



**URBAN DEVELOPMENT INSTITUTE- OKANAGAN CHAPTER**

210 – 1460 Pandosy Street  
Kelowna, BC V1Y 1P3 Canada  
T. 778.478.9649 F. 778.478.0393

[udiokanagan@udi.org](mailto:udiokanagan@udi.org)

[www.udiokanagan.ca](http://www.udiokanagan.ca)

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City of Kelowna  
1435 Water Street  
Kelowna, BC, V1Y 1J4

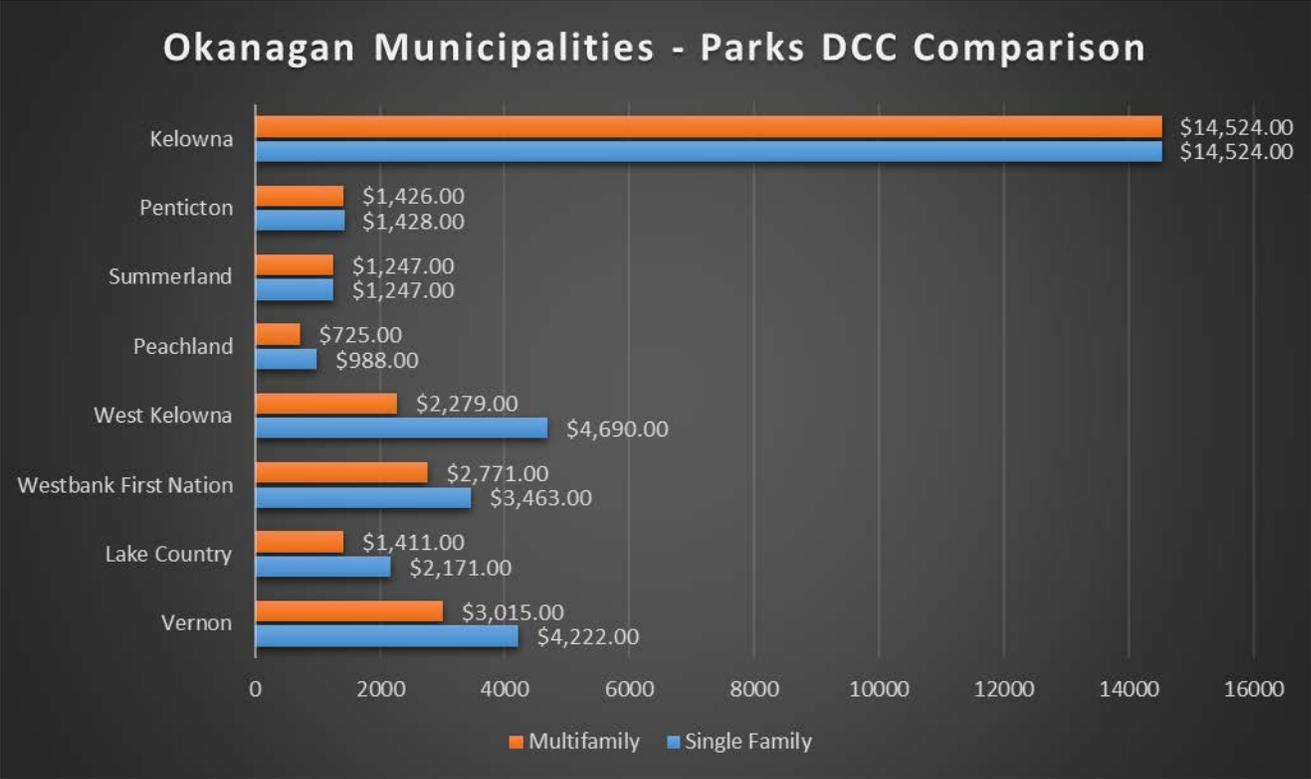
**Attention: Mayor and Council**

**Subject: Parks Development DCC**

We are contacting you today because of our concerns with the current direction that the City of Kelowna is going with the proposed Parks Development DCC. We, as an industry, are supportive of parks development as an important component of city growth. That being said, we have significant concerns regarding the current proposed Parks Development DCC, as outlined in our previous engagement with city staff, the letters submitted, and the information below. To that end, we ask that Kelowna City Council defer the implementation of the proposed bylaw in order to further engage with the public and stakeholders while gathering additional pertinent information required to make this decision.

The proposed new Parks Development DCC represents a significant cost increase to the overall cost of building a home in Kelowna. This will have a direct negative impact on housing affordability for our community. As such, we believe that there should have been greater public consultation as well as a Public Hearing on this important issue. This would have provided the opportunity for stakeholders and members of the general public to provide feedback directly to Council and provide a counterpoint to information that Council has received directly from City staff.

While we appreciate the consultation that City staff underwent with our organization, we do not feel like we have had a sufficient opportunity to present our views directly to you, especially where they differed from City staff's perspective. One clear example of this is in the comparison graphs made between the City of Kelowna and some Lower Mainland municipalities that were presented at a previous Council meeting in order to justify the proposed DCC values. These comparisons seemed to help inform Council's final decision, yet we believe they presented information not relevant to the local context and made it seem as though Kelowna is not charging enough for Parks DCCs. However, when the current and proposed Parks DCC rates for Kelowna are compared to the surrounding Okanagan municipalities, a different story emerges as you can see from the graph below. Please note – this graph does not include an acquisition component of Parks DCC for the other communities. That being said, our members have recent examples of developments in those other municipalities and the only park related cost is the DCC amount shown here – no additional acquisition or land dedication cost. The graphs shown from staff included an assumed land dedication cost. For example, a multifamily project in Lake Country has 1/10<sup>th</sup> the cost of parks DCC than Kelowna.



We also have significant concerns about the fact that the stated 2.2 hectare/1000 people parks standard does not include regional parks, linear parks, school parks, etc. Since these forms of parks are all extensively utilized by residents and visitors of Kelowna, we believe they should be included in the overall available parkland calculations. Not including these public open space amenities unnecessarily inflates the perceived need for new parks, thus inflating the cost to acquire, develop, and maintain increased park space. Additionally, this metric has not been proven to come from any actual source showing this is the right amount of park area needed. Has there been any study or survey done to determine what is actually needed for park space in Kelowna?

Another concern with the proposed bylaw is the cost that has been allocated to park development. Given the focus of council to catch up on development of existing undeveloped parks, much more park can be developed and be usable for the existing community by efficiently allocating funds. A typical city constructed park costs approximately \$170 per square foot to develop. To put this in perspective, houses in our community are being constructed for even less than this price per square foot. How does it make logical sense that a park space costs more to develop than a home? The cost and specifications utilized to calculate the Parks Development DCC needs to be analyzed in much more detail in order to justify the proposed DCC value.

It is noted that the proposed DCC bylaw has actually been changed since the previous council meeting. Park Acquisition DCC has been increased by 12%. What is the justification for this increase? The purpose of this entire exercise was to create a DCC to generate development funds due to the city having existing parkland and limited funds to develop those existing parks. UDI has advocated for an option to reduce

the acquisition rate, while introducing and phasing in the development DCC. The proposed bylaw is actually doing the opposite by increasing the acquisition DCC and decreasing the development DCC, further compounding the existing situation.

We ask that Council consider deferring approval of this proposed DCC at this time and recommend a stepped approach to phase in this significant cost increase over time versus implementing it all at once. We would be happy to discuss further and even presenting directly to Council if given the opportunity.

Thank you in advance for your consideration.

Sincerely,

**URBAN DEVELOPMENT INSTITUTE OKANAGAN CHAPTER**

A handwritten signature in blue ink, appearing to read "R. Threlfall".

Per: Rich Threlfall, Chair of UDI Okanagan