

REPORT TO COUNCIL REZONING



Date: July 7, 2025
To: Council
From: City Manager
Address: 3020 Appaloosa Rd
File No.: Z24-0018

	Existing	Proposed
OCP Future Land Use:	IND – Industrial	IND – Industrial
Zone:	A2 – Agriculture / Rural Residential	I2 – General Industrial

1.0 Recommendation

THAT Rezoning Application No. Z24-0018 to amend the City of Kelowna Zoning Bylaw No. 12375 by changing the zoning classification of Lot 7 Section 3 Township 23 ODYD Plan 18861, located at 3020 Appaloosa Rd, Kelowna, BC from the A2 – Agriculture / Rural Residential zone to the I2 – General Industrial zone, be considered by Council;

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 Development Planning Department dated July 7, 2025.

2.0 Purpose

To rezone the subject property from the A2 – Agriculture / Rural Residential zone to the I2 – General Industrial zone to facilitate the construction of a new industrial development.

3.0 Development Planning

Staff support the proposed application to rezone the subject property from the A2 – Agriculture / Rural Residential zone to the I2 – General Industrial zone to facilitate future development. The property is located within the Permanent Growth Boundary (PGB) and is designated as IND – Industrial in the Official Community Plan (OCP), which supports the continued development of industrial lands.

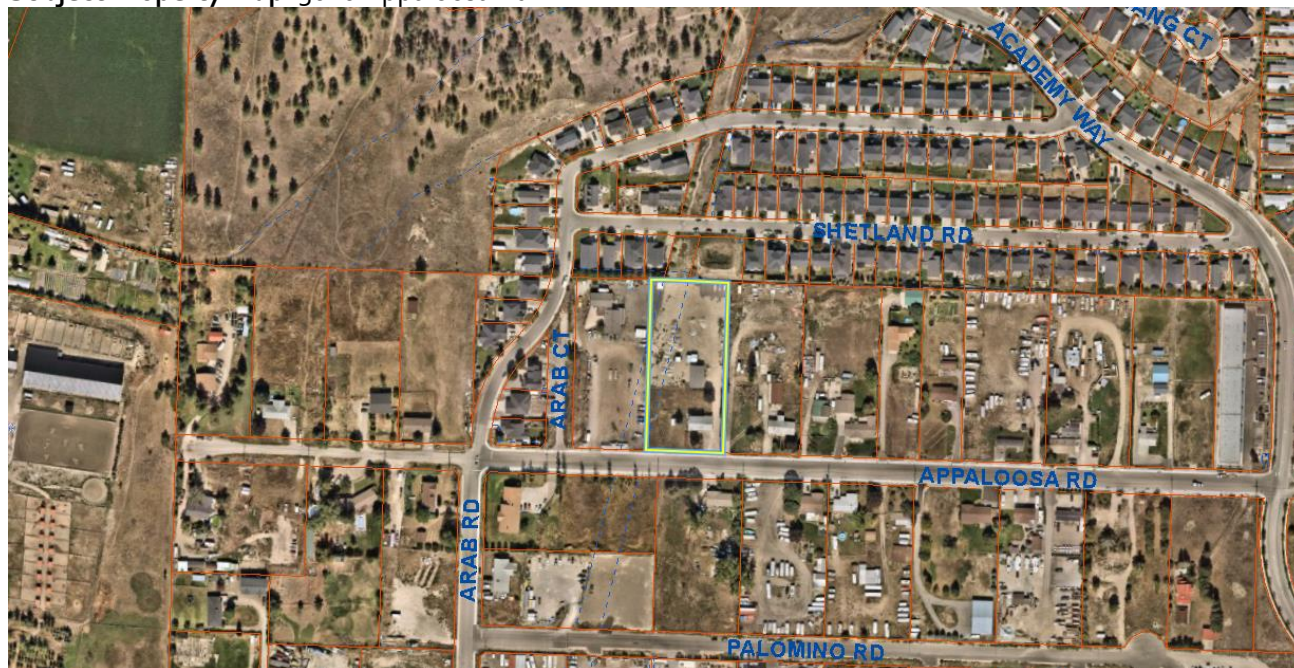
Extensive work has been completed to transition the area from agriculture to industrial, including upgrades to the road network, community water, and sewer systems. The owners have paid latecomer fees, as they were not part of the original ownership group who paid for the required frontage improvements.

Lot Area	Proposed (m ²)
Gross Site Area	7,406 m ²
Road Dedication	n/a
Undevelopable Area	~1,576 m ²
Net Site Area	5,830 m ²

4.0 Site Context & Background

Orientation	Zoning	Land Use
North	P3 – Parks and Open Space and P4 – Utilities	Vacant
East	I2 – General Industrial	Single Detached Dwelling
South	A2 – Agriculture / Rural Residential and I2 – General Industrial	Rural Residential
West	I2 – General Industrial	Outdoor Storage

Subject Property Map: 3020 Appaloosa Rd



The subject parcel is located within the Arab/Appaloosa area and a Transmission Pressure Pipeline runs through the property. The surrounding land use consists of residential to the north, combination of Agriculture and Industrial to the east, south and west.

4.1 Background

The Arab/Appaloosa Road area (subject area; the neighbourhood) had a long-standing planning history. The area had complex road and utility challenges that necessitated a comprehensive and coordinated solution led by the area residents. These changes allowed the area to transition from agriculture to industrial, by upgrading the road network, community water, and sewer. Throughout 2020 and 2021, a number of property owners in the area formed a neighbourhood group, continued to collaborate with the civil engineer and the City towards a comprehensive servicing solution that met the City's servicing regulations for industrial development. In August 2021, an area-wide engineering and servicing plan was submitted to the City by the consultant, which was approved by staff. On December 21, 2021, neighbourhood residents with instream rezoning applications, including the owner of the subject property, entered a development servicing agreement with the City and bonded for the off-site works.

A fair cost-sharing of upgrade works was completed for the entire neighbourhood, which was in excess of three million dollars. Once the cost-sharing agreement was finalized, eleven rezoning applications were approved by Council on July 25, 2022 from the central block of Appaloosa Rd (between Arab Rd and Academy

Way). The subject property was not part of the original ownership group but has since joined and provided a latecomer fee to pay for frontage improvements that were completed following the original application approvals.

5.0 Current Development Policies

5.1 Kelowna Official Community Plan (OCP)

Objective 6.4. Support the continued development of industrial lands.	
Policy 6.4.1. Erosion of Industrial Lands.	Discourage the re-designation of industrial lands in the Gateway and ensure their use for industrial purposes to protect employment, production manufacturing, warehousing, logistics and repair function in the City. This includes limiting residential and commercial uses within industrial areas that promote speculation, which makes development of industrial uses challenging.
	<i>The application is adding industrial lands into the Gateway Region. This includes adding employment and other industrial uses.</i>

6.0 Application Chronology

Application Accepted: May 8, 2024
Neighbourhood Notification Summary Received: June 17, 2025

Report prepared by: Tyler Caswell, Planner Specialist
Reviewed by: Alex Kondor, 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: Development Engineering Memo
Attachment B: Applicant's Rationale
Attachment C: Summary of Public Information Session

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