

# REPORT TO COUNCIL



**Date:** June 23, 2020

**To:** Council

**From:** City Manager

**Department:** Development Planning

**Application:** DP19-0165 & DVP19-0166

**Owner:** Pandosy Street Developments Ltd, Inc No. BCo689792

**Address:** 2169 Pandosy St

**Applicant:** GTA Architecture Ltd.

**Subject:** Development and Development Variance Permit

**Existing OCP Designation:** HLTH- Health District

**Existing Zone:** HD2- Hospital and Health Support Services

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## 1.0 Recommendation

THAT Council authorizes the issuance of Development Permit No. DP19-0165 for Lot A, District Lot 14, Osoyoos Division Yale District Plan EPP27000, located at 2169 Pandosy 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",
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. The applicant submits a Heritage Conservation Plan consistent with national guidelines for preservation, rehabilitation and restoration outlined in the *Standards and Guidelines for the Conservation of Historic Places In Canada* which will include a Heritage Consultant to review the Building Permit drawings and oversee all on-site construction activities related to the heritage asset.

AND THAT Council authorizes the issuance of Development Variance Permit No. DVP19-0166 for Lot A, District Lot 14, Osoyoos Division Yale District Plan EPP27000, located at 2169 Pandosy St, Kelowna, BC;

AND THAT variances to the following section(s) of the Zoning Bylaw No. 8000 be granted:

Section 17.2.5.1 (c): HD2- Hospital and Health Support Services

To vary the maximum height from 16.5m permitted to 20.0m proposed

Section 17.2.5.1 (b): HD2- Hospital and Health Support Services

To vary the maximum site coverage from 55% permitted to 62% proposed

Section 17.2.5.1 (f): HD2- Hospital and Health Support Services

To vary the minimum rear yard setback from 6.0m permitted to 4.5m for a portion of the rear yard

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 Schedule "A" attached to the report from Development Planning dated June 23, 2020;

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

AND FURTHER that this Development 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 issue a Development Permit for form and character of a commercial building, hotel and associated parking structures and a Development Variance permit for a reduction in the rear yard setback and increase in height and site coverage.

## **3.0 Development Planning**

Development Planning Staff are supportive of the proposal for a mixed-use building for health services, a hotel and associated parkade structures. Planning considers the location of the subject property to be high profile as a key redevelopment opportunity along a major urban corridor containing a heritage asset (Collett House). Staff have worked diligently with the applicant and their consultant team over the past several months on the original submission and on a number of significant revisions and modifications. Consistent with the previous Council approval for the now expired Development Permit on the property (See Section 4.1 of this report) the protection and adaptive reuse of the heritage asset was a key municipal objective. Through working with the applicant, the heritage asset (Collett House) has now been incorporated into the development by relocating it to the south-west corner of the site, integrating it into the larger commercial development, and restoring the primary elevations consistent with National Heritage standards. Further information regarding the heritage asset is provided in Section 4.2 of this report.

The commercial component of the project is 35,490 sq. ft of leasable commercial space under the Health Services, Major use category, which means it must be used by tenants that provide physical or mental health services on an out-patient basis. This is consistent with the intent of the HD2- Health District zone and should help to complement the existing hospital and health services in the area. The proposal also

includes a 74 room hotel in the form of 15 townhouse units that front onto Glenwood Ave and hotel suites on the floors above.

The proposal meets the City's parking regulations with a total of 193 stalls provided in two interconnected parkade structures. The parkades have been integrated into the overall development and located at the rear of the property immediately off the laneway. This meets the City's form and character objectives of minimizing the aesthetic impact of a large parkade structure.

The proposed building is 5 storeys in height and fronts onto Pandosy St and Glenwood Ave. An open atrium separates the hotel and commercial spaces and provides pedestrian access off Pandosy St. OCP objectives achieved in this proposal include:

- Provide for a scale and massing of commercial buildings that promotes a safe, enjoyable living, pedestrian, working, shopping and service experience
- Highlight the significance of community institutional and heritage buildings
- Promote a high urban design standard and quality of construction for future development that is coordinated with existing structures.

The most significant variance request is to accommodate additional height to 20.0m. This allows for a 5 storey building that fronts onto Pandosy St. The request for additional height is accompanied with several key architectural features of the building including:

- Lower-scaled ground-oriented units on Glenwood Ave to help integrate into the existing residential neighbourhood along the street,
- A prominent open atrium feature as the main entrance to the building off Pandosy Street
- The adaptive reuse of the heritage building to commercial (i.e. food primary) to help improve the streetscape interface along Pandosy St.

Overall, the mixed-use proposal meets many of the OCP's Urban Design objectives and Planning Staff are recommending support for the proposed Development Permit and associated variances.

#### **4.0 Proposal**

##### **4.1 Background**

###### *Site History*

The subject site is home to the Collett House and is currently listed on the City of Kelowna Heritage Registry. The house was built in 1913 and is considered a notable example of the Foursquare style, common during the Edwardian era as a rational expression of modern needs and conveniences.

###### *Development History*

The subject property was rezoned to HD2- Hospital and Health Support Services zone in 2015 and the applicant was issued a Development Permit in 2017 which subsequently expired. The HD2 zone is intended to provide services to the medical community associated with KHG, Interior Health and UBC Medical. The previous approval included the registration of an Affordable Rental Housing Agreement on title in exchange for a density bonus of 0.1. The agreement allocated 1,400 sq ft total for 3 units to affordable housing units for short term residential use for patients and families who need to be close to the Cancer Centre. Given the proposal is now for a commercial use (hotel) the applicant is requesting to remove the Housing Agreement as part of this application and do not intend to provide the affordable housing units.

#### 4.2 Project Description

The project proposes a mixed-use building with the following uses:

Health Services, Major- 35,490 sq. ft of leasable commercial space

Hotel- 47, 310 sq. ft (74 units)

#### Form and Character

Collet House- The applicant has responded to Planning's request by incorporating the existing heritage house into the commercial component of the building. To assess the heritage significance and feasibility of relocating the house, the applicant retained a registered heritage professional. The findings of the report reinstated the significance of Collett Manor and recommended conservation of the house. Ultimately, rehabilitation is the conservation objective for the home and the report supports the adaptive relocation of the heritage building to the corner of Royal Ave and Pandosy St and reuse as a public commercial space, such as a restaurant or a café. Staff are confident that the integration of the home into the proposed building is an approach that will ensure the longevity of the historically significant asset.

The commercial and hotel component are a modern design. The architecture proposes a glass atrium to separate the hotel and leasable space which will be programmed with landscaping and open to the public. The hotel units facing Glenwood Ave are ground-oriented and mimic townhouse-built form. Design cues have been taken from the surrounding context and Hospital Area Design Guidelines, such as giving attention to doors and main entrances to make the building approachable. The exterior materials and colors (a more muted palette) are stylistically similar to that of the Hospital campus. The architect has used a variety of materials to further articulate the different components of the building (i.e. ground level townhouse entry and upper units) to assist in the reduction of mass and scale.



North Elevation

The west elevation, facing Pandosy St, clearly defines the ground-oriented hotel units, main entry to the hotel/commercial, atrium and the incorporation of Collet House.



*West Elevation*

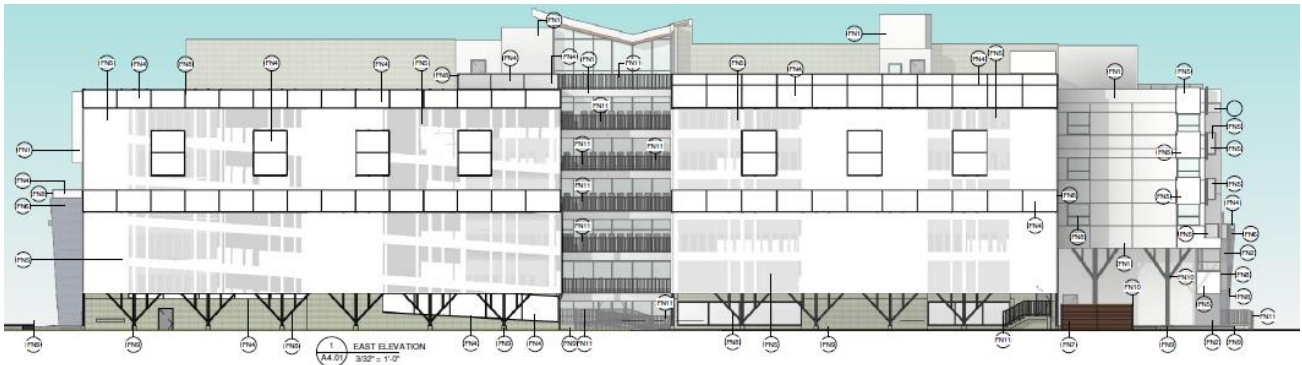
### Parking

Access to the parking structures is provided off an existing laneway which can be accessed from Glenwood Ave or Richter St. Staff initially raised significant concerns about the scale and mass of the parkade structures in relation to the neighbourhood context to the east. The siting and imposing built form create a poor transition the adjacent single-family homes. The applicant is also seeking a variance to the rear yard setback to accommodate the southern parkade structure. The northern parkade structure is setback further from Glenwood Ave and is separated by the laneway. The parkade structures are within the allowable height of the zoning bylaw. It is Staff's opinion that the changes made to the design of the parkade structures were minor in nature but did assist in providing relief of the heavy massing related to context. The changes included:

- Different finishing materials (perforated, aluminium cladding with a forest design)
- Addition of spandrel windows to reduce the perceived mass



*Initial Submission*



### *Final Proposed Design*

In reviewing the design changes and proposed mass of the parkade structures, Staff have considered the long-term strategy of potentially expanding the Health District to the east, connecting ultimately to Ethel St. This change would impact the future land use of the block between Pandosy St and Richter St to MRL- Multi-Unit Low Density housing for the southern portion of Glenwood Ave and a future land use of Health District along the northern portion of Royal Ave (see Proposed Future Land Use Designations below). These land use changes and potential future development projects will help in the transition of the proposed building to the east along Glenwood Ave.

*Map 4: Proposed Future Land Use Designations*



### Heritage Conservation Plan

A heritage conservation plan will be required prior to issuance of the Development Permit to ensure the applicant's commitment to the heritage objective. A conservation plan needs to have a degree of flexibility to allow for an increased understanding of the heritage condition and construction details, while at the same time maintaining a firm sense of the intent and purpose. The Heritage Consultant has confirmed the project's commitment to safeguarding the character-defining elements of Collett House that will involve a combination of reconstruction and restoration processes. National heritage guidelines and standards will be followed including a heritage consultant reviewing the building permit drawings as well as overseeing construction of the heritage component. Once the project is complete, the City's Municipal Heritage

Register for Collett House will need to be updated with the new location and condition its character defining elements.

### Context

The building generally interacts well with the existing hospital area campus and surrounding area. The Walter Anderson building directly to the south is 4 storeys in height and the hospital is 7 storeys. The siting of the proposed building creates an appropriate transition to the neighbouring area at 5 storeys.

### Variances

The applicant is requesting three variances:

1. **Allowable site coverage from 55% to 62%.** The extra site coverage is mitigated through the inclusion of a unique architectural feature of an atrium which will be programmed space available to the public, as well as the incorporation of green roof infrastructure.
2. **Rear yard setback from 6.0m to 4.5m for a portion of the rear yard.** The reduction of the setback does not impede pedestrian circulation and the applicant is proposing to include a walkway through this portion of the rear yard connecting the laneway and Royal Ave.
3. **Height from 18.0 to 20.0m for a portion of the building.** The additional height is for a portion of the building that is stepped back from the main face of the building. It will not cause shadowing onto the pedestrian realm or cause overlooking issues onto neighbouring properties.

### Conclusion

The Health District is intended to *integrate uses in support of the KGH campus both physically and functionally with the surrounding communities and to provide a moderating transition in scale from a major institutional centre to adjacent established residential areas*. The benefits of this proposal include:

- Uses that support OCP policy for the Health District;
- Uses that accomplish the intent of the HD2 zone;
- An attractive redevelopment for a currently vacant site on a prominent corner; and
- The successful conservation of Collet House into the proposed design.

Ultimately, the benefits of the redevelopment of the site and the developer's commitment to the heritage component are a positive contribution to the Health District and Staff are recommending support of the proposal.

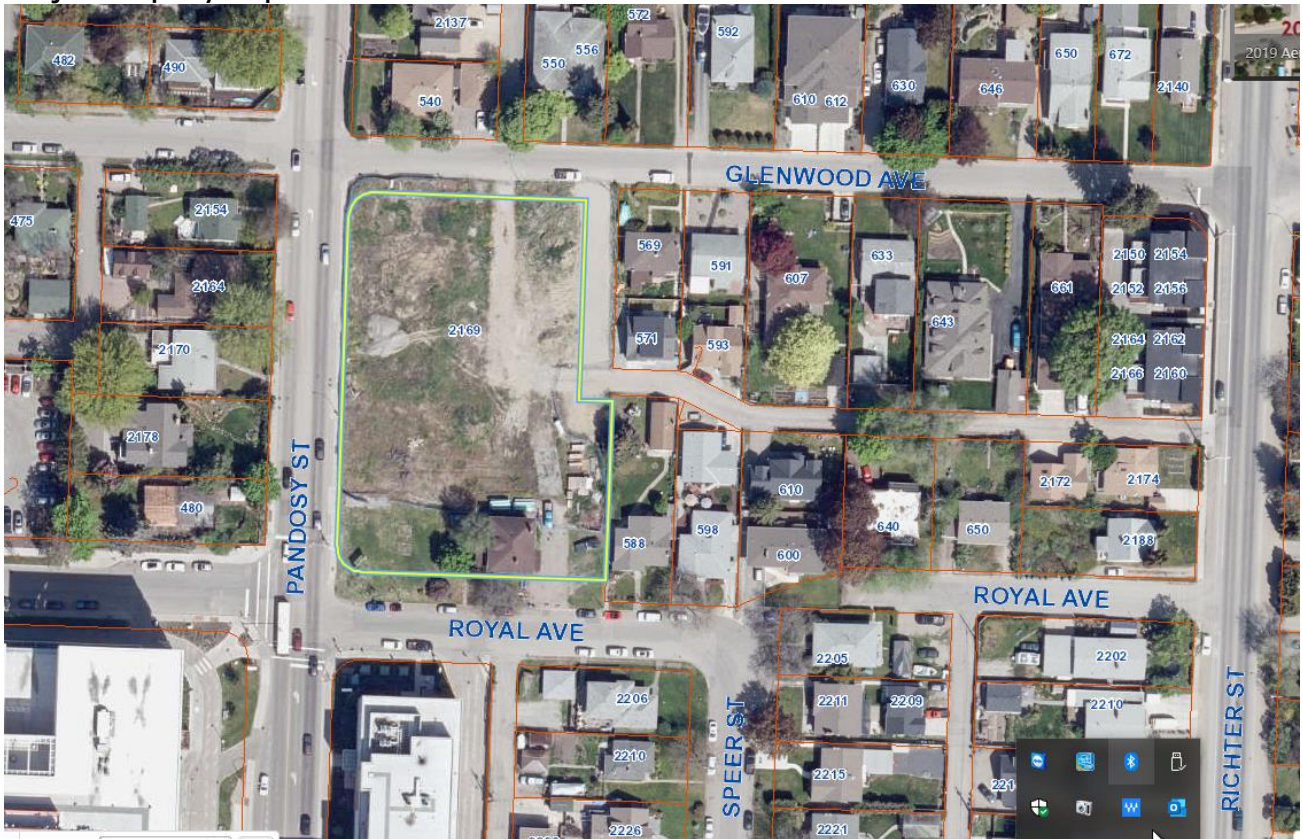
#### 4.2 Site Context

The subject property is located in the Health District and is bordered by Glenwood Ave on the north property line, Pandosy St on the west and Royal Ave on the south. The site poses a unique opportunity for redevelopment and contains one existing structure (Collett House). The properties to the east are predominantly single-family homes. Directly to the south/southwest is Kelowna General Hospital. The Heritage Conservation Area is located to the west across Pandosy St and is comprised mostly of single-family homes and a surface parking lot that serves KGH.

Specifically, adjacent land uses are as follows:

Orientation	Zoning	Land Use
North	RU6- Two Dwelling Housing	Single dwelling housing
East	RU6- Two Dwelling Housing	Single dwelling housing
South	HD1- Kelowna General Hospital	Hospital
West	RU1- Large Lot Housing    Single dwelling housing	Single dwelling housing



**Subject Property Map:****4.3 Zoning Analysis Table**

Zoning Analysis Table		
CRITERIA	ZONE REQUIREMENTS	PROPOSAL
Existing Lot/Subdivision Regulations		
Min. Lot Area	900.0m <sup>2</sup>	5070.0m <sup>2</sup>
Min. Lot Width	30.0m	48.53m
Min. Lot Depth	30.0m	75.57m
Development Regulations		
Max. Floor Area Ratio	1.2	1.2
Max. Site Coverage (buildings)	55% <sup>1</sup>	62%
Max. Height	16.5m <sup>2</sup>	20m
Min. Front Yard	4.5m	4.5m
Min. Side Yard (south)	4.5m/6.0m for portions of a building over 12.0	4.5m
Min. Side Yard (north)	4.5m/6.0m for portions of a building over 12.0	4.5m
Min. Rear Yard	6.0m <sup>3</sup>	4.5m
Other Regulations		



Min. Parking Requirements	Hotel: 1 per dwelling unit Health Services, Major: 2.5 per 100m <sup>2</sup> of gross floor area Food Primary Establishment: 1 per 4 seating spaces to a capacity of 40 seats	Hotel: 74 stalls required & 74 proposed Health Services: 82 stalls required & 108 proposed Food Primary: 10 stalls TOTAL: 193 stalls
Min. Bicycle Parking	Class 1: 0.2/100 m <sup>2</sup> Class 2: 0.6/100 m <sup>2</sup> Food Primary: Class 1: 0.2/100 m <sup>2</sup> Class 2: 0.6/100 m <sup>2</sup> 0.1/100 m <sup>2</sup> Class 2: 1/10 employees Hotel: Class 1: 1/20 sleeping unit Class 2: 1/20 sleeping unit	Class 1: 22 stalls Class 2: 16 stalls
<p>① Indicates a requested variance to site coverage from 55% to 62%</p> <p>② Indicates a requested variance to maximum building height from 16.5m to 20m</p> <p>③ Indicates a requested variance to the minimum rear yard setback from 6.0m to 4.5m</p>		

## 5.0 Current Development Policies

### 5.1 Kelowna Official Community Plan (OCP)

#### Chapter 5: Development Process

##### Objective 5.7 Identify and conserve heritage resources

##### Objective 5.32 ensure the development of institutional facilities meets the needs of residents

**Policy 10 Health Care Facilities.** Support the extension of services and appropriate building expansions of the Kelowna General Hospital and other health care facilities, as provided for on the Generalized Future Land Use Map 4.1. The form and character of future expansions should be compatible with the surrounding neighbourhood context.

#### 5.2 Zoning Bylaw No. 8000

HD2- The purpose is to provide a zone for new development of buildings that provide services to the medical community associated with KGH, Interior Health Authority, and UBC Medical Programs including staff, clients, patients and their families.

Allows for a range of institutional, medical-related commercial and complimentary residential uses within the OCP Health District future land use redesignation.

## 6.0 Technical Comments

### 6.1 Development Engineering Department

6.1.1 n/a

## **7.0 Application Chronology**

Date of Application Received: August 27, 2019  
Date Public Consultation Completed: September 12, 2019 (on site public consultation)  
April 8, 2020 (mail-outs)

**Report prepared by:** Jocelyn Black, Planner Specialist

**Reviewed by:** Terry Barton, Development Planning Department Manager

**Approved for Inclusion:** Ryan Smith, Division Director of Planning and Development Services

### **Attachments:**

Attachment A: Draft Development Permit DP19-0165 and Development Variance Permit DVP19-0166

Schedule A: Site Plan, Floor Plans and Parkade Plans

Schedule B: Building Sections, Elevations and Materials

Schedule C: Landscape Plan

Attachment B: Applicant Design Rationale

Massing Schematics

Renderings

Heritage Report