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CITY OF VANCOUVER

POLICY REPORT DEVELOPMENT AND BUILDING

Report Date:	May 16, 2006		
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VanRIMS No.:	11-3600-03		
Meeting Date:	June 13, 2006		

TO: Vancouver City Council

FROM: Director of Current Planning

SUBJECT: CD-1 Rezoning - 3585 Grandview Highway (Costco)

RECOMMENDATION

- A. THAT the application by Soren Rasmussen, Architect, to rezone 3585 Grandview Highway (Lot 6, Block A, Section 39, Town of Hastings Suburban Lands, Plan 22177) from I-2 Industrial District to CD-1 Comprehensive Development District, to permit an existing highway oriented retail use at a maximum density of 0.39 FSR along with typical I-2 uses and regulations to accommodate future redevelopment, be referred to a Public Hearing, together with:
 - (i) plans received May 30 and July 17, 2003;
 - (ii) draft CD-1 By-law provisions, generally as presented in Appendix A; and
 - (iii) the recommendation of the Director of Current Planning to approve, subject to conditions contained in Appendix C;

FURTHER THAT the Director of Legal Services be instructed to prepare the necessary CD-1 By-law generally in accordance with Appendix A for consideration at the Public Hearing.

- B. THAT consequential amendments be made to:
 - (i) Schedule C of the Zoning and Development By-law No. 3575 to establish landscape setbacks for the site, generally as presented in Appendix B; and

(ii) The Sign By-law to establish regulations for the CD-1 in accordance with Schedule "B" (I-2) generally as presented in Appendix B;

FURTHER THAT the Director of Legal Services be instructed to prepare the necessary amending by-laws generally as presented in Appendix B;

AND FURTHER THAT the by-laws be referred to the same Public Hearing as required for Recommendation A.

GENERAL MANAGER'S COMMENTS

The General Manager of Community Services RECOMMENDS approval of A and B.

COUNCIL POLICY

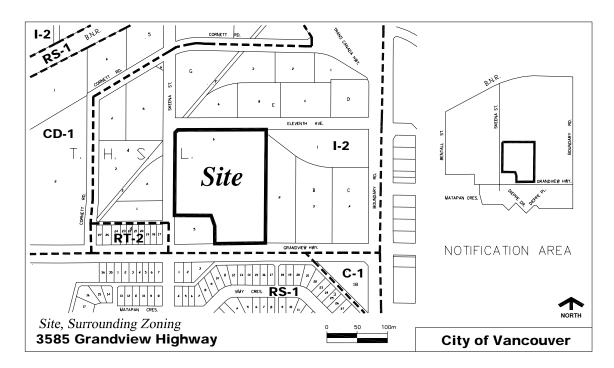
Relevant Council policies for this site include:

- Grandview Boundary Industrial Area (GBIA) Rezoning & Development Policies and Guidelines, adopted by Council on July 25, 2002, which includes policies for consideration of highway oriented retail (HOR) uses and mixed-use developments.
- Grandview Boundary Industrial Area Plan, adopted by City Council on July 25, 2002.

PURPOSE AND SUMMARY

This report assesses a rezoning application, for the site shown on the map below, to:

- regularize an existing highway oriented retail (HOR) use (Costco) at a maximum density of 0.39 FSR which has been operating through Board of Variance approval since 1987 in an existing building; and
- provide typical I-2 uses and regulations to accommodate future redevelopment.



The proposal generally conforms to the policies and guidelines for sites along the Grandview Highway frontage between Renfrew Street and Boundary Road to allow for consideration of large scale retail uses and mixed-use developments. Staff recommend that the application be referred to a Public Hearing, with a recommendation that it be approved subject to conditions, including provision of landscape setbacks along Skeena Street and East 11th Avenue.

DISCUSSION

Background: The site is located within the Grandview Boundary Industrial Area (GBIA). It is currently zoned I-2 Industrial District. The intent of this zone is to permit industrial and other uses that are generally incompatible with residential land use, yet are beneficial in that they provide industrial and service employment opportunities, or serve a useful or necessary function in the city.

In July 2002, Council adopted the Grandview Boundary Industrial Area Plan, and the Grandview Boundary Industrial Area Rezoning and Development Policies and Guidelines. The vision for the GBIA is to remain primarily an industrial area, but one that accommodates a variety of uses and activities. These will include highway oriented retail uses on Grandview Highway and a gradual transition to new industrial uses such as film studios. Implementation will occur through redevelopment or reuse of buildings under the I-2 zoning or owner initiated site specific rezonings. Land use policies provide for choice of use in GBIA which include traditional I-2 industry uses and highway oriented retail uses on sites fronting onto Grandview Highway.

For the Costco site, wholesale/retail use has been operating at this location for over 18 years through Board of Variance approval of the retail use which exceeds 1 000 m² (10,763.9 sq. ft.), the maximum amount of retail floor area permitted under the current I-2 zoning.

In April 1987, the Board of Variance allowed an appeal for a wholesale/retail outlet, the Titan Wholesale Club, for a 10 year period expiring May 1, 1997. In July 1996, the Board of Variance allowed a subsequent appeal to retain the wholesale/retail outlet (Price Club) for a further period of time expiring December 31, 2000. Finally, in October 1998, the Board of Variance allowed an appeal to retain a wholesale/retail outlet (Costco Canada Inc.) until December 31, 2006 with the added condition that "the owner shall submit a rezoning application and facilitate its processing in a timely manner prior to December 31, 2000". The development permit for this use was extended by the Director of Planning with this condition attached. It will expire on December 31, 2006.

An incomplete rezoning application was submitted on December 21, 2000 and the final submission materials were received in June 2003. Processing of the application was not completed until recently when staff were advised that the owner intended to extend Costco's tenancy beyond the end of 2006.

Use: The site is developed with a 11 422 m² (122,947 sq. ft.) building which is occupied by a wholesale/retail store (Costco) with some accessory office use [1 495 m² (16,092 sq. ft.)]. The existing retail use meets the highway oriented retail rezoning policy for the GBIA which supports retail uses that are not usually found or appropriate in a neighbourhood centre, including retail that serves a wide catchment area that generally requires the use of a car or requires large display areas for bulky items.

A portion of the store is used for clothing and food sales. The GBIA policies and guidelines call for a retail study to determine the impact on existing and future clothing and food retailing in neighbourhood shopping areas and shopping centres within the development's trade area. As the sale of these goods is an existing activity, no new impacts are expected. Therefore, staff did not ask for a retail study for this application.

Typically, the CD-1 By-laws established for highway oriented retail developments include some I-2 uses to permit the reverting of retail space back into industrial uses without the need for a zoning amendment. The difference with the current application is that the applicant wishes to have the typical I-2 uses and regulations (i.e. density and height) in the CD-1 By-law available for future redevelopment of the site. The GBIA policies would support this approach.

Density and Minimum Store Size: For highway oriented retail use, the GBIA policies and guidelines recommend a maximum density of 0.60 floor space ratio (FSR). The existing Costco store has a retail use density of 0.39 FSR. The GBIA policies further recommend a minimum retail floor area of 929 m² (10,000 sq. ft.). The retail floor area of the store is significantly more at 9 927 m² (106,855 sq. ft.).

The applicant has requested that along with the 0.39 FSR for retail use, the CD-1 By-law provide for the full 3.0 FSR as permitted for development under I-2. This would allow for the following future redevelopment options:

- redevelopment with some typical I-2 uses to a maximum density of 3.0 FSR; or
- redevelopment with retail/industrial uses, with retail use to a maximum of 0.39 FSR; or
- addition(s) with industrial uses to the existing retail building; or

• redevelopment with stand-alone retail to a maximum of 0.39 FSR.

For mixed-use retail/industrial development, form of development issues may result in a total FSR less than 3.0. The GBIA policies and guidelines call for mixed-use development to be evaluated against the following factors:

- site size and configuration, achieving landscape and open space guidelines, and overall quality of site and architectural development;
- contributions to enhancing Still Creek (if applicable) and maximizing on-site stormwater retention;
- adequate internal vehicular circulation and underground parking; and
- achieving a sensitive relationship to adjacent residential uses.

Staff support this approach which allows for appropriate future redevelopment options without the need to apply to amend the CD-1 By-law. Any significant change to the current building form would still need to be approved by Council (see Form of Development).

Any proposal to increase the retail FSR above 0.39 would require the submission of an application to amend the CD-1 By-law. The proposal would be evaluated against the GBIA policies and guidelines for highway oriented retail which permits a maximum of 0.60 FSR for stand-alone retail, or an overall maximum of 3.0 FSR for a mixed-use development.

Height: The GBIA policies and guidelines recommend a maximum height of 12.2 m (40 ft.) for stand-alone retail development. The existing building height is 13.4 m (44 ft.) which is marginally over this limit and is supported by staff. Staff recommend the height limit in the CD-1 By-law for the existing building be 13.4 m (44 ft.) and 12.2 m (40 ft.) for a new stand-alone retail development. No residential views are impacted by the existing building.

The applicant has requested that along with the maximum height for stand-alone retail, the maximum outright height of 18.3 m (60 ft.) and conditional height of 30.5 m (100 ft.) be included in the CD-1 By-law to accommodate some typical I-2 industrial uses, or a mixed-use (retail/industrial) development.

The GBIA policies and guidelines for these types of developments provide for an increase in height from 18.3 m (60 ft.) to 30.5 m (100 ft.) where view impact studies demonstrate minimal impacts on nearby residential properties, and where increased height assists in providing usable public open space at grade.

Staff support the inclusion of the I-2 height limits in the CD-1 By-law, noting that the GBIA policies and guidelines would be addressed as part of the development permit application review.

Landscape Setbacks: Currently, Schedule C of the Zoning and Development By-law requires a landscape setback of 12.1 m (40 ft.) for all properties fronting on Grandview Highway which should be free of parking and manoeuvring areas, signs, fences and product display. The existing Costco building and related parking spaces are all located beyond the required landscape setback and no further improvements are recommended along this frontage.

However, the GBIA policies and guidelines call for a 3.6 m (12 ft.) landscape setback along the Skeena Street and East 11th Avenue frontages of the site. These setbacks would result in

a more enhanced public realm. Skeena Street is also identified as part of a potential Greenway leading to Still Creek and the provision of a landscape setback would contribute to the Greenway. Furthermore, Council has consistently required site specific landscape setbacks for all highway oriented retail CD-1 rezonings to date.

Currently, there is an approximate 1.5 m (5 ft.) grass setback along Skeena Street, and grass setbacks of varying depths along East 11th Avenue, although the rezoning plans show even less setback along East 11th Avenue than exists. Staff recommend that, as a condition of rezoning, the plans be amended to provide 3.6 m (12 ft.) landscape setbacks along the full lengths of both the Skeena Street and East 11th Avenue frontages of the site, including the removal of all signage within the landscape setback area. Staff further recommend that Schedule C of the Zoning and Development By-law be amended to require 3.6 m (12 ft.) landscape setbacks along Skeena Street and East 11th Avenue frontages of the site in accordance with the GBIA policies and guidelines (see Appendix B).

Form of Development: The GBIA policies and guidelines encourage development that improves and enhances the public realm through high quality architectural building expression, careful site planning, public and private landscaping and appropriate vehicular and pedestrian circulation. Recognizing that the proposal is for an existing building, staff have proposed conditions of design development to address the GBIA policies and guidelines, where feasible. For the Costco store, this includes the above-noted landscape setbacks, additional landscaping and trees within the parking area, landscape improvements and a double row of trees along the Grandview Highway frontage, and additional weather protection and lighting (see Appendix C).

Any future development application for the noted redevelopment options permitted under the CD-1 By-law would also be evaluated against the GBIA policies and guidelines along with a public process deemed appropriate for the scale of development. An amended form of development would be required to be approved by Council prior to issuance of a development permit.

Traffic Management: The GBIA policies and guidelines stipulate that a Parking and Traffic Study should accompany a rezoning application for highway oriented retail. The study submitted with this application concluded that retail use of the site impacts the intersection of Grandview Highway and Skeena Street and that mitigation measures should include an eastbound left-turn lane on Grandview Highway at Skeena Street, as well as an advanced eastbound left-turn signal. These intersection improvements have already been completed and the General Manager of Engineering Services recommends that Council require a contribution of \$400,000 to the improvement costs as a condition of rezoning approval (see Appendix C).

The General Manager of Engineering Services further recommends a Transportation Management Plan be required to curtail the use of single-occupant autos and promote other modes of transportation for employees and visitors to the site (see Appendix C).

Parking: The proposed parking requirement is the same as that required for the most recent development permit (DE406537) issued in October 2002 for the Costco store. The store must provide a minimum of 225 parking spaces, of which 196 spaces are for retail customers. The store currently provides 474 customer parking spaces, 331 of which are located on the lower level of the site, and an additional 143 spaces are located off site on neighbouring properties.

With the introduction of a 3.6 m (12 ft.) landscape setback along Skeena Street and East 11th Avenue, the number of on-site parking spaces would be reduced. This could be a reduction of as many as 64 customer spaces that presently face the two streets, or may be somewhat less if the parking lot is reconfigured.

While the applicant is concerned about the loss of these customer parking spaces, the remaining spaces on the site would still be more than the required 225 spaces, with additional off-site parking spaces available to serve customers. Staff believe this is a reasonable requirement given that no other significant changes are recommended and Council has consistently supported landscape setbacks on all other approved highway oriented retail rezonings to date.

Parking and loading requirements of future redevelopment proposals permitted under the CD-1 By-law would have to comply with the requirements of the Parking By-law.

Development Application Timing: Normally, the choice is given to the applicant whether to submit a development application on an approved rezoning site before or after the CD-1 By-law is enacted by Council. In this case, where the existing use on the site needs to be legitimized, staff recommend that a development application must be submitted and processed to the point of approval by the Director of Planning as a prior-to enactment condition. Following the zoning enactment, the development permit would be issued and the design development and landscape improvements would be carried out and inspected for conformance.

Council-adopted Guidelines: In assessing development applications in the Grandview Boundary Industrial Area, staff are guided by existing Council-adopted policies and guidelines. For the Costco site, there are two applicable guideline documents which need to be amended by Council when the CD-1 By-law comes forward for enactment. Both the Mini-Storage Warehouse Guidelines and the Grandview Boundary Industrial Area Rezoning and Development Policies and Guidelines will need to be amended to include a reference to the Costco site at the beginning of the documents under the Application and Intent section, to guide staff in the assessment of any future redevelopment proposals for the site [refer to Appendix C – condition (a)(i) and (ii)].

Community Amenity Contribution (CAC): Prior to amending its City-wide CAC policy in February 2004, Council exempted certain rezonings from offered CACs, including:

- Highway Oriented Retail uses in the Grandview Boundary Industrial Area; and
- applications with no increase in floor space for sites less than 10 acres in size.

Given that this application was received before February 2004, it would be subject to the old policy and, as such, qualifies for the CAC exemption on both counts. Current policy would classify this as a non-standard, large site rezoning (over 0.81 ha or 2 ac.) with an offered CAC to be determined through a negotiated approach.

FINANCIAL IMPLICATIONS

There are no financial implications with respect to the City's operating expenditures, fees or staffing.

CONCLUSION

Staff support the proposed rezoning to regularize an existing retail use which generally meets the Council-adopted criteria for rezoning sites along Grandview Highway for highway oriented retail use, and to include typical I-2 uses and regulations to accommodate future redevelopment. Future development applications would be evaluated against GBIA policies and guidelines, and Council approval of an amended form of development would be required.

The Director of Current Planning recommends that the application be referred to Public Hearing and be approved, subject to the proposed conditions of approval presented in Appendix C, along with consequential amendments to the Zoning and Development By-law and the Sign By-law.

* * * * *

DRAFT CD-1 BY-LAW PROVISIONS

Note: A By-law will be prepared generally in accordance with the provisions listed below, subject to change and refinement prior to posting.

Use

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- Manufacturing Uses, limited to:
 - Bakery Products Manufacturing
 - Batteries Manufacturing
 - Brewing or Distilling
 - Chemicals or Chemical Products Manufacturing Class B
 - Clothing Manufacturing
 - Dairy Products Manufacturing
 - Electrical Products or Appliance Manufacturing
 - Food or Beverage Products Manufacturing Class B
 - Furniture or Fixtures Manufacturing
 - Ice Manufacturing
 - Jewellery Manufacturing
 - Leather Products Manufacturing
 - Machinery or Equipment Manufacturing
 - Metal Products Manufacturing Class B
 - Miscellaneous Products Manufacturing Class B
 - Motor Vehicle Parts Manufacturing
 - Non-metallic Mineral Products Manufacturing Class B
 - Paper Manufacturing
 - Paper Products Manufacturing
 - Plastic Products Manufacturing
 - Printing or Publishing
 - Rubber Products Manufacturing
 - Shoes or Boots Manufacturing
 - Software Manufacturing
 - Textiles or Knit Goods Manufacturing
 - Tobacco Products Manufacturing
 - Transportation Equipment Manufacturing
 - Wood Products Manufacturing Class B
- Office Uses, limited to:
 - General Office, except for offices of accountants, lawyers, notaries public, and real estate, advertising, insurance, travel and ticket agencies
- Retail Uses, limited to:
 - Furniture or Appliance Store
 - Gasoline Station Full Serve
 - Gasoline Station Split Island
 - Liquor Store

- Retail Store
- Vehicle Dealer
- Service Uses, limited to:

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- Animal Clinic
- Auction Hall
- Catering Establishment
- Laboratory
- Laundry or Cleaning Plant
- Motor Vehicle Repair Shop
- Motor Vehicle Wash
- Photofinishing or Photography Laboratory
- Photofinishing or Photography Studio
- Print Shop
- Production or Rehearsal Studio
- Repair Shop Class A
- Repair Shop Class B
- School Vocational or Trade
- Sign Painting Shop
- Work Shop
- Transportation and Storage Uses, limited to:
 - Cold Storage Plant
 - Mini-Storage Warehouse
 - Packaging Plant
 - Storage Warehouse
 - Storage Yard
 - Taxicab or Limousine Station
 - Truck Terminal or Courier Depot
 - Weighing or Inspection Station
 - Works Yard
- Utility and Communication Uses, limited to:
 - Public Utility
 - Radio communication Station
 - Recycling Depot
- Wholesale Uses, limited to:
 - Cardlock Fuel Station
 - Junk Yard or Shop
 - Lumber and Building Materials Establishment
 - Wholesaling Class A
 - Wholesaling Class B
- Accessory Uses customarily ancillary to the above uses, including accessory office, except that the total area of all accessory uses must not be greater than 33¹/₃ percent of the gross floor area of principal and accessory uses combined, and a wall must separate the floor area in accessory uses accessible to the general public from the floor area in other uses.

Condition of Use

- if the premises for any Retail Use consists of more than 1 000 m² of gross floor area, the premises for every Retail Use must be at least 929 m² of gross floor area.
- similar to the I-2 District Schedule.

Density

- for purposes of FSR calculation, site area is deemed to be 25 920 m²
- The same as the I-2 District Schedule, except that Retail Use be permitted to a maximum FSR of 0.39

Height

• The same as the I-2 District Schedule, except that the retail use (as of the date of enactment) be permitted to a maximum height of 13.4 m (44 ft.), measured above the base surface, and a new stand-alone retail use development be permitted to a maximum height of 12.2 m (40 ft.), measured above the base surface.

Parking, Loading and Bicycles

- Parking, loading and bicycle spaces are to be provided and maintained as per the Parking By-law.
- The exemption and relaxation provisions of the Parking By-law shall be available.

DRAFT AMENDMENTS TO ZONING AND DEVELOPMENT BY-LAW NO. 3575

Note: An amending by-law will be prepared generally in accordance with the provisions listed below, subject to change and refinement prior to posting.

Schedule C

- add "Skeena Street, east side, from East 11th Avenue to a point 143.3 m south of the easterly limit of Skeena Street" to column titled Street, Lane or Other Area and "3.6 m" to column titled Depth of Setback.
- add "East 11th Avenue, south side, from Skeena Street to a point 152.5 m east of the easterly limit of Skeena Street" to column titled Street, Lane or Other Area and "3.6 m" to column titled Depth of Setback.

DRAFT AMENDMENTS TO SIGN BY-LAW NO. 6510

Note: An amending by-law will be prepared generally in accordance with the provisions listed below, subject to change and refinement prior to posting.

Schedule E

• amend Schedule E by adding 3585 Grandview Highway and assigning regulations in accordance with Schedule B (I-2).

PROPOSED CONDITIONS OF APPROVAL

Note: Recommended approved conditions will be prepared generally in accordance with the draft conditions listed below, subject to change and refinement prior to finalization of the agenda for the Public Hearing.

AMENDMENT OF GUIDELINES

- (a) That, if approved at Public Hearing, the by-law be accompanied at the time of enactment by:
 - (i) the Grandview Boundary Industrial Area Rezoning and Development Policies and Guidelines to be amended to include a reference to the CD-1 for 3585 Grandview Highway by resolution of Council;
 - (ii) the Mini-Storage Warehouse Guidelines to be amended to include a reference to the CD-1 for 3585 Grandview Highway by resolution of Council.

FORM OF DEVELOPMENT

(b) That the proposed form of development be approved by Council in principle, generally as represented by plans received May 30 and July 17, 2003.

DEVELOPMENT APPROVAL

(c) That, prior to enactment of the CD-1 By-law and prior to final approval by Council of the form of development, the registered owner shall obtain approval of a development application by the Director of Planning who shall have particular regard to the following:

Design Development

(i) design development to extend and enhance weather protection at the main entrance and along the west side of the building;

Note to Applicant: A generous canopy with integrated lighting should be provided that contributes to, and enhances, the pedestrian interest of the building.

Landscape

 Design development to provide landscaped setbacks of 3.6 m (12 ft.) adjacent to the existing parking area along the entire Skeena Street and East 11th Avenue frontages of the site;

Note to Applicant: The landscaped setback should be planted with grass adjacent to the sidewalk to widen the public realm, stepping back to layered planting adjacent to the parking area. Vehicular crossing widths should be

minimized and enhanced with low planting on both sides. Surface parking and signage should be removed from the landscaped setback.

(iii) Design development to provide new street trees along Skeena Street in order to fill gaps in the existing street tree colonnade;

Note to Applicant: New street trees should be noted "Final species, quantity and spacing to the approval of the City Engineer and Park Board." Contact Eileen Curran (604-871-6131) of Engineering Streets Division regarding street tree spacing and quantity. Contact Bill Stephen (604-257-8587) at the Park Board regarding tree species;

- (iv) Design development to provide a double row of trees along the Grandview Highway frontage of the site;
- (v) Design development to provide more substantial and coherent low planting (in regards to quantity) along the Grandview Highway frontage of the site, specifically between the two driveway crossings;
- (vi) Design development to provide one additional new tree along the inside boulevard colonnade, adjacent to the east driveway crossing on Grandview Highway;
- (vii) Design development to provide low planting and trees along East 11th Avenue frontage of the site (similar to the Skeena Street frontage treatment);

Note to Applicant: Locate low planting within the property line wherever possible.

(viii) Design development to integrate two new trees into each end of the doubled stacked parking spines located in the main parking lot off Skeena Street;

Note to Applicant: New trees located in raised islands in the central parking area should be specified at a minimum 7 cm caliper and be provided with adequate soil volume to provide positive growing conditions.

- (ix) Design development to provide new street trees along the entire East 11th Avenue frontage of the site;
- (x) Design development to delete the signage in the landscaped setback;
- (xi) Design development to provide building and landscape lighting; and

Crime Prevention through Environmental Design (CPTED)

- (xii) Design development to take into consideration the principles of CPTED having particular regard to reduce opportunities for:
 - cutting through the site through clear definition of pedestrian and vehicle routes;

- theft in the parking lot through improved surveillance and security features;
- mischief such as graffiti through improved landscaping on blank walls.

AGREEMENTS

- (d) That, prior to enactment of the CD-1 By-law, the registered owner shall, at no cost to the City:
 - (i) Make suitable arrangements, to the satisfaction of the General Manager of Engineering Services, for all new utility services to be undergrounded from the closest existing suitable service point. All services, and in particular electrical transformers to accommodate a primary service, must be located on private property. The development site is not to rely on secondary voltage from the existing overhead network. Any alterations to the existing underground/overhead utility network to accommodate the development will require review and approval by the Utilities Management Branch.

Note to Applicant: Early contact with the Utilities Management Branch is encouraged.

- Make arrangements, to the satisfaction of the General Manager of Engineering Services and the Director of Legal Services, for a payment of \$400,000.00 towards the intersection and street improvements at the Skeena Street/Grandview Highway intersection;
- (iii) Make arrangements, to the satisfaction of the General Manager of Engineering Services and the Director of Legal Services, for concrete sidewalk on the east side of Skeena Street between Grandview Highway and East 11th Avenue where it currently does not exist and on the south side of East 11th Avenue adjacent to the site;
- Make arrangements, to the satisfaction of the General Manager of Engineering Services and Director of Legal Services, for street trees adjacent to the site where space permits;
- (v) Develop and implement a Transportation Management Plan to promote walking, cycling, transit use and carpooling while reducing the use of the automobile, including designation of a Co-ordinator to manage the Plan and liaise with neighbours and to monitor progress toward meeting mode targets, all to the satisfaction of the General Manager of Engineering Services; and
- (vi) Make arrangements to the satisfaction of the General Manager of Engineering Services and the Director of Legal Services for clarification of all charges registered in the Land Title Office against title to the lands (a charge summary, including copies of all charges, must be provided) and the modification, extension or release of any charges deemed necessary by the Director of Legal Services.

Where the Director of Legal Services deems appropriate, the preceding agreements are to be drawn, not only as personal covenants of the property owner, but also as Covenants pursuant to Section 219 of the Land Title Act.

Such agreements are to be registered in the appropriate Land Title Office, with priority over such other liens, charges and encumbrances effecting the subject site, as is considered advisable by the Director of Legal Services, and otherwise to the satisfaction of the Director of Legal Services prior to enactment of the by-law; provided, however, the Director of Legal Services may, in her sole discretion and on terms she considers advisable, accept tendering of the preceding agreements for registration in the appropriate Land Title Office, to the satisfaction of the Director of Legal Services, prior to enactment of the by-law.

The preceding agreements shall provide security to the City including indemnities, warranties, equitable charges, letters of credit and withholding of permits, as deemed necessary by and in a form satisfactory to the Director of Legal Services.

The timing of all required payments shall be determined by the appropriate City official having responsibility for each particular agreement, who may consult other City officials and City Council.

ADDITIONAL INFORMATION

Site, Surrounding Zoning and Development: This 25 920 m² (279,010 sq. ft.) site is comprised of one parcel with a frontage of 84.4 m (277 ft.) along the north side of Grandview Highway, 138.7 m (455 ft.) along Skeena Street and 147.9 m (485 ft.) along East 11th Avenue. The site slopes from south to north along Skeena Street; the total slope across the site is about 6 m (19.7 ft). The site is presently developed with a one-storey plus mezzanine building.

Properties to the north, west and east are zoned I-2 Industrial District and are occupied by the Vancouver Film Studio and various warehouse operations. Ten small properties to the west of Skeena Street along Grandview Highway are zoned RT-2 Two-family Dwelling District, and the area to the south is zoned RS-1 One-family Dwelling District.

Proposed Development: The proposed rezoning would permit the use of most of an existing building for highway oriented retail use. No additions are proposed.

Retail Impact Assessment: Although the proposal includes the sale of food and clothing, a retail impact assessment was not undertaken because these goods have been sold at this location for many years.

Public Input: A notification letter was sent to 119 nearby property owners on June 23, 2003 and rezoning information signs were posted on the site on June 25, 2003. No phone calls or correspondence were received from nearby residents. Eleven form letters of support were received from owners of the industrial properties to the north and east of the site.

Comments of the General Manager of Engineering Services: The General Manager of Engineering Services has no objection to the proposed rezoning, provided that the applicant complies with conditions as set out in Appendix C.

Environmental Implications: The current Costco store generates significant car usage as evidenced by the additional 249 parking spaces provided by the operator over the currently required 225. If the rezoning is not approved, there is no way of knowing if car usage would increase or decrease, as it would depend on where customers who come from a very wide catchment area decide to take their business.

Social Implications: There are no major positive or negative social implications to this proposal. There are no implications with respect to the Vancouver Children's Policy or Statement of Children's Entitlements.

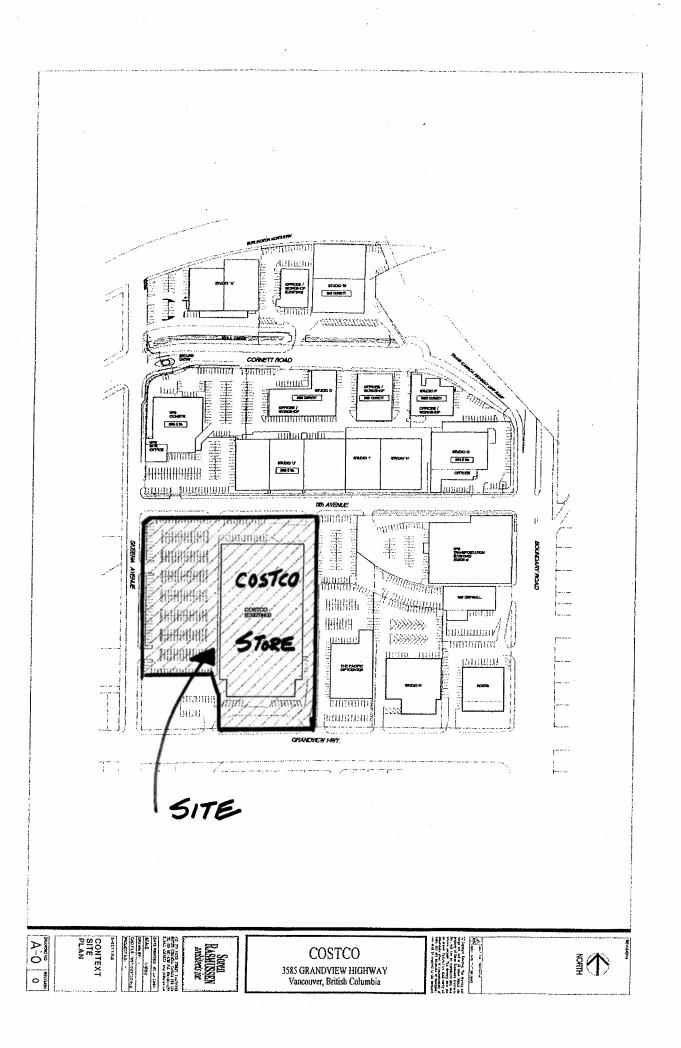
Comments of the Applicant: The applicant has been provided with a copy of this report and has provided the following comments:

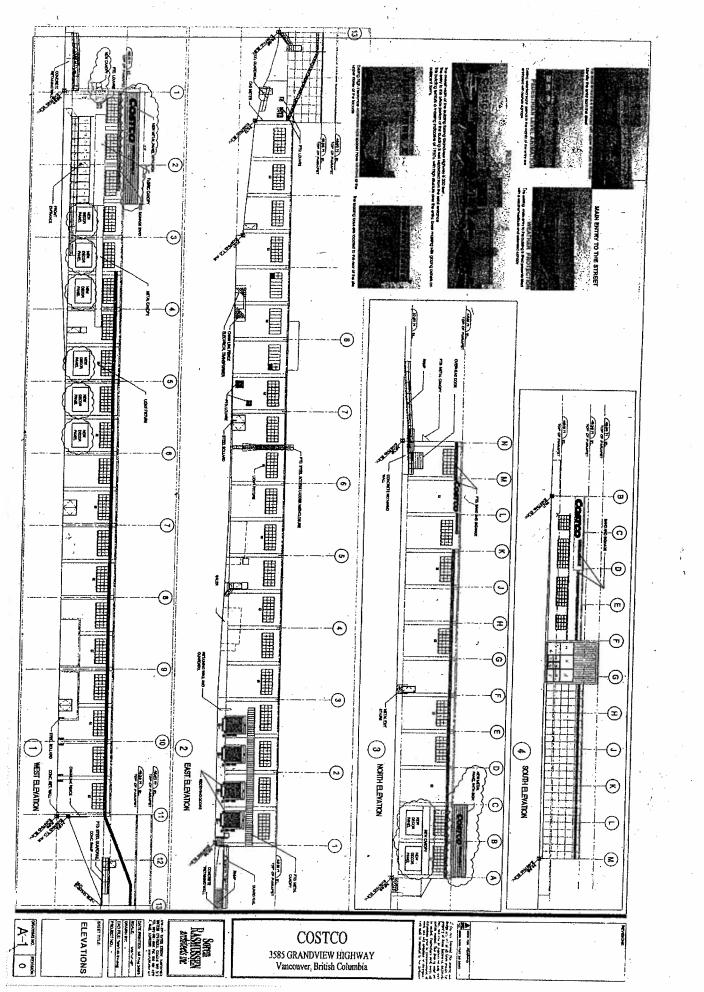
"We have received your policy report dated May 16, 2006, and generally agree with the contents and would like to thank staff for their efforts throughout the process.

We do have an issue with the following condition of enactment:

Intersection Improvements - The City is requesting payment of \$400,000 for a portion of the cost of the intersection at Grandview Highway and Skeena Street completed in 2003. Until such time as we receive a detailed cost analysis for the work completed it is difficult for the owner of 3585 Grandview Highway to determine how this figure was derived or assess whether it is fair."

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APPENDIX E PAGE 2 OF 2

APPLICANT, PROPERTY, AND DEVELOPMENT PROPOSAL INFORMATION

APPLICANT AND PROPERTY INFORMATION

Street Address	3585 Grandview Highway (Costco)
Legal Description	Lot 6, Block A, Section 39, THSL, Plan 22177
Applicant/Architect	Soren Rasmussen, Soren Rasmussen Architects Inc.
Property Owner	Skeena Investments Ltd.

SITE STATISTICS

	GROSS	DEDICATIONS	NET
SITE AREA	25 920 m² (279,010 sq. ft.)		25 920 m² (279,010 sq. ft.)

DEVELOPMENT STATISTICS

	DEVELOPMENT PERMITTED UNDER EXISTING ZONING	PROPOSED DEVELOPMENT	RECOMMENDED DEVELOPMENT (if different than proposed)
ZONING	I-2	CD-1	
USES	Manufacturing, Service, Transportation and Storage, Utility and Communication, and Wholesale; Accessory Retail limited to 1 000 m ² (10,765 sq. ft.)	Manufacturing, Service, Transportation and Storage, Utility and Communication, Wholesale, Retail (Minimum size of 929 m ² [10,000 sq. ft.] and Accessory Uses	
MAX. FLOOR SPACE RATIO	3.0 FSR	3.0 FSR of which 0.39 FSR may be Retail Use	
MAXIMUM HEIGHT	18.3 m (60 ft.) (outright) 30.5 m (100 ft.) (conditional)	I-2 provisions except existing retail store – 13.4 m (44 ft.) or new stand alone retail store – 12.2 m (40 ft.)	
PARKING SPACES	Per Parking By-law	Per Parking By-law	
LANDSCAPED SETBACKS	12.2 m (40 ft.) along Grandview Highway	12.2 m (40 ft.) along Grandview Highway	Additional setbacks: 3.6 m (12 ft.) along Skeena Street and East 11 th Avenue