

REPORT TO COUNCIL



Date: November 20, 2017

RIM No. 1250-04

To: City Manager

From: Community Planning Department (AC)

Application: TA17-0012 **Owner:** Pier Mac Petroleum Installation Ltd..

Address: 3510, 3520 Kel Mac Ct & 1915 Pier Mac Way **Applicant:** Northland Properties Corporation (Scott Thomson)

Subject: Text Amendment Application

Existing OCP Designation: IND - Industrial

Existing Zone: CD15 – Airport Business Park (Industrial)

1.0 Recommendation

THAT Zoning Bylaw Text Amendment No. TA17-0012 to amend City of Kelowna Zoning Bylaw No. 8000 by amending principle uses, the industrial height limit, and the other regulations section within the CD15 – Airport Business Park to facilitate a Hotel development as outlined in Schedule “A” of the report from the Urban Planning Department dated November 20, 2017, be NOT considered by Council.

AND THAT the Text Amendment Bylaw NOT be forwarded to a Public Hearing for further consideration.

2.0 Purpose

To NOT consider amendments to the Zoning Bylaw for the CD15 zone – Airport Business Park zone in order to allow for six storey hotels within the area.

3.0 Community Planning

Staff are not supportive of the proposed Text Amendment application. The changes proposed to the zone would significantly affect the potential land uses, original planning vision, quality of development, and total vehicular trips generated (i.e traffic) to the entire area (not just the subject properties). The original rezoning of the Pier Mac lands included a comprehensive traffic study. Staff have continually informed the owner of the industrial lands (Pier Mac) that if any consideration is given to expanding the commercial land uses in this area, a comprehensive traffic study for the entire area would be required (in addition to an update of the overall planning work for Pier Mac development CD15 zone). The applicant (Northland Properties) have informed Staff that they do not want to produce an area wide planning/traffic study as they only want to develop on their proposed lots and it would delay their development application approvals. Although the

applicant stated they want to only develop a hotel in their site, their proposed Text Amendment states 'Hotels' as a principal use within the entire CD15-industrial zone. Staff are recommending a comprehensive traffic study for any expansion of commercial land uses (including hotels) in the CD15 – industrial area even if the expansion is to only occur on one lot. Therefore, Staff have provided an alternate recommendation that requires the applicant and owner to engage in a review of the CD15 – Airport Industrial zone and a comprehensive traffic study prior to considering any commercial rezoning or related text amendment.

The allowable height in the CD15 zone is 2 ½ storeys for the commercial areas and 4 stories for the industrial areas. The applicant wants to add a commercial land use (hotel) within the entire CD15-Industrial area and is requesting to increase the overall height for the industrial areas within the CD15 zone. The proposed Text Amendment increases the maximum height in the industrial CD15 area from 4 storeys to 6 storeys regardless of land use. Allowing 6 storey buildings in the industrial area when the majority of uses are industrial (not hotel uses) is not in keeping with the original design and intended form & character of the area. Therefore, Staff do not support this increase in height across the whole zone. Occasionally, a Development Variance Permit may be considered to increase the maximum height depending on the merits of the applications and Staff suggest variances are the most appropriate mechanism to increase the height past 4 storeys in this area. Furthermore, the most appropriate process for a building height review would be a review of the entire CD15 zone to ensure that future land uses and building heights are compatible.

This proposed Text Amendment application also suggests eliminating the maximum 3,000m² of floor area for any commercial use. The purpose of this limit was to prevent any large footprint retailer that may generate more significant traffic than was anticipated in the original traffic study. Again, Staff are not supportive of this change without a comprehensive more planning review/traffic study associated with a broader study of changes to the CD15-Airport Business Park zone.

Lastly, the proposed Text Amendment application proposes to eliminate the glazing requirement in the zone for Hotels. The minimum 30% glazing or other relief on the street facing façade has been difficult for many industrial developments to meet due to cost. The purpose of the rule was to ensure a high quality business park environment and prevent large blank walls. The proposed Text Amendment will lower minimum design standards for hotels only relative to all other industrial buildings. This rule change would not only create an un-level playing field between different type of land users, the rule change would also undermine the design standards originally envisioned within the zone.

For all the reasons stated above, Staff are recommending against all components of the proposed Text Amendments.

3.1 Background

The owners of subject properties have operated a gravel extraction operation on the site from the 1970's to the early 2000's. A rezoning application was submitted in 2003 and approved in 2005 to create the CD15 zone on the former gravel extraction lands. A part of the application was to rezone the corner of Airport Way and Highway 97 to the C9 Tourist Commercial zone to allow for a Hotel to service the airport and surrounding land.

4.0 **Proposal**

4.1 Project Description

The proposed Text Amendment amends the CD15 zone as follows:

- 1) Adds 'Hotel' as a principal use into the CD15 zone.
- 2) Amend the maximum height in the CD15 zone from 18.0m / 4 storeys to 25.0m / 6 storeys.
- 3) Eliminates the limit on the maximum commercial floor area:
 - a. Section 1.8 (d) "The total net floor area of any commercial use in this zone shall not exceed 3,000m²."
- 4) Amend Section 1.8 (e) that states all principal facades shall be articulated with glazing or other relief amounting to not less than 30% of the total façade. The amendment is proposed to add the clause "or if the use is Hotel, similar to Hotel developments."

The applicant intends to develop a 200+ room, six storey, Sandman Signature hotel on the proposed lots.

4.2 Site Context

Specifically, adjacent land uses are as follows:

Orientation	Zoning	Land Use
North	I4 – Central Industrial	Fruit and Vegetable Storage
East	I2 – General Industrial	Commercial
South	I4 – Central Industrial	Boat Storage
West	I4 – Central Industrial	Industrial - Vacant

Subject Property: 3510, 3520 Kel Mac Ct & 1915 Pier Mac Way



5.0 Current Development Policies

5.1 Kelowna Official Community Plan (OCP)

Chapter 5: Development Process

Industrial Land Use Policies¹.

- Focus industrial development to areas suitable for industrial use.
- Ensure efficient use of industrial land supply.
- Ensure adequate industrial land supply.
- Encourage the use and extraction of gravel resources and ensure appropriate redevelopment of gravel pits.

UBC Okanagan Campus-Style High-Tech². Encourage the development of campus-style high-tech projects, focused on the UBC Okanagan / Airport area.

6.0 Technical Comments

- If the alternate recommendation is forwarded, then the various departments will be circulated with the comprehensive traffic study.

7.0 Alternate Recommendation

THAT Zoning Bylaw Text Amendment No. TA17-0012 to amend City of Kelowna Zoning Bylaw No. 8000 by amending principle uses, the industrial height limit, and the other regulations section within the CD15 – Airport Business Park to facilitate a Hotel development as outlined in Schedule “A” of the report from the Urban Planning Department dated November 20, 2017, be considered by Council.

AND THAT Council directs staff to report back with the necessary technical comments on the implications of the proposed Text Amendment from the various departments and agencies prior to the Text Amending Bylaw being forwarded for reading consideration.

8.0 Application Chronology

Date of Application Received: September 12, 2017

Prepared by: Adam Cseke, Urban Planning
Reviewed by: Terry Barton, Urban Planning Manager
Reviewed by: Ryan Smith, Community Planning Department Manager

Attachments:

Schedule 'A': Proposed Text Amendment

¹ City of Kelowna Official Community Plan, Policy 5.21.6 (Development Process Chapter).

² City of Kelowna Official Community Plan, Policy 5.19.5 (Development Process Chapter).

Attachment B: Applicant rationale and submission package