

# Report to Council



**Date:** November 25, 2024  
**To:** Council  
**From:** City Manager  
**Subject:** Boundary Adjustment with the District of Lake Country  
**Department:** Office of the City Clerk

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**Recommendation:**

THAT Council receives, for information, the report from the Office of the City Clerk, dated November 25, 2024, with respect to a boundary adjustment with the District of Lake Country;

AND THAT Council directs staff to prepare a joint boundary adjustment submission with the District of Lake Country to the Ministry of Housing and Municipal Affairs, as outlined in the report from the Office of the City Clerk dated November 25, 2024;

AND FURTHER THAT Council directs staff to request that the Minister responsible waive the requirement for elector assent in accordance with section 13(4) of the Local Government Act.

**Purpose:**

To approve of steps to advance a boundary adjustment with the District of Lake Country.

**Council Priority Alignment:**

Economic Development

**Background:**

Under the Memorandum of Understanding (MOU) the City entered into with the District of Lake Country and the Okanagan Indian Band (OKIB) in 2022, an initiative is underway to adjust the boundary between the City and the District in the area around Beaver Lake Rd and bottom Wood Lake Rd. This will see the boundary adjusted to transfer five properties that are currently within the City boundary to be within the District. An overview of the properties is below.

Address and PID	Area	Ownership	Land Use
672 Beaver Lake Rd (011-168-226)	1,890 m <sup>2</sup> (0.47 ac)	Private	Industrial, with application to amend OCP and rezone for multi-unit residential.

9595 Bottom Wood Lake Rd (011-168-218)	8,301 m <sup>2</sup> (2.05 ac)	Private	Industrial, with application to amend OCP and rezone for multi-unit residential.
(W of) McCarthy Rd (011-914-475)	4,970 m <sup>2</sup> (1.23 ac)	City	Okanagan Rail Trail
(W of) McCarthy Rd (012-323-951)	4,766 m <sup>2</sup> (1.18 ac)	City	Okanagan Rail Trail
(W of) McCarthy Rd (012-323-969)	3,339 m <sup>2</sup> (0.83 ac)	City	Okanagan Rail Trail

The two private properties are part of a larger redevelopment site that crosses the City and District boundary. All properties are serviced by and accessed from the District. Combining all the properties within the District will streamline the administration of servicing, cost recovery, and land use regulations. The Okanagan Rail Trail properties are included in the boundary adjustment to better delineate Rail Trail ownership and maintenance responsibilities, with the City's portion to end at Beaver Lake Rd.

District of Lake Country Council considered the initiative on September 3, 2024 and advanced their elector approval process along with a referral to the Regional District of Central Okanagan and the Westbank First Nation for an opportunity for them to comment.

The Local Government Act establishes the process to adjust a shared municipal boundary and this report outlines the steps for Kelowna to initiate that process.

#### Discussion:

The Province approves of a boundary adjustment by issuing letters patent for both municipalities. The statutory requirements to reduce the City's area are outlined below along with how staff recommend advancing these items.

Step	Description
1. Give notice of the proposed request.	Publish the proposed request in the newspaper in accordance with the Community Charter and in the provincial Gazette.
2. Obtain consent of at least 60% of electors in the affected area.	The affected properties are owned by a corporation and the City, and do not include residential uses. As such, no eligible electors live or own property in the affected area, making this requirement inapplicable. That said, the affected property owners have consented in writing to the boundary adjustment.
3. Receive elector assent, unless the requirement is waived.	Staff recommend requesting the Province waive the requirement for elector assent, per the reasons outlined below.

As noted above, reducing the City's area typically requires assent of the electors, also known as a referendum. The adjustment could only proceed if the majority of votes in a referendum are in favour of the proposal. The Minister may waive this requirement with a request from Council. Staff recommend requesting elector assent be waived for the following reasons:

- The limited nature of the boundary adjustment, affecting only five properties;
- The benefits of correcting what is currently a complicated boundary line;
- Support from the affected property owners;
- Collaborative efforts with the District of Lake Country; and
- Timing and cost to hold a referendum, being several months and an estimated \$200,000-250,000.

Once the required steps are complete, the formal submission will include additional details about the area to be reduced, tax and financial information, and signed statements confirming the statutory requirements have been met.

**Conclusion:**

This boundary adjustment is consistent with the priorities and objectives of the MOU between the City, the District, and the OKIB and advances efforts to address servicing challenges in the area around Beaver Lake Rd and Bottom Wood Lake Rd. Both the City and the District benefit from simplifying administration of servicing and land use regulations in the area. Staff recommend Council advance a joint boundary adjustment submission with the request that the Province waive the requirement for elector assent.

**Internal Circulation:**

Development Planning  
Financial Services  
Infrastructure

**Considerations applicable to this report:**

**Legal/Statutory Authority:** Local Government Act s. 15 – Redefinition of adjoining municipalities

**Legal/Statutory Procedural Requirements:** Local Government Act s. 13 – Reduction of municipal area

**Financial/Budgetary Considerations:** Municipal property tax value for the subject properties was approximately \$20,000 in 2024. The annual cost of maintaining the portion of the Okanagan Rail Trail to be transferred is approximately \$12,000.

**Consultation and Engagement:** The affected property owners have provided letters of support for the boundary adjustment and are engaged throughout the process. District of Lake Country Council advanced the adjustment in September 2024, including referrals to the RDCO and WFN. The City will continue to work closely with affected parties on this initiative and provide public notice.

**Considerations not applicable to this report:**

**Existing Policy:**

**Communications Comments:**

Submitted by:

L. Bentley, City Clerk

**Approved for inclusion:** D. Gilchrist, City Manager

**Attachments:**

Attachment A: Boundary Adjustment Map

cc:

M. Logan, General Manager, Infrastructure

M. Warrender, Deputy Chief Financial Officer