Pandosy Urban Town Centre. A Resort Centre Urban Village is provided for in the area adjacent to Lake Okanagan within the southwest part of the Sector Plan area. A Heritage Park is proposed adjacent to the Benvoulin Church site. All new housing is forecast to be at multiple unit densities on re-developed sites within the established community or on new sites within the established community or on new sites designated for that purpose.

### **Hartman Road Area Plan**

The Hartman Road Area Plan provides for one and two unit residential development. Two unit residential units will be limited to street corners and selected mid-block sites. Two new neighbourhood parks, each of approximately one acre, are projected within the neighbourhood. The integration of institutional uses may be considered. It is not anticipated that commercial facilities will be required within this area since residents will be well served by facilities along Rutland Road and Highway 33. Please refer to the Hartman Road Area Plan for more details.

### **South Central Area Plan**

The South Central Area Plan will provide for densification of the neighbourhood in a manner sensitive to the area's character and heritage context. A single unit residential conservation area will be focused on Abbott Street and Marshall Street areas. Medium to High Density multiple unit development will be restricted to areas where these housing forms already exist, primarily along major roads. Two-unit and low density multiple unit housing will be allowed within selected areas. Institutional uses may be allowed to expand. The plan does not provide for rezoning for commercial development. Public access to natural features will be increased with the ultimate creation of a linear corridor along Mill Creek and expansion of open space nodes along lakefront. Please refer to the South Central Area Plan for more details.

### **North End Neighbourhood Structure Plan**

The North End Neighbourhood Structure Plan will support a variety of land uses including various forms of residential development, employment oriented uses including service commercial and light industrial, the retention of the existing sawmill, institutional uses including schools, and an expanded parks and open space system. Environmentally sensitive areas including steep slopes, creeks, and other important natural features will be designated as open space. Please refer to the North End Neighbourhood Structure Plan for more details.

### **Ambrosi Area Plan**

The Ambrosi Area Plan indicates a variety of future land uses including medium-density multiple unit residential development, transitional commercial facilities and continuance of existing service commercial and institutional facilities. A neighbourhood park will be located within the Plan area.

### **North Central Area Plan**

The North Central Area Plan will support the continued presence of existing commercial and institutional uses as well as a gradual move toward medium to high-density residential development in selected areas presently zoned for single unit housing. Design considerations to integrate development into the character of the neighbourhood will be implemented to assist in the preservation and enhancement of heritage values.

### **Rutland Sector Plan (1997)**

The Rutland Sector Plan will provide for the containment of the urban area generally within the existing urban boundaries, with the exception of Tower Ranch, with surrounding lands retained in their rural or agricultural status. The Sector Plan supports the densification of residential development in and adjacent to the Rutland Town Centre in the form of low and medium density multiple unit development, as well as mixed use commercial/residential projects in the commercial core. Town Centre re-development, plus a transportation network that emphasizes the secondary road network, is intended to establish a more pedestrian and transit friendly community. Re-development of the Rutland community will be guided by Urban Town Centre Commercial Development Design Guidelines and Rutland Multiple Unit Development Design Guidelines.

### **Kelowna Downtown Plan (2000)**

The Kelowna Downtown Plan is a comprehensive framework of policies and initiatives aimed at the social and economic rejuvenation of Kelowna's Central Business District. The Plan builds on Downtown's existing positive attributes to shape a vision of Downtown as a diverse and vibrant, pedestrian-friendly environment. Key policy areas include Business and Economic Enhancement, Physical Form and Character, Parking, Transportation, Housing, Culture and

Public Art, Heritage Resources, Social Environment, Natural Environment, and Utilities Infrastructure. The Plan recommended the immediate formation of a Downtown Plan Committee to oversee implementation of the Plan's recommendations.

### **Cultural District Implementation Strategy and Marketing Plan (2000)**

The Cultural District Implementation Strategy and Marketing Plan is a framework of initiatives to direct the development and marketing of Kelowna's Cultural District. Primarily, it aims to nurture and promote the community's cultural resources. Additionally, by presenting a co-ordinated approach to the District, the Implementation Strategy and Marketing Plan is intended to foster commitment and cohesiveness among Cultural District landowners and stakeholders. An assessment of the District's opportunities and constraints, and recommendations on organizational structure, funding strategies, and appropriate physical improvements for the area, are included.

## **Temporary Commercial and Industrial Use Permits**

In accordance with the Local Government Act (Sections 879 and 921), an Official Community Plan may designate areas where Council may consider allowing temporary commercial and industrial uses, and may specify general conditions regarding the issuance of temporary use permits in those areas.

The temporary use designation is intended to apply to operations that are temporary in nature and the designation does not in itself permit commercial or industrial uses on the designated sites. Within these areas, Council may, by resolution, issue a Temporary Commercial or Industrial Use Permit and specify the conditions under which the temporary use be carried on. Upon the expiration of a Temporary Use Permit, the permitted uses revert to those outlined in the City of Kelowna Zoning Bylaw 8000.

A temporary commercial permit may be issued for any area designated as commercial on OCP Map 19.1 Generalized Future Land Use and/or zoned commercial under Zoning Bylaw 8000. A temporary industrial permit may be issued for any area designated as industrial on OCP Map 19.1 Generalized Future Land Use and/or zoned industrial under Zoning Bylaw 8000.

## **Development Approval Information**

The City may require those pursuing an amendment of the Zoning Bylaw, a development permit, or a temporary commercial or industrial permit, to provide information on the anticipated community impact of the proposed activity or development. The information requested can include (but is not limited to) the following matters:

- transportation patterns including traffic flow;
- local infrastructure;
- public facilities including schools and parks;
- community services; and
- the natural environment of the area affected.

The Development Application Procedures Bylaw specifies the procedures and policies relating to development approval information requirements.

Attachment 7

**Insert New Map 19.1 - Generalized Future Land Use**



# Financing the Plan

## Introduction

The purpose of the Finance section of the Official Community Plan is to provide an overview of the general principles which will be applied when apportioning costs of growth firstly, between different land uses in future development areas. This makes reference to the fact that different land uses place a different level of demand on new infrastructure, and financing strategies must reflect these different levels of demand to the extent possible.

There is a general recognition that the cost of providing new infrastructure to accommodate new growth should primarily be the responsibility of new growth. However, there is also some recognition that some new infrastructure will also be of benefit to present taxpayers and that cost-sharing methodologies should reflect this reality.

A Municipality's ability to finance new infrastructure to accommodate new growth is limited to powers granted by the *Local Government Act*. The Provincial Government, through legislation, has empowered municipalities to impose Development Cost Charges for arterial roads, water, sanitary sewer, drainage and park acquisition needs. Development Cost Charges, although a useful mechanism for financing new infrastructure, do have some limitations and require Council to consider whether the charges:

- are excessive in relation to the capital cost of prevailing standards of service
- will deter development, or
- will discourage the construction of reasonably priced housing or the provision of reasonably priced serviced land

Infrastructure, other than that specifically provided for in Section 933 of the *Local Government Act*, such as recreation facilities, municipal buildings, fire halls, local roads, etc., must be provided through a variety of other financing mechanisms which are specifically provided for in other sections of the Act. A combination of these financing mechanisms will be necessary in order to achieve the objectives outlined in the Official Community Plan:

- Long Term Debenture Borrowing authorized, after providing a counter petition opportunity or by Community Referendum
- Long Term Debenture Borrowing for major utility (water, sewer, drainage and landfill) purposes.
- Grants or cost sharing programs provided by Senior levels of Government
- Developer Contributions
- Formation of Benefiting (Specified) Areas - direct user pay

- Short Term Bank Loans - Five year maximum term
- Public/Private Partnerships
- Reserve Funds - Funds put away in prior years for specific future purposes (parking, equipment replacement)
- Pay-as-you-go (Taxation and Utility user rates)
- Latecomer Agreements - Off-Site services provided by Developers with recovery from benefiting property owners.

## **Financing Strategies - Capital Expenditures – Previous 20 Year Plan**

The City's financing strategies and cost-sharing methodologies as reflected in the previous 20 Year Capital Expenditure Servicing Plan and Financing Strategy (1994) were based on general principles that can be summarized as follows:

- Development Cost Charges will be the primary method used to finance infrastructure required to service new growth where permitted by the *Local Government Act*.
- A reasonable sharing of servicing costs between new growth and the existing development, taking into consideration existing infrastructure deficiencies and the general benefit to all property owners.
- The general benefit to existing property owners is reflected in the D.C.C. Assist Factors which are currently established at 15% for Arterial Roads, 10% for Parks Acquisition and 1% for Water and Sewer. There is a need to review these assist factors from time to time.
- A general acknowledgement that some growth-related infrastructure costs, on a per unit basis, may be more costly in outlying areas than for inner urban or re-development areas. As a means of applying this principle, for some services the City was divided into service areas (sectors) and a different D.C.C. rate developed for each service area.
- Some initial recognition that utilizing Development Cost Charges, in the traditional sense, as a means of financing growth in new urban areas was not affordable. Some major extensions were not included in the plan where it was determined that developers would "front-end" services and recover the cost from other benefiting property owners in the area.
- Servicing Plan costs not recovered via Development Cost Charges would be funded by other financing mechanisms which may have a direct impact on property taxes and utility user rates.
- The level of funding assistance from senior levels of government was limited to funding already approved except that relative to the arterial roads program. Provincial funding was anticipated for roads that were under provincial jurisdiction (Highways 33 & 97 and Rutland Road) as well as for the North End Connector because of its benefit to traffic congestion relief of Highway 97.

- Infrastructure improvements providing a city-wide benefit and of benefit to both existing taxpayers and new growth were cost-shared on the ratio of existing to projected total population at the end of the planning horizon. This principle was applied to a number of arterial roads in the plan as well as for:
  - All two lane rural roads being improved to two lane urban roads
  - One half of bridge costs where there is an existing bridge in place
  - Sidewalks on arterial roads
  - Bicycle paths on arterial roads
- Provision was made for a differential rate for apartment units as compared to single family units to reflect the lower level of demand for most services.
- Commercial, industrial and institutional ratios as compared to single family residential were modified for some services to better reflect the relative demand on services of those land uses.
- Implementation of a storm drainage Development Cost Charge which reflects the relative demand of different land uses on infrastructure.
- Development of a different cost-sharing model for infrastructure needs in the South Mission Sector Plan area, as approved by Council.

## **Financing Strategies - Capital Expenditures – Relationship to New Official Community Plan**

The financing strategies and cost-sharing methodologies must now be linked to the land use objectives outlined in the Official Community Plan. The Official Community Plan is a reflection of the City's vision for the future as articulated in the Strategic Plan. The plan is committed to the development of a more compact urban form by increasing densities within existing urban areas, and to provide for higher densities within future urban areas.

Many of the general principles that were used to develop the previous 20-Year Servicing Plan and Financing Strategy continue to be principles that can be used to develop the current financial plan. However, in order to ensure that financing strategies are not in conflict with the objectives of the Official Community Plan there is a need to re-examine those principles and modify them as necessary. Some of the issues that have been addressed are:

- The risk factor associated with reliance on Development Cost Charges as primary growth financing mechanism and the extent to which D.C.C.'s impact on general taxation and utility rates.
- Revenues from D.C.C.s are generated in direct relationship to growth. If major infrastructure is provided in anticipation that growth will continue at the rate projected in the O.C.P., there is a real danger that the shortfall will have to be made up from general taxation if the growth rate falls short of projections. This is particularly true as it relates to expansion of major sewer treatment facilities and water systems. Ongoing analysis may determine that some projects have to be delayed as a result of cash flow deficiencies.

- The level of assist that will be provided from general taxation and utility rates to provide new infrastructure. There is no way to measure, with any amount of precision, the level of benefit that existing development will receive from new infrastructure. The level of assist must be linked to other financing objectives and Council's obligation to consider the impact of charges on new growth and housing/land affordability.
- Growth must be carefully staged, which implies that the need for new infrastructure will be staged, so that the City does not overextend itself by servicing too many new urban growth areas at the same time.
- In some new development areas, it may be necessary to facilitate the provision of new infrastructure by the development community who in turn will recover a proportional level of cost from other benefiting property owners through a system of Development Cost Charge credits, Latecomer Payments or a combination of both.
- The demand on new infrastructure must be more closely aligned with the Development Cost Charge levy, particularly to differentiate between the demands placed on the system by a single family dwelling as compared to higher density residential development.
- Although there is considerable theoretical merit in aligning the cost of provision of services with the beneficiaries of those services in different geographic areas of the City, there are some practical constraints such as cash flow deficiencies due to the unpredictability of growth by area of the City that necessitates a re-examination of this cost-sharing methodology. In some cases it may be possible to consolidate some service areas (sectors) without a major shift of the cost burden.

There are two significant changes that have been incorporated in the 20 Year Servicing Plan methodology for the first time:

- DCC's associated with drainage have been consolidated into the arterial roads service component. Considerable analysis, in conjunction with development servicing bylaw revisions, has resulted in a more affordable community – wide model for storm water management. The Arterial Roads Assist Factor will remain at 15%.
- Implementation of a density gradient approach to residential DCC application. This approach recognizes the servicing cost savings, on a per unit basis, where a higher density of development is achieved.

## **Financing Strategies - Capital Expenditures – Upgrades / Existing Deficiencies**

Different areas within the City have different levels of service, particularly in the area of local roads, sidewalks, curb and gutter and storm drainage. The City has generally allocated the cost of such upgrading to those property owners benefiting from this service by way of Local Improvement initiatives, however, where an overall community benefit is apparent, some level of contribution from general taxation or utility revenue may be appropriate.



The financial capability of providing upgraded services through a Local Improvement initiative has been greatly diminished due to the level of contribution from general taxation, particularly on Local Road Improvement Projects. Service upgrades will likely only be possible in the future if the property owner pays a larger portion of the cost than the City's policy currently requires.

Expansion of sewer service to non-serviced areas of the City has traditionally been done by forming a Specified Area whereby the benefiting property owner pays for the entire cost of the service. In some cases the cost of these expansions has been reduced by Provincial Grants of 25% or 50%. The City has facilitated sewer service in some locations in advance of the forming of a specified area through the creation of a sewer connection charge. Where a service has been installed by new development in an area designated as a future specified area, provision for reimbursement is made through a servicing agreement as new and existing units connect.

Capital expenditures associated with services that are of benefit to all residents of the City have traditionally been paid for from taxation or utility revenues. Costs include those associated with rectifying existing deficiencies which would be required irrespective of whether or not growth occurred, replacing aging infrastructure, or costs not eligible to be recovered through Development Cost Charges.

## **Financing Strategies - General Taxation/Utilities**

The principles that have been used in developing financing strategies for the ongoing operation of the water, sewer, electrical and landfill operations are:

- All utility operations will be self-financing by developing user rates that consider the demand that users place on the system to the extent practical. In the Water and Sewer utilities this had not been possible prior to the installation, in 1998, of water meters in residential dwellings which measure consumption. User rates, over time, are being phased-in to more closely reflect a user pay methodology;
- Demand side management techniques will be used for the purpose of conserving energy and delaying future capital expenditures to the extent possible. One example of demand side management in the Landfill Operation is the reduction of the number of bags of garbage allowed to be disposed of by each household to encourage recycling and reuse as well as back yard composting.

The City has been working towards self-sufficiency in other municipal service related functions and has developed plans and models to incorporate this principle in both the Parking and Cemetery functions.

Some of the principles that have been incorporated into the City's long-range planning as it relates to general taxation demand are:

- Progressively moving to a pay-as-you-go policy for capital projects that are of city-wide benefit such as parks development, rectifying infrastructure deficiencies and upgrading existing infrastructure. To date this has been accomplished by applying approximately 50% of the new growth taxation revenue to capital as opposed to using those funds for operational purposes;

- Establishing reserve funds which provides for the systematic replacement of public works and fire equipment, provides some measure of self-insurance, ensures that adequate working capital is available to minimize the need for temporary borrowing and to minimize the impact of sudden changes in the economy;
- Minimize long-term borrowing to the extent possible, and resultant debt financing costs, thereby providing increased operational flexibility in the future. There is a need to develop a more comprehensive debt management plan to ensure that there is an adequate balance between debt financing and pay-as-you-go capital financing;
- Identify services which can be closely linked to beneficiaries of those services and ensure the level of user rates reflect that direct benefit. The challenge in the future will be to develop more equitable ways of recovering costs by developing an overall corporate decision matrix for each type of service provided.

– **Related Policies in Other Chapters.**

- ⊗ Note Chapter 5 – Growth Management Policy 5.1.1 Ensure DCC's Reflect Costs.
- ⊗ Note Chapter 6 – Urban Centres Policy 6.1.1 Financing Structure.
- ⊗ Note Chapter 8 – Housing Policies 8.1.1 Financing Structure, 8.1.2 DCC's and 8.7.19 Housing Reserve Fund.
- ⊗ Note Chapter 10 – Industrial Policy 10.1.2 Financing Structure.
- ⊗ Note Chapter 14 - Parks and Leisure Services Policies 14.1.13 Park Acquisition Reserve, 14.1.14 Facilities Reserve, 14.1.15 DCC's.