

17th December 2025

City of Penticton
Development Planning
117 Main Street
Penticton, BC, V2A 5A9

Re: LETTER OF INTENT: 434 Lakeshore Dr W – Proposed OCP Amendment and Rezoning

Dear Sir or Madam,

Introduction and Purpose of Application

We, the owners of 434 Lakeshore Dr W, Peter and Paula Ruutel, are submitting this letter of intent in support of an application for 434 Lakeshore Drive West to:

- Amend the OCP future Land use designation for the property from **low density residential** to **high density residential**; and
- Rezoning of the property from **R4-L** to **RM3**.

These changes would enable the development of a high-quality multifamily residential property, **consistent with the OCP's vision** for the Lakeshore corridor, Downtown interface areas and intensification within central urban neighbourhoods.

The proposed change is supported by:

- Direct OCP Policy Direction for Urban Intensification,
- Proximity to Downtown, parks, transit, and the waterfront,
- Existing adjacent High Density Residential designations to the east and south,
- Natural transition edge created by the laneway to the west, and
- Demonstrated housing supply gaps identified in the 2023 Housing Needs Assessment, which emphasize the need for more multi-family and small-unit housing in central areas.

This proposal has been discussed with our direct single family home neighbours, whose properties are designated low density residential. They both stated that they were expecting this application, that high density makes sense for the site and did not voice any objections, especially as the laneway forms a natural boundary between the proposed high and low density areas.

Site Context

The site, 434 Lakeshore Dr W, is within the high-amenity waterfront corridor immediately adjacent to the Downtown development area and one of Penticton's major pedestrian and tourism oriented areas. It is uniquely positioned both in terms of adjacent future land use and zoning as illustrated in Figure 1 and Figure 2 below:

- **High Density Residential** properties to the **east** and **south** zoned **RM2** and **RM3** with building heights at 4 stories (see Figure 3);

- A **laneway to the west** forming a clear physical transition boundary between higher-density waterfront sites and lower-density interior neighbourhoods; and
- **Lakeshore Drive and Okanagan Lake to the north.**

The site is further located within very close proximity to public transit, within easy walking distance of downtown and all the amenities downtown provides and so reducing the reliance on private vehicles.

Given its location, context and adjacency to existing higher density designation means the proposed changes align with both the intent and policy direction of Penticton's OCP and make the site ideally suited for OCP-supported redevelopment and residential intensification.

Figure 1 – Future Land use designation



Figure 2 - Zoning



Figure 3 – Site and adjacent properties (courtesy of google maps)



3. Project Overview

This proposal contemplates a **high-quality multifamily residential building** consistent with RM3 zoning and the OCP’s High Density Residential land use designation, both of which allow buildings heights of up to 6 storeys. The site does not fall into the site-specific high density residential statement policy covering 556 to 736 Lakeshore Dr W, which restricts buildings to 4 stories. That said, it is understood that while the RM3 zone would theoretically allow up to 6 stories, Lakeshore-specific zoning requirements, including setbacks, view corridor protection, massing limitations, parking requirements, and enhanced public realm treatments, will guide the final design.

The preliminary concept includes:

- Approx. **12–18 residential units**, depending on lakeshore-specific design constraints;
- A mix of **1-bedroom, and 2-bedroom units**, directly responding to Penticton’s documented demand for **smaller household sizes and limited inventory of small units**;
- **Underground parking** and secure bike parking, consistent with OCP Multifamily Guidelines MF14;
While Lakeshore Dr W is considered to have a high water table, the original property on 434 Lakeshore Drive W had a full basement which, in living memory, has never flooded despite flooding experienced in some properties on Lakeshore Drive. Further, for the past 4 years, the site has had an approximately 7ft deep hole and there has not been any sign of any water collecting in this hole. This would indicate that underground parking is possible on the site in line with the below ground parking built directly to the south at 433 Churchill Ave;
- **Indoor and outdoor amenity spaces**, rooftop and/or podium-level, consistent with MF2, MF3, MF4; and
- **A strong pedestrian-oriented frontage** and landscape improvements along Lakeshore Drive.

The project’s design, density, and form will be developed to align with Penticton’s goals for high-amenity waterfront intensification and consider the Lakeshore specific zoning requirements.

4. OCP Policy Alignment and Rationale for Land Use Change

4.1 Supporting Growth in Central Urban Areas (OCP 4.1.1 – Managing Residential Growth)

The OCP policy 4.1.1.1 directs new housing to:

“be built in close proximity to the downtown, shopping centres, schools, parks, bus exchanges and transit corridors.”

434 Lakeshore Dr W is:

- Directly adjacent to the Downtown area,
- Located along a major pedestrian and cycling amenity corridor (Lakeshore Drive),
- Steps from parks, beaches, and active transportation routes,
- On Public transit routes.

This is precisely the type of area the OCP aims to intensify.

4.2 Supports Intensification of Existing Urban Areas (OCP 4.1.1.2 and OCP Growth Plan)

The OCP strongly emphasizes redevelopment and intensification of land close to the downtown and waterfront, reducing pressure on greenfield areas.

434 Lakeshore Dr W is currently underutilized relative to surrounding land uses, making it **ideal for infill intensification** in support of the OCP goals.

4.3 Logical Extension of Existing High Density Land Use Pattern

The subject property is directly bordered by High Density Residential designations to the east and south. Extending the designation to 434 Lakeshore Dr W provides:

- A coherent, continuous build form along the waterfront;
- The laneway to the west forms a clear physical edge and natural transition point to the lower-density neighbourhood beyond which aligns with the OCP direction on creating transitions between densities (MF1; G34)

4.4 Supports Complete Neighbourhoods and Housing Diversity (OCP 4.1.3)

The OCP encourages a diverse range of housing types including multi-family units, particularly near transit and amenity-rich areas near downtown.

The subject project will provide:

- A range of unit sizes for singles, seniors, couples, and families;
- Higher-density housing close to amenities;
- Walkable, bike-oriented living reducing reliance on private vehicles; and
- Consider universal design principles and standards for accessibility.

4.5 Aligned With High Density Residential Designation Intent

The OCP describes high-density areas as:

“higher-amenity areas” and includes *“low-rise and mid-rise apartments... up to 6 storeys.”*

Lakeshore Drive is quintessentially such a **“higher-amenity”** location.

5. Alignment with Penticton’s 2023 Housing Needs Assessment (HNA)

The Penticton 2023 Housing Needs Assessment identifies several urgent community needs which are directly addressed by this proposal:

- **Need for More Small Units**
HNA notes a lack of availability of smaller housing units and rising demand.
The proposed development will consider introducing a mix of smaller one and two bedroom units.
- **Strong Demand for Purpose-Built Multi-Family Housing**
HNA confirms a citywide shortage of multifamily housing options.
- **Limited Inventory and Rental Scarcity**
The HNA highlights low vacancy, growing household counts, and undersupply of multi-family units, especially in central areas.

This project directly responds to all three challenges.

6. Rezoning Rationale – R4-L to RM3

The existing R4-L zone allows only 4 units, which is misaligned with both:

- The OCP’s vision for the Lakeshore corridor; and
- Housing demand as documented in the HNA.

and

- Does not align with the surrounding context;
- Does not reflect the site’s adjacency to high density areas; and
- Limits development potential in a location intended for urban intensification.

Rezoning to RM3:

- Enables up to 6 storeys and higher density;
- Aligns with OCP High Density Residential designation;
- Completes the waterfront urban form;
- Supports multi-family housing in a location that can best absorb density.

7. Impacts on Neighbouring Properties & Mitigation

7.1 Height and Shadowing

OCP (MF9) guidelines for tall buildings require minimizing shadows on parks, open spaces and pedestrian areas.

Potential Mitigations to be considered in the final design:

- Height stepping towards Lakeshore Dr on upper floors,
- Modeling to limit shadow impacts on adjacent properties and the public walkway.

7.2 Traffic and Parking

Aligned with OCP mobility objectives encouraging walking and cycling in areas close to amenities and downtown.

Potential Mitigations to be considered in the final design:

- Underground parking and parking at the rear, including visitor parking (MF14),
- Enhanced bike infrastructure and EV charging (OCP 4.2.7.5),
- Enhanced pedestrian interface along Lakeshore Dr and/or the lane to the west
- No curb cuts to Lakeshore Drive.

7.3 Privacy and Overlook

Particularly to lower-density areas west of the laneway, the OCP guidelines emphasize sensitive transitions (MF1; G34).

Potential Mitigations to be considered in the final design:

- The laneway acts as a natural separation
- Terraced design on the western façade,
- Strategic window placement and screening,
- Landscape buffers consistent with OCP guidelines G35–G36.

8. Positive Contributions to the Community

- **Direct Response to Housing Need supporting housing supply and affordability goals**
The proposal will deliver new multi-family supply in a constrained market in a central location, reducing infrastructure costs, supporting affordability consistent with OCP 4.1.2 and addressing the priorities identified in the 2023 housing needs assessment (HNA):
 - Shortage of small units; and
 - Insufficient multi-family volume.
- **Strengthens Lakeshore Urban Fabric**
Creates continuity and coherence with adjacent high-density designated lands.
- **Enhances the Public Realm on Lakeshore Drive**
Improved pedestrian interface, landscaping, and ground-floor design will support OCP policies for walkability and waterfront enhancement and contribute to Lakeshore's identity and waterfront experience.
- **Supports Sustainable Transportation**
Close to transit (OCP 4.2.7.5), walkable, and bike-oriented.

9. Conclusion

The proposed OCP amendment and rezoning for **434 Lakeshore Drive West** is:

- **Fully consistent with OCP land use direction,**
- **Supported by the Housing Needs Assessment's findings,**
- **Appropriate given the surrounding context,**
- **Sensitive to neighbouring uses,**
- **A logical extension of existing high-density designations,**
- **A positive contribution to Penticton's housing diversity, and**
- **A high-quality project that enhances the Lakeshore corridor.**

We respectfully request favourable consideration from City staff and Council, should you require any clarifications or have further questions please do not hesitate to contact me.

