



BOARD REPORT

TO: Chair and Directors

File No: BL725-16, BL701-94 PL20190000054

SUBJECT: Electoral Area C: Electoral Area C Official Community Plan Amendment (1174355 BC Ltd.) Bylaw No. 725-16 and South Shuswap Zoning (1174355 BC Ltd.) Bylaw No. 701-94

DESCRIPTION: Report from Christine LeFloch, Planner II, dated August 7, 2019. 1336 Taylor Road, Notch Hill

RECOMMENDATION #1: THAT: first reading of "Electoral Area C Official Community Plan Amendment (Factory Direct Doors Ltd.) Bylaw No. 725-16", given on May 16, 2019 be rescinded.

RECOMMENDATION #2: THAT: first reading of "South Shuswap Zoning Amendment (Factory Direct Doors Ltd.) Bylaw No. 701-94", given on May 16, 2019 be rescinded.

RECOMMENDATION #3: THAT: "Electoral Area C Official Community Plan Amendment (1174355 BC Ltd.) Bylaw No. 725-16" be given first and second reading, this 15th day of August, 2019.

RECOMMENDATION #4: THAT: "South Shuswap Zoning Amendment (1174355 BC Ltd.) Bylaw No. 701-94" be given first and second reading, this 15th day of August, 2019.

RECOMMENDATION #5: THAT: pursuant to Section 477 of the Local Government Act, the Board has considered this "Electoral Area C Official Community Plan Amendment (1174355 BC Ltd.) Bylaw No. 725-16" in conjunction with the Columbia Shuswap Regional District's Financial Plan and its Waste Management Plan.

RECOMMENDATION #6: THAT: a public hearing to hear representations on "Electoral Area C Official Community Plan Amendment (1174355 BC Ltd.) Bylaw No. 725-16" and "South Shuswap Zoning Amendment (1174355 BC Ltd.) Bylaw No. 701-94" be held;

AND THAT: notice of the public hearing be given by staff of the Regional District on behalf of the Board in accordance with Section 466 of the Local Government Act;

AND FURTHER THAT: the holding of the public hearing be delegated to Director Paul Demenok, as Director for Electoral Area C, or Alternate Director Jennifer Dies if Director Demenok is absent, and the Director or Alternate Director as the case may be, give a report of the public hearing to the Board.

SHORT SUMMARY:

At their meeting held on May 16, 2019, the Board gave first readings to Electoral Area C Official Community Plan Amendment (Factory Direct Doors Ltd.) Bylaw No. 725-16 and South Shuswap Zoning Amendment (Factory Direct Doors Ltd.) Bylaw No. 701-94. These bylaws propose to redesignate and

rezone portions of the subject property to allow the property to be used for a cannabis production facility. Since that time, ownership of the property has changed and the applicant has held a public information meeting to explain the proposal to the neighbourhood. Also, changes were recently made to the CSRD's Cannabis-Related Business Policy A-71 which have resulted in a shift in perspective on zoning for cannabis production facilities. In light of these changes, the bylaw names have been changed and the bylaw has been amended to remove the special regulation on the property and add a new Cannabis Production (CP) Zone to South Shuswap Zoning Bylaw No. 701.

VOTING:	Unweighted Corporate	<input type="checkbox"/>	LGA Part 14 (Unweighted)	<input checked="" type="checkbox"/>	Weighted Corporate	<input type="checkbox"/>	Stakeholder (Weighted)	<input type="checkbox"/>
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BACKGROUND:

REGISTERED OWNER:
1174355 BC Ltd.

APPLICANT:
Ben Williams (Shuswap Botanicals Inc.)

ELECTORAL AREA:
C

LEGAL DESCRIPTION:
The East 1/2 of the Southeast 1/4 of Section 4 Township 22 Range 11 West of the 6th Meridian
Kamloops Division Yale District

PID:
003-951-871

CIVIC ADDRESS:
1336 Taylor Road, Notch Hill

SURROUNDING LAND USE PATTERN:
North: Notch Hill Estates (residential), agriculture, Crown land
South: Crown land
East: Crown land
West: Rural Holding

CURRENT USE:
There are several existing industrial buildings on the property. These buildings have been vacant for the past 5+ years but were used for sawmilling and manufacturing in the past.

PROPOSED USE:
The applicant would like to utilize existing buildings on the subject property for a licensed production facility for growing and processing cannabis with the possibility of expansion to include additional buildings in the future.

PARCEL SIZE:

33.1 ha

DESIGNATION:

Electoral Area C Official Community Plan Bylaw No. 725
ID - Industrial

ZONE:

South Shuswap Zoning Bylaw No. 701

M2 – General Industrial (see Schedule 1 of Bylaw No. 701-94.pdf)

LH – Large Holdings

Special regulation - restricting the uses on the M2 zoned portion of the property to manufacturing, fabricating and processing industries (including forest and wood product industries) and log home manufacturing only.

PROPOSED DESIGNATION:

ID – Industrial (portion of the property to be zoned M2 – See Schedule 1 of Bylaw No. 725-16.pdf)

LH – Large Holdings (portion of the property zoned LH)

PROPOSED ZONE:

CP – Cannabis Production Zone – Portion of the property to be used for the Cannabis Production Facility

Also proposing to add "cannabis production facility" as a new definition in the zoning bylaw. A new CP - Cannabis Production Zone has been drafted for review as part of this bylaw amendment.

AGRICULTURAL LAND RESERVE:

0%

SITE COMMENTS:

The subject property is located in Notch Hill. The property slopes up from the northeast to southwest becoming very steep at the southern end of the property. There is a fairly level benched area in the central portion of the property where the existing buildings are located. This area has been cleared while the remainder of the parcel is currently forested providing a vegetated buffer between the existing buildings and the surrounding properties. A tributary to Newsome Creek crosses the northwest corner of the property. Access to the site is from the end of Taylor Road via a driveway that leads up a hill to the buildings. There is also a logging road over the property which appears to access Crown lands to the south.

POLICY:

Please see "701_BL725_Excerpts_BL701-94_BL725-16.pdf", attached, for OCP policies and zoning regulations related to this proposal.

Please see "A-71_PR-32_Excerpts_BL701-94_BL725-16.pdf", attached, for the CSRD Cannabis Related Business Policy and Procedure. This document has been updated with the recently amended version of Policy A-71.

FINANCIAL:

There are no financial implications for the CSRD as a result of this application.

KEY ISSUES/CONCEPTS:

The Board gave first reading to Electoral Area C Official Community Plan Amendment Bylaw No. 725-16 and South Shuswap Zoning Amendment Bylaw No. 701-94 at their meeting held on May 16, 2019. Staff were directed to send referrals to applicable agencies and First Nations and the applicant was directed to hold a public information meeting to explain the proposal to the community. Since that time ownership of the subject property has changed from the previous Factory Direct Doors Ltd. to 1174355 BC Ltd. Accordingly, the amending bylaws have been renamed to recognize this change of ownership. With the change in bylaw name, it is recommended that first readings be rescinded and that first and second reading be given to the updated bylaws. Referral responses have been outlined in detail in the Communications section below. Key planning issues related to referral comments are outlined below.

Public Information Meeting

The applicant held a public information meeting on July 4, 2019 at the Notch Hill Hall. Details regarding this meeting are attached to the Board agenda as:

"Public_Information_Meeting_Ad_BL725-16_BL701-94.pdf",
"Public_Information_Meeting_Info_BL725-16_BL701-94.pdf", and
"Public_Information_Meeting_Summary_BL725-16_BL701-94.pdf".

The public information meeting was hosted by the applicant Ben Williams and his associate Mareike Klem, both of Shuswap Botanicals Inc., and was attended by approximately 30 residents and the Area C Director. The applicant provided a summary of the meeting noting the concerns raised by attendees and how these concerns will be addressed to the CSRD. These are outlined in the attached document "Public_Information_Meeting_Summary_BL725-16_BL701-94.pdf" and some of the key planning issues raised are outlined below.

Taylor Road

Residents of Notch Hill Estates expressed concerns regarding the condition of Taylor Road. They noted that the road has washed out a number of times over the several years due to spring runoff. Notch Hill Estates has assisted in past years by allowing access from London Lane to Taylor Road via Country Woods Road which is a private strata road through the development. The strata expressed that they do not wish to open its roads to anyone driving to the proposed cannabis facility.

Staff discussed these community concerns with staff of the Ministry of Transportation and Infrastructure (MoTI). MoTI staff noted that the strata have no obligation to open their private roads. They further noted that the Ministry is responsible for maintenance of the road and management of the creek with regard to flooding and it is the Ministry's responsibility to get the public in and out of the area in the event of a washout. Concerns regarding drainage issues and maintenance of Taylor Road have been reported to the Ministry Roads Manager. It was noted that upgrades were made to Taylor Road this past spring after the most recent washout. It was also noted that the applicant has approached MoTI to request that they be allowed to do maintenance of Taylor Road when needed. MoTI staff have not yet made any decisions regarding this request, and also stated that permits would be required to allow for this. A Commercial Access Permit has been issued for the proposed use of the subject property.

It is noted that traffic generated by the proposed facility will be minimal. The proposed number of full time staff is 6, with some part time and casual staff being utilized on a seasonal basis. Further, there will only be 2 larger vehicles per crop cycle traveling to and from the facility. Compared to the previous

use of the subject property as a sawmill/manufacturing facility, considerably less traffic is anticipated as a result of the proposed use.

Groundwater

Notch Hill Estates residents expressed concerns about the effect on wells in the strata if the cannabis facility draws too much water and causes well interference. Shuswap Botanicals indicated that they will be using shallow wells as the source of water for the development. They further indicated that they have water rights to a surface water source, as well as access to potable water tanks that can be trucked in if required. They explained that water use for the cannabis facility will be roughly equivalent to water use for a 3 person household per day and that once fully built out, it could use up to the equivalent of two 3 person households per day or approximately 1500 litres/day. They pointed out that Notch Hill Estates draws from deep wells so their water should not be affected by the proposed facility.

Odour

Attendees expressed concerns about odour and asked what the recourse would be if there is an odour problem despite the mitigation measures required by Health Canada. Shuswap Botanicals representatives explained that an elaborate air filtration system will be used to mitigate odours. They noted that they do not anticipate that there will be any odour nuisance generated from the proposed facility but that they would maintain an open door policy in case there are any concerns that need to be addressed. They also noted that if residents believe there are compliance issues they can also contact the CSRD or Health Canada.

Light Pollution

A request was made for downward facing lighting to reduce the amount of light pollution caused by the proposed facility on the rural community. The applicant agreed to source downward facing exterior security lights where suitable.

Waste Disposal

Information provided by the applicant with their application (attached as "Applicant_Letters_BL701-94_BL725-16") indicates that the solid waste generated by the facility will include soil containing fertilizers along with by-products including leaf and stalk. They note that Health Canada requirements are strict when it comes to cannabis waste disposal and that records must be kept. Initially the applicant had indicated that they would be bagging the waste for pick up by a contractor who would take it to the landfill. However, they have recently indicated that they have an arrangement with Spa Hills who will accept this waste at their composting facility (see "Spa_Hills_Letter_BL725-16_BL701-94.pdf"). The CSRD's Operations Management Department checked with Ministry of Environment staff to ensure that cannabis waste was acceptable at commercial composting facilities. Referral comments from Operations Management indicate that based on the feedback from the Ministry, they have no concerns with the proposal from a solid waste management perspective.

Proposed Amendments at Second Reading

At first reading, it was proposed to amend the existing special regulation for the subject property, that allowed the property to be used only for wood product manufacturing, to allow the property to be used exclusively for a cannabis production facility. However, upon further research, staff are now proposing to remove the special regulation for the subject property from Bylaw No. 701-94 and instead add a new CP - Cannabis Production Zone which would be applied to the area of the property that was previously

zoned M2 – General Industrial. This zone would be used in situations where cannabis cultivation and production is proposed on a property where agriculture is not a permitted use, such as properties that are designated Industrial. This zone could then be added to other CSRD zoning bylaws as needed. Bylaw No. 725-16 has also been amended to include an additional policy in the Industrial designation which supports cannabis cultivation and processing on lands designated Industrial. The amended bylaws are attached to the Board agenda as “BL725-16_second_as_amended.pdf” and “BL701-94_second_as_amended.pdf”.

Cannabis Production Zone

As noted above, staff have drafted a new zone called CP – Cannabis Production Zone. Permitted uses in the CP zone are proposed to be limited to cannabis cultivation and processing, accessory use and one residence which can be either a single family dwelling or an accessory upper floor dwelling unit. In order to provide consistency the setbacks in the CP zone mirror those outlined in Cannabis Related Business Policy A-71, with facilities that are ≤ 500 m² required to be sited a minimum of 15 m from property lines and facilities that are > 500 m² required to be sited a minimum of 30 m from property lines.

The proposed zone would set the minimum parcel size for new subdivisions at 8 ha. This recognizes that larger parcels are more appropriate for cannabis production use as it provides greater area for buffering between adjacent uses. The proposed zone also includes a minimum parcel area for rezoning to the CP Zone; this has been set at 0.4 ha, as this area would likely be able to accommodate the required setbacks for a cannabis production facility ≤ 500 m². Finally, provisions requiring screening in accordance with the Industrial Development Permit Guidelines contained in the Electoral Area C Official Community Plan have been included to alert potential developers of this requirement. Please see “BL701-94-First_Second.pdf” for full details of the proposed new CP - Cannabis Production Zone.

SUMMARY:

Staff continue to support this application and are recommending that first readings of Bylaw No. 725-16 and Bylaw No. 701-94 be rescinded; that first and second readings of the updated Bylaw Nos. 725-16 and 701-94 be given; and that a public hearing be delegated for the following reasons:

- The name of the property owner has changed since first readings were given. As the bylaws have been renamed, it is appropriate to rescind the readings given under the old bylaw names and read the bylaws a first and second time;
- The applicant is taking the appropriate steps to address the concerns raised at the public information meeting and by referral agencies;
- Delegation of a public hearing will provide a formal opportunity for the public to provide their comments regarding the proposed bylaw amendments.

IMPLEMENTATION:

If Bylaw Nos. 725-16 and 701-94 receive first and second reading and the public hearing is delegated, staff will notify the applicant, make arrangements for the public hearing, and prepare notifications in accordance with the requirements of the Local Government Act.

COMMUNICATIONS:

Bylaw Nos. 725-16 and 701-94 were referred to the following agencies and First Nations. Responses are briefly noted. Full referral comments are attached to the Board agenda as "Agency_referral_responses_BL725-16_BL701-94.pdf".

Electoral Area C Advisory Planning Commission	Recommended that the Board accept Bylaws 701-94 and 725-16 as proposed.
Ministry of Forests, Lands, Natural Resource Operations and Rural Development – Lands Branch	No response.
Interior Health	No objections.
Ministry of Environment	No response.
Ministry of Transportation & Infrastructure	A Commercial Access Permit has been issued for the proposed use on the subject property. MoTI staff noted that the potential for the applicant completing works/maintenance on Taylor Road was discussed and that the applicant should contact the Ministry Roads Manager regarding this.
CSRD Operations Management	<p>Based on the feedback from the Ministry of Environment related to the use of waste from a cannabis facility being used at the applicants proposed processing facility there is no concerns from a solid waste management perspective.</p> <p>The proposed bylaw has been reviewed as per Section 477 of the Local Government Act and is consistent with the CSRD's current Waste Management Plan.</p> <p>This property is in the Sorrento/Blind Bay Fire Protection Area. Due to the fire potential and complexities of fighting fire in a cannabis grow op, it is recommended that the owner contact the fire department to conduct a pre-incident plan for the facility. The property is in a wildland/urban interface zone, the owner should be encouraged to follow fire smart principles around the property.</p>
CSD Financial Services	The proposed bylaw has been reviewed as per Section 477 of the Local Government Act and is consistent with the CSRD's current financial plan.
Adams Lake Indian Band	No objections. Noted that the Adams Lake Band holds constitutionally protected aboriginal rights including title throughout the entirety of its traditional territory and that these rights are exercised by their members.
Little Shuswap Indian Band	No response.
Neskonlith Indian Band	No response.

DESIRED OUTCOMES:

That the Board endorse the staff recommendations.

BOARD'S OPTIONS:

1. *Endorse the Recommendation(s).*
2. *Deny the Recommendation(s).*
3. *Defer.*
4. *Any other action deemed appropriate by the Board.*

LIST NAME OF REPORT(S) / DOCUMENT(S) AVAILABLE FROM STAFF:

1. Electoral Area C Official Community Plan Bylaw No. 725
2. South Shuswap Zoning Bylaw No. 701
3. Cannabis Related Business Policy A-71
4. Cannabis Related Business Referrals Procedure PR-32
5. Consultation Processes – Bylaws Policy P-18

Report Approval Details

Document Title:	2019-08-15_Board_DS_BL701-94_BL725-16_1174355BCLtd.docx
Attachments:	<ul style="list-style-type: none"> - BL725-16_First_Second.pdf - BL701-94-First_Second.pdf - 2019-05-16_Board_DS_BL701-94_FactoryDirectDoorsLtd.pdf - BL725-16_First.pdf - BL701-94-First.pdf - Public_Information_Meeting_Ad_BL725-16_BL701-94.pdf - Public_Information_Meeting_Info_BL725-16_BL701-94.pdf - Public_Information_Meeting_Summary_BL725-16_BL701-94.pdf - Spa_Hills_Letter_BL725-16_BL701-94.pdf - Applicant_Letters_BL701-94_BL725-16.pdf - BL701_BL725_Excerpts_BL701-94_BL725-16.pdf - PA-71_PR-32_Excerpts_BL701-94_BL725-16.pdf - Agency_referral_responses_BL725-16_BL701-94.pdf - Maps_Plans_Photos_BL701-94_BL725-16.pdf
Final Approval Date:	Aug 8, 2019

This report and all of its attachments were approved and signed as outlined below:

No Signature - Task assigned to Corey Paiement was completed by assistant Jennifer Sham

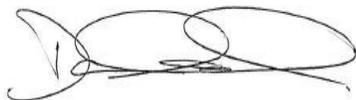
Corey Paiement - Aug 6, 2019 - 4:12 PM



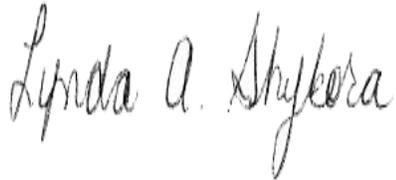
Gerald Christie - Aug 7, 2019 - 9:37 AM

No Signature - Task assigned to Jodi Pierce was completed by assistant Sheena Haines

Jodi Pierce - Aug 7, 2019 - 12:35 PM



Darcy Mooney - Aug 7, 2019 - 1:24 PM

A handwritten signature in cursive script that reads "Lynda A. Shykora". The signature is written in black ink on a white background.

Lynda Shykora - Aug 8, 2019 - 9:28 AM

No Signature - Task assigned to Charles Hamilton was completed by assistant Lynda Shykora

Charles Hamilton - Aug 8, 2019 - 9:29 AM