

REPORT TO COUNCIL DEVELOPMENT PERMIT & DEVELOPMENT VARIANCE PERMIT



Date: June 17, 2025
To: Council
From: City Manager
Address: 115 & 165 Kneller Road
File No.: DP23-0245 DVP23-0246
Zone: MF3r – Apartment Housing Rental Only
MF2 – Townhouse Housing

1.0 Recommendation

THAT Rezoning Bylaw No. 12463 be amended at third reading to revise the legal description of the subject properties from:

- Portions of Lot 1 Section 27 Township 26 ODYD Plan EPP63257 located 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 115 Kneller Road, Kelowna, BC;

to Portions of Lot B Section 27 Township 26 ODYD Plan EPP137707 located 165 Kneller Road, Kelowna, BC as shown on Map "A1" attached to the Report from the Development Planning Department dated June 17, 2025;

AND THAT final adoption of Bylaw No. 12463 be considered by Council;

AND THAT Council authorizes the issuance of Development Permit No. DP23-0245 and Development Variance Permit No. DVP23-0246 for Lot B Section 27 Township 26 ODYD Plan EPP137707, located at 165 Kneller Road, Kelowna, BC and Parcel A (Plan B1566) of Lot 4 Section 27 Township 26 ODYD Plan 426 Except Plans 39686 and EPP137707, located at 115 Kneller Road, 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 amount of 125% of the estimated value of the Landscape Plan, as determined by a Registered Landscape Architect;

AND THAT variances to the following sections of Zoning Bylaw No. 12375 be granted:

Table 8.2.7.b – Ratio of Parking Space Sizes

To vary the ratio of parking space sizes from a minimum of 50% regular sized stalls permitted to 27% regular sized stalls proposed and a maximum of 50% small size stalls permitted to 73% small size stalls proposed.

Table 8.3 – Required Residential Off-Street Parking Requirements

To vary the minimum number of off-street parking spaces from 62 stalls required to 26 stalls proposed.

Section 13.6 – Multi-Dwelling Zones, Density and Height Development Regulations

To vary the maximum building height from 4 storeys permitted to 5 storeys proposed.

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

AND THAT the applicant be required to register an easement on the title of the subject properties to provide access to the designated parking stalls, waste & recycling enclosure, and vehicle access in order for the permits to be issued;

AND FURTHER THAT this Development Permit 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 the form and character of apartment housing and a Development Variance Permit to vary the ratio of parking space sizes, the required residential off-street parking requirements, and maximum height.

3.0 Development Planning

Staff support the proposed Development Permit and Development Variance Permit for the form and character of rental apartment housing. The proposal aligns with the Official Community Plan (OCP) Form and Character Design Guidelines for Low & Mid-Rise Residential Development. Key guidelines that are met include:

- Orienting primary building facades and the main entry to the street, with ground-oriented residential units;
- Stepping back the upper storey of the building to reduce the perceived massing;
- Locating off-street parking away from public view, in an underground parkade.
- Providing attractive, engaging, and functional on-site open spaces.

In conjunction with the redevelopment of 165 Kneller Road with a new apartment building, the applicant is also reconfiguring the parking, landscaping, and amenity space on the adjacent property at 115 Kneller Road. These changes are also subject to this Development Permit. Access to the underground parkade will be provided from the existing drive aisle on the adjacent property. Due to a surplus of parking stalls at 115 Kneller Road, three parking stalls on that property, including one accessible stall, will be dedicated for the use of the new apartment building.

Proposed materials primarily consist of blue, white, and grey fibre cement panels and lap siding. Common amenity space includes an indoor lounge, play area with playground equipment, a dog run, and outdoor seating. 16 new trees will be planted around the perimeter of the site.

Parking Variances

The applicant is proposing two variances to the required parking on-site. This includes a variance to the overall number of parking stalls from 62 stalls to 26 stalls, and a variance to allow 27% regular sized stalls and 73% small stalls instead of minimum 50% regular sized stalls and maximum 50% small stalls.

The applicant has submitted a substantial parking rationale in support of the proposed variance (Attachment D). The property owner owns and operates a rental apartment building located 150 Kneller Road and a rental townhouse development at 115 Kneller Road, directly adjacent to the new apartment building. This allows the owner to operate parking as a comprehensive unit, rather than several separate entities.

Two parking surveys completed by the owner in 2020 and 2023 found that, on average, 72% of the parking stalls at 150 Kneller Road are unoccupied (81 stalls). This surplus capacity provides more than the necessary number of parking stalls to meet the minimum requirements for the proposed development.

The applicant has also identified that the parking for the townhouses at 115 Kneller Road is significantly underutilized, and above the minimum requirements for the existing development. As such, the applicant has identified the opportunity to dedicate 3 parking stalls at 115 Kneller Road to the new building at 165 Kneller Road. These stalls are in addition to the 26 stalls located on site.

Given that the resident makeup of the new building is expected to be very similar to the adjacent properties that are owned and operated by the same non-profit, it is reasonable to expect that the residents would have a similar lack of demand for vehicle parking. This is further reinforced by the property's location within two blocks of the Rutland Urban Centre, containing a variety of commercial services and employment. There are bus stops on Highway 33 W within 130 m of the subject property served by bus routes 8, 10, and 98 providing direct service to the Rutland Urban Centre, Downtown Urban Centre, UBCO, Okanagan College, and Orchard Park. Immediately north, an Active Transportation Corridor on Houghton Road provides a direct, protected bicycle route between the Rutland Urban Centre and the Rail Trail.

Height Variance

The applicant is proposing a height variance from four storeys to five storeys. The height of the building is 17.8 m, which meets the 18.0 m maximum height in the MF3r zone.

When the applicant submitted the Development Permit application in December 2023, the maximum permitted height for the MF3r zone on a property that was not adjacent to a property zoned Suburban Residential was 22.0 m and 6 storeys. As a result of the City updating the Zoning Bylaw in early 2024, the maximum base height in the MF3r zone was reduced to 4 storeys and 18.0 m for properties not adjacent to a Transit Supportive Corridor. This change reduced the permitted height on the subject property from 6 storeys to 4 storeys.

Staff support the proposed variance given the following considerations:

- The building was designed and the application submitted in late 2023 prior to the City's Zoning Bylaw changes in early 2024;
- The variance is only for the number of storeys, and not the allowable overall height of 18.0 m;
- The additional storey meets the stepback requirement in the Zoning Bylaw and the building meets the City's OCP Design Guidelines.

4.0 Subject Property & Background

4.1 Subject Property Map



The subject property is located on Kneller Road between Highway 33 W and Houghton Road, two blocks to the west of the Rutland Urban Centre. Highway 33 W is a Transit Supportive Corridor, with transit stops located 130 m from the subject property. Houghton Road has an Active Transportation Corridor, which connects to the Rutland Urban Centre and the Rail Trail.

5.0 Zoning Bylaw Regulations Summary

AREA & UNIT STATISTICS	
Gross Lot Area	2023 m ²
Total Number of Units	48
Bachelor	1
1-bed	28
2-bed	16
3-bed	3

DEVELOPMENT REGULATIONS		
CRITERIA	MF3r ZONE	PROPOSAL
Total Maximum Floor Area Ratio	2.1	1.44
Base FAR	1.8	
Bonus FAR (Rental)	0.3	
Max. Site Coverage (buildings)	65%	41%

Max. Site Coverage (buildings, parking, driveways)	85%	62%
Max. Height	18.0 m & 4 storeys	17.8 m & 5 storeys ❶
Base Height	18.0 m & 4 storeys	
Setbacks		
Min. Front Yard (west)	3.0 m	4.5 m
Min. Side Yard (north)	3.0 m	3.0 m
Min. Side Yard (east)	3.0 m	3.0 m
Min. Rear Yard (northeast)	4.5 m	>4.5 m
Step backs		
Min. Fronting Street (west)	3.0 m	3.0 m
Amenity Space		
Total Required Amenity Space	902.5 m²	909 m²
Common	192 m ²	327.9 m ²
Landscaping		
Min. Number of Trees	6 trees	16 trees
Min. Large Trees	4 trees	8 trees
❶ Indicates a requested variance to maximum height from 18.0 m and 4 storeys to 17.8 m and 5 storeys.		

PARKING REGULATIONS		
CRITERIA	MF3r ZONE REQUIREMENTS	PROPOSAL
Total Required Vehicle Parking	62 stalls	26 stalls ❷
Residential	62	
Visitor	7	
"r" Subzone Reduction	-7	
Ratio of Regular to Small Stalls	Min. 50% Regular Max. 50% Small	27% Regular ❸ 73% Small ❸
Bicycle Stalls Short-Term	6 stalls	6 stalls
Bicycle Stalls Long-Term	37 stalls	37 stalls
Bonus Stalls Provided for Parking Reduction	n	n
Bike Wash & Repair	y	y
❷ Indicates a requested variance to the minimum number of parking spaces from 62 stalls to 26 stalls (with 3 additional stalls located off site).		
❸ Indicates a requested variance to the ratio of parking space sizes from a minimum of 50% regular sized stalls to 27% regular sized stalls and a maximum of 50% small size stalls to 73% small sized stalls.		

6.o Application Chronology

Application Accepted: December 15, 2023
 Neighbour Notification Received: March 7, 2024

Report prepared by: Mark Tanner, Planner Specialist
Reviewed by: Carla Eaton, Development Planning Manager
Reviewed by: Nola Kilmartin, Development Planning Department Manager
Approved for Inclusion: Ryan Smith, Divisional Director, Planning & Development Services

Attachments:

Attachment A: Draft Development Permit DP23-0245 and Development Variance Permit DVP23-0246

Schedule A: Site Plan & Floor Plans

Schedule B: Elevations & Sections

Schedule C: Landscape Plan

Attachment B: OCP Form and Character Development Permit Guidelines

Attachment C: Renderings

Attachment D: Applicant's Parking Variance Rationale

Map A: Zoning Amendment Z22-0014

For additional information, please visit our Current Developments online at www.kelowna.ca/currentdevelopments.