City of Nanaimo REPORT TO COUNCIL

DATE OF MEETING: 2013-OCT-28

AUTHORED BY: S. HERRERA, PLANNER, PLANNING & DESIGN SECTION

RE: REZONING APPLICATION NO. RA000325 - 1100 MAUGHAN ROAD

STAFF RECOMMENDATION:

That Council receive the report pertaining to "ZONING AMENDMENT BYLAW 2013 NO. 4500.054."

PURPOSE:

The purpose of this report is to present a rezoning application for property located at 1100 Maughan Road to rezone the property from Light Industrial (I2) to Industrial (I4) in order to permit medical marihuana growing and production.

BACKGROUND:

The City has received a rezoning application from Ms. Tonia Winchester of Lafitte Ventures Ltd., on behalf of More or Les Ventures Ltd., to rezone the subject property from Light Industrial (I2) to Industrial (I4) in order to permit medical marihuana growing and production.

Subject Property

The subject property is located along the east side of Maughan Road, 60m from the Jackson Road intersection with the Duke Point Highway (see 'Map 1 – General City Location' and 'Map 2 – Subject Property Location').

The site is approximately 0.74ha (1.8 acres) and contains an existing industrial building. The surrounding area primarily contains Industrial (I4) zoned lands, with a limited number of properties along Maughan Road that are zoned Light Industrial (I2). 'Map 3 – Existing Zones' shows the current zoning in the area.







Official Community Plan (OCP)

The subject property is located within the Industrial designation of the Official Community Plan (OCP). Map 4, shown below, contains the 'Future Land Use Plan' from the OCP for the subject property and surrounding area.



Uses in the Industrial designation include processing, manufacturing and assembly operations, storage, warehousing and distribution. Due to the urbanization of Nanaimo, the need to maintain natural areas, and the evolution of the city's economy away from resource extraction, no future sand or gravel extraction areas are identified in the Plan. Duke Point will support primary and secondary manufacturing and processing industries, including marine industries. Staff is of the opinion that the proposed use meets the intent of the OCP.

Proposed Development

The applicant proposes to rezone the subject property from Light Industrial (I2) to Industrial (I4) in order to permit medical marihuana growing and production. The existing building, which has been vacant for two years, is proposed to be used. The existing floor area is approximately $3,251m^2$ ($35,000ft^2$) in floor area. As there are no changes to the form or character of the exterior of the existing building, a development permit will not be required. However, the applicant is currently working with an architect and the Building Department in order to apply for a building permit for interior renovations.

The regulations and licensing for operating the medical marihuana facility are provided by Health Canada.

The existing site plan for the property is shown below.



Community Contribution

As the subject property currently contains industrial zoning and is proposed as another industrial zone, Staff suggests that no community contribution be required.

NANAIMO ADVISORY PLANNING COMMITTEE (APC)

At its meeting of 2013-OCT-15, the APC recommended that Council approve the application.

Taxation

BC Assessment has advised that the production of marihuana for medical purposes will be considered an agricultural use and assessed in the farm category. While this use involves indoor cultivation and would be considered industrial from a land use / zoning perspective, the decision of BC Assessment will have an impact on the City's industrial land base. Staff will continue to review this issue with the BC Assessment Authority.

Respectfully submitted,

B. Anderson, MCIP MANAGER PLANNING & DESIGN

Concurrence by:

A. Tucker. MCIP DIRECTOR PLANNING

T. Seward ACTING GENERAL MANAGER COMMUNITY SAFETY & DEVELOPMENT

CITY MANAGER COMMENT:

This is the first application Nanaimo has received for medical marihuana growing and production operation. The applicants' first contact with the City left staff with the impression they were targeting lands properly zoned (i.e. I4) within the Duke Point Industrial Park.

The original Duke Point subdivision created 42 heavy industrial (I4) lots and 8 smaller light industrial (I2) lots. The intent of the I4 zone and lots is to facilitate heavy industrial uses which in many cases require larger land to facilitate industrial industry uses requiring space for the opportunities. These I2 lots are smaller and usually require less intense uses.

Two risks are inherent in proceeding with this application. The first of which includes the potential precedent of supporting a rezoning in the smaller I2 lands at Duke Point to facilitate a use which was originally thought to need the added separation and, therefore, inclusion in the existing heavy industrial zoning. If Council supports this application, I would recommend similar opportunities be made available to the balance of the I2 lands at Duke Point (i.e. rezone from I2 to I4) to level the playing field.

The second more serious risk is the potential erosion of the industrial tax base associated with the Assessment Authority's potential classification of this use as agricultural. If this is how taxation will be applied, it is my opinion these uses should only be permitted within agriculturally zoned properties. Given that we were attempting to limit the impact of these uses on the community and adjacent uses it may be worthy of reconsidering where they are permitted in the community.

Therefore I would recommend not proceeding with this application until such time as the taxation issue is resolved.

Drafted: 2013-OCT-17 Prospero: RA000325 SH/pm