

REPORT TO COUNCIL



Date: December 3, 2018

RIM No. 1250-30

To: City Manager

From: Community Planning Department (AC)

Application: Z18-0059 TA18-0006 **Owners:** PC Urban Clement Holdings Ltd., Inc. No. BC 1099980

Addresses: 816 Clement Ave **Applicant:** PC Urban – Shawn Oh

Subject: Rezoning and Text Amendment Application

OCP Designation: IND – Industrial

Existing Zone: I2 – General Industrial & I4 – Central Industrial

Proposed Zone: I4 – Central Industrial

1.0 Recommendation

THAT Rezoning Application No. Z18-0059 to amend the City of Kelowna Zoning Bylaw No. 8000 by changing the zoning classification of LOT B SECTION 30 TOWNSHIP 26 OSOYOOS DIVISION YALE DISTRICT PLAN EPP83554, located at 816 Clement Ave, Kelowna, BC from the I2 – General Industrial & I4 – Central Industrial zones to the I4 – Central Industrial zone.

AND THAT the Zoning Bylaw Text Amendment Bylaw Application No. TA18-0006 to amend the City of Kelowna Zoning Bylaw No. 8000 as described in Attachment 'B' outlined in the Report from the Community Planning Department dated November 29th 2017, be considered by Council;

AND THAT the Rezoning and Text Amendment Bylaws NOT be forwarded to a Public Hearing for further consideration until such time as OCP Amending Bylaw No. 11604 (OCP17-0021) and Rezoning Bylaw No. 11605 (Z17-0093) for the property located at 726 Clement Ave are adopted;

AND THAT final adoption of the Rezoning Bylaw be considered subsequent to the outstanding conditions of approval as set out in Attachment "A" attached to the Report from the Community Planning Department dated November 29th, 2018;

AND THAT final adoption of the Rezoning Bylaw be considered in conjunction with Council's consideration of a Development Permit for the subject property.

2.0 Purpose

To rezone the split-zoned subject property from the I₄ – Central Industrial zone and I₂ – General Industrial zone to the I₄ – Central Industrial zone and consider a Zoning Bylaw Text Amendment to allow for additional commercial uses on the subject property.

3.0 Community Planning

The applicant has applied to rezone the entirety of the property to the I₄ zone with plans to build two light – industrial buildings. In combination with the previously submitted mixed-use residential / commercial proposal on the adjacent Lot A, this proposal facilitates the vision of this site as a transition away from residential and towards industrial uses. In an effort to facilitate that vision, the applicant is seeking a Text Amendment to the Zoning Bylaw to add a number of principal land uses to the I₄ zone. Staff are recommending these land uses be applied only to this lot due to the unique circumstances and only be permitted for the building fronting along Clement Ave. This will help the transition to the industrial properties to the east and north. The proposed principal land uses are:

- Offices
- Business Support Services
- Financial Services
- Government services
- Health Services
- Retail liquor sales establishment
- Retail stores, service commercial
- Retail stores, general
- Commercial Schools

Staff are recommending support for the proposed rezoning and Text Amendment as these changes will help facilitate the transitional land uses as part of the overall plan for the block. However, the applicant's first phase rezoning (from I₂/I₄ to C₄) on 726 Clement Avenue is currently sitting at 3rd reading. The applicant needs to complete the Development Engineering requirements prior to final adoption which includes signing a servicing agreement and paying the associated performance bond. The applicant has stated the financing is taking some time for that project and they desired to proceed with first reading for phase 2. Staff are recommending that Council delay scheduling the public hearing for phase 2 until such time as the adoption of final reading for phase 1 as Staff's recommendation for phase 2 is contingent upon phase 1 adoption.

4.0 Proposal

4.1 Background

This site has a long history of varied development proposals following the sale of the former BC Tree Fruit packing house. See Staff's Report to Council (dated April 26th 2018) for the development and site history. That report went to Public Hearing on May 15th 2018.

The applicant also completed the neighbourhood notification process by contacting all properties within 50m of the subject properties.

4.2 Project Description

The applicant has applied to rezone the property from a split I₂ / I₄ zone to the whole I₄ zone with plans to build two light – industrial buildings. Staff are not tracking any variances with the current plans. Should

Council support the Text Amendment and Rezoning bylaws, staff will bring forward a detailed report evaluating the design guidelines for Council’s consideration of the Development Permit.

4.3 Site Context

The subject properties are currently vacant as the former BC Tree Fruit Packinghouse was demolished in 2017. The total properties owned by the applicant represent 3.6 acres (1.5 ha) of under-developed land in a strategic location on the edge of the ‘City Centre’ Urban Centre at the corner of Clement Avenue and Richter Street. The site is connected to urban services and is located within the Permanent Growth Boundary.

Subject Properties Map: 816 Clement Ave



5.0 **Current Development Policies**

5.1 Kelowna Official Community Plan (OCP)

Industrial Land Use Polices

Objective 5.28. Focus industrial development to areas suitable for industrial use.

Objective 5.29. Ensure efficient use of industrial land supply.

North End Industrial (High Tech and Incubator).¹ Encourage the redevelopment of industrially designated lands north of the Downtown Urban Centre for high-tech projects and buildings, including the potential for “incubator space” for smaller businesses.

¹ Policy 5.19.6 (Development Process Chapter 5).

Industrial Land Use Intensification.² Encourage more intensive industrial use of currently under-utilized industrial sites during site redevelopment or by permitting lot subdivision where new lots can meet the minimum lot size requirements of the Zoning Bylaw.

Secondary Housing in Light Industrial Areas.³ Consider the limited expansion of housing as a secondary use within industrial buildings in light or transitional industrial areas.

Objective 5.30. Ensure adequate industrial land supply.

Industrial Supply Protection. Protect existing industrial lands from conversion to other land uses by not supporting the rezoning of industrial land to preclude industrial activities unless there are environmental reasons for encouraging a change of use

6.0 Technical Comments

6.1 Building & Permitting Department

- Full plan check for Building Code related issues will be done at time of Building Permit applications.

6.2 Development Engineering Department

- See Attachment 'A', memorandum dated May 31, 2018.

6.3 Fire Department

- No comments related to zoning.

7.0 Application Chronology

Date of Application Received: May 22, 2018

Date Public Consultation Completed: Nov 3, 2018

Report prepared by: Adam Cseke, Planner Specialist
Reviewed by: Terry Barton, Urban Planning Manager
Reviewed by: Ryan Smith, Community Planning Department Manager

Attachments:

Attachment 'A' – Development Engineering Memorandum dated May 31, 2018

Attachment 'B' – TA18-0006 language changes to Zoning Bylaw No. 8000

Schedule 'A & B' – Preliminary Development Plans

² Policy 5.29.1 (Development Process Chapter 5).

³ Policy 5.29.2 (Development Process Chapter 5).