SALT SPRING ISLAND

INDUSTRIAL ADVISORY PLANNING COMMISSION DRAFT FINAL REPORT

July 15 2014

Islands Trust

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1. INTRODUCTION

There are almost 100 acres of land zoned for industrial use on Salt Spring Island, but much of this is not used for industrial purposes. In recent years, there have been difficulties in finding suitable land for a coffee manufacturing company and an outdoor metal crusher and recycler. Two other industrial land-related issues were resolved only through use of temporary use permits (TUPs). This has led to a concern whether there is insufficient industrial land available. In 2009, the Islands' Trust Local Trust Committee (LTC) established an Industrial Task Force (ITF) to investigate this issue. The ITF report can be accessed in Appendix B. In response to this report, a number of bylaw changes were made in 2011.

In 2013, the LTC appointed this Industrial Advisory Planning Commission (IAPC) consisting of eight volunteers living on Salt Spring Island to follow up on the remaining unimplemented ITF recommendations and other issues. The IAPC was also asked to work together with Urbanics Consultants Ltd (UCL), who were hired by the LTC to estimate the demand for industrial land on the island. The UCL report, completed in August, 2013, can be accessed in Appendix C.

The Terms of Reference for the IAPC are outlined in Appendix A.

MEMBERS OF THE COMMISSION

Dale Dow, Chair

Gordon Ellis, Second Chair

Derek Barrio

David Borrowman

Catherine Griffiths

Nancy Krieg

John Tylee

Ken Byron (January 2013 – June 2013)

MISSION STATEMENT AND PURPOSE OF THE IAPC

Mission Statement:

To promote the socio-economic diversity on Salt Spring Island by making recommendations to the Local Trust Committee which will furnish Salt Spring Island with sufficient commercial and industrial land for the next 25 years. *Meeting Jan 30, 2013*

Purpose:

To review and comment on draft versions of the Industrial Land Needs Assessment for Salt Spring Island

To follow up on recommendations from the Industrial Task Force Report (2009)

To provide recommendations to the Salt Spring Island Local Trust Committee on how to reduce the perceived complexity and impracticality of current zoning and definitions in Salt Spring Island Bylaws in order to optimize use of current industrial lands.

SEVEN KEY ISSUES

In assessing its work, the IAPC determined there were seven key issues to be addressed:

1. HOW IS 'INDUSTRY' DEFINED ON SALT SPRING ISLAND?

2. HOW SHOULD LAND BE ZONED FOR INDUSTRIAL USES?

3. HOW MUCH INDUSTRIALLY ZONED LAND IS NEEDED IN THE NEXT 25 YEARS?

4. WHAT CAN BE DONE TO SUPPORT FARM RELATED INDUSTRY?

5. WHERE ON THE ISLAND SHOULD MORE INDUSTRIAL LAND BE LOCATED?

6. SHOULD MORE RESIDENTIAL USE BE ALLOWED ON INDUSTRIAL AND COMMERCIAL PROPERTIES?

7. RELATED ISSUES IN THE UCL REPORT

The following seven chapters of this report address each of these issues in turn.

METHODOLOGY

The full IAPC met a total of 18 times over the period January 2013 to May 2014. In addition, various members of the Commission worked alone, or in smaller groups to carry out specific assignments from the Commission.

The full Commission provided a detailed briefing to UCL before they undertook their assignment for the LTC, and individual Commission members commented on the UCL findings at the time UCL made its final presentation to the LTC. Other activities included:

- Research on other communities' planning practices regarding industrial land, notably Portland, OR and Squamish, BC

- Reviewing characteristics on industrial properties on the island, from the ITF and UCL reports, from members' personal information and from visiting select properties
- Considering the findings of the ITF and UCL reports
- Contacting CRD volunteers to seek their advice on potential demand for land for industrial-type activities of the CRD
- Developing maps to show the distribution, and tables to show the quantity, of industrial and similar land on Salt Spring
- Developing recommendations and writing this report

ACKNOWLEDGEMENTS

The Commissioners express their appreciation to LTC members for their strong support for the development of this report. They also thank Islands Trust staff, for their help in understanding the current zoning of industrial land and other planning issues, and for their support of IAPC activities and meetings.

The Commissioners also thank those industrial land owners, CRD volunteers and others who provided information to the IAPC. They also acknowledge with thanks the work of the Industrial Land Task Force, and of Urbanics Consultants; the reports of these groups provided a solid foundation on which the IAPC was able to build its own findings.

2. DEFINING INDUSTRY ON SALT SPRING ISLAND

On Salt Spring, industry is defined for land use purposes in the Official Community Plan (OCP) and in Land Use Bylaw 355 (LB 355).

EXISTING OCP AND LUB DEFINITIONS OF INDUSTRY

POLICY DEFINITIONS IN OCP

"industry" *– a use that primarily consists of processing, manufacture, construction, assembly, storage, packaging, wholesale sale, repair of heavy equipment, and extraction with accessory retail sales that are incidental to the primary activity.*

"industry, heavy" *– an industry that takes place both inside and outside a building and is engaged in the basic processing and manufacturing of materials or products predominately from extracted or raw materials, or a use engaged in storage of, or manufacturing processes using flammable or explosive materials, or storage or manufacturing processes that potentially involve hazardous or commonly recognized offensive conditions.*

REGULATORY DEFINITIONS IN LUB355

"industry, light" *means an industry that takes place indoors, and comprises the manufacture, from previously prepared materials, of finished products or parts, including processing, fabrication, assembly, treatment, packaging, repairs, incidental storage, sales and distribution of such products, but excluding basic industrial processing from raw materials.*

"industry, heavy" *means an industry that takes place either indoors or outdoors and comprises the basic processing and manufacturing of materials or products mainly from extracted or raw materials; or storage or manufacturing processes that use flammable or explosive materials.*

TYPES OF INDUSTRY ON THE ISLAND

The Oxford Dictionary defines industry as "trade and manufacturing collectively; any commercial activity that provides services." The Commission considered this definition as well as the existing OCP and LUB definitions as they identified the following types of industry on Salt Spring:

- Landscape- and agriculture-based industry, including abattoirs, composting, vegetable and grain production, manufacture of fruit products and drinks, manufacture of cheeses, wine and beer
- Marine-based industry, such as aquaculture, and marine shoreline activity such as boat & seaplane repair and maintenance, marinas
- Waste Management – liquid, solid and recycling

- Timber-related industry, including sawmills
- Construction related activity, including equipment storage, sale of construction materials and construction-related trades including plumbing, electrical, sheet metal, etc.
- Vehicle and equipment repair, including small engine repair
- Public utilities and services including water treatment and distribution, power, sewage, road maintenance
- Storage of goods and vehicles
- Arts/craft based industry, such as sculpture
- Manufacturing of health and beauty products
- Clothing manufacturing
- Food processing and packaging
- Upholstery, framing, appliance repair

Some types of industry on the island are not covered in this report:

- Gravel pits, which are under Provincial jurisdiction
- Home-based industries
- Agriculture-based industry on farms

The following images are examples of existing industries on Salt Spring Island.


Residential
Use Only
PAPER
GLASS


Gulf Coast Materials
537-2611

CLASSIFICATION OF EXISTING TYPES OF INDUSTRY

The majority of businesses on the island are small, home-based businesses. The UCL report estimated there are 600 home-based businesses on Salt Spring, including an undetermined number of industrial businesses. Home-based businesses (HBBs) are defined and regulated separately from other businesses and are not included in this report. Similarly, agriculture-related industry on farms, and gravel pits that are separately regulated, are not part of this report.

Apart from the businesses noted above, there are a total of 51 industrial and waste management properties on the island, which are classified under LUB355 as follows:

- 41 are zoned in the five industrial zones: IN1, IN2, IN3, IN4 and C6. There are five variances within these zones, making a total of 10 different categories. Of these 10 categories, four apply to only a single property. Some properties are strata developments – e.g. Merchant Mews has 23 businesses in a single development
- There is one property in the heavy industry (IN4) category, which requires separation from other uses, because of the impact on neighbouring properties and the environment.
- There are three marine properties that were used for landing fuel and storing fuel, a use no longer required. These are therefore remediation sites no longer used for industrial purposes still zoned industrial.
- The 6 waste-related properties are located in a total of 6 zones, none of them industrial and none of them exclusive to waste-related uses.

Other industrial properties include:

- Marine and marina related properties are classified into a variety of zones: Commercial C1c, CA1, CA2; Shoreline, Industry and Parks PR4b.
- Other industrial uses may be found on:
    - Properties with temporary use permits (TUPs);
    - In zones reserved for government uses;
    - Or on legal non-conforming properties which arise when once-legal use continues on a property which has since been rezoned for a different use.

INDUSTRIES THAT MAY DEVELOP IN THE FUTURE

The IAPC does not anticipate off island industries relocating to Salt Spring due to island logistics and the costs of land, construction and shipping. Nor does it envision any traditional industrial parks or ‘smoke stack’ industries on the island in the future.

The largest demand for industrial land is likely to arise from expanding home-based industrial business (HBBs) that exceed the HBB regulations.

Waste related industries on the island are likely to grow and need more land. Liquid and solid wastes are currently shipped off the island, as is material for recycling. This is not sustainable and more of these materials will have to be dealt with on Salt Spring in the future. Land is also needed for composting, especially given the many rocky areas of the island that require good soil. Establishing key community facilities, including composting facilities, which support the expansion of agricultural activities is one of the top three recommendations in the 2008 Salt Spring Island Area Farm Plan.

Increasingly, manufacturing that previously required industrial facilities is now done by computer in offices that are indistinguishable from other office environments. As a high tech sector develops on the island, there may be a need for space to accommodate this type of "industry". Green or environmental industries on Salt Spring are also likely to increase. Manufacturing of alternative energy and other smart green products may also require industrial land in the future.

Other anticipated uses include:

- Increased storage needs for off island products, as increased ferry costs encourage more advance bulk-buying by businesses, retailers, medical services and others.
- Increased need for public vehicle storage, repair and maintenance space as public transportation grows
- Increased light manufacturing – e.g. of food value-added products
- Increased land based services for seaplanes and for inter-island marine services as inter-island commerce grows
- Increased marine ocean and adjacent shoreline for aquaculture, a fast growing industry in the Gulf Islands

In summary, we envisage community support for more Salt Spring businesses that are: small- to medium-sized; environmentally responsible; and green oriented.

OBSERVATIONS ON INDUSTRIAL ZONING CLASSIFICATIONS

1. The OCP and LUB355 definitions are incomplete and inconsistent
   - The OCP defines industry and heavy industry, but not light industry; it has no classifications
   - LUB355 does not define industry, but refers to both light and heavy industry. It classifies uses based upon whether or not a business is indoors or outdoors, and on whether the materials used are raw materials
2. There are very few uses that the general public would consider to be heavy industries on the island.
3. There are far too many different zone variations of industrial properties relative to the number of properties. The use of TUPs indicates that, even with an abundance of zone variations, there are some uses that cannot be accommodated within the existing classifications. This suggests that the zone variations are too restrictive or that permitted uses are too narrowly defined.

4. A separate zone under industrial zoning would be preferable for waste management as different classification of waste management properties, each separate from other industrial zones, makes little sense.
5. Marine-related industry combined with commercial marine may justify a separate zone because of its limited availability and similar geographic and environmental mitigation requirements.
6. Anticipated future industry on the island is not expected to be very different from existing industry, and therefore is unlikely to require creation of new zone variation of industrial use.
7. Approximately 50% of the land currently zoned industrial is either vacant or used for non-industrial purposes; rezoning these properties to uses more consistent with their present, and/or their anticipated future, use should be considered.

COMMERCIAL AND INDUSTRIAL PROPERTY ZONING CLASSIFICATIONS

One basis for zoning policy is consideration of the impacts that different land uses have on the environment and on neighbouring properties. Impacts include negative alteration to: the existing landscape; noise; air quality; ground and surface water, light; drainage, soil and traffic implications. The key difference between light and heavy industry is the severity of the impacts created by each – light industry has modest impacts that may require some mitigation, while heavy industry typically has major impacts that require some separation between it and neighbouring land uses.

On Salt Spring, as in most other jurisdictions, commercial and industrial properties are classified into separate zone classifications, even though both zonings focus on land uses that provide employment and often, in the case of light industry, have similar impacts on the environment and neighbouring properties. It is frequently difficult to distinguish between light industrial uses and commercial uses. Small businesses, such as those found on Salt Spring, often engage in both industrial and commercial activities in order to survive financially.

This raises the question of whether it might be simpler for both the planning system and businesses if the commercial and industrial zoning classifications could be combined, as long as a separate category within the combined commercial/industrial zoning classification was maintained solely for heavy industry.

CONCLUSION

The IAPC believes the current system of industrial zoning is inconsistent, inadequate and overly complex. It needs to be simplified. In addition, since there is very little difference in impacts on surrounding properties between commercial properties and light industry properties, there is an opportunity for further simplification, through merging of the industrial and commercial classes of land use.

A zoning system based on impacts on surrounding properties will require only three classifications for all industrial and commercial properties:

- One for businesses with minimal impact on surrounding properties
- One for businesses with some impacts on surrounding properties, which would need to be addressed through appropriate mitigation actions
- One for heavy industry, which has significant impact on neighbouring properties, requiring it to be kept separate from them

In addition, a case can be made for two additional zone variations:

- One for waste and recycling activities, given their potential impact on neighbouring properties

- One for marine-based activities, given their geographic requirements and the lack of available shoreline suitable for marine-based employment

A PROPOSED NEW SALT SPRING ISLAND DEFINITION

We propose for consideration replacing all the existing "industry" and "commercial" zoning classifications with the following five classifications to cover all employment-related land uses:

1. General Employment Zone 1
2. General Employment Zone 2
3. Marine Employment
4. Waste Management
5. Heavy Industrial

Land uses within these five classifications would be defined as follows: 'THE PRODUCTION OF AN ECONOMIC GOOD OR SERVICE WITHIN AN ECONOMY AND/OR ENGAGING IN ACTIVITIES EMBRACING ALL FORMS OF THE PURCHASE AND SALES OF GOODS AND SERVICES.'

The two commercial/light industrial classifications with relatively modest impacts on surrounding properties have been termed "general employment" zones. The term "General Employment" projects a positive tone towards development, and restricts use of the term "industry" to the heavy industry classification, thereby aligning planning terminology with the more common usage of the word 'industry".

3. A NEW APPROACH TO ZONING INDUSTRIAL PROPERTIES

INTRODUCTION

Salt Spring finds itself at the end of a planning and zoning process begun in 1970 when land use regulation was introduced to the Gulf Islands through provincial legislation. Much of this work was necessarily retrospective insofar as zoning had to be rationalized with existing land uses and patterns.

The ITF and UCL reports provide ample evidence that industrial zoning (including C6 zoning and zoning of waste management facilities) is: unduly complex; hard to understand; inconsistent; time-consuming and costly to negotiate; inappropriate for the Salt Spring economy; and frequently inconsistent with current uses of individual properties. It is also frequently inconsistent with the intended uses of applicants to the Trust for rezoning, resulting in the frequent use of TUPs, variances and the creation of new zoning categories.

The IAPC studied the existing industrial zoning in detail and is also of the opinion that the zoning is too complex and confusing. **This led the Commission to consider innovations unique to Salt Spring, and consistent with the Trust's 'preserve and protect" mandate, that would reflect the island lifestyle.**

IAPC'S APPROACH TO INDUSTRIAL ZONING

Originally, zoning was reactive based upon existing specific use application rather than proactive and long term envisioning. There are 10 different industrial (plus C6) zones alone on this island. Simplified zoning may open opportunities for more use of current industrially zoned land. We should be proactive and envisioning in our zoning, thereby encouraging and promoting long-term sustainability.

Salt Spring has a small island economy with mainly low incomes and a high rate of entrepreneurship, with businesses under constant flux as opportunities appear and disappear. Often the small island business owner must produce, store, market, retail, and service their product on the same site. We need a system that is relatively simple, allows flexibility and is easily understood by the novice entrepreneur.

Many jurisdictions have ample land to allow specific zoning for specific purposes. However, Salt Spring has limited available lands suitable for cost effective commercial and industrial uses. We therefore do not have the luxury of designating lands for only very specific purposes.

The key zoning issue is impact on neighbours and the environment, not making a distinction between types of businesses. Salt Spring Island is very environmentally and community conscious and it is paramount that any new development does not impair, but rather improves, both the environmental health and community wellbeing of the island.

Due to the current uncertain economic environment, we need to look at ways that ensure economic development is not slowed due to zoning complexity, confusion and resulting uncertainty**.** We also need to look at reducing the time and costs involved in acquiring changes to very detailed and restrictive current zoning, as well as to reduce the need for temporary use permits.

The UCL report recommends and the IAPC concurs:

> *"B) Explore introducing significant changes to the land use by-law – Presently the land use bylaw proscribes which land uses are explicitly permitted in each zone and is often very specific, sometimes to the point of precluding a land use that many would find logical for a zone. Moreover, as times change and business practices evolve, land uses can change with them; businesses may find themselves no longer compatible with their zoning no matter how innocuous the land use. The Island should consider changing the structure of the zoning section of Bylaw 355 such that zoning focuses on regulating the negative externalities which are the chief concern rather than naming specific permitted uses. These changes would be for all zone categories, not just industrial."(UCL Report, page 52).*

We propose to reduce reliance on broad brush zoning limitations and restrictions based upon specific use, and to guide development according to the measured impacts a proposed land use has on the site's environment and its neighbours. These impacts include: negative alteration to the existing landscape; traffic implications; and environmental impacts to neighbours and ecosystems such as noise, air, ground and surface water, light, drainage and soil.

We want to encourage a very simple, comprehensive zoning concept that will allow as much flexibility as possible, dependent on the site's characteristics, the impacts of the intended use on its neighbours and the ability for the site/development to mitigate these impacts.

Changes in this direction are already taking place. As the UCL report notes:

> *"Based on the relatively high industrial employment density of about 20.6 employees per acre, we can be fairly certain that a fair amount of employment that would be considered industrial is already taking place on other, non-industrial lands. In other words the numbers suggest that there are many more acres of land in use for industrial purposes beyond those zoned for it, which echoes the conclusions of the Industrial Task Force. This assumption is also consistent with the higher than per-capita number of home-based businesses on the island, which are likely providing a significant level of industrial employment on residential, agricultural and rural property." (UCL Report, page 43)*

The approach proposed is consistent with:

- How home based businesses are regulated where there is no distinction between the type of business – industrial or commercial.
- The UCL report recommendations
- Approaches adopted in places such as Portland OR and parts of Squamish BC
- The Islands Trust Policy Statement and many parts of the current OCP:
    - Non Village Commercial and Industrial Land Use Objectives and Policies B.3.3
    - Village Land Use Objectives and Policies B.5.1
    - OCP policies such as A.4.4.8, A. 4.6.2, A.4.6.3 and B.2.3.1.6

Salt Spring can achieve the Trust's mandate of zoning simplification, also supported by the UCL report, by focusing on parameters regarding environmental and community/neighbour impacts. The IAPC also recommends that this zoning strategy include commercial properties as well, so that the proposed zones cover all commercial classifications as well as all industrial ones.

While zoning provisions in the OCP define the density and use of property, the OCP has also established Development Permit Areas (DPAs), which define the form and character of development in specific areas. Three DPAs have been established:

- DPA 1 for village areas
- DPA 2 for commercial and industrial sites outside villages
- DPA 3 for development along the shoreline

To the extent necessary, DPAs could be adjusted to complement the proposed new approach to zoning, and to eliminate or mitigate any unanticipated negative impacts.

SALT SPRING ISLAND'S PROPOSED NEW ZONING

We propose to replace 'industry and commercial' zones with new definitions and classifications:

1. General Employment Zone 1
2. General Employment Zone 2
3. Marine Employment
4. Waste Management
5. Heavy Industrial

Each zone will have their specific measurable requirements relating to environmental and other neighbourhood impacts that will be part of the approval process and will be monitored to ensure compliance.

1. **General Employment Zone 1 (GE1)** –Small businesses that generally have smaller lots and are located within the three designated villages of Salt Spring: Ganges, Fulford and Channel Ridge. The same zoning could also apply to two other areas not currently designated as villages: Fernwood and Vesuvius. Designated villages are covered by DPA 1, which could be extended to Fernwood and Vesuvius as necessary. The areas are mostly developed with sites having high building lot coverage and buildings are usually close to the street. They are primarily indoors and have little to no impact on the neighbours and environment. A business with any slight impact will require mitigation to satisfy the required tolerance levels.

2. **General Employment Zone 2 (GE2)** – Small and medium sized businesses that require larger lots, usually in rural locations or on the outskirts of the villages. The area is less developed with sites having medium and low building lot coverage and buildings. These businesses, by their nature, have a slightly higher impact on the environment and neighbours and may be outdoors. They would be located in areas covered by DPA 2.Their larger lots allow them to accommodate appropriate mitigation measures to satisfy the specified tolerance levels for this zone.

3. **Marine Employment (ME)** Small and medium sized businesses that are marine-based and shoreline based requiring shoreline lots or ocean access. These businesses are required to fall within specific tolerance levels regarding environmental and neighbour impacts, with mitigation measures appropriate to the site and impact. Shoreline based properties are covered by DPA 3.

4. Waste **Management (WM)** Uses in the public and private sectors include waste management, transfer and recycling activities (excluding recycling depots that accept and store materials from the public within enclosed spaces). These activities vary in their site requirements and as such are site specific. It is proposed that these lands be identified and reserved exclusively for these enterprises. They will also require mitigation should they create impacts to the environment and neighbours that exceed the tolerance levels specified for this zone. These properties might be covered by DPA 2, or there might be a need to develop a new DPA to specify the form and character of these properties.

5. **Heavy Industrial (HI)** – Businesses that may be hazardous , those with objectionable impacts or appearances, or those conducted outdoors where impacts must be tolerated or managed by the natural and social environment. Only those businesses that add to the sustainability of Salt Spring Island would be considered. Due to the shortage of available land suitable to accommodate these uses and associated mitigation requirements it is proposed that these lands be identified and reserved exclusively for these businesses. These properties are covered by DPA2.

IMPACT OF THIS APPROACH

WHAT WOULD CHANGE

- More flexibility and alignment with SSI economy; fewer rezoning; regulations easier to understand; less cost to both Trust and businesses/property owners
- All proposed commercial and industrial developments would be assessed against a single, relatively easy-to-understand set of criteria based on impacts, providing a fair, consistent way of ensuring development meets community environmental standards
- More land would be available for SSI-appropriate businesses

WHAT WOULD NOT CHANGE

- Property owners' existing land use rights; in many cases, these rights may be expanded as broader zoning classifications allow a greater number of employment-related land uses
- Private developments retain the right to limit the type of businesses on their property.

- Applicants for development will have to prove that there is adequate infrastructure to support the new development such as water, sewage, access.
- Development applications will be reviewed to ensure the proposed development's impacts on the environment and surrounding neighbours fall within the allowable limits. For example, land uses in GE1 zones would have to meet higher requirements than those in GE2. If anticipated impacts exceed allowable limits, appropriate mitigation measures will be stipulated before approval to develop is granted.

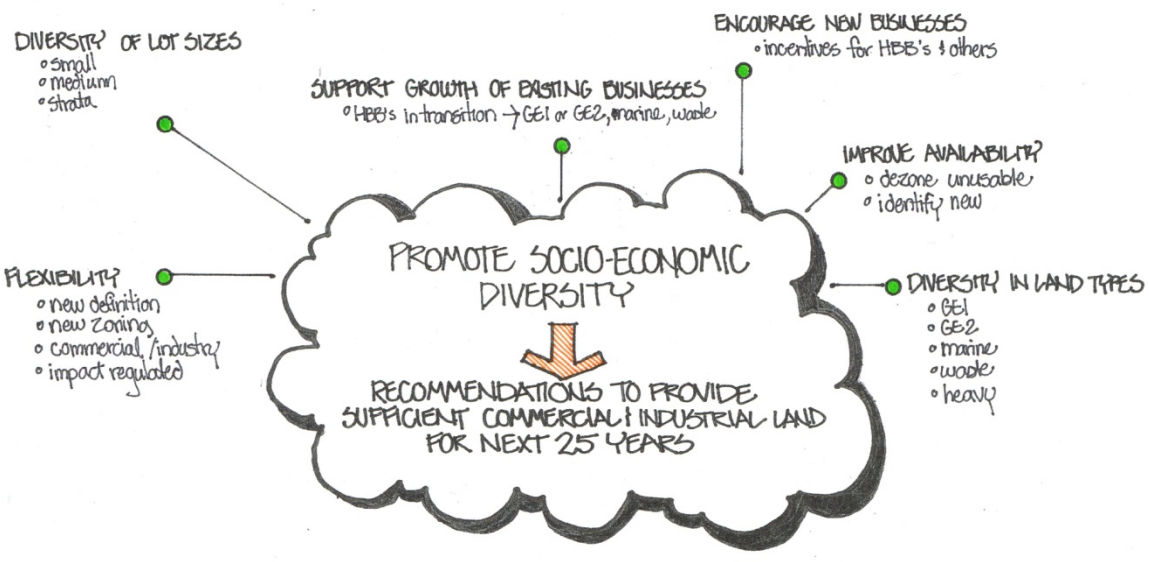
TAX IMPLICATIONS

- One question that has been raised in the IAPC's deliberations is the potential property tax impact of the changes proposed. Accordingly, an opinion has been sought from the BC Assessment Office in Victoria and is shown in Appendix E. For the most part, it appears that the tax impacts of the changes proposed will be small.

RECOMMENDATIONS AND CONCLUSION

This approach to zoning on Salt Spring would allow its residents to live and work and grow sustainably in more harmony with the environment and each other. Whether it is a farmer wishing to sell produce, a tourist company wanting to showcase its offerings, a fishmonger wanting to sell fish and chips, or a furniture maker wishing to live over his workshop, Salt Spring Island should be flexible enough to allow residents opportunities to grow and develop in an environmentally and neighbourly fashion.

The Salt Spring business community has relatively low incomes, a high rate of entrepreneurship, and businesses that frequently change and expand to pursue different opportunities as they emerge. Under these circumstances, simplification of industrial zoning could provide a significant improvement in the business climate of the island, as well as a benefit to individual industrial entrepreneurs. In addition, providing more flexibility in industrial zoning would maximize the opportunities provided by the island's limited supply of industrial land. Our proposals are all aimed at promoting socio-economic diversity and community resilience, through a number of specific anticipated outcomes, as shown in the diagram below.



The key purpose of zoning is to ensure that the uses designated to any property do not have undue negative

impacts on neighbouring properties and the overall community. It therefore makes sense to base the categories on the degree to which uses of the land generate negative impacts for neighbours and the community:

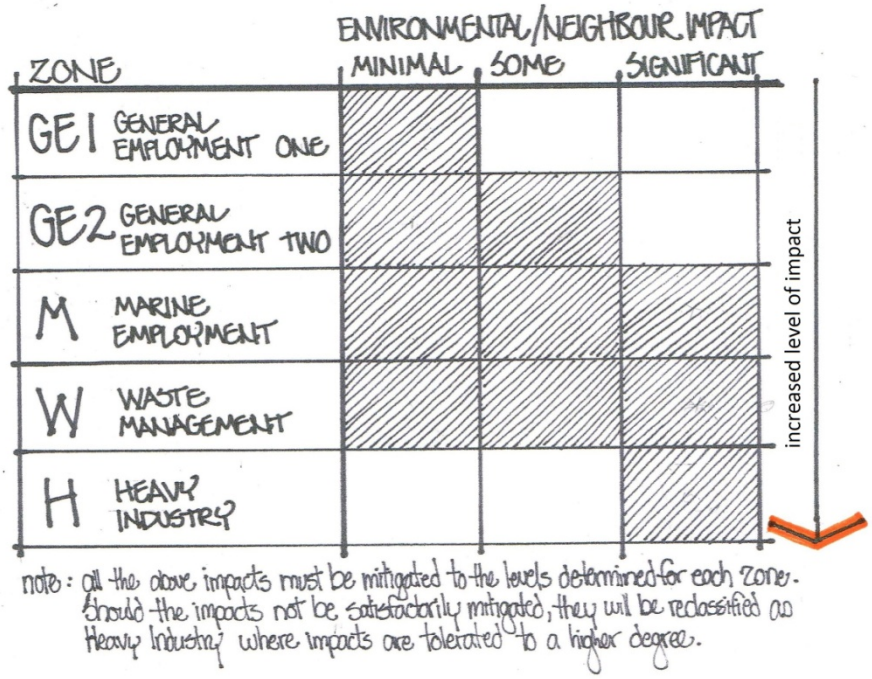
- Minimal impact
- Some impact requiring mitigation, and
- Significant impact that may require mitigation, buffering and other limitations on use.

NOTE: when the significant impacts cannot be satisfactorily mitigated to meet the acceptable environment/neighbourhood levels, the business will be automatically defined as heavy industrial and located only on these specifically zoned lands

These categories could apply equally to commercial and industrial uses, which would be consistent with the current treatment of home-based businesses, where there are very few distinctions among different types of business.

With the three impact categories applied against the five zoning classifications, a focus would be placed primarily on the neighbourhood and community. This will ensure that the environmental health and community wellbeing of the island are not compromised, but rather enhanced, by new development on Salt Spring.

The following chart is a summary indicating what level of impact would be allowed (hatched) for each of the five proposed zones. These impact levels would be defined and addressed as part of the necessary adjustments to the Development Permit Areas.



4. 25 YEAR DEMAND FOR INDUSTRIAL ZONED LAND

THE CHALLENGE OF MEASURING CURRENT INDUSTRIAL LAND USE

It is critical to measure accurately the current usage of land for industrial purposes, as this is the basis on which estimates of future demand must be built. However, measuring how much land that is currently used for industrial purposes is extremely difficult, for several reasons.

First, land currently zoned industrial is only part of the total amount of land used for purposes that should be considered industrial. In addition, as previously noted, the UCL report estimated that there are 600 home-based businesses on the island. If only 10% of these, or 60 businesses, were industrial (e.g. jewelry manufacture), there would be about the same number of industrial businesses in residential zones as there are in the industrial zones.

Second, approximately 50% of the land currently zoned industrial, some 48 acres, is not used for industrial purposes – the zoning was either incorrectly applied when it was first done in the 1970s, or zoning has not kept up with changes in land use since then.

Third, as pointed out in the ITF report, even when land zoned industrial is used for industrial purposes, there is no accounting for how much of the land is actually in use for these purposes. Some of the land may be vacant and capable of industrial (or other) use in the future, other parts of it may be unsuitable for any industrial use because of slope, drainage or other physical characteristics. Other areas may currently not be available for industrial use because of Trust planning regulations regarding setbacks, etc.

The ITF report noted impacts of planning restrictions and slope, but made no numerical estimates of their impact. The UCL report used BC Assessment data to consider the degree to which industrial land appeared to be under-utilized; it estimated that about a third of all industrially zoned land was vacant, under-utilized or undevelopable.

Fourth, definitions and property records are sometimes inconsistent. For example, the ITF's estimate of lands used for waste management purposes was 77 acres; the UCL report estimated 55 acres and this report estimates 41 acres.

IAPC'S APPROACH TO MEASURING INDUSTRIAL LAND USE

The ITF and UCL reports both omitted home based businesses and industry on farms. The ITF report covered industrially zoned land, waste management land and gravel pits, a total of about 365 acres, without any separate analysis of each of these categories. The UCL report covered, and analysed separately, industrially zoned land and waste management land, a total of 155 acres.

This report omits home-based businesses, industry on farms and gravel pits. It has tried to identify, as much as possible, existing industrially used land not currently zoned industrial. It also classifies industrial land into the categories outlined in the previous chapter, and analyses each category separately.

The IAPC's ability to complete as comprehensive an overview as it would like has been limited by lack of resources and time, so for some types of industrial land it has simply identified their existence and indicated the need for further research. Numerical results are presented as ranges, rather than as exact estimates.

Specifically, this report:

- Considers and analyses industrially zoned land, making a distinction between properties used for industrial purposes and those used for non-industrial purposes, but making no estimate of the degree to which the land used for industrial purposes is not fully utilized for those purposes
- Considers and analyses lands used for waste management purposes
- Considers marine-dependent industrial uses, excluding the related water leases which are an integral part of these uses, but does not analyse the issues surrounding these uses
- Considers and analyses industrial uses associated with public sector and other utilities
- Considers the impact of potential future uses identified previously, notably those associated with "green" industries
- Does not include home-based industry
- Does not include the 193 acres used for gravel pits, since regulation of gravel pits is fully controlled by the BC government
- Does not consider on-farm industrial-type activities associated with agriculture, including production of wine, beer and other beverages, meat and dairy products and other food products
- Does not consider potential demand for industrial-types uses of local government agencies, including such facilities as community water treatment plants and distribution systems
- Considers the one Temporary Use permit (TUP) for industrial-type land use, but does not consider any other legal non-conforming industrial land uses that may exist
- Overall, considers approximately 135 acres, or 0.32% of Salt Spring's total acreage of 42,500.

Given the resource challenges faced by the IAPC, it welcomes any comments, additions or corrections readers may have after considering the data shown in Appendix D, and the degree to which it is consistent with the methodology outlined above.

ESTIMATE OF LAND CURRENTLY USED FOR INDUSTRIAL PURPOSES

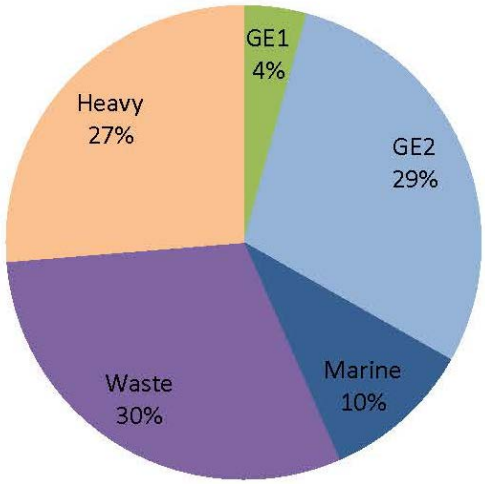
As shown in the Tables in Appendix D, the amount of land on Salt Spring currently in use for industrial purposes, as defined above, is as follows:

1.	Industrially and C6-zoned lands		
	• Total land zoned	97 acres	
	• Vacant or used for non-industrial purposes	(48)	
	• Total used for industrial purposes		49 acres
2.	Waste management lands		41
3.	Marine-related (land based)		14
4.	Utilities, etc		28
5.	TUP (abattoir)		3
TOTAL			**135 acres**

As also shown in Appendix D, when this acreage is reassigned according to the five proposed land use classes developed in chapter 3, the results are as follows:

1 .	General Employment 1	5 acres
2 .	General Employment 2	39
3 .	Waste management	41
4.	Marine related	14
5.	Heavy industry	36
TOTAL		**135 acres**

Distribution of Land currently used for Industrial purposes, re: Proposed Land Use Classes



ESTIMATING FUTURE DEMAND FOR LAND FOR INDUSTRIAL USES

Future demand for industrial land can be estimated in a number of ways, each of them subject to significant possibility of error.

Current demand for industrial land is one important indicator of longer term demand. Comprehensive assessments of current demand are typically commissioned from commercial realtors or other experts, but useful information can be gleaned from other sources:

- Sales and rental data. Unfortunately, virtually no sales and rental data for industrial land on Salt Spring exists. Records back to the 1980s show no sales of industrial land, except for strata properties, and there is very little publically available information on rentals.
- Industrially zoned properties for sale. In May 2014, only one property of less than 0.1 acre was on sale.
- Vacant industrially zoned properties. In May 2014, there were eight vacant properties, plus three vacant strata properties. Three of the vacant properties were marine related, totaling about one acre, with potential environmental issues due to past use as marine fuelling stations. The remaining five properties totaled 4 acres.
- Development applications. The following applications are relevant:
    - The abattoir at 1449 Fulford-Ganges currently operates on a 3-acre parcel under a TUP but needs a permanent location, possibly zoned as heavy industry
    - An application for a composting site at 2100 Fulford-Ganges was withdrawn following neighbours' complaints, indicating an unmet need for 8-10 acres of land zoned for waste management
    - The metal recycler at 440 Rainbow was recently denied a TUP and a rezoning, suggesting additional demand for 2 acres of land zoned for waste management
    - An application for exclusion from the Agricultural Land Reserve (ALR) at 240 Atkins Road was turned down by the Agricultural Land Commission (ALC), indicating unmet demand for 4 acres of land zoned general employment 2
- Public input. Testimony at a public meeting of the ITF in 2009 suggested significant unmet demand for land for light industry; in addition, a survey by UCL in 2013 found 72% of respondents rated availability of business property poor or very poor and 90% of respondents rated business occupancy costs poor or very poor.
- Public policies. Some municipalities have explicit policies to encourage or discourage development of industry through incentives. Salt Spring has no such explicit policies.

Overall, these indicators point toward a very tight market for industrial land. The small acreages either vacant or for sale do not indicate any substantial flexibility in the market, because different types of industrial activity require fundamentally different types of property, in very different locations.

The ITF report did not make an estimate of future demand. The UCL report estimated future demand using demographic projections. The UCL report projected demand for industrially zoned land over the next 25 years according to the estimated growth in employment in industry-related sectors of the economy. This resulted in an estimated additional demand of about 7 acres per decade or 17.5 acres over the next 25 years. This amounts to a 26.5 percent increase over the report's calculation of 66 acres of industrial land that was not vacant, undevelopable or under-utilized.

The UCL report projected demand for land for waste management purposes according to projected growth in population, resulting in an estimated additional land requirement of about 3.5 acres per decade or 9 acres over the next 25 years. This amounts to a 16.5 percent increase in waste management land. UCL's estimate of total additional industrial land demand to 2036, based only on these two categories, is 26.5 acres.

IAPC reviewed the UCL methodology and identified three major concerns. First, the methodology does not estimate the land required for each of the different categories of industrial use, which makes it difficult to derive policy recommendations.

Second, because the methodology is mathematically driven, it does not make use of community information about Salt Spring and its specific requirements.

Third, the estimates made may be significantly biased downward by an assumption (p.13) that "Salt Spring is not seeking to grow its economy". The IAPC does not support this assumption; it believes that safeguarding the resilience of the community requires some economic growth. The question of how much economic growth the community wants cannot be definitively answered by the IAPC, because, unlike many other communities, Salt Spring lacks a long-range plan. The CRD has a 25-year plan and is currently updating it to a Regional Sustainability Plan, but this Plan explicitly excludes those parts of the CRD within the Islands Trust area. Salt Spring also lacks a 25-year plan for community sewer and water services, which also impacts industrial land demand, since far more industry can be accommodated on a piece of land with community water and sewer services than on one with neither service. And conversely, adequate land for industrial use can spur demand for, and funding of, additional community sewer and water services.

Given their concerns about the UCL methodology, the IAPC chose to make its own estimates of demand for each of the five categories of industrial land use identified in Chapter 3. IAPC's methodology can be summarized as follows:

- Consider each of the five categories separately
- Build in as much local knowledge of land requirements as possible
- Assume no new explicit public policies to either discourage or encourage new industry on the island
- Consider potential impact of possible new types of industry coming to the island, such as "green' industry
- Supplement this information, to the extent necessary, with mathematical projections based on anticipated economic and population growth rates. More specifically, assuming average population growth of 0.8% p.a. and average economic growth of 2.0% p.a., demand for industrial land has been projected to grow at 1.4% p.a. (the average of 2.0% and 0.8%)
- Given the imprecision of all forecasting methods, present ranges rather than misleadingly precise numbers
- Tend to err more to the upside (i.e. over-estimating demand), rather than to the downside, for three reasons:
    - The potential loss to the community and the economy from an underestimate (i.e. an ongoing lack of land for community or economic projects) is likely to be greater than that from an over-estimate (small possibility of unnecessary use of land for industrial uses)
    - A larger potential market for industrially zoned land would improve the performance of the local economy, particularly given the wide variety of specific needs for this land
    - Given that the Trust's review of industrial lands over the last few years appears to be the first since the 1970s, the amount of land projected to be needed for the next 25 years may have to last for far longer than 25 years

The following section looks at each of the five categories of industrial property and:

- Identifies current and potential future types of land usage
- Considers current amount of land usage
- Estimates future land usage in 25 years
- Illustrates potential types of development

IAPC ESTIMATED FUTURE DEMAND FOR DIFFERENT TYPES OF INDUSTRIAL LAND

GENERAL EMPLOYMENT ZONE ONE

This covers light industry with minimal negative impact on neighbours.

CURRENT USES:

Medical supply fabrication; arts industries, such as weaving, pottery, jewelry & leather work; glass production; rentals; food processing; picture framing; sheet metal working; heat pump assembly and repair

POTENTIAL FUTURE USES:

Expansion of existing successful home-based businesses that want to expand that have minimal impact on environment and neighbours.

Indoor equipment storage; indoor recycling collection; storage of medical supplies; music studios, indoor production of green products; computer generated manufacturing

CURRENT LAND USAGE:

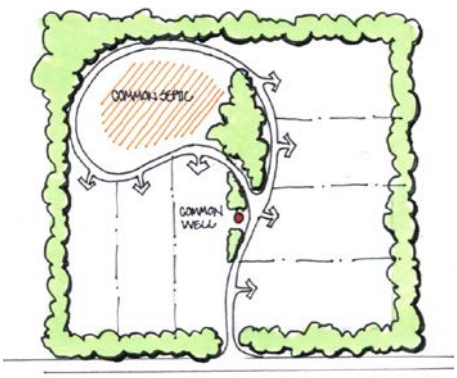
5 acres

FUTURE ADDITIONAL LAND USAGE:

Future demand depends primarily on the number of home-based businesses that outgrow the size limitations for these businesses. Limitations have recently been relaxed and are quite generous, going up to 5 employees and 150 square meters of premises, depending on the size of the home property. The limited market information available suggests the main demand is for small parcels of land – ½ acre or less, for purchase rather than rental. Future demand is also likely to depend on Trust plans for revitalization of the island's villages, particularly on the outcome of the Ganges Official Plan update, which is a current Trust priority.

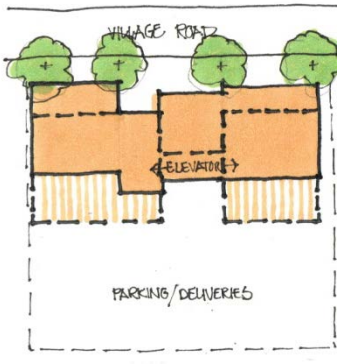
Over a 25-year period, additional GE1 industrial land demand is likely to be small, perhaps 3 acres. As proposed in Chapter 3 industries in this category are practically indistinguishable from similar enterprises zoned commercial, and should be treated as such. Future demand in this category should therefore be assessed in the context of supply and demand for commercial property, beyond the scope of this Commission.

TYPES OF DEVELOPMENT:



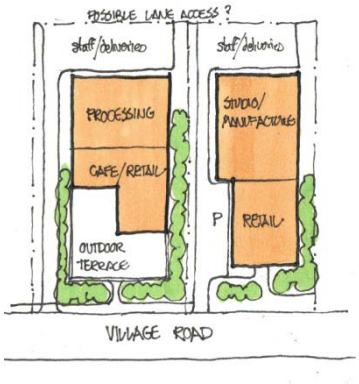
A. Strata Subdivision – Village Perimeter

Trust bylaws generally do not allow subdivisions of less than 1½ acres. In addition, unless a property is serviced by Ganges water and sewer systems, it will require its own septic system and well. BC regulations require 15 meters between sewerage holding tanks and wells, and 30 meters between sewerage systems and wells, so larger lots are required. One approach is to create strata properties, such as Merchant Mews, with shared sewer and water systems. The sketch hypothetically outlines this approach for a parcel of 5-10 acres accommodating 7 lots - ½ to ¾ acre.



B. Village Multi-Leased Developments with community water and sewage

A possible option for smaller village lots of under 1/2 acre is to incorporate a studio, manufacturing space above the retail/commercial ground floor with service access and parking at the rear.



C. Village Private Lots, normally single use, with community water and sewage

These lots usually under ½ acre in size are typically located on the side streets of the village. Retail/cafes would be located at the front of the lot (minimal frontage setback) with the manufacturing, processing, studio located at the rear of the property.

GENERAL EMPLOYMENT ZONE 2

This category covers the bulk of industrially zoned areas, with larger lot sizes catering to businesses that require a moderate level of mitigation to minimize impact on neighbours.

CURRENT USES:

Metal fabrication; auto repair and storage, carwash; storage facilities; building supplies and lumber yards; heavy equipment; construction storage; boat repair and storage; soap and health products manufacture; food storage/production centre.

POTENTIAL FUTURE USES:

- Increased use of buses and other communal transportation may increase demand for vehicle storage space.
- Home-based businesses that want to expand usually categorized as General Employment 1 with scale or special features that require some mitigation such as stone carving, metal work/foundry.
- Land for water treatment and distribution facilities,
- Manufacture of green construction materials.
- Food production (vegetable, fruit, wine and other beverages, dairy products) is growing rapidly and likely to require off-farm storage and processing facilities

CURRENT LAND USAGE:

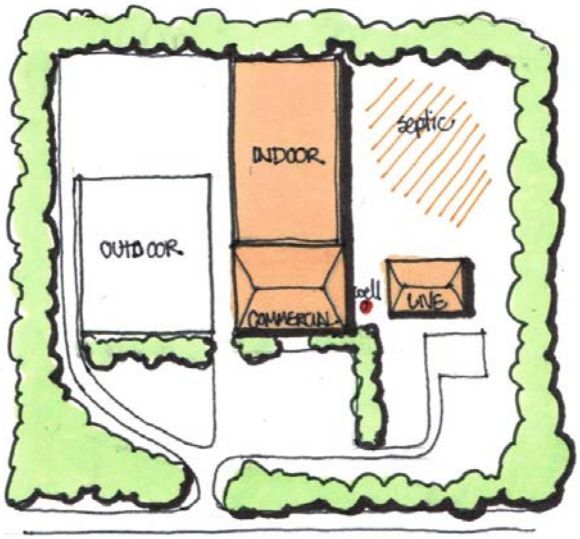
40 acres

FUTURE ADDITIONAL LAND USAGE:

Some unmet demand already exists; future growth dependent on growth in population and the economy, and on the rate of development of centralized water and sewerage facilities, since much less land is required where these facilities exist. Estimated additional acreage required: 17-22 acres.

TYPE OF DEVELOPMENT:

The sketch below assumes no centrally provided sewer and water service, a significant amount of industrial activity outdoors, and a mixture of uses. This could be an example of either a sole proprietor or several owners. Under Island Health regulations, shared sewer and water services to different properties and businesses can only be provided where there is a strata development through which the facilities that provide these services are jointly owned by the property owners involved.



HYPOTHETICAL EXAMPLE OF A POSSIBLE GE-2 WITH COMMERCIAL, INDUSTRIAL & LIVE/WORK USES 5-10 acres

WASTE MANAGEMENT

This is a critical area where Salt Spring's infrastructure urgently requires updating: all waste produced on the island is currently shipped off-island. Ways must be found to deal with as much local waste as possible on-island, even though the trend towards centralization of some waste management activities into massive off-island facilities means that some waste may always need to be shipped off-island.

CURRENT USES:

Sewerage facilities at Ganges and Maliview, liquid waste collection, recycling depots, auto recycling

POTENTIAL FUTURE USES:

Composting and repurposing site, liquid waste dewatering and treatment facilities, landfill site, expanded sewerage facilities, expanded recycling

CURRENT LAND USAGE:

43 acres

FUTURE ADDITIONAL LAND USAGE:

Technologies to process and repurpose waste and waste liquids change all the time, utilizing improving technologies that may have radically different industrial land requirements. In addition, the lack of a long-range plan for liquid and solid waste disposal makes estimating challenging. However, there are a number of known requirements:

- 3-8 acres for composting site and surrounding buffering
- 3 acres to relocate metal recycler denied TUP
- 30 acres (less land already zoned industrial) for liquid waste/constructed wetland

Estimated total requirement 40-45 acres.

TYPE OF DEVELOPMENT

An example of a constructed reed bed – proposed for Burgoyne Bay regarding treatment of liquid waste

MARINE-RELATED

Shoreline based industrial activities are critical to the island, especially for connection to the rest of the province. At the same time, seafront properties are in high demand for residential and recreational purposes. More harbour facilities, notably on the west side of the island, could boost the economy. Yet the total amount of shoreline is essentially fixed, and seafront properties, more than other properties, will be challenged over the coming decades by climate change – notably, by sea level rise and more extreme weather conditions. Existing marine related industrial sites in key village locations are vacant but are environmentally compromised and need remediation. Community marine geothermal heating is a possibility in villages, as is heat transfer from the Ganges sewer system water run-off. Tidal power generation is a possible, but far less likely opportunity.

Given all these possible pressures on a very limited supply of shoreline, developing a detailed plan for shoreline use is both imperative and challenging.

CURRENT USES:

Aquaculture; ferries, docks, marinas; fishing and fish sales; boating, boat provisioning and boat repair; float planes.

POTENTIAL FUTURE USES:

Expanded inter-island passenger ferry service, strong demand for expanded aquaculture, seaplane check-in, repair and maintenance. Within 25 years: desalination plants, tidal power harvesting, geothermal heating, marina expansion

CURRENT LAND USAGE:

14 acres, approx 230 acres of leased water area

FUTURE ADDITIONAL LAND USAGE:

Impossible to forecast; a comprehensive study is needed. The Ganges Village Plan priority of the Trust may address additional uses within Ganges Village.

HEAVY INDUSTRY

This category covers a variety of uses that need to be well separated from their neighbours due to smell, noise, traffic, appearance or other impacts.

CURRENT USES:

Abattoir, cement factory, hydro-electric and communications facilities.

POTENTIAL FUTURE USES:

None known at present. Very limited demand for land for asphalt production; if required for a short period, could be accommodated through a TUP.

CURRENT LAND USAGE:

36 acres.

FUTURE ADDITIONAL LAND USAGE:

There is little community support for more heavy industry on the island, and transportation costs make Salt Spring a highly unlikely destination for large manufacturing or similar enterprises. A permanent abattoir location could require additional zoning to heavy industry. Increased demand for telecommunication, electricity transmission, wind energy and similar facilities is likely over a 25 year period, but demand is impossible to predict and facilities are likely to require highly specific locations

Estimation strategy: Allow 10 acres for a permanent abattoir and for other non-technology related uses eg larger scale agriculture-related industry. Address new technology-related demand as specific uses emerge.

CONCLUSIONS

The Commission believes there will be a significant demand for industrial land over the next 25 years that cannot be met from the existing zoning. The additional amounts of land needed for industrial use are estimated as follows. :

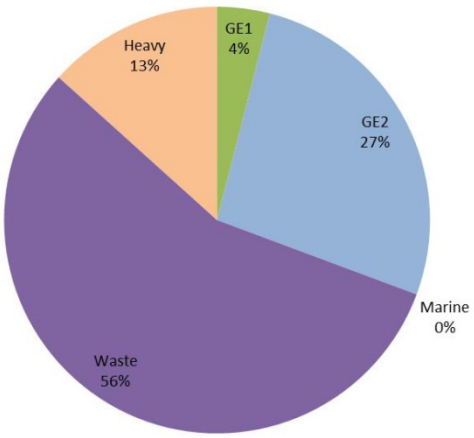
- A modest amount, perhaps 3 acres of general employment 1 land that could be accommodated within existing commercially zoned areas
- An additional 17-22 acres of land for general employment 2 purposes
- An additional 40-45 acres of land for waste management purposes
- More land to be available for marine-related industrial purposes; the amount can only be quantified by a separate study of the many potential uses of shoreline properties, as well as of the potential implications of climate change for these properties
- An additional 10 acres for heavy industry

If these additional lands were made available, industrial lands on Salt Spring would comprise approximately 200 acres*, or 0.5% of the island. This amounts to an increase of approximately 50% over the amount of land currently in industrial use.

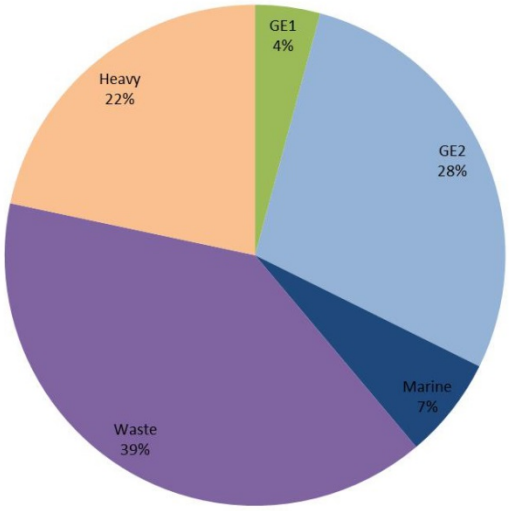
	GE1	GE2	Marine Employment	Waste Management	Heavy Industry	Total
Existing	5	39	14	41	36	**135**
Estimated Future Demand	3	17-22	TBD	40-45	10	**70-80**
ISLAND FUTURE TOTAL	**8**	**56-61**	**TBD**	**81-86**	**46**	**205-215**

*Note: This table excludes home-based industry, on-farm agriculture related industry and gravel pits; totals exclude potential additional demand for marine employment land.

Distribution of estimated future demand for Industrial land, by category (70 acres)



Distribution of existing and estimated future industrial land, by category (205 acres)



5. AGRICULTURE-RELATED INDUSTRY

The agricultural sector is an important and growing part of the Salt Spring economy. Agriculture-related industry is a key element in growing the sector, because the production of value-added food products on farms is an important way in which farmers can increase their incomes. A variety of farm related industries are beginning to blossom on the island including medical marijuana, cider production, breweries, herbal teas and honey. In addition, the growth of the agricultural sector depends on development of "industrial" facilities that can be used by all farmers, such as the abattoir; these facilities have been addressed in Chapter 4.

In response to ITF recommendations, the Trust expanded provisions to make clear that agriculture-related industry was permissible in industrial classes. But the ability of the Trust to develop an effective zoning strategy for agriculture-related industry is severely compromised by the fact that much of the agricultural land on the island is designated as part of the provincially-created Agricultural Land Reserve (ALR) and the types of agriculture-related industrial uses allowed in the ALR are controlled by the BC government.

Under the IAPC's proposed approach to industrial land, most farm-related industry activities would fall within the General Employment 2 category, with mitigation required for any noxious by-products. Activities that are large, with environmental challenges and insufficient mitigation, could fall into the heavy industry category. The definitions of farm light industry in the current land use bylaw would be incorporated into the definition of General Employment 2.

The IAPC notes that the Trust has been pursuing a dialogue with the Agricultural Land Commission on a variety of issues, including providing more flexibility for farm-related light industry on farms within the ALR. The Commission applauds the Trust for this initiative and recommends that it be pursued vigorously.

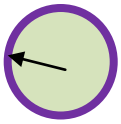
6. LOCATING MORE INDUSTRIAL LAND ON SALT SPRING

Finding appropriate Salt Spring locations for a 50% increase in industrial land is a challenge. Current industrial zoning is spread throughout the island rather than being clustered in industrial parks or specific areas. Many general employment industrial properties are close to Ganges Village, notably along Rainbow Road and in the Upper Ganges Road/Robinson Road area, while waste and marine related properties are more scattered.

The UCL report noted there was very little opportunity to accommodate more industry on land currently zoned industrial. It also noted that the few industrial properties that were vacant or for sale were limited in size and permitted uses, so would also not contribute materially to the supply of industrial land. The IAPC agrees with these observations.

RECOMMENDATIONS FROM THE ITF REPORT

The ITF report recommended criteria that should be used in rezoning land for industrial uses:

1.  **Located within 1.5km radius of a village centre.** This supports densification and ready access to services and workers. Channel Ridge is a designated village in the OCP, along with Ganges and Fulford.

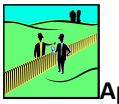
2.  **Proximity to arterial (main) roads:** Ready access for larger vehicles is needed. The arterial roads also have transit routes that allow for the transportation of workers from most parts of the island. Higher consideration could be given to applications that are within 500 metres of transit services.

3.  **Three-phase power near site:** A site that meets the previous two criteria is likely to be within reach of the main power lines.

4.  **Adequate water supply:** Depending on the type of business, the amount of water needed, and resultant waste water, will need to be assessed on a watershed by watershed basis.

5.  **Sewer connection desirable:** Sewer connections are available only around Ganges and in limited other areas.

6.  **Terrain slope, 15% or less is preferred:** The slope criterion is for building placement and vehicle access. 15% is still a steep lot; most businesses will need areas of less than 7% slope.

7.  **Appropriate buffering provided:** Ample space for mitigation of possible noise, visual and odor impacts should be available

8.  **Not impacting watersheds**

9.  **30 metre riparian area assessment; and**

10.  **Not in a sensitive ecosystem**

The IAPC supports these criteria and notes that the Riparian criterion is no longer necessary with development of an RAR bylaw. The following chart indicates (shaded high/medium) which criteria relate to each of the proposed IAPC zoning classifications.

ITF CRITERIA	IAPC PROPOSED ZONING CLASSIFICATION				
	GE1	GE2	Marine Empmt.	Waste Mgmt	Heavy Ind
1.Proximity to villages	High	Medium	NA		
2. Proximity to main roads					
3. 3phase power					
4. Adequate water					
5. Sewer Connection	preferred	preferred	preferred		preferred
6. Terrain (slope >15%)					
7. Buffering					
8. Watershed impact					
9. Sensitive ecosystem					

Based on its criteria, the ITF report identified three areas to which additional industrial zoning should be directed:

1. Around the junction of Rainbow and Atkins Road.
2. Around the junctions of Robinson Road with Leisure Lane, Long Harbour Road and Upper Ganges Road.
3. Next to the BC Crown Gravel Pit on Musgrave Road Site.

These areas are shown on Map A located in Appendix D; no estimates of the acreage potentially available were made.

RECOMMENDATIONS FROM THE UCL REPORT

The UCL report endorsed the criteria in the ITF report, and identified areas similar to those in the ITF report for possible new industrial lands. It also suggested six additional areas where additional industrial zoning could be considered:

- Around the intersection of Upper Ganges and Lower Ganges Roads
- Around the intersection of Pallot Way and Rainbow Road
- Around Lower Ganges Road near its intersections with Rainbow and Drake Roads
- Around Fulford-Ganges Road between its intersections with Bittancourt and Cranberry Roads
- Around Robinson road just north of its intersection with Mansell Road
- Around Fulford Ganges Road near the Fulford ferry terminal

Map B, located in Appendix D, shows the areas suggested by UCL for potential rezoning for industrial use. The report did not provide estimates of the amount of land that might potentially be available for rezoning in the areas identified.

IAPC PROPOSALS

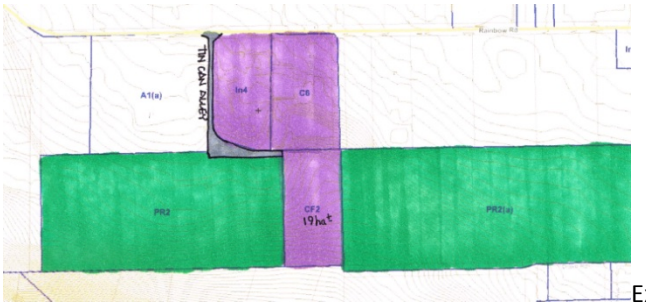
In considering the areas to which new industrial land uses might be directed, the IAPC was guided by the criteria proposed in the ITF report, and endorsed in the UCL report. But in some cases, the Commission's choice of lands to be considered for possible rezoning to industrial use differed from those in the previous reports, where it considered there were inappropriate neighbouring adjacencies or potential accessibility or traffic issues.

The IAPC also considered a number of sites that may have been overlooked by the two previous reports because the sites are unavailable right now, but certainly could become available within the next 25 years.

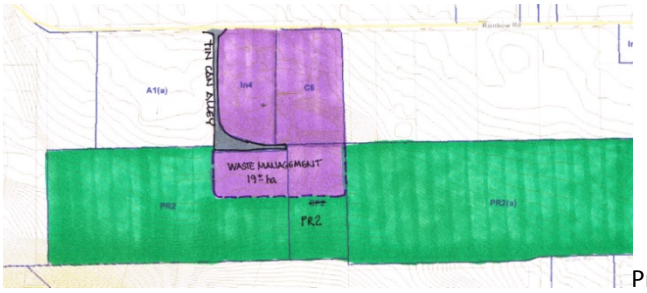
Most prominent among these sites are gravel pits, which currently occupy some 193 acres of the island. Different pits will become exhausted at different times, but many will be available for alternative use within the next quarter century. As previously noted, gravel pits are regulated by the BC government, but the relevant regulations allow for local zoning authorities to have a role in determining the zoning and use of these properties once their potential for gravel is exhausted. Most of the gravel pits on Salt Spring are not within the ALR, so there is no requirement that they convert to agricultural use once exhausted, and many of them are sufficiently isolated that they may ideal for conversion, if required, into use for heavy industry and/or waste management. Accordingly, the IAPC has included some gravel pits in its proposal on how to meet the estimated 25-year demand for industrial land.

Other specific sites, currently in other uses, that could help meet the 25-year demand for industrial land include:

- Slegg's lumber yard on Fulford-Ganges, once the business is consolidated at its other site
- Land in the ALR adjacent to the CRD's waste site at Burgoyne Bay; the ALC has recently confirmed that this land could be used for certain CRD wastewater treatments
- A portion of Mouat's Park, which was transferred by the BC government to the CRD in the early 2000s, but retains an industrial zoning area that is adjacent to existing industrially zoned lands. The amount of land currently zoned industrial could be reconfigured, as shown in the map below, so that the remaining parkland is not split into two pieces.



Existing Landuse Zoning re: Mouat's Park



Proposed Reconfiguring of Landuse Zoning

In the short term, whether or not a piece of property is in the ALR is an important consideration in considering rezoning, since there are major difficulties and potential delays in securing release of land from the ALR for other purposes. But in a 25-year time horizon, this is not a major consideration, since it likely that the challenges that currently exist with ALR lands can be resolved in that time frame.

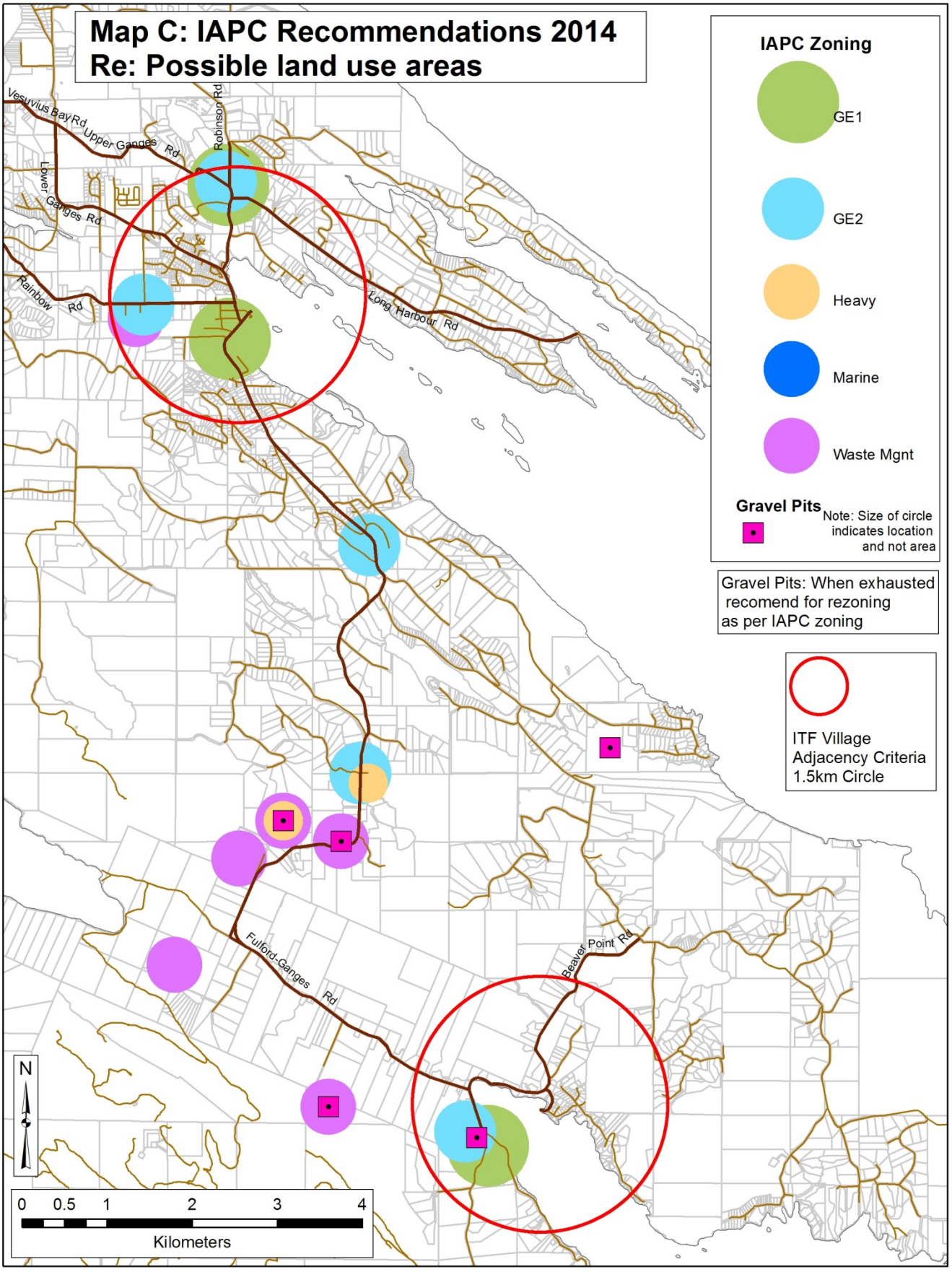
The areas identified by the IAPC as most suitable to consider for rezoning to different categories of industrial use are shown in Map C and are identified in the following table.

The table shows the amount of land potentially available for each of the categories of industrial use in these areas. The Commission has identified areas with a total acreage significantly greater than the anticipated demand for industrially zoned land over the next 25 years, because not all private landowners may be interested in having their property rezoned for industrial use. Marine Employment land is yet to be determined based upon future study.

IAPC Recommended Areas for Future Demand for IAPC zone uses

General Location	Proposed Zone (acres)					
	GE1	GE2	Marine Empl	Waste Mgmt	Heavy Ind	Total
Upper Ganges/Long Harbour Rd	13	2				**15**
Rainbow Rd/Atkins		23		1		**24**
Mouats Park CF zoned land				19		**19**
Ganges Hill	3					**3**
Jackson Ave	2	6				**8**
Garner Rd/Fulford Ganges Rd		14				**14**
Lee's Hill (3 gravel pits)				19	7	**26**
Ackerman Gravel Pit				10		**10**
Isabella/Musgrave	22	10				**32**
Burgoyne Bay				17		**17**
Abbatoir TUP site					3	**3**
Sleggs Lumber old site		2				**2**
Total	**40**	**57**	**0**	**66**	**10**	**173**
Estimated Demand	3	17-22	TBD	40-45	10	70-80

Gravel Pit


Map C: IAPC Recommendations 2014
Re: Possible land use areas
IAPC Zoning
GE1
GE2
Heavy
Marine
Waste Mgnt
Gravel Pits
Note: Size of circle indicates location and not area
Gravel Pits: When exhausted recomend for rezoning as per IAPC zoning
ITF Village Adjacency Criteria 1.5km Circle
Vesuvius Bay Rd
Upper Ganges Rd
Robinson Rd
Lower Ganges Rd
Rainbow Rd
Long Harbour Rd
Fulford-Ganges Rd
Beaver Point Rd
N
0 0.5 1 2 3 4
Kilometers

CONCLUSIONS

The IAPC has identified more than sufficient land that could be rezoned to meet the 25-year demand for industrial land, provided that satisfactory results are obtained from further investigation of two issues:

- Factors influencing the supply of, and demand for, marine-related industrial land
- BC government regulations and procedures for rezoning exhausted gravel pits for industrial purposes

The Commission believes the Trust should consider proactive rezoning for industrial use of areas identified in this report for general employment 1 and 2 uses.

Demand for larger industrial properties is likely to be highly site specific, making proactive zoning to meet this demand unrealistic. As far as possible, the Trust should respond positively to zoning applications aimed at providing land for agriculture-related industry, for waste management and similar green community industrial infrastructure priorities, provided there will be suitable buffering.

The Trust should also engage the CRD on meeting the anticipated demand for industrial land for public sector purposes such as waste management and public vehicle storage and repair.

The IAPC recognizes that the uses of privately owned properties are the prerogative of property owners. At the same time, having established appropriate areas for more industrial zoning, the Trust can encourage rezoning to industrial uses, within clearly identified target areas only, by some or all of the following:

- Communicating the need for more industrial land to all Island residents
- Offering a simple, possibly cost-free, process to property owners wishing to rezone their properties for industrial uses
- For industrial uses only, modifying restrictions on subdivisions of less than 1½ acres
- Proactively zoning properties to allow industrial uses
- Provide incentives such as transferable density bonuses to encourage rezoning of land to industrial
- Working with the CRD to ensure areas chosen for industrial uses receive high priority in any expansion of existing community sewer, water and other services, as well as in any creation of new services

The OCP provides that the total amount of land zoned Industrial should not be reduced, making it currently difficult for industrially zoned land to be rezoned to zoning more consistent with current or intended uses. As more land is zoned for industrial uses, it will become more possible for existing industrial landowners wishing to appropriately rezone their lands to do so. In the case of properties that are totally unsuited for industrial development, the Trust may wish to work proactively with these property owners to rezone their properties to more suitable zoning classes.

7. RESIDENTIAL USE OF INDUSTRIAL AND COMMERCIAL PROPERTIES

THE LIVE/WORK CONCEPT

The concept of living and working in the same building/property is well established on Salt Spring, notably in the recently expanded provisions for home based businesses outside villages, and in the provisions for ancillary residential uses in commercial and industrial properties.

The live/work concept is consistent with many sections of the OCP, but is not found in the LUB. Reduced energy, reduced transportation, and less land usage all make the concept part of the sustainability goals of both the OCP and LUB. Live/work is also consistent with other OCP goals:

- "Efficient and affordable delivery of public services"
- "Mixed or shared uses", and
- Maintaining and encouraging "a diverse and creative community by providing a wide range of opportunities and locations for earning a living that are compatible with and can take advantage of the preservation of the islands beauty and character"

Live/work arrangements are also important for affordability. Almost a third of all Salt Spring workers are self-employed, and entrepreneurship is one of SSI's comparative advantages in an increasingly competitive world. Entrepreneurs typically face major cash flow challenges, especially in their start-up years. Combining work and living spaces, and where appropriate, retail spaces as well, offers major costs savings for entrepreneurs, including some or all of:

- Reduced auto and commuting costs
- Reduced child care and meal costs
- Reduced premises acquisition or rental costs
- Potentially reduced property and income tax costs

THE SPECIAL CASE OF VILLAGES

Adequate live/work provisions are particularly important in the OCP-defined villages of Ganges, Fulford and Channel Ridge. The OCP recognizes this in policy B.5.1.2.8 - "The LTC may consider making changes to zoning to allow the creation of live/work spaces." Live/work provisions have the following additional advantages in villages:

- They increase density and provide mixed uses in commercial areas
- Live/work/retail spaces increase product visibility and hence retail performance
- They create more activity after 5 pm, which is attractive to both residents and tourists, and enhances security by providing more "eyes on the street" when businesses are closed.

Introducing residential living into the commercial and industrial areas of villages is an important goal. With that in mind, it seems unnecessary to insist, as the live/work concept does, that the occupants of any residential premises within the commercial and industrial areas of villages be employees of, or otherwise related to, the businesses in the same properties. In addition, there is no reason to limit (except through the existing density and massing provisions of the OCP) the number of residential units per property in villages,

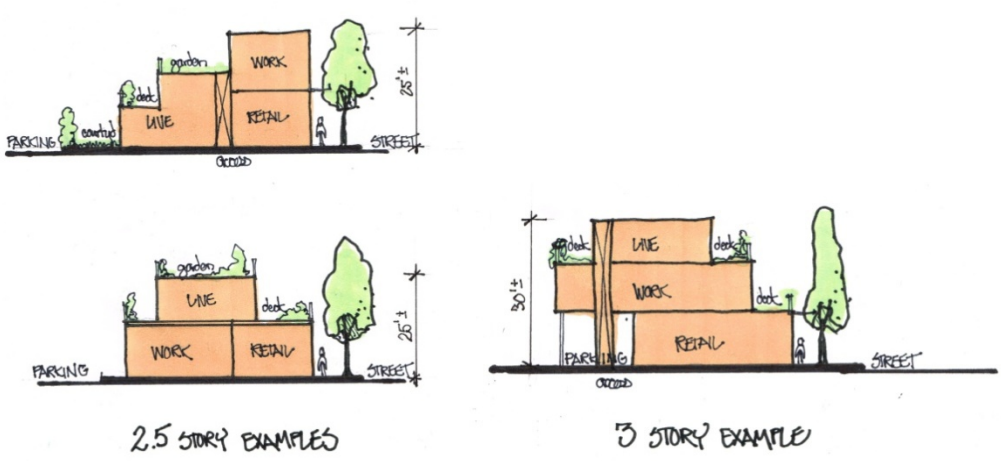
where the priority is supply of affordable housing rather than limiting densification. The IAPC therefore proposes that, in all villages, the Trust:

- Allow residential units in commercially and industrially zoned properties, subject to:
    - No such units in waste management, heavy industry or marine-related industry that have not been environmentally mitigated
    - Such units not permitted to be converted into separate strata-titled residential units
    - No residential units on the ground floor facing the street
    - There is adequate sound-proofing between residential unit(s) and industry/commercial units and utilities are separate systems, including separate ventilation and separate access
    - No change in density and massing provisions to accommodate additional residential space

- Consider introducing incentives for development of residential units on the upper floors of commercially and industrially zoned buildings in villages. Incentives might include: allowing extra height and/or density, and requiring an equal amount of residential development to be added for each additional amount of commercial/industrial development proposed.

In Ganges, these proposals could be considered as part of the upcoming Ganges Official Plan Update, which is likely to include a long term strategy for provision of sewer and water services to the village and its surroundings.

The sketched cross-sections below outline different ways in which residential, commercial/industrial and retail spaces can be accommodated in villages.



CONCLUSION

The IAPC strongly supports combining residential uses with commercial/industrial uses in villages, to provide more affordable housing while enhancing village vitality. It therefore recommends no restrictions, except the existing restrictions on density and massing, on the number of residential units allowed on industrial or commercially zoned property in villages, and no necessity for the occupants of these units to be involved in the businesses in the same property. The Commission also recommends that the Trust consider providing incentives for the development of residential units in villages.

8. OTHER ISSUES IN THE UCL REPORT

Many of the recommendations of the UCL Report have been addressed in previous chapters, and other recommendations (e.g. an update of the OCP) are beyond the mandate of this Commission. But three specific UCL recommendations deserve comment.

ADDING FLEXIBILITY TO EXISTING PERMITTED USES

If the IAPC's recommendations are implemented, a large amount of flexibility would automatically result. Some simplifications to increase flexibility could be made relatively easily in the short-term, before the proposed longer term approach is implemented. Examples include expanding the types of office space available in C6, and allowing office space on industrial properties

REDUCING DELAY IN THE REZONING PROCESS

Delays in rezoning can present a major problem for businesses - increasing their costs, creating uncertainty and causing difficulties in raising capital. There have been many complaints regarding the time taken to process rezoning applications – according to the UCL report, almost all rezonings take more than 9 months. The UCL report suggests that the LTC should endeavour to adjudicate all sufficiently documented rezoning applications within 12 months, but often delays are created by other government agencies on which the Trust must rely for information.

The IAPC recognizes processing times as an important issue, but one not fully within the control of the Trust. It also notes that the zoning simplifications proposed in this report may help reduce processing time. If resources allow, it may be useful for the LTC to benchmark rezoning processing times on Salt Spring relative to those on other islands in the Trust area, as well as in other similar size communities on Vancouver Island. Some communities have Development Approval bylaws which seek to speed the time taken for development approvals by specifying what information needs to be provided by developers at what stage of the approval process. The Trust may wish to explore the effectiveness of these bylaws in other communities similar in size to Salt Spring.

MONITORING THE SUPPLY AND DEMAND FOR INDUSTRIALLY ZONED LAND, AND GATHERING DATA ON HOME-BASED BUSINESSES

The UCL report recommended these two intelligence-gathering activities as a way for the LTC to stay abreast of economic developments relevant to its land use decision-making. Given the overall lack of current economic data on Salt Spring, these are useful suggestions that should require relatively few resources. It would be helpful and cost effective to pursue current economic data on a cost-shared basis with other organizations interested in the data, such as the Chamber of Commerce and the CRD's Community Economic Development Commission.

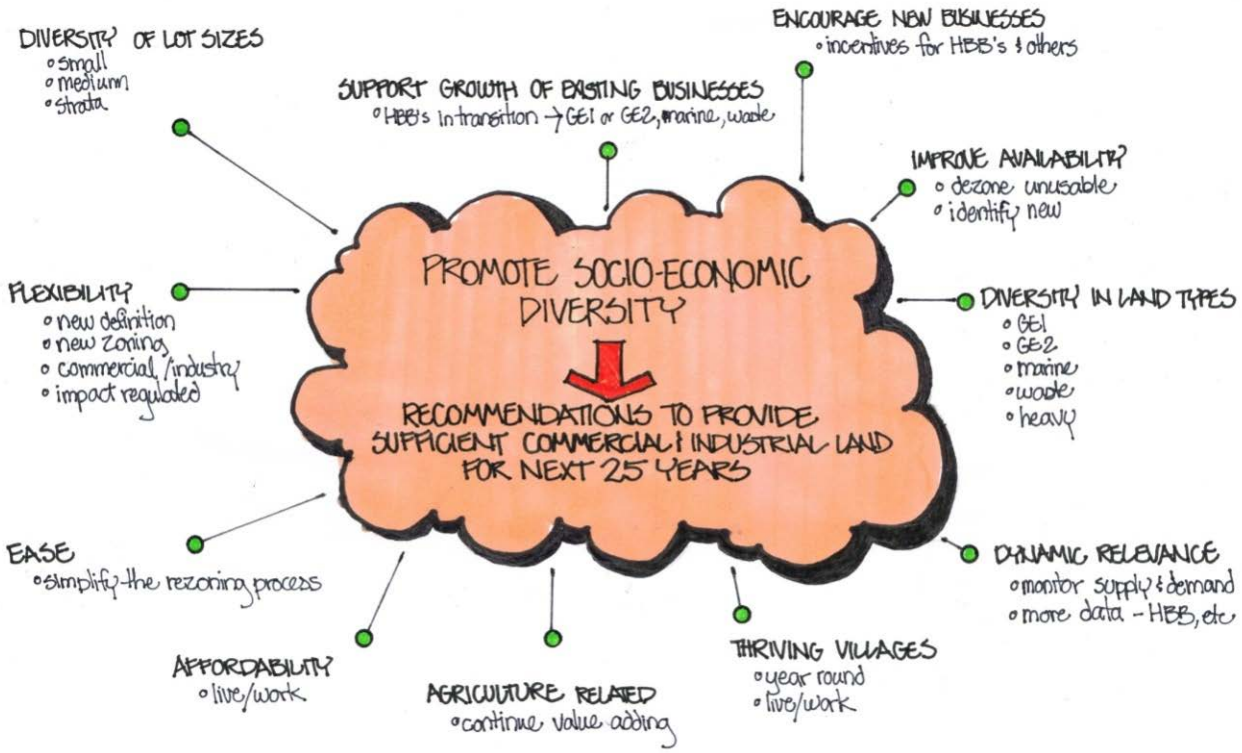
9. SUMMARY OF RECOMMENDATIONS

WHY INDUSTRIAL ZONING IS IMPORTANT

Industrial zoning on SSI, as it currently exists, is highly problematic. There is currently a shortage of industrial land, and this will only get worse unless addressed in a timely fashion. Largely for historical reasons, lands zoned industrial are scattered around the island, often in places unsuited for industrial use, and many such lands are used for non-industrial purposes, or not used at all. The industrial land provisions of the OCP and LUB are unnecessarily complex and unduly restrictive. The classification of industrial properties makes little sense in today's world.

These shortcomings represent a challenge not just to the owners of industrially zoned property and to those seeking to own or rent such property, but to the community as a whole. They restrict the ability of entrepreneurs to function and to create jobs on the island, and thereby impact the island's economy and overall resilience.

As outlined in the previous chapters, the IAPC has come up with a number of recommendations to address these shortcomings. As the diagram below illustrates, these recommendations, when implemented, will have a strong positive impact on island socio-economic diversity and sustainability resulting in strengthened community resilience, acting through each of the 11 vectors identified in the diagram.



IMPLEMENTING THE RECOMMENDATIONS

The IAPC recognizes that implementing its recommendations, while respecting property owner's rights, Trust processes and the need for appropriate community consultation, will be challenging. But given the potential losses to the community of maintaining the status quo, it is imperative that as many recommendations as possible be implemented as soon as possible. This issue has been exhaustively researched over several years and now is the time for action.

Many of the issues identified in this report are interdependent with other planning processes or issues. For example, the estimates of industrial land demand in this report will have an impact on any other long- range planning activities undertaken by the community – both for overall sustainability or for specific services such as sewer, water and transportation. But equally, any other long range planning done for Salt Spring will have an impact on findings of this report, particularly as regards potential locations for new industrial lands.

Similarly, the recommendations made in this report could be pursued independently by the Trust, or as part of other ongoing activities. For example, the recommendations on residential use of commercial and industrial properties could be implemented as a stand-alone item, or as part of comprehensive village revitalization plans, such as the Ganges Official Plan Update.

With a large number of recommendations, there is always the question of the relative priority of each recommendation. In addressing this question, the IAPC believes priority should be given to:

- Quick actions that would positively affect the business climate on the island and the ability of entrepreneurs to function efficiently
- More long range planning, so the work presented in this report can be supplemented by, and where necessary modified by, a more holistic view of the future of Salt Spring. The work of the CRD on long range sustainability planning may provide a useful model to consider

An additional issue is the level of resources dedicated to working toward implementation of all the recommendations. The IAPC recognizes that the Trust has limited resources; at the same time, the state of the island's zoning system, as revealed in the Commission's work, suggests that more resources need to be addressed to resolving issues that impact on the island's economy and long term resilience. If the economy is able to function more efficiently, it could generate more tax dollars without significantly raising tax rates.

With these considerations in mind, the IAPC recommends a multi-pronged approach:

PRIORITY 1: RECOMMENDATIONS THAT CAN BE READILY ACTIONED AND WILL IMPROVE THE BUSINESS CLIMATE

PRIORITY 2: RECOMMENDATIONS THAT MAKE NECESSARY MAJOR CHANGES TO THE ZONING CLASSIFICATION SYSTEM AND ADVANCE LONG TERM COMPREHENSIVE PLANNING FOR THE ISLAND'S FUTURE

PRIORITY 3: RESEARCH NECESSARY TO BETTER UNDERSTAND ISSUES RELATED TO INDUSTRIAL LAND DEMAND AND SUPPLY

PRIORITY 4: OTHER RECOMMENDATIONS, INCLUDING THOSE THAT COULD BE ADDRESSED THROUGH EXISTING TRUST PROCESSES

PRIORITY 1 : IMPROVING THE BUSINESS CLIMATE

1. Approve in principle the proposed IAPC definition of industry, and the proposed classification of industrial lands
2. Approve the magnitude of demand for different classifications of industrial land as estimated in this report, and the most opportune locations for siting new industrial lands of different classifications, as outlined in this report, as the basis for future Trust policy and as a consideration in addressing all relevant applications to the Trust.
3. Open discussions with the CRD regarding the possibility of using for industrial purposes, a portion of the Mouat's Park property transferred from the BC government equivalent in size to the portion of the existing property zoned for industrial use.
4. Develop and implement a proactive program to encourage property owners to rezone their lands consistent with the recommendations of this report, in particular:
    - To encourage property owners in areas identified in this report to apply for rezoning for industrial uses, consistent with the classifications outlined in this report
    - To encourage owners of properties that are currently zoned for industrial use but are not appropriate for such use, where the property in question is not in one of the areas identified for industrial use in this report, to apply for rezoning to a more appropriate use
5. Continue to engage vigorously the Agricultural Land Commission on providing more flexibility for farm-related light industry on farms within the ALR

PRIORITY 2: REFORM FOR THE LONGER TERM

6. Develop a process to implement the proposed new approach to industrial and commercial zoning
7. Revise Bylaw 355 such that:
    - zoning focuses on regulating the negative externalities which are the chief concern, rather than on naming specific uses
    - there is added flexibility in allowable uses in existing industrial classifications
8. Begin immediate discussions with the CRD regarding:
    - Developing long term waste management, water and transportation services strategies and assessing the implications of these strategies for the findings of this report
    - Development of a long term sustainability plan for the island which would clarify the role of industry and industrial land in the island's future.

PRIORITY 3: NECESSARY RESEARCH

9. Investigate, with the CRD and the Harbour Commission, the numerous issues surrounding long term demand for marine employment lands, in villages and in other parts of the island
10. Investigate, with the Agricultural Alliance and the CRD, the long term opportunities for the island in agriculture-related industry, and the land use implications of pursuing these opportunities
11. Research, with the CRD and the Chamber of Commerce, the current scope and characteristics of home based businesses, and cost-effective means of monitoring the growth of this segment of the economy
12. Research the opportunities and necessary processes to rezone exhausted gravel pits for other community uses.

PRIORITY 4: DIRECTION FOR FUTURE TRUST PLANNING INITIATIVES

13. Make provision for residential units in commercially and industrially zoned lands, as outlined in this report, a key element in the updating of official plans, and in other planning initiatives relevant to Salt Spring's three villages, as well as to Vesuvius and Fernwood. Develop and implement an incentive program to encourage development of residential spaces with commercial and industrial properties in villages
14. Ensure the next update of the OCP addresses the issues raised in this report that require OCP amendment, including the five proposed classifications for industrial and commercial properties, and the criteria for rezoning land for industrial use
15. Develop a process to apply the planning approach taken in this report to commercial properties on the island

APPENDIX D: MAPS/CHARTS

EXISTING LAND USED FOR INDUSTRY

Currently Zoned Industrial from ITF Report and C6 Lands with IAPC Proposed Zoning

Lot Address	ADDRESS	Current ZONE	BUSINESS	AREA, ACRE	Activities	Proposed IAPC Zone				
						GE1	GE2	Marine	Waste Mgmt	Heavy Ind
259	Atkins	C 6	Knott Place Strata septic	0.11	Waste management				0.11	
125	Knott	C 6	Salt Spring Medical Supply	0.47	Fabrication	0.47				
317	Rainbow	C 6	H Hazenboom Construction	0.49	Storage		0.49			
319	Rainbow	C 6	Pretzel Motors	0.53	Car Repair		0.53			
327	Rainbow Lot 1	C 6	0803001 BC Ltd glass/rental	0.49	Glass/metal	0.49				
315	Upper Ganges	C 6	Mechant Mews	1.51	Commercial	1.51				
331	Upper Ganges	C 6	Ironic Developments	1.53	Metal Fabricator		1.53			
334	Upper Ganges	C 6	Seachange	1.38	Food Processing	1.38				
347	Upper Ganges	C 6	SS Mini Storage	1.95	Storage		1.95			
771	Upper Ganges	C 6	Mainroad Properties	1.00	Heavy Equipment		1.00			
156	Alders	In 1	Johnson/Island Marine	0.23	Metal Marine Fabricator / automotive		0.23			
251	Fulford Ganges	In 1	Brian Cunningham	0.54	Commercial / dwelling	0.54				
804	Fulford Ganges	In 1	Malaview Development Ltd	1.88	Lumber Yard		1.88			
151	Lower Ganges	In 1	The Fishery	0.25	Commercial	0.25				
290	Park	In 1	SS Freight / Ganges Auto	1.22	Car Wash/ Auto repair		1.22			
166	Rainbow	In 1	Windsor Plywood	3.07	Lumber Yard		3.07			
320	Upper Ganges	In 1	home design	0.42	Commercial with outdoor	0.42				
181	Beddis	In 2	Robin Wood	0.64	Auto Repair		0.64			
1429	Fulford Ganges	In 2	Mid Island Marine and others	4.97	Boat Repair and Storage		4.97			
1449	Fulford Ganges	In 2	Mark Hughes (part of 8.20 acres,	2.69	Storage / Commercial (now includes abattoir)		2.69			
191	Rainbow	In 2	Murakami Auto Repair	0.21	Auto Repair		0.21			
111	Robinson	In 2	SS Soapworks	0.51	Processing		0.51			
115	Desmond	In 2a	Irwin Collision	0.90	Auto Repair		0.90			
174	Stewart	In 2a	Don Marcotte	10.58	Car Storage		10.58			
194	Stewart	In 2a	Ron Pultke	1.52	Equipment Storage		1.52			
201	Beddis	In 3	Beddis Development Ltd	3.69	Lumber Yard		3.69			
427	Fulford Ganges	In 3	Harold Harkema	1.48	Auto Repair		1.48			
345	Rainbow	In 4	Gulf Coast Materials	4.47	Cement Plant					4.47
			Subtotal Used as Industrial	48.74		5.06	39.09	0.00	0.11	4.47
401	Robinson	In 2	Quonset Shop, part of 105.5 acres	1.44	Vacant, was U-Haul					
330	Upper Ganges	In 2	Stella Bruce	0.63	Not Known					
131	Knott	C 6	Hedgehog Bulldozing	1.20	Vacant					
101	Fulford Ganges	In 4a	Imperial Oil	0.42	Vacant / no fuel storage					
111	Morningside	In 4a	Shell Canada	0.32	Vacant / no fuel storage					
111	Scott Point	In 4a	Shell Canada	0.61	Vacant / no fuel storage					
			Subtotal Vacant	4.62						
321	Rainbow	C 6	Ralph Blake - dwelling	0.49	Residential					
325	Rainbow Lot 2	C 6	0803001 BC Ltd - dwelling	0.42	Residential					
190	Stewart	In 2a	Adelard Marcotte	10.37	Residential					
210	Stewart	In 2a	James Alexander dwelling	1.00	Residential					
260	Stewart	In 2a	Ian Marcotte dwelling	6.69	Residential					
203	Rainbow	In 3a	Richard Murakami	1.08	Residential					
190	Reynolds	In 3	Lisa Lloyds part of 94 acres	23.35	Residential					
			Subtotal Residential	43.39						
			Current Zoning Total	96.75	IAPC Zone Total	48.7				

C 6	Commercial C6
In 4a	Marine
In 3	In ALR
In 2a	Not used for Ind
CF 2	Community Facility

Currently Used as Waste Management Proposed for New IAPC Zoning

Lot Address	ADDRESS	Current ZONE	BUSINESS	Activities	Waste Mgmt
259	Atkins	C 6	Knott Place Strata septic	Waste management	0.11
349	Rainbow	CF2	BC Crown Recycle Depot	Solid Waste management	2.07
	Burgoyne Bay	A 1c	BC Crown CRD liquid sewer	Waste management	17.62
124	Lee	R	Laurie Hedger Recycle	Solid Waste management	8.21
	Park and Valhalla	C1	Laurie Hedger Recycle (lease)	Solid Waste management	0.53
104	Seaview	CF 2	CRD Sewer - sewer only	Waste management	1.01
360	Blackburn	R4E	Salt Spring Garbage Service	Solid Waste management	11.25
			Totals		40.80

C 6	Commercial C6
CF 2	Community Facility
R	Rural area
PR 2	Park & Reserve / Agriculture

Currently Used as Marine Employment Proposed for IAPC Marine Employment Zoning

Lot	ADDRESS	Current ZONE	BUSINESS	Activities	Marine Employment (acres)
101	Fulford Ganges	In 4a	Imperial Oil	Vacant / no fuel storage	
111	Morningside	In 4a	Shell Canada	Vacant / no fuel storage	
111	Scott Point	In 4a	Shell Canada	Vacant / no fuel storage	
	N Beach Rd	S5	Aquaculture		55.00
	Fernwood and North Beach	S4	Fernwood Dock		0.75
	Maricaibo	S4	Maricaibo Dock		2.50
	Scott Point	S4	RVYC Dock		3.50
	Scott Point	S3	Bc Ferries		1.50
	Vesuvius Bay Rd	S4	Vesuvius Dock		0.40
	Vesuvius Bay Rd	S3	Bc Ferries		2.30
	Musgrave Rd	S4	Musgrave Landing Dock		0.37
	Upper Ganges by Moby's	S1(a)			10.00
	Upper Ganges by Harbour End	S2			0.25
	Park to Rainbow(almost) on Lower Ganges	S1			9.50
	Foot of Fulford Ganges	S1	Coast Guard, Float Plane, Gov't Docks		4.00
	Grace Point	S4	Grace Point Dock		0.25
	Centenial Park/ Parking Lot	S1	Docks / Marina breakwater		8.00
	Foot of Douglas	S4	SS Sailing Club and Docks		7.00
	Top of Ruckle Pk. W of Yeo Pt.	S5(a)	Aquaculture, not in use?		27.00
	Fulford Village	S4	Gov't and Private Docks		0.80
	Fulford Village	S3	BC Ferries		3.25
	Marina W on Fulford Ganges Rd	S2	Private Dock		2.00
	Marina E on Fulford Ganges Rd	S2	Private Dock		0.90
	Burgoyne Bay	S4	Dock		1.00
	Burgoyne Bay	S1	Was Logs, ?for First Nations?		63.00
	S of Bold Bluffs	S5	Kellog's?	off shore after S6	15.00
	Walker's Hook	S5	Aquaculture	old oyster lease	2.00
	Walker's Hook	A1	Aquaculture Land based sablefish	estimated used acreage	14.00
	Booth Canal opening	S5	Aquaculture	Shellfish	9.50
				Total land and water lease	243.77
				approx. 230 acres of water	
				TOTAL LAND approx.	13.77

Shoreline Zones - Water	
SubZone	General Activities
S1	Commercial Marine Activities, Logs, Seawalls, Seaplanes
S2	Commercial services
S3	Ferry, Barge unloading
S4	Commercial or Private Dock
S5	Aquaculture

Currently Zoned TUP with Proposed IAPC Zoning

Lot Address	ADDRESS	Current ZONE	BUSINESS	AREA, ACRE	Activities	Proposed Zone				
						GE1	GE2	Marine	Waste Mgmt	Heavy Ind
1449	Fulford Ganges	R	Abattoir	2.69	meat slaughter					2.69
			Totals	2.69						2.69

Current Zoning of Utility Properties with Proposed IAPC Zoning

Lot Address	ADDRESS	Current ZONE	BUSINESS	AREA, ACRE	Activities	Proposed Zone				
						GE1	GE2	Marine	Waste Mgmt	Heavy Ind
	Lower Ganges	R6	Telus	0.32	utility	0.32				
		R	Telus	1.06	utility					1.06
		R	Telus	5.00	utility					5
	Fulford Ganges	A1	Telus	0.43	utility	0.43				
	Lower Ganges	R	BC Hydro	7.09	utility					7.09
		PR5 (c)	Mt Bruce Utilities	9.90	utility					9.9
	Nose Point	R	BC Hydro	0.43	sub station					0.43
	Atkins	A	BC Hydro	4.90	sub station					4.9
			Totals	29.13		0.75				28.38

A	Agricultural
A1	Agricultural
R	Rural area
R6	Residential
PR 5c	Parrk and Reserve

Total Land Currently Used as per IAPC Proposed Zoning

Current Zoning	Proposed Zone					
	GE1	GE2	Marine Empl	Waste Mgmt	Heavy Ind	Total
C6 and Industrial	5.06	39.09	0	0.11	4.47	**48.73**
Other Zones (Waste Management and Marine Employment)			13.77	40.80		**54.57**
Temporary Use Permit and Utilities	0.75				31.07	**31.82**
Total	**5.81**	**39.09**	**13.77**	**40.91**	**35.54**	**135.12** *

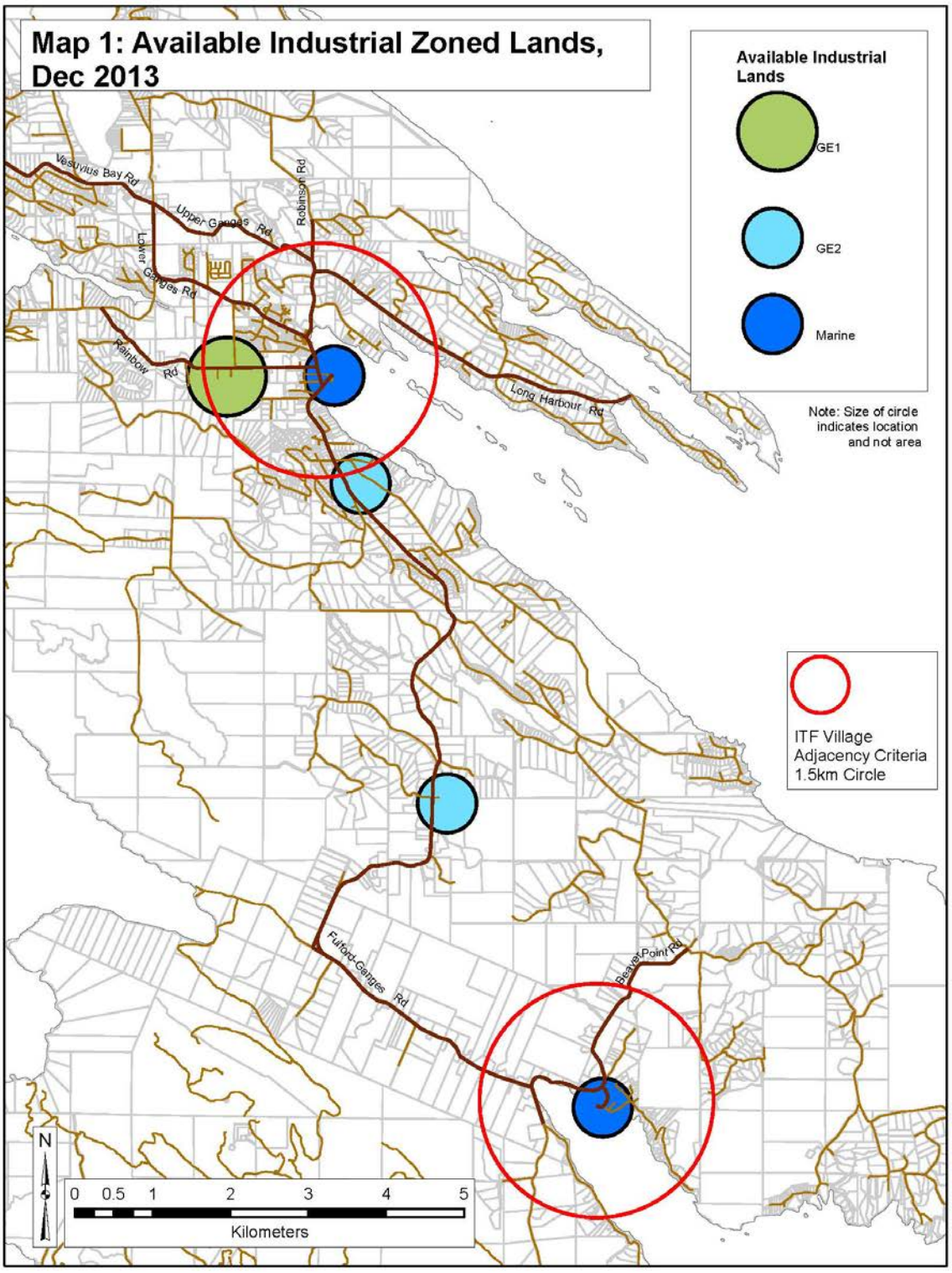
*NOTE: does not include Legal non conforming lands used for industrial purposes, Crown lands used for industrial purposes or Gravel pits. ME acreage based upon estimated area used

EXISTING AVAILABLE ZONED INDUSTRIAL LAND

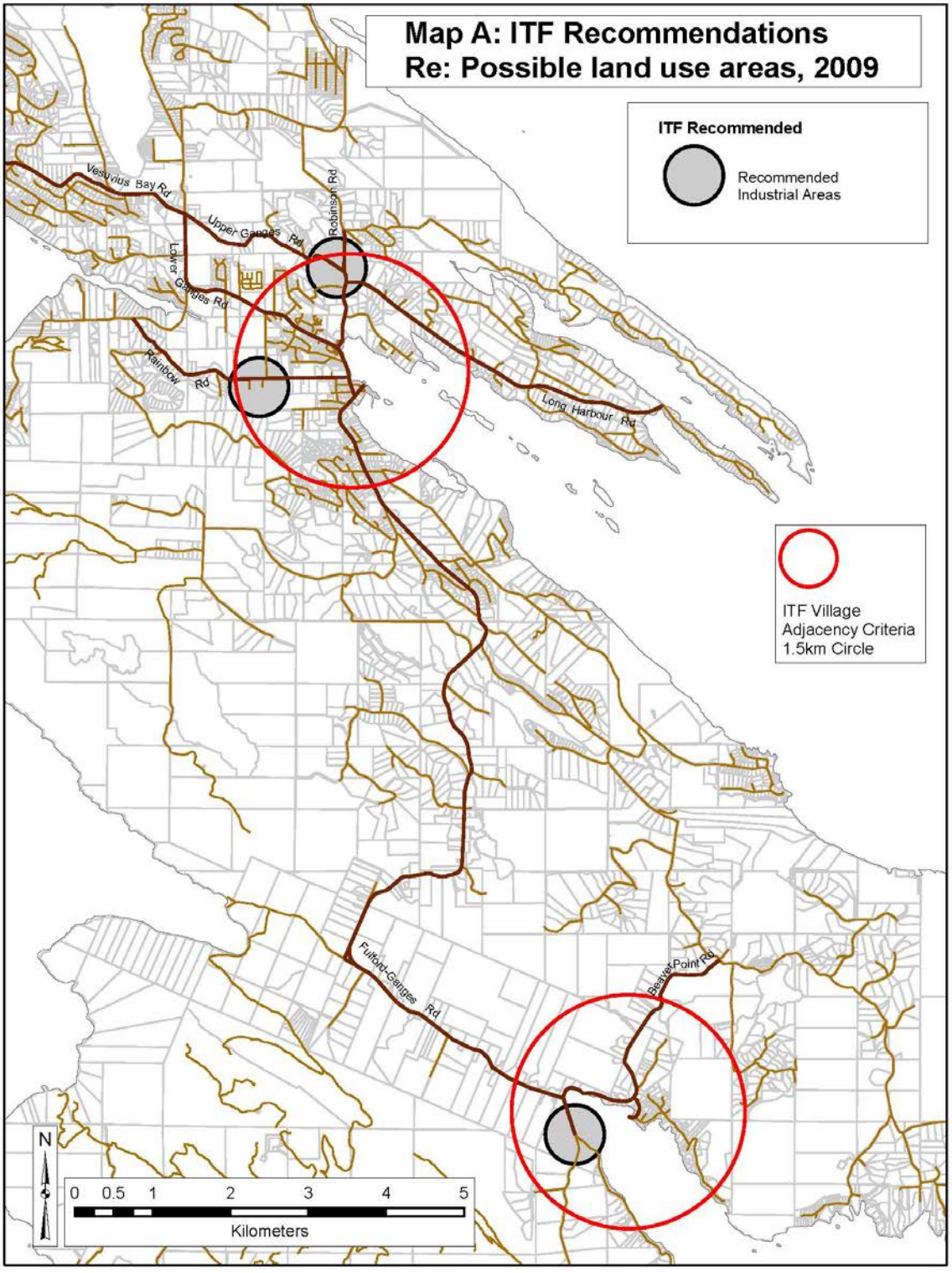
Vacant C6 and Ind Lands per Urbanics, July 2013

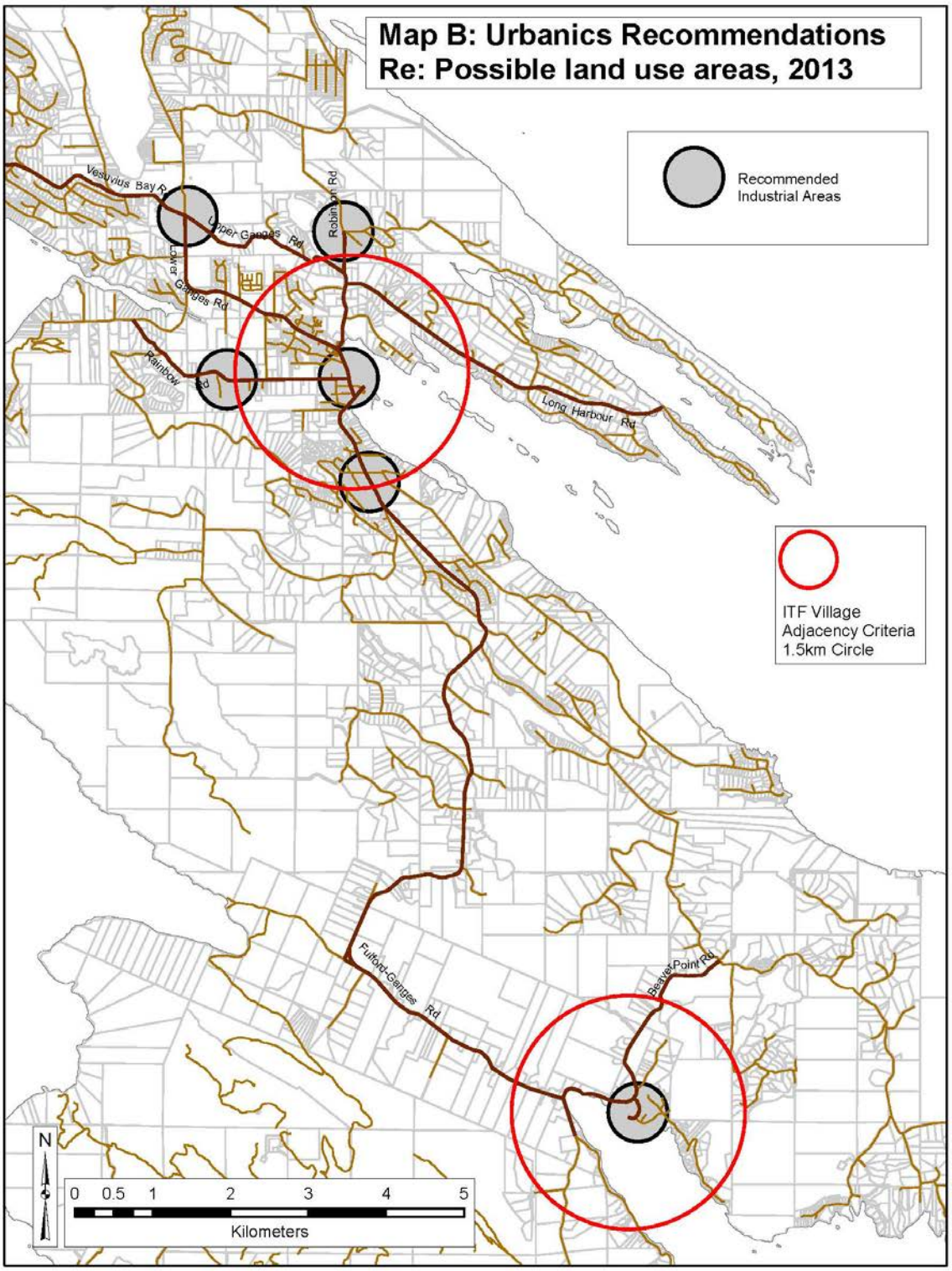
Address	Zoning	Proposed Zone					
		GE1	GE2	Marine Empl	Waste Mgmt	Heavy Ind	Total
101 Fulford Ganges Rd	Ind 4(a)			0.42			**0.42**
131 Knott Place	C6	1.202					**1.202**
111 Morningside	Ind 4(a)			0.332			**0.332**
111 Scott Point	Ind 4(a)			0.634			**0.634**
80 Garner Rd	Ind 2		1.69				**1.69**
189 Beddis Rd	Ind 1(b)		1.487				**1.487**
	Total	**1.202**	**3.177**	**1.386**	**0**	**0**	**5.765**

Note: this is different from ITF vacant


Map 1: Available Industrial Zoned Lands, Dec 2013
Available Industrial Lands
GE1
GE2
Marine
Note: Size of circle indicates location and not area
ITF Village Adjacency Criteria 1.5km Circle
Vesuvius Bay Rd
Upper Ganges Rd
Lower Ganges Rd
Robinson Rd
Rainbow Rd
Long Harbour Rd
Fulford-Ganges Rd
Beaver Point Rd
N
0 0.5 1 2 3 4 5
Kilometers

ITF AND UCL RECOMMENDED SITES




Map B: Urbanics Recommendations
Re: Possible land use areas, 2013
Recommended
Industrial Areas
ITF Village
Adjacency Criteria
1.5km Circle
Vesuvius Bay Rd
Upper Ganges Rd
Robinson Rd
Lower Ganges Rd
Rainbow Rd
Long Harbour Rd
Fulford-Ganges Rd
Beaver Point Rd
N
0 0.5 1 2 3 4 5
Kilometers

POSSIBLE FUTURE INDUSTRIAL USES ON SALT SPRING ISLAND

Category	Example	Proposed Zone					Area Required		Comments
		GE1	GE2	Marine	Waste Management	Heavy Industry	Size Existing	Size Future	
Waste Management	Recycling Collection Hubs								
	Recycling Depots								
	Transfer Stations								
	Metal crushing								
	Composting, kitchen wastes and organics								
	Secondary and Tertiary Sewage treatment- reed beds, constructed wetlands								
	Primary sewage treatment								
	Tire grinding								
	Appliances, computers, batteries, low voltage light bulbs, other toxics								
	Fats and Grease								
Water	Desalination process								Individual site processing
	Water distribution								
	Water treatment								
Alternative Energy Production	Wave/tidal power harvesting								feasible within 25 yrs?
	Communal geo thermal								not in forseeable future due to pop
	Communal wind, solar 'farms'								not feasible
Construction/building/Automotive	Building supplies								
	Concrete plant								
	Asphalt plant								not likely - tried before, not enough
	Machinery supply and repair								
	Vehicle repair								
	Fuel storage								not likely - barged/trucked from V.I.
	Gravel								nic in this report
	Sand								nic in this report
	Lumber mill								small scale only, HBB, portable
	Green construction material production								
	Furniture making/repair								
Agriculture Related	Cider mill, fruit and veg processing								
	Abbatoir								
	Wine production								
	Meat processing - smoker, sausages, etc								
	Storage of fresh, frozen produce								
	Dairy - cheese, ice cream, butter, etc								

		GE1	GE2	Marine	Waste Management	Heavy Industry	Existing	Future	
Marine Related	Aquaculture								
	Marina								
	Water taxi port								
	Boat building and repair								
	Float plane repair, port,								
	Fuel Station								not likely
	Fish Cannery								
	Crab storage								
	Ferry Terminal								
Art Related, once outgrown HBB	Stone carving								
	Metal welding, foundry								
	Pottery, glassworks								
	Crafts, jewellry, textiles								
	Leather work, wood work								
	Dance, yoga studio, drama								
	Recording studio								
	Book Publishing								
Miscellaneous	Crematorium								too little population
	Vehicle storage - bus transit, construction vehicles								
	Equipment storage								
	Storage lockers								
	Health, cosmetic product production - eg. soap, bees waz, dyes, creams, etc								
	Coffee bean roasting								
Future Consideration									
Commercial uses	Retail, offices, laundromats, restaurants								

APPENDIX E: ANTICIPATED IMPACT OF PROPOSED ZONING CHANGES ON PROPERTY TAX LIABILITY

Based on information provided by BC Assessment, the zoning changes contemplated by this report will, for the most part, only affect the property taxes payable on properties to the extent that the changes affect the value of the properties; as property values rise or fall, so too does property tax liability. The one exception to this is the possibility that a zoning change could trigger a change in property assessment classification for vacant land, as described in the last paragraph below.

Simplification of industrial (and commercial) zoning classifications will not change property tax classifications, because the property assessment classification system is based on the **actual** use of a property, while the zoning system defines **allowable** uses of a property. This is demonstrated in the data provided in the UCL report (page 30), which shows how BC Assessment classified for tax purposes the acreage zoned "Industrial/C6" by the Trust in 2013:

- 30% Industrial
- 47% Residential
- 20% Farm
- 3% Commercial

Simplification of zoning classifications will expand the range of activities allowed on many properties; to the extent that this measurably increases the value of these properties, their property tax liability will also increase. Similarly, if the Trust were to allow industrial activities on some properties currently not zoned for such use, and if this resulted in an increase in value of these properties, there would be a rise in the property tax payable on the properties, regardless of the current use of the properties. Even a clear statement that the Trust welcomes requests to allow industrial activity in certain defined areas where it is not currently allowed could trigger rises in the value of the land involved and therefore an increase in property taxes.

If Trust actions of the sort described above result in higher assessed values, and therefore higher taxes, on residential property, property owners may be eligible for reduced assessments under Section 19(8) of The Assessment Act. Reduced assessments are only available where residential property owners have been in residence on the property for at least 10 years.

There is no guarantee that Trust actions of this sort would significantly impact land values and property tax liability. There would be more likelihood of changes in value and tax liability in areas likely to converted to industrial use in the near future – possibly around Ganges rather than in more isolated parts of the island. In these areas, the value of the land might increase, but this could be offset by a decrease in the value of housing or other improvements on the property that are not consistent with industrial use.

One part of the report deals with the possibility of rezoning to other uses industrially-zoned land that is unlikely to ever be used for industry. Such rezoning may or may not change the value of the property and the resultant tax liability; the further the properties are from Ganges and other centres, the less the likelihood of any significant change in value.

There is one circumstance in which the changes considered in this report could change the property tax liability of a property without changing the value of the property. This is in the case of vacant, unused land, where the property tax classification of the property may be partly determined by the zoning of the land. If a change in zoning triggered a change in property tax classification, the change in tax liability could significant: in 2014, tax rates for services to properties on Salt Spring classified as industrial for tax purposes were 3.4 times those for properties classified as residential.