



580 COMMONAGE

OCP AMENDMENT APPLICATION (OCP00103)

February 2024

Addendum: February 2026

EKISTICS



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580 COMMONAGE

OCP AMENDMENT APPLICATION

February 2024

Addendum: February 2026

Prepared for:



Prepared by:



Technical Team:



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EXECUTIVE SUMMARY

The 580 Commonage OCP Amendment proposes a comprehensive, long-term framework for the development of a distinct hillside neighbourhood southwest of Downtown Vernon along Commonage Road. Covering approximately 421 hectares, the proposal advances a master-planned approach grounded in three core principles: environmental preservation, the delivery of attainable housing, and the creation of a complete, well-connected community. The plan is intentionally structured to balance growth with stewardship, concentrating development in appropriate areas while protecting significant natural and environmental assets across the site.

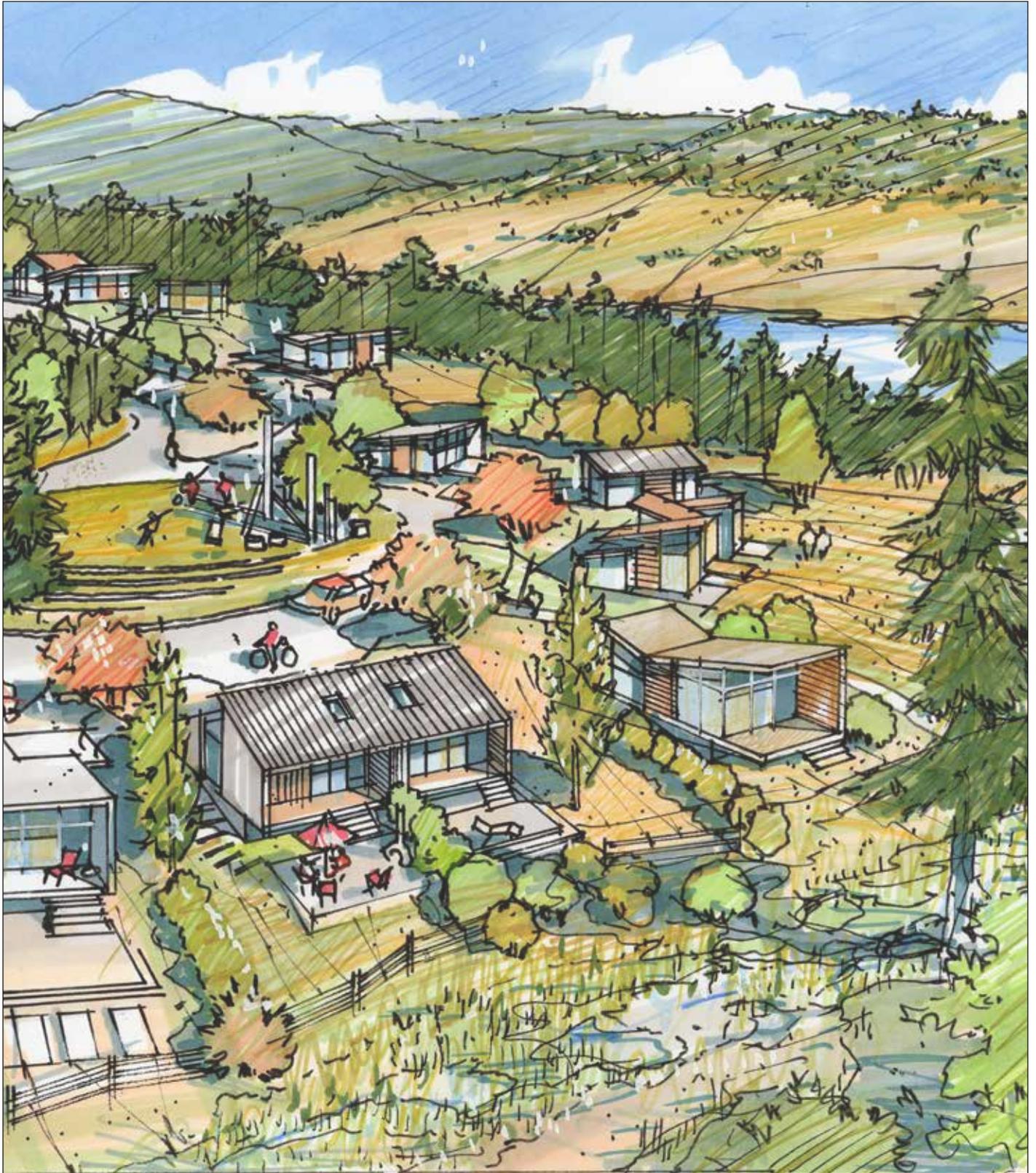
Purpose of the Addendum

This Addendum has been prepared in response to Council's direction following the introduction of OCP Amendment Application OCP00103, input received through Council-directed advisory committee referrals, the outcomes of additional community engagement, and the adoption of Official Community Plan Bylaw 6200 (2025). Its purpose is to demonstrate how the proposed land use framework has been refined to address Council's conditions, strengthen alignment with the updated OCP, and provide greater clarity regarding environmental protection, infrastructure delivery, housing commitments, and long-term implementation. The Addendum consolidates updated plans, technical overlays, and commitments to support Council's consideration of further readings.

Summary of Key Plan Refinements

The proposed plan has been refined to more clearly reflect site constraints, technical findings, and community input. Development areas have been scaled back and consolidated to avoid Environmentally Sensitive Areas (ESA 1) and the steepest slopes, with large contiguous areas designated for parks, open space, and natural areas. The revised framework strengthens commitments to environmental protection through expanded park and open space allocation, refined land use boundaries, and a more conservative hillside development approach. Additional clarity has also been provided regarding infrastructure phasing, trail networks, park dedication strategy, and the delivery of attainable housing through a secured housing covenant.

Together, these refinements establish a clear and coordinated framework to guide long-term planning, implementation, and future approvals for the 580 Commonage lands.



INTRODUCTION

Delivering Lasting Public Benefit for the City of Vernon

The 580 Commonage OCP Amendment proposes a long-term, master-planned framework for a new hillside neighbourhood that delivers meaningful and enduring public benefits for the City of Vernon. The proposal balances housing growth with stewardship by concentrating development in appropriate locations while securing substantial parkland, protecting environmentally sensitive areas, and investing in transportation and active mobility infrastructure that serves both the site and the broader community.

Central to the proposal is a series of clear, measurable commitments that respond directly to Council direction and community priorities. These commitments are intended to provide lasting value to the City by enhancing public access to parks and trails, strengthening connectivity, protecting sensitive landscapes, and contributing to infrastructure systems that support Vernon's long-term growth objectives.



Public Benefits at a Glance

Attainable Housing Delivery

The proposed land use framework supports the delivery of attainable housing as part of a complete, master-planned neighbourhood. The applicant has proposed a binding legal framework to secure the delivery of a minimum of 40% of market housing as "attainable (market) housing", consistent with the OCP definition.

A minimum of 40% of market housing secured as attainable housing.



120 Hectares of New Public Parkland

The applicant is committed to dedicating 120 hectares of land for a new Natural Area Park. This dedication will protect, in perpetuity, significant southwest-facing grassland ecosystems, secure long-term public access, and establish a major park destination for residents and visitors. The park is proposed to be dedicated at the onset of the development process, concurrent with the completion of zoning for Phase One.

Protection of Environmentally Sensitive and Natural Areas

The applicant is committed to protecting an additional 152 hectares of environmentally sensitive and natural areas. These lands form a large, contiguous protected area and will be secured through a combination of park dedication, land use designation, and future regulatory mechanisms. Plan refinements have resulted in development areas being pulled back from ESA 1 lands, prioritizing long-term ecological protection and connectivity.



272 hectares (64% of the site) is protected as parks, open space, and natural areas.

Water System Expansion and Reservoir Capacity

The proposal supports the expansion of the Greater Vernon water system through a new connection to the Beverly Hills Reservoir, as required by Greater Vernon Water. Once completed, this connection will provide additional balancing storage capacity for the City, improving system performance and supporting long-term servicing flexibility for future off-site development located downslope.

Development Cost Charges and Infrastructure Investment

The development will fully participate in Development Cost Charges and will deliver both on-site and off-site infrastructure required to support the new neighbourhood. These investments will not only service the proposed development but will also contribute to the performance, resilience, and long-term capacity of the City's transportation and servicing systems.

Apollo Road Connection

The Apollo Road to Bench Road extension will provide an additional vehicular access to the neighbourhood, establish a corridor for municipal servicing and utilities, and strengthen the broader city road network by improving connectivity, emergency access, and route options to the city centre and Okanagan Lake. As a future and separate stage, and in collaboration with the City through the master transportation planning process, a subsequent extension is anticipated to connect Apollo Road to Okanagan Landing Road.

Integrated Multi-Use Pathway Network

The proposal includes the delivery of a continuous multi-use pathway network along Commonage Road and Mission Road, as well as an extensive on-site trail system. Together, these facilities will support active transportation, improve connections between neighbourhoods and parkland, and link the site to adjacent areas and regional trail networks.

Supporting city-serving transportation infrastructure, including road connections and a continuous multi-use pathway network.



A Refined Plan with Strengthened Commitments

This Addendum builds on the previously introduced OCP Amendment by outlining how public benefits are secured and how the proposed land use framework has evolved in response to Council direction, technical review, and community engagement.

Key refinements reflected in this Addendum include a more conservative hillside development approach, consolidation of development areas away from environmentally sensitive lands and steep slopes, and expanded clarity around park dedication, trail connectivity, and infrastructure delivery. These refinements strengthen the overall proposal by reducing environmental risk, improving long-term stewardship outcomes, and aligning growth with infrastructure capacity.

The updated plans, technical overlays, and draft agreements included in this Addendum are intended to provide Council with greater certainty regarding how public benefits will be delivered over time, and how the proposed Commonage Hillside Neighbourhood aligns with the objectives of Official Community Plan Bylaw 6200 (2025).

The sections that follow outline how these commitments are reflected in the refined land use framework, updated technical materials, and implementation approach supporting further consideration of the OCP Amendment.

1. RESPONSE TO PREVIOUS REVIEW + 2025 OCP

1.1 Council Directives

At its **February 10, 2025** meeting, Council considered the introduction of Official Community Plan Amendment Application OCP00103 for 580 Commonage Road. Council resolved to support the application in principle, subject to a series of clear conditions and expectations intended to guide subsequent plan refinement, technical work, and engagement prior to further readings.

Council's direction established both the policy framework for advancing the proposed Commonage Hillside Neighbourhood designation and a set of foundational commitments related to infrastructure delivery, environmental protection, housing outcomes, and public amenities. These directives were intended to ensure that future plan refinements align with Council's objectives for long-term growth management, ecological stewardship, attainable housing delivery, and community connectivity.

In addition to land use considerations, Council outlined expectations related to transportation infrastructure, active transportation and trail connectivity, water servicing, and the protection and dedication of significant parkland and environmentally sensitive areas. Council also confirmed its support for a robust consultation process, identifying specific advisory committees and external agencies to be engaged alongside the statutory public hearing.

The sections that follow summarize Council's directives as articulated at the February 10, 2025 meeting and describe how the proposed plan has been refined to respond to this direction.

a. Commitment to Design and Build the Apollo Road Extension

The applicant is committed to advancing the Apollo Road to Bench Road extension, which will provide additional vehicular access to the neighbourhood, establish a corridor for municipal servicing and utilities, and strengthen the broader city road network by improving connectivity, emergency access, and route options to the city centre and Okanagan Lake. As a future and separate stage, and in collaboration with the City through the master transportation planning process, a subsequent extension is anticipated to connect Apollo Road to Okanagan Landing Road

b. Commitment to a Multi-Use Corridor along Commonage Road and Mission Road

Consistent with the recommendations of the Watt Engineering *580 Commonage Transportation Impact Assessment* by Watt Consulting Group, the applicant is committed to delivering a continuous multi-use corridor along Commonage Road and Mission Road.

The corridor will support active transportation and improve connectivity between the proposed neighbourhood, adjacent areas, and the Department of National Defence lands. The corridor is illustrated in 2.6 Trails Network Plan and further described in the Transportation Impact Assessment.

c. Dedication of a Minimum of 120 ha of Parkland for a New Natural Park

The applicant is committed to dedicating a 120 hectare park to the City of Vernon as required by Council for the establishment of a new Natural Area Park. This will be dedicated at the completion of zoning for Phase One of the development.

The proposed park dedication is intended to protect significant southwest-facing grassland ecosystems and secure long-term public access. The location and extent of the park dedication are shown in 2.5 Park Dedication Strategy.



d. Protection of Environmentally Sensitive and Natural Areas

The applicant is committed to protecting approximately 152 hectares of environmentally sensitive and natural areas on the southern slopes of the site through a large, contiguous protected area.

These lands will be secured through a combination of park dedication, land use designation, and future regulatory mechanisms. The protected areas are identified in 2.4 ESA 1 Overlay.

e. Commitment to a Comprehensive Trail Network

The proposed plan includes an extensive on-site trail network within the development area, providing connections to adjacent neighbourhoods, parkland, and regional trail systems.

Trails within the developable area will be delivered as part of the neighbourhood, while trails within dedicated parkland and protected areas will be the responsibility of the City of Vernon. The trail network is illustrated in 2.6 Trails Network Plan.

f. Attainable Housing Commitment

In response to the City's request, the applicant has proposed a binding legal framework to secure the delivery of up to 40% of market housing as "attainable (market) housing," consistent with the OCP definition. The proposal is that, following third reading of the OCP amendment and prior to adoption, the applicant would enter into a Section 219 covenant requiring that each future rezoning demonstrate and secure provision of a proportionate share of attainable housing across the development. Attainability would be achieved through measures such as smaller dwelling sizes, cost-efficient construction methods, reduced lot sizes, purpose-built rental, manufactured housing, or a combination thereof, to be determined at each rezoning to the City's satisfaction.

g. Water Infrastructure and Reservoir Construction

The applicant will deliver the required on-site and off-site water servicing infrastructure to support the proposed neighbourhood.

This includes improvements that will both service the development and contribute to the overall performance and resilience of the City of Vernon's water system.

h. Adoption of an OCP Amendment to Create the Commonage Hillside Neighbourhood

The application includes an amendment to the Official Community Plan to establish the Commonage Hillside Neighbourhood designation.

The designation provides a policy framework to guide long-term land use, infrastructure, environmental protection, and housing outcomes in alignment with Council direction.

i. Consultation and Referral Process

The applicant has supported consultation opportunities beyond the statutory public hearing, including a Public Open House and referrals to the Advisory Planning Committee, Climate Action Committee, Housing Advisory Committee, and the Regional District of North Okanagan.

Feedback from these consultation processes has informed ongoing plan refinement.

1.2 Community Engagement

In response to Council's direction, the applicant completed a comprehensive community engagement process led by MODUS Planning, Design and Engagement Inc. The engagement included focus group sessions, a public open house, an online survey, a project website, and broader media outreach, and was undertaken in accordance with Council's conditions for additional consultation. A Public Engagement Summary Report has been submitted to the City and is attached for ease of reference.

The engagement process generated a wide range of feedback related to housing need and attainability, environmental protection and land stewardship, infrastructure and servicing, transportation and connectivity, parks and public access, and long-term phasing and implementation. These themes have informed refinements and clarifications to the OCP Amendment application, including commitments outlined in response to Council direction and updates reflected elsewhere in this addendum. While not all feedback resulted in changes to the proposed land use framework, the engagement process played an important role in shaping the evolution of the application and confirming areas requiring continued consideration through future planning and approval stages.

1.3 Environmental Considerations

Environmentally Sensitive Areas (ESA 1)

The revised plan has been refined to respond directly to the ESA 1 overlay by scaling back development within environmentally sensitive areas and prioritizing their long-term protection. Development areas have been consolidated and pulled back from ESA 1 lands, with these areas designated as parks, open space, and natural areas. This approach maintains ecological connectivity, protects mapped streams, wildlife corridors, and critical habitat areas, and minimizes encroachment into sensitive landscapes.

As confirmed through Ecoscape's updated Environmental Technical Memorandum (January 2026), the revised development footprint avoids the most ecologically sensitive areas on the site, resulting in the preservation of approximately 99.9% of ESA 1 habitats. Revisions to the plan were informed by additional field investigations and coordination with the environmental consultant, including the removal or adjustment of development areas and infrastructure previously located within sensitive habitats, such as documented reptile overwintering sites. The ESA 1 overlay and the relationship between protected lands and proposed development are illustrated on page 25. Further detailed environmental assessment and refinement will occur through subsequent rezoning, subdivision, and development permit processes.



Slope Constraints and Development Response

The revised plan reflects a more conservative response to slope constraints identified through the slope overlay analysis. Areas characterized by steep slopes, particularly those exceeding 30% and 40%, have been largely excluded from development and incorporated into natural open space. Proposed development areas are generally focused on more moderate slopes, reducing the need for extensive grading and minimizing impacts to hillside stability and natural landforms. This approach supports a development pattern that works with existing topography rather than against it. The slope overlay plan demonstrating this response is provided on page 23.

1.4 Official Community Plan Bylaw 6200 (2025)

The newly adopted OCP establishes a long-term growth management framework that directs growth to appropriate locations, protects rural and environmentally sensitive lands, and prioritizes well-planned, complete neighbourhoods that deliver tangible public benefits.

While the subject lands are currently designated Rural and are located outside the Urban Containment Boundary and Focused Growth Area, the revised concept has been intentionally structured to align with the overarching objectives of the OCP in the following key ways:

a. Housing Supply and Attainability

The proposed mix of **Hillside Residential** and **Mixed-Use Village** land uses supports a broader range of housing types, including ground-oriented and attainable housing, consistent with the OCP's direction to increase housing supply and respond to identified housing needs (**Policies 4.1.3, 4.1.5; Chapter 5.3**). Housing is concentrated within defined neighbourhood areas that can be appropriately serviced and designed, rather than dispersed across the site.

b. Sensitive Hillside Development and Environmental Protection

Significant portions of the site are proposed for **Parks, Open Space, and Natural Areas**, directly aligning with the OCP's emphasis on environmental protection, hillside constraints, and climate resilience. The OCP discourages development in environmentally sensitive and hazard-prone areas and promotes the protection of natural systems through land use planning and Development Permit Areas (**Policies 4.2.1, 4.2.4, and Chapter 6 – Development Permit Areas**). Development areas have been deliberately refined to avoid the most sensitive slopes and environmental features, with land use boundaries informed by detailed technical studies and site-specific constraints, consistent with this direction.

c. Master-Planned, Comprehensive Neighbourhood Design

The proposal advances a comprehensively planned neighbourhood, rather than piecemeal rural residential development. This approach aligns with the OCP's direction to consider large sites holistically to enable coordinated land use planning, infrastructure delivery, environmental protection, and public amenity provision (**Policy 4.1.5.3 and Chapter 5 – Land Use Policies**). A master-planned framework allows growth, infrastructure, and open space to be planned together in a manner that supports long-term community outcomes and reduces cumulative impacts.

d. Public Benefits and Community Outcomes

The revised land use framework prioritizes meaningful public benefits, including the dedication of parks and open space, protection of natural areas, improved connectivity, and the provision of attainable housing. The OCP recognizes that proposals outside typical growth areas should demonstrate tangible community value and alignment with broader City objectives (**Policy 4.1.5.3**). Collectively, these outcomes support the OCP's goals related to housing, environmental stewardship, community well-being, and long-term sustainability (**Chapters 4 and 5**).



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2. UPDATED PLANS AND TECHNICAL OVERLAYS

2.1 Proposed OCP Designation

This plan illustrates the proposed OCP designation for the 580 Commonage lands, confirming the distribution between the **Commonage Hillside Neighbourhood** and **Parks, Open Space, and Natural Areas**. The designation reflects a consolidated development footprint and a clear policy framework that prioritizes environmental protection while directing growth to appropriate areas.

PROPOSED OCP DESIGNATION	Hectare	Acre	%
Parks, Open Space and Natural Areas	120.00	296.53	28.51%
Commonage Hillside Neighbourhood	300.95	743.66	71.49%
Totals	420.95	1,040.19	100.00%

580 COMMONAGE HILLSIDE NEIGHBOURHOOD

PROPOSED OCP DESIGNATION

LEGEND

JANUARY 23, 2026

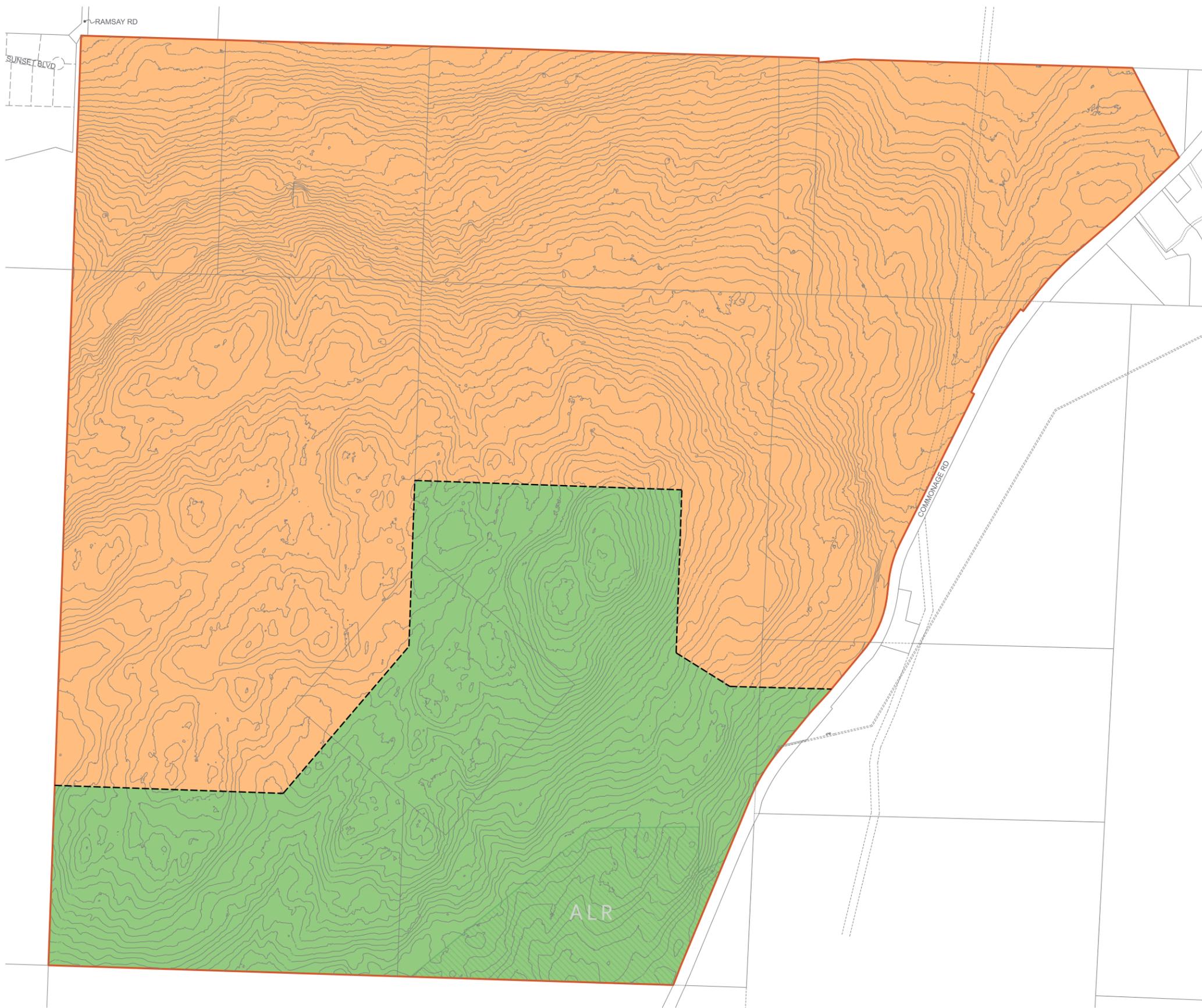
-  580 Commonage Boundary
-  5m Contours
-  Parks, Open Space and Natural Areas
120.00 ha - Natural Area Park Dedication
-  Commonage Hillside Neighbourhood
300.95 ha

NOTES Road alignments are conceptual and presented for illustrative purposes. Final alignments will be determined through the subdivision process.

Riparian corridors are based on current Riparian Area Protection Regulation (RAPR) assessments. Detailed riparian buffers for creeks and environmentally sensitive areas will be determined during the rezoning, subdivision and development permit stages.



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2.2 Proposed Future Land Use

The Proposed Future Land Use Plan translates the OCP designation into a refined land use structure, identifying areas for hillside residential neighbourhoods, a mixed-use village, and future parks and open space. Development areas have been deliberately concentrated to respect environmental constraints and support a complete, well-connected neighbourhood.

PROPOSED FUTURE LAND USE	Hectare	Acre	%
Parks, Open Space and Natural Areas	120.00	296.53	28.51%
Future Parks and Open Space	135.29	334.30	32.14%
Hillside Residential Neighbourhoods	153.64	379.64	36.50%
Mixed-Use Village	12.02	29.71	2.86%
Totals	420.95	-	100.00%

60.65%
39.35%

580 COMMONAGE HILLSIDE NEIGHBOURHOOD

PROPOSED FUTURE LAND USE TYPE

LEGEND

JANUARY 26, 2026

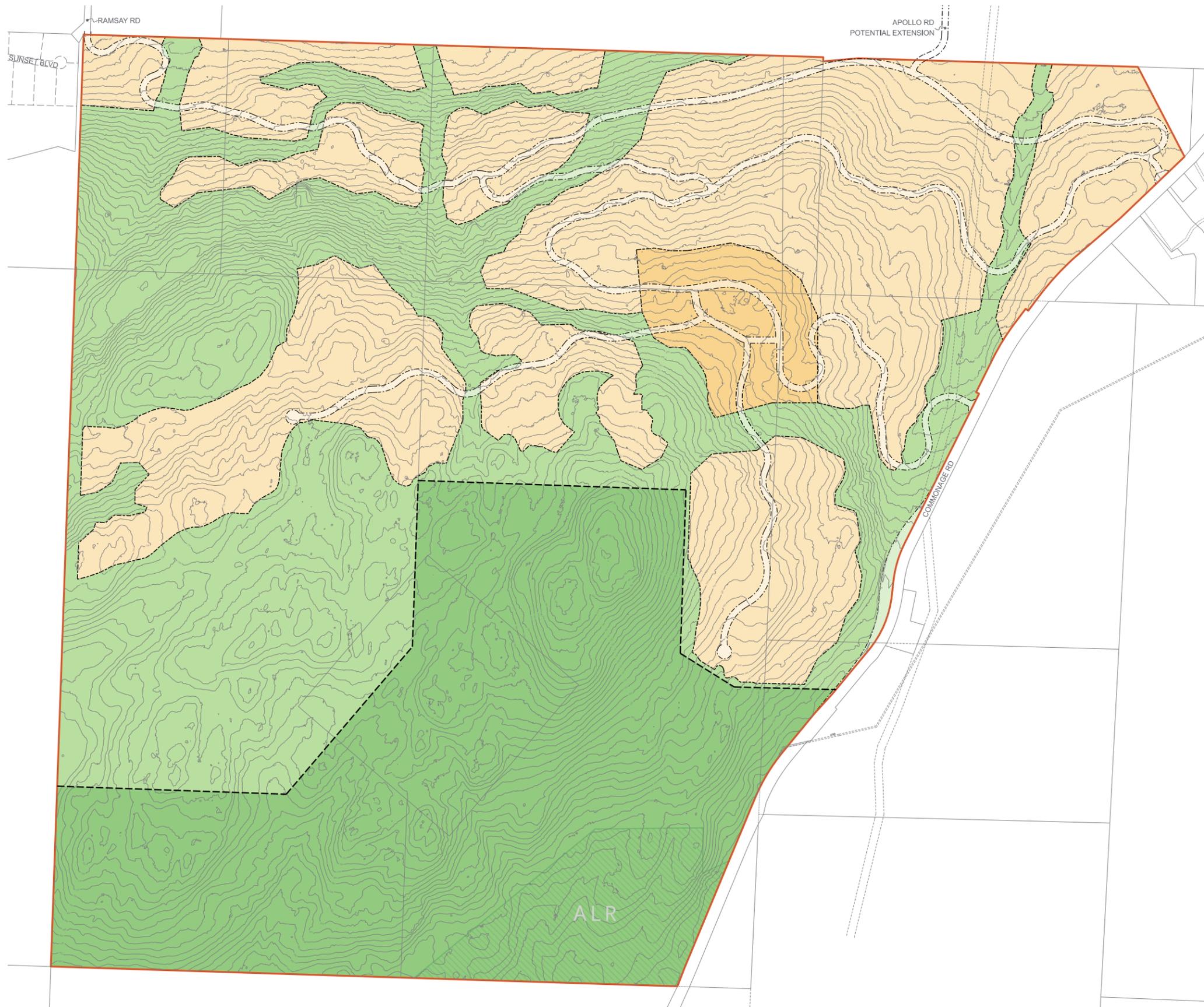
-  580 Commonage Boundary
-  5m Contours
-  Parks, Open Space and Natural Areas
120.00 ha - Natural Area Park Dedication
-  Commonage Hillside Neighbourhood
135.29 ha - Future Parks and Open Space
-  Commonage Hillside Neighbourhood
153.64 ha - Hillside Residential Neighbourhood
-  Commonage Hillside Neighbourhood
12.02 ha - Mixed-Use Village
-  Commonage Hillside Neighbourhood
Main Road Network

NOTES Road alignments are conceptual and presented for illustrative purposes. Final alignments will be determined through the subdivision process.

Riparian corridors are based on current Riparian Area Protection Regulation (RAPR) assessments. Detailed riparian buffers for creeks and environmentally sensitive areas will be determined during the rezoning, subdivision and development permit stages.



EKISTICS



2.3 Preliminary Development Parcel Plan

The Preliminary Development Parcel Plan outlines a high-level subdivision framework aligned with the proposed land use structure and site constraints. Parcel boundaries and road alignments reflect topography, environmental considerations, and a phased approach to long-term development.

PRELIMINARY DEVELOPMENT LAND USE	Hectare	Acre	%	
Parks, Open Space and Natural Areas	120.00	296.53	28.51%	64.64%
Future Parks and Open Space	152.10	375.85	36.13%	
Hillside Residential Neighbourhoods	124.51	307.67	29.58%	35.36%
Mixed-Use Village	9.93	24.53	2.36%	
Main Road Network	14.41	35.60	3.42%	
Totals	420.95	-	100.00%	

580 COMMONAGE HILLSIDE NEIGHBOURHOOD

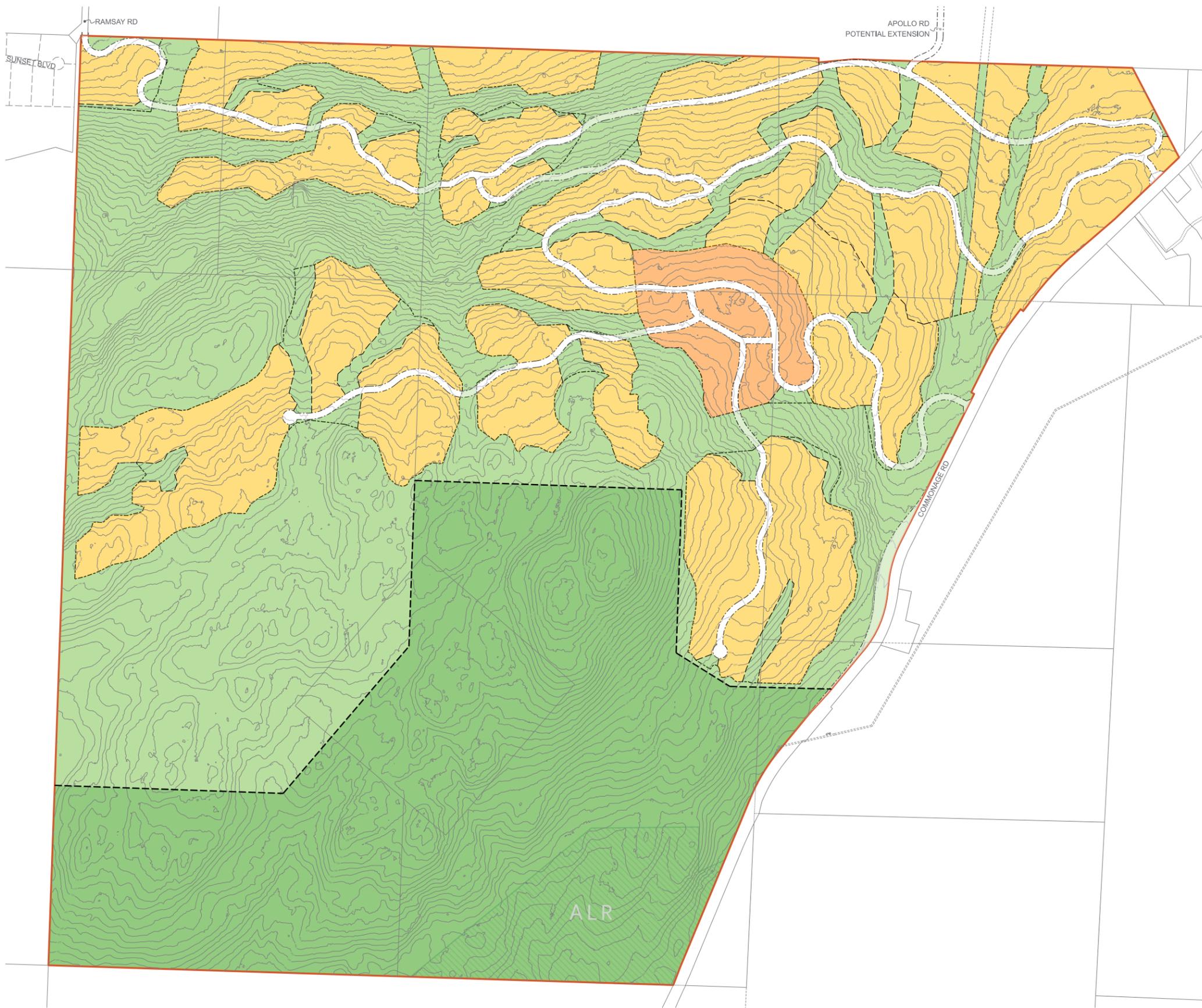
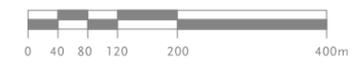
PRELIMINARY DEVELOPMENT PARCEL PLAN

LEGEND JANUARY 23, 2026

- 580 Commonage Boundary
- 5m Contours
- Parks, Open Space and Natural Areas
120.00 ha - Natural Area Park Dedication
- Commonage Hillside Neighbourhood
Future Parks and Open Space
- Commonage Hillside Neighbourhood
Hillside Residential Parcels
- Commonage Hillside Neighbourhood
Mixed-Use Village Parcels
- Commonage Hillside Neighbourhood
Main Road Network

NOTES Road alignments are conceptual and presented for illustrative purposes. Final alignments will be determined through the subdivision process.

Riparian corridors are based on current Riparian Area Protection Regulation (RAPR) assessments. Detailed riparian buffers for creeks and environmentally sensitive areas will be determined during the rezoning, subdivision and development permit stages.



2.4 Land Use Plan Comparison

This comparison illustrates how the land use framework has evolved from earlier concepts to the current proposal in response to Council direction, advisory committee input, technical review, and community engagement. The revised plan reflects a more deliberate and conservative approach to hillside development, with development areas reduced, consolidated, and refined to better align with environmental constraints, infrastructure planning, and long-term stewardship objectives. The key refinements illustrated through this comparison include the following:

a. Reduction and consolidation of development areas

Earlier concepts that distributed development more broadly across the site have been refined into a smaller number of consolidated neighbourhood areas. This change responds to feedback related to hillside sensitivity, infrastructure efficiency, and long-term servicing considerations.

b. Pullback from Environmentally Sensitive Areas

Development areas have been scaled back from mapped ESA 1 lands, with these areas transitioned to Parks, Open Space, and Natural Areas. This refinement reflects environmental review and community input emphasizing the protection of sensitive ecosystems and natural features.

c. Refined response to slope constraints

Areas characterized by steeper slopes have been largely removed from the developable footprint and incorporated into protected open space. The revised land use boundaries align more closely with slope thresholds identified through technical analysis, supporting a more conservative hillside development approach.

d. Expansion and clarification of park and natural area designations

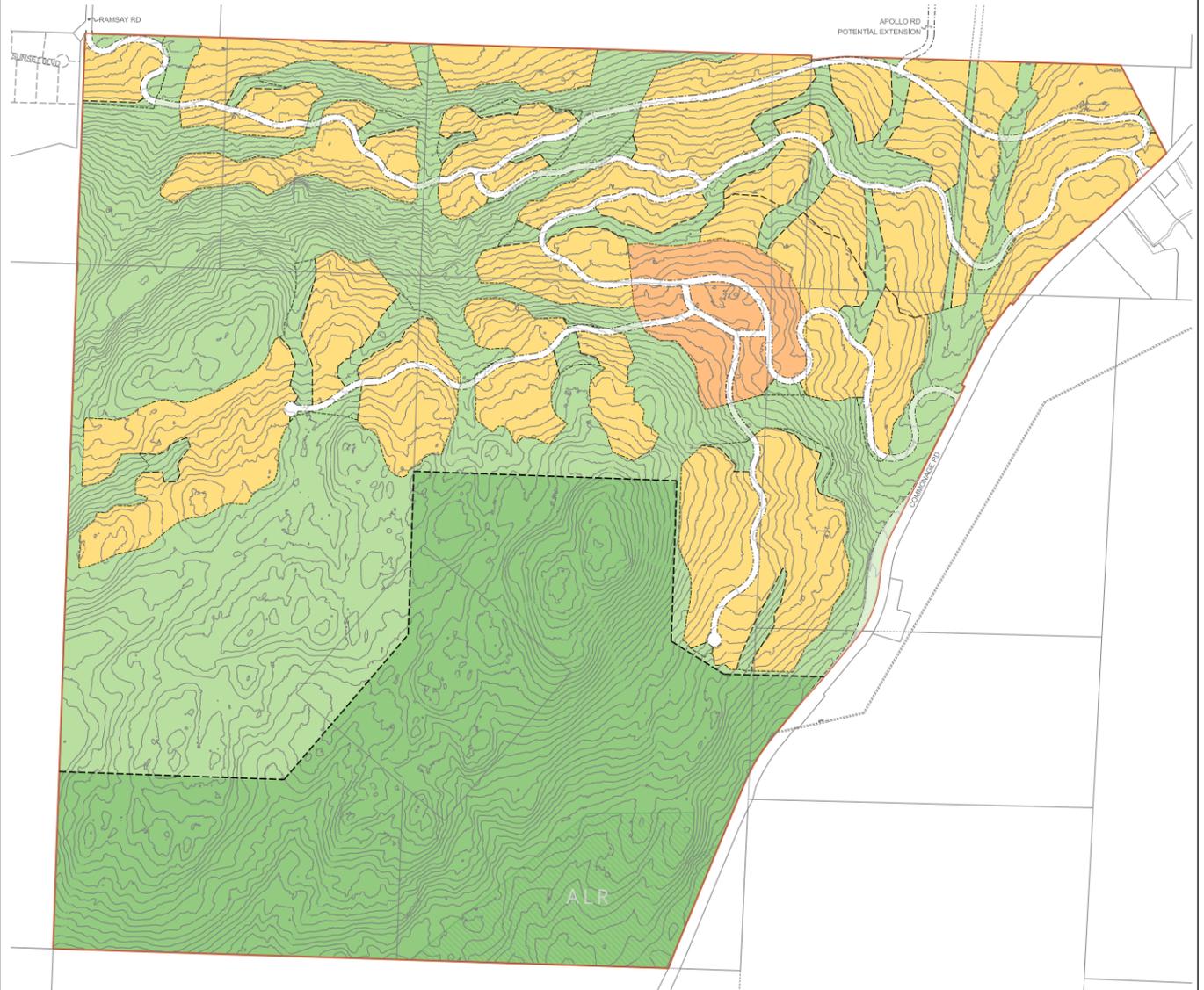
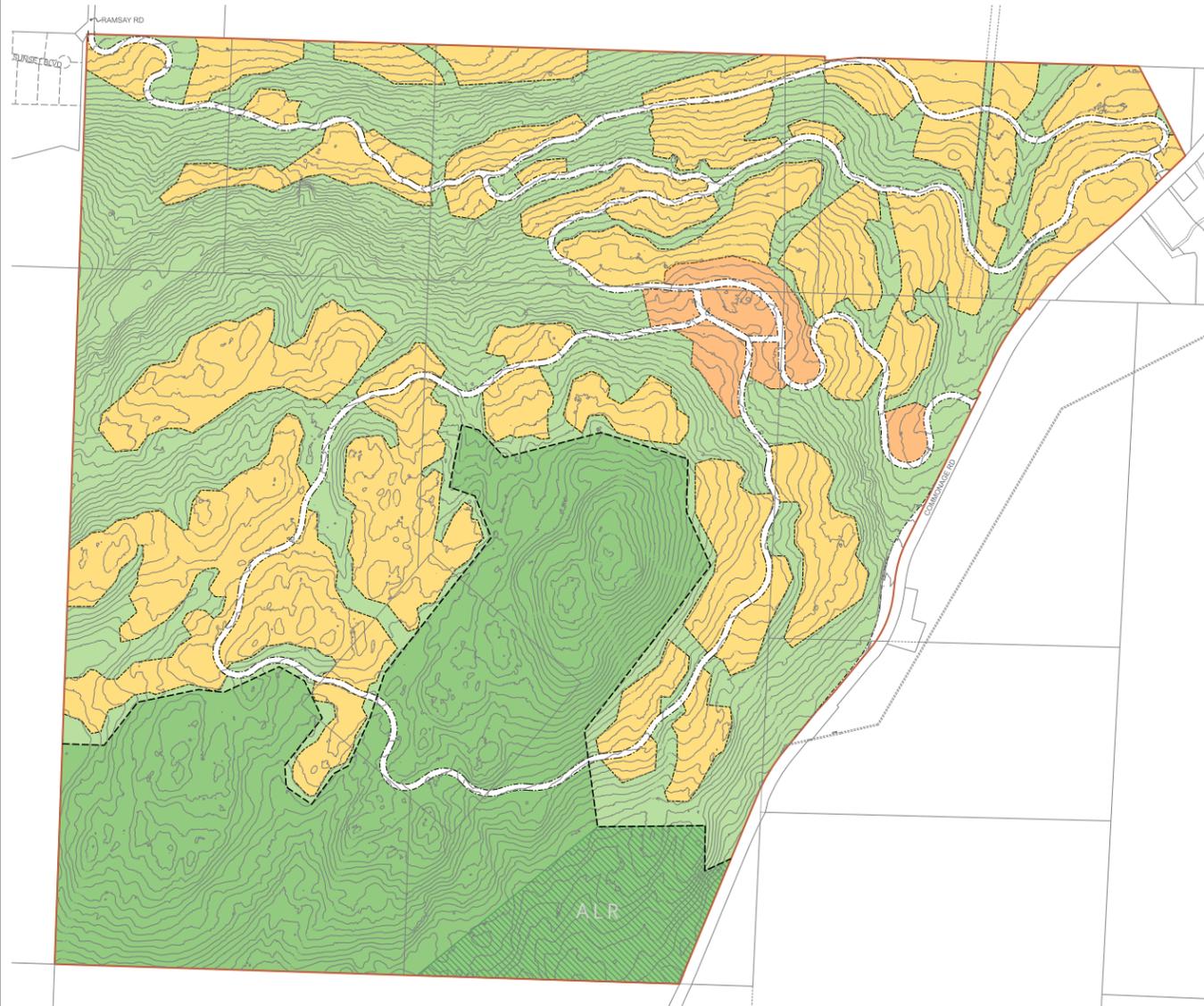
Parkland and natural open space areas have been expanded and clarified to form larger, contiguous protected areas. This responds to Council direction for meaningful park dedication and improved ecological connectivity across the site.

e. Refinement of neighbourhood structure

The location and extent of neighbourhood areas and the mixed-use village have been adjusted to improve access, connectivity, and alignment with the proposed street network, while maintaining a clear separation from protected lands.

Previous Plan (February 2025)

Current Plan (February 2026)



- Municipal Park Lands
- Natural Open Area
- Residential Cluster Neighbourhood
- Core Village (Mixed-Use) / Commercial
- Road ROW

PRELIMINARY NEIGHBOURHOOD PLAN	Hectare	Acre	%
Parks, Open Space and Natural Areas	114.14	282.06	27.12%
Future Parks and Open Space	147.49	364.45	35.04%
Hillside Residential Neighbourhoods	133.79	330.60	31.78%
Mixed-Use Village	8.48	20.95	2.01%
Main Road Network	17.05	42.14	4.05%
Totals	420.95	-	100.00%

62.15%

37.85%

- Parks, Open Space and Natural Areas
120.00 ha - Natural Area Park Dedication
- Commonage Hillside Neighbourhood
Future Parks and Open Space
- Commonage Hillside Neighbourhood
Hillside Residential Parcels
- Commonage Hillside Neighbourhood
Mixed-Use Village Parcels
- Commonage Hillside Neighbourhood
Main Road Network

PRELIMINARY DEVELOPMENT LAND USE	Hectare	Acre	%
Parks, Open Space and Natural Areas	120.00	296.53	28.51%
Future Parks and Open Space	152.10	375.85	36.13%
Hillside Residential Neighbourhoods	124.51	307.67	29.58%
Mixed-Use Village	9.93	24.53	2.36%
Main Road Network	14.41	35.60	3.42%
Totals	420.95	-	100.00%

64.64%

35.36%

2.5 Slope Analysis Overlay

The Slope Analysis Overlay demonstrates how the proposed land use framework responds to hillside constraints across the site. Areas characterized by steeper slopes are largely excluded from development and incorporated into parks and natural open space, reinforcing a conservative and technically informed development approach.

580 COMMONAGE HILLSIDE NEIGHBOURHOOD

OCP DEVELOPMENT PLAN + SLOPE ANALYSIS OVERLAY

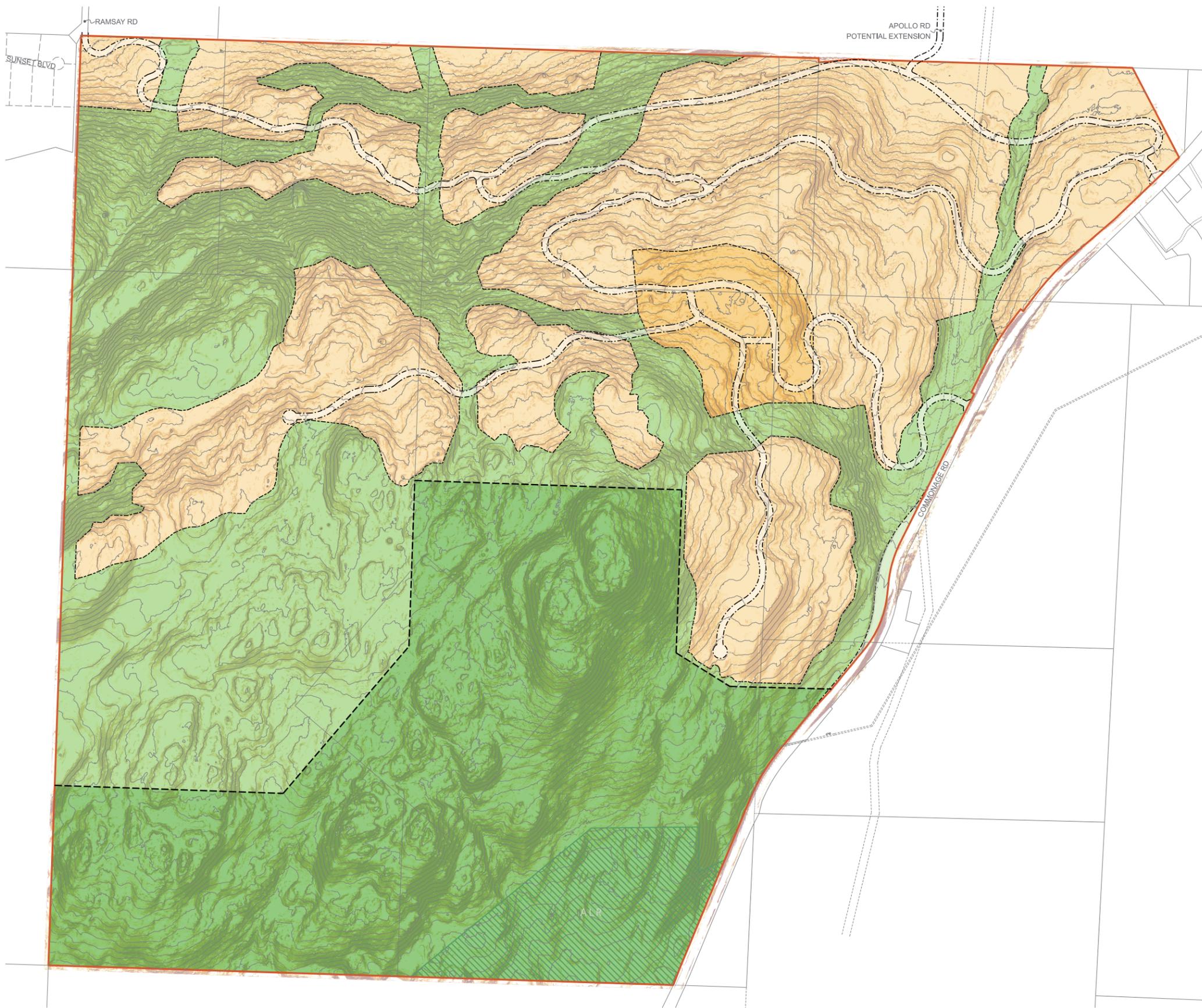
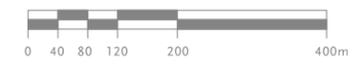
LEGEND JANUARY 26, 2026

-  580 Commonage Boundary
-  5m Contours
-  Parks, Open Space and Natural Areas
120.00 ha - Natural Area Park Dedication
-  Commonage Hillside Neighbourhood
135.29 ha - Future Parks and Open Space
-  Commonage Hillside Neighbourhood
153.64 ha - Hillside Residential Neighbourhood
-  Commonage Hillside Neighbourhood
12.02 ha - Mixed-Use Village
-  Commonage Hillside Neighbourhood
Main Road Network

- SLOPE RANGES
-  20-30% Slopes
 -  30-40% Slopes
 -  40% + Slopes

NOTES Road alignments are conceptual and presented for illustrative purposes. Final alignments will be determined through the subdivision process.

Riparian corridors are based on current Riparian Area Protection Regulation (RAPR) assessments. Detailed riparian buffers for creeks and environmentally sensitive areas will be determined during the rezoning, subdivision and development permit stages.



2.6 Environmentally Sensitive Area Overlay

This overlay illustrates the relationship between the proposed land use framework and identified Environmentally Sensitive Areas (ESA 1). Development areas have been scaled back and refined to avoid ESA 1 lands, with these areas secured through a combination of land use designation, park dedication, and long-term protection measures.

580 COMMONAGE HILLSIDE NEIGHBOURHOOD

OCP ENVIRONMENTALLY SENSITIVE AREA PLAN OVERLAY

LEGEND JANUARY 26, 2026

- 580 Commonage Boundary
- - - ESA Mapped Streams
- - - ESA Wildlife Corridors
- - - COV Ecological Connectivity Corridor
- - - Regional Biosolids Composting Facility Buffer
- Future/Potential Development Areas
- Future/Potential Development Areas Over ESA 1
- ESA 1 Lands

SPRING-2024 FIELD SURVEY DATA:

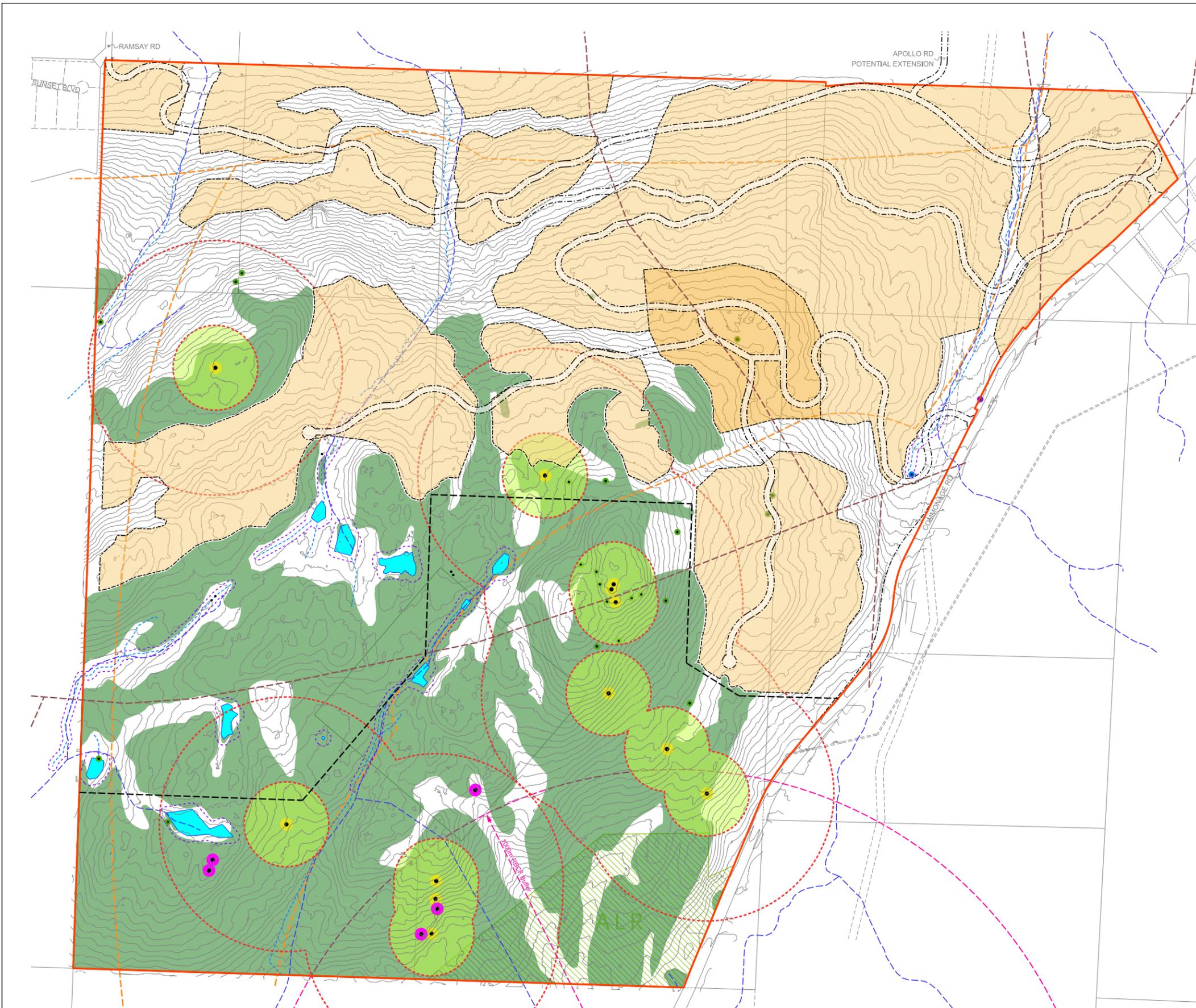
- Wildlife Tree
- Snake Observation
- Critical Snake Overwinter Habitat
- Critical Snake Habitat
- Lizard Observation
- Spring
- Culvert
- ~ Approximate WSA Stream Feature
- ~ Approximate WSA Water Feature
- ~ Riparian Setbacks

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Riparian corridors are based on current Riparian Area Protection Regulation (RAPR) assessments. Detailed riparian buffers for creeks and environmentally sensitive areas will be determined during the rezoning, subdivision and development permit stages.



EKISTICS



2.7 Wildlife Corridor and Trails Plan

The Wildlife Corridor and Trails Plan identifies key ecological connections and an integrated trail network across the site. The plan balances habitat protection and wildlife movement with opportunities for public access, recreation, and long-term trail connectivity.

580 COMMONAGE
HILLSIDE NEIGHBOURHOOD

OCP
WILDLIFE CORRIDOR
AND TRAILS PLAN

LEGEND JANUARY 26, 2026

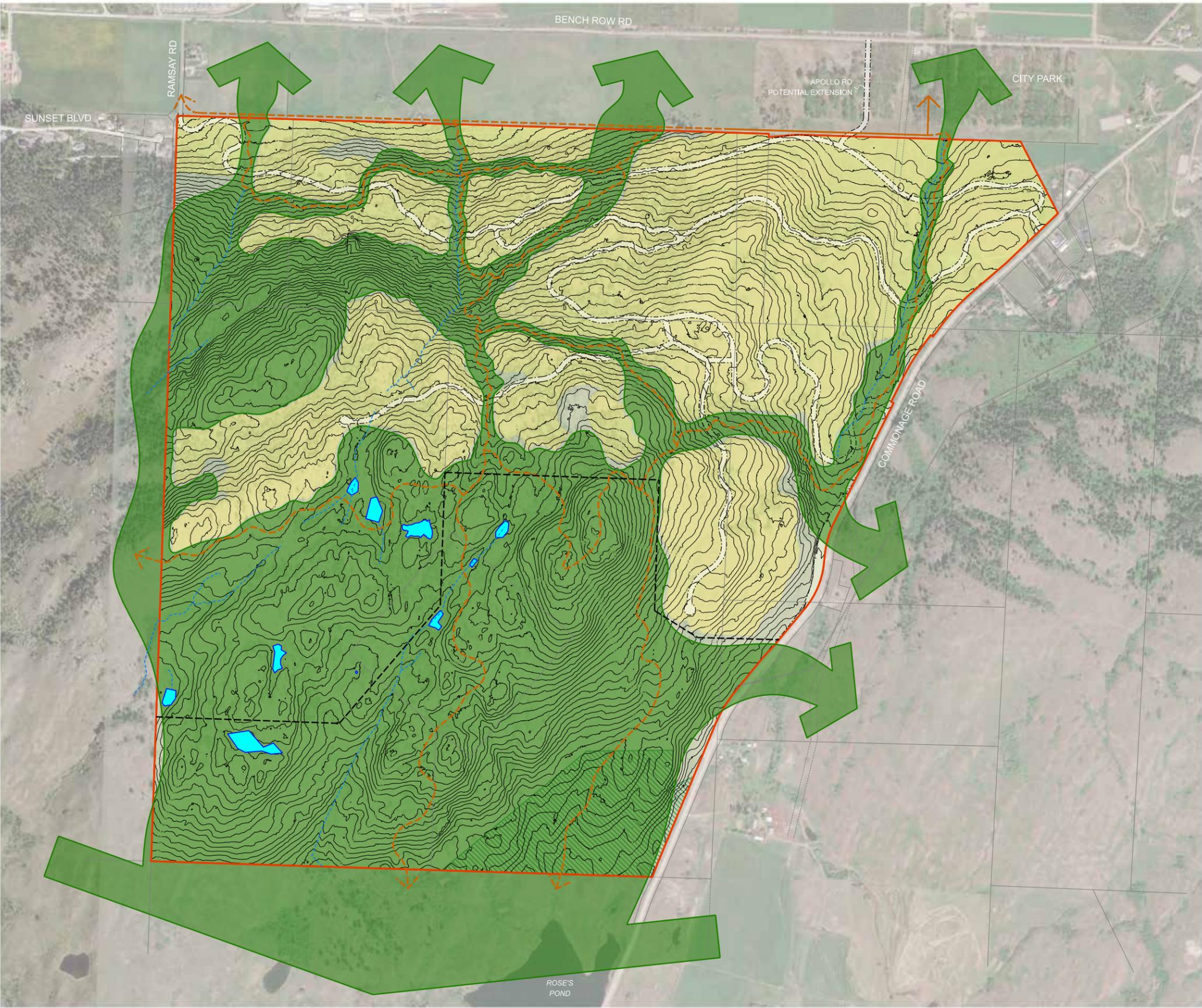
-  580 Commonage Boundary
-  5m Contours
-  WSA Stream Feature
-  WSA Water Feature
-  Agricultural Land Reserve
-  Natural Open Area
-  Future/Potential Development Areas
-  Wildlife Corridor Preservation
-  OCP-Level Existing Trail Connections
-  OCP-Level Proposed Trail Connections

NOTES Road alignments are conceptual and presented for illustrative purposes. Final alignments will be determined through the subdivision process.

Riparian corridors are based on current Riparian Area Protection Regulation (RAPR) assessments. Detailed riparian buffers for creeks and environmentally sensitive areas will be determined during the rezoning, subdivision and development permit stages.

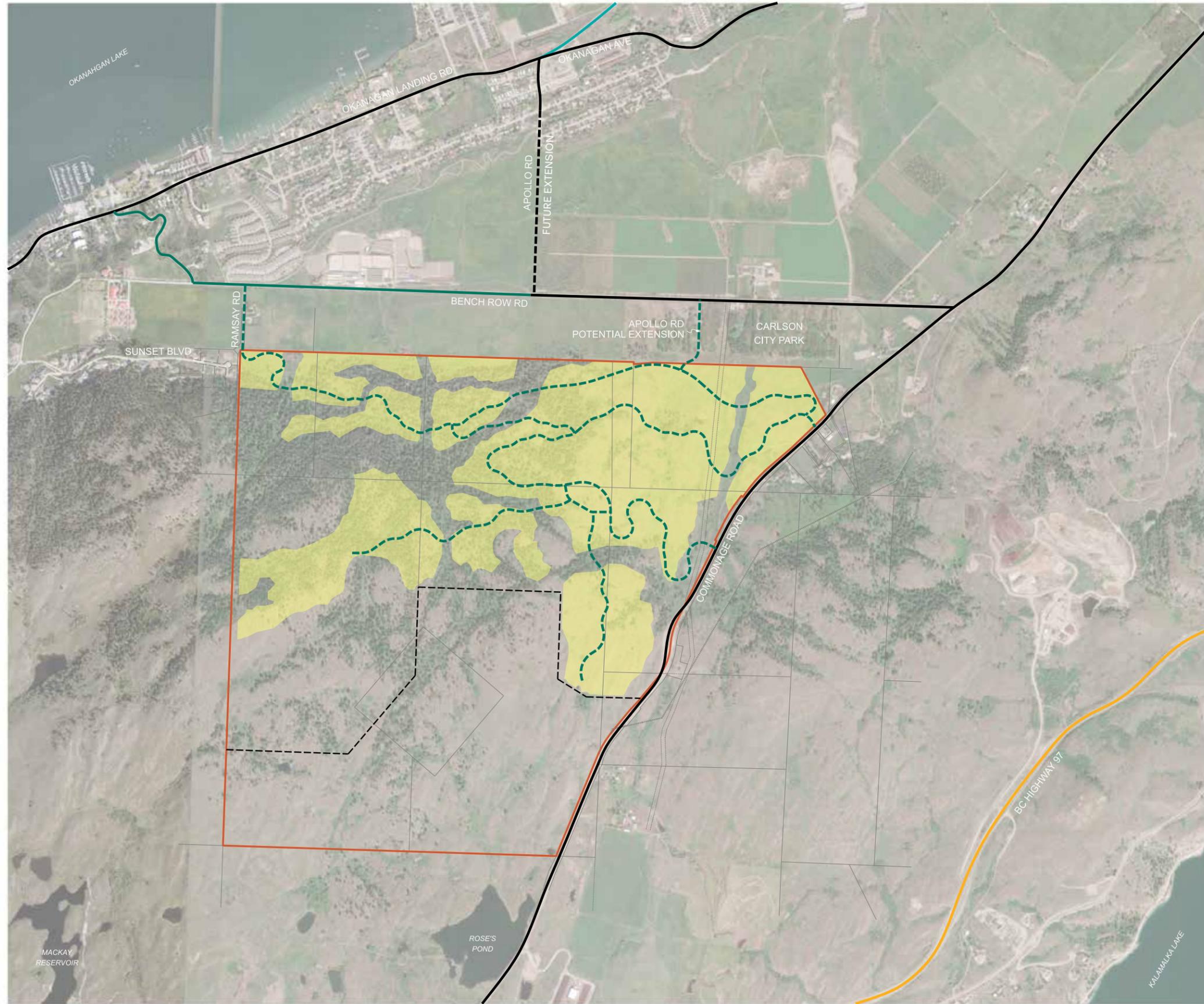


EKISTICS



2.8 Street Types Network

This plan illustrates the conceptual street types network for the Commonage Hillside Neighbourhood, including the Apollo Road connection from the site to Bench Road. The network establishes a clear hierarchy to support access, servicing, emergency response, and future active transportation, with alignments to be refined through detailed design.



580 COMMONAGE
HILLSIDE NEIGHBOURHOOD

OCP
STREET TYPES NETWORK

LEGEND JANUARY 26, 2026

- - - 580 Commonage Boundary
- 5m Contours
- Commonage Hillside Neighbourhood Future/Potential Development Areas

OCP STREET TYPE CLASSIFICATION

- Highway
- Arterial
- Community Collector
- - - New Community Collector
- Neighbourhood Collector
- - - New Neighbourhood Collector

NOTES Road alignments are conceptual and presented for illustrative purposes. Final alignments will be determined through the subdivision process.

Riparian corridors are based on current Riparian Area Protection Regulation (RAPR) assessments. Detailed riparian buffers for creeks and environmentally sensitive areas will be determined during the rezoning, subdivision and development permit stages.

0 100 200 300 500 1000m

EKISTICS

2.9 Preliminary Phasing Plan

The Preliminary Phasing Plan illustrates the anticipated sequencing of development over time. Phasing is structured to align infrastructure delivery, servicing capacity, and park dedication with neighbourhood build-out, while allowing flexibility to respond to future approvals and market conditions.

580 COMMONAGE HILLSIDE NEIGHBOURHOOD

PRELIMINARY DEVELOPMENT PHASING PLAN

LEGEND

JANUARY 23, 2026

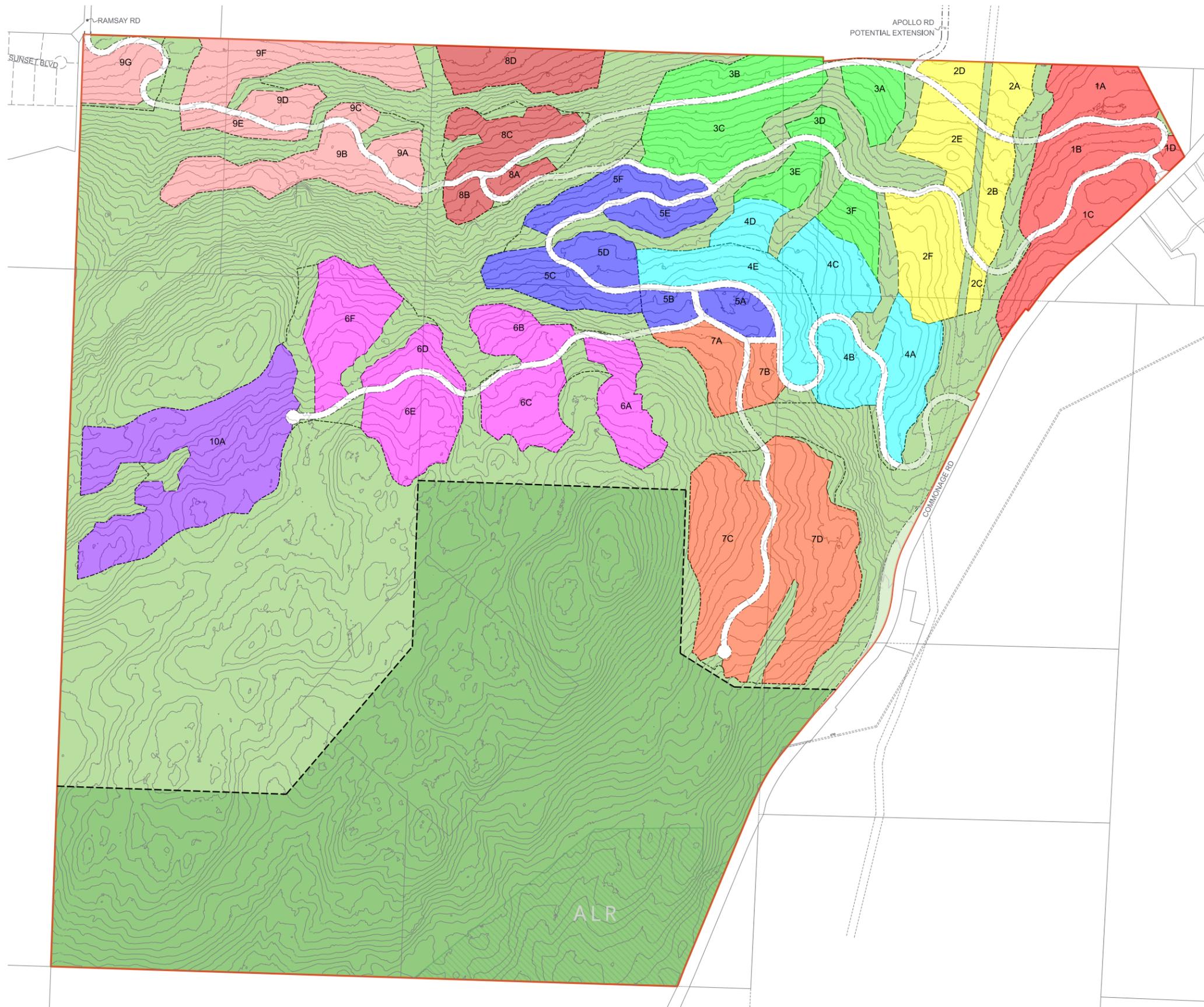
- 580 Commonage Boundary
- 5m Contours
- Parks, Open Space and Natural Areas
120.00 ha - Natural Area Park Dedication
- Commonage Hillside Neighbourhood
Future Parks and Open Space
- PHASE 1
- PHASE 2
- PHASE 3
- PHASE 4
- PHASE 5
- PHASE 6
- PHASE 7
- PHASE 8
- PHASE 9
- PHASE 10
- Commonage Hillside Neighbourhood
Main Road Network

NOTES Road alignments are conceptual and presented for illustrative purposes. Final alignments will be determined through the subdivision process.

Riparian corridors are based on current Riparian Area Protection Regulation (RAPR) assessments. Detailed riparian buffers for creeks and environmentally sensitive areas will be determined during the rezoning, subdivision and development permit stages.



EKISTICS



3. ILLUSTRATIVE MATERIALS

3.1 Renderings and Illustrations

Mixed-Use Village





Hillside Residential Neighbourhood





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APPENDIX A

ATTAINABLE HOUSING FRAMEWORK

Kerkhoff (Commonage) LP

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APPENDIX B

INFRASTRUCTURE AND AMENITIES IMPLEMENTATION FRAMEWORK

Kerkhoff (Commonage) LP

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APPENDIX C

DESKTOP SCREENING OF LIFECYCLE COSTS SPECIFIC TO OPERATION AND MAINTENANCE

Kerkhoff (Commonage) LP

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APPENDIX D

ENVIRONMENTAL TECHNICAL MEMORANDUM

Ecoscape Environmental Consultants Ltd.

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APPENDIX E

SERVICING DESIGN REPORT ADDENDUM

InterCAD Services Ltd.



EKISTICS

Vancouver Memorandum

To: Kerkhoff (Commonage) GP Ltd.
And to: City of Vernon – Planning Department
From: Stikeman Elliott LLP (Stephen Holinski)
Re: Application to Amend City of Vernon Official Community Plan Bylaw #6200
And Re: Framework to provide *attainable (market) housing*
Date: February 2, 2026

1. Introduction

We are the lawyers retained by Kerkhoff (Commonage) GP Ltd., the general partner of Kerkhoff (Commonage) Limited Partnership (the "**Applicant**"), who is the applicant in respect of the proposed development of those lands located at or around 580 Commonage Road in the City of Vernon (the "**City**") and more particularly legally described in Schedule A (the "**Lands**").

2. Background and Purpose

This memorandum is prepared at the request of the Applicant, for discussion with the City Planning Department as part of an application to amend the City's Official Community Plan Bylaw #6200 (the "**OCP**") to support development of the Lands for residential, as well as potential commercial (including retail, office and hotel), recreational and institutional (including seniors care), purposes (the "**Commonage Hillside Neighborhood**").

The City's OCP designates the Lands as primarily Rural. In order to support the Applicant's request to re-designate the Lands to support the Commonage Hillside Neighborhood, the City has requested that the Applicant commit to providing up to 40% of market residential housing as *attainable (market) housing*.

The purpose of this memorandum is to set out proposed steps for the provision of attainable (market) housing as part of the Commonage Hillside Neighborhood.

3. Legal Framework

In order to proceed with development of the Commonage Hillside Neighborhood, we understand that the Applicant will require the following *bylaw changes*:

VANCOUVER
CALGARY
TORONTO
MONTREAL
OTTAWA
NEW YORK
LONDON
SYDNEY

- (a) an amendment to the City's OCP, to re-designate the Lands to support the Commonage Hillside Neighborhood; and
- (b) various subdivisions and amendments to the City's Zoning Bylaw #6000 (the "**Zoning Bylaw**") to facilitate a phased development of the Lands.

Once an OCP is enacted, a municipality cannot adopt bylaws which are inconsistent with the OCP (see *Local Government Act, s. 478*). As the current OCP designates the Lands as primarily Rural, the subject application to amend the OCP is a necessary step to development of the Commonage Hillside Neighborhood.

However, the Applicant appreciates that an OCP designation in respect of future land use does not entitle or permit a landowner (or municipality) to develop as envisioned by an OCP. Rather, the Zoning Bylaw will govern use, height and density. The Zoning Bylaw currently designates the Lands primarily as Agricultural and Rural, in either the Large Block or Small Block zone, depending on parcel size, and accordingly will require amendment to facilitate each phase of the Commonage Hillside Neighborhood (each, a "**Rezoning**").

The Applicant also appreciates that each Rezoning will be discretionary to City Council, and will necessarily be completed in accordance with City policies (including the OCP) applicable at the time of enactment of each phase.

4. **Attainable Housing**

The City's OCP defines *attainable (market) housing* as follows:

***Attainable (market) housing:** Housing that is targeted to low- to middle-income households that are struggling with higher rents or have been priced out of the market. Attainable housing is typically market housing; it may be rental housing or ownership housing with small to modest homes or homes on small lots.*

In connection with the Commonage Hillside Neighborhood, the City has asked the Applicant to commit to providing 40% of market housing as *attainable (market) housing*.

5. **Proposed Framework**

The Applicant is prepared to commit to provision of *attainable (market) housing* in a manner that reflects both the importance of the subject OCP amendment, as well as the discretionary nature of future required Rezonings.

To that end, the Applicant proposes that the subject OCP amendment be referred to 1st, 2nd and 3rd readings on the condition that if the bylaw is approved at 3rd reading after public hearing, then prior to 4th reading and enactment, the Applicant be required to settle a binding agreement, to the satisfaction of the City, to provide up to 40% of market housing (by home count) as *attainable (market) housing* (the "**Framework Agreement**").

In our experience, it would be typical for a legal agreement required by a bylaw amendment to be drafted, negotiated and entered into only after public hearing and 3rd reading of a bylaw amendment. This ensures that neither the applicant nor the municipality expend resources on documents to support a bylaw amendment until it has been approved-in-principle by City Council.

Subject to the approval by the City and the Applicant of its terms, we would expect the Framework Agreement to be in the form of a covenant registered against the Lands under Section 219 of the *Land Title Act*, and we would expect it to provide, among other things:

- that at each Rezoning the Applicant be required to demonstrate to the City how it intends to provide an aggregate of up to 40% of all market housing on the Lands as *attainable (market) housing*;
- that at each Rezoning, the Applicant enter into agreements securing provision of a proportionate amount of housing as *attainable (market) housing*, either on the phase subject to such Rezoning or on a future phase;
- that provision of *attainable (market) housing* may be achieved by:
 - construction methods, including:
 - provision of smaller dwellings, with maximum heights and building sizes;
 - restrictions on the use of "luxury" building materials; and/or
 - use of pre-fabrication and other applicable construction techniques to reduce costs; and
 - tenure type, including:
 - smaller lot sizes;
 - purpose-built rental housing; and
 - manufactured home sites; and/or
 - a combination of construction methods and tenure types,with the detailed manner in which attainability will be achieved to be determined at each Rezoning under then current law and policy, to the satisfaction of the City; and
- that the future agreements entered into at each Rezoning be to the satisfaction of the City, be registered as covenants pursuant to Section 219 of the Land Title Act, and contain restrictions on subdivision and permit issuances as appropriate to secure provision of *attainable (market) housing*.

We understand this memorandum is intended to be provided to the City - Planning Staff, and are happy to discuss the above further with the City or their counsel, at any time.

**Schedule "A"
Lands**

Parcel Identifier	Legal Description
001-613-227	North ½ of the South West ¼ of Section 17, Township 9, ODYD, Except Plans M12623 and KAP63397
001-613-251	The North West ¼ of Section 17, Township 9, ODYD, Except Plans M12623 and KAP63398
001-613-294	The South West ¼ of Section 19, Township 9, ODYD, Except Plans B974 and 5164
013-537-318	The Fractional West ½ of Section 18, Township 9, ODYD Except Part Formerly Known as District Lot 737 ODYD
001-613-332	The Part of the South West ¼ of Section 19, Township 9, ODYD Shown on Plan B974 Except Plan 5164
013-537-342	The East ½ of Section 18, Township 9, ODYD Except: (1) Part Formerly Known as DL 737, ODYD (2) Plan KAP64786
001-613-383	The South ½ of Section 20, Township 9, ODYD Shown on Plan DD1222 Except Plans 5164 and KAP63395
001-613-430	The South East ¼ of Section 19, Township 9, ODYD Except Plans 192 and 5164
001-613-472	The Part of the South West ¼ of Section 20, Township 9 ODYD Lying West of Plan DD1222 Except Plans 192 and 5164
002-631-962	That Portion of Section 18, Township 9 ODYD Formerly Known as District Lot 737 ODYD
001-613-103	The West 1/2 Of The East 1/2 Of Section 17 Township 9 Osoyoos Division Yale District

MEMORANDUM OF UNDERSTANDING

Infrastructure and Amenities Implementation Framework

BETWEEN:

CITY OF VERNON

A municipal corporation incorporated pursuant to the laws of the Province of British Columbia
(the “City”)

AND:

KERKHOFF (COMMONAGE) LP

A Limited partnership Incorporated pursuant to the laws of the Province of British Columbia
(the “Developer”)

1 Purpose and Intent

1.1 This Memorandum of Understanding (the “**MOU**”) sets out the shared understanding, guiding principles and high-level commitment of the City and the Developer in respect to the planning, phasing, and delivery of off-site infrastructure and public amenities associated with the master-planned community known as 580 Commonage (the “**Project**”).

1.2 This MOU is intended to:

- Align infrastructure delivery with the staged build-out of the Project.
- Confirm that major off-site infrastructure and amenities providing city-wide or regional benefit are delivered in step with development demand.
- Avoid premature financial, operational, or maintenance obligations being assumed by the City prior to the establishment of a supporting tax base; and

- Provide a framework for subsequent legally binding agreements, including servicing, subdivision, development, or infrastructure agreements.

1.3 This MOU reflects infrastructure priorities identified in the City-adopted plans, including the Official Community Plan (2025), the Master Transportation Plan, and Parks and Recreation strategies.

2 Nature of this MOU

2.1 This MOU is a statement of intent and cooperation only. Except where expressly stated otherwise, it is not intended to create legally binding obligations on either party.

2.2 The parties acknowledge that specific obligations, standards, securities, cost-sharing arrangements, and timing will be confirmed through future Council approvals and the execution of definitive legal agreements.

3 Lands

3.1 This MOU applies to the lands legally and municipally known as 580 Commonage Road, Vernon, British Columbia (the “Lands”), as further described in **Schedule B**.

4 Development Phasing Principles

4.1 The Project is anticipated to be developed in multiple phases.

4.2 For planning purposes under this MOU, development thresholds are anticipated to be measured by the issuance of building permits or occupancy permits for residential units, as determined by the City.

4.3 Infrastructure delivery is intended to be triggered by development demand rather than fixed dates, allowing flexibility in response to market conditions, approvals, servicing requirements.

5. Infrastructure and Amenities Framework

5.1 The parties acknowledge the findings of the *Servicing Design Report Addendum prepared by InterCAD Consulting Engineers dated February 2, 2026* (the “Servicing Update”), which refines unit counts, infrastructure requirements, and trigger points. The Servicing Update is referenced in **Schedule C**.

5.2 Infrastructure contemplated by this MOU is general off-site in nature and provides benefit beyond the Lands. These works are distinct from typical on-site service that will be addressed through separate agreements.

6. Anticipated Commitments by Phase (Subject to Definitive Agreements)

6.1 Pre-Stage Commitments (Prior to Project Commencement)

The Developer anticipates undertaking, at its sole cost unless otherwise agreed:

- **Parkland Dedication:** Conveyance to the City of approximately 120 hectares of Natural Area Park, free and clear of encumbrances.
- **Multi-Use Pathway:** Design and construction of an initial publicly accessible multi-use pathway connecting Phase 1 areas to the City's active transportation network along Commonage Road and Mission Road, extending to the pedestrian crossing at the DND Lands.
- **Apollo Road Planning and Permitting:** Advancement of planning, technical analysis, environmental review, and permitting to achieve a construction-ready design consistent with the City's Master Transportation Plan.
- **Commonage Road Access Improvements:** Construction of a temporary T-intersection for early phases, with earthworks and right-of-way preparations completed to accommodate a future roundabout. Construction timing for the roundabout would be informed by an updated Traffic Impact Assessment, anticipated no later than approximately 300–400 residential units, subject to City acceptance.
- **Water Servicing (Pre-Stage 1):** Construction of the lower on-site water reservoir, associated on-site watermains, pump station connections, and the initial off-site supply main from the Mission Hill system.
- **Sanitary Sewer (Pre-Stage 1):** Construction of off-site sanitary sewer upgrades from the site boundary to Bench Row Road and toward Apollo Road, including works across ALR lands.

6.2 Stage 1 Commitments (Approximately 500–900 SFE Units)

Anticipated actions include:

- Off-site sanitary sewer upgrades between Okanagan Avenue / Apollo Road and Okanagan Landing Road, including Marshall Fields.
- Participation in Mission Hill water system upgrades and Upper Mission Reservoir connections, subject to Council-approved cost-sharing.
- Update of the Traffic Impact Assessment reflecting revised unit counts, road hierarchy, and phasing.

6.3 Stage 2 Commitments (Approximately 1,100 SFE Units)

Anticipated actions include:

- Construction of the upper on-site water reservoir and associated watermains.
- Installation of a second off-site water supply main from the Mission Hill system.

- Commencement of Apollo Road construction, or defined segments, subject to City approval. A secondary access via Apollo Road is anticipated to be required during early Stage 1 to serve approximately 1,000 residential units.

6.4 Stage 3 Commitments (Approximately 1,800–1,900 SFE Units)

Anticipated actions include:

- Completion of Apollo Road to full City standards.
- Completion of remaining off-site sanitary sewer upgrades between Apollo Road and Okanagan Avenue.

7. Ownership, Operations, and Maintenance Principles

7.1 Infrastructure and amenities are anticipated to be conveyed to the City following completion to City standards and formal acceptance.

7.2 Until acceptance, interim operation and maintenance responsibilities are anticipated to remain with the Developer, subject to future agreements.

8. Financial Considerations

8.1 Nothing in this MOU obligates the City to fund, front-end, or cost-share infrastructure unless expressly approved by Council and documented in a binding agreement.

8.2 The parties acknowledge the shared objective of avoiding premature municipal infrastructure liabilities.

9. Next Steps

9.1 The parties intend to use this MOU as the basis for:

- Detailed servicing and infrastructure agreements.
- Rezoning, subdivision, and development approvals.
- Security and timing arrangements tied to specific phases.

9.2 This MOU may be amended by mutual written agreement of the parties.

10 Execution

This MOU may be executed in counterparts and is effective as of the date of the last signature below.

CITY OF VERNON

Per: _____
Authorized Signatory

Date: _____

Name:
Title:

Per: _____
Authorized Signatory

Date: _____

Name:
Title:

KERKHOFF (COMMONAGE) LP

Per: _____
Authorized Signatory

Date: _____

Name:
Title:

SIGNED AND DELIVERED

in the presence of:

Witness Signature

Name of Witness:
Address:

SCHEDULE A

Summary of Anticipated Infrastructure Triggers

Trigger Threshold	Infrastructure / Amenity	Status
Phase 1	120 ha Parkland Dedication	Conveyed/Gifted to City
Phase 1	Multi-Use Pathway	Constructed & Dedicated
Phase 1 (400 Units)	Commonage Rd Roundabout	Constructed (T-intersection)
Phase 1	Apollo Road Planning & Permitting	Plan, Design Approval
Phase 2 (500 Units)	Apollo Road (Partial to Bench Rd)	Constructed
Phase 3 (1000 Units)	Apollo Road (Full)	Constructed

SCHEDULE B

Lands Description

Parcel Identifier	Legal Description
001-613-227	North ½ of the South West ¼ of Section 17, Township 9, ODYD, Except Plans M12623 and KAP63397
001-613-251	The North West ¼ of Section 17, Township 9, ODYD, Except Plans M12623 and KAP63398
001-613-294	The South West ¼ of Section 19, Township 9, ODYD, Except Plans B974 and 5164
013-537-318	The Fractional West ½ of Section 18, Township 9, ODYD Except Part Formerly Known as District Lot 737 ODYD
001-613-332	The Part of the South West ¼ of Section 19, Township 9, ODYD Shown on Plan B974 Except Plan 5164
013-537-342	The East ½ of Section 18, Township 9, ODYD Except: (1) Part Formerly Known as DL 737, ODYD (2) Plan KAP64786
001-613-383	The South ½ of Section 20, Township 9, ODYD Shown on Plan DD1222 Except Plans 5164 and KAP63395
001-613-430	The South East ¼ of Section 19, Township 9, ODYD Except Plans 192 and 5164
001-613-472	The Part of the South West ¼ of Section 20, Township 9 ODYD Lying West of Plan DD1222 Except Plans 192 and 5164
002-631-962	That Portion of Section 18, Township 9 ODYD Formerly Known as District Lot 737 ODYD
001-613-103	The West 1/2 Of The East 1/2 Of Section 17 Township 9 Osoyoos Division Yale District

SCHEDULE C

Servicing Update Report

Servicing Design Report Addendum

prepared by InterCAD Consulting Engineers dated February 2, 2026

DRAFT

February 10, 2026

File: AF39 Page: 1 of 1

Kerkhoff (Commonage) LP
581 Lawrence Avenue
Kelowna, B.C.

Attention: **Mr. Henri Cullinan**

Dear Mr. Cullinan:

Re: **580 Commonage Hillside Neighbourhood Development
Comment on Desktop Screening Analysis**

We have reviewed the Desktop Screening Analysis of Life Cycle Cost specific to Operation and Maintenance that was prepared by you for the above noted project. We understand that this document is not intended to be a full Life Cycle Cost Assessment of the Operations and Maintenance requirements for the full development. We understand that the cost data was sourced from available British Columbia municipalities, and that this information was not available from the City of Vernon at this time. We believe that the information contained within the report is provided transparently to facilitate further discussion between Kerkhoff and the City of Vernon.

Please do not hesitate to contact us if you have any questions or require further information.

Regards,



Brian Wallace, PEng
Principal

i:\af39\01-np\word\260210 comment on desktop screening analysis.docx

580 Commonage

Hillside Neighbourhood Development

Desktop Screening Analysis Life Cycle Cost specific to Operation & Maintenance

July 10, 2025

Amended February 3, 2026

Prepared by:
Kerkhoff Development Team
Henri Cullinan
hcullinan@kerkhoff.ca



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Executive Summary

This desktop report provides a high-level Operations and Maintenance (O&M) cost screening analysis for the proposed 580 Commonage Hillside Neighbourhood in support of the OCP Amendment and Rezoning application. The screening analysis is intended to inform municipal review by assessing the anticipated relationship between ongoing municipal service costs and the residential property tax revenues expected to be generated by the development at full build-out.

The purpose of this analysis is not to establish final servicing costs or fiscal outcomes, but rather to support policy-level decision-making by providing an early indication of the long-term operational implications of the proposed land use and density framework. The results are intended to assist staff and Council in evaluating whether the proposed amendment is generally consistent with the City's fiscal sustainability objectives, recognizing that further refinement will occur at rezoning, subdivision, development permit, and detailed design stages.

This amended desktop report has been prepared to address inaccuracies identified in the original assessment, specifically with respect to O&M information applicable to the City of Vernon, including the municipal mill rate. In collaboration with City finance staff and capital infrastructure engineering department, all relevant assumptions and figures have been reviewed, verified, and updated accordingly.

Limitations of the Assessment

This analysis is not a full lifecycle cost assessment. Specifically, it does not include:

- Long-term asset renewal, rehabilitation, or replacement costs.
- Capital construction or initial installation costs.
- End-of-life asset disposal or decommissioning costs.
- Development Cost Charges (DCC's) as contributions to off-site infrastructure upgrades or improvements.
- Non-infrastructure municipal programs and services; or
- Utility user fees, other related development charges, senior government grants, or other non-tax revenues.

As such, the results should be interpreted as order-of-magnitude indicators, suitable for screening purposes rather than detailed financial sustainability forecasting.

1 Introduction

This desktop report provides an operations and maintenance (O&M) cost screening analysis for the proposed 580 Commonage Hillside Neighbourhood at full build-out. It estimates annual municipal service costs using unit cost benchmarks applied to the preliminary infrastructure quantities available at this stage and compares those costs to the municipal property tax revenue generated by the development's residential assessment base.

2 Methodology & Analytical Scope

The assessment adopts a lifecycle-costing framework that is deliberately limited to the operating and routine maintenance phase of municipal service delivery. Capital expenditures, long-term renewal obligations, and end-of-life costs are explicitly excluded from the scope of this assessment report.

2.1 Municipal Services Considered

The service categories evaluated are those typically delivered by the city at a local service level, including:

- Local road operations and routine maintenance (including snow and ice control).
- Sidewalks and pedestrian infrastructure.
- Water distribution systems.
- Sanitary sewer collection and pumping.
- Storm drainage infrastructure.
- Street lighting.
- Solid waste collection and related services.
- Fire Protection and Policing (RCMP) Services; and
- Parks, Trails and Recreation.

Services such as schools, library and hospitals, and other third-party or regional levies are treated as flow-through items and are excluded from the municipal O&M cost calculations. These services are generally funded through broader taxation or external agencies and are not directly attributable to local infrastructure quantities in a manner suitable for this screening-level analysis.

2.2 Cost Estimation Approach

Unit cost metrics are drawn from industry and municipal benchmark rates and are applied for screening purposes only. Actual O&M costs will vary based on:

- Approved land-use zoning, density and subdivision plans.
- Final engineering design and construction standards.
- Adopted service levels and performance expectations.
- Operational practices and efficiencies; and
- Changes in labour, materials, and energy costs over time.

Accordingly, the results should be viewed as indicative rather than definitive, with refinement required as project design advances through the respective approval processes.

2.3 Revenue Framework

On the revenue side, the analysis considers municipal residential property tax revenues only. No non-tax revenues are included, such as:

- Utility user fees.
- Development cost charges or levies; or
- Provincial or federal grants.

The analysis incorporates:

- The City of Vernon Bylaw 6037 municipal tax rate for 2025; and
- 2025 BC Assessment residential valuation data by housing type.

[Southern Interior 2026 Property Assessments Announced](#)

This approach ensures alignment with current municipal taxation policy while maintaining consistency with the screening-level intent of the analysis.

3 Cost Assumptions

The analysis relies on the following assumptions, which apply exclusively to the proposed 580 Commonage Hillside Neighbourhood, as illustrated in the Preliminary Development Parcel and Phasing Plan dated February 2026. Refer to **Appendix A**.

Included in the Analysis:

- Total buildout consists of 3,571 Residential Homes/Units
 - *3,046 Single Family Homes*
 - *525 Townhomes and Apartment/Condo Style Homes*
 - *Commercial Retail are excluded for purposes of this calculation*

- Average Assessed Property Value (as of July 1, 2025) equals \$721,000
 - \$813,522 for single family homes
 - \$453,324 for townhomes
 - \$453,324 for apartment/condo homes
- Municipal Property Tax Rate (Vernon Bylaw 6037 for 2025) of 0.31% is applied.

The following third-party taxes are regarded as “flow throughs” are excluded in the Analysis:

- Library
- Schools
- Hospitals
- Regional District Levies (RDNO)
- BC Assessment Authority
- Municipal Finance Authority (MFA)

3.1 Impacts

These assumptions have several implications for the financial sustainability and operational planning of 580 Commonage. The potential impacts are outlined below:

3.1.1 Revenue Excludes User Fees & Grants

Implication: The analysis only considers municipal property tax revenue, it does not include additional revenue sources such as user fees (e.g., water, sewer, garbage collection) or grants that the city might receive.

3.1.2 Assessment Based on Full Build-Out and Occupancy

Implication: The financial projections assume that all planned homes are built and fully occupied. This means the revenue and cost estimates are based on the maximum potential number of homes and residents.

3.1.3 On-Site and Off-Site Servicing Infrastructure

Implication: The analysis includes costs for infrastructure within the development site, such as roads, sidewalks, water systems, and sewer systems. Some of the off-site costs are 100% allocated to the development with major road networks and sanitary sewer split as a percentage to the development and to the broader Vernon Community. Refer to **Appendix B**.

3.1.4 Capital Reserve Contributions

Implication: The City of Vernon’s Capital Reserves/Replacement Levy policy, which allocates 6% toward capital reserves, represents a prudent financial strategy to

ensure funding for future infrastructure renewal and maintenance. In alignment with Council policy, any surplus generated from the development should be directed to capital reserves to support long-term asset sustainability and lifecycle funding.

3.1.5 Lifecycle Infrastructure Replacement

- **Implication:** Consistent funding of Capital Reserves is crucial for maintaining infrastructure over its lifecycle. Any shortfall in reserve funding could lead to deferred maintenance and higher costs in the future. The replacement of infrastructure over its lifecycle depends on consistent funding of capital reserves. This ensures that the city can maintain and replace infrastructure as needed over time.

3.1.6 Transit Costs

Implication: Transit services are delivered by BC Transit and are therefore not a direct operating cost of the City of Vernon and are excluded from this analysis. Notwithstanding, future changes to BC Transit funding or service levels may influence resident mobility and the overall attractiveness of the development.

3.1.7 Schools

- **Implication:** School taxes are collected by the city as a third-party levy and are treated as flow-through revenues. School District No. 22 remains responsible, within the provincial funding framework, for the operation and maintenance of public-school facilities.

3.1.8 Library

Implication: Costs associated with community facilities such as libraries are excluded from this analysis. Library services are funded through requisitions or levies collected by the City on behalf of the library authority and are treated as flow-through items. As such, library services are not included as direct municipal O&M costs attributable to this development.

3.1.9 Off-Site Road Network Maintenance

Implication: Maintenance costs for the off-site road network are allocated on a percentage split (50/50), with 50% attributed to the development and the remaining assumed to be funded by the City or other sources.

3.1.10 Off-Site Sanitary Sewer Maintenance

Implication: The maintenance cost for off-site sanitary sewer is split 50/50, meaning 50% of the cost is allocated to the development, and 50% is covered by the city or other funding sources.

3.1.11 Overall Implications

- **Financial Viability:** Under the stated assumption, the development demonstrates a small deficit being cost and revenue neutral (“Break-Even”); however, outcomes are sensitive to build-out phasing, timing, occupancy, which in turn impacts revenue and cost assumptions.
- **Operational Planning:** The City will need to plan for, and fund excluded or shared services and infrastructure through future capital programs, servicing agreements, and operating budgets.
- **Risk Management:** Key risks include market absorption rates, adequacy of user fees, cost-sharing assumptions for off-site infrastructure, and potential changes to provincial, regional, or council funding policies.

Consideration of these implications allows the City to make well-informed decisions and undertake effective long-term planning for 580 Commonage. The listed assumptions clarify the scope and constraints of the screening analysis, ensuring that projections are realistic and appropriately focused.

4 Cost Analysis

The table below provides a detailed breakdown of cost (\$) per service per linear meter (lm) per annum per household. Refer to **Appendix B** for more details.

Assumption	Metrix
Total Units (Homes)	3,571
Weighted Average Assessed Property Value (per Residential Type)	721,000
Single Family	813,522
Townhomes	453,324
Apartment/Condo Style Homes	453,324
Municipal Property Tax Rate for 2025 (Bylaw 6037)	0.31%
Annual Tax Revenue per Home	
Single Family	2,522
Townhomes	1,405
Apartment/Condo Style Homes	1,405
Total Annual Property Tax Revenue (3571 homes)	8,419,548
Single Family	7,681,763
Townhomes	168,637
Apartment/Condo Style Homes	569,148

Ongoing Annual Municipal O&M Costs (estimates)	Est. Annual	%	\$/HH
Off-Site Municipal Services/Assets			
Road Networks (Commonage, Ramsy, Multi-path, 25th Ave, Apollo)	664,689	53%	186.14
Reservoir (Upper & Lower)	160,000	13%	44.81
Off-Site Watermain to Off-Site Reservoirs	76,100	6%	21.31
Water Pump Station	60,000	5%	16.80
Off-Site Sanitary Sewer (Bench Row, OK-Landing, Ave, Marshall Field, Apollo)	29,846	2%	8.36
Cummins Rd Lift Station	37,500	3%	10.50
Sanitary Forcemain along Okanagan Landing Rd	95,842	8%	26.84
Stormwater Detention Facilities	120,000	10%	33.60
Total Off-Site Estimated Annual Municipal Cost	1,243,977	100%	348.36
On-Site Municipal Services/Assets			
Roads Network (Routine Maintenance & General Operations)	793,980	10%	222.34
Snow Ploughing & Winter Maintenance (Sanding & De-icing)	288,720	4%	80.85
Sidewalks & Multi-use Paths (Curb & Gutter - incl concrete/asphalt patches, vegetation control, trip-hazard, sweepin	341,772	4%	95.71
Water Utility (watermains, valves, hydrants, reservoirs, pumps, treatment)	1,137,325	15%	318.49
Sanitary Sewer (gravity mains, manholes, lift stations, force mains)	1,007,022	13%	282.00
Storm Drainage / Flood Protection (storm mains, catch basins, outfalls, ditches, detention ponds, pumps, creeks)	246,709	3%	69.09
Solid Waste Management (Garbage, Recycling, Organics)	428,520	6%	120.00
Street Lighting (electricity, inspection, lamp/driver replacement & repairs)	117,293	2%	32.85
Fire Protection Services	803,475	10%	225.00
RCMP/Police Services	1,160,575	15%	325.00
Parks, Trails & Recreation O&M (turf, trees, irrigation, trails, sportfields)	785,620	10%	220.00
Corporate (Planning, Engineering, Fleet, Bylaw & Admin)	355,551	5%	99.57
Capital Renewal/Reserve Contributions (Lifecycle)	223,997	3%	62.73
Total On-Site Estimated Annual Municipal Cost	7,690,559	100%	2,153.61
Estimated Annual Costs	8,934,535		2,501.97
Total Property Tax Revenue	8,419,548		2,357.76
Development Cost Charges (DCC's)	-		-
Net/Deficit (Annual)	-514,988		-144.21

5 Limitations and Qualifications

This report is a desktop screening analysis prepared for early-stage planning purposes. It is not a substitute for detailed servicing design, operating budget development, or a full lifecycle financial sustainability assessment.

Unit rates are based on benchmarking and generalized assumptions. Actual costs will vary based on final infrastructure design, construction standards, service levels, and operational practices adopted by the City.

Property tax revenue is general municipal revenue and is not dedicated or “ring-fenced” to specific infrastructure. The analysis presented provides order-of-magnitude context only.

6 Synopsis

The proposed 580 Commonage Hillside Neighbourhood will introduce new municipal infrastructure that will require ongoing operations and maintenance (O&M) over the long term. This desktop screening analysis was undertaken to evaluate whether the anticipated municipal property tax revenues generated at full build-out are generally sufficient to support these ongoing service obligations, within the assumptions and limitations outlined in this report.

At a screening level, the analysis demonstrates that the relationship between municipal O&M costs and residential property tax revenues is broadly balanced and fiscally sustainable when assessed at full build-out. The results provide an early-stage indication that the proposed development form, infrastructure phasing strategy, and Smart Growth approach are consistent with the City of Vernon’s fiscal sustainability and asset management objectives.

6.1 Key Findings

- **O&M Cost Profile:** Total estimated annual municipal O&M costs associated with on-site and off-site infrastructure are approximately \$8,934,535 million at full build-out. This includes roads, water, sanitary sewer, stormwater, parks, waste management, street lighting, fire protection, policing, corporate administration and capital reserve contributions.
- **Per-Household Impact:** The annualized O&M cost burden equates to approximately \$2,501.97 per household, providing a useful benchmark for evaluating service affordability and long-term operational efficiency.

- **Revenue Sufficiency:** Based on approximately 3,571 residential units with an assessed property values based on BC Assessment 2025 per residential type, the total anticipated annual municipal property tax revenue is estimated at approximately \$8,419,548 million at full build-out.
- **Fiscal Outcome:** When compared to projected O&M costs, the analysis indicates a deficit of approximately half a million annually (-\$144.21 per household), suggesting that the City can operate and maintain the neighbourhood infrastructure without placing undue pressure on the existing property tax base.
- **Planning and Asset Management Alignment:** The unit-triggered, phased infrastructure delivery framework outlined in the MOU ensures that assets are brought into service and accepted by the City in step with population growth and revenue generation. This significantly reduces the risk of premature O&M liabilities and supports more effective asset lifecycle planning. Refer to **Appendix C**.

6.2 Outcomes and Implications

The findings confirm that early-stage planning decisions materially influence long-term municipal operating costs. By integrating asset management considerations into land use planning at the rezoning stage, the City is better positioned to manage infrastructure efficiently, forecast operating budgets accurately, and maintain service levels without structural fiscal imbalance.

This desktop analysis serves as a decision-support tool, not a final financial commitment. It demonstrates that, under current assumptions, the proposed development can be serviced in a manner that is operationally viable, fiscally responsible, and consistent with “Growth Pays for Growth” underpinned by orderly development principles.

6.3 Recommendations

6.3.1 Proceed at Rezoning Stage

The results support advancing the proposed OCP Amendment and First Phase Rezoning, subject to continued alignment with the unit-triggered infrastructure framework established in the Service Design Update Memo prepared by InterCAD dated February 2, 2026. Refer to **Appendix C**.

6.3.2 Refine at Subsequent Approval Stages

A more detailed O&M and asset lifecycle analysis should be completed at the subdivision and detailed design stages to:

- Confirm final infrastructure quantities and service standards.
- Validate unit cost assumptions against City budgets and asset management plans.
- Incorporate long-term servicing efficiency, sustainability, renewal and replacement funding requirements; and
- Finalize cost-sharing, securities, and timing provisions through servicing and infrastructure agreements.

6.3.3 Maintain Asset Management Integration

Continued integration of asset management principles into land use and servicing decisions is recommended to enhance the long-term economic sustainability of both the development and the City's infrastructure portfolio.

The 580 Commonage new neighbourhood development, plays a critical role in determining public infrastructure costs, as clearly illustrated through the analysis. Strategic intervention at the planning stage offers the greatest opportunity to influence long-term public expenditures. The initial desktop study phase, serves as a valuable decision-support tool, guiding more informed choices around land use, design, and infrastructure investments, and ultimately supporting more fiscally sustainable development outcomes.

Integrating asset management into land use planning is essential for enhancing the long-term financial sustainability for the City. This underscores the importance of undertaking a more detailed analysis of key metrics aligned with a refined Site and Subdivision Plan during the rezoning phase.

Preliminary findings indicate that the annualized operations and maintenance (O&M) cost burden on the municipality would average approximately \$2,501.97 per household. This figure highlights the need for a strategic and data-informed approach to ensure that future development remains fiscally responsible, infrastructure affordability and serviceable over the long term.

Based on the analysis, the City of Vernon can likely operate and maintain the new neighbourhood cost-effectively without burdening the property tax base.

The tables below summarize the on-site and off-site cost per linear meter per community asset per annum.

Off-Site Municipal Services/Assets			
Road Networks (Commonage, Ramsy, Multi-path, 25th Ave, Apollo)	96.47	6,890	664,689
Reservoir (Upper & Lower)	44.81	-	160,000
Off-Site Watermain to Off-Site Reservoirs	10.00	7,610	76,100
Water Pump Station	16.80		60,000
Off-Site Sanitary Sewer (Bench Row, OK-Landing, Ave, Marshall Field, Apollo)	10.22	2,920	29,846
Cummins Rd Lift Station	10.50	-	37,500
Sanitary Forcemain along Okanagan Landing Rd	25.90	3,700	95,842
Stormwater Detention Facilities	33.60	-	120,000
Total Off-Site Estimated Annual Municipal Cost			1,243,977
On-Site Municipal Services/Assets			
Roads Network (Routine Maintenance & General Operations)	22.00	36,090	793,980
Snow Ploughing & Winter Maintenance (Sanding & De-icing)	8.00	36,090	288,720
Sidewalks & Multi-use Paths (Curb & Gutter - incl concrete/asphalt patches, vegetation control, trip-hazard, sw)	9.47	36,090	341,772
Water Utility (watermains, valves, hydrants, resevoirs, pumps, treatment)	32.06	35,480	1,137,325
Sanitary Sewer (gravity mains, manholes, lift stations, force mains)	27.36	36,800	1,007,022
Storm Drainage / Flood Protection (storm mains, catch basins, outfalls, ditches, detention ponds, pumps, creek)	6.88	35,885	246,709
Solid Waste Management (Garbage, Recycling, Organics)	120.00	-	428,520
Street Lighting (electricity, inspection, lamp/driver replacement & repairs)	3.25	36,090	117,293
Fire Protection Services	225.00	-	803,475
RCMP/Police Services	325.00	-	1,160,575
Parks, Trails & Recreation O&M (turf, trees, irrigation, trails, sportfields)	220.00	-	785,620
Corporate (Planning, Engineering, Fleet, Bylaw & Admin)	99.57	-	355,551
Capital Renewal/Reserve Contributions (Lifecycle)	62.73	-	223,997
Total On-Site Estimated Annual Municipal Cost			7,690,559
Estimated Annual Costs			8,934,535

The total anticipated annual municipal revenue from the complete build-out of 3,571 homes is estimated at approximately \$8.419,548 million. When compared to the projected annualized operations and maintenance (O&M) costs of servicing the 580 Commonage Hillside Neighbourhood, this revenue provides a critical benchmark to evaluate long-term financial sustainability. Preliminary analysis suggests that, at full build-out, the property tax revenues are expected to sufficiently balance the public infrastructure's ongoing O&M costs, supporting a fiscally responsible urban expansion strategy.

APPENDIX A - *Preliminary Development Parcel and Phasing Plan*

The Preliminary Development Parcel and Phasing Plan outlines a high-level phasing and subdivision framework aligned with the proposed land use structure.

580 COMMONAGE
HILLSIDE NEIGHBOURHOOD

PRELIMINARY
DEVELOPMENT
PHASING PLAN

JANUARY 23, 2026

LEGEND

- 580 Commonage Boundary
- 5m Contours

Parks, Open Space and Natural Areas
120.0ft to - Natural Area Park Dedication
Commonage Hillside Neighbourhood
Future Parks and Open Space

- PHASE 1
- PHASE 2
- PHASE 3
- PHASE 4
- PHASE 5
- PHASE 6
- PHASE 7
- PHASE 8
- PHASE 9
- PHASE 10

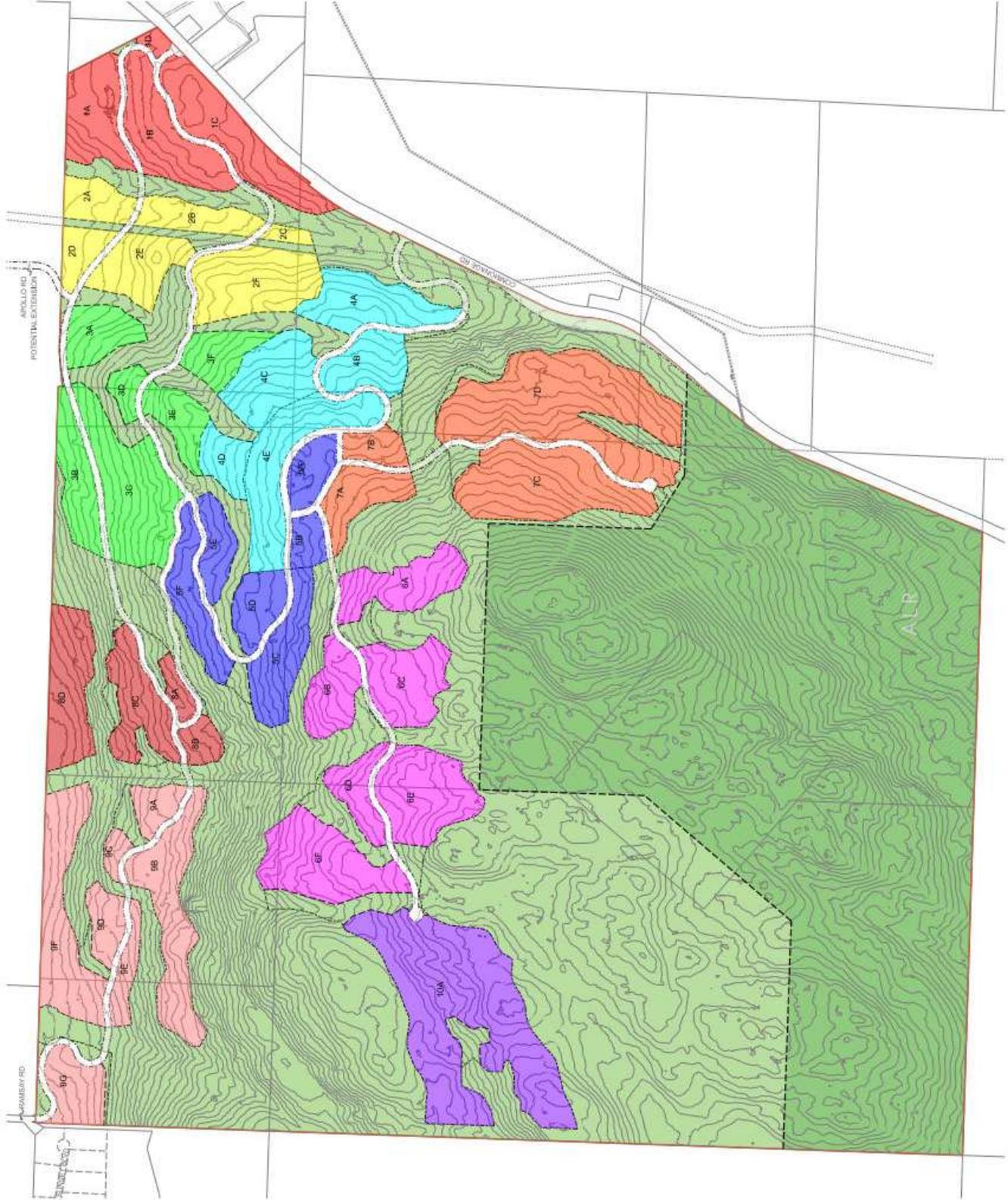
- Commonage Hillside Neighbourhood
- Main Road Network

NOTES
Road alignments are conceptual and reserved for illustrative purposes. Final alignments will be determined through the subdivision process.

Regulation compliance is based on current Regional Area Production (RAP) assessments. Detailed final RAP assessments and compliance areas will be determined during the rezoning, subdivision and development permit stages.



EKISTICS



APPENDIX B - *Detail Cost Analysis*

Collectively, these metrics offer a comprehensive understanding of municipal service costs and financial performance, providing useful context for evaluating the 580 Commonage Hillside Development.

See overleaf

Assumption	Metric
Total Units (Homes)	5,971
Weighted Average Assessed Property Value (per Residential Type)	721,000
Single Family	813,322
Townhomes	453,324
Apartment/Condo Style Homes	453,324
Municipal Property Tax Rate for 2025 (Bylaw 6037)	0.31%
Annual Tax Revenue per Home	
Single Family	2,522
Townhomes	1,405
Apartment/Condo Style Homes	1,405
Total Annual Property Tax Revenue (3571 Homes)	8,419,548
Single Family	7,681,763
Townhomes	168,637
Apartment/Condo Style Homes	569,148

Ongoing Annual Municipal O&M Costs (estimates)

Off-Site Municipal Services/Assets	Est. Annual	%	\$/HH	Notes
Total Off-Site Estimated Annual Municipal Cost	1,243,977	100%	348.36	
On-Site Municipal Services/Assets				
Road Networks (Commonage, Ramsy, Multi-path, 25th Ave, Apollo)	186.14	53%	186.14	50% shared cost by project
Reservoir (Upper & Lower)	44.81	13%	44.81	80% shared cost by project
Off-Site Watermain to Off-Site Reservoirs	21.31	6%	21.31	
Water Pump Station	16.80	5%	16.80	
Off-Site Sanitary Sewer (Bench Row, OK-Landing, Ave, Marshall Field, Apollo)	29,846	2%	8.36	50% shared cost by project
Cummings Rd Lift Station	37,500	3%	10.50	50% shared cost by project
Sanitary Foremain along Okanagan Landing Rd	95,842	8%	26.84	
Stormwater Detention Facilities	120,000	10%	33.60	
Total On-Site Estimated Annual Municipal Cost	7,690,559	100%	2,153.61	
On-Site Municipal Services/Assets				
Roads Network (Routine Maintenance & General Operations)	793,980	10%	222.34	
Snow Ploughing & Winter Maintenance (Sanding & De-icing)	288,720	4%	80.85	
Sidewalks & Multi-use Paths (Curb & Gutter - incl concrete/asphalt patches, vegetation control, trip-hazard, sweeping)	341,772	4%	95.71	
Water Utility (watermains, valves, hydrants, reservoirs, pumps, treatment)	1,137,325	15%	316.49	
Sanitary Sewer (gravity mains, manholes, lift stations, force mains)	1,007,022	13%	282.00	
Storm Drainage / Flood Protection (storm mains, catch basins, outfalls, ditches, detention ponds, pumps, creeks)	246,709	3%	69.09	
Solid Waste Management (Garbage, Recycling, Organics)	428,520	6%	120.00	
Street Lighting (electricity, inspection, lamp/driver replacement & repairs)	117,293	2%	32.85	
Fire Protection Services	803,475	10%	225.00	
RCMP/Police Services	1,160,575	15%	325.00	
Parks, Trails & Recreation O&M (lurf, trees, irrigation, trails, sportsfields)	785,620	10%	220.00	
Corporate (Planning, Engineering, Fleet, Bylaw & Admin)	355,551	3%	98.57	Admin fee of 5% applied
Capital Renewal/Reserve Contributions (Lifecycle)	223,997	3%	62.73	Renewal Levy on total annual O&M
Total On-Site Estimated Annual Municipal Cost	7,690,559	100%	2,153.61	
Estimated Annual Costs	8,934,535		2,501.97	
Total Property Tax Revenue	8,419,548		2,357.76	
Development Cost Charges (DCCs)	-		-	
Net/Derict (Annual)	-514,986		-144.21	

Note:

Tax Assessment use 0.0031 (0.31%) Mill Rate (refer to Municipal Bylaw 6037 of 2025)
 Taxes include Municipal General, Municipal RCMP & Municipal Capital
 Revenue excludes User Fees & Grants
 Assessment based on full build out and occupancy as per amended Preliminary Parcel Plan dated February 2026
 Analysis based off-site and on-site servicing, includes i.e.: reservoir, multi-pathway, Appalo Rd.
 Services such as School, Hospital, Library are "Flow Through" collected on behalf of the Third Party
 A Renewal Levy as Capital Reserve Fund of 3% of O&M incorporated as part of annual O&M cost
 Administration Fee of 5% incorporated as part of annual O&M Cost
 Transit costs are included with services delivered by BC Transit
 Off-Site Road Network Maintenance and Sanitary Sewer is split 50/50 (50% of costs by the development)
 Reservoir O&M are split 80/20 (80% of costs by the development)
 Does not incorporate an efficiency metrics which measures resource management i.e. water loss rates
 Although not included as revenue, DCC Contribution will benefit the broader Public Infrastructure

	\$/m/year	lm	Total	Note
664,689	96.47	6,890	664,689	typical road O&M range between \$6-\$12K/km
160,000	44.81	-	160,000	large reservoir -5ML estimated at \$100k+
76,100	10.00	7,610	76,100	pipe ONLY - excluding pump station range between \$4-\$12 per linear meter (BC Interior use ave \$10/
60,000	16.80	-	60,000	medium pump station range between \$40-\$80k
29,846	10.22	2,920	29,846	ave between gravity & pressurized \$25,000/km
37,500	10.50	3,700	37,500	ave between \$50-\$100k/75L/s)
95,842	25.90	3,700	95,842	medium (400-600mm) average \$25,000/lm
120,000	33.60	-	120,000	33 ha or vaults ave between \$30k-\$75k
			1,243,977	
793,980	22.00	36,090	793,980	\$18k-\$30k per km per year (translate to \$18 - \$30/linear metre per year)
288,720	8.00	36,090	288,720	\$4k-\$12k per km per year (translate to \$4-\$12/linear metre per year)
341,772	9.47	36,090	341,772	One side \$3-\$10/linear metre of both sides \$6-\$20/linear metre (which translate to one of \$9.47/lm)
1,137,325	32.06	35,480	1,137,325	\$D-\$325/lin, TH \$300/lin, Agri \$275/lin (or \$4-\$12/linear metre per year)
1,007,022	27.36	36,800	1,007,022	\$282/lin (or \$3-\$9/lin) for gravity mains & manholes + \$2-\$6/lin) for lift station & sanitary force m
246,709	6.88	35,885	246,709	\$2-\$7/linear metre per year (cost could increase due to hillsides)
428,520	12.00	-	428,520	\$120/household
117,293	3.25	36,090	117,293	\$30k-\$150k per light per year (translate to \$3-\$5/linear metre per year)
803,475	225.00	-	803,475	\$200k - \$240/household
1,160,575	325.00	-	1,160,575	\$300k - \$350/household
785,620	200.00	-	785,620	\$190k - \$275/household
355,551	99.57	-	355,551	5% of annual O&M
223,997	62.73	-	223,997	3% of annual O&M
			7,690,559	
			8,934,535	

APPENDIX C - *Service Design Update Memo*

Prepared by InterCAD dated February 2, 2026

See Overleaf



Technical Memorandum

Date: February 3, 2026
To: Henri Cullinan, Kerkhoff (Commonage) LP, 581 Lawrence Avenue, Kelowna BC V1Y 6L8
From: Ecoscape Environmental Consultants Ltd.
File: 23-4787 | Version 1
Subject: 580 Commonage: OCP Amendment Application – Environmental Technical Memo

1.0 INTRODUCTION

Ecoscape Environmental Consultants Ltd. (Ecoscape) has been retained by Kerkhoff (Commonage) LP (client) to provide Environmental Consulting Services for the 580 Commonage OCP Amendment Application. On February 28, 2024, Ecoscape issued a Preliminary Environmental Assessment (herein referred to as February 2024 report) that summarized the results of a desktop review, reported the findings of 2023 site visits and evaluated high-level environmental impacts of the proposed development at 580 Commonage Road. The February 2024 also report highlighted constraints presented by environmental surveys completed in winter months and outlined the need for further surveys.

In June of 2025, Ecoscape compiled spring 2025 reptile occurrence data into a technical memorandum that outlined reptile sightings, habitat values and additional recommendations to minimize impacts. Most recently, Ecoscape provided updated environmentally sensitive area (ESA 1-4) rankings that are consistent with the four-tiered system outlined in the new OCP (Official Community Plan bylaw 6200, 2025). Ecoscape also met with the development design team on several occasions in the fall of 2025 to further convey ecological sensitivities, to help guide development away from the most ecologically fragile areas, and to provide advice on habitat corridors.

The purpose of this Technical Memorandum is to provide an overview of how the environmental impacts of the newly updated development have changed since the original 2024 submission. The information within, is based on maps and area calculations provided by the development design team. Ecoscape has not undertaken a comprehensive environmental assessment of the updated development plan and assumes it will be required at the rezoning/subdivision permitting stage. *Further, this memo is not intended for a development permit application nor is it an endorsement of the proposed works, but*

rather it should be used as a tool for land use planning and decision making. The terms and conditions of this memo have been included in **Appendix A**.

2.0 UPDATED DEVELOPMENT PLAN

A subset of the figures produced by Ekistics are appended to this memo to highlight the environmental components of the updated development plan (**Appendix B**). Area differences of the land use type between the original and updated plans are summarized in **Table 1**. The park dedication in the updated plan has increased by 6 ha, future parks and open space has increased by 4.61 ha and the proposed development, inclusive of residential, mixed use and roads, has decreased by 10.47 ha. These changes result in approximately 64.6 % of the land dedicated to natural space and about 35.4% of the land used for residential and mixed-use development.

Table 1. Comparison of Original and Updated Development Plans.

Land Use Type	Original (ha)	Updated (ha)	Updated (%)
Natural Area Park Dedication	114.14	120.00	28.51
Future Parks and Open Space	147.49	152.10	36.13
Residential, Mixed-Use & Roads (Development)	159.32	148.85	35.36

The most notable changes to the park dedication on the south end of the study area are the elimination of the circular access road that had extended through the proposed park and park boundary adjustments to include documented overwintering dens for rare and endangered snakes. By eliminating the construction and subsequent use of a paved road through the park, impacts to sensitive habitats and human-wildlife conflicts will be greatly reduced. The 2025 spring reptile survey documented four snake species using the study area, with several potential over-wintering den sites occurring within the footprint of the circular road and/or within development pods. The updated development plan no longer has a road extending into the dedicated park lands and development pods have been adjusted or eliminated to avoid the documented snake overwintering sites.

Other improvements for the environment include the future parks and open space that bisect the phased development pods. In the updated development plan, the natural spaces are more interconnected and will provide natural areas for wildlife to move through the development. There are four ecosystem/wildlife corridors that will extend north/south through the development; the narrowest of which is about 30 m wide. In addition to the dedicated park, another ecosystem/wildlife corridor extending east/west bisects the proposed development. Connectivity is a critical step to ensuring diversity and resilience of wildlife, as it allows wildlife to move across the landscape to access habitats beyond the study area for critical life requisites such as food, water, mates, security, cover, etc. Each

of these corridors also has a proposed trail connection intended for human use, which will need to be carefully planned for to prevent edge effects and human-wildlife conflict.

As indicated in previous reporting, the study area encompasses a mosaic of highly sensitive ecosystems that are home to numerous species, including many species at risk. Seventy-nine percent (79%) of the property has a ranking of Very High (ESA 1) and High (ESA 2) environmental sensitivity (**Table 2**). High-value (ESA 2) environmentally sensitive ecosystems including grassland, woodlands, and moisture receiving pockets encompass the largest area occupying about 43% of the site. The development design team has made important changes to the proposed development footprint to avoid Very High (ESA 1). These changes will result in the preservation of 99.89% of ESA 1 habitats.

However, given the prevalence of ESA 2, High-value habitats remain impacted by the updated development plan. Of the 179 ha of ESA 2 (High-value), 108 ha, or 60% will be lost to development. Although the updated development plan has been reduced by 10.47 ha, resulting in decreased impacts on High-value habitats compared to the original design, residual effects remain. Overall, the updated development plan will result in the preservation of 223 ha of Very High and High environmentally sensitive areas.

ESA Category	ESAs Across Study Area		Area of Impact		Area of Preservation	
	Hectare	%	Hectare	%	Hectare	%
ESA 1	151.96	36%	0.16	<1%	151.8	>99%
ESA 2	178.89	43%	107.71	60%	71.18	40%
ESA 3	87.04	21%	55.83	64%	31.21	36%
ESA 4	3.06	<1%	1.96	64%	1.11	36%
Totals	420.95	100%	165.66	39%	255.29	61%

3.0 ALIGNMENT WITH THE OFFICIAL COMMUNITY PLAN

The recently adopted OCP, bylaw number 6200, specifies several Climate and Environment Objectives. The following section lists relevant objectives and comments on how the updated development plan fits the objectives.

Objective: Protect and restore environmentally sensitive areas through tools such as:

- Dedicating land as a City or regional park or natural space to prioritize sensitive features in balance with public use
 - *Updated development will result in 282 ha of land dedicated to natural space*

- Placing a covenant for conservation purposes with the City or a non-governmental organization eligible to hold conservation covenants
 - *The proposed development plan has opportunities for covenant placement for conservation*
- Implementing adequate setbacks for adjacent developments to preserve the integrity of sensitive areas and minimize risks at the interface of natural space and development.
 - *The development plan will be implemented with appropriate riparian setbacks from watercourses. Many of the ponds and wetlands occur within the proposed park land and will not have adjacent development. However, development will occur on terrestrial sensitive areas.*
- Prioritize net gain and require land use and development projects to have no net loss of natural ecosystems and their functions, as determined through an environmental assessment for work proposed in a DPA 1 – Terrestrial Ecosystem or DPA 2 – Aquatic Ecosystem Development Permit Area
 - *Given the prevalence of sensitive ecosystems (79% of the site), a no net loss of natural ecosystems and their functions, is not viable. Approximately 64.6 % of the land will be dedicated to natural space and about 35.4% of the land will be used for residential and mixed-use development.*
- Prioritize avoiding impacts to environmentally sensitive areas in the following order:
 1. Careful project siting and design prior to considering the mitigation of minor or temporary impacts through habitat restoration
 - *The design team has put considerable time into project siting and design to avoid the highest environmental concerns (ESA 1), however ESA-2 cannot be entirely avoided given its prevalence on site.*
 2. Where permanent habitat loss is unavoidable, acceptable, and compensable, on-site compensation may be considered
 - *On-site compensation in the form of park dedication is proposed.*
 3. Off-site compensation only where it offers greater ecological benefits to the overall habitat type, species, or community, at the discretion of the City.
 - *Off-site compensation has not been proposed.*

- Encourage development to buffer environmentally sensitive areas, to reduce light and noise pollution that may negatively impact wildlife and to maintain ecological function in the corridors.
 - *Reduced light and noise pollution should be considered at the detailed development design phase. The development should be carefully designed to integrate every possible measure to mitigate environmental impacts.*
- Maintain and restore sensitive environmental ecosystems such as grasslands, wetlands, and forested areas; and enhance ecosystem connectivity throughout the city's parks, open spaces, and riparian areas.
 - *Ecosystem connectivity has been carefully considered to ensure natural area connections across the proposed development. Maintaining all sensitive ecosystems is not considered viable given the extent of sensitive areas and the size of the proposed development.*
- Maintain and enhance ecological connectivity corridors in the Commonage and Bella Vista areas for biodiversity, critical habitat, and ecosystem services.
 - *Although ecosystem connectivity has been carefully considered to ensure viable movement corridors, the study area and proposed development is located within the broader Commonage corridor and aspects of this corridor are proposed for development.*
- Discourage land disturbance near ecological connectivity corridors during critical periods such as nesting, calving, and migration.
 - *The proposed development will occur within the broader Commonage connectivity corridor. Where possible, mitigation measures during development will be undertaken to minimize disturbance during critical periods such as nesting, calving and migration. Environmental stewardship and education of residents should be highly encouraged to minimize disturbance post construction.*
- Encourage private and public land stewardship through outreach, education, and incentives that promote habitat conservation, connectivity, and restoration.
 - *Ecoscope highly encourages land stewardship initiatives by the developer and subsequent residents to promote appreciation and protection of the surrounding natural areas.*

4.0 RECOMMENDATIONS

Despite the improvements to the proposed development from the original design, impacts to sensitive ecosystems will occur. The following section provides high-level recommendations that should be considered to protect the remaining natural areas surrounding the proposed development. *These recommendations are far from comprehensive.*

Development Recommendations

- The development should work with the natural topography of the landscape and maintain natural drainage patterns.
- Riparian setbacks around wetland and other watercourses must be finalized at the development permit stage, where water feature boundaries (high water marks) are more accurately defined, prior to design finalization of neighbourhood clusters, to ensure the benchmark for riparian setbacks is accurate.
- Where possible, small ecological features (i.e. veteran trees or talus slopes) within development pods should be preserved.
- Construction of 'Eco-passages' or other features that maintain safe wildlife movement across or beneath roadways that intersect with wildlife/ecosystem corridors.
- Snake-proof drift fences should be erected in strategic locations to reduce the potential for snake mortality on roads.

Park Recommendations

- The park dedication should be treated as an ecological reserve, rather than a traditional community park.
- Anthropogenic uses and types of access should be highly restricted.
- Park infrastructure should be located away from important nesting, rearing, and/or overwintering habitats.
- Trails within the park should be limited to pedestrian use only and be narrow and infrequent.
- Off-leash dogs should not be allowed, and excluding dogs entirely should be considered.

Resident Recommendations

- Residents should be educated on environmental stewardship and reducing their impacts on the surrounding environment. Important topics include invasive plants, outdoor cats, edge effects, and wildlife attractants.

- Development of a community environmental stewardship group is highly encouraged.

5.0 LIMITATIONS

This report has been prepared by Ecoscape and is intended for the sole and exclusive use of Kerkhoff (Commonage) LP, for the purposes set out in this report. Ecoscape has prepared this report with the understanding that all available information on the past, present, and proposed conditions of the subject property have been disclosed. Ecoscape has relied upon personal communications with Kerkhoff (Commonage) LP and other information sources to corroborate the documents and other records available for the subject property. Kerkhoff (Commonage) LP has also acknowledged that in order for Ecoscape to properly provide the professional service, Ecoscape is relying upon full disclosure and accuracy of this information.

Any use of this report by a third party, or any reliance on or decisions to be made based on it, are the responsibility of such third parties. Ecoscape accepts no responsibility for damages, if any, suffered by any third party as a result of actions or decisions made based on this report.

6.0 CLOSURE

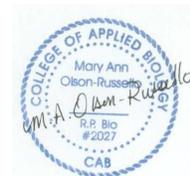
We trust that this memo satisfies the present requirements. Should you have any questions or comments, please contact the undersigned at your convenience.

Respectfully Submitted,

Ecoscape Environmental Consultants Ltd.



Nikita Planz, R.Bio.
Natural Resource Biologist
Direct Line: 778-749-1006
Email: nplanz@ecoscapeltd.com



Mary Ann Olson-Russello, M.Sc., R.P.Bio.
Senior Biologist
Direct Line: 778-940-3473
Email: mao@ecoscapeltd.com

APPENDIX A: General Terms and Conditions





General Conditions

This report applies and is subject to these “General Conditions”.

Use of Report

This report concerns a specific site and a specific scope of work and is therefore not applicable to any other sites or any other developments not referred to in the report. Any deviation from the specific site or scope of work would require a supplementary investigation and assessment.

Conclusions and recommendations contained in this report are solely intended for the use of Ecoscape’s client. Ecoscape bears no responsibility for the accuracy of information, the analysis of data or recommendations contained or referenced in this report when the report is utilized by or relied upon by any party other than Ecoscape’s client unless otherwise authorized in writing by Ecoscape. Any unauthorized application of this report is at the discretion and sole risk of its user.

This report is subject to copyright, and therefore shall not be reproduced in part or in whole without prior written consent by Ecoscape. Additional copies of this report may be available upon request, if required, and will be supplied after receipt of payment for expenses associated with report production.

Limitations of Report

This report was derived solely from the conditions that were present on site during Ecoscape’s investigation. The client, and any other parties making use of this report with the express written consent of Ecoscape and the client, are aware that conditions affecting the environmental condition of the site can vary both temporally and spatially, and that the conclusions and recommendations included in this report are temporally sensitive.

The client, and any other parties making use of this report with the express written consent of Ecoscape and the client, are also aware that conclusions and recommendations included within this report emanate from limited observations and information, and that both on-site and off-site conditions may vary, which in turn could affect the conclusions and recommendations that were made.

The client is aware that Ecoscape is not qualified to, nor is it making any recommendations in terms of purchase, sale, investment, or development of the subject property, as such decisions are the sole responsibility of the client.

Information Provided to Ecoscape by Others

During the extent of the preparation and work carried out in this report, Ecoscape may have relied upon information provided by parties other than the client. While Ecoscape strives to validate the accuracy of such information when instructed to do so by the client, Ecoscape accepts no responsibility for the validity of such information which may affect the report.

Limitation of Liability

The client acknowledges that property containing hazardous wastes and contaminants poses a high risk of claims brought by third parties stemming from the presence of those materials. Accounting for these risks, and in consideration of Ecoscape providing the requested services, the client agrees that Ecoscape’s liability to the client, with respect to any issues relating to hazardous wastes or contaminants located on the subject property, shall be limited to the following:

With respect to any claims brought against Ecoscape by the client arising out of the provision or failure to provide services hereunder shall be limited to the amount of fees paid by the client to Ecoscape under this Agreement, whether the action is based on breach of contract or tort;

With respect to claims brought by third parties arising out of the presence of contaminants or hazardous wastes on the subject property, the client agrees to indemnify, defend and hold harmless Ecoscape from and against any and all claim or claims, action or actions, demands, damages, penalties, fines, losses, costs and expenses of every nature and kind whatsoever, including solicitor-client costs, arising or alleged to arise either in whole or part out of services provided by Ecoscape, whether the claim be brought against Ecoscape for breach of contract or tort.

Disclosure of Information by Client

The client agrees to fully cooperate with Ecoscape with respect to the provision of all available information on the past, current, or proposed conditions on the site, including historical information respecting the use of the site. The client acknowledges that in order for Ecoscape to properly provide the service, Ecoscape is relying on full disclosure and accuracy of any such information. Ecoscape does not accept any responsibility for conclusions drawn from erroneous, invalid, or inaccurate data provided to us by another party and used in the preparation of this report.





Naturally, A Higher Standard

ECOSCAPE ENVIRONMENTAL CONSULTANTS LTD.
#2 – 2030 Matrix Crescent, Kelowna, BC., V1V 0G5

Tel: 250.491.7337
www.ecoscapeltd.com

Standard of Care

Services performed by Ecoscape for this report have been completed in a manner consistent with the level of skill ordinarily exercised by members of the profession currently practicing under similar conditions in the jurisdiction in which the services are provided. Professional judgement has been applied in developing the conclusions and/or recommendations made in this report. No warranty or guarantee, express or implied, is made concerning the results, comments, recommendations, or any other portion of this report.

Notification of Authorities

The client acknowledges that in certain instances the discovery of hazardous materials, contaminants or conditions and materials may require that regulatory agencies and other parties be informed and the client agrees that notification to such parties or persons as required may be done by Ecoscape in its reasonably exercised discretion. Further, Ecoscape reserves the right to notify Provincial agencies when rare or endangered flora or fauna are observed, whether the species classifications are identified as such at the local, Provincial, or Federal levels of government.

Ownership of Instruments of Professional Service

The client acknowledges that all reports, plans, and data generated by Ecoscape during the performance of the work and other documents prepared by Ecoscape are considered its professional work product and shall remain the copyright property of Ecoscape.

Alternate Report Format

Where Ecoscape submits both an electronic file and hard copy versions of reports, drawings and other project-related documents and deliverables (collectively termed Ecoscape's instruments of professional service), the client agrees that only the signed and sealed hard copy versions shall be considered final and legally binding. The hard copy versions submitted by Ecoscape shall be the original documents for record and working purposes, and, in the event of a dispute or discrepancies, the hard copy versions shall govern over the electronic versions. Furthermore, the client agrees and waives all future right to dispute that the original hard copy signed version archived by Ecoscape shall be deemed to be the overall original for the Project.

The client agrees that both electronic file and hard copy versions of Ecoscape's instruments of professional service shall not, under any circumstances, no matter who owns or uses them, be altered by any party other than Ecoscape. The client warrants that Ecoscape's instruments of professional service will be used only and exactly as submitted by Ecoscape.

The client recognizes and agrees that electronic files submitted by Ecoscape have been prepared and submitted using specific software and hardware systems. Ecoscape makes no representation about the compatibility of these files with the client's current or future software and hardware systems.



APPENDIX B: Select Figures (produced by Ekistics)



580 COMMONAGE HILLSIDE NEIGHBOURHOOD

PROPOSED FUTURE LAND USE TYPE

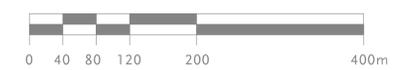
LEGEND

JANUARY 26, 2026

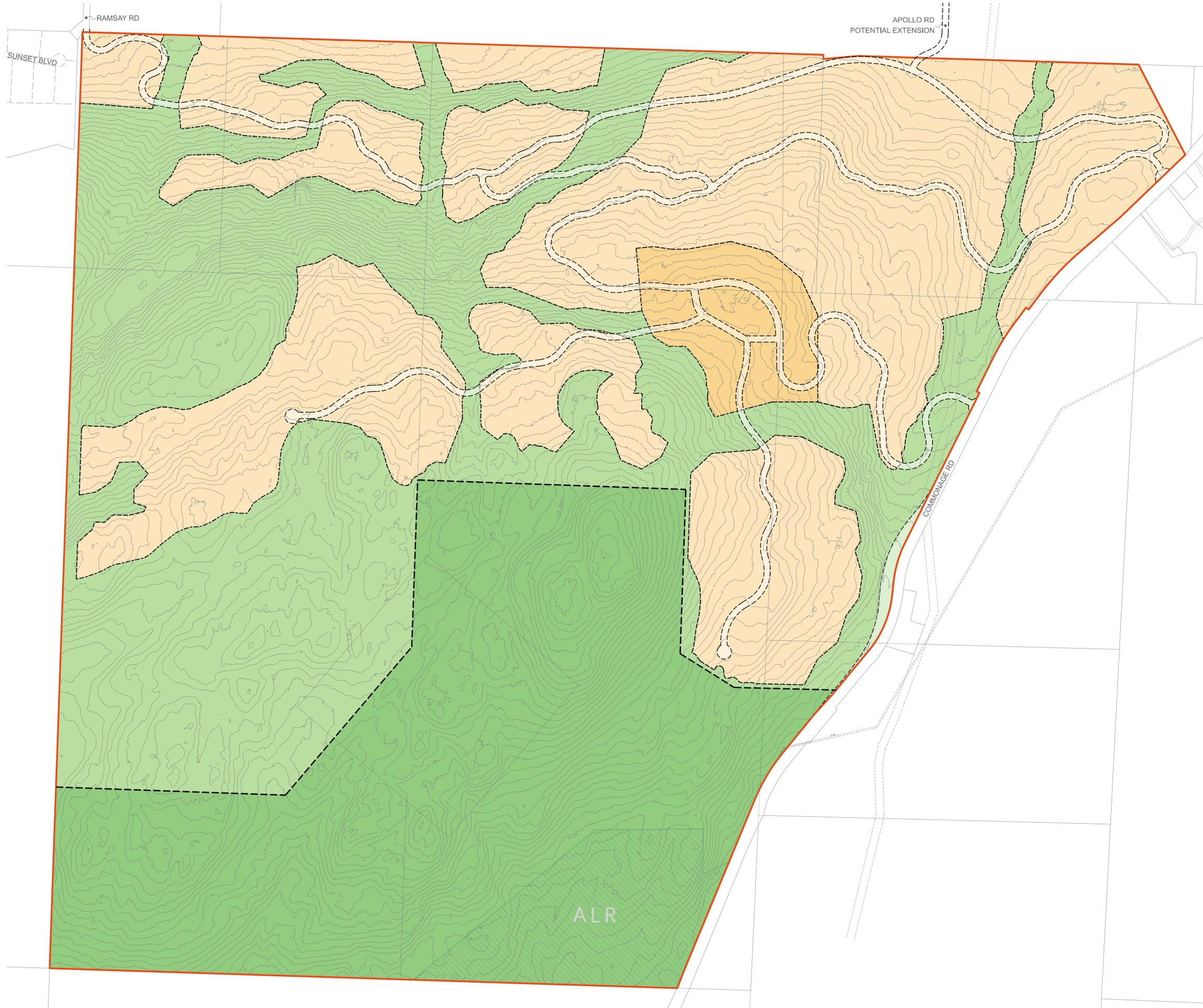
-  580 Commonage Boundary
-  5m Contours
-  Parks, Open Space and Natural Areas
120.00 ha - Natural Area Park Dedication
-  Commonage Hillside Neighbourhood
135.29 ha - Future Parks and Open Space
-  Commonage Hillside Neighbourhood
153.64 ha - Hillside Residential Neighbourhood
-  Commonage Hillside Neighbourhood
12.02 ha - Mixed-Use Village
-  Commonage Hillside Neighbourhood
Main Road Network

NOTES Road alignments are conceptual and presented for illustrative purposes. Final alignments will be determined through the subdivision process.

Riparian corridors are based on current Riparian Area Protection Regulation (RAPR) assessments. Detailed riparian buffers for creeks and environmentally sensitive areas will be determined during the rezoning, subdivision and development permit stages.



EKISTICS



580 COMMONAGE HILLSIDE NEIGHBOURHOOD

PRELIMINARY DEVELOPMENT PHASING PLAN

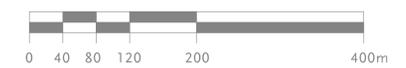
LEGEND

JANUARY 23, 2026

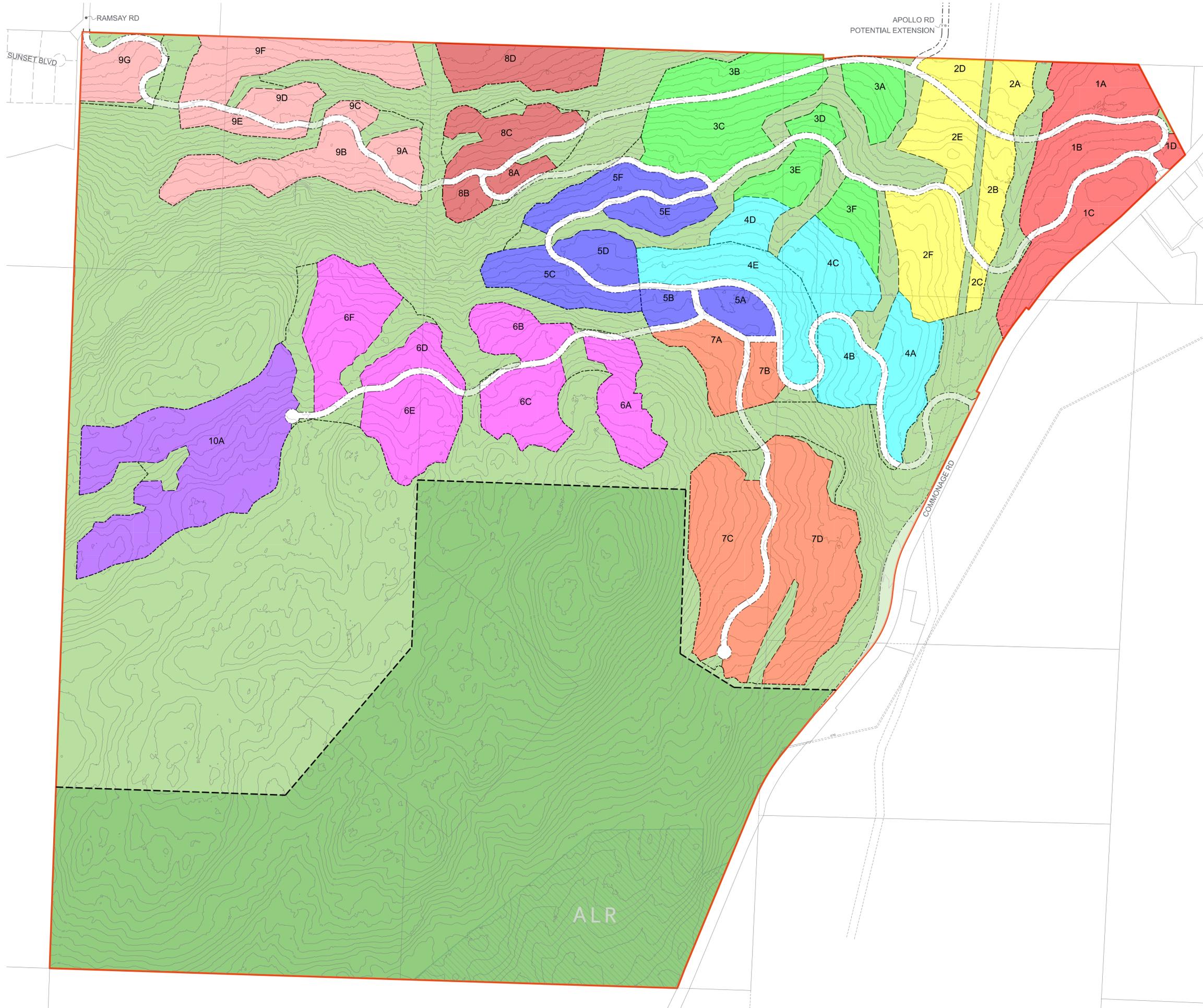
-  580 Commonage Boundary
-  5m Contours
-  Parks, Open Space and Natural Areas
120.00 ha - Natural Area Park Dedication
-  Commonage Hillside Neighbourhood
Future Parks and Open Space
-  PHASE 1
-  PHASE 2
-  PHASE 3
-  PHASE 4
-  PHASE 5
-  PHASE 6
-  PHASE 7
-  PHASE 8
-  PHASE 9
-  PHASE 10
-  Commonage Hillside Neighbourhood
Main Road Network

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Riparian corridors are based on current Riparian Area Protection Regulation (RAPR) assessments. Detailed riparian buffers for creeks and environmentally sensitive areas will be determined during the rezoning, subdivision and development permit stages.



EKISTICS



580 COMMONAGE
HILLSIDE NEIGHBOURHOOD

OCP
ESA DESIGNATION (1-4)
BY ECOSCAPE

LEGEND

JANUARY 26, 2026

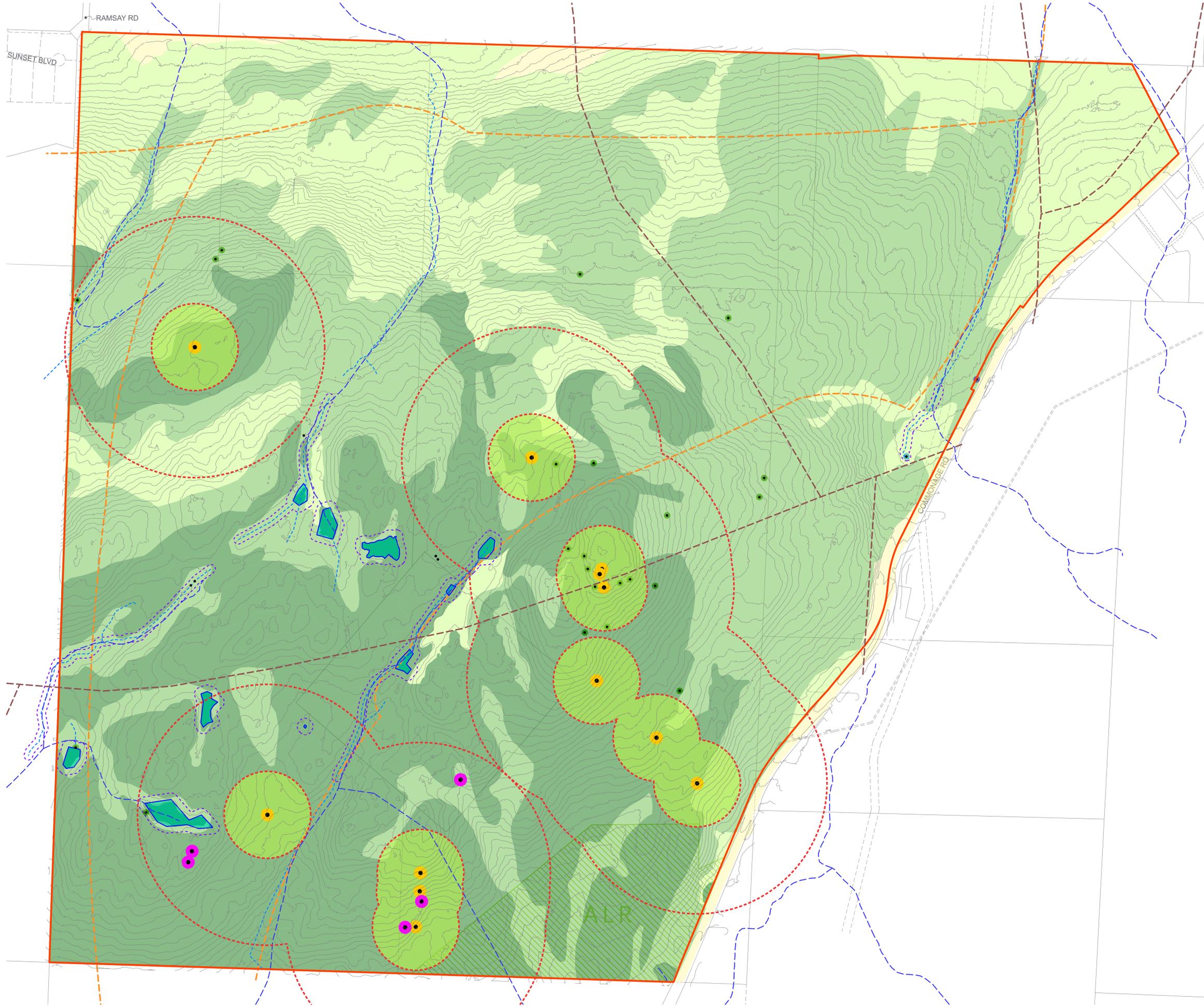
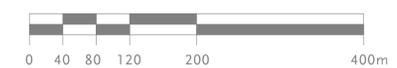
- 580 Commonage Boundary
- ESA Mapped Streams
- ESA Wildlife Corridors
- COV Ecological Connectivity Corridor
- ESA 1
- ESA 2
- ESA 3
- ESA 4

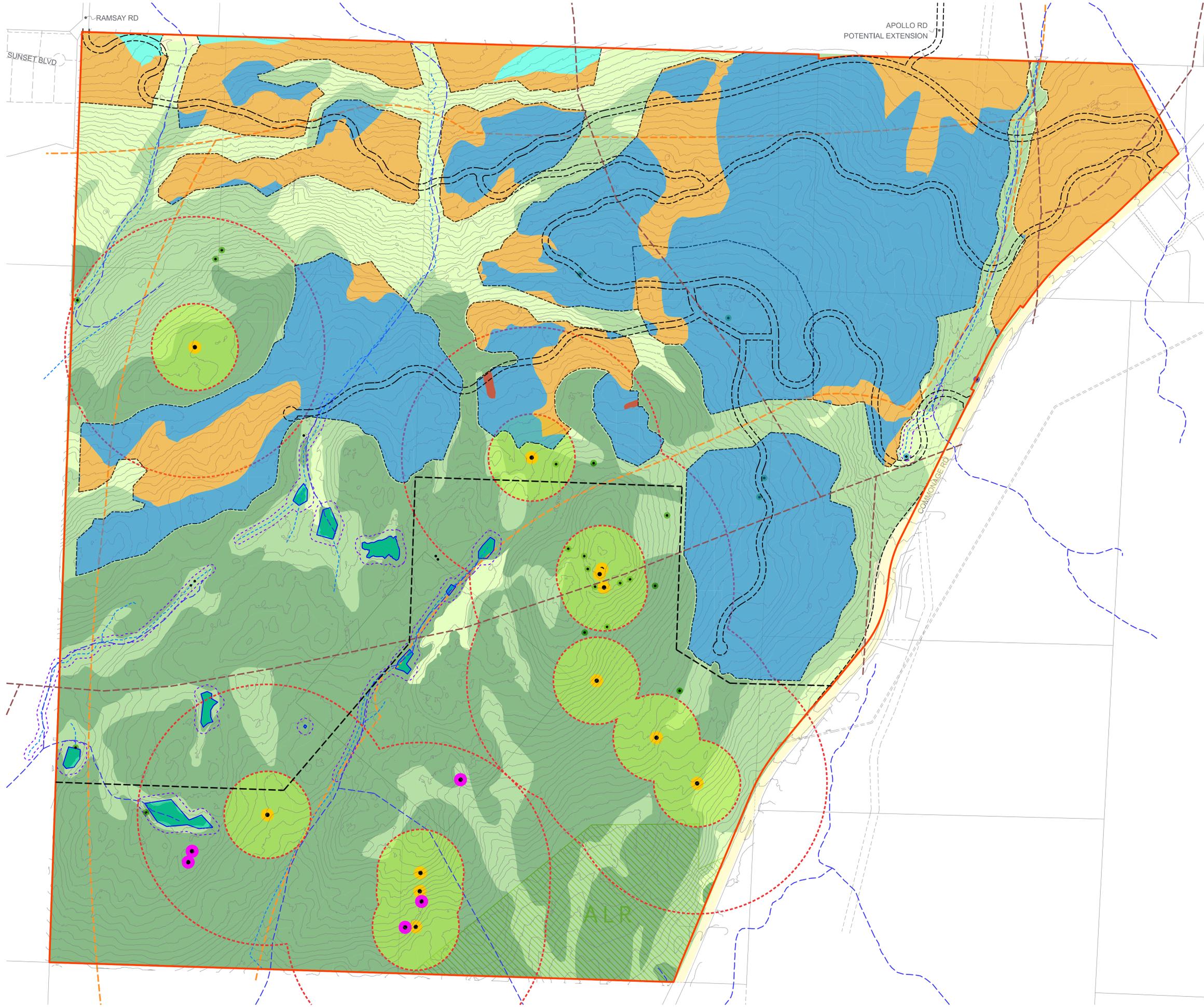
SPRING-2024 FIELD SURVEY DATA:

- Wildlife Tree
- Snake Observation
- Critical Snake Overwinter Habitat
- Critical Snake Habitat
- Lizard Observation
- Spring
- Culvert
- Approximate WSA Stream Feature
- Approximate WSA Water Feature
- Riparian Setbacks

NOTES Road alignments are conceptual and presented for illustrative purposes. Final alignments will be determined through the subdivision process.

Riparian corridors are based on current Riparian Area Protection Regulation (RAPR) assessments. Detailed riparian buffers for creeks and environmentally sensitive areas will be determined during the rezoning, subdivision and development permit stages.





580 COMMONAGE
HILLSIDE NEIGHBOURHOOD

OCP
DEVELOPMENT
INTERFACE BY
ESA DESIGNATION (1-4)

LEGEND

JANUARY 26, 2026

- 580 Commonage Boundary
- - - ESA Mapped Streams
- - - ESA Wildlife Corridors
- - - COV Ecological Connectivity Corridor
- ESA 1
- ESA 2
- ESA 3
- ESA 4
- OCP DEVELOPMENT LAND USE AREAS OVER ESA 1
- OCP DEVELOPMENT LAND USE AREAS OVER ESA 2
- OCP DEVELOPMENT LAND USE AREAS OVER ESA 3
- OCP DEVELOPMENT LAND USE AREAS OVER ESA 4

SPRING-2024 FIELD SURVEY DATA:

- Wildlife Tree
- Snake Observation
- Critical Snake Overwinter Habitat
- Critical Snake Habitat
- Lizard Observation
- Spring
- Culvert
- - - Approximate WSA Stream Feature
- - - Approximate WSA Water Feature
- - - Riparian Setbacks

NOTES Road alignments are conceptual and presented for illustrative purposes. Final alignments will be determined through the subdivision process.

Riparian corridors are based on current Riparian Area Protection Regulation (RAPR) assessments. Detailed riparian buffers for creeks and environmentally sensitive areas will be determined during the rezoning, subdivision and development permit stages.



580 COMMONAGE
HILLSIDE NEIGHBOURHOOD

OCP
WILDLIFE CORRIDOR
AND TRAILS PLAN

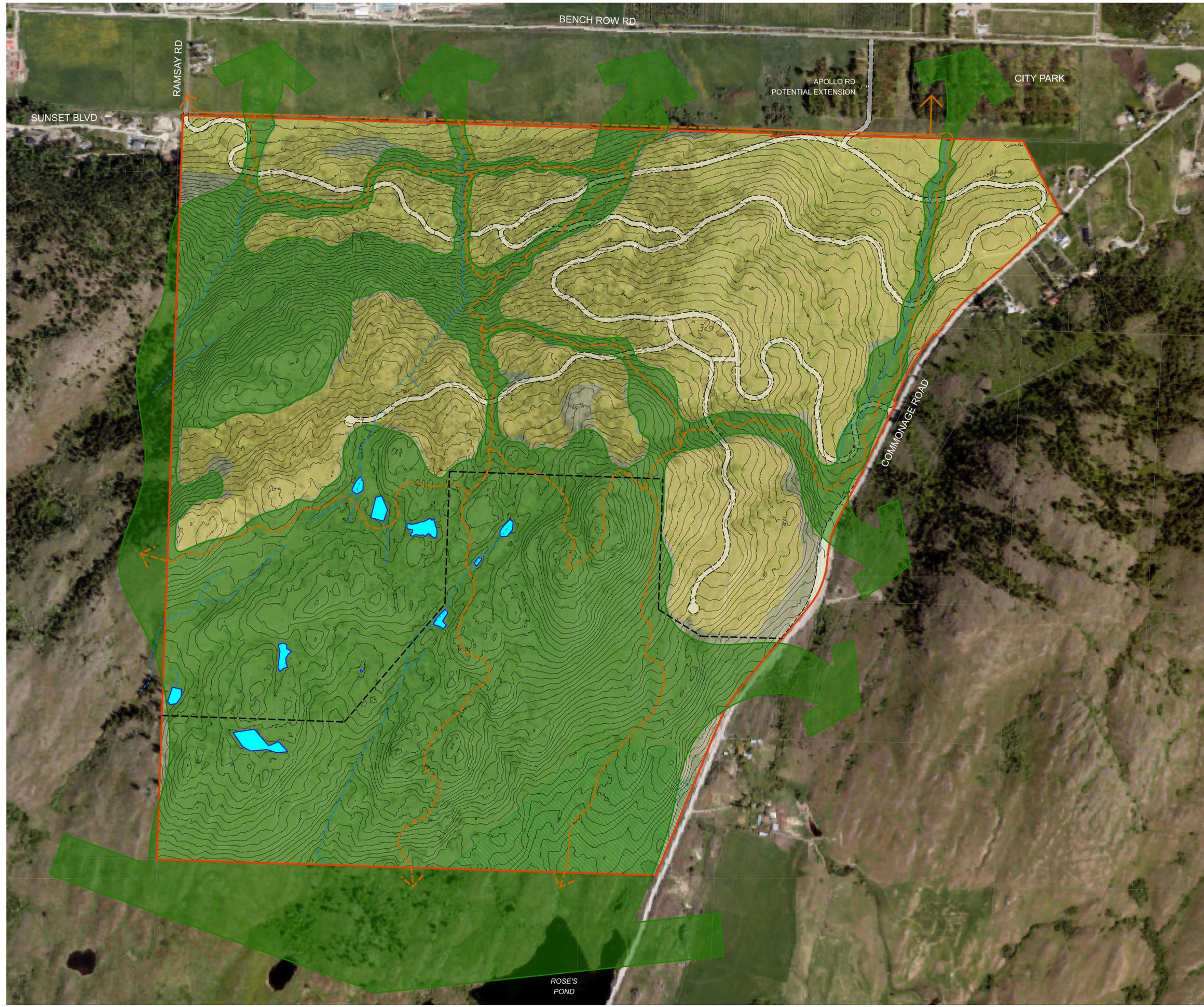
LEGEND

JANUARY 26, 2026

- 580 Commonage Boundary
- 5m Contours
- WSA Stream Feature
- WSA Water Feature
- Agricultural Land Reserve
- Natural Open Area
- Future/Potential Development Areas
- Wildlife Corridor Preservation
- OCP-Level Existing Trail Connections
- OCP-Level Ppposed Trail Connections

NOTES Road alignments are conceptual and presented for illustrative purposes. Final alignments will be determined through the subdivision process.

Riparian corridors are based on current Riparian Area Protection Regulation (RAPR) assessments. Detailed riparian buffers for creeks and environmentally sensitive areas will be determined during the rezoning, subdivision and development permit stages.



February 2, 2026

File: AF39 Page: 1 of 12

Kerkhoff (Commonage) LP
581 Lawrence Avenue
Kelowna, BC V1Y 6L8

Attention: **Henri Cullinan**
Director of Development

Dear Henri:

Re: **580 Commonage Development, Vernon, BC**
OCP Amendment Application
Servicing Design Report Addendum

Introduction

This addendum to our February 2024 Servicing Design Report for the 580 Commonage development has been prepared based on proposed changes to the site layout and phasing approach. As noted in our report, the development site is approximately 421 hectares. It is our understanding that development areas will be contained to approximately 154 hectares. Updated unit counts are 3046 hillside residential units and within the Village 524 mixed use units. Please refer to the Preliminary Development Parcel Plan developed by Ekistics, which is shown on the next page.

Roadworks

The proposed road hierarchy and design criteria is unchanged from the February 2024 report. The location and types of site entrance intersections on Commonage Road and Ramsay Road remain the same. At the request of the City, an additional connection between the site and Apollo Road will be added. The location shown is approximate as further analysis is required to develop a route at which acceptable grades are achievable.

Within the site, the road network is similar except where development was eliminated in the south half of the site. Given the change in road network, total units and proposed phasing, the Traffic Impact Assessment will need to be revised at the Rezoning stage.

580 COMMONAGE
HILLSIDE NEIGHBOURHOOD

PRELIMINARY
DEVELOPMENT
PARCEL PLAN

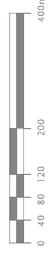
LEGEND JANUARY 23, 2026

- 580 Commonage Boundary
- 5m Contours

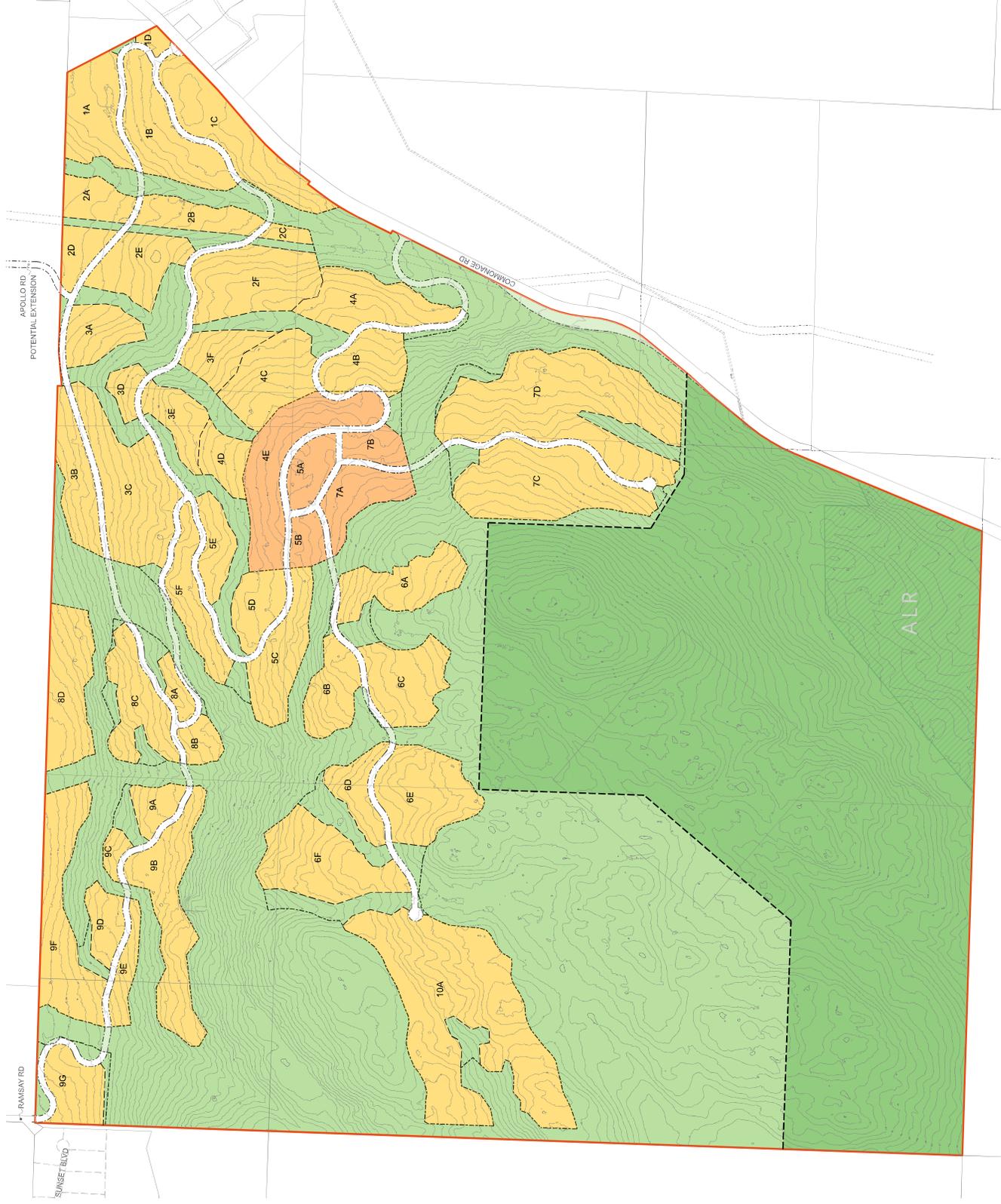
- Parks, Open Space and Natural Areas
120.00 ha - Natural Area Park Dedication
- Commonage Hillside Neighbourhood
Future Parks and Open Space
- Commonage Hillside Neighbourhood
Hillside Residential Parcels
- Commonage Hillside Neighbourhood
Mixed-Use Village Parcels
- Commonage Hillside Neighbourhood
Main Road Network

NOTES Road alignments are conceptual and presented for information only. Final road alignments to be determined through the subdivision process.

Riparian corridors are based on current Riparian Area Protection Regulation (RAPR) assessments. Detailed riparian buffers for creeks and environmentally sensitive areas will be determined during rezoning, subdivision and development permit stages.



EKISTICS



Due to the elimination of the proposed development in the south portion of the site, there are two roads which extend 800 – 1000m from the Village area towards Parcel 10A and Parcels 7C/7D. It is expected that secondary routes from these neighbourhoods will be available via local road connections through Parcels 6A, 6C and 6E. These road designs will be developed at future design stages. This will provide a secondary or emergency access route for these parcels.

Water supply and Fire Protection

After the February 2024 Design Report was submitted, a Development Inquiry Application was submitted to the Greater Vernon Water. Based on the feedback and from the proposed site layout and phasing changes, the proposed water servicing network has been adjusted. Please refer to Figure W1 – On-Site Distribution Master Plan on the following page.

The proposed pressure zone boundaries remain the same as in February 2024, as the elevation of the upper limit of development remains similar to the original layout. As before, there will be two new reservoirs and their associated booster stations. Each reservoir will service two pressure zones, with pressure reducing stations located to control pressure of water cascading into each lower pressure zone. The upper reservoir and the lower reservoir will each service approximately half of the ultimate development.

Ultimately, only the upper reservoir will contain fire flow storage as fire flow could be cascaded down to the lower reservoir and beyond. As shown on the following page, the 580 Commonage water system will be connected to the Beverly Hills Reservoir, as required by Greater Vernon Water. Once this connection is made, the City will gain balancing storage in the Beverly Hills Reservoir which will support additional off-site development below it since the dedicated fire flow storage in Beverly Hills Reservoir will no longer be required.

Due to changes in proposed project phasing, infrastructure requirements have been reduced. Both reservoirs are now proposed to be located on the eastern side of the site closer to the first phases of development. The proposed phasing also allows the lower reservoir to be constructed first. The size of the lower reservoir will be based on the number of units it will ultimately service, however, in the interim, capacity will be reserved for fire flow storage. The upper reservoir will be required once enough units are developed that the interim balancing storage is used up. Once the upper reservoir is constructed, temporary fire storage in the lower reservoir can be converted to balancing storage which will permit more units to be developed in the lower pressure zones.

Both reservoirs could be designed to have two cells, with one cell constructed first and then the second cell added on when additional capacity is required. Using two cells will reduce the volume of water sitting in the reservoir during initial phases when the demand will be lowest.

Off-site water system upgrades required due to the 580 Commonage development remain the same as noted in the February 2024 report, though the ultimate sizes required will need to be re-assessed based on the reduced ultimate development unit count. For instance, the size of the twin watermains on Commonage Road is likely to be 250mm dia instead of 300mm dia size noted in the February 2024 report. The proposed off-site water system is illustrated on Figure W2 – Off-site Water Master Plan, following Figure W1.

Trigger points for off-site upgrades were analysed based on the Greater Vernon Water's 2017 Master Water Plan and are summarized in Appendix A.

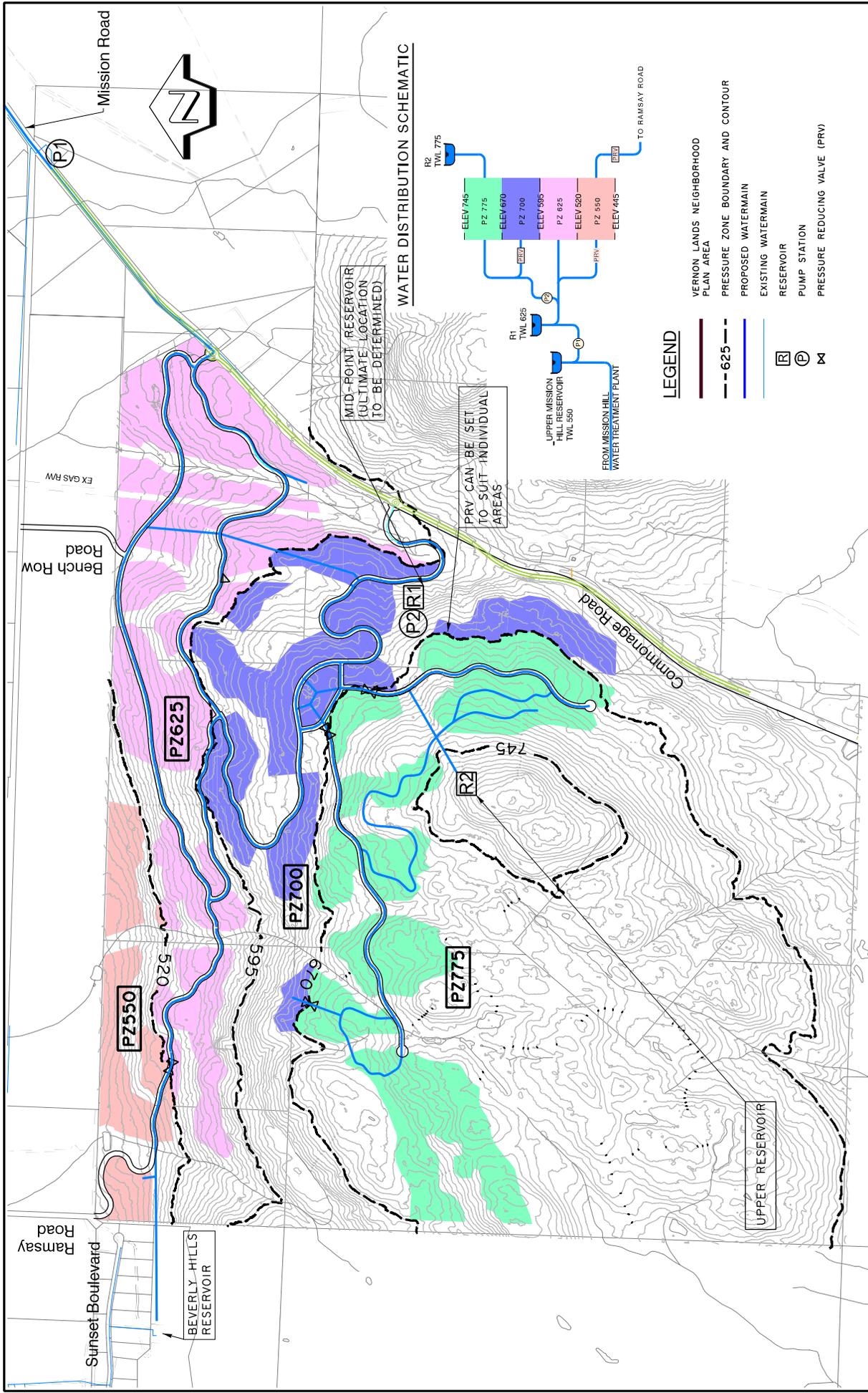


Figure W1
On-Site Watermain Distribution Master Plan

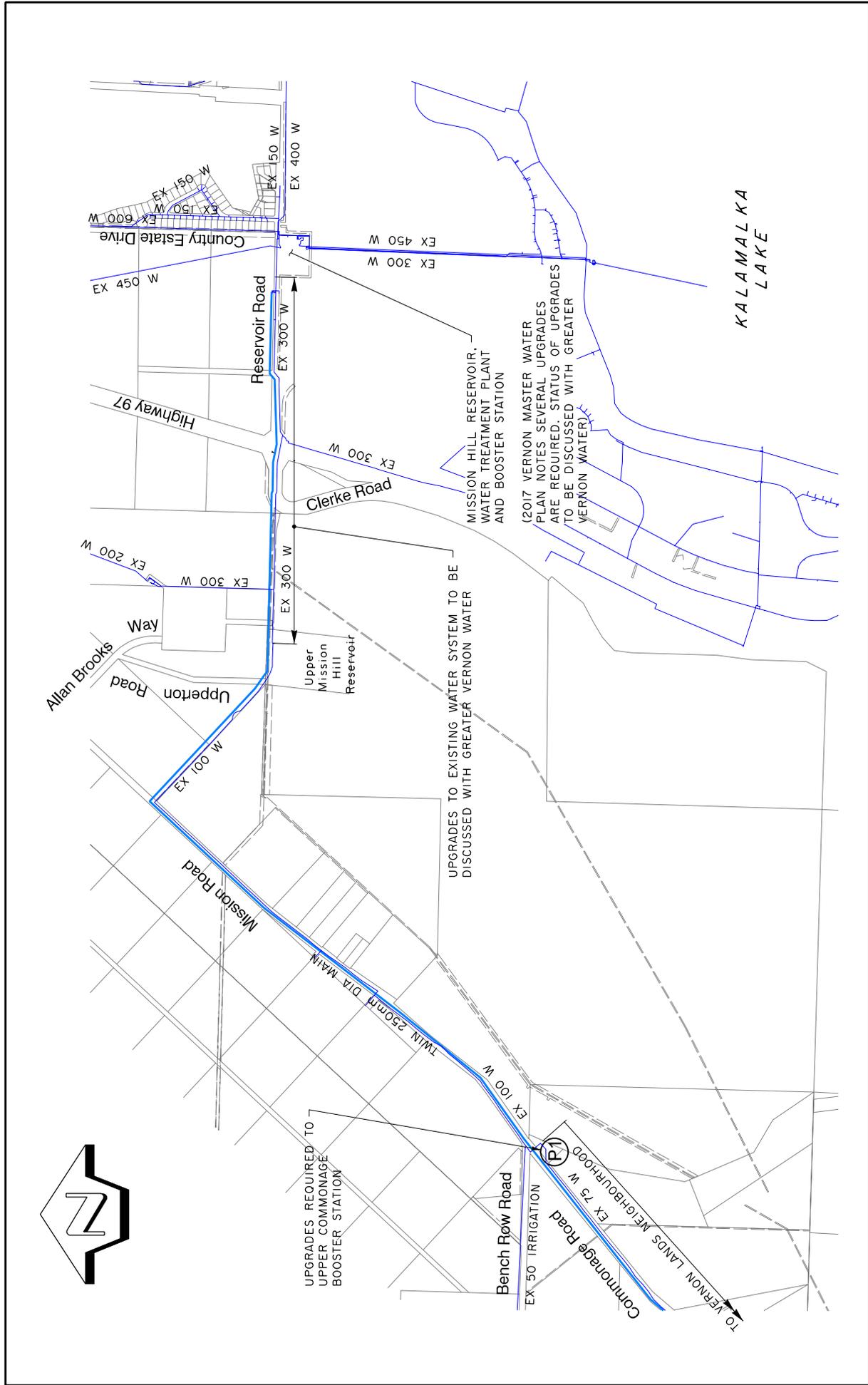


Figure W2
Off-Site Watermain Distribution Master Plan

Sanitary Sewer

The proposed sanitary sewer layout remains similar to the February 2024 layout but has been updated to suit the proposed development layout system. The first phases are now proposed to be at the northeast corner of the development coinciding with the location where the off-site sanitary sewer will enter the site. The location of the off-site connection has been shifted to an alignment that will avoid tree removal in Carlson Park. The layout is shown on Figure S1 – On-site Sanitary Sewer Master Plan, on the following page.

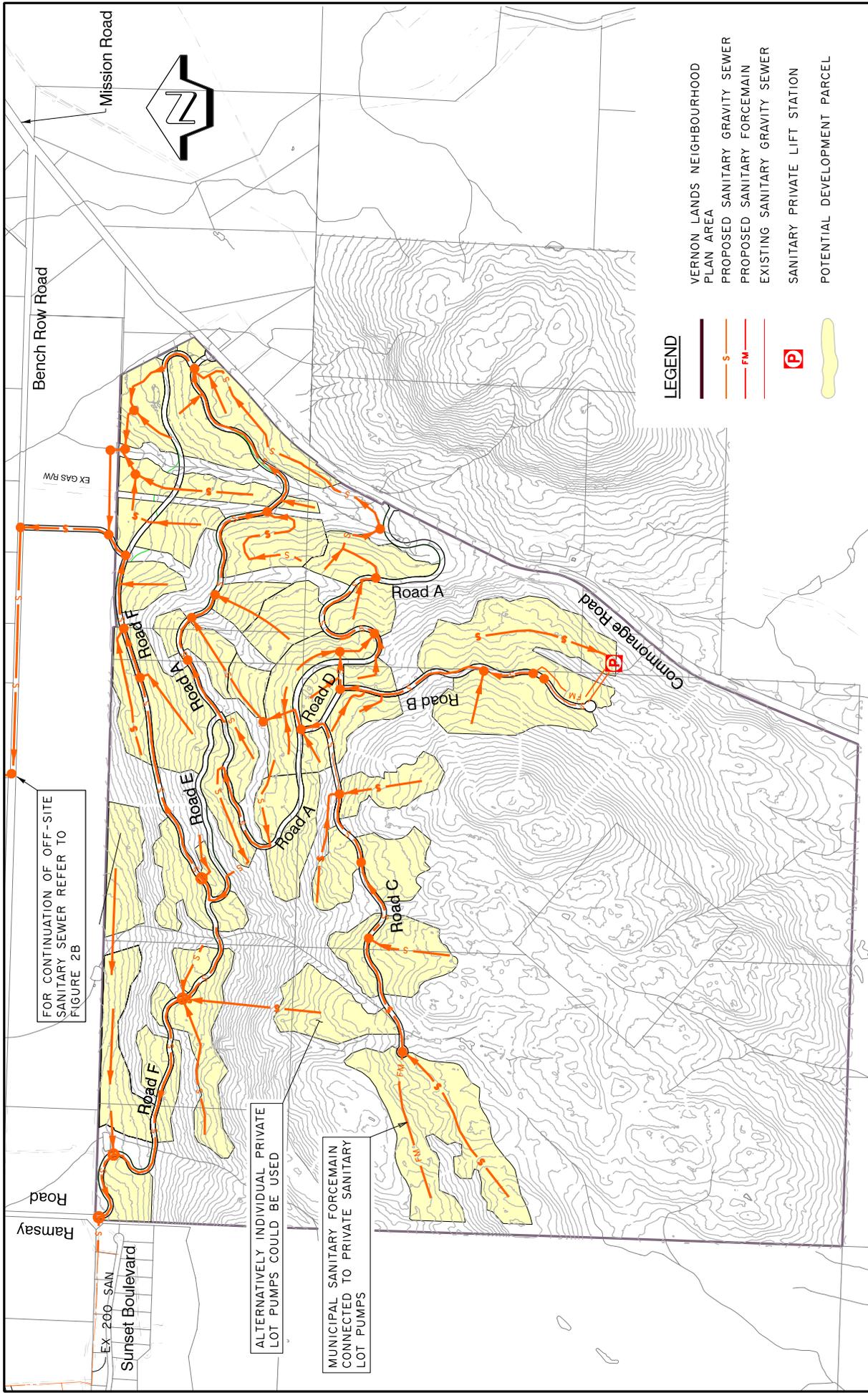
Sanitary lift stations that were included in the February 2024 design report have been eliminated except for one that is located within Parcel 7D. This parcel cannot be serviced by gravity within the site. To service it by gravity sewer, the sanitary sewer would need to be extended along Commonage Road from near the south site entrance.

Parcel 10A also cannot be serviced by gravity to the rest of the sanitary sewer system. Given that these units are proposed to be spread out, it is proposed that each lot have a private sewer pump that pumps into a municipal forcemain within the roadway. This reduces the infrastructure by eliminating the need for both a gravity sewer and forcemain as well as eliminating a lift station.

Parcel 6F is shown being serviced overland by gravity to Parcel 9B. Alternatively, this parcel could be serviced by individual lot pumps, as proposed for Parcel 10A, or by community lift station.

There is no change to the off-site upgrade requirements as the sewer routing has not changed. Off-site sanitary sewer layout is shown on Figure S3 – Off-Site Sanitary Sewer Master Plan, following Figure S1.

Trigger points for off-site sewer upgrades were analysed based on McElhanney's City of Vernon Sanitary Sewer Model – Final, dated January 27, 2023, and are summarized in Appendix A.



LEGEND

- VERNON LANDS NEIGHBOURHOOD PLAN AREA
- PROPOSED SANITARY GRAVITY SEWER
- PROPOSED SANITARY FORCEMAIN
- EXISTING SANITARY GRAVITY SEWER
- SANITARY PRIVATE LIFT STATION
- POTENTIAL DEVELOPMENT PARCEL

FOR CONTINUATION OF OFF-SITE SANITARY SEWER REFER TO FIGURE 2B

ALTERNATIVELY INDIVIDUAL PRIVATE LOT PUMPS COULD BE USED

MUNICIPAL SANITARY FORCEMAIN CONNECTED TO PRIVATE SANITARY LOT PUMPS

Figure S1
On-Site Sanitary Sewer Master Plan

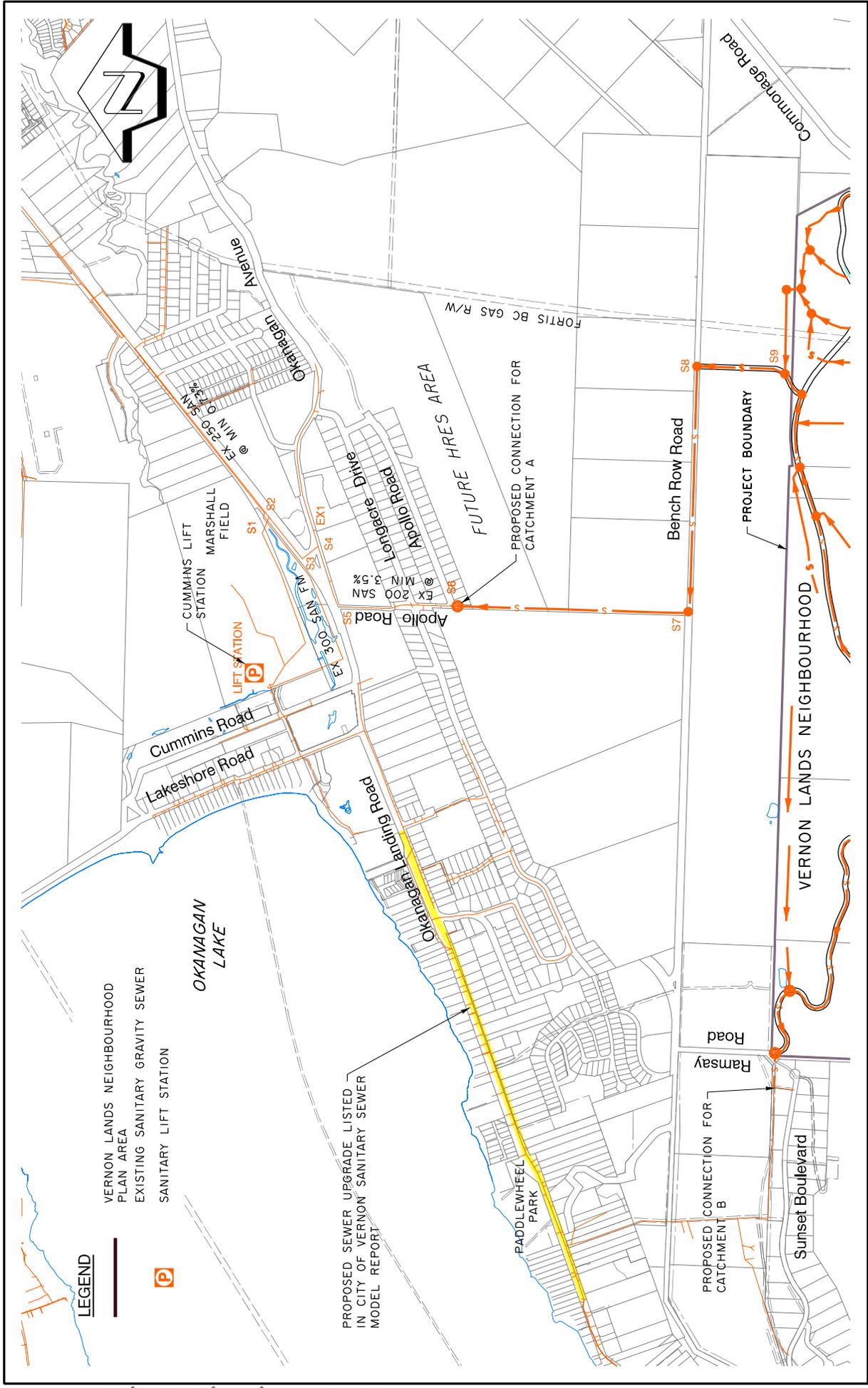
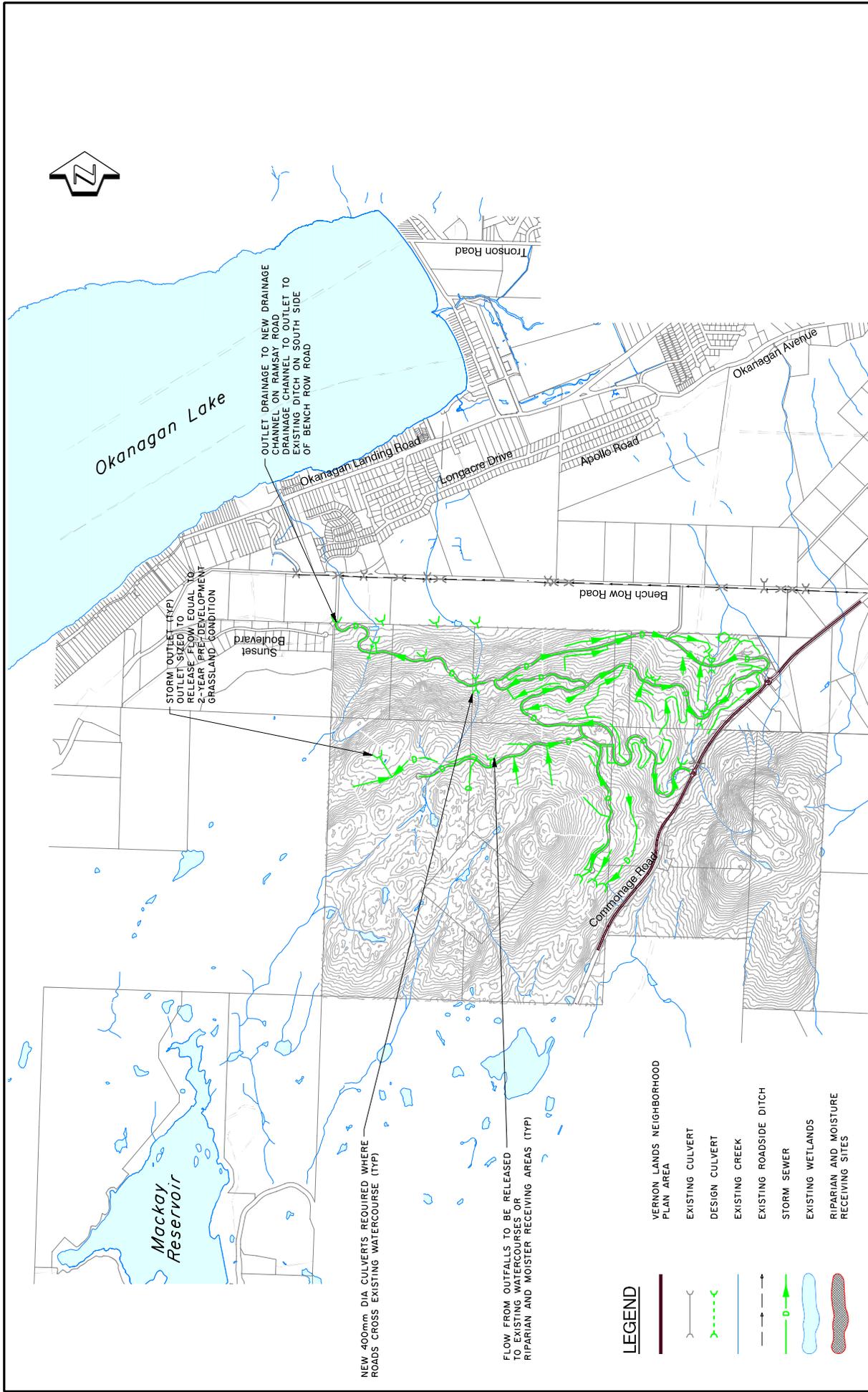


Figure S3
Off-Site Sanitary Sewer Master Plan

Drainage

No changes have been made to the proposed drainage strategy at this time which conforms to the Subdivision and Development Servicing Bylaw #3843. The preliminary drainage modelling completed for the February 2024 report will need to be updated to reflect the current site layout. Prior to that, at an appropriate time, we would like to discuss the proposed drainage strategy with the City of Vernon Engineering Department regarding adjusting the drainage strategy so that fewer and smaller detention facilities are required. Reducing detention facilities should reduce required operation and maintenance efforts of City staff.

Figure D7 – Post-Development Drainage Plan has been updated to suit the proposed development layout and is included on the following page.



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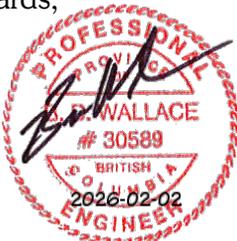
Figure D7 Post-Development Drainage Plan

February 2, 2026

File: AF39 Page: 12 of 12

We trust that this design report addendum is sufficient to support the OCP Amendment application. Further preliminary design work can be completed if required to support the application. Please do not hesitate to contact us if you have any questions or require further information.

Regards,



Permit to Practice #1001320

Brian Wallace, P.Eng
Principal

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Appendix A – Trigger Points for Off-site Major Infrastructure Upgrades

InterCAD

Client: Kerkhoff (Commonage) LP	Page: 1 of: 2
Project: 580 Commonage Development, Vernon, BC	Date: Jan 30/26
Subject: OCP Amendment Application	File: AF39
Servicing Design Report Addendum	By: J. Murray
Appendix A	Chk: B. Wallace

The below tables summarize the various on-site and off-site major infrastructure works that are required for the Vernon Lands development, what the trigger point is that requires the installation of the works and which party (city or developer) is responsible for the works.

Pre-Stage 1

Item	Trigger Point	Responsibility
Watermain		
New Lower Water Reservoir On-Site	Prior to project commencement	Developer
Water Pump Station at existing Upper Commonage Booster Pump Station		Developer
On-Site Watermain Supply Pipes to Lower Reservoir		Developer
Off-Site Watermain Supply Pipe from Upper Mission Hill Reservoir (1 st of 2 mains will be installed at this stage)		Developer
Sanitary Sewer		
Off-Site Sanitary Sewer Upgrades	Prior to project commencement	
-Site Boundary to Bench Row Road		Developer
-Along Bench Row Road		Developer
-Bench Row Road to Existing Apollo Road Sanitary Sewer (Across ALR Land)		Developer
-Existing Okanagan Avenue, North from Okanagan Landing Road		City/Developer (Developer contribution covered by DCC)

InterCAD

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Subject: OCP Amendment Application	File: AF39
Servicing Design Report Addendum	By: J. Murray
Appendix A	Chk: B. Wallace

Stage 1

Item	Trigger Point	Responsibility
Watermain		
Upgrade of Existing Supply Pipe from Mission Hill Water Treatment Plant to Upper Mission Reservoir	880 SFE Units	City/Developer (Developer contribution covered by DCC)
Upgrades at Mission Hill Water Treatment Plant	732 SFE Units	City/Developer (Developer contribution covered by DCC)

Sanitary Sewer

Off-Site Sanitary Sewer Upgrades		
-Okanagan Avenue, Apollo Road Intersection to Okanagan Landing Road Intersection	500-515 SFE Units	Developer
-Across Marshall Fields	70 SFE Units	Developer
Upgrades to Existing Cummins Road Lift Station	465-480 SFE Units	City/Developer (Developer contribution covered by DCC)
Upgrades to Existing Sanitary Forcemain Along Okanagan Landing Road	To be determined but likely similar timeframe to Cummins Road Lift Station	City/Developer (Developer contribution covered by DCC)

Stage 2

Item	Trigger Point	Responsibility
Watermain		
New Upper Water Reservoir	1100 SFE Units	Developer
On-Site Watermain Supply Pipes to Upper Water Reservoir		Developer
Off-Site Watermain Supply Pipes from Mission Hill Watermain (2 nd of 2 mains will be installed in this stage)		Developer
Water Pump Station at Lower On-Site Reservoir		Developer
Sanitary Sewer		
Off-Site Sanitary Sewer Upgrades		
-Apollo Road, South Terminus to Okanagan Avenue	1835-1915 SFE Units	Developer