

The Corporation of the City of Penticton

Bylaw No. 2025-31

A Bylaw to Amend Official Community Plan Bylaw No. 2019-08

WHEREAS the Council of the City of Penticton has adopted an Official Community Plan Bylaw pursuant to the *Local Government Act*;

AND WHEREAS the Council of the City of Penticton wishes to amend "Official Community Plan Bylaw No. 2019-08";

NOW THEREFORE BE IT RESOLVED that the Municipal Council of the City of Penticton, in open meeting assembled, hereby ENACTS AS FOLLOWS:

1. Title:

This bylaw may be cited for all purposes as "Official Community Plan Amendment Bylaw No. 2025-31."

2. Amendment:

"Official Community Plan Bylaw No. 2019-08" is hereby amended as follows:

- 2.1 Delete the words "by which time it is expected the population will grow to about 42,000 people" from the paragraph titled "OCP Scope" on Page 1-10.
- 2.2 Delete Page 2-22 of Chapter 2 titled "Context" and replace with attached Page 2-22.
- 2.3 Delete Page 2-25 titled "Population" and Page 2-26 titled "Housing" and replace with attached Page 2-25.
- 2.4 Delete both Page 3-32 and 3-33 titled "Population Growth Projection" and replace with attached Page 3-32.
- 2.5 Delete Page 3-35 and 3-36 titled "Housing Land Use Needs and Targets" and replace with attached Page 3-35.
- 2.6 Add the following bullet to the Height/Density column of the Low Density Residential category found in the Land Use Designations table on Page 3-47:
 - Increased height and density permitted in transit-oriented areas
- 2.7 Repeal Page 4-54 titled "Housing" and replace with attached Page 4-54.
- 2.8 Update the table of contents to the changes made by this bylaw.
- 2.9 Delete Map 1: Future Land Use and replace with attached Map 1: Future Land Use.

2.10 Pages 2-22, 2-25, 3-32, 3-35, 4-54 and Map 1: Future Land Use attached hereto forms part of this bylaw.

| | | |
|--------------------------------|--------|--------|
| READ A FIRST time this | day of | , 2025 |
| A PUBLIC HEARING was held this | day of | , 2025 |
| READ A SECOND time this | day of | , 2025 |
| READ A THIRD time this | day of | , 2025 |
| ADOPTED this | day of | , 2025 |

Notice of intention to proceed with this bylaw was published on the ___ day of ____, 2025 and the ___ day of ____, 2025 in an online news source and the newspaper, pursuant to Section 94.2 of the *Community Charter*.

Julius Bloomfield, Mayor

Angie Collison, Corporate Officer



Penticton sits in a unique location in the Okanagan Valley nestled between two pristine lakes: Lake Okanagan to the north, and Skaha Lake to the south. Home to 36,885 residents in 2021, Penticton is the largest community in the Regional District of the Okanagan-Similkameen. Penticton offers lifestyle, business, investment and retirement opportunities in a location that has all of the amenities of larger urban centers, yet maintains the tranquility and social connections of a small community.

The 42 square kilometres within the City boundary contain steep slopes, silt bluffs, environmentally-sensitive areas and Agricultural Land Reserve, which focuses our urbanized areas. To the west we are bordered by the Penticton Indian Band Lands; to the north are Summerland and Naramata; and to the south is Okanagan Falls.



Penticton Today

Population

Penticton had a population of just under 37,000 in 2021. The city had seen slow but steady growth of about half a percent per year since 1986, when there were about 24,000 residents. From 2006 to 2021 Penticton experienced much faster growth than historically, with an annual average growth rate of 1.14% per year. An annual average growth rate of 0.74% per year is anticipated between 2021 and 2041 when there is expected to be 44,199 residents (see Chapter 3).

Household size in Penticton is unusually stable, and has remained roughly constant, with a modest increase in 1 person households between 2006 and 2021. There were 17,360 households in 2021 with an average of 2.1 people per household. The proportion of one-and two-person households is over 75%.

Household income is relatively low. The median household income in 2020 was \$68,000 or 80% of BC's median household income of \$85,000.

Housing

The most common form of housing in Penticton is the single-detached house (40%), followed by low-rise apartments (29%). About 20% of the housing stock is infill (semi-detached houses, rowhouses, townhouses and duplexes), and 7% of housing is high-rise apartments or condos. Mobile homes account for 4% of the housing stock and are important in terms of affordability.

The housing mix has varied over the years. In 1991, single-detached housing was 55% of the total stock, but since then the proportion of infill housing has increased from 10% to 20%. Low-rise apartments have increased by 4% to 29%, and high-rise apartments have seen a modest increase by 1% to 7% of the total.

In 2021, 63% of houses were owner-occupied and 37% were rented. This ratio has remained stable since 1991. In 2024, non-market housing, providing affordable family, seniors, supportive and transitional housing accounted for about 9% (1540 units) of the total housing stock.

Housing affordability is a challenge. In 2023, the average house value (across all housing types) was approx. \$871,166. This is an increase of 25% over the average house value of \$699,495 in 2022.

With only a 1-2% vacancy rate, the rental market is exceptionally challenging as well. Despite the addition of new rental units to the housing stock between 2016 and 2020, purpose-built rental construction has fallen out of the minimum count since 2020. Between 2006 and 2021 average monthly renter shelter cost (rent and utilities) in Penticton went up 41% from \$905 to \$1,273.



Population Growth Projection

The City of Penticton has experienced continuous growth since 2001. The population grew from 31,000 people in 1996 to 36,000 people in 2021. Following relatively rapid growth in the 1980s and slower growth from 1996 to 2006, the city grew on average by 1.14% per year between 2006 and 2021, which was greater than the Regional District as a whole, but lower than the provincial average of 1.41%. A population growth rate of 0.74% per year to 2041 is anticipated.

Penticton's current population is older than the provincial average. The median age is 52 in Penticton and 41.6 in BC. Demographic analysis suggests that the 65 and older age groups are estimated to increase as a proportion of the population, growing from 29% in 2021 to 34% by 2041. The working age population is estimated to grow in absolute numbers, but decrease as a percentage of the population from 59% to 56%, while the number of children (less than 15 years of age), are likely to decline by 3%.

These estimates, however, do not account for larger-scale economic and social factors, which may not be anticipated and could increase migration to the region, or as proactive efforts to grow existing businesses and/or attract new employers to the Penticton area. The recognition of Penticton as a place to live, work and play may impact these demographic projections by increasing in-migration.



Land Use Needs

There is a direct correlation between population growth (and its associated demographics), and the requirements for additional housing, parks, schools, and commercial institutional and industrial land, which provide employment, shopping and services for the growing community.

Housing Land Use Needs and Targets

Primarily driven by anticipated population growth, the city will need to add 6,296 new housing units to Penticton by 2041, or an average of 300 new units per year. To address affordability concerns, about 939 new units are needed for households in extreme core housing need, which is defined as:

- a household in housing falling below at least one of the adequacy, affordability, or suitability standards; and
- spending 50% or more of its total before-tax income to pay the median rent of alternative local housing that is acceptable (meets all three housing standards above).

It is important to note that these figures represent net growth, and that some redevelopment projects result in the demolition of older units that will be replaced without adding additional housing stock (e.g., if a house is demolished to build a new duplex, only one new unit is added to the housing stock)

While the most common housing type in Penticton is single-detached houses (40% of the total), this proportion has been decreasing. This trend is going to continue into the future due to the limited options for new single-detached neighbourhood development, the increased preference for more urban living closer to the Downtown and other amenities, increased housing costs, and the needs of an aging population.

Housing Land Use Targets:

- The development of 300 additional homes per year (net), on average
- The development of 74 non-market homes per year (net), on average





4.1

Housing

Housing Vision

Penticton's unique setting – in a valley and bounded by two lakes – provides both challenges and opportunities from a housing perspective. We are a growing city, but accommodating that growth through new 'greenfield' development is limited by our geography, agricultural lands, and the feeling among many residents that we should protect the natural environment on our hillsides. The opportunities come from a willingness to intensify our existing land base through infill and densification, in a smart and sensitive manner to allow our community to grow sustainably. Much of our recent residential development has been in the form of duplexes, townhouses, carriage houses and secondary suites, and low-rise apartments or condos.

The future of housing development will require balancing sensitive hillside development that is planned to avoid adverse ecological impacts and to minimize long-term social and economic costs, and appropriate and livable intensification of our existing neighbourhoods. New housing development is to be sensitive in scale and character to the neighbourhood around it while at the same time enhancing affordability and delivering a range of unit types to accommodate the diverse needs of citizens across the city. This will include units appropriate for seniors, those entering the housing market, and working families. The City will be an active partner in the creation of affordable housing, by partnering with senior levels of government in affordable housing programs.



Key Facts



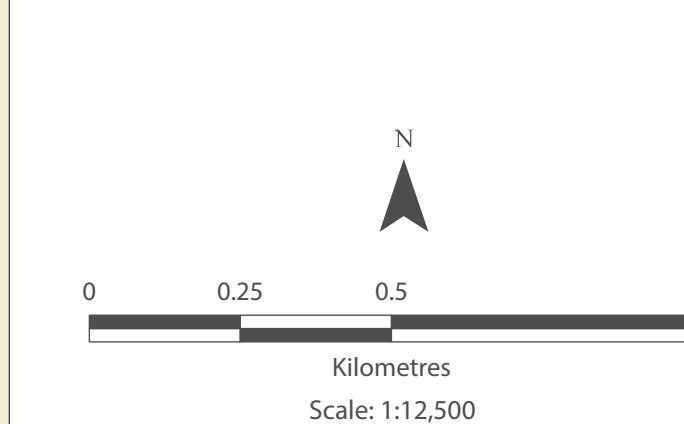
In 2021, there were 17,360 households in Penticton. The most common type of housing is the single-detached house (6,990 units) followed by low-rise apartments (5,065 units).

The Local Government Act requires municipalities to create Housing Needs Reports on a regular basis. The City of Penticton completed a Housing Needs Report in 2025 identifying the City's 5 and 20 year housing need. The next Housing Needs Report will need to be completed by December 31, 2028, and then every five years after that.



Map 1: Future Land Use

Official Community Plan



Legend

- Road
- Stream
- City of Penticton Municipal Boundary
- Waterbody
- Parcel
- Penticton Indian Band

Official Community Plan Bylaw No. 2019-08

Future Land Use

- Agriculture
- Airport
- Commercial
- Downtown Mixed Use
- First Nations
- High Density Residential
- Industrial
- Institutional and Civic
- Landfill and Landfill Buffer
- Low Density Residential
- Mixed Use
- Natural and Conservation Areas
- Parks
- Rural Residential
- Tourist Commercial
- Urban High Density Residential

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This map is a reproduction of public information in both printed and digital form. The source, accuracy and completeness of this information varies. As a result, the City does not warrant in any way the mapping information, including the location, boundaries and descriptions of the areas shown on the map. The user should not rely upon the information without independent verification as to the accuracy or completeness.

Okanagan Lake

Skaha Lake

Amended By Bylaw

2021-08 2021-25 2024-42 2024-36 2022-29 2021-35 2022-46

2022-41 2023-10 2023-31 2023-34 2024-01 2024-12 2025-31