

TO: Board of Directors

FROM: J. Zaffino, Chief Administrative Officer

DATE: December 18, 2025

RE: Development Variance Permit Application — Electoral Area “G” (G2025.022-DVP)

Administrative Recommendation:

THAT Development Variance Permit No. G2025.022-DVP, to allow for the creation of new parcels to be serviced by a private on-site sewage system and less than 1.0 ha in area at 762 Daly Avenue, Hedley, be denied.

Legal: Plan KAP2565, Block 51, District Lot 1975, SDYD Folio: G-02765.000

OCP: Low Density Residential (LR) Zone: Not applicable

Variance to allow new parcels less than 1.0 ha in area to be provided with individual on-site sewage Request: disposal systems.

Purpose:

This application is seeking a variance to the waste water servicing requirements under the Regional District’s Subdivision and Development Servicing Bylaw No. 2900, 2024, in order to allow a proposed subdivision that will result in two (2) new parcels with an approximate land area of 372 m² / parcel that will be serviced by a on-site sewage disposal system (e.g. septic).

Strategic Priorities: Operational

Background:

The subject property was originally created by a plan of subdivision deposited with the Land Titles Office in Kamloops on November 28, 1936, that created three (3) parcels that average between 232 m² and 278 m² in area. These parcels were subsequently consolidated into a single legal parcel at a later, unknown date.

The Regional District does not currently provide a building regulation service in Electoral Area “G” (e.g. building permits have not previously been issued for new development), and BC Assessment has classified the subject property as “Residential” (Class 01).

Under the Electoral Area “G” Official Community Plan (OCP) Bylaw No. 2975, 2022, the subject property has been designated as Low Density Residential (LR), a Board policy for which is to require “that new parcels to be created by subdivision that are less than 1.0 ha in area be connected to a community water and sanitary sewer systems.”

Under the Electoral Area “G” Zoning Bylaw No. 2781, 2017, the subject property is not zoned.

Under the Regional District's Subdivision and Development Servicing Bylaw No. 2900, 2024, all new parcels to be created by subdivision must be provided with sufficient disposal of on-site sewage by:

- a) an individual on-site sewage disposal system or connecting to a community sewer system, for parcels greater than 1.0 ha in area; or*
- b) connecting to a community sewer system for parcels less than 1.0 ha in area.*

Application History:

On June 24, 2024, the Ministry of Transportation and Transit (MoTT) referred a proposed two (2) lot subdivision involving the subject property to the Regional District for compliance with any applicable RDOS land use bylaws.

At its meeting of October 2, 2025, the Board resolved to defer consideration of this development variance permit (DVP) application in order that it could "be referred to staff to provide further information."

At its meeting of October 16, 2025, the Board received an Administrative Report entitled "Clarification on One-Hectare Policy and Grant Eligibility" stating that "there is a risk that RDOS grant applications may be denied if we do not align with this [1.0 ha] policy."

On October 27, 2025, MoTT staff advised the property owner that "that there have not been any subdivision files processed by our office for many years" in the vicinity of Daly Road in Hedley.

At its meeting of December 4, 2025, the Board resolved to further defer consideration of this development variance permit (DVP) application.

On December 5, 2025, the Chief Administrative Officer (CAO) circulated a report by electronic correspondence to Board members outlining the response of the Okanagan Basin Water Board (OBWB) that there is no discretion in applying the one-hectare policy and allowing a development of less than one hectare, even if outside OBWB jurisdiction, would affect provincial grant eligibility.

Analysis:

In considering this proposal, Administration notes that it is wholly inconsistent with long-standing Board policy regarding the creation of new parcels by subdivision that are to be serviced by an on-site sewage disposal system (e.g. septic).

Specifically, that any new parcel to be created by subdivision that is to be less than 1.0 ha in area be connected to a community sanitary sewer system.

This is based on the provincial government having previously identified 1.0 hectare as being the minimum parcel size upon which a septic field for a single residential use should be utilised, as higher densities are likely to lead to septic failure over the long-term.

In 2006, the Regional District was advised that provincial infrastructure grant criteria required the implementation of a 1.0 ha minimum parcel size for new parcels to be served by on-site sewer disposal systems (i.e. septic) through its land use bylaws.

The Regional District was further advised that this "1.0 ha Policy" had to be applied to all areas within the jurisdiction of the Regional District (i.e. all Electoral Areas), and that this requirement had been consistently applied by the Ministry throughout the province when considered grant requests.

In response, the Regional District amended all of its Official Community Plan, Zoning and Subdivision Servicing bylaws between 2007 and 2008 in order to implement the “1.0 ha Policy”.

Implementation of this 1.0 ha requirement for the subdivision of new parcels facilitated the Regional District obtaining provincial grant funding for, amongst other things, the Northwest Osoyoos Lake Sewer Extension project and Okanagan Falls Wastewater Treatment Plant.

In light of this, the benefits of contravening the Regional District’s current requirement that new parcels less than 1.0 ha in area be connected to a community sewer system are not seen to outweigh the risks to obtaining future funding for major infrastructure projects elsewhere.

Other options are also seen to be available to the property owner, such as the development of a community sewer system owned and operated by a strata corporation or business corporation, which would satisfy the requirements of the SDS Bylaw for new parcels less than 1.0 ha in area to be connected to a “community sewer system”.

Alternative:

Conversely, the option is available to the Board to approve the requested variance.

Summary:

For the reasons outlined above, Administration does not support the requested variances and is recommending denial.

Financial Implications:

Financial implications have been considered and approval of the requested variance may adversely impact the Regional District’s future eligibility for provincial infrastructure grants.

Communication Strategy:

The proposed variance(s) have been notified in accordance with the requirements of the *Local Government Act* as well as the Regional District’s Development Procedures Bylaw No. 2500, 2011.

Site Context:

The subject property is approximately 783 m² in area and is situated on the west side of Daly Avenue, approximately 11 km east from the boundary with the Town of Princeton. The property is understood to contain one (1) singled detached dwelling.

The surrounding pattern of development is generally characterised by similar residential development.

Public Process:

In accordance with Section 2.4 of Schedule 4 (Application for a Development Variance Permit) of the Regional District’s Development Procedures Bylaw No. 2500, 2011, adjacent residents and property owners were notified of this DVP application on August 15, 2025, and provided 15 working days to submit comments electronically or in-person to the Regional District.

As of September 5, 2025, being 15 working days from the date of notification, no representations have been received electronically or by submission at the Regional District office.

Alternative:

1. THAT Development Variance Permit No. G2025.022-DVP, to allow for the creation of new parcels to be serviced by a private on-site sewage system and less than 1.0 ha in area at 762 Daly Avenue, Hedley, be approved.

Will a PowerPoint presentation be presented at the meeting? No

Respectfully submitted



C. Garrish, Senior Manager of Planning

Endorsed by:



A. Fillion, Managing Director, Dev. & Infrastructure

Attachments: No. 1 – Aerial Photo

No. 2 – Site Photo (Google Streetview)

No. 3 – Proposed Subdivision Layout

Attachment No. 1 – Aerial Photo



Attachment No. 2 – Site Photo (Google Streetview)



Attachment No. 3 – Proposed Subdivision Layout

