



THE CORPORATION OF THE
DISTRICT OF SUMMERLAND
REQUEST FOR DECISION

DATE: July 2, 2024 FILE: Z24-003
 TO: Graham Statt, Chief Administrative Officer
 FROM: Odessa Cohen, Sustainability Coordinator
 SUBJECT: Eco Village OCP Amendment and Rezoning - CD9 Zoning – 1st and 2nd reading

STAFF RECOMMENDATION:

That Council pass the following resolution:

THAT Official Community Plan Amendment No. 2024-025 for 13501 Denike Steet (Eco-Village) be read a first and second time;

THAT the process, as outlined in this report, dated July 2, 2024 be considered appropriate consultation for the purpose of Section 475 of the Local Government Act;

AND THAT Zoning Bylaw No. 2024-026 for 13501 Denike Street (Eco-Village) be read a first and second time;

AND THAT a Public Hearing be held on August 13, 2024 to receive public feedback on Official Community Plan Amendment No. 2024-025 and Zoning Bylaw No. 2024-026 for 13501 Denike St (Eco-Village).

PURPOSE:

To provide an overview of the proposed OCP amendment and rezoning of District-owned lands located at 13501 Denike St for the purposes of allowing for an environmentally sensitive residential development (called the “eco-village” development) that can accommodate a mix of housing types in a compact development style, with a residential density ranging between 100-200 dwelling units.

Site Information	
<i>Civic Address</i>	13501 DENIKE ST
<i>Legal Description</i>	LOT 1 DISTRICT LOT 2543 OSOYOOS DIVISION YALE DISTRICT PLAN EPP127717

Land Use Designations	Existing	Proposed
<i>OCP Designation</i>	Administrative (A)	Medium Density Residential (MDR) Parks (P)
<i>Zoning Designation</i>	Institutional (I)	Parkland (P), CD9, Institutional (I)
<i>Development Permit Area(s)</i>	ESDP Wildfire Hazard	ESDP Wildfire Hazard

<i>Use</i>	Institutional (Solar Facility) and Recreational trails	100+ unit medium density residential, and parkland. Solar Facility to remain.
<i>Fire Response Area</i>	Inside	Inside
<i>Number of Buildings</i>	0	100+
<i>Land Use</i>	Recreation and Institutional	Residential, Parkland, and Institutional

DISCUSSION:

The proposed rezoning will take place on District-owned lands which are currently 67.4 acres (27.3 ha) and currently zoned Institutional (I) in the District’s Zoning bylaw, and Administrative (A) according to the Official Community Plan (OCP). The rezoning is intended to accommodate the proposed placement of a sustainable residential development referred to as the “Eco Village” project, and if approved will have 11.8 acres (4.77 ha) rezoned to Comprehensive Development 9 (CD9) for the purposes of the Eco Village development specifically, and 51.2 ac (20.7 ha) rezoned to Parkland/Parks (P) to protect existing recreational trails and environmentally sensitive areas (ESA) with a category 1 level, meaning **High Sensitivity – avoidance and conservation** (identified in the Environmental Impact Assessment – Attachment No. 7). Lastly, 2.74 ac (0.11 ha) will remain Institutional(I) and Administrative (A) respectively for the Summerland Energy Centre as a District-owned utility.

A Comprehensive Development (CD9) zone was utilized because there is no zone in the District’s Zoning Bylaw that encompasses the full extent of intended uses of the Eco Village, and as well, that properly captures the expected sustainability considerations for planning and development (as required from the Eco-Village Concept Plan). The use of a comprehensive development zone, such as CD9, will be able to support the unique and specific development and sustainability requirements through site specific zoning and regulations.

In the CD9 zone, there are four (4) sub areas that are detailed out with specific footprint sizes, setback requirements, density, and site regulations that accommodate the specific site features and topography of each sub-area. These sub-areas are NeighbourWood (NW), Hillside (Hs), High Density (HD), and Mixed Density (MD). These sub-areas are proposed to be placed within the CD9 zone with specific regulations developed for each sub-area, and placed on the subject property through a Schedule ‘A’ zoned sub-area map (provided in Attachment No. 4).

The CD9 zone will be accompanied by a Design Guideline document to provide additional development and design direction for the Eco Village in order to achieve the project’s vision and goals as outlined in the Concept Plan (2022). The draft Design Guideline is attached for Council’s reference (Attachment No. 6).

Official Community Plan

On average, the prescribed level of density for the Eco Village best fits within the Medium Density Residential designation, with a mix of housing forms proposed including townhousing, small format single family and duplexes, as well as up to and including four (4) storey apartment buildings, and it is for this reason, the development areas (as indicated on Attachment No. 1) are proposed to be re-designated in the OCP to Medium Density Residential (MDR).

The application of Medium Density Residential in the OCP is based on the following criteria in the OCP (s.7.4):

- “Be in close proximity to existing or proposed low density development”:

- Deer Ridge, Cartwright Mountain and Taylor Place residential areas are all within 1km of the Eco Village area.
- “Be located near residential amenities such as schools, parks and shopping facilities”:
 - Giants Head Elementary School, Dale Meadows and the downtown core are all within a 10 to 20-minute driving and biking distance.
- “Be along residential collector roadways”:
 - The main collector road Prairie Valley Road runs along the base of Cartwright Mountain, providing a direct connection to downtown.
- “Support density in a range of 23-60 units per hectare”:
 - The Eco Village development area is approximately 11.6 acre (4.69 ha), and with the range of housing options would be able to support 100 to 200 units based on the estimated density of 23-60 units/ha for medium density residential.
- “Accommodate a variety of housing forms within existing or future residential areas”:
 - The proposed housing types in the Eco Village support a diversity of housing types, such as: single family cottage style housing, multi-unit (duplex, triplex, and quadplex), cluster housing (mix of detached, duplex, townhouse, apartment and manufactured), apartments, and townhomes.

The lands containing the Summerland Energy Centre will remain Administrative as a District utility, and the remaining lands are proposed to be rezoned Parks and Open Space based on the current and future recreational uses.

The Eco Village project will support the following OCP objectives:

1. **7.4.3.1** ‘Accommodate a range and choice of housing types within the District to meet housing demands.’
 - The diversity of housing options and proposed sub-areas within the Eco Village will create diversity of neighborhood development and subsequent housing types across the project site.
2. **7.4.3.2** ‘Ensure implementable options to accommodate more affordable forms of housing within the community notably increasing density and reducing lots sizes while providing a liveable layout and design.’
 - The mix of housing types supports diversity in housing options and family sizes, while zoning requirements such as setbacks, site regulations and housing footprints will maintain a compact development style. The use of LEED-ND and sustainable design guidelines will support a liveable neighbourhood layout and design.
3. **7.4.3.3** ‘Encourage energy, water and resource conservation through best practices of neighbourhood and building design including compact development, higher densities, green building and transportation connectivity, together with efficient servicing, design and site planning.’
 - Site regulations in the CD9 require maximized retention of vegetated/treed and natural areas to support conservation and stormwater management on-site. Energy Step Code 4 and Zero Carbon Step Code Emission Level (EL)-4 is required for new builds to reduce emissions and increase energy efficiency. Higher density is achieved with apartments and townhomes/clustered development, and transportation connections

through the site to Prairie Valley along utility and emergency egress corridors are being supported for walking and biking.

4. **7.4.3.4** 'Ensure residential developments are located where they can be efficiently serviced and linked to the existing infrastructure without the taxpayer needing to contribute to initial capital improvements or excessive operating costs'
 - The project has road access through Denike Road which is being re-developed for the solar and battery project, and future secondary emergency access is proposed through neighbouring private property adjacent to the project site. Further, a recently installed water main will be able to provide additional connections that can support the Eco Village, and sanitary sewer connection is planned from the future connection of the Deer ridge sanitary service improvement project.
5. **7.4.3.5** 'Ensure new development areas address wildfire risk throughout the neighbourhood planning process through the creation of a Wildland/Urban interface buffer.'
 - A wildfire mitigation hazard assessment and mitigation report (Attachment No. 6) was completed in 2021 to address wildfire risks to the Eco Village project site. This document must be adhered to by the future developer.
6. **7.4.3.6** 'Ensure that residential developments avoid natural areas and/or hazardous conditions.'
 - As part of the site assessment and zoning drafting, steep slopes and identifiable natural areas were identified in order to avoid when delineating the Eco Village development area (See Attachment No. 7 and Attachment No. 8).

B.C. Building Code

Currently the B.C. Building Code requires Part 9 buildings to be built to Energy Step Code Level 3, and Part 3 buildings to Energy Step Code 2. The CD9 zone will require a higher Step Code adherence to Step 4 for both Part 9 and 3 buildings. This will be complemented by the Zero Carbon Step Code to require Emission Level 4 for all new dwellings. The Zero Carbon Step Code has not yet been implemented in the District of Summerland; but this would be a specific requirement for this CD9 Zone. The Energy Step Code and Zero Carbon Step Code requirements in this CD9 zone would **not** apply to other zones in the Zoning Bylaw.

Zoning Bylaw

The Eco Village project will be regulated through a Comprehensive Development (CD) zone in the Zoning Bylaw. This will provide the necessary regulatory control needed to accommodate the project values, as noted in the Eco-Village Concept Plan (Attachment No. 8 – April, 2022). The use of a CD zone provides additional restrictions from staff and Council on the development to ensure development requirements are met to the “high-sustainability” focus of the project and in turn that the project goals and objectives are adhered to.

The CD9 zone does not contravene or conflict with existing zoning requirements, and applies existing defined uses already found in the District's Zoning Bylaw to support the Eco Village development.

BACKGROUND:

In the spring of 2021, Council directed staff to examine the feasibility of an environmentally sensitive residential development to complement the proposed Solar facility on Cartwright Mountain.

Since Council's request in 2021, staff have conducted three (3) public engagement sessions, engaged with the Advisory Planning Commission and the Community Climate Advisory Committee, and engaged with developers and local builders in the Okanagan.

Council approved the Eco Village Concept Plan as a guiding document for the Eco Village development on April 25 2022. Technical assessments have been completed since 2021 to understand the geotechnical, environmental, and archeological and cultural aspects of the site:

- District of Summerland Sustainability (Eco) Village Environmental Impact Assessment (2021) (Attachment No. 7);
- Wildfire Hazard Assessment and Mitigation Report (2021) (Attachment No. 6);
- Penticton Indian Band Cultural Heritage Assessment (2021); and
- Geotechnical report (2021)

If approval is granted by Council for the proposed OCP amendments and rezoning, staff will then proceed with the land sale process which will require a design-based RFP process to request proposed development design concepts that will conform with the proposed CD-9 zone. The reason for the design-based competition is to identify what further sustainability components can be proposed by RFP proponents that best meet Council's vision, and scored based on the quality of the design. The intent is to finalize the land sale by Q4 2024. It is planned that proposed lots 1, 2, 4, 5, 6, and 7 as shown on the draft subdivision plan (Attachment No. 5) will be rezoned to CD-9 and targeted for sale, while lot 3 (the solar facility) and the remnant parcels (parkland parcels) be retained by the District in the long term.

Internal Referral Comments:

- Proposed lot line around the solar site should be minimum 3m off existing fence lines to allow for maintenance and replacement of grounding conductors which are buried 1m outside fence.
- ROW for existing power line into site needs to be established.
- Building heights on the south side of the solar site need to be limited to protect from solar panel shading.
- Access to the solar site needs to be protected via lot lines of ROW.
- In normal operation the solar site produces noise levels at 85db
- NFPA and industry standards should be reviewed for preferred setback from Battery Energy Storage Systems to dwellings. There is a fire risk but also risk of debris if a thermal runaway event is faster than expected. These details are not covered in the manufacturers manuals for the Summerland system and require investigation.
- Fire department has concerns with the steepness of the northern secondary egress route as required in the Wildfire Hazard Development Permit Area (DPA).
- All roads and roadways such as dead ends and cul-de-sacs must meet Summerland's subdivision and development servicing bylaw.

Public Consultation

Pursuant to Section 475 of the *Local Government Act*, the District must provide one or more opportunities it considers appropriate for affected persons, organizations, and authorities

(including adjacent Regional Districts/Municipalities, First Nations, Provincial/Federal agencies, and board (such as education or improvement districts) and whether such consultation should be early and ongoing. The following agencies and organizations were considered affected and referred the draft bylaws on June 10 2014: Agricultural Land Commission, BC Assessment Authority, Canada Post, Fortis Gas, School District No. 67, Ministry of Forests, Lands and Natural Resource Operations Shaw Cable, and Telus, Interior Health (Penticton), Ministry of Agriculture.

On June 19, 2024 an external referral notice was sent to the Penticton Indian Band Natural Resource Department. District staff will be accepting comments from PIB and other external referred agencies until noon of August 13, 2024 which is the proposed Public Hearing date. Pursuant to Section 476 of the *Local Government Act*, the District must consult with the relevant School District when proposing to amend an OCP for an area that includes the whole or any part of that School District. As such, School District No. 67 have been referred the proposed amendment bylaws on June 10, 2024.

Staff are planning to extend the adjacent landowner circulation zone, conduct additional public advertising prior to the Public Hearing date, and advertise for more than minimum 2 weeks leading up to the public hearing on August 13, 2024. It is proposed to extend the adjacent property owner referral distance to 400 meters from the current requirement of 60 m. Staff will also advertise the PH in the newspaper and on the Districts social media, with the intent to begin advertising the same week following the 1st and 2nd reading of the OCP and Zoning bylaw amendments. Staff believe this will provide ample opportunity for the public to be informed of the public hearing, provide additional time for comments to be sent into the District, and ensure additional communication is extended to the general public.

Previous public engagement:

In June 2021, District Council invited elected representatives of the Penticton Indian Band (PIB) Council to tour the project site and share information on the proposed project vision to be a high sustainability-focused development. PIB Council members provided feedback to Council that the proposed vision was positive and encouraging. Further, staff and consultants presented the draft Eco-Village Concept Plan to PIB's Major Projects Committee in February, 2022 where PIB recommended that the further studies of an Archeological Impact Assessment and Traditional Ecological Knowledge Assessment be completed prior to development. Staff recommend these studies be completed by the future developer as a condition of the District's land sale.

On February 28, 2024 a public open house was conducted to share updated details of the Eco Village project with the general public, with attendance of over 60 people. Concerns brought forth from the public question period included, accessibility to trails and to the downtown, infrastructure upgrades or provisions for alternative modes of transport, concerns with a lack of affordability built into the project, retention and protection of the recreation and surrounding landscape, and site suitability for residential development and 'higher density' development.

A public survey was then released for 3 weeks to obtain public feedback on specific details of the zoning and high level design guideline components. Balancing the public response and construction/development standards of practice for residential development staff, amended as necessary the comprehensive development zone draft.

Following a recommendation from the Advisory Planning Commission (see below comments), staff have also engaged with local building community and industry professionals. The interviews were conducted between June 6th-14th, where staff interviewed a mix of developers, architects,

and planners involved in local 'high-sustainability' building projects within Summerland and throughout the Okanagan region. Overall, no major concerns were brought forth from the interviews that would require any major revision of the project. But some important comments and considerations were provided for the future land sale process.

Building Community Engagement Comments:

- Consideration of individual lot land sale to share the cost and development burden and provide more opportunities for local developers to bid on a smaller portion of the project.
- Having a balance with environmental design and building requirements (ie FireSmart, LEED-ND, Envision, Passive Solar, Energy Step Code and Zero Carbon Step Code) and understanding the possible trade-offs in relation to the cost of the developer and project.
- Consider a non-design RFP process, instead request Schedule C or D costs of project and higher level design. Too costly to put together a full design with no guarantee of project award.
- Support around using covenants on title to reinforce and ensure project specifications for building and design are met
- Consider including road specifications in design guideline to specify to developers road width and to reinforce reduced infrastructure impacts on land.
- Maintaining Energy Step Code at Step 4 in zoning is best due to higher cost to builder, efficiency and effectiveness in the Okanagan Interior, and diminishing returns of Step Code 5.

Advisory Planning Commission:

The draft Comprehensive Development 9 (CD-9) zone and proposed OCP amendment were presented to the Advisory Planning Commission at it's meeting of April 26, 2024.

Comments:

- Minimal/limited road access in and out of the proposed Eco Village development;
- Connectivity to other neighbourhoods in the area a concern;
- Adequate infrastructure to support alternative modes of transportation to reduce car dependency
- Higher density outside of downtown core, including 4 storey apartments, is not appropriate application far from Downtown core.
- Why we are not going ahead with higher Step Code level 5 for housing?
- Higher cost housing and associated amenities that would come with the Eco-Village and alignment with general character of existing areas and neighbourhoods
- Engage with developers and building community to understand if it is achievable from a construction and development perspective
- Consideration of going to a higher Step Code Level, such as Energy Step Code 5 for all new buildings instead
- Financial and market assessment of the project site to determine if proposed development is appropriate based on

Resolution:

THAT the Advisory Planning Commission support OCP Amendment Bylaw No. 2024-025 and Zoning Amendment Bylaw No. 2024-026 for the Eco Village Comprehensive Development Zone (CD10) to be applied to 13501 Denike Street.

Moved and no Seconder.
Motion is failed.

New Motion Brought forward:

THAT the Advisory Planning Commission request that staff consider an Expression of Interest from a collection of developers to gauge feed back on the project.

Moved and Seconded,
Unanimously CARRIED

Community Climate Action Advisory Committee

The draft Comprehensive Development 9 (CD-9) zone and proposed OCP amendment were presented to the Climate Action Advisory Committee at it's meeting of May 3, 2024.

Comments:

- How is affordability addressed and accommodated in the project and proposed residential development?
- Active transportation or other sustainable modes of transportation need to be considered on site to reduce personal vehicle use. Connectivity across the site and to downtown.
- Request that Energy Step Code be higher at Step 5, concerns with being outdated in the long term if we only ask for Step 4
- Inclusion of care-share infrastructure to support carpooling and reduce personal vehicle use.

Resolution:

THAT the Community Climate Action Advisory Committee support the OCP Amendment Bylaw No. 2024-025 and Zoning Amendment Bylaw No. 2024-026 for the Eco Village Comprehensive Development Zone (CD10) to be applied to 13501 Denike Street.

CARRIED

THAT Council incorporate an aspect of ride-sharing within the Eco Village plan.

CARRIED

LEGISLATION and POLICY:

- Official Community Plan
- Zoning Bylaw 2000-450

SUPPORTING DOCUMENTS:

1. Zoning Bylaw Amendment 2024-026
2. Official Community Plan Bylaw Amendment 2024-025
3. CD9 Zone draft
4. CD9 Schedule A - Sub-Areas Map
5. Draft Subdivision Plan
6. Wildfire Hazard & Mitigation Report
7. Environmental Impact Assessment
8. Eco-Village Concept Plan (April 2022)
9. Draft Design Guidelines
10. Presentation Slides

CONCLUSION:

The CD9 zone aligns with relevant OCP objectives, with existing Zoning Bylaw permitted uses and regulatory requirements, and exceeds current District requirements for the BC Building Code for Part 9 and 3 buildings for the Energy Step Code and Zero Carbon Step Code.

In engagement with Council Committees, concerns have been raised with accessibility and connectivity to the site, but based on planned and proposed connectivity routes on and off site, future connections can and will be established. Following interviews with developers to share details of the project and obtain feedback based on recommendations from them on the CD9 zone, staff has taken these recommendations into consideration in the finalized draft CD9 zoning.

For these reasons, and because this project remains a key strategic priority of District Council for their 2022-2026 term, staff are recommending that Council provide first and second reading to the proposed amendment bylaws at this time, and set August 13, 2024 as the date of public hearing for the amendment bylaws.


OPTIONS:

1. Move the motion as recommended by staff.
2. **THAT Official Community Plan Amendment Bylaw No. 2024-025 and Zoning Bylaw Amendment No. 2024-026 not be supported**
3. Refer to staff for other options.

Respectfully submitted,

Reviewed by,

Endorsed by,



Odessa Cohen
Sustainability Coordinator

Brad Dollevoet
Director of Development
Services

Graham Statt
Chief Administrative
Officer

Presentation: Yes No