

**TO:** Planning & Development Committee

**FROM:** B. Newell, Chief Administrative Officer

**DATE:** June 1, 2023

**RE:** Draft Electoral Area “E” OCP Bylaw No. 3010 – Summary of Significant Policy Changes (E2020.027-ZONE)

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## **Administrative Recommendation:**

**THAT the following be undertaken in relation to the Draft Electoral Area “E” Official Community Plan (OCP) Bylaw No. 3010:**

- the introduction of new vacation rental policies be deferred pending the completion of the Vacation Rental Review;
  - a policy be included supporting the exploration of options for managing and regulating hillside development, such as tree cutting, development permits, runoff and drainage;
  - the Naramata Rural Growth Boundary comprise the area shown on Figure 10 in the draft OCP; and
  - the introduction of a development permit area to promote the reduction of greenhouse gas emissions not be pursued as an action item
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## **Purpose:**

In accordance with the Regional District’s “Land Use Bylaw Transition Policy” (2016), the purpose of this report is to provide the Board with a summary of:

- “significant policy changes” contained within the Draft Electoral Area “A” Official Community Plan (OCP) Bylaw No. 2905; and
- “current subdivision proposals which may be affected by proposed changes to the regulations ... comprised within the Bylaw.”

Administration is further seeking direction on a number of policy directions resulting from public input received on the draft OCP to date.

## **Background:**

The earliest community plan for Naramata was the Naramata Official Settlement Plan Bylaw No 723, adopted in 1982. This Plan was subsequently reviewed and updated in 1993 and 2006.

In 2008, the Regional District completed a “Repeal and Re-enactment” (R&R) of all its Electoral Area OCP & Zoning Bylaws, including Electoral Area “E”, resulting the 2006 OCP Bylaw being replaced with the current OCP Bylaw No. 2458, 2008, but with the existing goals, objectives or policies carried forward largely unchanged.

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Since the adoption of the 2006 Electoral Area “E” OCP Bylaw, there have been approximately 40(+/-) amendment bylaws adopted by the Regional District Board that have applied to various aspects of the bylaw and has included:

- introduction of Climate Change & Greenhouse Gas reduction objectives and policies (2010);
- introduction of Development Approval Information (DAI) Area (2013);
- update of Temporary Use Permit objectives and policies (2013);
- introduction of Vacation Rental policies (2014);
- update of Environmentally Sensitive Development Permit Areas (2017);
- update of Natural Environment and Parks, Recreation & Trails objectives and policies (2017);
- Naramata Town Centre and development permit area designation update (2018);
- review of accessory dwelling policies (2020);
- introduction of policies for cannabis production (2020);
- introduction of objectives and policies for use of the Okanagan Basin Lakes (2020-21);
- Street Lighting Policy Review (2021);
- Agricultural Land Reserve (ALR) Exclusion Policy Update (2021);
- Temporary Farm Labour Housing review (2022); and
- various policy updates (e.g. Residential) undertaken in support of the creation of a single zoning bylaw for the Okanagan Electoral Areas (2018-2022).

The review and update of the Electoral Area “E” OCP Bylaw was a strategic Board priority noted in the Regional District’s 2020 Business Plan and the project was initiated in 2021. The OCP review project was mostly completed in-house, with a hired consultant, LOCAL Decisions, to undertake a multi-round community engagement process near the beginning of the project.

### **Analysis:**

In considering the requirements of the Land Use Bylaw Transition Policy to report on all “significant policy changes”, Administration notes that many of the “significant” changes that have occurred to the Electoral Area “E” OCP Bylaw since it was first adopted in 2006 have occurred outside of the current OCP Review project (see “Background” section above).

It is further noted that the next “significant” policy changes that will be considered in Electoral Area “E” are potential changes to the ESDP Area designation, Vacation Rental policies, and Regional Housing Strategy and that these will, again, occur outside of a formal OCP Bylaw Review process.

Given OCP Bylaws are considered to be “living documents” and are not meant to be static, the occurrence of “significant” policy changes outside of an OCP Review is normal and, in some ways, preferable as it allows for more focused consideration and discussion of a specific policy change.

### **“Significant” Policy Changes:**

As a result, there are only a limited number of “significant” policy changes occurring as a result of this Review, and include the following:

- **Community Profile (Section 3.0):** includes an expanded section on the Penticton Indian Band (PIB) that stemmed from an assessment entitled *TL NPƏNYAƧTNITK™ UŁ TAN? YAƧCISCUT*, which

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can be interpreted as *From the mouth of Ellis Creek Canyon to Chute Lake: PIB AREA E OCP ASSESSMENT*, completed by PIB as part of the OCP process.

- **Growth Management (Section 6.0):** in 2010, the South Okanagan Sub-Regional Growth Strategy (RGS) Bylaw was adopted by the Board and designated “Naramata” as a Rural Growth Area without indicating any mapping boundaries.

Draft Bylaw No. 3010 is proposing three Growth Containment Boundaries indicating where future types of growth is to be directed.

Growth Containment Area “A” is an expanded area around the current Naramata Village Centre designation and is meant to direct the type of development to create a vibrant village centre including mixed use and a slightly higher density residential developments that includes special types of housing, e.g. seniors housing and more affordable options.

Growth Containment Area “B” is the areas that generally follows the proposed Phase 1 of the LWMP and it also responds to the growth area requested by the Community Advisory Group.

Growth Containment Area “C” is the where the majority of residential growth is to be directed in the long-term (e.g. ~ 50 year timeframe). The area includes all the land to the west of the ALR buffer that surrounds Naramata.

Potential growth was identified inside the “C” containment area and indicates that there area approximately 82 ‘developable’ lots were noted. These parcels included those currently zoned RS2, RS3, SH1, SH2, NVC, CT1, and NC. As well, 99 historically subdivided parcels were notes within the Naramata village area that had development potential.

This section also highlights the difficulties of using population projections exclusively on Census data, as other data such as building permits and assessing the ‘shadow population’ may indicate alternative growth trends.

- **Local Area Policies (Section 7.0):** In accordance with recent OCP Reviews completed in other Electoral Areas, a new section comprising policies specific to the various communities in Electoral Area “E” has been prepared. The first of these local areas is what is known as the traditional historical settlement area of Naramata which has been formed from the shores of Okanagan Lake up to the agricultural lands. The second local area contains the more current residential developments as well as private lands that surround the Agricultural lands, noted as Upper Naramata. There are also policies for Falcon Ridge and Indian Rock communities included.
- **Resource Area (Section 8.0):** The designated community watersheds have been mapped and included. Implementation of the OCP will include establishing a Watershed Resource Area (WRA) zone in the Zoning Bylaw.
- **Naramata Village Centre (Section 12.0):** Expanded to include supporting further tourist accommodation in the form of a hotel.
- **Administrative, Cultural and Institutional (Section 15.0):** This section has expanded to include the fire district area, recognition of the heritage and cultural values of the community, and a new section on Social Well-Being.
- **Natural Hazards (Section 18.0):** The range of objectives and policies related to hazard lands within the Electoral Area has been expanded, particularly in relation to geotechnical hazards and flood hazards.

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- **Community Infrastructure (Section 19.0):** This section amalgamates transportation, community water systems, community sewer systems, storm water management, and solid waste management. It includes a map showing a 500 metre buffer surrounding the Campbell Mountain Landfill and the proposed RDOS composting facility with policies to discourage any new residential development to occur in the buffer. The landfill is within the City of Penticton; however, is immediately adjacent to the Electoral Area "E" boundary.
  - **Climate Change Mitigation and Adaptation (Section 21.0):** the draft OCP includes information and data taken from the *Climate Change for the Okanagan Region (2020)* report that was completed for the three Okanagan Regional Districts.

Board Direction requested:

There are a number of topics that were raised during the OCP review that were unable to be resolved between project staff and community groups, and, therefore, the Board is being asked to provide direction. These topics include:

1. **Vacation Rentals:** The issue of Vacation Rentals is of deep concern to the community and there is call to amend the draft OCP to reflect these concerns. While staff acknowledges these concerns, it is felt that vacation rentals will be dealt with at a regional level when the topic is reviewed by the Board. The draft OCP does contain a policy to support the Province in reviewing its legislative requirements for short term rentals, including new compliance and enforcement tools.

Options:

- a) The introduction of new vacation rental policies be deferred pending the completion of the Vacation Rental Review (recommended); or
  - b) New policies discouraging vacation rentals in Naramata be introduced into the draft OCP.
2. **Hillside Development:** Residents expressed concerns over how hillside develop is occurring around Naramata including stormwater and drainage consequences of new development. There has been a request that a Hillside Development Permit area be established in the new OCP. Staff recommends that if regulating hillside development is deemed as a priority for implementation that research be conducted of the issues and all possible solutions be sought, such as zoning or service bylaw amendments.

Options:

- a) That exploration of options for managing and regulating hillside development, such as tree cutting, development permits, runoff and drainage be considered as an action item (recommended); or
  - b) That a development permit area to protect development from hazardous conditions be implemented as an action item.
3. **Growth Management:** Residents have provide input through both the RGS and OCP bylaw reviews over what area should be considered a regional growth area. Staff has recommended that the OCP take a layered approach and has incorporated three areas of growth containment. This layered approach provides a more nuanced approach to future growth at the same time does not specifically disallow growth in the Naramata RGS designated area.

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Options:

- a) That the Naramata Rural Growth Boundary comprise the area shown on Figure 10 in the draft OCP (recommended); or
  - b) That the Naramata Rural Growth Boundary shown on Figure 10 in the draft OCP be revised to:
    - i) *TBD*
4. **Climate Action:** Residents are very concerned on how the community deals with climate change and resulting consequences. While the draft OCP includes a number of policies on climate change and reduction of GHGs, it does not provide a recommendation to designate a Development Permit area to promote the reduction of greenhouse gas emissions. Staff recognizes that Climate Action policies are a regional issue and if the Board were to prioritize a review of climate action policies it be done for all Electoral Areas.

Options:

- a) That the draft OCP not address the introduction of a development permit area to promote the reduction of greenhouse gas emissions as an action item (recommended); or
- b) That the draft OCP support the introduction of a development permit area to promote the reduction of greenhouse gas emissions as an action item.

Subdivisions:

As an OCP Bylaw generally comprises policy statements as opposed to the type of prescriptive regulations generally found in a Zoning Bylaw, Administration considers that no active subdivisions in Electoral Area “E” will be affected by Draft OCP Bylaw No. 3010.

Next Steps:

The draft OCP will be made public and the last round of community engagement will be conducted. A meeting of the Community Advisory Group will also be held as well referrals to numerous agencies will be sent for their review. It is anticipated that the draft OCP Bylaw will come to the Board for 1<sup>st</sup> and 2<sup>nd</sup> reading by August 2023.

**Alternative:**

- .1 THAT the following be undertaken in relation to the Draft Electoral Area “E” Official Community Plan (OCP) Bylaw No. 3010:
  - a) *TBD*

**Respectfully submitted:**

E. Riechert  
Evelyn Riechert, Planner II

**Endorsed By:**

  
C. Garrish, Planning Manager

Attachments: No. 1 – “Land Use Bylaw Transition Policy” (2016)  
No. 2 – Draft Electoral Area “E” OCP Bylaw No. 3010

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Attachment No. 1 – “Land Use Bylaw Transition Policy” (2016)

**REGIONAL DISTRICT OF OKANAGAN-SIMILKAMEEN  
BOARD POLICY**

**POLICY:** Land Use Bylaw Transition Policy

**AUTHORITY:** Board Resolution dated February 11, 2016.

**POLICY STATEMENT**

The Regional District of Okanagan-Similkameen (RDOS) requires that, prior to first reading of a new Official Community Plan (OCP) Bylaw and/or Zoning Bylaw for an Electoral Area, the Board of Directors be apprised by Administration of the following:

- i) all significant policy changes comprised within the Bylaw(s); and
- ii) all current subdivision proposals which may be affected by proposed changes to the regulations (i.e. minimum parcel size requirements, development permit area designations, etc) comprised within the Bylaw(s).

**PURPOSE**

To ensure that the Board is properly apprised by Administration of all significant policy changes resulting from the preparation of a new OCP Bylaw and/or Zoning Bylaw for an Electoral Area prior to commencing the formal process to adoption.

**DEFINITIONS (IF REQUIRED)**

Not applicable

**RESPONSIBILITIES**

Development Services Department

**PROCEDURES**

Not applicable.