

Regular Meeting – P.M.

December 4, 2006

A Regular Meeting of the Municipal Council of the City of Kelowna was held in the Council Chamber, 1435 Water Street, Kelowna, B.C., on Monday, December 4, 2006.

Council members in attendance: Mayor Sharon Shepherd, Councillors A.F. Blanleil, B.A. Clark, C.B. Day, C.M. Gran, N.J. Letnick and M.J. Rule.

Council members absent: Councillors B.D. Given and R.D. Hobson.

Staff members in attendance were: City Manager, R.L. Mattiussi; Deputy City Clerk, S.C. Fleming; Acting Manager of Development Services, S. Gambacort\*; Subdivision Approving Officer, R.G. Shaughnessy; Development Planner, N. Wight\*; Development Planner, R. Smith\*; Director of Corporate Services, D.L. Shipclark\*; Community Planning Manager, T. Eichler\*; Director of Recreation Parks & Cultural Services, D.L. Graham\*; Development Manager Recreation Parks & Cultural Services, R. Oddleifson\*; Cultural Services Manager, L. Gunn\*; Wastewater Manager, W.J. Berry\*; Inspection Services Manager, R. Dickinson\*; Reid O. Ron D. and Council Recording Secretary, B.L. Harder.

Guests\*: RCMP Supt. Bill McKinnon; Youth Forum delegation.

(\* denotes partial attendance)

1. CALL TO ORDER

Mayor Shepherd called the meeting to order at 1:32 p.m.

2. Councillor Letnick was to check the minutes of the meeting.

3. PUBLIC IN ATTENDANCE

3.1 RCMP Superintendent Bill McKinnon re: Presentation of RCMP Commendation to Bylaw Enforcement Officer Kurt Szalla for his work Dealing with the Criminally Transient

Superintendent Bill McKinnon, Kelowna RCMP Detachment:

- Spoke about the excellent working relationship between the RCMP and the City Bylaw Enforcement Division.
- Approximately two years ago the Courts decided they would not recognize bylaw infractions when handing down sentences under the Safe Streets Act. Kurt Szalla responded by taking the lead in a review by the City Bylaw Enforcement Officers that has resulted in the development of operational guidelines that have now been implemented. The new procedures provide a legal process to help the RCMP remove the criminally transient from the downtown area of the City.
- Presented Bylaw Enforcement Officer Kurt Szalla with a detachment commander's commendation in recognition of his innovation, etc.

Council:

- Mayor Shepherd expressed appropriation to Officer Szalla on behalf of Council.

Kurt Szalla, Bylaw Enforcement Officer:

- The success of the system has been a result of the efforts of many people.

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### 3.2 Presentation re: Mayor's Youth Forum on Social Issues

Hugh Culver and Linda Abbott-Simons, Marathon Communications:

- Presented an overview of the forum, participation, partnerships.

Kara Campbell and Heather Leier, representing Immaculata High School:

- Learned at the forum about the services the City of Kelowna offers. Most youth do not even know they exist and so the services are not being used to full potential.
- The services have a negative image and need to be offered in places where youth can feel comfortable using them.

Raja Wariach, representing Rutland Senior Secondary:

- The services that the City provides need to be advertised more to raise awareness. It would be beneficial to do presentations about the services in the schools.

Max Walker, representing Kelowna Secondary School:

- The most beneficial part of the forum for him was the awareness of and understanding of the importance of the services. The forum was a great eye-opener but only to the youth that were there.
- The services that are available should be advertised or taught in school.

Matt Duquette, Canada World Youth (CWY):

- His home is in Prince Edward Island. Is in Kelowna for 3 months volunteering with CWY.
- Helping with the forum was a positive experience.
- The students could have used more time between the date being established for the forum and the forum being held for the roles they played in gathering information (i.e. surveys, etc.).

Yao Zhanhong, Canada World Youth (CWY):

- His home is in China. Is in Kelowna for 3 months volunteering with CWY.
- Helping with the forum was a creative experience he will take back with him to China. The forum was a good way to involve youth in policy making and raise awareness of problems and where to turn for help.

Hugh Culver, Marathon Communications:

- The majority of youth are not aware of the scope or quality of services that are available; they are unlikely to use or recommend local services unless they are more readily available and they see that the services are more relative to them; marketing needs to be more youth friendly, and instead of hearing don't do this don't do that, they need to hear what happens when they did it anyway.

## 4. UNFINISHED BUSINESS

- 4.1 **Last considered at November 20, 2006 Regular Meeting** Director of Corporate Services, dated November 28, 2006 re: Resources Required for Implementation of Affordable & Special Needs Housing Task Force Recommendations (0540-20)

Council:

- Did not second a motion by Councillor Letnick for staff to proceed with processing Official Community Plan Amendment No. OCP06-0014 – Commercial Land Use Policies Bylaw No. 9632 to a Public Hearing. Council asked that the OCP amendment be scheduled to a future agenda when staff can remind them of the relevant details.

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Moved by Councillor Letnick/Seconded by Councillor Blanleil

**R1075/06/12/04** THAT the report dated November 28, 2006 from the Director of Corporate Services commenting on the recommendations of the Affordable & Special Needs Housing Task Force be received.

Carried

Moved by Councillor Letnick/Seconded by Councillor Rule

**R1076/06/12/04** THAT Council refer the following recommendation (No. 2.2 in the final report of the Affordable & Special Needs Housing Task Force) to the City Manager to report back with a recommendation for Council:

“2.2: THAT City staff, on behalf of the Affordable and Special Housing Needs Task Force, be requested to investigate other development related strategies that would increase the supply of affordable housing, including but not limited to:

- Elimination of DCC on all non-strata units below 90 square metres in area, subject to entering into an agreement with the City that would require a payment equivalent to the applicable DCC at such time as any rental dwelling benefiting from the grant is stratified, or otherwise converted for owner occupancy;
- Elimination of demolition/dumping costs on properties redeveloped into non-strata units below 90 square metres in area;
- Rezoning for multi-family residences along significant portions of our major urban roads that are within close proximity of town centers, ie. Springfield, Richter, Ellis, Clement, Gordon, etc.;
- In concert with transit goals, relax parking requirements for appropriately targeted/located housing;
- The granting of an annual tax grant for a five year period, equivalent to the increase in the City’s property tax resulting from the creation of new non-strata units below 90 square metres in area;
- Limiting secondary suites to only those areas of the city that do not hold potential for further infill densification;
- Asking the City to lobby the Federal Government for an increase in the allowable depreciation on new non-strata units below 90 square metres in area from 4% to 20%;

AND THAT any proposed amendments to the OCP or other policy or regulations, resulting from the recommendations of the Affordable and Special Needs Housing Task Force, based on the findings of the land economist’s report, investigations by City staff and further consultations with the development community return to city council for consideration and ratification prior to implementation.”

Carried

Councillors Blanleil, Clark and Day opposed.

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Moved by Councillor Letnick/Seconded by Councillor Blanleil

**R1077/06/12/04** THAT in response to recommendation No. 5 in the final report of the Affordable & Special Needs Housing Task Force, Council approves in principle the goal of achieving 20% of all housing on the former Kelowna Secondary School (KSS) site which meets the City's definition of affordable housing and is secured by a housing agreement.

Carried

Councillor Clark opposed.

Moved by Councillor Letnick/Seconded by Councillor Rule

**R1078/06/12/04** THAT in response to recommendation No. 6 in the final report of the Affordable & Special Needs Housing Task Force, Council supports in principle the concept of additional residential uses in Light Industrial and Commercial areas of the city and refers the following recommendation (No. 6) of the Affordable & Special Needs Housing Task Force to the OCP review process for due consideration:

"6. THAT the City proceed with a text amendment to the Zoning Bylaw to allow residential uses strictly as a secondary use above the current permitted uses in its business and low intensity industrial zones (I1 and I2), subject to the required public notification and public hearing, in order to increase the housing supply in developed areas."

Carried

Councillor Clark opposed.

Moved by Councillor Letnick/Seconded by Councillor Gran

**R1079/06/12/04** THAT in response to recommendation No. 7 in the final report of the Affordable & Special Needs Housing Task Force, Council authorizes the preparation of a text amendment to the OCP to allow a 2 increment increase in density in return for 75% non-market housing to be built on site, subject to the required public notification and public hearing.

Carried

Councillor Clark opposed.

Moved by Councillor Letnick/Seconded by Councillor Gran

**R1080/06/12/04** THAT in response to recommendation No. 8 in the final report of the Affordable & Special Needs Housing Task Force, Council refer to the 2007/2008 OCP review the preparation of a text amendment requiring a mix of housing units in all new developments (inclusion of a large number of small lot single-homes and duplexes, as well as provision for coach houses and secondary suites.) along with the required public notification and public hearing.

Carried

Councillors Blanleil and Clark opposed.

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Moved by Councillor Letnick/Seconded by Councillor Rule

THAT in response to recommendation No. 1 in the final report of the Affordable & Special Needs Housing Task Force, Council authorize the preparation of text amendments to the Zoning Bylaw to allow secondary suites, where they are not currently permitted, through a rezoning process that eliminates the need for a formal public hearing (Recommendation No. 1 of the Affordable & Special Needs Housing Task Force), subject to meeting all the following requirements:

- Suites should be no larger than 90 square metres in area;
- In developed areas (where a house and/or garage exist), suites would only be allowed ***within existing buildings***;
- Bylaw officers will continue to enforce illegal suite regulations upon complaint of neighbours;
- Suites require a business license and meet Building Code requirements;
- Adequate water and sewer capacity must be available;
- Each suite would require its own off street parking;
- A check-list of design criteria including parking, window orientation, landscaping and height need to be met;

AND THAT Council authorize the preparation of a procedure manual for rezoning without public hearing for suite in a house, where an applicant has received the written consent of the abutting property owners;

AND THAT Council refer the above motion to the 2007 budget discussions.”

Moved by Councillor Clark/Seconded by Councillor Blanleil

**R1081/06/12/04** THAT further consideration of recommendation No. 1 in the final report of the Affordable & Special Needs Housing Task Force be deferred to a Workshop in the New Year when all of Council is available to attend.

Carried

Mayor Shepherd and Councillors Letnick and Rule opposed.

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Moved by Councillor Letnick/Seconded by Councillor Rule

THAT the City initiate the creation of a Kelowna Housing Corporation (KHC) which would:

- Lead a voluntary subscription by businesses and industries to co-operative or strata housing;
- Receive an annual allocation of funds from the City of Kelowna up to \$2 per person per year to create and administer the Housing Corporation;
- Be owned by the City, alone or in partnership with other municipalities;
- Be operated by a volunteer Board of Directors with the necessary full time staff;
- Operate at “arms length” from municipal council and act as a not-for-profit developer;
- Seek funds from all sources to address affordable housing needs in Kelowna, including the use of low interest construction loans and mortgages;
- Examine the ability to offer low interest construction loans to individual homeowners for the purpose of upgrading secondary suites to meet building and servicing requirements;
- Act as a developer and housing manager of affordable rental and owner-occupied housing, alone or in partnership with others;
- Assume control of all affordable units that are subject to a housing agreement, with the exception of units managed by non-profit housing societies;
- Create a new owner-occupied housing agreement which provides homeowners with an opportunity to realize a fair appreciation on their investment and maintains such units as affordable in-perpetuity;
- Devise and implement a rent-to-own program;
- Create and maintain a list of registered applicants for non-market housing, in cooperation with existing non-profits and BC Housing;
- Create a Community Land Trust to form strategic partnerships in the community so as to achieve land for affordable housing. This would include the ability to give tax receipts in return for donations of land;
- The Corporation would then seek participation by other municipalities throughout the Okanagan Valley at the same rate per capita;

AND THAT Council authorize the redirection of funds budgeted annually for the Housing Opportunities Reserve Fund to establish and fund a Kelowna Housing Corporation beginning in 2007.

Moved by Councillor Gran/Seconded by Councillor Letnick

**R1082/06/12/04** THAT further consideration of the previous motion which responds to recommendations No. 3 and 4 in the final report of the Affordable and Special Needs Housing Task Force, be referred to the same Workshop when Council will consider recommendation No. 1 in the Task Force’s final report.

Carried

Councillors Blanleil, Clark and Day opposed.

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Moved by Councillor Letnick/Seconded by Councillor Rule

**R1083/06/12/04** THAT in response to recommendation No. 2.1 in the final report of the Affordable & Special Needs Housing Task Force, Council agree in principle that staff hire a land economist to review the following two inclusionary housing policies, at an estimated cost of \$30,000 to be funded from the Housing Opportunities Reserve Fund and that other funding sources be pursued to cover this cost:

Draft Inclusionary Housing Policy 1 - Where development applications increase density over the existing zoning, either by increasing height and/or rezoning, or under current density bonuses:

- 50% of the increase in floor area resulting from the change be provided as affordable housing, registered by a housing agreement with the City; OR
- 20% of all the proposed development's floor area must meet the City's definition of affordable housing, secured by a housing agreement registered on title; OR
- A cash in lieu equivalent to the floor area in affordable housing of option 1, or 2, above (calculated as the difference between the average building permit value for that zone and average market value of the subject floor area);
- The above requirements would apply to residential, commercial zones or any other zone that permits residential development;

Draft Inclusionary Housing Policy 2 - A further alternative in the form of a levy on all density increases as is being proposed for Penticton;

AND THAT Council refer the above motion to the 2007 budget deliberations.

Carried

Councillors Blanleil, Clark and Gran opposed.

Moved by Councillor Letnick/Seconded by Councillor Blanleil

**R1084/06/12/04** THAT the submission circulated to Council at this meeting in which the Affordable & Special Needs Housing Task Force puts forward 9 motions as the Task Force's suggestions for prioritizing the recommendations in the final report of the Task Force be received;

AND THAT the Affordable & Special Needs Housing Task Force be terminated.

Carried

- 4.2 **Deferred from the Regular Meeting of November 6, 2006** Planning & Development Services Department, dated November 29, 2006 re: Agricultural Land Reserve Appeal No. A06-0019 – Gabe Coupal (New Town Planning Services Ltd.) – 1789 Munson Road

Moved by Councillor Rule/Seconded by Councillor Letnick

**R@/06/12/04** THAT Agricultural Land Reserve Appeal No. A06-0019 for Parcel B on Plan B6522 Amended Lot 7, District Lot 130, O.D.Y.D., Plan 415 Except Plans 18843 and KAP64190, located on Munson Road, Kelowna, B.C. for non-farm use within the Agricultural Land Reserve pursuant to Section 20(3) of the Agricultural Land Commission Act, be supported by Municipal Council.

Carried

Mayor Shepherd and Councillors Clark and Letnick opposed.

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5. DEVELOPMENT APPLICATION REPORTS

- 5.1 Planning & Development Services Department, dated November 29, 2006 re: Agricultural Land Reserve Appeal No. A06-0024 – David Drage (Ed Grifone) – 1805 Brentwood Road

Moved by Councillor Day/Seconded by Councillor Gran

**R1085/06/12/054** THAT Agricultural Land Reserve application No. A06-0024 for Lot 2, Section 18, Township 27, O.D.Y.D. Plan 32945, located on Brentwood Road, Kelowna, B.C. for an *Application to Place Fill or Remove Soil* under section 20(3) of the Agricultural Land Commission Act be supported by Municipal Council, subject to the following conditions:

1. The reclamation and restoration recommendations of the consulting Agrologist (Herb Luttmarding) be followed;
2. That no further soil be deposited, nor the existing soil be levelled until the Applicant provides further information from their Agrologist, which specifies:
  - a. the monitoring program to be used, which would ensure no material is deposited that would compromise the arability of the land;
  - b. the soil sampling regime to be undertaken to ensure that the previously deposited material would not compromise the arability of the land.
3. A bond be posted with the City to ensure that the land is properly reclaimed and re-vegetated.

Carried

- 5.2 Planning & Development Services Department, dated November 15, 2006 re: Development Permit Application No. DP06-0171 – 4231 Investments Ltd. c/o Crestwell Realty Ltd. (John McCormack Architects) – 1950 & 2020 Harvey Avenue

Moved by Councillor Letnick/Seconded by Councillor Gran

**R1086/06/12/04** THAT Council authorize the issuance of Development Permit No. DP06-0171 for Lot A, Section 20, Township 26, ODYD Plan 30166, located at 1950 Harvey Avenue, Kelowna, B.C. subject to the following:

- a) The dimensions and siting of the building to be constructed on the land be in general accordance with Schedule "A";
- b) The exterior design and finish of the building to be constructed on the land be in general accordance with Schedule "B";
- c) Landscaping to be provided on the land be in general accordance with Schedule "C";
- d) The applicant be required to post with the City a Landscape Performance Security deposit in the form of a "Letter of Credit" in the amount of 125% of the estimated value of the landscaping, as determined by a professional landscaper;
- e) The applicant be required to add additional lighting in the parking area behind buildings "D" and "E".

Carried



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6. BYLAWS (ZONING & DEVELOPMENT)

**(BYLAWS PRESENTED FOR ADOPTION)**

- 6.1 Bylaw No. 9500 (Z05-0029) - Tony Balisky (D.E. Pilling & Associates Ltd./David Pauls) – 1240 Band Road

Moved by Councillor Letnick/Seconded by Councillor Clark

**R1087/06/12/04** THAT Bylaw No. 9500 be adopted.

Carried

7. NON-DEVELOPMENT APPLICATION REPORTS

- 7.1 Airport General Manager, dated November 28, 2006 re: 2007 Air Terminal Expansion (0550-05; 6640-20)

Moved by Councillor Letnick/Seconded by Councillor Clark

**R1088/06/12/04** THAT Council authorize the administration to enter into a consulting services agreement with HMA Architects Inc. for full architectural services for the 2007 air terminal building expansion.

Carried

- 7.2 Airport General Manager, dated November 24, 2006 re: Skyway Gourmet Concession Enhancements (0550-05; 2380-20-8090)

Moved by Councillor Letnick/Seconded by Councillor Day

**R1089/06/12/04** THAT Council approve establishing the rent for a new post-security “Legends” by White Spot at 8% of gross revenue;

AND THAT Council approve establishing the rent for a new post-security “Okanagan Estate Wine Cellar” at:

1. 6% of gross revenue for the first \$500,000 per annum of sales and;
2. 8% of gross revenue for annual sales over \$500,000;

AND THAT Council approve establishing the rent for a new pre-security “Orange Julius” concession at 8% of gross revenue;

AND THAT Council approve the City contributing \$70,000 towards construction cost of the new post-security wine shop;

AND FURTHER THAT Council approve extending the term of Skyway Gourmet’s master concession agreement to December 31, 2020.

Carried

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Mayor Shepherd altered the order of business and advised that agenda item No. 8.1 would be dealt with next.

8.1 Draft Resolution re: Helicopter Landing – Santa Claus (8400-01)

Moved by Councillor Letnick/Seconded by Councillor Day

**R1090/06/12/04** THAT Council grant approval to Northern Air Support Ltd. to fly Santa Claus from the Kelowna Airport to the Kelowna Golf & Country Club and back on December 10<sup>th</sup> and 17<sup>th</sup>, 2006, subject to the approval of Transport Canada and compliance with all related flight requirements.

Carried

7.3 Cultural Services Manager, dated December 4, 2006 re: Kelowna Arts Foundation Changes in Administration and Funding for Professional Arts Organizations (0230-20)

Moved by Councillor Clark/Seconded by Councillor Rule

**R1091/06/12/04** THAT Council approves moving the administration and funding for professional arts organizations from the Kelowna Arts Foundation to the Cultural Services Department;

AND THAT Council approve the creation of a new peer review jury led by Cultural Services staff to adjudicate the 2007 professional arts organizations grant requests;

AND FURTHER THAT the peer review jury will annually bring forward funding recommendations to City Council for approval.

Carried

7.4 Wastewater Manager, dated November 28, 2006 re: Sewer Connection Charge Bylaw Amendments (5340-09)

Moved by Councillor Blanleil/Seconded by Councillor Day

**R1092/06/12/04** THAT the report from the Wastewater Manager dated November 28, 2006, describing amendments to the Sewer Connection Charge Bylaw be received for information;

AND THAT Bylaw No. 8469, the Sewer Connection Charge Bylaw, be amended to incorporate the following changes:

1. Amend Connection Charge Area No. 16 (Rio/Terrace) by adjusting the Connection Charge to be \$15,600 / SFE;
2. Re-create Connection Charge Area No. 20 (North Rutland) with the properties shown on Map A and establish the charge at \$6,900 /SFE;
3. Amend Connection Charge Area No. 21 by re-naming it to "Rutland - McKenzie Bench" and adding the properties shown on Map B, and removing Lot 1 Plan 43896 as shown on Map C;
4. Amend Connection Charge Area No. 22 (Rutland - Central) by removing the lot indicated on Map C (1060 Leathead Rd.), by adding Lot A, Plan KAP 77915 as shown on Map C, by removing the 4 properties shown on Map D, and by adjusting the Connection Charge to be \$12,400 / SFE;

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5. Merge Connection Area 24 (St. Amand) with Connection Area 25 (Chamberlain) and name the new Connection Area No. 24 (St. Amand / Chamberlain) and establish the boundaries in accordance with Map E and the charge at \$21,300 / SFE;
6. Remove all the properties from Connection Area 26 (Fisher Road) and dissolve the Connection Area;
7. Add a new Connection Charge Area – Hall / Parsons Area No. 27 and establish the boundaries in accordance with Map F and the charge at \$27,100 /SFE;
8. Amend Connection Charge Area No. 28 (Okaview) by adjusting the Connection Charge to be \$22,000 / SFE;
9. Amend Connection Charge Area No. 31 (Boppart) by removing the properties indicated on Map G and adjusting the Connection Charge to be \$19,400 / SFE;
10. Amend Connection Charge Area No. 33 (Cary Road) by adjusting the Connection Charge to be \$5,600 / SFE;
11. Add a new Connection Charge Area – Sexsmith Road Area No. 35 and establish the boundaries in accordance with Map H and the charge at \$47,500 /SFE;
12. Add a new Connection Charge Area – Clifton Road North Area No. 36 and establish the boundaries in accordance with Map J and the charge at \$12,900 /SFE;
13. Replace Schedule 3 with the attached Schedule to reflect all the above mentioned adjustments to the Connection Charge amounts.

Carried8. RESOLUTIONS

- 8.1 Draft Resolution re:
- Helicopter Landing – Santa Claus (8400-01)

Dealt with after agenda item No. 7.2.

9. BYLAWS (OTHER THAN ZONING & DEVELOPMENT)**(BYLAWS PRESENTED FOR FIRST THREE READINGS)**

- 9.1
- Bylaw No. 9696
- Amendment No. 12 to City of Kelowna Parks and Public Spaces Bylaw No. 6819-91

Moved by Councillor Clark/Seconded by Councillor Gran**R1093/06/12/04** THAT Bylaw No. 9696 be read a first, second and third time.Carried**(BYLAWS PRESENTED FOR ADOPTION)**

- 9.2
- Bylaw No. 9693
- Amendment No. 13 to Airport Fees Bylaw No. 7982

Moved by Councillor Letnick/Seconded by Councillor Clark**R1094/06/12/04** THAT Bylaw No. 9693 be adopted.Carried

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10. COUNCILLOR ITEMS – Nil.

11. TERMINATION

The meeting was declared terminated at 5:46 p.m.

Certified Correct:

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Mayor

Deputy City Clerk

BLH/am