



THE REAL ESTATE
FOUNDATION
OF BRITISH COLUMBIA

*WATER SUSTAINABILITY IN THE SOUTH OKANAGAN:
Balancing Settlement and Ecology*

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Presentation by Tim Pringle, Executive Director

Introduction: I am impressed by the scope of material covered in the conference program. The practitioners attending the conference have a wide range of technical, policy and planning topics to consider.

So what's a sociologist like me doing here and what useful conversation can we have about your professional tasks and mine? Most of you are technicians of some kind and I am not. But we do share common concerns. For much of BC there is a burgeoning demand for use of land to accommodate more housing, businesses, institutions, vineyards, golf courses and resorts. Local communities become anxious about the scale of change. How does a community weigh the benefits and liabilities of change driven by demand for land use? What will determine long-term wellbeing for a community or region?

Wellbeing is about sustainability of what communities allow or prevent happening on the land. Wellbeing is about balancing settlement activity and ecology. And this is the theme of my remarks today. I will talk about population growth its drivers, and about balancing settlement and ecology with particular reference to water. In doing so, I will set the stage for the presents that follow and who will focus on how these themes are being addressed in the South Okanagan.

The mandate and activities of the Real Estate Foundation of British Columbia:

Before continuing, I'd like to clarify that I am the Executive Director of the Real Estate Foundation of British Columbia. The Foundation's mandate is to provide funding for non-profit endeavour that relates to use and conservation of land and real estate. Our strategy is to promote, through our grants and collaborations, responsible land use. Responsible means practitioners that are informed and accountable. Practitioners become more informed through continuing professional education. They become more accountable by assessing how their standard of practice measures up to the leading directions of their profession.

The Foundation's funding relationship with BC Water and Waste Association is a good example of how we fulfill our mandate. In early 2003 the Foundation granted \$50,000 to the Inter-governmental Partnership of the GVRD for production of the "Water Balance Model." BCWWA is a key member and actor in the IGP. We made three grants (in 2003 and 2004) for education and outreach to get the Water Balance Model effectively into the

hands of practitioners (\$32,250 was provided). In late 2004, we made our first grant (\$25,000) for the BCWWA Water Sustainability Committee's strategy of **Convening For Action in the South Okanagan**. Other partners, particularly the Ministry of Environment, were and are providing funding to enable this initiative. The Foundation's most recent grant made in mid-2005 was for \$30,000 and it helped shape the approach to water sustainability planning in the South Okanagan region.

Water Sustainability in the South Okanagan: As noted, speakers who follow me will be covering the details of the initiative. My objective is to cover the broader context of change in the region and then go back to the concept of **balancing settlement and ecology**.

When referring to change, I mean growth or decline in settlement activity. Recently the South Okanagan Regional District has experienced increasing demand for land use, often dramatically linked with migrants who buy high-end properties. You know the conversations in the coffee shops about million dollar homes, rich baby boomers who are second home buyers, early retirees or amenity migrants. What is this trend? Will your communities change for better or worse?

To put this in context, let's remember that Canada and British Columbia are places that have attracted considerable growth over the years. BC has had six decades in the past century when population growth exceeded 30%. There have been only three decades with less than 20% growth in the population during the past 100 years.

In British Columbia rural and small towns population changes have been dramatic as well. Research by Statistics Canada Agricultural Division reported that net migration in rural and small town B.C. places was quite variable over a 30 year period.

NET MIGRATION RATES RURAL AND SMALL TOWN BRITISH COLUMBIA		
Period	Change	Percentage
1966-1971	-23,190	-4.7%
1971-1976	67,390	9.2%
1976-1981	53,120	8.6
1981-1986	- 4,910	-1.2
1986-1991	16,270	3.6
1991-1996	41,980	8.4

Source: Statistics Canada – Agricultural Division

The Regional District of South Okanagan Similkameen has had a less volatile rate of net migration. The most recent decade, 1996 to 2005, reflects the following changes according to BC Stats. The population grew by 1.7% overall to a total of 83,037 compared to 78,593 in 1996. The highest growth occurred in the unincorporated areas - 3.8%. The communities with the higher population increases were Osoyoos – 4.1%, Keremeos – 2.2% and Summerland 1.1%.

If we use real estate demand and the investment of capital in real estate projects as a key indicator of change, then the present period, particularly since 2002, is a dramatic period of settlement growth for many regions of the province.

Research carried out by the Foundation to review changing demand for land uses in the Columbia Valley, East Kootenay region, revealed the following facts.

- From 2000 to 2002 median home prices increased from 75% to 121% in the regional communities.
- Total residential permit activity reached a historical high in 2004 and kept climbing.
- More dwellings were built in the unorganized areas than within municipal boundaries.
- In that period household incomes increased less than 20% in the region.
- 40% of properties in the Regional District of East Kootenay are owned by persons who do not reside in the area.
- The new properties created since 2000 reflect 62% non-resident ownership.
- This activity has created many jobs.
- It has drawn considerable capital to the area.

Not surprisingly, this growth has led to concerns about water – potable water for settlements, waste water from growing settlements, supplying water to rural subdivisions, water resources for recreation and wildlife and fish habitat. A recent survey carried out through the East Kootenay Environmental program found that residents listed three concerns as most important as their region accommodates more property development: integrity of the natural environment, water resources, and ? (I have to check this reference). The poll was completed in March and is accurate (?).

And this trend is unlike previous trends driven by households relocating primarily for employment opportunities. Today's migrants to regions such as the Columbia Valley or South Okanagan are bringing their capital and incomes with them. Last week I spoke to the owner-broker of Premier Canadian Properties in Kelowna about his clients. He said they rarely need mortgages and prices rarely deflect them from acquiring properties they want. Real estate practitioners in Osoyoos have also confirmed to me that the number of non-resident owners is increasing.

The typical migrant buyer: (I happen to have a picture of today's typical migrant buyer to markets such as the South Okanagan.)

Whether you call them rich baby boomers, amenity migrants, second home owners or something else, they are the forefront of a wave of property demand and attendant repercussions that has not been seen before.

The challenge: Naturally, such a range of impacts leads to tension among stakeholders in a region and its communities. How does a community decide where to put its stake in the debate about little or any amount of growth – which equals change? What are the priorities for action that might be taken?

REFBC response to the Challenge - Communities in Transition: Many communities in the non-metropolitan regions have made the Foundation aware of their needs to

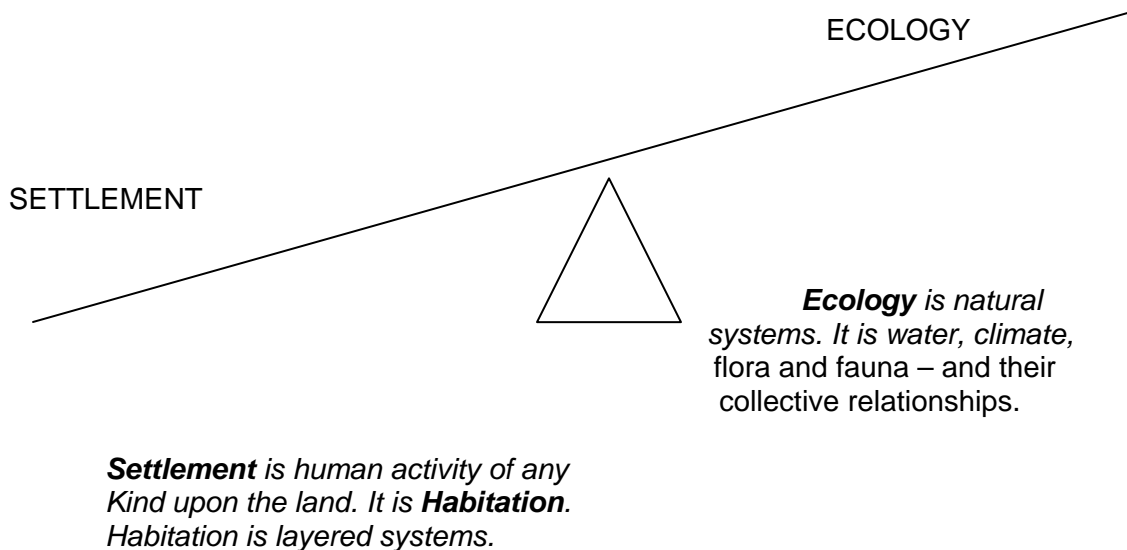
address these difficult planning challenges. In response to the need, the Foundation has established its Communities in Transition (CIT) program. The program involves a partnership of agencies (now 28) which have regional or provincial mandates and responsibilities and interests related to use and conservation of land.

While the Foundation supports the secretariat and information resources of the partnership, the program really belongs to the partners. By becoming involved, partners

- Collaborate on research, education.
- They undertake demonstration projects and produce case studies. This work goes into the CIT library and is shared.
- The partners appoint members to an Advisory Committee that guides the evolution of the CIT.
- Thus the CIT builds expertise and capacity of partners to understand and address issues arising from changing demand for land and ecological resources.
- The partnership itself is a large web of organizations because each partner has members and affiliations.

I will provide several examples of CIT projects at the closing of my presentation. Before doing so, I would like to go back to the concept of balancing settlement and ecology.

Balancing Settlement and Ecology:



HEALTHY SYSTEMS THRIVE. COMPROMISED SYSTEMS, WITHOUT ELIMINATION OF THREATS AND RESTORATION, DECAY.

The key principle to this concept is that settlement and ecology are equal values and they must be as much in balance as possible for well being of human and natural systems.

- Habitation and ecology are interdependent.
- Although ecology can exist without habitation by man, habitation cannot exist without ecology.
- Both systems are finite and subject to change, including growth, decline and decay – some end state.
- Balance requires measurement. Often the required metrics are not available.

Consider water for a moment. It is capitalized into nearly all values related to habitation. Last Fall the *Vancouver Sun* published an article calling the South Okanagan the “Napa of the North.” It talked about spas, vineyards, recreation property and tourism linked to the wine industry (get exact quote). The typical advertisement for new real estate development in the valley mentions the lakes, vineyards, wildlife, and beautiful landscape. All of these habitation values include supply of water and handling of waste. You as technologists are involved at some level in managing the systems that support habitation. You also have responsibilities for the ecological systems that provide water.

The principle of balancing settlement and ecology helps clarify the relationships that exist among the players, politicians, regional and local planners, First nations communities, agriculturists, resorts, water districts, businesses and residential property owners. We have the following relationships from the point of view of use and conservation of land and the resources thereon:

Province
Area
Landscape / watershed
Region (regional government)
Locale (local government)
Community
Neighbourhood
Zone (wetland, riparian, agricultural, multiple family, etc)
Parcel
Site
Lot

These relationships suggest the interconnectivity of all aspects of settlement and ecology. The Ministry of Environment’s support for BCWWA’s Water Sustainability initiative and “convening for Action in the South Okanagan” in particular enables research, education, public process and, possibly, policy reform that will affect all of the land –related designations in the above list. The urban refugee who buys a residential property in Osoyoos, or the retiring farmer from Saskatchewan who puts her money on a more laid back future in Oliver are active at the site and lot point of entry. Nevertheless their choices affect the landscape, watershed and South Okanagan area.

To me, the most important value of Convening for Action to achieve “Water Centric Planning” in the South Okanagan, is the encouragement of local leadership about growth – where to locate new settlement – while understanding and managing water

resources and the ecological systems which maintain water resources. This is leadership about stewardship of natural, social and market capital. This is leadership about choices that will provide a legacy to sustain future generations.

I'd like to tell you a brief story about a trip I made late last October with Kim Stephens through out the Similkameen and South Okanagan valleys. We wanted to hear from local farmers, economic development officers, elected people, real estate brokers, First Nations folks and developers – the areas citizens – about the land and water-related concerns that were most on their minds. They told us -gave us some continuing education.

In the Similkameen Valley, the community had carried out a visioning process in early 2005. Their consensus was that organic agriculture ought to be the highest and best use of the Valley lands, where the climate conditions are ideally suited for such crop production. The people we met put an emphasis on ensuring that policy about land use and conservation limit the extent of incursion by recreational buyers and second home owners. There was considerable emphasis placed on the need for water resources to support their vision.

The Real Estate Foundation governors found the case provided by the leadership of the new Organic Farming Institute (get exact name) compelling and recently made a grant of \$35,000 to help the Institute launch its formal training program, which builds on extensive, practical field training that exists already. The Foundation believes that this agency will provide the leadership that will enable the Valley communities to realize their vision of an organic agriculture legacy.

In the South Okanagan, our correspondents told us that agricultural heritage combined with the natural landscape defines the area and that this heritage should remain a key component of future settlement change. We heard that water is key to such a legacy. A number of practical questions were voiced:

- Can conservation of water use by urbanizing areas support the level of future growth that communities decide to accommodate?
- Can agricultural demand be served more conservatively, thus freeing up capacity for increased agricultural enterprise?
- Are the watersheds and aquifers healthy? What ecological trends might change their capacity?

Alberta “Water for Life” and Canada West Foundation “Water Conservation and Economic Growth:” The South Okanagan perceptions are very similar to those expressed in the province of Alberta’s “Water For Life” public process (2003). Canada West Foundation based in Calgary carried out a subsequent consultation process in 2004 publishing it under the title “Water Conservation and Economic Growth. Canada West Foundation wanted to explore four goals:

1. To highlight the connection between water and the economy.
2. To promote the value of water conservation on economic grounds.
3. To bring together key stakeholders to talk through the issues.
4. To publish a report and move the debate forward.

The findings of the consultation identified four “main barriers to increased water conservation:”

1. “Current public policy was seen as discouraging the effective use of water, inadequately managing ecosystems needs, lacking innovation, and failing to integrate new scientific knowledge.”
2. “Broadly-held attitudes and perceptions were thought to be impeding the advancement of water conservation in Alberta. More specifically, the myth of abundance, the myth of entitlement, and fears that some water conservation practices as potentially harmful to human health have limited public demand for change.”
3. Lack of information and data on the total supply of groundwater and surface water and the lack of data on actual water use by all sectors render it difficult to make informed decisions.”
4. “Limited resource availability – particularly the lack of human capital within government to develop and implement new water policy and the lack of financial resources to support pilot projects, test technologies, and fund facility upgrades – and the lack of financial incentives to encourage water conservation were also seen as major barriers.

The recommendations made to address the barriers and improve water conservation policy were:

- Obtain a vision.
- Address governance models.
- Invest in education about water conservation.
- Carry out additional research to support informed and active water policy decisions.
- Invest in pilot projects to illustrate the potential economic and environmental benefits of water efficient technologies.

While these perceptions and proposed actions also apply to the South Okanagan region, the process here, I think, is more grounded. Leadership is emerging. Settlement change pressures make it clear that stakeholders must collaborate. Some regional communities have clarified their vision for 25 or fifty years in the future; the region still needs to clarify such a vision.

I hope this my discussion will help you appreciate why the BCWWA’s **Convening for Action in the South Okanagan** is a resource to advance water sustainability. It has close involvement from the Ministries of Environment and Agriculture; it continues to consult with local partners. Thus the key messages emerge from the **Water-Centric Planning in Oliver**:

1. “Water balance management and green infrastructure can be viewed as one and the same, in that: both start as the site level and both revolve around how we develop the landscape.”
2. The terms of provincial infrastructure capital grant agreements result in expectations that open the door for other BC municipalities to replicate or adapt the ‘Town of Oliver Template’ for integrated water management.”

3. The content for the publication, *Water-Centric Planning: a Guidebook for British Columbia* will flow from case study experience in the Okanagan as well as other regions.
4. In 'Convening for Action" capacity is being built from the ground up through a process that gives local government and practitioners tools to do things differently.
5. An emerging theme is captured in the phrase *Water for Life and Livelihoods* because the concept captures the essence of balancing settlement and ecology.

In closing I'd like to leave you with an observation made by the Executive director of the Charture Institute, based in Jackson Wyoming, and which studies the phenomenon of evolving mountain and resort communities.

The observation is:

Markets are ahead of perceptions. Perceptions are ahead of politics. Political decisions address issues that have already transformed.

I think that this perception is being turned on its head in the South Okanagan where I see community leadership informing the provincial government and local government to move practically on water conservation issues in the context of balancing settlement and ecology.