

Optimize Development Approval Process

Planning & Development Committee

Thursday August 21, 2025

Optimize Development Approvals

➤ March 6, 2025 – Board strategic priorities work plan adopted.

➤ Includes the following project:

“Optimize Development Approval Process to ensure that the approval function provides the land use policies for responsible and sustainable development to occur required by small communities

➤ Assigned 400 FTE hours.

Development Approvals Process Review (DAPR)

Optimize Development Approvals

Development Approvals Process Review

FINAL REPORT FROM A PROVINCE-WIDE
STAKEHOLDER CONSULTATION

SEPTEMBER 2019



Background – DAPR (2019):

- Purpose:

“...address challenges and identify opportunities for improvement in the current development approvals process, and to support local governments in eliminating barriers to affordable housing and accelerate the construction of the homes they need in their communities.”

Optimize Development Approvals

Development Approvals Process Review

FINAL REPORT FROM A PROVINCE-WIDE
STAKEHOLDER CONSULTATION

SEPTEMBER 2019



Background – DAPR (2019):

- development finance tools (e.g. CACs);
- subdivision (RD Approving Officers);
- provincial referrals;
- application processes; and
- approval processes:
 - public input (public hearings); and
 - delegating authority.

Optimize Development Approvals

Development Approvals Process Review

FINAL REPORT FROM A PROVINCE-WIDE
STAKEHOLDER CONSULTATION

SEPTEMBER 2019



DAPR “Key Insights”:

Subdivision Opportunities Identified:

- providing regional districts the authority to have their own approving officers;
- providing small municipalities the option to access the services of a regional district approving officer;
- review parkland dedication legislation (allow cash in-lieu to be used for park improvements).

Optimize Development Approvals

Completed Development Approvals Projects (2022-2024)

- streamlining APC and PIM meeting schedules (2022);
- adopting a Public Notice Bylaw (2022);
- delegating DVP applications (2022);
- delegating TUP applications (2022);
- delegating LCRB cannabis license application referrals (2023)
- introducing WDP policies to address provincial RAPR report backlogs (2023);
- initiating a Section 52 agreement with MOTT for zoning amendment applications (ongoing*);
- repealing the Campground Regulations Bylaw (2023);
- repealing the Manufactured Home Park Regulations Bylaw (2023);
- updating the BOV meeting schedule and format (2023);
- reviewing land area requirements for the placement of mobile homes (2023); and
- updating notification procedures during a postal work stoppage (2024).

Optimize Development Approvals

Abandoned Development Approvals Projects

- review of the ESDP Area designation in order to make it more effective and eliminate redundancies and un-necessary approvals; and
- the creation of a “favourable regulatory environment” related to implementation of SSMUH regulations, including:
 - combine and simplify residential zonings (e.g. reduce current RS zones from 9 to 4);
 - enlarged building envelopes in residential zones in order to reduce the number of DVP applications being processed each year by the Regional District;
 - increased density allowances related to secondary suites and accessory dwellings in services areas and rural zones;
 - removal of restrictions related to secondary suite floor areas and dwelling widths; and
 - elimination of development permit area designations identified as potentially impeding residential dwelling development.

Small-Scale Multi-Unit Housing (SSMUH)

Optimize Development Approvals

Background – SSMUH Requirements :

- Bill 44 introduced the concept of a “restricted zone” into the *Local Government Act*.
- A “restricted zone” is one in which a local government has only allowed the following:
 - single family dwelling;
 - duplex;
 - secondary suite; or
 - accessory dwelling.



Optimize Development Approvals

Background – SSMUH Requirements :

- If a local government has a “restricted zone” in its zoning bylaw the Act states that it **must**, by June 30, 2024, use its zoning powers to do one of the following:
 - allow 2 dwelling units per parcel; or
 - allow 3-4 dwelling units per parcel.



Optimize Development Approvals

Provincial Policy Manual:

- Local governments “must consider applicable guidelines” when adopting zoning to comply with Bill 44.
- Includes policies and siting standards to create a “favourable regulatory environment for SSMUH housing”.



Optimize Development Approvals

Provincial Policy Manual:

- *...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.*

Table 5: Recommended zoning regulations for lots requiring a minimum of 2 units

Zoning Bylaw Parameter	Recommended Benchmark Regulation	Considerations
Front Lot Line Setback	Minimum of 5 – 6 metres	This front lot line setback maintains some consistency with conditions in most rural and semi-rural areas.
Rear Lot Line Setback	Minimum of 6 metres for principal buildings Minimum of 1.5 metres for ADUs	
Side Lot Line Setbacks	Minimum of 1.2 metres	This minimum requirement will enable flexibility for a large range of lot sizes, configurations, and building types. Larger distances from property lines are likely to be used by builders or developers to meet BC Building Code requirements for combustible buildings, and to accommodate drive aisles to back of the property (if used).
Maximum Height	Maximum building height of 11 metres to the mid-point of a pitched roof or highest point of a flat roof on principal buildings At least 8 metres for accessory dwelling units	A universal height limit that permits three stories regardless of the method of measurement, site gradient, or roof style is recommended to help improve the viability and diversity of SSMUH housing forms.
Maximum Number of Storeys	3 storeys for principal dwellings 2 storeys for accessory dwelling units	In smaller lot settings, permitting 3 stories may reduce the loss of trees, green space, or farmland. In larger lot settings, large distances between adjacent dwellings mitigate relative height and privacy concerns.
Maximum Lot Coverage	25-40%	Relatively low lot coverages will help limit the size and cost of new units on large lots. 25% may be appropriate for large lots and up to 40% for smaller lots.
Off-Street Parking Requirements	One space per dwelling unit	

Optimize Development Approvals

Parcel Line Setbacks – 2 units Required:

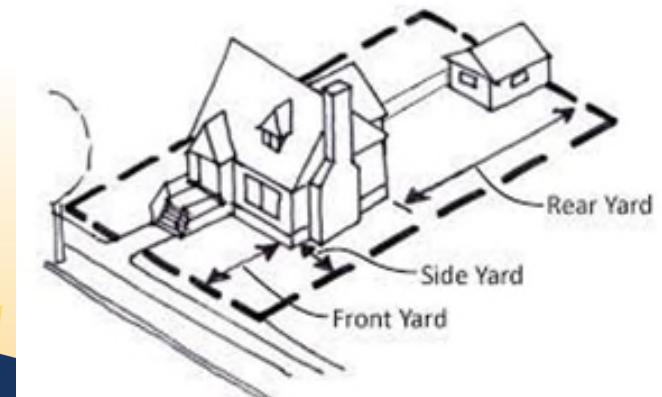
Current (RS Zones)

- 6.0 - 7.5 metres (front)
- 6.0 - 7.5 metres (rear)
- 1.5 metres (interior side)
- 4.5 metres (exterior side)

Policy Manual

- 5.0 - 6.0 metres (front)
- 6.0 metres (rear)*
- 1.2 metres (side)
- 1.2 metres (side)

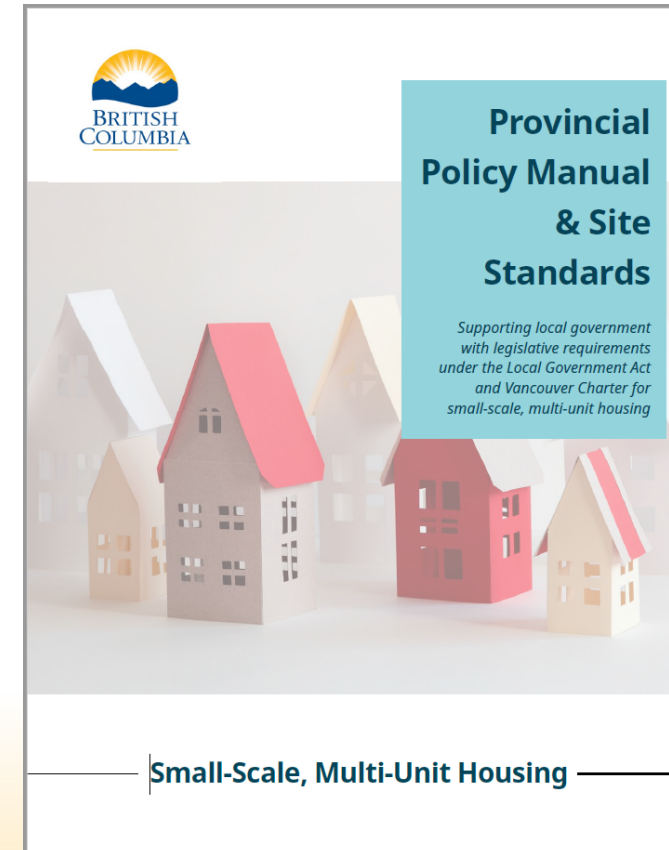
* 1.5 metre rear for accessory dwellings



Optimize Development Approvals

Provincial Policy Manual:

- *“local governments in BC commonly use DPAs to achieve objectives that are outside the purposes prescribed in the LGA, and which can be regulated in other more appropriate ways”*
- DP area guidelines can negatively impact the viability of small-scale multi-unit housing development and local governments are encouraged to consider alternate approaches.



Optimize Development Approvals

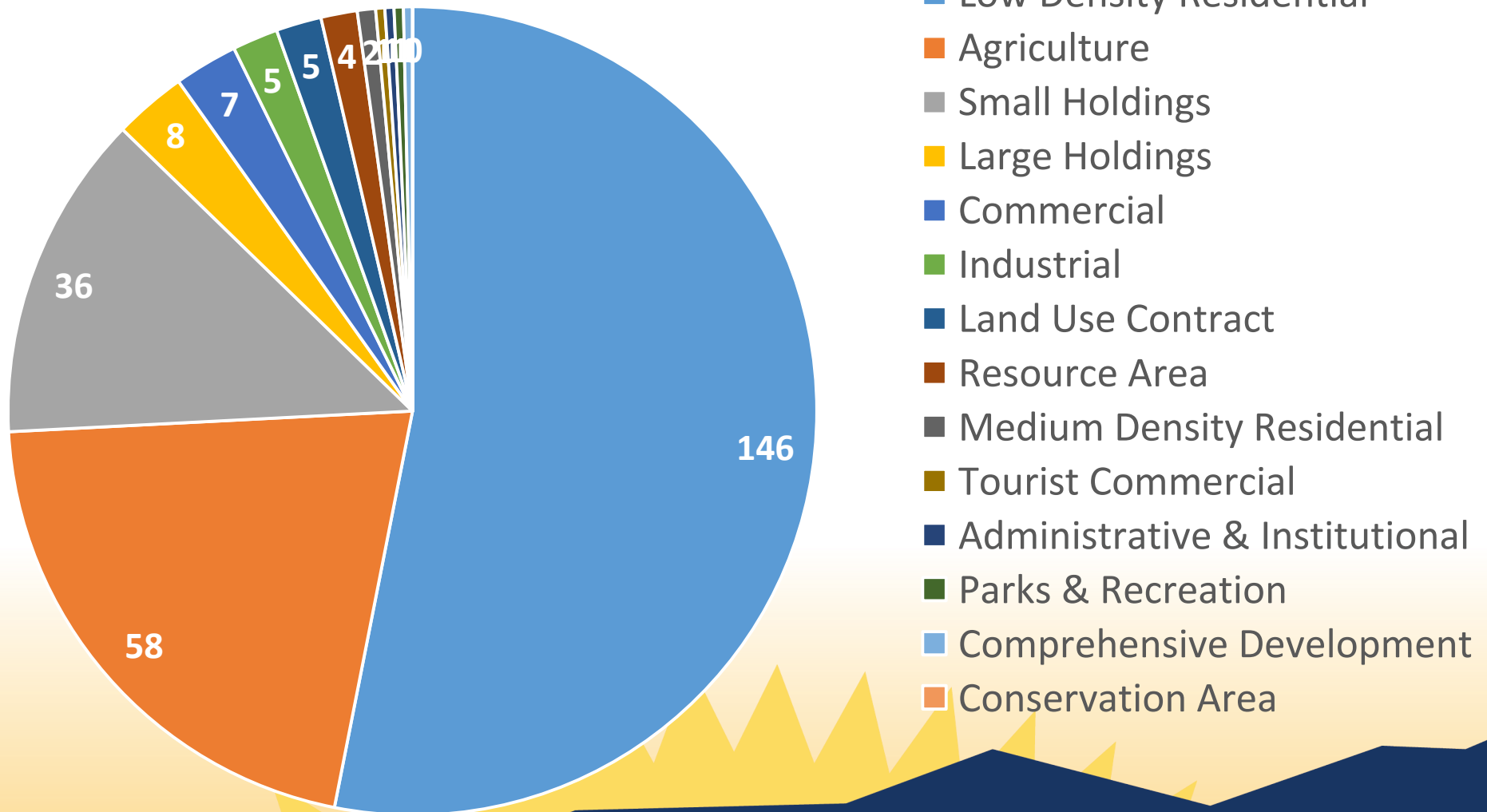
“Form & Character” DPs (Policy Manual):

- *of the all the types of DPAs allowed under the LGA, those established ... for the purpose of managing the form and character of SSMUH development have the greatest potential to negatively impact the creation of new housing units.*
- *DPAs and the development guidelines through which they are typically exercised, can introduce significant time, costs, delays, and uncertainty into projects. In the context of SSMUH housing, these factors can easily undermine the viability of projects.*

Application Trends (DVPs)

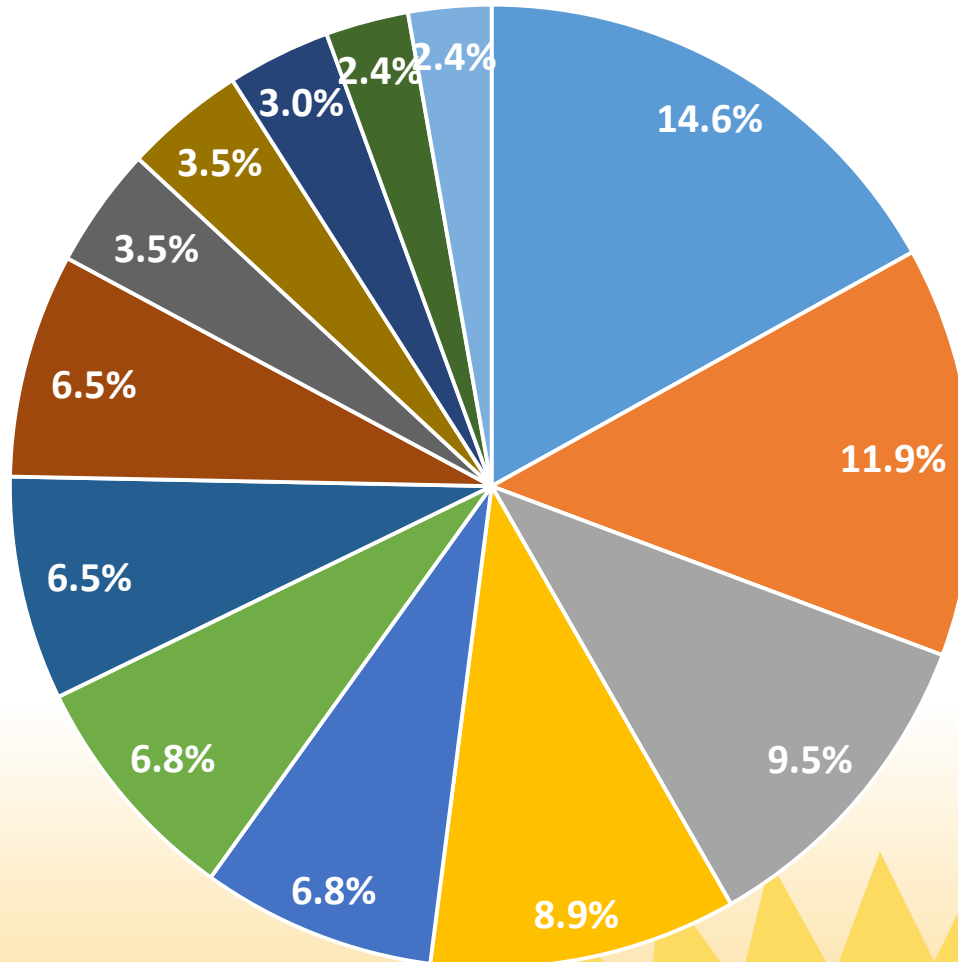
Optimize Development Approvals

DVPs by Zone



Optimize Development Approvals

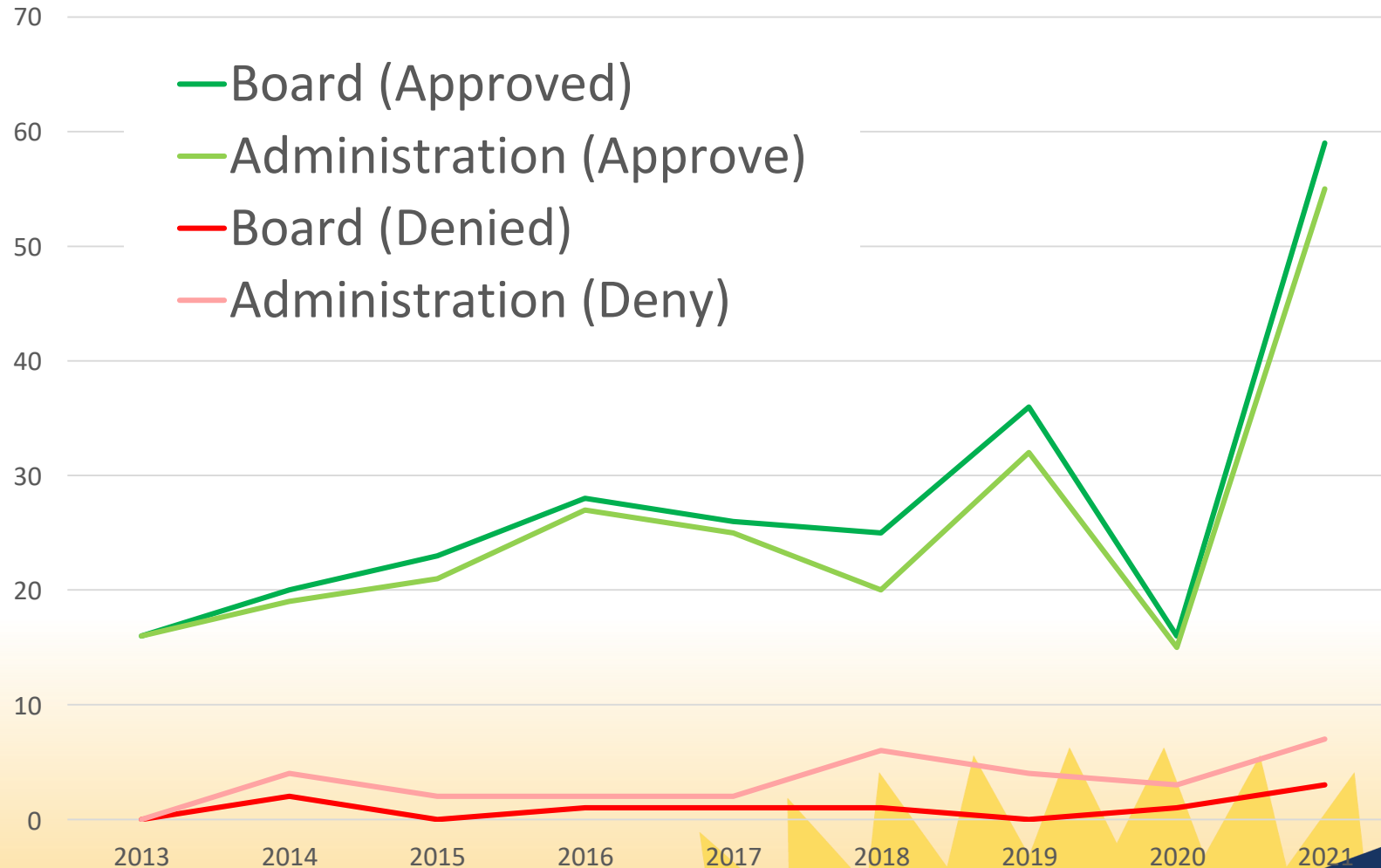
DVPs by Type



- Front Setback (Principal)
- Interior Side Setback (Accessory)
- Interior Side Setback (Principal)
- Front Setback (Accessory)
- Rear Setback (Principal)
- Building Height (Accessory)
- Retaining Wall
- Rear Setback (Accessory)
- Exterior Side Setback (Accessory)
- Parcel Coverage (Principal)
- Building Height (Principal)
- Parcel Coverage (Accessory)
- Exterior Side Setback (Principal)

Optimize Development Approvals

DVP Decisions vs Recommendations



- 96.7% of DVPs are approved by the Board;
- 89.7% of DVPs are supported by staff;
- 0.4% of DVPs supported by staff are denied by the Board (e.g. 1 of 275).

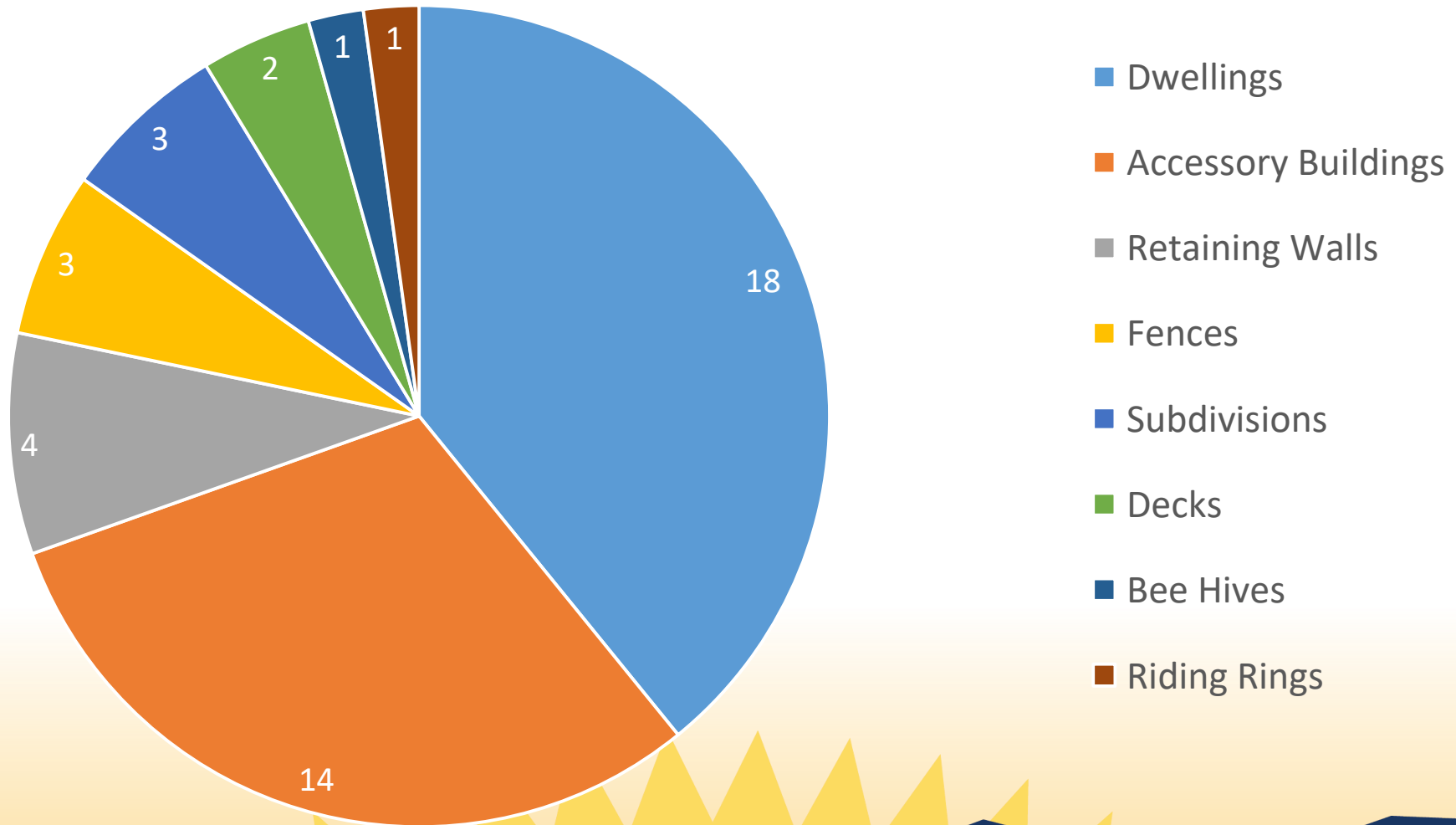
Optimize Development Approvals

DVP statistics by Local Government

Year	RDOS	Penticton	Summerland	Osoyoos	Oliver
2018	26	56	29	4	7
2019	38	32	22	4	1
2020	24	42	39	7	0
2021	62	38	33	2	0
2022	59	40	19	1	5
2023	46	28	31	2	3
Total	255	236	173	20	16
Average	42.5	39.3	28.8	3.3	2.7

Optimize Development Approvals

DVPs by Proposed Development (2024)



Optimize Development Approvals

DVP Statistics by Purpose and Type (2024)

Purpose	Number	Front	Interior	Exterior	Rear	Height
Dwelling	18	8	7	2	4	0
Accessory Building	14	3	2	1	1	7
Retaining Wall	4					4
Fence	3					3
Subdivision	3			1		
Deck	2	2				
Bee Hives	1					
Riding Ring	1		1			

Optimize Development Approvals

DVP Statistics (2024):

Total: 45

Delegated: 20 (44%)

Non-Delegated: 25 (56%)

- Recommend Approval: 19 (76%)
- Recommend Denial: 6 (24%)
- Board Approved: 24 (96%)
- Board Denied: 1 (4%)

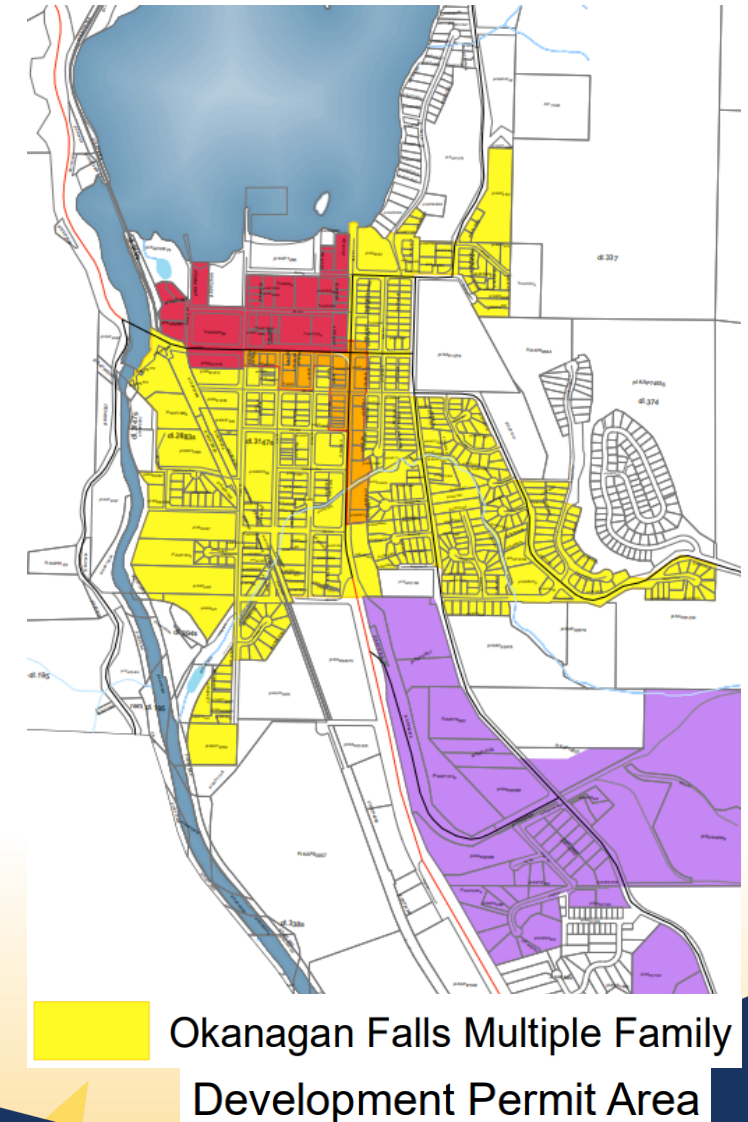


Application Trends (DPs)

Optimize Development Approvals

Multiple Family DP Area:

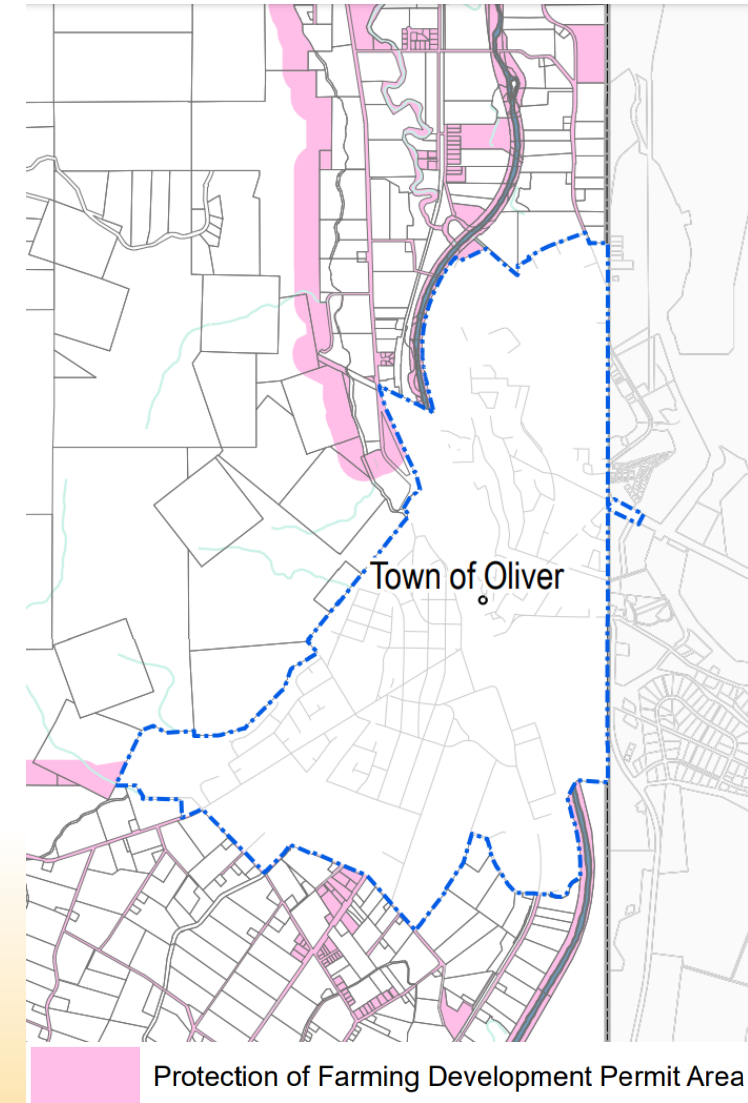
- First introduced to the Electoral Area “D” OCP Bylaw in 1996.
- Any development comprising two (2) or more units on designated parcels requires a development permit.
- Approximately six (6) DPs have been issued since 2001.



Development Permit Area Designations

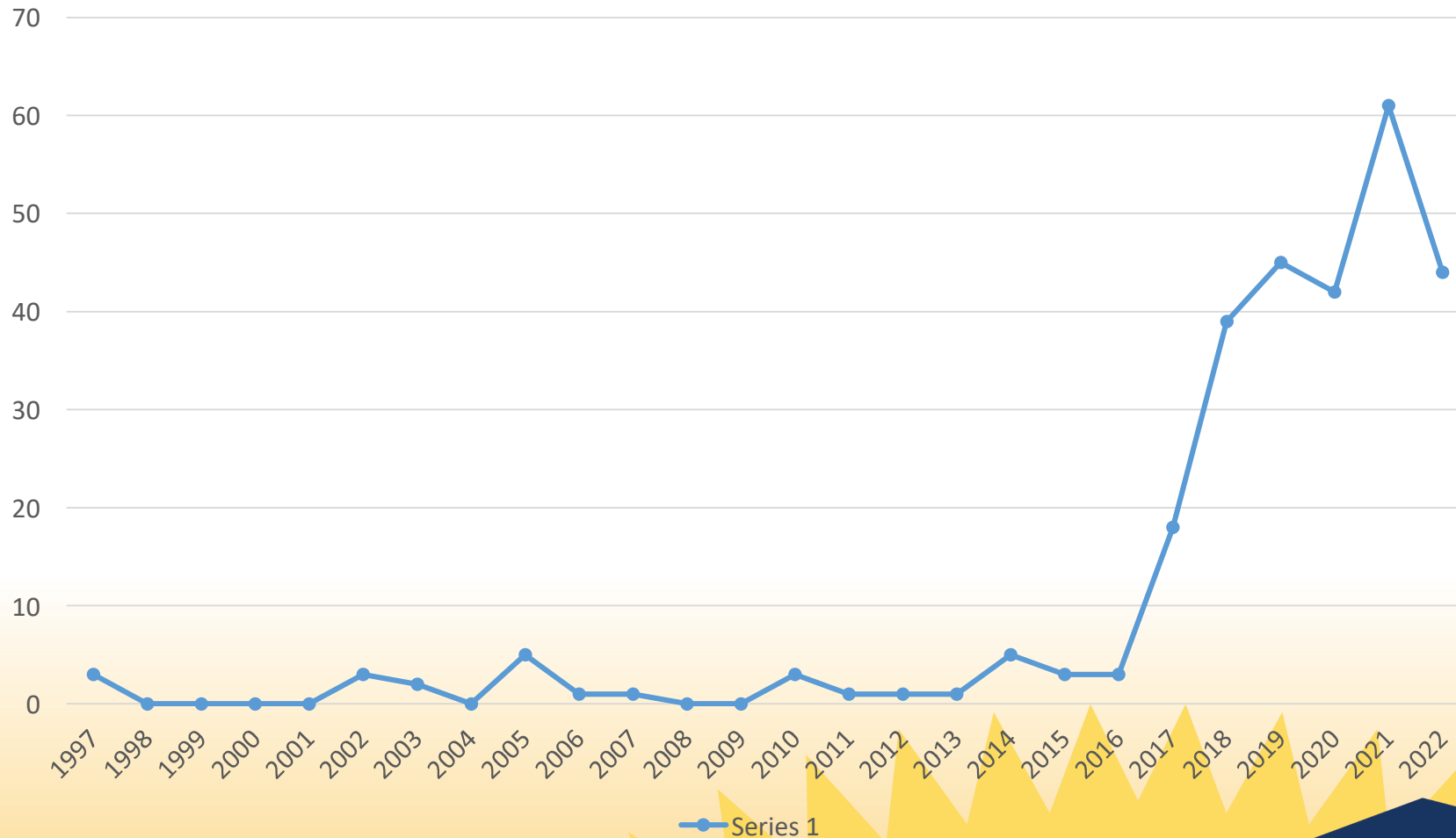
Protection of Farming DP Area:

- Introduced into the Electoral Area “C” OCP Bylaw in 2012.
- Implementation of the DP was a recommendation of the Electoral Area “C” Agricultural Area Plan (AAP).
- Applies to lands 150 metres opposite the Agricultural Land Reserve (ALR) boundary.
- No PFDPs have ever been issued.



Optimize Development Approvals

ESDP Permits Issued 1997-2022



Building Permits:

- 516 in 2022
- 611 in 2021
- 525 in 2020
- 527 in 2019
- 515 in 2018

ESDPs triggered for approx. 8.5% of BPs (2022).

Optimize Development Approvals

ESDP issuance prior to 2017:

- 73% subdivisions;
- 27% non-residential development;
- 0% residential development

ESDP issuance after 2017:

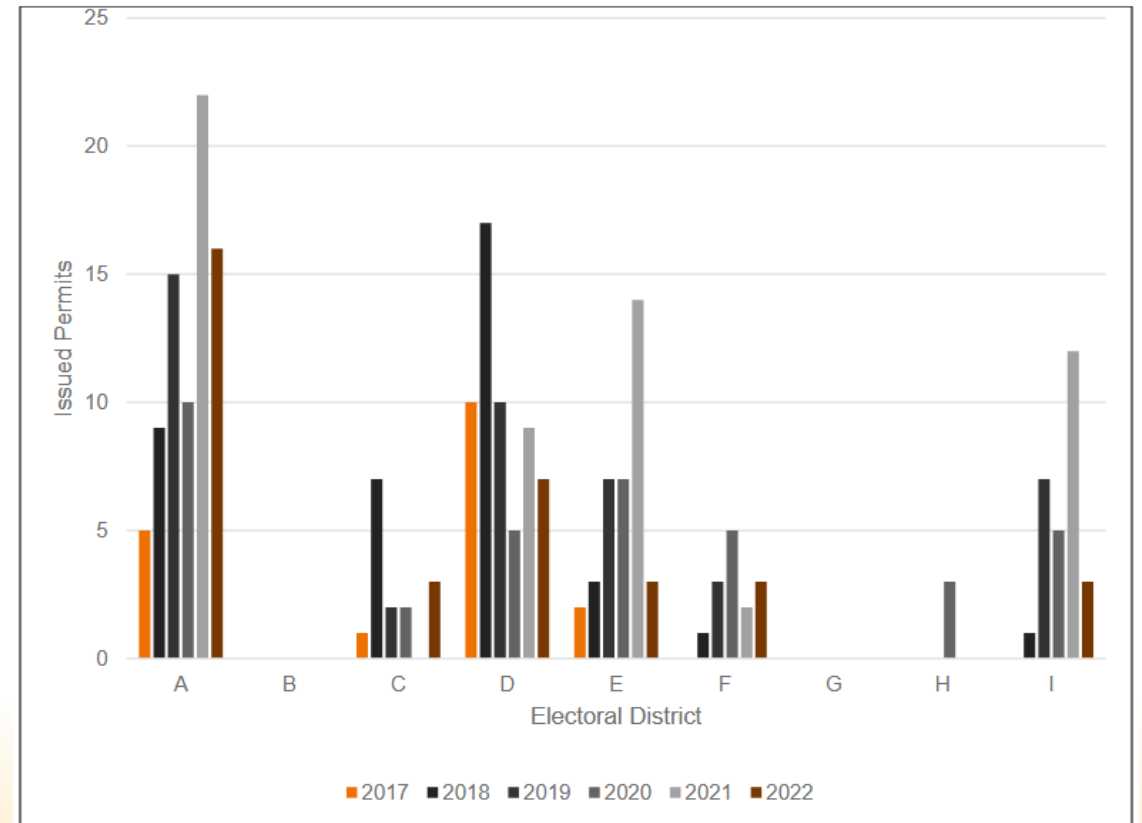
- 6.7% subdivisions;
- 7.5% non-residential development;
- 82.3% residential development;

Optimize Development Approvals

ESDP Review (2020):

- “almost a third (31%) of all permits may have been unnecessary”.
- From 2019-2022 36% of ESDPs were in Area “A” (122-433% higher than the average for other electoral areas).

Figure 2.1 The number of ESDP permits issued by RDOS since 2017



Application Trends (Subdivision Referrals)

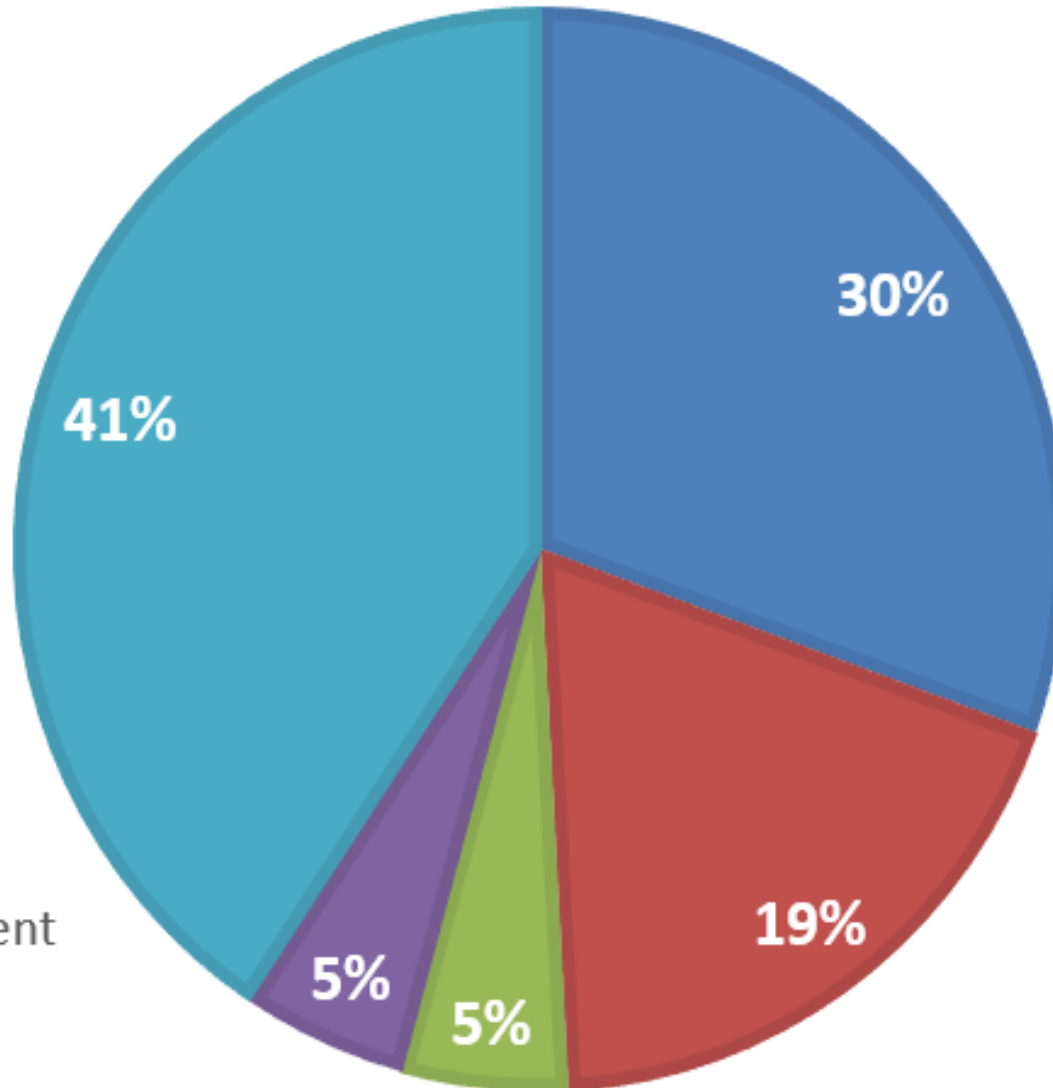
Optimize Development Approvals

What is the Subdivision Approval Process?

- Provincial “Approving Officer” for the Electoral Areas is appointed by the Lieutenant Governor in Council;
- Subdivision applications must be submitted to MoTT, but the Ministry does not approve the subdivision – the “Approving Officer” makes that decision.
- MoTT will refer a subdivision application to other agencies for comment.

Optimize Development Approvals

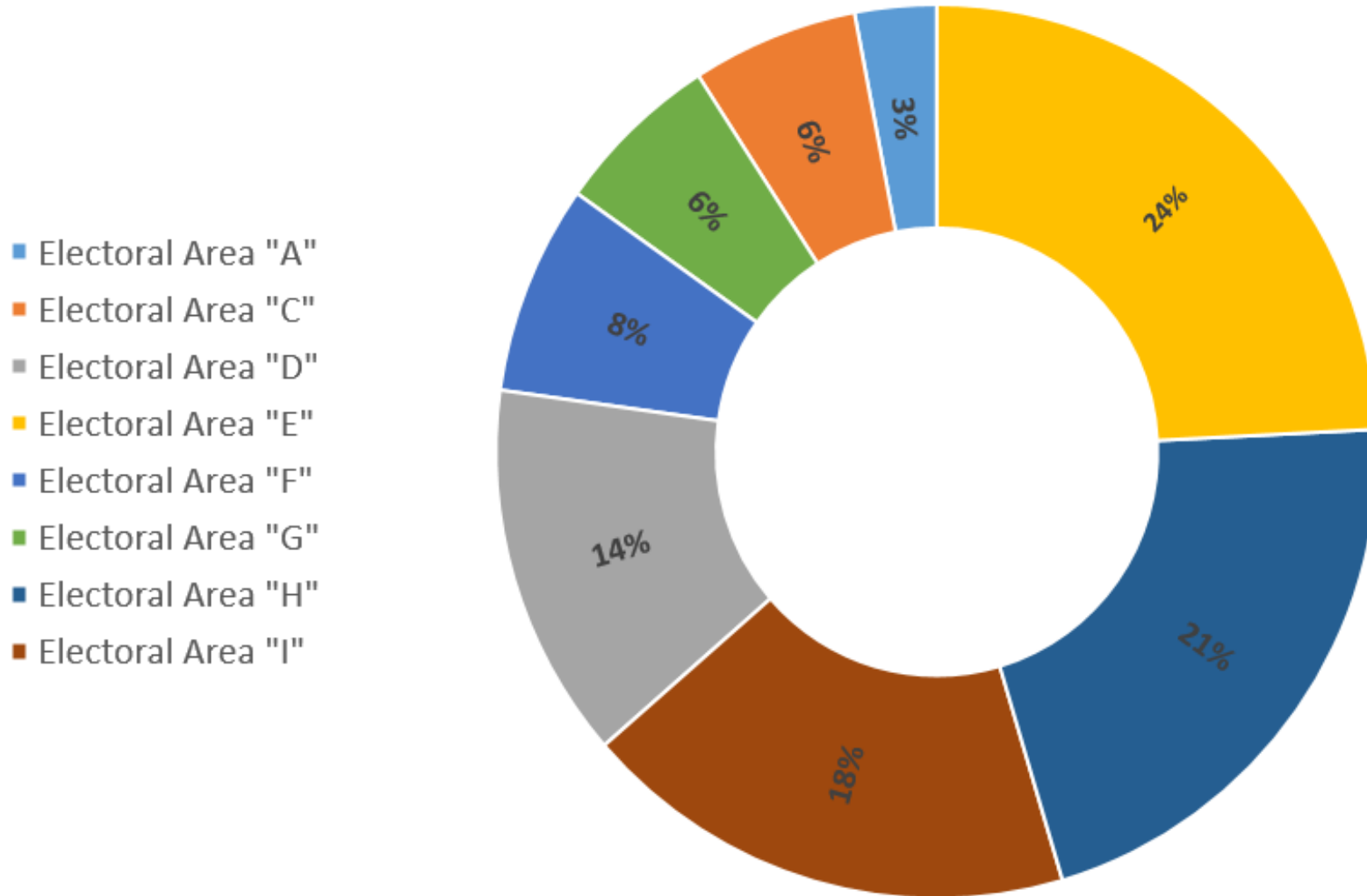
- 1-2 Parcels
(18 Referrals)
- 3-5 Parcels
(11 Referrals)
- 6-10 Parcels
(3 Referrals)
- 11+ Parcels
(3 Referrals)
- Boundary Adjustment
(24 Referrals)



Subdivision
Referrals by Type
& Electoral Area
(2018-2021)

Optimize Development Approvals

Subdivision Applications by Electoral Area



Subdivision Referrals by Type & Electoral Area (2018-2021)

Optimize Development Approvals

Official Community Plan Bylaws

- Development Permit Area designations (WDP, ESDP, etc.)

Zoning Bylaw

- size, width, useable area, hooked parcels, floodplain, etc.

Subdivision Servicing Bylaw

- water and sewer requirements (by parcel size), DCCs, etc.

Other Bylaws / Policies

- parkland dedication, frontage to a highway, etc.

Optimize Development Approvals

RDOS To Get Power When 'It Grows Up'

The directors of the Regional District of Okanagan-Similkameen were told last night by the deputy minister of municipal affairs, J. K. Brown: "When you're grown up to a reasonable size then you will have more power."

The directors were complaining to their guest at their regular meeting that the department of highways has the authority to approve sub-division plans in unorganized areas of the region instead of the regional district board.

Penticton Herald – July 19, 1968

Options

Optimize Development Approvals

No.1 Residential Zone Review:

- Over 60% of DVP applications are in residential (RS) or rural-residential (SH) zones.
- Top 5 variance types are setbacks.
- DVP trends echo SSMUH manual → “cross-cutting impacts” of zoning regulations.
- Approximately 96% of DVPs are approved by the Board.

Optimize Development Approvals

No. 1 Residential Zone Review:

- Propose to review RS & SH Zones.
 - No one variance type predominates.
 - Multiple changes required to reduce regulatory burden on housing construction.
 - Will not review building heights.

Anticipated FTE hours: 150



Optimize Development Approvals

No. 2 Development Permit Review:

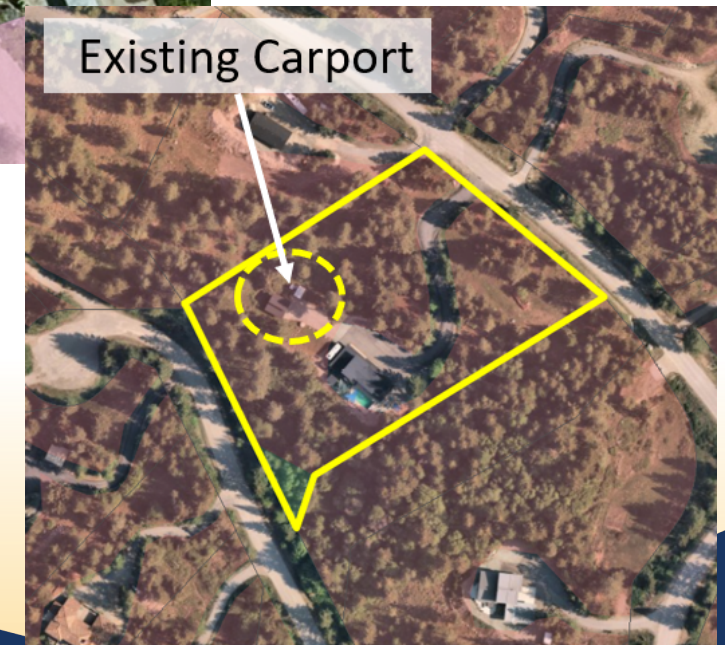
- DP Area assessment completed for 2024 SSMUH amendments.
 - proposed to repeal multiple DP areas that either had very low permit volumes and/or applied to residential uses.
 - OCP amendment bylaw was not supported.
- Stantec effectiveness audit raised serious concerns with the ESDP process (unnecessary DPs, duplication, effectiveness of the DP scheme).
 - Amendment bylaw was not supported.

Optimize Development Approvals

No. 2 Development Permit Review:

- Could include some or all of the DP areas included in previous projects.
- ESDP area could include a mapping review of habitat loss using provincial and federal data, as well as a desktop review of existing development patterns.

Anticipated FTE hours: 150



Optimize Development Approvals

No. 3 Subdivision Approving Officer Review:

- Section 77.1 (1) of the Land Title Act
 - province can authorize the Regional District Board to appoint its own approving officer
- 15-20 subdivision referrals/ year
 - Significant driver of other land use approvals (e.g. bylaw amendments, DVPs, DPs)



Optimize Development Approvals

No. 3 Subdivision Approving Officer Review:

- Regional District land use bylaw requirements tend to comprise a large proportion of the conditions for subdivision approval.
- Assuming subdivision responsibility may offer efficiencies and enhanced customer service.
- Regional District staff currently serve as Approving Officers for Keremeos and Osoyoos.

Optimize Development Approvals

No. 3 Subdivision Approving Officer Review:

- Likely to have staffing and resource implications.
- Scope limited to exploring MoTT openness and any conditions it may impose.

Anticipated FTE hours: 100



Optimize Development Approvals

THAT the Regional District undertake the following in support of a review of its development approval process as a strategic project in 2025:

- *Residential Zone Review;*
- *Development Permit Review; and*
- *Subdivision Approving Officer Review.*

Optimize Development Approvals

Alternatives:

1. *THAT the development approval process be optimized as follows:*
 - i. *TBD*
2. *THAT this strategic project be abandoned.*

QUESTIONS?