

Attachment #4 - DRIS Committee of the Whole Package – Zoning Constraints Analysis

Existing zoning for Downtown Peachland currently supports a wide range of commercial and multi-unit residential uses on most lots within the study area. The C2 “Core Commercial” Zone (Zoning Bylaw No. 2400) is the most predominant. A small number of lots are zoned for institutional use (containing municipal buildings and gathering places.) **Table 1** shows the area for each zoning designation in the study area. **Figure 1** shows parcel scale zoning for the study area.

ZONING	BEACH AVE	WALDO WAY	TOTAL
C2	8,756	13,883	22,639
C3	557	-	557
CR1	1,164	4,139	5,303
P2	1,114	2,855	3,970
R1	5,690	4,077	9,767
RM4	-	3,559	3,559
TOTAL	17,281	28,513	45,794

Table 1: Existing Zoning in Downtown Peachland



Figure 1: Existing Zoning in Downtown Peachland

Analysis of existing zoning parameters that are in effect in the in the plan area identified 5 items that are misaligned with the economic feasibility analysis:

1. **Height limits.** Both mixed use zones currently limit height to 16.8 metres. While this is viable for a 5-storey building fronting Beach Avenue, it is insufficient to accommodate higher buildings which would incorporate reasonable on-site parking and be viable. The land economics analysis modelled 5 - 8 storey buildings.
2. **Floor Area Ratio:** Existing zoning incorporates a low floor area ratio maximum of 0.75 -1.1. A higher floor area ratio can be unlocked with a density bonus payment. (The maximum floor area ratio in the C2 Zone, 4.0, would be difficult to achieve given necessary setbacks). Analysis suggests that under current market conditions, a minimum floor area ratio of approximately 3.0-3.5 is necessary for a viable project within the study area and fit within expected height limits that have been identified for the area).
3. **Limits on percentage of residential uses:** The current C2 zone limits residential uses to 67% of the total floor area permitted for a given parcel. Land economics modelling is based on approximately 80-85% residential and 15-20% commercial, which reflects the approximate size of existing businesses (15 metres wide and 15 – 20 metres deep). For parcels not fronting Beach Avenue, where land uses may desire to be 100% residential, this renders projects impossible without a zoning amendment.
4. **Parking requirements.** Current parking requirements will result in multi storey parkades and construction costs that exceed project viability thresholds, while limit space for residential land uses. On Beach Avenue, it would not be physically possible to fit the required amount of parking for residential and commercial uses on a given parcel.
5. **Small Lots and Inefficient Land Uses.** The lot layout in Downtown Peachland is based on a pattern of subdivision from a bygone era, which assumed individual redevelopment and ownership of small residences and businesses. As result, ownership throughout the downtown is fragmented. The costs of development are not aligned with this scale, and it is necessary to consolidate multiple parcels for a financially feasible new development While this lot and ownership fragmentation is not an issue directly attributed to zoning, it is necessary to ensure that zoning regulations facilitate lot consolidations to align aligns with current economic feasibility The District of Peachland is currently owner of most large parcel consolidations, with the balance of remaining lots individually owned as shown in Figure



Figure 2: Ownership Structure in Downtown Peachland

Zoning Analysis Considerations

The engagement process with the Task Force has identified a desire to maintain active street fronts and limiting uses on the Beach Ave ground floor elevation to uses which activate the street and encourage pedestrian visits, such as boutique commercial and restaurants. Land uses which do not generate pedestrian activity and interaction with the street, such as professional services and office should be limited to the second floor on Beach Avenue, or to lands west of Waldo Way.

- The engagement process also yielded feedback on the preferred charm of small-scale commercial uses that reflect the existing historical building and lot layout pattern in Peachland. In addition to strong Design Guidelines, this can be achieved through the establishment of unit size maximums (1,000m²) and requirements for doorways every 15 metres, which aligns with the current lot layout and historical pattern of development.
- To ensure an active street and commercial-pedestrian focus, residential access can be required to be at the building side and not a major focal point from Beach Avenue.

- Larger format commercial uses, such as fitness centres and larger commercial should be directed to lands west of Waldo Way precinct. Permitted uses which generate a high parking demand, such as office space, should be evaluated based on their size, i.e. a maximum commercial floorspace to limit parking demand.
- Current zoning requirements for upper stories on Beach Ave to be stepped back from the lot line should remain in zoning. However, these same step backs from the rear could be re-evaluated, given site coverage maximums above the second storey.
- Clarity to prohibit residential accommodations on the ground floor along Beach Avenue must be maintained to achieve active streetscape objectives. On lands west of Waldo Way, this is not necessary.
- To distinguish different design and land use objectives for Beach Avenue and Waldo Way, separate new subzones are suggested, with different floor area, land use, site coverage, step back, and height regulations. Height and density for the Waldo Way area would be higher, to support viable projects, encourage consolidation, and differentiate this area from the smaller-scale type of development expected on Beach Avenue.
- Lands within the Downtown are currently zoned for uses that align with project objectives, but it is recommended that the suggested changes detailed here be amended into zoning, and that the existing density bonus program be removed.
- Even with a reduction in required parking for lots along Beach Avenue, it may be difficult to be able to achieve 1 stall per unit for smaller developers. Consideration for support for variances, shared parking scenarios (such as restricted residential parking spaces in the evening), or cash-in-lieu should be taken. Lands west of Waldo Way should be able to provide at least 1 stall per unit, based on analysis.

Zoning Analysis – How does Zoning and Urban Design Work Together?

The draft zoning framework aims to achieve a series of outcomes that will both improve development viability and also compliment urban design guidelines. Zoning establishes the foundational framework for land use, density, building height, setbacks, and massing. While zoning ensures consistency, it is generally rigid and focused on "what" is allowed rather than "how" it looks or feels.

Overly restrictive zoning can lead to the need for numerous variance applications, which adds additional time, uncertainty and complexity to developments. Urban design

guidelines (explored in Section 5 of this report) provide flexibility yet detail with respect to character and the experiential aspects of development in downtown Peachland. Elements such as facade articulation, material choices, street-oriented entrances, landscaping, public realm enhancements, and the integration of architectural features that complement Peachland's character are covered by Design Guidelines. Zoning and design guidelines work together to ensure both the structural and functional qualities of urban spaces and when implemented consistency and effectively can achieve desired public realm objectives.

Zoning Analysis - Summary

On Beach Avenue, the focus is on maintaining active street fronts by limiting ground-floor uses to boutique commercial, restaurants, and other active uses, with office or professional spaces situated on upper floors or at the rear of buildings. Ground-floor residential accommodation is not permitted, and to preserve the streetscape upper stories must be stepped back, with residential access from side-streets. Commercial units must provide one access every 15 metres, which aligns with the current lot layout in Downtown Peachland. Design Guidelines will address the need for individual façade articulation which aligns with the current small-format retail character of downtown Peachland.

In the Waldo Way precinct, commercial uses could be larger-format uses, such as fitness centers and grocery stores. In this area, it is anticipated that commercial uses at grade would be optional, not mandatory, allowing for a mixture of at-grade townhouses and businesses, or possibly live-work spaces.

The table on the following page compares existing zoning parameters for the study area with the parameters of the land use economics feasibility analysis and includes recommended new zoning parameters that are included with the Big Moves to address viability and project objectives.



Figure 3: Zoning Locations

Table 1. Study Area Existing and Recommended Zoning Parameters

ZONE NAME	FEASIBILITY ANALYSIS	EXISTING DOWNTOWN ZONES ¹				RECOMMENDED ZONING	
		C2 - Core Commercial	C3 - Convenience Commercial	CR1 - Mixed Use	R1 - Low Density Residential	Beach Avenue Precinct	Waldo Way Precinct
NUMBER OF PARCELS/SITES ²		31	4	1	13	21	18
LAND AREA M2 (ACRES)		22,639	557	5,303	9,767	17,281	28,513
LAND AREA (% OF STUDY AREA)						38%	62%
MIXED USE?	Y	Y	N	Y	N	Y (required)	Y (optional)
FAR	2.5–3.5 (wood frame)	1.1 ³	0.3	0.75	4 units	3.0	3.5
MAX FAR W/ BONUS DENSITY	-	4.0	n/a	3.0	n/a	TBD	TBD
MAX HEIGHT (METRES) ⁴	5 – 7 stories	16.8	8.0	20	9.1	16.8 (no change)	23
MAX LOT COVERAGE	100% Levels 1 – 2 60% levels 3+	100%	30%	100%	40%	100% (70% above 2 nd storey) ⁵	100% (60% above 2 nd storey)
MIN. STEPBACK ABOVE 2 ND STOREY (METRES)	n/a	3.0	n/a	3.0	n/a	3.0 (no change)	3.0 (no change)
COMMERCIAL UNIT ENTRANCE	n/a	-	-	-	-	Every 15 metres	-
PARKING STALLS PER RESIDENTIAL UNIT (MINIMUM)	1	1.5	n/a	1.5	1.5	1	1

¹ Excludes existing P2 (Public/Institutional) Zoned properties.

² There are numerous cases in Downtown Peachland where existing buildings straddle multiple lots. In such cases, these lots are counted as one (1) parcel based on addressing data. Where there are multiple addresses for a single building or multiple buildings on a lot, these are also considered one parcel.

³ Also includes a limitation that residential land uses comprise a maximum 67% of the total floor area of a building.

⁴ Mixed use multi-unit buildings typically require 4.5 metres on the ground floor and 3 metres for upper floors. Up to a 5-storey building fits within 16.8 metres and up to a 7 storey building in 23 metres.

⁵ This number reflects the smaller lots on Beach Avenue, but should be reduced for larger lot developments, such as block consolidations, where building massing becomes more of a concern.

