

REPORT TO COUNCIL REZONING



Date: February 24, 2025
To: Council
From: City Manager
Address: 3699 Hwy 97 N
File No.: Z24-0061

	Existing	Proposed
OCP Future Land Use:	RCOM – Regional Commercial	RCOM – Regional Commercial
Zone:	C2 - Vehicle Oriented Commercial	C2rcs - Vehicle Oriented Commercial Retail Cannabis Sales

1.0 Recommendation

THAT Rezoning Application No. Z24-0061 to amend the City of Kelowna Zoning Bylaw No. 12375 by changing the zoning classification of LOT 3 SECTION 35 TOWNSHIP 26 OSOYOOS DIVISION YALE DISTRICT PLAN KAP57139 EXCEPT PLAN EPP54134, located at 3699 Hwy 97 N, Kelowna, BC from the C2 - Vehicle Oriented Commercial zone to the C2rcs - Vehicle Oriented Commercial Retail Cannabis Sales zone, be considered by Council;

AND THAT if the Rezoning Bylaw is adopted, Council direct Staff to send a recommendation to the Provincial Liquor and Cannabis Regulation Branch that they support issuance of a non-medical cannabis retail store license for this legal lot with the following comments:

- The proposed store location meets local government bylaw requirements and as such, no negative impact is anticipated;
- The views of the residents were captured through the public notification process for the rezoning of the property and provided to Council for consideration; and
- Local government recommends that the application be approved because of the compliance with local regulations and policies.

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

2.0 Purpose

To rezone the subject property from the C2 - Vehicle Oriented Commercial zone to the C2rcs - Vehicle Oriented Commercial Retail Cannabis Sales zone to facilitate a retail cannabis sales establishment.

3.0 Development Planning

Staff support the application to rezone the subject property and to send a recommendation to the Provincial Liquor and Cannabis Regulation Branch (LCRB) supporting the issuance of a cannabis retail store license for this property.

The City's Zoning Bylaw has a regulation requiring any retail cannabis sales establishment to be set back a minimum distance of 500 m from another retail cannabis sales establishment, measured from closest lot line

to closest lot line (Section 9.9.2). The Zoning Bylaw defines retail cannabis sales to mean “a development used for the retail sale of cannabis that has been licensed by the Government of British Columbia.” This subject property is within 500 m of another property that is currently zoned for retail cannabis sales, located at 1990 Lansdowne Pl, however, there has never been a retail cannabis sales establishment on that property, and there are no cannabis retail store licenses issued by the Government of British Columbia currently valid on that property. As the retail cannabis sales definition Zoning Bylaw references a licensed establishment, Staff have interpreted that the 500 m setback regulation established in Section 9.9.2 does not apply and recommend support for the rezoning application.

4.0 Site Context & Background

Orientation	Zoning	Land Use
North	C2 – Vehicle Oriented Commercial	Automotive and Equipment
East	C2 – Vehicle Oriented Commercial	Various Commercial Uses
South	C2 – Vehicle Oriented Commercial	Various Commercial Uses
West	I2 – General Industrial	Automotive and Equipment

Subject Property Map: 3699 Hwy 97 N



The subject property fronts Hwy 97 N, at the intersection with Commercial Dr, and has existing commercial uses on site. Properties with the future land use designation of RCOM – Regional Commercial in the Official Community Plan are intended to accommodate commercial uses that are more commonly accessed by vehicles. There are also BC Transit bus stops nearby on Hwy 97 N and on Rutland Rd N.

4.1 Background

The building on the subject property was constructed in 2004. No exterior changes are proposed. If supported by Council, this rezoning application will add retail cannabis sales as a permitted principal land use to the property. With the retail cannabis sales subzone, one of the existing commercial retail units would be converted to a retail cannabis sales establishment.

When the regulation was drafted in 2019, the intent of the 500 m minimum distance between retail cannabis stores was to avoid the clustering of multiple stores in certain areas. The property at 1990 Lansdowne Pl remains zoned to allow for retail cannabis sales, and a store could reopen on that property at any time, subject to LCRB requirements.

5.0 Application Chronology

Application Accepted: December 6, 2024
Neighbourhood Notification Summary Received: January 28, 2025

Report prepared by: Kimberly Brunet, Planner Specialist
Reviewed by: Dean Strachan, South Development Planning Manager
Reviewed by: Nola Kilmartin, Development Planning Department Manager
Approved for Inclusion: Ryan Smith, Divisional Director, Planning, Climate Action & Development Services

Attachments:

Attachment A: Site Plan
Attachment B: Summary of Neighbourhood Notification
Attachment C: Applicant's Letter of Rationale

For additional information, please visit our Current Developments online at www.kelowna.ca/currentdevelopments.