

ADMINISTRATIVE REPORT



TO: Board of Directors

FROM: B. Newell, Chief Administrative Officer

DATE: March 15, 2018

RE: Official Community Plan & Zoning Bylaw Amendments
Industrial Zone Update - Electoral Areas "A", "C", "D", "E" & "F"

Administrative Recommendation:

THAT Bylaw No. 2783, 2018, Regional District of Okanagan-Similkameen Industrial Zone Update Amendment Bylaw be read a first and second time and proceed to a public hearing;

AND THAT the Board of Directors considers the process, as outlined in the report from the Chief Administrative Officer dated March 15, 2018, 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. 2783, 2018, 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 April 5, 2018;

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

Purpose:

Amendment Bylaw No. 2783 seeks to amend the Electoral Area "A", "C", "D", "E" and "F" Official Community Plan and Zoning Bylaws in order to update the industrial zones found in these electoral areas. This amendment relates to the work being undertaken on the preparation of a single Okanagan Valley Electoral Area Zoning Bylaw.

Background:

At its meeting of October 16, 2008, the Board considered an [Administrative Report](#) proposing the creation of a single Electoral Area Zoning Bylaw and directed staff to investigate the preparation of such a bylaw. The 2018 Business Plan includes a direction to "continuously improving bylaws, policy and process within the organization ..."

In anticipation of bringing forward a draft zoning bylaw for consideration by the Board, a series of draft amendments (by zone category) will be presented over the coming months intended to update various zones and facilitate their eventual consolidation in a new bylaw.

At its meeting of June 15, 2017, the Planning and Development (P&D) Committee of the Board considered an administrative report related to the "Industrial Zone Review and Consolidation" and a draft version of Amendment Bylaw No. 2783.

Referrals:

Approval from the Ministry of Transportation and Infrastructure (MoTI) will be required prior to adoption as the proposed amendments involve lands within 800 metres of a controlled access highway.

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 & 67 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.

Public Process:

On December 5, 2017, the Regional District sent letters to all registered property owners with land zoned industrial advising of the proposed changes to the land use bylaws and seeking feedback. Approximately two feedback forms and other submissions were returned and are included as a separate item on the Board Agenda.

Administration recommends that the written notification of affected property owners 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, this process is seen to be sufficiently early and does not need to be further ongoing consultation.

As of March 6, 2018, agency comments have been received from Okanagan Falls Irrigation District (OFID) and Ministry of Transportation and Infrastructure (MoTI) and these are included as a separate item on the Board Agenda.

Analysis:

At present, there are approximately six (6) different Industrial Zones that Administration considers can be reduced to core of three (3) main zones, being: General Industrial (I1), Heavy Industrial (I2) and Community Waste Management (I3).

In undertaking this review of the various Industrial zones currently found in the Okanagan Electoral Area Zoning Bylaws, Administration's guiding principle has been to *generally* minimize the impact on of the proposed changes on permitted uses and zoning regulations (i.e. setbacks, building height, parcel coverage, etc.).

Proposed General Industrial (I1) Zone:

In updating the I1 Zone, it is being proposed to introduce "salvage operation" as a principal use (previously introduced into the Electoral Area "C" I1 Zone on a site specific basis), "outdoor storage", "self-storage" as well as clarification of the "wholesale" versus "warehouse" uses (through the introduction of new definitions).

It is also proposed to consolidate the “log home manufacturing” use into a new “manufacturing” use (to be defined as meaning “means fabricating, processing, assembling and finishing of goods or materials ...”) and to transition “gravel processing” to the I2 Zone.

It is Administration’s understanding that the “Mixed” I4 Zone in Electoral Area “D-2” was drafted to allow “single detached dwellings” to be developed on an industrial site (as opposed to an attached “accessory dwelling”). Due to the overlap in permitted uses between the I1 & I4 zones, it is being proposed that the residential uses in the I4 be rolled into the General Industrial (I1) Zone through a site specific provision.

In accommodating the I4 as a site specific I1 Zone, Administration reviewed the setback requirements established by member municipalities, such as Penticton, Summerland and Oliver in their industrial zones. From this, it was determined that the Regional District currently requires significantly larger setbacks. To address this, it is being proposed to apply the current I4 Zone setbacks to the new General Industrial (I1) Zone.

Proposed Heavy Industrial (I2) Zone:

In updating the I2 Zone, it is being proposed to introduce “public maintenance and works yards” as a permitted use. It is further being proposed to consolidate the various “Specialized” industrial zones into the Heavy Industrial zone through the use of site specific amendments to ensure a continuity of uses and other specific regulations.

Proposed Community Waste Management (I3) Zone:

The Community Waste Management Zone currently applies to the OK Falls landfill and Administration is proposing to apply this same zone to the Oliver and Osoyoos landfills.

OCP Amendments – Areas “E” & “F”:

Under Section 473 of the *Local Government Act*, an Official Community Plan (OCP) Bylaw *must* include statements respecting the approximate location, amount and type of present and proposed industrial land.

At present, the Electoral Area “E” OCP Bylaw is not seen to meet this requirement as it is silent on existing and future industrial areas, while Administration is proposing to rezone the sole industrial parcel in Electoral Area “F” back to Resource Area (RA) which will result in its OCP no longer meeting the requirements of Section 473.

To address these situations, Administration is proposing to introduce the text applied to the recently adopted Electoral Area “D-1” OCP Bylaw — which similarly does not designate any lands for Industrial purposes — to the Electoral Area “E” & “F” OCP Bylaws and which may be summarized as follows:

... the Regional District is not designating any areas for proposed industrial uses. The Regional District may consider designating land for proposed industrial uses on a case-by-case basis if or when demand warrants.

Cannabis production as an industrial use:

Further to the report considered by the P&D Committee of the Board at its meeting of March 15, 2018, Amendment Bylaw No. 2783, is proposing to introduce the production of cannabis as a permitted form of “manufacturing” use in the I1 and I2 Zones.

To facilitate this, Amendment Bylaw 2783 contains definitions for “cannabis”, “cannabis products” and “cannabis production” and is including the latter of these within the definition of “manufacturing” as well as “agriculture” (the latter amendment being an acknowledgement that the zoning bylaws already allow cannabis production as a type of agriculture).

Alternatives:

THAT the Board of Directors deny first reading of Amendment Bylaw No. 2783, 2018.

Respectfully submitted:



C. Garrish, Planning Supervisor

Endorsed by:



B. Dollevoet, Dev. Services Manager

Attachments: No. 1 — Agency Referral List

Attachment No. 1 – Agency Referral List

Referrals have been sent to the following agencies as highlighted with a , regarding Amendment Bylaw No. 2783:

<input checked="" type="checkbox"/>	Agricultural Land Commission (ALC)	<input type="checkbox"/>	Fortis
<input checked="" type="checkbox"/>	Interior Health Authority (IHA)	<input type="checkbox"/>	City of Penticton
<input checked="" type="checkbox"/>	Ministry of Agriculture	<input type="checkbox"/>	District of Summerland
<input type="checkbox"/>	Ministry of Energy & Mines	<input type="checkbox"/>	Town of Oliver
<input type="checkbox"/>	Ministry of Community, Sport and Cultural Development	<input type="checkbox"/>	Town of Osoyoos
<input checked="" type="checkbox"/>	Ministry of Environment	<input type="checkbox"/>	Town of Princeton
<input checked="" type="checkbox"/>	Ministry of Forest, Lands & Natural Resource Operations	<input type="checkbox"/>	Village of Keremeos
<input type="checkbox"/>	Ministry of Jobs, Tourism and Innovation	<input type="checkbox"/>	Okanagan Nation Alliance (ONA)
<input checked="" type="checkbox"/>	Ministry of Transportation and Infrastructure	<input checked="" type="checkbox"/>	Penticton Indian Band (PIB)
<input type="checkbox"/>	Integrated Land Management Bureau	<input type="checkbox"/>	Osoyoos Indian Band (OIB)
<input type="checkbox"/>	BC Parks	<input type="checkbox"/>	Upper Similkameen Indian Bands (USIB)
<input checked="" type="checkbox"/>	School District #53 (Okanagan Similkameen)	<input type="checkbox"/>	Lower Similkameen Indian Bands (LSIB)
<input type="checkbox"/>	School District #58 (Nicola Similkameen)	<input type="checkbox"/>	Environment Canada
<input checked="" type="checkbox"/>	School District #67 (Okanagan Skaha)	<input type="checkbox"/>	Fisheries and Oceans Canada
<input type="checkbox"/>	Central Okanagan Regional District	<input type="checkbox"/>	Archaeology Branch
<input type="checkbox"/>	Kootenay Boundary Regional District	<input type="checkbox"/>	Dominion Radio Astrophysical Observatory
<input type="checkbox"/>	Thompson Nicola Regional District	<input type="checkbox"/>	Canadian Wildlife Services
<input type="checkbox"/>	Fraser Valley Regional District		