



The Corporation of the District of Central Saanich

REGULAR COUNCIL REPORT

For the Regular Council meeting on Monday, January 27, 2025

Re: Light Industrial Zoning Bylaw Amendments

RECOMMENDATION(S):

That Zoning Bylaw Amendment Bylaw No. 2223 (Light Industrial) be referred to the Advisory Planning Commission and that the Commission consider the following:

- 1. Is the APC supportive of the changes?*
- 2. Are there any substantial issues Council should consider?*

PURPOSE:

The purpose of this report is to outline proposed amendments to the I1 - Light Industrial Zoning regulations. These amendments aim to clarify permitted uses, support economic development, and ensure alignment with current and future industrial needs.

BACKGROUND:

The District of Central Saanich, in alignment with the Official Community Plan (OCP) objectives and policies, has undertaken a comprehensive review of its Light Industrial Zoning Bylaw regulations. The OCP envisions the Keating Business District as a key industrial hub where:

"Industrial lands are developed to provide a broader range of site sizes, more innovative uses of multilevel industrial buildings, the efficient use of lands and access routes, and options for property ownership through strata development or other legal agreements."

This review, guided by the Baseline Findings Report (Appendix C) and informed by public engagement summarized in the What We Heard (Appendix B) report, identified several opportunities to modernize zoning and support industrial growth and innovation. The resulting recommendations focus on increasing flexibility within the I-1 Light Industrial Zone to accommodate both current and emerging industrial uses while remaining consistent with community values and sustainability goals. These zoning amendments aim to reinforce the Keating Business District's role as a vital economic hub, ensuring that regulations adapt to evolving economic opportunities, best practices, and feedback from interest holders.

DISCUSSION:

The proposed amendments to the Light Industrial Zoning regulations reflect a strategic effort to modernize the District's Zoning Bylaw and support economic growth, particularly within the Keating Business District (KBD). The recommendations address current gaps in industrial zoning, improve

alignment with emerging trends, and ensure the regulations remain flexible to accommodate future industrial activities.

1. Introduction of General Light Industrial and Innovation Industrial Uses

- The creation of a **General Light Industrial** use and definition provides a broader, more adaptable framework for industrial activities, reducing the reliance on restrictive, narrowly defined uses. This approach helps "future-proof" the zoning by accommodating emerging uses that may not have been anticipated under the existing Zoning Bylaw (Appendix A).
- The new **Innovation Industrial** use and definition focuses on research and development, science, and technology-based industries. This addition supports high-value, low-impact industrial operations and aligns with growing trends in (Science, Technology, Engineering, and Math (STEM) industries, enabling full-scale production alongside innovation (Appendix A).

2. Increase in Building Height

- The proposed increase in maximum building height from 11 metres to 18 metres aligns with industry trends favoring vertical development. This change accommodates innovations in automation, warehousing, and logistics that demand greater vertical space to enhance operational efficiency and address rising land costs. By allowing taller buildings, this amendment maximizes land-use efficiency, enabling vertical expansion rather than sprawling development. This strategic adjustment positions the Keating Business District (KBD) to attract competitive industrial businesses seeking modern, scalable, and space-efficient facilities.

3. Additional Changes

- The review resulted in the removal of several specific uses that are now integrated into the broader General Industrial and Innovation Industrial permitted use categories. These include agricultural processing centers, boat building, mini warehousing, and vehicle servicing, among others. While these updates streamline the list of permitted uses, certain existing uses that fall outside the new categories—such as audio/visual production facilities, breweries, and veterinary practices—remain unchanged. This approach strikes a balance by simplifying zoning regulations while ensuring the Keating Business District (KBD) retains the flexibility to accommodate both traditional and emerging industries, aligning with community values and long-term sustainability objectives (Appendix A).
- A new "Prohibited Uses" section was introduced to prevent activities incompatible with the vision for the KBD. Prohibited uses include outdoor wrecking, heavy industrial activities such as sawmills and fertilizer plants, steel smelting, and operations involving volatile materials or live animals (Appendix A).

Engagement

To inform this work, key industrial landowners in the Keating Business District (KBD) were engaged through a two-stage process. The first session, held in January 2024, focused on idea generation and feedback, while a follow-up meeting in June 2024 confirmed the direction for future development. Landowners voiced support for increasing building heights, allowing a broader range of uses, and

excluding residential uses from the KBD. In addition, an open house held in September 2024, attended by approximately 55 businesses and landowners, garnered similar feedback to the industrial landowner focus group, with participants expressing support for diverse uses and increased building heights. A public survey conducted in August 2024 revealed that 55% of respondents favored limiting residential uses and supporting diverse uses, with 70% in favor of increased building heights. Notably, 35% of respondents supported permitting building heights up to 18 metres (Appendix B).

Gateway Park: CD-1 Zone

The Gateway Park CD-1 Zone list of permitted uses does not include research and innovation, which has been an issue in terms of limiting several businesses in the past. Through discussion with the property owner of Gateway Park, staff propose the addition of the General Light Industrial and Innovation Industrial uses to the CD-1 zone. The CD-1 zone is a comprehensive development zone specific to Gateway Park, which allows for several overlapping uses that the I-1 zone permits including welding and machine shops, plastic fabrication, and manufacturing. The addition of the General Light Industrial and Innovation Industrial as permitted uses would enable the site to better align with the broader Keating Business District and attract a broader range of industrial business.

During the complete zoning review being undertaken throughout 2025, staff will engage the Gateway Park owner to discuss potentially rezoning the property from the CD-1 to the I-1 zone to provide more consistency throughout the Keating Business District.

IMPLICATIONS:

Strategic

The proposed amendments support the District's strategic goals of promoting economic development, modernizing zoning regulations, and enhancing the Keating Business District as a key industrial hub. These changes align with broader objectives of attracting innovative industries, supporting job creation, and improving land use efficiency.

OCP

The recommendations align with the goals and policies of the Official Community Plan, particularly the vision for the Keating Business District as a critical economic and employment hub. The proposed changes also support industrial land protection and long-term sustainability.

Climate Action

While there are limited mechanisms in zoning to promote climate action, environmental considerations were part of the review. At the District's Open House, District 2030, a local non-profit supporting businesses in reducing emissions, connected with several KBD property owners to potentially help them in applying for grants and providing information and resources. Climate action will also be further addressed in the upcoming development permit review in 2025, where the District can set objectives for energy and water conservation and greenhouse gas reduction, aligning with the goals of the Climate Leadership Plan for the Keating Business District.

OPTIONS:

Option 1 (recommended): Refer Amendments to the APC

That Zoning Bylaw Amendment Bylaw No. 2223 (Light Industrial) be referred to the Advisory Planning Commission and that the Commission consider the following:

1. Is the APC supportive of the changes?

2. Are there any substantial issues Council should consider?**Option 2:**

That Council consider an alternative to the staff recommendation.

Option 3:

Take no action currently and retain the current Light Industrial Zone regulations.

CONCLUSION:

The proposed amendments to the I1 - Light Industrial Zoning regulations aim to modernize the District's Zoning Bylaw, aligning it with evolving industrial needs and economic development priorities. By introducing more adaptable industrial uses, increasing allowable building heights, and addressing identified zoning gaps, these changes enhance the Keating Business District's potential as a vital economic and employment hub.

Engagement with landowners and the public has reinforced support for these updates, ensuring they reflect community values and industrial trends. These amendments demonstrate the District's commitment to enabling sustainable growth, attracting innovative industries, and supporting the long-term economic success of the community.

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Concurrence by:	Christine Culham, Chief Administrative Officer

ATTACHMENTS:

Appendix A: Draft Light Industrial Zone (I-1)

Appendix B: Industrial Zoning Updates What We Heard Report

Appendix C: Industrial Zoning Baseline Findings Report

Appendix D: Draft Bylaw No. 2223

Appendix E: Light Industrial and CD-1 Map