

Attachment A – Implementation Tracker: Official Community Plan (OCP) Housing Task Force Recommendations

OCP Housing Task Force Recommendation	Status	Staff Comments
<b>Recommendation 1:</b> Consolidate several Future Land Use designations to allow for greater flexibility for housing development in strategic areas of the City, and to help expedite the development approvals process.	Complete	Through OCP amendments in June 2024 six separate land use designations were consolidated into three, offering more flexibility in built form and density.
<b>Recommendation 2:</b> Consolidate the 'infill residential' and 'detached residential' designations – allow up to 4 or 6 residential units on all currently single- and two-family designated lands.	Complete	The new "Low density Residential" OCP designation supports 4-6 residential units on lots previously within the "Detached Residential" and "Infill Residential" designations.
<b>Recommendation 3:</b> Designate lands in areas close to parks, services and employment to support densities greater than 4 to 6 units per lot.	Complete	Specific areas meeting these criteria were designated to support higher density residential or mixed-use development, including neighbourhoods around the downtown.
<b>Recommendation 4:</b> In strategic areas, support changing the commercial, industrial and residential land use designations to the 'mixed use' designation. The 'mixed use' designation supports higher density housing mixed with the option for commercial, office, institutional, retail and other uses. (list in recommendation)	Complete	Properties along the Main Street/Skaha Lake Road corridor have been designated "Mixed Use" in the OCP. The updated "Mixed Use" designation allows for greater flexibility of commercial, residential, or mixed-use development with greater density, supporting the City's busiest transit corridor.
<b>Recommendation 5:</b> Remove area-specific height limitations. Eliminate the 3-storey building height limit in the 'downtown mixed use' designation along Front Street and Main Street, with improved design guidelines to retain the character of the Downtown. Also remove the area-specific height limit for a specific section of 'urban residential' designation along Lakeshore Drive.	Complete (modified)	The area-specific 3-storey height limit on Main Street downtown was reduced from the 100-600 blocks to the 100-300 blocks, recognizing the past approval of a 5-storey building on the 600 block. The 100-300 blocks of Main Street and 0-99 block of Front St continue to have a 3-storey height restriction based on community feedback. The design guidelines have been updated. The area-specific height limit on a section of Lakeshore Drive West was retained following community feedback on this change.

<p><b>Recommendation 6:</b> Re-designate properties that currently feature large shopping centres as ‘mixed-use’ to allow for additional high density residential capacity on larger, commercial-designated properties.</p>	<p><b>Complete</b></p>	<p>Large shopping centre properties have been redesignated to “Mixed Use” to support future residential development in addition to existing commercial uses. Three of these properties have also been designated “Transit-Oriented Areas” through the Zoning Bylaw (Penticton Plaza, Cherry Lane Mall, Peachtree Square); further supporting development opportunities on these sites.</p>
<p><b>Recommendation 7:</b> Add additional policy direction on specific areas intended for new growth and density.</p>	<p><b>Complete</b></p>	<p>OCP Policy 4.1.1.1 was updated to specifically direct new housing in the downtown, North Gateway, South Gateway, near the college, hospital, and within designated transit-oriented areas.</p>
<p><b>Recommendation 8:</b> Review parking regulations and shift from parking requirements to parking recommendations, in strategic areas to incentivize housing development and encourage alternative forms of transportation (i.e. reducing parking minimums, and/or remove parking requirements entirely in certain areas) while taking into consideration the accessibility and service needs of the community.</p>	<p><b>Partially Complete</b></p>	<p>OCP Policies 4.1.2.9 and 4.1.2.10 encourage reducing parking requirements in appropriate walkable, bikeable and transit-oriented neighbourhoods as well as within core urban centres, multifamily developments, and strategic growth areas. The Zoning Bylaw was updated to remove parking requirements within the downtown, transit-oriented areas, and for new carriage houses and secondary suites.</p>
<p><b>Recommendation 9:</b> Support streamlined and efficient reviews of Development Permit applications, with appropriate design guidelines in place to support densification through quality design.</p>	<p><b>Complete</b></p>	<p>Development Permit Area design guidelines were streamlined with support of a UBCM grant, reducing the number of design guidelines from 169 to 119, making the approvals process more efficient while maintaining the overall intent of the design guidelines.</p>
<p><b>Recommendation 10:</b> Continue to exceed energy efficiency requirements with new housing development.</p>	<p><b>Not Completed</b></p>	<p>The City has not advanced energy efficiency building requirements beyond the provincial requirements (i.e. Step Code).</p>
<p><b>Recommendation 11:</b> Support the city and staff working with non-profit housing proponents to develop new non-market housing that meets the needs of a range of people, and retains existing non-market housing units (no net loss).</p>	<p><b>Complete</b></p>	<p>The City is advancing two partnerships with non-profit housing proponents on City-owned sites to develop new non-market housing. The City made its Affordable Housing Pre-Development Fund ongoing to support new non-market housing development and acquisitions, helping to increase the supply of non-market housing units.</p>

<p><b>Recommendation 12:</b> The City to develop a “social housing plan” in the near term to provide strategic direction to determine and achieve a range of non-market housing goals.</p>	<p><b>Complete</b></p>	<p>The City endorsed the Social Housing and Infrastructure Plan in 2025, providing a tactical plan aligning specific opportunity sites for non-market housing with potential partners to advance a range of non-market housing goals.</p>
<p><b>Recommendation 13:</b> Include policy support in the OCP for micro-suites and studio units as a housing option, in addition to one-, two- and three-bedrooms.</p>	<p><b>Complete</b></p>	<p>OCP Policy 4.1.3.4 was amended to include references to micro-suites and studio units among the range and mix of unit sizes supported in new developments.</p>
<p><b>Recommendation 14:</b> Remove the Spiller Road area as a ‘growth area’ and change the future land use designation of Spiller Road to “Rural Residential”.</p>	<p><b>Complete</b></p>	<p>The “growth areas” section of the OCP was updated to remove references to Spiller Road and the land use designation for the area was changed to “Rural Residential”.</p>
<p><b>Recommendation 15:</b> Update associated bylaws and plans as a result of the OCP amendments that impact housing (Zoning Bylaw, Subdivision and Development Bylaw, capital works plan updates, Development Cost Charge Bylaw as examples).</p>	<p><b>Complete (ongoing)</b></p>	<p>Since the OCP amendments to implement the task force recommendations in June 2024, the Zoning Bylaw has been updated on a few occasions, the Subdivision and Development Bylaw is undergoing an update review, the capital works plan has been updated and the Development Cost Charges Bylaw is undergoing a review starting later in 2026. These associated bylaw updates help implement the OCP amendments.</p>
<p><b>Recommendation 16:</b> Investigate incentive policies to spur new housing development and redevelopment, such as: property tax exemptions for rental housing and other forms of affordable housing, density bonus policy, Development Cost Charge (DCC) program amendments/exemptions, City installing infrastructure to support development, allowing small-scale, mixed use buildings in more zones, utilizing city land to support new housing development either directly for a housing development, or indirectly through providing land for additional parking or parkland.</p>	<p><b>Not Complete</b></p>	<p>Provincial legislation has led to changes in how cities can implement housing incentive policies, for example with Amenity Cost Charges instead of Community Amenity Contributions and a standardized financial feasibility requirement prior to any density bonus or inclusionary zoning policies. Staff completed a financial feasibility study to investigate the potential for a density bonus bylaw, and the results showed limited expected uptake due to current market conditions.</p> <p>Three City-owned sites have been endorsed for social housing and Council has directed a review of additional sites for potential affordable homeownership.</p> <p>Staff will continue to explore opportunities for other incentive policies, including revitalization tax exemptions or DCC reductions.</p>

<p><b>Recommendation 17:</b> Process improvements to bring housing on quicker, such as waiving public hearings for specified housing projects and pre-zoning areas to align with OCP designations.</p>	<p><b>Complete (ongoing)</b></p>	<p>Provincial legislation prohibits public hearings for any residential rezoning application aligned with the OCP, enabling those applications to be processed faster. Substantial portions of the city were pre-zoned for additional density through small-scale multi-unit housing, transit-oriented area, and other provincial legislation requirements.</p> <p>The City is planning to complete a Development Approvals Process review through support of a UBCM grant, if funding is secured.</p>
<p><b>Recommendation 18:</b> Plan for and consider funding options for additional amenities to support residential growth in our neighbourhoods, such as: neighbourhood parks, road design to support alternatives to single occupant vehicles, recreational facilities (pool, community centre, outdoors sports fields, etc.), arts and cultural events, and infrastructure upgrades.</p>	<p><b>Not Complete</b></p>	<p>OCP Policy 4.1.1.5 was added to explore using development financing tools such as Amenity Cost Charges to collect funds for new community amenities (i.e. recreation centres, child care facilities, libraries, and community centres).</p> <p>This tool has not been further explored and staff are cautious about additional costs on development at this time as well as identifying potential projects that are truly growth-related and meeting the intent of the Amenity Cost Charges framework and not simply renewing existing assets/amenities.</p>