REPORT TO COUNCIL

Date:	May 17, 2021		
To:	Council		
From:	City Manager		
Department:	Development Planning		
Application:	Z19-0068	**Owner:**	Payam & Sanaz Holdings Ltd, Inc.No. 101155120
Address:	416, 426 and 430 Royal Ave	**Applicant:**	Denciti Development Corp.
Subject:	Rezoning Application		
Existing OCP Designation:	Health District (HLTH)		
Existing Zone:	RU1- Large Lot Housing		
Proposed Zone:	HD3r- Health Services Transitional (Residential Rental Tenure Only)		

1.0 Recommendation

THAT Rezoning Application No. Z19-0068 to amend the City of Kelowna Zoning Bylaw No. 8000 by changing the zoning classification of Lots 22, 23, and 24 District Lot 14 ODYD Plan 3393 located at 416, 426 and 430 Royal Avenue, Kelowna, BC from the RU1- Large Lot Housing zone to the HD3r- Health Services Transitional (Residential Rental Tenure Only) zone be considered by Council,

AND THAT the Rezoning Bylaw be forwarded to a Public Hearing for further consideration;

AND THAT final adoption of the Rezoning Bylaw be considered subsequent to the outstanding conditions of approval as set out in Schedule "A" attached to the Report from the Development Planning Department dated April 12, 2021;

AND FURTHER THAT final adoption of the Rezoning Bylaw be considered in conjunction with Council's consideration of a Heritage Alteration Permit for the subject property.

2.0 Purpose

To consider an application to rezone the subject properties from the RU1-Large Lot Housing zone to the HD3r- Health Services Transitional (Residential Rental Tenure Only) zone to facilitate the development of a mixed-use building.

3.0 Development Planning

Staff are supportive of the proposed rezoning for the subject properties. The proposal will facilitate a mixed-use building primarily comprised of multi-dwelling housing with a component of commercial at the ground-level. The applicant is proposing to use the Residential Rental Tenure Only subzone, which enforces rental only tenancy on the subject property for perpetuity.

The proposal is consistent with the future land use designation of Health District in the Official Community Plan (OCP), which intends to support integrated uses for the Kelowna General Hospital Campus. The HD3-Health Services Transitional zone allows for small-scale health services that are compatible with residential land uses and capable of being in a neighbourhood setting. Additionally, the zone is intended to facilitate development that is transitional in nature from the hospital to the surrounding residential neighbourhood.

The applicant has fulfilled the requirements of Council Policy No. 367 through an initial open house and subsequent meetings with community members.

4.0 Proposal

4.1 Project Description

The site is comprised of three single family lots with existing single-family dwellings. To allow for future development, demolition of the existing homes and lot consolidation will be required. Staff are currently reviewing an accompanying Heritage Alteration Permit (HAP) for the site which consists of multiple-dwelling housing and a modest commercial retail unit. Should Council support the proposed rezoning, the HAP will come forward for Council consideration. Staff have worked diligently with the applicant to ensure the intent of the HD3 zone is met. A section 219 covenant will be implemented as a condition of the HAP that designates a portion of residential units to rental for hospital staff, visitors, or hospital related institutions. This is to ensure that a meaningful connection to the Health District is implemented.

4.2 Site Context

The subject properties are located in the Abbott St Heritage Conservation Area. Single-family homes are located to the north, separated by laneway access. A surface parking lot that serves Kelowna General Hospital is located to the east, and KGH (specifically the emergency room entry) is located across Royal Ave to the south. A single-family dwelling is on the adjacent property to west.

Specifically, adjacent land uses are as follows:

Orientation	Zoning	Land Use
North	RU1- Large Lot Housing	Single-family dwelling
East	P1- Major Institutional	Non-accessory parking
South	HD1- Kelowna General Hospital	Hospital
West	RU1- Large Lot Housing	Single-family dwelling

Subject Property Map:



5.0 Current Development Policies

5.1 Kelowna Official Community Plan (OCP)

Chapter 4: Health District

Definition

The Health District west of Pandosy Street is a transitional area from the Kelowna General Hospital campus to the surrounding residential neighbourhoods. Any properties west of Pandosy Street that are designated health district are limited to the HD3-Health Services Transitional zone of the Zoning Bylaw. The embedded guidelines are intended to ensure that the design of individual developments is compatible with the overall neighbourhood context, adjacent established and future residential neighbourhoods of this area.

6.0 Technical Comments

6.1 Development Engineering Department

Refer to attached Schedule "A", Development Engineering Department memorandum, dated

7.0 Application Chronology

Date of Application Received: May 27, 2019
Date Public Consultation Completed: August 20, 2019 open house/ongoing

Report prepared by: Jocelyn Black, Urban Planning Manager (formally Planner Specialist)

Approved for Inclusion: Terry Barton, Development Planning Department Manager

Approved for Inclusion: Ryan Smith, Divisional Director, Planning & Development Services

Attachments:

Schedule A: Development Engineering Memo

Attachment A: Site Plan