

REPORT TO COUNCIL



Date: December 5, 2022

To: Council

From: City Manager

Department: Development Planning

Application: Z22-0014

Owner: Okanagan Metis & Aboriginal Housing Society

Address: 115 & 175 Kneller Road

Applicant: Scuka Enterprises Ltd. – Dan Scuka

Subject: Rezoning Application

Existing OCP Designation: C-NHD – Core Area Neighbourhood

Existing Zone: RU₁ – Large Lot Housing
MF₂ – Townhouse Housing

Proposed Zone: MF_{3r} – Apartment Housing (Rental Only)

1.0 Recommendation

THAT Rezoning Application No. Z22-0014 to amend the City of Kelowna Zoning Bylaw No. 12375 by changing the zoning classification of portions of Lot 1 Section 27 Township 26 ODYD Plan EPP63257, located at 175 Kneller Road, Kelowna, BC and portions of Parcel A (Plan B1566) of Lot 4 Section 27 Township 26 ODYD Plan 426 Except Plan 39686, located at 115 Kneller Rd, Kelowna, BC, from the RU₁ – Large Lot Housing zone and MF₂ – Townhouse Housing zone to the MF_{3r} – Apartment Housing (Rental Only) zone as shown on Map "A" attached to the Report from the Development Planning Department dated December 5, 2022, be considered by Council;

AND THAT final adoption of the Rezoning Bylaw be considered subsequent to the to the outstanding conditions of approval as set out in Attachment "A" attached to the Report from the Development Planning Department dated December 5, 2022;

AND THAT final adoption of the Rezoning Bylaw be considered subsequent to the approval of the Ministry of Transportation and Infrastructure;

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

2.0 Purpose

To rezone portions of the subject properties from the RU1 – Large Lot Housing zone and the MF2 – Townhome Housing zone to the MF3r – Apartment Housing (Rental Only) zone to facilitate the development of a 5-storey apartment housing development.

3.0 Development Planning

Staff support the proposal to rezone the subject properties to the MF3r – Apartment Housing (Rental Only) zone. The proposed zone is consistent with the Official Community Plan (OCP) Future Land Use designation of C-NHD - Core Area Neighbourhood and the location of the subject properties is in the transition zone from the Highway 33 Transit Supportive Corridor.

The proposed affordable housing use is consistent with OCP Policy encouraging subsidized housing in the Core Area in close proximity to transit and services. The location of the development is near transit stops on Highway 33 and approximately two blocks from the Rutland Urban Centre.

4.0 Proposal

4.1 Project Description

The proposed rezoning from the RU1 – Large Lot Housing zone and MF2 – Townhome Housing zone to the MF3r – Apartment Housing (Rental Only) zone will facilitate the development of a 5-storey, 48-unit apartment housing development. The building is proposed to have 2 studios, 24 one-bedroom units, and 22 two-bedroom units.

The proposed development would be owned and operated by the non-profit Okanagan Metis & Aboriginal Housing Society who also operate the adjacent townhome development at 115 Kneller Road and adjacent apartment building at 150 Kneller Road. 15 of the units would be rented at market rents and the other 33 units would be non-market affordable or rent-geared-to-income units which would be offered at rates that are below market rents. The non-market units would be guaranteed through an operating agreement with BC Housing, which is a condition of receiving BC Housing funding for the project.

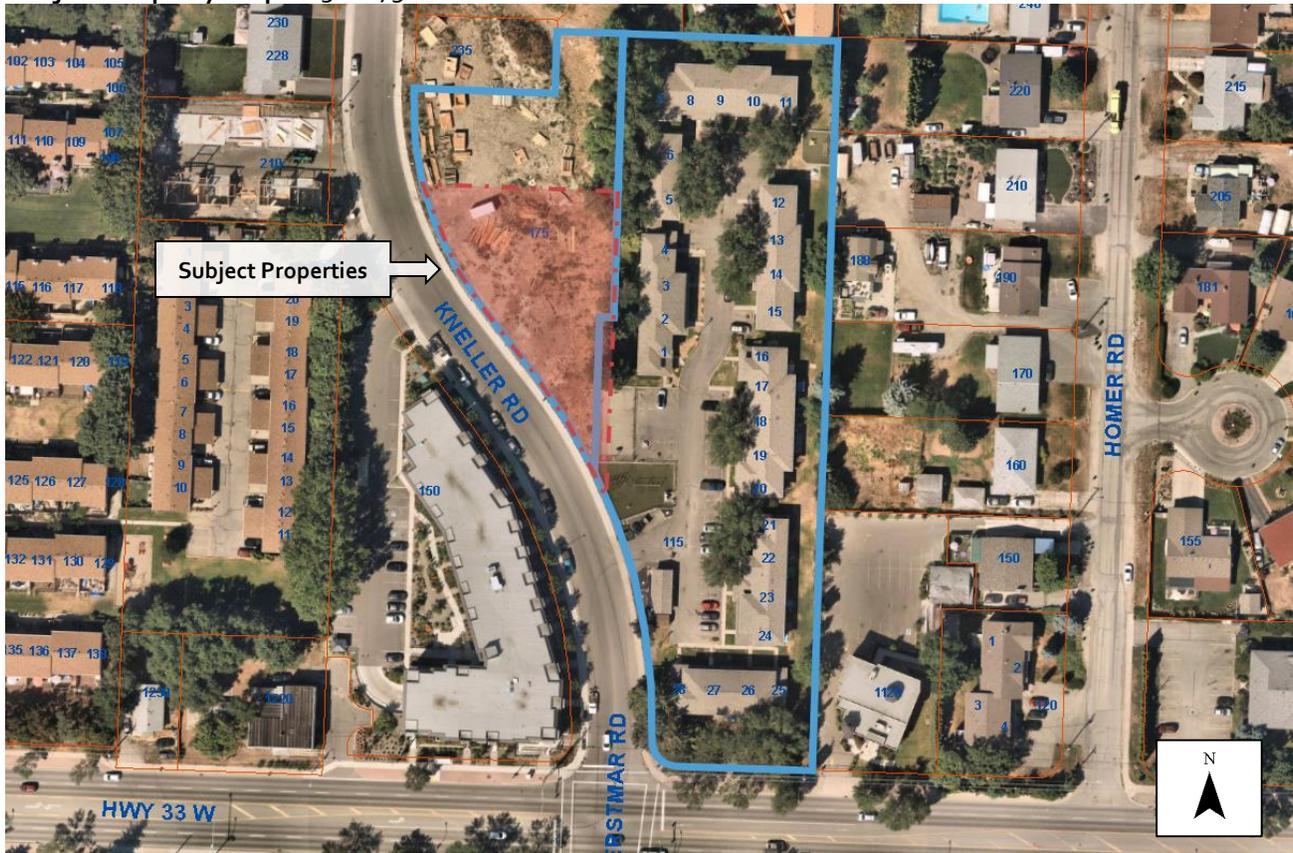
4.2 Site Context

The subject properties are located on Kneller Road, north of the intersection with Highway 33, approximately two blocks from the Rutland Urban Centre. The surrounding neighbourhood includes apartment housing, townhouses, duplexes, and single family homes. Highway 33, immediately south, is a Transit Supportive Corridor with transit stops at the intersection with Kneller Road. Houghton Road, to the north, has an active transportation corridor which connects with the Okanagan Rail Trail.

Specifically, adjacent land uses are as follows:

Orientation	Zoning	Land Use
North	RU1 – Large Lot Housing	Vacant parcel
East	MF2 – Townhome Housing	Townhomes
South	MF2 – Townhome Housing	Apartment Housing
West	MF2 – Townhome Housing	Townhomes & Apartment Housing

Subject Property Map: 115 & 175 Kneller Rd



5.0 Current Development Policies

5.1 Kelowna Official Community Plan (OCP)

Objective 5.3 Design residential infill to be sensitive to neighbourhood context.	
Policy 5.3.2 Transition from Transit Supportive Corridors	Provide a transition area allowing for 3-4 stories in height, as outlined in Figure 5.3, serving as a transition from the medium density development along the Transit Supportive Corridors and lower density residential areas in the Core Area. Encourage ground-oriented residential such as stacked townhouses and bungalow courts with setbacks that respect adjacent lower density residential areas. Discourage commercial uses in the transition zone. <i>The development is in the transition zone from the Transit Supportive Corridor (Hwy 33) and is proposed to be 5 storeys in height.</i>
Objective 5.12 Protect citizens from displacement due to Core Area development.	
Policy 5.12.1 Housing with Supports	Prioritize the development of subsidized housing and housing with supports in the Core Area in addition to the Urban Centres, particularly near employment, public transit, services and amenities. Promote acceptance to the community for these supports, services and the citizens that are using them. <i>The proposed development is subsidized housing near Highway 33, transit stops, and the Rutland Urban Centre.</i>

6.0 Technical Comments

6.1 Development Engineering Department

- See Attachment A

7.0 Application Chronology

Date of Application Accepted: March 2, 2022

Date Public Consultation Completed: November 7, 2022

Report prepared by: Mark Tanner, Planner II

Reviewed by: Lydia Korolchuk, Urban Planning Manager

Reviewed by: Terry Barton, Development Planning Department Manager

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

Attachments:

Attachment A: Development Engineering Memo

Attachment B: Site Layout

Attachment C: Community Engagement Summary Report

Map A: Zoning Amendment Z22-0014