

REPORT TO COUNCIL



Date: July 25, 2022

To: Council

From: City Manager

Department: Development Planning

Application: Z22-0032

Owner: CORONATION HOLDINGS LTD., INC. NO. BC1299864

Address: 555 to 659 Coronation Ave

Applicant: Brian Quiring - MQN Architects

Subject: Early Consideration of Rezoning Application

Existing OCP Designation: UC – Urban Centre

Existing Zones: RU2 – Medium Lot Housing
RU2c – Medium Lot Housing with Carriage House

Proposed Zone: C7 – Central Business Commercial

1.0 Recommendation

THAT Rezoning Application No. Z22-0032 to amend the City of Kelowna Zoning Bylaw No. 8000 by changing the zoning classification of the properties identified in Schedule A from the RU2 – Medium Lot Housing zone and the RU2c – Medium Lot Housing with Carriage House zone to the C7 – Central Business Commercial zone NOT be considered by Council.

2.0 Purpose

To review a Staff recommendation to NOT rezone the subject properties that would facilitate a mixed-use development.

3.0 Development Planning

Development Planning Staff are not supportive of the application to redevelop the 16 properties on the south side of Coronation Avenue to facilitate a mixed-use tower/podium development. The concerns are related to both the proposed tall building heights and high density that are proposed at this location. The 2040 Official Community Plan (OCP) provides building height policy for the subject properties in the 12-storey category as indicated on Map 4.1 Downtown Building Heights. The proposal, as submitted, significantly deviates from this plan.

In recognition of the high level of civic responsibility and obligation that tall buildings carry, the OCP height policy direction in the Downtown was to concentrate the greatest amount of height and density along designated corridors. This includes east/west along Leon Ave and Lawrence Ave and on Bernard Avenue from Ellis Street to Richter Street, and north/south for the properties between Ellis Street and St Paul Street resulting in a more focused area for tall towers. These policies are based on the premise that tall buildings are desirable in the right places, but do not belong everywhere.

The project proposes three towers with heights of 33, 27 and 20 storeys with parking provided through a large multi-level above-ground podium at a project density of 6.0 FAR. Based on the above, this proposal should have a reduced height and density as it is adjacent to St. Paul Street and extends along Coronation Avenue. In this context, the proposal does not integrate well to the predominantly lower density residential area to the east and south of the project site. It takes up too much vertical space for something that could be achieved with much less height. Further, the height and density triggers the need for a substantial parking podium which will impact the public realm and the experience at the street level. The draft new Zoning Bylaw No. 12375 regulates this property to a more reasonable density of 3.3 FAR. Tall buildings are not the only answer to achieving density especially if the project undermines the character, liability, social fabric, and policy framework of the City.

An Alternate Recommendation (Section 7.0) has been provided for Council's consideration. Should Council support this Alternate Recommendation, Staff would need to determine the best way for this development application to proceed. Staff would evaluate if this should be handled as a special development right through a site-specific text amendment to the UC₁ – Downtown Urban Centre zone, to allow for greater height and density, or through the development of a Comprehensive Development (CD) Zone.

4.0 Proposal

4.1 Background

The Early Consideration process was incorporated into the Development Application and Heritage Procedures Bylaw No. 12310 in May, 2021. The intent of this process was to receive direction from Council to modify the application process for complex projects when a proposal pushes the boundaries of what City policy and Planning Staff are able to support.

Planning Staff worked with the applicant during several pre-application discussions, as well as providing formal feedback following file circulation. The applicant chose to move forward with early consideration of the original proposal.

4.2 Project Description

Detailed Development Permit drawings must be submitted. Currently, the preliminary proposal is for three towers, which are 33 storeys, 27 storeys and 20 storeys in height. The tallest tower is proposed at St Paul Street and the height decreases from the west to the east end of the site. It includes approximately 708 units, with a proposed FAR of 6.0. Parking would be contained above-ground within a podium. The proposal includes commercial uses, a hotel, market condo, and rental units. The applicant's rationale and proposal details have been included as Attachment B.

4.3 Application Considerations

Should Council support the Alternate Recommendation, staff would allocate time to process the file and bring forth the necessary bylaws for Council's consideration. The following items will be reviewed through the application process:

Zoning Analysis

The height provisions under the draft Zoning Bylaw No. 12375 would permit development with a base height of 12 storeys. Bonuses would allow an additional 3 storeys to a maximum of 15 storeys with a public amenity streetscape payment. A height variance would be required to achieve the 33 storeys proposed. Refer to Map 4.1, included as Attachment A for reference.

The maximum FAR will be 3.3 with an additional 0.5 FAR possible through density bonusing program. The proposed density for this project is 6.0, which far exceeds the maximum allowed (3.8 with bonusing). To provide some context of what this means, the Brooklyn/Bertram Block development has an FAR of 6.0 with building heights of 36, 26 and 18 storeys. The former RCMP site (350 Doyle Ave) is proposing a height of 25 storeys with an FAR of 4.4.

The significant height and density will need either a site-specific text amendment to the Zoning Bylaw or the development of a new Comprehensive Development Zone.

Massing and Visual Impact

A Development Permit application would be submitted by the applicant at a later date. This would be evaluated by Staff against Form and Character Design Guidelines in the 2040 Official Community Plan. Specifically, as this proposal is in excess of what the OCP or Zoning Bylaw foresees in both height and density, a shadow impact study would be required although it is difficult to foresee how any mitigation to the public realm or neighboring projects could be achieved.

Road Dedication and Improvements

Frontage improvements would be required on Coronation Ave, St. Paul Street, as well as laneway improvements and dedication. All vehicular access would only be permitted from the laneway.

Traffic Impact Assessment

The proposal requires a City-led Traffic Impact Assessment (TIA). Outcomes of this TIA may result in traffic-related improvements or requirements. This would be required to include considerations for public transit as well as pedestrian and cyclist network connectivity.

Utilities

The subject properties all currently have individual services. The applicants civil and mechanical consultants would need to determine the requirements for domestic water and fire protection, and a storm water management plan for the proposal. A sanitary downstream analysis from the development to the Raymer Road Treatment Plant would also be required.

As the project is located within the City Centre Urban Centre, all Fortis service connections would need to be installed underground and must be coordinated with telephone and cable transmission companies.

A detailed memorandum outlining all Development Engineering requirements would be brought forward at the time an application is considered by Council.

Parks and Buildings Planning

With an estimated 708 units proposed, sufficient private amenity space would be required onsite. Specifically, on the podium level, to alleviate projected user demands on local neighbourhood parks and open spaces that are currently overused in the neighbourhood. These amenities should include playground elements, social gathering/ picnic areas, and passive recreational open space for children, families, seniors and visitors to enjoy. The details of on-site landscaping would be evaluated as part of a Development Permit application.

Neighbourhood Notification and Public Information Session

The applicant would be required to complete neighbourhood notification and host a public information session to satisfy requirements established in Council Policy No. 367. Generally, public input should be considered for incorporation in the final Development Permit submission.

4.4 Site Context

The 16 subject properties are located on the south side of Coronation Ave, between St. Paul St and Richter St. The development site is within the Downtown Urban Centre and is somewhat walkable (Walk Scores between 67 and 72).

Specifically, adjacent land uses are as follows:

| Orientation | Zoning | Land Use |
|--------------------|---|---|
| North | RU ₂ – Medium Lot Housing | Single Dwelling Housing |
| East | RU ₂ – Medium Lot Housing | Single Dwelling Housing |
| South | RM ₄ – Transitional Low Density Housing RU ₂ – Medium Lot Housing RU _{2c} – Medium Lot Housing with Carriage House C ₇ – Central Business Commercial | Multiple Dwelling Housing Single Dwelling Housing Single Dwelling Housing with Carriage House |
| West | C ₃ – Community Commercial I ₂ - General Industrial | Temporary Shelter Services Participant Recreation Services, Indoor General Industrial |

Subject Property Map: 555 Coronation Ave to 659 Coronation Ave



5.0 Current Development Policies

5.1 Kelowna Official Community Plan (OCP)

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| Objective 4.1 Strengthen the Urban Centres as Kelowna's primary hubs of activity | |
| Policy 4.1.2 Urban Centre Hierarchy | <p>Focus the greatest intensity of uses and scale of development Downtown in recognition of its role as the largest Urban Centre. Scale development in other Urban Centres in accordance with Figure 4.1 and based on their anticipated context, supporting infrastructure and amenities.</p> <p><i>The subject properties are located within the Downtown Urban Centre, where the OCP envisions the greatest intensity of uses and scale of development on key corridors. This proposal is on a street that should be providing a transition down in height to the adjacent residential neighbourhood.</i></p> |
| Objective 4.4 Reinforce Downtown as the Urban Centre with the greatest diversity and intensity of uses in the City | |
| Policy 4.4.2 Downtown Skyline | <p>Support development Downtown that is generally consistent with Map 4.1 to accomplish the following:</p> <ul style="list-style-type: none"> • Tapering of heights from taller buildings in the centre of Downtown to lower buildings towards Okanagan Lake and adjacent Core Area Neighbourhoods; • Preservation of the existing form and character of historic Bernard Avenue and other heritage sites; • Consistency with the objectives of the Civic Precinct Plan; and • The development of taller buildings that incorporate distinct architectural features in strategic locations near Okanagan Lake. <p><i>This proposal includes three towers with heights that are not consistent with Map 4.1.</i></p> |
| Objective 4.4 Reinforce Downtown as the Urban Centre with the greatest diversity and intensity of uses in the City | |
| Policy 4.4.3. Taller Downtown Buildings | <p>With due consideration of the objectives of Policy 4.4.2, consider support for development that is higher than the heights outlined in Map 4.1 where the proposal contains significant benefit to Kelowna citizens, including some or a combination of the following:</p> <ul style="list-style-type: none"> • An affordable, supportive and/or rental housing component that further advances Urban Centre housing objectives; • A significant public amenity that supports the fostering of more inclusive and socially connected Urban Centres, such as parks, public spaces, schools, post-secondary institutions or childcare facilities; • Offsite considerations, including enhanced streetscapes, provision of Active Transportation Corridors, tree canopy protection and enhancement, or green infrastructure within the road right of way; • Smaller tower floorplates to mitigate the impact on views and shadowing; and/or • Outstanding and extraordinary architectural design. <p><i>This proposal includes some rental units, and the full unit composition would be finalized as part of a detailed development permit application.</i></p> |

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| Objective 4.9 Transition sensitively to adjacent neighbourhoods and public spaces | |
| Policy 4.9.2 Transitioning to Core Area Neighbourhoods | Use height and scale to ensure that buildings avoid height cliffs and shadowing, transitioning gradually to adjacent Core Area Neighbourhoods. <i>This development proposal does step down from west to east, as towers transition from 33 storeys to 20 storeys in height, however adjacent properties to the east (at Coronation Ave and Richter St) are identified on Map 4.1 Downtown Building Heights, as being a maximum of 6 storeys in height.</i> |
| Objective 4.9 Transition sensitively to adjacent neighbourhoods and public spaces | |
| Policy 4.9.3 Shadowing Impacts | Use height and scale to minimize the shadowing impacts of mid-rise and high-rise buildings on adjacent parks, public spaces and high streets. <i>A detailed shadow study of the development proposal would need to be completed, to help understand shadowing impacts of this proposal on adjacent parks and public spaces.</i> |
| Objective 4.17 Create Urban Streets that are attractive to live, work and shop on | |
| Policy 4.17.2 High Streets | Animate the pedestrian realm by creating high streets and retail streets that are attractive destinations, as outlined in Maps 4.2, 4.4, 4.6, 4.8 and 4.10., attracting people and activity throughout the year. <i>For this development proposal, Map 4.2 Downtown Street Character identifies that portion of St. Paul Street as a Mixed Street and Coronation Ave as a Residential Street. The OCP defines Mixed Street to be "a street located in an Urban Centre where both commercial or residential uses would be supported at grade with primarily residential uses being supported above grade." For this proposal, there is currently a restaurant and hotel proposed above grade in the 33 storey tower. Staff feel that a hotel is an intensive use, and is not appropriate at this location, resulting in commercial uses bleeding into residential areas.</i> |

6.0 Application Chronology

Date of Application Accepted: May 4, 2022

7.0 Alternate Recommendation

THAT Council directs Staff to process the development application in accordance with the standard application processes as outlined in the Development Application and Heritage Procedures Bylaw No.12310.

Report prepared by: Kimberly Brunet, 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:

Schedule A – List of Properties

Attachment A: OCP Map 4.1 – Downtown Building Heights

Attachment B: Project Rationale