
City of Kelowna

MEMORANDUM

DATE: August 3, 2004

FILES: 0710-20
0930-20-089
0550-01

TO: City Manager

FROM: Manager Community Development & Real Estate

**SUBJECT: SUPPLEMENTAL REPORT TO THE DEVELOPMENT OBJECTIVES AND
DISPOSITION PROCESS FOR THE "OLD KSS" PROPERTY**

REPORT PREPARED BY: HAZEL CHRISTY, SPECIAL PROJECTS MANAGER

RECOMMENDATION:

THAT Council add the clarification of land use and density to the KSS Development Objectives contained in the Report of the Manager of Community Development and Real Estate dated August 3, 2004;

BACKGROUND:

At the June 28, 2004 Regular Meeting, Council adopted the following resolutions:

THAT Council endorse the development objectives for the "Old KSS" site attached as recommended by the Urban Centres Implementation Committee, for use as a basis for soliciting and reviewing offers to purchase the subject property;

AND THAT staff be directed to commence marketing activity according to the process outlined in the Report from the Director of Planning and Corporate Services dated June 8, 2004;

AND FURTHER THAT the matter of a portion of the net revenue from the sale of the site from the Housing Reserve Fund be deferred for future Council consideration.

The development objectives for the former KSS site were attached to that report as Schedule 1. Objective 2 is to "achieve a balance of land uses on the site so as to create as holistic and sustainable a neighbourhood as possible", and goes on to specify uses that "must be accommodated" and those that are "encouraged" for the site. The requirement of

a diversity of housing units includes uses and densities permitted in a mixture of RM3, RM4, and RM5 zoned sites. A CD (Comprehensive Development) Zone would also be possible that would allow higher buildings with the same uses and densities contemplated, but is not specifically referenced.

Through staff's work in pulling together a marketing package for the property, it is felt that further clarification of this section would be desirable. Clear direction for prospective bidders will result in a better process and higher quality submissions. Discussions with the public and with the Urban Centre Implementation Committee have indicated that some height would be desirable on the property, but potential locations have not been specified, leaving it open to proposal by the individual bidder. Staff would suggest that this Objective be further clarified by adding the sentence: "Uses and densities permitted in the RM6 zone would be considered for the northern third of the property. A CD (Comprehensive Development) Zone would also be considered for some or all of the property consistent with the uses and densities specified". This addition is shown in bold in the revised Objectives attached as Schedule 1 to this report.

The rationale for considering this portion of the property for higher profile buildings is as follows:

- The KSS site is at the edge of the Downtown Urban Centre. OCP Policy 6.1.25 states that the City of Kelowna will encourage "a general decrease in building height and density as the distance from the Urban Centre core increases". By placing higher density uses on the northern portion of the KSS site, enough of the site is left for remaining buildings to provide a sensitive transition to surrounding lower-profile buildings.
- Public consultation relating to formulation of objectives for KSS redevelopment identified some concern from surrounding residential property owners of the potential impact of high rise buildings. It is suggested that these concerns can best be addressed by providing enough of a buffer to allow for a sensitive transition, and by requiring that higher densities be placed in a context where the impacts would be minimized. The northern portion of the site provides such an opportunity, as it is surrounded by highway, commercial, and apartment uses. Placing higher densities on this portion of the site should also help reduce traffic impacts on the Marshall St. Heritage Conservation Area and on other adjacent homes. Minimizing such impacts was among the objectives endorsed earlier by Council.
- In terms of the surrounding building context, the Executive Tower (12 storeys) at the corner of Richter and Highway 97 is the development which most closely resembles that which would be permitted in the RM6 zone (16 storeys). From an urban design perspective, any new "towers" on the KSS site would best relate to that existing development by being placed on the northern portion of the site. By placing any potential towers at this location, there is the potential to create a "gateway" to the Downtown core.

CONCLUSION

The KSS site is of such significance within the Downtown Urban Town Centre that it is important for the City to be as clear as possible in its objectives for the site. This

clarification is consistent with the objectives already endorsed by Council and will assist prospective bidders in understanding what would be supported on site.

D.L. Shipclark



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

HC/sh
Encl.

SCHEDULE 1

KSS Redevelopment Objectives

1. Showcase environmentally sustainable design (e.g. energy efficiency, water conservation, etc.);
2. Achieve a balance of land uses on the site so as to create as holistic and sustainable a neighbourhood as possible.
 - a. Uses that must be accommodated on the site include:
 - At minimum 2 hectares of contiguous on-site park to serve all age groups;
 - Housing units accommodating a diversity of housing types;
*Diversity of housing types would include uses and densities permitted as part of an integrated mixture of RM3, RM4, and RM5 zoned sites as defined in Zoning Bylaw 8000. **Uses and densities permitted in the RM6 zone would be considered for the northern third of the property. A CD (Comprehensive Development) Zone would also be considered for some or all of the property consistent with the uses and densities specified.***
 - Ten percent of residential units in each residential building/project meeting the definition of "affordable housing" set out OCP policy 8.1.16;
 - b. Uses that are encouraged include:
 - Educational facilities;
 - Indoor recreational facilities available for rent by community groups;
 - Provision of space for non-recreational space for rent by community groups;

The City encourages the above uses but will not provide for higher overall site densities than otherwise acceptable to provide for such uses. The City is not prepared to reduce the value accepted for its property to provide for "less than market value rent" to any of the above uses.

- Retention of the brick classroom building and the Pettigrew House;

The City may provide tax incentives to encourage adaptive re-use of the brick classroom building. The City is not prepared to reduce the value accepted for its property to provide for retention of either the brick classroom or the Pettigrew House.

- c. Uses that would be supported on a limited scale:
 - Retail facilities complementing downtown retail [i.e., are limited to highway-fronting or commercial uses permitted within the C1 (local commercial) zone]. Ministry of Transportation requirements and restrictions may make it difficult to accommodate highway commercial uses.
3. Achieve buildings and open spaces that enhance the downtown's identity as Kelowna's principal Urban Centre;
 - a. Integrate the site with the adjoining single and multi-family neighbourhoods and downtown;
 - b. Relate development on the site to the heritage character of the Central School and the Marshall St. Heritage Conservation Area.
 - c. Provide for safe, convenient, and comfortable pedestrian movement through the site (including those portions of the site developed by the private sector). It should be noted that pedestrian desire lines from the SE to the NW corner of the site, across the existing field are very strong;
 - d. Minimize the impact of development-related traffic on surrounding neighbourhoods designated in the OCP for single/two-unit development;
4. Maximize value to the community at no further cost to the City of Kelowna;
5. Realize build out of the site in a timely manner.
 - a. Development may be phased, but phasing must take place within the context of a comprehensive and integrated site plan/design concept.