It's possible and there are reasons for running 32bit distros inside a 64 bit ovzkernel.

The reason I had was that I could'nt find any 64 bit java runtime. If anyone have a 64 bit java runtime rpm, plz point me to it!

You can't build templates in the 64 kernel so build them on a 32 bit machine and copy them to /va/templates/cache.

Also yum in the 32 bit machine gets very confused but that can be fixed by substituting all $basearch in the /yum/repo.d/* files and hardcode that to i386.