



Board Report

July 17th, 2025 Regular Open Board Meeting

Subdivision Bylaw Review

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File Reference: 10\5110\20\RDCK Subdivision Servicing
Electoral Area/Municipality: All Electoral Areas
Services Impacted Planning and Land Use/S104

1.0 STAFF RECOMMENDATION

That the Board approve the RDCK to enter into a Consulting Services Agreement with Urban Systems Ltd. for the Subdivision Bylaw Review project;

AND FURTHER, that the Chair and Corporate Officer be authorized to sign the necessary documents to a maximum value of \$97,756.00 exclusive of GST;

AND FURTHER, that the funds be paid by the Service S104 Planning and Land Use.

2.0 BACKGROUND/HISTORY

The Regional District of Central Kootenay (RDCK) was incorporated in 1965 and spans across nine member municipalities (City of Nelson, City of Castlegar, Town of Creston, Villages of Kaslo, Salmo, Nakusp, New Denver, Silverton and Slocan) and eleven Electoral Areas (Areas A, B, C, D, E, F, G, H, I, J and K). Between 2016 and 2021, the population of the RDCK increased by 5% to 62,515, and is projected to grow to nearly 65,000 residents by 2031.

Recent and anticipated population growth and resulting development pressures have highlighted the need to comprehensively review the subdivision servicing requirements in the RDCK's rural electoral areas, currently regulated under Regional District of Central Kootenay Subdivision Bylaw 2159. Recent changes to Provincial housing legislation, namely Bills 44, 46, and 16, have underscored the need to expedite this work to ensure that new development will be sustainable over the long term from subdivision servicing perspective.

The current subdivision bylaw was adopted in 2011. RDCK has had a subdivision bylaw in place since 1998. The current bylaw applies to all electoral areas and regulates the following aspects of subdivision: access, parkland dedication, and works and services (i.e. water and sewerage requirements). A review of *Regional District of Central Kootenay Subdivision Bylaw No. 2159* commenced in 2017 and 2018. It was initiated by staff and legislation changes rather than by Board directive. Due to staff capacity the review was placed on hold in 2018, and no proposed amendments were brought forward to the Board.

While Planning Services had identified and added this project to the workplan back in October 2018, its inclusion was not formalized by the elected officials until May 2020, as noted in the Board resolution below:

May 21, 2020, Regular Open Meeting

369/20 *That the Board DIRECT staff to undertake the RDCK Subdivision Bylaw Review as described in the Committee Report – RDCK Subdivision Bylaw Review dated April 28, 2020.*

Subdivisions in the Regional District are managed by the Ministry of Transportation and Transit (MOTT), with the RDCK and Health Authority acting as a referral agencies.

Role of Approving Authorities in the Subdivision Process

Role of Regional Districts

Regional Districts can provide planning services for the community as a whole, specific neighborhoods, or individual parcels; this can include Regional Growth Strategies, Official Community Plans, and or local bylaws, including a Subdivision Bylaw, which lay out the acceptable means of servicing various areas. Regional Districts can also use zoning bylaws to establish operation and maintenance bylaws to control development. For example, Zoning Bylaws could specify appropriate wastewater management requirements or restrict development density using onsite systems for designated areas depending on local soil conditions.

Role of Health Authorities (HAs)

Environmental Health Officers inspect and monitor activities and premises that have the potential to affect the public's health, including the area in which a subdivision may be located, with particular interest in drinking water supply and onsite sewage discharge. The HAs advises Provincial Approving Officers (PAOs) from the perspective of the *Public Health Act*, the Provincial Sewerage System Regulation (SSR), the *Drinking Water Protection Act*, and the Drinking Water Protection Regulation. *The local HA's do not provide any form of approval regarding the subdivision of land. Upon request health authority staff provides recommendations to PAOs on subdivision applications.*

In cases where there is no community sewer system, on-site sewerage disposal matters are governed by the SSR under the *Public Health Act*. The scheme of the SSR is that construction and operation standards are established by the Ministry of Health, and compliance with the standards is monitored by the regional health authorities by means of "filings" or plans and specifications for on-site systems before and after installation. There is no longer a provincial permitting system for approving officers to use in determining whether suitable arrangements for on-site sewage disposal have been made.

In 2005, the province enacted the SSR, replacing the prior Sewage Disposal Regulation switching from a HA oversight model to a professional reliance model. Homeowners are responsible for ensuring appropriate system maintenance is carried out but may have limited awareness of system maintenance requirements and their legal obligations, particularly when properties are sold to new owners.

Role of Provincial Approving Officers

Provincial Approving Officers (PAOs) through the Ministry of Transportation and Transit (MOTT) are designated under the *Land Title Act* to approve rural subdivisions and ensure they are implemented in accordance with provincial statutes, regulations, local government bylaws regulating Subdivision and land use (e.g., OCP and Zoning). PAOs have separate jurisdictions of authority for approving subdivision plans and are quasi-judicial

officials who act independently to ensure that the subdivision complies with Provincial acts, regulations, and bylaws, as well as protecting the best interests of the public.

The RDCK does not have an engineering department to provide oversight and comment on subdivision. The RDCK's Environmental Services Department reviews connections to an RDCK-owned community water system. Additionally, the RDCK does not provide wastewater treatment services or have a Liquid Waste Management Plan (LWMP). As such, there are no RDCK-owned community wastewater systems. Given the organizational structure of the RDCK, opportunities for internal technical (engineering) review of subdivisions are limited.

3.0 PROBLEM OR OPPORTUNITY DESCRIPTION

The primary goal of the project is to create a new bylaw that reflects the needs of the RDCK as they relate to subdivision (or potentially new development in general, if deemed appropriate through the review). It is anticipated that the new bylaw will repeal and replace the existing one. RDCK staff have completed preliminary research and engagement with relevant RDCK departments, which the consulting team will be encouraged to utilize and consider in their review and recommendations.

The objectives for the review of the RDCK's Subdivision Bylaw are to:

- ✓ Understand the challenges associated with the current bylaw.
- ✓ Address the identified challenges in the new draft bylaw.
- ✓ Ensure the new draft bylaw is up to date with current legislation and best practices.
- ✓ Improve the clarity and organization of the requirements listed in the bylaw.
- ✓ Update servicing standards in the bylaw to reflect current best practices.
- ✓ Respond to servicing needs resulting from recent housing legislation changes and effectively utilize the relevant tools available to local governments introduced by provincial legislation (e.g., Bills 44, 26, and 16).

Specifically, key issues for review that have already been identified by planning staff include topics such as administration, access, potable water provision, sewerage disposal and hazard identification. As well a review could better align existing initiatives, policies and processes related to growth management, potable water, hazards and climate change.

The RDCK prepared a Request for Proposals (RFP) for the Subdivision Review Project and issued an RFP on March 31, 2025, to BC Bid and the RDCK Bid and Tenders website. Due to the inadequacies of the two submissions received, the RDCK re-issued the RFP for this project, and included a \$100,000 budget scoping on May 15, 2025, following the same RFP posting protocol above.

There were two bids received by the closing date of June 16, 2025. The results of the RFP are as follows (GST is excluded in the prices below):

Proponent	Ranking	Proposal Cost
Aplin Martin Consultants Ltd.	2 nd	\$99,461.60 (excl. GST)
Urban Systems Ltd.	1 st	\$97,756.00 (excl. GST)

The successful proponent was selected based on the following criteria:

- Project Team and Relevant Experience
- Methodology
- Cost and Schedule

After reviewing the submissions, the proposal review committee considered that Urban Systems Ltd. submitted the best proposal based on the above evaluation criteria with considerable experience in recent Regional District Subdivision Bylaw reviews.

3.1 Alignment to Board Strategic Plan

This work is consistent with the RDCK Strategic Plan (2024-2026)

✓ **Strategic Priority – Organizational Excellence**

“Our objective is to provide a resilient governance structure that fosters excellence in every aspect of service delivery.”

Area(s) of Focus related to this project include:

- Continue to update our policies and processes to be responsive and adaptable.

✓ **Strategic Priority – Manage our Assets and Service Delivery in a Fiscally Responsible Manner**

“Our objective is to optimize the utilization of our financial resources, ensuring maximum efficiency and delivering exceptional values.” provide a resilient governance structure that fosters excellence in every aspect of service delivery.”

Area(s) of Focus related to this project include:

- Manage taxation by responding to residents' needs and prioritizing projects.
- Develop cost effective, practical solutions, and review and streamline outdated processes.

✓ **Strategic Priority – Energy Efficiency and Environmental Responsibility**

“Our objective is to diligently respond to the expectations of our residents by actively incorporating their perspectives and prioritizing environmental stewardship in all our actions.”

Area(s) of Focus related to this project include:

- Ensuring our watersheds are protected and well governed.
- Proactively prepare for and mitigate the impacts of natural risks, (fire, floods, and slides) including preparedness at the community level.
- Support community resiliency with resident safety as our top priority.

✓ **Strategic Priority – Regional Approach to Growth**

“Our objective is to ensure that decision made by the Board are thoroughly analyzed and considered from a comprehensive perspective and community input.”

Area(s) of Focus related to this project include:

- Simplify land use planning while respecting our unique challenges to ensure our ability to provide water and other infrastructure is maintained.
- Support and encourage housing initiatives where servicing and amenities can support densification.

3.2 Legislative Considerations

Under Section 506 of the Local Government Act, 'A local government may, by bylaw, regulate and require the provision of works and services in respect of the subdivision of land'. The bylaw may do one or more of the following:

- Regulate servicing of the subdivision including a water distribution system, a fire hydrant system, a sewage collection system, a sewage disposal system, a drainage collection system or a drainage disposal system under the standards established in the bylaw.
- Regulate access such as minimum standards for the dimensions, locations, alignment and gradient of highways in connection with subdivisions of land.
- Require offsite works be constructed such as highways, sidewalks, boulevards, boulevard crossings, transit bays, street lighting or underground wiring under the standards established by the bylaw.

It is important to note that the approval of subdivisions is delegated to the Approving Officer. Under Section 77.2 of the Land Title Act Provincial Approving Officers are appointed in rural areas. In the RDCK subdivision applications are made to the Ministry of Transportation and Transit. RDCK planning staff receive a referral and provide information on RDCK's applicable regulations. Preliminary layout approval and final subdivision approval is granted by the Provincial Approving Officer. The Approving Officer may refuse to approve a subdivision plan if the Approving Officer considers that the subdivision does not conform to all applicable regional district bylaws regulating the subdivision of land and zoning (Land Title Act s. 87).

3.3 What Are the Risks

An outdated subdivision bylaw can lead to increased housing costs, development delays, and inefficient land use, which can also hinder community growth and prevent the implementation of modern, sustainable development best practices as generally outlined below.

1. Increased Housing Costs:

- *Restricted Development:*
Outdated bylaws can limit the types of housing that can be built, potentially restricting density and creating artificial scarcity in the housing market.
- *Increased Development Costs:*
Lengthy approval processes, often exacerbated by outdated bylaws, drive up costs for developers, which are then passed on to homebuyers.
- *Loss of Affordable Housing:*
Outdated rules can make it difficult to build smaller, more affordable housing units, further contributing to affordability challenges.

2. Development Delays:

- *Bureaucratic Hurdles:*

Complex or outdated bylaws can significantly slow down the development approval process, causing delays and increasing project costs.

- *Uncertainty:*

Ambiguous or outdated regulations can create uncertainty for developers, leading to project delays and potentially discouraging investment.

3. Inefficient Land Use:

- *Sprawl and Infill Challenges:*

Outdated regulations can encourage sprawling development patterns not conducive to planning best practices, making it difficult to revitalize existing communities with infill development.

- *Missed Opportunities:*

Bylaws that do not allow for mixed-use development or innovative building designs can prevent the creation of vibrant, sustainable communities.

- *Environmental Impacts:*

Outdated subdivision regulations can lead to increased infrastructure costs, transportation challenges, and negative environmental and other hazardous impacts.

4.0 PROPOSED SOLUTION

Reviewing the Subdivision Bylaw will give staff the opportunity to refine the regulations to address the issues identified below as well as any others that may arise in the review process. This project will also provide an opportunity to better align the Bylaw with existing initiatives, policies and processes related to growth management, potable water, hazards and climate change.

Administration

- The amount of time required by planning staff to review subdivision referrals.
- Confusion over which agency is responsible for certain tasks, resulting in concerns with the duplication of efforts or accidental oversight.
- A lack of technical expertise in servicing where other agencies with such expertise, such as Interior Health Authority, are no longer referred due to RDCK having a subdivision bylaw in place.

Access

- The current bylaw not regulating access by easement, common lots for access, panhandles, parking for waterfront access lots, evacuation routes, and new public road naming.

Water

- Using a surface water source for proof of potable water may not be appropriate, as licenses are not always registered to the new title once the subdivision is complete.
- Water licenses do not guarantee a property long-term water supply.
- Surface water sources can be susceptible to climate change and natural hazards.
- Well requirements reference outdated regulations.

- Where flow requirements cannot be met, storage tanks are required to be installed prior to the construction of a dwelling where they would be better suited within that structure.
- The proposal of water connections to private systems that do not meet the requirements of the *Drinking Water Protection Act*.

Sewerage Disposal

- Preference for Type 1 systems versus other types that place onus on future owner for regular maintenance when these services may be scarce in the RDCK.
- Clarity needed on Qualified Professionals.
- Concerns with community septic approvals and approved variances to the existing sewerage requirements having a negative cumulative impact on the environment such as Kootenay Lake.

Safe Buildable Areas

- Reliance on staff to recognize hazards where the onus should be on the applicant to prove out whether a parcel is suitable for subdivision.
- Drainage and stormwater management are not addressed in the Bylaw.

Completing a comprehensive review of the Subdivision Bylaw would also ensure:

- ✓ That newly created lots are sustainable in perpetuity, having access to safe buildable areas, ample area for sewerage disposal, access to an adequate supply of potable water; and practical ingress/egress for the purposes of emergency services.
- ✓ Collaboration with internal and external stakeholders to ensure that a fair, transparent and effective process for subdivision applications is in place that does not replicate responsibilities across governments and agencies.
- ✓ Alignment it with all relevant legislation as well as existing RDCK initiatives, policies and processes related to growth management, potable water, hazards and climate change.
- ✓ Clarity of requirements for complete subdivision application submissions, reporting requirements for Qualified Professionals and servicing requirements needed to obtain support from the RDCK for approval.

4.1 Financial Considerations of the Proposed Solution

The proposed project consultant costs are budgeted at \$97,756.00 exclusive of GST. The funding to undertake this project will come from the Province's Local Government Housing Initiatives grant provided to the RDCK. This funding was provided to local governments across the province to help facilitate the implementation of the legislative requirements under the Province's Bill 44 Housing Statutes (Residential Development).

4.2 Risks with the Proposed Solution

The RDCK's Consulting Services Agreement, includes a variety of clauses whereby the Regional District can suspend or terminate a contract should there be an issue with the delivery of this project.

4.3 Resource Allocation and Workplan Impact

While RDCK staff time would still be required to manage the project. Project management is anticipated to require approximately 0.2 FTE, with the project being managed by a Planner 2.

4.4 Public Benefit and Stakeholder Engagement of Proposed Solution

The subdivision of land can have an impact on sensitive ecosystems and the linkage of natural areas. As well the development and habitation of land facilitated by subdivisions can affect the environment ranging from riparian systems to green house gas emissions. Environmental impacts would be considered as part of the review.

The project can consider tools that could have social implications such as offsite works for large subdivisions that would include community amenities within them such as parks, sidewalks or bus stops.

The regulations contained in the subdivision bylaw can directly impact the costs associated with subdivision. Economic impacts will be considered.

A communication and engagement strategy will be created within the first phase of the project, and will identify how to engage key stakeholders, elements of the engagement approach should include:

- ✓ project awareness
- ✓ community education
- ✓ consultation on key issues and options
- ✓ feedback from the public, development community and other stakeholders

4.5 Leveraging Technology

This project does not specifically include leveraging any specific technology in its scope, however, upon project completion this work will include modernization updates to relevant public-facing materials to ensure the bylaw is clear, defensible, and aligned with RDCK's needs and community expectations.

4.5 Measuring Success

The communication and engagement strategy will identify how to engage key stakeholders, members of the public and the RDCK Board throughout the various phases of the project. This will result in measuring success as each phase is completed with an outcome of a new subdivision bylaw.

5.0 ALTERNATIVE SOLUTION(S)

Do not award the contract for the RDCK Subdivision Bylaw Review project and re-issue the Request for Proposals (RFP).

That the Board not award the contract for the RDCK Subdivision Bylaw Review project;

AND FURTHER, that the Board direct staff to re-issue the Request for Proposals for this project.

5.1 Financial Considerations of the Alternative Solution(s)

The alternative solution is considered inefficient because it would require additional staff time involved with reissuing the RFP, responding to RFP inquiries, and reviewing proposal submissions, especially since there are two proponents ready and able to undertake this project.

5.2 Risks with the Alternative Solution(s)

Risks associated with the alternative solution include not receiving quality proposal submissions when the re-issued RFP closes, harming the organization's reputation, and overall project timing delay.

5.3 Resource Allocation and Workplan Impact

Although perhaps not as significant, the impact to resource allocation and general workplan is an unnecessary drain on staff time.

5.4 Public Benefit and Stakeholder Engagement of Alternative Solution

There would be a negative public benefit by re-issuing the RFP for this project, and no change to stakeholder engagement.

5.5 Measuring Success

The alternate solution would fail to achieve the success that exists within reach today and jeopardize future success through the reputational harm in re-issuing an RFP when existing qualified bids have been submitted.

6.0 OPTIONS CONSIDERED BUT NOT PRESENTED

Not applicable.

7.0 OPTIONS SUMMARY

After reviewing the submissions, the proposal review committee considered the evaluation criteria and determined that the best proposal was Urban Systems Ltd.'s acknowledging their considerable experience working with other regional district's on their subdivision bylaw reviews and the expertise of the project team. In response, staff recommend that the contract for the RDCK Subdivision Bylaw Review project be awarded to Urban Systems Ltd.

Option 1: Award the contract for the Subdivision Bylaw Review project to Urban Systems Ltd.

Recommendation:

That the Board approve the RDCK to enter into a Consulting Services Agreement with Urban Systems Ltd. for the Subdivision Bylaw Review project;

AND FURTHER, that the Chair and Corporate Officer be authorized to sign the necessary documents to a maximum value of at \$97, 756.00 exclusive of GST;

AND FURTHER, that the funds be paid by the Service S104 Planning and Land Use.

Option 2: Do not award the contract for the RDCK Subdivision Bylaw Review project and re-issue the Request for Proposals (RFP).

Recommendation:

That the Board not award the contract for the RDCK Subdivision Bylaw Review project;

AND FURTHER, that the Board direct staff to re-issue the Request for Proposals for this project.

8.0 RECOMMENDATION

That the Board approve the RDCK to enter into a Consulting Services Agreement with Urban Systems Ltd. for the Subdivision Bylaw Review project;

AND FURTHER, that the Chair and Corporate Officer be authorized to sign the necessary documents to a maximum value of \$97,756.00 exclusive of GST;

AND FURTHER, that the funds be paid by the Service S104 Planning and Land Use.

Respectfully submitted,
Stephanie Johnson, MCIP RPP

CONCURRENCE

Planning Manager – Nelson Wight Approved

General Manager Development & Sustainability – Sangita Sudan Approved

Chief Administrative Officer – Stuart Horn Approved