

REPORT TO COUNCIL



Date: January 21, 2020

RIM No. 09400-00 & 0940-50

To: City Manager

From: Development Planning Department (AC)

Application: DP19-0161 & DVP19-0162 **Owner:** MJI Contracting Inc., Inc. No. BC0915334

Address: 1659 Water St **Applicant:** MJI Contracting Inc – Mathew Isabelle

Subject: Development Permit & Development Variance Permit Application

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

Zone: C7 – Central Business Commercial

1.0 Recommendation

THAT Council authorizes the issuance of Development Permit No. DP19-0161 for Lot 12, Block 6, District Lot 139, ODYD, Plan 462, Except Plan KAP82841 located at 1659 Water St, 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";

AND THAT Council authorize the issuance of Development Variance Permit DVP19-0162 for Lot 12, Block 6, District Lot 139, ODYD, Plan 462, Except Plan KAP82841 located at 1659 Water St, Kelowna, BC;

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

Table 8.3.2 Required Off-Street Parking Requirements - Commercial

To vary the minimum off-street parking from 15 stalls to 0 stalls.

Table 8.4 – Minimum Loading Required

To vary the required number of loading spaces from 1 space to zero spaces.

Table 8.5 – Minimum Bicycle Parking Required

To vary the minimum off-street class 2 bicycle parking from 7 stalls to 0 stalls.

Section 14.7.5(h) - C7 - Central Business Commercial - Development Regulations

(h)(i) To vary the setback above the 16.0 m height mark for the front yard from 3.0 m to 0.0 m.

(h)(ii) To vary the setback above the 16.0 m height mark for the side yard (east) from 4.0 m to 0.1 m.

(h)(ii) To vary the setback above the 16.0 m height mark for the flanking side yard (west) from 4.0 m to 0.0 m.

Section 14.7.7(d) - C7 - Central Business Commercial - Other Regulations

To vary the minimum commercial on ground floor area percentage from 90% to 68% on Leon Avenue and 40% on Water Street.

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 a Form & Character Development Permit of a six storey office and retail commercial building as well as to consider 7 variances to the Zoning Bylaw.

3.0 Development Planning

Staff are recommending support for the proposed Development Permit because of its consistency with architectural design principals within the Official Community Plan's (OCP) urban design guidelines as well as recommending support of the associated variances due to rationale stated below.

3.1 Development Permit

The applicant has worked with City staff to review and refine the proposed building design. The positive design features of this application that are congruent with the urban design guidelines are:

- 1) The building has three distinct sections: a top, a middle, and a bottom and the applicant has provided a positive design in each category.
 - a. The top of the building contributes positively to the visual interest with activated rooftop amenities.
 - b. The 'middle' of the building contains a series of different building materials and large amounts of glazing to provide visual interest. The wood stained colour horizontal metal siding combined with the large amounts of glazing provide a visually pleasing and consistent design scheme facing the street.
 - c. The ground floor level provides a pleasant pedestrian experience with plenty of glazing as recommend by the OCP design guidelines. The south-west corner of the building is setback at the ground floor to provide a distinctive main entrance and to enhance the pedestrian experience for building users and passing pedestrians.
- 2) The building is only six stories in height within an area of the downtown slated for the tallest buildings in Kelowna according to the C7 height map. However, to achieve that height multiple properties would need to be consolidated in order to achieve an efficiently designed parkade. The applicant has indicated that further land acquisition is not possible at this time for this project. While the project will not be as tall as the downtown C7 height map suggests, the proposal is significantly taller than adjacent properties and will contribute to an interesting streetscape and urban environment.

- 3) The South and East elevations are less desirable as they are concrete firewalls, however, they are located adjacent to existing buildings and future development sites which will help mask their bland façade to street views.

3.2 Development Variance Permit

The application needs several variances in order to develop a viable project.

The first three variances are to reduce the setback above the 16 metres mark. Generally, the 16 metre mark before a setback is required was intended for large tower and podium projects. The tower and its associated podium would need to have the setback in order to create a pedestrian friendly streetscape environment. This principal generally applies to mid-rise buildings too. However, in this case, this project is seen as an exception due to the narrow width of the lot and the limited mass of the building. As soon as a building gets wider and/or the massing increase and assuming no setbacks then the negative impact and overall detriment to the pedestrian environment increases.

The next two variances are related to parking. Both the loading spaces and the minimum off-street parking are proposed to be reduced to zero. Office buildings do not have significant demand for loading trucks and minor and infrequent loading can occur from the street or the rear lane.

There is no viable area that is available for parking on this site thus the necessity to reduce the parking to zero. The applicant could have provided cash-in-lieu of parking and this would have eliminated the necessity of a variance. However, the applicant argues this would eliminate the financial viability of the project. The current bylaw requires 15 stalls and the proposed parking bylaw would require 10 stalls. Therefore, the cash-in-lieu amount would be either \$495,000 or \$330,000. The applicant is providing additional bicycle parking and end-of-trip facilities (washrooms, change rooms, lockers, and showers) to encourage alternate transportation options to and from work. Staff are recommending support for the variance in order to eliminate the cash-in-lieu as this project is:

1. Meeting the City's goals of providing a mix of dense residential and employment land uses within the downtown whereby residents can commute to work by walking or using active transportation options thereby reducing the reliance of vehicles for daily commuting needs.
2. Developing in an area in which the City is encouraging revitalization.
3. Building out a site with significant constraints due to its small size and shape.

The next variance is to reduce the class 2 bicycle parking to zero. There is no room on site to provide short term bicycle parking stalls and the applicant is providing extra long-term bicycle parking in a secured bike parking room.

The last variance is to reduce the minimum commercial frontage below the 90% required. Similar to the previous variances, the dimensions of the lot limit the ability to provide 90% commercial frontage. The reduction is for necessary building mechanical systems including elevators, mechanical room, utility room, transformer room, and bicycle parking room. However, the predominant ground floor use is still commercial.

4.0 Proposal

4.1 Project Description

The proposal is to build a 6-storey commercial development with ground floor retail, upper floor offices, common rooftop patio, and no parking onsite. The proposal contains 964.4 m² (approx. 10,380 ft²) of commercial space.

The building materials are predominately glazing with metal siding stained in wood colour. The rear two storey addition is brick. The accent materials include wood canopies and exposed concrete. The lane facing façade and the east facing façade are concrete fire walls. There will also be a roof top patio deck providing amenity area for the various office staff.

The retail at street level is designed to accommodate 1-2 tenants with floor to ceiling storefront glazing. Signage will be refined and intentional within the architectural design as per the attached drawings.

The applicant has been notified about potential snow load issues on the adjacent property's roof and the applicant believes the issue is solvable. The City considers the matter a civil issue to be addressed between property owners.

Subject Property Map: 1659 Water St.



4.2 Zoning Analysis Table

The zoning analysis table shows the requirements of the C7 zone compared to the proposal:

Zoning Analysis Table		
CRITERIA	C7 ZONE REQUIREMENTS	PROPOSAL
For portion of building between 0.0 metres & 16.0 metres in height		
Front Yard (Leon Ave)	0.0 m	0.0 m
Side Yard (East)	0.0 m	0.0 m
Side Yard (Water St)	0.0 m	0.0 m
Rear Yard (Lane)	0.0 m	0.0 m

Zoning Analysis Table		
CRITERIA	C7 ZONE REQUIREMENTS	PROPOSAL
For portion of building between 16.0 metres & above in height		
Front Yard (Leon Ave)	3.0 m	0.0 m ❶
Side Yard (East)	4.0 m	0.1 m ❷
Side Yard (Water St)	4.0 m	0.0 m ❸
Rear Yard (Lane)	3.0 m	6.6 m
Floorplate	1,221 m ²	177.5 m ²
Development Regulations		
Height	76.5m (approx.. 26 storeys)	26.5 m (6 storeys)
FAR	9.0	2.81
Parking Regulations		
Minimum Parking Requirements	15 Stalls Current Regulations 10 Stalls Proposed Regulations	0 parking stalls ❹
Min. Loading Spaces	1 stall	0 stalls ❺
Ratio of Parking Stalls	Small Parallel: n/a Compact Size: 10% Max Medium Size: 40% Max Regular Size: 50% Min	Small Parallel: n/a Compact Size: n/a Medium Size: n/a Regular Size: n/a
Minimum Bicycle Parking Requirements	Class 1: 3 bikes Class 2: 7 bikes	Class 1: 13 bikes Class 2: 0 bikes ❻
Other Regulations		
Minimum frontage for commercial, civic, cultural, or ground oriented residential on 1 st floor	Leon Avenue: 90% (8.6m x 0.9 = 7.75m) Water Street: 90% (36.02m x 0.9 = 32.42m)	Leon Avenue: 5.9m / 68% ❼ Water Street: 14.2m / 39.4% ❼
❶ Variance to reduce the front yard setback for portions of building between 16.0 metres & above in height ❷ Variance to reduce the side yard (north) setback for portions of building between 16.0 metres & above in height ❸ Variance to reduce the side yard (south) setback for portions of building between 16.0 metres & above in height ❹ Variance to reduce the number of required parking spaces from 15 stalls to 0 stalls ❺ Variance to reduce the number of loading spaces from 1 stall to 0 stall ❻ Variance to decrease the amount of class 2 bicycle stalls provided from 7 required to 0 provided ❼ Variance to reduce the minimum commercial on ground floor from 90% to 68% on Leon Avenue and 40% on Water Street		

5.0 Current Development Policies

5.1 Kelowna Official Community Plan (OCP)

Chapter 5: Development Process

Compact Urban Form.¹ 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.

Contain Urban Growth.² Reduce greenfield urban sprawl and focus growth in compact, connected and mixed-use (residential and commercial) urban and village centres.

Objective 5.5: Ensure appropriate and context sensitive built form.

Building Height.³ In determining appropriate building height, the City will take into account such factors as:

- Contextual fit into the surrounding neighbourhood;
- Shadowing of the public realm;
- View impacts;
- Overlook and privacy impact on neighbouring buildings;
- Impacts on the overall skyline;
- Impacts on adjacent or nearby heritage structures;

Chapter 14: Massing and Height.³

- Mitigate the actual and perceived bulk of buildings by utilizing appropriate massing, including:
- Architectural elements (e.g. balconies, bay windows, cantilevered floors, cupolas, dormers);
- Visually-interesting rooflines (e.g. variations in cornice lines and roof slopes);
- Step back upper floors to reduce visual impact;
- Detailing that creates a rhythm and visual interest along the line of the building;
- Wall projections and indentations, windows and siding treatments as well as varied material textures should be utilized to create visual interest and to articulate building facades;
- Building frontages that vary architectural treatment in regular intervals in order to maintain diverse and aesthetically appealing streets.

Chapter 14: Urban Design Guidelines Amenities, ancillary Services and Utilities.⁴

- Locate loading, garbage, storage, utilities and other ancillary services away from public view. All such areas shall be screened and designed as an integral part of the building to minimize impact;

¹ City of Kelowna Official Community Plan, Policy 5.2.3 (Development Process Chapter).

² City of Kelowna Official Community Plan, Goals for a Sustainable Future, Objective 1 (Chapter 1 Introduction)

³ City of Kelowna Official Community Plan, Policy 5.22.6 (Development Process Chapter).

⁴ City of Kelowna Official Community Plan, Chapter 14 Urban Design Development Permit Areas, Guidelines

- Create attractive rear alley facades with high quality materials on buildings facing residential areas (e.g. rear building entrances, windows, balconies, plazas, and plantings).

Chapter 14: Decks, balconies, rooftops, and common outdoor amenity space.⁵

- Incorporate decks, balconies and common outdoor amenity spaces into developments;
- Integrate vents, mechanical rooms and equipment, and elevator penthouses with the architectural treatment of the roof, and/or screen these elements with materials and finishes compatible with the building's design;

Chapter 14: Signs.⁵

- Integrate signage that contributes to the overall quality and unique character of a development (e.g. coordinate proportion, materials, and colour);
- Do not compromise the scale and visual qualities of a building with the size and number of signs.
- Locate, size, and format signs such that they can be easily read by pedestrians.

6.0 Technical Comments

6.1 Development Engineering Department

See attached memorandum dated August 19th 2019.

7.0 Application Chronology

Date of Application Received: August 8th 2019
Date of Public Notification: November 15th 2019

Report prepared by: Adam Cseke, Planner Specialist
Reviewed by: Laura Bentley, Urban Planning Manager
Approved for Inclusion: Terry Barton, Development Planning Department Manager

Attachments:

Draft DP19-0161 & DVP19-0162