

REPORT TO COUNCIL



Date: February 4, 2020

To: Council

From: City Manager

Department: Community Planning Department (AC)

Application: DP19-0237 & DVP19-0238

Owner: 1324632 Alberta Inc. Inc. No.
A72431

Address: 289 Queensway

Applicant: Westcorp Projects Inc (Gail Temple)

Subject: Development Permit & Development Variance Permit Application

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

Existing Zone: C7 – Central Business Commercial

1.0 Recommendation

That Council authorizes the issuance of Development Permit No. DP19-0237 for Lot 1, District Lot 139, ODYD, Plan EPP77920, located at 289 Queensway, 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;
5. That the outstanding conditions set out in Attachment "A" attached to the Report from the Community Planning Department dated February 20th 2017;
6. A maintenance agreement with associated bonding be signed and submitted with the City of Kelowna to ensure the upgraded off-sites improvements along Queensway Ave and Water St are provided for and maintained for in perpetuity.

AND THAT Council authorize the issuance of Development Variance Permit DVP19-0238 for Lot 1, District Lot 139, ODYD, Plan EPP77920, located at 289 Queensway, Kelowna, BC, subject to the following:

AND THAT the 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 maximum height of a building before a 3 metre setback is required from 16 metres to 18.8 metres as per A-3.16 drawing attached to Schedule 'A'.

Section 14.7.5 (h)iii C7 – Central Business Commercial Development Regulations.

To vary the maximum floorplate for any building above 16.0m from 1,221m² to 3,130m² as per A-3.18 drawing attached to Schedule 'A'.

Section 14.7.5 (b) C7 – Central Business Commercial Development Regulations.

To vary the maximum height of a building from 76.5 metres permitted to 127 metres proposed.

Section 8 Parking and Loading – Table 8.4 Minimum Loading Required

To vary the number of loading spaces from 8 spaces to 3 spaces.

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

AND THAT the applicant be required to complete the following conditions prior to a building permit being issued:

1. That a subdivision be registered with the land titles office completing the land exchange and lane dedication;
 - a. As part of the new registered plans, the vehicular right-of-way and turn around within the lane be amended to reflect the updated plans; and
 - b. A statutory right-of-way be registered on the property guaranteeing public access between the proposed building and Queensway / Kerry Park.
2. That a license of occupation be signed by the City of Kelowna to permit the canopy encroachments across the property lines.
3. That a license of occupation be registered for the Hotel permitting the portions of Queensway to be used for Hotel purposes such as valet services.

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

The purpose of the Development Permit is to review the Form & Character Development Permit of a 33 storey hotel & luxury condo tower project with three levels of underground parking and a mixed use 6 storey podium. The purpose of the Development Variance Permit is to consider four variances related to the maximum building height, podium height & size regulations as well as to consider a reduction in the number of loading stalls.

3.0 Development Planning

3.1 Development Permit and Associated Variances

Staff are recommending support for the new proposed Development Permit and Development Variance Permit due to the minor changes resulting in improvements to the original design and that this application is essentially an extension request by the applicant from a previously Council endorsed project.

The applicant, WestCorp, has invested significantly into a sales centre, multiple consultants, and various City payments (see applicant's rationale letter for list of contributions). Due to the original Permits (DP17-0191 & DVP17-0192) expiring on Feb 20th 2020, the Real Estate Development Marketing Act (REDMA) requires new permits approved prior to the expiration of the old permits in order to conduct pre-sale contracts. The applicant is also proposing minor changes to the project as a result of detailed interior design work and value engineering. These changes include the following:

- 1) All the variances are the same or have been modestly reduced / improved;
- 2) The interface of the podium with Water Street has been improved with replacement of parking stalls with hotel rooms;

- 3) The view corridor from Water Street and Bernard Avenue has been improved with the replacement of parking stalls with hotel rooms;
- 4) The view corridor from Water Street and Bernard Avenue has been improved with glazing added to the top of the podium.
- 5) The corner of the podium at the laneway has a step-back to 'lighten' the building and improve sightlines for traffic exiting the laneway.

3.2 Background

Staff did not recommend support for the previous proposed Development Permit and associated variances. The scale and mass of the project, in particularly, the oversized podium with its lack of relation to the neighbourhood context was the main reasons for Staff's original negative recommendation (see original report dated Feb 20th 2018 for further details). The original report stated:

“The overall size, height, and massing of the project is overwhelming for the context of this important downtown property. It has never been the City’s intention to achieve the region’s tallest building on this property due to the property’s close proximity and relationship to important civic spaces including Kerry Park & Stuart Park, Okanagan Lake, Bernard Avenue and City Hall.”

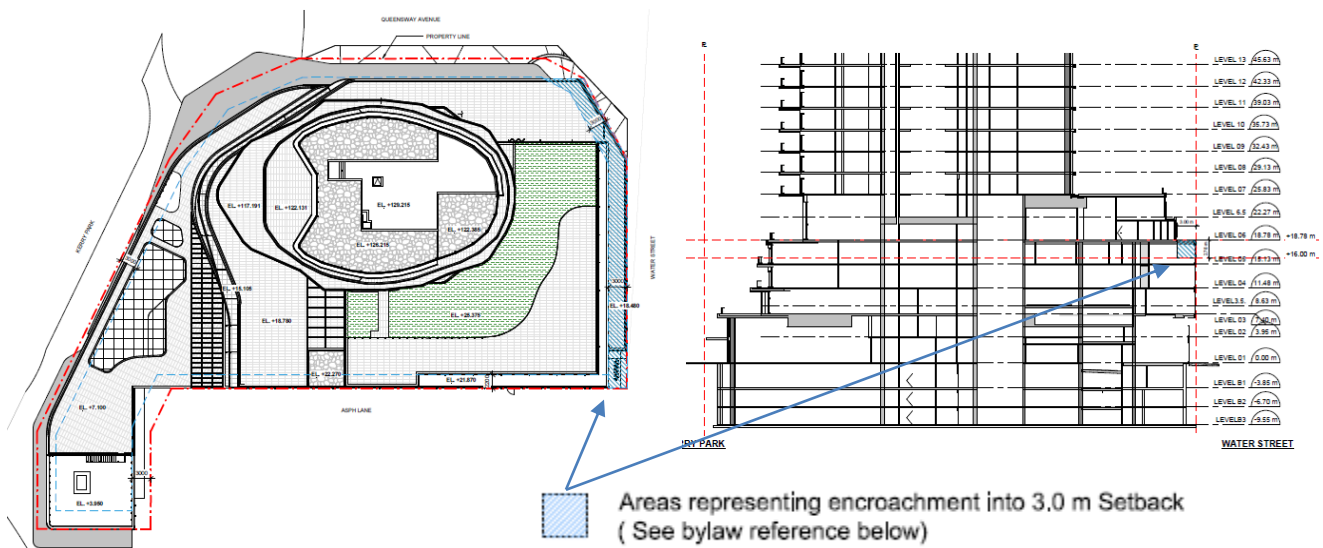
However, the project was supported by Council and Staff are recommending that decision be honoured by approving the new Development Permit and Development Variance Permit. The new approvals would be valid for another two years.

If the project does not meet their pre-sales target and does not proceed within the next two years. Staff would recommend closing the file and treating any new application similar to any other downtown development site by restricting the podium height to a maximum of 16.0 metres in height.

3.3 Development Variance Permit

There are four variances associated with the applicant's proposal but only two have changed:

1. To increase the podium height without a setback from 16.0 metres to 18.8 metres (20.25 metres old proposal).



2. To increase the overall height of the building from 76.5 metres (approx. 26 stories) to 127 metres (131 metres old proposal). Building remains at (33 stories)

Staff are recommending support for the proposed variances as they are the same or better than the previous approved variances.

3.4 Project Description – Summary of DP/DVP Changes for Westcorp Hotel

- Third level of underground parking has been added
 - Stall count in previous DP was 295. Proposed stall count is 331.
 - Two rows of above-ground-parkade stalls on Water St. have been replaced with hotel rooms
- Gross Floor Area in approved DP was 34,680m². FAR was 7.63
- Proposed Gross Floor Area is 36,013m². Proposed FAR is 7.93 Increase in GFA is 1,333m²
 - Increase in Gross Floor Area is due to reclassification of existing space:
 - Parking area in the above-ground parkade (levels 4 and 5) has been replaced with hotel rooms, storage units for the residences, and improved back-of-house for the hotel.
 - 400 m² of mechanical space in the tower is no longer required for mechanical purposes and has been converted to hotel use.

Current DP	Proposed	
Level 17	Restaurant	Hotel
Level 18	Long-stay hotel / Mechanical	Restaurant
Level 19	Long-stay hotel	Residential
Level 20	Long-stay hotel	Residential

- Previously Approved DP: 174 hotel rooms and 40 residential units. (the number of units could have been up to ~50, dependent upon market demand for unit size.)
- Proposed DP: 185 hotel rooms and 50 – 65 residential units (dependent upon market demand for unit size)
- Overall building height has been reduced from 130.79m to 126.22m. Reduction in height is 4.57m.
- DP Variance for the height of the podium step-back has been reduced from 4.23m to 2.78m.
- Overall podium height has been reduced from 26.78m to 25.83m.
- Modifications have been made to the podium façade to better integrate with the surrounding buildings, to improve the view from Bernard Ave. and Water. St., and to improve sightlines from the laneway.

Subject Property Map: 289 Queensway



3.5 Zoning Analysis Table

Site Details:	Zone Requirement	Proposal
Site Area (m2)	4,542.45	
Site Width (m)	94.51	
Site Depth (m)	78.38	
Site Coverage of Building(s) (%)		83%
Site Coverage of buildings, driveways, and parking (%)		90%

Development Regulations:	Zone Requirement	Proposal
Total Number & Types of units	-	Residential 65 units / Hotel 185 Suites
Floor Area (gross/net)	-	36,013 m ²
Floor Area Ratio (FAR)	9	7.93
Building Height (stories/meters)	26 storeys / 76.5m	33 storey / 126.215
Building(s) Setbacks (m):		
Front	North- Queensway: 3m above 16 m	See Sheet A-4.16
Side	East: Water St 3 m	See Sheet A-4.16
Side	West: Kerry Park: 3 m above 16 m	Ok
Rear	South - Aspn Lane: 0 m	Ok
Number of Parking Stalls/Loading Spaces	295 stalls / 8 loading space	331 Stalls / 3 Loading Areas
Drive Aisle Width (m)	Porte Coch: 3.6 m Parking: 7 m	Porte Coch: 3.6 m Parking: 7 m
Number of Bicycle Parking Spaces	74 Long-term / 22 short term	75 Long-term / 22 short term
Private Open Space Area	785 sq m	6786.45 sq m (private open space)
Previously Approved		
Total Net Area	34681 m ²	
FAR	7.63	
Total number of Residential units	40 units	
Total number of Hotel suites	174	
Building Height	131 metres / 33 storeys	
Number of Parking stalls provided	295 stalls / 3 loading stalls	

Parking Stalls						
Parking	Full Size	Medium Size	Tandem	Accessible	Total per floor	Total Required
B3	49	20	20	4	93	293
B2	54	19	22	0	95	
B1	46	18	14	3	81	
L1 / P (out)	6	-	-	-	6	
L2 / P	10	3	3	0	16	
L3 / P	9	9	0	0	18	
L3.5 / P	13	9	0	0	22	
Total	187	78	59	7	331	
Type Ratio	Min 50%	Max 40%	Max 10%			
	56.5 %	23.6 %	17.8 %	2.1 %	100%	

Bicycle Parking Stalls				
	Provided		Required	
	Long-Term	Short-Term	Long-Term	Short-Term
Residential	50	6	49	6
Hotel	9	6	9	6
Commercial	16	10	16	10
Total	75	22	74	22

Parking Stalls			
	Required	Provided	Comments
Hotel	0.8 per sleeping unit = 148	148	Located on B1 & B2
Commercial	GPA of (FOH+Spa+Retail+Conference) / 100 * 0.9 = 70	70	Located on B2, B3 & L1
Residential	1.0 per sleeping unit = 65	103	Located on B3, L2, L3 & L3.5
Visitors	Number of units *0.14 = 9 stalls	10	Located on B3, L2, L3 & L3.5

4.0 Current Development Policies

4.1 Kelowna Official Community Plan (OCP)

Development Process

Objective 5.5: Ensure appropriate and context sensitive built form.

Building Height.¹ 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 4: Land Use Designation 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.

5.0 Application Chronology

Date of Previous Application Received:	September 1 st 2017
Date of Previous Council Approval:	February 20 th 2017
Date of new application submitted	December 13 th 2019

Report prepared by:	Adam Cseke, Planner Specialist
Reviewed by:	Terry Barton, Development Planning Manager
Approved for Inclusion:	Ryan Smith, Divisional Director of Planning and Development Services

Attachments:

Applicant Rationale
DP19-01237 & DVP19-0238
Shadow Study

¹ City of Kelowna Official Community Plan, Policy 5.22.6 (Development Process Chapter).