

# ADMINISTRATIVE REPORT



**TO:** Board of Directors  
**FROM:** J. Zaffino, Chief Administrative Officer  
**DATE:** May 7, 2026  
**RE:** Zoning Bylaw Amendment – Electoral Area “C” (C2025.015-ZONE)

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**Administrative Recommendation:**

**THAT the Okanagan Valley Zoning Amendment Bylaw No. 2800.60, 2025, be denied.**

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**Alternatives:**

**THAT Okanagan Valley Zoning Amendment Bylaw No. 2800.60, 2025, be read a first and second time and proceed to public hearing;**

**AND THAT the holding of a public hearing be scheduled for the Regional District Board meeting of May 21, 2026;**

**AND THAT staff give notice of the public hearing in accordance with the requirements of the *Local Government Act*.**

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Purpose: To allow “cooking facilities” within motel units Folio: C-01142.000  
Civic: 8380 Gallagher Lake Frontage Road Legal: Lot 3, Plan KAP11388, District Lot 28S, SDYD  
OCP: Commercial (C) Zone: Tourist Commercial (CT1)

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**Purpose:**

This application is seeking to amend the zoning of the subject property in order to allow cooking facilities within a “tourist accommodation” use (e.g. motel units).

In order to accomplish this, the applicant is proposing to amend the zoning of the property under the Okanagan Valley Zoning Bylaw No. 2800, 2022, from Tourist Commercial (CT1) to Tourist Commercial Site Specific (CT1s), with the site-specific regulation to allow cooking facilities within 19 motel units.

In support of the rezoning, the applicant has stated, amongst other things, that:

*Given this competitive environment, not being permitted to include cooking facility in our sleeping units would place our tourist accommodation at a commercial and economic disadvantage. Because neighbouring properties already provide cooking facilities, denying our request would create an uneven playing field, constitute a hardship in competing for visitors, and potentially make the development financially unviable.*

**Strategic Priorities:** Operational

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**Background:**

The current boundaries of the subject property date to a plan of subdivision that was deposited with the Land Title Office in Kamloops on April 13, 1961, while BC Assessment has classified the property as part “Residential” (Class 01), and part “Business and other” (Class 06).

Available Regional District records indicate that building permits have previously been issued for multiple additions and renovations to the eating and drinking establishment (1977, 1978, 2002, 2007, 2013, 2021, 2023), a garage (1989), and an attached dwelling unit (1989).

**Regional Growth Strategy (RGS) Bylaw:**

Gallagher Lake is currently listed as a “Rural Growth Area” under the South Okanagan Regional Growth Strategy (RGS) Bylaw and is an area “where limited future development is anticipated.”

**Official Community Plan (OCP) Bylaw:**

Under the Electoral Area “C” Official Community Plan (OCP) Bylaw No. 2452, 2008, the property is designated Commercial Tourist (CT), an objective of which is to “maintain the current level of local commercial sites to serve the existing communities and tourists ...”

The OCP also speaks to supporting “the re-designation of lands to Medium Density Residential (MR) only within designated Primary and Rural Growth Areas in order to achieve lower servicing costs and to minimize environmental impacts.”

The OCP also contains numerous Local Area Policies related to Gallagher Lake, such as:

- *Supports the re-development of lands adjacent to existing commercial areas along the Gallagher Lake Frontage Road to multiple family uses in the form of 2 storey town house units;*
- *Supports the main commercial area on the west side of Highway 97 (along Gallagher Lake Frontage Road) remaining the focus for future commercial development serving the community ...*
- *Supports residential uses being incorporated into commercial developments in order to broaden the range of housing options and add to the pedestrian character of the community;*

The property is also designated under the Gallagher Lake Commercial Development Permit (GLCDP) Area in order to establish the objectives for the “form and character” of new commercial development.

**Zoning Bylaw:**

Under the Okanagan Valley Zoning Bylaw No. 2800, 2022, the property is zoned Tourist Commercial (CT1) which permits “tourist accommodation” as a principal use and defined it to mean:

*a building or buildings other than recreational vehicles, park model trailers, mobile homes or dwelling units, providing temporary accommodation for the travelling public, such as tourist cabins, lodges, motels, hotels, inns, or hostels, which may include common public facilities, such as an eating and drinking establishment, gift shop; personal services, or spa;*

The bylaw further defines “motel” (which is a listed form of “tourist accommodation”) as comprising not less than six (6) “sleeping units” (e.g. motel rooms) and defines “sleeping units” as excluding “cooking facilities” (e.g. kitchens).

**Service Areas:**

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The property is within the Gallagher Lake Water and Sewer Service Area as well as the Oliver Fire Department Service Area.

Under the Operating Agreement between the Regional District and the Osoyoos Indian Band's (OIB) Senkulmen Utilities, the Regional District levies "Connection Costs" on new development to pay for new or expanded infrastructure works.

Properties within the Gallagher Lake Water and Sewer service area are subject to this "Connection Cost" and the Senkulmen Utilities has recently proposed updating their "single family unit" (SFU) Connection Cost for water and sewer which equates to \$8,654 per motel unit for a total of \$164,426.00 for the 19 units.

**Building Code:**

The installation of "cooking facilities" within motel units does not change the major occupancy classification of the building under the BC Building Code, and it will remain Group C (Residential).

**Analysis:**

In considering this proposal, Administrations notes that the current zoning prohibition on "cooking facilities" in hotel and motel units is generally to ensure that these units are retained for the short-term accommodation of the travelling public (e.g. less than 30 consecutive days) and do not become de facto residential units.

As the South Okanagan is a seasonal tourism destination, with visitors drawn by the warm, dry summers, outdoor recreation opportunities (e.g. lakes, beaches, cycling, hiking) and agricultural operations (e.g. wineries and orchards), the availability of hotel and motel units is an important component of the local tourist economy.

For these reasons, Administration is concerned that the inclusion of "cooking facilities" in motel units *may* blur the distinction between tourist accommodation and residential uses and potentially incentivize the conversion, over the long-term, of the proposed motel units to residential occupancy.

Not only does this potentially undermine the intent of the zoning regulations to preserve commercial accommodation for the travelling public but it may also create inequities between properties zoned residential versus tourist commercial.

For instance, regulations related to minimum unit sizes, amenity space requirements, on-site vehicle parking requirements, utility rates and possible Building Code compliance may differ between commercial and residential uses.

While traditional motel units (without "cooking facilities") are seen to generate less wastewater than a residential unit, the capacity of the Gallagher Lake sewer system to accommodate higher flows from residential uses – *should* they occur on the site in future – is unclear and infrastructure upgrades *may* be required.

In addition, once a "cooking facility" is permitted in a motel unit it becomes difficult to enforce how the units will be used, including establishing if a unit is being used as a residence rather than visitor accommodation, monitoring the duration of a patron's stay and distinguishing between permitted and non-permitted cooking equipment. A clear prohibition against "cooking facilities" in motel units simplifies any future enforcement.

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Finally, the economic competitiveness or fairness arguments that have been raised by the applicant are not seen to be applicable as it is unclear if these other purported occurrences of “cooking facilities” in motel units are legally non-conforming, unapproved, or permitted under a different zoning.

Administration considers that other options are also available to the applicant, such as developing the motel units without “cooking facilities” in each of the units and that the dining requirements of guests be accommodated through the existing “eating and drinking establishment” found on the site (e.g. “The Fleasless Hound”), or nearby options such as the “District Wine Village” – both of which cater to the travelling public.

Alternately, development of the site to “townhouses” under a residential zoning would permit for “cooking facilities” in each unit with the accommodation of the travelling public provided for through the issuance of a Short-Term Rental Accommodation (STR) Permit by the Regional District.

This offers the benefit of avoiding any future compliance and retrofit issues should the units be used for residential purposes.

Alternative:

Conversely, it is recognized that the applicant has indicated that the inclusion of “cooking facilities” within the motel units is increasingly common in contemporary tourist accommodation and *may* assist their development in remaining competitive with comparable accommodations in the area.

Administration note that several nearby establishments currently offer units with cooking facilities, such as The Lodge at Gallagher Lake, Vaseux Lakeside Resort, and Riverstone Estate Winery, as well as Motels within the Town of Oliver (Mountain View Motel, Catus Tree Inn and Oliver Motel & Inn) which may influence visitor expectations and market demand.

Allowing “cooking facilities” within motel units *may* support longer visitor stays and enhance the attractiveness of the proposed motel, while still maintaining the use as tourist accommodation.

Administration also recognizes that permitting “cooking facilities” is not uncommon in other jurisdictions, with over 50% of local governments surveyed allowing such facilities in motel (see Attachment No. 7).

Summary:

In summary, allowing “cooking facilities” within motel units may facilitate longer-term occupancy and increase the likelihood that units could be used for residential purposes rather than for the short-term accommodation of the travelling public. Restricting cooking facilities helps reduce the potential for motel units to transition toward long-term residential use.

For these reasons, Administration does not support the allowance of “cooking facilities” within motel units and is recommending the proposed rezoning not be denied.

**Financial Implications:**

Financial implications have been considered and none were found.

**Communication Strategy:**

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The proposed bylaw amendment(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 0.4 ha in area and is situated on the west side of Gallagher Lake Frontage Road, approximately 4.5 km north from the boundary with Town of Oliver. The property is understood to contain one (1) eating and drinking establishment, and an accessory building.

The surrounding pattern of development is generally characterised by residential lands and a manufactured home park to the west, a mix of commercial, tourist commercial and industrial lands to the north and south, and a mix of tourist commercial, campground commercial, and residential lands to the east.

**Referrals:**

Approval from the Ministry of Transportation and Transport (MoTT) is required prior to adoption as the proposed amendments involve lands within 800 metres of a controlled access highway (i.e. Highway 97).

**Public Process:**

On November 5, 2025, a Public Information Meeting (PIM) was held online via Webex and was attended by approximately five (5) members of the public.

At its meeting of April 27, 2026, the Electoral Area “C” Advisory Planning Commission (APC) is to consider the application, and a verbal update can be issued to the Board on the resolution.

All comments received to date in relation to this application are included as a separate item on the Board Agenda.

Will a PowerPoint presentation be presented at the meeting?      No

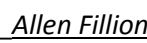
**Respectfully submitted:**

  
Tharini Prakash  
Planning Technician

**Endorsed By:**

  
C. Garrish  
Senior Manager of Planning

**Endorsed By:**

  
A. Fillion  
Managing Director, Dev. & Infrastructure

**Attachments:** No. 1 – Applicant’s Site Plan

No. 2 – Applicant’s Proposed Building View

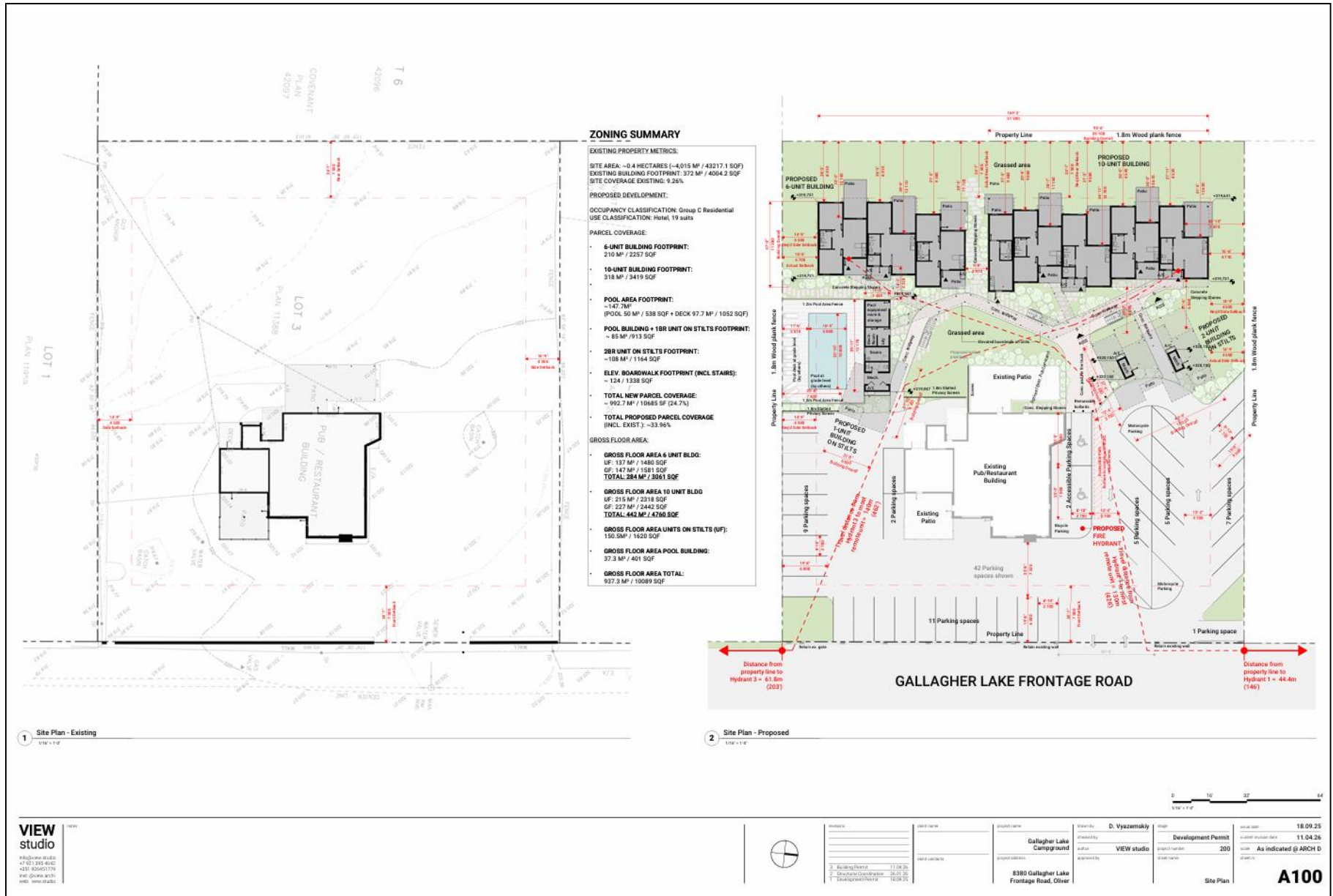
No. 3 – Applicant’s Building Elevations

No. 4 – Aerial Photo

No. 5 – Site Photos (Google Streetview - 2023)

No. 6 – Comparison of Local Government Zoning Regulations for “Cooking Facilities” in Motel Units

# Attachment No. 1 – Applicant's Site Plan



## Attachment No. 2 – Applicant’s Proposed Building View



1 Street Elevation  
1:10



**MATERIAL LEGEND**

- 01 Wood finished non-combustible siding
- 02 Graphite-colored standing seam metal roofing
- 03 Window and door frames: graphite finished/powder coated
- 04 Composite metal or fiber cement (hardie) siding, graphite color
- 05 Shakes: English Slicks, off white
- 06 Cast-in-place concrete
- 07 Paint coated metal (Forest Green)
- 08 Painted board (Forest Green)

2 Birds Eye View

**VIEW studio**

1000  
1000  
1000  
1000  
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1. All dimensions are shown in feet and inches (ft-inches) unless otherwise noted.

DATE	DESCRIPTION
11/09/25	Building Permit
11/09/25	Final Review
11/09/25	Development Permit

PROJECT NAME	Gallagher Lake Campground
PROJECT ADDRESS	8380 Gallagher Lake Frontage Road, Oliver

DESIGNED BY	D. Vyazemskiy
DESIGNED FOR	VIEW studio
PROJECT NUMBER	200

PERMIT TYPE	Development Permit
PERMIT NUMBER	200
PERMIT DATE	11/04/25

ISSUE DATE	18/09/25
ISSUE FOR	As Indicated @ ARCHD
PROJECT NUMBER	200
PROJECT ADDRESS	8380 Gallagher Lake Frontage Road, Oliver
PROJECT NAME	Gallagher Lake Campground

**A002**



Attachment No. 4 – Aerial Photo



Attachment No. 5 – Site Photo (Google Streetview - 2023)



Attachment No. 6 – Comparison of Local Government Zoning Regulations for “Cooking Facilities” in Motel Units

LG	Hotel	Motel	Comments						
Armstrong	Not specified	✓							
Ashcroft	✓	✓							
Barriere	✓	✓							
Cache Creek	Not specified	Not specified	Overnight Accommodations Use						
Chase	Not specified	✓							
Fraser Valley	✓	✓							
Clearwater	Not specified	Not specified	Traveller Accommodation Use						
Clinton	✗	✓							
Coldstream	✗	✗							
Enderby	Not specified	Not specified							
Kamloops	✗	✗	“Housekeeping Unit” use where sleeping units contain cooking facilities.						
Kelowna	✗	✓	allowed as dwelling unit in motel						
Keremeos	Not specified	✗							
Lake Country	Not specified	✓	allowed as dwelling unit in motel						
Lillooet	Not specified	Not specified							
Logan Lake	✗	✗							
Lytton	✓	✓	Tourist Accommodations Use allowing full or partial kitchen facilities.						
Lumby	✗	✓	with or without cooking facilities (motel)						
Merritt	✗	✗							
Oliver	Not specified	Not specified							
Peachland	Not specified	Not specified	No definition						
Penticton	Not specified	Not specified	No definition						
Princeton	Not Specified	Not specified							
Revelstoke	Not specified	Not specified							
Salmon Arm	✗	Not specified							
Sicamous	Not specified	Not specified							
Spallumcheen	Not specified	Not specified							
Summerland	Not specified	✓							
Vernon	✓	✓	includes apartments						
West Kelowna	✓	✓	allows limited cooking facilities						
<b>TOTALS</b>									
<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 33%;"><b>Hotels:</b> Yes = 6 (20%)</td> <td style="width: 33%;">No = 8 (27%)</td> <td style="width: 33%;">Not specified = 16 (53%)</td> </tr> <tr> <td><b>Motels:</b> Yes = 13 (43%)</td> <td>No = 5 (17%)</td> <td>Not specified = 12 (40%)</td> </tr> </table>				<b>Hotels:</b> Yes = 6 (20%)	No = 8 (27%)	Not specified = 16 (53%)	<b>Motels:</b> Yes = 13 (43%)	No = 5 (17%)	Not specified = 12 (40%)
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