
CITY OF KELOWNA
MEMORANDUM

DATE: November 19, 2008

FILE NO.: OCP07-0031/TA07-0006

TO: City Manager

FROM: Community Sustainability Division

APPLICATION NO. TA07-0006/
OCP07-0031

OWNER: Kinnikinnik Developments
inc.,
Glenmore Ellison
Improvement District

AT: 3650 & 4001 Finch Road,
(W. of) Glenmore Road N.,
1890, 2230 (N. of) McKinley
Road, (W. of) & 3280 Slater Road

APPLICANT: Kinnikinnik Developments
Inc.

PURPOSE: Official Community Plan Amendment to adjust the boundaries of the Commercial, Utilities, and Private Recreation Future Land Use Areas to incorporate refinements to the proposed development plan

Text Amendment to the CD18 – Vintage Landing Comprehensive Resort Development Zone to make minor amendments to the CD-18 zone;

EXISTING ZONES: CD18 – Vintage Landing Comprehensive Resort Development Zone,
P3 – Parks and Open Space Zone,
P4 – Utilities
W2 – Intensive Water Use Zone,

BACKGROUND

At the November 3, 2008 Council meeting to consider the above noted applications for 2nd and 3rd reading a number of questions were raised by Council that required clarification by staff prior to Council's consideration of the Bylaws. These questions were with respect to the provision of lock-off units, the removal of the 240 day limitation, the impact on the servicing requirements and the financial implications for the taxpayers.

Lock-Off Units

As noted in the September 26, 2008 staff report the proposed Text Amendment to the CD18 zone being considered is to change the density provisions of the zone by deleting the 1000 unit cap with no increase to the overall allowable floor area.

However, there were two questions raised by Council with respect to Lock-Off units:

Q. Are lock-off units currently allowed in the CD18 zone?



- A. No. The current CD18 zone does not allow lock-off units and specifies in Section 1.3 (a) of the zone that:

"Total Density for the CD18 Zone shall not exceed 1,000 units of resort accommodation (187,500m²), 65,000 m² of village commercial and 19,000 m² of employee accommodation in accordance with the Vintage Landing Area Structure Plan adopted as part of the Kelowna Official Community Plan."

- Q. Was staff aware of the Developers intent to provide lock-off units under the existing CD18 zone?**

- A. Staff (both existing and former) do acknowledge there had been discussions with the applicant regarding lock-off units which could have resulted in more than 1000 units. However, there were no specific definitions added, nor any references or provisions made in the CD18 zone that was adopted by Council January 15, 2007 that would currently permit lock-off Units.

In addition, when reviewing the original Council Report dated June 30, 2005 and Public Hearing minutes of August 9, 2005 for the Official Community Plan amendment, Text Amendment and Rezoning applications which facilitated the Vintage Landing Development, there was no reference to Lock-Off units.

240 Day Limitation

- Q. Why is Staff supportive of the removal of the 240 day limitation?**

- A. This limitation had been removed from the Apartment Hotel definition in Zoning Bylaw 8000 July 21, 2003. In response to the removal of the 240 day limitation, Residential Development Cost Charge Rates would be applied to Apartment Hotels where kitchens are contained in the units. In addition, the current method of Property Assessment for Apartment Hotel uses is as a commercial use which results in the City's commercial taxation rate being applied to these properties. Therefore, not only do these properties pay the higher residential DCC rate, but they are also taxed at the higher commercial tax rate. If the units were strictly apartment housing, they would then be taxed at the lower residential taxation rate.

Staff have supported this request as it is consistent with the regulations that all Apartment Hotel uses abide by within the City of Kelowna. However, Staff will be reviewing in the near future ways of ensuring that the Apartment Hotel use can remain distinct from the Apartment Housing use.

Servicing Requirements

There were three areas of concern for which Council sought clarification of relative to the servicing requirements for this development.

- Q. Does the current Servicing Agreement address the potential for more units over and above the 1000 unit cap contained in the CD18 zone?**

- A. Staff have confirmed that the current executed Servicing Agreement was based on the 1000 unit cap. Since this Servicing Agreement was executed on January 10, 2007 there has been additional technical information received from the applicant that when combined with the current applications under consideration, may impact the Servicing Agreement.

However, the Works & Utilities Division have not conducted the detailed review of the Servicing Requirements as this review would normally be done between Council's 3rd reading and final adoption of the amending bylaws. The rationale for this standard procedure is because this detailed review may require additional professional reports which could be an increased cost to the applicant with no assurance that there is any level of Council support for the project.

Financial Implications

Q. Will there be any additional Financial Burden to the taxpayers should the applications be approved.

As the current Servicing Agreement states in Appendix A Item 2)"

The Developers have agreed that the project will proceed on the basis of no additional costs to the City in regard to the financial aspects to the City's 20 Year Servicing Plan and only normal maintenance costs that would be covered by new revenues generated by the development through taxation or utility user fees.

This clause will not change as a result of any revisions that may be an outcome of the Works & Utilities Review.

In addition, as mentioned above, the residential DCC rate will apply for those units with kitchens and the Commercial Tax rate will apply overall. The methodology necessary to calculate the DCC fee for a lock-off unit will still require Staff discussion as lock-off units are not currently recognized for their impact on density under residential DCC's.


Shelley Gambacort
Director of Land Use Management

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