

TO: Planning & Development Committee

FROM: J. Zaffino, Chief Administrative Officer

DATE: September 4, 2025

RE: Regional Growth Strategy (RGS) Bylaw Review (X2022.001-RGS)

Administrative Recommendation:

THAT the South Okanagan Regional Growth Strategy Amendment Bylaw No. 2770.02 and Okanagan Valley Official Community Plan Bylaw be initiated.

Purpose:

The purpose of this report is to provide options in relation to the proposed amendment of the South Okanagan Regional Growth Strategy (RGS) Bylaw and supporting updates to the Okanagan Valley Electoral Area Official Community Plan (OCP) bylaws.

Legislative Requirements:

Under Section 452(2) of the *Local Government Act* (LGA), 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.

Under Section 445 of the Act, “all bylaws adopted by a regional district board after the board has adopted a regional growth strategy, and all services undertaken by a regional district after the board has adopted a regional growth strategy, must be consistent with the regional growth strategy.”

In addition, under Section 473.1(2) of the Act, a local government must consider the most recent housing needs report received by the local government under section 585.31 when developing or amending an official community plan (OCP).

Strategic Priorities:

5.1 Establish Regional Policy Framework

Background & Analysis:

In 2019, the Board resolved to initiate a review of the Regional Growth Strategy (RGS) and has subsequently provided direction on multiple occasions in relation to this project.

The most recent being at the August 3, 2023, meeting of the Planning and Development (P&D) Committee where it was resolved that Amendment Bylaw No. 2770.02 be revised to include the following:

1. *the removal or reduction of Naramata as any sort of growth area (e.g. Rural Growth Area or Village Settlement Area);*

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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.*

At its meeting of November 17, 2022, the P&D Committee of the Board resolved “that a consolidated Official Community Plan (OCP) Bylaw for the Okanagan Valley electoral areas be undertaken as a project in 2023.”

Analysis:

Further to the direction provided by the Committee at its meeting of August 3, 2023, draft RGS Amendment Bylaw No. 2770.02 has been updated as follows:

- Revising the “Energy Emissions and Climate Change” section of the bylaw to reflect new provincial direction on climate change;
- Replacing “Map 3” with a new “Growth Management Map” schedule to improve land use decisions involving lands outside of Primary Growth Areas;
- Updating the “Population and Demographics” section to reflect 2021 census data;
- Adding new language under “Housing and Development” to clarify that an “urban containment boundary” shall be established by an official community plan of a local government and that a “growth area” is not an “urban containment boundary” for the purpose of Section 481.3 of the *Local Government Act*; and
- Updating the objectives and policies under the “Village Settlement Area” designation that applies to Naramata, Kaleden and Gallagher Lake to limit the provision of housing, services, and amenities and maintain the small-town character of these areas.

Administration is supportive of these changes on the basis that they will provide better clarity on the extent to which future growth is to be provided in the Electoral Areas and the pre-conditions for that growth to occur (e.g. basic community infrastructure such as water and sewer systems).

In support of these amendments to the RGS, and in recognition of available resources (staff and financial), Administration is proposing that the Okanagan Electoral Area OCP bylaws be concurrently updated, and consolidated into a single new OCP bylaw.

Administration considers there to be multiple benefits of a single, regional OCP for the Okanagan Electoral Areas, including:

- improved regional decision-making (the challenges the Board is being asked to address are generally regional in nature);
- improved consistency, clarity and ease of use for developers;
- increased transparency and customer service for the general public;
- improved integration and consistency between land use bylaws (e.g. RGS, OCP and Zoning);
- improved efficiency and timeliness in the review of OCP bylaws (current review schedule results in a review period of 18-22 years for each Electoral Area OCP bylaw);
- a more prudent use of public funds on land use projects (e.g. reviewing 8 different OCP Bylaws is projected to exceed \$1,000,000 over the next 20 years);

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- freeing up of limited staff resources to work on land use projects other than OCP reviews;
 - continuation of the modernization and consolidation of Regional District bylaws (e.g. similar to the approach taken with fire department bylaws, parks and recreation commission bylaws, water system regulatory bylaws and noise control bylaws).

Overall, given approximately 85% of the policies contained in an Electoral Area OCP are considered to be regional in nature, and the RGS is a regional planning document, there is seen to be significant merit in pursuing these two projects concurrently.

This is especially pertinent in relation to the overlapping consultation requirements under the Local Government Act related to an RGS and OCP Bylaw.

The Draft Okanagan Valley OCP Bylaw included with this report is seen to be an amalgamation of the current six bylaws and has been drafted to reflect the proposed amendments to the RGS Bylaw, the 2024 Housing Needs Report and other Board priorities and policies.

Should the Board resolve to initiate these bylaws, Administration will bring forward a subsequent report, in accordance with the Board's "Land Use Bylaw Transition Policy" (2016) summarizing "all significant policy changes comprised within the [OCP] Bylaw ..."

In addition, a statutory consultation plan will be prepared for consideration by the Board in order to ensure that legislative requirements are being met.

Alternative

Alternatively, if the Board does not wish to proceed with an amendment to the RGS Bylaw and consolidated OCP Bylaw, other options remain available, including:

1. abandon the RGS amendment and proceed with the consolidated OCP (or vice-versa);
2. revise the RGS amendment bylaw and consolidated OCP Bylaw as follows:
 - i) *TBD*
3. status quo (e.g. resolve to not proceed with the bylaws and abandon the projects).

Summary

In summary, the revisions to draft Amendment Bylaw No. 2770.02 align with previous Board direction to provide clearer direction on managing growth outside of the current "primary" and "Rural" growth Areas" and to remove Naramata and Kaleden as a defined growth area.

Administration also considers that the consolidated Okanagan Valley OCP Bylaw will free up additional staff time and resources for other ongoing project work.

For this reason, staff is recommending that the draft RGS amendment Bylaw and draft Okanagan Valley OCP Bylaw be initiated.

Financial Implications:

Financial implications related to the RGS amendment bylaw will primarily be related to the provision of infrastructure funding. This is because 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, then infrastructure funding will need to be prioritized to other locations.

Depending on the scope of public and agency engagement desired for this project, the Board may also wish to consider using the services of a planning consultant to assist with public engagement activities (NOTE: funds are available within the Electoral Area Planning budget to address this).

Okanagan Valley OCP

Reducing the number of Okanagan Electoral Area OCP Bylaws from six (6) to one (1) is estimated to result in a potential cost savings of \$650,000 to \$750,000 over the next 15-20 years.

In addition to these costs savings, staff time should be freed up to work on additional Board strategic priorities other than OCP Reviews.

Communication Strategy:

If these bylaws are initiated, Administration will undertake consultation in accordance with the requirements of the *Local Government Act*, as well as the Board's "Official Community Plan Bylaw Consultation Policy" (2016).

Specifically, Section 434 of the Act, which requires that the Board "must adopt [emphasis added] a consultation plan that, in the opinion of the board, provides opportunities for early and ongoing consultation with, at a minimum, the following":

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

Section 475 further requires that the Board provide "early and ongoing" consultation opportunities with the following:

- *the board of the regional district in which the area covered by the plan is located, in the case of a municipal official community plan;*
- *the board of any regional district that is adjacent to the area covered by the plan;*
- *the council of any municipality that is adjacent to the area covered by the plan;*
- *first nations;*
- *boards of education, greater boards and improvement district boards;*
- *the Provincial and federal governments and their agencies.*

Given the significant overlap between these consultation requirements, and the opportunity for efficiencies to be realized, Administration will bring forward for formal "consultation plan" at a forthcoming meeting.

Alternatives:

1. THAT the South Okanagan Regional Growth Strategy Amendment Bylaw No. 2770.02 and Okanagan Valley Official Community Plan Bylaw, be revised as follows:
 - a. *TBD*
2. THAT the South Okanagan Regional Growth Strategy Amendment Bylaw No. 2770.02 and Okanagan Valley Official Community Plan Bylaw not be initiated.

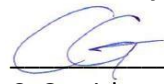
Will a PowerPoint presentation be presented at the meeting? Yes

Respectfully submitted:

"Ben Kent"


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Planner II

Endorsed By:



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