



Council Report

penticton.ca

Date: October 21, 2025

File No:

RMS/698 Eckhardt

Avenue W

To: Anthony Haddad, City Manager

From: Gabe Tamminga, Planner II

Address: 698 Eckhardt Avenue West

Subject: **Zoning Amendment Bylaw No. 2025-34**

Staff Recommendation

THAT Council give first reading to “Zoning Amendment Bylaw No. 2025-34” for Lot 1 District Lot 2 Group 7 Similkameen Division Yale (Formerly Yale Lytton) District Plan 1655 Except Plan 36620, located at 698 Eckhardt Avenue West, a bylaw that rezones the subject property from M1 – General Industrial to C4 – General Commercial;

AND THAT Council forward “Zoning Amendment Bylaw No. 2025-34” to the November 4th, 2025 Public Hearing.

Proposal

The applicant is requesting to rezone the subject property located at 698 Eckhardt Avenue West from M1 – General Industrial to C4 – General Commercial to facilitate the development of a restaurant with a floor area exceeding 360m² in size. The Zoning Amendment application is the first step in the approval process and further applications may be required in the future for any design or construction related steps of development.

Strategic priority objective

Livable & Accessible: The City of Penticton will proactively plan for deliberate growth, focusing on creating an inclusive, healthy, and vibrant community.

Background

The subject property currently contains one small vacant building in the northeast corner of the property, with the remainder of the property being used for vehicle parking. It is at a prominent location within the

City of Penticton at the corner of Railway Street (Highway 97) and Eckhardt Avenue West, in a high amenity area with a mix of uses (Figure 1). There are commercial, residential, institutional and recreational properties all within 200m of this site. The property is currently designated by the Official Community Plan (OCP) as 'Mixed Use' which is a land use designation that supports both residential and commercial development in high amenity areas of the city. The property is currently zoned M1 – General Industrial which is a zone intended to accommodate general and light industrial uses.

Technical Review

This application was reviewed by the City's Technical Planning Committee (TPC), which is an internal group of staff that reviews development applications. Comments were provided to the applicant for future stages of development such as a development permit or building permit application.

Analysis

Zoning Amendment – Support

The applicant is proposing to rezone the property from M1 – General Industrial to C4 – General Commercial. While the current M1 zone does permit restaurant as a use, it limits the maximum size of the restaurant to 100m² of gross floor area. This would not allow the applicant to build a larger restaurant as intended (Figure 2), which is why a zoning amendment application is required. The proposed amendment is consistent with the City's OCP (Figure 3) as the subject



Figure 1 - Property Location Map

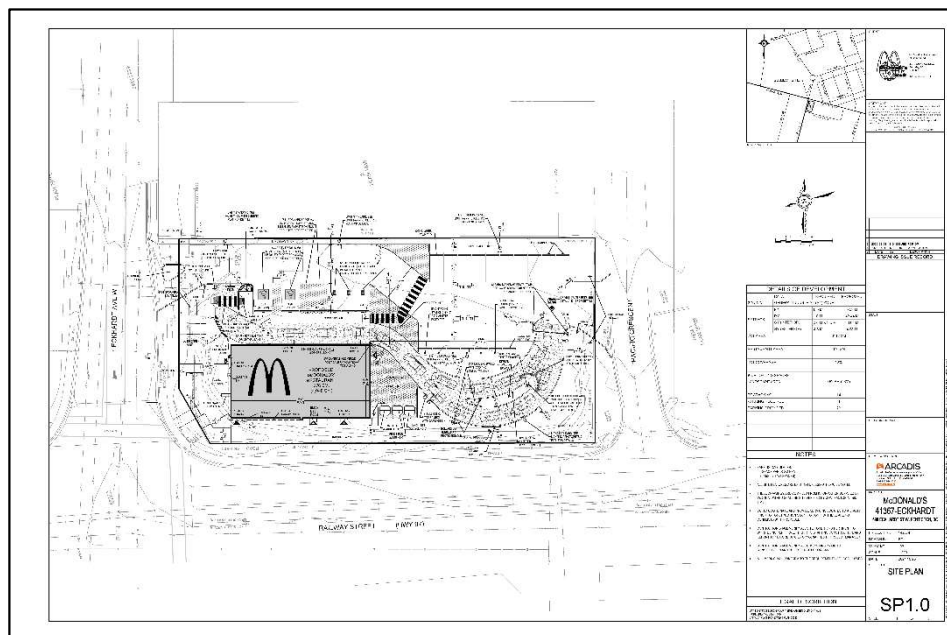


Figure 2 - Proposed Site Plan

property is designated as Mixed Use which is for properties that support residential and/or commercial uses in higher density and mixed-use areas of the city.

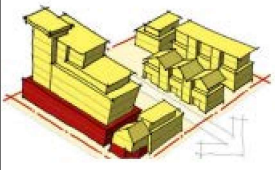
Land Use	Description	Building Type(s)	Uses	Height / Density
 Mixed Use	Higher-density mixed-use areas allowing for intensive development with residential and/or commercial uses	- Higher-density apartments - Mixed-use buildings - Commercial buildings	- Commercial (retail, service, office) - Residential	Generally greater than 3 storeys

Figure 3 - OCP Land Use Designation

Staff consider alignment with the OCP when a zoning amendment application is proposed as well as other policies that would be relevant to the application. The proposed zoning amendment will allow for development that is supported through following OCP policies:

- Policy 4.2.3.8 Require adequate levels of secure bike parking in new multi-family, mixed-use and commercial development.
- Policy 4.3.2.3 Encourage intensification of vacant or underused service commercial parcels before designating additional service commercial areas.
- Policy 4.3.6.6 Support business investment and worker attraction to Penticton by adhering to high-quality urban design standards, mixing compatible land uses, providing parks, trails and amenities, protecting the natural environment, and supporting active transportation to create quality neighbourhoods.

The property is also located within the City's North Gateway plan areas. The North Gateway Plan, Land Use and Density Map identifies the subject property as commercial.

This zoning bylaw amendment is subject to approval by the Ministry of Transportation and Transit (MOTT), as the property is located within 800 metres of a controlled access intersection. MOTT has provided preliminary approval for the rezoning, contingent upon the implementation of a right-in and right-out access configuration onto Eckhardt Avenue West. The preliminary site plan also demonstrates compliance with the required highway setback of 4.5 metres for buildings.

Summary

Based upon the alignment with the OCP policies and the land use designation for the subject property, staff have determined that there is support for Zoning Amendment Bylaw No. 2025-34 as it aligns with the vision and supports the intended use. As such, staff recommend that Council follow the staff recommendation.

Alternate recommendations

Council may find this Zoning Amendment does not meet the intent of the OCP policies. If this is the case, Council may consider the alternative recommendation:

1. THAT Council deny first reading of "Zoning Amendment Bylaw No. 2025-34".

Attachments

Attachment A – Zoning Bylaw Map

Attachment B – Official Community Plan Map

Attachment C – Photos of the Property

Attachment D – Letter of Intent (applicant)

Attachment E – Zoning Amendment Bylaw No. 2025-34

Respectfully submitted,

Gabe Tamminga
Planner II

Concurrence

General Manager or Development Services <i>BL</i>	City Manager <i>SH</i>
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698 Eckhardt Ave W

Zoning Bylaw Map



Subject Parcel

Zoning Bylaw No 2024-22

R4-S - Small-Scale Multi-Unit Residential - Small Lot

RM2 - Low Density Multiple Housing

C2 - Neighborhood Commercial

C3 - Mixed Use Commercial

C6 - Urban Peripheral Commercial

C7 - Service Commercial

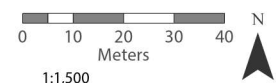
C8 - Vehicle Service Station

CT1 - Tourist Commercial

M1 - General Industrial

P1 - Public Assembly

P2 - Parks and Recreation



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Date: 10/6/2025

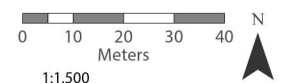


698 Eckhardt Ave W

Official Community Plan Map



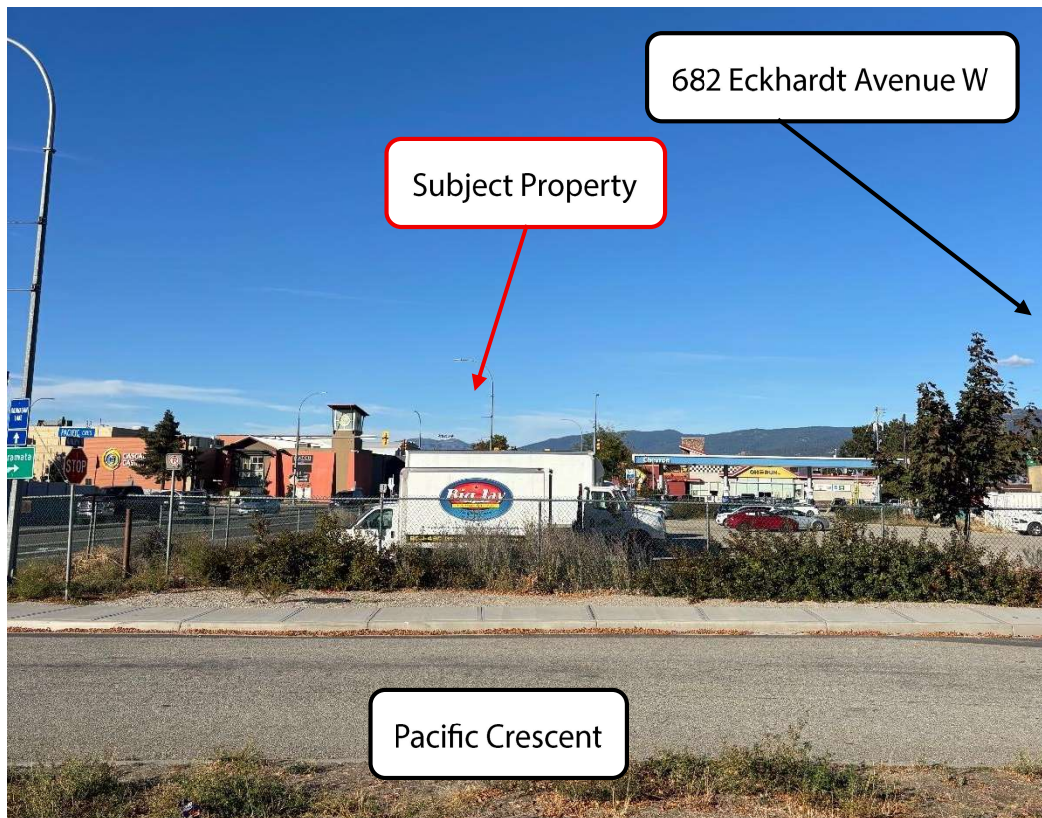
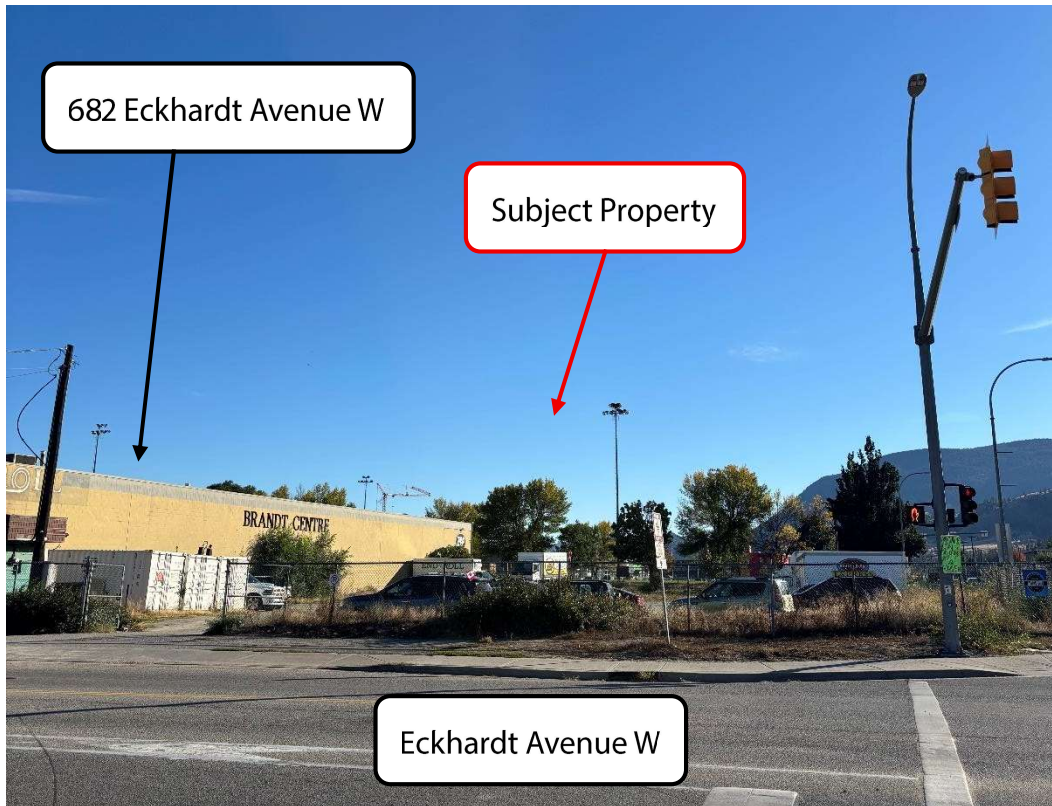
- | | |
|--|--|
| Subject Parcel | Low Density Residential |
| Official Community Plan - Future Land Use | Mixed Use |
| High Density Residential | Parks |
| Institutional and Civic | Tourist Commercial |



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Date: 10/6/2025

Attachment C – Photos of Property





Development Services Division
 Planning Department
 City of Penticton
 171 Main St.
 Penticton, BC
 V2A 5A9

Date: July 31, 2025
 Our Ref: 30259227
 Subject: 698 Eckhardt Avenue W Rezoning Application- Letter of Justification

Arcadis Professional Services
 (Canada) Inc.
 227 11th Avenue SW
 3rd Floor
 Calgary, Alberta T2R 1R9
 Canada
 Phone: 403 270 5600

To Whom it May Concern,

Arcadis is pleased to provide this Letter of Justification for the Rezoning and associated Development Permit application on behalf of McDonald's Restaurants of Canada Ltd. and the property owner, Petro-Canada Inc., for the property located at 698 Eckhardt Ave W (Plan KAP1655, Lot 1, District Lot 2). The purpose of this application is to rezone the 0.95-acre parcel from General Industrial (M1) to General Commercial (C4).

Purpose

The proposed rezoning seeks to enable the development of a 376 m² single story restaurant with a dual-lane drive-through. The development will feature 29 vehicular parking spaces, inclusive of 2 accessible stalls and 1 loading area.

Planning Framework & General Conformance

The City of Penticton's Official Community Plan (OCP) designates this parcel as Mixed Use. Mixed Use sites are described as higher-density mixed-use areas that provide opportunities for residential/commercial uses.

These include developments that are generally greater than three storeys, such as higher-density apartments, mixed-use buildings, commercial buildings (retail, service, office), and residential uses.

The proposed rezoning to General Commercial (C4) will allow the conversion of the site from industrial to commercial uses and bring the site into conformance with the OCP while contributing to a more complete community with food and employment opportunities in the area. Additionally, the development of the building's facade and enhanced landscape will create a public fronting site, improving the pedestrian realm at the intersection of Railway St and Eckhardt Ave W.

Neighbourhood Impacts

The proposed development will enhance the site by replacing the existing vacant gravel lot with a high-quality food establishment, providing an opportunity for a social gathering space and an enhanced pedestrian environment. Additionally, having an active use on what is currently a vacant parcel will promote public safety (eyes on the street, ownership of space) and result in a cohesive urban form by filling in gaps (vacant parcels).

This development will also have positive social impacts, creating 60 new jobs and additional jobs related to construction of the building, enhancing Penticton's economic development opportunities.

Dean Todd
Arcadis Professional Services (Canada) Inc.
July 31, 2025

Currently, the impacts to the neighbourhood that are envisioned to result from the proposed development are generally positive. A Traffic Impact Assessment (TIA) was prepared to assess the impacts of the proposed development on the roadway network and provide recommendations for improvements (if any). It was found that the proposed development will have minimal impacts on the road network.

Please see enclosed the application package that includes:

- Letter of Intent
- Site Disclosure Statement
- Agency Agreement
- Development Application Form
- Certificate of Title
- Site Plan
- Rezoning Map

Payment for this application is to follow once the application has been submitted.

We appreciate your time and consideration for this application. We believe the proposed rezoning aligns with the City's long-term planning goals and will contribute positively to the community's growth and development. Please do not hesitate to contact us if you have any questions or require additional information.

Sincerely,
Arcadis Professional Services (Canada) Inc.



Lilit Houlder, MPlan, RPP, MCIP
Urban Planner

Email: lilit.houlder@arcadis.com
Direct Line: 780-915-2004



City of Penticton – Schedule ‘A’

Zoning Amendment Bylaw No. 2025-34

Date: _____

Corporate Officer: _____