

ITEM	7
MANAGER'S REPORT NO.	32
COUNCIL MEETING	94/05/16

TO: CITY MANAGER

1994 MAY 12

FROM: DIRECTOR PLANNING AND BUILDING

SUBJECT: WAREHOUSE RETAILING

PURPOSE: To recommend an amendment to the Burnaby Zoning Bylaw to ensure that Council consideration be given to future warehouse retail development proposals.

RECOMMENDATION:

1. **THAT** the preparation of an amendment to the Burnaby Zoning Bylaw to provide for the establishment of warehouse retailing uses be commenced as outlined in this report.

REPORT

1.0 BACKGROUND:

- 1.1 In recent years, municipalities in Greater Vancouver have experienced increasing pressure to permit a greater range of uses, particularly commercially oriented land uses, on industrially zoned land. One type of land use which is rapidly becoming more common in the Lower Mainland and which could have a significant impact on both industrial land use and the existing retail commercial structure is warehouse retailing or "big box" retailing.

There are a number of different forms of warehouse retailing, such as warehouse clubs, category killers, power centres and value retailers, however in general, warehouse retailers are very large retail operations, which utilize large, single-use warehouse style buildings with large surface parking areas and are generally located on the urban periphery and/or on industrial land. Warehouse retailing developments are rarely under 50,000 sq.ft. in size and warehouse clubs usually have a gross floor area of at least 100,000 sq.ft.

It is generally acknowledged that in the form described, these very large warehouse retail uses would not be appropriate in the core of the traditional retail commercial centres, due to their special characteristics and the negative impact they could have on an otherwise compact, pedestrian-oriented shopping environment.

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2.0 GENERAL DISCUSSION:

- 2.1 The emergence of warehouse retailing as a significant commercial form in Greater Vancouver raises many concerns and issues of public concern. The issues are both site specific and of a broader planning nature such as the appropriate use of industrial land and the effect of warehouse retailing on the planned retail commercial framework outlined in the Official Community Plan.
- 2.2 In terms of site specific impacts, concerns include increased traffic generation in the area of the warehouse retail use, the typical design of and the parking areas surrounding warehouse retail developments. The typical warehouse retail development provides significantly more parking than is generated in industrial areas and even more than is required for retail commercial uses by municipal government zoning bylaws, which can result in a vast parking area surrounding these developments which is often aesthetically unattractive and a low intensity use of land. The traffic generated by such uses can also be quite significant, especially if the surrounding road system was not designed to accommodate such intensive traffic generating land uses. In addition, the design of the warehouse retail developments is often stark and lacking attention to urban design.
- 2.3 From a long term, broader planning perspective, there are much larger issues to be considered. These issues include the appropriate use of the industrial land stock and the equity question of permitting retail commercial uses on industrially zoned land, where the urban infrastructure and other supporting uses and amenities may be absent. Related to this is the effect that warehouse retailing may have on the commercial businesses which are located on sites which have been zoned and designated for commercial land use. From a commercial planning standpoint, questions need to be answered regarding the longer term effect on Burnaby's planned commercial areas and subsequently, the residents who patronize them. In this regard, warehouse retailing is strongly oriented toward the highly mobile consumer. Warehouse retail developments are generally not utilized by those who only ride public transit and are not easily accessible for disadvantaged consumers like the elderly and the poor.

In terms of industrial land, one of the directions relating to the industrial framework in the Burnaby Official Community Plan is: "no major additions to or deletions from the existing industrial land inventory in view of the relationship between projected demand and available supply." The establishment of warehouse retailing uses in industrial areas on a widespread basis could cause a significant deletion of valuable industrial land and deserves examination in terms of Burnaby's employment base and the economic return for the community on this type of development versus the planned industrial use.

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- 2.4 In light of all of the above considerations, staff consider it important for this Department and Council to be able to review each proposal for warehouse retailing in terms of impacts, relationship to the Official Community Plan, and suitability of land use, through the rezoning process. In consideration of the need for Council to examine each proposal individually and the potential site-specific impacts of these developments, it seems appropriate that the use be included as part of a comprehensive development plan to which the provisions of the Comprehensive Development District apply.
- 2.5 In the meantime, any applications for a building permit for new warehouse retailing development would be referred to Council for review. Under Section 981 of the Municipal Act (Attachment A), when a building permit application is in conflict with a rezoning bylaw that is under preparation, Council may direct that the building permit be withheld for an initial period of 30 days. During this period, Council may withhold the permit for a further 60 days or grant the permit with conditions imposed, having regard to the bylaw that is under preparation.
- 2.6 The other aspect of this type of change to the Zoning Bylaw which needs to be carefully considered is strictly limiting commercial land use (warehouse retailing) in industrial areas to the large, single-use, warehouse retailing form of development discussed in this report. It is not the intention of the proposed text amendment to permit a broad range and form of retailing activities in our industrial areas, but only to facilitate the opportunity for large, single-use warehouse retailing use. In this regard it is very important that this use be defined by a minimum gross floor area in order to prevent the standard, smaller retail commercial uses generally located in our planned commercial areas from locating on the less expensive industrial land.
- 2.7 In order to provide a rational, quantitative assessment of applications for warehouse retailing developments outside of the planned commercial areas, staff and Council need to have a better understanding of the overall commercial development situation in Burnaby, in terms of both existing and planned commercial development.

In this regard, staff will undertake a retail space requirements analysis, which will give us a better understanding of the city's market demand from both a city and a regional context. This in turn, will allow Burnaby to provide better long term planning for its retail/commercial land use sector and to provide a context to assess rezoning applications for large warehouse retailing developments outside of the planned commercial areas.

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2.8 In terms of rezoning applications for warehouse retailing developments, each proposal will need to be examined on a site specific basis. In order to adequately assess these developments, it will be necessary to require the applicant to submit a traffic impact study for the proposed use and to submit a trade area analysis to assess the viability of the development and its effect on existing commercial developments.

3.0 CONCLUSION:

3.1 Warehouse retailing developments have become more prominent in recent years in Greater Vancouver. The advent of this use presents a number of planning concerns and issues. Warehouse retailing is basically a commercial use, but it is presented in an industrial development form, therefore concerns arise regarding the appropriate use of industrial land and the fairness of permitting commercial uses on industrial lands, as well as the effect on the existing and planned commercial area and site specific concerns such as traffic, and development compatibility.

In light of the above concerns, it is recommended that Council have the ability to assess each proposal for warehouse retailing individually through the rezoning process. It is recommended that an amendment to the Burnaby Zoning Bylaw be undertaken to provide for the establishment of warehouse retailing uses.



D.G. Stenson, Director
Planning and Building

BW:yg

cc: City Solicitor
Director Administrative & Community Services

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MUNICIPAL ACT SECTION 981

Withholding of permits and licences

981. (1) Where a local government passes a resolution identifying what it considers to be a conflict between a development proposed in an application for a building permit and

- (a) an official community plan,
- (b) a rural land use bylaw, or
- (c) a bylaw under sections 963 to 966 or 969

that is under preparation, the local government may direct that the permit be withheld for a period of 30 days, commencing on the day the application for the permit was made.

(2) Subsection (1) does not apply unless a local government has, by resolution at least 7 days prior to the application for a building permit, commenced the preparation of a plan or bylaw that is in conflict with the application.

(3) During the 30 day period referred to in subsection (1), the local government shall consider the application for the permit and may

- (a) direct the permit be withheld for a further 60 days, or
- (b) grant the permit, but impose conditions in it that would be in the public interest, having regard to the plan or bylaw that is under preparation.

(4) If the local government does not, within the 60 day period, adopt a plan or bylaw referred to in subsection (1), the owners of the land for which a building permit was withheld under this section are entitled to compensation for damages arising from the withholding of the building permit, and Division (4) of Part 12 applies.

(5) Where the council passes a resolution under subsection (1), the council may direct that a business licence, in respect of the same land, be withheld for a period not exceeding 90 days where the council considers that the use to which the land would be put and to which the business licence application relates would be contrary to the use that would be permitted by the bylaw that is under preparation.

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