

REPORT TO COUNCIL



Date: February 26, 2019

RIM No. 0940-50

To: City Manager

From: Community Planning Department (LK)

Application: DP18-0115 & DVP18-0116 **Owner:** City of Kelowna

Address: 555 Fuller Avenue **Applicant:** M'akola Development Services

Subject: Development Permit & Development Variance Permit Applications

Existing OCP Designation: MRM – Multiple Unit Residential (Medium Density)

Proposed OCP Designation: MXR – Mixed Use (Residential/ Commercial)

Existing Zone: RM5 – Medium Density Multiple Housing

Proposed Zone: C7 – Central Business Commercial

1.0 Recommendation

THAT final adoption of Rescinding Housing Agreement Authorization Bylaw No. 11758 be considered by Council;

AND THAT final adoption of Official Community Plan Map Amending Bylaw No. 11713 and Rezoning Bylaw No. 11714 be considered by Council;

AND THAT Council authorizes the issuance of Development Permit No. DP18-0115 for Lot 1 District Lot 139 ODYD Plan EPP78052, located at 555 Fuller Avenue, Kelowna, BC subject to the following:

1. The dimensions and siting of the building to be constructed on the land be in accordance with Schedule "A,"
2. The exterior design and finish of the building to be constructed on the land, be in accordance with Schedule "B";
3. Landscaping to be provided on the land be in accordance with Schedule "C";
4. The applicant be required to post with the City a Landscape Performance Security deposit in the form of a "Letter of Credit" in the amount of 125% of the estimated value of the landscaping, as determined by a Registered Landscape Architect;

AND THAT Council authorizes the issuance of Development Variance Permit No. DVP18-0116 for Lot 1 District Lot 139 ODYD Plan EPP78052, located at 555 Fuller Avenue, Kelowna, BC;

AND THAT variances to the following sections of Zoning Bylaw No. 8000 be granted:

Section 14.7.5(h)(i): C7 Central Business Commercial Development Regulations

To vary the required minimum setback above 16.0 m in height from 3.0 m permitted to 0.0 m proposed for any property line abutting a street;

Section 14.7.7(e): C7 Central Business Commercial Other Regulations

To vary the percentage of required functional commercial, civic, cultural space or ground oriented residential use on the first floor from 90% of all street frontages to 52.5% proposed;

Section 8 - Table 8.1: Apartment Housing Parking Schedule

To vary the required minimum number of parking stalls from 88 stalls required to 44 stalls proposed.

AND THAT Council's consideration of this Development Permit and Development Variance Permit be considered subsequent to the outstanding conditions of approval as set out in Attachment "A" attached to the Report from the Community Planning Department dated February 26, 2019;

AND THAT the applicant be required to complete the above noted conditions of Council's approval of the Development Permit and Development Variance Permit Application in order for the permits to be issued;

AND FURTHER THAT this Development Permit and Development Variance Permit is valid for two (2) years from the date of Council approval, with no opportunity to extend.

2.0 Purpose

To consider the form and character of a proposed 5 ½ storey apartment building and to consider variances to reduce the minimum front setback above 16.0 m, to reduce the percentage of required functional commercial, civic, cultural space or ground oriented residential use on the first floor and to reduce the number of required parking stalls.

3.0 Community Planning

The Official Community Plan and Rezoning application conditions identified in OCP18-0013 and Z18-0062 have been completed by the applicant. This includes the Development Engineering requirements as indicated in Attachment 'A'.

Staff are recommending support for the proposed Development Permit and associated variances as the proposal aligns with both the Journey Home Strategy and the Healthy Housing Strategy in its aim to help address the community's housing needs. The form and character of the development is in general accordance with the relevant Development Permit guidelines of the Official Community Plan (OCP). Staff have worked with the applicant to enhance the building's character by including some ground-oriented units on Fuller Ave to help mitigate the over-all scale of the 5 ½ storey building and attempt to provide a more appealing pedestrian interface.

The parcel has a Walk Score of 93 (Walker's Paradise – Daily errands do not require a car) and a Transit Score of 48 with a few nearby transportation options in the area. The site is walking distance to the Queensway Transit Exchange. The development site is in proximity of many nearby amenities including parks, restaurants, shops and recreational opportunities in the immediate area. The site is also in close proximity to the Cawston Avenue multi-use corridor which provides good cycling connectivity to downtown, the Ethel St multi-use corridor, and Rails with Trails.

To fulfill Council Policy No. 367 with respect to public consultation by the applicant provided mail-out information packages to all neighbours within a 50 m radius of the subject property (589 mail-outs). The

applicant also held a public information session on January 15, 2019 at the Pathways building on the subject property at 555 Fuller Avenue. The open house was held from 3 – 5 pm.

4.0 Proposal

4.1 Background

The City of Kelowna owns the project site and has extended a long-term lease to the Pathways Abilities Society. The Society has occupied the existing building for various non-profit purposes since the early 1950's. Due to the proposed development, the Society has secured a new location at 1216 St. Paul Street and have already relocated the 'lost and stolen bike program' to the new space. Should Council support the development proposal, the remaining uses would also be relocated to the new location.

Fuller Avenue was downgraded from a road to a lane for the half block portion of the roadway that extends west of Bertram Street (the length of the development site). Once the roadway was deemed unnecessary, the width was reduced from the existing 10 m width to a 6.0 m lane standard. This surplus area has since been consolidated with the subject property.

4.2 Project Description

The applicant is proposing to construct a 5 ½ storey 68-unit purpose built affordable housing project on the subject property. The project is intended to provide housing for low-income tenants with affordable and lower-than market rents. The units will vary in size to include 9 bachelor units, 40 one-bedroom units and 19 two-bedroom units. The development fronts onto Bertram Street with the primary entry being flanked by a ground-oriented unit on either side to provide a stronger urban interface to the street.

One level of parking is provided (partially above-grade) with access from the rear laneway. There are five floors of dwelling units above the parkade podium. Each unit provides balconies to meet the amenity space requirements. Shared laundry facilities are provided on each floor for the use of the tenants. Each dwelling unit is equipped with a mounting rack to allow bike storage within the suite.



Figure 1 - Initial Submission

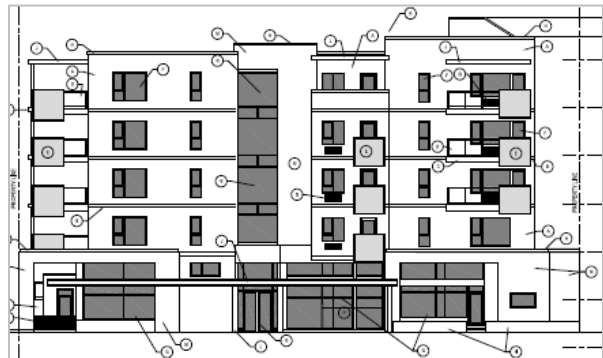


Figure 2 - Amended Submission

Variations

Front Setback: The applicant is requesting a variance to the front setback for the portion of the building above 16.0 m in height from 3.0 m required to 0.0 m proposed. The 3.0 m setback for portions of a building above 16.0 m in height is intended for large scale buildings as a way to provide a defined podium with a step-back in the façade in order to reduce the overall massing of the structure. However, staff is supportive of the variance as it only applies to the top floor balcony canopies along the Bertram Street façade and should have only a minor impact. As a comparison, the RM5 – Medium Density Multiple Housing zone allows for development up to 18.0 m in height.

Commercial Frontage: The second variance request is to reduce the amount of required functional commercial, civic, cultural space or ground oriented residential use on the first floor from 90% of all street frontages to 52.5% proposed. Bertram Street is not identified as a retail street within the C7 – Central Business Commercial zone. For properties, outside of the retail street area, ground-oriented residential is an option in place of commercial uses. Staff have worked with the applicant to revise the project to include a ground-oriented unit on either side of the primary building entry. This entry leads to a functional and accessible lobby space which incorporates an increased amount of glass to provide a more transparent street facing façade. Staff is supportive of the variance request.

Parking Variance: Pathways Abilities Society (Pathways) is proposing a variance to the number of parking stalls from 88 stalls required to 44 stalls proposed. Based on Pathways previous projects of similar scale, they anticipate the demand for parking to be much lower than the current zoning bylaw requirements. The Healthy Housing Strategy also notes that rental apartments have a greater parking efficiency due to their ability to manage the parking stall pool. This allows the development to provide more affordable units due the cost associated with providing structured parking based on zoning bylaw requirements rather than estimated parking demand.

With the reduction of parking stalls, Pathways is providing in-suite bicycle storage along with an on-site bicycle share program. Pathways administers the 'Bikeways' lost and stolen bike program on behalf of the City, and is committing to providing a minimum of four loaner bikes to be located on-site for the use of all tenants. This, along with the sites proximity to the Queensway transit exchange and access to car share programs such as MODO, reduces the need for on-site parking demands.

While Staff is supportive of the project and associated variances as it will provide much needed affordable rental units, there are some concerns regarding the applicant's desire for a parking variance without the appropriate payment to the Downtown Cash-In-Lieu of Parking Bylaw No. 8125. Staff normally ensure all developments downtown with parking relaxations contribute to this program. It would require Pathways to contribute \$990,000.00. The applicant has stated that would significantly add to the projects overall costs and are not prepared to make payment. To date, the City has not been in the practice of waiving these contributions, as the money collected contributes to the construction and over-all costs of maintaining both existing and future public parking facilities. However, there is a growing body of literature acknowledging the high costs of parking and its potential to create barriers for urban development. There are many jurisdictions that are either reducing or eliminating parking requirements and placing greater emphasis on efficient parking management. Staff are currently working on updates to the City's Parking Regulations and will be coming forward to Council with suggested policy changes for consideration.

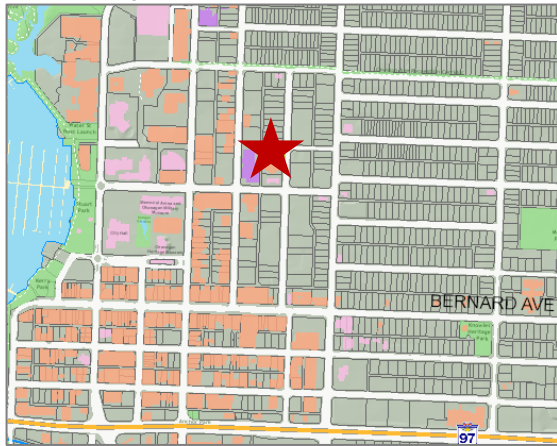
4.3 Site Context

The property is at the intersection of Fuller Ave with Bertram Street within the City Centre Urban Centre.

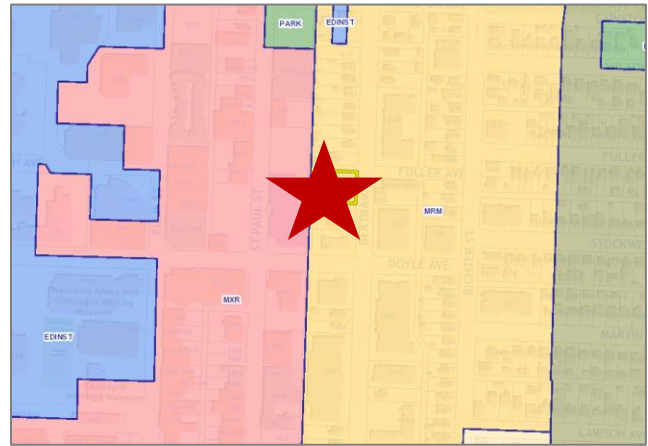
Specifically, adjacent land uses are as follows:

Orientation	Zoning	Land Use
North	RU6 -Two Dwelling Housing	Single Family Dwelling
East	RM5 – Medium Density Multiple Housing	Townhouses, Condo Units
South	P2 – Education & Minor Institutional	Royal Canadian Legion
West	C7 – Central Business Commercial	Daily Courier

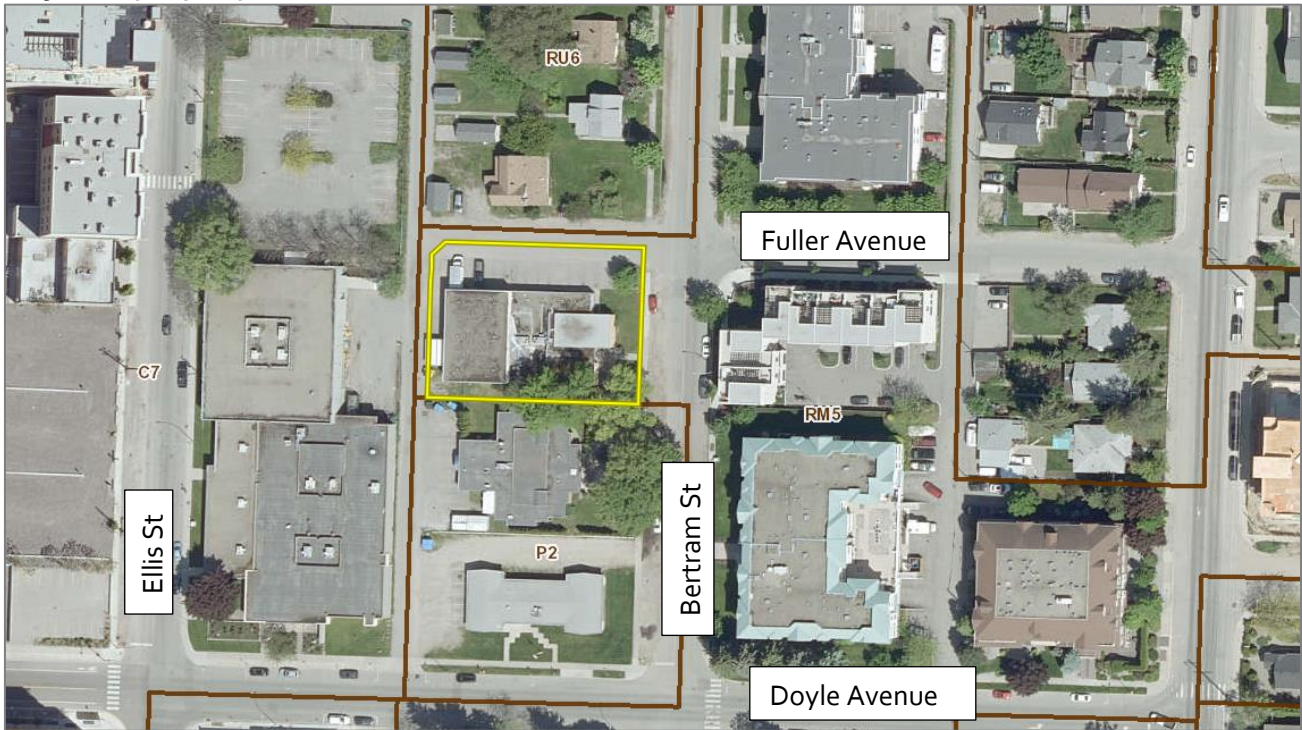
Context Map:



Future Land Use:



Subject Property Map:



4.4 Zoning Analysis Table

Zoning Analysis Table		
CRITERIA	C7 ZONE REQUIREMENTS	PROPOSAL
Existing Lot/Subdivision Regulations		
Lot Area	200 m ²	1790 m ²
Lot Width	6.0 m	36.51 m
Lot Depth	30.0 m	49.27 m
Development Regulations		
Floor Area Ratio	9.0	2.29
Height	22.0 m	18.21 m

Front Yard (east)	0.0 m	0.0 m
Side Yard (south)	0.0 m	0.0 m
Side Yard (north)	0.0 m	0.0 m
Rear Yard (west)	0.0 m	0.0 m
Front Setback above 16.0 m (east)	3.0 m	0.0 m ¹
Other Regulations		
Minimum Parking Requirements	88 stalls	44 stalls ²
Bicycle Parking	34 Class I 2 Class II	68 Class I 7 Class II
Private Open Space	739 m ²	1324 m ²
Functional Ground Oriented Residential Use on first floor	90%	52.5% ³
¹ Indicates a requested variance to the front setback of a building above 16.0 m height from 3.0 m required to 0.0 m proposed. ² Indicates a requested variance to the number of parking stalls from 88 stalls required to 44 stalls proposed. ³ Indicates a requested variance to the percentage of required functional commercial, civic, cultural space or ground oriented residential use on the first floor from 90% of all street frontages to 52.5% proposed.		

5.0 Current Development Policies

5.1 Kelowna Official Community Plan (OCP)

Development Process

Objective 5.9 ¹ Support the creation of affordable and safe rental, non-market and/or special needs housing.

Compact Urban Form.² Develop a compact urban form that maximizes the use of existing infrastructure and contributes to energy efficient settlement patterns. This will be done by increasing densities (approximately 75 - 100 people and/or jobs located within a 400 metre walking distance of transit stops is required to support the level of transit service) through development, conversion, and re-development within Urban Centres (see Map 5.3) in particular and existing areas as per the provisions of the Generalized Future Land Use Map 4.1.

Healthy Communities.³ Through current zoning regulations and development processes, foster healthy, inclusive communities and a diverse mix of housing forms, consistent with the appearance of the surrounding neighbourhood.

City Owned Land.⁴ Continue to consider the potential to lease City-owned land to non-profit housing societies to assist in the delivery of affordable housing.

5.2 Healthy Housing Strategy

Affordability, Quality, Community and Location ⁵ The housing needs of all Kelowna residents are met through affordable, accessible and diverse housing options.

Promote and Protect Rental Housing ⁶ Rental housing plays a vital role in Kelowna’s Housing System. Without enough supply, growing demand can result in increased competition for rental units, driving prices up and pushing out those least able to afford the increases.

¹ City of Kelowna Official Community Plan, Objective 5.9 (Development Process Chapter).

² City of Kelowna Official Community Plan, Policy 5.2.3 (Development Process Chapter).

³ City of Kelowna Official Community Plan, Policy 5.11.1 (Development Process Chapter).

⁴ City of Kelowna Official Community Plan, Policy 10.3.1 (Social Sustainability Process Chapter).

⁵ Healthy Housing Strategy, Introduction 1.1.

⁶ Healthy Housing Strategy, Introduction 3.1.

6.0 Technical Comments

6.1 Building & Permitting Department

- Full Plan check for Building Code related issues will be done at time of Building Permit applications.

6.2 Development Engineering Department

- Refer to Attachment 'A' dated June 7, 2018.

6.3 Ministry of Transportation and Infrastructure (MOTI)

- Preliminary Approval is granted for the rezoning for one year pursuant to Section 52(3)(a) of the Transportation Act.

7.0 Application Chronology

Date of Application Received:	May 18, 2018
Date of OCP Amendment & Rezoning Public Hearing:	January 15, 2019
Date Public Consultation Completed:	January 21, 2019

Report prepared by: Lydia Korolchuk, Planner

Reviewed by: Terry Barton, Urban Planning Manager

Approved for Inclusion by: Ryan Smith, Community Planning Department Manager

Attachments:

Attachment A: Development Engineering Memorandum

Attachment B: MOTI Letter

Attachment C: Draft DP18-0115 & DVP18-0116

Attachment D: Revitalization Area Development Permit Guidelines

Schedule A: Site Plan and Floor Plans

Schedule B: Proposed Elevations & Renderings

Schedule C: Landscape Plan