REPORT TO COUNCIL

Date:	March 1, 2021		
To:	Council		
From:	City Manager		
Department:	Development Planning		
Application:	A20-0003	**Owner:**	Stephen Cipes
Address:	4870 Chute Lake Road	**Applicant:**	CTQ Consultants Ltd., Ed Grifone
Subject:	Application to the ALC for "Non-Farm Use"		
Existing OCP Designation:	REP – Resource Protection		
Existing Zone:	A1 – Agriculture		

1.0 Recommendation

THAT Agricultural Land Reserve Application No. A20-0003 for Lot 1, Sections 24 and 25, Township 28, Plan KAP78562 located at 4870 Chute Lake Road, Kelowna, BC for a "Non-Farm Use" under Section 20(2) of the Agricultural Land Commission Act, be supported by Council;

AND THAT Council direct Staff to forward the subject application to the Agricultural Land Commission for consideration.

2.0 Purpose

To consider a staff recommendation to support an application to the Agricultural Land Commission for a "Non-Farm Use" under Section 20(2) of the Agricultural Land Commission Act.

3.0 Development Planning

Development Planning Staff recommend support for the proposed Non-Farm Use application and that it be forwarded onto the Agricultural Land Commission for consideration. The overall proposal, focused on a new educational culinary facility, is unique with few comparables within the province or nationally. Due to its general scope and scale, the proposed facility can generally be considered an urban use which does not meet a number of agricultural objectives outlined in the City's Official Community Plan (OCP) and Agricultural Plan. However, upon a detailed assessment of the proposal, staff surmise that the proposal has potential to generate alternative agricultural value to the City and the region in providing for a rare opportunity for value-added agricultural amenities. The proposal could advance agricultural objectives such as the promotion of local farming through research and education, including local foods and agricultural products. The proposed educational culinary facility has the potential to play an important role in shaping a

community's identity and pride making agriculture more accessible and ultimately highly valued by the public. The facilty can add to the 'sense of place' of the region and the community's feelings of what makes the area attractive to visit and live in.

Should this application be supported by the City and approved by the ALC, a text amendment application would be required to come forth to Council for consideration of the specific uses and details of the proposal.

3.1 Background

The subject property has been owned and operated as Summerhill Pyramid Winery since 1995 when the original winery building was constructed. The site currently has the main building, tasting room, offices, restaurant, outdoor events area and the pyramid wine cellar. It is accessed from Chute Lake Road and has a variety of surface parking to service the winery and agricultural operation. The current owner also owns a number of directly adjacent parcels which make up the farm unit and have a mix of agricultural and residential uses. Approximately 48.6 acres are utilized for active vineyard production.

3.2 Site Context

The subject property is located in the City's South Okanagan Mission Sector. The Future Land Use is REP – Resource Protection is zoned A1 – Agriculture and it is within the Agricultural Land Reserve. It is located outside of the Permanent Growth Boundary (PGB) however has available City services (sanitary and water) and is a small agricultural block surrounded by the PGB. The property is approximately 62.3 acres in size with its primary access being Chute Lake Road. It has a variety of agricultural and agri-tourism uses including a winery, restaurant & ballroom, agricultural storage and existing parking.

3.3 Project Description

The proposed development is for a culinary education facility at the existing Summerhill Pyramid Winery location. The "Culinary College for Humanity" at Summerhill consists of several stated uses including culinary facility, educational stays, wine tasting, food producing gardens, and parking. These uses would be accommodated in a structure designed specifically for the unique nature of the proposal.

Proposed Structure & Non-Farm Use

The siting of the proposed structure is located in the north west corner of the property next to the Summerhill Pyramid Winery. It would utilize the same access and be primarily within already disturbed land that is not currently being used for crop production.

The proposed structure is to be constructed on top of the existing wine production and warehousing building. The existing buildings footprint is approximately 20,000 ft^2 with a proposed 15,000 ft^2 addition to support the remaining floors. The at grade and parkade level would consist of wine production and large parkade. The culinary school facilities including large kitchen and classrooms are located on the main floor along with the administrative offices and wine tasting rooms. In addition, a large atrium and First Nations cultural space in the centre of the building would be located on the 4^{th} floor and provide for conference centre seating capacity. A total of 150 rooms ranging from 250-450ft^2 in size for accommodation of students and faculty are located in various configurations on floors 2, 3, 5 and 6. The rooms would be restricted to registered students and faculty only and used for accommodation based on the program curriculum. In addition, gardens aimed at producing biodiverse food are incorporated to every level of the proposed structure to a total of approximately 37,000 ft^2 of proposed food producing area.

Soil Capability
The soils on the property are 4A (CLI) as per latest BC Agricultural Capability Map (Updated July 2018). The property is currently being utilized for grape production and would potentially support a number of agricultural crops.

Specifically, adjacent land uses are as follows:

Orientation	Zoning	Land Use
North	RR2 – Rural Residential 2	Residential
East	A1 – Agriculture 1 & RR1 – Rural Residential 1	Agriculture/Residential
South	RR2 – Rural Residential 2	Residential
West	A1 - Agriculture	Agriculture/Residential

3.4 Development Planning

Policy Considerations

The proposed development is reviewed primarily against the OCP's Agricultural Policies and recommendations of the City's Agricultural Plan (2017), and secondly against overall city-wide policies and objectives. The overall scope and scale of the proposal is considered unique with few local comparables in the province or nationally. In analysis of the policy framework the project is not considered to meet a number of objectives in preserving agricultural lands, however, is considered to meet some overall policies and objectives which are considered in more detail later in the report.

The primary use of the property is being retained as agriculture through the 48 acres of vineyard and winery which a permitted farm use or directly associated with agriculture. Vineyards and wineries are a permitted farm uses that can be restricted but not prohibited by local government under the ALC Act and Regulations. The proposed culinary facility is considered an urban scale project and therefore would not meet policy objectives given its scope and scale. Policy aimed at urban scale uses directs this form of development away from agricultural lands to better suited properties within the Permanent Growth Boundary. Even though the existing vineyard and winery would be maintained the proposal could shift the primary use of the property to the facility itself.

In review of all Non-Farm Use applications the most directly applicable OCP policy is 5.33.6 which lists several criteria to help evaluate the proposal. A general analysis using the criteria is listed below:

Is it consistent with the Zoning and OCP? The zoning and land use of the subject property does not currently support the use or type of structure proposed in this application. A rezoning text amendment would be required subsequently to approval of the Non-Farm Use application if Council and the ALC chose to do so.

Does it provide significant benefits to local agriculture? Regarding use of land directly for food production, either through livestock or crops, the proposal is not considered to provide direct benefit to local agriculture or food security. However, it could be considered to help promote local agriculture through research and education purposes including local foods and agricultural products.

Can it be accommodated using existing municipal infrastructure? Connection to City services would be required for a proposal of this scale. Water and Sewer mains are available on Chute Lake Road however further confirmation of capacity and upgrades would be required to be proven out by the applicant's consultants.

Does it minimize impacts on productive agricultural lands? The proposed structure is to be constructed primarily on the footprint of the existing winery storage building and its surrounding area not currently used for agricultural production. Some expansion of the building footprint is proposed however no additional vineyard is to be removed at this time. In this regard the proposal does minimize the impact on productive agricultural lands. Indirect impacts such as increased speculative pressures and interface conflicts could result from development of this type of facility.

Will it preclude future use of the lands for agriculture? Given the nature of the proposal it would likely preclude a number of potential agricultural uses for the property. Traditional types of agriculture would likely not be viable or desirable adjacent to the proposal. Given the sites current use as a vineyard, the proposal would not likely preclude any use of the existing agricultural operation.

Will it harm adjacent farm operations? The proposed building is in the north portion of the subject property. The properties directly adjacent to the north are residential and the east and west sides of the property is buffered by Chute Lake Road and Lakeshore Road. To the east and across Chute Lake Road there is a large apple orchard currently in production. Potential impacts to the adjacent agricultural operation could result from increased traffic and result in further agricultural interface conflicts.

Approval Process

The application being considered at this time is a Non-Farm Use ALC application. The application would be forwarded onto the Agricultural Land Commission for approval if Council choses to do so. If approved by Council and the ALC the application would be required to apply to the City for a Text Amendment to the A1 Zone (or a Comprehensive Development Zone) to allow for the proposed uses, use restrictions, building height, and any restrictions imposed by the ALC. This application would be reviewed by the Agricultural Advisory Committee, require public consultation and formal public hearings related to the Text Amendment.

Due to the proposals unique nature and scope, consideration of the Non-Farm Use application prior to the Text Amendments provides Council with an opportunity to review the proposal under a broader policy and at a conceptual level. In addition, if the ALC choses to approve the use, it may impose a range of restrictions which would need to be accommodated within the Text Amendment. Staff and Council would consider those items at the next stage of process while still having an opportunity for further community input.

Development Cost Charges and Taxation

Development cost charges for a structure and use as proposed would be considered Commercial and charged at a square foot rate as per Development Cost Charge Bylaw No.10515. Taxation for similar facilities would be assessed and taxed as commercial use.

Subject Property Map: 4870 Chute Lake Road



4.0 Current Development Policies

4.1 Kelowna Official Community Plan (OCP)

Objective 5.33 Protect and enhance local agriculture.

Objective 5.33 Protect and Enhance Local Agriculture

Policy .1 Protect Agricultural Land. Retain the agricultural land base by supporting the ALR and by protecting agricultural lands from development, except as otherwise noted in the City of Kelowna Agricultural Plan. Ensure that the primary use of agricultural land is agriculture, regardless of parcel size.

Policy .3 Urban Uses. Direct urban uses to lands within the urban portion of the Permanent Growth Boundary, in the interest of reducing development and speculative pressure on agricultural lands.

Policy .5 Agri-tourism, Wineries, Cideries, Retail Sales. Support agri-tourism uses that can be proven to be in aid of and directly associated with established farm operations. Permit wineries, cideries and farm retail sales (inside and outside the ALR) only where consistent with existing ALC policies and regulations.

Policy .6 Non-Farm Uses. Restrict non-farm uses that do not directly benefit agriculture. Support non-farm use applications on agricultural lands only where approved by the ALC and where the proposed uses:

1.0 are consistent with the Zoning Bylaw and OCP;

2.0 provide significant benefits to local agriculture;

3.0 can be accommodate using existing municipal infrastructure;

4.0 minimize impacts on productive agricultural lands;

5.0 will not preclude future use of the lands for agriculture;

6.0 will no harm adjacent farm operations.

5.0 Technical Comments

5.1 Development Engineering Department

5.1.1 See attached memorandum dated March 22, 2020.

5.2 Ministry of Agriculture

5.2.1 See attached letter dated March 3, 2020.

5.3 Regional District of Central Okanagan

RDCO has reviewed the referral and provides the following comments on this proposal with a recommendation of non-support for this application:

It is noted that the proposed culinary facility, educational stays, wine tasting, food producing gardens and parking includes space not associated with agriculture (non-farm use) and as such does not achieve the goal or policies of the Regional Growth Strategy Bylaw No. 1336's (e.g. 'Our Food' Issue Area, such as Policy No. 3.2.5.7 "Protect the supply of agricultural land and promote agricultural viability.")

The Central Okanagan has strong agricultural roots and this sector has been important in defining the region and its growth pattern. With changes in population, pressures of development, increased climate impacts, water pressures, and more focus on local food production for sustainability, these changes have raised more awareness on food systems.

RDCO supports the preservation of the agricultural land base and the retention of large continuous blocks of agricultural land and discourages fragmentation.

6.0 Application Chronology

Date of Application Received: February 20, 2020
Date of Amended Application: December 2, 2020

Agricultural Advisory Committee August 13, 2020

The above noted application was reviewed by the Agricultural Advisory Committee at the meeting held on August 13, 2020 and the following recommendations were passed:

THAT the Agricultural Advisory Committee recommends that Council support Agricultural Land Reserve Application No. A20-0003 for the property located at 4870 Chute Lake Road to allow for a "Non-Farm Use" under Section 20(2) of the Agricultural Land Commission Act.

Anecdotal comments were that the Agricultural Advisory Committee (AAC) have concerns with the size of the facility (consider a smaller size facility), impact to the neighbouring agricultural properties, the accommodations being used for tourism versus teaching, how much primary food production would be emphasized, that wineries were being given more ability to have non-agricultural uses than other and that

this facility would set a precedent. Further, the AAC requested that Council continue to make compliance and enforcement for non-compliance uses a priority.

Report prepared by:	Wesley Miles, Planner Specialist
Approved for Inclusion:	Dean Strachan, Community Planning and Development Manager
Approved for Inclusion:	Terry Barton, Development Planning Department Manager

Attachments:

Attachment A: Development Engineering Memorandum
Attachment B: Ministry of Agriculture Letter
Attachment C: Rationale and Concept Designs