

ADMINISTRATIVE REPORT



TO: Board of Directors

FROM: J. Zaffino, Chief Administrative Officer

DATE: January 23, 2025

RE: Agricultural Land Commission Referral (Non-Farm Use) – Electoral Area “E” (E2024.007-ZONE)

Administrative Recommendation:

THAT the RDOS Board “authorize” the application to allow for a vacation rental in an accessory dwelling as a non-farm use on the parcel located at 2864 Arawana Road (Lot 13, Plan KAP576, District Lot 207, SDYD) to proceed to the Agricultural Land Commission.

Purpose: To allow for a vacation rental to take place in an accessory dwelling. Folio: E-02088.000

Civic: 2864 Arawana Road Legal: Lot 13, Plan KAP576, DL 207, SDYD Zone: Agriculture One (AG1)

Proposed Development:

An application to the Agricultural Land Commission (ALC) under Section 20 of the *Agricultural Land Commission Act* (the Act) has been lodged with the Regional District in order to allow for a non-farm use within the Agricultural Land Reserve (ALR).

Specifically, the applicant is seeking the Commission’s approval to allow for a vacation rental to take place in an existing accessory dwelling.

In support of this proposal, the applicant has stated that “visitors would be given vineyard tours and workshops on any activity. The added tourism is also badly needed for the local economy and the over 40 local wineries.”

Statutory Requirements:

Under Section 34.1(2) of the *Agricultural Land Commission Act*, the Regional District of Okanagan-Similkameen (RDOS) must “review the application, and ... forward to the commission the application together with [its] comments and recommendations”, unless Section 25(3) applies wherein the Board has the ability to refuse to “authorise” an application.

Under Section 25(3) of the Act, formal “authorization” by the Regional District Board is only required for applications that apply to land that is zoned by bylaw to permit farm use, or requires an amendment to an official community plan or a zoning bylaw. In this instance, Section 25(3) is seen to apply as is zoned by bylaw to permit [an] agricultural or farm use.

Site Context:

The subject property is approximately 4.09 ha in area and is situated on the east side of Arawana Road and is approximately 3.2 km north from the boundary with the City of Penticton. It is

understood that the parcel is comprised of a single detached dwelling and various accessory structures including an accessory dwelling, which is the subject of this application, and five agri-tourism units.

The surrounding pattern of development is generally characterised by similarly sized agricultural parcels and smaller residential parcels that have been developed with single detached dwellings.

Background:

The current boundaries of the subject property were created by a Plan of Subdivision deposited with the Land Titles Office in Kamloops on March, 1909, and BC Assessment has classified the property as part “Residential” (Class 01), and part “Farm” (Class 09).

Available Regional District records indicate that a building permits for a storage building (1979), roof extension & deck extension (1997), renovation to single detached dwelling (2014), single detached dwelling (auxiliary) (2016), cannabis micro grow facility (2023), five agri-tourism units (2024) have previously been issued for this property.

Under the Electoral Area “E” Official Community Plan (OCP) Bylaw No. 3010, 2023, the subject property is currently designated Agriculture (AG), and is not the subject of any Development Permit Areas.

Under the Okanagan Valley Zoning Bylaw No. 2800, 2022, the property is currently zoned Agriculture One (AG1) which does allow for accessory dwellings, but does not permit vacation rentals.

Application History:

On May 1, 2024, the property owner submitted a temporary use permit (TUP) application to the Regional District in order to undertake a vacation rental use on the subject property.

In responding to a referral from the Regional District on this TUP application, the ALC advised that a Non-Farm Use approval from the Commission would be required prior to the use of the property for such a purpose.

Despite previous comments on similar TUP referrals in which the Commission advised the Regional District that it had no concerns with vacation rental uses in the ALR, the Commission has recently determined that such uses are no longer consistent with its regulations (e.g. vacation rentals are not a permitted form of agri-tourism accommodation).

The property has also been the subject of a number of previous ALC applications, including a boundary adjustment between the subject property and 3256 Juniper Drive, which resulted in the transfer of 0.3 ha from 2864 Arawana Road to 3256 Juniper Drive approved by the ALC on July 20, 2021 (Resolution No. 353/2021).

Analysis:

In considering this proposal, Administration notes that an objective of the Agriculture (AG) designation includes support for the agricultural and rural economy by encouraging secondary, value-added uses such as limited forms tourist accommodation.

This is further supported by the zoning bylaw, which currently allows for bed and breakfast (B&B) operations and agri-tourism accommodation units (subject to certain regulations) as permitted accessory uses.

As “vacation rentals” are seen to be a similar type of use (e.g. akin to a B&B), they are generally seen to be consistent with this policy and regulatory approach, on the proviso that the dwelling units being utilized are not otherwise intended for farm labour employed on the farm unit.

Administration also recognizes that “vacation rental” uses in the agricultural zones can draw tourists to rural areas and provide a form of accommodation that may not be available in an urban centre or in a residential neighbourhood (where “vacation rental” uses typically occur) and is unlikely to conflict with adjacent land uses (e.g. agricultural and residential).

In this instance, it is also noted that the proposed dwelling unit to be utilized for the vacation rental use already exists, is understood to have not previously been used for farm labour purposes (e.g. the area currently under cultivation is only approximately 1.0 ha and unlikely to require additional farm labour) and will not result in the further alienation of agricultural land.

Alternative:

Conversely, Administration recognises that the intent of allowing additional dwelling units on an agriculturally zoned parcel is generally to allow for either farm labour housing (including the attraction of skilled labour related to the winery industry) as well as family and/or multi-generational housing (e.g. to allow aging in-place and succession planning).

A secondary, and less acknowledged outcome is to provide for a certain degree of residential occupancy in rural areas that may otherwise have limited housing options (NOTE: Administration is aware that the purpose of the ALR is not to provide a land bank for residential development). This can have the added benefit of providing a steady, supplemental income for the farm operation when additional housing units exist and are un-needed for farm labour purposes.

Regarding this later consideration, the conversion of such dwelling units to short-term tourist accommodation purposes may be detrimental to accommodating future farm labour or meeting local housing needs.

Summary:

In summary, and given the characteristics of the subject property, its history of agricultural production (e.g. small cultivatable area) as well as the consistency of the proposed use with other short-term rental accommodation uses permitted by zoning, Administration is supportive of this application proceeding to the ALC for its consideration.

As an aside, should the ALC support this non-farm use application, the property owner will be required to obtain a TUP from the Regional District prior to undertaking the vacation rental use.

Alternatives:

1. THAT the RDOS Board not “authorize” the application to allow for a vacation rental in an accessory dwelling on the parcel located at 2864 Arawana Road (Lot 13, Plan KAP576, District Lot 207, SDYD) to proceed to the Agricultural Land Commission.

Respectfully submitted:

Colin Martin

Colin Martin, Planner I

Endorsed By:

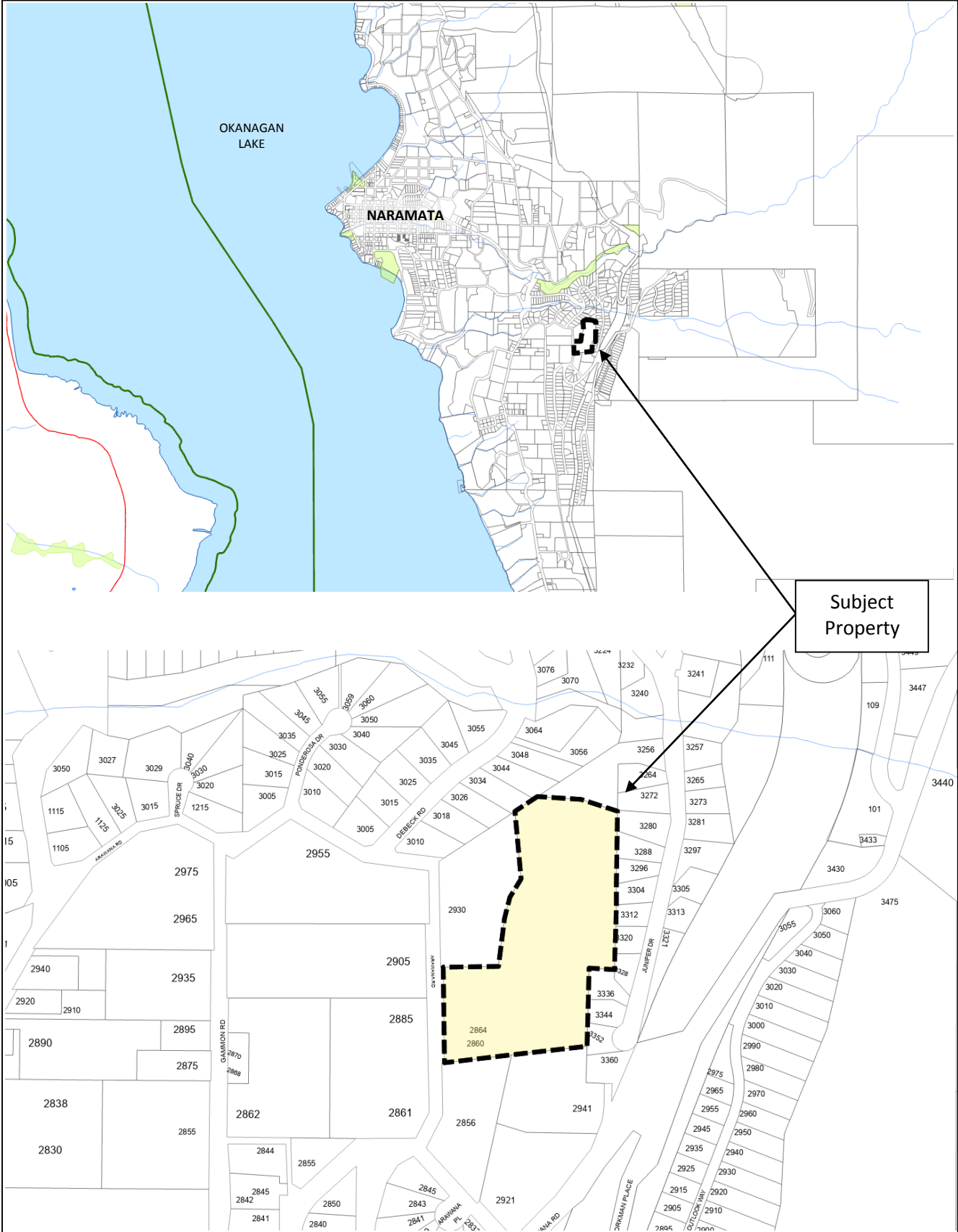


C. Garrish, Senior Manager of Planning

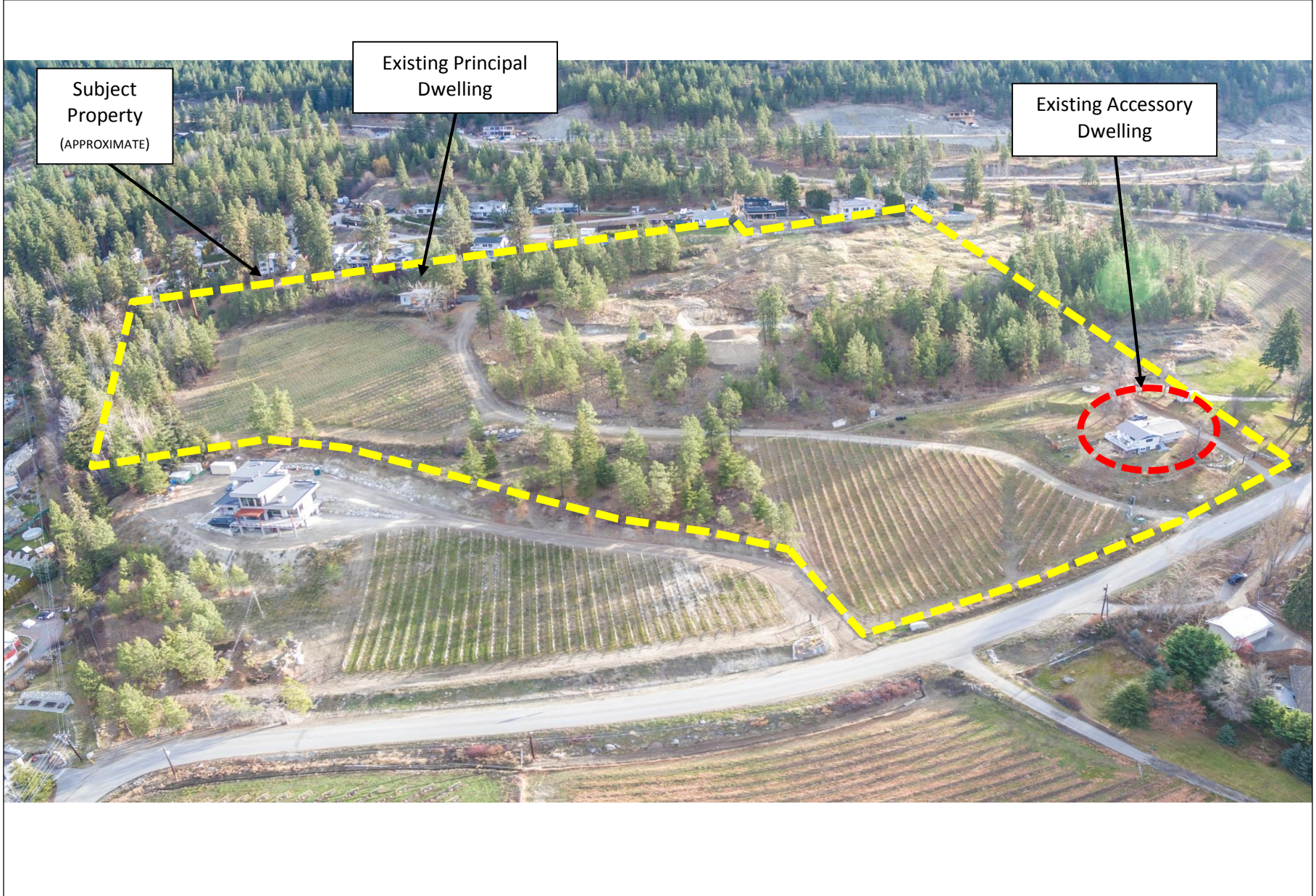
Attachments:

- No. 1 – Context Maps
- No. 2 – Applicant’s Site Plan
- No. 3 – Aerial Photo (2019)
- No. 4 – Site Photo

Attachment No. 1 – Context Maps



Attachment No. 3 – Aerial Photo (2019)



Attachment No. 4 – Site Photo



Existing
Accessory
Dwelling