

REPORT TO COUNCIL



Date: November 23, 2020

To: Council

From: City Manager

Department: Development Planning

Application: OCP19-0007 / Z19-0115 **Owner:** Victor Properties Ltd., Inc. No. BC1050457

Address: 2125 & 2205 Baron Rd, 1830 & 1880 Leckie Rd **Applicant:** WSP Canada Group Limited

Subject: Official Community Plan Amendment and Rezoning Applications

Existing OCP Designation: MRM – Multiple Unit Residential (Medium Density) & MRH – Multiple Unit Residential (High Density)

Proposed OCP Designation: MXR – Mixed Use (Residential / Commercial)

Existing Zone: A1 – Agriculture 1

Proposed Zone: C4 – Urban Centre Commercial

1.0 Recommendation

THAT Official Community Plan Map Amendment Application No. OCP19-0007 to amend Map 4.1 in the Kelowna 2030 – Official Community Plan Bylaw No. 10500 by changing the Future Land Use designation of:

Lot 2, District Lot 126, ODYD Plan KAP59203, located at 2125 Baron Road; and

Lot 3, District Lot 126, ODYD Plan KAP59203, located at 2205 Baron Road, Kelowna, BC from the MRH – Multiple Unit Residential (High Density) designation to the MXR – Mixed Use (Residential / Commercial) designation, and

Lot 1, District Lot 126, ODYD Plan KAP59203, located at 1830 Leckie Road; and

Lot B, District Lot 126, ODYD Plan KAP56817, located at 1880 Leckie Road, Kelowna BC from the MRM – Multiple Unit Residential (Medium Density) designation to the MXR – Mixed Use (Residential / Commercial) designation, be considered by Council;

AND THAT the Official Community Plan Map Amending Bylaw be forwarded to a Public Hearing for further consideration;

AND THAT Council considers the Public Information Session public process to be appropriate consultation for the Purpose of Section 475 of the Local Government Act, as outlined in the Report from the Development Planning Department dated November 23, 2020;

AND THAT Rezoning Application No. Z19-0115 to amend the City of Kelowna Zoning Bylaw No. 8000 by changing the zoning classification of:

Lot 2, District Lot 126, ODYD Plan KAP59203, located at 2125 Baron Road;

Lot 3, District Lot 126, ODYD Plan KAP59203, located at 2205 Baron Road;

Lot 1, District Lot 126, ODYD Plan KAP59203, located at 1830 Leckie Road; and

Lot B, District Lot 126, ODYD Plan KAP56817, located at 1880 Leckie Road, Kelowna, BC from the A1 – Agriculture 1 zone to the C4 – Urban Centre Commercial zone be considered by Council;

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

AND 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 23, 2020;

AND THAT final adoption of the Rezoning Bylaw be considered subsequent to the approval of the Ministry of Transportation and Infrastructure;

AND FURTHER THAT final adoption of the Official Community Plan Map Amending Bylaw and Rezoning Bylaw be considered in conjunction with Council's consideration of a Development Permit for the subject property.

2.0 Purpose

To amend the Official Community Plan (OCP) to change the Future Land Use designation of the subject properties from MRM – Multiple Unit Residential (Medium Density) and MRH – Multiple Unit Residential (High Density) to MXR – Mixed Use (Residential / Commercial) and to rezone the subject sites from the A1 – Agriculture 1 zone to the C4 – Urban Centre Commercial zone to facilitate the development of a large-scale retail store.

3.0 Development Planning

Staff are in support of the proposed OCP Amendment and Rezoning applications to facilitate the development of a large-scale retail store (Costco) on the subject properties. The subject sites are currently vacant and have never been developed. The 4 combined properties represent approximately 14.75 acres (5.97 ha) of land centrally located within the Highway 97 regional commercial corridor. The applicant is proposing to amend the OCP Future Land Use designation to MXR – Mixed-use Commercial and to rezone the subject properties to C4 – Urban Centre Commercial. The proposed commercial development would be consistent with many other neighbouring properties within the Mid-Town Urban Centre including; Real Canadian Superstore, Canadian Tire, Orchard Park Shopping Centre, Staples, Marshalls, Home Depot, and Walmart. These vendors have benefited from clustering together in a high-profile central part of the City in order to share a traveling customer base effectively making business more efficient. During their search for an appropriate site, Costco considered other locations that were less central but all came with challenges from land use and infrastructure standpoints.

The existing Costco site located at 2479 Highway 97 N was developed in 1991 and has served Kelowna residents and beyond for the last 30 years. Over that time, and as Kelowna's population has significantly grown, the store has continually become busier in terms of increasing membership numbers and visits per

year. Costco is proposing to relocate the existing operation to a larger site that would allow for both a gas bar and a larger warehouse building to allow the business to continue to grow. A central, high profile location is important for Costco to not only conveniently serve residents of Kelowna but also act as a regional facility serving the Okanagan Valley. The central location also ensures Costco is most accessible to residents of the urban areas of the City. A more suburban or remote out-of-town location potentially makes the facility less accessible to residents of the City and has the potential to create greater transportation challenges.

Traffic Considerations

The proposed new Costco will be a large traffic generator and regional destination although the existing site, situated approximately 770 m to the northeast is generally considered within the same neighbourhood and as such the proposal does not represent a significant departure in terms of general transportation patterns or network impact. The site is well served by several major roadways including Benvoulin Rd to the south, Springfield Rd, Leckie Rd, Baron Rd, Dilworth Rd and Highway 97 N. The central location benefits Kelowna residents in terms of maintaining a reasonable average vehicle travel distance relative to more suburban or remote locations. While only a minor number of trips are anticipated to be taken by alternative forms of transportation, the location of the site is conducive to transit use and cycling for employees.

Costco undertook a Traffic Impact Assessment (TIA) to study possible impacts to the area's key intersections and roadway functions. As a result, to help ensure the long-term functioning of the City's network and Provincial Highway, the applicant has agreed to fund the following improvements:

Leckie Road Improvements (funded by Costco):

- Four lane Leckie Rd (two through lanes in each direction)
- Full signalization of Leckie Rd & Parkview Cr intersection including dedicated through lanes in all directions, except traveling westward from Parkview Cr and into proposed Costco site with dedicated left turn lanes in all directions.

Hwy 97 N/Leckie Road Improvements (funded by Costco, future development, MoTI):

- Southbound dual left turn onto Leckie Rd (eastbound) from Hwy 97 N
 - To be delivered when intersection study data indicates that it is necessary.

Springfield Road/Leckie Road Improvements (funded by Costco):

- Dual left turn lanes heading eastbound on Springfield Rd and turning left onto Leckie Rd.
- Dual through lanes in both directions on Springfield Rd.
- Relocation of existing transit bus stop located at southwest corner of intersection to the southeast corner of the intersection to accommodate the dual left from Springfield Rd onto Leckie Rd while maintaining two eastbound through lanes on Springfield Rd.

In addition to the above transportation improvements, the adjacent approved mixed-use development at 1940 Underhill Rd (Z18-0071) will be contributing to further infrastructure improvements to the area which include:

Baron Road/Durnin Road Improvements (funded by others):

- Relocate pedestrian-activated crossing light at Baron Rd/Underhill St intersection to Durnin Rd.

Baron Road/Underhill Street Improvements (funded by others):

- Full signalization of intersection with dedicated left-turn lanes onto Baron Rd from Underhill St.
- Shared through/right-turn lanes onto Baron Rd from Underhill St.

Baron Road/Dilworth Drive Improvements (funded by others):

- Dedicated left-turn lane on Baron Rd, turning left onto Dilworth Dr.
- Shared through/right-turn, Baron Rd onto Dilworth Dr.
- Dedicated right and left-turn lanes, Dilworth Dr onto Baron Rd.

Springfield Road/Durnin Road Improvements (funded by others):

- Addition of left turn lane from Springfield Rd onto Durnin Rd (optional if warranted by queue volumes).

The results of the TIA indicate pre-existing conditions of congestion and capacity issues within the study area network relative to the subject site. These relate to both City network and Hwy 97 N corridor. The improvements proposed by the applicant will mitigate the additional trips and traffic generated as best they can, however, it should be noted that further traffic improvements will be necessary in the area on other future development proposals or initiated by the City through its various plans.

Should the proposed OCP Amendment and Rezoning applications be supported by Council, a Development Permit for form and character would come forth to Council for consideration. There are no variances being tracked at this time.

4.0 Proposal

4.1 Background

The subject properties are currently sitting vacant and have never been developed or built upon since the lots were created, more than 30 years ago.

4.2 Project Description

The purpose of the proposed OCP amendment and rezoning applications is to move away from medium and high-density residential land uses on the subject properties and to allow for a mixed-use commercial development to facilitate the proposed relocation of the existing Costco within the City. The proposed Costco warehouse site is approximately 14.75 acres (5.97 ha) and comprises 4 legal parcels. The proposed warehouse building is expected to be 15,531 m² (167,177 ft²) in gross floor area (GFA) and measure only one-storey in height. The redevelopment plans include a total of 4 access points – 2 on Baron Road (1 right in, right out, and 1 all access) and 2 full access points on Leckie Road – 1 full access with traffic signals at the Parkview Cr and Leckie Rd intersection and another full access point in between Parkview Cr and Springfield Rd on Leckie Rd.

4.3 Site Context

The subject property is located in the Mid-town Urban Centre near the intersection of Leckie and Springfield roads. The subject site is composed of 4 legal parcels and is more specifically situated in between Baron Road to the west, Leckie Road to the east and Springfield Road to the south. The surrounding land uses include a mixture of low to medium density residential townhomes and apartments, located to the south, east and north with commercial situated on the west side of the property, mostly on the north side of Baron Road. The surrounding Future Land Use designations include medium to low density residential to the south, east and north with mixed use commercial / residential to the west.

Specifically, adjacent land uses are as follows:

Orientation	Zoning	Land Use
North	RM5 – Medium Density Multiple Housing	Residential
East	RM3 – Low Density Multiple Housing & RM5 – Medium Density Multiple Housing	Residential
South	RM5 – Medium Density Multiple Housing & P3 – Parks and Open Space	Residential and Park
West	C4lp – Urban Centre Commercial (Liquor Primary)	Commercial

Subject Property Map: 2125 & 2205 Baron Road, 1830 & 1880 Leckie Road



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 maximises 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 the 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

Policy .1 Auto-Oriented Sites. Support (but do not require) inclusion of residential uses when auto-oriented commercial sites and strip malls redevelop. Live-work, student and rental housing is particularly encouraged. Where auto-oriented sites are redeveloped within Urban Centres, redevelopment should create a higher-density, more walkable, and higher amenity space.

6.0 Technical Comments

Executive summary of Transportation Impact Study- see Attachment "C".

6.1 Development Engineering Department

See Schedule "A".

7.0 Application Chronology

Date of Application Received: September 17, 2019

Date Public Consultation Completed: January 27, 2020

Report prepared by: Andrew Ferguson, Planner II

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: Site Plan

Attachment B: Applicants Rationale/ Project Rendering

Attachment C: TIA- Executive Summary