

REPORT TO COUNCIL



Date: April 20, 2021

To: Council

From: City Manager

Department: Development Planning

Application: DP20-0155 / DVP20-0156

Owner: 1383 Developments Inc.,
Inc.No. BC1100537

Address: 1383 Ellis Street

Applicant: Urban Options Planning &
Permits & Lake Monster Studio
Architecture & Design

Subject: Development Permit and Development Variance Permit Applications

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. DP20-0155 for Lot 8, District Lot 139 ODYD Plan 432, located at 1383 Ellis Street, 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 be constructed on the land be in accordance with Schedule "B"

AND THAT Council authorizes the issuance of Development Variance Permit No. DVP20-0156 for Lot 8, District Lot 139 ODYD Plan 432, located 1383 Ellis Street, Kelowna, BC;

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

Section 14.7.6(f): C7 – Central Business Commercial: Civic Precinct Development Regulations

To vary the setback for the portion of the building above the 9.0m height mark from any property line abutting a street from 3.0m required to 0.0m proposed.

Section 14.7.6(g): C7 – Central Business Commercial: Civic Precinct Development Regulations

To vary the setback for the portion of the building above the 9.0m height mark from any property line abutting another property from 4.0m required to 0.0m proposed.

Section 14.7.6(l): C7 – Central Business Commercial: Civic Precinct Development Regulations

To allow for the portion of the building above 12.0m in height to exceed a continuous exterior horizontal dimension of 40.0m.

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

2.0 Purpose

To issue a Form & Character Development Permit for a three-storey commercial building and a Development Variance Permit for three variances to setbacks and continuous building dimensions in the Zoning Bylaw.

3.0 Development Planning

Design & Development Policies

Staff recommend support for the proposed Development Permit and Development Variance Permit Applications. The form and character of the building is positive in nature and generally meets the intent of the Civic Precinct Design Guidelines. Staff worked with the applicant to redesign their building to meet as many Zoning Bylaw regulations and Official Community Plan (OCP) policies as possible.

The proposal aligns with several policies and objectives outlined in the City of Kelowna's 2020-2025 Cultural Plan and Civic Precinct Area of the OCP. There has been a closure of a few music venues over the past few years and the creation of a new music venue would help create available production space for local artists. The proposal also meets the intent of the Central Okanagan Music Strategy project, which has the goal to advance music within the region. Staff believe this venue would support many aspects of the strategy. The property is also in the City's Cultural District and would likely compliment the proposed Creative Hub, Civic Plaza and Art Walk Extension and could help grow arts and culture community in Kelowna.

Variances

To accommodate the proposed changes to the building, the applicant requires three variances.

Any building above 16.0m in height requires setbacks for the portion of the building over 9.0m from both the street and the abutting properties. The regulations in the Civic Precinct requirement is intended to regulate tower development but is challenging for smaller buildings on narrow lots. If applied on this site, the setbacks would largely take away from the form and character of the building. Given the proposal does not exceed the height of the podium of the neighbouring tower (The Madison), Staff believe these variances are a reasonable request.

The Civic Precinct area also doesn't allow continuous horizontal structures for the portion of the building above 12.0m to exceed 40.0m horizontally. These requirements are challenging to achieve for preexisting structures and was largely created to limit the size of podiums of tower. Staff believe the three variances are reasonable due to the uniqueness of the Civic Precinct area and the difficulty to achieve the setbacks on existing structures.

Use & Scale

Although Staff are recommending support, the proposed business model is one that is challenging to fit in the City's land use regime and may potentially be challenging to fit into the provincial liquor licensing regulations. Staff had originally directed the applicant to apply for a rezoning application to allow for a Liquor Primary Establishment (major). This process would have required the applicant to apply for a rezoning to C7lp – Central Business Commercial (Liquor Primary) and a Liquor License Application. However, as the file progressed, the applicant indicated to Staff that they believe they will be granted a food primary license from

the Liquor and Cannabis Regulation Branch (LCRB). If the LCRB requires the applicant to apply for a liquor primary application, Staff would require the applicant to return to Council with a Rezoning application to C7lp.

The applicant's proposal includes a café, music hall, urban ballroom, and events space (Attachment B). Staff believe a music hall and urban ballroom are both consistent with the City of Kelowna's definition of Liquor Primary Establishment, Major, which includes "dancing or cabaret entertainment; and facilities primarily intended for the provision and consumption of alcoholic beverages". The applicant has indicated that food will be offered to patrons and that liquor will not be the primary focus of the business activity and as such, the application is proceeding forward on that basis.

If Council is supportive of this application, the applicant will be required to apply for a Patron Participation Endorsement, which will be required to come back to Council. A Patron Participation Endorsement is an application to the LCRB, which is required for food primary licenses that permits the active involvement of patrons leaving their seats, dancing, or singing. This endorsement requires Council support to address noise, nuisance and other impacts before it is forwarded to the LCRB.

Cash-in-Lieu

The applicant has agreed to pay the required cash-in-lieu for the proposed development. The proposal is to add an additional floor onto the existing building, which triggers the requirement for additional parking. The C7 – Central Business Commercial zone requires 0.9 spaces per 100m² of GFA added, which equals five additional stalls. The applicant provided two long-term bicycle parking bonus, which lowered the requirements by 20%, down to 4 parking stalls, making the cash-in-lieu payment \$132,000 (\$33,000 per stall). A cash-in-lieu payment is a compensation measure to the City to aid the construction of public parking facilities elsewhere in the Downtown a future time. Council's direction was set in July 2019, which included an increase in the cash-in-lieu amount from \$22,500 per stall to \$33,000 per stall, which properly reflected the construction for a structure parking stall. Overall, Staff are supportive of the application due to the intent of the project in the Civic Precinct Area and how it has the potential to advance arts and culture in Kelowna.

4.0 Proposal

4.1 Project Description

The proposal is to build a 3-storey commercial development that will act as a café, music hall, urban ballroom, and event space. The proposal will utilize the existing two storeys and add a third storey, for a total Gross Floor Area of 1,699m² (18,287.gft²). The first two storeys will act as a café, music hall and urban ballroom, while the third storey will primarily be used for an event space.

The front façade will consist largely of the existing concrete block; however, a screening element will be added. The North portion of the building will have a vertical element consisting of red standing seam cladding and trim and will help delineate the building from the neighbouring property. The proposed third storey addition will have different materials and will primarily be grey standing seam cladding and trim, with the addition of glazing. Staff worked with the applicant to increase the glazing on the front of the building, which helps with the street and pedestrian interface, as well as meets many of the Civic Precinct Design Guidelines. Both the canopy and wall sign will be required to meet all regulations in the Sign Bylaw no. 11530.

The proposal also includes both short term and long-term bicycle parking. The property has a 0.0m front yard setback, so the applicant has included short-term bike parking inside the front entrance. These will be within 15.0m of the entrance. In addition, they are proposing 2 long-term bicycle parking stalls and an end-of-trip facility. These can be used by both patrons and staff to limit the number of vehicular trips required. The

applicant has also indicated that they are prioritizing sustainability and green elements in their concept and design.

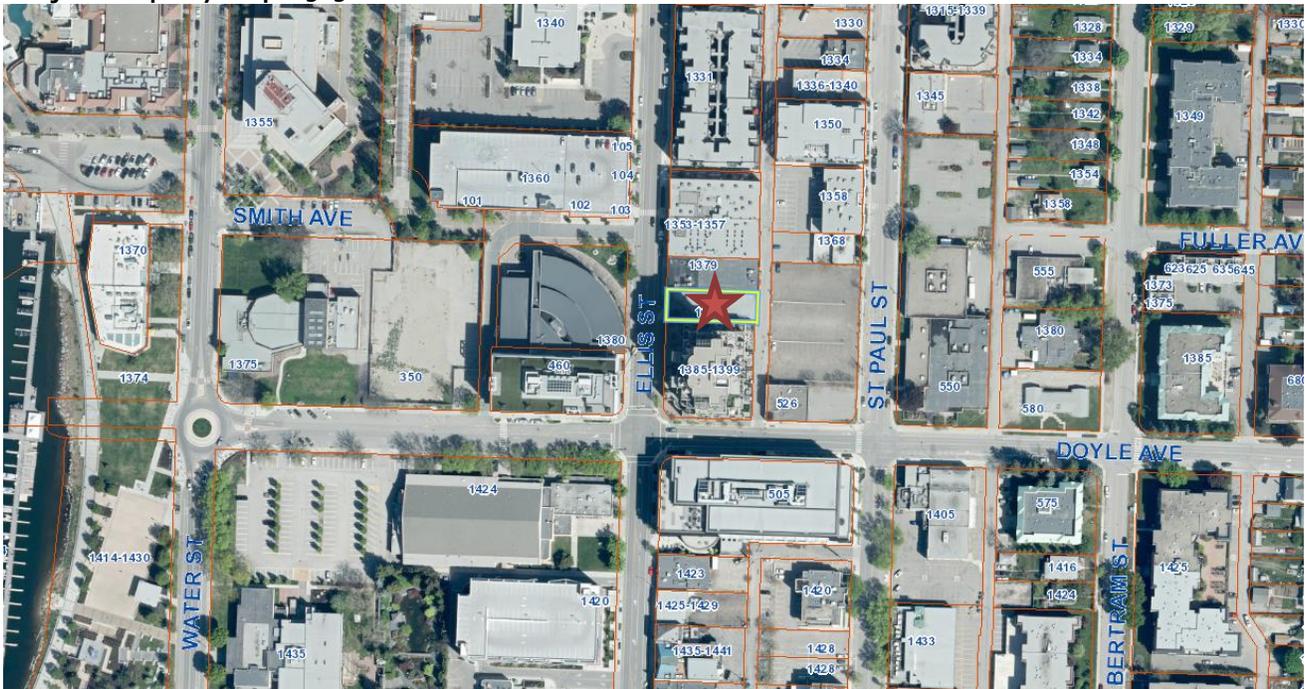
4.2 Site Context

The subject property is in the Central City OCP Sector and the surrounding area is primarily C7 – Central Business Commercial, as the subject property is in the City Centre Urban Centre. The surrounding area also has a Future Land Use Designation of MXR – Mixed Use (Residential / Commercial) and EDINST – Educational/Major Institutional.

Specifically, adjacent land uses are as follows:

Orientation	Zoning	Land Use
North	C7 – Central Business Commercial	Food Primary Establishment
East	C7 – Central Business Commercial	Temporary Parking Lot
South	C7 – Central Business Commercial	Apartment Housing, Retail Stores and Food Primary Establishments
West	C7 – Central Business Commercial	Public Library

Subject Property Map: 1383 Ellis Street



4.3 Zoning Analysis Table

Zoning Analysis Table		
CRITERIA	C7 ZONE REQUIREMENTS	PROPOSAL
Existing Lot/Subdivision Regulations		
Min. Lot Area	200m ²	697m ²
Min. Lot Width	6.0m	15.24m
Min. Lot Depth	30.0m	45.72m

Development Regulations		
Max. Floor Area Ratio	9.0	2.43
Max. Height	76.5m / 26 storeys	13.41m / 3 storeys
Min. Front Yard	0.0m	0.0m
Min. Side Yard (south)	0.0m	0.0m
Min. Side Yard (north)	0.0m	0.0m
Min. Rear Yard	0.0m	0.0m
Building Height Setback Over 9.0m Abutting a Street	3.0m	0.0m ¹
Building Height Setback Over 9.0m Abutting a Property Line	4.0m	0.0m ²
Max. 40m Continuous Exterior Horizontal any Portion Over 12.0m	40.0m	45.0m ³
Other Regulations		
Min. Parking Requirements	5 (4 with bonus long-term bicycle)	Cash-in-Lieu
Min. Short-Term Bicycle Parking	2	2
Min. Long-Term Bicycle Parking	2 (bonus)	2
Min. Loading Space	0	0
¹ Indicates a requested variance to Section 14.7.6f: C7 – Central Business Commercial: Civic Precinct Development Regulations ² Indicates a requested variance to Section 14.7.6f: C7 – Central Business Commercial: Civic Precinct Development Regulations ³ Indicates a requested variance to Section 14.7.6g: C7 – Central Business Commercial: Civic Precinct Development Regulations		

5.0 Current Development Policies

5.1 Bylaw No. 8125 – Payment in Lieu of Parking

Schedule A

- City Centre (Downtown) Urban Centre Area
 - Fee Per Off-Street Parking Space - \$33,000

5.2 Kelowna Official Community Plan (OCP)

Chapter 14: Urban Design DP Guidelines

C. Civic Precinct Design Guidelines

Massing and Scale

- Buildings within the Civic Precinct must demonstrate a strong relationship to the public realm (streets and public spaces).

1.2.4 Setbacks

- Buildings fronting public streets should typically be set back above the second or third floor to optimize sunlight penetration onto the adjacent and opposite sidewalks.

5.3 City of Kelowna 2020-2025 Cultural Plan

Goal 4: Commit to developing new facilities

Strategy 4.2 – Establish Future Direction for the Development or Redevelopment of Cultural Facilities

- Initiatives that support this strategy will commit to course of action for the development out cultural infrastructure and garner support for cultural facility development projects.

Strategy 4.4 – Increase available projection space for local artists

- Initiatives that support this strategy will encourage the development of artist production spaces through funding programs and creating unique opportunities to host artists and fulfil their space requirements.

Goal 6: Boost viability at the street level.

Strategy 6.1 – Expand live music venues and local live music opportunities.

- Initiatives that support this strategy will advance the promotion of live music in Kelowna, optimize, and increase awareness of available space and create opportunities to present the talents of local musicians and larger audiences.

6.0 Technical Comments

6.1 Development Engineering Department

Attached Development Engineering Memorandum dated September 15, 2020.

7.0 Application Chronology

Date of Application Received: August 10th, 2020

Date Public Consultation Completed: August 25th, 2020

Report prepared by: Tyler Caswell, Planner

Reviewed by: Jocelyn Black, Urban Planning Manager

Reviewed by: Terry Barton, Development Planning Department Manager

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

Attachments:

Attachment A: Draft Development Permit DP20-0155 / DVP20-0156

Attachment B: Applicant's Rationale and Submission Package

Attachment C: Development Engineering Memo

Schedule A: Site Plan / Floor Plan

Schedule B: Elevation Drawings