
CITY OF KELOWNA

MEMORANDUM

Date: December 10, 2002
File No.: TA01-003
To: City Manager
From: Planning and Development Services
Subject: Revisions to the *City of Kelowna Zoning Bylaw, No. 8000*

RECOMMENDATION

THAT Zoning Bylaw Text Amendment No. TA01-003 to amend City of Kelowna Zoning Bylaw No. 8000 provisions for the C7 Zone as outlined in the report of Planning and Development Services Department dated December 10, 2002 be considered by Council;

AND THAT Text Amendment TA01-003 be forwarded to a Public Hearing for further consideration.

BACKGROUND

On January 24, 2000, the *Kelowna Downtown Plan* was endorsed by Council. Simultaneous with that endorsement was direction from Council for Planning and Development Services staff to prepare a draft of proposed revisions to the *City of Kelowna Zoning Bylaw NO. 8000* consistent with the *Kelowna Downtown Plan*, for further discussion with the local development industry.

DISCUSSION

Urban Design

The *Kelowna Downtown Plan* encourages increased building heights over a portion of the Plan area. This increase in height is deemed necessary to facilitate new commercial and residential development consistent with the Plan's vision.

However, the Plan also sets out a direction for a pedestrian-oriented environment that will be aesthetically pleasing and provide a high degree of physical comfort. This direction led staff to investigate zoning amendments that would allow increased heights while:

1. Protecting sunlight access at street level;
2. Mandating building forms that are less likely to generate undesirable wind movements at street level; and
3. Encouraging buildings that contribute to a strong definition of the street as well as have interesting profiles.

Although the current daylighting provisions in the Zoning Bylaw are for the purpose of achieving the above objectives, it was found that the daylighting provisions, when applied to buildings of the proposed height, severely restricted the floor areas of taller buildings. As a result, staff felt that another approach would need to be found.

In response, Planning and Development Services staff investigated various building massings and sunlight angles over different times of the day and year, applied to a number of sites within Downtown. The outcome of this work was the formulation of a preferred building envelope that was less restrictive than the application of the daylighting angle, and was deemed to meet the above criteria.

This preferred envelope has been incorporated into the amendments outlined in Attachment 3. In addition to the proposed amendments that would regulate the building envelope, proposed changes to principal uses, parking and loading, and general regulations are also indicated. (Proposed additions are underlined. Proposed deletions are highlighted with a strikethrough.)

Proposed Changes

The proposed changes are summarized in Attachment 1 and a more complete discussion of the proposed changes is included in Attachment 2. Attachment 3 shows the Zoning Bylaw text amendments that would be required to incorporate the proposed changes.

Stakeholder Consultation

Comments were solicited from the local chapter of the Urban Development Institute in February, 2000 on a preliminary package of proposed changes. As a result of the comments from UDI, one additional change was made to the proposed amendments. This change was to recommend a reduction in the number of loading spaces required for commercial developments in the C7 zone. Staff supported this change, as it was felt to not compromise the intent of the bylaw and would be in the interests of promoting redevelopment within the Central Business District.

The Planning and Development Services Department hosted three focus group sessions with members of the local development industry in June, 2000. The cost implications of requiring a building to step back as it increases in height was noted by some of the participants. Members of the architectural community felt building envelope requirements were not necessary and only serve to compromise quality building design. Generally, however, staff felt the proposed amendments were well-received.

In June 2002, the final package of proposed amendments was forwarded to UDI for formal comment prior to submission to Council for its consideration. Those comments were returned to the Planning Department in a letter dated August 26, 2002.

The letter from UDI states the proposed amendments are “a step in the right direction”. However, the letter goes on to say the proposed amendments need to be much less restrictive in order to encourage development and re-development. The letter says the proposed parking reduction is commendable but insufficient in itself to stimulate development and goes on to recommend a further reduction in the parking and private open space requirements as well as “further incentives” to stimulate Downtown development.

The comments from UDI also address a number of topics, not all of which are directly related to the proposed changes to the C7 zone. These topics include cabaret licenses in the Downtown, the implementation of transportation network initiatives, and possible development in the Kerry Park area.

The comments from UDI are included as Attachment 4. No changes to the proposed amendments were made as a result of the comments received from UDI in its letter dated August 26, 2002.

Economic Assessment

In June 2001, the Planning and Development Services Department engaged G.P. Rollo and Associates to test the implications of the proposed zoning amendments on the economic viability of future projects under the amended C7 zone.

As part of this exercise, Planning staff chose ten sites within the area encompassed by the existing C7 zoning. These sites were chosen as a representative sample of projects in terms of size and location within the study area.

For each concept plan, retail uses were provided at grade, with office and / or residential uses above. Each project was built out to the maximum floor area that would be allowed under the proposed amendments except where this was prevented by parking limitations¹. To more fully explore the options, different proportions of residential and office uses were examined for some sites, as well as the cost of cash-in-lieu versus on-site parking options. This approach resulted in more than one scenario for some sites. The concept designs then generated the numbers to do the economic analysis, e.g., gross floor areas, off-site costs, DCC's, etc., conducted by Mr. Rollo.

Based on the economic analysis, Mr. Rollo determined that the C7 amendments, in the short-term, will neither positively nor negatively impact decisions by developers to invest in the study area. Mr. Rollo concluded, “...there is not sufficient demand to create the revenues that are required to support viable new development of the scale being encouraged by the proposed amendments”. Mr. Rollo also concluded “It could take several years and possibly a decade before there will be sufficient demand to warrant the scale of new downtown development envisaged under the proposed C7 changes and the Downtown Plan.”

¹ The study assumed each residential unit would need at least one parking stall on site. Cash-in-lieu for residential was not considered a viable option. Therefore, some buildings with a residential component did not maximize allowable height because the number of units was limited by the amount of on-site parking.

Mr. Rollo concluded his report saying that the City should proceed with implementation of the proposed C7 amendments: "While downtown development on the scale permitted by the proposed changes...is unlikely to occur for several years, it is recommended that the City adopt the proposed changes. Adoption of the (C7 amendments) will send an important message to property owners, developers and investors, downtown businesses and the public that the City is committed to pursuing the vision of the Downtown Plan."

Mr. Rollo's report has been placed in the Council Reader File. The document is also available to the public through inquiries to the Planning and Development Services Department. The executive summary of Mr. Rollo's report is included with this report as Attachment 5.

SUMMARY

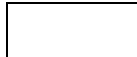
Planning and Development Services submits that the proposed zoning changes will effectively work towards the development of building forms and heights compatible with the *Kelowna Downtown Plan*. Staff acknowledge the measures may be insufficient to spur development under current market conditions and that other actions may need to supplement this initiative. The proposed amendments to the Zoning Bylaw however, are recommended as an important and reasonable way to set the stage for related future actions aimed at stimulating downtown development.

It is therefore recommended that Council amend the *City of Kelowna Zoning Bylaw, No. 8000* as outlined in the Planning and Development Services Department Report of December 10, 2002.

Andrew Bruce
Current Planning Manager

PJM/pm

Approved for inclusion



R.L. (Ron) Mattiussi, ACP, MCIP
Director of Planning & Development Services

Attachments

ATTACHMENT 1:
SUMMARIZED VERSION OF PROPOSED TEXT AMENDMENTS TO ZONING BYLAW NO.
8000

Section 6.1.1 Daylighting Standard

Existing requirement	Proposed	Rationale
Minimum daylighting angle	Building envelope provisions to limit building bulk and regulate a minimum separation of buildings above a height of 15 m.	To maintain the intent of the daylighting provisions but to replace with provisions that are less limiting in terms of the floor areas that can be achieved on the upper floors of taller buildings

Section 8.1/8.2 Parking and Loading

Existing requirement	Proposed	Rationale
Commercial parking- 1.3 stalls per 100 m ² of GFA	Retain commercial requirements; maintain cash-in-lieu provision	
Residential parking- 1 stall per bachelor dwelling 1.25 stalls per 1 bdm. dwelling 1.5 stalls per 2 bdm. dwelling 2 stalls per 3 or more bdms.	Reduce residential requirement to 1 stall per dwelling regardless of number of bdms.; maintain cash-in-lieu provision	The market for Downtown housing is believed to be households without children; it is expected the majority of these households will be comprised of not more than 2 persons and therefore not likely to have more than 1 vehicle.
Commercial loading- 1 stall per 2800 m ² for eating and drinking establishments 1 stall per 1900 m ² for all other commercial uses	Reduce to 1 stall per development	This change made in response to a request from UDI; reduction will help promote development while not compromising the intent of the bylaw.

Section 14.7.2 Principal Uses

Existing Requirement	Proposed	Rationale
34 commercial uses	Retain existing uses; add apartment housing and public education services; change custom indoor manufacturing to custom indoor manufacturing/artists studio	Addition of apartment housing is consistent with the vision of the Downtown Plan for more residential uses in the area; public education services added at the request of the APC to specifically allow such uses; change in wording to custom indoor manufacturing/artists studio complies with the recommendations of the <i>Cultural District Implementation Strategy and Marketing Plan</i> .

Section 14. 7.3 Secondary Uses

Existing Requirement	Proposed	Rationale
5 secondary uses	Delete apartment housing	Included as a principal use

Section 14.7.3 Subdivision Regulations

Existing Requirement	Proposed	Rationale
Min. lot width- 6 m.	To be retained	
Min. lot depth- 30 m	To be retained	
Min. lot area- 200 m ²	To be retained	

14.7.5 Development Regulations

Existing Requirement	Proposed	Rationale
FAR of 5.0	To eliminate the maximum FAR requirement.	Max. FAR would be 12.0
Max. height- lesser of 6 storeys or 22 m.	To retain 22 m generally; increase to 44 m in specified areas	Increased height is consistent with direction of the Downtown Plan
Min. front yard- 0.0 m	To be retained	
Min. side yard- 0.0 m	To be retained	
Min. rear yard- 0.0 m	To be retained	

14.7.6 Other

Existing Requirement	Proposed	Rationale
<p>Private open space: 6.0 m² min. per bachelor dwelling 10 m² min. per 1 bd. unit 15 m² min. per more than 1 bd. unit</p> <p>Separate entrances: Apartment housing is allowed only above the first storey and requires access to grade separate from the commercial uses.</p> <p>Supplemental floor area: Within Areas 1 and 2, a supplemental floor area of 5% can be added to any floor area above 15.0 m in height provided the floor dimensions comply with all other provisions set out in the C7 zone. The supplemental area can only be added to the floor used as the basis for the calculation and shall be based on Gross Floor Area.</p> <p>Minimum commercial component: Except in Area 1, shown on Diagram 2, a mixed use building incorporating residential and other uses shall provide a commercial use on the first floor which must occupy a minimum of 90% of any street frontage and a minimum of 50% of the total floor area.</p>	<p>To be retained</p> <p>To be retained</p> <p>To be retained</p> <p>Wording to be deleted</p> <p>Wording to be added</p> <p>Wording to be added</p>	<p>Current requirement is intended to address security of occupants which is not a zoning issue; change also acknowledges that there are technological solutions</p>

ATTACHMENT 2: DETAILED DISCUSSION OF PROPOSED AMENDMENTS

Density and Use

Please refer to Diagram A in Attachment 1 for the following discussion.

Within Areas 1 and Area 2, it is proposed the following would apply:

- residential and commercial uses, either singly or in combination as mixed uses (a continuance of the existing provisions),
- residential occupancies could be a principal use (formerly a secondary use)
- a maximum allowable height of 44 metres (an increase from the lesser of 6 storeys or 22 m).

The difference between the two areas is that in Area 1, a minimum area of commercial occupancy at street level (refer to 14.7.6 (c) in Attachment 1) would be required for all buildings.

Within Area 2, a minimum area of commercial occupancy would not be required. Although the proposed amendments would allow a mixed commercial/residential occupancy within Area 2, Area 2 would be the only area where the proposed amendments would allow a building of 100% residential occupancy. These directions come from the *City of Kelowna Downtown Plan, 1999*, pg. 75 (Land Use Designation 2).

For all properties with a C7 zone designation, or without a C7 designation zoned C7 but for which the City would support rezoning to C7, lying outside of Area 1 or Area 2, the following would apply:

- residential and commercial uses, either singly or in combination as mixed uses,
- a maximum allowable height of 22 metres (approximately 6 storeys).

This default area encompasses the streets along Abbott St., within the Downtown Heritage Area, and along either side of Highway 97 from Richter St. to Abbott St. The lower height designation is consistent with OCP directions and with the directions of the Downtown Plan for lower heights within the Heritage Character Area and along the highway corridor.

Building Envelope- Setback Above 15 Metres

Please refer to Diagram B in Attachment 1 for the following discussion.

The proposed amendments maintain the provision in the current Zoning Bylaw for a zero setback in the C7 zone. By allowing buildings to be built immediately adjacent to the property line, this approach promotes a well-defined street edge and promotes strong connections of buildings to the pedestrian realm.

The current bylaw stipulates a maximum height of 6 storeys except where mitigated by the provisions of the daylighting standards set out in the bylaw². The proposed amendments would replace the current daylighting standard as it applies to the C7 zone, by the conditions set out below.

² The daylighting standards state that “the regulations shall not restrict the construction of a 4 storey commercial building in the C7 zone.”

1. Firstly, the maximum height of a building, without setting back from a property line (including alleys) would be 15 metres (approximately 5 stories). Any portion of a building above this height would have to be set back from the property line by a minimum of 3 metres.

This provision is intended to:

- a. help assure that any building facing a public street will have human scale.
 - b. preclude the creation of extended building planes without a vertical or horizontal setback that have been deemed to deflect winds and accelerate their velocity near ground level.
 - c. establish a cornice line/top of wall that would act as a visual transition between any existing adjacent lower buildings, and any portion of a new development above the 15 metre mark.
2. The second provision would require a building to fit within a prescribed line. This line would start at a point 15 metres above the property line adjoining a public street, and incline inward at an angle of 80 degrees (towards the middle of the property; not the street side). This provision is intended to protect an amount of sunlight falling on the north side of Downtown streets.
 3. The third setback provision would stipulate that the distance between buildings on adjacent properties be a minimum of 4 metres. This provision is intended to assure that there would be a certain amount of sunlight passing between any portion of two adjacent buildings above a height of 15 metres.³ This is not such an issue during the summer months, but is more critical during those months when the sun is low in the sky.

Building Envelope- Floor Plate Limits

In addition to the setback requirements, the proposed zoning amendments would also introduce limits on floor plates. Up to a height of 15 metres, no limits on floor areas is proposed. However, above 15 metres in height, the limit on floor areas is being proposed as 676 square metres or approximately 7300 square feet. This maximum floor area is considered by Planning and Development Services to be consistent with other high-rise commercial and residential buildings in Kelowna.

As well, the maximum proposed diagonal dimension is proposed to be 39 metres or approximately 128 feet, and the maximum horizontal dimension of any exterior building face is proposed to be 26 metres, or approximately 85 feet. These provisions are intended to encourage a more square as opposed to elongated building configuration as square buildings will cast less shadow than an elongated building where all other aspects of the building are the same.

Building Envelope- Incremental Floor Areas

The proposed amendments would introduce provisions for additions to floor plates as long as a building met all other provisions of the proposed Zoning Bylaw. This supplement would be a

³ It is anticipated the BC Building Code and the desire of developers to maintain views for tenants will work in favour of greater separation of buildings above 15 metres, than the minimum set out in the proposed zoning amendment.

maximum of 5% of the building floor plate, or approximately 34 square metres or 364 square feet per floor. It is proposed the supplemental area could only be added to the floor on which the calculation was based.

The additional floor area provision is intended to maximize a building's floor area without appreciably adding to a building's bulk and shadow. The provision is also intended to encourage interesting building forms.

Other Proposed Changes

Other proposed changes include:

1. A reduction in the number of parking spaces required for residential units.
 - The proposed change would reduce the required number of stalls from 1 stall per bachelor unit, 1.25 stalls per 1 bedroom unit, 1.5 stalls per 2 bedroom unit, and 2 stalls per 3 or more bedroom unit, to 1 stall per unit regardless of the number of bedrooms. The provision for 1 visitor stall for every 7 units would still apply.
 - The market for Downtown housing is believed to be households without children. It is expected the majority of these households will be comprised of not more than 2 persons and therefore not likely to have more than 1 vehicle.
2. A reduction in the number of loading stalls from 1 per 2800 square metres for eating and drinking establishments, hotels, and motels, and 1 stall per 1900 square metres for all other commercial uses, to 1 stall per development regardless of use. Currently there is no requirement for loading bays in conjunction with residential uses, and this is proposed to remain the same.
 - This change was made in response to a request from UDI. Staff feel the proposed reduction would help initiate development while not compromising the intent of the bylaw.
3. The addition of artist's studio as a principal use.
 - It is proposed this term be added jointly to "custom indoor manufacturing" under the list of principal uses. This addition is consistent with the recommendations of the *City of Kelowna Cultural District Implementation and Marketing Plan, 2000*, pg. 50.
4. The addition of "public education services" as a principal use.
 - This proposed addition complies with the recommendation of the Advisory Planning Commission to include this use as per its motion of February 3, 2001.
5. The elimination of the requirement for separate entrances for the commercial and residential components of a mixed use building.
 - Currently, this is a requirement in only the C7 zone. The proposed change is felt by staff to not be critical to the intent of the bylaw. Additionally, its removal would present fewer restrictions to development.

Floor Area Ratio (FAR)

For each proposed project, the maximum FAR would be 12.0

Daylighting Angle

The daylighting angle requirement in the C7 zone would be superseded by the zoning amendments as the daylighting requirement severely restricts the floor area of taller buildings.

Variances to Zoning Provisions

A building could contravene the maximum building envelope as long as there was no increase in density as determined by the maximum FAR. Any exception to the regulations pertaining to the C7 zone, other than for density and use, would be reviewed as a Development Variance Permit application. Variances would continue to be considered on a project-by-project basis.

Any additional area requested by an applicant beyond what would be permitted by the maximum FAR, would only be allowed through a rezoning or a text amendment to the C7 zone.

ATTACHMENT 3: PROPOSED TEXT AMENDMENTS TO ZONING BYLAW NO. 8000

Section 6 – General Development Regulations

6.1 Daylighting Standards

6.1.1 Daylighting regulations shall apply to every **building** as outlined on the **Diagram 6.1: (Application of Daylighting Standards)** in the RM6, C7, C8, and P1 **zones**, except that daylighting regulations shall not restrict the ~~construction~~ of a 4 **storey** commercial **building** in the ~~C7 zone~~.

6.1.2 In the case of a **building** more than two **storeys** or 10.0 m in **height**, no part of such **building** above the second **storey** or above 10.0 m shall project above lines extending toward the **building** at right angles from:

- (a) all points along the central line of an **adjacent street** and inclined at an angle of 65° to the horizontal;
- (b) all points along the centre line of the rear **lane** or the rear boundary line of the **lot** where there is no **lane** and inclined at an angle of 65° to the horizontal; and
- (c) all points along the **side lot line** of the **lot** and inclined at an angle of 65° to the horizontal.

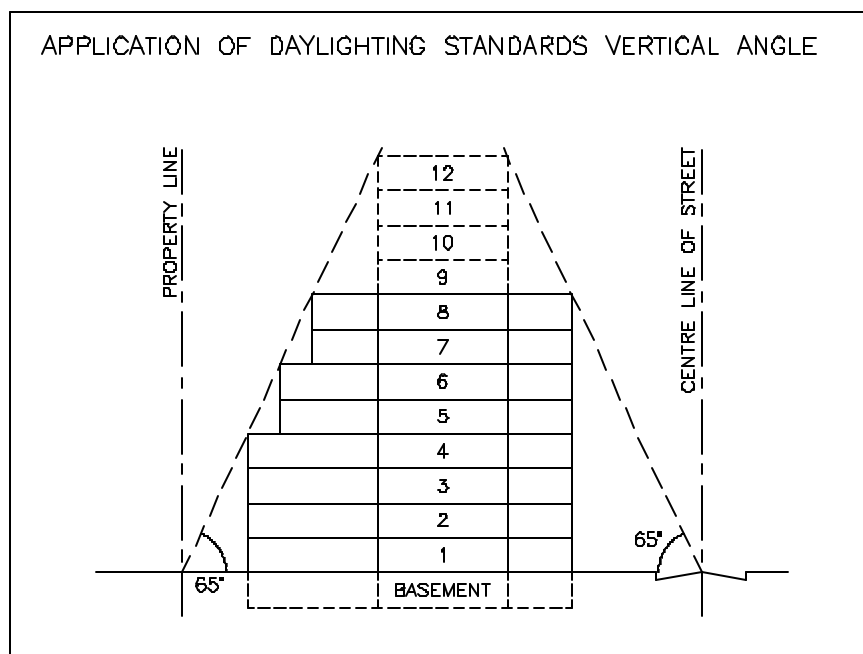


Diagram 6.1: Application of Daylighting Standards

Section 8 – Parking and Loading

Table 8.1 – Parking Attachment	
*NOTE: GFA = Gross Floor Area	
*NOTE: GLA = Gross Leasable Floor Area	
Type of Development (Use)	Required Parking Spaces
Residential and Residential Related	
Apartment Hotels	0.5 per sleeping unit
Apartment Housing Row Housing Stacked Row Housing	1 per bachelor dwelling unit, plus 1.25 per 1- bedroom dwelling unit, plus 1.5 per 2- bedroom dwelling unit, plus 2 per 3-or-more bedroom dwelling unit <u>1 per dwelling unit in the C7 zone</u> Of the total required spaces above, 1 parking space shall be designated visitor parking for every 7 dwelling units
Bed and Breakfast Homes	1 per 2 guest rooms, plus spaces required for the corresponding principal dwelling unit
Boarding or Lodging Houses	1 per 2 sleeping rooms, plus spaces required for the corresponding principal dwelling unit
Group Homes, Major	1 per 3 beds
Group Homes, Minor Temporary Shelter Services Congregate Housing	1 per principal dwelling , plus 1 stall per three bed spaces and 1 per resident staff member, minimum total of not less than 3 spaces
Home Based Business, Major	1 in addition to that required for the principal dwelling
Home Based Business, Minor	None in addition to that required for the principal dwelling
Home Based Business, Rural	1 in addition to that required for the principal dwelling
Mobile Homes in RM7 zone	2 per dwelling unit, plus 1 space per 7 dwelling units as designated visitor parking
Secondary Suites	1 per suite, plus spaces required for the corresponding principal dwelling unit
Special Needs Housing	Pursuant to Section 6.9

Single Detached Housing Semi-Detached Housing Single Detached Housing in a Bareland Strata Duplex Housing Mobile Homes in RU6 zone Residential Security/Operator Unit	2 per dwelling unit Of the required spaces, 1 per 7 dwelling units to be designated visitor parking (included in the total number of spaces to be provided) for bareland strata and strata developments
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Table 8.2 – Loading Attachment	
Type of Development (Use)	Required Parking Spaces
<u>All uses in the C7 Zone</u>	<u>1 per development</u>
Eating and Drinking Establishments Hotels Motels	1 per 2,800 m ² GFA
Commercial Uses (except above) and Industrial Uses	1 per 1,900 m ² GFA
Community, Educational (except below), Recreational and Institutional Uses	1 per 2800 m ² GFA
School, Elementary	3.0 car loading spaces per 100 students, minimum 5; plus 2 bus loading spaces
School, Secondary Universities or Colleges	1.5 car loading spaces per 100 students, minimum 5; plus 3 bus loading spaces
Care Centres, Minor Care Centres, Intermediate Care Centres, Major	1 car loading space 2 car loading space 3 car loading space

14.7 C7 – Central Business Commercial

14.7.1 Purpose

The purpose is to designate and preserve land for the orderly **development** of the financial, retail and entertainment, governmental, and cultural core of the **City** which shall provide for high **density** residential ~~uses~~, ~~office uses~~, and **commercial uses**.

14.7.2 Principal Uses

The **principal uses** in this **zone** are:

**amusement arcade, major
apartment housing
apartment hotels
broadcasting studios
business support services
care centres, major
commercial schools
community recreational services
congregate housing
custom indoor manufacturing/artists studio
eating and drinking establishments, minor
eating and drinking establishments, major
emergency and protective services
financial services
funeral services
fleet services
gaming facilities
government services
health services
hotels
household repair services
non-accessory parking
offices
participant recreation services, indoor
personal service establishments
private clubs
private education services
public education services
public libraries and cultural exhibits
public parks
recycled materials drop-off centres
retail stores, convenience
retail stores, general
spectator entertainment establishments
spectator sports establishments
temporary shelter services
used goods stores
utility services, minor impact
wine/beer stores**

14.7.3 Secondary Uses

The **secondary uses** in this **zone** are:

- (a) **amusement arcade, minor**
~~**apartment housing**~~
care centres, intermediate
care centres, minor
home based businesses, minor

14.7.4 Subdivision Regulations

- (a) The minimum **lot width** is 6.0 m.
- (b) The minimum **lot depth** is 30.0 m.
- (c) The minimum **lot area** is 200 m².

14.7.5 Development Regulations

~~The maximum **floor area ratio** is 5.0.~~

~~The maximum **height** is the lesser of 22.0 m or 6 **storeys** except in Area 1 and Area 2 (illustrated on Diagram A). The maximum allowable **height** within Area 1 and Area 2 will be 44.0 m.~~

~~The minimum **front yard** is 0.0 m.~~

~~The minimum **side yard** is 0.0 m.~~

~~The minimum **rear yard** is 0.0 m.~~

~~Within Areas 1 and 2, any portion of a building above 15 m in height must be a minimum of 3.0 m from any property line abutting a **street** (refer to Diagram B).~~

~~Within Areas 1 and 2, any portion of a building above 15.0 m in **height** must be a minimum of 4.0 m from any property line abutting another property (refer to Diagram B).~~

~~Within Areas 1 and 2, any portion of a building above 15.0 m in **height** must lie within the prescribed line illustrated in Diagram B. This line will start at a geodetic elevation 15.0 m above all property lines adjacent to a **street**, and be inclined at an angle of 80 degrees.~~

~~Within Areas 1 and 2, any **floor plate** situated above 15.0 m in **height** cannot exceed 676.0 m² (refer to Diagram B).~~

~~Within Areas 1 and 2, any portion of the building above 15.0 m in **height** cannot exceed a continuous exterior horizontal dimension of 26.0 m (refer to Diagram B).~~

~~Within Areas 1 and 2, any **floor plate** situated above 15.0 m in **height** cannot exceed a diagonal dimension of 39.0 m (refer to Diagram B).~~

14.7.6 Other Regulations

~~Apartment housing is allowed only above the **first storey** and requires access to grade separate from the **commercial uses**. In the case of elevator equipped **buildings, uses** can share elevators provided security measures are in place to restrict access to residential areas.~~

A minimum area of 6.0 m² of **private open space** shall be provided per **bachelor dwelling**, 10.0 m² of **private open space** shall be provided per 1 **bedroom dwelling**, and 15.0 m² of **private open space** shall be provided per **dwelling** with more than 1 **bedroom**.

Diagram A

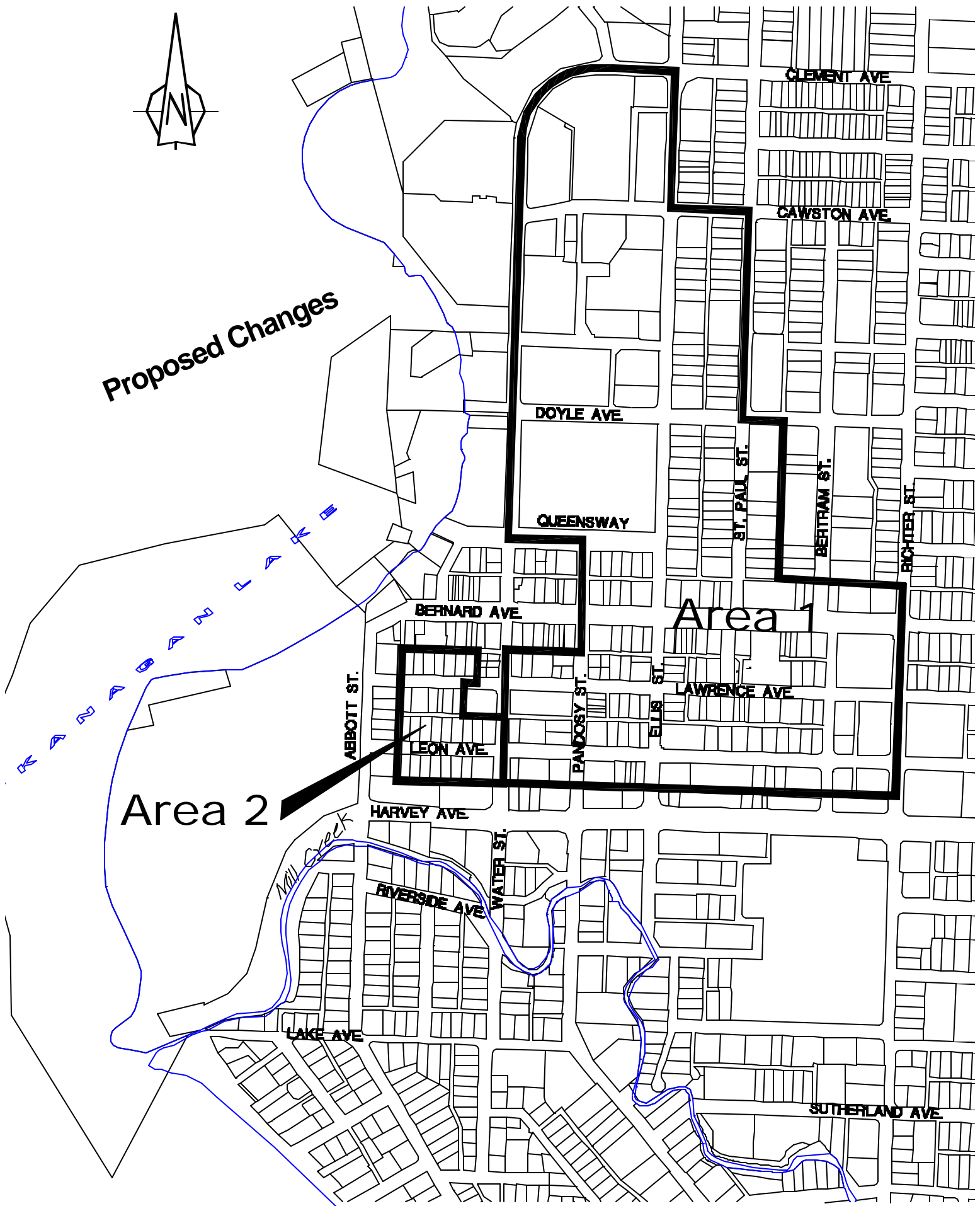
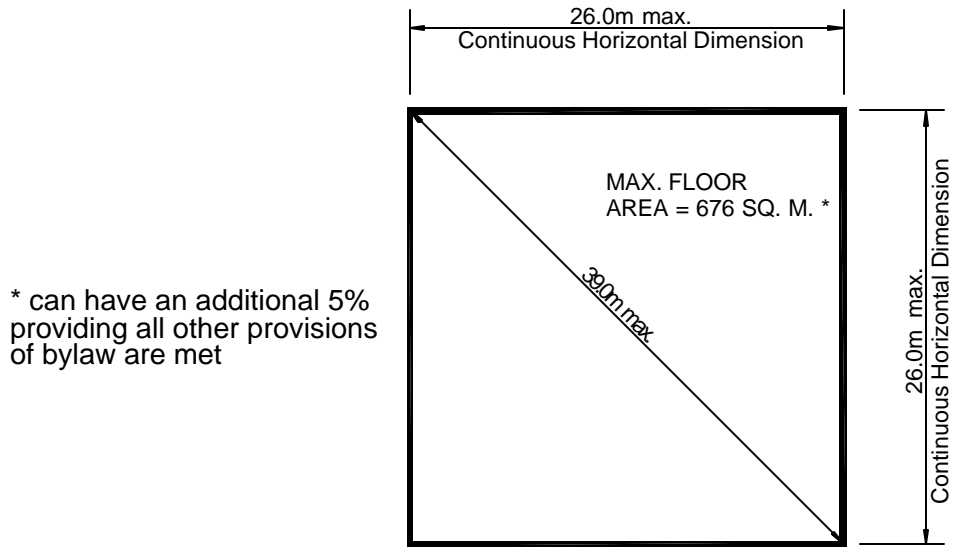
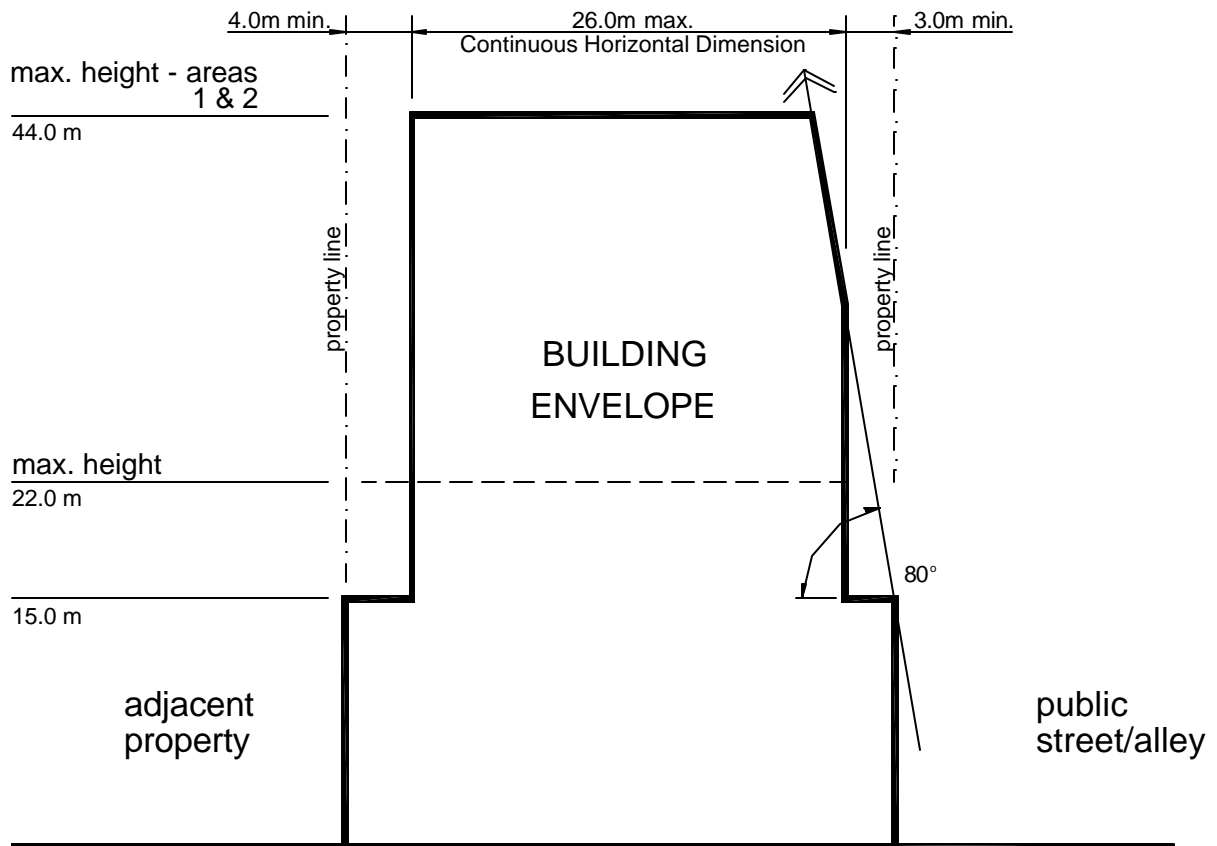


Diagram D



Illustrative Floor Plan @ 15m



Illustrative Building Section

Proposed Changes

Attachment 4: Letter from UDI

ATTACHMENT 5: EXECUTIVE SUMMARY FROM REPORT BY G.P. ROLLO & ASSOCIATES

The City of Kelowna has retained G. P. Rollo & Associates, Land Economists, to assess the financial impacts of proposed changes to the C-7 Central Business Commercial Zone, to determine the extent to which it will encourage new retail, office and residential development in downtown Kelowna and to suggest revisions to the proposed amendments, where appropriate, to encourage more downtown development.

The following are the highlights of the study:

1. The purpose of the proposed changes is to encourage large scale development as envisaged under Kelowna's Downtown Plan.
2. The package of revised C-7 zoning amendments, by itself, will not stimulate new office, retail or residential development in downtown Kelowna. Rather, the demand for these land uses will be determined by the health of the interior economy; the nature and magnitude of demand for these uses; the impact of competitive developments; and the cost of developing in the downtown versus other areas.
3. There are a number of factors which will interact to limit the potential for significant downtown development over the next several years:
 - a. The interior economy is expected to remain weak. This will adversely impact the demand for office space and undermine consumer confidence which in turn will hurt the demand for retail and residential space.
 - b. New office development in the downtown will be limited by the competitive impact of Landmark Square, higher costs of developing in downtown Kelowna, low demand and uneconomic rental rates.
 - c. The downtown retail market will remain weakened by the declining quality of the downtown, movement of financial institutions to suburban locations, lack of convenient parking, and low or uneconomic rents. Redevelopment of older heritage buildings has more economic potential and will continue to occur.
 - d. Residential development will continue on the waterfront and Canada Lands sites. Significant other residential development in the downtown is unlikely to occur for at least a decade. This is attributable to the availability of other more desirable sites and neighborhoods close to downtown, the poorer quality of the downtown as a residential neighborhood, and higher costs of developing in the downtown (water table issues). More affordable low-rise development is likely to occur than high rise development for several years.
4. The financial feasibility of new office, retail and residential development in downtown Kelowna has been assessed through discussions with developers and realtors plus financial analyses of development on ten test sites under the proposed amendments to the C-7 zone.
 - a. These discussions and analyses confirm that there is not sufficient demand to create the revenues that are required to support viable new development of the scale being encouraged by the proposed amendments.

- b. It could take several years and possibly a decade before there will be sufficient demand to warrant the scale of new downtown development envisaged under the proposed C-7 changes and the Downtown Plan.
- 5. While downtown development on the scale permitted by the proposed changes to the C-7 zone and envisaged in the Downtown Plan is unlikely to occur for several years, it is recommended that the City adopt the proposed changes. Adoption of the revised C-7 zone will send an important message to property owners, developers and investors, downtown businesses and the public that the City is committed to pursuing the vision of the Downtown Plan.
- 6. The City should consider other initiatives if it wishes to enhance downtown development potential in the near term.