



Council Report

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Date: February 3, 2026
To: Anthony Haddad, City Manager
From: Deanne Burleigh, Bylaw Services Manager
Subject: **Resident Parking Only (RPO) Program**

File No:

Staff Recommendation

THAT Council give first, second, and third reading to "Fees and Charges Amendment Bylaw No. 2026-10", a bylaw to amend Appendix 18 – Parking;

AND THAT Council direct staff to develop a Resident Parking Only Policy, inclusive of, but not limited to:

- Updated criteria and parameters for RPO Street Block designation;
- A defined application and evaluation process;
- A revised fee schedule;
- Updated eligibility criteria for RPO placards;
- Enforcement standards and procedures.

Strategic Priority Objectives

Vision: Penticton is a connected, resilient and healthy waterfront city focused on safety, livability and vibrancy.

Mission: Penticton will serve its residents, businesses and visitors through organizational excellence, partnership and the provision of effective and community focused services.

Purpose

The purpose of this report is to present the findings of a preliminary review of the Resident Parking Only (RPO) Program and to seek Council direction on interim fee amendments for the 2026–2027 term, adding fees for visitor placards and replacement placards. The report also proposes the development of a comprehensive Resident Parking Only Policy, to provide transparent goals and objectives for the program.

Background

Program History

The Resident Parking Only (RPO) Program was introduced in 2004 to prioritize on-street parking for residents in neighbourhoods experiencing high parking demand from non-residents, including tourists, commuters, employees, and event traffic.

Council initially approved the program as a two-year trial (Council Resolution #512/2004). Due to positive resident feedback, the program was retained and expanded incrementally through administrative practice rather than formal policy.

In 2012 and again in 2016, RPO formed part of broader parking strategy initiative. Targeted engagement in 2016 showed strong support for the program but identified ongoing concerns about enforcement, placard management, parking demand from illegal suites, and guest parking challenges. Existing RPO zones were retained near the hospital and downtown core, with Hastings Place added in 2020. Fees have never been introduced.

Current Program Overview

The existing Resident Parking Only program is managed by the City's Bylaw Services Department.

Residents living in a designated RPO zone are eligible for RPO parking placards which must be visible at all times in their vehicle when parked within the zone. There are two types of placards:

1. Designated Resident Placards for residents, and
2. Designated Visitor Placards for their guests.

Designated residential permits are registered to the property address and vehicle licence plates, which are both confirmed with property owners at time of placard collection. If a property owner does not own a vehicle, they do not receive a residential permit but may receive visitor placards with proof of residency.

The current term for the placards runs 2023–2025, with placards expiring December 31, 2025. The expiration of the current term of the RPO placards presented itself as an opportunity to conduct a preliminary review of the program. In November, staff prepared a letter to all residents in the existing RPO Zones advising that their current RPO placards would remain valid until March 31st, 2026 to allow for completion of the review.

Analysis

2025 Preliminary RPO Program Review – Key Findings

While the existing RPO Program has successfully provided priority parking for residents in high-demand areas, the review identified six (6) primary insights.

1. **Program Costs:** The RPO Program operates with **no cost recovery**, with all expenses absorbed by the City and funded by general taxation.

Annual estimated costs include:

- Placard production: ~\$2,200
- Program administration: ~\$18,000
- Enforcement: ~\$25,000

Total annual cost: ~\$45,000

In contrast, many comparable municipalities have adopted user-pay models.

2. **Comparative Analysis:** A comparative analysis was conducted both within the Okanagan and beyond to look at where RPO Programs existed in other municipalities and if there was an associated fee. The existence of RPO Programs and whether or not fees are associated varies by community and is related to scarcity of parking, often in large urban centers or geographically challenged smaller centers (like Penticton) where demand for parking in residential neighbourhoods collides with demand for parking for nearby uses such as beaches, businesses, hospitals or colleges.

Both Kelowna and Vernon have moved to a fee-based RPO Program. West Kelowna, Summerland and Osoyoos have not. Whistler also has a fee-based RPO program. Harrison Hot Springs and Victoria have RPO Programs with no fees attached.

3. **Placard Allocation and Eligibility:** Eligibility rules have evolved without formal policy guidance, leading to inconsistencies. For example, residents living in apartments within RPO zones are generally limited to one placard due to density impacts, while most other residents within an RPO zone are eligible for 2 Designated Resident and 2 Designated Visitor placards.
4. **Placard Term, Tracking & Misuse:** Placard term lengths have varied over time, and there is currently no standardized process for cancelling or recovering placards when residents move. This has resulted in misuse, including placards being sold privately despite being issued free of charge.
5. **Governance and Policy Gaps:** The RPO Program has grown since 2004 to meet resident needs, however, it still relies on the guidelines outlined in 2004 to identify address eligibility. To modernize the program and ensure fairness, transparency and consistency in application, a contemporary guiding document in the form of a Council Policy is needed. Residents, businesses and visitors should have a policy they can refer to when they have questions about the program, when they wish to apply to be part of the program or even if they wish to apply to exit from the program.

6. **Enforcement challenges:** Historically limited enforcement has reduced program effectiveness. Until recently, officers lacked field-level access to placard registration data. Emerging technology provides opportunities to improve compliance and program integrity.

As Penticton continues to grow and seasonal visitor numbers increase, these challenges will only intensify. A modernized approach is needed to make the program financially sustainable, easier to manage, fair to all user groups, and more accountable.

Financial Implication

Introducing limited administrative fees for the 2026–2027 term is estimated to generate approximately \$40,000, based on anticipated issuance of Designated Visitor placards and replacement of lost, damaged, or missing placards. Revenues generated by the program would be monitored and budgets amended as required through the 2026 quarterly Financial Plan updates to Council.

Proposed Interim Changes (2026-2027 Term)

The preliminary review revealed that modernization of the RPO program is overdue. A disproportionate effort is required to manage the program, which currently operates at a financial cost to the City with no user pay cost-recovery mechanism. Placards are issued free of charge and replaced free of charge as needed and all administrative, production and enforcement expenses are currently provided as part of our broader community service delivery. The preliminary review suggests there should be a better balance to the RPO Program with careful consideration given to a user-pay model reflecting the benefits to the user vs the broader community.

Staff recommend amending the Fees and Charges Bylaw to introduce:

- A \$25 administrative fee for Designated Visitor placards; and
- A \$25 administrative fee for replacement of lost, missing, or damaged placards
- Replacement of stolen placards would remain free with a police file number.

Designated Resident placards would remain free for the 2026–2027 term. The program would transition to an annual model beginning in 2028.

Moving to a fee-based program offers several benefits:

- Fees would cover some of the costs of administering the program, including record management, placard production, signage, and parking area maintenance.
- A user-pay approach ensures fairness, with minimal fees paid by those who directly benefit, while helping manage demand and availability and minimizing costs to the greater community.
- Fees would make the program financially sustainable and effective in high-demand areas.
- Revenue could be invested toward future opportunities for the program to support and enhance enforcement.

The primary disadvantage of introducing fees is the financial impact on residents who have historically received these permits at no cost and who ask, “why should I have to pay?” The answer to this question lies in the history of the program and the continued growth, development and modernization of the City.

The RPO Program was initiated to address parking issues in residential areas attributed to a myriad of factors including tourist congestion, commuters, employees or attendees of adjacent commercial businesses or even events. It continues to provide an option to residential properties faced with scarcity of on-street parking, however, there is not only an expectation on the City to provide assistance with this scarcity, there is also an expectation that residential properties address their own parking needs on their private property to assist with meeting their own needs while considering the needs of the broader community.

This approach minimizes the financial impact on residents over the next 2 year term while introducing annual cost recovery for the RPO Program as of 2028, helping to make it more sustainable. Cost recovery also ensures fairness by applying fees only to those who benefit from additional parking privileges.

Options/Alternate Recommendation

THAT, if Council does not support the introduction of administrative fees for the 2026–2027 term, Council direct staff to proceed with the development of a Resident Parking Only Policy without implementing a user-pay model at this time.

Next Steps

If Council endorses the recommendation, staff will:

- Develop a comprehensive Resident Parking Only Policy by the end of 2026, addressing:
 - RPO street block designation criteria;
 - Application and evaluation processes;
 - Eligibility standards and fee structure; and
 - Enforcement procedures.

Attachments

Attachment A – Fees and Charges Amendment Bylaw No. 2026-10

Respectfully submitted,

Deanne Burleigh
Bylaw Services
Manager

General Manager Public Safety and Partnerships <i>gc</i>	General Manager of Corporate Services <i>AMC</i>	General Manger of Development Services <i>BL</i>	City Manager <i>SH</i>
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