TO: Board of Directors

FROM: J. Zaffino, Chief Administrative Officer

**DATE:** August 15, 2024

**RE:** Land Use Bylaw Amendments — SSMUH Implementation (X2024.001-ZONE)

# Administrative Recommendation:

THAT the following bylaws be read a third time:

- Official Community Plan Amendment Bylaw No. 3062, 2024;
- Okanagan Valley Zoning Amendment Bylaw No. 2800.37, 2024; and
- Electoral Area "G" Zoning Amendment Bylaw No. 2781.01, 2024.

### Proposal:

The purpose of this report is to provide options to the Board in relation to proposed land use bylaw amendments required to ensure compliance with recent changes to the *Local Government Act* (e.g. *Housing Statutes (Residential Development) Amendment Act, 2023*).

### Background:

At its meeting of February 22, 2024, the Planning and Development (P&D) Committee of the Board considered Administrative Reports related to the proposed amendments to the Electoral Area OCP and zoning bylaws.

The committee subsequently resolved to support the proposed amendments and further directed that "Application to Request an Extension to SSMUH Compliance Deadline" be submitted to the Minister of Housing in relation to Okanagan Falls and Heritage Hills.

At its meeting of May 9, 2024, the P&D Committee of the Board resolved that an "Application to Request an Extension to SSMUH Compliance Deadline" be submitted to the Minister of Housing in relation to those lands comprised within the Faulder Water System Service Area.

In addition, the Committee resolved that the Electoral Area "D" Official Community Plan Bylaw No. 2603, 2013, and Okanagan Valley Zoning Bylaw No. 2800, 2022, be amended in order to reduce permitted residential densities within the areas served by the Vintage Views Wastewater System and Lakeshore Highlands water system.

Approval from the Ministry of Transportation and Infrastructure (MoTI) is required prior to adoption as the proposed amendments involve lands within 800 metres of a controlled access highway (i.e. Highway 97 & 3).

Under a new Section 464(4) of the *Local Government Act*, the Regional District "must not hold a public hearing on a zoning bylaw proposed for the sole purpose of complying with section 481.3 *[zoning bylaws and small-scale multi-family housing].*" Section 464(4) of the Act does not apply to Official Community Plan (OCP) Bylaw amendments.



# Board Consideration:

At its meeting of June 13, 2024, the Board approved first and second reading of Amendment Bylaw Nos. 3062, 2800.37 and 2781.04, and directed that a public hearing of Amendment Bylaw No. 3062 be scheduled for its meeting of July 4, 2024.

On July 4, 2024, a public hearing was held at 101 Martin Street, Penticton (RDOS Boardroom) and electronically via the WebEx meeting platform and was attended by seventeen (17) members of the public present (6 in attendance and 11 on-line).

At its meeting of July 4, 2024, the Board subsequently resolved to defer consideration of the zoning amendment bylaws to the Planning and Development (P&D) Committee meeting of July 25, 2024.

At its meeting of July 25, 2024, the P&D Committee considered an Administrative Report (for information) outlining the proposed amendments to the Electoral Area zoning bylaws.

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

### Analysis:

The province is encouraging local governments to apply a flexible approach when amending their zoning bylaw(s) as "it is typically not a single zoning rule that impacts the viability of a SSMUH project, but rather the cumulative and cross-cutting impacts of several regulations combined."

In response, the proposed amendments to the OCP will replace current policies that support maximum residential densities of 30 units/ha for single detached dwellings and 44 units/ha for duplexes in the Low Density Residential (LR) designation with a policy supporting a maximum of two (2) dwellings per parcel in the various Electoral Area OCP Bylaws.

With regard to Okanagan Falls, it is being proposed that policy statements supporting 3-4 units per parcel (based on land area) be introduced as well as support for a range of dwelling types (i.e. apartment building & townhouse) in the LR designation. NOTE: an Extension request to delay the implementation of the required zoning for Okanagan Falls has been submitted to the province and it is anticipated that a response will be received prior to June 30, 2024.

In the Medium Density Residential (MR) designation, it is being proposed to introduce a policy supporting a maximum density of 75 units/ha when lands are served by a community water system and a community sewer system.

It is further being proposed to delete the Multiple Family Development Permit Area (Area "D") and Protection of Farming Development Permit Area (Area "C") designations, and to refine certain aspects of the Okanagan Falls Town Centre and Naramata Village Centre development permit area designations.

With regard to the Okanagan Valley, it is being proposed to combine the current RS1, RS2, RS3, RS4, RD1 and RD2 zones into a new Low Density Residential One (RS1) Zone in which "single detached dwellings", "duplex", "secondary suite" and "accessory dwelling" will be permitted dwelling types to a density of two (2) units per parcel – in accordance with new provincial statutory requirements.

Further, it is proposed that the following zoning regulations be applied in accordance with the provincial SSMUH Policy Manual:

- i) the setbacks for principal structures in the proposed RS1 Zone be 6.0 metres (front & rear), 1.2 metres (interior side) and 3.0 metres (exterior side);
- ii) the setbacks for accessory structures in the proposed RS1 Zone be 6.0 metres (front), 1.5 metres (rear), 1.2 metres (interior side) and 3.0 metres (exterior side);
- iii) the maximum building height for a "single detached dwelling" be increased from 10.0 metres to 11.0 metres in the RS and SH zones;
- iv) a maximum building height of 8.0 metres for accessory dwellings be introduced;
- v) the maximum building height in the RM1 Zone be increased from 12.0 metres to 15.0 metres;
- vi) the maximum floor area limit of 125 m<sup>2</sup> for secondary suites be deleted;
- vii) the minimum building width requirement for principal dwelling units of 5.0 metres be deleted;
- viii) the density restriction prohibiting a "secondary suite" if an "accessory dwelling" has already been developed on a parcel zoned SH3, SH4, LH1, LH2, AG1, AG2, AG3 or RA be deleted.

Administration is supportive of the proposed amendments as these will further the requirement that the Regional District be compliant with new statutory requirements enacted by the province in November of 2023 and is recommending that amendment by laws receive first and second readings.

# Alternatives:

 THAT first and second readings of the Official Community Plan (OCP) Amendment Bylaw No. 3062, 2024, the Okanagan Valley Zoning Amendment Bylaw No. 2800.37, 2024 and the Electoral Area "G" Zoning Amendment Bylaw No. 2781.01, 2024, be rescinded and the bylaws abandoned.

# **Respectfully submitted:**

C. Garrish, Senior Manager of Planning