



DEVELOPMENT SERVICES COUNCIL REPORT

To: Mayor and Council

Date: March 12, 2024

From: Ron Mattiussi, Interim CAO

File No: OCP 24-01

Subject: **OCP 24-01; Official Community Plan Amendment, First Reading (Gates Road)**

Report Prepared By: Brad Clifton, Senior Planner

RECOMMENDATION to Consider and Resolve:

THAT Official Community Plan Bylaw No. 300.02, 2024 (OCP 24-01) be denied;

AND THAT Council direct staff to close the file.

Should Council deny the proposed amendment bylaw, the applicant may not apply for a similar application for a period of six (6) months in accordance with Development Applications Procedures Bylaw No. 0260, 2018.

STRATEGIC AREA(S) OF FOCUS

Pursue Economic Growth and Prosperity – We will work with stakeholders throughout the region to advocate for and support efforts aimed at helping West Kelowna businesses prosper. With a focus on the future, we will advance opportunities to expand our economy, increase employment, and develop the community in ways that contribute towards prosperity for all.

BACKGROUND

The subject properties are located on Gates Road and Fenton Road outside of the City of West Kelowna Growth Boundary in the Upper Glenrosa neighbourhood. The properties to the north, west, and south are all Rural Residential parcels. To the east is the Glen Eagles subdivision, which is within the Growth Boundary and has single detached uses.

There are two legal parcels that comprise the subject properties. The first property, which fronts Gates Road, would be the main entry location for the proposed development and is the location where the development would tie into an extension of municipal services (storm, sanitary, water). None of the parcels are currently connected to community water and sewer services. If the proposed OCP amendment advances, a rezoning application will be submitted and combined with this application. Both files would then run concurrently.

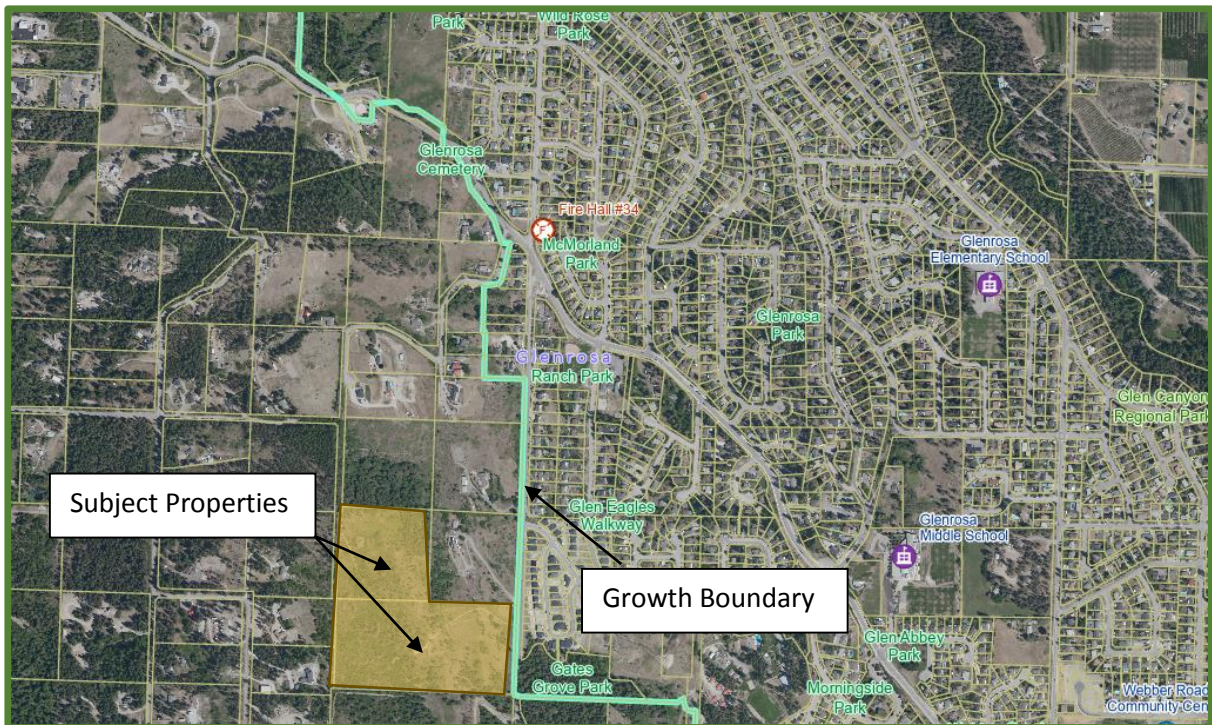
PROPERTY DETAILS

Address	Multiple Properties: Gates Road & Fenton Road		
PID	011-629-274, 012-078-450		
Folio	36414760.020, 36414739.00		
Lot Size	+/- 31 acres (125453 sqm)		
Owner	0772351 BC Ltd.	Agent	Jay Cowan, Homefield Communities 604-499-6438
Current Zoning	Rural Residential Large Parcel (RU4)	Proposed Zoning	N/A Future Submission
Current OCP	Rural Residential RR	Proposed OCP	MDR Medium Density Residential
Current Use	Vacant	Proposed Use	226 Unit Townhome Development
Development Permit Areas	Hillside		
Hazards	N/A		
Agricultural Land Reserve	No		

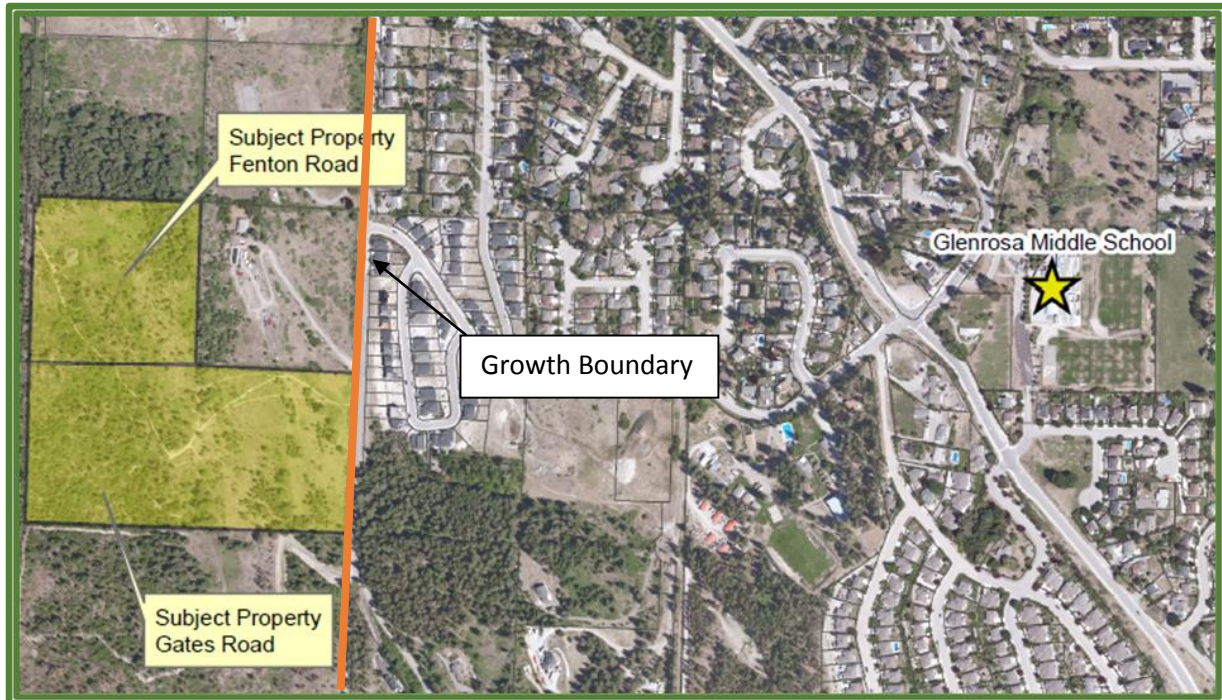
ADJACENT ZONING & LAND USES

North	^	Rural Residential
East	>	Low Density Residential – within Growth Boundary
West	<	Rural Residential
South	v	Rural Residential

CONTEXT MAP



PROPERTY MAP



Legislative Requirements

Council has the authority under s.472 of the *Local Government Act* to amend the Official Community Plan

Proposal

The applicant is proposing an OCP Amendment to amend the land use designation of the two properties from Rural Residential to Medium Density Residential to facilitate a future rezoning and the construction of 226 townhomes. The application also requests an extension of the Growth Boundary West to include the two subject properties. The applicant's proposed site plan is enclosed as Attachment 2, along with a rendering of their proposed townhome product as Attachment 3.

Due to the lack of compliance with various policy objectives of the City OCP and Regional Growth Strategy, the applicant has only applied for an OCP amendment to reduce initial technical reporting requirements and associated costs. Should the application advance for consideration, the applicant will be required to complete all additional reporting requirements. This includes the preparation of formal impact studies for Traffic, Functional Servicing, & Stormwater management, along with a full referral to review demand on parks, schools, and telecom utilities.

Applicant's Rationale

A detailed rationale has been provided by the applicant as Attachment 4. The applicant states that the proposed OCP amendment is consistent with the City of West Kelowna Housing Strategy, through provisions on attainable and diverse housing options, represents a controlled expansion of the Growth Boundary, and the serving strategy has been well studied and is ready for implementation.

DISCUSSION

Zoning and Policy Review

City of West Kelowna Housing Strategy

The proposal contemplates the creation of housing units under a unique land lease model with a goal of reducing overall purchase price to make housing more attainable. Under this model, the homeowner owns the home and leases the land from the developer where the home is situated. The City of West Kelowna Housing Strategy proposes to create more opportunities for non-market housing, protect and increase rental housing, and create more options for housing throughout the community with more diverse forms and densities. While the applicant's unique housing model aligns with these core objectives, it fails to do so in a manner that supports the long-term viability of West Kelowna's growth and servicing. The proposal fails to focus on core infill objectives aimed at supporting infrastructure capacity in servicing, transit, parkland, etc. When developing in West Kelowna the goal is to grow in a way that respects the gentle densification of our existing neighbourhoods. Housing should be delivered in a manner that enables the City's to support this objective.

Regional Growth Strategy (RGS) Regional District Bylaw No. 1336

The Regional District of Central Okanagan (RDCO's) goal is to manage its land base effectively to protect natural resources and limit urban sprawl. The Regional Growth Strategy (RGS) supports logical and sequential growth patterns that minimize urban encroachment into rural areas and support the protection of the rural areas that offer a rural lifestyle choice. Proposals for new growth areas are encouraged to consider the impact on existing services and facilities in the community. In addition, the RGS encourages mixed use compact communities that facilitate the transformation of existing neighborhoods so that residents can conveniently and safely travel by bus or by foot, bicycle and other forms of active transportation to get to major community destinations. The proposal shows poor alignment with the RGS. The proposal does not achieve RGS housing goals as it does not focus new housing within existing service areas to reduce infrastructure costs, transportation costs, or to foster healthy lifestyles.

Official Community Plan Bylaw No. 0300

The subject properties are currently designated Rural Residential that supports agricultural production, other land intensive uses and home based business consistent

with rural properties, as well as residential use. These areas are not considered growth areas and are restricted to infill uses that can be served by on-site water and wastewater treatment systems (well and septic). The applicant has proposed a servicing strategy to connect the properties to municipal services if the OCP amendment advances. This includes the provision of an on-site private water reservoir.

OCP water policies focus on the provision of safe and adequate water supply by ensuring that the water supply is appropriately maintained and developed. New municipally connected water services outside existing water service areas or approved Comprehensive Development Plan (CDP) areas is discouraged. As noted, the application proposes a new private reservoir facility to service the proposed townhomes. While this facility would be fed by treated municipal water, it would be privately owned and operated. This raises several concerns outlined later in this report.

The OCP encourages that development in the Rural Residential Designation will respect the Growth Boundary and protect environmental resources and values. Greenfield development is discouraged outside of existing developed areas or outside approved Comprehensive Development Plan areas. Additionally, zoning amendments allowing parcel sizes less than 30 hectares are not supported outside the Growth Boundary. Subdivision is also not supported on properties outside the Growth Boundary, except where zoning amendments or variances are not required, and minimum parcel size can be met. If the development proceeds, clarity on which subdivision processes apply would be required. Land lease structures may not require formal stratification if the entire development is owned and managed by the applicant.

Impacts of Small Scale Multiple Unit Housing (SSMUH)

The current OCP was recently adopted and outlines planned growth for targeted core areas within the Growth Boundary. All forecasted housing growth over the next 20 years is contained within current Growth Boundary limits and is already multiple times what was identified as necessary based on our growth forecasting. In addition, with Bill 44 and new Small Scale Multi-Unit Housing legislation being implemented, the City has even more required infill to account for and service. As such, there is no need to expand the Growth Boundary to accommodate additional development. Additionally, when the City prescribes growth outside of the boundary, growth is deterred within the boundary as planned. This limits the ability of our planned Urban and Neighbourhood Centers to thrive, grow and prosper as vibrant communities.

It should also be noted that staff resources are already at capacity with SSMUH, zoning bylaw updates, implementation of the new OCP, and processing of current planning applications that meet OCP policy and guideline direction. The application proposes additional concern if advanced, as it could set a precedent that the City is willing to expand the Growth Boundary outside of an approved CDP process. This would likely lead to additional application submissions and consequential demand on staff.

Comprehensive Development Planning

It should also be noted that while there are several policies that support the creation and study of Area Plans and CDP's within the OCP to expand the Growth Boundary. The OCP bylaw doesn't contemplate expansion of the Growth Boundary outside of these processes. A CDP or Area Plan would be appropriate to expand the Growth Boundary west as the study area and rationale is more robust than that of a typical OCP amendment. A CDP process requires specific authorization from Council along with creation of a detailed terms of reference for applicable study parameters to support a Growth Boundary extension. These study parameters look at the long-term implications of expansion on transportation corridors, connectivity, servicing, parks and trails, amenities, transit, etc. This ensures well planned growth that supports the needs of the community in the long term.

Upper Glenrosa Area Plan

In 2014, the City completed a study of the Upper Glenrosa Area. The planning initiative was driven by public requests to consider the potential for municipal water and sewer connections to the currently unserved portions the neighbourhood. The goal of the project was to assess potential directions for transportation and servicing to create a framework to build upon as planning for the neighbourhood proceeds.

Several key implementation directives were uncovered. The report highlighted a core need for a secondary access into the Upper Glenrosa Neighbourhood for emergencies and traffic flow, and provided recommendations. None of these connections have yet to be implemented. The report also highlighted several intersection and road upgrades along with core pedestrian routes. In terms of overall infrastructure improvements for sewer and water, there were several development sequences proposed all with a significant cost basis to their implementation. It was concluded that even under a full build out scenario, the City of West Kelowna would ultimately bear responsibility for maintenance of a large amount of new servicing infrastructure, and there would be a limited tax base in the area to contribute resources for managing this system over the long-term.

Development Permit Areas

Several Development Permits would be required should the file advance. This could include Sensitive Terrestrial, Hillside, Intensive Residential Form and Character and Wildfire. Depending on the required professional reporting, the developable areas of the property, as proposed, may be impacted.

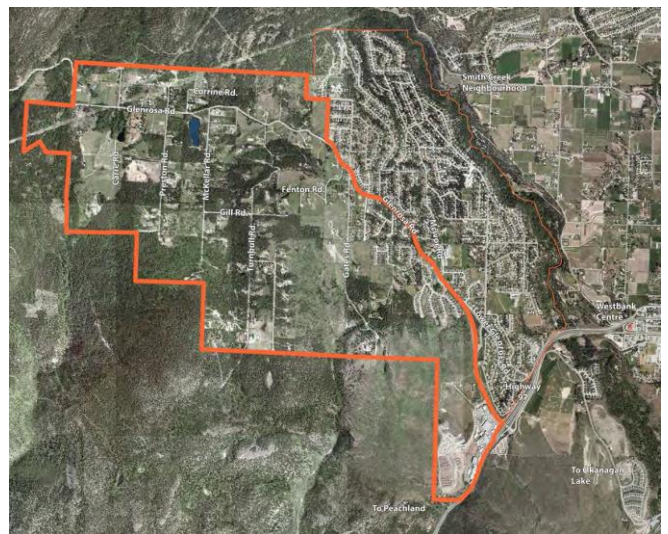


Figure 1: Upper Glenrosa Area Plan (Study Area)

Zoning Bylaw No. 0265

The subject properties are currently zoned Rural Residential Large Parcel (RU4). The purpose of this zone is to accommodate rural, agricultural, and residential uses on parcels of land that are 4 ha or greater. The zone aligns with the Rural Residential OCP Land use designation. A future rezoning application to a zone that supports three story townhouses would be required to facilitate the applicant's proposal. As part of a rezoning proposal, several key reports would need to be submitted and be further expanded including a robust functional servicing report to support the servicing of the proposed development, along with a Traffic Impact Assessment. Staff would also explore the provision of additional offsite upgrades to facilitate the development. The provision of core utilities, hydro, telecom, and gas, would also need to be explored.

Works and Services Bylaw No. 0249

The development would be required to be connected to municipal services. Where the intended use of a proposed subdivision or development places a demand on off-site municipal works or services that, in the opinion of the City staff, cannot be accommodated without improvements, the Owner shall provide appropriately designed and implemented improvements to mitigate these impacts in their entirety. These services shall include, but are not limited to, water treatment, storage or pumping facilities, sewage pumping or treatment facilities, highways or highway intersections, or drainage works. Additional study through an application and supporting material is required to determine this demand. The applicants proposed private water reservoir can create challenges in terms of ongoing maintenance. There is also uncertainty with long term fire fighting impacts. As the reservoir is not municipally owned, it will need to be determined if the fire department can rely on the reservoir to provide ample storage and flows in the event of a fire. The ongoing maintenance costs for the entire reservoir system will also need to be studied and analyzed for long term protection of the residents who live in the eventual development.

The proposal of an on-site water reservoir (storage) may be subject to regulatory approval from the comptroller of water rights under the Ministry of Forests, lands and Natural Resources Operations and Rural Development and a water purveyors certificate may need to be issued. The purpose of the application is to ensure that proposed water systems meet the minimum requirements of both financial and engineering standards for ongoing maintenance. This not only improves the utility's financial and structural sustainability but also protects its customers' ability to obtain potable water at reasonable rates.

Technical Considerations

Traffic & Pedestrian Circulation

Prior to second reading of the Bylaw the applicant would be required to submit a detailed Traffic Impact Assessment scoped to a term of reference specified by Development Engineering. With potentially 226 townhouse units (500+ people), there will be increased

pressure to plan for additional amenities and services that have currently not been accounted for (e.g., sidewalks, increased transit services, etc.).

Access and Egress

As noted in the Upper Glenrosa Neighborhood Plan study, a secondary access is critical for advancing development beyond the Growth Boundary. The secondary access is required to improve overall traffic circulation, provide an alternative evacuation route for residents, and provide a connection for emergency vehicles.

Parks

Review of applicable parkland policy including any dedications or cash in lieu payments would be explored through the rezoning submission. Staff would need to consider access to parkland. As the development is not within an urban boundary access to existing parkland for residents is limited.

Referral Comments

Fire

The fire department noted that portions of parcels are outside of the fire department's 10 min response area, and that the proposed development site may receive a high Fire Underwriters Dwelling Protection grade.

Advisory Planning Commission (APC)

The APC considered the application for Official Community Plan Amendment on February 14, 2023.

The APC did not support the application OCP 24-01 Official Community Plan Amendment, Gates Road.

The APC noted the following discussion items:

- The APC noted that the application is not consistent with the City of West Kelowna Official Community Plan, and the Growth Boundaries as set already accommodate a 20 year land supply for new growth.
- The cost for servicing the development if advanced would need to be borne by the developer.
- There would need to be consideration of school capacity and demand.
- The application would be stretching city resources thin in relation to ongoing provincial changes.

The applicant has provided a response to the decision recommendation by the APC. This response document is enclosed as Attachment 5.

Public Notification

A notification sign has been posted on the subject property in accordance with Development Application Procedures Bylaw No. 0260, 2018. Should this application proceed to Public Hearing, additional notification by mail, advertisement in the local newspaper, and City's website is required under the *Local Government Act*.

CONCLUSION

Council should consider the following items as part of consideration for the file.

- The application proposes a unique housing form and model complementary to components the City of West Kelowna Housing Strategy, but fails to do so in a manner that respects the long-term viability of West Kelowna communities;
- The proposal does not achieve RGS housing goals as it does not focus new housing within existing service areas to reduce infrastructure costs, transportation costs, or to foster healthy lifestyles;
- The amendment is for a parcel outside of the Growth Boundary, and is not required as the recently adopted OCP already accounts for more growth than what was identified in the City's growth forecasting;
- SSMUH adds additional density beyond what is forecasted in the current and recently adopted OCP;
- New Provincial regulations to support small scale multi-unit housing in existing single detached zones across the City is already necessitating a complicated review of the City's existing infrastructure. Expansion of the Growth Boundary would add additional burden to our servicing and further complicate this review;
- The Upper Glenrosa Area Plan identified the need for an additional emergency egress route, which is not completed; and
- The proposal requires significant technical reporting by the applicant and review by staff if it advances further. The applicant is proposing a private water reservoir which would need to be further studied and may require Provincial approval. Secondary access considerations are also of particular concern to the Upper Glenrosa Neighbourhood.

As noted throughout this report, there is no need to expand the Growth Boundary to accommodate additional development. When we permit growth outside of the boundary, we deter growth within the boundary as planned. This limits the ability of our Urban and Neighbourhood Centers to thrive, grow and prosper as vibrant communities. Additional SSMUH and infill will allow for many additional units within our existing neighbourhoods and creates significant opportunities for more sustainable growth in the community.

Alternate Recommendation to Consider and Resolve:

1. **THAT** Official Community Plan Amendment Bylaw No.0300.02, 2024 be given first reading.

REVIEWED BY

Chris Oliver, Planning Manager

Brent Magnan, Director of Development Approvals

Bob Dargatz, Development Engineering Manager

Corinne Boback, Legislative Services Manger / Corporate Officer

Trevor Seibel, Deputy CAO

APPROVED FOR THE AGENDA BY

Ron Mattiussi, Interim CAO

Powerpoint: Yes No

Attachments:

1. OCP 24-01 300.02, 2024 Bylaw
2. Applicants Site Plan
3. Applicant Townhome rendering
4. Applicants Rationale
5. Applicants response to APC