
CITY OF KELOWNA

MEMORANDUM

Date: October 22, 2008
File No.: 6441-20
To: City Manager
From: Community Planning Manager
Subject: Report from Land Economist

RECOMMENDATION:

THAT the report of the Community Planning Manager dated October 22, 2008 be received;

AND THAT Council adopt the draft Council Policy attached to the staff report of October 22, 2008 which sets out provision of amenities, affordable housing or cash-in-lieu thereof in return for the existing density bonus provisions of the Zoning By-law and for amendments to the OCP which increase density.

BACKGROUND:

On June 23rd, 2008, Council received a consultant report with recommendations for using density bonusing to achieve affordable housing and other amenities. The following resolution was passed:

THAT Council receive the report from the Land Economist - Affordable Housing and Amenity Contributions dated June 19, 2008 from Urban Development Projects in Kelowna, for information (see Appendix 1 for summary of the recommendations).

AND THAT Council direct staff to develop policy recommendations for Council consideration based on the consultants recommendations.

Cash-in-lieu

The first recommendation from the consultant was to

"immediately adopt a policy allowing a cash-in-lieu option under the existing density bonus for affordable housing. The cash-in-lieu contribution should be equal to 100% of the market value of the additional density." (for further details, please see Appendix 1).

This recommendation would involve formalizing the current practice of requiring 50% of the increased building space resulting from a density bonus provided in the City's zoning by-law to be returned as affordable housing meeting the City's definitions and registered by a housing agreement. This is straight forward and consistent with what staff has recommended previously. The cash payment



would be equivalent to 100% of the market land value of the additional density and would go to the City's Housing Opportunities Reserve Fund¹.

Staff is *not* recommending that cash be accepted on a routine basis in lieu of affordable housing in density bonusing situations. However, cash-in-lieu may be appropriate in cases where:

- o The project is 10 or less units in size and therefore too small to make provision of affordable dwellings a viable option; or
- o A reasonable explanation is provided on behalf of the applicant as to why affordable housing should not be located within the development in question.

In determining the value of the bonus area, it is recommended that projects of 10 dwellings or more be required to obtain a professional appraisal, by an appraiser acceptable to the City, at the applicant's expense to determine the market value of the bonused build-able area. Projects of a smaller scale could use a value set out in a Council-approved by-law or policy. At the time of writing, values of between \$35 and \$55 per square foot have been used in the Land Economist's report and other research to approximate the value per net build-able floor area of additional land needed to build additional floor area without the density bonus.

Increasing FAR Bonuses within Existing Zones

The second recommendation in the Land Economist's report read as follows:

The City should amend some of the multifamily zoning districts to increase the amount of the density bonus (Suggested increases were provided in the consultant's report and this table is provided in Appendix 1 and more detail in Appendix 1).

While this concept is supported by staff, the OCP review is currently underway. Density is one of the key issues under review as part of the update. The transportation needs to support additional density have not been determined, as an example of one of the issues under review. Staff are not in a position to reasonably recommend or support increasing the FAR bonuses in multi-family zones until the OCP update is closer to completion. It is noted that any increased bonuses within the Zoning By-law would require revision of site standards for the affected zones. Lesser yard setbacks, greater lot coverage and a review of parking requirements are examples of what might need to change to accommodate a density bonus of a greater magnitude than is presently defined. At such time as the density direction within the OCP is more clearly defined, staff will return to Council with recommendations regarding the density bonus levels in all zones that allow multi-residential development.

Housing Contributions from OCP Amendments

The third recommendation of the consultant's report dealt with rezonings where an OCP amendment is necessary:

The City should seek voluntary amenity contributions for all rezonings that involve a significant change in land use or density not already contemplated in the OCP (more details in Appendix 1).

¹ By-law 8593 governs how the Fund is to be spent.

An OCP amendment which would increase density must be reviewed with a broad lens of criteria to address its impact on servicing, roads, other infrastructure and the character of the neighbourhood. Provision of affordable housing or amenities should be considered only in the context of these other issues.

The increase in density (and therefore value to the developer) resulting from an OCP amendment is generally much greater than any zoning density bonus. Other municipalities have used that increase in land value to benefit the community. There is potential for the City to do likewise. The practice in other municipalities varies in collecting amenity contributions based on anywhere from 50 to 90% of the land lift. Site by site determination of appropriate levels of amenity contributions is also used by a number of municipalities. The consultant is recommending 75% of the land lift value to be used to determine the value of any amenity contribution to the City and staff are supporting this recommendation. Reserving some of the land lift provides some incentive for the developer to consider the contribution of amenities as a condition of rezoning to increase density where an OCP amendment is also required.

There are situations where staff will recommend non-support of OCP amendments that increase density where it is contrary to good planning principles and the goals of the OCP. Should a decision be made to support such amendments, the opportunity to ensure that an amenity contribution is made by the developer should be pursued.

Increased Development Potential as Outcome of OCP Review

The last recommendation in the consultant's report read as follows:

The City is planning to review and update its OCP. As part of this process, the City should look for appropriate locations for additional density (beyond that already contemplated in the existing OCP), based on location, neighbourhood character, transit service, and other factors.

Different approaches to identifying future growth areas in the OCP are presently being explored and this consultant recommendation could be addressed as part of the OCP review process.

INTERNAL CIRCULATION TO:

Planning and Development Services Department
City Clerk's Division
Works and Utilities Department

LEGAL/STATUTORY AUTHORITY:

Local Government Act
Section 904 - Zoning for amenities and affordable housing

LEGAL/STATUTORY PROCEDURAL REQUIREMENTS:

May require amendments to the zoning by-law and / or OCP.

EXISTING POLICY:

Strategic Plan

Goal #3 - To foster the social and physical well-being of residents and visitors.

Objective #4 – Realize construction of housing forms and prices that meet the needs of Kelowna residents.

Identify ways to establish partnerships with builders, developers and other levels of government in an effort to use targeted City owned land, existing resources and legislative tools to influence the supply and diversity of housing and to increase the supply of affordable housing.

Review development related bylaws and policies to determine if greater incentives for building affordable housing can be provided.

Official Community Plan

- 6.1.19 Development Incentives.** Investigate the potential to establish additional density bonuses and/or other incentives for appropriate development that fulfills civic objectives with respect to quality design and overall contribution to the quality and livability of Urban Centres.
- 8.1.15 Zoning Bylaw.** Continue to monitor the effectiveness of regulations, processes and fees in the Zoning Bylaw that affect housing and update the Zoning Bylaw to improve effectiveness whenever the need arises.
- 8.1.19 Housing Reserve Fund.** Continue to support the housing reserve fund, using available monies from: annual budget allocations, voluntary contributions from other agencies and the public, a portion of the proceeds of the sale of surplus municipally-owned land, land lease revenues, and a proportion of the sale of market units on City-owned lands;
- 8.1.20 Use of Housing Opportunities Reserve Fund.** Use the housing opportunities reserve fund for the purpose of acquiring lands to be leased or purchased from the City by non-profit groups or developers to provide housing by means including public/private partnership agreements, subject to the criteria specified in the Housing Opportunities Reserve Fund Bylaw. The fund may also be used to provide grants to affordable or low income housing projects that are subsidized by the provincial or federal governments, or both, as set out in the Housing Opportunities Reserve Fund Bylaw
- 8.1.31 Rezoning to Higher Densities.** Consider supporting an OCP amendment and rezoning application for residential densities greater than those provided for on the Generalized Future Land Use Map 19.1 where a portion of the proposed units are available for affordable, special needs or rental housing identified to be in short supply (guaranteed through a Housing Agreement). To mitigate the neighbourhood impact of higher densities, it is important that:
- o 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
 - o the proposed densities do not exceed the densities provided for on Map 19.1 by more than one increment (e.g. medium density multiple units might be entertained where low-density has

- been provided for, and low-density multiple units might be entertained where single/two unit residential densities have been provided for); and
- o the project be sensitively integrated into the surrounding neighbourhood, with no more than a one-storey height gain between the proposed development and the height permitted within land use designations assigned to adjacent parcels (Where the property being proposed for redevelopment is large, consideration may be given to providing greater heights at the centre of the property provided that the new building is sensitively integrated with the surrounding neighbourhood); and
- o approval of the project not destabilize the surrounding neighbourhood or threaten viability of existing neighbourhood facilities (e.g. schools, commercial operations etc.).

8.1.32 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 75% 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). The development must meet the following conditions:

- o the density of the development can be sensitively integrated into the surrounding neighbourhood;
- o where a lot line abuts a lower density residential land uses 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 the land uses assigned to adjacent parcels; and
- o height must be determined by the City as appropriate within the context of the adjacent land use designations; and
- o 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
- o a housing agreement must be entered into with the City and registered on title to secure the affordable dwellings for the long term.

FINANCIAL/BUDGETARY CONSIDERATIONS:

Density bonusing assists in achieving community needs for amenities and affordable housing by contributions made through development.

EXTERNAL AGENCY/PUBLIC COMMENTS:

Two meetings of City Council that were open to the public and two additional meetings with development stakeholders were held prior to consideration of the consultant's recommendations of June, 2008.

COMMUNICATIONS CONSIDERATIONS:

Any amendments to the Zoning By-law or OCP resulting from the recommendations in the consultant's report will be required to follow the public input process specified by legislation and the City's procedures.

Considerations that were not applicable to this report:

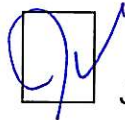
PERSONNEL IMPLICATIONS:
TECHNICAL REQUIREMENTS:
EXTERNAL AGENCY/PUBLIC COMMENTS:
ALTERNATE RECOMMENDATION:

Submitted by:



Theresa Eichler
Community Planning Manager

Approved for Inclusion:



John Vos, Director of Corporate Services

cc: Planning and Development Services Department
City Clerk

Attachment:

Proposed Council Policy
Recommendations from Coriolis Report
Table of existing density bonuses



CITY OF KELOWNA

COUNCIL POLICY MANUAL

POLICY: @
PAGE: 1 of 2

APPROVAL DATE:
RESOLUTION #:
REPLACING #:
DATE OF LAST REVIEW:

SUBJECT: Affordable Housing or Cash-in-Lieu of Affordable Housing – Interim Policy for Increased Density

A. DENSITY BONUS - WITHIN THE ZONE

1. The provisions outlined in this section will be applied only in situations where bonuses defined in the zoning by-law are available within the following zones:
 - RM2- Low Density Row Housing
 - RM3- Low Density Multiple Housing
 - RM4 – Transitional Low Density Housing
 - RM5 – Medium Density Multiple Housing
 - RM6 – High Rise Apartment Housing
 - C4 – Urban Centre Commercial
2. In cases where a site is to be developed for housing with the increase in FAR defined in the Zoning By-law as being available in return for affordable housing registered by a housing agreement, the priority (over and above a cash payment) will be to require 50% of the increase in net floor area resulting from the bonus must be returned in the form of affordable housing units, meeting the City's definition of affordability set out in the OCP, and secured by a housing agreement;
3. The City may accept a cash-in-lieu donation to the Housing Opportunities Reserve Fund, for developments of 10 units or less; as follows:
 - 3.1. The cash compensation payable is, *at minimum*, equivalent to the following:

100% additional net floor area of building in square feet resulting from the density bonus for a housing agreement defined in the zoning by-law; multiplied by \$40 per square foot.

For example, an additional 1,000 sq. ft. of net building area achieved through an increase in FAR, as set out in the zoning by-law would require a minimum cash compensation payable as follows:

1,000 sq. ft X \$40 per sq. ft. = \$40,000;
4. For developments of more than 10 dwellings, the following will be required in order to consider a cash-in-lieu payment to the Housing Opportunities Reserve Fund:
 - 4.1. a report from a qualified professional providing compelling reasons why the provision of affordable housing on site is not feasible;
 - 4.2. the contribution will be determined based on 100% of the market land value of the increased net floor area where value is confirmed by a professional appraiser paid for by the applicant and meeting the approval of the City;



CITY OF KELOWNA

POLICY: @
PAGE: 2 of 2

COUNCIL POLICY MANUAL

APPROVAL DATE:
RESOLUTION #:
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SUBJECT: Affordable Housing or Cash-in-Lieu of Affordable Housing – Interim Policy for Increased Density

B. DENSITY BONUS - BEYOND THE OCP

5. In cases where an amendment to the Official Community Plan (OCP) is required in order to permit an increase in density the City will require a contribution to affordable housing and / or public amenities, to be defined in negotiation between the City and the developer (amenities should be defined in the OCP), with a total value equivalent to 75% of the net lift in land value (after allowing for all land development costs) associated with the rezoning) as determined by a professional analyst paid for by the applicant and meeting the approval of the City;
 - 5.1. For density increases that require amendment to the OCP, the City's priority will be to require that the contribution outlined in clause 5 would be in the form of affordable housing or public amenities provided on site representing the equivalent of 75% of the net lift in land value.
 - 5.2. Acceptance of cash-in-lieu of affordable housing or other amenities will be based on a report from a qualified professional providing compelling reasons why the provision of affordable housing or amenities on site is not feasible.
6. Any funds collected as cash-in-lieu of affordable housing will be directed to the Housing Opportunities Reserve Fund governed by By-law 8593.
7. Any funds collected as cash-in-lieu of any other amenities be placed in a reserve fund governed by a By-law that defines the amenities and guides the use of the funds.
8. This policy is an **interim policy** to be applied until such time as Council has completed its review of the Official Community Plan.

REASON FOR POLICY: Council is frequently faced with development proposals for housing whereby there is an increase in density and the developer does not wish to provide affordable housing on the same site in return for the density bonus. There is a need for a clear policy to guide the amount of cash that should be contributed in lieu of providing affordable housing on site. The issue of affordable housing or other amenities, or cash-in-lieu thereof provided when density is increased is presently under review as part of the review of the Official Community Plan.

LEGISLATIVE AUTHORITY: Council Resolution: Local Government Act S. 904; Community Charter S. 188, 189

PROCEDURE FOR IMPLEMENTATION: Implementing density bonus provisions in the Zoning By-law :for new development.

Appendix 1: Coriolis Recommendations

1. The City should immediately adopt a policy allowing a cash-in-lieu option under the existing density bonus for affordable housing. The City can leave the current approach in place (i.e. 50% of the bonus is market housing and 50% is affordable housing), but the City should provide a cash-in-lieu alternative for developers, along these lines:

The value of the bonus density should be determined on a project-by-project basis.
The cash-in-lieu contribution should be equal to 100% of the market value of the additional density.

The payment should be made at time of building permit issuance or (at the developer's option) deferred to substantial completion if the developer provides acceptable security such as an irrevocable letter of credit.

2. The City should amend some of the multifamily zoning districts to increase the amount of the density bonus. At present, the bonus districts allow increase in FAR of only 0.05 or 0.1. These are very small increases, on top of base densities that are already low. In our view, the City should consider increasing the allowable density in its townhouse, low-rise apartment, and high-rise zones up to the limits that are achievable in attractive, livable projects with urban character. These density increases should all be structured as density bonuses achievable in exchange for making the required amenity contribution. Developers (and land sellers) must understand that these increases are only achievable by making the amenity contribution, so the added value should not be capitalized into land purchase price.

Increasing the allowable densities in selected zones does not necessarily have to wait for a full review of the OCP. The City could consider these rezonings on a neighbourhood basis, looking for locations in which marginal increases in density are appropriate in community planning and urban design terms and can readily be achieved. When changing the allowable density, the City should assume that the structure type must stay the same (i.e. low-rise apartment sites are still low-rise apartment sites, but at a slightly higher density) and should make all of the consequential changes in the bylaw that are necessary to allow the increased zoning to be achieved. This may mean revising maximum height (e.g. increasing low-rise apartment sites from 3 storeys to 4), reducing setback requirements, and reducing parking requirements. *The table below includes some of the bonus increases that were recommended in the report from Coriolis:*

Zoning District	Existing Base FAR	Existing Bonus FAR	Proposed Bonus FAR	Maximum FAR	Comments
RM-3	0.7	0.05	0.3	1.0	FAR 1.0 is a reasonable density for urban townhouse projects with enclosed parking.
RM-5	1.3	0.1	0.4	1.7	Density of 1.7 and higher (up to about 1.9) is achievable in 4 storey frame apartments with urban character.
RM-6	1.9	0.1	0.6	2.5	High rise residential can easily achieve density of 2.5+, depending on allowable height.

3. The City should seek voluntary amenity contributions for all rezoning that involve a significant change in land use or density not already contemplated in the OCP. The City should adopt an approach that involves estimating the net lift in land value (after allowing for all land development costs) associated with the rezoning and then setting a general target that the amenity contribution (including on-site amenities, off-site amenities, and any cash-in-lieu portion) has a total value equal to about 75% of the lift. This 75% level is somewhat arbitrary, but it acknowledges that a portion of the land lift should be available to provide incentive to the land seller and incentive to the developer to undertake the rezoning. The 75% target is consistent with the expectation of a variety of urban communities in BC.
4. The City is planning to review and update its OCP. As part of this process, the City should look for appropriate locations for additional density (beyond that already contemplated in the existing OCP), based on location, neighbourhood character, transit service, and other factors. Where there are sound opportunities for additional density (i.e. that make sense in terms of community planning, infrastructure, urban design, sustainability, and market trends), the new OCP should make it very clear that the City's policy will be to rezone to match new OCP designations if there is an appropriate voluntary amenity contribution. In this way, the City can avoid continuation of the current situation in which OCP policy has become (in the land market) the basis for land price. In effect, the City should acknowledge that the land market has already captured the value associated with existing OCP policies, but the City should ensure that the new plan makes it clear that new density will be viewed as an opportunity to achieve public benefits.

Zone	FAR	FAR with HA bonus	Other Bonuses
RM2- Low Density Row Housing	0.5	0.55	For screened parking spaces under habitable or common amenity areas, the FAR may be increased by 0.08 x the ratio of such parking spaces to the total required up to a max. of 0.08
RM3- Low Density Multiple Housing	0.5	0.55	For screened parking spaces under habitable or common amenity areas, the FAR may be increased by 0.2 x the ratio of such parking spaces to the total required up to a max. of 0.2
RM4 – Transitional Low Density Housing	0.65	0.75	For screened parking spaces under habitable or common amenity areas, the FAR may be increased by 0.2 x the ratio of such parking spaces to the total required up to a max. of 0.2
RM5 – Medium Density Multiple Housing	1.1	1.2	For screened parking spaces under habitable or common amenity areas, the FAR may be increased by 0.2 x the ratio of such parking spaces to the total required up to a max. of 0.2
RM6 – High Rise Apartment Housing	1.5	1.6	<ul style="list-style-type: none"> • 0.1 for each additional 10% increment of open space above 50% of open space • For screened parking spaces under habitable or common amenity areas, the FAR may be increased by 0.2 x the ratio of such parking spaces to the total required up to a max. of 0.2
C4 – Urban Centre Commercial	1.3	1.4	For screened parking spaces under habitable or common amenity areas, the FAR may be increased by 0.2 x the ratio of such parking spaces to the total required, up to a max. of 0.2
C5 – Transitional Commercial	0.4		For residential space an additional FAR of .2 is permitted for a total FAR of 0.6
C6 – Regional Commercial	0.4		FAR increase to 1.0 for hotels
C7 – Central Business Commercial	9.0		No bonuses, but increases in height in certain situations
C8- Convention Hotel Commercial	1.5		
C9 – Tourism Commercial	0.5		1.5 for hotels



URBAN DEVELOPMENT INSTITUTE – PACIFIC REGION

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Monday, April 14, 2008

Her Worship Mayor Sharon Shepherd
City of Kelowna
1435 Water Street
Kelowna, BC V1Y 1J4

Dear Mayor and Council:

Re: Coriolis Report on Affordable Housing

The Urban Development Institute (UDI) is an association of the development industry and its related professions. Our members contribute \$23 billion and 250,000 jobs to the provincial economy each year. As a Partner in Community Building, UDI is committed to working with local municipalities, local communities and local developers to encourage quality urban development throughout Canada. UDI activities support development that is environmentally-friendly, affordable and contributes positively to the economy.

In terms of affordability, we have long advocated that municipalities appropriately zone land to ensure that there is an adequate supply of developable land and density in their communities. Further, an integral part of housing affordability includes reducing regulatory hurdles and municipal charges.

We are pleased with the City of Kelowna's willingness to consult with the development industry in its effort to produce a fair, effective, practical and productive affordable housing policy. UDI appreciates that the City did act on the advice of UDI to have a third-party consultant review affordable housing and amenity contributions in Kelowna.

UDI has reviewed the February 2008 Interim Report by Coriolis Consulting Corp., *Affordable Housing and Amenity Contributions from Urban Development Projects in Kelowna*. We are pleased that the consultant identified several key issues and concerns that the industry has noted for several years:

- Land is priced much higher than how it is currently zoned in Kelowna, and this will be difficult to overcome because of the few large land owners in the City;
- By introducing charges and fees that assume land is priced based on zoning, the City will likely slow down development and increase prices, thereby undermining the goal of improving affordability; and

- The incentives under the current density bonusing scheme are too small to deliver affordable housing units.

In the Report, the consultant provides several positive suggestions regarding how the City can obtain more affordable housing (and other amenities) through development. The City should seriously consider these recommendations. They are an excellent starting point for discussions with our industry. They include:

Allowing cash-in-lieu payments – UDI believes that this would allow more flexibility for the industry to take advantage of the density bonusing program, and should be adopted by the City for all developers. We would want to ensure that the money obtained through this process is spent for the purposes for which it is collected. We hope the City will consider implementing this recommendation soon.

Increasing the size of the density bonusing – UDI has advocated for this for several years. Not only will this provide affordable housing units, it will also increase densities and the number of units on the market, which will further improve affordability. At the same time, the consultant notes that the City could modify the "...zoning districts to add more bonus density that could be achieved without changing the structure type or the basic form and character intended in the zone." We believe the density bonuses, as suggested by the consultant, will be sufficiently attractive enough for developers to take advantage of them, so the City should also consider implementing this suggestion soon.

Negotiating contributions on rezonings not contemplated in the OCP – UDI is somewhat supportive of this option. However, it is our understanding that in some areas of the City land is already priced beyond what is contemplated in the OCP. This is because the OCP is very much out of date and projects have been approved beyond what is designated in the OCP. The City should be cautious about its position in these negotiations. If the City requires a certain amount of "land lift" that is not possible given the current price of land, development will slow down and prices will rise. The City should do a thorough analysis of the price of land *vis a vis* the OCP before proceeding with this recommendation.

Reviewing the OCP – Again, UDI has long advocated that the City should update its OCP to be in line with current urban planning practices. We believe that there are several areas where there can be significant increases in density. This, in turn, will reduce land cost pressures, expand housing opportunities for families in Kelowna, and improve affordability. If the City is seeking additional contributions, the ground rules need to be established early in the process and understood by developers, landowners and the market. As part of the OCP review, the City should do the analysis noted above on how land is being priced – especially in the areas where the municipality is planning to densify and require additional contributions.

UDI also has further comments that the City should consider when assessing its Affordable Housing Strategy:

Removing obstacles – The OCP review should also include an assessment of some of the obstacles developers face in delivering an affordable product. For example, parking standards should be reduced. Parking stalls for some projects can cost between \$30,000 and \$40,000 per unit. If these standards can be reduced, so can housing costs. Inflexible municipal policies can also restrict affordable housing

opportunities. Our members continuously seek out new ways to deliver housing more affordably through approaches such as locked-off secondary suites in condominiums. This increases the pool of rental units, and provides a mortgage helper for new homebuyers. However, developers often face regulatory hurdles. We hope the City will consider and allow these innovations in a timely manner. These approaches could also be incented through reductions in fees, and charges or bonusing.

Population Targets and Land Supply - We are concerned that the growth in the community is being underestimated, and as a result the supply of land is being restricted. It is our understanding that between 2020 and 2030, the City is estimating that only 3,000 housing units will need to be constructed. This seems very low – especially since the City is also arguing that there is a need for 8,000 units for affordable housing. If higher targets are not established and land is not rezoned accordingly, housing supply problems and cost pressures will continue.

Affordable Housing and other amenities - UDI also believes that any decisions with regard to affordable housing must be done in the context of other amenities. We are pleased that the consultant's Terms of Reference were expanded to include this. UDI has raised this issue in several communities. There is a limit to how much municipalities can obtain through the development process. The "land lift pie" does not grow with additional municipal requirements or requests, so communities must determine what their priorities are – affordable housing, green buildings, child care, or community facilities. The approach taken on a site by site basis should be flexible. In some areas, affordable housing may be needed. In others, such as the properties along Lake Okanagan, a waterfront trail may be preferred.

Partnerships – As we have noted before, the City should partner with developers, senior levels of government and non-profit entities on individual affordable housing projects. Each stakeholder brings different resources and skills to the table, which improves the opportunities for affordable housing projects to be built successfully. The affordable housing fund contemplated in the Coriolis Report could be used to initiate partnership agreements for affordable housing.

UDI would like to thank the City for involving us throughout this process. We believe real progress has been made through this Interim Report, and look forward to working with staff, the consultant and the City as we move forward to create affordable housing for all citizens of Kelowna.

Yours truly,

Original signed by:

Maureen Enser
Executive Director