MEMORANDUM

DATE: July 10, 2006

FILE: OCP06-0016

TO: City Manager

FROM: Community Planning Manager

RE: Proposed Amendment to Housing Policies in the OCP

REPORT PREPARED BY: Theresa Eichler, Community Planning Manager

RECOMMENDATION:

THAT Staff prepare an OCP Bylaw Text Amendment to amend *Kelowna 2020* – Official Community Plan Bylaw No. 7600 by adding a new policy 8.1.32 – **Higher Density for Affordable Housing,** and by renumbering the existing 8.1.32, and subsequent policies, as outlined in the report of the Community Development & Real Estate Division dated July 10, 2006, for reading consideration by Council;

AND THAT the OCP By-law Amendment be forwarded to a public hearing for further consideration.

PURPOSE:

To enable partnerships to achieve affordable housing in situations where a project features 100% affordable or core needs housing and an OCP amendment is required to increase the residential density.

REPORT:

The City has entertained numerous development proposals for housing that exceed the current OCP designation and require OCP amendments to allow greater density. Policy 8.1.31 in the OCP requires that such applications address affordable housing, and a number of other requirements, in order to be supportable. Some of these applications have been approved without addressing the need for affordable housing.

When the City is a partner involving land, it needs to act in a consistent manner with OCP policy direction. Even when a project may feature urgently-needed affordable and/or core needs dwellings, staff cannot offer support if the OCP requirements cannot be met. This situation has been experienced more than once when land assets are under review for their potential to provide affordable housing. When trying to ensure that the City can qualify for limited senior government funding for affordable housing by demonstrating partnership with land or other forms of cooperation, policy direction is needed to in order facilitate the partnership and secure the funding.

8.1.32 Staff has met and reviewed situations where proposals involving affordable housing included City-owned land and derived a scenario that should be workable in terms of both allowing the housing to go ahead, subject to OCP amendment to increase density, while also ensuring minimal impact of increased density on the surrounding neighbourhood. The qualifying pre-requisite would be that the proposal consist of 100%

affordable or core needs housing, as defined in the OCP (8.1.16 and 8.1.17). This can include but does not have to be limited to City-owned land.

Suggested wording for the policy would be as follows:

The City of Kelowna will

- **Higher Density for Affordable Housing**: Consider support for development of land involving an OCP amendment to increase the density by no more than two increments to a maximum density designation of Multiple Unit Residential (Medium Density) for proposals where 100% of the housing meets the City's definition of affordable housing and/or core needs housing as defined in the OCP (8.1.16 & 8.1.17) and where partnership exists with the provincial and/or federal government involving the commitment of senior government funding for the housing project. The development must meet the following conditions:
 - the density of the development can be sensitively integrated into the surrounding neighbourhood;
 - where a lot line abuts a lower density residential land use designation, buildings facing this lot line within the development shall be stepped back such that there is no more than a one-storey height gain between these building frontages and the height permitted within land uses assigned to adjacent parcels; and
 - no more than 4 storeys in height will be supported; and
 - supporting infrastructure and park land is sufficient to accommodate the proposed development (or the developer is prepared to upgrade the necessary infrastructure and park land); and
 - a housing agreement must be entered into with the City and registered on title to secure the affordable dwellings for the long term.

Existing policy 8.1.32 would need to be re-numbered to 8.1.33 and renumbering of all the subsequent housing policies would also be necessary. The suggested changes will need to be advanced to a public hearing if Council is willing to proceed.

Theresa Eichler, MCIP

Approved for Inclusion

David L. Shipclark Director of Corporate Services

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