



CITY OF POWELL RIVER

REPORT

File Nos. 3360-20-0066
6020-30-0005

DATE: December 15, 2015

TO: Mayor and Council

FROM: Thomas Knight, Director of Planning Services

SUBJECT: Proposed Sustainable Official Community Plan and Zoning Bylaw Amendment and Partial Exclusion from the Agricultural Land Reserve to Permit Development of a Private School Campus and Dormitories - Lot A, District Lot 450 Group 1 NWD Plan BCP23887 Except Part Subdivided by Plan BCP42255

RECOMMENDATION:

That Council provide a positive response to the proposal to amend the SOCP and Zoning Bylaw to develop a private school campus on vacant land adjacent to Brooks Secondary School, as the project is in keeping with the intent of the City's Economic Development Strategy; and

that before considering the proposal, Council requests the proponent submit an alternate zoning classification or comprehensive development zone; and further

that Council postpone consideration of a resolution in support of a partial ALR exclusion application for the subject property until the proponent completes a public information process as prescribed by the *Agricultural Land Commission Act*.

CHIEF ADMINISTRATIVE OFFICER'S COMMENTS:

I concur with the recommendation.

Mac Fraser, CAO

MF:pw

ORIGIN/PURPOSE:

The intent of this report is to consider a *Sustainable Official Community Plan* (SOCP) and *Zoning Bylaw* amendment and partial exclusion from the Agricultural Land Reserve (ALR). The purpose of these applications are to permit development of a private school campus and dormitories by Sino Bright Investments Limited (Sino Bright) on a 12.14 hectare (30 acre) parcel located immediately adjacent to Brooks Secondary School.

BACKGROUND:

Over the past three years, School District 47 (SD47) has cultivated a partnership with Coquitlam-based Sino Bright which operates eleven offshore school campuses in mainland

China. Initially, Sino Bright was sending approximately eighty students to participate in a summer camp immersion program at SD47's Haywire Bay camp in Powell River and SD47 was providing curriculum and teachers to the company's campuses in China. After much discussion Sino Bright, SD47, the City of Powell River and Vancouver Island University signed off on a Memorandum of Understanding with Sino Bright in late 2013 that committed the company to build a full-time campus in Powell River. In early 2014, the BC Government granted Sino Bright a temporary license to operate a full-time school program for Chinese students in Powell River. Operations began at the Oceanview Education Centre in the fall of 2014.

In the spring of 2015, Sino Bright secured an agreement with PRSC Land Developments Ltd. to purchase a 53.77 hectare (132.86 acre) property located east of Brooks Secondary School and fronting Marine Avenue (Appendix 1). The focus of the three development applications being considered in this report is limited to the northerly 12.14 hectare (30 acre) parcel located immediately adjacent to the school (Appendix 2).

STRATEGIC PRIORITY:

Consideration to amend the SOCP and Zoning Bylaw is consistent with the City's 2013 - 2014 Corporate Plan: *Strategic Priority #3, Economic Revitalization Plan*.

EXISTING POLICY:

The City's SOCP sets out various policies and objectives that can be used to direct growth and community initiatives. At present, the subject parcel is designated *Agriculture*. This designation permits a variety of agricultural uses and practices that contribute to enhance the agricultural capacity of the Region. In order to consider the development of a private school campus and dormitories, the proponents have asked that the present SOCP designation be amended to *Employment Centre*. The intent of this designation is to encourage a broad range of employment-generating uses. While a private school campus is not specifically mentioned, the language contained within the SOCP is sufficient to support such a use.

To regulate the form and character of all developments within *Employment Centre* lands, the SOCP designates these areas as Development Permit Area 7. Upon adoption of the proposed SOCP amendment bylaw, Schedule M of the SOCP will be updated to incorporate the change to the subject parcel.

ANALYSIS AND IMPACT:

In review of the three development applications and all supporting documentation provided by the proponents, Planning Services staff is generally in favour of the intent to develop a private school campus at this location. The proposal is in keeping with the intent of the City of Powell River *Economic Development Strategy* and will provide an employment-generating use that is consistent with the type of uses being considered in the SOCP. For a more detailed analysis of the economic impacts that may be realized as a result of this proposal, staff has included the proponent's summary as an attachment to this report (Appendix 3). Of particular note is the total estimated number of construction and permanent jobs to be created and the estimated annual gross domestic product that will be generated once the school is operational.

In turning back to the planning aspects of this proposal, two concerns should be noted. Firstly, while the SOCP amendment to *Employment Centre* is supportable, the proponents request to amend the 12.14 hectares (30 acres) parcel from *Large Lot Rural Zone (A-2)* to *General*

Commercial Zone (C-1) should be reconsidered. As proposed, the C-1 zone is intended to permit the broadest range of commercial uses from professional offices and restaurants to full-sized shopping centres. Given that only a portion of the 12.14 hectare (30 acre) parcel is identified to accommodate the private school, development of the remainder for commercial uses could negatively impact established commercial areas within the City.

In recognizing the intent of the proponents to operate a private (commercial) school, it is suggested that an alternate zoning classification or comprehensive development zone (a combination of zones and/or permitted uses) be considered for this parcel. Unfortunately, Planning Services staff cannot partake in this task as the development of an alternate zoning classification should rest with the proponent. Consideration of what uses to be permitted will be invaluable to the proponents, particularly on how the balance of the 12.14 hectare (30 acre) parcel is to be developed. This will also serve to consider the overall servicing of the property going forward.

Once an alternate zoning classification or comprehensive development zone is created, Planning Services staff will be in a position to bring forward a Zoning Bylaw amendment along with the SOCP amendment to designate the subject parcel *Employment Centre*. Accordingly, it is suggested that, at this stage of the approval process, that Council only consider providing a positive response as an endorsement to the intent to develop a private school campus at this location.

With respect to the proponent's request for a partial exclusion from the ALR, Council is in no position to provide even a tacit approval. The instructions included within the "*Application by a Land Owner*" for an application to the Agricultural Land Commission (ALC) provides clear directions on the steps needed to obtain "Proof of Notice of Application". Prior to Council's consideration of the proponent's partial ALR exclusion application, a public information process similar to the SOCP or Zoning Bylaw amendment process is required. This process is to be overseen by the applicant. Once completed, Council will then be in a position to consider a resolution pertaining to the ALR exclusion request. Upon adoption of a resolution, Planning Services staff will then forward the partial ALR exclusion application to the ALC for their consideration. Accordingly, it is suggested that Council defer a resolution in support of a partial ALR exclusion application until a public information process has been completed.

FINANCIAL IMPACT:

There should be no financial impact to the City resulting from the adoption of either the SOCP or Zoning Bylaw amendments. The SOCP is essentially a policy document whereas the Zoning Bylaw is a regulatory one. All servicing costs pertaining to the development of the private school campus and dormitories will be borne by the proponents. Of particular note may be the required servicing costs to upgrade Marine Avenue (Highway 101) fronting the subject parcel by the Ministry of Transportation and Highways as the proposed site plan identifies access via Marine Avenue.

From a municipal taxation perspective, the Province recently passed Bill 29 which now gives a statutory tax exemption to private schools not only for the building and the land it is situated on, but also for surrounding lands including playgrounds, playing fields, parking lot and dormitories. This amendment to the *Community Charter* will have an impact on tax revenues the City was anticipating when it first announced this development.

With respect to the request for a partial ALR exclusion, the loss of 12.14 hectares (30 acres) of protected agricultural lands within the City has an intrinsic value that may not be considered a financial impact in and of itself but does present an impact nevertheless. In recognizing this, Council directed staff at the September 29, 2015 Committee of the Whole meeting to bring forward a report to recommend that an application be made to the ALC to include 12.14 hectares (30 acres) of Airport Reserve Land into the ALR. That report will be forthcoming after a resolution is received from Council for the Sino Bright ALR exclusion application.

STAFF TIME/INPUT:

Approximately 8.5 hours has been spent by Planning Services staff to review all related reports and background information provided by the proponents in support of their development applications and to liaise with various Ministry staff.

PUBLIC CONSULTATION:

All land use changes affecting the SOCP or Zoning Bylaw must go through a public information process as prescribed by the *Local Government Act*. This includes notice to adjacent property owners, concurrent advertisements in a local paper, placement of a Development Proposal sign on the subject properties and a statutory Public Hearing. A Public Hearing is required prior to final adoption of an SOCP or Zoning Bylaw amendment.

OPTIONS:

1. That Council provide a positive response to the proposal to amend the SOCP and Zoning Bylaw to develop a private school campus on vacant land adjacent to Brooks Secondary School as the project is in keeping with the intent of the City's Economic Development Strategy;
2. that before considering the proposal, Council requests the proponent submit an alternate zoning classification or comprehensive development zone; and further
3. that Council postpone consideration of a resolution in support of a partial ALR exclusion application for the subject property until the proponent completes a public information process as prescribed by the *Agricultural Land Commission Act*.
4. That Council not approve these applications at this time;
5. That Council provide staff with an alternative direction.

Respectfully submitted,

Thomas Knight MCIP, RPP
Director of Planning Services

TK/tw
Attachment(s)

APPENDIX 1

AREA CONTEXT MAP



PRSC Land Developments Ltd and Sino Bright Investments Ltd Application to Exclude part of Lot A, District Lot 450, Plan BCP23887 from the Agricultural Land Reserve

Introduction

On behalf of Sino Bright Investments Ltd, PRSC Land Developments Ltd., the current owner of Lot A, District Lot 450, Plan BCP23887 Except Part Subdivided by Plan BCP42255, is making application to exclude approximately 30 acres of land from the Agricultural Land Reserve to allow for the development of a Private School Campus and Dormitories (See attached draft site plans).

Background

Over the past three years School District 47 (SD47) has cultivated a partnership with Coquitlam, BC based Sino Bright Schools, which operates 11 offshore school campuses in mainland China. Initially Sino Bright was sending approximately 80 students per year to participate in a summer immersion program at SD47's Haywire Bay Camp in Powell River, and the School District was providing curriculum and teachers to the company's campuses in China. After much discussion, Sino Bright, SD47, the City of Powell River and Vancouver Island University signed off on a Memorandum of Understanding with Sino Bright in late 2013 that committed the company to building a full time campus in the community. In early summer of 2014, the BC Government granted Sino Bright a license to deliver a full time school program for Chinese students in Powell River, which started operating at Oceanview Education Centre in fall of 2014.

In spring 2015, Sino Bright secured an agreement with PRSC Land Developments Ltd. to purchase Lot A, District Lot 450, Plan BCP23887 Except Part Subdivided by Plan BCP42255 located right beside the Brooks Secondary School campus. PRSC Land Developments Ltd is the General Partner in PRSC Limited Partnership which jointly owned by the City of Powell River and Sliammon First Nation through wholly owned corporations that act as shareholders in the LP.

Proposal

'Spot' Exclusion

Through PRSC Land Developments Ltd, Sino Bright Investments Ltd is applying to exclude 30 acres of Lot A, District Lot 450, Plan BCP23887 Except Part Subdivided by Plan BCP42255 (PID: 026-685-591) from the Agricultural Land Reserve. As there are no concrete plans for developing the remaining 102 acres of the property at this time, Sino Bright is proposing that it remain within the Agricultural Land Reserve and designated as 'Agriculture' under the Official Community Plan and zoned as 'A2 – Large Lot Rural'.

Location

Sino Bright chose to purchase this specific property for the construction of its campus in Powell River, because it is located right next to Brooks Secondary School. Sino Bright's partner, School District 47, will be responsible for operating the school campus on the company's behalf. SD47 intends to have Sino

Bright students accessing programs such as Arts, Digital Media and Physical Education at Brooks and integrating with the general school population, which will assist with the goals of immersion.

Sino Bright has looked at property options within close proximity of Brooks Secondary, but none seem as feasible or as well suited as the property under application. Lands to the west of Lot A, across the Highway from Brooks, are zoned for industrial development and even if subdivided and rezoned would require students to cross the highway to access Brooks. There is also a good chance that the school could end up being a neighbour to light industrial development as the owner PRSC Land Developments Ltd is working to sell the lands to a number of different interests. The lands to the east of Brooks are already being developed into a new residential subdivision and thus not available for development.

Agricultural Capability of Property

After reviewing the Land Capability and Soil Assessment study prepared for PRSC Land Developments Ltd by Madrone Environmental Services (attached), it is quite clear that the 30 acre site (identified as part of Area 3 in attached report) has been classified as having poor capability for agriculture. In mapping the property for Agricultural Land Capability (Appendix D of report), Madrone notes that a majority of the site is *“Class 4–6 improvable to Class 4–5 - will likely require intensive management practices (large areas will have remaining Class 5 and 6 stoniness and/or excess water limitations)”*.

PRSC Land Developments Ltd has been marketing the property in question for sale and development since 2007, and investment in food production has definitely been a sector that has been pursued. Unfortunately, in the last 8 years there has been little to no interest in purchasing the property for agricultural purposes. The closest the organization has come to attracting an agricultural development to the property is discussions Sino Bright has had with the Powell River Society for the Advancement of Sustainable Local Agriculture (PR SALSA) about the possibilities of locating its teaching farm project on a portion of the lands not being excluded from the ALR.

Past ALR Exclusion

In 1993/94, the City of Powell River (then Corporation of the District of Powell River) supported an application by MacMillan Bloedel Ltd to exclude approximately 112.75 Hectares of its properties (Portion of Block 36, DL450, NWD, Plan 8096 & Lot 1, Block 36, DL450, NWD, Plan 16601) from the Agricultural Land Reserve. The exclusion was granted in 1995. Since that time the properties have remained undeveloped, but have changed ownership through sale and transfer of assets to other entities due to the change in ownership of the paper company over the past 20 years.

Currently Lot A, DL450, NWD, Plan LMP25234 (Formerly Block 36, DL450, NWD, Plan 8096) is owned by Island Timberlands, which has registered the property as Privately Managed Forest Lands. Island Timberlands logged the property in spring of 2015, and has indicated that it plans to subdivide it for residential development, but has yet to submit an application to do so.

Currently Lot A, DL450, NWD, Plan BCP12952 (Formerly Lot 1, Block 36, DL450, NWD, Plan 16601) is owned by JV30 Holdings Ltd. JV30 Holdings Ltd is currently working with a local non profit on plans to

develop an assisted living facility for seniors on the property. However, the two entities have yet to submit an application for development at this time.

Sino Bright and PRSC are aware that the Agricultural Land Commission is sensitive to this past exclusion not being acted upon. However, this exclusion was sought by the Paper Company under another owner and with another Council and Administration in place at the City over 20 years ago. Both parties believe there were a number of different factors which contributed to the properties remaining undeveloped, but feel that its school development is credible and will have a lasting positive impact on the community.

Economic Impact of Project

Powell River, like other communities in Canada, is facing many challenges cultivating a sustainable economy for the future. The population is aging rapidly, and although it is expected to grow modestly in the future, it will do so at a much slower pace than the provincial average. Much of its developable land is locked up in the Agricultural Land Reserve (ALR), which strictly prohibits employment potential. The transition from a historical reliance on forestry, fishing and other extractive activities to a service-based economy is well underway, but there is considerable uncertainty regarding the source of new employment and income opportunities.

The Powell River economy is determined primarily by macroeconomic factors and driving forces in the provincial and national economies. Globalized trade and financial markets are affecting local economies today more than at any time in the past. In 1980, developed economies accounted for 68% of all exports and imports of goods and services. By 2013 that share had dropped to 53% (UNCTAD 2015). At the same time, the shift away from goods production to services continues in almost all developed economies. Almost one quarter of Powell River workers are employed in goods production (i.e. primary and secondary sectors), compared to 18% for the province.

In Canada, regions that are experiencing growth have benefited from immigration and a mix of public and private services that provides a more stable economic platform through the business cycle in contrast to rural economies that depend on goods production. Although service sectors contribute three out of four jobs in Powell River, some, such as information, culture, management, professional, technical, education and financial services, are under-represented when compared to the province. If goods producing jobs continue their decline as a proportion of the total job base, then the better-paying jobs of the future will have to come from these key industries.

Sino Bright believes that the development of its School Campus will have a significant economic impact on the City of Powell River and the surrounding region. Attached to this application is an assessment prepared by Economist Jamie Vann Struth on the school development. Mr. Vann Struth based the estimated economic impacts of the proposed Sino Bright School (SBS) campus on a \$22 million construction budget as well as an annual operating budget for the school and dormitory of nearly \$6 million. In addition, the 400 full-time students, 80 summer students, and their visiting friends and family will spend an estimated \$4.6 million per year in the Powell River area and \$1.5 million per year elsewhere in BC.

Total employment impacts in the Powell River area are estimated at 143 person-years during project construction plus 107 permanent jobs once the school is operational. The project's contribution to provincial gross domestic product (GDP) is estimated at more than \$12 million per year in the operational phase.

Category	Temporary Construction Impacts		Annual Operational Impacts	
	Powell River Area	BC Total	Powell River Area	BC Total
Total Employment	143 person-years	233 person-years	107 jobs	161 jobs
Total Economic Output		\$37.4 million		\$18.9 million
Total Value-Added (GDP)		\$18.9 million		\$12.4 million

The estimated employment impacts of Sino Bright School are very significant in the context of the Powell River economy and would represent a local employment increase of more than 1% from a single project. The school also helps to diversify a local economy that remains more heavily reliant on the resource sector and manufacturing than BC as a whole and has a relatively under-developed education sector.

In addition to the calculated economic impacts, research has shown that international education has a variety of other benefits, including more innovation, faster growth in international trade and greater levels of foreign direct investment (FDI). By fostering linkages with China, the fastest-growing large economy in the world, a range of other economic opportunities may be realized for Powell River businesses, residents and the community at large. These include trading with China and attracting more investment, tourists and even permanent immigrants from among the students and families who come to know the community.

Development of Agricultural Sector

Agriculture has experienced reasonable growth in Powell River, creating hundreds of jobs and supporting an expanding community of sustainable and organic farmers. While there seems to be a divergence of perspectives on the future of growth in Agrifood production and farming in Powell River, there are distinct opportunities that present themselves. These include the continued expansion of current products and the number of farms, as well as unique opportunities associated with Powell River's geographic positioning that separates it from the rest of BC. The history of farming dates as far back as forestry when people first settled in the community and began growing food to sustain their families. The Powell River Farmers Institute was formed in 1915 to represent the needs and interest of the farming community. While farming declined in the 1950's due to improved access to global food supply chains, it has experienced resurgence in the past decade with a focus on sustainable and organic local food. Agriculture (which includes aquaculture) has significantly strengthened its economic position since 2001, especially compared to the province. This is partly due to moderate growth in Agrifood

production in Powell River, as well as the resolution of regulatory challenges in 2005 where local farmers negotiated special licenses with the province that would allow local farms to slaughter their animals' on-farm and remain viable.

In 2011, the agri-food industry, including agriculture and aquaculture, employed 240 workers. Powell River's aquaculture industry is several decades old and increasingly profitable in producing a variety of shellfish and finfish products for world markets. Organizations such as Community Futures Powell River (CFPR) and the PRSC Limited Partnership have been actively working to expand the industry. CFPR has led the development a new fishery for savoury clams and are exploring the possibilities of opening up other new fisheries such as whelk (City of Powell River 2014a). In addition to aquaculture, Powell River is home base for a component of the commercial fishing fleet.

Agriculture represents a small portion of the community's economic base, but it remains an important land use in settled areas and contributes to local quality of life. The Powell River Regional District (PRRD) has total farmland area of approximately 1,700 hectares and 94 farms, with an average farm size of 19 hectares. Most of this area is fallow, seeded or natural pasture for the raising of livestock. A variety of crops are grown but the large majority of area is allocated to greenhouse vegetable and flower production. More than half the farms are growing poultry, whereas other livestock numbers are minimal. (Ministry of Agriculture 2013) Many operations are hobby farms. Powell River has an abundance of wildcraft products and a long history of harvesting mushrooms, salal, wild fruits, and florals. The region's isolation confers benefits in the form of protection against agricultural contaminants. The community was the first Canadian agricultural area to be officially declared free of genetically engineered crops and is free of infestation from the honey-bee mite. (City of Powell River 2015) Many local producers sell at the thriving farmers' market and the annual agriculture exhibition, both of which are run by the Powell River and District Agricultural Association. Small scale, local production and food processing is crucial to Powell River's development and sustainability goals of achieving clean, and safe food.

The City's Economic Development program has been working with sector stakeholders to further develop food production and agriculture in the Powell River region. In partnership with the Regional District, Consultant Gary Rolston (P. Ag.) was engaged to produce the Powell River Economic Development Plan for Agriculture in 2010. The Plan identified a number of projects that the community and stakeholders could undertake to expand the sector. Out of the plan the following projects were undertaken:

- The City's Economic Development program has worked with Powell River Living Magazine since 2011 to produce 'Home Grown Powell River'. The annual periodical presents success stories about local food producers and promotes opportunities for investment in the sector. It is distributed up and down the coast and on Vancouver Island.
- Working with the Powell River Society for the Advancement of Local Sustainable Agriculture (PR SALSA), the Economic Development program researched and prepared the first draft of a business plan for the development of a teaching farm that would educate people on agricultural practices in order to start small scale operations. The 'Full Circle Farm' would also provide

resources not readily available to existing farms in the region (e.g. commercial kitchen, egg grading, etc...). The City's Economic Development program has continued to work with SALSA on identifying possible sites for the Farm project.

- The City's Economic Development program conducted an inventory of agricultural properties in the region for the purposes of identifying land that might be available for lease for the specific purpose of providing an avenue for younger people interested in establishing farms. Owners of properties with agricultural potential across the region were canvassed asking them to identify if they would be willing to lease their property or a portion of it if it wasn't in production. The next step for this program is to develop a delivery mechanism for leasing properties (e.g. Private Sector or Non-Profit?).

Further to the work being done to promote and encourage investment in agriculture, the City has been working to attract investment in other areas of Food Production such as Land Based Aquaculture. Being a coastal community with access to good infrastructure and services, the City has identified and is aggressively pursuing investment in Recirculating Aquaculture System (RAS) operations and is currently working with a handful of companies that are interested in investing.

The City and its partners view Food Production as being an important piece of the puzzle in diversifying and strengthening the local economy and work will continue on developing the sector as identified in the new Economic Development Strategy adopted by the City on October 1, 2015.