

# REPORT TO COUNCIL



**Date:** November 25, 2019

**To:** Council

**From:** City Manager

**Department:** Development Planning - Urban

**Application:** Z19-0071 **Owner:** BMK 140 Holdings Inc., Inc.No. BC0748760

**Address:** 1095 Ellis Street **Applicant:** New Town Services

**Subject:** Rezoning Application

**Existing OCP Designation:** Mixed Use Residential / Commercial (MXR)

**Existing Zone:** I4 – Central Industrial

**Proposed Zone:** C7 – Central Business Commercial

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## 1.0 Recommendation

THAT Rezoning Application No. Z19-0071 to amend the City of Kelowna Zoning Bylaw No. 8000 by changing the zoning classification of Lots 10, 11, 12, 13, 14 District Lot 139 ODYD Plan 6753, located at 1095 Ellis St., Kelowna, BC from the I4 – Central Industrial zone to the C7 – Central Business Commercial zone, be considered by Council;

AND THAT the Rezoning Bylaw be forwarded to a Public Hearing for further consideration;

AND FURTHER THAT final adoption of the Rezoning Bylaw be considered subsequent to the outstanding conditions of approval as set out in Schedule "A" attached to the Report from the Development Planning Department dated November 25, 2019.

## 2.0 Purpose

To consider an application to rezone the subject property from the I4 – Central Industrial zone to the C7 – Central Business Commercial zone to facilitate adaptive re-use of the existing buildings towards retail, and to facilitate future redevelopment of the site.

## 3.0 Development Planning

Development Planning supports the proposal to rezone the subject property to the C7 – Central Business Commercial zone. The subject property has a Future Land Use designation of Mixed Use Residential / Commercial (MXR) in the Official Community Plan (OCP), which supports the C7 zone. Also, the property is

in the City Centre Urban Centre, which the OCP designates as the highest priority for incorporating a mix of residential and commercial uses, as is accommodated by the C7 zone. In this case, the planned adaptive reuse of the existing buildings towards retail uses is consistent with the vision of incorporating a mix of commercial and residential uses in the area.

In addition, the opportunity to eventually redevelop the site with greater density and a mix of residential and commercial uses, as is permitted under the C7 zone, is consistent with the long-term vision for the area. To reinforce this, the subject property is in an amenity-rich location within walking distance of Knox Mountain; Waterfront Park; Rotary Marsh Park; Sunset Dr. Park; Recreation Ave. Park; the Civic Precinct; and numerous high density residential developments. The WalkScore for the property is 82, as most errands can be accomplished on foot. As such, allowing for more residential density as well as commercial uses to cater to local residents, as is permitted under the C7 zone, is welcome.

#### **4.0 Proposal**

##### **4.1 Background**

The subject property was formerly the site of the OK Builders Supplies company, but now sits vacant. The property owner plans to lease the existing buildings to a new tenant or tenants with a more retail-oriented focus. Application for a Development Permit is expected once specific tenants are secured and plans are solidified to modify the buildings to accommodate the new tenant(s).

In addition, the owner expects to redevelop the site in the longer term, and seeks to have zoning in place that is consistent with the vision for the area outlined in the OCP, which envisions a mix of residential and commercial uses.

##### **4.2 Project Description**

The applicant seeks to rezone the property to C7 – Central Business Commercial. This would allow the existing buildings, which formerly housed industrial uses, to accommodate more retail-oriented uses. In addition, the zoning would allow the site to eventually be redeveloped with greater density and a mix of uses.

The purpose of the C7 zone, as described in the Zoning Bylaw, is to preserve land for the orderly development of the financial, retail and entertainment, governmental, cultural and civic core of the Downtown while also encouraging high density mixed-use buildings. In this particular area, the C7 zone would allow a height of up to 22 m (approximately 6-7 storeys) and a floor area ratio of 9.0.

##### **4.3 Site Context**

The subject property is in the north end of the City Centre Urban Centre, approximately 200 m north of the Civic Precinct. The property is surrounded on most sides by industrial properties with a variety of industrial uses ranging from light (warehouses) to heavy (a concrete mixing plant to the south, across Gaston Ave.). The property to the west is zoned C4 – Urban Centre Commercial and is vacant except for a parking garage that is mostly below ground. Though the immediate vicinity contains numerous industrial uses, the area is in the process of transitioning to a mix of residential and commercial uses, as is appropriate for an amenity-rich area in the City Centre in close proximity to the Civic Precinct.

Adjacent land uses are as follows:

Orientation	Zoning	Land Use
North	I <sub>4</sub> – Central Industrial	Storage Warehouse
East	I <sub>4</sub> – Central Industrial	Distribution Warehouse
South	I <sub>4</sub> – Central Industrial	Concrete Mixing Plant
West	C <sub>4</sub> – Urban Centre Commercial	Parking Garage / Vacant

Subject Property Map: 1095 Ellis St.



**5.0 Current Development Policies**

**5.1 Kelowna Official Community Plan (OCP)**

Chapter 1: Introduction

*Goals for a Sustainable Future:*

Contain Urban Growth – Reduce greenfield urban sprawl and focus growth in compact, connected and mixed-use (residential and commercial) urban and village centres.

Chapter 5: Development Process

*Objective 5.3 Focus development to designated growth areas*

*Policy .2 Compact Urban Form.* Develop a compact urban form that maximizes the use of existing infrastructure and contributes to energy efficient settlement patterns. This will be done by increasing densities (approximately 75 - 100 people and/or jobs located within a 400 metre walking distance of transit stops is required to support the level of transit service) through development, conversion, and re-development within Urban Centres (see Map 5.3) in particular and existing areas as per the provisions of the Generalized Future Land Use Map 4.1.

*Objective 5.24 Encourage mixed-use commercial development*

#### Chapter 14: Future Land Use

##### Land Use Designation Definitions

Mixed Use Residential / Commercial (MXR): Developments that provide for commercial floor space on the ground floor or above, with additional potential for residential units above the ground floor. For Urban Centres other than the City Centre, building densities should decrease as the distance from the core of the Urban Centre increases. Other relevant policies include Policy 5.5.1 Building Height and Chapter 17 – Urban Centre definition. Maximum density at the centre of the core would be consistent with zoning as follows: City Centre – C7 zone; Rutland – C7 zone; Pandosy – C4 zone; Midtown – C6 zone; Capri/Landmark – C4 zone.

#### Chapter 17: Definitions

City Centre (Downtown): A vibrant, amenity-rich area wherein different land uses frequently occur within the same building and almost always occur within any given one block area. City Centres contain a variety of housing types, the presence of which contributes to social diversity. City Centres are highly urbanized environments in which non-automobile forms of transportation are given highest priority. Cars will primarily be parked in parkades, at on-street parking meters, or at small, common surface parking lots. In addition to being a primary tourist and entertainment draw, City Centres will draw people for work, shopping, and recreation from a city population of at least 80,000. City Centres are located at least 2 kilometres from the core of a Highway Centre or Town Centre. Density will decrease as the distance from the core increases.

### **6.0 Technical Comments**

#### 6.1 Development Engineering Department

See Schedule A.

**7.0 Application Chronology**

Date of Application Received: June 5, 2019

Date Public Consultation Completed: July 11, 2019

**Report prepared by:** Aaron Thibeault, Planner II

**Reviewed by:** Laura Bentley, Urban Planning & Development Policy Manager

**Reviewed by:** Terry Barton, Development Planning Department Manager

**Approved for Inclusion:** Ryan Smith, Divisional Director, Planning & Development Services

**Attachments:**

Schedule A: Development Engineering Memo

Attachment A: Applicant Rationale