

ADMINISTRATIVE REPORT



TO: Board of Directors

FROM: J. Zaffino, Chief Administrative Officer

DATE: August 6, 2026

RE: Temporary Use Permit Application – Electoral Area “E” (E2026.002-TUP)

Administrative Recommendation:

THAT Temporary Use Permit No. E2026.002-TUP, to allow a tourist accommodation use at 4245 Mill Road, Naramata, be denied.

Alternative:

1. THAT Temporary Use Permit No. E2026.002-TUP, to allow a tourist accommodation use at 4245 Mill Road, Naramata, be approved.
-

Legal: Lot A, Plan KAP48883, District Lot 210, SDYD Folio: E-00754.010

OCP: Low Density Residential (LR) Zone: Low Density Residential Two (RS2)

Purpose:

This application is seeking to allow a “tourist accommodation” use of a single detached dwelling and accessory building on the subject property through the issuance of a Temporary Use Permit (TUP).

In support of this proposal, the applicant has stated that “we have had a temporary use permit as a vacation rental for the past 10 years since 2015. We were granted a variance for 14 guests following the May 11, 2015, RDOS meeting. We welcome guests from May 1 to September 30.”

Strategic Priorities: Operational

Background & Analysis:

The current boundaries of the subject property were created by a Plan of Subdivision deposited with the Land Titles Office in Kamloops on January 28, 1992, while BC Assessment has classified the property “Residential” (Class 01).

Available Regional District records indicate that building permits for single family dwelling (2006) and movement of an existing accessory structure to a new foundation (2006) have previously been issued for this property.

Official Community Plan (OCP):

Under the Electoral Area “E” Official Community Plan (OCP) Bylaw No. 3010, 2023, the subject property is currently designated Low Density Residential (LR), with the Plan generally supporting the use of such lands for residential purposes.

The Plan does, however, speak to support small-scale commercial uses that are accessory to the residential use of a dwelling, including home occupations as well as short-term rental accommodations, subject to certain conditions (e.g. principal residence, no more than one dwelling unit is being used, etc.).

The OCP further includes a policy that clarifies where it is proposed to use a residential dwelling unit for the purposes of a “tourist accommodation” use (as opposed to a “short-term rental accommodation” use) that this is discouraged.

Zoning Bylaw:

Under the Okanagan Valley Zoning Bylaw No. 2800, 2022, the property is currently zoned Low Density Residential Two (RS2) which lists “single detached dwelling” as a permitted principal use and “home occupation” and “short-term rental accommodation” as permitted accessory uses.

Importantly, “tourist accommodation”, which is defined as follows, is not listed as a permitted principal or accessory use in the RS2 Zone:

... means 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;

Under Section 8.0 (Floodplain Regulations) of the Zoning Bylaw, the subject property is within the floodplain associated with Okanagan Lake and no structural support for a habitable area, or fill required to support a habitable area, may be placed on land within a floodplain setback area under Section 10.2 of Zoning Bylaw.

Application History:

The subject property has previously been issued four (4) Temporary Use Permits (TUP’s) between 2015 and 2022 authorizing the use of the property for a “vacation rental” with the most recent of these expiring on December 31, 2025.

The applicant has submitted a concurrent Business License application to the Regional District for a “vacation rental” use.

Enforcement History:

The Regional District has not received written complaints regarding the previously approved “vacation rental” use of the property.

Analysis:

In considering this proposal, it is Administration’s understanding that the Board’s intent in drawing a policy distinction between a “short-term rental accommodation” use versus as “tourist accommodation” use through the land use bylaws was two-fold.

First, it seeks to address the commercial conversion of residential dwelling units in a way that permanently removes housing stock in areas where housing is already scarce while simultaneously allowing a commercial business to become established in a residential neighbourhood under the guise of a residential use.

Second, it seeks to provide property owners in residential neighbourhoods with an opportunity to provide small-scale, short-term rental accommodation opportunities in a way that will ensure their dwelling remains a home that happens to generate rental income.

In support of this policy approach, the Electoral Area “E” OCP speaks against the use of a residential property for a commercial business (e.g. de facto inn, tourist cabin, urban glamping, boutique motel, etc.), while the Zoning Bylaw prohibits a “tourist accommodation” use from occurring in a residential zone.

In this instance, it is noted that the previous approvals for the subject property to be used as a “vacation rental” occurred under a former regulatory regime that was repealed and replaced by the Board in 2025, and that the continued use of the property for “vacation rental” purposes is no longer consistent with the current policy direction contained in the Electoral Area “E” OCP.

This determination is principally a result of the applicant proposing to provide accommodation within an accessory structure located on the property and the principal dwelling not being used for residential purposes (e.g. the property owners reside elsewhere).

The proposed use is further considered to be inconsistent with the OCP (s. 22.3.4) for the following reasons:

- it is neither temporary or seasonal in nature as it has occurred continuously since 2015 (e.g. 11 years);
- the intensity of the use exceeds what the Board has established as appropriate for a residential area (e.g. it is to occur in an accessory structure as well a dwelling unit); and
- land zoned to allow “tourist accommodation” uses exists nearby in the Naramata Village Centre (NVC) Zone (e.g. s 12.3.10 of the OCP speaks to encouraging the development of additional tourist accommodations in the NVC).

In addition, Administration considers that other options *may* be available to the applicant, such as revising their proposal so that accommodation is only being made available within the dwelling unit.

This *could* allow for consideration of the use as an STR and assessment against more favourable criteria in the OCP (NOTE: the “Principal Residence” policies in the Electoral Area “E” OCP would still be applicable to such a proposal).

Alternative:

Conversely, Administration notes that subject property has been used continuously for “tourist accommodation” purposes (e.g. “vacation rental”) over the previous 11 years and there is no history of complaints being submitted to the Regional District in relation to this use. This suggests that the use, as it has been conducted, does not generate a level of nuisance or traffic impacts that is incompatible with the existing residential area.

A TUP also affords the Regional District the ability to impose site-specific conditions and a defined review period, providing an appropriate regulatory safeguard should circumstances change.

A further consideration is that the subject property is located between two established Tourist Commercial (CT) zoned properties, being the Sandy Beach Lodge & Resort and the Royal Anchor Resort, suggesting that the land use pattern in this area has already transitioned away from exclusively residential character.

This location further indicates that the local neighbourhood context is one in which tourist accommodation uses are not uncommon and approving the TUP would reflect and reinforce a *de facto* land use pattern, rather than introduce an incompatible or novel use.

Finally, given the proximity to the Naramata Village Centre (NVC) Zone the subject property's use as tourist accommodation can reasonably be considered complementary to the broader tourism economy that the NVC Zone is intended to support.

As an aside, should the Board support this application, the Electoral Area "E" OCP speaks to the continued use of TUPs to authorize a "tourist accommodation" use in future, as opposed to a rezoning of the property to tourist commercial (e.g. the OCP otherwise speaks to TUPs not being used as a substitute for rezoning).

Summary:

In summary, and for the reasons stated above, Administration is recommending the subject application be denied.

Financial Implications:

Financial implications have been considered and none were found.

Communication Strategy:

The proposed Temporary Use Permit (TUP) has 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 3,187 m² in area and is situated on the north side of Mill Road, approximately 0.25 km north of the Naramata Village Centre. It is understood that the parcel is comprised of a single detached dwelling and two accessory structures.

The surrounding pattern of development is generally characterised by similar sized residential developments.

Public Process:

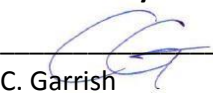
Adjacent property owners will have received notification of this application with written comments being accepted up until one (1) week prior to the Board's regular meeting at which the application is to be considered. All comments received are included as a separate item on the Board's Agenda.

Will a PowerPoint presentation be presented at the meeting? No

Respectfully submitted:

Jerritt Cloney
Jerritt Cloney
Planner I

Endorsed By:


C. Garrish
Senior Manager of Planning

Endorsed By:


A. Fillion
Managing Director, Dev. & Infrastructure

Attachments: No. 1 – Agency Referral List

No. 2 – Applicant's Site Plan

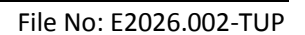
No. 3 – Aerial Photo (2025)

Attachment No. 1 – Agency Referral List

Referrals have been sent to the following agencies as highlighted with a ☒, regarding Temporary Use Permit Bylaw No. E2026.002-TUP:

MEMBER MUNICIPALITIES			
☐	City of Penticton	☐	Town of Oliver
☐	District of Summerland	☐	Town of Osoyoos
☐	Town of Princeton	☐	Village of Keremeos
FIRST NATIONS			
☐	Okanagan Nation Alliance (ONA)	☐	Lower Similkameen Indian Band (LSIB)
☐	Osoyoos Indian Band (OIB)	☐	Upper Similkameen Indian Band (USIB)
☐	Penticton Indian Band (PIB)		
SCHOOL DISTRICTS			
☐	School District No. 53 (Areas A, C & D)	☐	School District No. 67 (Areas D, E, F, I)
☐	School District No. 58 (Area H)		
REGIONAL DISTRICTS			
☐	Central Okanagan Regional District	☐	Kootenay Boundary Regional District
☐	Fraser Valley Regional District	☐	Thompson Nicola Regional District
IRRIGATION & IMPROVEMENT DISTRICTS			
☐	Allison Lake Improvement District	☐	Lakeshore Water Works
☐	Apex Mountain Resort (utilities)	☐	Lower Nipit Improvement District
☐	Boundary Line Irrigation District	☐	Meadow Valley Irrigation District
☐	Cawston Irrigation District	☐	Osoyoos Irrigation District
☐	Farleigh Lake Water Users Community	☐	Red Wing Resorts (Water System)
☐	Fairview Heights Irrigation District	☐	Rolling Hills Waterworks District
☐	Hedley Improvement District	☐	Similkameen Improvement District
☐	Kaleden Irrigation District	☐	Skaha Estates Improvement District
☐	Keremeos Irrigation District	☐	Vaseux Lake Improvement District
FIRE DEPARTMENTS			
☐	Anarchist Mtn. Volunteer Fire Department	☐	Oliver Fire Department
☐	Apex Volunteer Fire Department	☐	Osoyoos Fire Department
☐	Kaleden Volunteer Fire Department	☐	Penticton Fire Department
☒	Naramata Volunteer Fire Department	☐	Summerland Fire Department
☐	OK Falls Volunteer Fire Department	☐	Willowbrook Volunteer Fire Department
PROVINCIAL MINISTRIES & AGENCIES			
☒	Agricultural Land Commission (ALC)	☐	Ministry of Agriculture & Food
☐	Archaeology Branch	☐	Ministry of Energy & Climate Solutions
☐	BC Parks	☐	Ministry of Housing & Municipal Affairs
☐	Integrated Land Management Bureau	☐	Ministry of Infrastructure
☐	Interior Health Authority (IHA)	☐	Ministry of Mining & Critical Minerals
☐	Mountain Resort Branch	☐	Ministry of Transportation and Transit
		☐	Ministry of Water, Land & Resource Stewardship
FEDERAL MINISTRIES & AGENCIES			
☐	Canadian Wildlife Services	☐	Fisheries and Oceans Canada
☐	Dominion Radio Astrophysical Observatory	☐	Parks Canada
☐	Environment Canada		
OTHER			
☒	Fortis		

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Attachment No. 3 – Aerial Photo (2025)



Subject Property
(yellow line – approximate)