#### **ADMINISTRATIVE REPORT**

**TO:** Board of Directors

**FROM:** J. Zaffino, Chief Administrative Officer

**DATE:** March 20, 2025

**RE:** Zoning Bylaw Amendment – Electoral Area "C" (C2024.016-ZONE)



#### **Administrative Recommendation:**

THAT the Okanagan Valley Zoning Amendment Bylaw No. 2800.49, 2025, be read a first and second time and proceed to public hearing;

AND THAT the holding of a public hearing be scheduled for the Regional District Board meeting of April 3, 2025;

AND THAT staff give notice of the public hearing in accordance with the requirements of the *Local Government Act*.

<u>Purpose</u>: To allow for 10 agri-tourism accommodation units on a parcel under 8.0 ha. <u>Folio</u>: C-05878.000

Legal: Lot 393, Plan KAP1957, District Lot 2450S, SDYD Civic: 325 Road 20

OCP: Agriculture (AG) Zone: Agriculture One (AG1)

# **Proposed Development:**

This application is seeking to amend the zoning of the subject property in order to allow for ten (10) agri-tourism accommodation sleeping units.

In order to accomplish this, the applicant is proposed to amend the zoning of the property under the Okanagan Valley Zoning Bylaw No. 2800, 2022, from Agriculture One (AG1) to Agriculture One Site Specific (AG1s).

In support of the rezoning, the applicant has stated that:

- The proposed zoning will not conflict with the Area "C" Official Community Plan.
- No increase to the number of agri-tourist accommodation units will occur in the area beyond what is presently allowed in the Zoning Bylaw.
- The proposed restrictive covenant being offered by the owner will preclude their adjacent farm parcel at 4114 Highway 97 from having an agri-tourist accommodation building.

#### **Site Context:**

The subject property is approximately 5.17 ha in area and is situated on the southeast corner of Road 20 and Highway 97 and is approximately 7.7 km south of the boundary of the Town of Oliver. It is understood that the parcel is comprised of a vineyard, a winery, and an equipment storage building.

The surrounding pattern of development is generally characterised by similarly sized agricultural parcels that have been developed with singe detached dwellings.

### **Background:**

The current boundaries of the subject property were created by a Plan of Subdivision deposited with the Land Titles Office in Victoria on September 12, 1924, while BC Assessment has classified the property as part "Residential" (Class 01), part "Light Industry" (Class 05) and part "Farm" (Class 09).

Available Regional District records indicate that a building permits for demolishing a burned dwelling (2024), steel storage building (2023), demolish shop (2022), steel building stand alone addition to existing (1999), office addition to existing building (1999), metal frame building, pre-engineered metal frame building, unenclosed farm shelter for coolers, demo 3 pickers cabins without permit, lean to addition to existing farm shed – pole structure, and a single family dwelling have previously been issued for this property.

#### Official Community Plan (OCP) Bylaw:

Under the Electoral Area "C" Official Community Plan (OCP) Bylaw No. 2452, 2008, the subject property is currently designated Agriculture (AG), an objective of which is "to preserve agricultural land with continuing value for agriculture for current and future production ..." while a supporting policy speaks to supporting "agri-tourism activities which promote local agriculture and are secondary and incidental to the area's farming production."

Part of the subject property is also the subject of a Watercourse Development Permit (WDP) designation associated with an existing pond.

# **Zoning Bylaw:**

Under the Okanagan Valley Zoning Bylaw No. 2800, 2022, the property is currently zoned Agriculture One (AG1) which under Section 13.1.1(h) allows for agri-tourism accommodation, subject to Section 7.3 as a permitted accessory use.

Section 7.3.3 outlines the maximum number of agri-tourism accommodation sleeping units permitted on a parcel. Parcels between 4.0 ha and 8.0 ha are permitted a maximum of five (5) agri-tourism accommodation sleeping units.

Under Section 8.0 (Floodplain Regulations) of the Zoning Bylaw, the subject property is within the floodplain associated with a small un-named waterbody partially on the property.

#### Agricultural Land Reserve (ALR):

The property is within the Agricultural Land Reserve (ALR) and the Agricultural Land Commission (ALC) has advised that this proposal *may* require there separate approval in the form of either a Notice of Intent (NoI) or a Non-Farm Use application.

Of note, Section 33(2) of the ALR Use Regulation states that up to 10 sleeping units as seasonal or short-term accommodation in relation to an agri-tourism activity is permitted subject to the accommodation being located on land classified as "farm", that there be a "tourist" use occurring and the total developed area for structures, landscaping and access for the accommodation being less than 5% the parcel.

In this instance, the applicant has stated that the total proposed developed area for structures, landscaping and access for the accommodation is approximately 2.33%.

As an aside, the applicant is proposing the inclusion of a restrictive covenant on the neighbouring property at 4114 Highway 97, which is also owned by the applicant, in order to restrict the development of any agri-tourism accommodation units on 4114 Highway 97.

#### **Referrals:**

Approval from the Ministry of Transportation and Transit (MoTT) is required prior to adoption as the proposed amendments involve lands within 800 metres of a controlled access highway (i.e. Highway 97).

Pursuant to Section 475 of the *Local Government Act*, the Regional District must consult with the Agricultural Land Commission (ALC) when proposing to amend an OCP which might affect agricultural land. Both the ALC and the Ministry of Agriculture have been made aware of the proposed amendment bylaw.

#### **Public Process:**

On February 5, 2025, a Public Information Meeting (PIM) was held online through Webex and was attended by no members of the public.

At its meeting of February 18, 2025, the Electoral Area "C" Advisory Planning Commission (APC) resolved to recommend to the RDOS Board that the subject development application be approved, subject to the following conditions;

i) a restrictive covenant be registered on title with 4114 Highway 97, preventing agri-tourism accommodations on the property.

All comments received to date in relation to this application are included as a separate item on the Board Agenda.

### **Analysis:**

In considering this proposal, Administration notes that one of the objectives for land designated as Agricultural (AG) under the OCP Bylaw is to "protect the agricultural land base of the Plan Area, including associated farming, orchards, vineyards, ranching, and associated value-added activities".

The Plan seeks a balance between preserving agricultural land for the current and future production with the use of agricultural land for compatible secondary, value-added activities which are meant to provide supplementary income to farmers and diversify the local agricultural and rural economy.

The zoning bylaw supports this policy approach by listing agri-tourism accommodation as a permitted accessory use within the AG1 with limits on floor area as well as the number of units based on parcel size.

This is to ensure that the principal use of a farm parcel remains agricultural (and not become tourist commercial), compatibility with existing land-uses, mitigating potential land-use conflicts, and addressing infrastructure demands (e.g., water, parking, and driveways) that may lead to the alienation of productive farm land.

In this instance, the proposed agri-tourism building will comprise a parcel coverage of approximately 2.33% of the property, which includes the driveway, the structure itself and any landscaping related to the structure.

Whereas, limiting the construction of agri-tourism accommodations units to no more than five (5) per parcel would likely result in a greater loss of farm land due to a duplication of infrastructure (e.g. parking, driveway and septic) on each parcel under the applicant's ownership. (NOTE: the applicant also owns the neighbouring property at 4114 Highway 97, which would also permit up to five (5) agritourism accommodation sleeping units)

# **Proposed Restrictive Covenant**

The applicant has proposed applying a restrictive covenant to the neighbouring property at 4114 Highway 97 to restrict the property from constructing agri-tourism accommodation sleeping units in an attempt to trade density.

In this instance, however, administration considers that the proposal should stand on its own merits and the "down-zoning" of a separate property – which may be in different ownership in the future – is not favoured.

Should, however, the Board consider there to be merit in this proposal, Administration considers zoning to be the more robust legal instrument to give effect to this and does not favour the use of a restrictive covenant. Accordingly, consideration could be given to a site specific amendment prohibiting the development agri- tourism accommodation units at 4114 Highway 97.

# <u>Alternative</u>

The proposed site specific rezoning, deviates from the broader strategic land use objectives, granting privileges to a single parcel that may not be permitted to other similar parcels in the area.

Additionally, the increased number of agri-tourism accommodation sleeping units creates the potential for uses that may stray from the agricultural intentions of the AG1 zone.

#### **Summary**:

The proposed then (10) agri-tourism accommodation sleeping units is not seen to reduce the agricultural viability of the property, and provide a financial safety net to the agricultural use of the property during low yield years.

#### **Financial Implications:**

Financial implications have been considered and none were found.

# **Communication Strategy:**

The proposed bylaw amendment(s) have been notified in accordance with the requirements of the *Local Government Act* as well as the Regional District's Development Procedures Bylaw No. 2500, 2011.").

#### Alternatives:

1. THAT the Okanagan Valley Zoning Amendment Bylaw No. 2800.49, 2025, be denied; or

- 2. THAT prior to the scheduling of a public hearing, a statutory covenant be prepared for the property located at 4114 Highway 97, and legally described as Lot 367, Plan KAP1957, district Lot 2450S, SDYD prohibiting the construction of any agri-tourism accommodation sleeping units on that property; or
- 3. THAT prior to the scheduling of a public hearing, zoning bylaw amendment be adopted for the property located at 4114 Highway 97, and legally described as Lot 367, Plan KAP1957, district Lot 2450S, SDYD prohibiting the construction of any agri-tourism accommodation sleeping units on that property.

Respectfully submitted: Endorsed By: Endorsed By:

Colin Martin\_

Colin Martin C. Garrish A. Fillion

Planner I Senior Manager of Planning Managing Director, Dev. & Infrastructure

Attachments: No. 1 – Agency Referral List

No. 2 - Applicant's Site Plan

No. 3 – Applicant's Building Elevations (East & West)

No. 4 – Applicant's Building Elevations (South & North)

No. 5 – Site Photo (Google Earth, 2023)

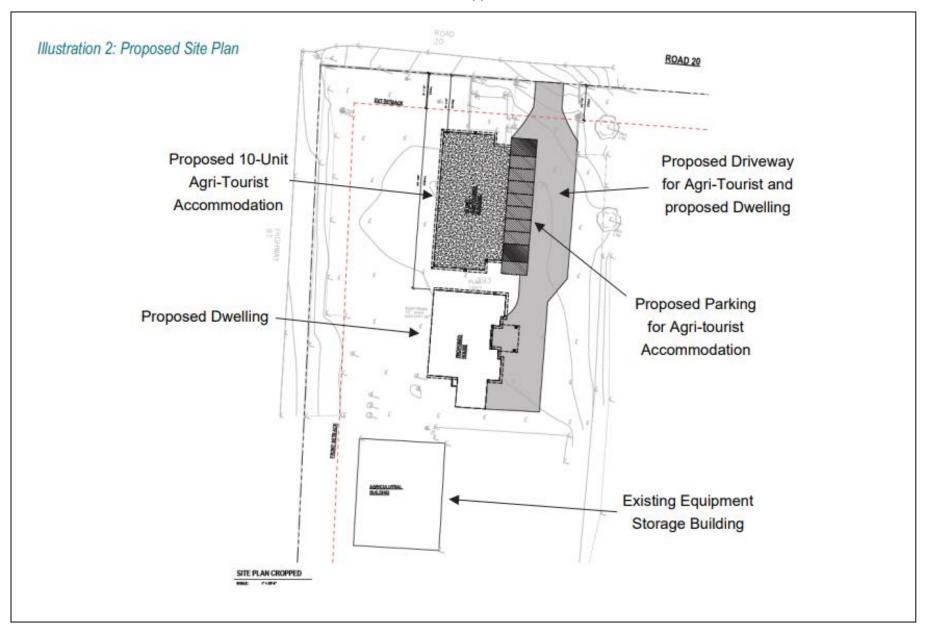
No. 6 – Applicants context for 4114 Highway 97

# Attachment No. 1 – Agency Referral List

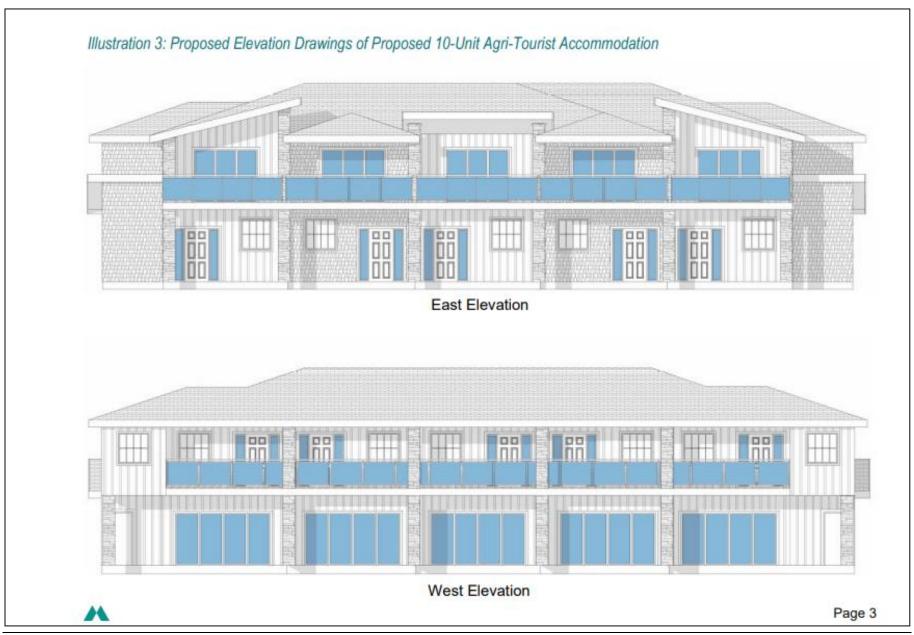
Referrals to be sent to the following agencies as highlighted with a  $\square$ , prior to the Board considering first reading of Amendment Bylaw No. 2800.49, 2025.

V	Agricultural Land Commission (ALC)	V	Fortis
	Ministry of Agriculture		City of Penticton
	Interior Health Authority (IHA)		District of Summerland
	Ministry of Energy, Mines & Petroleum Resources	V	Town of Oliver
	Ministry of Municipal Affairs & Housing		Town of Osoyoos
	Ministry of Water, Land, and Resource Stewardship		Town of Princeton
	Ministry of Forest, Lands, Natural Resource Operations & Rural Development (Archaeology Branch)		Village of Keremeos
	Ministry of Jobs, Trade & Technology		ONA / PIB / USIB / LSIB (via NationsConnect)
V	Ministry of Transportation and Infrastructure		Osoyoos Indian Band (OIB)
	Integrated Land Management Bureau		Environment Canada
	BC Parks		Fisheries and Oceans Canada
	School District No. 53 (Areas A, B, C, D & G)		Canadian Wildlife Services
	School District No. 58 (Area H)		Apex Mountain Resort (utilities)
	School District No. 67 (Areas D, E, F, I)		Kaleden Irrigation District
	Keremeos Irrigation District		Vaseux Lake Irrigation District
	Central Okanagan Regional District		Irrigation District / improvement Districts / etc.
	Thompson Nicola Regional District		Kootenay Boundary Regional District
V	Oliver Fire Department		Fraser Valley Regional District

Attachment No. 2 – Applicant's Site Plan



Attachment No. 3 – Applicant's Building Elevations (East & West)



Attachment No. 4 – Applicant's Building Elevations (South & North)



# Attachment No. 5 – Site Photo (Google Earth, 2023)



