



STAFF REPORT

February 22, 2011

File No.: SS 38 LUB Review

To: Salt Spring Island Local Trust Committee
For March 3, 2011 LTC meeting

From: Susan Palmer
Planner 2

Re: Land Use Bylaw Update – Industrial Amendments First Reading

PURPOSE:

In June 2010 a process was launched to update various provisions of Land Use Bylaw 355. The purpose of this report is to present a Draft Bylaw for First Reading that establishes a new definition for farm-related light industrial uses and includes new provisions for home-based businesses. Draft Bylaw 448 will implement some of the recommendations put forward the Industrial Task Force (ITF) Report.

STAFF COMMENTS:

Background:

At its meeting of January 14, 2011 the Local Trust Committee (LTC) received staff report “LUB Update Progress Report – Agricultural and Industrial” dated January 6, 2011 and referred it to the Advisory Planning Commission (APC) and the Agricultural Advisory Committee (AAC) for review and information. The LTC also directed staff to prepare a draft bylaw concerning industrial and home-based businesses for consideration of referral to agencies at its March 2011 meeting. At the same meeting, correspondence from the Agricultural Alliance dated December 2, 2011 was referred to the Agricultural Advisory Committee.

The APC and the AAC met on January 27, 2011 to review the staff report and the correspondence from the Agricultural Alliance. Those in attendance agreed that another joint meeting would be valuable in order to continue discussion of the agenda items. A second meeting was held on February 17, 2011. Unfortunately, due to scheduling conflicts, only members of the APC were able to attend.

The APC passed the following motions at its meeting of February 17, 2011:

It was **MOVED** and **SECONDED** that the Advisory Planning Commission recommends to the Salt Spring Island Local Trust Committee that the definition of farm-related industry provided in the Staff Report be taken forward and included in the draft Bylaw.

It was **MOVED** and **SECONDED** that the Advisory Planning Commission recommends to the Salt Spring Island Local Trust Committee that they consider first reading of the draft Land Use Bylaw which puts forward a two-tiered approach to home based businesses based on parcel size.

Trust Policy Statement:

The draft bylaw is consistent with the Trust policy Statement. In particular, it is consistent with the following directive policy:

5.7.2 Local trust committees and island municipalities shall, in their official community plans and regulatory bylaws, address economic opportunities that are compatible with conservation of resources and protection of community character.

The draft bylaw will create more opportunities for the processing of farm products on the island and this will benefit the agricultural community and support the rural character of the community. In addition, the draft bylaw provides support for home-based businesses which are key to maintaining the community character.

Official Community Plan:

The Official Community Plan (OCP) establishes objectives and policies aimed at enhancing the viability of farm-related industries on the island and to allow a range of light industrial uses on lands zoned for industrial purposes.

Resource Land Use Objectives

B.6.1.1 To maximize the local economic benefits of industries that consume island resources by providing for value-added processing of island resource products.

Agricultural Land Use Objectives

B.6.2.1.1 To support farming as a social, cultural and economic priority, and an ecologically responsible land use on Salt Spring Island.

Industrial and Commercial Services Objectives

B.3.3.1.2 To accommodate additional commercial and light industrial land uses where there is a community need, with a preference for those with a low demand for transportation and energy infrastructure requirements. To carefully consider the addition of other clustered sites for light industrial operations, to keep needed businesses on the island or to attract needed businesses onto the island.

Industrial and Commercial Services Policies

B.3.3.2.3 Zones within the Industrial and Commercial Services Designation will continue to allow a variety of light industrial and commercial services.

The draft bylaw is consistent with the objectives and polices set out in the OCP.

Other Considerations:

The draft bylaw will implement recommendations contained in the ITF Report (2009) as presented to the LTC at its meeting of November 5, 2009. In particular, the bylaw addresses the recommendations to include food processing in the definition of 'light industry' and to

address the needs of home-based businesses to have additional non-resident employees and to increase the floor area permitted for business use. It is noted that the Salt Spring Island Area Farm Plan (2008) also made recommendations regarding the need for processing facilities on the island for agricultural products.

Community Comment:

The staff report received by the LTC at its meeting of January 14, 2011 outlines the results of community input and feedback regarding proposals to allow for food processing on industrial lands and to accommodate a broader range of home-based businesses. The community open house held November 30, 2010 and other community input and feedback confirms community interest in amending the land use bylaw to broaden the opportunities for home-based businesses and to allow for the processing of farm products on industrial lands. Although input was received from a limited number of community members (6 comment sheets and 1 piece of correspondence), the following observations can be made:

- Modest increases in the number of non-resident employees and the amount of floor space the home-based business may occupy appear to be generally supported
- Support for potential changes to the provisions for light industrial uses is less clear consider the impact on residential properties including noise, vibrations, and the processing of live animals.

Rationale for Draft Bylaw:

The draft bylaw is comprised of two parts. The first addresses the need to allow for food processing within industrial zones. It sets out a new definition as follows:

“industry, farm-related light” means an industry that takes place *indoors*, and comprises the manufacture of *farm products*, including processing, fabrication, assembly, treatment, packaging, incidental storage, sales and distribution of such products, provided live animals are not involved in any aspect of the operation and the rendering of raw animal products and processing of *agricultural waste* does not occur.

The definition refers to farm products rather than food products in order to be consistent with existing definitions within LUB 355 and in order to allow for the processing of other types of farm products on light industrial lands. The definition for *farm products* is:

“means raw or processed commodities or goods derived from the cultivation and husbandry of land, plants, animals (except pets and exotic animals) and any other similar activity including *aquaculture* that are grown, reared, raised or produced on a farm; and for this purpose does not include raw or processed timber.”

Farm-related light industrial uses would be allowed in all industrial zones where light industrial uses are permitted – that is all industrial zones except for the In2 zone.

Proposed new rules for home-based businesses are based on a two-tier approach which is consistent with the approach taken in many communities, including Gabriola. A basic level of activity is allowed on all residential dwellings – currently on Salt Spring Island, one non-resident employee and a maximum floor area of 70 m² are allowed. In rural areas, allowing for more intensive home-based businesses activity is often based on parcel size. That is larger parcels may have more intensive home-based businesses than smaller parcels. This approach provides clarity about the level of activity permissible in different circumstances and is easy for homeowners to understand. The assumption is that there is less chance that a home-based business will disturb neighbours in areas where parcel sizes are larger and generally residences are more dispersed and not located close to one another. Nonetheless, homeowners must still abide by the basic principles underlying the opportunity to operate a home-based business – home-based businesses are accessory to the principal residential use and the conduct of the business must not disturb the right of neighbouring residents to enjoy the use of their own property. For properties greater than 1.2 ha in size, the draft bylaw would allow 2 non-resident employees and a maximum floor area of 150 m² devoted to the business operation.

In addition to these proposals, the Bylaw Enforcement Officer has indicated that the regulations for addressing noise are problematic. Currently the Subsection 3.13.5 establishes that “*no home-based business may create noise that exceeds 40 dB beyond the lot on which the home-based business takes place.*” Determining whether or not a specific business is exceeding these levels requires analysis of noise levels by a trained technician or professional which is an expensive process that may be difficult to conduct satisfactorily in a rural setting. The Gabriola Land Use Bylaw has adopted a clear set of common sense performance standards that also address other potential nuisances such as vibrations, smoke, odour, etc. It is recommended that this approach also be adopted in the Salt Spring Island Land Use Bylaw.

Conclusions:

Draft Bylaw 448 is consistent with the provisions of the Trust Policy Statement and the policies and objectives of the OCP. It will implement recommendations of the Industrial Task Force Report with respect to food processing on industrial lands and home-based businesses which will also address some of the issues identified by the agricultural community. Concerns regarding the potential impact of processing of farm products on industrial lands will be addressed as follows:

- All activity must take place indoors
- Live animals may not be involved in any aspect of the operation, the rendering of raw animal products and processing of agricultural waste or also prohibited.

Concerns regarding the potential impact on neighbours by allowing a higher level of business activity in a residential setting should be addressed by only allowing more intensive home-based businesses on larger lots and by clarifying that off-site impacts due to the business operation are not allowed.

With the exception of the clauses intended to clarify the regulations regarding off-site impacts, opportunities for public comment and discussion have been available to the general public as



STAFF REPORT

well as the APC and the AAC. It is recommended that the LTC give First Reading to the draft bylaw, refer the proposed bylaw to agencies for comment, and schedule a public hearing.

RECOMMENDATIONS:

It is recommended:

- 1) **THAT** the Salt Spring Island LTC give First Reading to Draft Bylaw No. 448, cited as "Salt Spring Island Land Use Bylaw, 1999, Amendment No. 1, 2011", and that staff **BE DIRECTED** to refer the proposed bylaw to agencies for comment and schedule a public hearing; and
- 2) **THAT** the SSI LTC direct staff to proceed to a Public Hearing for the proposed bylaw.

Respectfully submitted by:

Susan Palmer

Date
February 22, 2011

Concurred by

Regional Planning Manager

Date

Appendix 1: Draft Bylaw 448