

# Report to Council



**Date:** July 7, 2025  
**To:** Council  
**From:** City Manager  
**Subject:** 2025 OCP Update – Introduction of Proposed Amendments  
**Department:** Long Range Planning

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## **Recommendation:**

THAT Council receives, for information, the report from Long Range Planning dated July 7, 2025, with respect to the 2025 OCP Update – Introduction of Proposed Amendments.;

AND THAT Council directs staff to proceed with next steps based on the proposed amendments as outlined in the report from Long Range Planning dated July 7, 2025.

## **Purpose:**

To introduce draft OCP amendments to deliver on the Provincial Government's requirement for all municipalities to update their OCPs to align with their Interim Housing Needs Assessments by the end of 2025.

## **Council Priority Alignment:**

Affordable Housing  
Agriculture & Environment  
Transportation

## **Background:**

In the fall of 2023, the Government of British Columbia passed a suite of legislation known as the Local Government Housing Initiatives to shift to a more proactive planning approach enabling more housing to be built in the right places, faster. As part of this, changes were made to the Local Government Act (LGA) requiring all municipalities to update their OCPs by December 31, 2025 based on the needs identified in their interim Housing Needs Assessments (HNAs).

## *Previous Council Resolution*

Resolution	Date
THAT Council receives, for information, the report from Long Range Planning dated April 14, 2025, with respect to the 2025 OCP Update – Revised Growth Scenario.	April 14, 2025

THAT Council receives, for information, the report from the Long Range Planning Department dated November 25, 2024, with respect to the 2025 Official Community Plan (OCP) Update Process.	November 25, 2024
THAT Council receives, for information, the report from the Housing Policy and Programs Department, dated November 25, 2024, regarding the Interim Housing Needs Assessment.	November 25, 2024

### Discussion:

The Province has two mandatory requirements for the OCP update that must be completed by the end of the year:

1. Demonstrate that there is enough capacity to meet housing needs, and
2. Ensure housing policies address the seven classes of housing need outlined in the HNA.

The foundations of the 2040 OCP, which were guided by thousands of pieces of public input over a multi-year planning process have ensured that Kelowna is well-positioned to respond to the changes the Province requires from municipalities by the end of the year. Given that the current OCP already aligns broadly with provincial housing legislation aimed at delivering more housing across BC, the future land use established by the OCP is not significantly impacted by this update. Rather, the update will confirm that the OCP can accommodate additional expected growth, consistent with the HNA and BC Stats projections as required by the province. The update also includes updates to housing policies to align with the HNA, new plans and revised regulations, as well as providing additional clarity and direction. Summarized below is how the proposed amendments outlined in *Attachment A: 2025 Draft OCP Amendments* deliver on the provincial requirements.

### 1. *Proposed amendments to meet the requirement of statements and map designations that meet anticipated housing needs over at least 20 years, as identified in their Interim Housing Needs Assessment*

At the April 14, 2025 PM Session, Council was introduced to a revised growth scenario. As identified in Kelowna's Interim HNA this new growth scenario estimates where 45,000 units could be accommodated to address growth and unmet need. While this is nearly 20,000 more units than the OCP originally identified, analysis demonstrated that these additional units could easily be accommodated within the existing growth strategy districts without changes to future land use designations. This growth scenario, summarized in Figure 1, is not a development cap. Rather it estimates where growth is anticipated by 2041 based on Model City analysis that accounts for development applications in various stages of approval together with properties that have high residential development potential.

Table 1: Revised growth scenario summary

	Revised scenario (2021 – 2041)
Urban Centres	17,105 (38%)
Core Area	14,844 (33%)
Suburban	9,626 (21%)
Gateway	1,288 (3%)
Rest (Suburban / Rural)	304 (1%)
Secondary suites	1,833 (4%)
Total	45,000 units
Housing mix	35% ground oriented 65% apartments

The Housing & Population Projections section of OCP Chapter 2: Planning Context has been drafted to reflect this new growth scenario. Along with the new housing projections, population projections have also been updated to reflect the BC Statistics data used in the Interim HNA.

In addition, the proposed amendments to the definition section aim to shift the focus of growth discussions to reflect the new provincial planning context. Previously, discussions focused on single/two unit and multi-unit housing, where now, they focus on a ground-oriented and apartment housing split.

**2. Proposed amendments to meet the requirement of housing policies respecting each of the seven classes of housing needs required in the Housing Needs Assessments.**

The Province requires that OCPs include policies that address the seven classes of housing need: affordable housing; rental housing; seniors' housing; family housing; shelters and housing for those experiencing or at risk of homelessness; and housing close to alternative transportation infrastructure. The province allows for flexibility in how policies are structured, noting that a single policy can apply to multiple classes of housing need. Kelowna's OCP housing policies align with this flexible approach.

A variety of amendments to housing policy are proposed for Chapters 4 (Urban Centres), Chapter 5 (Core Area), Chapter 6 (Gateway), Chapter 7 (Suburban Neighbourhoods), Chapter 8 (Rural Lands), and Chapter 17 (Definitions) to reflect the HNA, new plans and regulations, as well as to add additional clarity to some policies as outlined in Table 2.

*Table 2: Housing policy amendment summary*

Amendment type	Areas of focus
Address multiple classes of housing need	<ul style="list-style-type: none"> <li>Expand diverse housing form policies to include affordable, rental and supportive housing;</li> <li>Update 'housing with supports' policies to include subsidized housing and special needs housing. This also includes the introduction of policies to support these forms of housing in the Gateway and Suburban Neighbourhoods; and</li> <li>Update bedroom composition policies to be guided by the requirements identified in HNA rather than encouraging a specific amount of three plus bedroom units</li> </ul>
Align with the Housing Action Plan (endorsed by Council in January 2025)	<ul style="list-style-type: none"> <li>Identify the Housing Action Plan as the guiding document for affordable housing direction, replacing the Healthy Housing Strategy; and</li> <li>Update the definition of affordable housing to align with the Housing Action Plan.</li> </ul>
Respond to revised regulations and legislation	<ul style="list-style-type: none"> <li>Update accessible design policies as the BC Building Code now has accessibility requirements;</li> <li>Revise various policies to align with the new Zoning bylaw including: <ul style="list-style-type: none"> <li>Updating rental conversion policy to apply to buildings with greater than six units rather than four to align with the Zoning bylaw and staff DP delegation; and</li> </ul> </li> </ul>

	<ul style="list-style-type: none"> <li>○ Removing the requirement for secondary suites to be in principal dwelling on ALR lands which was previously amended in the Zoning Bylaw because of new ALC direction.</li> </ul>
Provide additional clarity and policy direction	<ul style="list-style-type: none"> <li>• Provide clarity to policy where greater density (more intensive ground-oriented housing, stacked townhouses and/or low rise apartment) may be considered within Core Area or Suburban Neighbourhoods; and</li> <li>• Replicate Core Area mobile home protection policy in Suburban Neighbourhoods and Rural Lands growth strategy districts which also have mobile home parks</li> </ul>

In addition to delivering on the Provincial requirements, amendments are also being proposed for the OCP Implementation Action Table 16.1. These revisions serve to:

- **Respond to growth.** Several actions have been introduced that will support our growing community such as “Update the 20-Year Servicing Plan & Financing Strategy”, “Implement the Housing Action Plan” and “Identify future civic institutional needs to address growth (e.g. fire, police, etc.)”;
- **Update actions based on work completed to date.** Several actions have been revised to reflect new Plan names, to reflect complete actions, and to amalgamate actions (for example the actions to update Energy Step Code and develop a Community Energy Retrofit Strategy, are both actions covered by the “Implement the Climate Resilient Kelowna” so have been removed); and
- **Remove actions that are no longer applicable.** One action “complete and implement the Healthy City Strategy” has been removed as it has been reframed through other initiatives (e.g through the Housing Action Plan, Transportation Master Plan, Climate Resilient Kelowna Strategy, etc.) so is no longer applicable.

#### Next Steps:



Figure 1: Timeline to update the OCP (\*we are here)

As illustrated in Figure 1, the City is on track to complete the update to the OCP ahead of the Provincial deadline.

The next step in the process is to inform the public and interested and affected parties about the proposed changes to the OCP and gather their feedback. Feedback will be considered alongside mandated changes and technical considerations, and the refined draft amendments will be presented to Council for consideration in early fall.

Updates to the OCP is only one component of addressing growth in our community. Over the coming year, staff will review and propose amendments to the City's capital plans and financing strategy to ensure that infrastructure is in place to support Kelowna's growth and enhance housing supply and affordability. This includes a review of the current DCC program and an assessment of the new financial tools available to municipalities through Bill 46. Further, the City's focus on accelerating delivery of key infrastructure projects for transportation, parks, and utilities will support the continual on-boarding of much needed housing.

### **Conclusion:**

Kelowna's OCP is well-poised to deliver on the mandated 2025 OCP update without significant changes to Future Land Use or policy directions to deliver on the provincial update requirements. The revised growth scenario and housing policy builds on the growth strategy that is already in place that sees development focused in our well serviced Urban Centres and Core Area Neighbourhoods.

In the future, the Province will require more frequent updates to OCPs, every five years following the release of new Housing Needs Reports. Kelowna's OCP is a living document, and amendments to the Plan are expected and will be required to adapt to a changing context even between the provincially required updates. The OCP's Pillars and growth strategy, however, continue to provide sound guiding direction for the growth of our community.

### **Internal Circulation:**

Climate Action & Environmental Stewardship  
 Community Engagement  
 Corporate Financial Support  
 Cultural Services  
 Data Services & Analytics  
 Development Engineering  
 Development Planning  
 Facilities Planning & Design  
 Housing Policy & Programs  
 Infrastructure  
 Infrastructure Delivery  
 Integrated Transportation  
 Parks Planning & Design  
 Real Estate  
 Social Development  
 Utility Planning  
 Utility Services

### **Considerations applicable to this report:**

#### ***Legal/Statutory Authority:***

BC Local Government Act, Part 14, Division 4

- Section 473.1 (2) A local government must consider the most recent housing needs report received by the local government under section 585.31 *[when and how housing needs report must be received]*, and the housing information on which the report is based.
- Section 473.1 (3) Without limiting section 473 (1) (a), the statements and map designations included in an official community plan of the council of a municipality must provide for at least the 20-year total number of housing units required to meet anticipated housing needs, which total number is included in the most recent housing needs report.
- Section 473.1 (4) Without limiting section 473 (2), an official community plan of a local government must include housing policies of the local government respecting each class of housing needs required to be addressed in the most recent housing needs report.
- Section 473.1 (5) The council of a municipality must, within the prescribed period after December 31 of the year in which the council received the most recent housing needs report, review and, if necessary, adopt an official community plan that includes statements, maps and housing policies in accordance with subsections (3) and (4).
- Section 475 (1) During the development of an official community plan, or the repeal or amendment of an official community plan, the proposing local government must provide one or more opportunities it considers appropriate for consultation with persons, organizations and authorities it considers will be affected.

### ***Existing Policy:***

#### **2040 Official Community Plan**

- Chapter 2: Major Trends; Housing & Population Projections
- Chapter 3: Table 3.5 Suburban – Residential Summary
- Chapter 4: Urban Centres – housing related policies
- Chapter 5: The Core Area – housing related policies
- Chapter 6: The Gateway – housing related policies
- Chapter 7: Suburban Neighbourhoods – housing related policies
- Chapter 7: Rural Lands – housing related policies
- Chapter 16: Making the Plan Work – Table 16.1 Implementation Actions
- Chapter 17: Definitions

### ***Financial/Budgetary Considerations:***

The Housing Capacity Fund is a grant distributed to municipalities and regional districts to help facilitate the implementation of the new provincial legislative requirements of Bill 44 and Bill 47, and/or to adopt new authorities under Bill 16 and 46. As part of Kelowna's grant allocation, \$210,000 has been designated for the 2025 OCP Update. These funds support consultant work, data analysis, engagement, and legal review that is required as part of the OCP update.

### ***Consultation and Engagement:***

Public engagement will help inform revisions to the draft OCP amendments prior to them being considered by Council. The public will be informed on and have an opportunity to provide feedback on the proposed through online opportunities. In addition, staff will also be sharing the proposed changes with interested and affected parties so they can provide their feedback.

### ***Communications Comments:***

Engagement opportunities will be posted on the City's Get Involved Kelowna site and promoted using a variety of City-owned channels, digital ads and social media.

**Considerations not applicable to this report:**  
***Legal/Statutory Procedural Requirements:***

Submitted by:

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**Approved for inclusion:** R. Miles, Long Range Planning Manager

**Attachments:**

Appendix A: Proposed 2025 OCP Amendments