

## ADMINISTRATIVE REPORT



**TO:** Planning & Development Committee

**FROM:** J. Zaffino, Chief Administrative Officer

**DATE:** May 9, 2024

**RE:** Small-Scale Multi-Unit Housing (SSMUH) Implementation – Extension Request (X2024.001-ZONE)

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### Administrative Recommendation:

**THAT an “Application to Request an Extension to SSMUH Compliance Deadline” be submitted to the Minister of Housing in relation to those lands comprised within the Faulder Water System Service Area; and**

**THAT the Electoral Area “D” Official Community Plan Bylaw No. 2603, 2013, and Okanagan Valley Zoning Bylaw No. 2800, 2022, be amended in order to reduce permitted residential densities within the areas served by the Vintage Views Wastewater System.**

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### Proposal:

The purpose of this report is to provide options to the Board in relation to an extension option that the province has introduced in relation to implementation of Small-Scale Multi-Unit Housing (SSMUH) requirements under the *Local Government Act*.

### Background:

On November 30, 2023, the provincial Legislature adopted Bill 44, which introduced a number of substantial amendments to the *Local Government Act*, the intent of which was the delivery of “more small-scale, multi-unit housing for people, including townhomes, triplexes and laneway homes, and fix outdated zoning rules to help build more homes faster.”

The Regional District is required to approve a zoning bylaw(s) that comply with SSMUH requirements by **June 30, 2024**, and notify the Minister of Housing, in writing, that the bylaw(s) have been adopted, the location(s) of any exempted land(s) and the legislative provisions supporting the exemptions.

On February 16, 2024, the provincial government announced the creation of a “time-based extension” wherein a local government could apply to have the deadline for SSMUH Compliance extended beyond June 30, 2024, under the following circumstances:

1. *The local government is in the process of upgrading infrastructure that services the specific area or specific lots for which the extension is being requested;*
  2. *The infrastructure that services the area where SSMUH would apply is such that compliance by June 30, 2024, is likely to increase a risk to health, public safety or the environment in that area;*  
*or*
  3. *Extraordinary circumstances exist that otherwise prevent compliance in relation to the area.*
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Requests for extensions related to infrastructure must be submitted to the Minister of Housing no later than **June 1, 2024**, and can request a maximum extension of 6.5 years (i.e. to December 30, 2030). If an extension request is related to an “extraordinary circumstance” it may be submitted no later than June 30, 2024.

Applications must be authorized by the local government, and confirmation of the passing of a resolution by the council or board directing submission of an extension application will be considered sufficient evidence that the application is authorized.

The province is further recommending that extension applications be submitted to the Minister of Housing 45 days prior to anticipated council hearings for SSMUH-related bylaw amendments.

At its meeting of February 22, 2024, the Planning and Development (P&D) Committee of the Board resolved “that the Regional District prepare an application to request an Extension to the SSMUH Compliance Deadline for Okanagan Falls and Heritage Hills.”

**Analysis:**

Further to the previous direction provided by the Planning and Development (P&D) Committee, an Extension Request is formally being prepared for Okanagan Falls and will be submitted to the Ministry for its consideration shortly.

Heritage Hills / Vintage Views:

With regard to the direction provided in relation to Heritage Hills, the predominant zoning of this area is Small Holdings One Site Specific (SH1s) and Low Density Residential Two (RS2), both of which already allow for the two (2) dwelling units per parcel and, therefore, do not constitute a “restricted zone” as set out under Section 481.03 of the *Local Government Act*.

In recognition, however, of the on-going challenges with the community water system and community sewer system serving this community, the Board may wish to consider the option of creating a “restricted zone” – subject to provincial approval – in which densities are restricted to one (1) principal dwelling per parcel and secondary suites and accessory dwellings are prohibited.

The creation of such a zoning would require provincial approval in the form of an approved Extension to SSMUH Implementation thereby allowing the existing community water and sewer infrastructure to be upgraded to accommodate the residential densities now mandated by the *Local Government Act*.

In support of this option, draft OCP and Zoning amendment bylaws have been prepared and are included with this report. Administration is proposing that policy statements be included in the Electoral Area “D” OCP speaking to the support for these “restricted zones” as well as their eventual replacement once the community infrastructure has been suitably upgraded.

Faulder:

Administration considers there to be merit in submitting an Extension Request in relation to those lands within the Faulder Water System Service Area.

The Faulder Community relies on groundwater from the Meadow Valley Aquifer for their drinking water supply and, in 2015, a new community well was drilled into the Meadow Valley Aquifer to replace the existing well that supplied domestic water to an estimated 215 residents.

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The community's well may be near capacity and not capable of accommodating unlimited growth, while the greater Meadow Valley Aquifer is subject to irregular recharge rates which can impact the provision of water to properties.

In response, the Board, at its meeting of June 15, 2023, adopted OCP and Zoning amendments that, amongst other things, limited densities within the Faulder Water Service Area to only one (1) principal dwelling per parcel (i.e. accessory dwellings and secondary suites are prohibited due to concerns about the demand from additional residential connection to the water system).

In recognition of this, Administration considers there to be a strong argument in support of SSMUH Implementation being extended or deferred indefinitely for those lands within the Faulder Water System Service Area (see Attachment No. 1).

Alternative:

Conversely, the option of not requesting an extension in relation to Faulder and reconsidering the Extension Request for Heritage Hills is available to the Board.

**Alternative:**

1. THAT an "Application to Request an Extension to SSMUH Compliance Deadline" not be submitted to the Minister of Housing in relation to Heritage Hills and those lands comprised within the Faulder Water System Service Area.

**Respectfully submitted:**



C. Garrish, Senior Manager of Planning

Attachments: No. 1 – Faulder Water System Service Area

No. 2 – Vintage Views Sanitary Sewer Service Area (Ecora, February 2024)

Attachment No. 1 – Faulder Water System Service Area





Attachment No. 2 – Vintage Views Sanitary Sewer Service Area (Ecora, February 2024)

