### **ADMINISTRATIVE REPORT**

**TO:** Board of Directors

**FROM:** B. Newell, Chief Administrative Officer

**DATE:** November 21, 2019

**RE:** Proposed OCP Amendment/Rezoning – 1750 Highway 3 East, Electoral Area "A"

Consistency with South Okanagan Regional Growth Strategy Bylaw No. 2770, 2017

#### **Administrative Recommendation:**

THAT the proposed rezoning of Lot 15, Plan 21789, District Lot 2709, SDYD, Except Plan KAP90322 in order to facilitate a 6-lot subdivision (5 residential lots and 1 conservation lot) be deemed inconsistent with the South Okanagan Regional Growth Strategy Bylaw No. 2770, 2017;

AND THAT Bylaw No. 2450.14, 2019, Electoral Area "A" Official Community Plan Amendment Bylaw and Bylaw No. 2451.24, 2019, Electoral Area "A" Zoning Amendment Bylaw be denied.

#### Issue:

The purpose of this report is to seek direction from the Board regarding the consistency of a proposed rezoning application with the South Okanagan Regional Growth Strategy (RGS) Bylaw No. 2770, 2017.

The property owner of the parcel legally described as Lot 15, Plan 21789, District Lot 2709, SDYD, Except Plan KAP90322 (1750 Highway 3 East), is seeking approval to amend the Electoral Area "A" Official Community Plan (OCP) Bylaw No. 2450, 2008, and Zoning Bylaw No. 2451, 2008, in order to facilitate a bare land strata subdivision with 5 residential strata lots ranging between 1.01-1.15 ha, and one 5.6 ha conservation area lot.

Specifically, the applicant is seeking to:

- amend the land use designation under Schedule 'B' (OCP Map) of Electoral Area "A" Official Community Plan (OCP) Bylaw No. 2450, 2008, from Large Holdings (LH) to Small Holdings (SH) and Conservation Area (CA); and
- amend the zoning under Schedule '2' (Zoning Map) of Electoral Area "A" Zoning Bylaw No. 2451, 2008, from Large Holdings One Zone (LH1) to Small Holdings Three Zone (SH3) and Conservation Area (CA).

The minimum parcel size for subdivision in the Large Holdings One (LH1) Zone is 4.0 ha and the minimum parcel size in the Small Holdings Three (SH3) Zone is 1.0 ha.

#### **Background:**

The South Okanagan RGS was launched in 2004, adopted in 2010, amended in 2011, and updated in 2016 through a minor update process. It is a partnership between the Regional District of Okanagan-Similkameen (RDOS), the City of Penticton, the Town of Oliver, the Town of Osoyoos, and the District of Summerland to manage growth in the South Okanagan in a manner that is consistent with long-term social, environmental and economic objectives.

Balancing social, economic, and environmental dimensions, the RGS is organized around seven (7) policy areas and supporting goals that were derived in consultation with South Okanagan communities and RGS advisory committees. One of which is "Housing and Development" and it's supporting goal to "focus development to serviced areas in designated Primary Growth Areas and Rural Growth Areas" ("Goal 1" of the RGS). See Attachment No. 3 for a map of existing Primary & Rural Growth Areas.

Primary Growth Areas are larger communities with all the necessary services, infrastructure and amenities in place to accommodate future growth and the RGS directs that a majority of future growth in the South Okanagan should be within these areas.

Rural Growth Areas are where limited future development is anticipated and are generally comprised of established rural settlement areas that have some infrastructure and/or amenities in place or where development has been pre-determined through approved zoning.

The RGS contains further direction to achieve Goal #1 in the following supportive policies to protect character of rural areas (Objective 1-C):

- Discourage rezoning of large rural land parcels to smaller parcel sizes, outside of Primary Growth Areas and Rural Growth Areas (Policy 1C-3); and
- Limit consideration for rezoning of large rural land parcels to smaller parcel sizes outside of Primary Growth Areas and Rural Growth Areas only where such growth is infill, does not significantly increase the number of units or the established density, and respects the character of its surroundings (Policy 1C-4).

At its meeting of October 29, 2019, the RGS Technical Advisory Committee (TAC), which is comprised of Planning Managers of the member municipalities and RDOS, considered this rezoning application. The TAC concluded that the proposed rezoning of the subject property to facilitate a 5 lot residential subdivision does not meet the Housing and Development goals of the RGS.

This proposal has been referred to external agencies, in accordance with Section 2.3 of the Development Procedures Bylaw. Only comments received from external agencies which make reference to the RGS are included as a separate item on the Board's Agenda.

#### **Analysis:**

With regard to Policy 1C-3 and 1C-4, Administration considers this application to be inconsistent with the RGS as it constitutes zoning from large rural land parcels to smaller parcel sizes outside of a designated Growth Area (Primary or Rural), where growth is not infill and is a significant increase to established density of the surrounding area.

In considering the criteria of Policy 1C-4, the subject property is situated midway between two growth areas (Town of Osoyoos and Osoyoos Mountain Estates) in an area with sparse or no development on large parcels. Given lack of development in the immediate vicinity of the parcel and the distance from established growth areas, it is seen to be more representative of "leap-frog" development than infill.

The proposed lot size of approximately 1 ha also represents a lot size that is approximately 25% of the typical 4.0 ha parcel size permitted in the LH1 zone, and is much smaller than existing lot sizes of surrounding properties that typically far exceed the minimum lot size requirements. The proposal is, therefore, not seen to be consistent with established densities.

Although the number of additional parcels is limited, this rezoning enables growth to "leap-frog" from an established growth area to a rural, non-serviced area, which contravenes the intent of the RGS to guide and contain growth to Urban or Rural Growth Areas and not within the periphery of existing urban areas.

Further, the Electoral Area "A" OCP Bylaw states that the Osoyoos rural area is capable of accommodating its projected population growth within its existing land use designations and capacity for subdivision and lot development to the year 2100, with the majority of rural residential (i.e. small holdings) demand being supplied by the Regal Ridge development located in the Osoyoos Mountain Estates Growth Area.

In summary, the proposal to create five residential parcels on the subject property does not meet the intent of the goals and policies of the RGS and is not warranted as growth projections for the area can be accommodated by existing land use designations. Specifically, the proposal:

- Does not occur within a recognized Primary or Rural Growth area;
- · Does not appear to be rural "infill"; and
- Is a significant increase to the established densities of the surrounding area.

Should the Board conclude that the proposed rezoning of the subject property is not consistent with the RGS Bylaw (this being the Administrative Recommendation above), the applicant's official community plan amendment and rezoning application will be closed and the application refunded in accordance with the Development Procedures Bylaw.

Should the Board conclude that the proposed official community plan amendment and rezoning of the subject property is consistent with the RGS Bylaw (this being the Alternative Recommendation below), Administration will continue to process the applicant's application in accordance with procedure.

#### Alternative:

THAT the proposed rezoning of Lot 15, Plan 21789, District Lot 2709, SDYD, Except Plan KAP90322, in order to facilitate a 6-lot subdivision (5 residential lots and 1 conservation lot) is deemed consistent with the South Okanagan Regional Growth Strategy Bylaw No. 2770, 2017.

Respectfully submitted Endorsed by:

J. Peachey, Planner I

C. Garrish, Planning Manager

**Endorsed by:** 

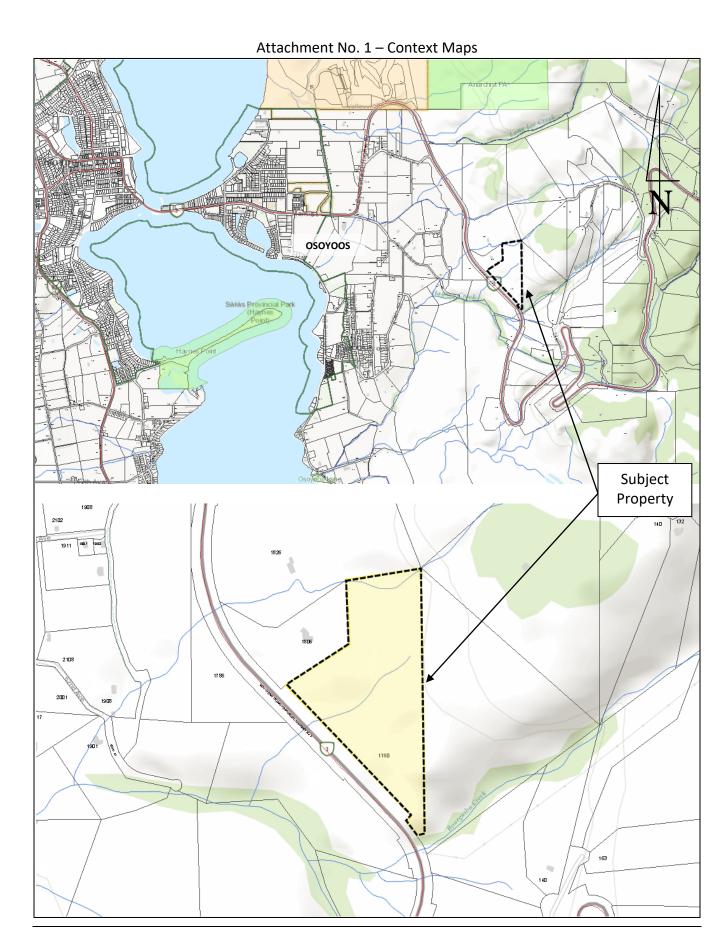
B. Dollevoet, G.M. of Dev. Services

Attachments: No. 1 – Context Maps

No. 2 – Applicant's Site Plan

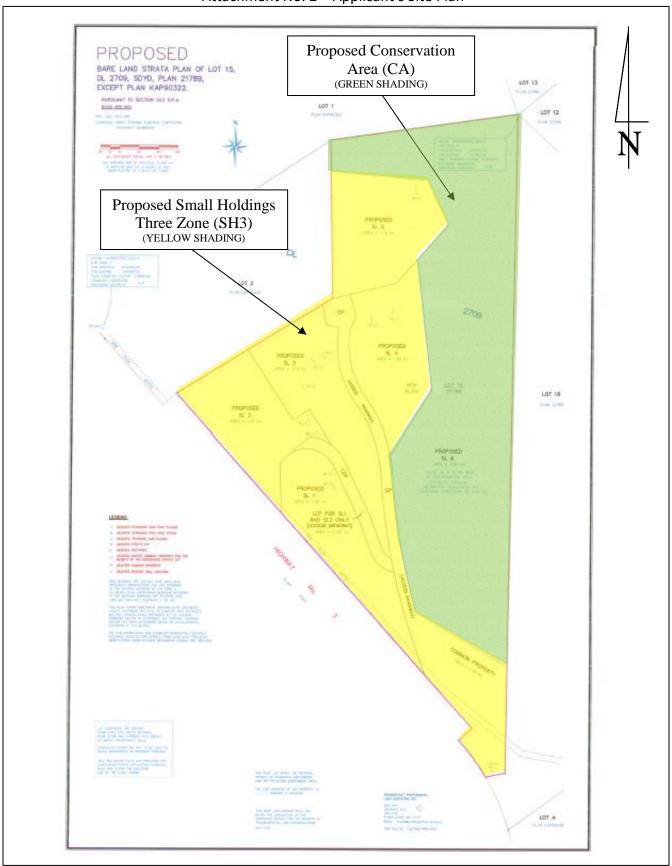
No. 3 – Designated Primary and Rural Growth Areas in RGS Bylaw

No. 4 – Site Photo (2017)



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## Attachment No. 2 – Applicant's Site Plan



Attachment No. 3 – Designated Primary and Rural Growth Areas in RGS Bylaw



# Attachment No. 4 – Site Photo (2017)

