

ADMINISTRATIVE REPORT



TO: Board of Directors
FROM: B. Newell, Chief Administrative Officer
DATE: June 2, 2022
RE: Official Community Plan (OCP) & Zoning Bylaw Amendment – Electoral Area “E” (E2021.014-ZONE)

Administrative Recommendation:

THAT Bylaw No. 2458. 17, 2022, a bylaw to amend the Electoral Area “E” Official Community Plan to allow Chute Lake Lodge Resort to expand onto Crown Land and build new accommodation forms be read a third time and adopted; and,

THAT Bylaw No. 2800.05, 2022, a bylaw to amend the Okanagan Valley Zoning Bylaw be read a third time and adopted.

Purpose:

Civic: 9540 & 9550 Chute Lake Road Folio: E-03150.000, E-06829.010/.001/.004

Legal: District Lot 511S, SDYD, Commercial Resort at Chute Lake (9540 & 9550 Chute Lake Road); and Lot 1, Plan KAP28183, Sublot 9, District Lot 2711, SDYD; and approximately 2.0 ha portion of Plan 1190, Sublot 9, District Lot 2711, SDYD, except Plan 28183; Parcel A, Plan A63; and Parcels A and B, Plan A498; Crown land Licence of Occupation #349174.

Proposed Development:

This application is seeking to amend the zoning of the subject properties to allow expansion of Chute Lake Lodge Resort onto surrounding leased Crown Land, formalize the campground use, and allow new building forms including cabins with cooking facilities.

To accomplish this, the following land use bylaw amendments are being proposed by the applicant:

- amend the land use designation under Schedule ‘B’ (OCP Map) of the Electoral Area “E” Official Community Plan (OCP) Bylaw No. 2458, 2008, from part Parks and Recreation (PR), part Resource Area (RA), and part Commercial Tourism (CT) to Commercial Tourism (CT); and
- amend the zoning under Schedule ‘2’ (Zoning Map) of the Okanagan Valley Zoning Bylaw No. 2800, 2022, from part Parks and Recreation (PR), part Resource Area (RA), and part Commercial Tourist One (CT1) to Commercial Tourist One Site Specific (CT1s), with the site specific regulations to allow campground use, up to 30 tourist cabins, and cooking facilities in tourist cabins.

In support of the rezoning, the applicant has stated that “The property was purchased in 2018 by Chute Lake Holdings as a community legacy... interested in keeping the ... historical buildings and restoring the waterfront to a more natural setting while creating enough revenue to sustain the legacy economically. This expansion will provide for staff housing and the public demand of a diverse set of experiences.”

Site Context:

The subject properties are approximately 2.1 ha in area for the freehold portions and 2.0 ha for the leasehold portions. The resort is situated on the west side of Chute Lake on both sides of Chute Lake Road and the Kettle Valley Railway (KVR). It is understood that the parcel is comprised of the lodge, public washrooms, four (4) yurts, eight (8) cabins, maintenance and storage buildings, RV and tent camping sites, and eleven (11) moveable glam tents.

The surrounding pattern of development is generally characterised by a few cabins on leasehold Crown Land and otherwise vacant Resource Area (RA) Crown Land.

Background:

On January 1, 2022, a Public Information Meeting (PIM) was held virtually via WebEx and was attended by approximately three (3) members of the public.

At its meeting of January 10, 2022, the Electoral Area "E" Advisory Planning Commission (APC) resolved to recommend to the RDOS Board that the subject development application be approved, subject to the following conditions:

- i) THAT the reference staff RV's for residential use be removed from the amendment bylaw and be addressed separately through a TUP application; and
- ii) THAT the references to leased land be updated with the appropriate legal lot descriptions when the lease is approved; and
- iii) THAT up to one (1) accessory dwelling and up to thirty (30) tourist cabins be permitted under CT1 zoning.

At its meeting of May 5, 2022, the Regional District Board resolved to approve first and second reading of the amendment bylaws and scheduled a public hearing ahead of its meeting of June 2, 2022.

All comments received to date in relation to this application are included on the Board Agenda.

Approval from the Ministry of Transportation and Infrastructure (MoTI) is not required prior to adoption as the proposed amendments involve lands beyond 800 metres of a controlled access highway (i.e. Highway 97/3).

Analysis:

The nature of the site is already Commercial Tourist activities and this rezoning request is mostly formalizing existing uses and the expanded leasehold areas. Chute Lake Lodge Resort has existed since the 1980s and the site has been used for commercial activities since the early 1900s, previously as the mill. The Resort is interested in restoring the environment from past impacts and preventing further harm with future expansion.

This rezoning will allow the resort to continue uses that are currently occurring (i.e. the campground) and expand to uses that will help make it financially viable (i.e. cabins with cooking facilities).

The zoning bylaw currently divides permanent tourist accommodation buildings (e.g. cabins, lodge, etc.) and temporary camping accommodations into separate zones (CT1 and CT2 respectively). This separation of uses is typically for more urban sites that might, for example, be suitable for a hotel but not RVs. However, with this and other large, rural sites there is growing interest from operators to

provide a variety of accommodations at price points approachable by a wider range of guests. There are no impacts to nearby neighbours by allowing tents and RVs, as are currently being used.

Providing cooking facilities in tourist accommodation is not currently permitted in the zoning bylaw; however, there is also increasing interest in providing this option to guests. The purpose of not allowing cooking facilities is to prevent permanent residence in the cabins, but this is already accomplished by the definition of temporary, travelling public. The tourist accommodation and vacation rental markets are changing and operators are adapting to the needs of their guests.

The zoning bylaw has defined the Commercial Tourist One Zone to prevent too much intensity on site and unwanted uses like permanent residences. The existing definition of tourist accommodation could be followed to prevent the cabins from being used as permanent dwellings in the future.

In summary, the site specific zoning will allow Chute Lake Lodge Resort to continue and expand operations as a site that has historical importance and draws tourists to Electoral Area "E".

Alternatives:

1. THAT first and second readings of Bylaw No. 2458.17, 2022, Electoral Area "E" Official Community Plan Amendment Bylaw and Bylaw No. 2800.05, 2022, Okanagan Valley Zoning Amendment Bylaw be rescinded and the bylaws abandoned.

Respectfully submitted:



Danielle DeVries, Planner I

Endorsed By:



C. Garrish, Planning Manager

Attachments: No. 1 – Applicant's Site Plan

No. 2 – Site Photo

Attachment No. 1 – Applicant’s Site Plan



Attachment No. 2 – Site Photo (Google Street View 2014 looking south)

