

ITEM 5  
MANAGER'S REPORT NO. 73  
COUNCIL MEETING 87/11/23

RE: ZONING BY-LAW TEXT AMENDMENT:  
RETAIL SALE OF USED GOODS IN COMMERCIAL DISTRICTS

MUNICIPAL MANAGER'S RECOMMENDATION:

1. THAT the recommendation of the Director Planning & Building Inspection be adopted.

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TO: Municipal Manager DATE: 1987 November 12

FROM: Director Planning & Building Inspection OUR FILE: 13.122

SUBJECT: Zoning By-Law Text Amendment:  
Retail Sale of Used Goods in Commercial Districts

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RECOMMENDATION

1. THAT the Municipal Solicitor be authorized to prepare the appropriate amending by-law as outlined in Section 4.0 of this report, that the By-law be presented for First Reading on 1987 November 23 and be submitted to a Public Hearing to be held 1987 December 15.

SUMMARY

This report examines the question of the retail sales of used goods in commercial zones through a review of current trends in retail activity, the experience of other Municipalities and the characteristics of retailing in Burnaby.

The report concludes that the introduction of the retail sale of used goods as a permitted use in both the C-2 (Community Commercial) and C-3 (General Commercial) Districts would be appropriate. The proposed amendment would allow the retail sale of those used goods that are permitted to be retained as new goods in each zone. It is proposed that no substantive change be made to used goods retailing in the C-4 (Service Commercial) District.

R E P O R T

1.0 BACKGROUND

The Municipality, through its zoning by-law provides for a broad range of commercial activities in the respective commercial zones C-1 through C-7. The groupings of permitted uses and the density and bulk regulations pertaining to each relate to the character of each zone and the suitability of the zone for particular uses. The distribution of these zones reflect in general, the established policy of observing a hierarchy of commercial centres (through C-1, C-2 and C-3 zones) and provides also for more specialized categories of other classes of commercial uses with special needs or characteristics. For example, the Service Commercial District ( C-4) provides for uses that are best situated in lower density areas with an emphasis on vehicular access orientation and the requirement for large areas for storage and handling of materials.

Currently, the retail sales of used goods (i.e. used furniture and second hand goods) is only permitted in the Service Commercial District (C-4). The main reason for this restriction is that such businesses tend to require large amounts of space for storage and loading and can attract significant amounts of vehicular traffic. In the past the introduction of the retail sale of used goods in the more pedestrian oriented C-1, C-2 and C-3 Districts was often viewed as undesirable in that these marginal uses often led to the visual degradation and subsequent disinvestment in an area.

However, it has become apparent that the nature of some used goods retail activity has changed. Consignment sales of used clothing and small antique stores with a specialized stock are becoming common. Such uses wish to be located in the C-2 and C-3 Districts rather than the more automobile oriented C-4 District. Emerging retail patterns such as the increasing dominance of malls and mega-stores are changing the viability of the traditional retail strips often making the leasing of space to more specialized and less conventional uses the only alternative to a vacancy. Considering these factors, it is evident that a review of the zoning by-law as it affects the retail sale of used goods is necessary.

## 2.0 SURVEY OF OTHER MUNICIPALITIES

The following municipalities were contacted and queried about their policies with regard to the retail sale of used goods in commercial zones:

Vancouver  
Coquitlam  
North Vancouver District  
North Vancouver City  
Richmond  
Surrey  
Delta  
New Westminster  
Victoria

With the exception of New Westminster, no other zoning by-law differentiated between the retail sale of used versus new goods. In most cases, it was the nature of the goods, i.e. personal service versus automobile orientation, which provided the rationale for determining the appropriate zoning designation for a particular use. For example, most zoning by-laws do not make any distinction between the retail sale of new and used clothing or new and used automobile parts, but the retailing of clothing and auto parts is permitted in two different zones.

Most communities in the region felt that there were no problems associated with the retail sales of used goods in commercial zones. The City of Vancouver staff noted that some of the larger used clothing stores (Value Village) tend to be high traffic generators. However, they noted that these stores tend to seek existing large vacant premises such as vacant supermarkets and these do not proliferate in a given area.

New Westminster was the only municipality to restrict the sale of used goods by limiting the sale of second hand goods to the service commercial zones. Despite their relatively tight zoning restrictions, New Westminster was the only jurisdiction to state that their pedestrian oriented commercial districts suffer negatively from the retail sale of used goods.

### 3.0 CHARACTERISTICS OF USED GOODS RETAILING IN BURNABY

There are a wide variety of businesses involved in the retailing of used goods in the Municipality; with the most common types of business being the consignment sale of clothing and the sale of general merchandise, antique goods, sporting goods, books, stamps, jewelry, recordings and office equipment.

Many of these businesses involved in the retailing of used goods are non-conforming to zoning in that they would not be permitted under the current regulations. The majority of these businesses are legally non-conforming in that their establishment preceded the zoning by-law, or they were permitted at a time when the Board of Variance could rule on land use.

For Council's information, business licenses for three consignment clothing stores are on hold pending the outcome of this study. All three consignment store owners have been contacted by telephone and have been invited to submit comments.

#### 3.1 Influences

In staff's review of trends in used merchandise retailing, the following influences were noted:

- i) The nature of the retail sale of used goods is undergoing a fundamental change. The sale of consignment clothing has appeared in shopping areas such as Marine Drive in West Vancouver, Dunbar and Fourth Avenue in Vancouver and Lonsdale in North Vancouver. In a submission to the Planning and Building Inspection Department, the owner-manager of a consignment clothing store on Royal Oak wrote "consignment and recycle stores serve cost-conscious patrons who either cannot afford to shop in expensive shopping malls or those people who enjoy and demand quality clothing for less. It is trendy and acceptable to admit to co-workers that you picked up a designer suit at half the original price."
- ii) There may be a relationship between poorer economic conditions such as high unemployment and the establishment of used goods retailing, which can provide employment as well as a "service" to lower income persons.

iii) It is apparent that there exists a strong relationship between rent levels and the establishment of "marginal" used goods retailers. Commercial areas with higher rents such as North Vancouver and Richmond do not have a problem with used goods retailers, while New Westminster with a proliferation of lower rent commercial space perceives that they have a problem. This is despite the fact that New Westminster has very stringent regulations regarding the sale of used goods, while North Vancouver and Richmond do not make any differentiation in their zoning by-laws between new and used goods at all.

- iv) The City of Vancouver noted that there is evidence that the traditional 'retail strip' may be under pressure from the proliferation of shopping centres, mega markets and festival markets. Landlords may be forced to lease retail buildings to the lower order, lower intensity used goods retailers as the only alternative to vacant premises.
- v) The separation of the sale of used goods and new goods is somewhat unrealistic in that new goods retailers will often sell used goods (e.g., trade-ins or reconditioned goods) as a matter of course.
- vi) There is difficulty in treating all "used goods" as one category as is currently done in the zoning by-law. Uses such as consigned clothing sales and antique stores are appropriate in pedestrian oriented retail areas large used appliance stores tend to require large premises and attract a good deal of automobile traffic and therefore, are appropriately located in a service commercial zone. The question becomes one of not whether the good is used or new, but the nature of the good itself in deciding the appropriate zoning.
- vii) The retail sale of used goods is permitted in the Service Commercial District (C-4) without any significant adverse impacts or problems.

This review has led staff to the conclusion that there is merit in considering the inclusion of the retail sale of used goods in the C-2 and C-3 Districts. The general approach proposed by staff is to permit the retail sale of those used goods that are permitted to be retailed as new goods. For example, since the retail sale of new clothing is currently permitted in the C-2 and C-3 Districts it is recommended that the sale of used clothing be permitted in these zones.

It is proposed that no substantial change be made to the current status of the C-4 District where the category "second hand stores" is included as a permitted use. However, in order to provide greater clarity and understanding, it is recommended that the phrase "retail sale of used goods" replace "second hand stores".

It is realized that by opening up the C-2 and C-3 Districts to used goods retailing, it is possible that "junk" shops may establish in these areas. However, staff is of the opinion that if "junk shops" are not a problem in the C-4 District now, it is unlikely that they will proliferate in the C-2 and C-3 Districts.

It should be noted that due to the structure of the by-law, the proposed amendments to the C-2 and C-3 Districts will require that certain housekeeping amendments be made. Since the sale of "used or new furniture" is currently an outright permitted use in the C-4 District, it must also be included as an outright use in the C-2 and C-3 Districts. Staff also propose that the current practice of restricting the sale of used automobile parts to the C-4 District be continued. Since this use often involves large areas devoted to parts installation and storage, it is not an appropriate use for a pedestrian oriented commercial zone. Staff also propose to clarify the permitted use "retail sale of new automobile parts and accessories" in the C-3 District to include the sale of remanufactured parts. Remanufactured parts mean those parts that are reworked to original specifications and are packaged to resemble new parts.

Staff do not propose a change to permitted uses in the C-1 District, where retail uses are limited to convenience shopping of persons residing in adjacent residential areas and must be "primarily" new merchandise.

#### 4.0 PROPOSED TEXT AMENDMENTS TO THE ZONING BY-LAW

4.1 In order to achieve the objective of permitting the retail sale of used goods in pedestrian oriented commercial areas, the following text amendments to the Zoning By-law are recommended:

- i) That in the C-2 (Community Commercial) District the permitted uses listed in Section 302.1 "(8) Retail stores catering to the daily and occasional shopping needs of the residents of several neighbourhoods" be substituted with the following:  
"(8) Retail stores, selling new or used goods, catering to the daily and occasional shopping needs of the residents of several neighbourhoods."
- ii) That in the C-3 (General Commercial) District the permitted uses listed in Section 303.1 "(16) Retail stores" be substituted with the following:  
"(16) Retail stores, selling new or used goods."

4.2 In order to clarify the meaning of "Second hand stores" as a permitted use in the C-4 (Service Commercial District), it is recommended that the following be substituted in Section 304.1:

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"(28) Retail sale of used goods."

4.3 To permit the retail sale of new or used furniture in the C-2 (Community Commercial) District and the C-3 (General Commercial) District it is necessary to specifically mention this use in both schedules.

i) That in the C-2 (Community Commercial) District, the following be added as a permitted use under Section 302.1:

"(14) Retail sale of new or used furniture."

ii) That in the C-3 (General Commercial) District, the following be added as a permitted use under Section 303.1:

"(25) Retail sale of new or used furniture."

4.4 To continue to limit the sale of used automobile parts to the C-4 District, the permitted use "Retail sale of new automobile parts or accessories" in Section 304.1 be substituted with:

"(26) Retail sale of new or used automobile parts and accessories."

4.5 To clarify the intention of including the retail sale of remanufactured auto parts as a permitted use in conjunction with new automobile parts in the C-3 District, the following be substituted as a permitted use in Section 303.1:

"(16) Retail sale of new and remanufactured automobile parts and accessories."

## 5.0 CONCLUSION

Staff recommend that used goods retailing be introduced into the C-2 and C-3 Districts by amending the by-law in accordance with the proposals outlined in Section 4.0 of this report. Provision for parking and loading are contained in the existing by-law, and no other by-law changes would be required.

Municipal Manager  
re: Zoning By-law Text Amendments  
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ITEM  
MANAGER'S REPORT NO. 5  
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87/11/23

If Council concurs with this recommendation, in the interest of advancing this text amendment to a Public Hearing without unnecessary delay, the proposed amending by-law is being presented on this agenda, with a recommendation that it be given First Reading. The text amendment by-law would then be advanced to a Public Hearing to be held on 1987 December 15.

The Director Finance/Chief License Inspector concurs with the proposed by-law amendments.

  
A.L. Parr  
DIRECTOR PLANNING &  
BUILDING INSPECTION

BG/pja

cc: Assistant Director  
Licensing & Revenue Collection  
Municipal Solicitor

