

REPORT

Planning and Development

To: Mayor Johnstone and Members of Council
Date: September 29, 2025

From: Jackie Teed, Director of Planning and Development
File: TUP00035
Doc #2730888

Item #: 2025-279

Subject: Temporary Use Permit: 30 Capilano Way (Amusement Arcade)

RECOMMENDATION

THAT Council issue notice that it will consider issuance of Temporary Use Permit TUP00035 with an expiry date of July 13, 2027, for the property located at #8-30 Capilano Way for the purpose of allowing an accessory Amusement Arcade use to augment existing industrial business operations in an existing industrial building.

PURPOSE

The purpose of this report is to provide Council with information for their consideration of a Temporary Use Permit (TUP) at 30 Capilano Way to allow an Amusement Arcade use, to supplement an existing arcade repair and distribution business that operates within an existing industrial building.

EXECUTIVE SUMMARY

Under a Temporary Use Permit (TUP), the applicant has operated an arcade as a supplemental commercial use to their primary arcade machine rental and repair business in the Braid Industrial Area since July 2020. At time of issuance, the business had been significantly impacted by the COVID-19 pandemic and the TUP was brought forward as a means to support diversification of their business model in response. The business' first TUP application was for two years, and was approved for a two-year extension which ended in July 13, 2024. A new TUP application is being brought forward to continue the temporary permitting of this use, and is proposed to end July 13, 2027, which would constitute an additional three years from the end of their last permit. Should the applicant wish to continue the arcade use on site after July 13, 2027, a TUP

extension would not be recommended, and a rezoning would be required. The City is completing a review of industrial land usage and priorities, and updates to the Industrial Lands Strategy (2008). The timing of the end date of the current TUP would allow for completion of that work to inform analysis of any permanent land use changes in the area, such as a rezoning for arcade use.

BACKGROUND

Policy and Regulations

The subject site is designated in the Official Community Plan (OCP) for Industrial land uses. Similarly, the subject site is zoned Heavy Industrial District (M-2). The intent of these policies is for the site to be used for heavy industrial work such as repair, manufacturing, and warehousing. Neither the OCP nor the zoning permits commercial uses. Amusement arcades are considered a commercial use, as such a Temporary Use Permit is required to continue to permit the use. A summary of related policy and regulations is included in **Attachment 1**.

Site Characteristics and Context

The site is located on Capilano Way in the Braid Industrial Area. The multi-tenant industrial building on the site is used for a variety of industrial uses. There are three parking spaces allocated specifically to the applicant’s business, across the circulation lane/roadway surrounding the building.

To the north, south, and east of the site are additional industrial buildings and surface storage or parking of related industrial activities. To the west of the subject site is the Brunette Creek. The Brunette Fraser Regional Greenway runs in front of the site along Capilano Way. **Attachment 2** provides a location map of the subject site and the surrounding context.

Previous Applications

Pandemic Response

The applicant operates a business that leases arcade machines to local businesses, such as restaurants and pubs. The business operates from an industrial space where the machine are repaired and stored. During the pandemic, business was significantly impacted due to COVID-19 closures in the food and beverage industry. As a means to support a local business through the pandemic, the applicant was granted a TUP for a supplemental commercial arcade use in their space in July 2020. The TUP allowed the use for two years, and was extended for an additional two years, which expired in July 13, 2024. The TUP included limitations on arcade operations. This included that no liquor could be served, and limitations on the days and hours of operation and capacity.

Through past TUP processes, the applicant was encouraged to find an alternative appropriately zoned commercial location, which would better support and protect the city and region’s limited industrial land base.

Comparative Applications

There is another arcade business operating in the city. In order to operate, that business underwent a rezoning (adopted in 2021). The business operates primarily as an arcade and has a license to serve liquor. It is on a site in a Commercial zone. This differs from the TUP being proposed at #8-30 Capilano Way which is in an Industrial zone, therefore additional constraints are recommended to be included as part of the TUP, in order to ensure that the arcade operates as supplemental to the primary business activities of machine storage and repair. No other food or beverage operations are proposed at this time.

PROJECT DESCRIPTION

The applicant proposes to continue to operate a commercial arcade as a supplemental use to their primary business activities of arcade machine repair and storage, the latter of which are permitted under the Heavy Industrial Districts (M-2) zone. The arcade use is proposed to be limited to select weekday evenings and weekends, during non-peak hours for industrial business activities. The arcade would rotate machines that are not rented out at that time through the primary business and as such as a compliment to the principal use of the site. The applicant’s Letter of Intent is included as **Attachment 3**.

DISCUSSION

Economic Considerations

The City aims to encourage businesses to locate in the city, to retain existing businesses, and to encourage business growth. The application proposes to use arcade machines that would already be on site as part of the ongoing industrial activities of the primary use, and this proposal would be a suitable way to support the diversification of a local small business.

Protecting Limited Industrial Land

Along with Metro Vancouver, the City has a longstanding goal of retaining industrial uses and land dedicated to industrial uses which is reflected in the Official Community Plan and other city policies and documents. Industrial land is limited; protection of industrial land and potential erosion by commercial uses should be carefully considered. The City is intending to undertake a review of industrial land usage and priorities, to update the Industrial Lands Strategy (2008).

In advance of an updated Economic Development Plan or Industrial Lands Strategy, a TUP for the current arcade use is considered to be the appropriate mechanism to continue temporarily allowing the use within the subject property. Including restrictions

on this TUP proposal are a key component for protecting industrial uses until such a time that further work has been completed and it is determined whether this is an appropriate long term use for the location.

Once a review of industrial land usage and priorities, and updates to the Industrial Lands Strategy, a potential rezoning would be evaluated against those findings; a further renewal or resubmission for a future TUP would not be recommended.

Proposed TUP Conditions

The TUP would include a number of conditions placed on the permit, which align with licensing of arcades. A draft Temporary Use Permit is included as **Attachment 4**. These conditions include:

- No Liquor - Liquor establishments are highly regulated uses as a result of the potential for impacts on surrounding properties and calls for service.
- Expiration Date – Staff proposed that the TUP be set to expire July 13, 2027, which is three years from the end of their previous TUP, July 13, 2024.
- No Gambling - No arcade machines be used for any form of gambling.
- No Pornographic Material - No arcade games be permitted which show or depict any nudity, sexual acts or sexual behaviour.
- Fully Enclosed Building – Business to be conducted within a fully enclosed building.
- Operating Hours - Operating hours between 4:00 pm and 11:00 pm on Thursdays and Fridays, and 10:00 am and 11:00 pm on Saturdays and Sundays.
- Capacity – Capacity is to be limited to 20 individuals.
- Signage - Appropriate signage be provided for the existing parking spaces corresponding to the applicant’s unit.

FINANCIAL IMPLICATIONS

There are no anticipated financial implications.

INTERDEPARTMENTAL LIAISON

Various divisions including Building, Integrated Services, and Land Use Planning in the Planning and Development Department have reviewed this application, along with the Economic Development division of Community Services Department and Engineering Department.

APPLICATION REVIEW PROCESS AND NEXT STEPS

- 1. Report to Council to request that Council issue notice that it will consider issuance of a Temporary Use Permit for the proposed arcade **(WE ARE HERE)**;
- 2. Council consideration of issuance of the Temporary Use Permit TUP00035.

OPTIONS

The following options are presented for Council consideration.

- 1. THAT Council issue notice that it will consider issuance of Temporary Use Permit TUP00035 with an expiry date of July 13, 2027, for the property located at #8-30 Capilano Way for the purpose of allowing an accessory Amusement Arcade use to augment existing industrial business operations in an existing industrial building; or
- 2. That Council provide staff with other direction.

Staff recommends Option 1.

ATTACHMENTS

- Attachment 1: Policy, Regulations and Background
- Attachment 2: Location Map
- Attachment 3: Applicant’s Letter of Intent
- Attachment 4: Draft Temporary Use Permit

APPROVALS

This report was prepared by:
Tove Lundsten, Planning Analyst

This report was reviewed by:
Kirsten Robinson, Supervisor, Development Planning
Britney Dack, Supervisor, Land Use Planning
Demian Rueter, Manager, Development Planning
Rupinder Basi, Deputy Director, Planning & Development

This report was approved by:
Jackie Teed, Director, Planning & Development
Lisa Spitale, Chief Administrative Officer



Attachment 1

Policy, Regulations and Background

Local Government Act

Division 8 — Temporary Use Permits – The Local Government Act authorizes municipalities to issue Temporary Use Permits, which allow uses which would not normally be permitted to operate on a temporary basis. The permits are issued for a maximum of three years and, after that time, may be extended by application for an additional three years. Council may attach conditions to the issuance of the permit to ensure that the impacts of the temporary use on existing businesses and properties are mitigated. The conditions apply in relation to a renewal.

Official Community Plan

The Official Community Plan designates the subject site as (I) Industrial. The purpose of this designation is described as:

To allow industrial uses including heavy and light industrial uses and those industrial uses that are dependent on riverfront access. Large sites with this designations should be preserved for large scale or land intensive uses and as such, subdivision is discouraged.

The subject site is located within the Development Permit Area 6.4 Industrial.

Zoning Bylaw

The subject site is currently zoned Heavy Industrial (M-2) which allows for a range of uses such as manufacturing of food and beverage, manufacturing of a variety of products, machinery repair, automobile repair and use automobile parts business, animal hospitals, utilities and warehousing, but does not allow a commercial arcade business.

Section 190.46 of the Zoning Bylaw allows temporary uses to be considered and identifies the following criteria for the issuance of a Temporary Use Permit:

- a) Whether the proposed use is consistent with the official community plan designation for the land;
- b) Whether the proposed use is consistent with any neighbourhood plan applying to the land;
- c) Whether the proposed use is consistent with relevant policies adopted by the Council;
- d) In the case of any proposed use that is not consistent with any such plan or Council policy, the nature and extent of any community benefit from the use;
- e) Whether the proposed use is of a temporary nature or whether it would be more appropriate for the City to consider permitting the use by rezoning;
- f) The suitability and compatibility of the proposed use with the surrounding area, including its operation, function, appearance and intensity of use;

- g) The impact of the proposed use on the operation of adjacent uses, including future land uses permitted by the zoning bylaw and designated by the official community plan.

Temporary Use Permit Background – Industry Arcade

Temporary Use Permit 00023 was approved by Council in July 2020 for a term of two years to allow a temporary ancillary arcade use at 8 – 30 Capilano in the existing East Van Amusements business due to the impacts of COVID-19 on their business activities. It was subsequently renewed in May 2022 for an additional two years due to the continuing impacts of the COVID-19 pandemic.

The permit was reviewed against the temporary use criteria outlined in section 190.46 of the Zoning Bylaw. Staff analysis and related considerations were detailed in the Council reports for the permit and renewal, as listed below.

A copy of the agenda from the meeting (Item 17) for the original TUP and the 2020 report can be found at: <https://pub-newwestcity.escribemeetings.com/FileStream.ashx?DocumentId=2652>

The minutes from the meeting can be found at: <https://pub-newwestcity.escribemeetings.com/FileStream.ashx?DocumentId=2653>

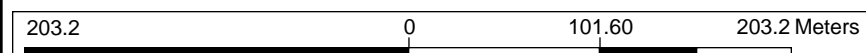
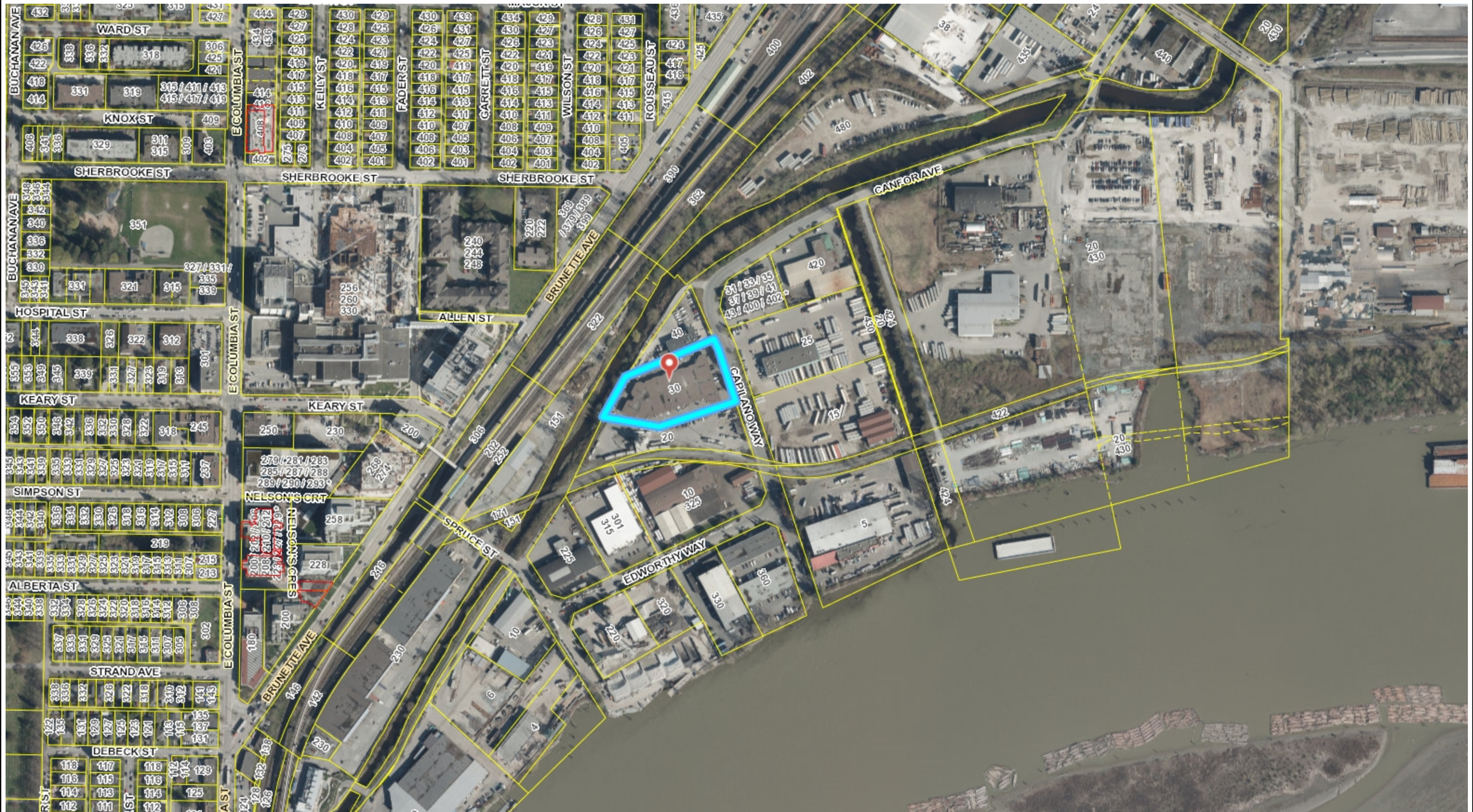
A copy of the agenda from the meeting (Item 5.12) for the renewal of the TUP and the 2022 report can be found at: <https://pub-newwestcity.escribemeetings.com/FileStream.ashx?DocumentId=7771>

The minutes from the renewal meeting can be found at: <https://pub-newwestcity.escribemeetings.com/FileStream.ashx?DocumentId=8402>



Attachment 2

Context Map



Scale 1: 4,000



This map is a user generated static output from an Internet mapping site and is for reference only. Data layers that appear on this map may or may not be accurate, current, or otherwise reliable.

Notes



Attachment 3
Letter of Intent



424 Wilson Street
New Westminister, BC
V3L-3R6

info@eastvanamusements.ca
eastvanamusements.ca

November 25, 2024

To whom it may concern,

Industry Arcade, is requesting an ancillary use zoning amendment for unit 8, 30 Capilano Way, New Westminister. Our request is to continue operating as the way we have been for the past 4 years. Our space, is primarily utilized for industrial usage for East Van Amusements Limited 'pop up' and vending business. We supply pop up arcade rentals for corporate parties, xmas parties and so on. In addition, we have locations where we vend our machines on profit share around the lower mainland. These locations include:

- BREWHALL
- Good Co Granville - Entertainment district
- Bells and Whistles - Fraser Street
- Cambie pub - Gastown
- Electronic Arts (Burnaby and Vancouver locations)
- Clio Burnaby
- Quadreal (Park Place tower, Vancouver)
- River Market (New Westminister)
- Howe Sound brewing (New Westminister)

The machines housed at Unit 8, 30 Capilano Way, are used for the above named locations as we often rotate equipment and this is our storage and repair facility to do so.

The continued intent of 'arcade usage' (Industry Arcade) is to only open, during NON industrial times. We have been respecting the land use for the past 4 years with the 'arcade usage'. The current 'arcade usage' is to operate 'Industry Arcade' Thursday evenings, Friday evenings, and Saturday/Sunday. We do not want to open any other days or evenings, as East Van Amusements takes priority of this space.

Thank you for your support thus far.

Kyle and Amanda, and the team at Industry Arcade.



Attachment 4

Temporary Use Permit 00035

**Temporary Use Permit
File No. TUP00035**

1. This Temporary Use Permit is issued to:

East Van Amusements
424 Wilson Street, New Westminister BC V3L 3R6

(the “Owner”)

2. This Temporary Use Permit applies to those lands in the City described below:

#8 – 30 Capilano Way
Legal Description: LOT 32 SUBURBAN Block 8 PLAN 61555
Parcel Identifier: 002-818-604

(the “Lands”)

3. This Temporary Use Permit is issued subject to compliance with all the bylaws of the City applicable to the Lands, except as specifically varied or supplemented by this Permit.
4. The provisions of the following bylaws adopted under Part 14, Division 5 of the Local Government Act (RSBC 2015) are varied or supplemented as follows:

Zoning Bylaw No. 6680, 2001

- i. The existing industrial building on the Site, zoned M-2, may be used for an amusement arcade as defined by the City of New Westminister Zoning Bylaw.

5. The following conditions apply to the Temporary Use:

- i) This Temporary Use Permit expires on July 13, 2027 at 12:00 midnight. The Owner may apply to have the permit renewed. A Temporary Use Permit may be renewed by Council only once.
- ii) The Owner must cease all operation of the Temporary Use before the expiry of this Temporary Use Permit, unless the Temporary Use Permit has been renewed after consideration by Council, or the zoning applicable to the Site has been amended to allow the land use herein permitted;
- iii) The Owner must give the City of New Westminister 60 days notice if the temporary use is to be terminated;
- iv) The Owner shall comply with Sign Bylaw No. 7867, 2017;
- v) No liquor shall be served nor shall gambling of any form be permitted on a site used for an ‘amusement arcade’ use;

- vi) The 'amusement arcade' use is not permitted to include amusement machines which shows or depicts any pornographic material;
 - vii) The 'amusement arcade' use must be conducted within a fully enclosed building;
 - viii) The 'amusement arcade' use shall only be permitted between the hours of 4:00 pm and 11:00 pm on Thursdays and Fridays, and 10:00 am and 11:00 pm on Saturdays and Sundays;
 - ix) Appropriate signage be provided for the existing parking spaces corresponding to the permittee's leased unit.
 - x) Capacity will be limited to 20 occupants.
6. All plans and specifications included in this Permit are subject to any changes required by the Building Inspector or Approving Officer in cases where the plans and specifications do not comply with the Building Code or any provincial or City enactment, and such non-compliance is not specifically permitted by this Permit.
 7. Minor variations of the plans and specifications that do not substantially alter the work described in the plans and specifications may be permitted if approved, in advance and in writing, by the City Planner.
 8. The land described herein shall be developed strictly in accordance with the terms and conditions and provisions of this Permit and any plans and specifications attached to this Permit shall form a part thereof.
 9. This Permit is not a Development Permit or a Building Permit.

Authorizing Resolution of City Council:

THAT Temporary Use Permit TUP00035 be issued with an expiry date of July 13, 2027, for the property located at #8-30 Capilano Way for the purpose of allowing an accessory Amusement Arcade use to augment existing industrial business operations in an existing industrial building.

Date: <date passed>

Date of Issue

Hanieh Berg,
Corporate Officer