



BOARD REPORT

TO: Chair and Directors

File No: BL850-16
PL2021000076
BL851-23
PL2021000077

SUBJECT: Electoral Area B: Electoral Area B Official Community Plan Amendment Bylaw No. 850-16 and Electoral Area B Zoning Amendment Bylaw No. 851-23

DESCRIPTION: Report from Christine LeFloch, Planner III, dated November 5, 2021. 4200 Highway 23 South, Rural Revelstoke.

RECOMMENDATION #1: THAT: “Electoral Area B Official Community Plan Amendment Bylaw No. 850-16” be read a first time this 18th day of November, 2021.

RECOMMENDATION #2: THAT: “Electoral Area B Zoning Amendment Bylaw No. 851-23” be read a first time this 18th day of November, 2021.

RECOMMENDATION #3: THAT: the Board utilize the complex consultation process for “Electoral Area B Official Community Plan Amendment Bylaw No. 850-16” and “Electoral Area B Zoning Amendment Bylaw No. 851-23”, and that the bylaws be referred to the following agencies and First Nations:

- CSRD Operations Management;
- CSRD Financial Services;
- Ministry of Transportation & Infrastructure;
- Ministry of Forests, Lands, Natural Resource Operations and Rural Development – Archaeology Branch;
- Ministry of Forests, Lands, Natural Resource Operations and Rural Development – Lands Branch;
- Interior Health Authority;
- School District #19;
- BC Hydro; and
- All applicable First Nations and Bands.

SHORT SUMMARY:

The applicants are proposing to develop the subject property as a community of 70 new small single family dwellings intended by the owners to help address the need for affordable rental housing in the Revelstoke area. The proposal also includes a commercial component which would renovate and add a restaurant to the existing lodge and add 10 new tourist cabins. Amendments to the Electoral Area B Official Community Plan and Zoning Bylaw are required to facilitate this proposal. Staff are recommending that the amending bylaws be read a first time, that the complex consultation process be used for this application, and that referrals be sent to applicable agencies and First Nations.

VOTING: Unweighted LGA Part 14 Weighted Stakeholder
Corporate (Unweighted) Corporate (*Weighted*)

BACKGROUND:

ELECTORAL AREA:

B

LEGAL DESCRIPTION:

Lot 1 Sections 5 and 8, Township 22, Range 1, West of the 6th Meridian, Kootenay District, Plan NEP23677 "ACCESS BY WATER ONLY"

PID:

023-666-811

CIVIC ADDRESS:

4200 Highway 23 South

SURROUNDING LAND USE PATTERN:

North = Upper Arrow Lake

South = Crown Land

East = Upper Arrow Lake

West = Crown Land

CURRENT USE:

Resort Commercial (Mulvehill Creek Wilderness Inn), buildings and uses include the lodge and associated outbuildings, pool, sawmill/shop, and chapel

PROPOSED USE:

Residential community including 70 new small single-family dwellings, 10 new tourist cabins, helipad, community amenities, and associated servicing. All existing buildings and uses noted above to remain. Lodge will be renovated to add 2 additional sleeping units and a restaurant for guests and residents of the property.

PARCEL SIZE:

13.47 ha (33.11 ac)

PROPOSED PARCEL SIZES:

Subdivision of the property is not proposed. The proposed CD zone would not permit subdivision.

DESIGNATION:

RC – Resort Commercial

PROPOSED DESIGNATION:

CD – Residential Comprehensive Development

ZONE:

RC1 – Resort Commercial 1

PROPOSED ZONE:

CDB5 – Mulvehill Creek Comprehensive Development Zone

AGRICULTURAL LAND RESERVE:

0%

SITE COMMENTS:

The subject property is located on the west side of Arrow Lake approximately 25 km south of Revelstoke, about 1.5 km north of Blanket Creek Provincial Park and 17 km north of Shelter Bay Lands, Creekside development. The property does not have any frontage on a public road; the title and plan of subdivision indicate that the property was subdivided as access by water only. However, there is an existing undedicated road accessing the property from Highway 23 South over crown land and the current property owner has a Provincial license of occupation over this road. The property is situated on an alluvial fan. Mulvehill Creek crosses through the property and mapping indicates a high hazard steep creek debris flow area on the property.

BYLAW ENFORCEMENT:

No

POLICY:

See excerpts of the relevant policies and land use regulations in the attached "BL850-16_BL851-23_Excerpts_BL850_BL851.pdf".

FINANCIAL:

Financial Services and Operations Management will need to review the proposed OCP amendment and confirm if it is consistent with the CSRD's Financial Plan and Waste Management Plan.

KEY ISSUES/CONCEPTS:Proposal

Please refer to "BL850-16_BL851-23_Maps_Plans_Photos_Redacted.pdf" for the location and proposed plan for site development.

The applicants have applied to amend Bylaw No. 850 and Bylaw No. 851 to change the land use designation and zoning for the subject property to permit the development of 70 new small single family dwellings combined with continuation and expansion of the current commercial lodge on the property. The applicants have indicated the proposed single family dwellings would be rental units and affordable due to their small size. This development is being proposed by a company that has built a similar style of housing in the rural Terrace area. They refer to it as a "micro-housing" community due to the small size of the single family dwellings, the purpose of which is to provide more affordable rental housing with a smaller dwelling unit size. They are now interested in doing a similar style of development in the Revelstoke area.

The proposal outlined by the applicant in the "BL850-16_BL851-23_Applicant_Letter_2021-04-20_Redacted.pdf", attached, references the City of Revelstoke Housing Needs and Demands Assessment completed in 2018 which identified a gap in the affordable rental housing sector in Revelstoke. The proposed 70 new single-family dwellings will be stick built and relatively small, ranging from single storey 14.86 m² (160 ft²) cabins to two storey cabins up to 65 m² (700 ft²). Building small reduces the cost and speed of construction which could assist in keeping the rental cost lower for tenants. The letter included with this application dated April 20, 2021, ("BL850-16_BL851-23_Applicant_Letter_2021-04-20_Redacted.pdf", attached) indicates that these dwelling units can rent between \$900 and \$1500 per month including basic utilities. As the proposed dwellings are small, indoor and outdoor storage areas are proposed to be located on the property. This storage would be for the use of residents only and is not intended for commercial use by people not living on the property. The development would also have a community amenity building which would include shared space for residents including a larger kitchen, meeting area and laundry facilities.

The existing lodge on the property has 8 guest rooms. It is intended to be renovated to add 2 additional guest rooms and a commercial kitchen. 10 new tourist cabins are also proposed and would be operated as part of the lodge accommodations. The restaurant would include service for guests and for residents of the community but would not be open to the general public. The applicants are also proposing that a helipad be included in the zone so that they have the option to offer “heli-weddings” and other heli-tourism options to guests of the lodge. These services would be provided by other operators in the Revelstoke area. Having a helipad on site would allow for these operators to stop at the lodge to pick up guests.

Background

As noted by the applicants, the City of Revelstoke had a Housing Needs and Demands Assessment completed in 2018 which identified a lack of affordable rental housing in Revelstoke. There is currently a different housing needs assessment being done for Electoral Area B of the CSRD, however this project is not expected to be completed until early in the new year. While this document will help to inform this rezoning application, it is expected that a similar pattern will be evident regarding the need for affordable housing in the area. Local newspapers have reported that many Revelstoke businesses are currently operating at reduced hours due to a staffing shortage. Many of these jobs are minimum wage and in the hospitality industry and are often filled by foreign workers. They note that the staffing shortage is tied to pandemic travel restrictions and a reliance on foreign workers along with a lack of affordable rental housing within Revelstoke and the surrounding community to house these workers. (Please see links provided to newspaper articles in “Supplemental Information” section below.)

Official Community Plan

The residential policies of the Area B OCP indicate that the majority of new residential development in Area B is to be ‘rural’ residential development, and that rural residential development will occur in a variety of settings including with agricultural operations, in existing rural communities, on rural acreages, near the proposed Revelstoke Mountain Resort and in recreational areas such as Galena Bay. Residential land use objectives include ensuring that development is sustainable, with appropriate infrastructure (water and sewer) and utilities (telephone, power), and not costly to maintain and support. The residential land use objectives and policies are outlined in the table below along with how they apply to the proposed development of the subject property, and brief staff comments.

Area B OCP Residential Objectives	Subject Property/Proposal/Brief Staff Comments
Development has appropriate servicing infrastructure and utilities	Some services exist (for existing lodge). New community water and sewer services are proposed for residential development. Hydro and telephone are existing.
Encourage concentration of new development into existing developed areas	The proposal would expand upon the existing development on the property.
Support City of Revelstoke policies to concentrate growth into their serviced sustainable urban centre	The proposal does not meet this policy.
Support the preservation of buildings and features that have significant heritage values	Existing lodge and chapel are being retained and renovated.
Ensure comprehensive analysis and coordinated review as part of subdivision process	N/A as this proposal does not include subdivision, but will go through a comprehensive review as part of the rezoning process.

Provide for a choice of housing types while recognizing single family housing as the dominant housing form	Proposal provides a range of small single family house designs and long term rental housing for the community along with tourist commercial rental units.
Maintain and encourage support of the rural character and the social and cultural diversity of the plan area and ensure environmental integrity is addressed	While there is a lot of new development proposed and some tree clearing will be required, Development Area 3 will retain the riparian areas as open space.
Area B OCP Residential Land Use Policies	Subject Property/Proposal/Brief Staff Comments
Residential Cluster Development on a site-specific basis	The proposed development incorporates clustering of development and buffering from watercourses to preserve open space.
High Density Residential uses are encouraged to locate in serviced urban areas (e.g. Nakusp, Revelstoke)	High density residential is not defined in the bylaw but the proposed development may be considered high density for the property and Electoral Area B and so, does not comply with this policy.
Mobile Home Parks are discouraged in rural areas because they place unacceptably high pressures on the rural area for provision of public facilities and services such as parks, schools and water and sewer utilities.	The proposed development is similar to a mobile home park in that it is proposing a number of dwellings all located on one parcel. In this case the proposal includes community water and sewer servicing, natural open space which will provide area for recreation for residents, and community amenities such as a community hall for residents.
When considering new residential development ensure that Regional District Park and open space functions are addressed.	A referral will be sent to Operations Management which manages CSRD Parks.
Support a range of residential dwelling types.	The proposed development will provide a new type of single-family dwelling size for Rural Revelstoke.
Development of accessory buildings on lots prior to establishment of a principal use shall be permitted subject to size limitations as identified in zoning.	The subject property already has a principal use located on it, so this policy is not applicable.
New development shall meet the standards set out in the CSRD Subdivision Servicing Bylaw.	The subject property is not proposed to be subdivided.
On land outside the Agricultural Land Reserve, zoning shall regulate subdivision pursuant to the Local Government Act.	The subject property is not proposed to be subdivided.
Support a process to initiate implementation of a Building Inspection Process.	Building Inspection service was re-established in Area B in 2018.
One primary dwelling unit and one secondary dwelling unit shall be permitted in all residential zones subject to the relevant parking requirements.	This policy is not applicable to this style of development.
Area B OCP Lakeshore Criteria	Subject Property/Proposal/Brief Staff Comments

Lakeshore development may occur in a range of parcel sizes, ranging from large rural and resource designation to small cluster developments. For all lakeshore development management of environmentally sensitive lakeshores is required.	The proposal clusters development on a lakeshore property upland from the lakeshore. Management of environmentally sensitive lakeshore will be achieved through the applicable development permit requirements and the open space use permitted in Development Area 3.
Riparian Area Development Permit Area and Lakes 100 m Development Permit Area apply.	A Development Permit addressing RAR and Lakes 100 m considerations may be required prior to issuance of building permits for the proposed development and may also be required prior to land alteration and vegetation removal within these DPAs.
Setback from the high water mark is 100 m unless a QEP indicates it to be less, but in no case should it be less than 30 m and subject to the floodplain and reservoir setback requirements.	There is a flood covenant registered on title specifying a safe building setback for the reservoir of 30 m from the 440.7 m contour. All buildings, structures and related infrastructure will be required to be sited in accordance with the covenant requirements, which also include a flood construction level of 442.3 m GSC Datum. These covenant requirements are consistent with the Floodplain Specifications of Zoning Bylaw No. 851. If the sewage disposal field and related infrastructure is proposed to be located within 100 m of Arrow Lake, it will need to be addressed through a Lakes 100 m Development Permit and an associated report by a Qualified Professional (Hydrogeologist).
Retains public access to the lakeshore.	Residents of the community and guests of the lodge will have access to the lakeshore. There is currently no access for the public through the subject property to the lakeshore. The application will be referred to CSRD Operations Department which manages CSRD Parks.
Addresses RAR and BC Hydro reservoir setbacks as required.	As noted above, there is a covenant registered on title specifying a safe building setback from the reservoir. All buildings, structures and related infrastructure will be required to be sited in accordance with the covenant requirements. BC Hydro also has a Right of Way through the property for access to the reservoir.
Mooring of boats is permitted subject to the wharf receiving approval of the relevant agency. The number of mooring berths should not exceed 1 berth per residential unit.	The applicant has requested that floating dock and boat launch be included as permitted uses in the new CD Zone. These uses have been included in Development Area 3. A Foreshore & Water Development Permit will be required to be issued prior to placement of a dock.
Mooring facility (dock) design shall minimize scale to reduce visual impacts.	The applicant has indicated that only a small dock for access to the water for residents is proposed.
Community water and sewer systems are required for lakeshore cluster developments.	The proposed development will be serviced by community water and sewer systems.
Residential units in cluster developments (lots or strata units) may have a minimum site footprint of 0.4 ha for sites adjoining lake frontage	The proposed development is buffered from the lakeshore by a 30 m floodplain setback area. There will be no units sited on lake frontage.

Boathouses shall be entirely on privately owned upland.	A boathouse has not been proposed as part of this development and is not a permitted use in the DA3. If a boathouse is proposed in future, a Building Permit would be required, and the building inspector would ensure that the building is sited entirely on the upland parcel.
Waterfront parcels should have a minimum of 30 m of lake frontage.	The subject property has over 1 km of lake frontage. The property is not proposed to be subdivided so this policy is not applicable.
Applicable OCP Transportation Policies/Objectives	Subject Property/Proposal/Brief Staff Comments
To encourage settlement patterns and land use strategies that minimize the use of automobiles and encourage alternative modes of transportation.	The proposal does not comply with this objective. The location of the subject property will inevitably result in residents requiring the use of a vehicle to travel to and from work, school, and to run daily errands. School bus service to and from Revelstoke likely does not exist at this time but may be required as the Shelter Bay Lands development continues to build out. This application will be referred to School District #19.
Discourage the creation of low-density residential parcels and the provision of multiple driveways onto major roads and highways	The proposed development will not create low density residential parcels and there will be no additional driveways onto Highway 23 South.
Residential Cluster Development Policies	Subject Property/Proposal/Brief Staff Comments
Provides required development approval information	The applicant has provided sufficient information for processing of this application to first reading. Further information as outlined in the recommendation will be required prior to staff preparing a report recommending consideration of second reading.
Residential cluster development where net density should not exceed 1 dwelling unit/2 ha or 1 dwelling unit/ha on the lakeshore	The proposed development does not meet this policy. This policy was developed for Shelter Bay Lands which includes thousands of hectares of land. The potential density for the subject property which would be permitted under the current RC Zone is 40 tourist cabins/ha if serviced by community servicing. The density proposed in this application is 5.22 units/ha including dwellings and tourist cabins.
Maintain rural, wilderness nature of Area B by ensuring that 80% of the area is retained and protected as natural open space	The proposed development does not meet this policy. This policy was developed for Shelter Bay Lands which includes thousands of hectares of land. The proposed development would retain about 25% of the property as open space.
Development areas (residential units) are clustered to minimize the impact of development footprints (eg. roads, houses)	The proposed development clusters residential units into groups.
The remaining lands are retained as open space and these areas should be large contiguous areas.	The proposal includes areas of open space to protect the environmentally sensitive areas of the property. These

	areas are contiguous and comprise about 25% of the property.
Residential uses are appropriate to the surrounding uses (e.g. setbacks, density, relation to foreshore).	Residences are setback an appropriate distance from Arrow Lake and Mulvehill Creek. The density of buildings is lower than what would be permitted under the current zoning.
New roads shall provide a paved travel surface and a paved or gravel shoulder for pedestrians with grades less than 8%	The applicant is proposing new private driveways within the proposed development but has not indicated whether they will be paved. Driveways are proposed to be 7 m wide. Further details regarding paving and grades will be requested from the applicant prior to second reading.
Addresses transportation planning.	The applicant indicated that they may need to do a traffic study as part of their commercial access permit application process with the Ministry of Transportation.

Proposed Land Use Designation

Please see “BL850-16_BL851-23_Maps_Plans_Photos_Redacted.pdf” for the location of the subject property relative to Revelstoke and Shelter Bay Lands and “BL850-16_BL851-23_Excerpts_BL850_BL851.pdf” for policies relevant to this proposal.

The land use designation for the subject property is proposed to be changed from RC – Resort Commercial to CD – Residential Cluster Development. The property is currently designated RC – Resort Commercial which recognizes the existing resort commercial use of the property, which is the Mulvehill Creek Wilderness Inn. The OCP policies related to the CD designation are outlined in the table above and discussed in the Key Policy Considerations section.

Steep Creek Hazard Area

Section 12.5 of the OCP outlines the requirements regarding environmentally hazardous areas. It notes that the susceptibility of an area to mud flows, debris flows, debris torrents, erosion, land slip, rock falls, subsidence, or avalanche may be assessed at the time of development application. It further notes that a rezoning application may require an overall assessment of the site for development suitability (from conditions both on and off the site) prepared by a professional engineer and geoscientist licensed in BC specializing in geotechnical issues, and that further detailed information may be required as a result of the assessment. Mapping prepared by the Province in 2004 identified a hazard area at the mouth of Mulvehill Creek. This is shown in pink on the Hazard Mapping included in the attached. “BL850-16_BL851-23_Maps_Plans_Photos_Redacted.pdf”.

In 2020 BGC Engineering completed flood risk mapping for areas of the CSRD which included Electoral Area B. In Electoral Area E this mapping has been used as the basis for a Geohazard Development Permit Area as part of the new Electoral Area E Official Community Plan. The intent is to continue to create and implement similar development permit areas for other areas as new OCP’s are created, or existing ones updated, including Electoral Area B. At some point in the future a more comprehensive Geohazard Development Permit Area will be created for addition to the Electoral Area B OCP. In the meantime, as developments are proposed on lands that have been identified as hazard areas, and where OCP and zoning bylaw amendments are required for the development to proceed, staff have been recommending to the Board that Development Permit Areas specific to these developments be included the OCP. This was done for Shelter Bay and the Revelstoke Adventure Park, and it is also proposed to address the hazard area associated with Mulvehill Creek.

Bylaw No. 850-16 includes a new Mulvehill Creek Hazardous Lands Development Permit Area which will require that a Development Permit be issued prior to issuance of building permits for any new buildings or structures on the property. The proposed guidelines require that an application for

development permit be accompanied by a report from a qualified professional registered with APEGBC with experience in geotechnical engineering and preferably also with experience in hydraulic engineering. The report which the Regional District would use to determine the conditions and requirements of the development permit must include recommendations for mitigative measures or requirements that must be included in the development permit so that the proposed development is protected from the hazard and must also certify that “the land may be used safely for the use intended” as provided under the Local Government Act.

Potential Wildfire Hazard

Section 12.5.8 of the OCP provides a general strategy for addressing wildfire risks. Where a rezoning application is under consideration an overall assessment of the site for susceptibility to wildfire (from conditions both on and off-site) prepared by a professional forester licensed in BC specializing in forest wildfire assessment may be required. Further detailed information may be required as a result of the assessment. Staff note that as part of the bylaw amendments for the Revelstoke Adventure Park the “Greeley Hazardous Lands Development Permit Area 3” (Interface Fire) was created and included in the OCP. Creation of a similar Development Permit Area for Mulvehill Creek is recommended and has been included in amending Bylaw No. 650-18.

Other Applicable Development Permit Areas

The subject property is affected by the Lakes 100 m Development Permit Area and the Riparian Areas Regulation Development Permit Area as portions of the property are located within 30 m of Mulvehill Creek and Arrow Lake, and within 100 m of Arrow Lake. The site plan indicates that development is proposed to be located away from these watercourses. If no construction or land alteration is proposed within 30 m of these watercourses a RAR DP would not be required. If no development including installation of sewage system infrastructure or buildings and structures with a total footprint exceeding 200 m² is located within 100 m of Arrow Lake, then a Lakes 100 m Development Permit would not be required. If the development does trigger a Lakes 100 m Development Permit, the applicant will need to obtain the services of a Hydrogeologist to prepare a report to address potential impacts of stormwater runoff and the sewerage system on the lake environment. The report would need to include recommendations and mitigative measures to reduce the potential impacts of the development on Arrow Lake. If a dock is proposed to be installed for the development in future, a Foreshore and Water Development Permit will be required at that time. It is noted that Development Area 3 – DA3 covers the area within 30 m of Arrow Lake and Mulvehill Creek. The only permitted uses within DA3 are open space, floating dock, and boat launch.

Zoning

The property is currently zoned RC1 – Resort Commercial, which was appropriate for the existing commercial lodge that is located on the property. See attached “BL850-16_BL851-23_Excerpts_BL850_BL851.pdf” for permitted uses and regulations in this zone. The proposed new development would consist of up to 70 new small single family dwellings and would also continue operation of the existing commercial lodge and chapel along with a restaurant and tourist cabins.

Covenant

Covenant XK25121 was registered on the title of the subject property by the current owners as a condition of rezoning to the current RC – Resort Commercial zone in 1996. See “BL850-16_BL851-23_Covenant_XK25121_Restrictive.pdf”, attached. The covenant restricts several uses listed in the RC Zone that were not intended to be utilized with the resort development at that time. Restricted uses include retail store, café or restaurant (except the provision of food services for guests of the resort), campground or RV park, marina, gas or fuel station, and public utility. Since the proposal would change the zoning of the property from Resort Commercial to Comprehensive Development, thereby changing the permitted uses to only those required for this proposed development, this covenant will no longer

be required and may be discharged. It is recommended that covenant discharge occur after adoption of the amending bylaws. Staff will request a resolution from the Board to discharge the covenant at the Board meeting when the Board considers adopting the bylaws. As restaurant is being proposed as a permitted use, the proposed CD zone limits the restaurant services to lodge guests and residents of the development only. As a result of this covenant the permitted uses in the RC Zone currently allowed for this property are daycare, hotel, helipad, lodge, motel, pub, public assembly facility, single family dwelling, skiing facility and tourist cabins.

Proposed Comprehensive Development Zone

A new Comprehensive Development zone has been drafted to accommodate the proposed uses which will all be located on the subject property. The applicant's site plan divides the proposed development into four phases, and these have been used to delineate three development areas. (See BL850-16_BL851-23_Maps_Plans_Photos.pdf for the applicant's site plan and the proposed Schedule 1 to the BL851-23 which shows the proposed development areas.) The uses to be included in each development area are outlined in the table below. (Also see BL851-23_First.pdf.)

Development Area 1	16 single family dwellings with max floor area of 65 m ² , lodge (max 10 sleeping units), pool, 10 tourist cabins, helipad, community amenities, property management facility, public utility, accessory use
Development Area 2	54 single family dwellings, property management facility, community amenities, public utility
Development Area 3	Open space, boat launch, floating dock

New definitions are proposed to be added to the bylaw to address uses related to the proposed development including:

“COMMUNITY AMENITIES is the use of land, buildings and structures for amenities to residents of a community located on one parcel, including but not limited to: *public assembly facility*, indoor storage facility and *outdoor storage*,” and

“PROPERTY MANAGEMENT FACILITY is the use of land, buildings or structures for the maintenance and management of rental units and property. Property management facilities include a property management *office*, storage of equipment and machinery used for the operation and maintenance of *buildings* and property, and the repair and maintenance of vehicles, equipment or machinery associated with property maintenance;”.

The current zoning for the subject property allows for 40 tourist cabins per ha if serviced by community water and sewer, which would allow for up to 536 tourist cabins for this 13.4 ha property. However, the actual build out of tourist cabins would be much less due to site constraints, setbacks etc. By contrast, the proposed development would have a significantly reduced density and overall impact at 70 small single family units, 10 tourist cabins and a lodge with 10 sleeping units. Further, the CD Zone would limit development of the property to what is being proposed, with no additional uses permitted. This would eliminate the potential of other uses currently permitted in the Resort Commercial Zone and would also negate the need for a restrictive covenant to limit these uses.

Access

The title and subdivision plan for the subject property note that it is “water access only”. This is because the property is surrounded by Crown Land (see property ownership map in the attached “BL-850-16_BL851-23_Maps_Plans_Photos_Redacted.pdf”). However, there is an existing road from Highway 23 through Crown Land that provides access to the parcel, referred to as Mulvehill Creek Road. The current owners of the property have a License of Occupation over this road and also have an access permit issued by the Ministry of Transportation & Infrastructure for the existing business located on the property (see BL850-16_BL851-21_Legal_Access_Redacted.pdf”, attached). The applicant is aware

that these documents would need to be transferred to them as the new owners and that there may be additional requirements of the Ministry of Transportation for the proposed new development. The applicant has been in touch with the Ministry to initiate this conversation. The proposal includes internal access driveways which branch off Mulvehill Creek Road and provide access to the four development areas and associated residential pods. Engineering drawings by Blake Lawson, P. Eng. have been provided showing that these internal roads will be 7 m wide with drainage ditches on either side. While the property is not proposed to be subdivided, staff note that this standard meets the driveway requirements of the Subdivision Servicing Bylaw for access to multiple properties.

Servicing

The development is proposed to be serviced by community water and community sewer servicing. Water is proposed to be drawn from Mulvehill Creek and stored in a reservoir with an attached water treatment facility. The intake for the water system would be located on the adjacent Crown parcel, with the reservoir and treatment facility located on Development Area 2. The applicant has noted that if they are unable to service the entire development with surface water, they will drill a well to add additional water supply to the system. Community water systems such as this require permitting through Interior Health and a water license is required for the proposed surface water source.

Sewage disposal for the residential units is proposed to be a community sewer system with effluent disposed in a common field which would be in Development Area 1. The existing lodge is serviced by an existing sewage disposal system. Confirmation from the applicant's engineer regarding the design capacity will determine whether the new system requires approval under the Sewerage System Regulations or the Environmental Management Act. The existing sewage disposal system is older, and it is recommended by staff that it be assessed to determine its capacity and whether maintenance or upgrades are required. The applicant has been advised to contact Interior Health and the Water Allocation Branch to make the appropriate applications and inquiries regarding servicing for the proposed development. Further information on servicing will be required prior to staff bringing the amending bylaws back to the Board for second reading.

Key Policy Considerations

Staff recognize that the subject property does not fit with some of the OCP objectives and policies which speak to the location of future residential use, minimizing the reliance on cars for transportation, and density of land use on the lakeshore and in the Residential Cluster Development designation. The property is unique, however in that it does have an existing commercial use along with associated servicing and access to the property already in place. Therefore, it may be considered that the proposal is not greenfield development, but redevelopment of an already established area that is zoned to permit a variety of commercial uses. New development on previously undeveloped lands in the rural area may be considered differently by staff.

The only existing land use designation in the OCP that may fit the proposed development is Residential Cluster Development (CD). This designation was created as part of the OCP amendment for the Shelter Bay Lands development and is intended to be used where a very large parcel is proposed to be developed with the residential use clustered on a portion of the site, leaving large areas as natural open space. While the designation doesn't speak to commercial uses, the corresponding CD – Comprehensive Development Zone for Shelter Bay does include commercial uses.

For the subject property, the parcel size is 13.47 ha, and there are 70 new small single family dwellings along with a commercial use proposed to be clustered on three or four areas of the parcel with a portion of the land set aside as open space. While it does not meet the full intent or policies of this designation, staff believe that out of the existing designations it is the best fit for this proposal.

Shelter Bay Lands

The Shelter Bay Lands development is located about 17 km south of the subject property. Through application by the landowner, the Residential Comprehensive Development designation was created specifically for these lands which comprise thousands of hectares including large tracts of open space. The accompanying CD zone divides the land into a series of development areas, one of which is intended to preserve large areas as open space. It is similar to the proposed development in that it is a mix of residential and commercial development with some open space as well but is at a different scale and is located all on one parcel.

Mulvehill Creek

Rather than proposing a brand new land use designation for the subject property, staff propose to use the existing CD designation described above. Additional policies specific to the Mulvehill Creek property are proposed to be included in the Community Specific Policies section of the OCP to recognize that the density proposed is greater than what is permitted in the general CD policies and lakeshore development policies.

These new policies are:

- the existing Resort Commercial use of the Mulvehill Creek property is recognized;
- a mix of appropriate residential uses, Resort Commercial uses and amenities are supported within the Comprehensive Residential Development designation for the Mulvehill Creek property; and
- notwithstanding Sections 4.3.25 and 4.3.26 the maximum density of dwelling units for land designated Comprehensive Residential Development in the Mulvehill Creek area is 5.22 dwelling units/ha.

Vacation Rentals

There is a strong demand in the Revelstoke area for vacation rental style accommodations. This may be impacting the long-term rental stock in the area by influencing developers and owners who may have rented to long term tenants in the past, now choosing to rent units in the short-term market. The CD Zone has been designed to allow 10 units of tourist cabin accommodation and 70 single family dwellings. The definition of single family dwelling precludes use as a vacation rental which will help to keep these units available for long term rental.

Future Subdivision Potential

This proposal is being supported by staff in part because it offers up to 70 long term rental units. Subdivision of the parcel to create title for these units would likely erode the rental housing stock, as would creation of a shared interest property or conversion to timeshare units. The minimum parcel size specified in the CD zone for each development area is 13.4 ha to prevent subdivision of the parcel. In order to prevent the creation of a shared interest or timeshares in the future staff recommend that a covenant be registered on title specifying that creation of a shared interest or a timeshare development through the Real Estate Development Marketing Act is not permitted. This issue will be reviewed further by staff and discussed with the applicants after first reading and included in the staff report that recommends second reading.

Steep Creek Hazard

As described above, the subject property is located in an identified potential hazard area for steep creek debris flow. Further study is required to determine whether the property may be developed safely for the intended use and what mitigation measures may be required to increase the level of safety for the proposed development. Section 12.5.6 of the OCP outlines the requirements for environmentally hazardous areas that are in the rezoning process including the requirement for an assessment of the property to determine development suitability prepared by a Professional Engineer or Geoscientist. Therefore, before moving forward to consideration of second reading, staff recommend that a flooding

and debris flow hazard assessment be completed by a Professional Engineer with experience in geotechnical and hydrotechnical engineering to determine whether the property is safe for the intended use and what measures, if any are required to mitigate the potential risk. Depending on the level of detail, this report may also satisfy the reporting for the recommended DP requirement.

Wildfire Hazard

Section 12.5.8 of the OCP outlines a strategy for addressing wildfire risk that includes direction for an overall site assessment to determine susceptibility to wildfire prepared by a professional forester as outlined above. Therefore, before moving forward to consideration of second reading, staff recommend that a wildfire risk assessment be prepared by a professional forester licensed in BC specializing in forest wildfire assessment be submitted by the applicant prior to consideration of second reading. This report may also satisfy the reporting for the recommended DP requirement. It is recognized that the findings of these reports may result in changes being required to the site layout moving forward.

The amending bylaws have been prepared using information currently available. However, it is recognized that details will likely be modified further by the applicants as they work on the servicing and hazard assessment reporting. As such, there may be amendments to the bylaws at second reading. Staff may also recommend additional amendments at second reading after referral responses, and technical reporting are received, and further staff analysis of the proposed development and amending bylaws occurs.

SUMMARY:

The applicant would like to amend the Electoral Area B OCP and zoning bylaw to allow for development of a residential community consisting of 70 small single family dwellings intended for the rental market, along with renovation and expansion of the existing commercial lodge to include 2 additional sleeping units and a restaurant along with 10 tourist cabins. Staff are recommending that the proposed amending bylaws be read a first time and that referrals be sent to applicable agencies and First Nations for the following reasons:

- The proposal is not considered greenfield development but additional new development on a property zoned commercial that has significant development potential in the current zone;
- The proposed development, uses and density are more appropriate for a lakeshore property than what is permitted in the current zone;
- The proposal for 70 small single family dwellings when constructed, would increase the supply of long-term rental housing for the Revelstoke area; and,
- Reading the amending bylaws a first time will provide the opportunity to solicit referral comments from applicable agencies and First Nations to find out if there are any related issues that may need to be considered through the bylaw amendment process.

Prior to staff recommending consideration of the amending bylaws for second reading the following information will be required to be submitted by the applicant:

- A technical report from an Engineer with experience in community water and wastewater systems explaining the proposal for the provision of water and sewage disposal for the proposed development;
- a geohazard assessment prepared by a Qualified Professional with experience in geotechnical and hydrotechnical engineering providing an opinion on whether the subject property is safe for the intended use, and what measures, if any are required to mitigate the potential risk associated with the identified hazard area; and,
- a wildfire risk assessment prepared by a professional forester licensed in BC specializing in forest wildfire assessment.

The following items will need to be reviewed by staff and discussed with the applicant before consideration of second reading:

- In order to ensure that the new units remain in the long-term rental market, prior consideration of adoption of the amending bylaws staff recommend that a Section 219 covenant be registered on title of the subject property prohibiting conversion of the property to a shared interest or timeshare through the Real Estate Development Marketing Act.

IMPLEMENTATION:

In accordance with CSRD Policy P-18 regarding Consultation Processes – Bylaws, staff recommends the complex consultation process. This level of consultation is used where an application requires both an OCP and zoning change or would result in a large development project. After first reading, the applicant/developer would be requested to hold a voluntary public meeting in the community where the subject property is located. This public meeting would be arranged and conducted by the applicant and would take place prior to the Board considering second reading. The purpose of the meeting would be for the applicant to provide the public with information about the proposal, listen to their concerns, and answer their questions. Applicant would be required to take notes from the meeting and provide these to the CSRD for the record and to the Board when second reading is considered.

In addition, a notice of application sign is required to be posted on the subject property, no more than 30 days after the Board has given the amending bylaws first reading, in accordance with Development Services Procedures Bylaw No. 4001. As the subject property is not located on a public road, the notice of development sign should be located at the junction of Highway 23 South and the private road accessing the subject property, known as Mulvehill Creek Road.

As the subject property is located within 800 m of a controlled access highway, the bylaw will need to be sent to the Ministry of Transportation and Infrastructure (MOTI) requesting statutory approval under Section 52(3)(a) of the *Transportation Act*.

COMMUNICATIONS:

If the Board gives Bylaw Nos. 850-16 and 851-23 first readings, the bylaws will be sent out to referral agencies. Referral responses will be provided to the Board with a future Board report, prior to consideration of second reading and a recommendation of a public hearing. Pursuant to Section 466 of the Local Government act, the CSRD's Operations Management and Financial Services Departments will need to confirm if the proposed OCP amendment is consistent with the CSRD's Waste Management Plan and the Financial Plan.

The following list of referral agencies is recommended:

- CSRD Operations Management;
- CSRD Financial Services;
- Ministry of Transportation and Infrastructure;
- Ministry of Forests, Lands, Natural Resource Operations, and Rural Development – Archaeology Branch;
- Ministry of Forests, Lands, Natural Resource Operations, and Rural Development – Lands Branch;
- Interior Health Authority;
- School District #19;
- BC Hydro
- Adams Lake Indian Band;
- Akisqnuq First Nation;
- Ktunaxa Nation Council;

- Little Shuswap Lake Band;
- Lower Kootenay Band;
- Lower Similkameen Indian Band;
- Neskonlith Indian Band;
- Okanagan Indian Band;
- Okanagan Nation Alliance;
- Penticton Indian Band;
- Shuswap Indian Band;
- Simpcw First Nation;
- Splatsin First Nation;
- Upper Nicola Band.

DESIRED OUTCOMES:

That the Board endorse the staff recommendations.

BOARD'S OPTIONS:

1. *Endorse the Recommendations.*
2. *Deny the Recommendations.*
3. *Defer.*
4. *Any other action deemed appropriate by the Board.*

SUPPLEMENTAL INFORMATION:

1. [Electoral Area B Official Community Plan Bylaw No. 850](#)
2. [Electoral Area B Zoning Bylaw No. 851](#)
3. [Policy P-18 Consultation Processes – Bylaws](#)
4. [Development Services Procedures Bylaw No. 4001](#)
5. [City of Revelstoke Housing Needs and Demands Assessment - 2018](#)
6. [‘Post and Pray: Revelstoke labour shortage hobbles business recovery’, by Bailey Gingras-Hamilton, Revelstoke Mountaineer, July 13, 2021](#)
7. [‘Revelstoke is open for business, sometimes’, by Timothy Van Der Krogt, Revelstoke Review, August 5, 2021](#)

Report Approval Details

Document Title:	2021-11-18_Board_DS_BL850-16_BL851-23_First.docx
Attachments:	<ul style="list-style-type: none">- BL850-16_First.pdf- BL851-23_First.pdf- BL850-16_BL851-23_Applicant_Letter_2021-10-29_Redacted.pdf- BL850-16_BL851-23_Applicant_Letter_2021-04-20_Redacted.pdf- BL850-16_BL851-23_Excerpts_BL850_BL851.pdf- BL850-16_BL851-23_Legal_Access_Redacted.pdf- BL850-16_BL851-23_Covenant_XK25121_Restrictive_Redacted.pdf- BL850-16_BL851-23_Covenant_XL3882_Flood_Redacted.pdf- BL850-16_BL851-23_Maps_Plans_Photos_Redacted.pdf
Final Approval Date:	Nov 10, 2021

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



Corey Paiement



Gerald Christie



Jennifer Sham

A handwritten signature in black ink, appearing to read "C. Hamilton". The signature is fluid and cursive, with a large initial "C" and a stylized "H".

Charles Hamilton