
CITY OF KELOWNA

MEMORANDUM

Date: October 24, 2007
File No.: 6480-30
To: City Manager
From: Manager, Policy/Research/Strategic Planning
Subject: OCP Growth Strategy for the South Pandosy Sector

RECOMMENDATIONS:

THAT Council direct *staff* to withhold support from OCP amendment applications for the South Pandosy Sector (see attached map) of the City where such amendments would provide for more residential units than are currently permitted, until the Official Community Plan review has been completed, in recognition of the issues detailed in the October 24, 2007 report from the Planning and Development Services Department;

AND THAT Council direct *staff* to, with new development applications, withhold support from South Pandosy Sector (see attached map) Development Variance Permit applications or rezoning applications that result in height beyond four storeys for commercial and residential development, and six storeys for apartment hotels, and eight storeys at the Lakeshore/Watt site, until the Official Community Plan review has been completed, in recognition of the issues detailed in the October 24, 2007 report from the Planning and Development Services Department.

AND FURTHER THAT Council acknowledge that staff may not be able to offer positive recommendations for South Pandosy Sector (see attached map) re-zoning applications that result in additional density once the Growth Strategy's remaining units have been allocated, until the Official Community Plan review has been completed, in recognition of the issues detailed in the October 24, 2007 report from the Planning and Development Services Department.

BACKGROUND:

In September 2007, Council directed staff to commence planning for an OCP review, with preplanning work to be undertaken during the remainder of 2007 and with a budget request to be submitted for further work and public consultation in 2008/2009.

When the staff report concerning the OCP review was brought forward, it was noted that staff anticipated that, over the coming months and years, staff and Council would receive numerous requests from land owners wishing to have their land, which is now outside the 20 year growth strategy, included for earlier development. It was also anticipated that the City would receive requests for major land use changes. Staff indicated concern about the prospect of development applications at odds with the OCP growth strategy, especially in those parts of the City where, as a result of past OCP amendments, there is insufficient remaining capacity to provide for the land uses indicated in the OCP.

As a result of these concerns, staff recommended that such requests be considered as part of the OCP review, rather than on an ad-hoc basis in advance of that review.

Developers have recently been asking staff for feedback on proposals that involve significant departures from the OCP growth strategy and/or departures from existing policy direction on building height. There is in some cases a desire on the part of developers to move ahead quickly rather than await the results of an OCP review.

Over the past few months, staff have received inquiries from four different developers wanting to undertake projects just north of Mission Creek, on either side of Lakeshore Rd. In total, 1860 net units are being proposed. Heights being discussed vary from four to 28 storeys. The OCP designations in place for this area would currently allow for approximately 1150 net units.

Land Use

The review and update of the City's growth strategy and associated servicing plan/financing strategy involves significant time and resources. It also involves a reconsideration of how units are allocated across the city because unless our population is growing far in excess of what has been anticipated in the OCP (it is not), then units added to one part of the City will mean that they do not get built within the same time horizon, somewhere else in the City. Adding significant units to one sector of the city can not therefore be done without considering the impacts on the remainder of the City. For this reason, staff continue to recommend that the appropriate time to consider major land use changes would be as part of an OCP review.

The recent development inquiries, at odds with the OCP, are of concern to staff for the following reasons:

- The City is not sure that it can provide the water and sewer facilities needed to service development not provided for as part of the growth strategy. Physical capacity analysis assessments have not yet been completed. It is intended that these assessments would be undertaken as part of the upcoming OCP review. Determining the impacts independently of an OCP review will be a time-consuming and costly exercise that would detract from other priority projects. (The time involved in assessing the impacts could end up being roughly equivalent to awaiting the outcome of the OCP review). Approving developments without undertaking these assessments will put the City at significant financial risk.
- The traffic generated by additional units has not been factored into the City's transportation planning. It is possible that the additional units could trigger hugely expensive and unpopular road widenings, including the widening of Lakeshore Road and Pandosy Street through the Town Centre and Heritage Conservation Area, or the widening of Richter Street south to Lakeshore Road, or the re-introduction of the one-way couplet. The need for these types of changes will be determined by the extent of development approved in the Mission Creek area, as well as by the extent of development elsewhere, for example, in the hospital area to the north, or the new suburban hillside development to the south.

- Allowing for additional units in this area, in advance of the full development of the South Pandosy Town Centre could forestall the achievement of density in an area where such density has been provided for with appropriate facilities and supporting infrastructure.
- There are no offers of amenity contributions from the developers to offset the costs to the City of introducing the additional units.

Just how serious are the growth strategy limitations in the South Pandosy area? The following table spells out the situation:

South Pandosy/KLO/Mission Creek Area	Units	Explanatory Notes
A. Units provided for in Servicing Plan associated with OCP Growth Strategy	1510	
B. Units built to date	1016	This includes units that were not originally provided for, but which were subsequently approved by Council through OCP amendments.
C. Units remaining as per existing servicing plan/financing strategy (A-B)	494	This number will be further reduced if Council approves development applications currently 'in-stream' (complete applications received). Applications 'in-stream' (227 units), and the Council-directed City-led Cedar Avenue project (approx. 109 units), would create approximately 336 units, leaving only 158 units of residual capacity.
D. Units expected from OCP land use designations	2893	These are units provided for through existing OCP designations, but which have not yet been developed and in most cases not yet rezoned. This is an 'approximate' number based on anticipated development densities (assuming that future densities will be approximately what have <i>recently</i> been achieved). This number would be closer to the 1510 units originally projected in the OCP if future densities more closely resemble what has historically been built in this part of town.
E. Units that can be "added" through future OCP amendments (C-D)	-2399	The portion of the 1150 net units referenced on page two of this report that goes beyond the 494 units referenced in section C. of this table, is a subset of this -2399 number. In other words, although the OCP could in theory be construed as providing for as many as 1150 net units on the properties under discussion, some of that capacity has already been used up by others. The capacity has been distributed as per the City's first come, first served approach to allocating service capacity.

There are two messages from the above data. First, the good news is that there is additional capacity for residential development in this part of town – capacity that has ALREADY been provided for on the OCP Future Land Use map. The bad news is that this additional capacity has not as yet been reflected in the City's Servicing Plan and Financing Strategy.

The above data mean that, because of units approved through previous OCP amendments, staff will soon be in a position of not being able to assure that services are in place to allow for rezonings, even where such rezonings are CONSISTENT with OCP designations. In the absence of more detailed information, staff will then have to recommend non-support for future rezoning and OCP amendments applied for in this area of the City. The reason for the "non-support" would be that the servicing capacity has in theory been used up. Any further OCP amendments will aggravate the servicing

shortfall. Furthermore, any additional OCP amendments will make it less likely that the under-utilized lands in the heart of the South Pandosy Town Centre will develop as envisioned in the OCP.

Staff have undertaken some preliminary growth projection work in preparation for the OCP review. This work will be coming forward for Council's review and discussion in the near future. Staff can, however, already advise that the research undertaken to date suggests that by extending our growth strategy to the year 2030, we will likely only need to add between zero and 3000 units to our existing residential growth strategy. The geographic allocation of those units will be the focus of public and political discussion in 2009. It should be noted though that one option would be to provide for ALL of those units within our existing designated Urban Centres (there is capacity beyond what has been accounted for in the City's 2020 growth strategy). In short, the additional units now being requested for the Mission Creek area will not be needed to service the City's 'growth needs' even once the servicing strategy timeframe is extended to 2030.

Height

The pressure for high rise towers is a relatively recent phenomenon. Initially the demand for height was restricted to core urban areas (where the City's plans supported such height), but in recent years, we have seen that demand spread to areas where such has not been envisioned in community planning documents.

Staff are now receiving inquiries about the potential for up to 28 storey towers in the Mission Creek area. Existing policy does not directly address the potential for height in this area, but contextually suggests that such height is excessive. The height provided for in more urban areas is significantly less, and an eight storey building is, in the South Pandosy context, considered to be appropriate only at one major landmark location. Specifically, the prevailing policies (from the South Pandosy Sector Plan, 1997) are as follows:

- Commercial development on either side of Truswell Rd. should maximize a lake orientation. Views from rooms, roof top gardens or restaurants should be protected through siting and design of the buildings and parking areas. (p. 71)
- Encourage the height of buildings along the Pandosy/Lakeshore commercial corridor to a maximum of 4 storeys. East or west of this corridor, buildings should decrease in height to permit successive views to the east or west respectively, from taller buildings over shorter ones (p. 43)
- Consider a major landmark development at the corner of Lakeshore and Watt. The intent is to permit a mixed use building with commercial at grade level and office and/or residential above. A building of up to 8 storeys in height may be considered for this site. (p.43)

The only related OCP policy is as follows:

- The City of Kelowna will allow multiple unit development along the shore zone in areas designated for such development in the OCP Future Land Use Map 19.1 provided that the building design maintains view corridors to the lake from inland locations and provided that the public enjoyment of the lakefront is enhanced as a result of the development (Policy 8.1.56)

The zoning currently in place for the South Pandosy area would allow for a maximum of 4 storeys (C4 zone) and six storeys (for apartment hotels in the C9 zone).

At this point, although developers are holding open houses, there has not been any broad-based community discussion about the merits of increasing height in the South Pandosy area or in the Tourist Commercial node just north of Mission Creek. There has also not been any discussion of whether community amenities should be expected as height and density in this area increase. It is suggested that the appropriate forum for this discussion would be an OCP review.

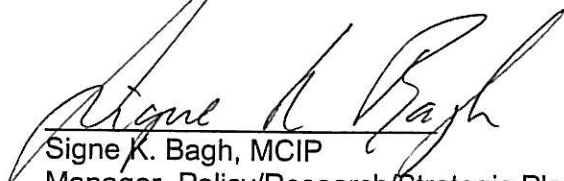
INTERNAL CIRCULATION TO:

Director, Works and Utilities
Director, Financial Services
City Clerk
Projects Manager, Real Estate & Planning
Manager, Community Development & Real Estate
Current Planning Supervisor

CONSIDERATIONS THAT WERE NOT APPLICABLE TO THIS REPORT:

LEGAL/STATUTORY AUTHORITY
LEGAL/STATUTORY PROCEDURAL REQUIREMENTS
FINANCIAL/BUDGETARY CONSIDERATIONS
PERSONNEL IMPLICATIONS
TECHNICAL REQUIREMENTS
EXISTING POLICY
EXTERNAL AGENCY/PUBLIC COMMENTS
ALTERNATE RECOMMENDATION

Submitted by:


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

Approved for Inclusion:



David Shipclark
Acting Director
Planning and Development Services

Attachment: South Pandosy/KLO Sector Plan Map

Legend

- 6 Lane Arterial
- 5 Lane Arterial
- 4 Lane Arterial
- 3 Lane Arterial
- 2 Lane Arterial
- 2 Lane Major Collector
- 2 Lane Minor Collector
- One-way 2 lane eastbound
- 2 Lane Minor Collector
- One-way 2 lane westbound
- Outside Kelowna

