

STATE OF THE REGION REPORT

2016



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INTRODUCTION

The Regional District of North Okanagan (RDNO) adopted a Regional Growth Strategy (RGS) in 2011. In 2012, the RDNO, with the support of EcoPlan International, the University of British Columbia and the Real Estate Foundation of British Columbia, began work on a program to monitor and evaluate the North Okanagan RGS. The resulting monitoring and evaluation framework included both quantitative and qualitative indicators selected to track the implementation of the RGS and assess its effect on quality of life in the North Okanagan. The development of this framework was recognized by the Planning Institute of BC and awarded a gold medal for Excellence in Planning Practice in 2014.

Without a strong monitoring and evaluation component it is difficult to know whether or not implementation of the RGS is having the effect it was developed for. Monitoring the impacts of the RGS is not only informative, it is required under Section 452 of the Local Government Act, which states that a regional district that has adopted an RGS must

- a. establish a program to monitor its implementation and the progress made towards its objectives and actions; and

- b. prepare an annual report on that implementation and progress.

In 2015, with the 5-year anniversary of the RGS approaching, RDNO initiated the first 5-year review of the Regional Growth Strategy. The Regional District of North Okanagan acknowledges the support of the Real Estate Foundation of British Columbia which has enabled RDNO to work together with EcoPlan on this initiative to prepare the 2016 State of the Region Report. One of the first steps was to consider the monitoring and evaluation framework developed in 2012-13 and to update the framework as necessary to reflect the current context of the region. An updated list of indicators and measures, reflecting the Regional Growth Strategy goals, forms the basis of the State of the Region Report and corresponds to the following Policy Areas of the RGS:

- Policy Area 1: Urban Containment,
- Policy Area 2: Agriculture and Food Systems,
- Policy Area 3: Water Stewardship,



- Policy Area 4: Environment¹,
- Policy Area 5: Economic Development,
- Policy Area 6: Transportation and Infrastructure, and
- Policy Area 7: Housing

Policy Area 8: Governance and Service Delivery is an ongoing administrative and political process which oversees both day-to-day functions of local government and long range planning initiatives. In this regard, this aspect of the Regional Growth Strategy is difficult to measure through the use of indicators. In the absence of indicators and “hard data”, this section of the State of the Region Report speaks to the local government partnerships that comprise our Regional District and highlights some of the many shared responsibilities which are administered by our elected representatives.











Results from a 2013 Quality of Life Survey, undertaken by RDNO as part of the RGS monitoring and evaluation program, are referenced in the State

of the Region Report and provide valuable insight into the priorities and opinions of North Okanagan residents as they pertain to the Policy Areas of the RGS. Overall, the survey respondents indicated that quality of life within the North Okanagan; as a place to live, play, raise a family, or retire; was rated between ‘good’ and ‘very good’. Employment, however, was one topic highlighted by survey respondents as an area of concern.

The strengths and challenges facing North Okanagan communities as revealed through this State of the Region Report will help to guide upcoming stages of the RGS 5-Year Review as it proceeds in 2017.

The following section lists the indicators utilized in the State of the Region Report and provides an overview of what they reveal in relation to each Policy Area.

¹ For the purposes of this report, Policy Area 4: Environment represents a combination of the original RGS Policy Area 4: Environment and Natural Lands, and RGS Policy Area 9: Energy and Emissions, given the inherent linkages between these topics.

INDICATOR		HOW ARE WE DOING?	
POLICY AREA 1: URBAN CONTAINMENT AND RURAL PROTECTION			
1.1	Rural land rezoned		Doing much better: only 17 hectares rural land ‘rezoned’ to non-rural from 2011 to 2015; the previous five years we rezoned 178 hectares
POLICY AREA 2: AGRICULTURE AND FOOD SYSTEMS			
2.1	Change in amount of ALR Land		Doing well: +0.04% since 2011 despite development pressure
2.2	Agricultural Employment		Doing OK: down from 8% to 6% of all employment; a slower decline than the Okanagan Valley or provincial averages
2.3	Average Farm Profitability (% profit on each dollar spent)		Doing well: Up from 8% to 11%, 2006 to 2011
2.4	Diversity of farmland under cultivation by crop type		Baseline²: Diversity index: 0.23; 87% of farmland is forage or pasture land
2.5	Diversity of farms by type		Making progress: farm diversity is high and increasing: 0.80 to 0.81, 2006 to 2011
POLICY AREA 3: WATER STEWARDSHIP			
3.1	Installation of Water Meters		Doing great: 100% of households, businesses and agricultural operations have meter installed in Vernon, Armstrong, Coldstream, Lumby and 97.4% in Enderby
3.2	Water Quality Alerts		Doing well: From 2006-2016 water quality alerts decreased overall. Large water utilities decreased from 11 advisories to 1.
3.3	Water used per connection for major utilities		Baseline: Much of our regional population and industry receive water from a handful of major utilities.
3.4	Groundwater Levels: % of observations wells showing increase/decrease in annual average levels		Possibly improving: Increased an average of 0.4 metres overall with 78% of wells showing an increase from 2011 to 2016; however, average levels are still down more than a meter since 2001.
POLICY AREA 4: ENVIRONMENT			
4.1	Hectares of land categorized as ‘natural’, ‘open-space’, and ESL under protection status		Baseline: In 2015, over 120,000 hectares of land in the Region were under protection through park designation or as an “Environmentally Sensitive Area’.
4.2	Hectares of land in the Sensitive Ecosystem Inventory (SEI) classified as ‘non-sensitive’		Baseline: As of 2016, we have about 33,000 hectares entered into our SEI; 1.8% of that land is classed “non-sensitive”, or already developed.
4.3	Annual tonnes per capita of waste sent to landfill		Doing great: decreased from 0.68 to 0.47 tonnes (31%) from 2006 to 2015; achieved target (0.55 tonnes per capita) in 2013.
4.4	Air quality: Annual average levels of Particulate Matter smaller than 2.5 microns (PM _{2.5})		Not too well: Since 2012, PM _{2.5} levels have exceeded the BC Air Quality Planning Goal’s threshold of 6 micrograms/m ³ by between 0.8 and 3.3 micrograms/m ³

INDICATOR	HOW ARE WE DOING?	
4.5 Tonnes of Greenhouse Gas Emissions (GHGs) annually		Doing OK: 2010 levels are +0.1% over 2007 despite a 5% population increase; however, the goal is 15% reduction from 2007 levels by 2020
POLICY AREA 5: ECONOMIC DEVELOPMENT		
5.1 Employment growth		Not too well: Employment decreased between 2006 and 2011 by 1.6% despite population increase of 5.6%.
5.2 Capital investment per land use		Doing well: Total value of building permits was \$194 million in 2015, up from \$166 million in 2011.
5.3 Amount of vacant employment lands		Baseline: Approximately 215 hectares of vacant industrial land and 36 hectares of vacant commercial land.
5.4 Median household income		Doing OK: Median household income increased from 2006 to 2011 by \$6600, at the same rate as household income increased across the province.
5.5 Range of employment		Baseline: Employment is distributed across a number of sectors including tourism, health care, construction and manufacturing, and agriculture.
POLICY AREA 6: TRANSPORTATION AND INFRASTRUCTURE		
6.1 Mode share		Some progress: From 2006 to 2011 there was a drop in the proportion of commuters going by automobile – 90% to 88.6%.
6.2 Active transportation infrastructure (bike routes and sidewalks) built as proportion of all transportation infrastructure		Doing OK: Since 2011, 55% of all transportation infrastructure built was for active transportation (sidewalks and bike routes), which is higher than the cumulative average (51%).
6.3 Transit Ridership		Doing OK: Annual ridership in 2015 is 565,000 trips, 14% higher than 2010, but lower than the 2014 high of 586,000 annual trips.
POLICY AREA 7: HOUSING		
7.1 Residential housing mix		Doing OK: Have about the same mix of housing types as 5 years ago; fewer single family detached units (59%) are being built than the current mix (67%).
7.2 Housing availability		Declining: Since 2010, there have been steadily fewer homes available for sale and rent.
7.3 Housing affordability		Doing OK: The percent of unaffordable households has remained steady between 2001 and 2011 at 28% but median household prices have increased significantly.
7.4 People in core housing need		Doing poorly: Overall percentage of households in core housing need has remained the same (~12%) but the number is on the rise, increasing by 125 households from 2006 to 2011.

POLICY AREA 1:

URBAN CONTAINMENT AND RURAL PROTECTION

Urban containment and rural protection refers to the principle of encouraging new development to occur within serviced areas of our communities. There are multiple, inter-related benefits to upholding the principle of urban containment and rural protection:

- Encouraging the majority of population growth in our core areas can reduce reliance on automobiles by situating residents in proximity to work, shopping, services, and amenities.
- The viability of public transit is enhanced as the number of potential riders is increased along transit routes.
- When population growth is focused in serviced urban centres, existing infrastructure can be more efficiently utilized and the timeframe may be extended before costly extensions to roads, sewer, and water lines becomes necessary.

Continued efforts towards urban containment and rural protection will help to protect those attributes of the North Okanagan that make it such a desirable place to live, work, and play: the rural countryside, wilderness, agricultural lands, and natural areas.

HOW ARE WE DOING?

Between 2006 and 2011, most of the population growth in the North Okanagan occurred in the incorporated municipalities, while it was considerably slower, or even declined in some cases, within the Electoral Areas. The amount and rate at which land in North Okanagan has been rezoned from a “rural” zone (wherein new lots must be at least 1 ha in size) to other “non-rural” zoning (wherein new lots may be less than 1 ha in size) is one indicator of the demand for new, smaller lots. Communities with relatively high population growth and a small amount of land rezoned from rural to non-rural, may have been sufficiently well served

with land ready to accommodate growth without rezoning. It is evident that the majority of new development is occurring within the growth areas identified in the Regional Growth Strategy.

An indicator in the Agriculture and Food Systems Policy Area is also relevant to the evaluation of Urban Containment and Rural Protection. In this regard, it is interesting to note that since 2011, the amount of land in the North Okanagan within the Agricultural Land Reserve has increased by 26 ha (+/- 0.04%) with the inclusions primarily taking place in the Spallumcheen area.

These factors suggest that, in recent years, the North Okanagan has been doing well in terms of Urban Containment and Rural Protection. As part of the 2013 Quality of Life survey, many respondents strongly agreed that the North Okanagan’s small town feel and rural character is one of the main reasons they live in the area which indicates that efforts ensure urban containment and rural protection should remain a priority.



GOALS:

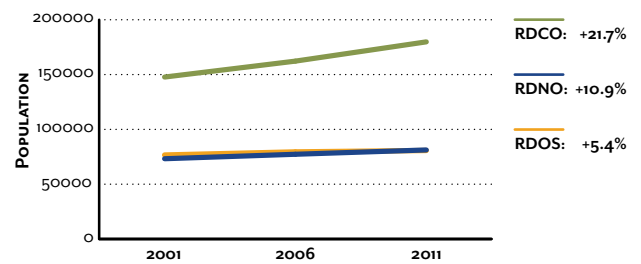
1. Focus development into growth areas
2. Protect rural lands

CONTEXT

From 2001 to 2011¹, the RDNO grew steadily up to approximately 81,000 residents (+10.9%). While faster than the Okanagan-Similkameen, our growth has been relatively slow, slightly under the provincial average of +12.6%, and less than half of the growth rate of the Central Okanagan (+21.7%). As overall growth is expected to continue, the RDNO will continue to focus development into growth areas and work to protect rural lands.

POPULATION CHANGE (2001-2011)

Provincial Average: +12.6%

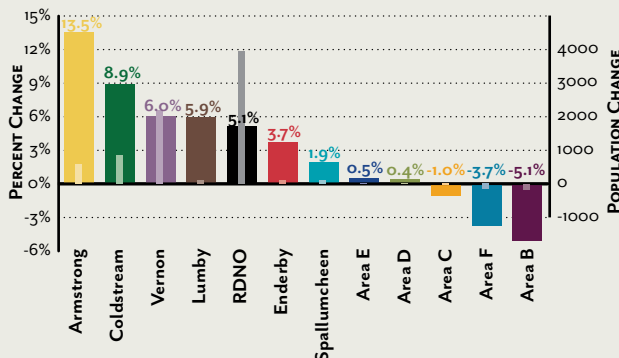


¹ Population data from the 2016 Census has not yet been released.

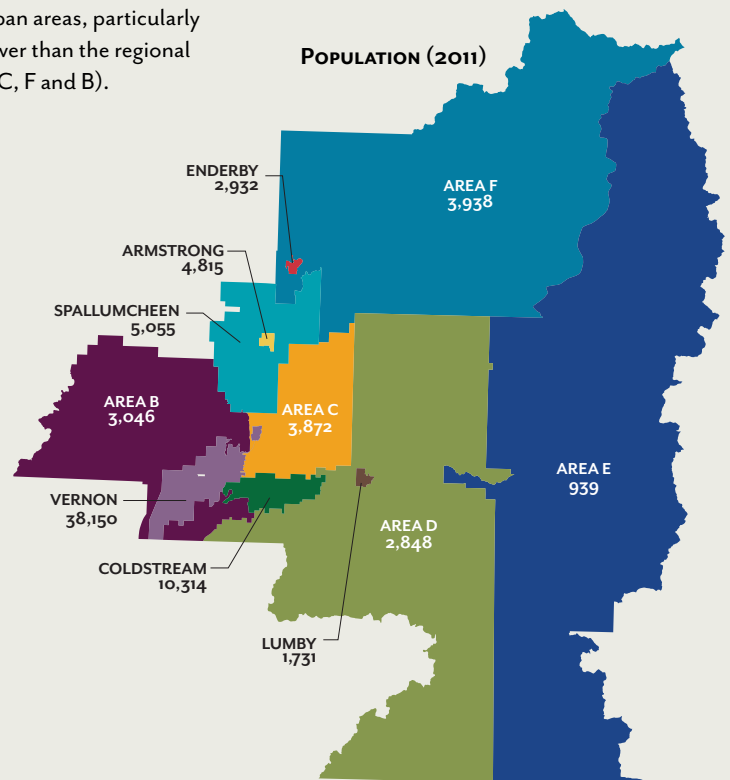
GROWTH IN URBAN AREAS:

Most of the growth in the RDNO was located around the urban areas, particularly in Vernon, Armstrong and Coldstream. Rural areas grew slower than the regional average (+5.1%), some areas even shrinking (Electoral Areas C, F and B).

POPULATION CHANGE, SUB-AREAS (2006-2011)



Source: Census





HOW ARE WE DOING?

Both goals can be monitored by the amount of new growth happening in rural areas since rural protection is an outcome of urban containment.

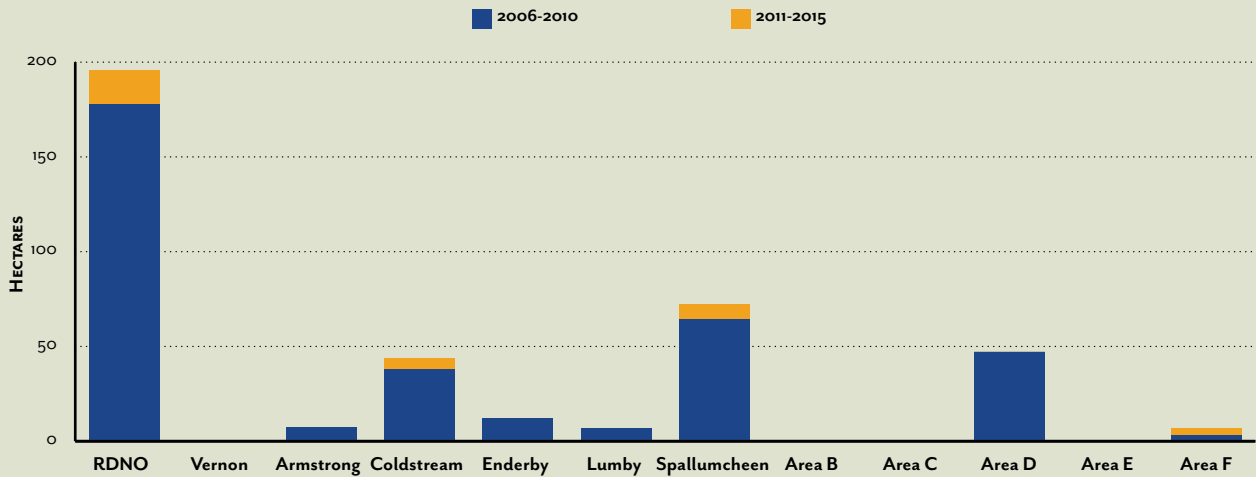


Doing much better

‘RURAL’ LAND REZONED:

FROM 2006 TO 2015, 195 HA OF RURAL² LAND IN RDNO HAS BEEN REZONED FROM A RURAL ZONE TO OTHER ZONING THAT WOULD PERMIT LOTS LESS THAN 1 HA IN SIZE. HOWEVER, AS MOST OF IT (178 HECTARES) WAS REZONED BEFORE 2010, THIS TREND HAS SLOWED SIGNIFICANTLY IN THE LAST 5 YEARS. 195 HA ONLY REPRESENTS ABOUT 0.03% OF ALL RURAL ZONED LAND IN THE RDNO OVERALL.

HECTARES OF RURAL LAND REZONED TO NON-RURAL



Source: RDNO planning department.





Photo by RDNO

POLICY AREA 2: AGRICULTURE AND FOOD SYSTEMS

Agriculture is an important component of the North Okanagan economy and one of the defining characteristics of our region. North Okanagan farms provide economic benefits, jobs, and multiple opportunities for access to locally grown foods and other agricultural products. From poultry production to tree fruits, cattle ranches to pumpkin patches, North Okanagan farmers raise a wide variety of crops and animals. Many farmers also develop and market value-added products such as wine, baked goods, preserves, honey, cheese, meats, wool, botanical soaps and other personal care products.

HOW ARE WE DOING?

The 2013 Quality of Life survey indicated that, on average, respondents considered their access to local food to be just above 'good'. Survey respondents

rated local and regional efforts to protect agricultural land from development as less than 'good' but better than 'fair'.

The North Okanagan is doing fairly well in facilitating access to locally produced foods. Farmers markets are thriving and in some cases have grown in recent years. For example, over the winter months of 2013 the Vernon Farmers Market held its first indoor market at the Schubert Centre and since 2015 has offered an indoor market at Kal Tire Place. Farmers markets also take place in other North Okanagan communities including Enderby, Kingfisher, Armstrong, Coldstream, Lumby, and Cherryville.

A Regional Agricultural Plan (RAP) was completed in 2015 as a priority Regional Growth Strategy

implementation project. The RAP provides an overview of the current regional food system, identifies market opportunities, and recommends actions that would help support a healthy, resilient and sustainable agricultural sector. With support from the Investment Agriculture Foundation, the planning process was led by the Regional District and a committee comprised of elected officials and members of the farming community. Throughout the RAP consultation process, feedback from farmers indicated that access to irrigation water and seasonal water scarcity were among the top challenges to agricultural production in the North Okanagan.

Upholding the goals of the RGS, the Official Community Plans for North Okanagan communities and Electoral Areas discourage removal of productive land from the ALR and include policies which are supportive of local food production. Province-wide, the amount of land within the ALR declined by about 3% or 138,074 hectares, between 2011 and 2016. Locally, during the same time period, this reduction was countered with the addition of approximately 26 ha of land to the ALR in the North Okanagan (an increase of approximately 0.04%). Interestingly, while the number of farms has gone down, the average farm size increased by about 10 ha between 2006 and 2011. While most North Okanagan farms are less than 69 ha, the Coldstream Ranch, with over 3200 ha of deeded land contributes to the relatively large average farm size.

The Regional Agricultural Advisory Committee (AAC) has identified priority actions for 2017 including:

- exploring the potential to use the 2014 Agricultural Land Use Inventory to create a database of ALR properties that are either vacant or underutilized in terms of food production;
- supporting a pilot project to establish a North Okanagan Farmers Institute that is inclusive of a diversity of producer types, sizes, and scales;
- AAC networking opportunities, including but not limited to:
 - lobbying BC Assessment Authority to include value-added farm products within scope of farm income for farm status purposes;
 - developing a relationship with the BC Real Estate Association regarding an appreciation of the socio-cultural aspects of farming;
 - collectively addressing Regional Climate Change strategies, implementation, and cooperation;
 - addressing regional Crown Land use issues (with reference to the Okanagan-Shuswap Land and Resource Management Plan);
 - linking with Fraser Basin Council on broad watershed concerns;
 - collaborating on Agricultural Land Commission Act direction; and
 - working with First Nations in the sub-region on common concerns.
- Continuing to support reduction of invasive species and noxious weeds through bylaw enforcement and collaborating with the agricultural community to identify high-priority areas.

GOALS:

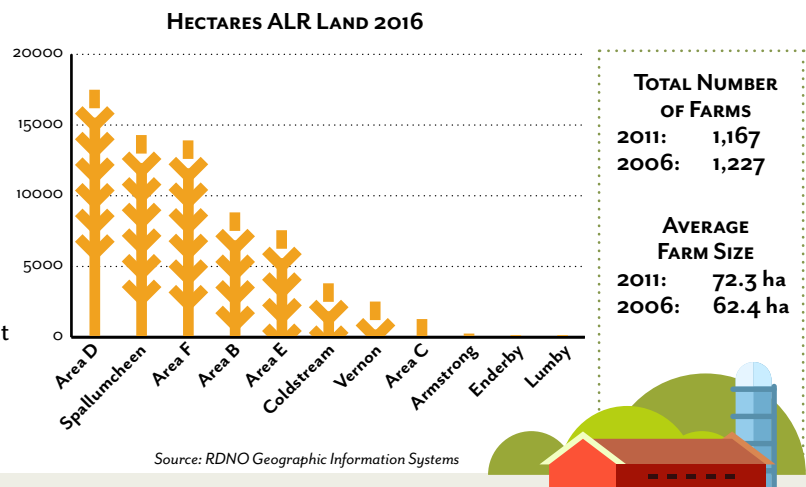
1. Water is managed sustainably so all reasonable needs, including agriculture, are met in a balanced manner¹
2. Maintain and diversify the agricultural land base
3. Support a robust and diverse agricultural economic sector
4. Encourage a healthy, accessible and resilient food system

¹ Goal 1 is explored in Policy Area 3, through water stewardship indicators.

CONTEXT

Agriculture has always been an important aspect of the North Okanagan's identity and economy. The RGS and Official Community Plans discourage the loss of productive agricultural lands and support local food production.

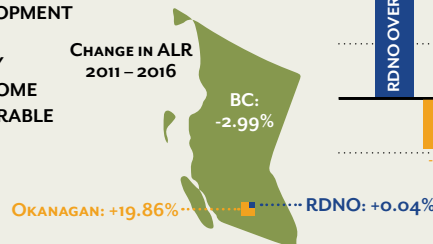
There are 68,897 hectares of Agricultural Land Reserve in the RDNO, making up about 9% of our total land base. This represents 1.49% of the total ALR land in BC.



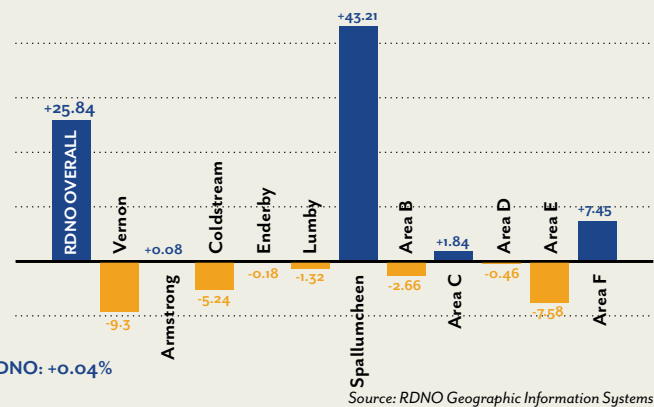
Doing well

CHANGE IN ALR LAND:

SINCE 2011, RDNO HAS INCREASED ALR LAND BY 26 HECTARES (0.04% INCREASE); GIVEN DEVELOPMENT PRESSURE, NO NET LOSS OF ALR COULD BE SEEN AS A VICTORY. HOWEVER, GAINS ARE CONCENTRATED AROUND SPALLUMCHEEN – ALR LAND IS BEING LOST WHEREVER DEVELOPMENT PRESSURE EXISTS, INCLUDING VALLEY BOTTOM WHERE SOME OF THE MOST DESIRABLE LAND IS.



CHANGES IN ALR LANDS (HECTARES) 2011 -2016

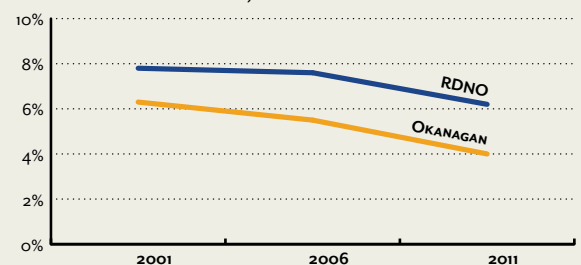


Doing OK

AGRICULTURAL EMPLOYMENT:

THE NUMBER OF AGRICULTURAL JOBS IS SHRINKING², EVEN WHILE EMPLOYMENT IN OTHER SECTORS, GROSS FARM RECEIPTS, AND FARM PROFITABILITY GROW. HOWEVER, THE RDNO STILL HAS A GREATER PROPORTION OF JOBS IN THE AGRICULTURAL SECTOR THAN THE OKANAGAN AS A WHOLE, AND THE LOSS OF THESE JOBS IS IN THE CONTEXT OF GENERAL DECLINE IN AGRICULTURAL EMPLOYMENT.

PERCENT EMPLOYMENT OF TOTAL EMPLOYMENT IN AGRICULTURE, FISHING AND HUNTING



² Freely available Census data uses two-digit NAICS codes, grouping primary agricultural employment with other resource activities



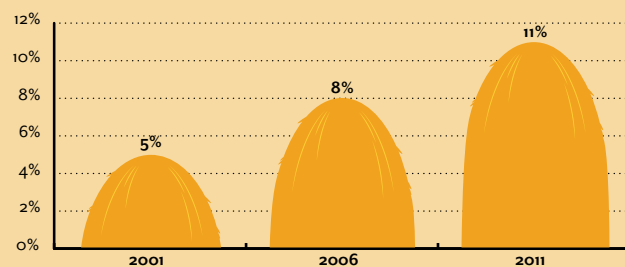


Doing well

AVERAGE FARM PROFITABILITY (% PROFIT ON EACH DOLLAR SPENT):

PROFITABILITY IS A CALCULATION OF WHAT PERCENT OF TOTAL GROSS FARM RECEIPTS ARE LEFT AFTER SUBTRACTING TOTAL OPERATING EXPENSES. ON AVERAGE, FARMS BECAME CONSIDERABLY MORE PROFITABLE FROM 2001 TO 2011.

FARM PROFITABILITY

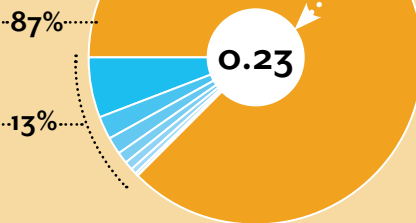


Source: Statistics Canada, Agricultural Census 2001-2011

DIVERSITY OF FARMLAND UNDER CULTIVATION BY CROP TYPE:

BASELINE DATA ONLY (2011)

Forage and Pasture
Cereals and Oilseeds
Tree fruits
Other
Nursery
Trees (plantations)
Vegetables
Vines and Berries
Turf
Specialty
Floriculture



Source: Statistics Canada, Agricultural Census 2011

DIVERSITY INDEX:

Diversity indices show diversity by calculating how well distributed data are across a set of categories. For example, we have two diversity indices of the types of agriculture in the RDNO: one for amount land by crop type, and one for the number of farms by product. If one category is dominant (e.g. pasture), diversity will be low and the index will be close to zero; if there is a balance of types (i.e., a good amount of many crops), diversity will be high and the index will be closer to one.



Cattle Ranching and Farming (including dairy)



Hog and Pig Farming



Poultry and Egg Production



Sheep and Goat Farming



Other Animal Production



Oilseed and Grain Farming



Vegetable and Melon Farming



Fruit and Tree-nut Farming



Greenhouse, Nursery and Floriculture Production



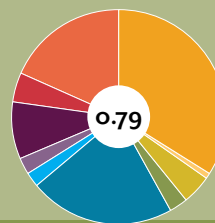
Other Crops: (e.g., hay, fruit and vegetable combination)



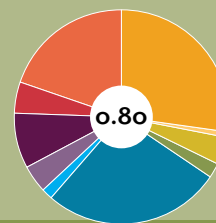
Making progress

DIVERSITY OF FARMS BY TYPE:

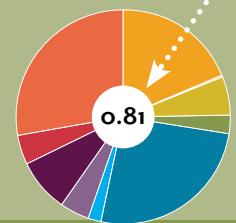
THE DIVERSITY OF THE TYPES OF FARMS IN THE NORTH OKANAGAN IS HIGH AND HAS BEEN INCREASING.



2001



2006



2011



Photo by Stefan Lins, CC-by, flickr.com

POLICY AREA 3: WATER STEWARDSHIP

Water is a vital component of life. Balancing the water requirements of the environment, human needs, agriculture, recreation, tourism, and industry is a growing challenge as more people live, work, and play in the North Okanagan.

Water Stewardship Goals of the Regional Growth Strategy emphasize protection of water quantity and quality, mitigation of human impacts, water conservation, monitoring of both groundwater and surface water resources, and ongoing cooperation between all levels of government to ensure reasonable and consistent regulations related to water usage. Developing and implementing cost effective, efficient, and innovative methods of water conservation, reclaimed water use, liquid waste disposal, and monitoring of water sources and quality, are encouraged.

Greater Vernon Water (GVW) is an RDNO administered water utility supplying water to customers in the City of Vernon, the District of Coldstream, and parts of Electoral Areas “B” and “C”. GVW also supplies water to customers in Electoral Area “D” and bulk water to the Township of Spallumcheen. RDNO also manages community water utilities in Grindrod, Gunter- Ellison, Mabel Lake (at Kingfisher), Silver Star and Whitevale. Enderby, Armstrong, and Lumby are served by local government community water systems and there are also various small water utilities throughout the region which are not managed by local government. The majority of rural properties are serviced by on-site domestic groundwater wells and/or surface water sources.

HOW ARE WE DOING?

When asked their opinion of the quality of drinking water, on average, respondents to the 2013 Quality of Life survey rated it just below 'good' and indicated that the matter warranted somewhat more attention. The average rating of water quality of lakes and rivers was also between 'fair' and 'good', with respondents indicating somewhat more attention was needed.

Stewardship of our water resources is a shared responsibility between both water users and water providers. Summer irrigation volumes for agriculture and domestic uses are 2.5 times higher than the annual average use. Additionally, climate conditions have led to lower summer stream flows over the last 30 years. Local governments in the North Okanagan continue to work as partners and individually to raise awareness of the importance of water conservation and protection of water quality using a variety of media and methods which are both informative and motivating. Local residents, business sector, farmers, visitors and others are generally willing, if not eager to take necessary steps to protect our precious water resource. Initiatives such as the Xerindipity Garden in Vernon, and workshops such as 'how to make a rain barrel' provide hands-on opportunities for both learning and fun.

The GVW Master Water Plan, completed in 2012, is a detailed water utility study that reviews progress and provides direction for the next 40 years to ensure compliance with Provincial standards to safeguard health and to meet future water needs based on predicted growth. The Master Water Plan is the outcome of a partnership between RDNO, the City of Vernon, and the District of Coldstream in consultation with professional engineers and a Technical Advisory Committee comprised local government staff as well as representatives from the agricultural community and Interior Health. The Master Water Plan is a living document that continues to be updated by expert engineering analysis and current Okanagan water information and technology.

North Okanagan communities serviced by local government water systems have made strong progress towards improved monitoring of water usage with 100% of households, businesses, and agricultural operations in Vernon, Armstrong, Coldstream, and Lumby having water meters installed. Enderby is also doing well at over 97%. Furthermore, through system improvements and careful management, our local government water utilities achieved a significant decrease in water quality advisories from 11 to 1 between 2006 and 2016.

Greater Vernon Water is in the process of installing technology that will turn all of its customers' water meters into smart water meters that can be read remotely. The utility reports that the change will cut costs and make meter readings more accurate.

GOALS:

1. Protection of groundwater
2. Protection and conservation of water resources
3. Consideration of the true value of water

CONTEXT

With an arid climate, large agricultural sector, and significant growth in tourism and local population, ensuring the protection and sustainable use of our water resources will be critical for maintaining the economic and ecological health of our region for years to come.

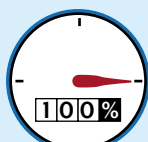
HOW ARE WE DOING?



Doing great

INSTALLATION OF WATER METERS:

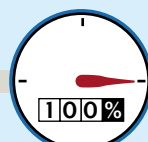
100% OF HOUSEHOLDS, BUSINESSES AND AGRICULTURAL OPERATIONS IN COMMUNITIES WITH LOCAL GOVERNMENT WATER SYSTEMS SUCH AS VERNON, ARMSTRONG, COLDSTREAM AND LUMBY HAVE WATER METERS INSTALLED. IN ENDERBY, THAT NUMBER IS 97.4%. HOWEVER, MORE CAN BE DONE IN AREAS WITHOUT LOCAL GOVERNMENT WATER SYSTEMS WHERE VERY FEW SYSTEMS HAVE WATER METERS.



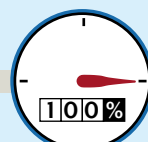
VERNON



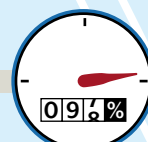
ARMSTRONG



COLDSTREAM



LUMBY



ENDERBY

Source: RDNO. There is currently no data for Areas B, C, D, E or F.

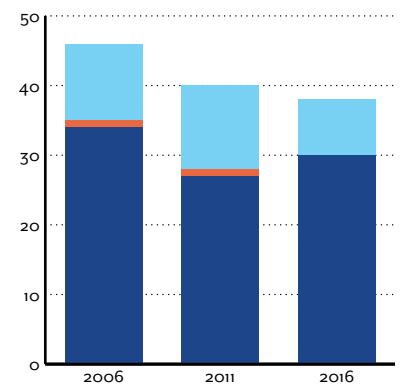


Doing well

WATER QUALITY ALERTS:

THE INTERIOR HEALTH AUTHORITY TRACKS BOIL WATER NOTICES, DO NOT USE, AND WATER QUALITY ADVISORIES FOR LARGE AND SMALL WATER UTILITIES ACROSS THE REGION. FROM 2006 – 2016, WATER QUALITY ALERTS DECREASED OVERALL. LARGE WATER UTILITIES SAW A SIGNIFICANT DECREASE (FROM 11 ADVISORIES TO 1), WHEREAS SMALL WATER UTILITIES SAW A SLIGHT INCREASE (35 TO 37 TOTAL ADVISORIES).

TOTAL WATER QUALITY ALERTS



Boil Water Notice Do Not Use Water Quality Advisory

Source: Interior Health Authority



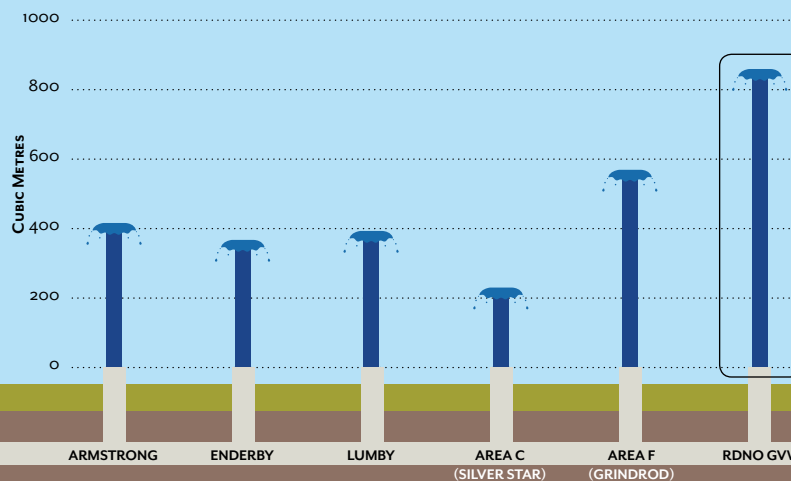


WATER USE PER CONNECTION FOR MAJOR UTILITIES:

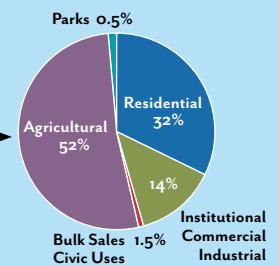
MUCH OF OUR REGIONAL POPULATION AND INDUSTRY RECEIVE WATER FROM A HANDFUL OF MAJOR UTILITIES. THE FOLLOWING DOES NOT INCLUDE CONSUMPTION OF WELL-WATER, SMALLER PRIVATE UTILITIES, ETC.

BASELINE DATA ONLY (2015)

Source: Utility reporting



GREATER VERNON WATER CONSUMPTION BY CUSTOMER TYPE



Source: 2015 Greater Vernon Water Annual Report, 2015

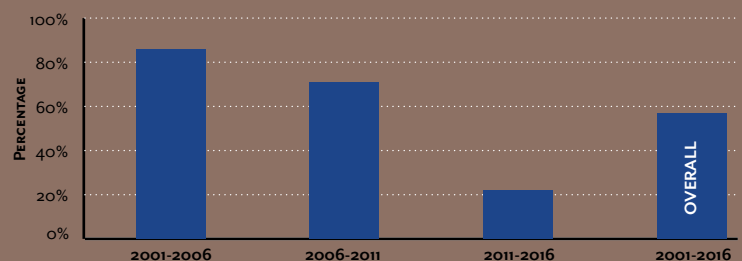


Possibly improving

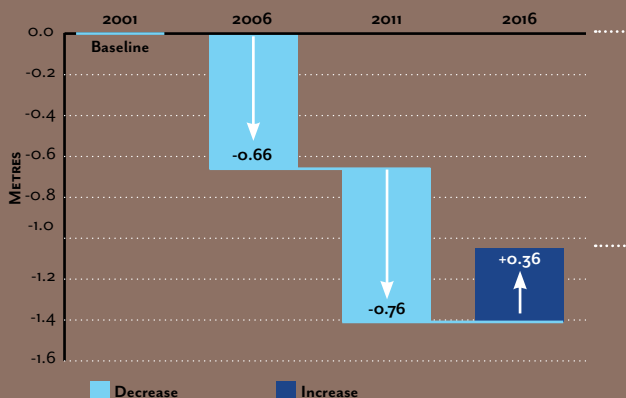
GROUNDWATER LEVELS:

SINCE 2011, GROUNDWATER LEVELS HAVE INCREASED AN AVERAGE OF 0.4 METERS OVERALL WITH 7 OUT OF 9 (78%) SHOWING AN INCREASE IN MEASURED LEVELS. HOWEVER, THIS IS AFTER A LONGER PERIOD OF DECLINE, WITH AN AVERAGE DECREASE OF ABOUT 1 METER FROM 2001 TO 2016 DURING WHICH MOST WELLS SHOWED DECLINING LEVELS.

PERCENTAGE OF OBSERVATION WELLS THAT SHOWED DECLINING LEVELS

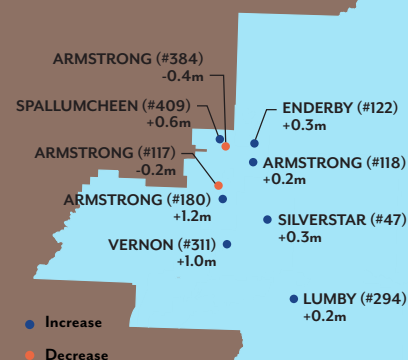


AVERAGE CHANGE ACROSS ALL WELLS (2001-2016)



Overall down 1.06 meters from 2001 - 2016

WELL LEVEL CHANGES IN METERS (2011-2016)



POLICY AREA 4: ENVIRONMENT

The natural environment of the North Okanagan is characterized by many diverse types of terrain, vegetation, and water features. Lush forests, alpine meadows, grasslands, wetlands, and rocky bluffs are interspersed with lakes both large and small, rivers and streams. Our natural areas are under private or public ownership; they provide habitat for terrestrial, avian and aquatic species; recreational opportunities for residents and visitors; may serve as rangeland for cattle, and are a source of timber and mining resources. While smaller in scale, natural areas exist within our urban areas as well and their value as habitat for birds and small creatures should not be overlooked.

Natural areas are sensitive to development and their balance and integrity can be disrupted by human activities. Protection of environmentally sensitive areas can be achieved in a variety of ways and to varying degrees through land use designations and regulations. Park land status provides the highest level of protection available to natural areas. Other forms of protection include conservation covenants, environmental Development Permit Area designations, and zoning regulations.

Air quality is an integral part of a healthy environment. While progress towards the use of renewable energy sources is being made, the combustion of fossil fuels releases air pollutants which can have adverse health effects. In addition, the burning of fossil fuels emits greenhouse gases e.g., carbon dioxide (CO₂) and chlorofluorocarbons, which absorb infrared radiation and contribute to global climate change.

In 2007, the province of British Columbia announced that local governments would be required to include greenhouse gas emission reduction targets, policies and actions in Regional Growth Strategies and Official Community Plans. The North Okanagan RGS includes targets to reduce greenhouse gas emissions by 15% of 2007 levels by 2020, and 25% by 2030.

HOW ARE WE DOING?

As part of the 2013 Quality of Life Survey, when asked to rate how well the North Okanagan's undisturbed and sensitive natural environments are protected, respondents rated the quality of protection as slightly better than 'fair' which suggests that there is room for improvement. On the other hand, survey respondents rated their ability to access outdoor recreation areas as slightly above 'good'.

The RGS reported that in 2007, it was estimated that there were 615,149 tonnes of CO₂ emitted in the North Okanagan. Based on a population of 78,877 residents, the level of emissions equated to about 7.8 tonnes per person. The 2010 Community Energy and Emissions Inventory for the North Okanagan reports that there were 619,080 tonnes of CO₂ emitted which, based on population of 83,139 equates to about 7.4 tonnes per person. This is a positive result indicating that progress is being made however more work will need to be done to meet emission reduction targets.

Increased ridership of public transit and initiatives such as the new Landfill Gas Management System can help to reduce greenhouse gas emissions. The Landfill Gas Management System, constructed at the Greater Vernon Recycling and Disposal Facility in 2015, extracts and burns off gas generated by decomposing landfill waste. The system is continually monitored and carbon emission reductions are reported annually to the Ministry of Environment.



GOALS:

1. Protect our watersheds
2. Protect our parks, natural areas and open spaces
3. Reduce and prevent pollution
4. Reduce regional green house gas emissions by 15% by 2020 and 25% by 2030.

CONTEXT

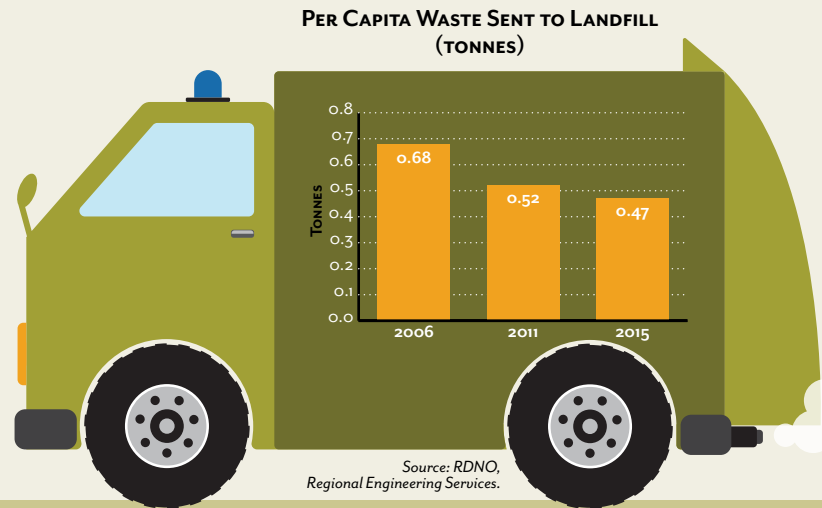
The North Okanagan is home to many diverse ecosystems, including wetlands, forests, lakes, rivers and grasslands. These ecosystems and the features they contain are valuable in their own right, but they also provide important benefits; including filtering pollutants, preventing erosion and controlling crop pests, and making possible the many recreational activities and opportunities our citizens enjoy. As our population and economy grow, these ecosystems come under increasing strain from development, pollution and other impacts.

HOW ARE WE DOING?

Doing
great!

WASTE SENT TO LANDFILLS:

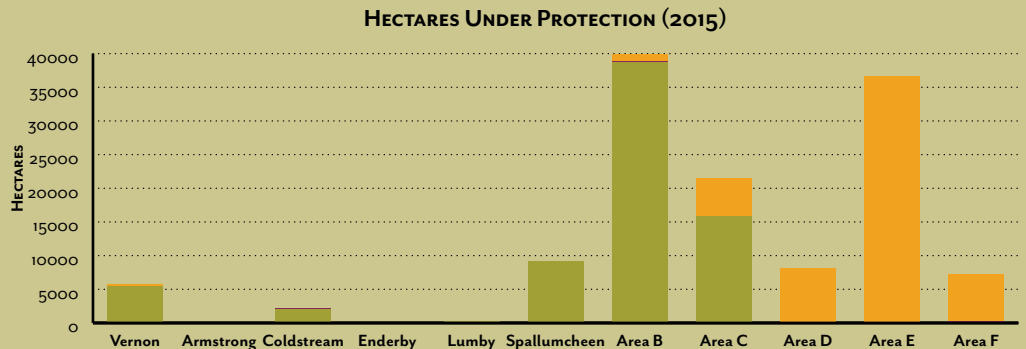
OVERALL, THE AMOUNT OF WASTE SENT TO LANDFILL HAS DECREASED FROM 2006 TO 2015 FROM 0.68 TO 0.47 TONNES PER CAPITA (A 30.9% DECREASE). WHILE OUR PROGRESS HAS SLOWED SINCE 2011, SINCE 2013 WE HAVE ACHIEVED THE TARGET OUTLINED IN OUR SOLID WASTE MANAGEMENT PLAN (SWMP) OF 0.55 TONNES PER CAPITA.

**PROTECTION OF NATURAL, OPEN SPACE AND ENVIRONMENTALLY SENSITIVE LANDS:**

IN 2015, OVER 120,000 HECTARES OF NATURAL LAND, OPEN SPACE, AND ENVIRONMENTALLY SENSITIVE AREAS (ESA) WERE UNDER PROTECTION THROUGH PARK DESIGNATION OR THROUGH DESIGNATION AS AN ESA DEVELOPMENT PERMIT AREA (DPA).

BASELINE DATA ONLY

- ESA Lands Protected by DPA*
- Provincial Parkland
- Local Parkland



*ESA - Lands categorized as 'High' and 'Very High' Conservation Value or other terrestrial Development Permit Area.
Source: RDNO Sensitive Ecosystems Inventory.





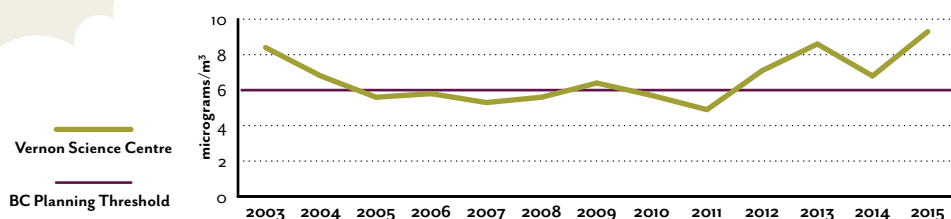
Not too well

AIR QUALITY:

PM_{2.5} — OR PARTICULATE MATTER MEASURING 2.5 MICRONS OR SMALLER IN DIAMETER — IS ONE OF THE MOST IMPORTANT OUTDOOR AIR POLLUTANTS IN B.C. FROM A HUMAN HEALTH PERSPECTIVE. THE PROVINCIAL AIR QUALITY THRESHOLD OF 6 MICROGRAMS/M³ IS “INTENDED AS A VOLUNTARY TARGET TO GUIDE AIRSHED PLANNING EFFORTS AND ENCOURAGE COMMUNITIES TO MAINTAIN GOOD AIR QUALITY IN THE FACE OF ECONOMIC GROWTH AND DEVELOPMENT.”¹

WHILE LEVELS OF PM_{2.5} MEASURED AT THE AIR QUALITY MONITORING STATION AT VERNON SCIENCE CENTRE (THE REGION'S ONLY MONITORING STATION) HAVE BEEN WITHIN RANGE OF THE PROVINCIAL THRESHOLD IN THE PAST, SINCE 2012, THEY HAVE EXCEEDED THE THRESHOLD BY BETWEEN 0.8 AND 3.3 MICROGRAMS/M³.

PARTICULATE MATTER 2.5 LEVELS (micrograms/m³), ANNUAL AVERAGE



Source: BC Air Quality Monitoring Network.

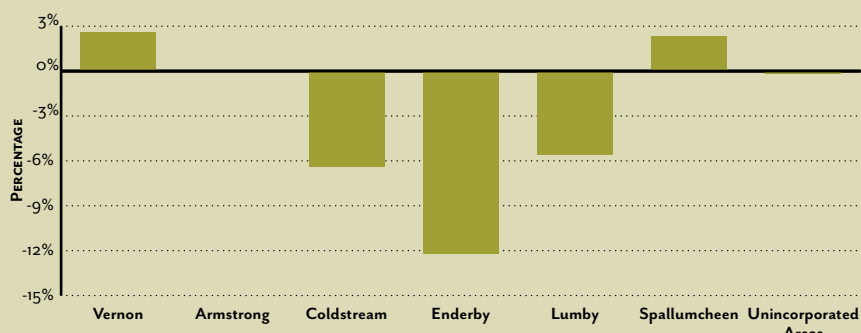


Doing OK

GREENHOUSE GAS EMISSIONS:

WHILE 2010 LEVELS OF GHGS SHOW A VERY MINOR DECREASE OVER THE 2007 BASELINE (-0.1%), AGAINST A 5% POPULATION GROWTH, THAT IS A SUCCESS. HOWEVER, WITH A GOAL OF 15% REDUCTION BY 2020 OUR GHGS WILL NEED TO DECREASE SIGNIFICANTLY MORE IN ABSOLUTE TERMS. FURTHERMORE, SOME AREAS HAVE BEEN MORE SUCCESSFUL THAN OTHERS. COLDSTREAM, ENDERBY, AND LUMBY HAVE ALL SEEN SIGNIFICANT DECREASES IN TOTAL GHG EMISSIONS SINCE 2007.

TONNES OF GHGs - PERCENTAGE CHANGE OVER 2007 BASELINE



Source: BC Community Energy and Emissions Inventory, 2007 and 2010. The CE EI is being updated and is expected to have a release of 2012 data by the end of 2016, and 2014 data early in 2017. Biennial releases are expected thereafter.

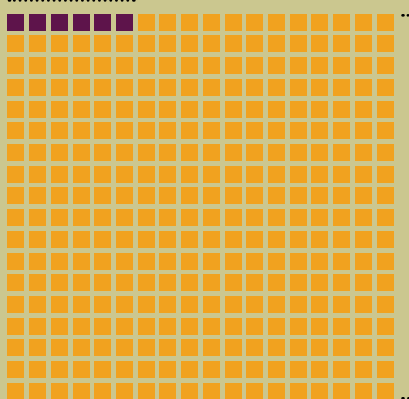
SENSITIVE ECOSYSTEMS INVENTORY (SEI):

OUR SENSITIVE ECOSYSTEMS INVENTORY (SEI) USES A SET OF PROVINCIAL STANDARDS AND DEFINITIONS TO IDENTIFY AND MAP AT RISK AND ECOLOGICALLY FRAGILE ECOSYSTEMS IN OUR REGION. CURRENTLY, WE HAVE ENTERED AROUND 32,865 HECTARES OF LAND INTO THE (SEI), COMPRISING AROUND 4.1% OF THE TOTAL RDNO LAND BASE (APPROXIMATELY 750,000 HECTARES). WHILE A SMALL AMOUNT, THE MAPPING HAS FIRST BEEN DONE IN AREAS WHERE DEVELOPMENT PRESSURE IS THE HIGHEST.

CURRENTLY, ABOUT 1.8% OF SEI LANDS, OR 591 HECTARES, ARE CLASSIFIED AS “NON-SENSITIVE”, INDICATING THAT FORMERLY ECOLOGICALLY SENSITIVE LANDS HAVE BEEN DEVELOPED AND LOST THEIR ECOLOGICAL VALUE. WE WILL TRACK THIS NUMBER OVER TIME TO IDENTIFY THE AMOUNT OF ECOLOGICALLY SENSITIVE LAND BEING LOST TO DEVELOPMENT.

BASELINE DATA ONLY

1.8% of SEI is classified 'non-sensitive'



Total hectares of land entered in the SEI

Source: RDNO Sensitive Ecosystems Inventory



POLICY AREA 5: ECONOMIC DEVELOPMENT

Over the past two decades the North Okanagan has moved away from its historic reliance on forestry and mining to include a diverse mix of industries. As a popular tourism and retirement destination, significant investment and construction activity has occurred over a number of years. The region is one of BC's premiere agricultural production centres, and it has a growing number of high tech and manufacturing businesses. Particularly in recent years, the North Okanagan has emerged as a sought after location for film production.

The Regional Growth Strategy recognizes that a strong economy is supported by communities working together to attract and retain business. Competition between local governments or business associations will only weaken the region's appeal to the business sector and will impede economic performance.

Recognizing that long term economic sustainability and resilience is one of the key themes of the RGS, the Regional District and City of Vernon in collaboration with the five other member municipalities, and the Okanagan and Spltasin Indian Bands have developed an Employment Lands Action Plan. Completed in 2016, the result is an action-oriented plan which will assist the North Okanagan to market and develop employment lands, and to generate new employment opportunities over the next five years.

HOW ARE WE DOING?

The 2013 Quality of Life Survey results revealed that the worst performing policy area of the RGS was Economic Development and respondents indicated it needed more attention. When asked to choose which factors would improve quality of life in the North Okanagan, the majority of survey respondents selected 'employment'. In this regard, it was not surprising that the perceived ability to earn a living by operating a profitable business or finding acceptable and fulfilling employment, was rated, on average

as less than 'fair'. Similarly, the ability of survey respondents to find a job that meets their skills, training, and experience, was also rated, on average, as less than 'fair'.

The survey results revealed that economic opportunities were more likely to be rated lower by respondents from North Okanagan communities wherein housing availability was also rated lower relative to other communities. This finding suggests that a supply of suitable housing is important to attracting and retaining both business owners and employees and thus has an important role in economic development.

Implementation of action items outlined in the Employment Lands Action Plan will require the collective commitment of the regional partners to ensure desired results are achieved. As action items are addressed, outcomes should be monitored, measured and reported; and successes should be celebrated.

GOALS:

1. Promote a regional approach to economic development
2. Encourage a sustainable, resilient and diverse regional economy

CONTEXT

A strong and diverse economy is essential to maintaining our region's high quality of life. Growth in local business and the number and range of employment opportunities will support the success and prosperity of our residents and communities alike.

HOW ARE WE DOING?



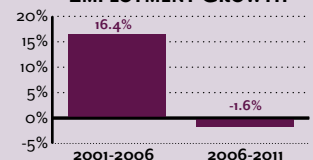
Not too well

EMPLOYMENT GROWTH:

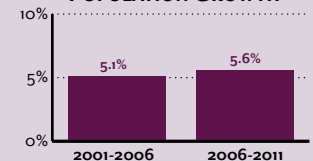
OVERALL EMPLOYMENT (I.E., LABOUR FORCE) DECREASED IN THE RDNO BETWEEN 2006 AND 2011 BY 1.6% EVEN THOUGH POPULATION INCREASED BY 5.6%. THIS IS A STARK TURNAROUND FROM THE PREVIOUS PERIOD, WHEN EMPLOYMENT INCREASED BY 16.4% AGAINST AN OVERALL POPULATION GROWTH OF 5.1%. PART OF THIS IS LIKELY DUE TO AN AGEING POPULATION WITH MORE RESIDENTS ENTERING RETIREMENT.

Source: Census 2001, 2006; NHS 2011
- Total Labour Force.

EMPLOYMENT GROWTH



POPULATION GROWTH

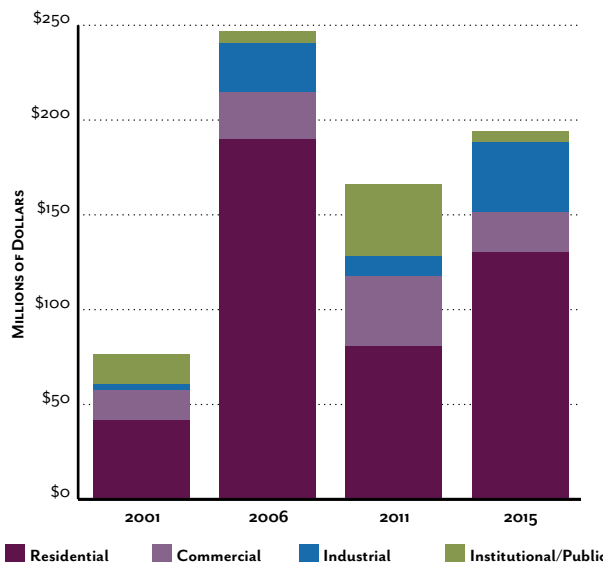


Doing well

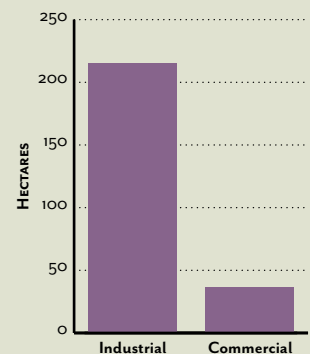
CAPITAL INVESTMENT PER LAND USE:

IN 2015, THE TOTAL VALUE OF ALL BUILDING PERMITS WAS APPROXIMATELY \$194 MILLION. WHILE THIS IS LESS THAN THE PRE-RECESSION VALUES (E.G., 2006 AT \$247 MILLION), IT IS A SUBSTANTIAL INCREASE FROM THE 2011 TOTAL OF \$166 MILLION.

TOTAL BUILDING PERMIT VALUE PER LAND USE



HECTARES OF VACANT EMPLOYMENT LANDS BY TYPE



Source: RDNO Employment Lands Report 2016.

AMOUNT OF VACANT EMPLOYMENT LANDS (COMMERCIAL & INDUSTRIAL):

AS OF 2015, THE REGION HAS APPROXIMATELY 215 HECTARES OF VACANT INDUSTRIAL LAND AND 36 HECTARES OF VACANT COMMERCIAL LAND.

BASELINE DATA ONLY

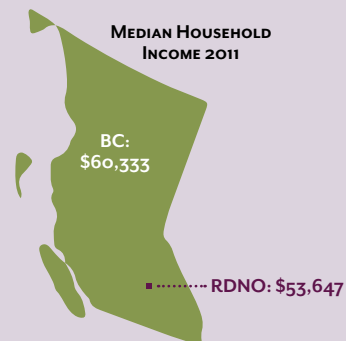


Doing
OK

HOUSEHOLD INCOME:

WHILE THE MEDIAN HOUSEHOLD INCOME INCREASED FROM 2006 TO 2011 BY AROUND \$6,600, THIS INCREASE HAS BEEN AT THE SAME RATE AS HOUSEHOLD INCOMES ACROSS THE PROVINCE.

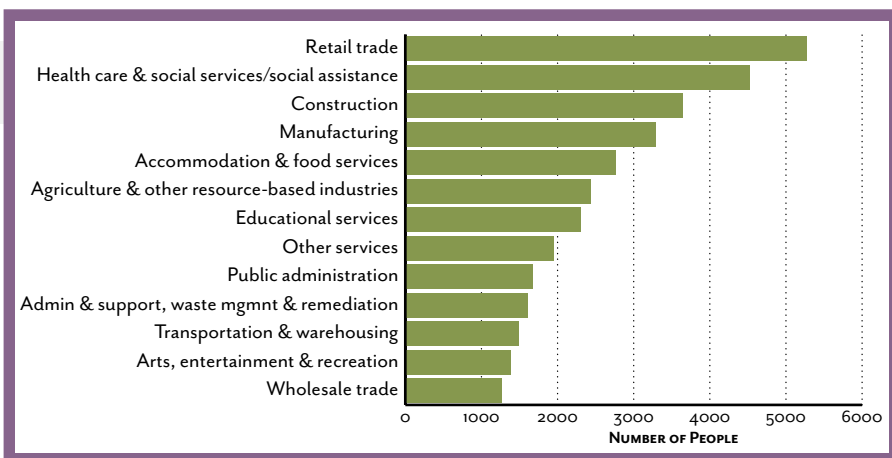
MEDIAN HOUSEHOLD INCOME RELATIVE TO BC MEDIAN



Source: Census 2001 & 2006; National Household Survey 2011.



NUMBER OF PEOPLE WORKING IN VARIOUS JOB SECTORS (2011)

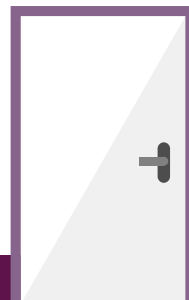


Source: Census.

RANGE OF EMPLOYMENT:

OUR REGION'S EMPLOYMENT IS DISTRIBUTED ACROSS A NUMBER OF SECTORS, INCLUDING TOURISM (SEEN THROUGH RETAIL AND ACCOMMODATION), HEALTH CARE, CONSTRUCTION AND MANUFACTURING, AND AGRICULTURE.

BASELINE DATA ONLY





POLICY AREA 6: TRANSPORTATION AND INFRASTRUCTURE

The North Okanagan has extensive, well-integrated transportation infrastructure which supports a wide variety of economic functions and industries. Various transportation modes move people and freight throughout the region and beyond primarily by road, rail, and aviation.

Provincial highways serving the North Okanagan are:

- Highway 97 (Vernon to Kamloops),
- Highway 97A (Swan Lake junction to Sicamous),
- Highway 97B (Grindrod to Salmon Arm), and
- Highway 6 (Vernon to Lumby, Cherryville and the Kootenays).

In addition to provincial highways, the Ministry of Transportation and Infrastructure is responsible for all public roads within the RDNO Electoral Areas, while the municipalities are responsible for roads within their jurisdictions (aside from provincial highways).

Currently, railway freight service in the North Okanagan is provided by CN Rail with railway linking Lumby, Vernon, Armstrong and extending to the northwest to Campbell Creek (east of Kamloops) where it joins the CP mainline.

Since 1946, the Vernon Regional Airport (YVK) has provided a variety of aviation services and has been a centre for airside manufacturing in the North Okanagan. Located in the Okanagan Landing area within the City of Vernon, the Vernon Regional Airport has 1,072 metres of asphalt runway and approximately 2 hectares of land which offers excellent opportunities for aerospace related manufacturing, maintenance, and technical education.

The Regional District of North Okanagan funds two transit services in the North Okanagan: the Regional Service (to/from Enderby and Lumby) and the UBCO Connector Service (to/from University of British Columbia in Kelowna). These services are funded by the communities of the North Okanagan based primarily on ridership. Decisions about fares, routes and service levels are made by the service partners, based on information and planning provided by BC Transit. A custom door-to-door HandyDART service is also available in Electoral Areas “B” and “C” through a grant to the City of Vernon.

HOW ARE WE DOING?

When asked to rate opportunities to safely travel to work, school or other destinations, on average, Quality of Life survey respondents rated public

transit between ‘poor’ and ‘fair’ while opportunities to cycle and walk were rated slightly above ‘fair’. The community of residence of survey respondents had a significant impact on ratings of public transit, walking, and cycling opportunities. Such modes of travel were rated lower by rural residents and somewhat more positively by residents of more urban centres.

The good news is that the annual number of trips taken on the Vernon Regional Transit system increased from approximately 488,000 in 2010 to approximately 566,000 in 2015. Route #90, Vernon to the University of British Columbia’s Okanagan (UBCO) campus in Kelowna, was introduced in July 2008 and it has proven to be a vital and valued service with buses often running at full capacity. Elected officials with the Regional District of North Okanagan investigated cost-effective solutions to address the capacity issues on this popular regional service and in 2013 additional return trips were added on this route to better serve residents who choose public transit to commute to UBCO.

Active transportation is any self-propelled, human-powered mode of transportation, such as walking or bicycling. While walking and cycling may be considered by some to be unsafe due to heavy traffic and a scarcity of sidewalks and bicycle facilities, improving these elements could encourage higher rates of active transportation. The health benefits of physical activity are well recognized and North Okanagan communities are endeavoring to provide safe and convenient opportunities for active transportation. In the City of Vernon, for example, approximately 26 km of sidewalks and cycling infrastructure were added between 2001 and 2016.

The extent of rail service in the North Okanagan has declined in recent years, however this loss has opened up opportunities for other modes of transportation including the potential for a world-class recreation pathway within a decommissioned rail corridor. In 2013, Kelowna Pacific Railway went into receivership and discontinued service on the

section of CN rail line extending from Kelowna to Coldstream. Almost immediately, interested citizens rallied and encouraged the province and local governments to acquire the corridor. With financial support from the province, the local governments ultimately purchased the former CN land and in doing so they made a long-term commitment to secure the corridor as a multi-modal regional transportation route, including use of the corridor as a recreational trail. Passing through the jurisdictions of RDNO, Coldstream, Lake Country, Kelowna, and the Okanagan Indian Band, all jurisdictions are working together to design and build the trail. Community-based fundraising is underway to support construction of the trail which will be suitable for people of all ages and abilities to walk, run or cycle. The level 48.5 km route includes over 24 km adjacent to lakeshores, creeks and unique natural areas.

The Vernon Regional Airport is important to both transportation and economic development as it serves as a base for corporate, commercial, and general aviation and is home to 14 businesses that employ approximately 120 people. Cumulatively the Vernon Airport contributes 30 million dollars annually to the local economy and has become a major economic generator for the region. An Airport Master Plan was identified as one of the City of Vernon’s goals in its 2015-2018 Strategic Plan. The new Master Plan will provide clear direction on how the airport will adapt to change in the aviation industry while maintaining a high standard of service to the North Okanagan.

GOALS:

1. Support integrated regional transportation planning
2. Manage regional transportation corridors
3. Create effective, efficient and sustainable infrastructure

CONTEXT

Our transportation options link our homes, our neighbours, our employment, our recreation, and our commercial activity. A high dependence on automobiles results in higher greenhouse gas emissions, large infrastructural investments, and reduced equity. A part of achieving our RGS transportation goals will be to reduce our dependence on driving single passenger automobiles.

HOW ARE WE DOING?

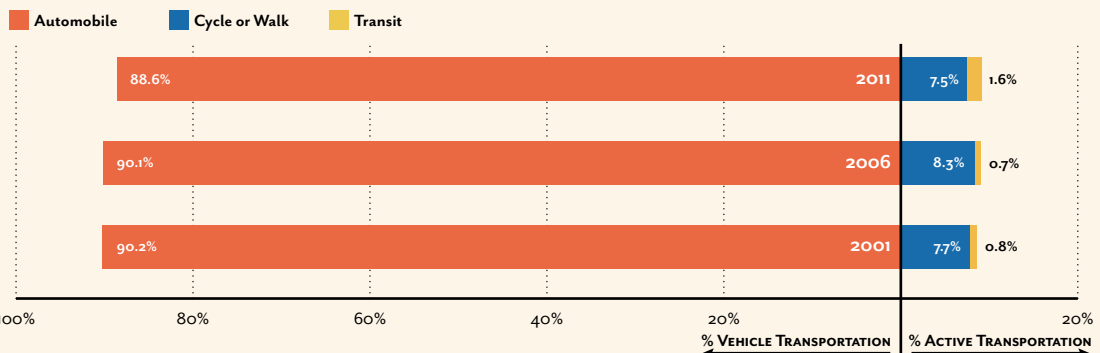


Some progress

MODE SHARE:

MODE SHARE FOR COMMUTE SHOWS THE PROPORTION OF PEOPLE USING DIFFERENT MODES OF TRANSPORTATION TO GET TO AND FROM WORK. FROM 2006 TO 2011, THERE WAS A SMALL DROP IN THE PROPORTION OF COMMUTERS GOING BY AUTOMOBILE FROM ABOUT 90% TO 88.6%.

RDNO MODE SHARE FOR COMMUTE



Source: Census. More recent data for this indicator (from the 2016 Census) is not yet available. Chart does not show "other" category (~2% of mode share in 2011).



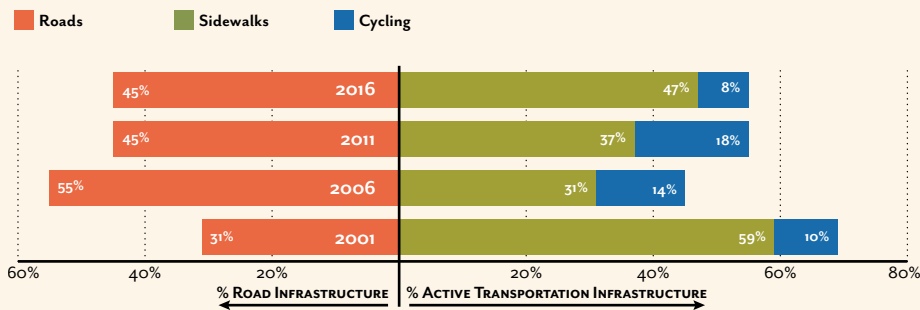


Doing
OK

ACTIVE TRANSPORTATION INFRASTRUCTURE:

OF THE ROUGHLY 50,000 METERS OF INFRASTRUCTURE ADDED IN THE CITY OF VERNON BETWEEN 2001 AND 2016, 49% WAS ROADS AND 51% WAS ACTIVE TRANSPORTATION INFRASTRUCTURE (SIDEWALKS OR CYCLING INFRASTRUCTURE). WHILE THE AMOUNTS AND PROPORTIONS BUILT FLUCTUATE FAIRLY SIGNIFICANTLY EVERY FIVE YEARS, SINCE 2011 WE HAVE CONSISTENTLY BUILT A HIGHER PROPORTION OF ACTIVE TRANSPORTATION INFRASTRUCTURE (55%), THAN OUR CUMULATIVE AVERAGE (51%). HOWEVER, IN RECENT YEARS, WE HAVE BUILT RELATIVELY LITTLE CYCLING INFRASTRUCTURE (8%) COMPARED TO OTHER TIMES.

AMOUNT OF INFRASTRUCTURE BUILT BY TYPE



METERS OF INFRASTRUCTURE BUILT

	Roads	Sidewalks	Cycling
2016	2722	2816	484
2011	5000	4119	2066
2006	15758	8803	4079
2001	1568	2935	496

Source: City of Vernon

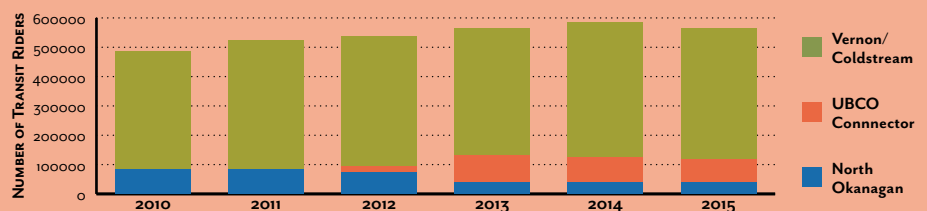


Doing
OK

TRANSIT RIDERSHIP:

FROM 2010 TO 2015, ANNUAL TRANSIT RIDERSHIP INCREASED BY 14% TO APPROXIMATELY 565,000, AROUND 80% OF WHICH HAPPENED IN THE VERNON/ COLDSTREAM AREA. HOWEVER, THIS IS DOWN FROM A HIGH OF 586,000 IN 2014, A 17% INCREASE OVER 2010 LEVELS.

ANNUAL TRANSIT RIDERSHIP BY AREA



Source: BC Transit. Note that prior to 2012, UBCO Connector counts were included as part of the "North Okanagan" transit area



POLICY AREA 7: HOUSING

Housing is not only a basic human need it is also good for the economy both directly (i.e. construction industry) and indirectly as businesses are better able to establish and grow when a variety of local housing is available to rent or to own.

The Regional Growth Strategy encourages the creation and retention of a variety of housing options in each North Okanagan community to meet the needs and expectations of a broad range of household types and income levels.

HOW ARE WE DOING?

On average, respondents to the 2013 Quality of Life survey rated their ability to afford quality housing as less than 'fair'. Younger survey respondents were more likely to rate the availability of different housing types, and opportunities for home ownership, lower than older respondents suggesting that there is room to improve on the potential for younger people to get into the home-ownership market.

Overall, single family detached units make up 67% of the existing housing stock in the North Okanagan. However, among new homes built between 2006 and 2011, 59% were single family detached units which indicates a greater proportion of other housing types have been added to the mix in recent years.

Both locally and across North America, home builders and designers continue to develop innovative products in response to housing demand, such as the budding popularity of "tiny houses" which appeal to and meet the needs of certain sectors of the housing market. Enhancing housing opportunities requires a cooperative approach involving local and senior government, industry, community groups and agencies to consider how regulations, bylaws, and practices may be improved to facilitate provision of safe, affordable housing.

In rural areas serviced by on-site septic disposal, the number of residential dwellings is, in general, limited

to a maximum of one per hectare. However, recent amendments to the RDNO's rural zoning regulations now permit secondary suites in single family dwellings on lots of at least 1 ha. Secondary suites can provide an affordable form of rental housing and also enhance the affordability of the home and property for the land owner.



GOAL:

1. Support and encourage a variety of housing options to meet the diverse housing needs of all residents in the region.

CONTEXT

The population of RDNO is steadily growing, up 5.1% between 2006-2011, and is projected to grow by 1.12% per annum, to approximately 104,233 residents by 2031.

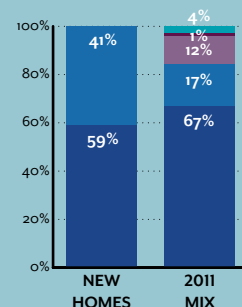
To accommodate the growing population (but also to support other economic, environmental and social objectives), the RDNO seeks to promote diversity in housing, both in types of housing available, and in the affordability of those options.



Doing
OK

RESIDENTIAL HOUSING MIX:

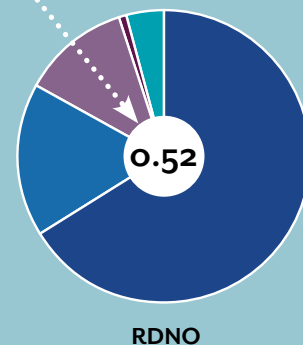
WE HAVE ABOUT THE SAME MIX OF HOUSING TYPES IN THE RDNO AS WE DID 5 YEARS AGO. HOWEVER, AMONG THE NEW HOMES BUILT FROM 2006 TO 2011, THERE ARE PROPORTIONALLY FEWER SINGLE FAMILY DETACHED UNITS (59%) THAN OUR CURRENT MIX (67%). THIS SHOULD CONTRIBUTE TO BETTER OVERALL AFFORDABILITY AND CHOICE.



Source: Census; future updates will use BC Assessment data.

HOUSING DIVERSITY INDEX:

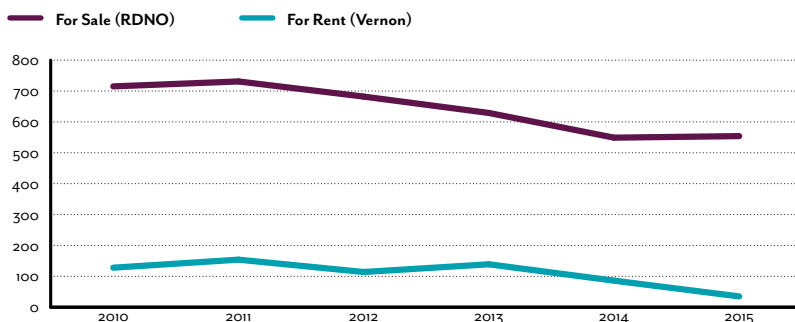
A housing diversity index calculates diversity by comparing the balance of housing types (single-family, semi-detached, row homes, and apartment units) on a scale of 0 (only one housing type) to 1 (an equal mix of all housing types). The pie charts to the right indicate the percentage of housing types in each region, while the numbers at the centre of each chart show the area's housing diversity index (2011).



Declining

HOUSING AVAILABILITY:

SINCE 2010, THERE HAVE BEEN STEADILY FEWER HOMES AVAILABLE FOR SALE AND RENT IN THE RDNO AND VERNON RESPECTIVELY.

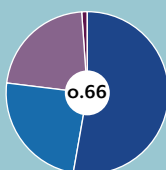
NUMBER OF HOMES AVAILABLE FOR SALE AND RENT

Source: CMHC

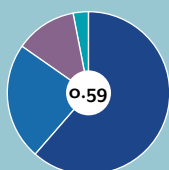




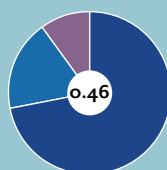
MORE DIVERSE ←



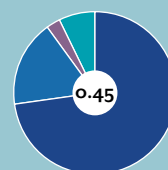
VERNON



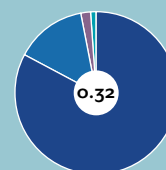
ENDERBY



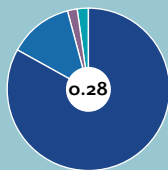
ARMSTRONG



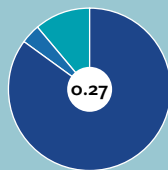
LUMBY



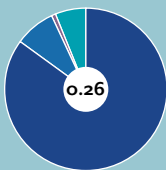
AREA C



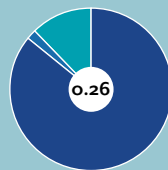
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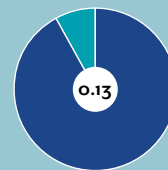
AREA D



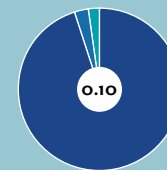
COLDSTREAM



AREA F



AREA E



SPALLUMCHEEN

→ LESS DIVERSE

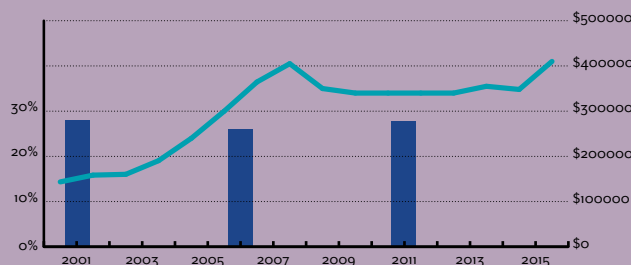


Doing OK

HOUSING AFFORDABILITY:

SPENDING MORE THAN 30% OF MONTHLY HOUSEHOLD INCOME ON RENT OR MORTGAGE IS A COMMON THRESHOLD OF UNAFFORDABILITY. THE PERCENT OF UNAFFORDABLE HOUSEHOLDS IN THE NORTH OKANAGAN STAYED STEADY BETWEEN 2001 AND 2011, AT 28%. AT THE SAME TIME, MEDIAN HOUSE PRICES INCREASED SIGNIFICANTLY.

PERCENT OF HOUSEHOLDS IN RDNO SPENDING MORE THAN 30% ON RENT/MORTGAGE (BAR)¹ RELATIVE TO MEDIAN HOUSE PRICES (LINE)²



Sources: 1. Census 2. Okanagan Mainline Real Estate board, July monthly reports.

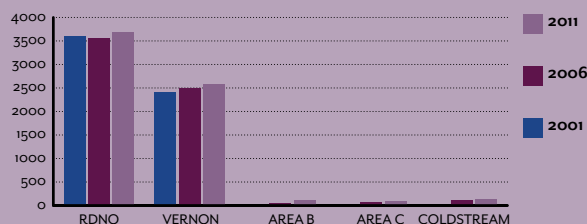


Doing poorly

PEOPLE IN CORE HOUSING NEED:

WHILE THE OVERALL PERCENTAGE OF RDNO RESIDENTS IN CORE HOUSING HAS REMAINED ABOUT THE SAME, THE ACTUAL NUMBER OF HOUSEHOLDS IN NEED IS ON THE RISE DUE, IN PART, TO POPULATION GROWTH.

NUMBER OF HOUSEHOLDS IN CORE HOUSING NEED



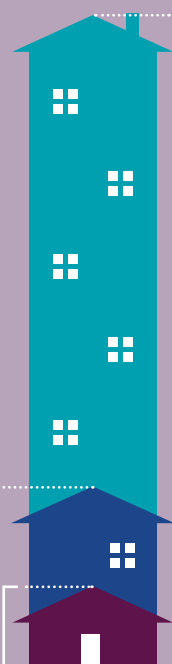
Source: CMHC, which is only available for certain jurisdictions and dates.

CORE HOUSING NEED:

A household is in Core housing need if it is living in a home that is overcrowded or poorly maintained, and would have to pay more than 30% of income on housing to move to a home that is suitable and adequate. Just over 12% of RDNO households fall into this category, which amounts to about 3690 households in need.

Households spending >30%

Core Housing Need



All households in the RDNO (2011)

Source: CMHC



POLICY AREA 8: GOVERNANCE AND SERVICE DELIVERY

The Regional District of North Okanagan was incorporated as a regional district on November 9, 1965 under the Municipal Act (replaced by the Local Government Act) of British Columbia. The Regional District is composed of the member municipalities of the City of Armstrong, the District of Coldstream, the City of Enderby, the Village of Lumby, the Township of Spallumcheen, and the City of Vernon, and Electoral Areas B through F. Regional districts have three basic roles: they provide a political and administrative framework for service delivery and act as the local government for Electoral Areas. The Regional District provides a broad range of services which may vary according to local circumstances and preferences and in this regard partnerships may be established amongst the member municipalities and Electoral Areas. Through cooperation and dedication, our elected representatives work together in an effort to best represent the interests of the North Okanagan's urban and rural citizens.

HOW ARE WE DOING?

The Regional District and its member municipalities strive to provide efficient, effective, and fiscally

responsible service delivery. In 2015, the communities of the North Okanagan worked as partners in the provision of over 40 services. Shared services address a wide variety needs such as search and rescue; parks, recreation, and culture; animal control, control of noxious weeds and insects, the fire training centre, the performing arts centre, victims assistance and safe communities, Greater Vernon Water, building inspection, public transit, and emergency planning to name just a few. In recent years the parks service was restructured in an effort to better balance responsibilities for administration, operation and maintenance of parks and recreation facilities in the Greater Vernon area. The process was not without its challenges but in a spirit of cooperation, a new structure was defined, and ultimately ratified by the RDNO Board of Directors and the Councils of Coldstream and Vernon.

CONCLUSION

In 2015, the Regional District of North Okanagan initiated the first 5-year review of the Regional Growth Strategy. One of the first steps in the review process was to revisit and update the RGS Monitoring and Evaluation framework as a means to track the implementation of the RGS. A comprehensive list of indicators was developed and data was gathered from a broad range of sources as a means to measure progress within the RGS policy areas. Both baseline data and trends were identified, analyzed, and presented in a series of infographics resulting in a user-friendly State of the Region Report that has applicability beyond regional planning. The findings of this report will help to define next steps in the RGS 5-year review.

The State of the Region Report reveals both successes and challenges facing North Okanagan communities. The North Okanagan is doing well at focusing the majority of new development within growth areas identified in the RGS; in other words, areas serviced with community sewer and water infrastructure. In addition, good progress is also being achieved in the areas of farm diversity and profitability, water quality and monitoring, waste reduction, and construction investment as revealed through Building Permit values.

In terms of challenges, Quality of Life Survey results and economic indicators suggest that the North Okanagan is still recovering in the aftermath of the global economic crisis of 2008. In this regard, it is not surprising that employment remains a significant concern of North Okanagan residents. Efforts, such as implementation of the Employment Lands Action Plan aim to improve the North Okanagan's economic prospects and should be monitored to measure progress. A declining stock of housing available for sale and rent may also contribute to the challenges facing local households.

Looking ahead, given the timing of the release of Canada Census statistics, consideration should be given to initiating the next RGS 5-year review in 2022 in order to take advantage of 2021 Census data. Whereas this State of the Region Report was reliant on 2011 Census data, with the release of 2016 Census information next year, the findings of this report could be updated in 2017-18 to reflect more recent statistics. In addition, North Okanagan local government partners should ensure procedures are in place to collect local (non-Census) data corresponding to the indicators utilized in this State of the Region Report to facilitate future updates and monitoring of progress.

The development and updating of the indicators and measures which form the basis of the State of the Region Report, are key to monitoring and evaluating RGS implementation, which is a legislative requirement under Section 452 of the Local Government Act. The Real Estate Foundation of British Columbia assisted the Regional District in this initiative through their generous financial support and EcoPlan International provided analytical and creative expertise to assist in the development of an engaging, creative approach to RGS Monitoring and Evaluation. The results of the State of the Region Report are intended to be shared with local governments, service agencies, community organizations and the public for information and for consideration within future planning processes.



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