

Rationale

CAPRI CENTRE ZONING A UNIQUE OPPORTUNITY

Located at Harvey Road and Gordon Drive in Kelowna's City Centre District, the Capri Centre represents a noteworthy opportunity to help re-vitalize downtown Kelowna by offering the opportunity to create a vibrant and exciting new mixed-use village centre.

The Capri Centre site represents a major opportunity for Kelowna to develop a livable, amenity rich, compact, mixed-use community as envisioned in Kelowna's OCP. The site poses challenges, however, in that the transition from regional shopping centre to urban village requires careful attention to complex phasing arrangements involving multiple tenants, building demolition, and parking redistribution. In order to benefit from this unique opportunity, it will be necessary to take an enlightened approach to the re-zoning process to enable this opportunity to come to fruition.

Historic Background

- (a) The existing hotel and retail components of Capri Centre have grown and evolved incrementally over the years from the days when the Centre was first developed by Cap Capozzi and his family. As a result, the existing Centre is comprised of three separate legal parcels, each of which is subject to lease agreements and are independently financed. While this situation is acceptable for the existing businesses of Capri Centre, when one looks at the future ongoing revitalization of Capri Centre these historic circumstances become quite problematic.
- (b) A project of this size must develop organically, over time, in increments, based on the market demands and economics of the time.
- (c) Any new development will cross existing lot, lease, and financing lines and the redevelopment will disrupt the economic position of the Centre.
- (d) Each new phase will have to be freed from the existing legal and financial constraints and made available on a new stand-alone lot to allow for new financing for its construction.
- (e) In the absence of a new comprehensive yet flexible zoning bylaw, the owner will be hesitant to interfere with the existing cash flow and value unless the extent of allowable development is certain. Given the time frames necessary to implement the various components and changing market conditions, it is not possible to pre-plan the whole site at this time. Rather the way to achieve this unique opportunity in accordance with the "Vision for Capri Centre" is to enact zoning now which allows incremental development based on the assurance that once the first stage commences the opportunity exists for the remaining stages to be built and integrated into the existing Vision.

There Is A Solution

Fortunately, there is a way to achieve the enhancement of Capri Centre. There is an old adage which says "It is folly to start a project unless you know you can finish." That is especially true as it relates to Capri Centre. The key to providing the flexibility and certainty necessary for a refurbishment and rebirth of Capri Centre to occur is for the zoning to be clear as to the scope of development which will be permitted, to allow the owner the flexibility of allocating that development around the various portions of the Centre at times which are appropriate given market conditions, while at the same time provide assurance to the City of Kelowna that the refurbished Capri Centre will fulfill all of our expectations with respect to this unique opportunity.

Object of Rezoning

In summary, the object of the rezoning would be as follows:

1. **Maximum Capri Centre Density-** Establish a maximum built density for the whole of Capri Centre at a level acceptable to the City of Kelowna and then to allow the owner, over time, to allocate that density in such locations as market conditions determine are appropriate on the clear understanding that the more density allocated to early stages the less density will be available for later stages because of the overall density cap.

2. **Development Permits Required For Each Stage-** Require a separate development permit for each stage to ensure that the City of Kelowna's professional staff and political leaders are satisfied on a stage by stage basis that the form of development is in accordance with this Vision.
3. **Design Guidelines To Be Incorporated-** Incorporate design guidelines into the zoning bylaw to provide direction both to the owner and its architects and to the City, and its professional staff and elected officials, to measure and ensure that each incremental stage of development is consistent with respective goals of the parties.
4. **Provision Of Features, Benefits and Amenities-** Mandate that certain features, benefits and amenities will be contained in the development. These could include the following:
 - A market square in the mid portion of Capri Centre;
 - A crescent on the park being a residential neighbourhood that includes street-oriented townhouses, front and rear yards, city homes, and apartments;
 - A community park in a certain designated area;
 - An urban edge to Harvey Avenue to create a strong streetwall condition along Harvey Avenue, helping to define Kelowna's main thoroughfare.
 - A people-friendly place offering numerous pedestrian linkages, pedestrian/cyclist pathways.
5. **Calculate FSR On The Whole Centre-** Allow flexibility in the actual lot by lot FSR.
6. **Maximum Height-** Establish a maximum height for Capri Centre knowing that the overall density limit will restrict the buildings which can achieve this height.
7. **Parking-** Allow for the planning, construction and integration of parking for Capri Centre as a whole without the necessity of each individual stage or building standing on its own as long as the overall site requirements are met and are protected and preserved in perpetuity in an appropriate way.

New Zoning Bylaw

Included as Part 2, IV is a suggested form of Capri Centre Zoning Bylaw which will facilitate and in fact enhance the opportunity for the revitalization of Capri Centre. It provides an assurance of allowable density but also provides guidelines and protections necessary to protect the interests of the City of Kelowna. Ongoing public input procedures could be provided by way of the development permit approval process and compliance with the zoning bylaw and design guidelines in respect of each portion.

Examples of the Capri Centre Vision

Included in Part 3: "Vision for Capri Centre" is an illustrative concept plan as well as three design alternatives which show the type of development that would be possible under the new Capri Centre Zoning. These visions are for illustrative purposes only but they give examples of what Capri Centre could become in the future given the creativity of the owner and his architects. The ability to achieve this quality of development will be lost in the absence of zoning which is conducive to and acts as a catalyst for achieving the Capri Centre vision.