

TO: Planning & Development Committee

FROM: B. Newell, Chief Administrative Officer

DATE: April 20, 2023

RE: South Okanagan Sub-Regional Growth Strategy (RGS) Bylaw Review – Summary of Consultation Undertaken (X2022.001-RGS)

Administrative Recommendation:

THAT the South Okanagan Sub-Regional Growth Strategy (RGS) Amendment Bylaw No. 2770.02, be brought forward for consideration of first reading.

Purpose:

The purpose of this report is to provide a summary of consultation undertaken with persons, organizations and authorities that may be affected by the proposed amendment to the South Okanagan Sub-Regional Growth Strategy (RGS) Bylaw as well as possible bylaw options.

Legislative Requirements:

Under Section 428 of the *Local Government Act*, the purpose of an RGS is stated as being to promote human settlement and to ensure that it is socially, economically and environmentally healthy and makes efficient use of public facilities and services, land and other resources.

RGS Review Requirement:

Under Section 452(2) of the 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.

The South Okanagan RGS Bylaw was originally adopted in 2010 and, in 2015, a minor review of the RGS was initiated (and completed in 2017) and in 2019 the Board resolved to initiate a further review in 2020 in order to:

- review the suitability of a number of designated “Rural Growth Areas” (e.g. Willow Beach, Anarchist Mountain and Greata Ranch);
- review of climate change policies as a result of legislative updates; and
- possibly include findings from the (then) forthcoming Housing Needs Assessment Report.

RGS Review Consultation Plan:

Under Section 434, “a consultation plan must be adopted that, in the opinion of the board, provides opportunities for early and ongoing consultation, with, at a minimum, the following”:

- a) *its citizens;*
 - b) *affected local governments;*
 - c) *first nations;*
 - d) *boards of education, greater boards and improvement district boards;*
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e) *the Provincial and federal governments and their agencies.*

At its meeting of June 16, 2022, the P&D Committee of the Board resolved to adopt a consultation plan (NOTE: this is addressed further under the Public Engagement Process sub-section below).

Acceptance of RGS Review by affected local governments:

Under Section 436 of the Act, a regional growth strategy (including an amendment bylaw) must be accepted by the local governments participating in the Strategy. This acceptance must in the form of a resolution passed prior to the adoption of the strategy (including adoption of an amendment bylaw).

It is anticipated that further discussion about the proposed amendments will occur with the participating municipalities prior to consideration of first reading.

Background:

Following the awarding of the contract for the review to Urban Systems at the Board meeting of August 6, 2020, a review of possible option amendments was undertaken throughout 2021 and early 2022.

At its meeting of June 2, 2022, the Planning and Development (P&D) Committee of the Board was presented with a number of options and subsequently resolved to:

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.*

The new “Growth Management Map” includes a wider variety of classifications and is intended, along with new supporting policies, to improve land use decisions involving lands outside of Primary Growth Areas.

In addition, it is further proposed to update the “Energy Emissions and Climate Change” section of the bylaw to reflect new provincial direction on climate change, and updates to the “Population and Demographics” section of the bylaw in order to incorporate new Census data.

Public Engagement Process:

In accordance with the Consultation Plan adopted by the Board at its meeting of June 16, 2022, the following consultation was undertaken:

- a formal referral to the Minister of Municipal Affairs to notify that an amendment to the RGS Bylaw had been initiated;
- information releases sent to media including social media;
- information was shared through Voyent Alert mass notification system;
- documents, informational videos, the draft Bylaw, and a feedback form were available on the Regional Connections webpage;
- notices were sent out to all affected property owners in partnership with the member municipalities;

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- six public information meetings were held (5 in person meetings throughout the South Okanagan, 1 online Webex meeting);
 - physical copies of the materials were available at the RDOS office and the municipal offices (Oliver, Osoyoos, Penticton and Summerland);
 - referrals were sent to affected stakeholders and Indigenous Communities most likely affected by the policies identified for review;
 - Presentations to the Councils of the member municipalities; and
 - formal referrals were sent to the member municipalities.

All comments received to date in relation to this project are included as a separate item on the Planning and Development Committee Agenda (Attachment No. 3 & 5).

Analysis:

As a result of the consultation undertaken in 2022 and previous direction from the Board, there are considered to be three (3) options available in relation to the RGS Review, which can be summarized as follows:

1. status quo (i.e., proceed with the June 2022 versions of the amendment bylaw);
2. revise the amendment bylaw (based on feedback); or
3. abandon the project (i.e., resolve to not proceed with the amendment bylaw).

Each of these options is explained in further detail below:

Option 1: Status Quo

The proposed amendments to the RGS considered by the Board in June of 2022 can be summarised as follows:

- Replace the current “Primary Growth Area” and “Rural Growth Area” designations with a series of new land use classifications contained in a new map schedule (see Attachment No. 3);
- Update the objectives and policies related to “Housing and Development” section of the bylaw in order to support the new land use classifications;
- Update the background and some of the policies in the Energy Emissions and Climate Change” section of the bylaw to reflect new provincial direction on climate action; and
- Update the “Population and Demographics” section in order to incorporate new Census data.

Administration notes that some minor changes have been made to the amendment bylaw since it was last considered by the Board and this is based on feedback received during the consultation period. However, these changes were limited to spelling/grammar, sentence structure, wording to clarify policy intent or based on external review and agency comments.

Administration is supportive of this approach as the proposed amendments introduce policies that will provide better guidance on development potential and the provision of services (e.g. water and sewer infrastructure) throughout the whole of the RGS area.

By more closely aligning land use planning with service delivery (e.g. provision of community water and sewer systems) the current amendments are intended to support sustainable, long-term development:

In smaller communities with relatively low rural densities, rural-type levels of service make sense (e.g. individual wells and septic tanks, gravel roads) ... In larger, more dense communities, urban-type levels of service make sense (e.g. community water and sanitary systems, paved roads with sidewalks) because higher density urban areas are more likely to have the economies of scale required to sustain these levels of service. (Asset Management BC)

Conversely, it is recognised that this option does not address some of the items that were raised in the public feedback on the amendment bylaw, and which will be discussed below.

Option 2: Revise the Amendment Bylaw

While numerous comments were received in relation to the proposed amendments, this section is focused on three main (3) items:

1. the removal or reduction of Naramata as any sort of growth area (e.g. Rural Growth Area or Village Settlement Area);
2. the removal of Kaleden as any sort of growth area (e.g. Rural Growth Area or Village Settlement Area); and
3. revised Climate Action policies.

In considering the feedback received, Administration is cognizant of the critical link that exists between infrastructure, the environment and social conditions that is necessary to achieve effective growth management.

This is why a key goal of the RGS is “avoiding urban sprawl and ensuring that development takes place where adequate facilities exist or can be provided in a timely, economic and efficient manner”. It is also why communities designated for future growth should be prioritized for infrastructure funding (e.g. water and sewer upgrades) over the next 20 years.

There are only so many locations within the Electoral Areas capable of accommodating future growth in a responsible way and if these are removed from the RGS the likelihood of rural sprawl increases.

Naramata Village Settlement Area:

More than 90% of the feedback received from the public was from residents of Electoral Area “E” (Naramata) with many of these suggesting that Naramata be removed as a rural growth area entirely, or be reduced in size to match the Village Centre designation under the OCP. Administration supports neither of these requests.

Limiting the growth boundary for Naramata to a small area of land fronting Robinson Avenue would adversely affect the long-term development of the broader village area as well as the provision of public infrastructure (e.g. water and sewer upgrades) to surrounding residential development.

This would also have implications for the creation of a vibrant village area that is able to sustain multiple businesses year-around, provide community services (e.g. library, school, etc.) or the development of alternate forms of housing that are more affordable than a traditional single detached family home – all of which the community has stated through its OCP is desired.

Conversely, the option of replacing the Village Settlement Area designation of Naramata with an alternative, such as “Rural-Residential” is available to the Board.

This would result in the predominant form of housing going forward being low density residential (e.g. single detached dwellings) on existing services (NOTE: the Rural-Residential designation is generally not to be serviced with new water and/or sewer infrastructure, but existing infrastructure can be maintained).

Kaleden Village Settlement Area:

While Administration is aware that a public assent process to provide a sewer collection system to parts of Kaleden failed in 2021, and that some of the comments received in relation to the RGS Review indicate a desire by some residents to have Kaleden removed as a growth area, Administration does not support this request.

For many of the same reasons outlined above in relation to Naramata, removal of Kaleden as a growth area would have implications on the environment, infrastructure upgrades, property values, and types of housing in the community, and the maintenance of community services (e.g. elementary school).

For this reason, Administration supports retaining the Village Settlement Area designation over that part of Kaleden previously proposed for sewer service.

Conversely, the option of replacing the Village Settlement Area designation of Kaleden with an alternative, such as “Rural-Residential” is available to the Board. As with the Naramata example above, the predominant form of development would be low density residential with no new water or sewer infrastructure.

Climate Action:

Feedback on the updated “Energy Emissions and Climate Change” section ranged from feelings that the proposed policies were not ambitious enough to feedback asking that these policies be removed entirely.

Administration notes that the proposed policies aim to reflect new provincial legislation and direction on Climate action. The RDOS, City of Penticton, District of Summerland, Town of Oliver and Town of Osoyoos have signed the BC Climate Action Charter along with 187 local governments committing to reducing greenhouse gas emissions and have agreed to take action to achieve certain goals under the *Climate Change and Accountability Act*. The policies contained in the amendment bylaw aim to reflect and provide support for these goals.

Administration feels that given the amount of time that it has taken to complete the current review, revision of this section is not a priority at this time. However, further revision to this section of the RGS may be considered a priority for the next RGS review (next required review year is 2025).

Conversely, the option of revising the “Energy and Climate Change” section is available to the Board.

Option 3: Abandon the Project

Under this scenario, the amendment bylaw would be abandoned and work on the project would cease, thereby resulting in existing RGS policies remaining unchanged.

As has previously been identified through various OCP Reviews, the designation of certain communities as Rural Growth Areas may no longer be appropriate. Abandoning the project would also fail to address any of feedback received during the consultation process or the current challenges associated with determining the consistency of a development proposal with the RGS.

Conversely, abandonment would free up existing staff resources to complete other on-going Board projects (e.g. ESDP Review, Subdivision Servicing Bylaw Review and Faulder Zone Review) and to potentially start new projects sooner (e.g. Vacation Rental Review, Housing Strategy, etc.).

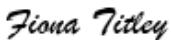
Summary

Administration considers Option 1 to be the appropriate option as it aligns with the Board direction to provide more clear direction on managing growth outside of the current “primary” and “Rural” growth Areas”, and is recommending that the amendment bylaw be updated and proceed to first reading.

Alternatives:

1. THAT the Review of the South Okanagan Sub-Regional Growth Strategy (RGS) Bylaw be abandoned; or
2. THAT the South Okanagan Sub-Regional Growth Strategy (RGS) Amendment Bylaw No. 2770.02, be amended to:
 - a) TBD

Respectfully submitted:



F. Titley, Planner II

Endorsed By:



C. Garrish, Planning Manager

Attachments:

- No. 1 – Agency Referral List
- No. 2 – Draft RGS Bylaw Amendment No. 2770.02, 2022 (annotated version 2023-04-20)
- No. 3 – Draft “Growth Management Map” Schedule
- No. 4 – External Agency & First Nations Referral Responses
- No. 5 – Public Feedback Summary and Response Sheet
- No. 6 – Public Representations

Attachment No. 1 – Agency Referral List

Referrals have been sent to the following agencies as highlighted with a , prior to Board consideration of RGS Amendment Bylaw No. 2770.02:

<input checked="" type="checkbox"/>	Agricultural Land Commission (ALC)	<input checked="" type="checkbox"/>	Fortis
<input checked="" type="checkbox"/>	Interior Health Authority (IHA)	<input checked="" type="checkbox"/>	City of Penticton
<input checked="" type="checkbox"/>	Ministry of Agriculture	<input checked="" type="checkbox"/>	District of Summerland
<input checked="" type="checkbox"/>	Ministry of Energy, Mines & Low Carbon Innovation	<input checked="" type="checkbox"/>	Town of Oliver
<input checked="" type="checkbox"/>	Ministry of Municipal Affairs & Housing	<input checked="" type="checkbox"/>	Town of Osoyoos
<input checked="" type="checkbox"/>	Ministry of Environment & Climate Change Strategy	<input checked="" type="checkbox"/>	Mountain Resort Branch (Province of BC)
<input checked="" type="checkbox"/>	Ministry of Lands, Water and Resource Stewardship	<input checked="" type="checkbox"/>	Rolling Hills Waterworks District
<input checked="" type="checkbox"/>	Apex Mountain Resort	<input checked="" type="checkbox"/>	Okanagan Nation Alliance (ONA)
<input checked="" type="checkbox"/>	Ministry of Transportation and Infrastructure	<input checked="" type="checkbox"/>	Penticton Indian Band (PIB)
<input checked="" type="checkbox"/>	Integrated Land Management Bureau	<input checked="" type="checkbox"/>	Osoyoos Indian Band (OIB)
<input checked="" type="checkbox"/>	Skaha Estates Improvement District	<input checked="" type="checkbox"/>	Upper Similkameen Indian Band (USIB)
<input checked="" type="checkbox"/>	School District #53 (Areas A, B, C, D & G)	<input checked="" type="checkbox"/>	Lower Similkameen Indian Band (LSIB)
<input checked="" type="checkbox"/>	School District #67 (Areas D, E, F, I)	<input checked="" type="checkbox"/>	Farleight Lake Water Users Community
<input checked="" type="checkbox"/>	Kaleden Irrigation District	<input checked="" type="checkbox"/>	Lower Nipit Improvement District
<input checked="" type="checkbox"/>	Central Okanagan Regional District	<input checked="" type="checkbox"/>	Canadian Wildfire Services
<input checked="" type="checkbox"/>	Kootenay Boundary Regional District	<input checked="" type="checkbox"/>	OK Falls Irrigation District
<input checked="" type="checkbox"/>	Thompson Nicola Regional District	<input checked="" type="checkbox"/>	Kaleden Irrigation District
<input checked="" type="checkbox"/>	Fraser Valley Regional District	<input checked="" type="checkbox"/>	Osoyoos Irrigation District.
<input checked="" type="checkbox"/>	Kaleden Fire Department	<input checked="" type="checkbox"/>	Parks Canada
<input checked="" type="checkbox"/>	Dominion Radio Astrophysical Observatory (DRAO)	<input checked="" type="checkbox"/>	Lakeshore Water Works (Heritage Hills, Vintage Views)
<input checked="" type="checkbox"/>	Vaseux Lake Improvement District	<input checked="" type="checkbox"/>	Sage Mesa Water System
<input checked="" type="checkbox"/>	Meadow Valley Irrigation District	<input checked="" type="checkbox"/>	Red Wing Resorts (Water System)