

ADMINISTRATIVE REPORT



TO: Planning & Development Committee

FROM: B. Newell, Chief Administrative Officer

DATE: June 2, 2022

RE: South Okanagan Sub-Regional Growth Strategy (RGS) Bylaw Review

Administrative Recommendation:

THAT the Review of the South Okanagan Sub-Regional Growth Strategy (RGS) Bylaw No. 2770, 2017, proceed on the basis of:

- 1. replacing “Map 3” with a new “Growth Management Map” schedule; and**
 - 2. revising the objectives and policies contained in the “Housing and Development” Section of the bylaw to support the “Growth Management Map” schedule.**
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Purpose:

The purpose of this report is to provide options regarding the on-going review of South Okanagan Regional Growth Strategy (RGS) Bylaw No. 2770, 2017.

Background:

Under Section 452(2) of the *Local Government Act*, a regional district that has adopted an RGS Bylaw *must*, at least once every five (5) years, consider whether that RGS should be reviewed for possible amendment.

At its meeting of April 1, 2010, the Regional District Board adopted the South Okanagan Sub-Regional Growth Strategy (RGS) Bylaw, and previously resolved to undertake a “minor” review of this bylaw in 2015 (subsequently completed in 2017).

In late 2019, the Board resolved to undertake another review of the RGS Bylaw in 2020, resolving at a Budget Workshop that a “medium-level” review be included in the 2020 Business Plan and 2020-21 Budget.

This “medium-level” review was primarily concerned with determining the continued suitability of a number of designated “Rural Growth Areas” (e.g. Willow Beach, Anarchist Mountain and Greata Ranch) following the completion of OCP Bylaw Reviews for Electoral Areas “A” and “F”. Other considerations included a review of climate change policies and possible inclusion of findings from the (then) forthcoming Housing Needs Assessment Report.

Following the adoption of the RGS Bylaw in 2010, the Board has been asked on a number of occasions to consider the consistency of a rezoning proposal involving land outside of a designated Growth Area (Primary and Rural) with the Strategy.

In each case, Administration recommended that the proposed rezoning was inconsistent with the RGS with the Board subsequently resolving that each proposal was consistent with the RGS. This has

highlighted a need to also review RGS policies governing development outside of the designated growth areas.

Analysis:

In order to address the need to review “Rural Growth Area” designations as well as the need to provide greater clarity regarding acceptable development outside of designated growth areas, Administration considers there to be two options available to the Board, specifically:

- **Option 1** – amend “Map 3” (Designated Regional Growth Strategy Primary and Rural Growth Areas) of the RGS Bylaw to remove Greata Ranch, Willow Beach and Anarchist Mountain as Rural Growth Areas (NOTE: consideration could also be given to other growth areas such as Twin Lakes).
- **Option 2** – delete “Map 3” of the RGS Bylaw and replace it with a new “Growth Management Map” schedule that includes a wider variety of area classifications and revise the “Housing and Development” objectives and policies of the bylaw to support this new map.

The Board is asked to be aware that significant resources (e.g. staff time) have been spent in preparing the materials related to Option 2 and, before any further resources are expended on this option, it was deemed prudent to ascertain if it enjoyed Board support.

As such, the materials related to Option 2 that are included with this report are considered draft and will change, subject to Board support and further input from internal Regional District departments, agency comments, the RGS Technical Advisory Committee (TAC) as well as the participating municipalities.

The following sections provide a brief overview of the two Options outlined above:

Option 1

Amending “Map 3” to remove Greata Ranch, Willow Beach and Anarchist Mountain as Rural Growth Areas is seen to most closely adhere to the original intent of this RGS Review (e.g. “medium-level”), is consistent with the direction provided in the current Electoral Area “A” & “F” OCP Bylaws and would be the simpler of the two options to implement.

Administration is also aware of interest in potentially expanding the scope of this option to include the removal of Twin Lakes as a Rural Growth Area and further considers there to be merit in reviewing the status of Skaha Estates (e.g. remove as a Rural Growth Area or incorporate it within the Okanagan Falls Primary Growth Area).

This option would also maintain the current strategic direction of the RGS with regards to development, which is to focus it on designated growth areas.

Concurrent amendments to the applicable electoral area Official Community Plan (OCP) Bylaws would be required to support Option 1 and the removal of existing Rural Growth Areas boundaries that have been established in these bylaws. Amendments to the Community Profile, Local Area Policies, Growth Management and Infrastructure & Servicing sections of the electoral area OCP Bylaws would also be required to ensure consistency with the RGS.

Option 1 would not, however, address the RGS's current approach to development proposals outside of designated growth areas, which has led Administration and the Board to draw differing conclusions regarding the consistency of some proposals with the Strategy.

Option 2

Replacing "Map 3" with a new "Growth Management Map" schedule and supporting objectives and policies under the "Housing and Development" section of the RGS is the more complex option and will result in the amendment being "major" (e.g. it must be accepted by the Board and all participating municipalities).

This option would result in the replacement of the "Rural Growth Area" designation with six (6) new land use classifications applied to lands that are currently a "Rural Growth Area" as well as lands not currently in a designated growth area, specifically:

- Resort Area;
- Village Settlement Area;
- Rural Area;
- Rural-Residential Area;
- Agriculture Area; and
- Resource Area & Open Space Area

Administration views this as an opportunity to introduce policies that provide better guidance on development potential and the provision of services (e.g. water and sewer infrastructure) throughout the whole of the RGS area.

Additional map layers related to the Agricultural Land Reserve, Community Watersheds and the Dominion Radio Astrophysical Observatory (DRAO) are also proposed. The latter (DRAO) proposes that land use changes within the radio frequency interferences (RFI) area associated with the operation of the Observatory are a regionally significant matter.

To assess the success of the RGS over time, it is also proposed to introduce a new goal of seeing 95% of new residential growth between 2021 and 2031 occur within designated Growth Areas (e.g. Penticton, Summerland, Oliver, Osoyoos and Okanagan Falls), to be measured by tracking Census data over this period.

Similar to Option 1, concurrent amendments to the applicable electoral area Official Community Plan (OCP) Bylaws would be required to update existing growth area boundaries to reflect the new classifications outlines above. Amendments to the Community Profile, Local Area Policies, Growth Management and Infrastructure & Servicing sections of the electoral area OCP Bylaw would also be required to ensure consistency with the RGS.

Option 2 would not, however, be as simple to administer as the status quo (being "Map 3") and the current dichotomy in the RGS Bylaw between growth areas and "everything else", despite occasional differing viewpoints between the Board and Administration on certain land use proposals.

Summary:

Administration recognizes that the current RGS has *generally* been successful at directing regional growth to designated growth areas, however, the introduction of a greater variety of land use classifications and new policies for lands outside of Primary Growth Areas has the potential to better guide land use decision making to ensure sustainable long term growth in the South Okanagan. For these reasons, Administration is recommending in favour of Option 2.

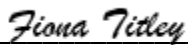
Should the Board be supportive of this direction, Administration will work to finalize the proposed amendments to the RGS as well as the electoral area OCP bylaws and commence community engagement, such as presentations to the Councils of the member municipalities and the convening of public information meetings.

Administration is not proposing to change the zoning of any properties as a result of any possible changes to the RGS Bylaw and does not envision the proposed changes, either Option 1 or 2, as affecting current subdivision proposals.

Alternative:

1. THAT the Review of the South Okanagan Sub-Regional Growth Strategy (RGS) Bylaw proceed on the basis of amending “Map 3” to remove Greata Ranch, Willow Beach and Anarchist Mountain as “Rural Growth Areas”.

Respectfully submitted



F. Titley, Planner II



C. Garrish, Planning Manager

Attachments:

- No. 1 – RGS Bylaw “Map 3” (Designated RGS Primary and Rural Growth Areas)
- No. 2 – RGS Bylaw “Housing and Development” Section
- No. 3 – Draft “Growth Management Map” Schedule
- No. 4 – Draft “Housing and Development” Section (version 2022-06-02)

Attachment No. 1 – RGS Bylaw “Map 3” (Designated RGS Primary and Rural Growth Areas)

