

# REPORT TO COUNCIL



**Date:** January 20, 2020

**To:** Council

**From:** City Manager

**Department:** Development Planning

**Application:** TA19-0019

**Owner:** 760 Vaughan Inc., Inc. No.  
BC1148021

**Address:** 760 Vaughan Avenue

**Applicant:** Alec Warrender, Faction  
Projects Inc.

**Subject:** Text Amendment

**Existing OCP Designation:** I<sub>4</sub> – Central Industrial

**Existing Zone:** IND – Industrial

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## 1.0 Recommendation

THAT Zoning Bylaw Text Amendment Application No. TA19-0019 to amend City of Kelowna Zoning Bylaw No. 8000 as outlined in Schedule "A" attached to the report from the Development Planning Department dated January 20, 2020 for Lot 2 Section 30 Township 26 ODYD Plan 23753 located at 760 Vaughan Avenue, Kelowna, BC be considered by Council;

AND THAT the Zoning Bylaw Text Amendment Bylaw be forwarded to a Public Hearing for further consideration.

## 2.0 Purpose

To amend the Zoning Bylaw to allow select commercial uses in the I<sub>4</sub> – Central Industrial zone at 760 Vaughan Avenue.

## 3.0 Development Planning

Development Planning Staff support the proposed Text Amendment to allow the requested uses in the I<sub>4</sub> – Central Industrial zone for the property located at 760 Vaughan Avenue. The subject property is located in the industrial district north of downtown Kelowna and is one block east of the Downtown Urban Centre. Staff recognize that this area of the City is experiencing change and that it is necessary to protect the core of the north end industrial area while allowing for compatible uses that provide an effective transition to the Downtown Urban Centre.

The I4 zone covers most of the north end industrial area and currently permits breweries and distilleries, food primary establishments, industrial high technology research and product design, minor liquor primary establishments, and indoor participant recreation services, among other uses. Several of the proposed uses are similar to service commercial and light industrial uses.

Staff are recommending prohibiting office uses in ground floor units to retain ground-oriented units for industrial uses. Additionally, the applicant is proposing only limited retail uses, and the retail uses proposed complement the mix of residential and industrial uses surrounding the subject property. Residential uses are not being proposed as part of this application and would not be supported on the subject property. This proposal does not meet Council Policy No. 359 regarding large Liquor Primary Establishments being located in Urban Centres only; however, given the proximity to the Downtown Urban Centre, Staff are recommending support in this case.

Overall, the proposal respects the industrial history of the site and maintains industrial uses while allowing for additional compatible uses that relate to the changes occurring in the area.

#### **4.0 Proposal**

##### **4.1 Background**

In 2018, 740 Clement Avenue, the property south of the subject property, underwent an OCP amendment and rezoning to allow commercial residential uses under the C4 – Urban Centre Commercial zone (OCP17-0021/Z17-0093). A Development Permit was approved for 740 Clement Avenue that includes approximately 150 residential units. Additionally, a site-specific text amendment was approved for 816 Clement Avenue in 2018 (TA18-0006), which also is south of 760 Vaughan Avenue. This text amendment allows for some retail and office uses.

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

The subject property is 1.43 hectares (3.53 acres) in area. Currently, there are three buildings on the property. In the southeast corner is the recently established 700m<sup>2</sup> brewery (Rustic Reel Brewing Company), which was developed in 2019 by repurposing a trucking garage. In the southwest corner of the property is an old loading bay building (approximately 750m<sup>2</sup>), and in the northwest corner of the property is an old warehouse building (approximately 900m<sup>2</sup>). The loading bay building and the warehouse building are not currently in use. Overall, most of the property is vacant, and the site is underdeveloped. The applicant is requesting a site-specific text amendment to facilitate additional phases of development.

The applicant is requesting the following uses in the I4 zone in addition to the uses already permitted:

- Business support services – would allow for tenants that provide services such as printing, janitorial services, and repair services to businesses.
- High technology research and product design – would expand on what is permitted in I4 under industrial high technology research and production design.
- Offices and offices, construction and development industry – would be permitted on-site but prohibited in ground floor units.
- Retail stores, convenience – would allow for retail sales of goods in a limited floor area required by area residents and employees on a day-to-day basis.
- Retail stores, service commercial – would allow for retail sales of goods that require extensive on-site storage to support the store's operations.
- Liquor primary establishment, major – would expand what is permitted in I4 under the liquor primary establishment, minor use to allow service of alcoholic beverages to over 100 people.

- Spectator entertainment establishments – would allow for entertainment focused uses such as movie screenings, live music, and theatre.

The request for liquor primary establishment, major and spectator entertainment establishment uses are to facilitate plans the applicant has to repurpose the warehouse building located in the northwest corner of the property. Plans for the building are still being formalized, and the applicant is pursuing partnerships with local entrepreneurs to refine this project further. The intention is to create a space that offers food and liquor service and entertainment uses such as movie screenings and potentially live music.

This site-specific text amendment would apply to the whole subject property, allowing any permitted use to occur in any building on the site. If this application is approved, the applicant could move forward with building permits. The applicant completed neighbourhood notification as per Council Policy No. 367.

#### 4.3 Site Context

The subject property is located midblock on the north side of Vaughan Avenue between Richter Street and Ethel Street. The site is centrally located in Kelowna's north end industrial area and is surrounded on the east, west, and north by I<sub>4</sub> zoned industrial properties. The adjacent property to the south has a Future Land Use Designation of Mixed Use – Residential / Commercial and is zoned C<sub>4</sub> – Urban Centre Commercial. The subject property is just east of the Downtown Urban Centre, which ends at Richter Street, and the Okanagan Rail Trail is in close proximity. Land uses of the properties adjacent to the subject property are listed below:

Orientation	Zoning	Land Use
North	I <sub>4</sub> – Central Industrial	Breweries and Distilleries, Major
East	I <sub>4</sub> – Central Industrial	General Industrial Uses
South	C <sub>4</sub> – Urban Centre Commercial I <sub>4</sub> – Central Industrial	Apartment Housing, Retail Stores, General General Industrial Uses
West	I <sub>4</sub> – Central Industrial	Breweries and Distilleries, Major

#### Subject Property Map: 760 Vaughan Avenue



## **5.0 Current Development Policies**

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

#### **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 per ha 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 5.19 Ensure development is compatible with surrounding land uses***

*Policy .6 North End Industrial (High Tech and Incubator).* 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.

##### ***Objective 5.29 Ensure efficient use of industrial land supply.***

*Policy .1 Industrial Land Use Intensification.* Encourage more intensive industrial uses 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.

## **6.0 Application Chronology**

Date of Application Received: November 22, 2019

Date Public Consultation Completed: November 26, 2019

**Report prepared by:** Arlene Janousek, Planner

**Approved for Inclusion:** Terry Barton, Development Planning Department Manager

### **Attachments:**

Schedule “A”: Summary Table of Proposed Text Amendments to Zoning Bylaw No. 8000

Attachment A: Applicant’s Rationale