ADMINISTRATIVE REPORT

TO: Board of Directors

FROM: J. Zaffino, Chief Administrative Officer

DATE: December 21, 2023

RE: Official Community Plan (OCP) & Zoning Bylaw Amendment – Electoral Area "D"

(D2023.010-ZONE)

Administrative Recommendation:

THAT the Electoral Area "D" Official Community Plan Amendment Bylaw No. 2603.24, 2023, and the [Okanagan Valley Zoning Amendment Bylaw No. 2800.30, 2023 be read a first and second time and proceed to public hearing;

AND THAT the Board of Directors considers the process, as outlined in this report from the Chief Administrative Officer dated December 21, 2023, to be appropriate consultation for the purpose of Section 475 of the *Local Government Act*;

AND THAT, in accordance with Section 477 of the *Local Government Act*, the Board of Directors has considered Amendment Bylaw No. 2603.24, 2023, in conjunction with its Financial and applicable Waste Management Plans;

AND THAT the holding of a public hearing be scheduled for the Regional District Board meeting of January 18, 2024;

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 a 1-lot subdivision. Folio: D-03459.030

<u>Legal</u>: Lot 3, Plan 14822, District Lot 551, SDYD <u>OCP</u>: Part Industrial (I); Part Agriculture (AG)

<u>Civic</u>: 1631 Maple Street <u>Zone</u>: Part Site Specific Industrial One (I1s); Part Agriculture One (AG1)

Proposed Development:

This application is seeking to amend the zoning of the subject property in order to facilitate a 1-lot subdivision.

In order to accomplish this, the following land use bylaw amendments are being proposed by the applicant:

- amend the land use designation under Schedule 'B' (OCP Map) of the Electoral Area "D" Official Community Plan (OCP) Bylaw No. 2603, 2013, from Part Industrial (I) and part Agriculture (AG) to part Industrial (I) and part Small Holdings (SH); and
- amend the zoning under Schedule '2' (Zoning Map) of the Okanagan Valley Zoning Bylaw No. 2800, 2022, from from part Site Specific Industrial One (I1s) and part Agriculture One (AG1) to part Site Specific Industrial Once (I1S) and part Small Holdings Two (SH2).

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In support of the rezoning, the applicant has stated that "the owner's goal is to subdivide the portion of the property in the ALR from the remainder of the parcel to create a farm parcel and parcel for industrial use. Creating a separate parcel offers the best opportunity for the ALR lands to be used for farm purposes."

Site Context:

The subject property is approximately 2.31 ha in area and is situated on the east side of Maple Street in the industrial area of Okanagan Falls. It is understood that the parcel is comprised of self storage buildings and an area of vacant Agricultural Land Reserve (ALR) land.

The surrounding pattern of development is generally characterised by a mix of industrial and agricultural uses.

Background:

The current boundaries of the subject property were created by a Plan of Subdivision deposited with the Land Titles Office in Kamloops on March 28, 2019.

Available Regional District records indicate that building permits for a key-lock installation tank (1993), demolition of a dwelling (2018), and a self-storage building (2023) have previously been issued for this property and that it has been classified as Business and Other (Class 06) by BC Assessment. Currently, building permit applications for three new self-storage buildings (2023) are being processed by the Regional District.

Under the Regional Growth Strategy (RGS) Bylaw No. 2770, 2017, the property is outside of the current Ok Falls Primary Growth Area Growth Containment Boundary.

Under the Electoral Area "D" Official Community Plan (OCP) Bylaw No. 2603, 2013, the subject property is currently designated part Agriculture (AG) and part Industrial (I) with the OK Falls Industrial Development Permit Area (IDP) Area Designation applied to the latter.

Under the Okanagan Valley Zoning Bylaw No. 2800, 2022, the property is currently split-zoned part Site Specific Industrial One (I1s) and part Agriculture One (AG1) which require a minimum parcel size of 0.1 ha, subject to servicing in the I1s zone and a minimum parcel size of 4.0 ha in the AG1 zone.

The property is within the Okanagan Falls community water, community sewer and street lighting service areas.

An approximately 0.69 ha part of the property is within the Agricultural Land Reserve (ALR) and is currently undeveloped.

Referrals:

Approval from the Ministry of Transportation and Infrastructure (MoTI) 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 476 of the *Local Government Act*, the Regional District must consult with the relevant School District when proposing to amend an OCP for an area that includes the whole or any part of that School District. In this instance, School District No. 53 have been made aware of the proposed amendment bylaw.

Pursuant to Section 477 of the *Local Government Act*, after first reading the Regional Board must consider the proposed OCP amendment in conjunction with Regional District's current financial and waste management plans. The proposed OCP amendment has been reviewed by the Public Works Department and Finance Department, and it has been determined that the proposed bylaw is consistent with RDOS's current waste management plan and financial plan.

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 bylaws.

Public Process:

On December 13, 2023, a Public Information Meeting (PIM) was held online via Webex and was attended by approximately one member of the public.

At its meeting of November 14, 2023, the Electoral Area "D" Advisory Planning Commission (APC) resolved to recommend to the RDOS Board that the subject development application be approved.

Administration recommends that the written notification of affected property owners, the public meetings as well as formal referral to the agencies listed at Attachment No. 1, should be considered appropriate consultation for the purpose of Section 475 of the *Local Government Act*. As such, the consultation process undertaken is seen to be sufficiently early and does not need to further ongoing.

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 an objective of the Electoral Area "D" OCP is "to maintain the integrity of agriculture in the [Plan] area, by preserving land most suitable for agriculture and preventing fragmentation of large agricultural areas."

In support of this, the Plan speaks to only supporting subdivisions that result in parcels sizes smaller than 4.0 ha within the ALR when in the form of a boundary adjustment that enhances agricultural potential. Otherwise, the Plan seeks "the retention of large contiguous blocks designated Agriculture."

It is also Administration's understanding that the Agricultural Land Commission (ALC) does not support the subdivision of farm parcels as smaller lots offer a narrower range of agricultural options and are less likely to be used for agriculture.

In the context of the subject property, therefore, the Plan is seen to support a boundary adjustment in which the ALR part of the subject property is consolidated with an adjacent agricultural parcel as opposed to being subdivided into a new 0.69 ha fee simple parcel.

That said, Administration also recognises that:

- the proposed subdivision is to occur along with the boundary of the ALR;
- the ALC has indicated that they have no objection to the proposed bylaw amendments;

- the resultant new parcel will be separate from an industrially zoned parcel and be more likely to be used for agricultural purposes (albeit hobby farming due to the small size of the parcel); and
- the parcel is connected to urban services such as community water and sewer.

Of concern, Small Holdings zones parcels have historically been used for residential purposes and, as a result, there may be potential for future conflict with an ad hoc residential parcel surrounded by agricultural uses to the north and industrial uses to the south.

Alternative:

Conversely, rather than subdividing the property, it may be preferable to retain it as a single unit and allow it to be fully developed to industrial uses.

Due to the remnant character of the ALR designation on this property as well as the fact that the parcel has been provided an urban-level of services (i.e. community water, sewer and street lighting), and adjoins the Okanagan Falls "industrial park", there is seen to be merit to including the whole of the property in the Okanagan Falls Growth Containment Boundary and pursing a subsequent Exclusion with the ALC.

It is recognised, however, that this would be a multi-year process with a number of discretionary approval points that may not all be achieved.

Summary:

In summary, and for the reasons outlined above, Administration is recommending that the proposed amendments to the Electoral Area "D" land use bylaws be supported.

Alternatives:

1. THAT the Electoral Area "D" Official Community Plan Amendment Bylaw No. 2603.24, 2023, and the Okanagan Valley Zoning Amendment Bylaw No. 2800.30, 2023, be read a first and second time and proceed to public hearing;

AND THAT the Board of Directors considers the process, as outlined in the report from the Chief Administrative Officer dated December 21, 2023, to be appropriate consultation for the purpose of Section 475 of the *Local Government Act*;

AND THAT, in accordance with Section 477 of the *Local Government Act*, the Board of Directors has considered Amendment Bylaw No. 2603.24, 2023, in conjunction with its Financial and applicable Waste Management Plans;

AND THAT the holding of the public hearing be delegated to Director Taylor;

AND THAT staff schedule the date, time, and place of the public hearing in consultation with Director Taylor;

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

2. THAT the Electoral Area "D" Official Community Plan Amendment Bylaw No. 2603.24, 2023, and the [Okanagan Valley Zoning Amendment Bylaw No. 2800.30, 2023, be denied.

Respectfully submitted:

Fiona Titley

Fiona Titley, Planner II

Endorsed By:

C. Garrish, Senior Manager of Planning

Attachments: No. 1 – Agency Referral List

No. 2 – Applicant's Site Plan

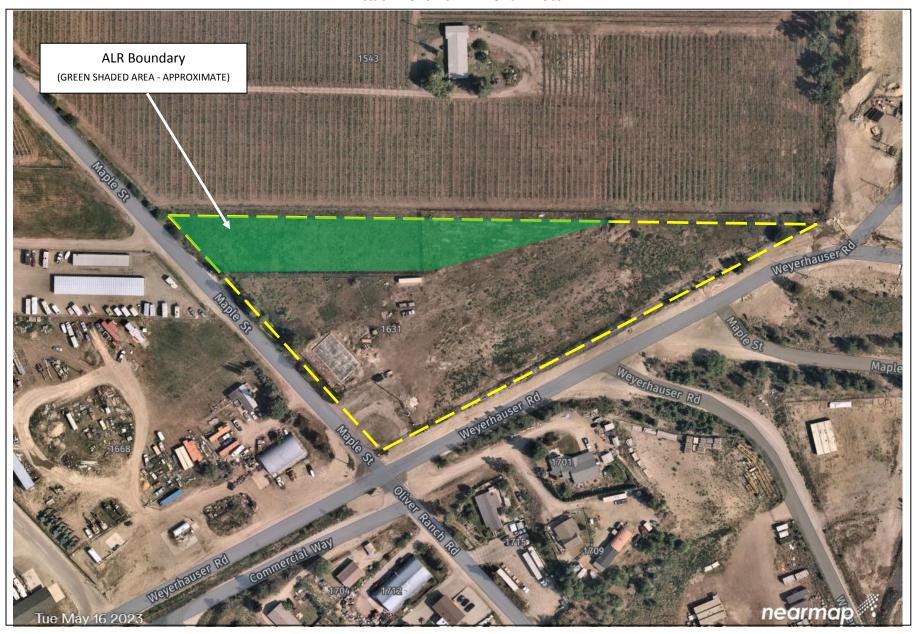
No. 3 – Aerial Photo

Attachment No. 1 – Agency Referral List

Referrals have been sent to the following agencies as highlighted with a \square , regarding Amendment Bylaws No. 2603.24, 2023 and 2800.30, 2023:

V	Agricultural Land Commission (ALC)	V	Fortis
V	Interior Health Authority (IHA)		City of Penticton
V	Ministry of Agriculture		District of Summerland
	Ministry of Energy, Mines & Petroleum Resources		Town of Oliver
	Ministry of Municipal Affairs & Housing		Town of Osoyoos
	Ministry of Lands, Water 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	Ø	PIB / OIB (via NationsConnect)
	Ministry of Transportation and Infrastructure		Environment Canada
	Integrated Land Management Bureau		Fisheries and Oceans Canada
	BC Parks		Canadian Wildlife Services
Ø	School District #53 (Areas A, B, C, D & G)		OK Falls Irrigation District
	School District #58 (Area H)		Kaleden Irrigation District
	School District #67 (Areas D, E, F, I)		Vaseux Lake Irrigation District
	Keremeos Irrigation District		X Irrigation District / improvement Districts / etc.
	Central Okanagan Regional District		Kootenay Boundary Regional District
	Thompson Nicola Regional District		Fraser Valley Regional District
Ø	Okanagan Falls Fire Department		

Attachment No. 2 – Aerial Photo



Attachment No. 3 – Site Photo (Google Streetview)

