

To: Her Worship Mayor McKortoff and Members of Council

From: Shannon Duong, Planner

Date: July 15, 2025

Subject: Small-Scale Multi-Unit Housing (SSMUH) Implementation – Phase 2

Tracker No: BLW-423

Recommendation:

THAT the Official Community Plan (OCP) Amendment Bylaw No. 1375.09 be initiated.

CAO Comments:

Approved for Council consideration.

Executive Summary:

The purpose of this report is to present options and seek further direction from Council with respect to proposed amendments to the Town of Osoyoos Official Community Plan (OCP) Bylaw No. 1375, 2021, in order to ensure statutory compliance with the *Local Government Act* as it related to Housing Needs Reports and Small-Scale Multi-Unit Housing (SSMUH).

Background:

On November 30, 2023, the provincial government amended the *Local Government Act* in order to deliver “more small-scale, multi-unit housing for people, including townhomes, triplexes and laneway homes, and fix outdated zoning rules to help build more homes faster.”

Amongst other things, this included new requirements in relation to the completion of Housing Needs Reports and associated Official Community Plan (OCP) and zoning bylaw amendments. These requirements and their deadlines are summarized as follows:

- **January 1, 2025**, local governments must complete an Interim Housing Needs Report detailing the total number of housing units required to meet the anticipated housing needs of the local government for the next 5 years and the next 20 years; and
- **December 31, 2025**, municipalities must complete their first OCP and zoning bylaw amendments to “pre-zone” for the number of required housing units identified under the Interim Housing Needs Report;
- **December 31, 2028**, and then every five years thereafter, local governments must complete their next “regular” Housing Needs Report; and
- **December 31, 3030**, and then every five years thereafter, municipalities must amend their OCP and zoning bylaws accordingly.

At its meeting of February 11, 2025, the Committee of the Whole (COTW) of Council received the "Housing Needs Report Update (2024)", in accordance with Section 585.31 of the *Local Government Act*.

At that time, Council was advised that "following the receipt of this report, it is anticipated that Administration will prepare associated OCP and zoning amendment bylaws for Council's consideration dependent on further direction from the Ministry of Housing."

In support of complying with these legislative requirements a "Zoning Capacity Analysis" was completed on June 2, 2025, by Urban Systems and determined that there is existing zoning capacity for **6,375 units**, whereas the *Housing Needs Report Update (2024)* identified a need for **1,018 units** over the next 20 years.

Analysis:

In light of the findings of the Zoning Capacity Analysis, Administration considers that no amendments are required to the Town's Zoning Bylaw in order to ensure compliance with Section 481.7 of the *Local Government Act*. Specifically, the requirement that:

A council of a municipality ... must exercise the powers under section 479 [zoning bylaws] to permit the use and density of use necessary to accommodate 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 received ... by the council.

Similarly, no further amendments to the Town's Official Community Plan are required in relation to Section 473.1(3) of the Act and the requirement that Council "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 ..."

However, and with regard to Section 473.1(4) of the Act and the requirement that an OCP Bylaw "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 ...", Administration considers that amendments are required.

Accordingly, it is being proposed that Section 6.B (Housing and Our Neighbourhoods) of the OCP be amended to include the required information from the Housing Needs Report. For Council's reference, a copy of the proposed amendment bylaw is attached to this report.

Alternative:

Conversely, the status quo is an option that is available to Council but is not recommended due to the statutory requirement to include the most recent Housing Needs Report information in the Town's OCP Bylaw.

Options/discussion:

1. THAT the Official Community Plan (OCP) Amendment Bylaw No. 1375.09 be initiated.
2. Status quo.

Attachments:

No. 1 – Results of Town of Osoyoos Zoning Capacity Analysis (2025-06-02)

No. 2 – Draft Official Community Plan (OCP) Amendment Bylaw No. 1375.09 (annotated version)