



BOARD REPORT

TO: Chair and Directors

SUBJECT: Electoral Area E: Electoral Area E Official Community Plan Amendment Bylaw No. 840-03 and Electoral Area E Zoning Amendment Bylaw No. 841-07

DESCRIPTION: Report from Jan Thingsted, Planner III, dated May 29, 2023.
3410 Oxbow Frontage Road, Yard Creek

RECOMMENDATION #1: THAT: "Electoral Area E Official Community Plan Amendment Bylaw No. 840-03" be denied second reading this 15th day of June, 2023.
Stakeholder Vote Unweighted Majority

RECOMMENDATION #2: THAT: "Electoral Area E Zoning Bylaw Amendment Bylaw No. 841-07" be denied second reading, as amended, this 15th day of June, 2023.
Stakeholder Vote Unweighted Majority

SHORT SUMMARY:

The applicant is proposing to redesignate the subject property from Industrial (ID) to Resort (RT) and rezone the property from Industrial 2 (ID2) to CDE8 – Comprehensive Development E8 to create a mixed-use resort near Yard Creek in Electoral Area E.

At the February 16, 2023 Board meeting, staff recommended that the amending bylaws be denied first reading. The Board defeated the staff recommendation and instead gave the bylaws first reading with direction for staff to utilize the complex consultation process and refer the application to the applicable agencies and First Nations. Referral comments are attached to this report. Also included with this report is a servicing brief, preliminary hydrogeological assessment, updated site plan, and public information meeting summary submitted by the applicant.

Staff are recommending that the proposed amending bylaws be denied second reading and second reading as amended for the same reasons explained in the staff report presented at the February 16, 2023 Board Meeting.

BACKGROUND:

See item 17.2 on [February 16, 2023 Board Meeting Agenda](#) for the report presented at First reading.

See: "BL840-03_BL841-07_Maps_Plans_Photos.pdf" for updated maps and plans.

POLICY:

See "BL840_BL841_Excerpts_BL840-03_BL841-07.pdf" for excerpts of the relevant policies and land use regulations from Bylaw No. 840 and Bylaw No. 841.

FINANCIAL:

Financial Services and Operations Management have reviewed the proposed bylaws as per S.477 of the Local Government Act and determined that they are consistent with the CSRD's current Financial Plan and Waste Management Plan.

See attached "BL840-03_BL841-07_Agency_Comments.pdf" for complete comments.

KEY ISSUES/CONCEPTS:

Agency Referral responses

Referrals were sent by staff to the applicable agencies and First Nations listed below in the Communications section. Responses have been attached to this report and are summarized below.

See "BL840-03_BL841-07_Agency_Comments.pdf" for complete agency comments.

CSRD Operations Management recommends that the development be serviced by a refuse transfer station, consolidating waste disposal for hauling to the Sicamous Landfill.

The Archaeology Branch notes that there are no known archaeological sites recorded on the subject property and does not require a Provincial heritage permit for land-altering activities (e.g., home renovations, property redevelopment, landscaping, service installation). However, they note that there is high and moderate potential for previously unidentified archaeological sites to exist on the property and strongly recommend that the developers engage an eligible consulting archaeologist prior to any land-altering activities. Ultimately, it is the property owner's responsibility to ensure that land altering-works activities do not contravene the Heritage Conservation Act.

Interior Health notes that there is currently no permitted water system for the subject property and that before adding a domestic water system, the applicant will need to apply for a new source evaluation and construction permit. The applicant must also apply and receive an operating permit before providing water to the users.

The Ministry of Transportation and Infrastructure (MOTI) granted preliminary approval for the proposed rezoning for one year pursuant to section 52(3)(a) of the Transportation Act, subject to the following condition and comments:

- Applicant to apply online for a Commercial Access permit for the existing access.
- Ministry does not support on-street parking at this location. Development to provide additional parking for visitors and recreational vehicle storage.
- Buildings or structures adjacent to the Oxbow Frontage Road are to be set back from the property line, a minimum of 4.5 metres. If buildings or structures are proposed within the 4.5m setback from the Oxbow Frontage Road dedication, the landowner is encouraged to contact the ministry as additional permitting is required and may not be supported.
- No storm drainage shall be directed towards Oxbow Frontage Road. This would include but is not limited to collection/run-off of the internal road system or development run-off. All surface and subsurface drainage/storm water from the development is to be dealt with onsite.

All agency comments received by the CSRD have been forwarded to the applicant's agent.

Additional information requested at first reading

In the report presented to the Board at first reading, staff recommended that the applicant provide the following technical reports prior to consideration of second reading:

- a servicing brief addressing water and sewer servicing of the subject property
- preliminary hydrogeological assessment on the quantity and quality of water resources of the subject property
- updated site plan showing share-lot sizes and widths

These reports have been provided by the applicant and are summarized below.

Water Supply and Sewage Disposal

The applicant has submitted a Preliminary Infrastructure and Servicing Report prepared by Franklin Engineering Ltd., dated April 25, 2023.

The report notes that for the proposed 116 lots on the development property, the maximum daily demand for water was estimated to be 202.5 m³/day while the peak daily design for sewage was estimated to be 96.3 m³/day. To meet the design demands for water and wastewater, Franklin Engineering Ltd. proposes the following services: water will be supplied from a new well and community water system located on the south end of the property; sewage disposal will involve a Class C wastewater treatment plant and dispersal field located on the north end of the property (to be registered under the BC Municipal Wastewater Regulations). Stormwater management is proposed to involve the collection and detention of stormwater runoff, with the use of catch basins, rock pits, and splash pads.

Staff are satisfied with the preliminary servicing report and will follow-up with the applicant regarding items requirements identified in the report if the amending bylaws receive second reading. Follow-up items include obtaining an Interior Health Authority Construction Permit for the water system and registering the wastewater treatment and disposal system in accordance with the Municipal Wastewater Regulations.

See: "BL840-03_BL841-07_Preliminary_Servicing_Report_2023-04-25.pdf" for full report.

Preliminary Hydrogeology Assessment

Bylaw No. 840 requires that a hydrogeological assessment be conducted to verify that the proposed development will have a reliable water supply and that there will be no significant negative impacts on other water supplies and properties. The applicant has submitted a preliminary hydrogeology assessment report prepared by Ecoscape Environmental Consultants Ltd. (Ecoscape), dated April 25, 2023. The hydrogeological assessment provides an analysis of the subject property's groundwater resource potential, wastewater disposal suitability and impacts, and stormwater recharge impacts.

Based on field observations, water quality analytical data, and available geological and hydrogeological data, Ecoscape believe that the groundwater resources at the site are suitable for a community water supply in terms of quality and quantity. Water quality in the sample collected from an onsite well was deemed excellent, with all analyzed parameter concentrations falling below Guidelines for Canadian Drinking Water Quality and standards. Ecoscape estimate that high recharge to the aquifer and favourable reported well yields in nearby well logs indicate an appropriately positioned well with groundwater extraction at the proposed rate of 202.5 m³/day is feasible and should not result in significant impacts to local groundwater users.

Ecoscape note that although the proposed development has the potential to impact local groundwater and surface water resources, implementing rigorous and appropriate sediment and erosion control practices and procedures during construction along with effective stormwater management and disposal

practices should minimize the potential for compromised local groundwater and surface water quality from stormwater runoff.

Staff are satisfied with the Ecoscape assessment and will follow-up with the applicant regarding recommendations in the report if the amending bylaws receive second reading. These recommendations include: maintaining the existing pond observed on the property; following Municipal Wastewater Regulations; obtaining necessary permits from the Interior Health Authority; and retaining Ecoscape to review future development design details and specifications as they arise, prior to construction.

See: "BL840-03_BL841-07_Preliminary_Hydrogeological_Assessment_2023-04-25.pdf" to view the complete assessment report.

Site Access and Layout

The applicant has submitted a conceptual and detailed site plan of the proposed resort along with plans showing Class A RV access on typical share-lots. The plans provided demonstrate that Class A RV access is possible on typical lots without compromising space for accessory uses permitted by the proposed zoning. See: "BL840-03_BL841-07_Concept_Plan_RV_Access_2023-04-25.pdf" to view site plans and RV access plans.

Public Input

At first reading, the Board directed that the complex consultation process be followed for Bylaw No. 840-03 and Bylaw No. 841-07. Section 8.4 in Procedures Bylaw No. 4001-02, as amended, specifies that the complex consultation process requires the applicant to hold a public information meeting after first reading and prior to second reading, at the applicant's expense.

The property owners and their agent hosted a public information meeting on April 20, 2023 (11:30 AM – 1:30 PM) at the Malakwa Learning Academy located at 3994 Malakwa Road, Malakwa. Public notification of the meeting was sent to property owners located within a 100 m radius from the subject property along with advertisements of the meeting being published in the April 6, 2023, and April 13, 2023 editions of the Eagle Valley News. Notice of the meeting was also posted on social media and the developer's website. The Electoral Area E Director and staff did not attend the meeting since it coincided with the regular CSRD Board meeting time. However, the Electoral Area E Director's Alternate was able to attend the meeting.

The meeting consisted of an open house style display, brief oral presentation, followed by a question-and-answer period. The public information meeting summary provided by the agent notes that there were 17 people that signed in. The majority of attendees listed on the sign-in sheet identify as residents of Sicamous. One attendee noted an address on Oxbow Frontage Road. Comment cards were made available at the meeting for attendees to fill out. The comments provided generally show support for the resort proposal.

Staff are satisfied that the public information meeting was advertised and conducted in accordance with Development Services Procedures Bylaw No. 4001

See: "BL840-03_BL841-07_Public_Notification_Meeting_Summary_Redacted_2023-04-21.pdf" for complete information meeting summary.

Staff have received several written public comments regarding this application following installation of the Notice of Development sign. If the Board decides to delegate a public hearing, these comments will be presented to the Board as part of a staff report following the public hearing.

Amending Bylaws

If the Board denies the staff recommendations and gives Bylaw No. 840-03 and Bylaw No. 841-07 second reading and second reading as amended, the bylaws will be presented at a Public Hearing. Bylaw No. 840-03 remains unchanged from first reading; however, several minor changes have been made to Bylaw No. 841-07. These changes include:

- Increasing the number of residential share-lots in Development Area 3 from 56 to 58
- Decreasing the number of camping spaces in Development Area 4 from 27 to 12
- Adding "seasonal dwelling unit" as a permitted use in Development Area 2
- Minor updates to the size of Development Areas
- Replacing the "Schedule 1" resort plan map with an updated map

The changes to Bylaw No. 841-07 are based on an updated site plan and discussions with the applicant's agent.

See attached: "BL840-03_Second.pdf and "BL841-07_Second_Amended.pdf" to view complete amending bylaws.

SUMMARY:

At the February 16, 2023 Board meeting, staff recommended that the amending bylaws be denied first reading. The primary reason for staff not supporting the proposal is that the amending bylaws are inconsistent with the Resort, Residential, and Industrial policies in Electoral Area E Official Community Plan (OCP) Bylaw No. 840. The subject property is located in an established industrial area and is not deemed suitable for resort or residential use. Further analysis and discussion of the proposal in respect to OCP policy is provided in the Board report presented at first reading: See item 17.2 on [February 16, 2023 Board Meeting Agenda](#).

Although the applicant has hosted a public information meeting and provided the technical reports that were requested by the Board at first reading, staff are recommending that Bylaw No. 840-03 and Bylaw No. 841-07 be denied second reading and second, as amended. The rationale for staff's position is summarized below and remains unchanged from what was presented to the Board at the February 16, 2023 Board meeting:

- The amending bylaws are inconsistent with the OCP's Resort, Residential and Industrial policies.
- The subject property and surrounding properties are designated and zoned for heavy Industrial use. The proposed resort is not deemed compatible with the adjacent Industrial uses.
- The OCP supports maintaining and revitalizing Industrial areas.
- Electoral Area E has a limited Industrial land base – removing land from the Industrial designation compromises the Industrial land use potential in the area which could have a long-term negative impact on the local economy.
- The OCP does not support designating land intended for higher density residential use outside the Malakwa Village Centre.

- The OCP supports medium and heavy industry (e.g., sawmills, gravel processing) in areas where heavy industry already exists by designating these parcels Industrial.
- The OCP encourages increased residential density in the Malakwa Village Centre and does not include policies supporting the redesignation of Industrial lands to Residential.
- The OCP does not support the creation of new shared-interest resorts.

IMPLEMENTATION:

If the Board endorses the staff recommendations, the applicant will be advised of the Board's decision and the file will be closed.

If the Board denies the staff recommendations and gives second reading and second reading as amended to the bylaws, it will be appropriate for the Board to delegate a public hearing. Staff will arrange for a public hearing to be held and undertake the communications related to advertising a public hearing as per [Policy P-25 Public Hearings](#). P-25 indicates that public hearings will be organized to provide for in person attendance and remote participation by way of electronic attendance. Public Hearings are to be held in the Board of the CSRD Office in Salmon Arm unless there are unique circumstances that necessitate holding the public hearing at an alternative location in the community. Staff recommend that this public hearing be held in the community as OCP and zoning amendments are considered significant. Staff have spoken to Director Martin and she supports the public hearing being held in the community if the bylaws are granted second reading. Staff recommend that the Public Hearing be held in Malakwa at the Malakwa Learning Academy gymnasium if it is available.

The holding of the public hearing will need to be delegated to Director Rhona Martin, as Director of Electoral Area E being that in which the land concerned is located, or Alternate Director Brian Thurgood, if Director Martin is absent.

COMMUNICATIONS:Notice of Development Sign

A Notice of Development sign was placed on the subject property in February 2023 by the applicant and a photo of the sign on the property was provided to staff.

Public Hearing

If the Board gives Bylaw No. 840-03 and Bylaw No. 841-07 second reading and second reading as amended and delegates a public hearing, staff will arrange the public hearing, including: placing ads in local newspapers, posting the ad on the CSRD website and social media, and sending notices to all property owners of land located within 100 m of the subject property. The public hearing package will be made available on the CSRD website at least 10 days in advance of the public hearing.

Referrals

Bylaw No. 840-03 and Bylaw No. 841-07 were referred to the following agencies and First Nations. Responses are briefly noted below. Full referral comments have been compiled and are attached to the Board agenda as "BL840-03_BL841-07_Agency_referral_responses.pdf".

Agency	Response
CSRD Operations Management	The proposed bylaw has been reviewed as per S.477 of the Local Government Act and is consistent with the CSRD's current waste management plan.

	It is recommended that the development be serviced by a refuse transfer station, consolidating waste disposal for hauling to the Sicamous Landfill.
CSRD Financial Services	The proposed bylaw has been reviewed as per S.477 of the Local Government Act and is consistent with the CSRD's current financial plan.
Adams Lake Indian Band	No Response
Skw'lax te Secwepemcúłecw (Little Shuswap Lake Band)	No Response
Lower Similkameen Indian Band	No Response
Neskonlith Indian Band	No Response
Okanagan Indian Band	No Response
Okanagan Nation Alliance	No Response
Penticton Indian Band	The Penticton Indian Band reviewed the proposal and deferred further consultation and engagement to the Okanagan Indian Band.
Shuswap Indian Band	No Response
Splatsin First Nation	<p><u>Concerns Regarding the Project</u></p> <p>We are asking for a copy of any contaminated sites investigation works completed to date. If these have not been done, we are asking that a phase 1 Environmental Site Assessment be completed. This is in regard to the change from industrial to potential residential land use.</p> <p><u>Recommendations</u></p> <p>These works are taking place in Splatsin's area of Caretaker responsibility. We request that an archaeologist from Yucwmenlúcwu be engaged to conduct an AOA to determine archaeological potential and to determine what level of work may be required to ensure that archaeological resources are protected prior to development.</p> <p>Splatsin wants to make it clear that Splatsin Development Corp, as represented by Yucwmenlúcwu staff does not fully represent all Splatsin interests, nor does it indicate that Splatsin supports the proposed work or project in its entirety. The proponent must understand that having an AIA/PFR/AOA/CHA conducted by an employee from Yucwmenlúcwu does not mean that engagement with Splatsin is considered comprehensive nor complete. Splatsin reserves the right to provide further comments and concerns and to have these concerns addressed by the proponent before we consider supporting any of the proposed works. Please forward along any monitoring reports and notify Splatsin immediately if there are non-compliance events.</p>
Interior Health	Currently there is no permitted water system with Interior Health for 3410 Oxbow Frontage Road, Yard Creek. Before adding a domestic water system, the applicant will need to apply for a new source evaluation and construction permit.

	The new source evaluation should be carried out prior to drilling the new well. The applicant must also apply and receive an operating permit before providing water to the users.
Ministry of Environment and Climate Change Strategy	No Response
Ministry of Transportation and Infrastructure	<p>Preliminary Approval is granted for the rezoning for one year pursuant to section 52(3)(a) of the Transportation Act, subject to the following condition and comments:</p> <ol style="list-style-type: none"> 1. Applicant to apply online for a Commercial Access permit for the existing access. 2. Ministry does not support on-street parking at this location. Development to provide additional parking for visitors and recreational vehicle storage. 3. Buildings or structures adjacent to the Oxbow Frontage Road are to be set back from the property line, a minimum of 4.5 metres. If buildings or structures are proposed within the 4.5m setback from the Oxbow Frontage Road dedication, the landowner is encouraged to contact the ministry as additional permitting is required and may not be supported. 4. No storm drainage shall be directed towards Oxbow Frontage Road. This would include but is not limited to collection/run-off of the internal road system or development run-off. All surface and subsurface drainage/storm water from the development is to be dealt with onsite.
Ministry of Forests - Archaeology Branch	<p>According to Provincial records, there are no known archaeological sites recorded on the subject property. If land-altering activities (e.g., home renovations, property redevelopment, landscaping, service installation) are planned on the subject property, a Provincial heritage permit is not required prior to commencement of those activities. However, archaeological potential modelling for the area indicates there is high and moderate potential for previously unidentified archaeological sites to exist on the property. The Archaeology Branch strongly recommends engaging an eligible consulting archaeologist prior to any land-altering activities. The archaeologist will review the proposed activities, verify archaeological records, and possibly conduct a walk-over and/or an archaeological impact assessment of the project area to determine whether the proposed activities are likely to damage or alter any previously unidentified archaeological sites. Please notify all individuals involved in land-altering activities (e.g., owners, developers, equipment operators) that if archaeological material is encountered during development, they must stop all activities immediately and contact the Archaeology Branch for direction.</p>

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.*

Report Approval Details

Document Title:	2023-06-15_Board_DS_BL840-03_BL841-07_second.docx
Attachments:	<ul style="list-style-type: none">- BL840-03_Second.pdf- BL841-07_Second_Amended.pdf- BL840-03_BL841-07_Preliminary_Servicing_Report_2023-04-25.pdf- BL840-03_BL841-07_Preliminary_Hydrogeological_Assessment_2023-04-25.pdf- BL840-03_BL841-07_Concept_Plan_RV_Access_2023-04-25.pdf- BL840-03_BL841-07_Public_Notification_Meeting_Summary_2023-04-21_Redacted.pdf- BL840-03_BL841-07_Agency_Comments.pdf- BL840-03_BL841-07_Maps_Plans_Photos.pdf
Final Approval Date:	Jun 8, 2023

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



Corey Paiement



Gerald Christie



Jennifer Sham

No Signature - Task assigned to John MacLean was completed by assistant Jennifer Sham

John MacLean