

REPORT TO COUNCIL



Date: July 17th 2017

RIM No. 0940-00

To: City Manager

From: Community Planning Department (AC)

Application: DP14-0204-01 **Owner:** Georg-Michael Holzhey Ltd

Address: 205 Lougheed Rd **Applicant:** Watermark Ventures Ltd. / Ed Grifone

Subject: Development Permit

OCP Designation: IND-T Industrial Transitional

Existing Zone: CD25 – Light Industrial / Residential Mixed Use Zone

1.0 Recommendation

THAT Council authorizes the issuance of Development Permit No. DP14-0204-01 for Lot A, Section 2, Township 23, ODYD, Plan KAP84518, located at 205 Lougheed Rd, 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 form of a "Letter of Credit" in the amount of 125% of the estimated value of the landscaping, as determined by a Registered Landscape Architect;

AND THAT the outstanding conditions of approval as set out in Attachment "A" attached to the Report from the Community Planning Department dated June 27 2017 be completed prior to Building Permit issuance.

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

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

2.0 Purpose

To review the Form & Character Development Permit of a mixed-use (9-unit residential & 9-unit industrial) development.

3.0 Community Planning

3.1 Development Permit

Staff are recommending support for the proposed Development Permit due to the proposal's consistency with the majority of the Official Community Plan's (OCP) urban design guidelines. The applicant has worked with City staff to refine the proposal multiple times. When the CD-25 zone was adopted in 2014, Staff noted the Development Permit needed a number of improvements to meet minimum standards. The two main issues were:

- Minimum distance to residential units for fire department access.
- Maximum turning radius for fire department driveway access.

The design now meets the minimum requirements of the BC Building Code and the Fire Department's access requirements. The Official Community Plan (OCP) designates the subject property as Industrial – Transitional (IND-T) which fits the proposed land uses (mixed residential and industrial). Further, the project meets the purpose of the CD25 zone (stated below):

The intent of this zone is to permit a mixed light industrial and residential use development. The development will consist of residential uses in combination with small light industrial uses to be contained in the same structure. The purpose for this zone is to provide for a transition between the adjacent residential on one side and the light industrial on the other side. This strategic use of the site allows a residence in close proximity to a superior class of clean industrial and office space where compatibility amongst all uses is paramount.

In addition, there is OCP policy outlining the provision of live/work spaces in mixed-use industrial / residential projects. While the applicant is not specifically providing live/works units, the applicant will be owning the entire property and managing the residential tenants and industrial leases. All the residential and industrial units will have separate entrances. There is the potential that residents could use the bottom industrial units as an effective live/work situation but each unit is not designed to make that the de facto situation.

The other design concern is the parking situation. In previous designs, each residential unit had access to a single car garage through a lane that went to the rear of the property. In order to meet minimum firefighting standards the principal entrance into each residential unit could not be accessed from the rear of the building. Therefore, the principal entrances were switched to the front of the building but this eliminated the parking garages to the rear. The surface parking area located to the south of the building will be allocated for residential parking. The applicant, as the property owner, feels they can effectively manage the parking and prevent any potential conflicts between industrial and residential parking needs.

As per the Council endorsed moratorium (approved June 30th 2015) no other mixed-use residential and industrial projects will be supported until Staff can monitor the results of this pilot project and report back to Council. Specifically, what Staff will be looking at in order to determine success or failure of this pilot project is:

- Whether the approved land uses within the CD25 zone are appropriate and the two land uses (residential & industrial) operate harmoniously.
- Whether live / work units should be required for future projects or whether separate industrial owners and residential tenants can coexist and manage the potential conflicts between themselves.
- Whether residential parking needs to have its own parking stall adjacent to the residential unit or whether separated residential parking is a tolerable situation to both land users (residential & industrial).

4.0 Proposal

4.1 Project Description

The proposed building is 2 storeys tall, with 9 unit residential units on the upper floor and 9 industrial units on the bottom floor. The site access will be from Lougheed Road. The project will provide for 52 surface parking stalls.

4.2 Background

The applicant went through a rezoning, OCP amendment, and Text Amendment process in 2014 in order to create a new custom residential mixed-use industrial zone. The City of Kelowna engaged in a Housing Strategy prior to 2010 which lead to transitional industrial policies being added into the 2010 Official Community Plan. The recommendation stated:

"Housing as Secondary to Light Industrial: Create policy to explore limited expansion of housing options as secondary uses in light/transitional industrial areas."

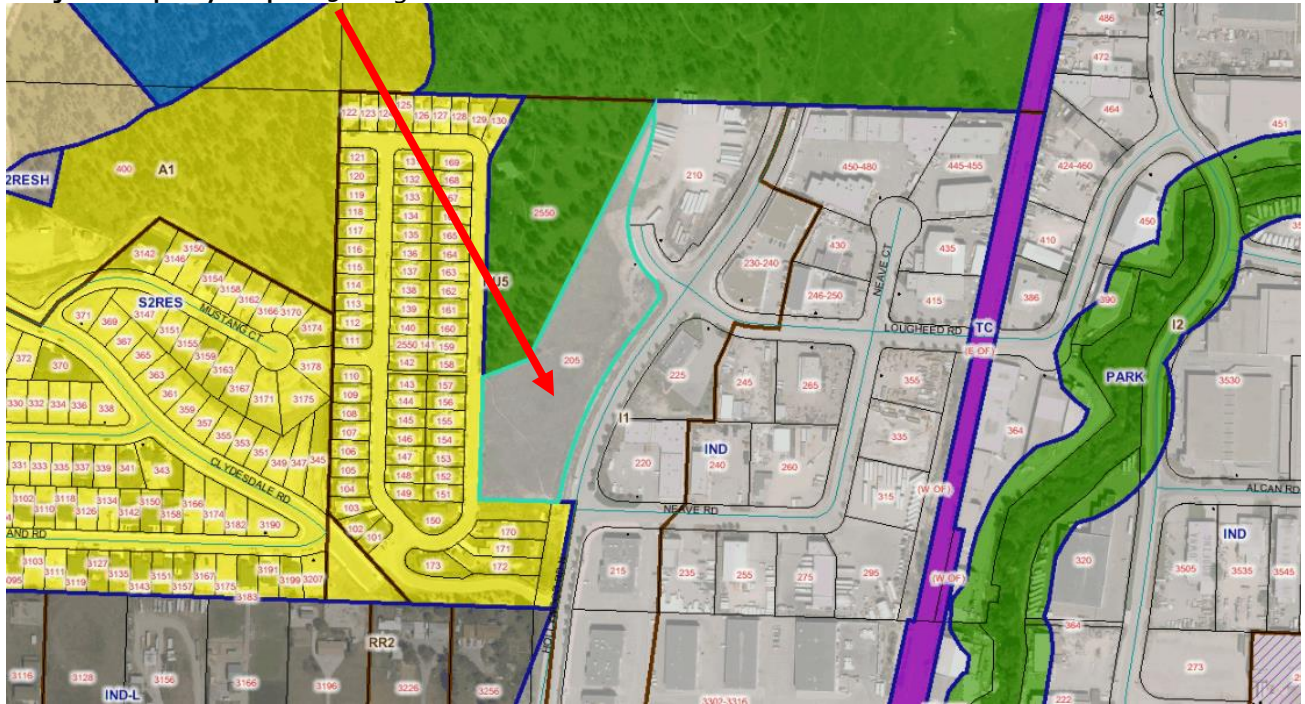
This policy was thought to be a way to create housing that may be less costly but attractive to specific populations like young working people and students. This recommendation was adopted into the Official Community Plan as Policy 5.29.2, Secondary Housing in Light Industrial Areas, supports consideration of "limited expansion of housing as a secondary use within industrial buildings in light or transitional industrial areas." The OCP's future land use designation definition of Industrial (IND) states that it may also include Comprehensive Development (CD) zoning that provides for industrial uses. The CD-25 zone was a culmination of these processes and was adopted by Council in 2014. At the time, Staff concluded that the overall intent of this application is generally consistent with OCP policy but recommended no further mixed residential / industrial projects be approved until an evaluation of how successful this project is at managing the residential and industrial land uses. Overall, industrial policies support the protection of industrial lands. Adding residential should be complimentary to the goal and not threaten the viability of existing and future industrial operations.

4.3 Site Context

The site is approximately 15,898 m² in area and is located within an Industrial area. The subject parcel is located adjacent to the College Heights bareland strata housing development. The subject property is designated as Industrial (IND) in the OCP and the lot is within the Permanent Growth Boundary. Specifically, the adjacent land uses are as follows:

Orientation	Zoning	Land Use
North	RU5 – Bareland Strata Housing I1 – Business Industrial	Vacant Industrial
East	I1 – Business Industrial	Industrial
South	RU5 – Bareland Strata Housing I1 – Business Industrial	Residential Industrial
West	RU5 – Bareland Strata Housing	Residential

Subject Property Map: 205 Lougheed Ave



4.4 Zoning Analysis Table

Zoning Analysis Table		
CRITERIA	CD25 ZONE REQUIREMENTS	PROPOSAL
Development Regulations		
Height	14.0 m	11.2 metres / 2 storeys
Front Yard (North)	10.0 m	3.6 m

Zoning Analysis Table		
CRITERIA	CD25 ZONE REQUIREMENTS	PROPOSAL
Side Yard (East)	25.0 m	25.0 m
Side Yard (West)	11.5 m	12.4
Rear Yard (South)	41.0 m	85.45 m
Site coverage of buildings	50%	31.7 %
FAR	0.2 max	0.198
Parking Regulations		
Minimum Parking Requirements	50 parking stalls	52 parking stalls
Minimum Bicycle Parking Requirements	Class 1: 5 Class 2: 7	Class 1: 9 bikes Class 2: 7 bikes

5.0 Current Development Policies

5.1 Kelowna Official Community Plan (OCP)

Chapter 5: Development Process

Industrial - Transition.¹ Light industrial and residential uses located in areas as a transition between industrial and residential that must include provision for residential use as live / work space. Generally the residential component would be adjacent to nearby residential uses and the industrial component would be adjacent to nearby industrial uses

Chapter 14: Transitional Industrial Design Guidelines Development Process²

18.1	Industrial development adjacent to residential land uses must be planned, landscaped and screened to maintain the privacy of residential uses.
18.2	Where new industrial development is occurring adjacent to residential uses, window openings shall be placed to reduce the opportunity for overlook and be off set from residential windows.
18.3	Unfinished concrete block shall not be used as an exterior building material for principal facades or where the façade faces a residential land use.
18.4	Where loading doors face the street, they shall be set back from the main building plane.
18.5	The primary entrance of the main building on site should face the roadway.
18.6	Where security concerns limit windows and other openings, building design should employ other design techniques to avoid creating long blank walls.
18.7	Rooftop screening of mechanical and electrical equipment must be provided using materials consistent with the treatment of principal facades.
18.8	All lighting shall be oriented facing the site, pointed in a downward direction and constructed at the lowest practical elevation to minimize light trespass over surrounding properties.
18.9	Tall, broadcast or flood lights are not permitted.
18.10	Where possible, parking and outdoor storage should be located behind buildings or other

¹ City of Kelowna Official Community Plan, Policy 5.2.3 (Development Process Chapter).

² City of Kelowna Official Community Plan, Chapter 14 Urban Design Development Permit Areas, Guidelines.

	structures. Where parking and storage is not behind buildings, it must be screened with landscaping or fencing.
18.11	Unpaved parking and storage surfaces should be made dust free through design or treatment.

6.0 Technical Comments

6.1 Building & Permitting Department

- 1) Development Cost Charges (DCC's) are required to be paid prior to issuance of any Building Permit(s).
- 2) Placement permits are required for any sales or construction trailers that will be on site. The location(s) of these are to be shown at time of development permit application.
- 3) HPO (Home Protection Office) approval or exemption is required at time of Building Permit application.
- 4) A Hoarding permit is required and protection of the public from the staging area and the new building area during construction. Location of the staging area and location of any cranes should be established at time of DP.
- 5) Fire Department access to site, turn a rounds requirement for equipment, travel distance from the truck access to the front doors of the units and private hydrant locations if required are to be verified with Kelowna Fire Department.
- 6) A Building Code analysis is required for the structure at time of building permit applications, but the following items may affect the form and character of the building(s):
 - i. Any alternative solution must be accepted by the Chief Building Inspector prior to the release of the Building Permit.
 - ii. Separate permits may be required if these units are to be Strata titles as separate units or occupancy required in phased construction.
 - iii. Location, Heights, Colors of mechanical systems and the required screening are to be determined at time of DP
 - iv. Any security system that limits access to exiting needs to be addressed in the code analysis by the architect.
 - v. Handicap Accessibility to the main floor levels to be provided, ramps may be required & number of H/C suites to be defined. Location of H/C parking is required on the drawings.
 - vi. Hard surfaced paths leading from the egress stairwells to a safe area are to be clearly defined as part of the DP
 - vii. Glazing to meet minimum provincial standards as outline in the Building Code.
 - viii. Access to the roofs are required per NFPA and guard rails may be required and should be reflected in the plans if required
- 7) A Geotechnical report is required to address the sub soil conditions and site drainage at time of building permit application.
- 8) We strongly recommend that the developer have his professional consultants review and prepare solutions for potential impact of this development on adjacent properties. Any damage to adjacent properties is a civil action which does not involve the city directly. The items of potential damage claims by adjacent properties are items like settlement of foundations (preload), damage to the structure during construction, undermining & underpinning of existing foundation, additional snow drift on neighbour roofs, excessive noise from mechanical units, vibration damage during foundation preparation work etc.

- 9) Size and location of all signage to be clearly defined as part of the development permit. This should include the signage required for the building addressing to be defined on the drawings per the bylaws on the permit application drawings.
- 10) An exit analysis is required as part of the code analysis at time of building permit application. The exit analysis is to address travel distances within the units and all corridors, number of required exits per area, door swing direction, handrails on each side of exit stairs, width of exits, spatial calculation for any windows in exit stairs, etc.
- 11) Universal washroom requirements within the CRU areas of the building are to be addressed in the building permit application. This will be addressed at time of building permit application. Washroom requirements for the commercial space of base building are to be addressed in the building permit application.
- 12) Mechanical Ventilation inlet and exhausts vents are not clearly defined in these drawings for the CRU's. The location and noise from these units should be addressed at time of Development Permit.
- 13) Full Plan check for Building Code related issues will be done at time of Building Permit applications. Please indicate how the requirements of Radon mitigation and NAFS are being applied to this complex at time of permit application.

6.2 Development Engineering Department

- See Memo (Attachment 'A') dated May 2nd 2017

6.3 Fortis BC (Electric)

- There are FortisBC Inc (Electric) ("FBC(E)") primary distribution facilities along Hollywood Road. Based on the plans submitted, it is unclear whether adequate space has been provided to accommodate the transformation required to service the proposed development. It is recommended that FBC(E) be contacted as soon as possible to determine servicing and land rights requirements for the proposed design. The applicant is responsible for costs associated with any change to the subject property's existing service, if any, as well as the provision of appropriate land rights where required.
- Otherwise, FBC(E) has no concerns with this circulation.

6.4 Fire Department

- Construction fire safety plan is required to be submitted and reviewed prior to construction and updated as required. Template available online at Kelowna.ca
- Engineered Fire Flow calculations are required to determine Fire Hydrant requirements as per the City of Kelowna Subdivision Bylaw #7900. 225 L/sec is required for fire flows for Industrial properties. Should another hydrant be required on this property it shall be deemed private and shall be operational at the start of construction.
- Fire department connection is to be within 45M of a fire hydrant and the FD connection shall be clearly marked and visible from the street.
- Sprinkler drawings are to be submitted to the Fire Dept. for review when available (sprinkler isolation valves shall be no higher than 7 feet from the ground so as to be accessible).
- A fire safety plan as per section 2.8 BCFC is required at occupancy. The fire safety plan and floor plans are to be submitted for approval in AutoCAD Drawing format on a CD.
- Fire Department access is to be met as per BCBC 3.2.5. – access from Lougheed does not appear to meet the requirements of the BCBC 2012. As well, access to the residential units does

not seem possible for a fire truck. We are required to be within 3-15 metres of the entrance as per the BCBC.

- Approved Fire Department steel lock box or key tube acceptable to the fire dept. is required by the fire dept. entrance.
- All requirements of the City of Kelowna Fire and Life Safety Bylaw 10760 shall be met.
- Fire alarm system is to be monitored by an agency meeting the CAN/ULC S561 Standard.
- Contact Fire Prevention Branch for fire extinguisher requirements and placement.
- A visible address must be posted as per City of Kelowna By-Laws on Lougheed with unit numbers allocated.
- dumpster/refuse container must be 3 meters from structures and overhangs or if in the parking garage, it shall be in a rated room.

7.0 Application Chronology

Date of Application:	January 24 th 2017
Date of Notification Letters:	n/a
Date of Re-submission:	May 30 th 2017

Prepared by:	Adam Cseke, Urban Planner
Reviewed by:	Terry Barton, Urban Planning Manager
Approved for:	Ryan Smith, Community Planning Department Manager

Attachments:

Attachment A - Development Engineering Memo
DP14-0204-01