

ADMINISTRATIVE REPORT



TO: Board of Directors
FROM: J. Zaffino, Chief Administrative Officer
DATE: May 7, 2026
RE: Short-Term Rental Permit Application – Electoral Area “E” (E2026.007-STR)

Administrative Recommendation:

THAT Short-Term Rental Permit No. E2026.007-STR, to allow a short-term rental accommodation use at 6851 Indian Rock Road, Naramata, be approved.

Alternatives:

1. THAT Short-Term Rental Permit No. E2026.007-STR, to allow a short-term rental accommodation use at 6851 Indian Rock Road, Naramata, be denied.
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Legal: Lot 8, Plan KAP13417, District Lot 212 & 391, SDYD Folio: E-02329.040

OCP: Low Density Residential (LR) Zone: Low Density Residential Three (RS3)

Purpose:

This application is seeking to authorize the operation of a “short-term rental accommodation” use on the subject property through the issuance of a Short-Term Rental (STR) Permit.

Specifically, the proposal is to allow the use of five (5) bedrooms for a maximum ten (10) paying guests in a single detached dwelling for a short-term rental accommodation use.

In support of this proposal, the applicant has stated, amongst other things, that “we would be honored to continue welcoming new families to experience all that the Okanagan community has to offer, while supporting our local businesses, shops, and wineries together.”

Strategic Priorities: Operational

Background:

The current boundaries of the subject property were created by a Plan of Subdivision deposited with the Land Titles Office in Kamloops on August 7, 1968, while BC Assessment has classified the property as “Residential” (Class 01).

Available Regional District records indicate that building permits have previously been issued for a single detached dwelling (2022) and alterations to a secondary suite/ basement (2023).

Under the Electoral Area “E” Official Community Plan (OCP) Bylaw No. 3010, 2023, the subject property is currently designated Low Density Residential (LR), and is the subject of a Watercourse Development Permit (WDP) Area.

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Section 6.7.15 of Electoral Area “E” OCP Bylaw supports the use of a residential dwelling unit for a short-term rental accommodation (STR) use where permitted by an STR Permit issued under Section 493 of the *Local Government Act*, where:

- The use is occurring within the principal residence, or an accessory dwelling or secondary suite on the same parcel as the principal residence of the property owner and/or tenant;
- Maximum 1 STR per parcel (except in the Medium Density Residential and Naramata Village Centre zones);
- Maximum occupancy of two (2) persons per bedroom;
- Minimum of one (1) parking space per bedroom; and
- The dwelling unit meets minimum health and safety requirements under the BC Building Code.

Section 22.4.1 of the Bylaw contains the following assessment criteria for STR Permit applications:

- Provision of adequate off-street parking;
- Confirmation from a qualified person that the building meets minimum health and safety standards;
- Normal occupancy of the dwelling unit and the proposed duration of use;
- Confirmation that the dwelling unit is the owner’s principal residence.

Under the Okanagan Valley Zoning Bylaw No. 2800, 2022, the property is currently zoned Low Density Residential Three (RS3) which lists “short-term rental accommodation” as a permitted accessory use only if the operator is present and residing in the same dwelling unit as a patron during the patron’s stay.

A Temporary Use Permit was previously issued for the subject property in 2024 authorizing a “vacation rental” use in the single detached dwelling and expired on December 31, 2025.

The Regional District’s STR Permit is designated under Section 492 (temporary use permit authority) of the *Local Government Act*. Under Section 497 of the *Act*, a permit designated under Section 492 of the *Act* may be issued for a maximum period of three (3) years. The Regional District has received a concurrent business licence application for the short-term rental accommodation business.

BC Assessment has classified the property as “Residential” (Class 01).

Analysis:

In considering this proposal, Administration notes that the Electoral Area “E” OCP includes policies speaking to only supporting a short-term rental accommodation use in a principal residence, or in a secondary suite or accessory dwelling on the same property as a principal residence.

In this instance, the STR is proposed in a single detached dwelling and the property owner has indicated that they reside on site in the secondary suite while the STR use will occur in the remainder of the single detached dwelling.

Moreover, the proposed STR use generally complies with criteria listed under Sections 6.7.15 and 22.4.1 of the Electoral Area “E” OCP, including:

- the applicant has indicated that the STR will be on the same property as a principal residence;

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- one (1) STR is being proposed on the parcel;
 - a maximum occupancy of ten (10) guests is being proposed within 5 (five) bedrooms;
 - the applicant has indicated at five (5) off-street vehicle parking spaces will be provided; and,
 - confirmation from a qualified person has been provided confirming minimum health and safety requirements under the BC Building Code, and that any deficiencies will be addressed prior to issuance of a business licence.

For these reasons, the use of the single detached dwelling for short-term rental accommodation is supported by the policies in the Electoral Area “E” OCP.

Alternative

Conversely, Administration recognizes that Section 3.23 of the Chief Administrative Officer (CAO) Delegation Bylaw No. 3033, 2023 sets out specified criteria wherein an STR Permit may be issued under delegation, and where a proposal exceeds or is unable to meet those criteria, the application must be considered by the Board. In the latter scenario, the Board would have the ability to review each application on a case-by-case basis and exercise its discretion as to whether to approve the application.

In this case, the subject application was found to be inconsistent with the relevant criteria under the CAO Delegation Bylaw and therefore must be considered by the Board.

Specifically, the application proposes a maximum occupancy of ten (10) patrons utilizing five (5) bedrooms, which exceeds the criterion under the CAO Delegation Bylaw stipulating a maximum occupancy of eight (8) patrons, with an aggregate occupancy of two (2) patrons per bedroom. Additionally, while delegation is partly premised on no opposing representations having been received, the Regional District has received three (3) representations opposing the requested permit.

Despite this, as highlighted in the comments above, the proposal is seen to be consistent with the STR policies under the Electoral Area “E” OCP Bylaw.

Summary

In summary, the proposed short-term rental use is consistent with the relevant policies of the Electoral Area “E” OCP and for this reason Administration is recommending that the permit be approved.

Financial Implications:

Financial implications have been considered and none were found.

Communication Strategy:

The proposed Short-Term Rental (STR) Permit has been notified in accordance with the requirements of the *Local Government Act* as well as the Regional District’s Development Procedures Bylaw No. 2500, 2011.

Site Context:

The subject property is approximately 1,599 m² in area and is situated on the south side of Indian Rock Road, approximately 6.3 km north of the Naramata Village Centre. It is understood that the parcel is comprised of a single detached dwelling with a secondary suite.

The surrounding pattern of development is generally characterised by similarly sized residential parcels that have been development with single detached dwellings, with the exception of the parcel north of Indian Rock Road which has been developed for rural residential and agricultural purposes.

Public Process:

In accordance with Sections 3.5 and 3.16 of Schedule 5 (Application for a Temporary Use Permit) of the Regional District’s Development Procedures Bylaw No. 2500, 2011, adjacent residents and property owners were notified of this STR Permit application on March 12, 2026, and provided 15 working days to submit comments electronically or in-person to the Regional District.

As of April 7, 2026, being 15 working days from the date of notification, approximately three (3) representations have been received electronically or by submission at the Regional District office.

All comments received are included as a separate item on the Board’s Agenda.

Will a PowerPoint presentation be presented at the meeting? No

Respectfully submitted:

Jerritt Cloney
J. Cloney
Planner I

Endorsed By:


S. Duong
Acting Senior Manager of
Planning

Endorsed By:

Allen Fillion
A. Fillion
Managing Director, Dev. &
Infrastructure

Attachments: No. 1 – Satellite Imagery (2025)
No. 2 – Aerial Photo

Attachment No. 1 – Satellite Imagery (2025)



Attachment No. 2 – Aerial Photo

