

April 26, 2018

**Subject Property:**

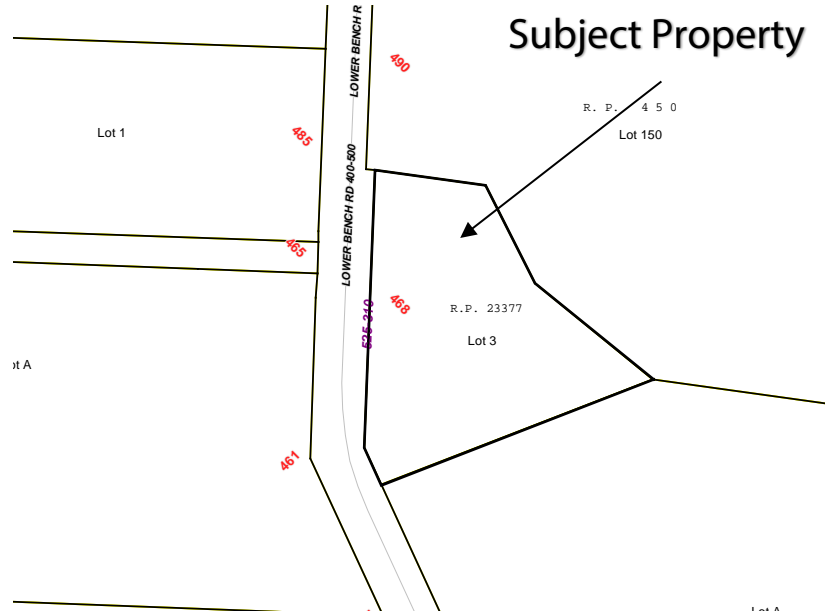
468 Lower Bench Road

Lo 3, District Lot 187, Similkameen Division Yale District, Plan 23377

**Application:**

Rezone PL2018-8170

The applicant is proposing to develop a 20 room hotel at 468 Lower Bench Road to provide a high-end tourist accommodation for the local wine tourism industry. The following amendment to Zoning Bylaw 2017-08 is being considered:



- Agriculture (A) Zone: *Section 9.2.6 Site Specific Provisions* add .10 to permit a 20 suite hotel and operator dwelling unit, and notwithstanding section 9.2.2 Subdivision and Development Regulations, a 35% maximum parcel coverage for all buildings is permitted.

**Information:**

The staff report to Council and Zoning Amendment Bylaw 2018-24 will be available for public inspection from **Friday, April 27, 2018 to Tuesday, May 8, 2018** at the following locations during hours of operation:

- Penticton City Hall, 171 Main Street
- Penticton Library, 785 Main Street
- Penticton Community Centre, 325 Power Street

You can also find this information on the City's website at [www.penticton.ca/publicnotice](http://www.penticton.ca/publicnotice).

Please contact the Planning Department at (250) 490-2501 with any questions.

**Council Consideration:**

A Public Hearing has been scheduled for **6:00 pm, Tuesday, May 8, 2018** in Council Chambers at Penticton City Hall, 171 Main Street.

**Public Comments:**

You may appear in person, or by agent, the evening of the Council meeting, or submit a petition or written comments by mail or email no later than **9:30 am, Tuesday, May 8, 2018** to:

Attention: Corporate Officer, City of Penticton  
171 Main Street, Penticton, B.C. V2A 5A9  
Email: [publichearings@penticton.ca](mailto:publichearings@penticton.ca).

No letter, report or representation from the public will be received by Council after the conclusion of the May 8, 2018 Public Hearing.

**Please note** that all correspondence submitted to the City of Penticton in response to this Notice must include your name and address and will form part of the public record and will be published in a meeting agenda when this matter is before the Council or a Committee of Council. The City considers the author's name and address relevant to Council's consideration of this matter and will disclose this personal information. The author's phone number and email address is not relevant and should not be included in the correspondence if the author does not wish this personal information disclosed.

Blake Laven, RPP, MCIP  
Manager of Planning



# Council Report

penticton.ca

**Date:** April 17, 2018  
**To:** Peter Weeber, Chief Administrative Officer  
**From:** Randy Houle, Planner I  
**Address:** 249 Westminster Avenue West  
**Subject:** Zoning Amendment Bylaw No. 2018-23

File No: 2018 PRJ-062

## Staff Recommendation

THAT “Zoning Amendment Bylaw No. 2018-23”, a bylaw to Rezone Lot A District Lot 4 Group 7 Similkameen Division Yale (Formerly Yale Lytton) District Plan KAP92015, located at 249 Westminster Avenue West from CD4 (Comprehensive Development) to C5 (Urban Centre Commercial), and to add Section 11.5.4.8: “In the case of Lot A, DL 4, Group 7, SDYD (Formerly Yale Lytton), Plan KAP92015, located at 249 Westminster Avenue West, a craft brewery/distillery and cidery shall be permitted,” be given first reading and be forwarded to the May 8, 2018 Public Hearing.

## Background

The subject property (Attachment A) is zoned CD4 (Comprehensive Development) and designated by the City’s Official Community Plan (OCP) as DC (Downtown Commercial). Photos of the site are included as Attachment D. The lot is 6080.0m<sup>2</sup> (65,444ft<sup>2</sup>) in area. Surrounding properties are primarily zoned for multiple family and commercial development. The property is located in the heart of the downtown, at the corner of Westminster Avenue West and Winnipeg Street.

The property was originally developed in the 1960s as a Volkswagen Dealership, which operated for a number of years. Since that time, several automobile repair and sales and other uses have taken place on the property, including a Texaco filling station. In 1996, the main building on the site was divided into a number of smaller rental spaces. Frasersview RV operated on the subject property until 2014. Two smaller businesses: a detail business and a repair shop, continue to operate on the site as a legally non-conforming uses.

In 2008, City Council supported a zoning amendment on the subject property from a service commercial zone to a comprehensive development zone (CD4) for a mixed use commercial residential development. Subsequently, a development permit was applied for featuring two 12-storey residential towers on a three storey podium (15 storeys total) with a mix of retail and office spaces as well as parking in the podium. With the economic downturn, the development permit application was withdrawn. The CD zoning is still in place.

A Temporary Use Permit was issued on the subject property in November of 2015, which permitted “motor vehicle sales and rental.” The permit expires on September 29, 2018. The use is still occurring on the south east corner of the subject property but will not be permitted after September 29<sup>th</sup> of this year.

## Proposal

The subject property has recently changed ownership and the applicant is proposing to rezone the property from CD4 (Comprehensive Development) to C5 (Urban Centre Commercial), with a site specific text amendment allowing for craft brewery/distillery and cidery use. The C5 zone allows for more uses than the CD4 zone. The conceptual plans submitted features a Granville Island Public Market concept, cidery, bistro and public parking lot. Apartment towers could be built in the parking lot area in the future under the C5 zoning. At this time, the applicant is not proposing any new construction or variances to any City bylaws.

## Technical Review

This application was forwarded to the City's Technical Planning Committee and reviewed by the Engineering and Public Works departments. There are multiple water and sewer connections on the property which will need to be terminated as the Subdivision and Development Bylaw allows for only one connection per property. There are multiple sidewalk letdowns providing access to the development that will need to be reinstated or blocked off with landscape buffering. These items will be addressed during the building permit stage at the cost of the developer. The scale of the future development will determine servicing upgrades, street frontage upgrades and access requirements. As per City of Penticton Building Bylaw 94-95 section 7.1.5, storm water/drainage is to be maintained on site. If the request for the zoning amendment is supported, BC Building Code and City bylaw provisions will apply.

## Financial Implication

As the property develops, the developer will contribute to frontage upgrades (sidewalk, boulevard trees). Development Cost Charges will be applied on any new construction. Commercial space will be charged at a rate of approximately \$4.20 per ft<sup>2</sup> and residential units will be charged at a rate of approximately \$3,126 per unit. The exact cost depends on the DCC rates at the time of building permit issuance.

## Analysis

### *Zoning Amendment*

#### *Support "Zoning Amendment Bylaw No. 2018-23"*

The OCP designation for this site is DC (Downtown Commercial), which supports the proposed uses. Staff consider that the zoning amendment to allow for the proposed development represents best use of the land for the following reasons:

- The proposal reinforces the OCP's view that the downtown area is to be the highest order commercial area in Penticton by allowing a wide range of commercial uses and encouraging continued intensification and growth of commercial activities in the core area.
- The proposed public parking lot addresses the OCP's vision to identify ways and means to provide additional and convenient off-street parking facilities within walking distance of the Downtown area in order to maintain its viability as a shopping area.
- The proximity to the downtown and nearby services encourages more walking and active forms of transportation.

- The street frontage upgrades that will occur during the building permit stage will help to address the OCP's desire to update and improve the Downtown revitalization efforts, including parking lot beautification and streetscape greening.

In 2012, the City implemented a Downtown Plan, with a vision that the proposed rezoning addresses as explained below:

- The subject property has been identified as an Opportunity Site in the Downtown, with a future vision for mixed use commercial and/or residential development. The proposed rezoning to C5 (Urban Centre Commercial) will allow for residential units to be added to the site in the future.
- The Downtown plan encourages converting parking lots in the Downtown into "park lots" by enhancing landscaping, site permeability and improving storm water management on existing and proposed parking lots. The proposed parking lot on the west half of the property will feature landscaping and screening measures with enhanced storm water management. The landscaping and design will be addressed through the development permit process.
- The proposed property is part of the Entertainment Character Area of the Downtown Plan. The purpose of this area is to encourage critical masses of similar uses that will drive competition, innovation and create a sense of vibrancy and increased economic activity. The proposed cidery, bistro and public market will help achieve this while fostering Downtown Penticton's Identity.

The plans submitted are conceptual in nature and an application for a development permit will be required prior to any approval for construction on the lands. The development permit drawings will have much more detail and address landscaping requirements. Nevertheless, the plans submitted show general conformance to the C5 (Urban Centre Commercial) zone.

Staff considers that the location of the site and characteristics of the surrounding neighbourhood make it appropriate for the proposed amendment. The current and proposed uses will conform to the C5 (Urban Centre Commercial) zone. Given the above, staff recommends that Council support "Zoning Amendment Bylaw No. 2018-23" and forward the application to the May 8 Public Hearing for comments from the public.

#### *Deny/Refer Zoning Amendment*

Council may consider that the proposed amendment is not suitable for this site and the comprehensive development zone shall remain in place. If this is the case, Council should deny the bylaw amendment.

Alternatively, Council may wish to refer the matter back to staff to work with the applicant with any direction that Council considers appropriate.

#### **Alternate Recommendations**

1. THAT Council deny first reading of "Zoning Amendment Bylaw No. 2018-23".
2. THAT Council refer the bylaw back to staff.


#### **Attachments**

- Attachment A: Subject Property Location Map
- Attachment B: Zoning Map
- Attachment C: OCP Map
- Attachment D: Photos of Subject Property
- Attachment E: Conceptual Site Plan
- Attachment F: Conceptual Renderings
- Attachment G: Granville Island Public Market Concept
- Attachment H: Letter of Intent
- Attachment I: Zoning Amendment Bylaw No. 2018-23

Respectfully submitted,

Randy Houle  
Planner I

Approvals

Acting DDS 	CAO  PW
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Attachment A – Subject Property Location Map



Figure 1: Subject Property Location Map

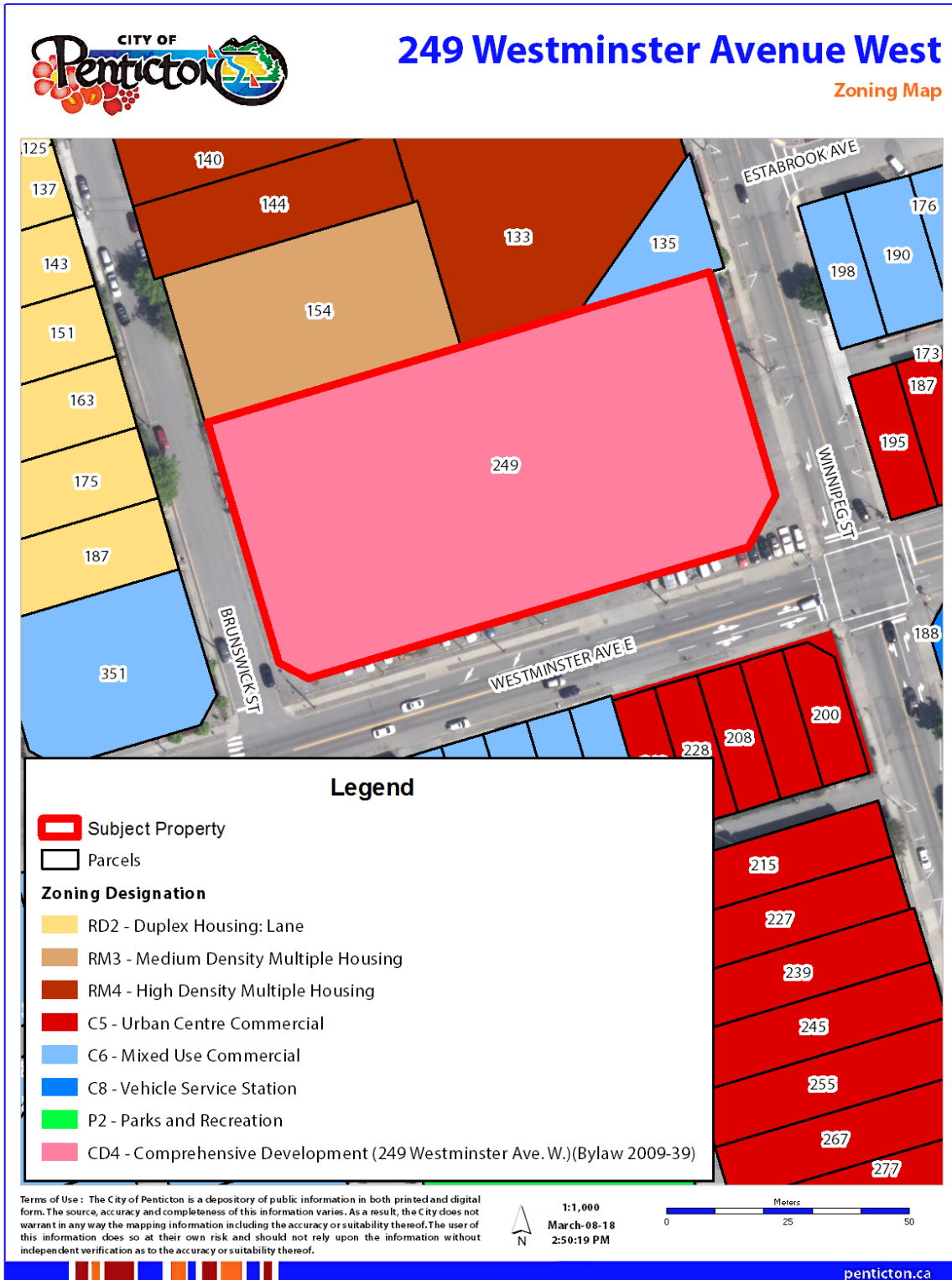


Figure 2: Zoning Map

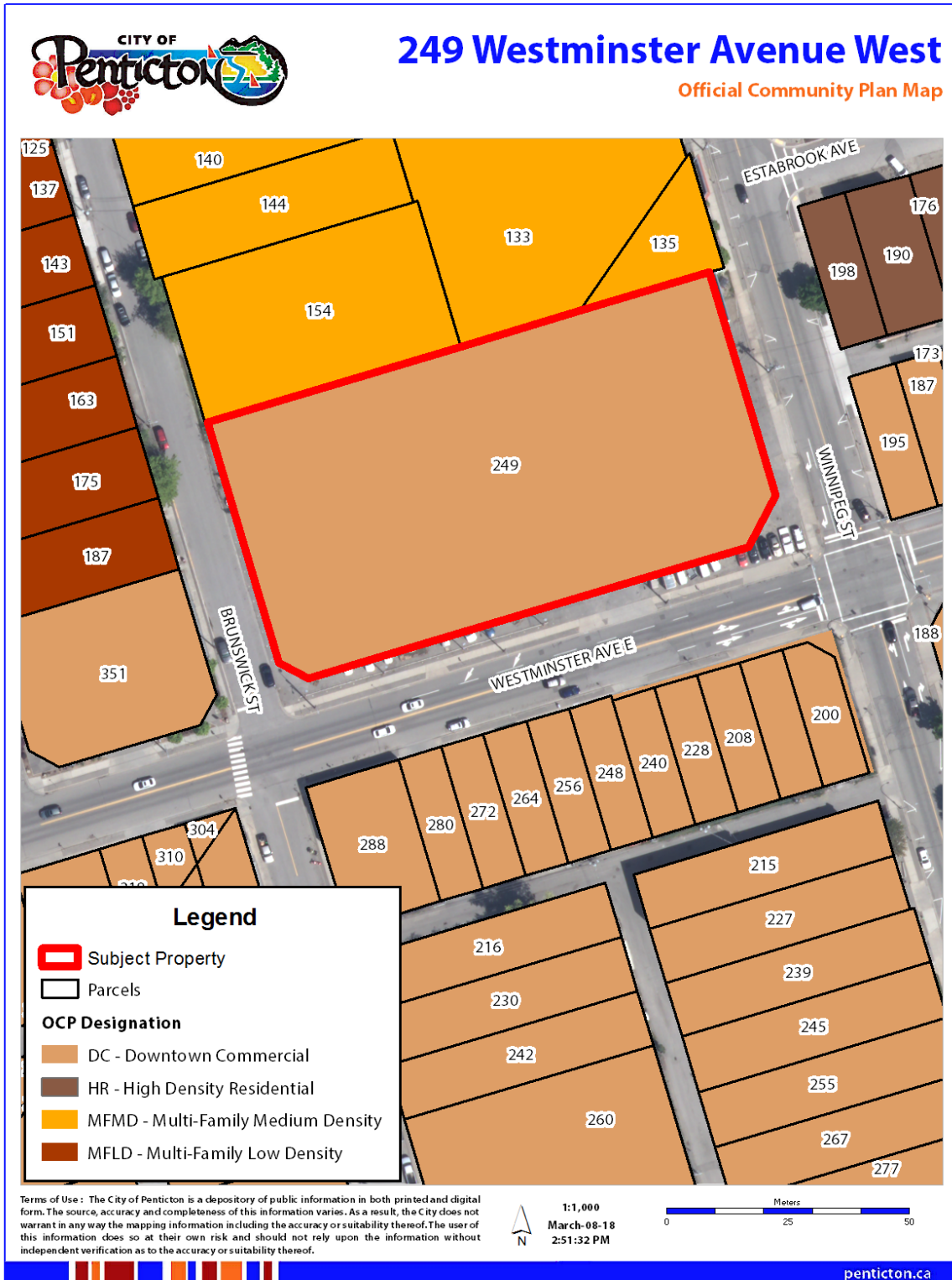


Figure 3: OCP Map

Attachment D – Photos of Subject Property



Figure 4: East View (from Winnipeg Street)



Figure 5: East View (from Winnipeg Street)



Figure 6: Eastern Portion of Property (from Westminster Avenue West)



Figure 7: South View of Subject Property



Figure 8: Western Portion of Property (from Westminster Avenue West)



Figure 9: Western Portion of Property (from Brunswick Street)



Figure 10: North West Portion of Property (from Brunswick Street)



Figure 11: North West Portion of Property

Attachment E – Conceptual Site Plan

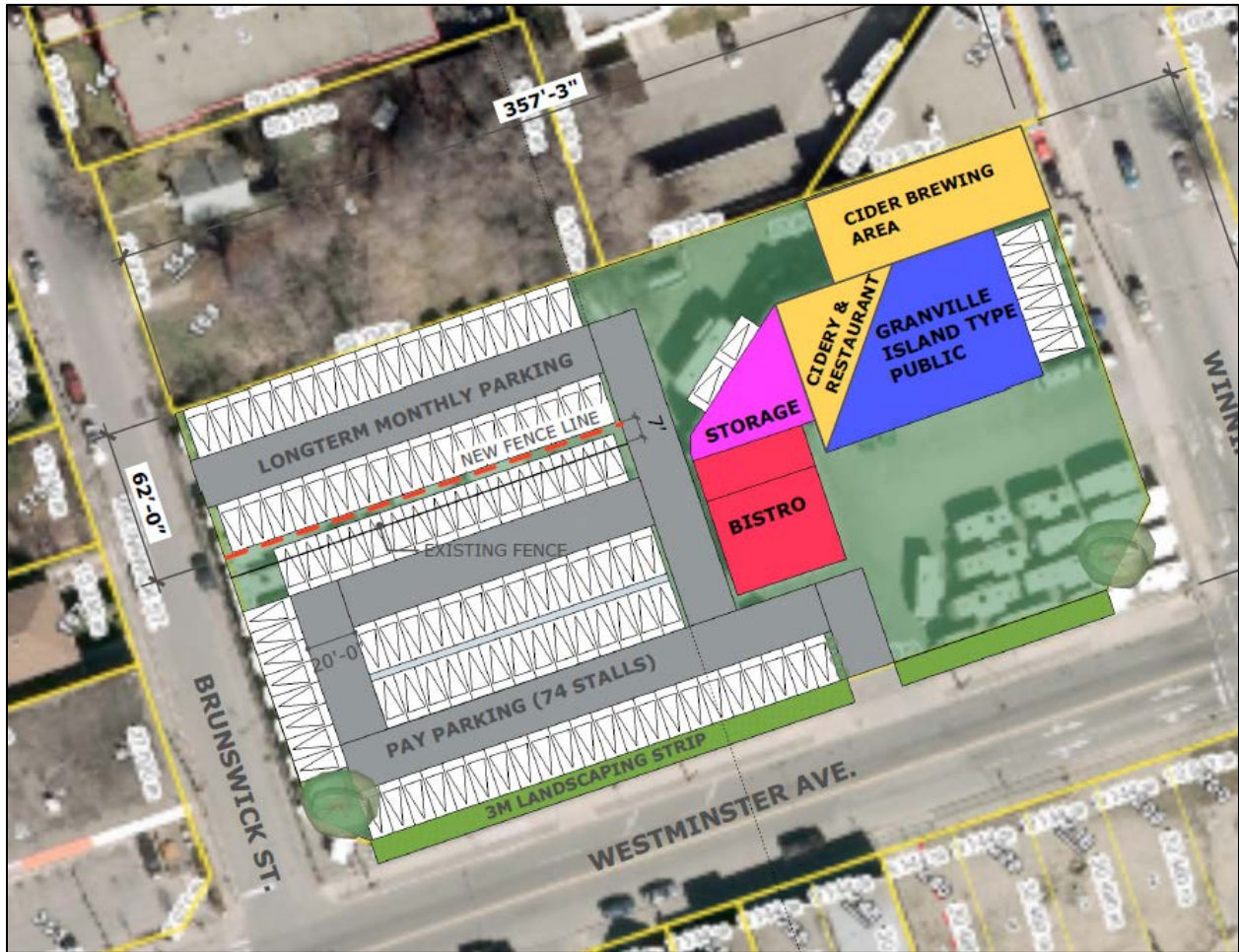


Figure 12: Conceptual Site Plan

Attachment F – Conceptual Renderings

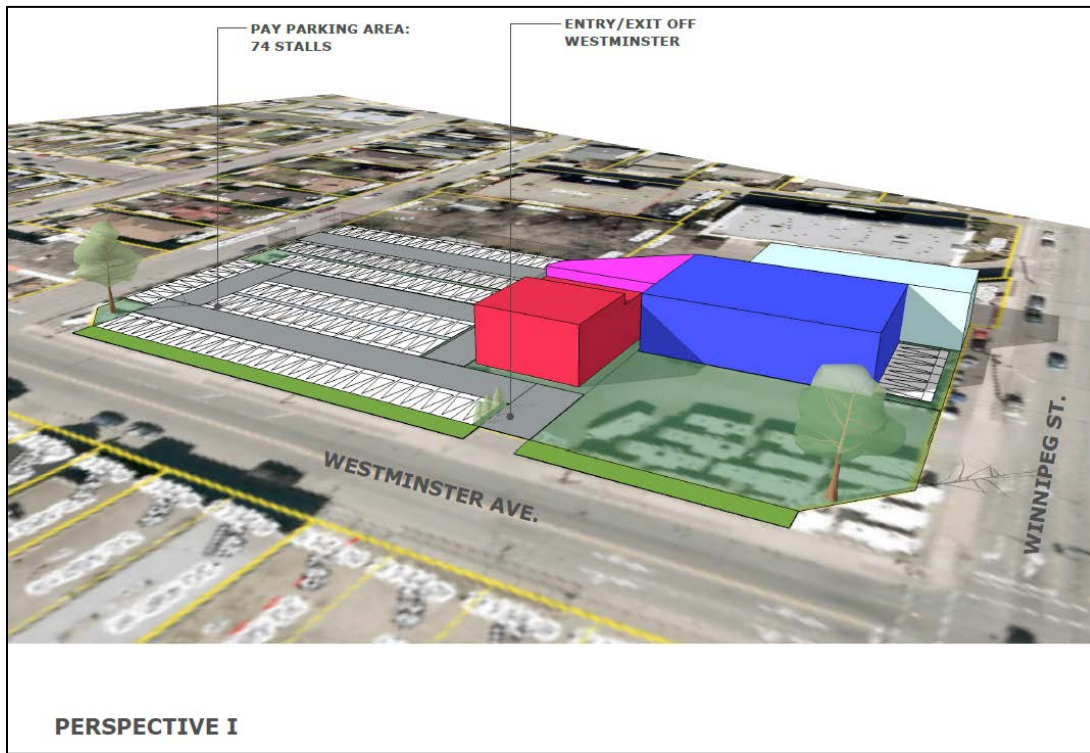


Figure 13: South Rendering

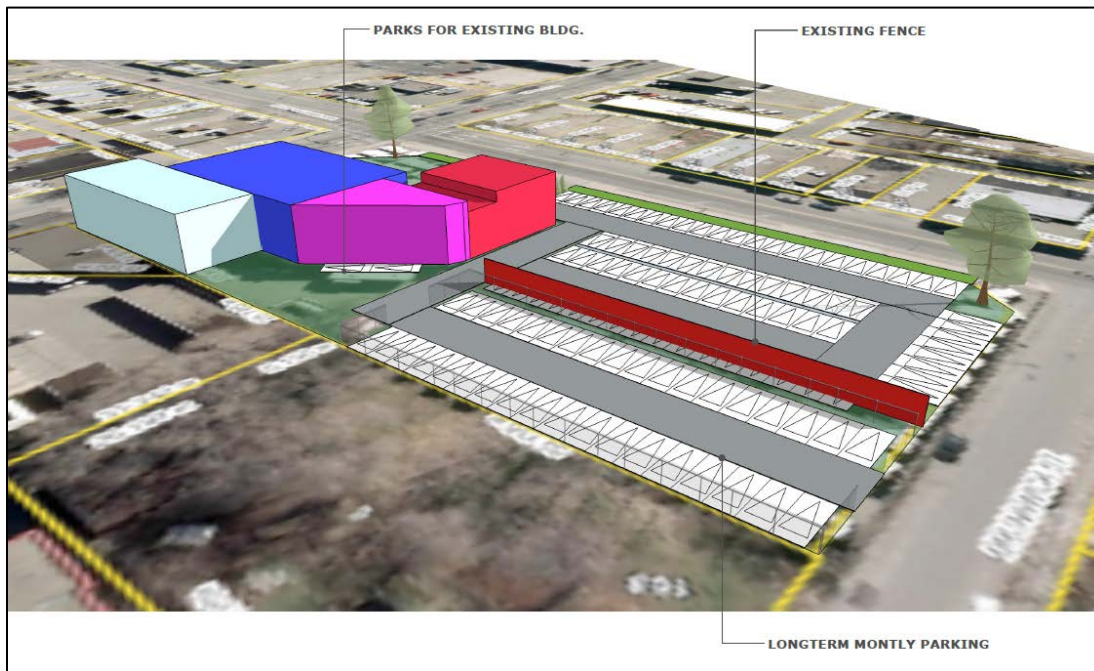


Figure 14: North Rendering

Attachment G - Granville Island Public Market Concept



Figure 15: Concept Plan

**LETTER OF INTENT**

249 Westminster Ave. West was rezoned to CD4 about 8 years ago. The intent at that time was to construct a multistory, multifamily residential development with commercial at ground level. That development did not proceed.

Toni Brown (the owner) purchased the property recently. Her plan is to eventually develop the property similar to what was being proposed previously. However, in the immediate future the owner would like to utilize the property in its present form. That is no additional building, just rent out the existing building space and parking area. She has a number of small business interests in the property and proposes a public parking lot to utilize the existing large paved parking area.

A comparison of the C5, C6 and CD4 zones found that the C5 zone and the CD4 zone were quite similar. It was determined that the best approach would be to rezone to C5 for now to accommodate the short term uses. Once the exact long term (ultimate) use has been determined, a separate rezone application to facilitate that objective may be needed.

A “craft brewery/cidery/distillery” use is not presently a permitted use in the C5 zone. We are therefore also requesting that this use be included as a site specific use permitted on this property.

D. Haddrell

Figure 16: Letter of Intent

The Corporation of the City of Penticton

Bylaw No. 2018-23

A Bylaw to Amend Zoning Bylaw 2017-08

WHEREAS the Council of the City of Penticton has adopted a Zoning Bylaw pursuant the *Local Government Act*;

AND WHEREAS the Council of the City of Penticton wishes to amend Zoning Bylaw 2017-08;

NOW THEREFORE BE IT RESOLVED that the Municipal Council of the City of Penticton, in open meeting assembled, hereby ENACTS AS FOLLOWS:

1. Title:

This bylaw may be cited for all purposes as "Zoning Amendment Bylaw No. 2018-23".

2. Amendment:

2.1 Zoning Bylaw 2017-08 is hereby amended as follows:

Rezone Lot A District Lot 4 Group 7 Similkameen Division Yale (Formerly Yale Lytton) District Plan KAP92015, located at 249 Westminster Avenue West from CD4 (Comprehensive Development) to C5 (Urban Centre Commercial).

2.2 Zoning Bylaw 2017-08 is hereby amended by adding the following site specific provisions to section 11.5.4:

.8 In the case of Lot A, DL 4, Group 7, SDYD (Formerly Yale Lytton), Plan KAP92015, located at 249 Westminster Avenue West, a craft brewery/distillery and cidery shall be permitted.

2.2 Schedule 'A' attached hereto forms part of this bylaw.

READ A FIRST time this day of , 2018

A PUBLIC HEARING was held this day of , 2018

READ A SECOND time this day of , 2018

READ A THIRD time this day of , 2018

RECEIVED the approval of the day of , 2018  
Ministry of Transportation on the

ADOPTED this day of , 2018

Notice of intention to proceed with this bylaw was published on the \_\_ day of \_\_\_\_, 2018 and the \_\_ day of \_\_\_\_, 2018 in the Penticton Western newspaper, pursuant to Section 94 of the *Community Charter*.

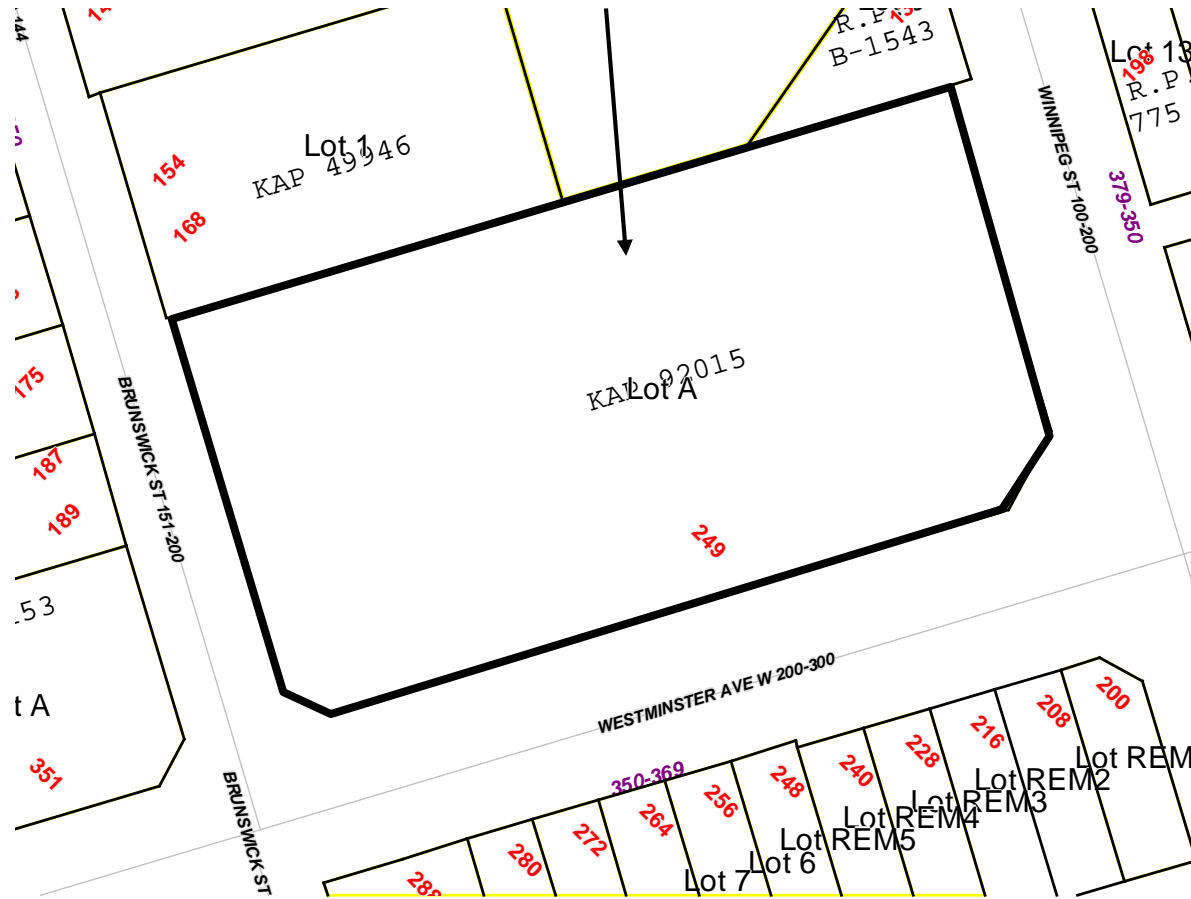
Approved pursuant to section 52(3)(a) of the *Transportation Act*  
this \_\_\_\_\_ day of \_\_\_\_\_, 2018  
  
\_\_\_\_\_  
for Minister of Transportation & Infrastructure

\_\_\_\_\_  
Andrew Jakubeit, Mayor

\_\_\_\_\_  
Dana Schmidt, Corporate Officer

# Rezone 249 Westminster Ave W

From CD4 (Comprehensive Development Zone) to C5 (Urban Centre Commercial)  
and add "craft brewery/distillery and cidery" as a permitted use at this site



City of Penticton – Schedule 'A'

Zoning Amendment Bylaw No. 2018-23

Date: \_\_\_\_\_

Corporate Officer: \_\_\_\_\_