

City of Kelowna

Regular Council Meeting

AGENDA



Monday, January 11, 2016

9:00 am

Knox Mountain Meeting Room (#4A)

City Hall, 1435 Water Street

Pages

1. Call to Order
2. Confirmation of Minutes 2 - 4
AM Meeting - December 14, 2015
3. Reports
 - 3.1 Agriculture Workshop 75 m 5 - 47
To update Council on the City of Kelowna's agricultural policies/practices and Provincial regulations and to discuss global and local trends facing the agri-business community and to advise Council of the planned initiatives to manage the forecasted challenges.
4. Resolution Closing the Meeting to the Public
THAT this meeting be closed to the public pursuant to Section 90(1) (e) and (g) of the *Community Charter* for Council to deal with matters relating to the following:
 - Acquisition, Disposition, or Expropriation, of Land or Improvements; and
 - Litigation.
5. Adjourn to Closed Session
6. Reconvene to Open Session
7. Issues Arising from Correspondence & Community Concerns
 - 7.1 Mayor Basran, re: Issues Arising from Correspondence 30 m
8. Termination



City of Kelowna Regular Council Meeting Minutes

Date: Monday, December 14, 2015
 Location: Knox Mountain Meeting Room (#4A)
 City Hall, 1435 Water Street

Council Members Present: Mayor Colin Basran and Councillors Maxine DeHart, Ryan Donn, Gail Given, Tracy Gray, Charlie Hodge, Brad Sieben, Mohini Singh and Luke Stack

Staff Present: City Manager, Ron Mattiussi; City Clerk, Stephen Fleming; Deputy City Manager, Paul Macklem*; Divisional Director, Community Planning & Real Estate, Doug Gilchrist*; Long Range Policy Planning Manager, James Moore*; Policy & Planning Department Manager, Danielle Noble-Brandt*; Planner, Laura Bentley*; Financial Services Director, Genelle Davidson*; Financial Planning Manager, George King*; Director, Business & Entrepreneurial Development, Robert Fine*; Information Services Department Manager, Rob Entwistle*; and Legislative Systems Coordinator, Sandi Horning

(* denotes partial attendance)

1. Call to Order

Mayor Basran called the meeting to order at 9:02 a.m.

2. Confirmation of Minutes

Moved By Councillor Hodge/Seconded By Councillor DeHart

R958/15/12/14 THAT the Minutes of the AM Meeting of December 7, 2015 be confirmed as circulated.

Carried

3. Reports

3.1 Heritage Review Update - Phase 2

Staff:

- Displayed a PowerPoint presentation and provided a summary of the Heritage Review Phase 2.
- Provided comment on the upcoming Heritage Review Phase 3 objectives.
- Provided an overview of the proposed Heritage Advisory Committee.
- Advised that a new Heritage Procedures Bylaw will be brought forward in 2016.
- Responded to questions from Council.
- Provided an overview of the mandate of the Heritage Council Steering Committee.

Council:

- Raised questions regarding the “visible from the street” criteria in the proposed Heritage Advisory Committee Terms of Reference.

Moved By Councillor Given/Seconded By Councillor Donn

R959/15/11/14 THAT Council receives, for information, the Report from the Policy and Planning Department dated December 14, 2015, with respect to Phase 2 of the Heritage Review;

AND THAT Council directs staff to proceed with Phase 3 of the Heritage Review as outlined in the December 14, 2015 Report from the Policy and Planning Department;

AND THAT Council directs staff to reinstate the Heritage Advisory Committee;

AND THAT Council approves the Heritage Advisory Committee Terms of Reference as outlined in the December 14, 2015 report from the Policy and Planning Department;

AND FURTHER THAT Council directs staff to report back with a Terms of Reference with respect to the scope and role of the Heritage Council Steering Committee.

Carried

The meeting recessed at 9:52 a.m. The meeting reconvened at 10:00 a.m.

3.2 Budget Deliberation Process Review

Staff:

- Provided an overview of the changes to the budget meeting document distribution.
- Demonstrated how to navigate the City's website to obtain the 2016 Financial Plan Provisional Budget information.
- Highlighted some high level aspects of the Financial Plan document.
- Responded to questions from Council.
- Provided an overview of the 2016 Financial Plan Notebook - Volume 1 and how it will be referenced during Budget Deliberations.

City Clerk:

- Provided an overview of how Priority 1's and Priority 2's are dealt with and how to deal with 'starred' items.

3.3 Dark Fibre Phase 2 Financing

Deputy City Manager:

- Displayed the Dark Fibre Phase 2 Financing budget document on the ELMO and provided an overview of the request.
- Responded to questions from Council.

Moved By Councillor Donn/Seconded By Councillor Gray

R960/15/12/14 THAT Council consider, during 2016 Financial Plan deliberations on December 17, 2015, Phase 2 - North Leg of the dark fibre project be funded from Internal Borrowing through the sale of \$2.4 million of the City's Fortis Inc. share holdings with repayment and repurchase of shares, including interest, for up to a 20 year period with annual surplus funds generated from the year's dark fibre revenues less expenditures;

AND THAT the interest rate be set quarterly at the City's current average investment for the period plus 1%.

Carried

4. Resolution Closing the Meeting to the Public

Moved By Councillor Sieben/Seconded By Councillor DeHart

R961/15/12/14 THAT this meeting be closed to the public pursuant to Section 90(1) (a) and (k) of the *Community Charter* for Council to deal with matters relating to the following:

- Position Appointment; and
- Proposed Municipal Service.

Carried

5. Adjourn to Closed Session

The meeting adjourned to a closed session at 10:56 a.m.

6. Reconvene to Open Session

The meeting reconvened to an open session at 12:34 p.m.

7. Issues Arising from Correspondence & Community Concerns

7.1 Mayor Basran, re: Issues Arising from Correspondence

Mayor Basran did not have anything to raise with Council.

8. Termination

The meeting was declared terminated at 12:34 p.m.

Mayor

/slh



City Clerk

Report to Council



Date: January 11th, 2016
File: 1210-20
To: City Manager
From: M. Steppuhn, Planner Specialist
Subject: Agriculture Workshop
Report Prepared by: T. Cashin

Recommendation:

THAT Council receives, for information, the report from the Planner Specialist dated January 11th, 2016 regarding the Workshop on City of Kelowna Agriculture land policies, practices, challenges and opportunities.

Purpose:

To update Council on the City of Kelowna's agricultural policies/practices and Provincial regulations. To discuss global and local trends facing the agri-business community and to advise Council of the planned initiatives to manage the forecasted challenges.

Background:

Agricultural land is woven throughout the City of Kelowna's urban fabric; adding beauty and value to our community, as well as creating ongoing pressures and challenges that must be met as we grow, evolve and diversify our City.

The impact of agriculture to our community is reinforced by the fact that over 57% of the City's 21,700 hectare land base is zoned A1 - Agriculture with approximately 40% in the Agricultural Land Reserve.

In order to manage these unique circumstances and related challenges the City, over many years, has developed a set of tools (regulations, policies and guidelines) to ensure agricultural viability remains in our City and can operate successfully and harmoniously alongside our densifying industrial, residential and commercial land base.

City of Kelowna Council has a fairly broad scope of authority related to agriculture land use and agri-business operations, including:

- consideration of Agricultural Land Commission applications;
- applications to amend the Official Community Plan
- the zoning agricultural parcels and land within the Agricultural Land Reserve (ALR);
- approving policies and plans as they relate to the City's agriculture and agri-business matters; and,
- influencing other levels of government on agricultural land use and regulation issues.

Relative to many BC municipalities, the City of Kelowna considers a high volume of agricultural applications each year. Application types often include:

- inclusion, exclusion, and subdivision in the ALR
- non-farm uses in the ALR
- rezoning and OCP amendments affecting agricultural land
- temporary farm worker housing

Internal Circulation: N/A

Legal/Statutory Authority: N/A

Legal/Statutory Procedural Requirements: N/A

Existing Policy: N/A

Financial/Budgetary Considerations: N/A

Personnel Implications: N/A

External Agency/Public Comments: N/A

Communications Comments: N/A

Alternate Recommendation: N/A

Considerations not applicable to this report: N/A

Submitted by:

M. Steppuhn, Planner Specialist

Approved for inclusion:



D. Gilchrist

cc: D. Noble, Policy & Planning Department Manager
G. Wise, Bylaw Services Manager

Agriculture



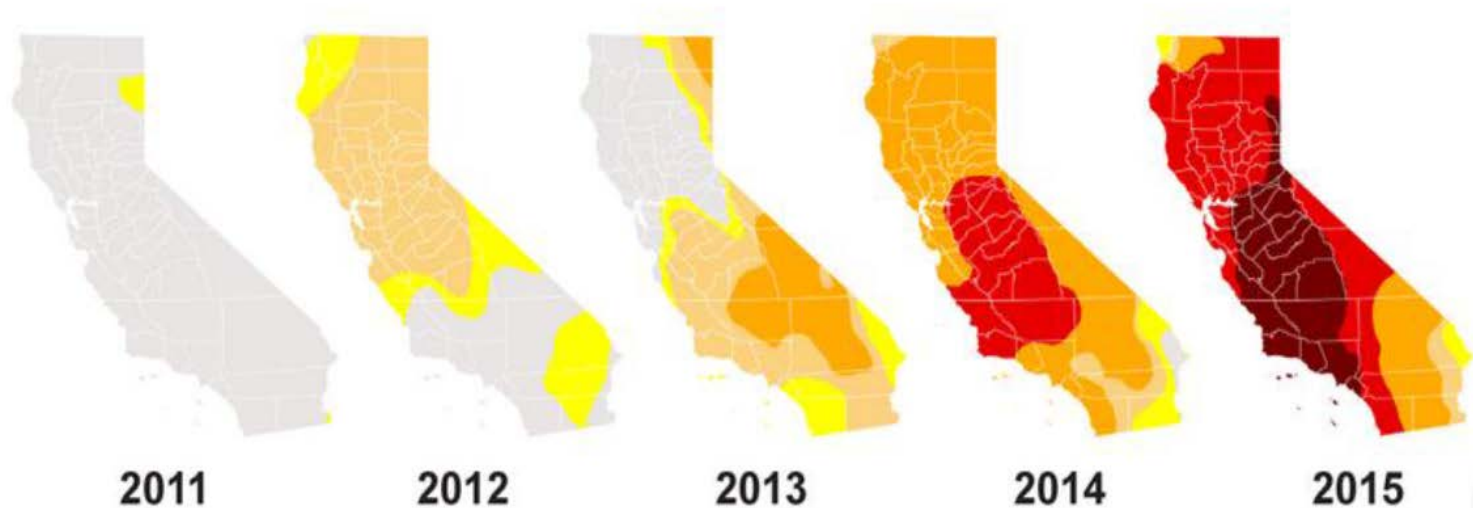
Workshop Outline

- International Trends
- Influences on Agriculture
- National, Provincial, Local Context
- Policy Guidelines
- Operations of City's Development Application Processing
- Roles of Staff and Council
- Next Steps: 2016 Solutions-Focused Activities

International Trends – Climate Change

California's drought level at first week of January

Abnormally Dry Moderate Drought Severe Drought Extreme Drought Exceptional Drought



Source: U.S. Drought Monitor

@latimesgraphics

ARE WE SHORT OF FRESH WATER?

10% used in homes, 20% used by industry, 70% used for agriculture

1 serving of **BEEF** used **4,664** liters of water

1 serving of **CHICKEN** used **1,249** liters of water

1 serving of **Vegan meal*** used **371** liters of water

(* with tofu, rice, and 2 vegetables)

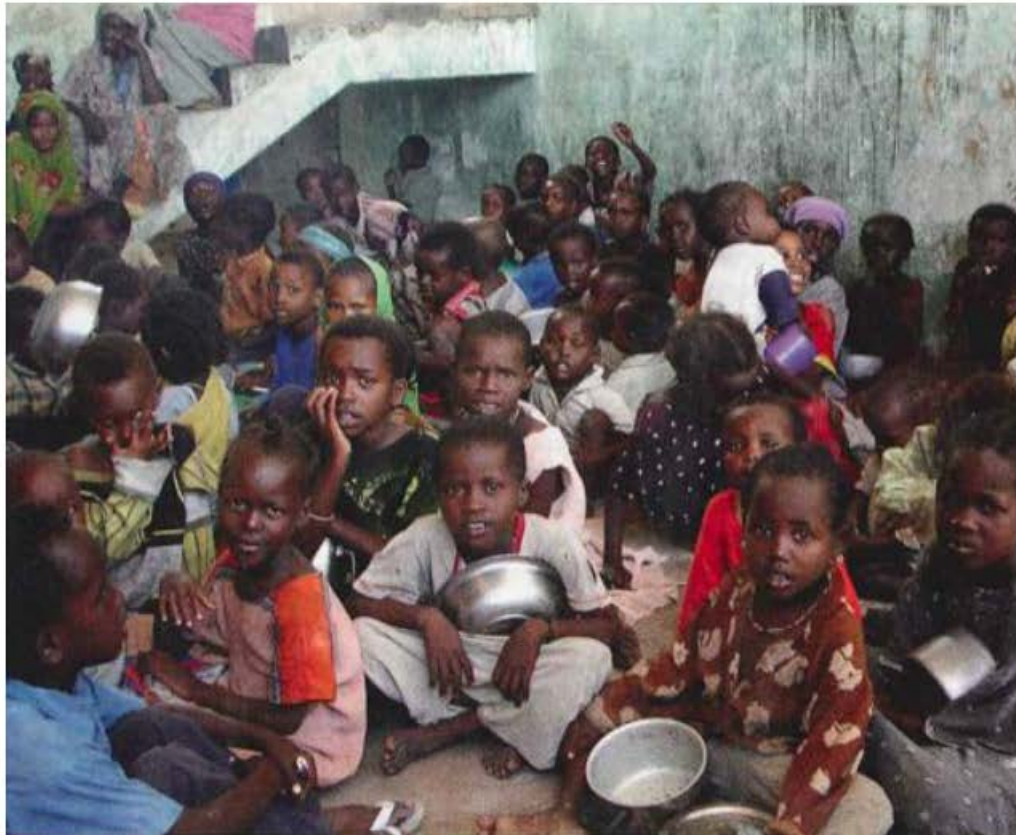
Farmland shrinking

U.S. losing an acre every minute

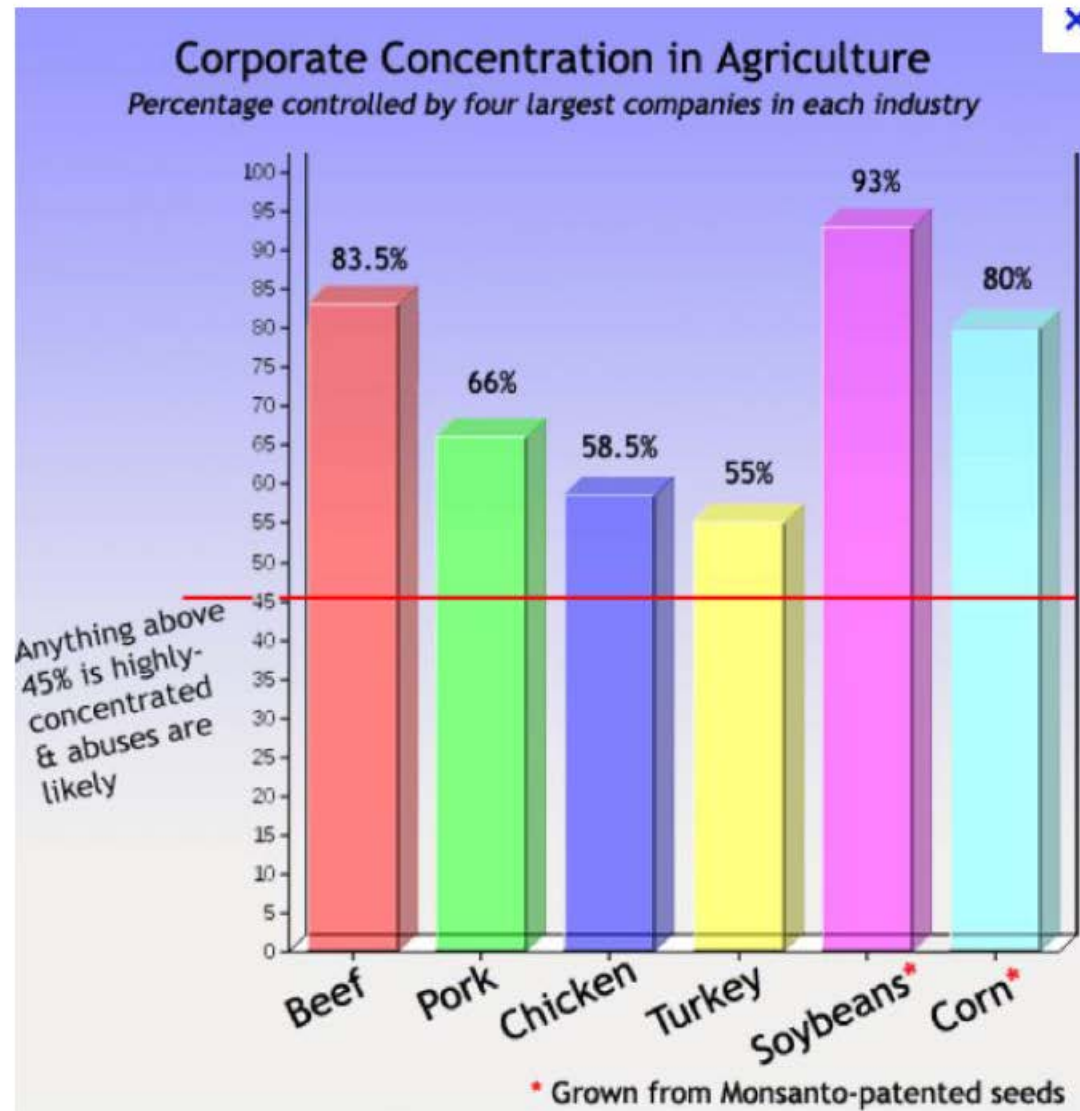


Population Pressures

Increase in world food production needed by 2050:
70%



A few big companies control our food



Why is BC Agriculture so Important?

- **BC Farmers Need Our Support**
- 50% of farm sales average less than \$10,000 annually
- Most farm operators rely on an off-farm income (second job)
- 41% of farmed land is leased or rented from other owners
- **Farming in BC makes cents:**
- >36,300 people are directly employed in primary agriculture
- over 280,000 are in food related jobs
- over \$2.4 billion is farm cash receipts annually
- over \$115 million is spent at BC's farmers markets annually

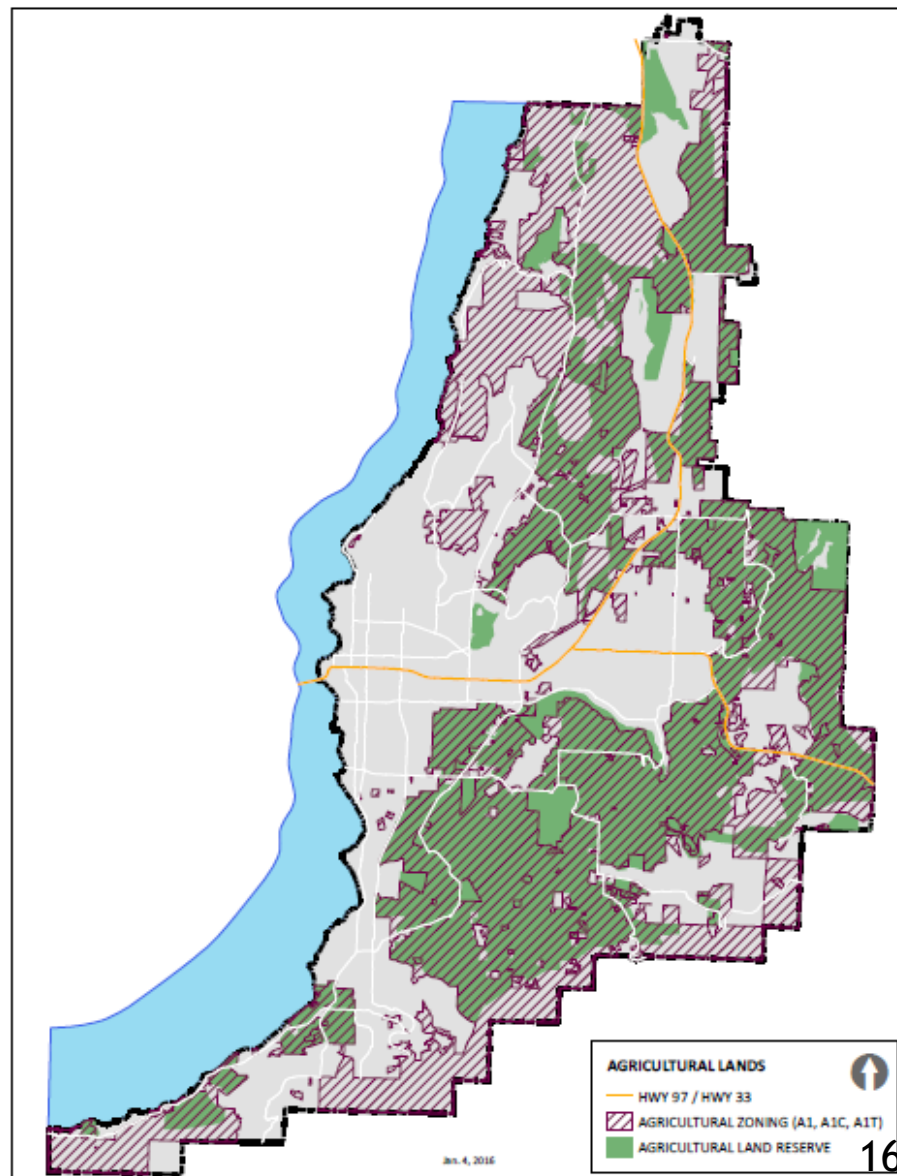
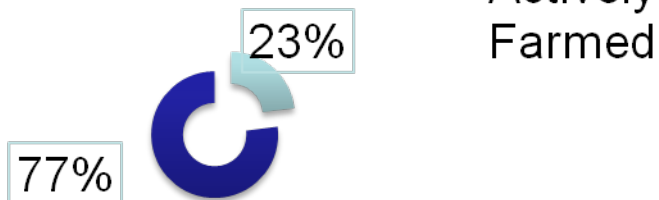
Why is Local Agricultural Land Important?

- **Fertile land is a valuable but scarce resource:**
- 5% of BC's land is suitable for farming; only 1% of that has the best soil with the highest capability for growing crops.
- The Lower Mainland, Southern Vancouver Island, and Okanagan have the majority of the high quality soils in BC.
- 79% percent of BC residents live next to land responsible for 78% of BC's farm revenues.
- BC's agricultural sector supplies less than 50% of the province's food requirements.
- A healthy agricultural sector helps diversify the provincial economy.
- Local food production reduces our dependence on imported foods and associated costs and impacts.
- Diverse farmlands create a variety of wildlife habitats and support bio-diversity.
- Open, green spaces near urban areas provide scenic landscapes, recreation opportunities, and contribute to our enjoyment of BC's outdoors.

Kelowna's Agricultural Land Base

- 38% of Kelowna's land is ALR
- ALR lands in Kelowna
 - 1973: 10,054 ha
 - 2015: 8,201 ha
 - 52% of Kelowna is either in the ALR or zoned A1-Agriculture 1 Zone
- 43% of farms < 10 acres

% of Kelowna's Actively Farmed Land



Agricultural Land Price Comparison¹

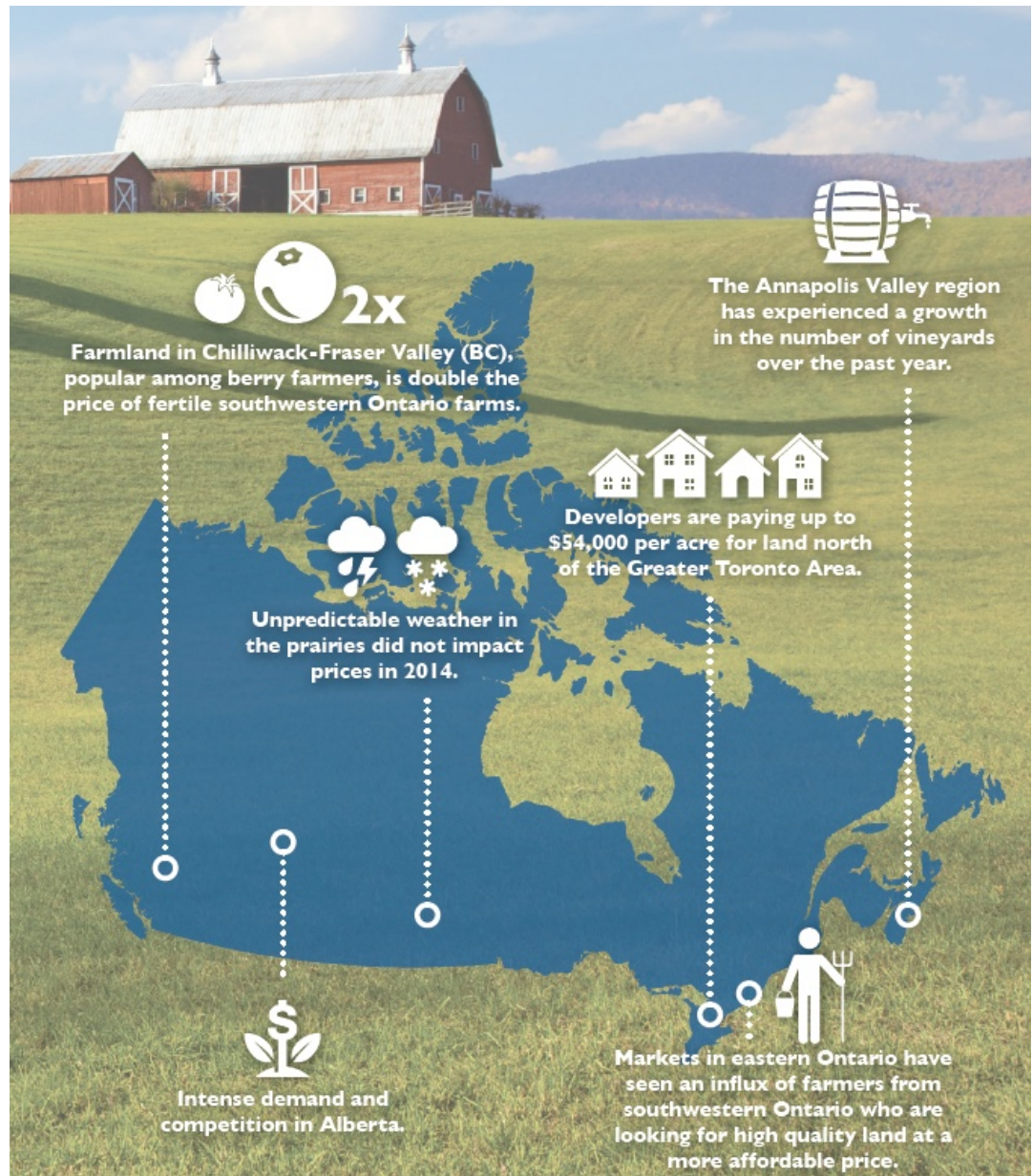
Fraser Valley =
\$63,000/ac

Peace River North =
\$750-\$1,550/ac

Southern Alberta =
\$1,000-\$10,000/ac

SK / MB =
\$950-\$2,200/ac

Kelowna =
\$98,000/ac



¹As per Re/max Farm Report 2014

Changing Landscape of Agriculture

Opportunities:

- Market Trends: diversity of farm products, TFWH program
- Agri-tourism & farm to table awareness
- Local Food Security Movement is gaining
- Okanagan is a focal point for research
- Exports to other countries are increasing:
 - 2014: \$3.9M (cherries to China)
 - 2020: \$20M potential

Challenges:

- Cost of Agricultural Land
- Farm parcel sizes are ↓
- Urban/rural interface conflicts
- 38% of farmers = 55+
- 2.7% decline in # of farm families from 2009-2011
 - 6,420 families
 - 44% report zero or negative income

Thompson-Ok Region	2006 Census	2011 Census	
# of Farms	5,700	5,486	28% of BC's total farms
Total gross farm receipts		+ 6% ~ \$35M /yr for crop land ~\$3M/yr for seeded pasture	(\$5,567/ha/yr) (\$4,166/ha/yr)
Total Farm Capital		\$1.9 Billion	Land & bldgs

Why does this Matter?

With exposure and connections to farms and the land in Kelowna tourists can be motivated to return to, and invest in, the region

Population Increase of **45,000 by 2030**

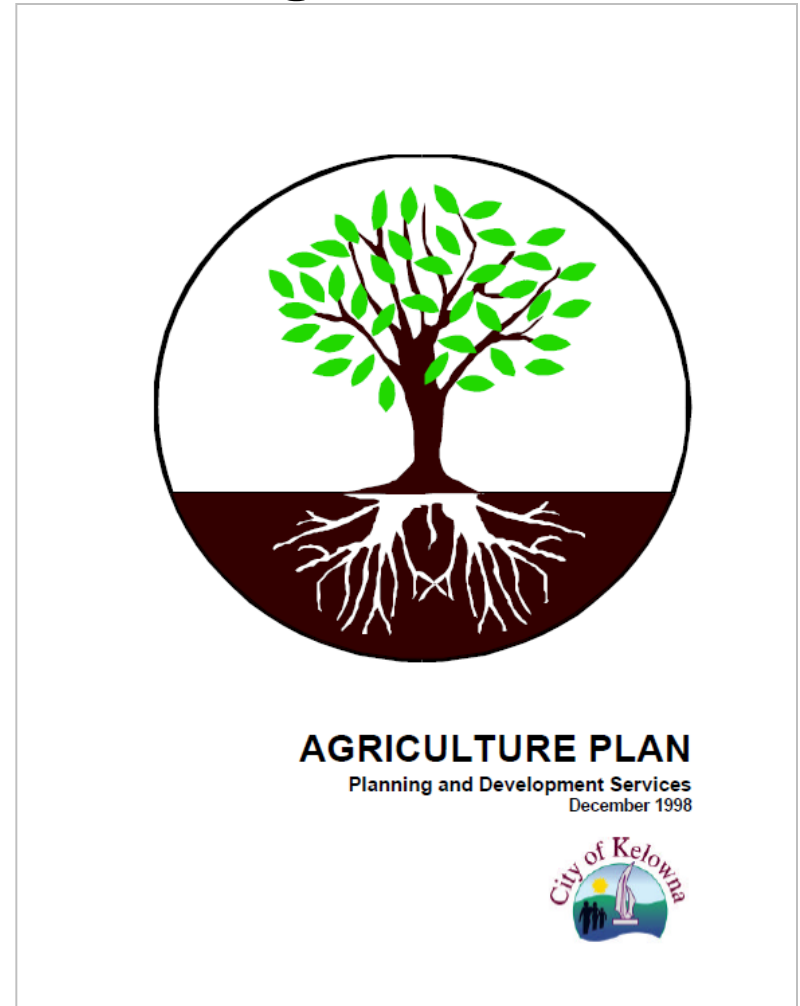
More food will be required to sustain the local and tourist population

Plans to Shape Our Future

2030 OCP



1998 Agricultural Plan



What are we doing Next?

2016 - Agricultural Plan update to include:

- Biophysical & Mapping Update
 - Development of an Agricultural Profile
 - Public Consultation
 - Vision, goals, and priority areas
 - Policy development & recommended actions
-
- Zoning Bylaw Update (~2016)
 - Coordinated approach w/ other municipal partners & RDCO
 - Business License Bylaw updates
 - Bylaw Enforcement Protocol Continues
 - MoA Mapping – Fall 2014
 - MoA Report – Dec. 31, 2015



Agricultural Planning – Day to Day

Trends and how they affect local land use

- Relative cost of agricultural land
- Larger multi-parcel farm operations
- Non-farmers buying farm land
- Pressure on farm land for non-farm uses



Council Direction

Agricultural Land Use

- Agricultural Plan Update
- ALR Applications (Subdivision, Exclusion, Non-Farm Use)
- Zoning Bylaw A1-Agriculture Text Amendments
- Farm Help Permits
- Enforcement Strategy Initiatives

Agricultural Advisory Committee

- Recommendations based on Technical Considerations



Economics of Agriculture

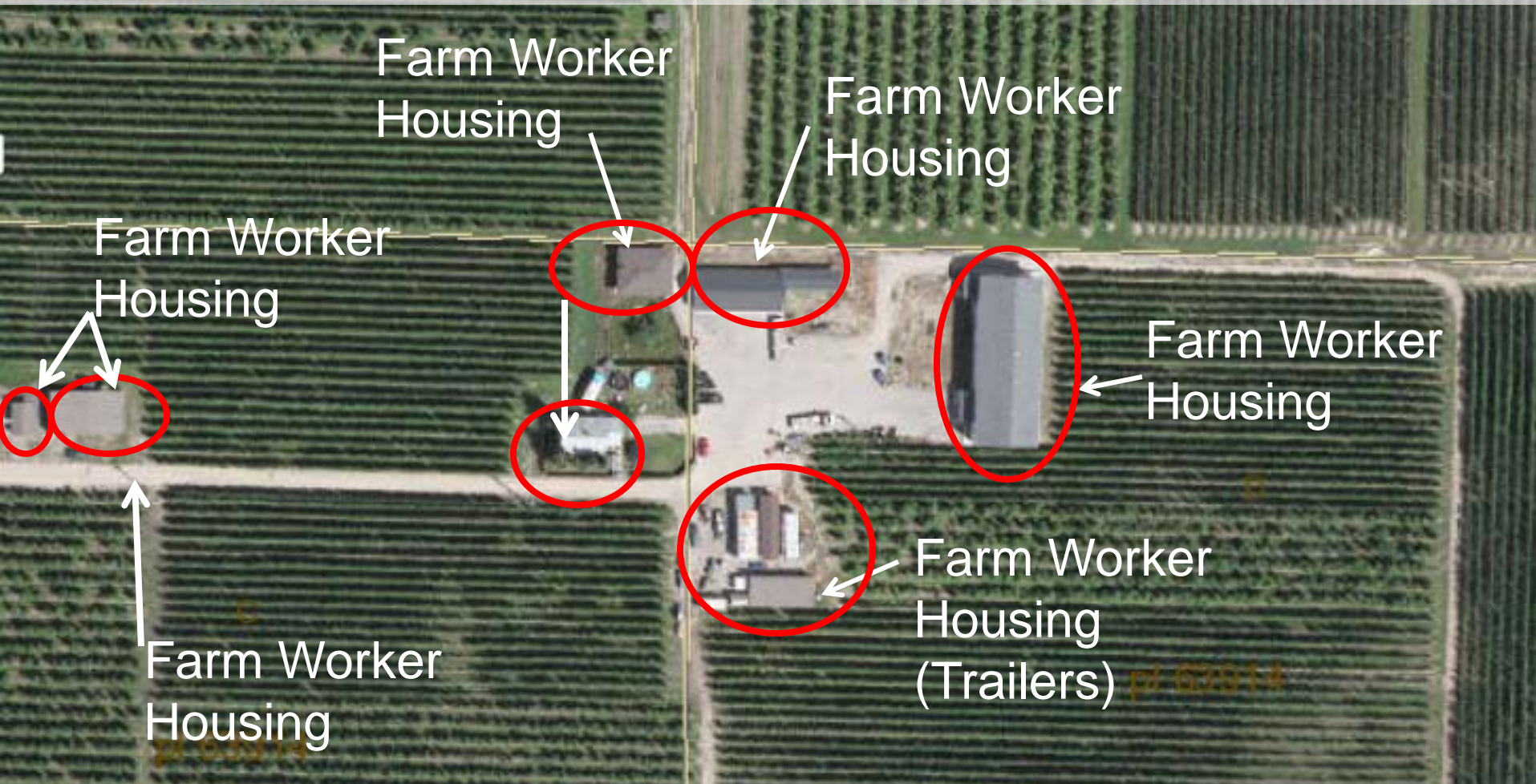
Apples

- 6 cents / lb for Goldens (2014)
- 32 cents / lb for Ambrosias (2014)

Cherries

- Over last 10 years – ‘cherry exports almost tripled’ (Min Ag.)
- 2013-2014 growth in cherry exports = 32.7%

Temporary Farm Worker Housing



- Larger multi-parcel farms
- Greater number of workers on one farm
- Existing TFWH on other owned or leased farms
- Regional Approach



- Existing TFWH on other owned or leased farms



Relative Value of Farm Land

- Agricultural Land – low cost relative to other residential lots
- Potential Tax Advantage – low threshold for farm status

Adjacent Agriculture

- 
- Adjacency Conflicts – Non-farmers with Industry of Agriculture
 - Sprays, cherry cannons, wind fans, bee hives
 - Noise, dust and smells



- Non-farmers in rural areas
- Pre-existing subdivisions
- Homesite severance parcels upon resale
- Rental properties on agricultural properties

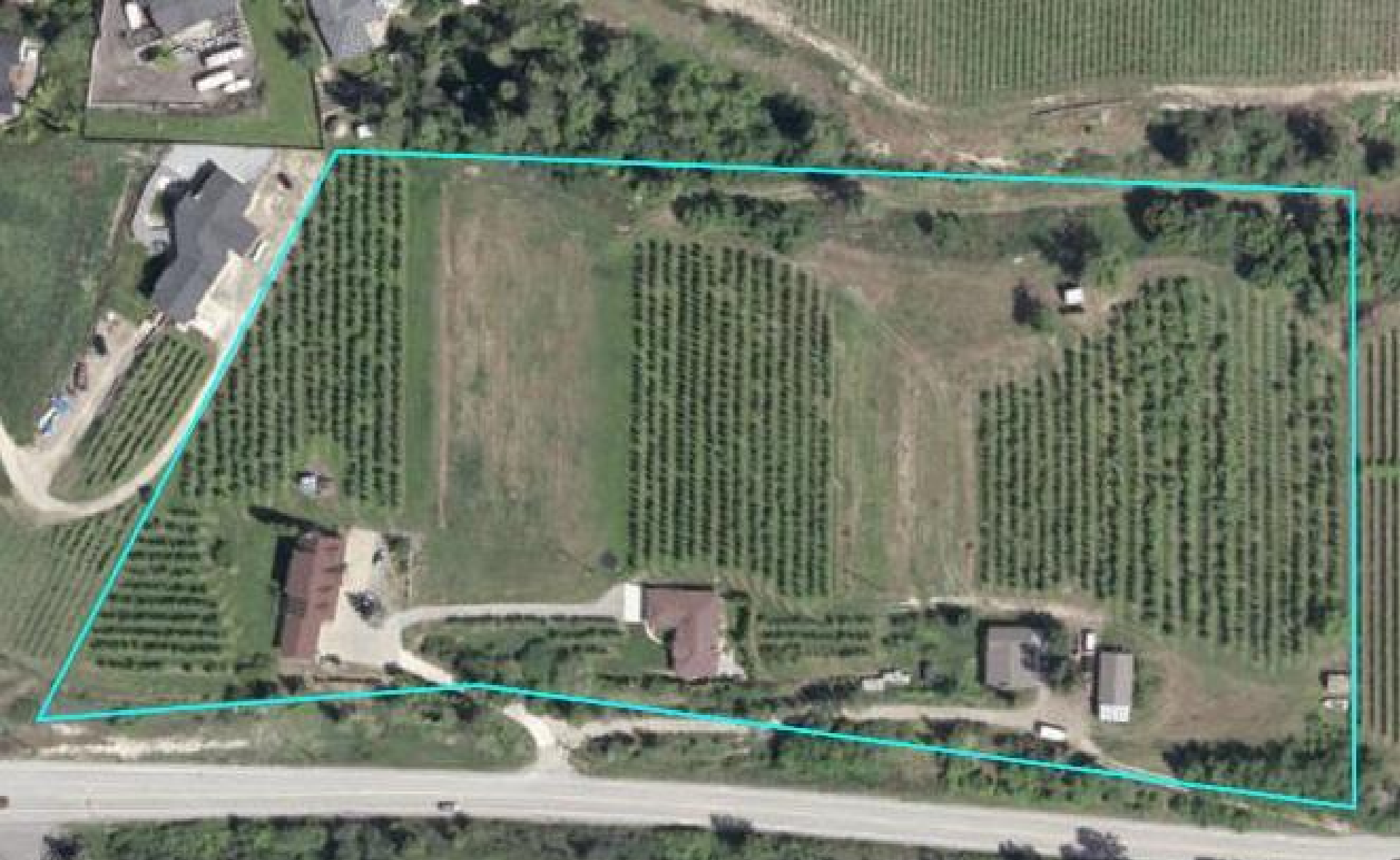


- Land Values increase – elevating threshold cost for farm use



- Lot size – 11.2 acres
- Residential Footprint – 5.4 acres

- Land Values increase – extensive residential footprints



- Multiple Dwellings – permitted for farm help



- Contracting & Landscaping Companies
- Industrial Land Supply Review (2013) sufficient to 2030
- ALC Regulation – 150 m² of non-farm product sales

Agri-tourist Accommodation



- ‘Subordinate and secondary to the principal agricultural use’
- Year Round Use
- Long Term Rental
- Replacement of Agriculture as Primary Income
- Agriculture / Tourist Conflicts

Weddings

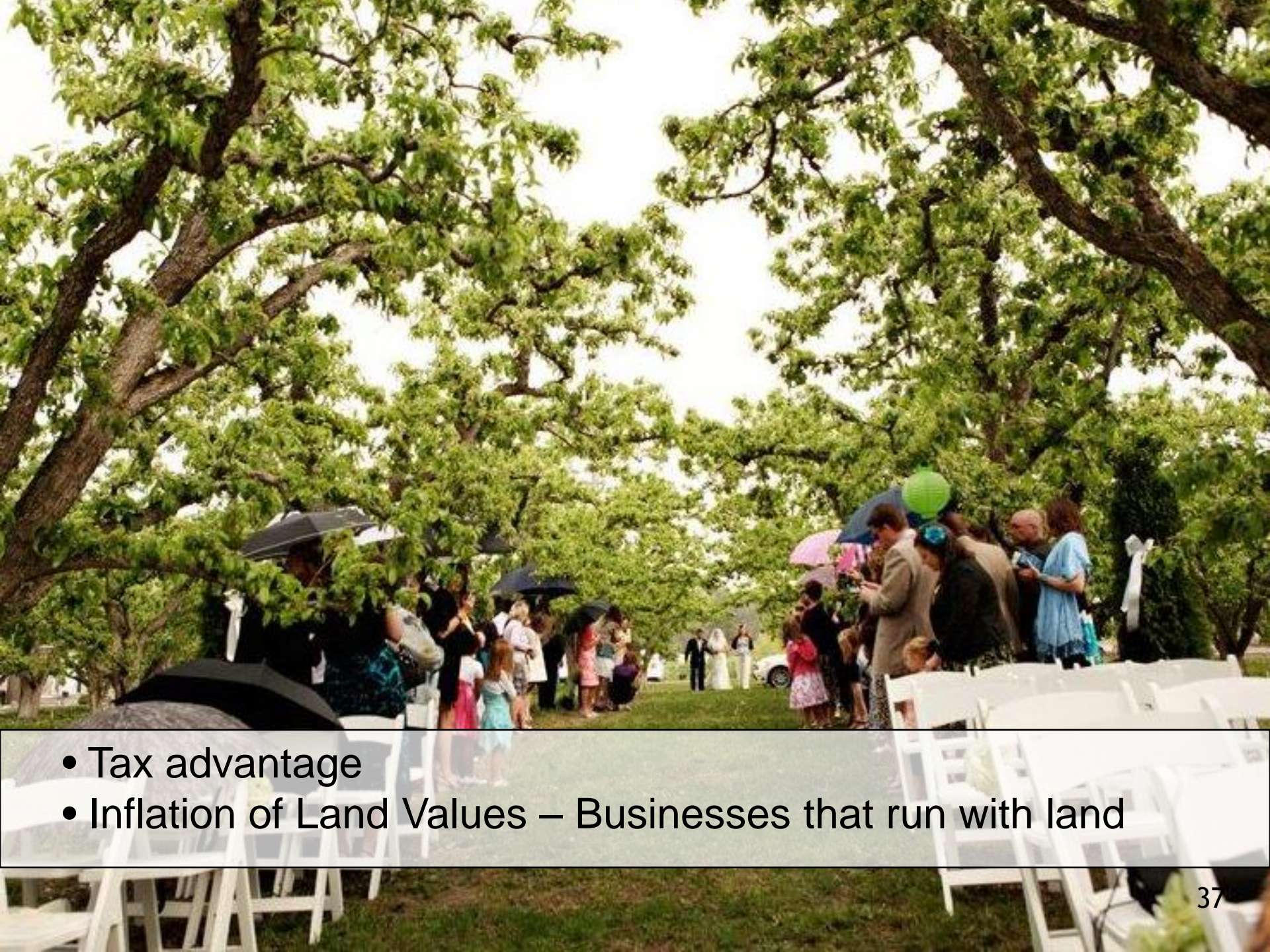


- Wineries, Cideries and Distilleries
- Golf Courses

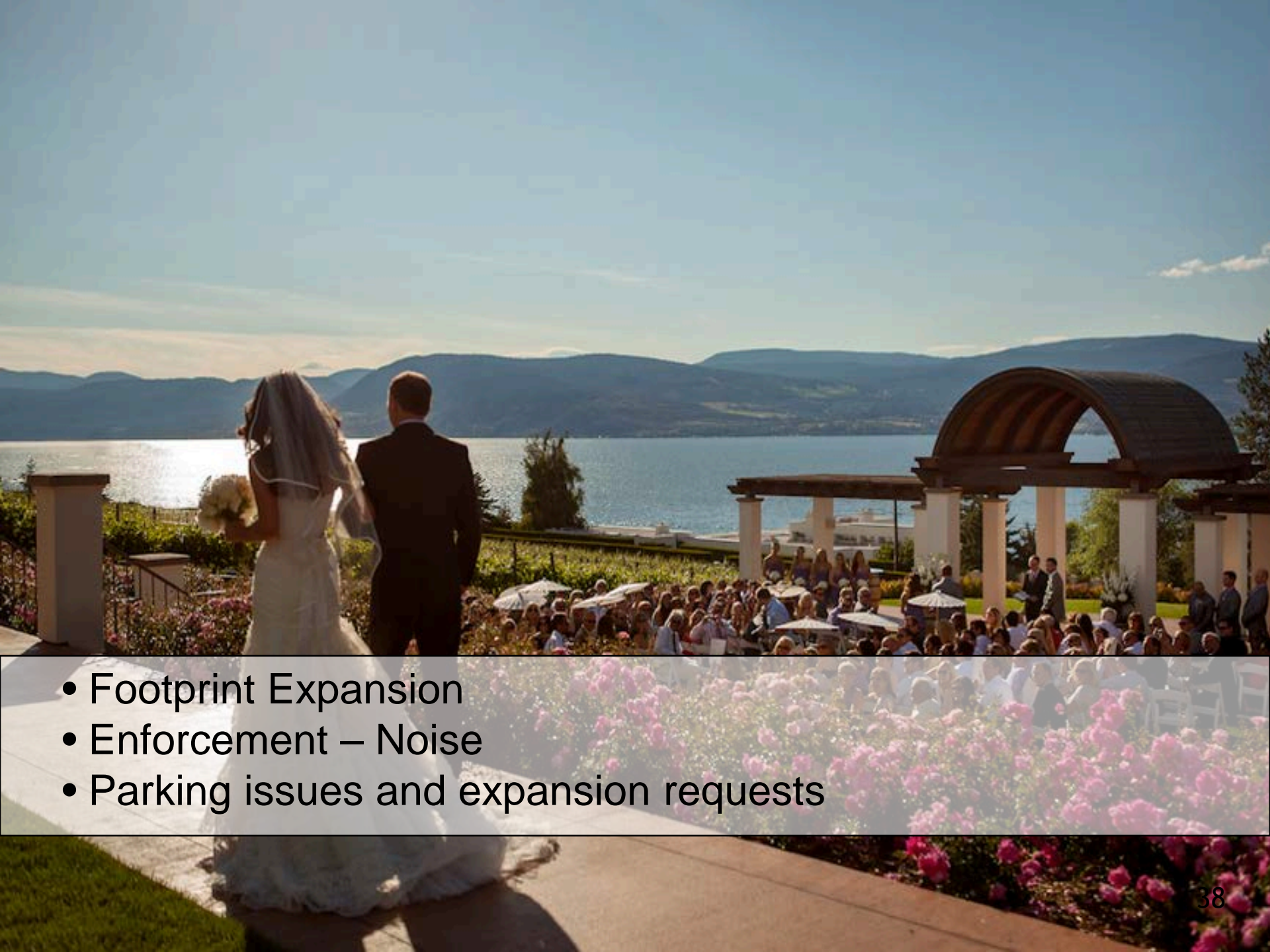
Weddings



- Wineries, Cideries and Distilleries
- Golf Courses



- Tax advantage
- Inflation of Land Values – Businesses that run with land



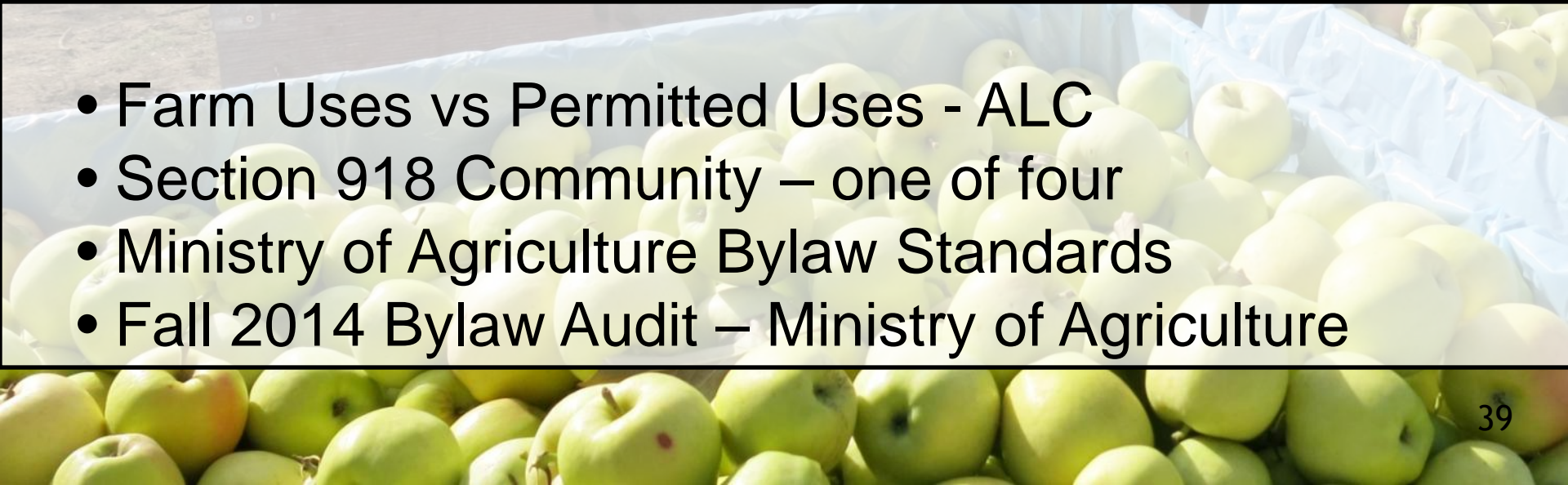
- Footprint Expansion
- Enforcement – Noise
- Parking issues and expansion requests

Regulation

Responsibilities and Parameters



- Farm Uses vs Permitted Uses - ALC
- Section 918 Community – one of four
- Ministry of Agriculture Bylaw Standards
- Fall 2014 Bylaw Audit – Ministry of Agriculture



Opportunities – Moving Forward

The background of the slide is a photograph of several wooden crates filled with apples. In the foreground, a crate is filled with a mix of red and yellow-green apples. Behind it, another crate is partially visible, containing more yellow-green apples. A blue plastic tarp is draped over the side of the crates in the background.

- Fair but Firm
- Clear and definitive
- Regulate only what we are able and willing to enforce
- Consistent implementation
- Effective communication

A1 Zone Amendment



- Respond to Ministry of Agriculture Review (2014)
- Farm Residential Footprint
- Ministry of Agriculture Bylaw Guidelines
- Glenmore Park Non-Farm Use Recommendation

Temporary Farm Worker Housing



- Regional Approach
- Bylaw Standards – Ministry of Agriculture
- Delta, Abbotsford, Langley, RDCO Bylaw experience
- Temporary Structures

Weddings / Commercial Assemblies



- ALC and Ministry of Agriculture Standards Review
- Clear Policy – level playing field
- Clear Direction
- Clear Enforcement

A1t – Agri-tourist Accommodation



- Agriculture must be the Primary Land Use
- Rezoning runs with the land
- Fair but Firm

Medical Marihuana

The background of the slide is a close-up photograph of cannabis plants. The leaves are green and serrated, with some showing signs of being dried or processed. The lighting is natural, highlighting the texture of the leaves.

- Farm Use in the ALR
- Ministry of Agriculture Bylaw Standards
- Part of the A1 Zone
- Cannot make a site specific zone
- Cannot ask for public consultation

2016 – Policy Development

- Agricultural Plan Update
- Medical Marihuana Production Facilities
- A1 Zone – ‘Housekeeping’ from Ministry Review
- Temporary Farm Worker Housing
- Weddings and Commercial Assemblies

Thank you

