

# Report to Council



**Date:** October 24, 2016  
**File:** 1250-20  
**To:** City Manager  
**From:** Ryan Roycroft, Planner  
**Subject:** Official Community Plan Amendment - Arab and Appaloosa Roads

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## **Recommendation:**

THAT Official Community Plan Map Amendment Application No. OCP16-0020 to amend Map 4.1 in the Kelowna 2030 - Official Community Plan Bylaw No. 10500 by changing the Future Land Use Designation of the properties identified in Appendix 'A' attached to the Community Planning report dated October 24, 2016, from the Industrial - Limited (IND-L) designation to the Resource Protection Area (REP) designation be considered by Council;

AND THAT the Official Community Plan Map Amending Bylaw be forwarded to a Public Hearing for further consideration;

AND THAT Council considers the public processes detailed in the Report from the Community Planning Department dated October 24, 2016, to be appropriate consultation for the *Purpose* of Section 879 of the *Local Government Act*.

## **Purpose:**

To consider Official Community Plan amendments to change the Future Land Use of various properties that are without ready access to sewer and industrial water service.

## **Background:**

The area in question is currently designated in the OCP Future Land Use Map for potential I6 - Low Impact Transitional Industrial zoning and is limited to properties off of Arab and Appaloosa Roads, near Sexsmith and Highway 97. Just over 40 properties totaling approximately 35 ha are effected. The properties are predominantly used as large lot residential properties, however a dozen have historical illegal, non-conforming light industrial uses.

The Sexsmith Industrial area is south and east of the area in question, and has been zoned and used for General Industrial purposes for many years. Properties to the north have been

zoned and developed for single family residential housing as part of the University South neighbourhood. To the west of Arab and Appaloosa roads, lands are agriculturally zoned and in the Agricultural Land Reserve.

### Land Use History

#### **2011**

- In 2011, Council adopted the City of Kelowna Official Community Plan (OCP).
- The OCP designated the properties along Arab and Appaloosa Roads as being for future Industrial - Limited use.
- The neighbourhood is made up of agriculturally zoned lots averaging 0.8 ha in area.
- Many of the properties were being used for light industrial and storage uses, not conforming to zoning restrictions of the day.
- The intent of the Industrial - Limited designation was to recognize the character of the neighborhood and give owners a path to conformity by allowing properties to be re-zoned for transitional industrial use.
- Properties designated Industrial - Limited are permitted to apply to re-zone to the I6 - Low Impact Transitional Industrial.

#### **2012**

- Since the adoption of the OCP, one property in the area has been re-zoned to I6 - Limited Impact Transitional Industrial.
- In November of 2012, a moratorium was placed on development applications in the area, pending a resolution to servicing (water, sewer, roads and drainage improvements) and land use concerns.

#### **2013-2015**

In late 2013, staff and Council revisited the issue and Council reaffirmed its direction.

At the February 23, 2015 Council meeting, Council directed staff to pursue Bylaw amendments to the Official Community Plan and affirmed its desire to pursue a local service area to build the infrastructure required to rezone lots along Arab and Appaloosa Roads to the new I6 zoning designation.

The OCP amendments were completed in September 2015 and the policies were redesigned to accommodate a change in the Clydesdale road design.

#### Local Area Service Survey Process and Results

Personalized letters were sent out to each home owner in the identified area. These letters outlined the share of the costs for infrastructure improvements (to the specific property) and a description of the opportunity for rezoning of the property should a local service area be successful. Specific costs for improvements were identified for each type of improvement (roads, drainage, and sewer costs), and a self-addressed, self-stamped response form was provided in order to receive feedback from the residents. Also, an invitation to a public open house was provided. Residents had the choice of either submitting their survey at the open house or by mail. The Open House took place on January 27, 2016 and survey results were finalized on February 19, 2016. The results from the public interest survey are as follows.

Of the 48 properties that were asked to vote, only 29 responded:

59 % for NO for a LAS (roads, drainage, sewer)  
41 % for YES

In order for a Local Area Service to be successful, the city must receive petitions from at least 50% of the parcel owners in the proposed service area that are in favor of the project. Further, the value of parcels whose owners are in favor of the proposed LAS must exceed 50% of the total assessed value.

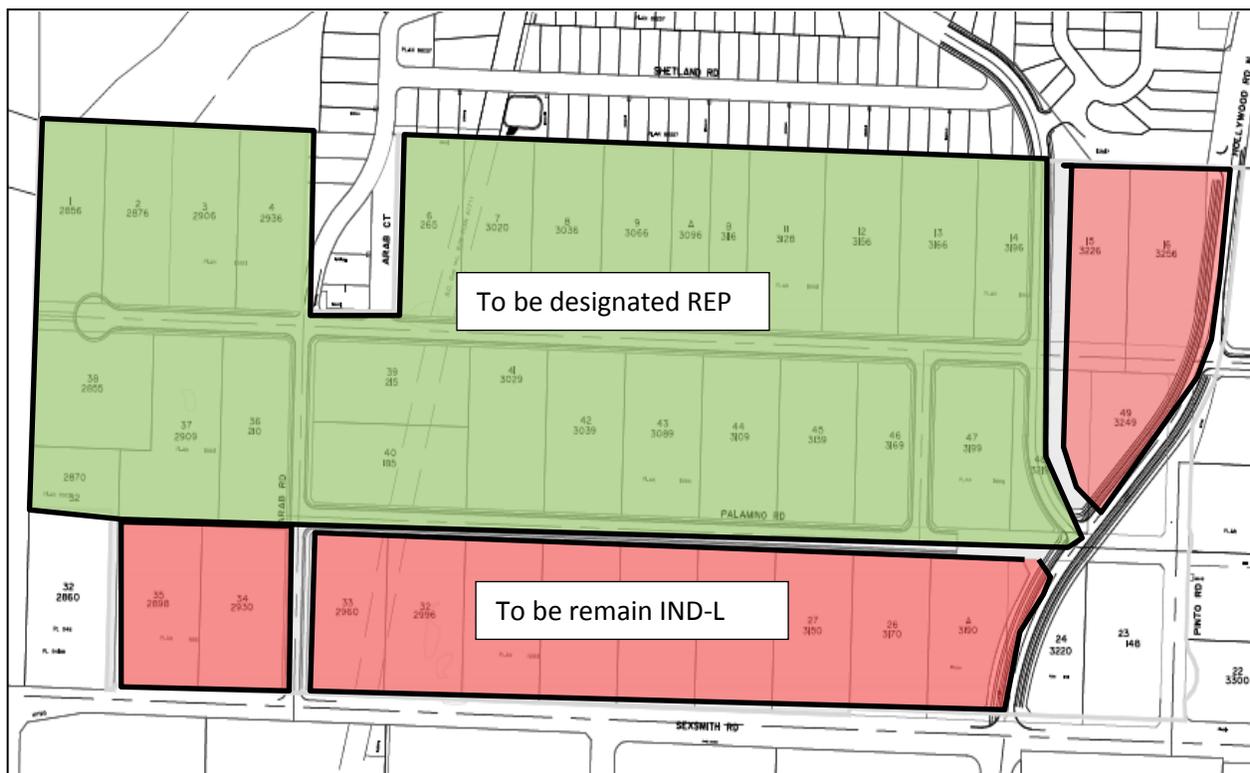
The lack of neighbourhood support for the LAS process means that no urban style re-development will be able to occur on lands in this area which do not have access to services.

### Spring 2016

On March 21, 2016, Council directed staff to prepare amendments to the OCP to re-designate non-serviceable properties in the Arab Appaloosa areas for non-industrial uses.

### Bylaw Amendments:

The proposed amendments would re-designate the future land use for the properties without ready access to sewer and industrial water service from future Industrial - Limited to future Resource Protection. The Resource Protection designation is intended for lots with minimal development potential, and will see the lots remained zoned for agricultural use.



**Internal Circulation:** This policy direction is the result of discussions between Bylaw Enforcement, the Infrastructure Planning Department, the Community Planning Department and the Policy & Planning Department.

**Legal/Statutory Authority:**

Sections 472 and 473 of the Local Government Act allows the City to adopt an Official Community Plan that designates future land uses for properties in the City.

Section 475 of the Local Government Act establishes consultation and procedural requirements for the amendment of an OCP.

**Legal/Statutory Procedural Requirements:**

The Local Government Act requires that City consult with residents being effected by the amendment. The City has undertaken several consultative actions, including the open house surrounding the Local Area Service and a number of letters to residents.

The Act also requires that the City hold a public hearing prior to advancing the bylaw to third reading.

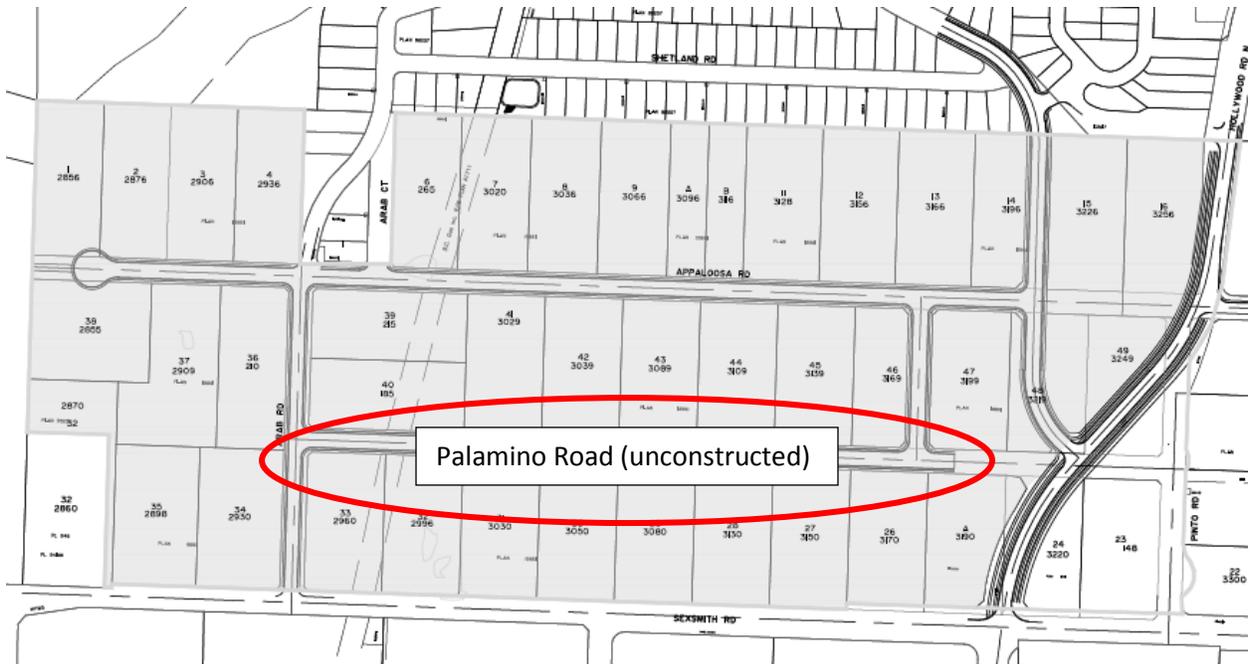
**Existing Policy:**

The current OCP designation for the properties is "Industrial Limited", which allows the properties to be rezoned to I6 - Transitional Industrial. This is a lower intensity industrial use that includes larger setbacks and smaller buildings than a traditional industrial zone.

To date, one property along Sexsmith has been rezoned to I6.

**Financial/Budgetary Considerations:**

Palamino Rd is an unconstructed road right of way running between properties fronting Sexsmith and Appaloosa. Palamino Rd is not a DCC road, and should the City want the roadway constructed in the future, it must be funded from general taxation and/or partly funded when fronting properties re-zone to industrial use. However, should Council re-designate properties along Appaloosa Rd for non-industrial use, the opportunity for development contributions from those properties is eliminated. There are no designs for Palamino Rd or cost estimates at this time.



**Considerations not applicable to this report:**  
Communications Comments  
External Agency/Public Comments  
Personnel Implications

Submitted by:

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Approved for inclusion:



Ryan Smith, Community Planning Manager

cc:

Policy Planning  
Bylaw Enforcement  
Infrastructure Planning