

## ADMINISTRATIVE REPORT



**TO:** Advisory Planning Commission  
**FROM:** B. Newell, Chief Administrative Officer  
**DATE:** October 26, 2020  
**RE:** Proposed OCP and Rezoning Amendments - 4850 Naramata Road, Electoral Area "E"

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Purpose: To facilitate a 40 lot residential subdivision on the western part of the property.

Owners: Naramata Holding Ltd.                      Agent: Ecora Engineering                      Folio: E-02018.000

Legal: District Lot 197S, SDYD, Except Plan B4649 A62                      Civic: 4850 North Naramata Road

OCP: Resource Area (RA)                      Proposed OCP: Small Holdings (SH)

Zone: Resource Area (RA)                      Proposed Zoning: Small Holdings Three (SH3)

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### **Proposed Development:**

This application is proposing to amend the zoning of the property in order to facilitate a 40 lot residential subdivision on the western part of the subject property, and requires a reduction in the minimum parcel size requirement for subdivision from 20.0 ha to 1.0 ha.

In order 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 Electoral Area "E" Official Community Plan (OCP) Bylaw No. 2458, 2008, from Resource Area (RA) to Small Holdings (SH);
- amend the zoning under Schedule '2' (Zoning Map) of Electoral Area "E" Zoning Bylaw No. 2459, 2008, from Resource Area (RA), to Small Holdings Three Zone (SH3).

In support of the rezoning, the applicant has stated that: "The development of new 40 lots offers a number of benefits to Naramata and the Penticton area [including] economic activity and jobs ... upgrades to the Naramata Water System and annual taxes and user fees ... property taxes of about \$30,000,000 assessed value (@\$750,000 per home) for Naramata services ... and local spending in retail, restaurant, entertainment and other services."

### **Site Context:**

The subject part of the property proposed for rezoning and development is approximately 61 ha in area, and bounded to the northeast by the KVR trail, and is situated approximately 6.5 km north of the City of Penticton's municipal boundary.

The subject part of the property is surrounded to the north and northeast by a corridor of land zoned Parks and Recreation (PR), as well as undeveloped Resource Area (RA) lands. To the south are Resource Area (RA) lands with some development, and a developed Residential Single Family One (RS1) lot. To the south-west are adjacent Agricultural lands (AG1 and AG1s) that are in the ALR. To the west, there are two developed Small Holdings Two (SH2) and Large Holdings One (LH1) properties.

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**Background:**

The property was created by a plan of subdivision registered with the Land Titles Office in Kamloops in 1990, and available RDOS files indicate that no building or development permits have been issued.

Under the South Okanagan RGS Bylaw No. 2770, 2017, Naramata has been designated as a “Rural Growth Area”, however, the growth boundaries of this area have not yet been established. The RGS was last updated in 2017, and will undergo a review and update process in 2020/2021.

Under the Electoral Area “E” Naramata Official Community Plan (OCP) Bylaw No. 2458, 2008, the subject property is currently designated as Resource Area (RA), an objective of which is “to maintain the rural character” of such lands, and this is supported by a policy “that these areas will remain rural with limited community services and infrastructure.” This OCP was last reviewed and updated in 2008, and will be updated within the foreseeable future.

The property is further designated as being within an Environmentally Sensitive Development Permit (ESDP) Area due to the presence of “Very High” and “High” environmental values. The property has also been designated as comprising a Watercourse Development Permit (WDP) Area due to three creeks running through the property.

Under Electoral Area “E” Zoning Bylaw No. 2459, 2008, the subject property is currently zoned Resource Area (RA), which establishes a minimum parcel size for subdivision of 20.0 ha, and limits residential density to one (1) principal dwelling unit per parcel and up to four (4) accessory dwellings (which have floor areas limited to 90 m<sup>2</sup>/unit).

**Analysis:**

Administration considers this application to be inconsistent with the Regional Growth Strategy and the Electoral Area “E” OCP Bylaw, given that the subject lands are designated Resource Area (RA) and not identified for future rural-residential development, as well as the area’s distance from Naramata’s village center.

Administration further considers this application to be premature given the pending review of the RGS Bylaw in 2020/21 and review of the OCP Bylaw in either 2021 or 2023. For these reasons, Administration is recommending denial of the subject proposal at this time.

**Housing and Development**

The current Electoral Area “E” OCP established the land use designations for the area with community engagement and planning analysis. These particular lands are designated Resource Area (RA), which supports a 20 ha minimum parcel size, with the stated objectives to:

- *Recognize that much of the land designated as Resource Area in the Plan area is part of the Okanagan Provincial Forest, and to minimize conflicts between these lands and other land uses;*
- *and*
- *To maintain the rural character and compatibility of land designated Resource Area.*

The OCP encourages cluster housing development in the Resource Area (RA), based on examination of the criteria set out under Section 7.3 (Growth Management). Furthermore, the South Okanagan Regional Growth Strategy provides clear direction to “create walkable, liveable, mixed-use neighbourhoods and communities” by promoting compact smaller lot development that is located

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close to day-to-day amenities, with a preference for infill. With a residential density of approximately one (1) unit per net hectare of development on undeveloped property, the proposed large-lot residential subdivision does not qualify as cluster housing, promote compactness, walkability, nor does it contemplate infill development and mixed-uses.

The South Okanagan Regional Growth Strategy's (RGS) first goal is to: "Focus development to serviced areas in designated Primary Growth Areas and Rural Growth Areas" (RGS, pg. 13). This critical policy direction promotes efficient infrastructure investment, mitigates the negative environmental impacts of development by reducing urban and rural sprawl, promotes healthier and more integrated communities, and lowers GHG emissions by reducing commuter times and automobile dependency of new residential development.

While Naramata is currently identified as being a "Rural Growth Area" within the RGS, the proposed development is situated in a peripheral area approximately 2.5 km away from Naramata village. At this point, it is unknown whether this peripheral development should be considered part of the "Rural Growth Area", until such a time that a growth boundary is determined for Naramata through a comprehensive Electoral Area "E" OCP review.

#### Infrastructure & Transportation:

The property is not serviced by a community sewer system, and it appears that the lot sizes have been designed to achieve the maximum density possible through the provision of private on-site septic systems for each property (i.e. 1.0 ha minimum parcel size).

The application proposes to connect to the Naramata community water system, which would require significant upgrades, including a new reservoir on the eastern side of the KVR Trail. While more engineering analysis is required, the reservoir may benefit the surrounding area serviced by the water system.

The development would have a vehicular access point from North Naramata Road, and proposes approximately 2.5 km of additional linear roadway for local access. This presents RGS alignment concerns, in terms of introducing new infrastructure to support low-density residential development in a peripheral area that may or may not be located within a Growth Area.

#### Environmental Considerations:

For Resource Area (RA) lands, the OCP "Generally supports Provincial policies on protection and use of working forests and grass land, and discourages development that might conflict with forestry, livestock and grazing operations and management, or protection of important habitat."

Given the high environmental value of the site, the application calls into question alignment with the Electoral Area "E" OCP and Regional Growth Strategy's environmental objectives and policies intended to protect the health and biodiversity of sensitive ecosystems in the region, including:

- most of the subject area is of very high conservation ranking, high biodiversity, and high connectivity value for flora and fauna;
- watercourses run directly through some of the proposed lots, and five road crossings are proposed over those creeks, which have been identified as sensitive habitat that act as wildlife corridors;

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- the large lot size proposed in the plan can result in serious ecological impacts such as loss of ecological values, accelerated habitat fragmentation, an impact area greater than the development footprint; and
  - the proposed development is directly adjacent to the Nature Trust of BC's Trust Creek Conservation Area (on the north third of the west side of the development, adjacent to lot 30) and a buffer has not been proposed.

Conversely, Administration recognises that the subject application discusses possible economic benefits of the development, including an increased tax base and increased consumer base. The application also proposes a 1.0 ha area for a public park, with a parking lot and KVR trail access to improve recreational opportunities for the neighborhood, as well as water system upgrades that could benefit the surrounding area.

Summary:

In summary, the Administration views the proposal as premature, with a significant shift in land use for the property with widespread impacts. Administration's recommendation for the APC is to recommend denial of the application Board at this time. In the near future, the RDOS will be undertaking important planning processes, including an Official Community Plan and Regional Growth Strategy updates, including a new growth boundary for Naramata. These planning processes will help to generate the necessary community input and technical analysis for a comprehensively updated land use framework to guide planning decisions in and around Naramata, including the subject property.

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**Administrative Recommendation:**

**THAT the APC recommends to the RDOS Board of Directors that the subject bylaw be denied.**

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**Options:**

1. THAT the APC recommends to the RDOS Board of Directors that the subject bylaw be adopted.
2. THAT the APC recommends to the RDOS Board of Directors that the subject bylaw be adopted with the following conditions:
  - i) *TBD*
3. THAT the APC recommends to the RDOS Board of Directors that the subject bylaw be denied.

**Respectfully submitted:**

*Cory Labrecque*

Cory Labrecque, Planner II

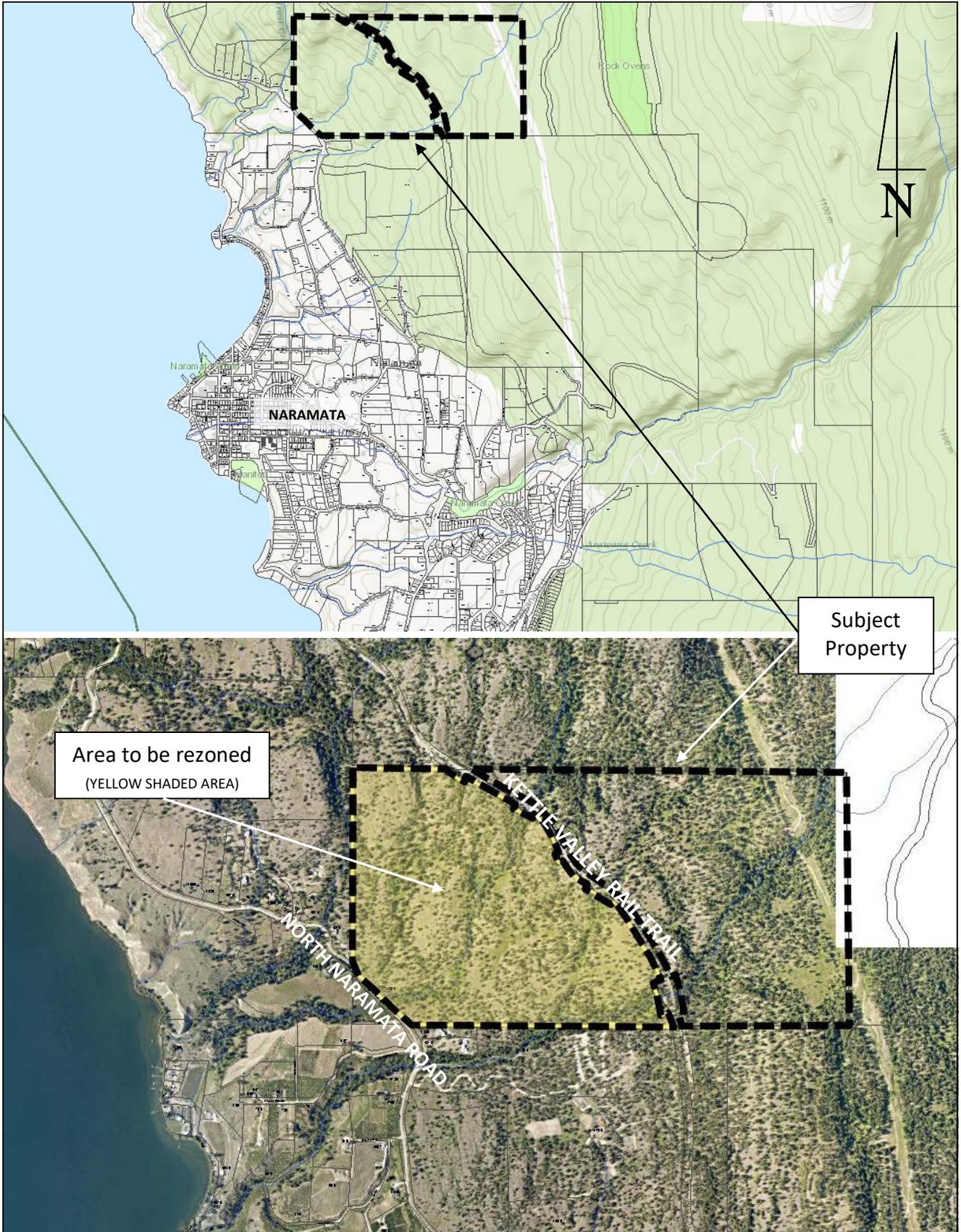
**Endorsed By:**



C. Garrish, Planning Manager

Attachments: No. 1 – Context Maps  
No. 2 – Applicant's Site Plan  
No. 3 – Aerial Photo (2019)

Attachment No. 1 – Context Maps



Attachment No. 2 – Applicant’s Site Plan



Attachment No. 3 – Aerial Photo (2019)

