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Appendices

Please see the separate document entitled Central Okanagan Crown Land Tourism & Commercial Recreation Opportunity Study - Appendices.
Preface

The Central Okanagan Crown Land Tourism and Commercial Recreation Opportunity Study was commissioned by the Central Okanagan Regional District and the Province of British Columbia (Ministry of Sustainable Resource Management, Land and Water British Columbia Inc., and the former Forest Renewal British Columbia program). The Study was conducted from March 2002 to February 2003 by a consortium of consulting firms led by Grant Thornton LLP1.

The Central Okanagan Crown Land Tourism and Commercial Recreation Opportunity Study is comprised of two documents:

- Central Okanagan Crown Land Tourism and Commercial Recreation Opportunity Study – Main Report
- Central Okanagan Crown Land Tourism and Commercial Recreation Opportunity Study – Appendices

The following document is the Main Report.

---

1 The Consulting Team included: Grant Thornton LLP, Economic Planning Group, Juan de Fuca Environmental Consultants and Timberline Forest Inventory Consultants.
Acknowledgements

Funding for this project was received from the former Forest Renewal BC and from the Ministry of Sustainable Resource Management.

The dedicated efforts of the Client Steering Committee in reviewing draft reports and mapping products were very much appreciated. The Client Steering Committee included:

<table>
<thead>
<tr>
<th>Name</th>
<th>Title</th>
<th>Organization</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leah Hartley</td>
<td>Growth Strategy Implementation Coordinator</td>
<td>Central Okanagan Regional District</td>
<td>Kelowna</td>
</tr>
<tr>
<td>Nelson Grant</td>
<td>Acting Regional Manager Planning</td>
<td>Ministry of Sustainable Resource Management</td>
<td>Kamloops</td>
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<tr>
<td>Brenda Hartley</td>
<td>Regional Tourism Manager</td>
<td>Ministry of Sustainable Resource Management</td>
<td>Kamloops</td>
</tr>
<tr>
<td>Dave Bacon</td>
<td>Commercial Recreation Manager</td>
<td>Land and Water British Columbia Inc.</td>
<td>Kamloops</td>
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<tr>
<td>Robert Fine</td>
<td>Director</td>
<td>Economic Development Commission, Central Okanagan Regional District</td>
<td>Kelowna</td>
</tr>
<tr>
<td>Murray Kopp</td>
<td>Planning and Design Manager</td>
<td>Parks &amp; Recreation, Central Okanagan Regional District</td>
<td>Kelowna</td>
</tr>
</tbody>
</table>

The study relied on significant input from numerous stakeholders including recreation clubs, tourism operators, lodge owners, government agencies, destination marketing organizations, independent recreationists, and various natural resource stakeholders. A complete list of the stakeholders who contributed to this study is supplied in Appendix A. Appendix B provides a complete list of the tour operators, businesses and recreational clubs who were approached, while the survey instruments used in the project consultation can be found in Appendix C.
Executive Summary

Introduction

The Central Okanagan Regional District (CORD), in partnership with the Provincial Government (Ministry of Sustainable Resource Management [MSRM] and Land and Water British Columbia Inc. [LWBC]), commissioned a consortium of consulting firms, lead by Grant Thornton LLP², to conduct a Central Okanagan Crown Land Tourism and Commercial Recreation Opportunities Study.³ This Executive Summary presents key findings and recommendations of the Study.

Study Purpose

The purpose of this study, as stated in the Request for Proposals document, is:

... to develop a Crown Land Tourism and Commercial Recreation Study that will fulfill objectives of local and provincial land managers in proactively planning for new and competing uses on Crown lands and resources of the Central Okanagan region.

The study was conducted within the context of the Okanagan Shuswap Land and Resource Management Plan (LRMP), completed in 2000 and approved in April 2001. Intended users of the Central Okanagan Crown Land Tourism and Commercial Recreation Opportunities Study are commercial tourism operators, backcountry recreation sectors, water resource managers, mineral and forest development proponents, provincial tenure managers, planners and economic development officers.

² The Consulting Team included: Grant Thornton LLP, Economic Planning Group, Juan de Fuca Environmental Consultants and Timberline Forest Inventory Consultants.

³ Funding for this project was received from the former Forest Renewal BC and from the Ministry of Sustainable Resource Management.
Study Area

The Central Okanagan Regional District is located in the Okanagan Valley in south-central BC. It is one of 28 regional districts in the province. The geographic scope of this study is focused on the Crown land located within the Central Okanagan Regional District as shown in Figure 1 in the main report.

Study Area Planning Zones

For purposes of this study, the Consulting Team defined seven sub-areas or planning zones (see Figure 3 in the main report):

1. Greystokes
2. Myra-Mission
3. Plateau Lakes
4. Kelowna-Belgo
5. Lambly-Trepanier
6. Terrace Mountain
7. Shorts Creek

Each of the individual planning zones shares general characteristics in terms of access, degree of human activity and general tourism and recreation features and attractions. The main characteristics of the seven planning zones are described fully in the Regional Overview section of this report.

Existing Tourism and Recreation Use

Existing tourism and recreation use for the Study Area includes several built facilities including rustic lodges, club day-huts (one Nordic and one Telemark), and rustic Forest Service recreation sites. In addition, a small number of commercial tour operators run outdoor adventure tours in the area. The area is popular with several recreation clubs as well as with independent recreationists.

Market Trends

Demand trends for tourism and outdoor recreation provide support for potential use of the Study Area. Several market trends provide important context for future tourism and recreational development in Study Area. The Consulting Team considered the following global trend categories to be particularly relevant inputs for the analysis.

Consumer Demand - Tourism Product and Experience: Global tourism trends related to consumer demand and preferences that are critical context for developing enhanced or new product.

Consumer Demand - Tourism Destination: Global demand trends related to destination management and planning.
North American Market - Importance to Tourism in BC: Tourism BC has identified strategic product marketing priorities related to several key markets. Producing the greatest visitor volumes and revenues, North America is a priority market for the province.

Seasonality of Visitation: Another important market trend is the seasonal nature of tourism visitation in the Central Okanagan.

**Key Initiatives and Organizations**

Certain initiatives that various agencies and organizations (governmental and non-governmental) are leading are important to the further enhancement and development of tourism and recreation in the Okanagan, and, more specifically, in the Study Area. Such initiatives and organizations can provide the needed impetus, support (e.g., financial, marketing, infrastructure, policy) and/or critical mass (e.g., if a certain “mass” of product is created, it may draw more visitors and/or a more diversified market) to enable the concept or development to be successful over the longer-term. Several current initiatives and/or organizations that influenced the type of tourism and recreation opportunities proposed by the Consulting Team are listed below and explored in greater detail in the report.

- Thompson-Okanagan Tourism Association (TOTA)
- Tourism Kelowna
- Rails to Trails
- BC Wine Institute & Wineries Tourism (BCWI)

**Priority Issues for Sustainable Tourism and Recreation**

The following list summarizes the categories of priority issues for sustainable tourism and recreation in the Study Area.

1. Awareness, Markets and Marketing
2. Destination Features
3. Destination Management
4. Destination Access
5. Products and Facilities
6. Institutional and Organizational

Each issue is described in more detail in the main report. The priority issues assessment provided the Consulting Team with guidance regarding the recommendations required to address the critical issues around tourism and recreation development, as documented in the Recommendations section of the full report.
Product-Specific Analysis

Research and analysis conducted for this study resulted in the identification of a series of tourism products that have potential for further development on the Crown land portion of the CORD. For analysis purposes, these have been grouped into three categories, as shown on the following page. The first and most significant category is “Lodges and Resorts”. These are built facilities that are tied to the land base, offering a variety of programming and other tourism activities. The other two categories comprise supporting products/activities, which can occur as commercial activities (offered through a lodge and/or tour operator) or non-commercial activities (pursued by independent recreationists or clubs). The supporting products/activities have been categorized into “Winter” and “Spring, Summer, Fall”.

Central Okanagan Crown Land
Tourism and Recreation Priority Products

Lodges and Resorts
- Existing Lodges
- Proposed Niche Inns/ Resorts
- Major Resort (Crystal Mountain) application currently in progress

Supporting Products/ Activities
- Winter -
  - Alpine:
    - Skiing / Snowboarding
  - Non-Alpine:
    - Snowmobiling
    - Other Non-Alpine Winter

Supporting Products/ Activities
- Spring, Summer, Fall -
  - Adventure - Water:
    - Freshwater Fishing
  - Adventure and Nature-based Products - Land:
    - Wildlife Viewing and Nature Appreciation
    - Hiking
    - Cycle Touring

Lodges and Resorts (Existing and Proposed)

Key opportunities in the Study Area are related to enhancing existing lodges and developing new lodges/resorts. The purpose would be to ensure that existing and new lodge/resort product responds to market demand, enabling the region to attract a greater number and diversity of markets, encourage longer stays, increase spending per visitor and increase visitation during the shoulder and off-seasons. Critical to the success of existing and new lodges/resorts will be their ability to package (link) with the types of activities (product) both within and outside the Study Area that appeal to visitors.
The specific opportunities described in the main report are for:

- The Enhancement of Existing Lodges
- Development of Two, Higher-end Niche Inns/Resorts
- Support of the Crystal Mountain Resorts Inc. Proposed Development

Supporting Activities / Products - Winter (Alpine)

The Consulting Team’s research and analysis points to alpine skiing and snowboarding as priority winter activities for the Study Area. While these activities currently take place in the Study Area and the broader region, alpine skiing and snowboarding, including the infrastructure and facilities to support them, can be further expanded and enhanced. The main opportunity relates to the proposed Crystal Mountain Resort project noted under the “Lodges and Resorts” category above (currently under review by the CORD).

Supporting Activities / Products - Winter (Non-Alpine)

There are opportunities to build upon the existing popularity of non-alpine winter snow products in the Study Area, based on growing demand for these products and the area’s natural attributes that support them. Ski touring and snowmobiling currently take place in the region. However, analysis conducted for this study suggests that these products can be further expanded or enhanced, and linked to the area’s existing and proposed lodges/resorts.

Supporting Activities/Products - Spring, Summer, Fall (Water)

The Consulting Team’s research and analysis resulted in the identification of opportunities to build upon the existing popularity of freshwater fishing in the Study Area. Freshwater fishing is a long-standing recreational and tourism activity in the region, with several of the existing lodges featuring this as their main guest activity. With growth in the popularity of freshwater fishing across North America and opportunities to enhance existing lodges in the Study Area (discussed earlier), freshwater fishing is seen as a priority for this Study Area.

Supporting Activities/Products - Spring, Summer, Fall (Land)

Adventure and nature-based land activities are currently very popular in the Study Area, primarily for non-commercial recreationists. However, there are opportunities to convert the potential for several adventure and nature-based products into commercial tourism/recreation activities, linked with the existing and proposed lodges and with tour companies within and outside the region. Adventure and nature-based tourism embraces a large number of products and activities. However, the Consulting Team’s analysis identified wildlife viewing and nature appreciation, hiking and cycling as particularly important for the Study Area.

Given the significance of the Kettle Valley Railway (KVR) and recent support from the Provincial Government to further develop and market this resource as key component of the “Rails to Trails” initiative, cycle touring is a particularly high-potential product for the Study Area.
Goals, Objectives and Recommendations

Based upon the research and analysis conducted as part of the study, the Consulting Team formulated goals, objectives and nine supporting recommendations for tourism and recreation development and management in the Study Area. The recommendations focus on capitalizing on priority development opportunities and addressing key issues that are affecting the ability of tourism and recreation to operate and grow in the Study Area.

The Consulting Team also developed an Implementation Framework to guide future implementation steps. The Framework proposes which agency, organization or group should lead the implementation, other partners who should be involved, and a timeframe for commencing implementation.

The proposed options for timing include:

- Short-term (3 – 6 months)
- Medium-term (6 – 18 months)
- Long-term (18 months – 5 years)

The goals, objectives, recommendations and implementation framework are summarized in the following table.
### Crown Land Tourism Development and Management Implementation Framework

<table>
<thead>
<tr>
<th>Goal, Objective and Recommendation</th>
<th>Catalyst</th>
<th>Initial Contributing Partners</th>
<th>Timeframe for Commencing</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Goal A: Increase Economic Benefits Derived from Tourism</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Objective A-1: Encourage tourism enhancement and development that will diversify markets, increase length of stay and increase year-round visitation</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Recommendation 1:</strong> Develop a strategy to encourage the enhancement of existing lodges</td>
<td>EDC</td>
<td>Tourism Operators, Tourism Kelowna &amp; TOTA, EDC (marketing), TBC (supporting role), LWBC (tenures), CORD (land use), Irrigation Districts (water quality)</td>
<td>Med-term</td>
</tr>
<tr>
<td><strong>Recommendation 2:</strong> Encourage the development of one to two new niche lodges</td>
<td>EDC</td>
<td>LWBC, MSRM, Tourism Kelowna &amp; TOTA, Irrigation Districts (water quality)</td>
<td>Med-Term</td>
</tr>
<tr>
<td><strong>Recommendation 3:</strong> Continue working toward resolving issues in order to encourage the implementation of the proposed Crystal Mountain Resort Development</td>
<td>CORD, LWBC</td>
<td>Proponent</td>
<td>Short-Term</td>
</tr>
</tbody>
</table>

---

4 CORD = Central Okanagan Regional District  
MSRM = Ministry of Sustainable Resource Management  
LWBC = Land and Water BC Inc.  
Tourism Kelowna  
TOTA = Thompson-Okanagan Tourism Association  
TBC = Tourism British Columbia  
MoF = Ministry of Forests  
EDC = Economic Development Commission  
WLAP = Ministry of Water, Land and Air Protection

5 Short-term (3 – 6 months)  
Med-term (6 – 18 months)  
Long-term (18 months – 5 years)
<table>
<thead>
<tr>
<th>Goal, Objective and Recommendation</th>
<th>Catalyst</th>
<th>Initial Contributing Partners</th>
<th>Timeframe for Commencing</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Recommendation 4:</strong> Create a strategy to further develop the Kettle Valley Railway cycling product and experience</td>
<td>MSRM (Rails-to-Trails initiative)</td>
<td>Regional Recreation &amp; Resource user Groups, TOTA &amp; Tourism Kelowna, TBC, LWBC, CORD</td>
<td>Long-Term</td>
</tr>
<tr>
<td><strong>Objective A-2:</strong> Encourage tourism product packaging and awareness that will diversify markets, increase length of stay and increase year-round visitation</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Recommendation 5:</strong> Encourage the development and marketing of more integrated product offerings that respond to market demand</td>
<td>Tourism Kelowna, Operators, TOTA, EDC, TBC</td>
<td></td>
<td>Short-Term</td>
</tr>
<tr>
<td><strong>Objective A-3:</strong> Encourage the sustainable expansion and development of tourism through supportive government policy and guidelines</td>
<td></td>
<td></td>
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</tr>
<tr>
<td><strong>Recommendation 6:</strong> Enhance the capacity of the CORD Economic Development Commission office to enable it to better facilitate tourism expansion and development</td>
<td>EDC, CORD, LWBC (supporting role), MSRM (supporting role)</td>
<td></td>
<td>Med-Term</td>
</tr>
<tr>
<td><strong>Recommendation 7:</strong> Establish guidelines for evaluating the land use and servicing requirements of Crown land applications</td>
<td>CORD, LWBC, Relevant Service Agencies (e.g., Irrigation Districts)</td>
<td></td>
<td>Med-Term</td>
</tr>
<tr>
<td><strong>Goal B:</strong> Ensure Greater Compatibility Amongst the Range of Resource Uses in the Study Area</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Objective B-1:</strong> Increase compatibility between tourism and other resource uses</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Recommendation 8:</strong> Ensure that existing and new tourism developments and uses in the Study Area are carefully considered in land and resource use planning</td>
<td>CORD, MSRM</td>
<td></td>
<td>Ongoing</td>
</tr>
<tr>
<td>Goal, Objective and Recommendation</td>
<td>Catalyst</td>
<td>Initial Contributing Partners</td>
<td>Timeframe for Commencing</td>
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</tr>
<tr>
<td><strong>Objective B-2: Increase compatibility amongst different tourism and recreation uses</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Recommendation 9</strong></td>
<td>MSRM (through the LRMP Monitoring Committee)</td>
<td>LWBC MoF WLAP</td>
<td>Ongoing</td>
</tr>
<tr>
<td>Continue monitoring the potential for, or the occurrence of, conflicts between different types of tourism and recreation use in the Study Area and take steps to begin developing guidelines to manage conflicts between motorized and non-motorized activities</td>
<td></td>
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</tbody>
</table>
Introduction

Background

Internationally, tourism has become a major economic force. In 2000, the World Tourism Organization (WTO) estimated that international tourism receipts totaled US$476 billion. This represents 8% of total global exports. Over 660 million visitors registered overnight visits around the world in 20006.

Consistent with international growth, tourism in British Columbia (BC) has become a major industry. Tourism British Columbia (Tourism BC) estimates that the province hosted over 22 million overnight visitors in 2001, generating over $9.2 billion in visitor revenue7. In 1999, the economic impact of the tourism industry in British Columbia accounted for approximately $5.0 billion (current dollars), thereby surpassing GDP contributions from the mining industry ($4.4 billion) and trailing GDP contributions from the forest industry ($9.0 billion)8.

BC’s tourism product is built upon spectacular and diverse natural landscapes, 7,000 kilometres of coastline, an impressive variety of flora and fauna, cultural diversity and cosmopolitan city experiences. These attributes support a range of tourism products, many of which are of international caliber. Some of these include boating and sailing; cruising; alpine and heli-skiing; river rafting; golf; sport fishing; scuba diving; and whale watching.

Within the provincial context, the Central Okanagan has traditionally been primarily recognized as a summer family destination featuring lake activities and golf, as well as a winter, alpine destination featuring two main ski resorts, Big White and Silver Star. However, over the last ten years, the region has been developing new product offerings in response to market demand. Some of the region’s emerging tourism products include: higher-end lakeside resorts, agritourism products including wineries tourism, cycle touring, festivals and cultural tourism. These emerging products are attracting new markets to the region.

6 World Tourism Organization website www.world-tourism.org

7 Tourism BC website www.tourism.bc.ca/tourism_stats.asp?id=1126

8 BC Stats website www.bcstats.gov.bc.ca
The region’s Crown land provides the base and setting for a number of tourism operations focused on activities such as freshwater fishing, hiking, cycle touring and other nature-based activities. In addition to these tourism operations, Crown land areas are very popular with local and regional recreationists and recreational clubs participating in a variety of year-round activities including: fishing, hiking, mountain biking, dirt biking, Nordic skiing, snowmobiling, horseback riding, wildlife viewing, hunting, cycle touring and alpine skiing and snowboarding (Crystal Mountain).

With a population growing at an historical rate of 1.64% per year and a projected rate of 2.05% per year for the period 2001 to 2011, the Central Okanagan is experiencing greater demand for use of its mid and back-country (primarily Crown land areas). This demand originates from recreationists, tourism operators, and other resource uses primarily focused on the need to provide quality water to communities. This situation presents the Central Okanagan Regional District, and other government agencies, with a set of potentially incompatible objectives, as noted below:

- Providing quality, accessible recreational opportunities to residents;
- Encouraging the development of sustainable tourism on Crown land and, ultimately, assisting with the diversification of the regional economy;
- Providing quality drinking water to residents over the long-term;
- Encouraging the viability of a range of traditional industries, such as forestry, agriculture and mining; and,
- Generating increased Provincial Government revenues from Crown land.

Given this situation, the Central Okanagan Regional District (CORD), in partnership with the Provincial Government (Ministry of Sustainable Resource Management [MSRM] and Land and Water BC [LWBC]), developed terms of reference to conduct a Central Okanagan Crown Land Tourism and Commercial Recreation Opportunities Study. CORD, MSRM and LWBC commissioned a consortium of consulting firms, led by Grant Thornton LLP, to conduct this study. The study objectives are described below, followed by a description of the study area and project methodology.

---

9 [www.bcstats.gov.bc.ca](http://www.bcstats.gov.bc.ca)

10 The Consulting Team included: Grant Thornton LLP, Economic Planning Group, Juan de Fuca Environmental Consultants and Timberline Forest Inventory Consultants.
Study Objectives and Scope

The purpose of this study, as stated in the Request for Proposals document, is:

... to develop a Crown Land Tourism and Commercial Recreation Study that will fulfill objectives of local and provincial land managers in proactively planning for new and competing uses on Crown lands and resources of the Central Okanagan region.

The study was conducted within the context of the Okanagan Shuswap Land and Resource Management Plan (LRMP), completed in 2000 and approved in April 2001. Intended users of the Central Okanagan Crown Land Tourism and Commercial Recreation Opportunities Study are commercial tourism operators, backcountry recreation sectors, water resource managers, mineral and forest development proponents, provincial tenure managers, planners and economic development officers.

The key project objectives are:

- To identify potential Crown land based development opportunities for outdoor recreation and tourism products and activities in the Central Okanagan Regional District;
- To identify issues of compatibility with community watersheds, range lands, sensitive ecosystems, timber harvest development areas, and areas of prime mineral potential;
- To identify areas where conflicts will likely occur between various recreation uses, including public and commercial and between recreation and other resource values;
- To identify and quantify the core economic value of existing Crown land recreation and tourism activities in the Central Okanagan and the value of future opportunities;
- To provide management direction to ensure development of long-term sustainable and quality recreation and tourism products;
- To act as an information paper for potential Commercial Recreation operators in the Central Okanagan Regional District Administrative area; and,
- To provide an accurate inventory of current commercial recreation and tourism operators and key tourism use areas and features.

This study is the first step in a management effort that includes the following additional objectives which will be addressed by participating agencies following the study:

- To assess areas of future conflict with development of prime mineral and water resources; to provide management guidelines addressing long-term tenure agreements;
- To provide guidelines addressing ongoing management of public lands – safety, clean up, policing and responding to infractions;
- To provide a Crown land tourism and recreation product development action plan for parties interested in developing the region’s backcountry opportunities; and,
- To improve efficiency in the tenure referral and approval process.
Introduction

Study Area

The Central Okanagan Regional District is located in the Okanagan valley found in south central BC. It is one of 28 regional districts in the province and is comprised of three unincorporated electoral areas, and three municipalities – Kelowna, Peachland and Lake Country. Known for Okanagan Lake, orchards and vineyards, CORD is one of the most desirable places to live in BC. While Air Canada, WestJet and Horizon Air all offer regularly scheduled service to Kelowna, the region is also highly accessible by road via Highways 1, 3, 3A, 5, 33, 97, 97A, 97C, 395 and 539. Highways 97, 97C and 33 traverse and intersect the Study Area. The geographic scope of this study is the Crown land located within the Central Okanagan Regional District as shown in Figure 1 on the following page.
Figure 1 - Study Area Map
Study Methodology

The Study Area includes the Crown land in the Central Okanagan Regional District (CORD) (see Figure 1). All inventory and mapping deliverables focus on the Crown land portion of CORD. However, the Consulting Team’s research and analysis did include the broader region, as noted below:

- Selected tourism operators that do not have facilities on Crown land, but use the Study Area for their business were interviewed;
- Recreational clubs that do not have facilities on Crown land, but use the Study Area for recreation were interviewed; and,
- Traditional and emerging tourism products that occur in the region’s front and mid-country (e.g., outside the Study Area) were assessed in relation to how existing and potential tourism opportunities within the Study Area can integrate with them to offer “product packages” that appeal to a broader and more diverse market base.

The study methodology included the following stages:

1. Data Collection
2. Preliminary Consultation
3. Data Analysis
4. Draft Report
5. Communications Phases I and II
6. Final Report and Mapping Deliverables

The methodology stages are depicted in Figure 2, while a detailed description of the methodology is provided in Appendix D.
Figure 2 - Study Methodology

1. Data Collection
   - Literature Review
   - Tourism Resource Inventory
   - Commercial Recreation Tenures
   - Other Resource Tenures
   - Tourism & Recreation Market Trends

2. Preliminary Consultation
   - Tourism & Recreation Operators
   - Other Stakeholders

3. Data Analysis
   - SWOT
   - Product Priorities
   - Product-Market Analysis
   - Compatibility, Conflict & Issues Analysis

4. Draft Report

5. Communications
   - Website
   - Open Houses

6. Final Report
Introduction

The intent of this section is to provide a general planning context for this study. As such, it provides an overview of the physical features of the Study Area, describes the seven sub-zones used by the Consulting Team to further define this area, presents a brief socio-economic profile of the Central Okanagan Regional District, and identifies existing Crown land tenures and use.

The overview of physical features describes the four biogeoclimatic zones in the area and identifies the activities for which they are suited. In addition to the biogeoclimatic zones, the Consulting Team divided the Study Area into seven sub-zones to assist with data collection, analysis and concept description. Each of the seven sub-zones is described in terms of access and human activity as well as tourism and recreation facilities.

The socio-economic profile is comprised of three parts: a summary of population trends, an overview of the region’s economic structure including a discussion of the key features of each economic sector, and a description of the region’s economic development priorities as identified by the Economic Development Commission. The Crown land tenures and use section identifies the location of existing tree farm licenses (TFLs), woodlot, forest license, mineral tenure, grazing, range, commercial recreation, guide outfitter, trapline, community watershed and agricultural land reserve (ALR) tenures and land use designations.

Physical Features

The Central Okanagan Regional District (CORD) is largely comprised of the southeast section of the Thompson Plateau, an area of rolling terrain with average elevations of between 1,000 and 1,700 metres. Summit elevations are typically 2,000 metres, such as Little White Mountain to the southeast (2,170 metres), the highest point in the Study Area, and peaks exceeding 1,850 metres to the west such as Terrace, Whiterocks and Gottfriedsen Mountains. A distinct feature is Okanagan Lake and the Okanagan Valley which bisects CORD north to south between western and eastern halves. The valley features the greatest topographic relief in the Study Area where steep slopes rise 700 to 850 metres above the lake at 342 metres elevation.

The distinct elevation changes adjacent to the Okanagan Valley, combined with the relatively dry climate, provide for highly attractive and varied landscapes. With increasing elevation, low-lying
grasslands quickly give way to savanna and open, parkland forests. Above 1,000 metres the open forests grade into forests with a closed canopy. At about 1,500 metres, the forests open up again into subalpine terrain in response to the long cold winters and short growing season. These elevational changes represent four Biogeoclimatic Zones\(^{11}\). From valley bottom upwards these zones are the Ponderosa Pine, Interior Douglas-fir, Montane Spruce and Engelmann Spruce-Subalpine Fir Biogeoclimatic Zones. Some elements of a fifth zone, the relatively moist Interior Cedar-Hemlock Zone, are found along the west margin of the Greystokes Plateau area.

**Ponderosa Pine Zone**

The Ponderosa Pine Zone largely lies outside the Crown land portions of CORD. Examples of the Ponderosa Pine Zone in a natural state are almost non-existent because of the extensive urban and agricultural development along the lower valley.

**Interior Douglas-fir Zone**

The Interior Douglas-fir Zone is found along the higher ridges overlooking the Okanagan Valley and extends along the larger tributary valleys such as the Mission, Greata, Peachland, Trepanier, Powers, Lambly, Shorts and Whiteman drainages. Douglas-fir is the dominant tree species but ponderosa pine and some western larch are common to the drier sites while lodgepole pine is an important seral species at higher elevations. The drier sites are highly attractive where open forests are interspersed with grasslands.

The open terrain is conducive to a wide range of high quality recreation activities such as hiking, horseback riding, landscape viewing and nature study. Wildlife viewing opportunities are significant in this zone because of the open terrain and presence of numerous, interesting wildlife species. These include deer (mule and whitetail), Rocky Mountain elk and a broad range of raptors (hawks and owls) and other interesting birds. This zone also supports a number of threatened species and/or animals distinctive to the dry interior landscapes such as California bighorn sheep, badger, White-headed Woodpecker, gopher snake, western rattlesnake and Flammulated Owl. Where suitable roads and trails exist, the Interior Douglas-fir Zone is also important for mechanized activities such as trail bike riding, driving for pleasure, and when suitable winter conditions exist, it is highly attractive for snow sports such as cross-country skiing or snowmobiling.

\(^{11}\) Please see this website for further information on the Biogeoclimatic Ecosystem Classification system. [http://www.for.gov.bc.ca/research/becweb/aboutbec/aboutbec.htm](http://www.for.gov.bc.ca/research/becweb/aboutbec/aboutbec.htm)
Montane Spruce Zone

The Montane Spruce Zone is the most extensively distributed zone within CORD, especially the Crown land portions. This zone is characteristic of the middle and higher elevations of the southern interior plateaus and, in recent decades, has been the focus of extensive forest harvesting and road development. Here, winters are relatively long and cold while summers are short and warm. Engelmann spruce is the dominant tree species but there is good distribution of other forest trees such as Douglas-fir, lodgepole pine, aspen and willows depending upon local moisture conditions and fire history. The understories are usually comprised of a modest cover of shrubs but these generally do not limit foot travel and ground access.

Within the CORD Study Area, an important feature found in the Montane Spruce Zone is the presence of numerous small lakes and wetlands. Approximately 18 lakes, varying in size from one to three kilometres long, occur and provide good opportunities for fishing, camping and small boat use. Water levels on almost all the lakes are maintained by small dams as part of local irrigation and water supply requirements. Rustic fishing camps are found at eight of the lakes and all of the 18 MoF recreation sites in this zone are on one of these lakes. In recent years these recreation facilities have also become the focus for land-based activities such as hiking, riding and motorized recreation in the summer and for snowmobiling, cross-country skiing and ice fishing in the winter. Hunting, primarily for deer, is ubiquitous throughout the upland areas in CORD. The expansion of recreation onto the uplands is a direct result of the very aggressive forest road development that has occurred in the last two decades. One feature that appears to be overlooked is the extensive distribution of small wetlands, swamps and marshes, often located in close association with the lakes. The wetlands offer habitat variety and good opportunities for nature appreciation, study and wildlife viewing. Small mammals such as beaver and river otter are common plus there are a variety of water birds and waterfowl including the Common Loon, grebes and osprey.

Engelmann Spruce-Alpine Fir Zone

Above 1,500 metres, the Interior Douglas-fir Zone gives way to the Engelmann Spruce-Subalpine Fir Zone. This zone occupies the Greystokes Plateau and Little White Mountain areas to the east and the higher ridges along the west margin of the Study Area. Here, winters are long and cold and summers are short and cool. Engelmann spruce remains common but grows in more open form. As elevation increases, Engelmann Spruce combines with alpine fir and vegetative cover increasingly takes on the form of subalpine terrain where trees are stunted and tend to grow in clumps separated by open meadows.

Where road access approaches or enters this zone, cross-country recreation opportunities are common. These opportunities include hiking and back-packing in the summer and snowmobiling and cross-country skiing in the winter. The Greystokes area is most important in this regard given the road access up Mission Creek and the development of popular routes, trails and chalets such as those found along Pearson Creek and extending onto the upper plateau. The upper plateau area represents the largest contiguous area of non-roaded, natural terrain in the Regional District. Close to a dozen small,
attractive tarns and lakes are found in the Greystokes area which are scenically significant in the summer months. As well, this area is covered by numerous small wetlands, fens and ponds. These features add diversity to the area but are sensitive to human disturbance, especially disturbance associated with summer cross-country activities.

**Study Area Planning Zones**

For purposes of the current study, the Consulting Team defined seven sub-areas or planning zones. Each of the individual planning zones shares general characteristics in terms of access, degree of human activity and general tourism and recreation features and attractions. The main characteristics of the seven planning zones are briefly described in Table 1, while Figure 3 portrays their general location.

**Figure 3 - Study Area Planning Zones Map**

![Image Courtesy of Radarsat International](image_url)
<table>
<thead>
<tr>
<th>Planning Zone</th>
<th>Access &amp; Human Activity</th>
<th>Tourism &amp; Recreation Features</th>
</tr>
</thead>
</table>
| 1. Greystokes   | • partial road access to lower elevation areas and along upper Mission and Pearson Creeks  
• developed and informal recreation routes from the roaded areas which extend into the higher elevation areas  
• older greened-up as well as more recent harvesting at lower elevations  
• semi-primitive/semi-wilderness settings at higher elevations | • established snowmobile routes and huts; popular winter recreation destination  
• attractive sub-alpine terrain with opportunities for hiking and wilderness travel  
• scenic tarns, lakes, wetlands and subalpine vegetative cover                                                                                                      |
| 2. Myra-Mission | • urban and agricultural development on fringe of Kelowna and along lower Mission Creek  
• highway and mainline forest road access along valley bottoms  
• secondary forest roads and spurs in upland areas  
• older, partially greened-up forest harvesting and a few recent cut blocks at lower to mid-elevations  
• natural appearing forest terrain in upper Bellevue and KLO drainages and on Little White Mountain  
• natural, open, rocky terrain on north flanks of Okanagan Mountain | • KVR: a major feature of CORD area; historic railroad grade, old trestles and tunnels; multi-use trail; Myra Canyon  
• Hydraulic Lake area: McCulloch Lake Resort, historic features; three MoF recreation sites; fishing and boating; multi-use roads and trails for winter skiing, hiking and horseback riding; small lakes and wetlands; wildlife viewing  
• Mission Creek features: Gallagher Canyon; Layer Cake Mtn.; hoodoo-like bluffs (Daves Creek area); wildlife viewing; stream fishing; river-side camping potential  
• Myra-Bellevue Park: Crawford trails network; Bellevue Canyon  
• Little White Mtn: sub-alpine terrain; cross-country skiing; back-country snowmobiling; rock climbing potential  
• Okanagan Mtn. area: distinctive, open, rocky terrain and Okanagan Lake shoreline; hiking and viewing; Wildhorse Canyon historic route |
| 3. Plateau Lakes | • forest road access throughout  
• numerous summer and winter recreation trails and routes | • relatively high concentration of small to medium-sized lakes and associated wetlands                                                                                                                                         |
### Central Okanagan Crown Land

#### Tourism and Commercial Recreation Opportunities Study
February 2003
Regional Overview

<table>
<thead>
<tr>
<th>Planning Zone</th>
<th>Access &amp; Human Activity</th>
<th>Tourism &amp; Recreation Features</th>
</tr>
</thead>
<tbody>
<tr>
<td>Central Okanagan</td>
<td>• numerous recent cutblocks throughout north and west portions of zone</td>
<td>• good opportunities for sports fishing, camping, hiking, wildlife viewing, cross-country winter activities and nature appreciation</td>
</tr>
<tr>
<td></td>
<td>• natural appearing Montane forests southeast of Beaver Lake</td>
<td>• several fish camp resorts and numerous forest resorts sites on lakes</td>
</tr>
<tr>
<td></td>
<td>4. Kelowna-Belgo</td>
<td>• attractive benchlands, open grasslands and parkland forests adjacent to east side of Okanagan Valley with opportunities for hiking, viewing, riding, and wildlife viewing</td>
</tr>
<tr>
<td></td>
<td>• extensive highway and forest road development throughout</td>
<td>• trail networks on uplands north of lower Mission Creek</td>
</tr>
<tr>
<td></td>
<td>• urban, commercial and agricultural development at lower elevations</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• recent and older forest harvesting along all drainages</td>
<td></td>
</tr>
<tr>
<td></td>
<td>5. Lambly-Trepanier</td>
<td>• fishing and camping opportunities at ten small lakes</td>
</tr>
<tr>
<td></td>
<td>• forest road access throughout</td>
<td>• five lake-side MoF recreation sites</td>
</tr>
<tr>
<td></td>
<td>• most forest harvesting is older and greened-up</td>
<td>• fishing camps at Jackpine and Lambly lakes</td>
</tr>
<tr>
<td></td>
<td>• large open pit mine</td>
<td>• Crystal Mtn. winter/summer recreation area</td>
</tr>
<tr>
<td></td>
<td>• natural appearing terrain in vicinities of Jackpine and Lambly Lakes</td>
<td>• several developed trails (winter and/ or summer): Lacoma L., McDougall Rim, Mount Swite, Grouse Mtn., Mount Drought, Crystal Mtn., Silver-Wilson lakes</td>
</tr>
<tr>
<td></td>
<td>6. Terrace Mountain</td>
<td>• several viewpoints: Mount Drought, Blue Grouse Mtn., Pincushion Ridge, Lookout Mtn., Mount Swite, ridge near Dobbin Lake</td>
</tr>
<tr>
<td></td>
<td>• very extensive development of forest road access</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• large areas of older forest harvesting in valleys</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• very numerous and concentrated pattern of recent forest harvesting blocks at higher elevations</td>
<td></td>
</tr>
<tr>
<td></td>
<td>7. Shorts Creek</td>
<td>• diverse habitats and interesting landscape variety along Shorts Creek</td>
</tr>
<tr>
<td></td>
<td>• forest road access along Whiteman Creek, lower Shorts Creek and on uplands between both drainages</td>
<td>• wildlife viewing and nature appreciation opportunities combined</td>
</tr>
<tr>
<td></td>
<td>• forest harvesting throughout except for</td>
<td></td>
</tr>
</tbody>
</table>
Central Okanagan Crown Land
Tourism and Commercial Recreation Opportunities Study
February 2003
Regional Overview

<table>
<thead>
<tr>
<th>Planning Zone</th>
<th>Access &amp; Human Activity</th>
<th>Tourism &amp; Recreation Features</th>
</tr>
</thead>
</table>
|               | natural appearing terrain along much of Shorts Creek and some of Whiteman Creek | with California Bighorn Sheep herd
|               | • excellent viewing at Sugarloaf Mountain, short trail up east side, interesting rock formations on west side |
|               | • Shorts Canyon trail at Attenborough Creek; otherwise, no recreation facilities or sites |

**Climate**
Generally the CORD experiences a mild continental climate typified by hot summers and cold winters. The Okanagan Valley boasts moderate winter temperatures, the arrival of early springs, as well as bright arid summers with little precipitation. In the higher elevations, especially in the north and east of the Study Area, winter is longer and can be more extreme with heavier snowfall and lower temperatures. The frost-free period varies greatly throughout the Okanagan Valley, being greatest along the lakeshore and on sloping terrain.

The warm, dry summer in the Central Okanagan starts in June and lasts well into September. Summer daytime temperatures are generally in the middle to high 20's Celsius (high 70's/low 80's Fahrenheit) and can peak in the low-30's (above 85). Mountain elevations cause fair drops in night time temperatures. Late September, October and early November make up the Fall months when the temperatures begin to drop and precipitation increases. Winter in the Central Okanagan involves below freezing temperatures and snowfall that provide some of the best conditions in North America for outdoor recreation activities such as skiing, ice-fishing, snowmobiling and skating. The region receives an average yearly snowfall total of 95 cm. Spring usually arrives at the end of March/beginning of April and lasts until June, with average temperatures ranging from 15.4°C to 24.6°C12.

**Access to the Region**
The Central Okanagan is easily accessible via a variety of transportation methods. The area is serviced by several airlines including Air Canada's subsidiary airlines Tango (discount airline) and Jazz (the regional carrier), West Jet and Horizon Air. Kelowna’s airport is the second fastest growing airport in North America and offers a full range of services to travelers. Passenger traffic has been growing steadily over the last ten years.

The Central Okanagan is also accessible via road. Highway 97 runs north-south through the area and connects to the Trans-Canada Highway at several points. The Okanagan Connector provides a road link to the Coquihalla Highway from the Central Okanagan and allows travelers from the Lower Mainland to reach the Study Area in approximately 3.5 hours. Travelers from the major US city of Seattle can reach the Central Okanagan in about six hours.

As the main zone of commercial activity within the Central Okanagan Regional District, the city of Kelowna is used as the measuring point for the region’s proximity to its strategic markets. The chart below provides some of these key measurements.

<table>
<thead>
<tr>
<th>Distance from Kelowna to</th>
<th>Vancouver</th>
<th>395 km</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Seattle</td>
<td>504 km</td>
</tr>
<tr>
<td></td>
<td>Calgary</td>
<td>602 km</td>
</tr>
<tr>
<td></td>
<td>Portland</td>
<td>826 km</td>
</tr>
<tr>
<td></td>
<td>Penticton</td>
<td>68 km</td>
</tr>
<tr>
<td></td>
<td>Vernon</td>
<td>46 km</td>
</tr>
</tbody>
</table>

**Socio-Economic Profile**

**Population Growth Trends**

In 2001, the Regional District of the Central Okanagan (CORD) had a population of 147,739, which represents 3.8% of the total provincial population of 3.9 million. Between the 1996 and 2001 Census periods, the CORD experienced an 8.2% population growth rate - the third highest rate in the province after the Squamish-Lillooet Regional District (12.3%) and the Greater Vancouver Regional District (8.5%). The CORD is comprised of five distinct areas that include Kelowna, Peachland, Lake Country, Electoral Area I, and Electoral Areas G and H. Of these five areas, Kelowna is the largest with a population of 96,288 (or 65.2% of the total regional population). Population growth trends in the region have varied over the past two decades but have consistently been positive. The greatest rate of growth occurred in the late 1980s and early 1990s when annual growth reached a high of 6.5%. However, for the past few years, population growth has averaged approximately 2% annually. This growth rate is expected to continue as population projections prepared by BC Stats predict that the region will grow by an average of 1.9% annually between now and 2026. Should these growth rates be achieved, the CORD will be home to up to 257,000 people (100,000 more than the current population) by 2026.

**Economic Sectors**

Typically, areas that are experiencing strong population growth also have a fairly robust economy and this is certainly true for the CORD. Although the region is often perceived as having a heavy agricultural and tourism focus, the economy is actually quite diversified. As a result of this diversification, the region is not overly dependent on any one sector. This economic balance is reflected in labour force data. Although the 2001 Census labour force data will not be available until 2003, 1996 data indicates that 23.6% of the labour force (which numbered 54,330 people) was

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14 [www.bcstats.gov.bc.ca/data/pop/popstart.htm](http://www.bcstats.gov.bc.ca/data/pop/popstart.htm)
employed in the goods producing sector (primary industry, manufacturing and construction), 7.5% in transportation, communications and utilities, 17.3% in wholesale and retail trade, 29.4% in service industries, and 22.2% in public administration\textsuperscript{15}.

The Economic Development Commission of the CORD has prepared a detailed economic profile of the region that summarizes key features of each economic sector. The following overview level information is drawn from this profile.

**Construction:** The largest number of firms in the Central Okanagan is in the construction sector, which accounted for 16.6% of the total number of businesses in December 1997. At that time, there were a total of 1,027 construction businesses. There were approximately 7,000 people in the construction labour force in 1997 -- an increase of 48% since 1981. The proportion of the labour force engaged in the construction industry in 1996 was 11.4%, which is considerably higher than the provincial average of 7.5% in 1996.

**Manufacturing:** According to the 1998 BC Business Directory, there were 302 businesses engaged in the manufacturing sector in the Central Okanagan. Approximately 242, or 80%, of these firms had less than 20 employees. Of the remainder, there were 19 firms that had between 50 to 199 employees while four firms have more than 200 employees.

**Wholesale and Retail Sales:** According to a Financial Post survey, total estimated retail sales for 1999 in the Central Okanagan were estimated to be $1,401,400,000, which equates to an expenditure of approximately $9,342 per person. This represents an increase of 49.6% since 1990.

**Agriculture:** According to the 1996 Census of Agriculture statistics, total farm income in the CORD in 1996 was $61.4 million. There are approximately 1,000 fruit growers in the area. These growers provide 250 to 300 people with full time employment and create up to 8,000 temporary jobs throughout the year. Approximately 25% of orchards are planted tree fruits (peaches, cherries, pears, etc.) while the balance is devoted to growing apples. BC Tree Fruits, the grower owned sales agency for all tree fruits produced in the Okanagan and Similkameen Valleys and Creston, is located in Kelowna. The British Columbia Fruit Board and the British Columbia Fruit Grower Association maintain head offices in Kelowna.

**Tourism:** Tourism is an important sector of the Central Okanagan economy. CORD is a destination and travel-through place for many tourists because of the year round facilities and attractions. According to the “BC Visitor Study: Report on Travel in BC” over 4.8 million visitors travelled to South Thompson-Okanagan for a day or overnight stay during 1995-96. It is estimated that 53% of these visitors were from the province of BC and 47% were non-residents. More details on tourism performance and trends for the CORD are presented in the Tourism Trends section of the report.

\textsuperscript{15} \url{www.statcan.ca/start.html}
Forestry: Public forest lands are included within the central part of the Okanagan Timber Supply Area. Private forest lands provide some additional timber resources. Riverside Forest Products Ltd., the major forestry firm in the region, operates a large integrated sawmill and veneer-plywood plant in Kelowna. Other forestry activities include a lumber mill at Westbank, a log home mill, a chopstick mill, and a number of smaller sawmills. There were a total of 82 firms involved in logging and forestry industries in the CORD in 1996. Of these firms, six businesses have more than 20 employees.

Mining: With the closure of Brenda Mines and Teck Mines, mining in the CORD is now nonexistent and new opportunities are not anticipated, although the area is still active in exploration.

Transportation, Communications and Utilities: The CORD area provides access to major markets. Kelowna International Airport is the second fastest growing airport in North America. The airport is undergoing a $20 million expansion. It is serviced by Air BC, Canadian Airlines Ltd., Horizon Air, and WestJet Airlines and currently accommodates more than 800,000 passengers annually. In terms of communications, the CORD has six newspapers, six radio stations and two television stations. Utilities are provided in the southern part of the area by West Kootenay Power and Light Co. Ltd., which also sells power to the City of Kelowna for municipal distribution. BC Hydro and Power Authority distributes electricity in the northern part of the region. Gas is provided by Inland National Gas Co. Ltd. and BC Gas. Telephone service is provided by BC Tel. The transportation, communication and utilities sector comprised 6.0% of the CORD labour force in 1996.

Education/Government/Services: A smaller proportion of people work in the education, health, business services, and public administration sectors than is typical for BC overall. However, this is one of the fastest growing sectors. With continued in-migration, the proportion of the labour force engaged in this sector could soon match the larger centres in BC.

Industrial Land: A 1998 Industrial Land Survey was prepared by the Economic Development Commission. The survey contains information on industrial land within the Central Okanagan. There are currently 1,405 acres of industrial zoned land available for development (this does not include Westbank First Nations). Four out of the five areas in the Central Okanagan accommodate industrial development.

High Tech: The Central Okanagan has gained recognition as a rapidly growing high technology zone in recent years, as growth rates of 25-35% annually have resulted in a sizable technology community. According to BC Stats, the Central Okanagan is now the third largest high tech area in the province of BC, after Vancouver and Victoria, and ahead of the Fraser Valley district. In a study conducted for the EDC in 1997, 370 high technology companies were operating in the district, with employment of 2,500 to 3,000 people - roughly the same number of people as employed in primary agriculture. The high tech sector GDP was estimated at $120 million, about the same as the Forestry sector.
Economic Development Priorities

The CORD Economic Development Commission produced a Draft Strategic Plan in 2002 that outlines its four key goals with regard to future economic development in the region. These four goals and their associated objectives that complement the Central Okanagan Crown Land Tourism and Commercial Recreation Opportunities Study are listed below.16

1) Business attraction – grow the economic base of the region by 20% over the next five years by attracting environmentally compatible, diverse and higher yielding business to the region.
   • Create investment awareness within and external to the region.
   • Facilitate a valley-wide effort to focus on co-operation and more specifically on branding the Okanagan Valley from a tourism and economic development perspective.

2) Business retention – to ensure a business retention of 80% or better of existing businesses annually for firms with five or more employees within three years.
   • Develop a direct farm-marketing program to encourage new opportunities for the existing agricultural sector.
   • Focus energy and attention on Kelowna International Airport, a fundamental building block for both existing and new businesses.

3) Business facilitation – Work in concert with the other communities and groups inside and outside the Central Okanagan on issues and areas of opportunity that will lead to future economic growth and directly support CORD’s business attraction and retention goals.
   • Support the development of the Highway 97 Inland Corridor Border Coalition.

4) Awareness of the EDC – Increase awareness of the EDC among the business community from today’s 30% to 60% within two years and 80% within five years.

Existing Crown Land Tenures and Use

There are a number of existing Crown land tenures within the CORD Study Area. Under these tenures, tenure holders have been granted either a temporary permit, a license, a lease or a statutory right-of-way by the Province (via Land and Water British Columbia) to conduct a range of activities. This section uses information obtained from tenure maps and relevant government agencies to describe the nature and location of forestry tree farm licenses, woodlots, forest licenses, mineral tenures, grazing tenures, range tenures, commercial recreation tenures, guide outfitter tenures and trapping tenures.

16 The Strategic Plan outlines several goals for each of the four objectives, however, only those relevant to this study have been included here.
Although not Crown land tenures, community watersheds managed by Irrigation Districts and Agricultural Land Reserve areas are also discussed as important land use designations. Understanding these tenures and existing uses represents an important step in evaluating the viability of tourism and commercial recreation opportunities in the Study Area.

**Tree Farm Licenses:** Tree farm licenses exist only on the west side of Okanagan Lake but cover more than half of this portion of the CORD. The license is TFL 49 and is held by Riverside Forest Products. Within the CORD, it encompasses virtually all of the Shorts Creek drainage, the Terrace Mountain drainage, and the upper portion of the Powers Creek drainage (or Lambly-Trepanier Zone).

**Woodlot Tenures:** Several woodlot tenures exist in the region and all but one are located on the east side of Okanagan Lake. A block of tenure parcels is located above Rutland, north of Highway 33 in the transition area (Kelowna-Belgo Zone) between the Crown land portion of the CORD and private land. Other individual parcels are located west of Oyama Lake (Plateau Lakes Zone) and near the headwaters of Mission Creek (Myra-Mission Zone). On the west side of Okanagan Lake, a woodlot is located near Silver Lake in the Peachland Creek drainage (Lambly-Trepanier Zone).

**Forest Licenses:** The Okanagan Timber Supply Area (TSA) covers 2.22 million hectares and includes the communities of Penticton, Vernon, Kelowna and Salmon Arm. The CORD is located within this Ministry of Forests administrative boundary. Although there are eleven timber licensees that have harvesting rights in the Okanagan TSA, only four (plus the BC Timber Sales Program) operate within the boundaries of the CORD. The four licensees do not necessarily have all of their managed lands within the CORD, but do have a portion of their operating areas within the boundary (refer to the most recent Forest Development Plan for spatial boundaries of each).

The following timber licensees currently operate within the CORD:

- **Riverside Forest Products Limited** is an integrated forest products company in the business of harvesting timber and producing lumber, plywood, veneer and wood chips. This company is Canada’s largest producer of softwood, plywood and veneer, and a major manufacturer of stud and random length lumber. Riverside also produces a variety of value-added products including treated railway ties and plywood bins and pallets. Riverside is a publicly owned company, among the top ten tenure holders and lumber producers in British Columbia.

- **Tolko Industries Ltd.** is a private, family-owned Company whose primary business is the marketing and manufacturing of speciality forest products.

- **Gorman Bros. Lumber Ltd.** is one of the largest family owned wood product operations in BC. They specialize in high quality appearance grade boards as well as speciality grades
and metric sizes for the European and Asian markets. They maintain their base of operations on their original site in Westbank.

- **Weyerhaeuser Company Limited** is the world’s largest owner of merchantable softwood timber. As well they are the world’s largest producer of softwood and hardwood lumber, the largest producer of engineered lumber products, the largest producer of softwood market pulp and numerous other achievements. In the Southern Okanagan, Weyerhaeuser has established a partnership with a furniture manufacturer and with First Nations bands to provide a value-added product, jobs, training and forest management expertise.

- **BC Timber Sales Program:** Independent forestry businesses make a significant contribution to the BC economy. The Ministry of Forests has supported this sector principally through the BC Timber Sales Program (formerly the Small Business Forest Enterprise Program). The program’s timber allocation supports the entrepreneurial efforts of individuals and small forestry operators across the province. The program provides opportunities supporting jobs and generating new employment. It encourages and promotes greater employment and community stability through economically sound and viable remanufacturing and the production of specialty wood products by independent remanufacturers in British Columbia.

**Mineral Tenures:** Many mineral tenures exist in the Study Area, although more than 90% of them are located on the west side of Okanagan Lake. These tenures are concentrated around Whiteman Creek and Shorts Creek (Shorts Creek Zone), and near the upper reaches of Powers Creek (Terrace Mountain Zone) and Peachland Creek (Brenda Mines) (Lambly-Trepanier Zone). All but one of the mineral tenures located on Crown land east of Okanagan Lake are in the Myra-Mission Zone with the largest concentration located adjacent to the KVR Trail.

**Grazing Tenures:** There are two grazing tenures in the Crown land portion of the CORD. One tenure is located west of the north end of Wood Lake in the westernmost point of the Kelowna-Belgo Zone and the other tenure is located south of Kelowna in the westernmost point of the Myra-Mission Zone.

**Range Tenures:** Range tenures, which are administered by MoF, are located throughout the Study Area (covering 97.5% of the land base).

**Commercial Recreation Tenures:** Twelve commercial recreation tenures exist in the Study Area, including three on the west side and nine on the east side of Okanagan Lake. Nine of the tenures are for lodge or resort sites, all of which are located on headwater lakes. Two others are for cross-country ski areas, while one is for horse trails.
Guide Outfitter Tenures: Guide Outfitter tenures exist throughout the study area. The percentage of Crown land given to these tenures in each of the Study Area Planning zones is as follows:

- Zone 1 Greystokes - 93%
- Zone 2 Myra-Mission - 100%
- Zone 3 Plateau Lakes - 70%
- Zone 4 Kelowna-Belgo - 84%
- Zone 5 Lambly-Trepanier - 98%
- Zone 6 Terrace Mountain - 94%
- Zone 7 Shortts Creek - 54%

Trapping Tenures: Trapping tenures exist on 100% of the Crown land in each planning zone.

Community Watersheds: Nearly all of the Crown land in the CORD is located in an Irrigation District community watershed. The only portions of the Study Area that are not in an Irrigation District watershed are the area west of (and including most of) Myra-Bellevue Park, an area west of Oyama Lake on the east side of Okanagan Lake, and the Crown land areas adjacent to Westbank and Peachland. These drainages and their associated headwater lake reservoirs supply the domestic water for most of the CORD’s population.

Agricultural Land Reserve Lands: ALR land is located on both sides of Okanagan Lake. Most (about three-quarters of the acreage) is located around Kelowna, and virtually all of this is private land. On the west side of the lake, concentrations of ALR land exist in three locations on Crown land. These include an area north of Peachland Creek, between Powers and Lambly Creek, and north of Lambly Creek towards Shorts Creek.

Licences of Occupation: This type of tenure is issued for community or institutional use, typically on land in remote locations where the intended use is for a short period and where there are limited improvements required. The CORD has several of these licences, administered by the Regional District for Regional Park purposes. Regional Parks in the Study Area that are primarily on Crown land include: Antlers Beach, Cedar Mountain, Kaloya, Rose Valley and Stephens Coyote Ridge. There are also several regional parks with a very small portion on Crown land.

Conclusions

Understanding the nature and location of existing Crown land tenures in the Study Area helped set the stage for the remainder of this project because it made the Consulting Team aware of existing tenured uses of the land. This information provided a basis against which to evaluate potential Crown land tourism and commercial recreation opportunities in terms of compatibility with existing uses. The results of this evaluation are documented in the chapter entitled Priority Issues for Sustainable Tourism and Recreation.
Introduction

The entire CORD Study Area is located within the Okanagan–Shuswap Land and Resource Management Plan (LRMP) area. The LRMP planning process was initiated in 1995, completed in 2000, and approved by government in April 2001. The plan was developed by approximately 50 participants representing a range of resource values and interests. Local First Nations expressed an interest in the process but chose not to participate. A copy of the document is available at the website http://www.luco.gov.bc.ca/lrmp/okanshus/.

The overall purpose of the LRMP process was “to produce a strategic land and resource management plan that will sustain the ecological, social and economic well-being of the plan area”. The planning process was based on the principles of sustainability and integrated resource management, and created a strategic vision for Crown land and resource development. The plan provides policy direction for all agencies involved in land and resource management. However, all land management activities are still subject to relevant acts, legislation and regulations. The implementation timeframe is ten years.

The plan includes general management direction for the LRMP area as a whole, as well as specific direction for individual resource management zones (RMZs). General resource management objectives and strategies apply to all Crown land. The RMZs are specific to each topic or land value and apply particular resource attributes to each of these unique polygons.

General resource management objectives and strategies have been developed for 21 specific land uses ranging from agriculture to wildlife. The objectives are worded as “desired future conditions”, while strategies describe how each objective is to be achieved. Significant to the Central Okanagan Crown Land Tourism and Commercial Recreation Opportunity Study are the sections relating to Crown land recreation and tourism. The analysis of these sections provides important support for the development of recommendations that allow tourism to optimize the management objectives set out in the LRMP. The content of these sections is summarized on the following pages.
Summary of LRMP Priorities

Crown Land Objectives

The overall goal of the LRMP process is to ensure that the majority of the Crown land base, excluding protected areas, continues to be available for a wide spectrum of applications. The specific objectives are to:

- Adjudicate Land Act applications and reserve proposals recognizing land and resource values and existing tenures;
- Ensure that opportunities for Crown land dispositions and reserves are available in the future to meet a broad spectrum of conservation, settlement, economic development and other societal needs;
- Ensure that isolated Crown land parcels are reviewed for highest and best use, and wherever possible are dealt with in a manner that achieves the most benefits to the Crown, the economy, the environment and the community;
- Where practical, minimize the impacts on important habitats such as red and blue listed species, and minimize the impacts where practical on regionally important species, and rare biological and physical features when making decisions on Land Act applications and reserve proposals;
- Where practical, minimize impacts to recreational opportunities on Crown land that are located adjacent to existing settled areas;
- Minimize impacts to foreshore and riparian areas, particularly those that are undisturbed;
- Prevent unauthorized encroachment of private landowner’s structures and fills on the foreshore;
- Minimize conflicts between tenured foreshore/aquatic and upland land uses; and,
- Where practical, maintain public access to, and along, the foreshore.

Recreation Objectives

The goals of the LRMP process relative to the recreation sector are to maintain a diverse range of outdoor recreation opportunities and to maintain the features that these activities depend upon. The specific objectives are to:

- Maintain and enhance opportunities for outdoor recreation;
- Prevent or resolve conflicts between recreationists and other Crown land users;
- Prevent or resolve conflicts between recreation users;
- Prevent or resolve conflicts between recreationists and private landowners;
- Ensure recreational use is compatible with the values of sensitive ecological areas; and,
- Provide a diversity of angling opportunities.

**Tourism Objectives**

The goal of the LRMP process relative to tourism is to encourage the development of a healthy and sustainable tourism industry, which can be achieved by maintaining a diversity of frontcountry to backcountry tourism settings, maintaining fish and wildlife populations, and providing opportunities for tourism development. The specific objectives are to:

- Provide opportunities for existing and future tourism industry development; and,
- Reduce conflicts between commercial recreationists and other resource users.

**Resource Management Zones (RMZs)**

RMZs are areas (polygons) specific to individual topics or resource values. Polygon specific RMZs have been developed for ten topics ranging from community/Crown interface to wildlife (nine individual species). The topics of most significance to this study are recreation and tourism areas.

**Recreation RMZs**

The key recreation RMZs for the purposes of this study are Intensive Recreation Areas and Regionally Significant Trail Corridors.

**Intensive Recreation Areas (Polygon Specific Zones)**

Approximately half the Study Area is located in Recreation RMZs. On the west side of the lake, these areas are located adjacent to Peachland Creek and west of Westbank. In addition, there is a large area surrounding the drainage of Lambly Creek and an area near the mouth of Whitman Creek. On the east side of Okanagan Lake, Recreation RMZs exist around the Kettle Valley Railway corridor, Greystokes Park and the area to the west, the headwater lakes including Swalwell/Postill/James/Ideal Lakes, and the area north of Oyama Lake.

The stated goal of the Recreation RMZ is to manage the zones in such a way that the Identified major values are maintained or enhanced. The specific objectives of the intensive recreation areas are to:

- Ensure that the public and recreation groups are aware of the location of RMZs;
- Encourage public recreation forums to develop site-specific recreation strategies to manage and integrate recreation opportunities and uses, to encourage compatibility and resolve conflicts among recreational users;
Encourage a stewardship role by organized user groups or clubs, in the management of recreational activities and facilities.

When planning for industrial activities, ensure that trail corridors/networks and the associated recreation opportunities are maintained or enhanced for continued public use as directed by other objectives in the RMZ; and,

Manage the impact of industrial use on recreational values.

Regionally Significant Trail Corridors

The stated goal of the regionally significant trail corridors is to maintain the recreational values within these corridors. The trail corridors identified as Category A include:

- Kettle Valley Railway corridor;
- Mission Creek from Okanagan Lake to Greystokes;
- Myra-Bellevue Park trails;
- Lacoma Lake to Jackpine Lake to Banana Lakes east of Trepanier Park; and,
- Canyon Rim Trail north of Shorts Creek.

Category B corridors include:

- Hudson’s Bay Brigade Trail along the west side of Okanagan Lake;
- McDougall Rim north of Westbank;
- Okanagan High Rim between Hydraulic Lake and Oyama Lake; and,
- Powers Creek.

Specific objectives of the Trail Corridor Recreation RMZs are to:

- Identify portions of the trails designated for non-motorized and/or motorized use;
- Maintain recreational values along trails; and,
- Manage viewscapes along trails.

Tourism RMZs

Approximately one-third of the CORD Study Area falls within a Tourism RMZ. There are two Tourism RMZs on the west side of Okanagan Lake and five on the east side. On the west side, more than half the Study Area is within a Tourism RMZ. This area includes a large polygon encompassing most of the upland Crown land above Peachland and Westbank and up to Shorts Creek, plus a small zone around Peachland Lake. On the east side of the lake, Tourism RMZs have been delineated around Myra-Bellevue Park, Hydraulic Lake, Swalwell/Postill/James Lakes, Oyama Lake and Kalamalka Lake. These polygons represent about one-quarter of the Crown land on the east side of Okanagan Lake.
The goal of the tourism sector is to encourage the development of a healthy and sustainable tourism industry, which both contributes to the economy and works to maintain environmental quality in the plan area. This is to be accomplished by maintaining the diversity of tourism settings, maintaining fish and wildlife populations, and providing opportunities for future tourism development. The specific objectives are to:

- Maintain backcountry tourism values in the Backcountry Resource Management Zone;
- Recognize the importance of high visual quality to the tourism values; and,
- Maintain the scenic quality of views from existing tourism facilities, lakes, use areas and trails.

**Conclusions**

Significant effort and information went into the development of the Okanagan-Shuswap LRMP and, from the beginning of the Central Okanagan Crown Land Tourism and Commercial Recreation Study process, the Consulting Team has been committed to ensuring that this study’s recommendations are consistent with the goals, objectives and zones associated with the LRMP Recreation and Tourism RMZs. As described in the next section, ensuring this consistency involved incorporating RMZ data into the Land Use/Tenure map and then analyzing the combined datasets in order to evaluate potential land use conflicts. It also involved assessing potential development opportunities and proposed locations against LRMP tourism and recreation objectives for the different planning zones in the Study Area. Based on the results of this evaluation process, the Consulting Team is confident that the development opportunities identified in the Recommendations chapter of the report are consistent with and optimize the management objectives set out in the LRMP framework.
Tourism and Recreation Supply Overview

Introduction

While the purpose of the previous two sections is to describe existing biophysical, socio-economic and land tenure conditions in the Study Area, and to outline current LRMP goals and objectives for the region, the purpose of this section is to identify the region’s existing tourism and recreation features and use.

The section on existing tourism and recreational use identifies facilities located in each of the Study Area’s seven sub-zones, describes the commercial and public recreation activities that are taking place in these zones, and outlines the key issues affecting future tourism and recreation development and use of these areas.

In order to provide some understanding of the economic implications of Crown land tourism and recreation activity, this section also includes an overview level assessment of the estimated revenue generated by existing lodges and tour activity.

Existing Tourism and Recreation Use

Existing tourism and recreation use for the Study Area includes several built facilities including rustic lodges, club day-huts (one Nordic and one Telemark) and rustic Forest Service recreation sites. A small number of commercial tour operators run outdoor adventure tours in the area. The area is popular with several recreation clubs as well as with independent recreationists. A summary of facilities, tour operators and recreation clubs for the Study Area is presented in the following table, followed by a description of existing use by each of the seven Study Area planning zones. (See Figure 3 for a map of these zones.) A more detailed inventory of existing use is presented in Appendix E of the main report.
Table 2 – Existing Tourism Facilities and Operators

<table>
<thead>
<tr>
<th>Facility/Club/Operator</th>
<th>Accommodation or Tour Type</th>
<th>Primary Activities</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Lodges or Resorts</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Beaver Lake Mountain Resort</td>
<td>Lodge/ Resort (16 cabins, 40 campsites)</td>
<td>• Camping, fishing, and general usage</td>
</tr>
<tr>
<td>Postill Lake Lodge</td>
<td>Lodge/ Resort (15 units, 10 campsites)</td>
<td>• Camping, general usage</td>
</tr>
<tr>
<td>Eight Mile Ranch</td>
<td>Guest Ranch/ Farm (2 cabins, campsites)</td>
<td>• Horseback riding, cabin/hut use and summer camping</td>
</tr>
<tr>
<td>McCulloch Lake Resort Ltd.</td>
<td>Lodge/ Resort (6 cabins, 1 4-plex chalet, 45 seat dining room)</td>
<td>• Camping and general usage</td>
</tr>
<tr>
<td>Jackpine Resort</td>
<td>Information N/A</td>
<td>• Information N/A</td>
</tr>
<tr>
<td>Dee Lake Resort</td>
<td>Lodge/ Resort (20 cabins, 10 campsites)</td>
<td>• Camping, general usage, and fishing</td>
</tr>
<tr>
<td>Oyama Lake Four Seasons Resort</td>
<td>Lodge/ Resort</td>
<td>• Camping, general usage, and fishing</td>
</tr>
<tr>
<td><strong>Other Facilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Windsong Farm</td>
<td>Bed &amp; Breakfast (5 units)</td>
<td>• Summer land sports and general usage</td>
</tr>
<tr>
<td>Camp Dunlop</td>
<td>Cabin/ Cottages (100 tent sites, 1 large lodge, 2 cabins)</td>
<td>• Summer land sports and general usage</td>
</tr>
<tr>
<td>Silver Lake Forest Education Society</td>
<td>Lodge/ Resort (84 campers accommodated in 5 cabins)</td>
<td>• Nature study/appreciation, and boating (non-motorized)</td>
</tr>
<tr>
<td>Crystal Mountain Resorts</td>
<td></td>
<td>• Downhill skiing, snowboarding and snow shoeing</td>
</tr>
<tr>
<td><strong>Tour Operators</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>GeoQwest Excursions</td>
<td>Hiking/ Mountaineering/ Nature</td>
<td>• Off-road driving (4X4)</td>
</tr>
<tr>
<td>Monashee Adventure Tours</td>
<td>Cycling</td>
<td>• Mountain biking</td>
</tr>
<tr>
<td>Okanagan Adventure Co.</td>
<td>Rock Climbing and Cycling</td>
<td>• Mountain Biking</td>
</tr>
<tr>
<td>Off the Beaten Track</td>
<td>Rock Climbing</td>
<td>• Off-road driving (4X4) and mountain biking</td>
</tr>
<tr>
<td>First Cast Trout Shop and Guide Service</td>
<td>Marine charters, fresh</td>
<td>• Fishing, general, fly fishing</td>
</tr>
<tr>
<td>Tykes Can Tour</td>
<td>Cycling</td>
<td>• Mountain biking</td>
</tr>
<tr>
<td>Mandy and Me Trail Riding</td>
<td>Trail Riding</td>
<td>• Horseback riding</td>
</tr>
<tr>
<td>Outbound Cycle and Sport</td>
<td>Cycling and Trail Riding</td>
<td>• Mountain biking, horseback riding</td>
</tr>
<tr>
<td><strong>Clubs or Groups</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Crux Climbing Centre</td>
<td>Rock Climbing</td>
<td>• Rock Climbing</td>
</tr>
<tr>
<td>Nordic Ski Club</td>
<td>Day-Hut</td>
<td>• Cross-country skiing</td>
</tr>
<tr>
<td>Back Country Horseman of BC</td>
<td>Horse and Trail</td>
<td>• Horseback riding</td>
</tr>
<tr>
<td>Kelowna Dirt Bike Club</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rock and Gem Club</td>
<td>Geology &amp; Minerals</td>
<td>• Rock hounding</td>
</tr>
<tr>
<td>Fish and Game Club</td>
<td></td>
<td>• Hunting, general usage</td>
</tr>
<tr>
<td>Telemark Cross Country Ski Club</td>
<td>Day-Hut/ lodge</td>
<td>• Telemark skiing</td>
</tr>
<tr>
<td>Lonely Loonie Fly Fishers Club</td>
<td>Marine Charters</td>
<td>• Fly Fishing</td>
</tr>
<tr>
<td>Kelowna ATV Club</td>
<td></td>
<td>• All-terrain vehicle (ATV)</td>
</tr>
<tr>
<td>Okanagan Hiking Club</td>
<td>Hiking/ Mountaineering/ Nature</td>
<td>• Hiking/ backpacking and orienteering</td>
</tr>
<tr>
<td>Business - Stable (Laurian Quarter Horses)</td>
<td>Horse and Trail</td>
<td>• Horseback Riding</td>
</tr>
<tr>
<td>Kelowna Mountain Bike Club</td>
<td></td>
<td>• Mountain biking</td>
</tr>
</tbody>
</table>

Note: General usage is defined as any number of typical lodge/resort activities, such as: freshwater sport fishing, ice fishing, hiking/backpacking, horseback riding and boating.
Planning Zone 1: Greystokes

Planning Zone 1: Greystokes is located in the Northeast region of the Study Area and is widely recognized as being one of the Study Area’s most environmentally sensitive but highly used areas. This Planning Zone contains a Protected Area (PA), the Greystokes Provincial Park. The area has no commercial operations, but is very popular with all of the recreational clubs surveyed for this study. The area is very accessible in all seasons from a number of paved and forest service roads. In addition, the diversity of the landscape, wildlife and vegetation makes it a popular location for a myriad of recreational pursuits including hunting, fishing, wildlife watching, off-road driving, snowmobiling, and horseback riding.

Survey results indicated that organized users of the area recognize the environmentally sensitive nature of the region and feel that, to maintain the area’s environmental integrity, education and maintenance are key issues for all users. The ease of access to the area, coupled with the vast terrain, makes enforcement of existing regulations difficult. Clubs and organizations are concerned that the closing of Forest Recreation Campsites will not deter camping, but simply cause non-organized users to access the area without regulatory enforcement.

Planning Zone 2: Myra Canyon - Mission Creek

Recognized by virtually all commercial and non-profit organizations as the gem of the Study Area, the Myra Canyon-Mission Creek Planning Zone is located in the southeast region of the Study Area. It is best known for the Kettle Valley Railway trestles. The area also contains a boy scout camp, a commercial lodge and campground, MoF recreation sites, regional parkland, and an extensive system of cross-country trails.

The Kettle Valley Railway is part of the Trans Canada trail and a 20 km section south of Kelowna is enjoyed by many locals and tourists annually. The usage is bolstered by its ease of access, the views of the valley from the trestles, and the flat railway that can be enjoyed easily by the most novice of users. The trestles are accessible from a number of locations. The easiest access is provided by a Wilderness Forest Service Road that is no longer being maintained. Maintenance of this access route is currently a significant concern for tourism operators and recreational users.

There are a number of commercial operators that attempt to market guided tours of the Myra Canyon and Kettle Valley Railway trestles. However, with limited exception, these operators are undercapitalized and not profitable. Ease of access to the tour industry is a major deterrent to operational viability. Operators can open for one season and be closed the next. This is counter-productive to developing cross marketing strategies and expanding services.

In addition to the Kettle Valley Railway, Hydraulic Lake serves as the base for McCulloch Lake Resort and the Kelowna Boy Scouts. The Boy Scout cabin is used virtually exclusively by the Boy Scouts and is an “alcohol-free” zone. McCulloch Lake Resort is a focal point for fishing, cross-
country skiing, and cycling of the Kettle Valley Railway. The resort has 15 non-serviced campsites, three rustic cabins that can sleep up to six people per unit, and three fully self-contained four-plexes. In addition, the resort has a dining room and lounge that can cater to groups of up to 45 people. The resort is located along Highway 33 and is 47 kilometres from the City of Kelowna.

Located immediately adjacent to McCulloch Lake resort is the site of the Nordic Cross-Country Ski Club. The club has over 350 members and maintains its own trails and a small clubhouse. The trails offer a variety of experiences from novice to professional and from short length to long tracks. The club is a non-profit organization that accepts donations for use of the trails.

This Planning Zone is home to several MoF recreation sites. Two of the most popular in the Study Area are located at McCullough/Hydraulic lakes. A third recreation site is located to the north at Browne Lake.

Accessibility to this region is the main concern for all users. The Myra Canyon represents one of the key geographical regions of the Study Area, and access is being hurt by the lack of maintenance of Forest Service roads. At the same time, Hydraulic Lake is the primary feeder of water to one of the region’s irrigation districts. As such, increased or improved accessibility to the area might jeopardize water quality in the valley. Cross-country ski users are also concerned that potential increases in fees would make their operation no longer viable.

**Planning Zone 3: Plateau Lakes (Oyama Lake/ Etc.)**

If the Study Area were to have an area known as “cabin country” this region, located in the central-east section of Study Area, would be it. The area is home to a number of fishing lodge/resort commercial operations. While the area is most popular for fishing, it is also used extensively for hiking, mountain biking, snowmobiling and off-road driving. This zone is well-populated with MoF recreation sites and has one regional park located on Kalamalka Lake.

The commercial operators, while long in tenure, are greatly undercapitalized. This undercapitalization of operations is a direct result of the tenure provided by the Crown leases and the inability of operators to obtain traditional debt financing for capital improvements and operations. As such, with one exception, the lodges are very rustic, and lack many of the conveniences demanded in today’s tourism market. Improvements to the lodges are also constrained by a complicated regulatory regime that hampers entrepreneurial initiative. The properties are easily accessible and the lakes are stocked well enough that commercial operations could be viable; however, the current land tenure and regulatory environment would have to be changed in order to give operators better access to the capital market.

Regulatory control over the lakes and streams is well warranted, as virtually all the waterways feed into an irrigation district and act as a source of valley drinking water. Users are cognizant of this reality, and, therefore, take care in planning activities at the properties. In addition to the concern
about watershed management, recent increases in property tax assessments have served to call into question the going concern ability of the properties.

**Planning Zone 4: Kelowna - Belgo**

The Kelowna-Belgo area is located in the east central region of the Study Area and is close to Kelowna Creek and Mission Creek. The area is popular for hiking, mountain biking and horseback riding. Off-road drivers such as motorcycles and all terrain vehicles (ATVs) also use the area.

There is one commercial facility operator (Eight Mile Ranch) in this planning zone. No formal non-profit organizations are based in the area. However, independent recreationists regularly use this area. The Stephens Coyote Ridge Regional Park is located in this Planning Zone. As with all regions in the Study Area, users have ease of access to the backcountry and the continued access by Forest Service roads is a primary concern for users.

This region is not particularly popular for any one attribute. It is used primarily as a result of its close proximity to Kelowna and because it has a variety of trails.

**Planning Zone 5: Lambly-Trepanier**

Lambly-Trepanier Planning Zone is located in the southwest portion of the Study Area and includes the Crystal Mountain ski hill, Trepanier Provincial Park and the former Brenda Mine site. Crystal Mountain is currently the subject of a comprehensive and extensive re-development proposal that will potentially change the existing site and spur significant economic development on the Crown lease site and within the surrounding local economy. In addition to the ski facility, Crystal Mountain is popular for summer mountain biking and recreational hiking. The facility’s ease of access (via paved roads), and the close proximity of urban development make the area a prime target for commercial development.

In addition to Crystal Mountain, this area is home to one of the Okanagan’s premiere cross-country ski clubs (Telemark Cross Country Ski Club). The club has over 650 members and records approximately 16,500 skier days annually. It has a well-maintained clubhouse, near the base of the proposed Crystal Mountain Resort development. The club has a 20-year lease for the clubhouse, parking lot and two to three hectares of trails. The club professionally maintains the trails, using club dues and daily use fees. In the summer period, the trails and clubhouse are used for equestrian endurance rides, Brownies and Sparks clubs, and mountain bikers.

Silver Lake Forestry Camp is also located in this region of the Study Area. This camp is run by a non-profit organization (Silver Lake Forest Education Society) and includes five sleeping cabins and a central lodge. The camp can be used year-round; however, its primary usage is the provision of weekly summer camps for children.
This region is very popular for hiking, mountain biking and off-road driving. There are a number of lakes that have a reputation for good fishing, and many of these are the location for MoF recreation sites. There are several regional parks in the area, however only two, Rose Valley and Antler’s Beach are primarily located on Crown land. Access to the area is easy via paved and Forest Service roads; however, excluding the Crystal Mountain proposal, the business case for further commercial development of the area is marginal.

As is the case throughout the Study Area, the decommissioning of Forest Service roads is a major concern. Other key issues affecting continued or expanded commercial and recreation use in the Lambly-Trepanier Planning Zone revolve around potential development and its impact on watersheds and water quality, and the level of potential fee increases for access and usage of the cross-country ski facility.

**Planning Zone 6: Terrace Mountain**

The Terrace Mountain region of the Study Area is located midway between the Short’s Creek region and the Lambly-Trepanier region. There are no formal commercial tourism structures in the area. However, on the shores of Okanagan Lake there is a popular Provincial campground (Bear Creek). Bear Creek Campground is one of the busiest camping destinations in the Okanagan Valley. The site has 122 campsites plus showers and washrooms with running water. There are over 400 metres of sandy beach, and extremely easy access to the 178 hectares of the park. Bear Creek Park is also very popular as a recreational hiking area. The park’s trails are well maintained, and suitable for novice hikers. The area has steep walled canyons and diverse vegetation.

Primary tourism and recreation users of the Crown land in this area are tour operators offering backcountry vehicle tours for wildlife and ecological viewing. The capacity of these operators is very limited, and the capitalization of operations is minimal. The largest tour operator can accommodate groups of seven at one time. In addition, research indicates that at present there is only one licensed operator actively marketing tours of this area. During the spring, summer and fall seasons, the area is used extensively by the Kelowna Dirt Bike Club’s approximately 500 members. Winter usage includes snowmobiling, but this region is not as popular for winter recreation as are other regions within the Study Area.

As access to the backcountry in this zone does not have to occur off of Westside Road, the difficulty posed by the condition of Westside Road is not a significant deterrent to recreation in this sector. However, plans to de-commission or cease maintenance of non-active (for forestry) Forest Service roads, may hamper safe and environmentally sensitive access, but not likely deter it.

**Planning Zone 7: Short’s Creek**

The northwest portion of the Study Area is largely undeveloped both in terms of existing facilities and operations. There are two MoF recreation sites in the northeast corner of this zone. No lodges are present in the area, although Fintry Provincial Park (established in 1996) does offer camping and
access to Okanagan Lake. Fintry Provincial Park includes the Fintry Estate heritage site, 2 kilometres of waterfront and hiking trails into the surrounding mountains and deep canyons. The park offers camping, swimming, hiking, fishing, canoeing and wildlife viewing. It also includes the historical features of the Manor House and several farm buildings that were part of the original Estate.

Further development and usage of the area is limited by the protected area status of the park and the limited road access to the area. The park was officially designated a Protected Area in 2001 in order to enhance the ecological viability of the existing park and the North Okanagan Basin Ecoregion. Primary road access to the area is via Westside Road. This road winds from Kelowna to Vernon on the Westside of the lake and is narrow and in need of repair in many sections. Westside Road has been the focus of many media reports regarding its poor safety record.

Primary tourism and recreation operator users of the Crown land in this area are tour operators offering backcountry vehicle tours for wildlife and ecological viewing. The capacity of these operators is very limited and the capitalization of operations is minimal. The largest tour operator can accommodate groups of seven at one time. In addition, research indicates that at present there is only one licensed operator actively marketing tours of this area. The area is popular for recreational hikers and off-road motor vehicle traffic including dirt bikes and ATVs. However, its relative distance from the major urban areas serves to deter over-use of the area.

Given the relative distance from urban centres, as compared to the other zones in the study area, continued safe access is the primary issue facing further usage and enjoyment of the area. As previously mentioned, Westside Road is narrow and in need of repair. Access to Crown land is primarily via Forest Service road. With plans to de-commission or cease maintenance of non-active (for forestry) Forest Service roads, safe and environmentally sensitive access will be further hampered.
Estimated Value of Existing Crown Land Tourism (2001)

The purpose of this section is to estimate the value of tourism activities within the Study Area (CORD Crown land). Due to the difficulty associated with quantifying the economic impacts of tourism from a supplier perspective (i.e., the unwillingness of operators to provide revenue data, the lack of relevant secondary source research and the difficulty of distinguishing between tourist and resident use of recreation resources), this analysis is based on demand survey results. This approach involved first determining tourism accommodation revenue (rooms and campgrounds), and then extrapolating this figure using visitor expenditure profile data to determine the total estimated value of Study Area visitor spending for 2001. Based on this methodology, which is described in more detail in Appendix F, the tourism spending impact of existing Crown land with the CORD region is estimated at $9,400,000. The number of jobs (full time equivalent) generated by tourism within the Study Area is estimated to be 110.

Relevant Tourism Crown Land Lease Applications

In addition to the existing Crown land tenures discussed earlier, a number of additional Crown land applications are pending for a variety of developments throughout the CORD. Please refer to the LWBC website at http://lwbc.bc.ca/ for the status of current applications for tenure that may affect Crown Land tourism and recreation in the Study Area.

Conclusions

As documented in this section, a variety of tourism and recreation activities occur throughout the Study Area. A range of access, land use status, business case, watershed protection, and other issues are affecting existing and potential future development and usage of the land base for these activities. In addition to the impact of current activities and issues, the tourism and recreation profile and potential of the region will likely be affected by a number of the Crown land tenure applications that are currently under consideration. The implications of both these existing and potential future tourism and recreation issues were considered as part of our analysis, and provided key input into subsequent sections of this report dealing with issues, opportunities and recommendations.
Tourism and Recreation Trends

Introduction

While the previous three sections focused on tourism and recreation resource “supply” (product) status and issues, this section focuses on tourism and outdoor recreation “demand” (market) information by describing the current key trends affecting tourism and outdoor recreation.

The tourism demand trends provide important context and information to support the identification of priority tourism products and tourism development opportunities for the Study Area. The priority products, including product-specific market demand trends, and development opportunities are presented later in the report, in the section entitled Tourism and Recreation Development Opportunities.

The outdoor recreation demand trends information serves a different purpose in this study. This information supports analysis related to potential use of the Study Area for non-commercial outdoor recreation and potential conflicts related to different types of tourism, outdoor recreation and resource extraction. Analysis related to these potential conflicts is presented in the Priority Issues for Sustainable Tourism and Recreation section of the report.

This section moves from a global to a local perspective, with tourism trends presented separately from outdoor recreation trends. The trends presented here are tourism industry and recreation related, meaning that they are not product-specific demand trends. More detailed, product-specific demand trends are documented in the Tourism and Recreation Development Opportunities section of the report.

The trends are fully documented in Appendix G and are presented under the following headings:

- Global Tourism Trends
- North American Outdoor Recreation Trends
- British Columbia Tourism Trends and Priorities
- Regional (Central Okanagan) Tourism Trends and Priorities

There is a great deal of information around current trends, thus this section simply provides a summary of those trends that are most relevant to the Study Area.
Priority Tourism Trends and Initiatives

Global Tourism Trends

The following lists include the global tourism trends that are most relevant and have the greatest implications for the Study Area.

Consumer Demand – Tourism Product and Experience:
- Demand for more enriching travel experiences;
- Demand for ecotourism, “learning” tourism, cultural tourism, agri-tourism and health-related tourism;
- Demand for products that maintain environmental values;
- Demand for multiple-activity destinations;
- Increasing consumer expectations / discriminating tastes; and
- Demand for shorter holidays.

Consumer Demand – Tourism Destination:
- Increasing need for safety and security;
- Increasing planning efforts to avoid congestion and overcrowding – tourism impacts;
- Increasing need for sustainability (environmental, social and economic); and,
- Increasing need to maintain destination character.

North American Market

Tourism BC has identified strategic market development priorities. Those of particular relevance to this study are related to the North American market.

North America is the most important tourism market for BC. In 2000, this market represented 92.0% of the province’s total overnight visitor volume and 82.0% of the province’s total overnight visitor revenue. North American overnight visitor volume grew by 6.7% from 1996 to 2000, while this market’s overnight visitor revenue grew by 15.0% for the same period. Approximately 50.0% of the North American tourism market for the province is comprised of BC residents. This indicates the importance of the BC resident market to the province’s tourism industry.

Product Marketing

Tourism BC has identified strategic product marketing priorities related to several key markets, including North America. While other markets may become more prevalent in the Study Area in the more distant future, the current and longer-term (e.g., approximately five years out) focus should be the BC and, more generally, the North American market. Tourism BC’s product marketing priorities for the North American market include: adventure tourism, cultural experiences, fishing, get-away packages, golf, guest ranches, touring, spas, sightseeing, skiing, outdoor activities and niche products.
A Tourism BC initiative that targets the North American get-away market is BC Escapes. This program encourages partnerships with tourism businesses to develop and market get-away packages that appeal to the BC and North American markets in the shoulder and off-seasons. The BC Escapes program has proven effective in building more business during the non-peak season. It is anticipated that it will continue to be effective as a result of a growing number of strategic partnering with regional tourism associations, sector associations, and destination marketing organizations.

The Tourism BC product marketing emphasis for this market is on shorter, get-away vacations featuring many of the existing and potential products for the Study Area, such as fishing, adventure tourism, touring (cycle touring specifically for the Study Area), and skiing. These priorities provide important input related to identifying priority products and development concepts for the Study Area (presented later in the report).

Seasonality of Visitation

Another important factor presented in this section is the seasonal nature of tourism in the Central Okanagan, which is a characteristic challenge for most tourism destinations. Historically, the majority of visitors travel to the region primarily in the summer and secondarily in the winter. The resulting limited tourism season makes it difficult for most tourism operators to maintain viable businesses. The need to help address seasonality is an important consideration in the identification of priority products and related development concepts for the Study Area.

Key Initiatives or Priorities

The initiatives or priorities presented in this section provide additional background for determining priority tourism development concepts for the Study Area. These initiatives are supported by solid rationale related to market demand and/or product development capability. It is important that new tourism initiatives - such as those presented later in this report - take advantage of the programs and resulting momentum of some of the existing initiatives in the broader region. Key initiatives or priorities particularly relevant to this study are highlighted below.

Thompson-Okanagan Tourism Association (TOTA): The main goal of TOTA is to increase tourism revenues by increasing visitor numbers, length of stay, and per diem spending.

Tourism Kelowna: The overall goal of Tourism Kelowna is to lead the growth and development of the local tourism industry resulting in increased spending and investment. Some of this Destination Marketing Organization's (DMO's) objectives that are particularly relevant to this study relate to developing environmental/adventure tourism, focusing on leisure travellers, and focusing on conventions (which can lead to pre and post-packages that feature the Study Area).
Rails to Trails: The Ministry of Sustainable Resource Management (MSRM) and Tourism BC are leading the province’s Rails to Trails initiative. The Okanagan already features portions of one of the most attractive converted railway corridors -- the Kettle Valley Railway (KVR) -- and, as a result, will undoubtedly play an integral role in the provincial Rails to Trails Initiative. With support from MSRM and Tourism BC, significant opportunities could exist to develop higher-end cycle product in the Study Area, in partnership with complementary facilities and activities in both the Study Area and the broader region.

BC Wine Institute & Wineries Tourism (BCWI): BC is in a good position to benefit from the growing popularity of wine tourism throughout North America and internationally. The BCWI is interested in the further development of wine tourism in the province, generally, and in the Okanagan, specifically. To this end, they are leading initiatives to support the ongoing evolution of the province’s wine industry and wine tourism industry. This presents very good opportunities for product and facilities within the Study Area to integrate with wine tourism product and events in the broader Okanagan region.

Priority Outdoor Recreation Trends

Secondary research on North American outdoor recreation trends reveals that outdoor recreation participation rates and opportunity types are increasing, and are anticipated to continue increasing. As a result, parks, forests and recreation areas both in remote locations and close to urban areas are experiencing higher use by outdoor recreationists. Given the Study Area’s proximity to the growing population of the Central Okanagan, these use patterns are important to consider when planning for future use of the region. It is reasonable to assume that demand for non-commercial recreation use of the Study Area will increase, placing additional demands on the land base and creating more opportunity for conflicts between different types of recreation and tourism, in addition to conflicts with other resource uses.

The results of the Tourism and Outdoor Recreation Trends section of the report helped guide the identification of Crown land tourism and recreation development issues and opportunities described in the next sections of the report. In particular, they formed key inputs into:

- The strengths, weaknesses, opportunities and threats (SWOT) assessment;
- The development of product priorities for the Study Area;
- Detailed product evaluations;
- Product development opportunities identification; and,
- Recommendations.
Priority Issues for Sustainable Tourism and Recreation

Introduction

This section of the report presents a priority issues assessment for the Study Area. The priority issues were mainly derived from the “weaknesses and threats” component of the SWOT assessment, found in entirety in Appendix H, in addition to several other information sources used for this study. The purpose of conducting this assessment was to determine priority issues that influence the sustainable operation and development of tourism and recreation in the Study Area. Recommendations relating to addressing the priority issues are presented in the Recommendations section of the report.

Priority Issues for Sustainable Tourism and Recreation

Table 3 summarizes the priority issues for sustainable tourism and recreation in the Study Area. The nature and implications of each of these issues is described in more detail in the subsequent pages of this section.

Table 3 - Priority Issues for Sustainable Tourism and Recreation

<table>
<thead>
<tr>
<th>Category</th>
<th>Issue</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Awareness, Markets and</td>
<td>a. Insufficient product packaging</td>
</tr>
<tr>
<td>Marketing</td>
<td></td>
</tr>
<tr>
<td>b. Insufficient awareness about Crown land facilities and activities amongst some front-country operators</td>
<td></td>
</tr>
<tr>
<td>2. Destination Management</td>
<td>a. Tourism and recreation - compatibility with other land and resource uses</td>
</tr>
<tr>
<td></td>
<td>b. Tourism and recreation - compatibility of different types of tourism and recreation use</td>
</tr>
<tr>
<td>3. Products and Facilities</td>
<td>a. Lodge upgrading required to better meet existing and potential market demand (and increase competitive advantage)</td>
</tr>
<tr>
<td></td>
<td>b. Greater lodge and facility diversity required to better meet existing and potential market demand (and increase competitive advantage)</td>
</tr>
</tbody>
</table>
### 4. Institutional and Organizational

<table>
<thead>
<tr>
<th>Category</th>
<th>Issue</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. Complicated jurisdictional web for existing and new operators who wish to invest in tourism development</td>
<td></td>
</tr>
<tr>
<td>b. Lack of Regional Government guidelines to effectively evaluate incoming Crown land applications</td>
<td></td>
</tr>
</tbody>
</table>

Source: Grant Thornton LLP Research and Analysis

---

### 1. Awareness, Markets and Marketing

a. Insufficient Product Packaging  
b. Insufficient Awareness about Backcountry Facilities and Activities

Interviews with existing tourism operators in the Study Area revealed that product packaging and cross-selling -- both amongst operators in the Study Area and with front-country tourism businesses and facilities -- could be significantly improved.

Currently, some Study Area operators are successfully packaging their product and activity offerings with other businesses that offer complementary activities or facilities. However, many operators are not taking advantage of the opportunity to increase business through better coordination. Furthermore, survey results pointed to the fact that there is some lack of awareness about mid and back-country tourism offerings amongst many concierge staff in front-country hotels and resorts.

Improving packaging and selling coordination amongst and between the existing Study Area operators, facility owners, the local and regional DMOs, and front-country operators presents opportunities to improve the Study Area’s ability to:

- Attract new markets;  
- Attract more visitors;  
- Increase visitors’ length of stay; and,  
- Increase spending per visitor.

### 2. Destination Management

a. Tourism and Recreation – Compatibility With Other Land and Resource Use Priorities

The level of compatibility between existing and potential tourism and recreational use and other land and resource uses in the Study Area is an important factor in assessing potential tourism and recreation growth opportunities. Compatibility implies that tourism and recreational use takes place, or can take place, in locations and in a manner that allows other priority uses to occur. Likewise, compatibility also implies that, for areas where tourism and recreation is deemed a priority use, and/or where there is significant potential for sustainable tourism growth, the location and management of other resource uses may have to be modified.
If land within the Study Area is suitable for more than one type of use, but these uses are not compatible, then the potential exists for land use conflicts - such conflicts can lead to public strife, environmental degradation and loss of economic development opportunities. Because a key objective of this project is to assist land managers to proactively plan for new and competing uses on Crown land, it is critical that the tourism and commercial recreation opportunities identified as part of this study reflect consideration of the potential for conflict between existing Crown land tenured uses and tourism and recreation activities (the next section carries this analysis further by addressing conflicts between various recreation and tourism activities).

Identifying potential land use conflicts between tenured and tourism/recreation activities involved the following analysis steps:

- Reviewing 1:25,000 scale maps that illustrate the location of the following tenures and features relative to the seven Study Area planning zones:
  - Existing land use tenures/zoning including:
    - Community Watersheds
    - Selected LRMP Resource Management Zones (RMZs)
    - Timber
    - Minerals
    - Grazing
    - Range
    - Agricultural Land Reserve (ALR) Land
    - Guide Outfitter
  - Existing tourism/recreation use and facilities locations (prepared as part of this study process)
  - Potential tourism/recreation development/activity locations (prepared as part of this study process)
- Noting the locations where tenured uses overlap with existing or potential tourism/recreation use
- Assessing the nature and scale of existing or potential conflicts associated with these overlaps based on:
  - Interviews with tenure holders and other agencies with a vested interest in land use
  - Consideration of selected priorities identified through the LRMP process
  - Information gleaned from secondary sources
  - Observations made during site visits
  - Consulting team experience and professional judgment.

Based on the results of this analysis, two summary tables have been prepared. Table 4 documents existing resource and land use tenures and zoning in the Study Area. This table lists the eight planning zones in the left hand column and then identifies the nature and number of tenures and use types in the other seven columns.
Using a similar structure, Table 5 lists the seven planning zones in the left hand column, summarizes the existing tenure/land use information from Table 4 in the second column, summarizes existing/potential tourism and commercial recreation use in the third column and then uses the fourth column to summarize existing and potential land use conflicts between tenured uses and potential tourism/commercial recreation uses. More details regarding the nature and scale of these potential conflicts is provided in the text following the tables.
### Table 4 - Resource and Land Use/Zoning in the Study Area

<table>
<thead>
<tr>
<th>Study Area Planning Zone</th>
<th>Community Watersheds</th>
<th>Selected LRMP RMZs</th>
<th>Timber Licenses</th>
<th>Minerals</th>
<th>Grazing Tenures</th>
<th>Range Tenures</th>
<th>ALR Tenures</th>
<th>Guide Outfitter</th>
</tr>
</thead>
<tbody>
<tr>
<td>Greystokes</td>
<td>Mission Cr.</td>
<td>Rec. RMZ</td>
<td>Forest License</td>
<td>No Mineral Tenures</td>
<td>No grazing tenures</td>
<td>Range tenures</td>
<td>None</td>
<td>93% of Crown land</td>
</tr>
<tr>
<td>Myra Mission</td>
<td>Hydraulic Cr, KLO Cr.</td>
<td>Tourism RMZ, Rec. RMZ, Fish RMZ (SW corner)</td>
<td>Woodlots, Forest Licenses, Timber Sale Licenses</td>
<td>Mineral Tenure (West side), Mineral occurrence</td>
<td>One grazing tenure</td>
<td>Range tenures present</td>
<td>Minor ALR</td>
<td>100% of Crown land</td>
</tr>
<tr>
<td>Plateau Lakes</td>
<td>Kelowna Cr, Vernon Cr, Okanagan Cr.</td>
<td>Rec. RMZ, Tourism RMZ, Fish RMZ (on North boundary)</td>
<td>Woodlots, Forest Licenses, Timber Sale Licenses</td>
<td>Mineral Tenure (NE of Postill Lk.)</td>
<td>No grazing tenures</td>
<td>Range tenures present</td>
<td>Some ALR located in SW corner</td>
<td>70% of Crown land</td>
</tr>
<tr>
<td>Kelowna Belgo</td>
<td>Kelowna Cr, Mission Cr.</td>
<td>Woodlots, Forest Licenses, Timber Sale Licenses</td>
<td>No Mineral Tenures</td>
<td>One grazing tenure</td>
<td>Range tenures present</td>
<td>Some ALR</td>
<td>84% of Crown land</td>
<td></td>
</tr>
<tr>
<td>Lambly Trepanier</td>
<td>Peachland Cr, Trepanier Cr, Powers Cr.</td>
<td>Rec. RMZ, Tourism RMZ, Sheep RMZ (E side)</td>
<td>Tree Farm License 49, Woodlots, Forest Licenses, Timber Sale Licenses</td>
<td>Large mineral tenures (SW &amp; NW corners), Numerous mineral occurrences (N, SW &amp; S)</td>
<td>No grazing tenures</td>
<td>Range tenures present</td>
<td>Some ALR located in south</td>
<td>98% of Crown land</td>
</tr>
<tr>
<td>Terrace Mountain</td>
<td>Lambly Cr.</td>
<td>Rec. RMZ, Tourism RMZ, Sheep RMZ (E portion), Fish RMZ</td>
<td>Tree Farm License 49, Timber Sale Licenses</td>
<td>Mineral tenures (SW &amp; SE portions), Numerous mineral occurrences (throughout)</td>
<td>No grazing tenures</td>
<td>Range tenures present</td>
<td>Some ALR</td>
<td>94% of Crown land</td>
</tr>
</tbody>
</table>
### Table 5 – Potential Land Use Conflicts

<table>
<thead>
<tr>
<th>Study Area Planning Zone</th>
<th>Community Watersheds</th>
<th>Selected LRMP RMZs</th>
<th>Timber</th>
<th>Minerals</th>
<th>Grazing</th>
<th>Range</th>
<th>ALR</th>
<th>Guide Outfitter</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shorts Creek</td>
<td>Lambly Cr. (NE corner)</td>
<td>Fish RMZ (NE corner)</td>
<td>Tree Farm License 49</td>
<td>Mineral tenures</td>
<td>No grazing tenures</td>
<td>Range tenures present</td>
<td>Minor ALR</td>
<td>54% of Crown land</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Small Rec. RMZ (NE corner)</td>
<td>Timber Sale Licenses</td>
<td>Mineral occurrences (throughout)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Sources: Various maps and documents from the following sources: Okanagan-Shuswap LRMP (2001), Land and Water BC, Central Okanagan Regional District, Ministry of Forests.

Note: Since they exist throughout 100% of the Study Area, Trapline tenures were not included in this chart.

Minimal to moderate potential for water quality impacts from tourism/recreation activities depending on the introduction of pollutants into streams that feed drinking water reservoirs.
<table>
<thead>
<tr>
<th>Study Area Planning Zone</th>
<th>Summary of Tenures</th>
<th>Existing/Potential Tourism and Commercial Recreation Use</th>
<th>Existing and Potential Land Use Conflicts Between Tenured Uses and Tourism/Recreation Uses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Myra - Mission</td>
<td></td>
<td>Mountain biking</td>
<td>Minimal to moderate potential for water quality impacts from tourism/recreation activities depending on the introduction of pollutants into streams that feed drinking water reservoirs.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Cycle touring</td>
<td>Forest harvesting in the woodlot and tenure areas may affect the visual appeal of the area from a tourism and recreation perspective.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Hiking</td>
<td>Potential for conflict between industrial use of any forestry roads in this zone and use of these roads by mountain bikers, snowmobilers, etc.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Camping</td>
<td>If the mineral tenures located adjacent to the KVR are developed, this could affect current tourism recreation use of the trail by hikers and cyclists.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Fishing</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Nordic skiing</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Snowmobiling</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Wildlife viewing</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Lodge expansion and new lodge</td>
<td></td>
</tr>
<tr>
<td>Plateau Lakes</td>
<td></td>
<td>Camping</td>
<td>Minimal to moderate potential for water quality impacts from tourism/recreation activities depending on the introduction of pollutants into streams that feed drinking water reservoirs.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Hiking</td>
<td>Minimal potential for visual impacts associated with harvesting of woodlots west of Oyama Lake depending on scale of harvesting.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Canoeing</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Fishing</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Trail riding</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Snowmobiling</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Wildlife viewing</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Non-alpine winter activities</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Lodge expansions</td>
<td></td>
</tr>
<tr>
<td>Kelowna - Belgo</td>
<td></td>
<td>Swimming</td>
<td>Minimal to moderate potential for water quality impacts from tourism/recreation activities depending on the introduction of pollutants into streams that feed drinking water reservoirs.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Boating</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Hiking</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Trail Riding</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Fishing</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Snowmobiling</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Nordic skiing</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Wildlife viewing</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>(Possible) hut development</td>
<td></td>
</tr>
</tbody>
</table>
### Study Area Planning Zone

<table>
<thead>
<tr>
<th>Lambly - Trepanier</th>
<th>Terrace Mountain</th>
<th>Shorts Creek</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Summary of Tenures</strong></td>
<td><strong>Existing/ Potential Tourism and Commercial Recreation Use</strong></td>
<td><strong>Existing and Potential Land Use Conflicts Between Tenured Uses and Tourism/Recreation Uses</strong></td>
</tr>
<tr>
<td>Three watersheds</td>
<td>Fishing</td>
<td>Minimal to moderate potential for water quality impacts from tourism/recreation activities depending on the introduction of pollutants into streams that feed drinking water reservoirs.</td>
</tr>
<tr>
<td>Rec., Tourism &amp; Sheep RMZ</td>
<td>Hiking</td>
<td>Forest harvesting in the TFL area east of Jackpine Lake may affect the visual appeal of the area from a tourism and recreation perspective depending on the scale of harvesting.</td>
</tr>
<tr>
<td>TFL and woodlots</td>
<td>Alpine skiing/boarding</td>
<td>Active harvesting of the woodlots north of Peachland Creek, or development of the mineral occurrences in this area, could affect the proposed use of this area for non-motorized winter recreation activities.</td>
</tr>
<tr>
<td>Large mineral tenures and num. occurrences</td>
<td>Nordic skiing</td>
<td></td>
</tr>
<tr>
<td>Some ALR</td>
<td>Wildlife viewing</td>
<td></td>
</tr>
<tr>
<td>Range Tenure</td>
<td>Develop Crystal Mtn. Resort</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Develop niche lodge</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Terrace Mountain</th>
<th><strong>Summary of Tenures</strong></th>
<th><strong>Existing/ Potential Tourism and Commercial Recreation Use</strong></th>
<th><strong>Existing and Potential Land Use Conflicts Between Tenured Uses and Tourism/Recreation Uses</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>One watershed</td>
<td>Dirt biking</td>
<td>Minimal to moderate potential for water quality impacts from tourism/recreation activities depending on the introduction of pollutants into streams that feed drinking water reservoirs.</td>
<td></td>
</tr>
<tr>
<td>Rec., Tourism, Sheep &amp; Fish RMZ</td>
<td>Hiking</td>
<td></td>
<td></td>
</tr>
<tr>
<td>TFL</td>
<td>Fishing</td>
<td>Most of this area is in TFL, so extensive harvesting could cause visual quality impacts for tourism and recreation users.</td>
<td></td>
</tr>
<tr>
<td>Mineral tenures and num. occurrences</td>
<td>Lake Okanagan Resort guest activities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Some ALR</td>
<td>Wildlife viewing</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Range Tenure</td>
<td>Horseback riding</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>(Possible) hut development</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Shorts Creek</th>
<th><strong>Summary of Tenures</strong></th>
<th><strong>Existing/ Potential Tourism and Commercial Recreation Use</strong></th>
<th><strong>Existing and Potential Land Use Conflicts Between Tenured Uses and Tourism/Recreation Uses</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>One watershed</td>
<td>Wildlife viewing</td>
<td>Minimal to moderate potential for water quality impacts from tourism/recreation activities depending on the introduction of pollutants into streams that feed drinking water reservoirs.</td>
<td></td>
</tr>
<tr>
<td>Fish &amp; Rec. RMZ</td>
<td>Hiking</td>
<td></td>
<td></td>
</tr>
<tr>
<td>TFL</td>
<td>Fishing</td>
<td>Most of this area is in TFL, so extensive harvesting could cause visual quality impacts for tourism and recreation users.</td>
<td></td>
</tr>
<tr>
<td>Mineral tenures and mineral occurrences</td>
<td>Nordic skiing</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Minor ALR</td>
<td>Horseback riding</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Range Tenure</td>
<td>(Possible) niche resort</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Sources:** Grant Thornton LLP analysis, based on various maps and documents from the following sources: Central Okanagan Tourism Resource Inventory (2002) Okanagan-Shuswap LRMP (2001), Land and Water BC, Central Okanagan Regional District.
The following summary expands on the potential conflict or compatibility issues documented in Table 5 and identifies those issues that will likely require some management intervention or guidance. Recommendations regarding management options for these issues are provided in the Recommendations section of the report.

**Community Watersheds**

As illustrated in Table 5, almost all of the Study Area falls within a community watershed. This situation presents the potential for conflict between the Irrigation Districts who are working to ensure an adequate supply of high quality water for communities over the long-term, and between various stakeholder groups and government agencies who are working to encourage tourism and recreational use of Crown land.

Currently, tourism and recreation use does occur on many of the lakes and the surrounding land in the watersheds. Some areas such as the Greater Vancouver Regional District, have authority to legally restrict such use of their watershed which is on privately owned land. The Central Okanagan Irrigation Districts does not have this authority. As the population of the Central Okanagan continues to grow, and the use of Crown land by recreationists and tourism operators increases, issues related to maintaining water quality will intensify. Proactive planning and possible management intervention may be required to ensure that such impacts are prevented or mitigated.

**Selected LRMP RMZs**

As noted earlier in this report (chapter entitled Okanagan-Shuswap LRMP), approximately one-third of the Study Area falls within a Tourism RMZ. A significant portion of the Study Area also falls within a Recreation RMZ while Table 4 shows that four of the Study Area Planning Zones also have Fish RMZs and two have sheep RMZs.

The LRMP results provide important context for this study, as they lay out broader objectives related to future land and resource use in the region. Consequently, the Consulting Team has carefully considered the LRMP zones and priorities in their preparation of tourism enhancement and development recommendations, which are presented later in this report.

**Timber**

There are five timber licensees currently operating in the Study Area. Timber harvesting is primarily a concern for tourism operators in the Study Area in relation to maintaining quality viewscapes. In addition, active harvesting could impact access to existing travel/recreation sites (e.g., due to logging truck activity, etc.)
Minerals

Mineral tenures and occurrences are located throughout the Study Area. The majority of mineral tenures (90%) are located on the west side of the Study Area. The major concern from a tourism and recreation perspective would be the initiation of a major mine development in the Study Area and the resulting implications for viewscapes and access to recreation sites.

Grazing

There are two grazing tenures, administered under the Land Act, within the Study Area. These tenures are small and isolated from remaining Crown land in the area (i.e., they are 64.5 ha and 61.2 ha respectively) and pose no significant potential for land use conflicts.

Range

Range tenures, administered by the Ministry of Forests, cover most (97.5%) of the Study Area. Range tenures -- largely used for cattle grazing -- do not exclude the use of Crown land for tourism and recreation activities, although commercial recreation activities must comply with the policies under the Commercial Recreation Policy. At this time, there are no significant compatibility concerns relating to range use and tourism and recreation use in the Study Area.

Agricultural Land Reserve (ALR)

Some of the Study Area contains land zoned as ALR. The amount of ALR land in the Study Area is minor. As such, issues of compatibility will likely be minimal, if they occur at all.

Guide Outfitter

Guide outfitter tenures are ubiquitous across the Study Area. At the time of writing, no apparent conflicts exist with these tenures.

Trapline

Trapline tenures exist in 100% of the Study Area. No apparent conflicts exist at this time.
b. Tourism and Recreation -- Compatibility with Different Types of Tourism and Recreation Use

In addition to potential compatibility issues between tourism/commercial recreation and other land use interests in the Study Area, experience in other jurisdictions has shown that there is potential for conflicts between various types of tourism and commercial recreation use when the land base is capable of supporting tourism and recreation activities for which participants have competing objectives (e.g., peaceful versus noisy activities). For example, if certain locations are heavily used by potentially conflicting uses, such as dirt biking and wildlife viewing, or snowmobiling and snowshoeing, conflict can occur and the recreational or tourism experience for all users can be eroded. As a result of these concerns, the level of compatibility between different types of tourism and recreational use is an important factor in assessing potential tourism and recreation development opportunities in the Study area.

Using the Tourism Resource Inventory Existing Use and Facilities Map (2002) found in Appendix K prepared for this study, the Consulting Team assessed the compatibility of both existing and proposed tourism and recreation use in the Study Area. This entailed documenting current and proposed tourism and commercial recreation activities in each of the Study Area Planning Zones and then analyzing potential conflicts between these various activities using the same methodology described in Section 2a above. The following table summarizes the results of this analysis while more details are provided in the text following the table.
### Table 6 – Tourism and Recreational Use by Planning Zone

<table>
<thead>
<tr>
<th>Study Area Planning Zone</th>
<th>Primary Existing Use</th>
<th>Proposed New Use</th>
<th>Potential Conflicts between Tourism and Recreation Activities</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Recreational</td>
<td>Commercial Tourism</td>
<td>Facilities</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Potential Conflicts</td>
<td>Activities</td>
</tr>
<tr>
<td>Greystokes</td>
<td>This is a popular and accessible area for camping, hunting, hiking, fishing and snowmobiling</td>
<td>Snowmobiling, nordic skiing and trail riding</td>
<td>Snowmobiling, other non-alpine winter activities</td>
</tr>
<tr>
<td>Myra – Mission</td>
<td>This area is easily accessed by Kelowna residents and is heavily used for mountain biking, cycle touring, hiking and camping.</td>
<td>Hiking, mountain biking, cycle touring and fishing</td>
<td>Cycling, mountain biking, nordic skiing, snowmobiling, wildlife viewing, fishing and hiking</td>
</tr>
<tr>
<td>Plateau Lakes</td>
<td>This is a popular area for camping and hiking, and lake activities such as canoeing and fishing.</td>
<td>Hiking, fishing, trail riding and snowmobiling</td>
<td>Fishing, hiking, wildlife viewing, and non-alpine winter activities</td>
</tr>
</tbody>
</table>

- Potential conflicts between motorized (e.g., snowmobiling) versus non-motorized (e.g., Nordic skiing, snowshoeing) activities.
- Potential for congestion on the KVR resulting from increased use by various recreationalists (and by commercial users).
- Potential for increased fishing pressure on the lakes and competition between local users and lodge guests.
<table>
<thead>
<tr>
<th>Study Area Planning Zone</th>
<th>Primary Existing Use</th>
<th>Commercial Tourism Potential Conflicts</th>
<th>Proposed New Use</th>
<th>Facilities</th>
<th>Potential Conflicts</th>
</tr>
</thead>
</table>
| Kelowna – Belgo          | This zone includes hiking and trail riding in the upland areas. | Trail riding, fishing, and snowmobiling | Hiking, Nordic skiing and wildlife viewing | Possible hut site(s) | - Potential conflicts between motorized (e.g., snowmobiling) versus non-motorized (e.g., Nordic skiing, snowshoeing) activities.  
- Potential conflicts between horse back trail riding and other non-motorized activities such as hiking or mountain biking. |
<p>| Lambly – Trepanier       | Key activities include fishing and hiking, plus alpine skiing/boarding and Nordic skiing. | Downhill skiing and boarding at Crystal Mountain plus hiking and fishing | Alpine skiing and boarding, Nordic skiing, hiking and wildlife viewing | Development of Crystal Mountain Resorts and possibly one niche lodge | - Potential for competition between the existing Nordic users and the proposed alpine skiing and boarding uses being proposed by the Crystal Mountain Resort expansion. |
| Terrace Mountain         | This area is particularly popular for dirt biking, but also includes hiking and fishing. | Various outdoor activities pursued by guests of Lake Okanagan resort | Wildlife viewing and hiking | Possible hut site | - Potential for conflict between motorized (e.g., dirt biking) and non-motorized (e.g., hiking, wildlife viewing) uses. |</p>
<table>
<thead>
<tr>
<th>Study Area Planning Zone</th>
<th>Primary Existing Use</th>
<th>Proposed New Use</th>
<th>Potential Conflicts between Tourism and Recreation Activities</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Recreational</td>
<td>Activities</td>
<td>Facilities</td>
</tr>
<tr>
<td></td>
<td>Commercial Tourism</td>
<td>Wildlife viewing and Nordic skiing</td>
<td>Wildlife viewing, fishing and hiking</td>
</tr>
<tr>
<td></td>
<td>Potential Conflicts</td>
<td></td>
<td>Possible niche resort</td>
</tr>
<tr>
<td>Shorts Creek</td>
<td>The zone contains the region’s key big game habitat (bighorn sheep) and is popular for wildlife viewing, hiking and fishing.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Central Okanagan Tourism Resource Inventory (2002)
Both local recreation and tourism activities occur in the Study Area. Local recreation involves use of the Crown land portion of the CORD for a range of outdoor activities. There are typically no charges for these activities and they are pursued independently by individuals and by members of outdoors clubs. Tourist or commercial recreation activities involve the charging of fees by a facility to stay in the area, or by a business or tour operator to partake in the activity. These include land, water and snow-based activities, which may be pursued by lodge patrons or by customers of commercial tour companies.

Although not that common, conflicts can arise between local recreation users and commercial users. Local residents can resent the use of “their” recreation areas for commercial use. Conversely, commercial operators can find the added resource use and congestion of popular sites a detriment to their ability to offer a high quality outdoor experience.

Due to the proximity of the Study Area to the valley bottom populations of Kelowna and environs, access to the outdoors is relatively easy. Consequently, there has been a long history of residents using the mid-country area for a variety of outdoor recreation activities, during both the summer and winter months. Historically, the conflicts between CORD resident and commercial Crown land tourism and recreational users have been minor. This is partially a reflection of the small amount of commercial activity that currently takes place. Furthermore, the existing commercial operations tend to be small and/or older, and are not particularly dominant on the landscape.

Likewise, with the exception of Crystal Mountain Resorts, the proposed commercial developments are also relatively small and have been proposed at a scale that is in keeping with existing facilities. The scale of the proposals and the related levels of use are not expected to add significantly to resource use. Consequently, they are not expected to add to any friction that may exist between local recreation users and commercial recreation operators.

However, as shown in Table 6, there is some potential for conflict between various tourism and recreational uses, especially as the population of the Central Okanagan continues to grow. As such, the CORD should track activity trends with a view to identifying potential use conflicts as early as possible. The experience of other regions has shown that the key conflicts tend to be between motorized and non-motorized activities and, to a lesser extent, between ambulatory and wheeled activities. As it is not possible to predict the precise nature and location of these potential conflicts, it is difficult to recommend effective management guidelines at this stage. However, the CORD could prepare for this eventuality by collecting information on the approach used to manage these types of conflicts in other jurisdictions.
3. Products and Facilities

a. Lodge Upgrading is Required

Upgrading, and potentially expansion, of the existing lodges in the Study Area would enable the area to better meet existing and potential market demand, and, ultimately, increase the area's competitive advantage.

Interviews conducted for this study revealed that several existing lodge owners would like to enhance and/or expand their facilities. Such improvements would help increase the competitive advantage of the region, possibly diversifying markets, increasing length of stay and encouraging greater repeat visitation. These benefits would be greater enhanced if operators worked cooperatively to develop integrated packages (noted earlier in this section under #1. Awareness, Markets and Marketing). Operators' ability to upgrade their facilities is influenced by Crown land tenure policies.

b. Greater Lodge and Facility Diversity is Required

Greater lodge and facility diversity in the Study Area would also enable the area to better meet existing and potential market demand and increase the area's competitive advantage. Lodges in the Study Area are fairly basic in terms of facilities and services offered, which cater to a limited market. It is important to maintain a range of markets, including the existing ones. However, at the same time, the limited offering of accommodation types in the Study Area is likely impacting its competitive advantage in relation to some other mid and backcountry areas in the province, where more diversity of accommodation is available. This situation is likely resulting in missed opportunities to generate higher revenues, with some current visitors willing to pay higher rates for higher-end facilities and services.

Research conducted for this study points to opportunities to diversify markets in the Study Area by developing a limited number of new facilities and services that appeal to a higher-yield market. Such opportunities are directly related to the current and potential appeal of the Kettle Valley Railway as a higher-end cycle touring destination. With the growing popularity of activities such as cycle touring, and with significant features such as the Kettle Valley Railway within the Study Area, there are opportunities to cater to a more diverse market that will pay for higher-end facilities and services. Research shows that the higher-end tour operators selling cycle touring packages in popular destinations in North America and Europe charge rates of between approximately $300 per day to $700 per day for all inclusive cycle tours. There are many factors that make a destination marketable for such high-end cycle touring, including: exceptional scenery, interesting cultural features, unique and attractive cycle routes, and interesting, higher-end accommodation and service options en route. The Kettle Valley Railway does present opportunities to cater to higher-end markets; however, suitable facilities and services must be developed to make this destination more attractive and viable before higher-end tour operators include it in their itineraries.
In the broader region (e.g., Okanagan Valley), there are opportunities to integrate product and activities with potential higher-end resorts in the Study Area, complementing the cycle touring and hiking activities available in the area. Such products available in the broader region include emerging products, such as spa and health tourism, cultural tourism events and products and traditional products, such as golf and alpine skiing.

These concepts are described in more detail in the Recommendations section of the report.

4. Institutional and Organizational

Operators’ and lodge owners’ ability to invest in capital upgrades and new product is influenced by their ability to obtain financing, which, in turn is related to Crown land lease terms. Regional Government fees and building regulations can restrict existing and potential tourism businesses in their efforts to expand current operations or develop new business.

a. Complicated Government Jurisdictional Web

Existing and new tourism operators face a myriad of complicated processes to obtain the permits, licenses and tenure required to establish and operate their businesses. Requirements and related processes exist at the federal, provincial, regional and municipal government levels. The current Provincial Government administration is working to improve the overall business climate in BC by reducing the “red tape” involved in establishing and operating businesses. The degree to which the Provincial Government’s efforts will improve the business climate is unknown at this time. Even though there may be improvements at the Provincial level, there are still opportunities for the Regional Government to coordinate information and processes for businesses in the Study Area (and perhaps in the broader region). This is discussed in more detail in the Tourism and Recreation Development and Management Recommendations section of the report.

b. Land Use and Servicing Guidelines

Under the current Crown land tenure application guidelines administered by LWBC, tenure applicants must complete a comprehensive application process. Depending on the nature of the land use issues associated with the proposed tenure use, the applicant must consult with various stakeholders as identified in the "Agency Requirements Checklist" supplied by LWBC. If the proposed tenure has implications for local/regional governments (e.g., the use is contrary to local zoning, the use will involve connecting to a municipal utility, etc.) then the applicant must consult with the local government.

At present, the CORD is asked to review approximately ten Crown land tenure applications each year. While responding to basic information requests such as local sewage discharge requirements is not a problem, the Regional District lacks a process to evaluate these applications in a consistent and efficient manner and to ascertain the full range of service requirements (e.g., access, parking,
hazard protection) associated with each application. The lack of such a process makes it difficult for CORD to render informed decisions regarding the application. In order to address this issue, the Recommendations section of this report provides suggestions regarding a basic framework for evaluating the servicing requirements of land tenure applications.

**Conclusions**

This section presented an assessment of the key issues that influence – or will likely influence -- the sustainable operation and development of tourism and recreation in the Study Area. These issues were described under the following broad headings:

- Awareness, Markets and Marketing
- Destination Management
- Products and Facilities
- Institutional and Organizational

The resulting assessment provided the Consulting Team with guidance on recommendations required to address the critical issues, presented in the Recommendations section of the report.
Tourism and Recreation Development Opportunities

Introduction

This section of the report presents the results of the Consulting Team’s product analysis, leading to the identification of tourism and recreation enhancement and development opportunities. The three steps used in this analysis are illustrated in the following diagram, with the results of the analysis presented in the remainder of this section. The opportunities identified in this section are further developed in the next section of the report, which focuses on recommendations.

Figure 4 - Process for Determining Tourism and Recreation Development Opportunities

1. Background Information
   - Market Trends
   - Key Initiatives
   - SWOT
   - Issues

2. Determination of Priority Products

3. Detailed Assessment of Priority Products
Determination of Priority Products

Determining which tourism products offer the greatest potential for development was a crucial component of the analysis for this study. The selection of priority products was based upon a method that rates a series of products against three sets of criteria: “Resource”, “Market” and “Economic”. Information to support this assessment included:

- Background research conducted for this study;
- The knowledge of existing tourism and recreational use in the Study Area (maps and information generated for this study);
- The knowledge of tourism and recreational features in the Study Area (maps and information generated for this study); and,
- The Consulting Team’s knowledge, based on previous tourism planning experience.

The process used enabled the Consulting Team to evaluate tourism products and activities against the three sets of criteria (see Table 7). This process was designed to be rigorous and defensible, while being consistent among the range of products. The evaluation matrix rated 25 tourism products grouped under the following headings, which are common categories for this type of tourism analysis:

- Snow-based
- Water-based
- Land-based
- Touring
- Cultural

This process used a five-point rating scale, where:

0 = Not Applicable (“N/A”)
1 = Poor
2 = Average
3 = Good
4 = Excellent
### Table 7 - Tourism Product Evaluation Criteria

<table>
<thead>
<tr>
<th>Evaluation Criteria</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Resource Criteria:</strong></td>
<td></td>
</tr>
<tr>
<td>Quantity</td>
<td>The extent or amount of the resource to support each product.</td>
</tr>
<tr>
<td>Quality</td>
<td>The quality of the resource from an activity or tourism perspective.</td>
</tr>
<tr>
<td>Accessibility</td>
<td>The ease with which the product can be accessed relative to distance, safety, terrain and parking.</td>
</tr>
<tr>
<td>Seasonality</td>
<td>The number of months or seasons during which the product can be utilized.</td>
</tr>
<tr>
<td><strong>Market Criteria:</strong></td>
<td></td>
</tr>
<tr>
<td>Existing Market</td>
<td>The importance of the product relative to the area’s existing tourism market.</td>
</tr>
<tr>
<td>Trends</td>
<td>Consideration of local/regional/national trends in activity participation.</td>
</tr>
<tr>
<td>Market Potential</td>
<td>The potential of the product to attract visitors or increase length of stay based on consideration of resource quality, existing market profile and market trends.</td>
</tr>
<tr>
<td>Geographic Origin</td>
<td>The number of visitor markets to which the product appeals. For the purposes of this analysis, the four market categories include: B.C.; Regional (border states and provinces); North American long haul; and International.</td>
</tr>
<tr>
<td><strong>Economic Criteria:</strong></td>
<td></td>
</tr>
<tr>
<td>Job Creation</td>
<td>The likely job creation potential associated with expanding the market for each product.</td>
</tr>
<tr>
<td>Job Duration</td>
<td>The duration (in weeks/months of the year) of jobs created to support each product. (Should be similar to resource seasonality.)</td>
</tr>
<tr>
<td>Tourism Revenue</td>
<td>The amount of revenue generated (or the amount of money spent) by tourists, to participate in the activity.</td>
</tr>
<tr>
<td>Employment Income</td>
<td>The contribution of the product to the generation of employment income based on direct and spin-off job creation.</td>
</tr>
</tbody>
</table>

Each product was evaluated and the numbers totaled for each row (see Table 8). The higher the number, the “greater” the tourism potential for each product, based on the rating criteria. It is important to note that all twelve evaluation criteria (column headings) are un-weighted, meaning that all topics are deemed to be of similar importance. This was done intentionally to avoid skewing the evaluation towards any one product or group of products.

The results of the rating process are presented in the following table.
## Table 8 – Central Okanagan Crown Land Priority Product / Activity Evaluation Matrix

<table>
<thead>
<tr>
<th>Tourism Product</th>
<th>Resource Criteria</th>
<th>Market Criteria</th>
<th>Economic Criteria</th>
<th>Total Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land Based:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Camping</td>
<td>3</td>
<td>2</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Hiking</td>
<td>4</td>
<td>3</td>
<td>3</td>
<td>2</td>
</tr>
<tr>
<td>Hunting</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>Lodging</td>
<td>2</td>
<td>2</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>Trail Riding</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Wildlife Viewing</td>
<td>3</td>
<td>3</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>Snow Based:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Alpine Skiing &amp; Snowboarding</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>2</td>
</tr>
<tr>
<td>Nordic Skiing</td>
<td>2</td>
<td>3</td>
<td>3</td>
<td>2</td>
</tr>
<tr>
<td>Heli/ Cat Skiing</td>
<td>1</td>
<td>1</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Ski Touring</td>
<td>2</td>
<td>3</td>
<td>3</td>
<td>2</td>
</tr>
<tr>
<td>Snowmobiling</td>
<td>3</td>
<td>3</td>
<td>3</td>
<td>2</td>
</tr>
<tr>
<td>Water Based:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Freshwater Fishing</td>
<td>4</td>
<td>3</td>
<td>3</td>
<td>2</td>
</tr>
<tr>
<td>River Kayak/ Canoeing</td>
<td>2</td>
<td>1</td>
<td>3</td>
<td>2</td>
</tr>
<tr>
<td>River Rafting</td>
<td>1</td>
<td>1</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Tours:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Automobile</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Bus</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>Cycling</td>
<td>3</td>
<td>4</td>
<td>3</td>
<td>2</td>
</tr>
<tr>
<td>Lake/ River</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>2</td>
</tr>
<tr>
<td>Tourism Product</td>
<td>Resource Criteria</td>
<td>Market Criteria</td>
<td>Economic Criteria</td>
<td>Total Score</td>
</tr>
<tr>
<td>-----------------</td>
<td>------------------</td>
<td>----------------</td>
<td>------------------</td>
<td>-------------</td>
</tr>
<tr>
<td>Air</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Cultural Tourism</td>
<td>3</td>
<td>3</td>
<td>4</td>
<td>2</td>
</tr>
<tr>
<td>Agri-Tourism</td>
<td>3</td>
<td>2</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Attractions (Comm.)</td>
<td>1</td>
<td>1</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Attractions (Heritage)</td>
<td>3</td>
<td>3</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Events/Festivals</td>
<td>2</td>
<td>3</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>First Nations</td>
<td>2</td>
<td>3</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>Healthy Spa</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Learning/Educational</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>2</td>
</tr>
</tbody>
</table>
Based on the analysis above, the tourism product priorities are (in alphabetical order):

- Alpine Skiing and Snowboarding
- Cycling
- Freshwater Fishing
- Hiking
- Lodging (lodges and resorts)
- Snowmobiling
- Wildlife Viewing and Nature Appreciation

It is noted that four product types scored relatively high in this evaluation but have not been included as priorities for further analysis. They are Agri-tourism, First Nations Tourism, Health/Spa Tourism, and Learning/Education Tourism. The Consulting Team’s rationale for not including these in the subsequent, detailed product analysis is provided below.

**Agri-tourism**
Agri-tourism involves the linkage between agriculture and tourism, and the tourism products, facilities and services developed around this linkage. Farms, ranches, orchards, vineyards, and wineries form the basis upon which a region can develop agri-tourism. While agri-tourism is a growth product within the Okanagan, its occurrence or potential on Crown land (e.g., the Study Area) is weak. The more intensive agriculture is occurring on private land. However, there is significant potential to package agri-tourism products with existing and potential product located in the Study Area (e.g., cycle touring in the Study Area with wineries tourism in the broader region). This potential is discussed later in the report, in the Recommendations section.

**First Nations Tourism**
Although First Nations tourism opportunities exist based on the quality of resources on reserve land and on traditional territory, it was deemed inappropriate to include First Nations’ products (existing and potential) without their direct input into this study.

**Health/Spa and Learning/Education Tourism**
Both Health/Spa and Learning/Education appear to have significant potential. However, both are best described as programming opportunities, for potential new lodge developments in the Study Area. This potential is discussed later in the report, in the Recommendations section.

**Detailed Assessment of Priority Products**

The priority products and activities identified earlier in this section have been grouped into three categories, depicted in Figure 4 on the following page. “Lodges and Resorts” are built facilities that are tied to the land base, offering overnight accommodation and a variety of programming and other tourism activities. They often offer some form of food and beverage service as well. Lodges and resorts typically aim to provide an “experience” for the visitor, rather than just overnight
accommodation. Supporting activities within the vicinity are therefore very important to existing and new lodges, as they help define the overall experience the resort or lodge operator offers.

The other two categories noted below comprise supporting products/activities, which can occur as commercial activities (offered through a resort, lodge and/or tour operator) or non-commercial activities (pursued by independent recreationists or clubs). The supporting products/activities have been categorized into “Winter” and “Spring, Summer, Fall”.

Identifying tourism enhancement and development opportunities for a region involves considering the inter-relationship between overnight accommodation and the predominant activities that the area offers or could offer. The existence of marketable lodges and resorts and supporting tourism products/activities increases the ability of a destination or region to attract visitors, extend their length of stay, and ultimately spend more money. The Consulting Team considered this a main theme in their analysis of opportunities.
To further examine development opportunities related to the above lodges and supporting activities, the Consulting Team conducted research related to a range of topics for each of the priority products. Note that the Consulting Team also assessed “Other Non-Alpine Winter”, together with Snowmobiling, since these products may present additional revenue generating opportunities for some lodges. The results of this research are documented in five Product Assessment Templates as noted below:

1. Lodges and Resorts
2. Alpine – Skiing and Snowboarding
3. Non-Alpine – Snowmobiling and Other Non-Alpine Winter
4. Adventure – Water: Freshwater Fishing
5. Adventure and Nature-Based Products – Land: Wildlife Viewing and Nature Appreciation, Hiking and Cycling

A description of the Product Assessment Template is presented below, followed by the detailed assessments.
# Product Assessment Template

<table>
<thead>
<tr>
<th>Topic</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Description</td>
<td>Description of the facility or product</td>
</tr>
<tr>
<td>Product Characteristics &amp; Trends - BC</td>
<td>Description of inventory and product development characteristics and trends within BC</td>
</tr>
<tr>
<td>Market Characteristics &amp; Trends</td>
<td>Description of market characteristics and trends for this product within BC</td>
</tr>
<tr>
<td>Other Product Trends - Global, National, Provincial and/or Regional</td>
<td>Description of other relevant factors or trends relating to this product globally, nationally, provincially and/or regionally</td>
</tr>
<tr>
<td>Current Status of this Product - CORD Study Area</td>
<td>Current inventory, quality level, markets, growth capacity related to this product within the Study Area</td>
</tr>
<tr>
<td>Product Development Strengths and Weaknesses</td>
<td>Description of the strengths, weaknesses, opportunities and threats related to expanding, enhancing and/or developing this product in the Study Area</td>
</tr>
<tr>
<td>Product Development Opportunities</td>
<td>Based on the strengths and weaknesses analysis, a description of product development opportunities in the Study Area</td>
</tr>
<tr>
<td>Key Competition</td>
<td>Competitive assessment describing the primary competitors for CORD for this specific product area and CORD’s potential competitive advantages</td>
</tr>
</tbody>
</table>
| Potential Markets                                       | Description of the geographic and demographic market segments offering the best potential for the Study Area:  
"Prime Market" = The key or main market segment  
"Secondary Market" = An important, but secondary, market segment |
| Potential Locations                                     | Description of the locations having development potential for this product within the Study Area, based on the quality of the resource and access:  
"Very Suitable" = The highest rating of resource suitability, inferring the highest priority areas with the most suitable features  
"Somewhat Suitable" = A secondary rating of suitability, inferring significant priority, but lesser quality features than locations rated as "very suitable" |
| Potential Conflicts or Issues                           | Potential conflicts or issues associated with developing these products in specific locations. |
| Development Considerations                              | Other issues that need to be addressed in order to advance the product opportunity. |
| Product and Facility Linkages                           | Within the Study Area: Potential linkages with other facility or product developments (existing or potential) within the Study Area (particularly in relation to market demand trends).  
Within the Broader Region: Potential linkages with other facility or product developments (existing or potential) within the broader Okanagan region (particularly in relation to market demand trends).  
"Major Activity Linkages" = Activities or products that significantly complement the priority product and, together, respond well to market demand  
"Minor Activity Linkages" = Activities or products that complement the priority product and, together, respond to market demand |
Product Assessment
Lodges and Resorts (Existing and Proposed)

- Existing Lodges
- Proposed Niche Lodge/ Resort(s)
- Proposed Major Resort Development (application under review)

Key opportunities in the Study Area are related to enhancing existing lodges and developing new lodges/resorts. The purpose would be to ensure existing and new lodge/resort product responds to market demand, enabling the region to attract a greater number and diversity of markets, encourage longer stays, increase spending per visitor and increase visitation during the shoulder and off-seasons. Critical to the success of existing and new lodges/resorts will be their ability to package (link) with activities (product) both within and outside the Study Area that appeal to visitors.

The background research related to these opportunities and a brief description of the opportunities themselves are documented in the template below. Product linkages, markets and development locations are also noted in the template. Development concepts and implementation steps related to these opportunities are defined in the Recommendations section of the report, while estimated economic impacts associated with these developments are presented in the Implementation section.

<table>
<thead>
<tr>
<th>Topic</th>
<th>Description - Resorts and Lodges</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Description</strong></td>
<td>Resorts &amp; Lodges</td>
</tr>
<tr>
<td></td>
<td>Resorts: Resorts are accommodation properties that provide recreational amenities on site. Examples include golf resorts, ski resorts and fishing resorts. They are typically located in non-urban areas and cater to guests staying more than one night.</td>
</tr>
<tr>
<td></td>
<td>Lodges: Lodges are outdoor-oriented accommodations that tend to be located in a wilderness area or in a destination resort area. They are typically smaller and more rustic than resorts and include outdoor adventure lodges and lodges located in ski areas.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Product Characteristics &amp; Trends - BC</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• This sector includes a broad range of types, calibres and sizes of facilities.</td>
</tr>
<tr>
<td></td>
<td>• There has been a decline in the number of small, older, independently operated facilities, frequently due to the fact that the property they are located on (often waterfront) is worth more than the business.</td>
</tr>
<tr>
<td></td>
<td>• Throughout the 1990s, the number of fishing lodges in BC decreased, from 170 in 1989 to 132 in 1999.</td>
</tr>
<tr>
<td></td>
<td>• Throughout the 1990s, the number of vacation rentals increased from 371 (5,617 units) to 479 (8,779 units), while miscellaneous categories increased from 99 properties (1,436 units) to 225 (3,976 units).</td>
</tr>
<tr>
<td></td>
<td>• The BC Accommodation Guide recorded a total of 9,737 lodge and resort units, representing 12% of the roofed accommodation recorded.</td>
</tr>
<tr>
<td></td>
<td>• There is a continuing trend to the development of “resort areas”, with Whistler being the most notable in BC, but with growth also occurring in areas such as Tofino – Ucluelet and the East Kootenays.</td>
</tr>
<tr>
<td></td>
<td>• BC’s diverse and high-quality wilderness resources provide the base for outdoor adventure-oriented lodges and resorts.</td>
</tr>
</tbody>
</table>
### Topic: Description - Resorts and Lodges

#### Market Characteristics & Trends - BC
- The most recent BC Visitor Survey (1995-96) indicated that:
  - 8% of non-resident visitors to the province stayed in resorts;
  - 1% of resident visitors to the province stayed in resorts;
  - 7% of non-resident visitors to the province stayed in lodges; and,
  - 6% of resident visitors to the province stayed in lodges.
- The resort and lodge category is very diverse and clients are typically interested in a specific product or experience that cannot be duplicated by other kinds of accommodation properties.

#### Other Relevant Trends - Global, National, Provincial and/ or Regional
- The security issues created by the events of September 11, 2001, may continue to depress long-haul international travel and create a demand for good quality, close-in resort / lodge products.
- British Columbia is becoming recognized as a destination with high-quality lodges as witnessed by the August 2002 issue of Travel and Leisure Magazine that rated the Wickaninnish Inn (Tofino) and the Sooke Harbour House (Sooke) the number 1 and number 3 rated Inns in North America.

#### Current Status of this Product - CORD Study Area
**Existing Lodges (7)**
- Dee Lake Resort
- Postill Lake Lodge
- Oyama Lake Resort
- McCulloch Lake Resort
- Beaver Lake Lodge
- Jackpine Lake Resort
- Eight Mile Ranch

**Key Activities Offered:**
- Fresh water fishing – primarily spring through fall / limited ice fishing
- Hiking / mountain biking / horseback riding in area of resort
- Cross country skiing

**Key Markets:**
- Okanagan residents
- Other B.C. - Primarily lower mainland

**Quality of Lodges:**
- Largely rustic in nature, having originally been developed decades ago
- Limited access to running hot and cold water
- Limited access to communications such as telephone (land line and cell)
- Largely requiring modernization and refurbishment

**Quality of Associated Activities:**
- Fishing is hampered by small fish size
- Generally good road access to all facilities, although road maintenance and width is an issue for some facilities, as is the ability of users to access the sites with larger campers and motorhomes
- Trails are generally at a low to moderate level of difficulty for all key (non-lake) activities

**Associated camping facilities generally have access to running water and washroom facilities. They also tend to have adequate spacing of the sites.**
## Topic: Description - Resorts and Lodges

### Quality of Settings:
- Surrounding areas are attractive and serene, unpolluted, and generally of local or regional significance.
- Viewscapes from the lodges are pleasant but not exceptional. More impressive views of Okanagan Lake, the vineyards and orchards, and the grassland transition zone can be seen from the various trails in the vicinity.

### Product Performance
- Facilities tend to be highly seasonal, focused on the peak summer travel period.
- Facilities have begun to expand their activity roster to include cycling, hiking and nature appreciation from their traditional focus on lake fishing and camping.

### Management and Development Issues:
- Lodges have suffered from an inability to provide for capital replacement and infrastructure improvements.
- In general, the lodges are modest in their operation, management and marketing. This has arisen because of their relative small size and isolation from the valley bottom urban amenities.
- Factors hindering refurbishment include constraints related to obtaining traditional financing, local government and water district regulations, and uncertainty with regard to future operations.

## Product Development

### Strengths:
- Existing lodges that may be linked by hiking trails and cycling trails (especially the KVR)
- Surrounding natural areas
- Proximity to growing population base
- Convenient access

### Weaknesses:
- Most existing lodges do not earn enough revenue to re-invest in upgrades
- Consequently, many of the existing lodges may not be able to attract new markets
- Lack of sophistication of operations and management, particularly with regard to marketing, customer service, and operational planning
- Those facilities that are accessed by forest service roads may face difficulties with regard to potential lack of maintenance or de-commissioning of these roads.
- Hiking trails between the various lodges are not well mapped or maintained
- Existing lodges tend to be older and relatively small
- Markets are limited to locals and families interested in fishing and boating
Central Okanagan Crown Land
Tourism and Commercial Recreation Opportunities Study
February 2003
Tourism and Recreation Development Opportunities

<table>
<thead>
<tr>
<th>Topic</th>
<th>Description - Resorts and Lodges</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Product Development Opportunities</strong></td>
<td><strong>Existing Lodges</strong></td>
</tr>
<tr>
<td></td>
<td>• Enhance existing facilities to appeal to broader range of markets. This would entail upgrading current lodges and diversifying product offerings to increase yield, expand the season of use, and increase length of stay.</td>
</tr>
<tr>
<td></td>
<td>• Develop packages and linkages with other CORD tourism products.</td>
</tr>
<tr>
<td></td>
<td>• Opportunities may arise for private sector interests, including existing lodge owners, to operate nearby Forest Recreation sites if the Ministry of Forests does, in fact, stop operating this in-house.</td>
</tr>
<tr>
<td></td>
<td>• It was noted by tourism association representatives that the Okanagan has a shortage of adequate campsite locations for families. The lodges are well situated close to the City (maximum drive time of 35 minutes). This points to opportunities for lodge owners to develop adjacent camping facilities (however, further feasibility assessment would be required to determine the significance of this opportunity).</td>
</tr>
<tr>
<td><strong>Niche Inns/Resorts</strong></td>
<td>• Develop one to two small Niche Inns/boutique lodges. The concept is for relatively high quality developments (four star range), providing spa facilities and quality food/beverage services. The facility would be located in an attractive setting in the lower elevation portion of the Study Area. It would have links to more upscale and regional activities/products, including:</td>
</tr>
<tr>
<td></td>
<td>o Higher-end KVR cycle tours</td>
</tr>
<tr>
<td></td>
<td>o Nature appreciation &amp; wildlife viewing</td>
</tr>
<tr>
<td></td>
<td>o Health/spa tourism</td>
</tr>
<tr>
<td></td>
<td>o Golf</td>
</tr>
<tr>
<td></td>
<td>o Wineries and cuisine tourism</td>
</tr>
<tr>
<td></td>
<td>o Cultural tourism</td>
</tr>
<tr>
<td></td>
<td>o Pre and post conference packages</td>
</tr>
<tr>
<td><strong>Crystal Mountain Resort Development</strong></td>
<td>• Crystal Mountain Resorts have prepared a master plan for a major expansion. This resort has a planned build-out of 12 ski lifts with 45 runs. The plans also include a golf course, a base area containing up to nearly 4,000 bed units, 80,000 square feet of commercial development, a meeting centre, and a day lodge.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Key Competition</strong></th>
<th><strong>Existing Lodges</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• Other regional lodges in the Okanagan and the Kootenays</td>
</tr>
<tr>
<td><strong>Niche Inn/Resort</strong></td>
<td>• Other specialty resorts in the Okanagan Valley</td>
</tr>
<tr>
<td><strong>Crystal Mountain Resort</strong></td>
<td>• Other regional ski areas in the Okanagan including Silver Star, Big White and Apex</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Potential Markets</strong></th>
<th><strong>Resort/Lodge Categories</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td><strong>Markets</strong></td>
</tr>
<tr>
<td>Cont'd</td>
<td><strong>Markets</strong></td>
</tr>
</tbody>
</table>
### Description - Resorts and Lodges

<table>
<thead>
<tr>
<th>Topic</th>
<th>CORD Residents</th>
<th>Other Okanagan</th>
<th>Lower Mainland</th>
<th>Alberta</th>
<th>Regional US</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Resorts and Lodges</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Prime Market</strong></td>
<td>❀</td>
<td>❀</td>
<td>❀</td>
<td>❀</td>
<td>❀</td>
<td>❀</td>
</tr>
<tr>
<td><strong>Secondary Market</strong></td>
<td>❀</td>
<td>❀</td>
<td>❀</td>
<td>❀</td>
<td>❀</td>
<td>❀</td>
</tr>
</tbody>
</table>

### Potential Locations

The Study Area has been divided into seven planning zones based on general biophysical features. The suitability of each zone for the three categories of lodges is described below. (Note that the “Very Suitable” symbol has been used to depict the zones in which the Existing Lodges are located.)

<table>
<thead>
<tr>
<th>Planning Zones</th>
<th>Resort/ Lodge Categories</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Existing Lodges</td>
</tr>
<tr>
<td>1. Greystokes</td>
<td>❀</td>
</tr>
<tr>
<td>2. Myra-Mission</td>
<td>❀</td>
</tr>
<tr>
<td>3. Plateau Lakes</td>
<td>❀</td>
</tr>
<tr>
<td>4. Kelowna-Belgo</td>
<td>❀</td>
</tr>
<tr>
<td>5. Lambly-Trepanier</td>
<td>❀</td>
</tr>
<tr>
<td>6. Terrace Mtn</td>
<td>❀</td>
</tr>
<tr>
<td>7. Shorts Creek</td>
<td>❀</td>
</tr>
</tbody>
</table>

### Potential Conflicts or Issues

- Irrigation Districts act as water utilities and have responsibility to provide domestic water to many of the residents of the Central Okanagan. Watershed management as governed by the Irrigation Districts represents a significant challenge to expanded lodges, expanded operating areas and development of new lodges.
- Provincial cut-backs to ancillary/associated services (e.g., Forest service roads/campsites)
- Fees and property tax/crown lease increases that may not be economically sustainable or viable
- Provincial policy regarding Crown land leasing and disposition
- Different levels of government have responsibility for various aspects of lodge operations and development (e.g. Regional District sets building codes, Ministry of Forests maintains access routes, and Land and Water BC manages Crown land leases). The development process can be onerous.

### Development Considerations

- Issues for developers include:
  - Access and tenure to suitable Crown land
  - Cost of Crown land leases and licenses of occupation
  - Taxation costs
  - Ability or inability to provide input into land use decisions that affect viewscapes
  - Range of agencies to deal with and number of related permits to obtain
  - Cost of providing services in remote locations (power, water, sewage)
  - Access to financing
  - Availability of skilled workers
  - Impacts of seasonality on business viability
### Product and Facility Linkages

Few resorts/lodges are successful entirely on their own. Lodge guests require access to a number of other features and activities. The linkages with other activities, both within the CORD and within the broader region, are described in the chart below.

<table>
<thead>
<tr>
<th>Resort/Lodge Categories</th>
<th>Within the CORD Study Area</th>
<th>Within the Okanagan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Products / Activities</td>
<td>Existing Lodges</td>
<td>Niche Lodge</td>
</tr>
<tr>
<td>Freshwater fishing</td>
<td>★</td>
<td></td>
</tr>
<tr>
<td>Wildlife viewing &amp; nature appreciation</td>
<td>★</td>
<td>★</td>
</tr>
<tr>
<td>Hiking</td>
<td>★</td>
<td>★</td>
</tr>
<tr>
<td>Cycle touring &amp; mountain biking</td>
<td>★</td>
<td>★</td>
</tr>
<tr>
<td>Ski touring</td>
<td>★</td>
<td></td>
</tr>
<tr>
<td>Snowmobiling</td>
<td>★</td>
<td></td>
</tr>
<tr>
<td>Snowshoeing/ Dog Sledding</td>
<td>★</td>
<td></td>
</tr>
</tbody>
</table>

#### Key

- ★ Major Activity Linkage
- ★ Minor Activity Linkage

### Policy & Regulatory Implications for the CORD Study Area

- Recognize the importance of road access to these properties.
- Recognize the importance of maintaining water quality in the headwater lakes, as many are storage reservoirs for irrigation districts supplying domestic water to residences in the valley bottom.
- Recognize the importance of trail maintenance standards as well as existing assets such as the KVR
- Recognize the importance of adequate signage to lodges
- Recognize the importance of land ownership or secure long term tenure, as it relates to the ability for operators to obtain traditional financing
- Land and Water BC could consider packaging lodge development opportunities to the private sector on specific pieces of Crown land
- CORD and Crystal Mountain Resorts should continue negotiations to resolve outstanding issues within the context of the Official Community Plan and zoning review process

### Policy & Regulatory Implications for the CORD Study Area Cont’d

**Sources:**
2. Economic Planning Group, Tourism Accommodation Analysis, 1996.
Product Assessment
Supporting Activities/Products - Winter (Alpine)

- Alpine Skiing
- Snowboarding

The Consulting Team’s research and analysis points to opportunities related to alpine skiing and snowboarding. While these activities currently take place in the Study Area and the broader region they, and the infrastructure and facilities to support them, can be further expanded and enhanced.

The background research related to these products and a brief description of the opportunities themselves are documented in the template below. The main opportunity relates to the proposed Crystal Mountain Resort project (currently under review by the CORD). Product linkages, markets and development locations are documented in the template. Recommendations related to developing these opportunities are presented later in the report, in the Recommendations section.

<table>
<thead>
<tr>
<th>Topic</th>
<th>Description - Winter Products (Alpine)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Description</td>
<td>Alpine Skiing &amp; Snowboarding</td>
</tr>
<tr>
<td></td>
<td>Alpine ski and snowboarding facilities range from major mountain resort destinations to community-based ski facilities. The mountain resorts operate as year-round destinations with on-hill and nearby accommodation. The ski industry is winter-based, but to improve financial viability of ski areas, many operate their lifts and village facilities year-round, offering hiking, mountain biking and other summer alpine activities.</td>
</tr>
<tr>
<td>Product Characteristics &amp; Trends - BC</td>
<td>• BC has approximately 42 ski areas, with more than 220 lifts (not including very small, community-oriented facilities).</td>
</tr>
<tr>
<td></td>
<td>• The majority of ski resort capacity is in the Lower Mainland, Okanagan, and East Kootenays.</td>
</tr>
<tr>
<td></td>
<td>• Expansion of several interior BC mountain resorts has moved them from regional resort category to national and short-haul international category. These include resorts at Golden, Fernie, Kimberly, Kelowna and Kamloops.</td>
</tr>
<tr>
<td></td>
<td>• Whistler (which generates approximately one-third of BC’s skier visits) is almost built to capacity and as a result its ability to accommodate further growth is limited.</td>
</tr>
<tr>
<td></td>
<td>• The Commercial Alpine Ski Policy (CASP) encourages ski/snowboard development and construction of mountain resort villages to provide on-site overnight accommodation.</td>
</tr>
<tr>
<td></td>
<td>• Higher visitor volumes will continue to put pressure on smaller communities to develop infrastructure to support rapid growth. Such development must consider management issues, alteration of viewscapes, and potential effects on the environment due to industry growth.</td>
</tr>
<tr>
<td></td>
<td>• Constraints to growth include:</td>
</tr>
<tr>
<td></td>
<td>o Difficulty obtaining financing due to high development costs</td>
</tr>
<tr>
<td></td>
<td>o Competing interests for land use</td>
</tr>
<tr>
<td></td>
<td>o Cost of Crown land tenure</td>
</tr>
<tr>
<td></td>
<td>o Competition from other jurisdictions</td>
</tr>
<tr>
<td></td>
<td>o Labour regulations and shortages</td>
</tr>
<tr>
<td></td>
<td>o Liquor licensing</td>
</tr>
<tr>
<td></td>
<td>o Staff housing</td>
</tr>
</tbody>
</table>
### Topic: Description - Winter Products (Alpine)

- Cost of transportation and providing access
- First Nations land claims and resulting uncertainty of land status

#### Market Characteristics & Trends

- Skier visits (day skiers, seasons pass holders and overnight tourist skiers) at BC mountains increased by an average annual rate of 18% per year from 1980/81 - 1999/00:

<table>
<thead>
<tr>
<th>Year</th>
<th>Visits</th>
</tr>
</thead>
<tbody>
<tr>
<td>99/00</td>
<td>5.7 million</td>
</tr>
<tr>
<td>98/99</td>
<td>5.6 million</td>
</tr>
<tr>
<td>97/98</td>
<td>4.4 million</td>
</tr>
<tr>
<td>96/97</td>
<td>4.5 million</td>
</tr>
<tr>
<td>95/96</td>
<td>4.2 million</td>
</tr>
<tr>
<td>90/91</td>
<td>3.4 million</td>
</tr>
<tr>
<td>85/96</td>
<td>2.3 million</td>
</tr>
<tr>
<td>80/81</td>
<td>1.3 million</td>
</tr>
</tbody>
</table>

- BC has approximately 490,000 alpine skiers and 178,000 snowboarders.
- The Canadian alpine market is currently comprised of approximately 70% skiers and 30% snowboarders.
- Over the longer-term, ski demand is expected to grow minimally while snowboarder demand is projected to continue strong growth.
- The ski industry in BC has shown much higher growth than other Pacific Northwest destinations, and captures approximately 48% of the total Pacific Northwest market (includes BC, Alberta, Washington and Oregon).
- The typical alpine skier is:
  - Relatively young (43% between 12 and 24) - although 38% are in the 35 - 65 range
  - Single (52%)
  - Male (57%)
- Whistler's market is predominantly non-local; while, markets for most regional ski areas in BC have a much higher local patronage.
- In 1999/00, gross ski resort revenue in BC was $281 million, up from $112 million in 1991.
- Revenue to government for Crown land leases was $2.6 million.
- The alpine ski industry is seasonal (snow-based) and is heavily weekend focused.
- Typical ski season length is 130 days.
- Industry facility utilization is approximately 30%.
- Skier visits in BC amount to approximately 10% of total skier visits in the U.S. and 33% of the Canadian total.

#### Other Relevant Trends - Global, National, Provincial and/or Regional

- Banff has capped its skier/snowboarder visits, resulting in opportunities for interior BC to capture some of this market.
- Potential exists to further develop the ski business from most European markets.
- Despite an ageing population, investment in the alpine ski industry is expected to continue to grow - the ageing market is demanding more upscale, urban amenities and mountain resorts.

#### Current Status of this Product - Okanagan Valley and CORD Study Area

- The Thompson-Okanagan region:
  - Big White Ski Resort lies just south east of the CORD Study Area.
  - Silver Star resort, near Vernon, lies north of the CORD Study Area.
  - Crystal Mountain Resort (previously known as the Last Mountain Ski Area) operates a modest family oriented ski area west of Westbank.

#### Key Markets:

- Local (Okanagan) skiers
- BC Lower Mainland (5 hour drive to Big White/ 4 hour drive to Crystal Mountain from Greater Vancouver)
Central Okanagan Crown Land
Tourism and Commercial Recreation Opportunities Study
February 2003
Tourism and Recreation Development Opportunities

<table>
<thead>
<tr>
<th>Topic</th>
<th>Description - Winter Products (Alpine)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• Eastern Canadian skiers via joint marketing of daily Air Canada and West Jet flights from Toronto and Hamilton (AC Toronto flight is in jeopardy at this time)</td>
</tr>
<tr>
<td></td>
<td>• USA Pacific Northwest (Drive market and flying market with Horizon Air out of Seattle)</td>
</tr>
</tbody>
</table>

Product Performance
• Crystal Mountain is underutilized for alpine ski activities. (It has traditionally focused on the learn-to-ski and family market.)
• Generally, BC and Okanagan ski resorts are reported to be less crowded than other ski resorts in Eastern Canadian, Eastern U.S., Colorado, and Europe.

Development Issues:
• The only downhill ski hill located within the Study Area is Crystal Mountain. Big White and Silverstar ski resorts are located just outside the Study Area. Crystal Mountain Resort Development Inc. (Crystal Mountain Resorts) is proposing a major redevelopment and upgrade. A master plan has been prepared and approved by the provincial government’s Commercial Alpine Ski Policy.
• Crystal Mountain Resort’s proposed capital development program will make it a more desirable winter destination. Historically, the mountain has been hindered by its limited vertical drop, small number of ski runs, and lack of visitor service amenities. Operationally, the area has a shorter season than the other Valley ski areas due to its lower elevation, resulting in lower snowpack.

<table>
<thead>
<tr>
<th>Product Development</th>
<th>Strengths and Weaknesses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strengths:</td>
<td>• Big White and Silver Star are long-standing, well-known resorts providing a skiing profile for the broader region.</td>
</tr>
<tr>
<td></td>
<td>• Big White has been drawing Eastern Canadian and international visitors (e.g., Australians). Silver Star has developed a market among residents of the Pacific Northwest.</td>
</tr>
<tr>
<td></td>
<td>• Westjet and Horizon Air flights provide affordable access and good connections, supporting further market development.</td>
</tr>
<tr>
<td></td>
<td>• With consolidation of the ownership of Big White and Silver Star, the region will benefit from the resulting coordinated marketing, capital investment, and programming of the mountains and their activities.</td>
</tr>
<tr>
<td></td>
<td>• The region is already recognized as an alpine ski destination; therefore, Crystal Mountain can build upon this reputation and develop additional product.</td>
</tr>
<tr>
<td></td>
<td>• Existing reputation as an alpine ski destination presents opportunities to further develop facilities, infrastructure and product related to winter recreation.</td>
</tr>
</tbody>
</table>

Weaknesses/Threats:
• Crystal Mountain does not have the same potential as Big White and Silver Star to provide high-quality alpine skiing and snowboarding, due to its lower elevation and limited vertical drop.
• Potential changes to flight schedules, with possible elimination of Air Canada Kelowna-Toronto direct flights
• Historic difficulty for ski resorts to obtain financing for large capital investments, given uncertainty related to environmental and First Nations issues
• Other constraints to growth include: conflicting land uses, obtaining Crown land tenure, labour regulations, seasonality, and liquor licensing

<table>
<thead>
<tr>
<th>Product Development Opportunities</th>
<th>Crystal Mountain Resort Development Proposal (in-progress):</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• Crystal Mountain development represents an opportunity to access segments of the market that are currently under serviced (e.g., family, senior and beginner</td>
</tr>
</tbody>
</table>


### Topic: Description - Winter Products (Alpine)

- The ability to attain a high level of coordination between downhill and telemark ski activities exists at Crystal Mountain.
- Lodging at Crystal Mountain would likely be a benefit for both the downhill and adjoining telemark ski activities.
- Summer activities that would have potential in the area include mountain biking, hiking, and golf.

### Key Competition

- Big White, Silver Star and Apex
- Sun Peaks
- Whistler
- Fernie
- Banff/Jasper
- Colorado

### Potential Markets

- Primary markets for the Crystal Mountain development will likely be residents of the Okanagan and, to a lesser extent, BC Lower Mainland. Crystal’s primary advantage is its close proximity to the Coquihalla highway and to the City of Kelowna. Cost competitive flights could also encourage residents of other more distant markets such as Alberta and the Pacific Northwest to travel to Crystal Mountain; however, this opportunity is likely limited because of the existence of Big White and Silverstar which offer better ski terrain and well-developed facilities and amenities.

### Potential Location

- Crystal Mountain (Last Mountain), in the Lambly-Trepanier Study Area Planning Zone
- Other potential locations have not been considered in this study given the existing competition presented by Big White and Silverstar; market demand would likely not be able to support developments in addition to the proposed Crystal Mountain development

### Potential Conflicts or Issues

A number of issues have been raised by CORD regarding the proposed development. These include:

- Water
- Sewer
- Road Access
- Mix of tourist accommodation, single family chalets and townhouses

### Development Considerations

- This proposed development poses a series of risks for the developer. These include the physical attributes of the site, the market, and regulatory issues. Although the site has been the home of a ski area for decades, its relatively low elevation will likely produce a lower snow pack and over a shorter period of time than the other Okanagan ski areas. Snow making is proposed to help address this issue.
- The proposed geographic market for Crystal Mountain is the close-in and easily accessible, vehicle access market. The target market segments are families and the learn-to-ski/snowboard market. These markets are being serviced by the existing Okanagan ski areas, although not as a prime focus.
- The regulatory and permitting issues listed above are significant and could provide a major impediment to development. These issues need to be resolved cooperatively between the proponent and the CORD, within the context of the Official Community Plan and zoning review processes, for the development to
### Description - Winter Products (Alpine)

<table>
<thead>
<tr>
<th>Topic</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Product and Facility Linkages</strong></td>
<td></td>
</tr>
<tr>
<td>Within the Study Area:</td>
<td></td>
</tr>
<tr>
<td>• Other winter snow products, such as ski touring, snowmobiling, cross country ski activities, and snowshoeing</td>
<td></td>
</tr>
<tr>
<td>• Resorts and lodges</td>
<td></td>
</tr>
<tr>
<td>Within the Broader Region:</td>
<td></td>
</tr>
<tr>
<td>• Resorts</td>
<td></td>
</tr>
<tr>
<td>• Pre/post conference</td>
<td></td>
</tr>
<tr>
<td>• Cultural tourism</td>
<td></td>
</tr>
<tr>
<td>• Agri-tourism - wine tasting events</td>
<td></td>
</tr>
<tr>
<td><strong>Policy &amp; Regulatory Implications</strong></td>
<td></td>
</tr>
<tr>
<td>• No provision was made for the proposed Crystal Mountain development in the CORD Official Community Plan. This planning issue, and the scale of the proposed development, have posed regulatory and infrastructure issues for CORD. At the time of writing, several issues are being negotiated between the developer (Pheidias Development Management Corporation) and the CORD.</td>
<td></td>
</tr>
</tbody>
</table>
Product Assessment
Supporting Activities / Products - Winter (Non-Alpine)

- Snowmobiling
- Other Non-Alpine Winter

There are opportunities to build upon the existing popularity of non-alpine winter snow products in the Study Area. Snowmobiling rated highly in the Product Assessment presented earlier in this section. In addition to snowmobiling, research on other non-alpine winter products is provided in the following template. This background may provide useful information for operators and/or lodge owners who are considering offering several different non-alpine winter products to their guests.

Of the “Other Non-Alpine Winter” products presented below, ski touring is emphasized. The Consulting Team has concluded that ski touring may present incremental winter revenue opportunities for some lodge owners. Unlike cross-country (Nordic and telemark) skiing, ski touring has the ability to draw visitors from outside the region. Key differences between cross-country skiing and ski touring are described below.

Cross-Country Skiing (Nordic and Telemark)
Cross-country skiing (also known as Nordic skiing), usually takes place in a defined area on groomed trails that provide ski loops. While out-of-town visitors may travel to an area to cross-country ski, this activity usually attracts local and regional residents and is often club-based. Cross-country skiing is well served in the Study Area by two established clubs (one Nordic and one telemark).

Ski Touring
Ski touring involves skiing over longer distances, usually not on looped trails that characterize cross-country skiing. Given its “distance” focus, ski touring can encourage overnight visitors who require lodge-type accommodation. For this reason, ski touring, in addition to snowmobiling, has been considered a stronger winter tourism opportunity than the other non-alpine winter products listed in the template.

The background research related to opportunities for non-alpine winter products and a brief description of the opportunities themselves are documented in the template below. Product linkages, markets and activity locations are also noted in the template. Recommendations related to developing these opportunities focus on programming and packaging that existing and new lodge and resort owners may wish to pursue. These are discussed in the Recommendations section.
<table>
<thead>
<tr>
<th>Topic</th>
<th>Description - Winter (Non-Alpine Products)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Description</td>
<td>Non-Alpine Winter Snow Product includes the following activities</td>
</tr>
<tr>
<td>Description Cont’d</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Snowmobiling</td>
</tr>
<tr>
<td></td>
<td>• Nordic and Telemark cross country skiing</td>
</tr>
<tr>
<td></td>
<td>• Ski touring</td>
</tr>
<tr>
<td></td>
<td>• Dog sledding</td>
</tr>
<tr>
<td></td>
<td>• Ice climbing</td>
</tr>
<tr>
<td></td>
<td>• Ice fishing</td>
</tr>
<tr>
<td></td>
<td>• Skijoring</td>
</tr>
<tr>
<td></td>
<td>• Snowshoeing</td>
</tr>
<tr>
<td></td>
<td>• Tubing</td>
</tr>
<tr>
<td>Product Characteristics &amp; Trends - BC</td>
<td>The following is an inventory of non-alpine snow products offered by BC operators:</td>
</tr>
<tr>
<td></td>
<td>• 72 commercial snowmobile operators</td>
</tr>
<tr>
<td></td>
<td>• 37 locations offering snowmobile rentals</td>
</tr>
<tr>
<td></td>
<td>• 39 operators offering snowshoeing</td>
</tr>
<tr>
<td></td>
<td>• 67 operators offering cross-country skiing (Nordic and telemark)</td>
</tr>
<tr>
<td></td>
<td>• 59 operators offering ski touring</td>
</tr>
<tr>
<td></td>
<td>• 6 operators offering tubing</td>
</tr>
<tr>
<td></td>
<td>• 31 operators offering dog sledding</td>
</tr>
<tr>
<td></td>
<td>• 3 locations offering skijoring (cross country skiing behind a dog sled)</td>
</tr>
<tr>
<td></td>
<td>• Ice climbing is available at a limited number of locations</td>
</tr>
<tr>
<td>Market Characteristics &amp; Trends</td>
<td>• Many of the other non-alpine winter snow products are secondary or tertiary reasons for winter travel</td>
</tr>
<tr>
<td></td>
<td>• Some activities – such as ski touring and ice climbing – often require a guide and the necessity for a full day and/ or overnight accommodation</td>
</tr>
<tr>
<td></td>
<td>• There is growing demand – particularly from the travel trade – for packaged snow-based activities</td>
</tr>
<tr>
<td></td>
<td>• BC is recognized as an outdoor destination and has invested over the long term in its ‘Super, Natural’ branding. However, many non-alpine winter snow products are little known or misunderstood at this time</td>
</tr>
<tr>
<td>Other Relevant Trends - Global, National, Provincial and/ or Regional</td>
<td>• Integrity of natural resources that support these products is paramount to the success of this sector</td>
</tr>
<tr>
<td></td>
<td>• A limited season creates difficulty in attracting and retaining staff in this sector</td>
</tr>
<tr>
<td>Current Status of this Product - CORD Study Area</td>
<td>Number of Facilities:</td>
</tr>
<tr>
<td></td>
<td>• Two not-for-profit cross-country ski clubs (Nordic and Telemark) with clubhouse activities and professionally groomed trails</td>
</tr>
<tr>
<td></td>
<td>• Numerous lakes with potential for ice-fishing (largely informal in nature)</td>
</tr>
<tr>
<td></td>
<td>• Tubing is offered at Big White and Silver Star. There are no facilities within the Study Area</td>
</tr>
<tr>
<td>Number of Operators:</td>
<td>• 2 cross country ski organizations</td>
</tr>
<tr>
<td></td>
<td>• 2 snowshoe guides – these operators are small, and lack adequate transportation. The product has been developed primarily to supplement summer touring activity</td>
</tr>
</tbody>
</table>
| | • Other than the above guides, no other commercial operators for most non-alpine, winter activities; however, a number of guides did indicate that if demand were
### Description - Winter (Non-Alpine Products)

#### Current Status of this Product - CORD Study Area Cont’d

- Strong enough winter activities would be made available. This was particularly true of snowshoeing and ice fishing.

#### Number of Clubs:
- 2 cross country ski
- 1 snowmobile

#### Key Markets:
- Okanagan and BC Lower mainland

#### Quality of Facilities:
- Both cross country ski clubs professionally groom their trails on a regular basis.
- Access to both facilities is excellent along primarily paved and maintained roads.
- Both clubs have day lodges:
  - The telemark facility at Crystal Mountain is of good quality with professionally groomed runs, access via paved road, a modern clubhouse offering limited food and beverage service, and runs of varying length and difficulty to suit users ranked beginner to expert.
  - The Nordic facility at McCulloch Lake is also of good quality for users. The runs are also professionally groomed, access is also via paved road and the user has access to numerous runs of varying difficulty and length. The clubhouse is modest.

#### Quality of Experience:
- The cross country ski trails at both facilities range from beginner to expert in both length and difficulty (emphasis of trail systems is on the knowledgeable skier).
- Both facilities are conveniently located to Kelowna; however, the lower elevation of the Telemark club is such that it cannot normally sustain a long season.
- Cross country skiing experience is of high quality (user opinion).
- The snowmobile experience in the Study Area is also ranked highly (by users). This is largely a result of the ease of access to the backcountry and the wide range of areas that can be experienced, all of which are within a very short distance from the Kelowna.

#### Product Performance:
- Facilities and trails are well used in the winter season, particularly on weekends.

#### Development Issues:
- Opportunity may exist to better utilize the facilities for the summer months by coordinating or partnering with compatible uses (horse-back/trail riding, mountain bike racing).

### Product Development

#### Strengths and Weaknesses

**Strengths:**
- Snowmobile access to backcountry is excellent.
- Both cross country ski clubs are well organized, and currently financially stable with growing skier days and paid members.

**Weaknesses:**
- Lack of day lodges for snowmobiling.
- No known coordinated/partnering between existing lodges with snowmobile organization to provide overnight accommodation.

#### Product Development Strengths and

- Lack of safe and adequate winter access to KVR for snowshoe trips.
- Many non-alpine winter snow products are little known or misunderstood at this.
### Description - Winter (Non-Alpine Products)

#### Weaknesses Cont’d

- Crystal Mountain - coordination with the mountain operator to promote both the expanded (planned) Alpine, but also the professionally managed Telemark runs and other winter product within the Study Area.
- Both cross country ski operations are run by non-profit organizations. As such, the coordination, marketing and general operations are somewhat unsophisticated. Opportunities may exist to further develop the facilities by offering, for example:
  - Formalized lessons,
  - Organized training and racing,
  - Overnight accommodation and packaging with downhill ski operations and valley hotel/motels
  - Day tours of historical/cultural/environmental sites located along the various trails. This is particularly relevant to the Nordic trails located near McCulloch Lake Lodge.
- Snowshoeing/dog-sledding tours and activities are largely un-tapped. Operators are not formalized, but with winter access to Myra Canyon these activities could be significantly developed. Just as the KVR railway is ideal for mountain bike tours of various lengths, dog-sled tours and activities could be encouraged in the winter.

#### Product Development Opportunities

- Crystal Mountain – coordination with the mountain operator to promote both the expanded (planned) Alpine, but also the professionally managed Telemark runs and other winter product within the Study Area.
- Both cross country ski operations are run by non-profit organizations. As such, the coordination, marketing and general operations are somewhat unsophisticated. Opportunities may exist to further develop the facilities by offering, for example:
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- Snowshoeing/dog-sledding tours and activities are largely un-tapped. Operators are not formalized, but with winter access to Myra Canyon these activities could be significantly developed. Just as the KVR railway is ideal for mountain bike tours of various lengths, dog-sled tours and activities could be encouraged in the winter.

#### Key Competition

- Other ski and winter destinations throughout BC, particularly within the Okanagan and around the Lower Mainland.

#### Potential Markets

There are a series of geographic markets that will have different degrees of relevance to the different winter, non-alpine products. These are described below.

<table>
<thead>
<tr>
<th>Markets</th>
<th>Nordic/ Telemark</th>
<th>Ski Touring</th>
<th>Snowmobiling</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td>CORD Residents</td>
<td>✫</td>
<td>✫</td>
<td>✫</td>
<td>✫</td>
</tr>
<tr>
<td>Other Okanagan</td>
<td>✫</td>
<td>✫</td>
<td>✫</td>
<td>✫</td>
</tr>
<tr>
<td>Lower Mainland</td>
<td>✫</td>
<td>✫</td>
<td></td>
<td>✫</td>
</tr>
<tr>
<td>Alberta</td>
<td>✫</td>
<td></td>
<td></td>
<td>✫</td>
</tr>
<tr>
<td>Regional US</td>
<td>✫</td>
<td></td>
<td></td>
<td>✫</td>
</tr>
<tr>
<td>Other</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Key: ✫ Prime Market ✫ Secondary Market

#### Potential Locations

The Study Area has been divided into seven planning zones based on general biophysical features. The suitability of each zone for the categories of non-alpine snow based activities is described below.

<table>
<thead>
<tr>
<th>Planning Zones</th>
<th>Nordic/</th>
<th>Ski Touring</th>
<th>Snowmobiling</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Greystokes</td>
<td>✫</td>
<td>✫</td>
<td>✫</td>
<td></td>
</tr>
<tr>
<td>2. Myra-Mission</td>
<td>✫</td>
<td>✫</td>
<td>✫</td>
<td></td>
</tr>
</tbody>
</table>
## Topic | Description - Winter (Non-Alpine Products)
--- | ---
2. Myra-Mission | ★ ★ ★ ★ ★
3. Plateau Lakes | ★ ★ ★ ★ ★
4. Kelowna-Belgo | ★ ★ ★ ★ ★
5. Lambly-Trepanier | ★ ★ ★ ★ ★
6. Terrace Mtn | ★ ★ ★ ★ ★
7. Shorts Creek | ★ ★ ★ ★ ★

### Key
★ Very Suitable ★ Somewhat suitable

### Potential Conflicts or Issues
- Winter access to Myra Canyon is often too difficult as the roads are not maintained -- cost of maintaining winter access to the KVR will be an issue
- Lodges and cross country ski operators are not commercially viable given current uncertainty over tenure and ability to access capital for further investment
- Watershed management issues

### Development Considerations
- Non-alpine winter tourism developments tend to be small and owner-operated. They also tend to be tour oriented as opposed to physical developments. By their nature, they are highly seasonal and are snow dependent
- Potential entrepreneurs need to research the market in their area thoroughly in order to assess the likely success
- Crown Land tenure would be needed in order to operate a commercial tour business

### Product and Facility Linkages
Within the Study Area:
- Lodges & resorts
- Alpine skiing

Within the Broader Region:
- Resorts
- Pre/ post conference
- Cultural tourism

### Policy & Regulatory Implications for the CORD Study Area
- Recognize watershed management issues in order to maintain high quality domestic water in the Irrigation District watersheds
- Recognize the issue of road maintenance and winter access
- The desire of government to obtain revenue from the various sites has to be tempered and balanced with the immature state of the winter tourism activities. These activities are either run on a non-profit basis (without formal operations as in the case of the cross country ski) or are un-organized and not well-developed (as in the case of the other winter sports)
- The ease of access to the backcountry, coupled with the very large tracks of public land makes coordination and regulation of winter use extremely difficult. Policies and regulations will have to be developed in such a manner that does not hinder the continued nurturing and development of organized activities, but at the same provides an effective tool to promote and encourage usage and organized activity

### Policy & Regulatory Implications for the CORD Study Area Cont’d

### Sources:
Product Assessment
Supporting Activities / Products - Spring, Summer, Fall (Water)

- Adventure - Water: Freshwater Fishing

The Consulting Team’s research and analysis resulted in the identification of opportunities to build upon the existing popularity of freshwater fishing in the Study Area. Freshwater fishing is a long-standing recreational and tourism activity in the region, with several of the existing lodges featuring this as their main guest activity. With growth in the popularity of freshwater fishing across North America and opportunities to enhance existing lodges in the Study Area (discussed earlier), freshwater fishing is seen as a priority for this study.

The background research related to freshwater fishing opportunities and a brief description of the opportunities themselves are documented in the template below. Product linkages, markets and activity locations for freshwater fishing are also noted in the template. Recommendations related to developing these opportunities are presented later in the report, in the Recommendations section.

<table>
<thead>
<tr>
<th>Topic</th>
<th>Description - Freshwater Fishing</th>
</tr>
</thead>
<tbody>
<tr>
<td>Description</td>
<td>Freshwater Fishing: The freshwater sport-fishing tourism product can be categorized into three main groups:</td>
</tr>
<tr>
<td></td>
<td>- Independent Anglers</td>
</tr>
<tr>
<td></td>
<td>- Charter Anglers</td>
</tr>
<tr>
<td></td>
<td>- Lodge Anglers</td>
</tr>
<tr>
<td>Product Characteristics &amp; Trends - BC</td>
<td>Average age of fishing resorts in BC is 60 years - this has implications for BC’s ability to compete with other products and destinations</td>
</tr>
<tr>
<td></td>
<td>Product quality and quantity could be enhanced with strategic plans to stock and market a number of small lakes</td>
</tr>
<tr>
<td></td>
<td>Significant growth potential, compared to the well established but declining saltwater fishery in BC</td>
</tr>
<tr>
<td></td>
<td>BC’s ‘Super, Natural’ image is an important factor in developing, marketing and selling freshwater fishing</td>
</tr>
<tr>
<td>Market Characteristics &amp; Trends Cont’d</td>
<td>The majority (80%) of freshwater anglers in BC are from BC</td>
</tr>
<tr>
<td></td>
<td>BC’s fishing product is very competitive for the US market, due to diverse natural settings and attractive exchange rates</td>
</tr>
<tr>
<td></td>
<td>Opportunities to increase participation from the women and youth market segments in BC</td>
</tr>
<tr>
<td></td>
<td>Many anglers choose to purchase a package from angling guides or lodges/resorts - this segment of the freshwater fishing market offers greatest potential for higher yield revenue generation</td>
</tr>
<tr>
<td>Other Relevant</td>
<td>Growing market interest in fly fishing</td>
</tr>
</tbody>
</table>
**Topic** | **Description - Freshwater Fishing**
--- | ---
**Trends - Global, National, Provincial and/ or Regional** | • Growing market demand for catch and release

**Current Status of this Product - CORD Study Area**

| Number of Fishing Lodges: | • 6 |
| Number of Operators: | • 4 well organized (or viable) operators (2 commercially viable going concerns focusing on back-country) |
| Number of Clubs: | • 3 |

**Key Markets:**
• Okanagan residents and BC Lower Mainland

**Quality of Lodges:**
• Low to moderate
• Lodges are old and lacking in many modern amenities and conveniences

**Quality of Fishing Experience:**
• Fish are numerous but are typically small in size (source: operator interviews)
• Primarily a family-oriented experience due to ease of access and proximity to Kelowna
• Viewscapes are not outstanding
• Access to lakes and lodges is good

**Product Performance**
• Resorts are well patronized in the summer and early fall
• Stream and lake fishing pressure is moderate

**Development Issues**
• This is a stable tourism sector as few new freshwater fishing lodges have been developed in the last decade
• The opportunity to catch fish is typically more important than actually catching fish to many anglers. This infers that lakes that have heavy or regular fishing pressure be stocked regularly. The provincial government’s ability to expand or even continue the stocking program is not assured.

**Product Development Strengths and Weaknesses**

**Strengths:**
• Fairly good access
• Availability of lodges

**Weaknesses:**
• Generally, the fishing opportunities are more "local" in nature because:
  • The fish are generally small in size
  • The quality of lodges and facilities is not high enough to draw many visitors from outside the region
<table>
<thead>
<tr>
<th>Topic</th>
<th>Description - Freshwater Fishing</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>o The product is relatively undeveloped</td>
</tr>
<tr>
<td>Product Development Opportunities</td>
<td>o Opportunity to increase and diversify the freshwater fishing market by:</td>
</tr>
<tr>
<td></td>
<td>• Enhancing the existing lodges, facilities and services</td>
</tr>
<tr>
<td></td>
<td>• Packaging with other products/ activities</td>
</tr>
<tr>
<td></td>
<td>• Enhancing marketing efforts</td>
</tr>
<tr>
<td>Potential Markets</td>
<td>• Local</td>
</tr>
<tr>
<td></td>
<td>• Regional</td>
</tr>
<tr>
<td></td>
<td>• Lower Mainland (particularly if combined with other product and activities)</td>
</tr>
<tr>
<td>Key Competition</td>
<td>• The BC saltwater fishery is a direct competitor for out-of-province anglers</td>
</tr>
<tr>
<td></td>
<td>• Other fresh water destinations within BC (particularly in the Cariboo-Chilcotin and the Kootenays)</td>
</tr>
<tr>
<td>Potential Locations</td>
<td>• Existing lodges represent a collection of existing use locations</td>
</tr>
<tr>
<td></td>
<td>• Other lakes identified through the recreation and tourism features inventory include the following: James, Moore, Dee, Wilma, High, Lost, Darnar, Esperon and Hidden Lakes</td>
</tr>
<tr>
<td></td>
<td>• Most of the major creeks in the CORD support fish populations include Shorts, Powers, Hydraulic, Kelowna, Pearson, Vernon, Peachland, Trepanier, and Mission</td>
</tr>
<tr>
<td>Potential Conflicts or Issues</td>
<td>• Potential conflict with Irrigation District objectives (watershed management and regulation enforcement)</td>
</tr>
<tr>
<td>Development Considerations</td>
<td>• Freshwater fishing is a modest and stable tourism activity in the CORD</td>
</tr>
<tr>
<td></td>
<td>• Expanding existing lodges and packaging with other products/ operators offers the most effective way to increase the revenue generated from this product</td>
</tr>
<tr>
<td></td>
<td>• The other opportunity is for fishing guiding which requires an assessment of the market potential and the availability of rod-days by water body</td>
</tr>
<tr>
<td>Product and Facility Linkages</td>
<td>Within the Study Area:</td>
</tr>
<tr>
<td></td>
<td>• Resorts and Lodges</td>
</tr>
<tr>
<td></td>
<td>• Wildlife Viewing</td>
</tr>
<tr>
<td></td>
<td>• Hiking</td>
</tr>
<tr>
<td>Product and Facility Linkages Cont’d</td>
<td>Within the Broader Region:</td>
</tr>
<tr>
<td></td>
<td>• Resorts</td>
</tr>
<tr>
<td></td>
<td>• Pre/Post Conferences</td>
</tr>
<tr>
<td></td>
<td>• Experiential &amp; Learning Tourism</td>
</tr>
<tr>
<td></td>
<td>• Agri-tourism</td>
</tr>
<tr>
<td></td>
<td>• Cycle Touring</td>
</tr>
<tr>
<td>Policy &amp; Regulatory Implications</td>
<td>• Watershed management is the single most significant regulatory issue. This is the largest existing and potential conflict related to lodge enhancement and development, tenure/ownership and increased utilization of the lakes for freshwater fishing</td>
</tr>
<tr>
<td></td>
<td>• Revising Crown land tenure policies to encourage more long-term investment in product (lodge) enhancement</td>
</tr>
<tr>
<td></td>
<td>• Creating more business-friendly taxation policies</td>
</tr>
<tr>
<td></td>
<td>• Further development will require greater cooperation and coordination between</td>
</tr>
</tbody>
</table>
**Topic**

**Description - Freshwater Fishing**

the various levels of government in regard to road maintenance/access, development guidelines/zoning, etc.

**Sources:**

**Product Assessment**

**Supporting Activities / Products - Spring, Summer, Fall (Land)**

**Adventure and Nature Based -- Land:**
- Wildlife Viewing and Nature Appreciation
- Hiking
- Cycling

Adventure and nature-based activities are currently very popular in the Study Area, primarily for non-commercial recreationists. However, there are opportunities to convert the potential for several adventure and nature-based products into commercial tourism/recreation activities, linked with the existing and proposed lodges and with tour companies within and outside the region. Adventure and nature-based tourism embrace a large number of products and activities. However, the Consulting Team’s analysis identified wildlife viewing and nature appreciation, hiking and cycling as particularly important for the Study Area.

The background research related to these activities and products and a brief description of the opportunities themselves are documented in the template below. Given the significance of the Kettle Valley Railway (KVR) and recent support from the Provincial Government to further develop and market this as key component of the “Rails to Trails” initiative, cycle touring is a particularly high-potential product for the Study Area. To further substantiate cycle touring opportunities, primary research on high-end cycle touring packages was conducted for this study. This is documented in the template under the “Market Characteristics and Trends” category. Product linkages, markets and activity locations for the products/activities are noted in the template. Recommendations related to developing these opportunities are presented later in the report, in the Recommendations section.

<table>
<thead>
<tr>
<th>Topic</th>
<th>Description - Spring, Summer, Fall Land Products</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Description</strong></td>
<td>Ecotourism &amp; Adventure Travel - Land-Based Outdoor Activities (non-snow based)</td>
</tr>
<tr>
<td></td>
<td>These products typically take place in an outdoor, land-based setting (non-snow). Examples of activities in this sector are listed below, with those most relevant to the Study Area - and addressed in this analysis -bolded:</td>
</tr>
<tr>
<td></td>
<td>• wildlife viewing</td>
</tr>
<tr>
<td></td>
<td>• hiking</td>
</tr>
<tr>
<td></td>
<td>• cycle touring</td>
</tr>
<tr>
<td></td>
<td>• mountain biking</td>
</tr>
<tr>
<td></td>
<td>• trail riding</td>
</tr>
<tr>
<td></td>
<td>• guide outfitting</td>
</tr>
</tbody>
</table>
Outdoor activities can be further categorized as follows:

**Adventure Travel**: outdoor leisure activities that take place in an unusual, exotic, remote and/or wilderness setting, often involving some form of unconventional means of transportation and often associated with physical activity.

**Hard Adventure Travel**: combines a unique experience in an outdoor setting with excitement and a degree of risk, frequently demanding physical exertion as well as a moderate or high level of skill.

**Soft Adventure Travel**: Focuses on providing a unique outdoors experience or ‘adventure’. It usually involves only a minor element of risk, little physical exertion and does not necessarily require high levels of skill. The soft adventure experience often includes comfortable and high quality accommodation and services.

**Ecotourism**: Purposeful travel that encourages an understanding of cultural and natural history, while safeguarding the integrity of the ecosystem and producing economic benefits that encourage preservation. Ecotourism usually implies a scientific, aesthetic, or philosophical approach with a high level of interpretation.

<table>
<thead>
<tr>
<th>Product Characteristics &amp; Trends - BC</th>
<th>Description - Spring, Summer, Fall Land Products</th>
</tr>
</thead>
<tbody>
<tr>
<td>• The following table shows the number of companies in BC offering outdoor products in 1994 and 1998</td>
<td>• caving</td>
</tr>
<tr>
<td></td>
<td>• mountaineering</td>
</tr>
<tr>
<td></td>
<td>• llama trekking</td>
</tr>
<tr>
<td></td>
<td>• climbing</td>
</tr>
<tr>
<td>• It should be noted that wildlife viewing and nature appreciation is not identified as a separate activity in the table; however, these are popular activities that are often combined with the activities noted below or that can stand alone as the major trip purpose for some markets</td>
<td></td>
</tr>
<tr>
<td>• From 1994 - 1998, there has been strong growth in the number of companies offering multiple activities (98% average annual growth) - this is in response to market demand, which is demonstrating an interest in experiential tourism and taking part in multiple activities in one vacation</td>
<td></td>
</tr>
<tr>
<td>• The number of cycling companies has shown strong growth (43% per year)</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Companies Offering Land-Based Outdoor Related Services</th>
<th>Companies in 1994</th>
<th>Companies in 1998</th>
<th>% avg. Annual Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trail Riding</td>
<td>52</td>
<td>50</td>
<td>-1%</td>
</tr>
<tr>
<td>Guide Outfitters</td>
<td>255</td>
<td>237</td>
<td>-2%</td>
</tr>
<tr>
<td>Bike / Cycling</td>
<td>15</td>
<td>41</td>
<td>43%</td>
</tr>
<tr>
<td>Hiking</td>
<td>30</td>
<td>39</td>
<td>8%</td>
</tr>
<tr>
<td>Others</td>
<td>23</td>
<td>32</td>
<td>10%</td>
</tr>
<tr>
<td>Companies which offer Multiple Activities</td>
<td>45</td>
<td>221</td>
<td>98%</td>
</tr>
<tr>
<td>Companies with Activities Unknown</td>
<td>36</td>
<td>77</td>
<td>28%</td>
</tr>
<tr>
<td>Provincial Total</td>
<td>456</td>
<td>697</td>
<td>13%</td>
</tr>
</tbody>
</table>
### Topic: Description - Spring, Summer, Fall Land Products

**Market Characteristics & Trends**

- Markets for adventure tourism and ecotourism are related to the type of activity in which a visitor wishes to participate. Generally, the more remote, scenic, wild and/or challenging the natural environment in which an activity takes place, the greater the market appeal for the avid adventurer.
- For soft adventure tourists, the adventure activities tend to be part of a range of pursuits while on vacation.
- For hard adventure tourists, the adventure activities tend to be the core reason for the vacation.
- Adventure travel and ecotourism activities are considered the fastest growing ‘products’ of the global tourism industry.
- This growth is largely occurring in relation to ‘soft adventure’ activities which are experiencing increasing market demand from mid-high-income urban dwellers and the 40 – 55 year old age group.
- Penetrating key markets is one of BC’s key strategic priorities for adventure and ecotourism. Specifically, the province is focusing on raising market awareness in the US and Europe, as well as brokering marketing and promotion activities.
- Cycle tour packages area becoming more sophisticated, popular and competitive. Interviews – with six popular cycle tour companies that offer tours in the US, Europe, and Canada – conducted for this project revealed the following:
  - Cycle tour packages range in price from $300/day (camping) to over $700/day (2002).
  - Packages typically include: high-quality bicycles, good accommodation, good meals at restaurants en route, guiding, equipment transfer from destination to destination, special events, snacks and beverages en route.
  - Some packages also include wineries tours, cultural events, and/or entertainment events.
  - Features that make a good touring destination include: spectacular scenery and views, cultural features, wildlife, naturalness, history, other available activities and events, quality of accommodation and restaurants.
  - Only one of the six companies offers tours in the Okanagan and on the Kettle Valley Railway (KVR).
  - The other five companies have not heard of the Okanagan, nor of the KVR.

**Other Relevant Trends - Global, National, Provincial and/or Regional**

- Adventure tourism and ecotourism are directly dependent on the land and natural resources, both in terms of their quality and availability.
- Consequently, the ability for this sector to develop and thrive is dependent upon a host of policies and regulations that determine which industries can use the land and resources and the manner in which they operate.
- The rapid growth of this sector in BC could result in negative impacts to natural resources, particularly in environmentally sensitive areas.
- Within BC, and with the rapid growth of this sector, product quality and safety is a concern for some operations.
- Access to land and natural resources is a serious issue for adventure and ecotourism operators. Uncertainty exists surrounding future access to land within areas subject to First Nations treaty negotiations. In addition, there are existing challenges related to the process for providing tourism tenure on Crown lands, such as:
  - Affordability of leases, licenses of occupation and related taxes
  - Efficiency of the application process
- If resolution of issues related to Crown land tenure occurs, the potential to encourage sustainable tourism business development will be enhanced.
- Opportunities exist to enhance adventure tourism and ecotourism by addressing:
  - Resource protection and sustainability of natural resources.
<table>
<thead>
<tr>
<th>Topic</th>
<th>Description - Spring, Summer, Fall Land Products</th>
</tr>
</thead>
</table>
|                                           | - Coordinating resource access  
|                                           | - Implementing environmentally sensitive field practices  
|                                           | - Improving agency, association and industry coordination  
|                                           | - Coordinating and improving natural and cultural resource management and land use management                                                                                                                                   |
| Current Status of this Product - CORD     | Number of Operators:  
| Study Area                                  | - 4 established commercial operations                                                                                                                                                                                                                             |
|                                           | Number of Clubs:  
|                                           | - 7+                                                                                                                                                                                                                                                                 |
|                                           | Key Markets:  
|                                           | - Local  
|                                           | - Lower Mainland  
|                                           | - Pacific Northwest                                                                                                                                                                                                                                                   |
|                                           | Trails:  
|                                           | - The Study Area has a good network of trails. Note that this Study and the accompanying Tourism Resource Inventory maps depict a longer system of trails than depicted on LRMP maps  
|                                           | - Ranked as good but not exceptional for most related activities with the exception of the KVR. Trails are best suited to the soft adventure tour market                                                                                                      |
|                                           | Quality of Natural Resources:  
|                                           | - Good but not exceptional with the exception of the KVR                                                                                                                                                                                                            |
|                                           | Product Performance  
|                                           | - Performance of the companies providing services in these areas varies with the business. Generally, business has been improving for those offering guided tours and shuttles                                                                 |
|                                           | Management and Development Issues  
|                                           | - The CORD has one very high quality trail (the KVR) and other trails of more local significance. Eventual increases in use of the KVR may require limits to use to maintain the somewhat remote cycling experience  
|                                           | - As noted above, the length of trails indicated on the Tourism Resource Inventory maps for this Study is greater than the length indicated on the LRMP maps. The maintenance of these trails consistently along their full length will vary, depending on availability of funding to manage them. Depicting the trail system on the maps for this Study does not imply that any one agency should finance their upkeep |
| Product Development Strengths and Weaknesses | Strengths:  
|                                           | - The Okanagan’s climate, landscape features and easy access provide opportunities for a number of adventure tourism experiences year-round, appealing primarily to the local and regional market  
|                                           | - The Kettle Valley Railway is a significant cultural and adventure feature  
|                                           | - With the recent purchase of the Kettle Valley Railway by Tourism BC, opportunities exist to better coordinate and develop product relating to this feature  
|                                           | - Opportunities exist to package with complementary products in the region (i.e., golf, resorts, cuisine tourism, festivals, cultural events, spa & health tourism)                                                                 |
Central Okanagan Crown Land
Tourism and Commercial Recreation Opportunities Study
February 2003
Tourism and Recreation Development Opportunities

<table>
<thead>
<tr>
<th>Topic</th>
<th>Description - Spring, Summer, Fall Land Products</th>
</tr>
</thead>
</table>
| Weaknesses | • Coordination between the different types of tourism interests and operators can be improved  
| | • Some operators are not able to survive financially from year to year due to several factors including: seasonality, difficulty obtaining adequate financing, taxation levels, inability to gain longer-term land tenure, inadequate business experience. Consequently, the adventure sector experiences a fair amount of transience  
| | • Better integration with other, complementary products and facilities is required  
| | • Most of the commercial operators in the Study Area are small and relatively unsophisticated in operations, programming and marketing. Only one business has been in operation (consistently) for more than five years  
| | • The ease of access to the various locations makes coordinated organization and regulation difficult  
| | • The product is largely undercapitalized which impacts operators’ commercial viability  
| | • Most of the areas are best suited to soft adventure activities. Viewscapes and the overall experience are good, but when compared to other areas of the province, they cannot be considered exceptional |

<table>
<thead>
<tr>
<th>Product Development Opportunities</th>
<th>Wildlife Viewing and Nature Appreciation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cont’d</td>
<td>• Existing and potential lodges could focus more on the soft adventure aspect of wildlife viewing. This would tend to focus on marshes and other wetlands for waterfowl observation; grasslands for birds of prey, deer and elk; canyons and bluffs for small mammals and birds; and Shorts Creek for California Bighorn Sheep</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Product Development Opportunities</th>
<th>Hiking</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cont’d</td>
<td>• Hiking tends to be self-guided but opportunities exist to provide day and overnight hikes</td>
</tr>
</tbody>
</table>

| Cycling | • The KVR continues to increase in popularity, both as a self-guided and a tour guided experience. The portion through the CORD (the Carmi subdivision) provides some of the most spectacular terrain along the entire KVR. There are opportunities to increase the number of tours on the route, but the existing accommodations (both roofed and campground) are often fully booked during the peak season. The provision of higher-end accommodation close to the KVR may encourage higher-yield visitors to cycle this portion of the KVR and/or encourage higher-profile tour operators to include the KVR in their itineraries.  
| | • Mountain biking is more self-guided but increases in the number and variety of trails would expand the draw from outside the region |

| Key Competition | • For general adventure tourism -- other destinations in BC, such as Whistler, Long Beach, Kootenays, and the Cariboo Chilcotin offer a more dramatic landscape and a more established adventure tourism sector |

<table>
<thead>
<tr>
<th>Potential Markets</th>
<th>Land Based non-Winter Activity Categories</th>
</tr>
</thead>
<tbody>
<tr>
<td>Markets</td>
<td>Wildlife Viewing</td>
</tr>
<tr>
<td>CORD Residents</td>
<td>★</td>
</tr>
<tr>
<td>Other Okanagan</td>
<td>★</td>
</tr>
<tr>
<td>Lower Mainland</td>
<td>★</td>
</tr>
<tr>
<td>Alberta</td>
<td>★</td>
</tr>
<tr>
<td>Regional US</td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td></td>
</tr>
</tbody>
</table>
## Central Okanagan Crown Land

### Tourism and Commercial Recreation Opportunities Study

February 2003

Tourism and Recreation Development Opportunities

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### Topic: Description - Spring, Summer, Fall Land Products

<table>
<thead>
<tr>
<th>Other</th>
<th></th>
</tr>
</thead>
</table>

**Key >**  
- **Prime Market**  
- **Secondary Market**

---

### Potential Locations

The Study Area has been divided into seven planning zones based on general biophysical features. The suitability of each zone for the four categories of lodges is described below.

#### Land Based non Winter Activity Categories

<table>
<thead>
<tr>
<th>Planning Zones</th>
<th>Wildlife Viewing</th>
<th>Hiking</th>
<th>Cycling</th>
<th>Mtn. Biking</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Greystokes</td>
<td>★</td>
<td>★</td>
<td>★</td>
<td></td>
</tr>
<tr>
<td>2. Myra-Mission</td>
<td>★</td>
<td>★</td>
<td>★</td>
<td>★</td>
</tr>
<tr>
<td>3. Plateau Lakes</td>
<td>★</td>
<td>★</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. Kelowna-Belgo</td>
<td>★</td>
<td>★</td>
<td>★</td>
<td>★</td>
</tr>
<tr>
<td>5. Lambly-Trepanier</td>
<td>★</td>
<td></td>
<td>★</td>
<td>★</td>
</tr>
<tr>
<td>6. Terrace Mtn</td>
<td>★</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7. Shorts Creek</td>
<td>★</td>
<td></td>
<td>★</td>
<td></td>
</tr>
</tbody>
</table>

**Key**  
- **Very Suitable**  
- **Somewhat suitable**

### Potential Locations Cont'd

In terms of wildlife viewing by natural features, the following characteristics are relevant:

- **Wetlands:** Water fowl, small mammals, birds of prey, plus associated vegetation and aquatic features
- **Grasslands:** Small birds, birds of prey, small mammals, deer and elk
- **Canyons/Bluffs:** Small mammals, birds of prey, small birds, plus arid loving plants, and distinctive landforms
- **Shorts Creek:** California Bighorn Sheep

### Potential Conflicts or Issues

- Conflicts with Irrigation Districts are likely as the areas people use for recreation are drinking water watersheds
- Provincial cut-backs to ancillary/associated services (e.g. Forest service roads/campsites)
- Fees and property tax/crown lease increases that may not be economically sustainable or viable
- Provincial policy regarding Crown land leasing and disposition

### Development Considerations

Issues for developers include:

- Access and tenure to suitable Crown land
- Cost of Crown land leases and licenses of occupation
- Ability or inability to provide input into land use decisions that affect viewscapes
- Range of agencies to deal with and number of related permits to obtain
- Access to financing
- Impacts of seasonality on business viability

### Product and Facility Linkages

**Within the Study Area:**

- Resorts & lodges

**Within the Broader Region:**

- Linkages are possible with a number of urban activities including agri-tourism, cuisine tourism, spa tourism and cultural tourism
### Topic | Description - Spring, Summer, Fall Land Products

<table>
<thead>
<tr>
<th>Policy &amp; Regulatory Implications for the CORD Study Area</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Managing use of the KVR will be important (to avoid overuse and resulting degradation of trail and surrounding environment and to maintain the quality of the visitor experience)</td>
</tr>
<tr>
<td>• Trail maintenance will continue to be an issue as use increases</td>
</tr>
</tbody>
</table>

**Sources:**

**Conclusions**

This section presented the results of the priority product determination and the subsequent, detailed product assessments. In conclusion, there are significant opportunities to build on the strengths of the Study Area, in concert with activities and initiatives in the broader Okanagan region, by focusing on the following priority products/activities:

**Lodges and Resorts**
- Existing Lodges
- Proposed Niche Inns/Resorts
- Proposed Major Resort (Crystal Mountain)

**Supporting Products/Activities**
- **Winter** -
  - Alpine:
    - Skiing and Snowboarding
  - Non-Alpine:
    - Snowmobiling
    - Other non-alpine winter product

**Supporting Products/Activities**
- **Spring, Summer, Fall** -
  - Adventure – Water:
    - Freshwater Fishing
  - Adventure and Nature-based Products - Land:
    - Wildlife Viewing and Nature Appreciation
    - Hiking
    - Cycle Touring

In order to build upon the potential of these products, opportunities must not be developed in isolation. Rather, an integrated approach that results in diverse, but complementary, tourism and
recreation experiences needs to be used. Recommendations relating to developing these opportunities are presented in the following section of the report.
Tourism and Recreation Development and Management Recommendations

Introduction

This section of the report presents goals, objectives and nine supporting recommendations for tourism and recreation development and management in the Study Area. These are listed below, with more detailed discussion provided later in this section.

Goal A: Increase Economic Benefits Derived from Tourism

Objective A-1: Encourage tourism enhancement and development that will diversify markets, increase length of stay and increase year-round visitation

Recommendation 1: Develop a strategy to encourage the enhancement of existing lodges
Recommendation 2: Encourage the development of one to two new niche lodges
Recommendation 3: Continue working toward resolving issues in order to encourage the implementation of the proposed Crystal Mountain Resort Development
Recommendation 4: Create a strategy to further develop the Kettle Valley Railway cycling product and experience

Objective A-2: Encourage tourism product packaging and awareness that will diversify markets, increase length of stay and increase year-round visitation

Recommendation 5: Encourage the development and marketing of more integrated product offerings that respond to market demand
Objective A-3: Encourage the sustainable expansion and development of tourism through supportive government policy and guidelines

Recommendation 6: Enhance the capacity of the Central Okanagan Regional District (CORD) Economic Development Office to enable it to better facilitate tourism expansion and development

Recommendation 7: Establish guidelines for evaluating the land use and servicing requirements of Crown land applications

Goal B: Ensure Greater Compatibility Amongst the Range of Resource Uses in the Study Area

Objective B-1: Increase compatibility between tourism and other resource uses

Recommendation 8: Ensure that existing and new tourism developments and uses in the Study Area are carefully considered in land and resource use planning processes

Objective B-2: Increase compatibility amongst different tourism and recreation uses

Recommendation 9: Continue monitoring the potential for, or the occurrence of, conflicts between different types of tourism and recreation use in the Study Area and take steps to begin developing guidelines to manage conflicts between motorized and non-motorized activities

The Consulting Team formulated the above goals, objectives and recommendations based on the research and analysis documented earlier in the report.

The goals, objectives and recommendations are intended to be strategic in nature. As such, they do not respond to every opportunity and constraint related to tourism and recreation use and development in the Study Area. Rather, they focus on priority opportunities and constraints that are related to capitalizing on significant existing and emerging tourism market demand. They also focus on developing opportunities in concert with tourism opportunities in the broader Okanagan region.

To frame the development of recommendations, the Consulting Team examined:

- opportunities related to the priority products detailed in the earlier in the report;
- opportunities related to significant existing and emerging market demand;
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- high-level feasibility (based upon market demand, access, and proximity to complementary tourism developments and infrastructure);
- high-level suitability (accounting for compatibility with existing uses in the area); and,
- constraints that impact the ability of the Study Area to develop these opportunities.

The Consulting Team assumed the following “growth parameters” when developing the recommendations:

- a focus on encouraging greater utilization of existing lodges in the Study Area;
- a focus on non-mass market, higher-quality development; and,
- a focus on modest, rather than high, tourism growth in recognition of a need to maintain environmental quality.

The recommendations are detailed below. An Implementation Framework indicating “Lead Responsibility”, “Partners” and “Timing” is provided in the next section of the report. Estimated economic impacts associated with the development recommendations are also presented in the next section.

**Goals, Objectives And Recommendations**

**Goal A**: Increase Economic Benefits Derived from Tourism

Increase the socio-economic benefits (revenues, jobs, quality recreational and tourism experiences) related to tourism and commercial recreation in the Central Okanagan Regional District, by focusing on the following objectives and recommendations.

**Objective A-1**: Encourage Tourism Enhancement and Development that will Diversify Markets, Increase Length of Stay and Increase Year-round Visitation

Recommendation 1
Develop a Strategy to Encourage the Enhancement of Existing Lodges and Tourism Operations

Background

Issues, opportunities and rationale related to the enhancement and expansion of existing lodges in the Study Area are documented in the Priority Issues for Sustainable Tourism and Recreation and Crown Land Tourism and Recreation Development Opportunities sections of the report.

In summary, there is an opportunity to enhance existing lodges and tourism operations in the Study Area to increase visitation year-round and attract a broader range of markets. In addition to structural and service enhancements, there is an opportunity to diversify products and activities directly offered by the lodge operators or to package with operators
that offer complementary activities. Some of these complementary products and activities are offered within the Study Area, while others are offered in the broader region.

To enable existing lodge owners to expand and upgrade their facilities and product offerings, their ability to access capital must be improved. Furthermore, the Regional Government building permit process must acknowledge the private sector’s need, in some cases, to construct facilities larger than currently permitted.

Recommendation

Recommendation 1 is to design a strategy to create a very positive business development and operating climate for existing lodge owners and tourism operators who wish to enhance and or expand their current facilities and product offerings. Resulting enhancements and/or expansions should respond to market demand and should account for the need to minimize environmental impacts, particularly with regard to community watersheds. This recommendation is supported by several of the recommendations presented later in this section.

Implementation

Development of a Strategy to Encourage the Enhancement of Existing Lodges and Tourism Operators would entail the following steps:

- Identify enhancement of existing lodges and tourism operations in the Study Area as a priority.
- Obtain further input and confirmation from lodge owners and tourism operators regarding the challenges they currently face and the opportunities they see with regard to upgrading, enhancing and expanding their facilities and product offerings.
- Identify means to address key challenges related to policies, regulations, fees and licenses of different government agencies. This may entail reviewing how the following agencies or organizations can help operators improve performance:
  - Land and Water British Columbia Inc. (in relation to Commercial Recreation Policy and how this affects tourism operations in the region); and,
  - Central Okanagan Regional District (in relation to how permitting and zoning affect tourism operations in the region).
- Identify programs, and possibly organize workshops, to assist existing lodge owners and tourism operators enhance their expertise in the areas of business planning and management, packaging and marketing. Tourism British Columbia provides workshops and/or industry publications that could be useful to existing tourism businesses in the Study Area (see http://www.tourism.bc.ca). Existing and planned Tourism British Columbia resources include:
  - Community Tourism Essentials
  - Ads and Brochures that Sell
Together with the Irrigation Districts, identify measures to help ensure that lodge owners work to mitigate negative impacts on the region’s water supply. This should include consideration of the following factors:

- The location of new or expanded facilities and/or access in relation to important water supplies;
- The effectiveness of waste disposal systems in relation to how they do or could impact water quality; and
- Existing or proposed areas for specific tourism and/or recreational activities offered through the lodge in relation to how they do or could impact water quality.

Recommendation 2
Encourage the Development of One to Two New Niche Lodges

Background

The opportunity to develop more diverse lodges and facilities in the Study Area is discussed in the Priority Issues for Sustainable Tourism and Recreation and Crown Land Tourism and Recreation Development Opportunities sections of the report.

In summary, there are opportunities to service higher-end visitors seeking a variety of experiences in the Study Area and who would be willing to pay for more upscale accommodation and amenities. This, in turn, would create opportunities to draw more diverse, higher-yield markets, increase numbers of visitors, and increase length of stay. A key opportunity relates to the need for higher-end accommodation to support a range of cycle tour operators and visitors using or potentially using the Kettle Valley Railway (see Recommendation 4). Further opportunities related to development of niche lodges include packaging opportunities with a range of complementary activities both within the Study Area and in the broader region.
Recommendation

Recommendation 2 is to further explore and advertise Crown land investment opportunities for one to two niche lodges in the Study Area. The proposed concept is for a niche, boutique style lodge. Such a lodge would be a relatively high-quality development (four-star range), and could provide spa facilities, a good quality restaurant and well-coordinated booking services for a range of activities and events in the Study Area and in the broader region. The location, design, and construction of these lodges should account for the need to minimize environmental impacts, particularly with regard to community watersheds. These niche lodges should be incremental to the potential expansion and upgrading of existing lodges described in Recommendation 1.

The Consulting Team has identified five options (general areas) for locating these one to two niche lodges. The locations are conceptual and strategic in their selection, intended to indicate general areas rather than specific sites. Their inclusion in the report is not intended to illustrate all the opportunities, nor does it infer that all sites warrant development. Prior to development, proponents would need to conduct their own due diligence assessments.

Proposed options for locating these lodges and the associated benefits of each location are described Appendix I. Appendix K presents a Potential Tourism Development Locations map, which spatially depicts the five locations. Potential markets and product-facility linkages for the proposed niche lodges are presented in Appendix J.

Implementation

Implementing this recommendation to encourage investment in one or two niche lodges would entail the following steps:

- Identify the development of one or two niche lodges in the Study Area as a priority.
- Conduct more detailed site assessments at each of the four locations identified in the Study Area and select the most feasible and suitable potential site locations (note that new site locations may be identified, in addition to the four options presented in this study).
- Conduct a preliminary feasibility study for these niche lodges.
- Determine the most appropriate Crown land disposition methods for the development of these niche lodges.
- Document priority tourism activity and product packaging opportunities, focusing on opportunities in both the Study Area and the broader region (see Recommendation 5 below).
- Prepare a profile of the investment opportunity.
- Advertise the investment opportunity.
In addition to the above implementation steps, it will be important for proponents to investigate potential issues related to:

- Identifying key access routes, including Forest Service roads, that are important to maintain and the level to which they need to be maintained (note that examination of access routes and the estimated cost of upgrading or constructing new roads needs to be incorporated into the proponents' feasibility study for any new lodge or facility);
- Maintaining the proposed location's visual quality (e.g., by contacting the Ministry of Forests and pertinent forest licensees regarding future harvesting plans);
- Potential impacts related to maintaining the area's water quality (e.g., potential impacts that could result from improving or expanding access, constructing and operating the lodge/resort; and encouraging tourism activity in surrounding area); In this regard, proponents could consult with the Irrigation Districts to ensure that they are carefully considering water quality issues in the context of their proposed development17; and,
- Potential impacts on endangered species and their habitats.

Recommendation 3
Continue Working Toward Resolving Issues in Order to Encourage the Implementation of the Proposed Crystal Mountain Resort Development

Background

Crystal Mountain Resort Development Inc. has prepared a master plan for a major expansion, located at Crystal Mountain in the Lambly-Trepanier Planning Zone of the Study Area. The master plan proposes a planned build-out of 12 ski lifts with 45 runs. The plan also includes a golf course, a base area containing up to approximately 4,000 bed units, 80,000 square feet of commercial development, a meeting centre, and a day lodge.

From a tourism development perspective, Crystal Mountain Resort Development Inc.'s expansion proposal is the largest and most significant proposed project in the Study Area at this time. Developed as planned, it would have good potential to:

17 Together with the Irrigation Districts, proponents could identify measures to help ensure that they mitigate negative impacts on the region’s water supply. This could include consideration of the following factors:

- The location of new facilities and/or access in relation to important water supplies;
- The effectiveness of waste disposal systems in relation to how they could impact water quality; and
- Existing or proposed areas for specific tourism and/or recreational activities offered through the lodge in relation to how they do or could impact water quality.
• Help address issues related to seasonality by offering multi-season activities;
• Increase yield per visitor by offering some higher-value facilities and services;
• Increase length of stay by offering a variety of activities and packaging options;
• Act as a catalyst for the creation of other tourism developments and services; and,
• Ultimately, generate new jobs and tourism income.

The development has been in the planning and review process for approximately two years. It has received approval under the Provincial Government's Commercial Alpine Ski Policy. Under this policy, Land and Water British Columbia Inc. encourages private sector and community groups to develop Crown land for ski facilities, in locations and in a manner that is in the best interest of the Province and the public.

With regard to the Crystal Mountain Resort Development Inc. proposal, infrastructure issues exist regarding the provision of resort services for water, sewer and access. For the development to proceed, the proponent and the CORD need to continue working together to resolve these issues.

Recommendation

Recommendation 3 is for Crystal Mountain Resort Development Inc. and the CORD to continue working toward resolving issues in order to encourage the implementation of the proposed Crystal Mountain Resort Development.

Implementation

Implementing this recommendation would require continuing discussions between the proponent and the CORD, with the intent of resolving key issues and moving forward within the context of the Official Community Plan and zoning review processes.

Recommendation 4
Create a Strategy to Further Develop the Kettle Valley Railway Cycling Product and Experience

Background

Opportunities related to cycle touring and the Kettle Valley Railway (KVR) are presented in the Crown Land Tourism and Recreation Development Opportunities section of the report.

The KVR is a very significant tourism feature within the Study Area and continues to rise in popularity as a location for both self-guided and tour guided cycling experiences. The portion of the KVR that traverses the Study Area (part of the Carmi subdivision) provides some of the most spectacular terrain along the existing route. The recently completed Phase One Report on the Provincial Rails to Trails Study (June 30, 2002) ranks this portion of the KVR
as the number three corridor in the province, out of 15 corridors, based on a set of ranking criteria\(^{18}\). Furthermore, with Tourism BC and the Ministry of Sustainable Resource Management (MSRM) leading the development of the Rails to Trails initiative in the province, there will likely be increased resources, coordination, planning and marketing of the KVR.

This situation presents significant opportunities to further develop and market the cycle touring product in the Study Area, featuring the KVR as a major draw. This will require that the destination provide a range of accommodation facilities, services and amenities to appeal to diverse markets. Currently, basic accommodation facilities are available at McCulloch Lake Resort. However, in order to appeal to the higher-end markets and encourage the KVR's inclusion on the itineraries of the major tour operators that offer cycle tours, further facility and services enhancement, development, packaging and marketing are required.

Research conducted for this study provides initial background information regarding the expectations of higher-end tour operators offering cycling packages. This research – based on a survey of six prominent North American tour operators – indicated that cycle tour packages are becoming more sophisticated, popular and competitive\(^{19}\).

\(^{18}\) The ranking criteria are:
1. Ownership (weight = 5)
2. Contiguous Right of Way (weight = 5)
3. Short- term Destination Appeal (weight = 10)
4. Potential for Linking Communities (weight = 10)
5. Presence of Physical Gaps (weight = 5)
6. Potential for Economic Development (weight = 10)
7. Presence of Active Management (weight = 5)
8. Conflicts (weight = 5)

\(^{19}\) Highlights of this research are as follows:

- Cycle tour packages range in price from $300 to $700 per day (2002) (featuring destinations in North America and Europe).
- Packages typically include: high quality bicycles, good accommodation, good meals at restaurants en route, guiding, equipment transfer from destination to destination, special events, and snacks and beverages en route.
- Many packages also include wineries tours, cultural events, and/or other events.
- Features that make a very desirable cycle touring destination include: spectacular scenery and views, interesting cultural features, wildlife, naturalness, complementary activities and events, good quality accommodation and good food.
- Only one of the six companies interviewed currently offers tours of the Okanagan and the KVR.
Recommendation

Recommendation 4 is to create a strategy to develop the Kettle Valley Railway cycling product and experience to appeal to a range of markets (e.g., basic to very high-end).

Implementation

Implementing this recommendation would entail the following steps:

- Identify the lead group or agency for implementing this strategy.
- Coordinate with the BC Rails to Trails Program, including Tourism BC and MSRM.
- Review relevant analyses presented in the Provincial Rails to Trails Feasibility Study Phase I Report (and the subsequent Phase II report soon to be released).
- Encourage the development of appropriate facilities to enable the KVR to accommodate a range of markets and to be included on major tour companies’ itineraries offering higher-end cycle tours. For example, this would include specialized accommodation (see Recommendation 2 above which proposes the development of niche lodges).
- Identify a range of complementary product packaging opportunities with products both inside the Study Area and in the broader region, such as wineries tourism and various adventure activities (see Recommendation 5).
- Identify key access routes, including Forest Service roads, that are critical and/or important to maintain and the level to which they need to be maintained. Develop a strategy to ensure that these roads are maintained. This strategy should include a range of financing options such as charging user fees for commercial tourism operators that use the trail.
- Develop a promotional campaign, designed to create greater awareness amongst key tour operators and markets.
- Develop a long-term plan aimed at monitoring and managing potential overuse of the KVR, and surrounding natural areas, cultural features and access routes.

Objective A-2: Encourage Tourism Product Packaging and Awareness that will Diversify Markets, Increase Length of Stay and Increase Year-round Visitation

Recommendation 5
Encourage the Development and Marketing of More Integrated Product Offerings

Background

Issues related to product packaging and awareness are discussed in the Priority Issues for Sustainable Tourism and Recreation section of the report, and are summarized below.
Interviews with existing tourism operators in the Study Area revealed that product packaging and cross-selling - both amongst operators in the Study Area and with front-country tourism businesses and facilities - need to be significantly improved. Furthermore, tourism market trends show that there is growing demand for experiences that feature several different activities. Offering market-ready packages that feature a variety of popular activities and products can encourage more visitors to travel to an area and increase their length of stay.

Currently, some Study Area operators are successfully packaging their product and activity offerings with other businesses that offer complementary activities or facilities. However, many operators are not taking advantage of the opportunity to increase business through better coordination. Furthermore, survey results pointed to the fact there is some lack of awareness about mid- and back-country tourism offerings amongst many concierge staff in front-country hotels and resorts.

Improving packaging and selling coordination between the existing Study Area operators, facility owners, the local and regional Destination Marketing Organizations, and front-country operators presents opportunities to improve the Study Area’s ability to:

- Attract new markets
- Attract more visitors
- Increase visitors’ length of stay
- Increase spending per visitor

The Consulting Team identified priority products and activities for the Study Area, presented in the Crown Land Tourism and Recreation Development Opportunities section of the report. Priority products for the Study Area include:

- Lodges and Resorts
- Alpine – Skiing and Snowboarding
- Non-Alpine – Snowmobiling and Other Non-Alpine Winter
- Adventure – Water: Freshwater Fishing
- Adventure and Nature-Based Products – Land: Wildlife Viewing and Nature Appreciation, Hiking and Cycling

Locations where these activities currently do or could take place are identified on the Potential Tourism Development/Activities Map (See Appendix K).

There are opportunities for existing operators and lodge owners to offer more activities to their guests, either directly or by packaging with other operators. These opportunities exist also for products and activities that occur in the broader region, outside the Study Area. Examples include packaging opportunities with:
- Agri-tourism, specifically winery tours and festivals
- Cuisine tourism
- Pre and post conference tours
- Health and spa tourism
- Golf

**Recommendation**

Recommendation 5 is to encourage the development and marketing of more integrated product offerings, both within the Study Area and between operators in the Study Area and the broader region.

**Implementation**

Implementing this recommendation would entail developing a program to encourage accommodation and tour operators to identify and develop packaging opportunities that respond to existing and emerging market demand. This could involve the following tasks:

- Identify an organization or agency to lead the process.
- Identify interested tourism industry stakeholders.
- Hold focus group sessions with a range of tourism sectors\(^{20}\) to determine the types of existing and emerging mid- and back-country activities that would add value to and complement current product offerings.
- Based on sector input and research, develop market-ready packages.
- Encourage tourism operators to work in partnership with local and regional Destination Marketing Organizations to build awareness about these packages.
- Develop tools to build awareness about and secure bookings for unique, market-ready packages – for example, an Internet site that enables prospective visitors to “mix and match” a range of tourism experiences in the Study Area and the broader region.

**Objective A-3: Encourage the Sustainable Expansion and Development of Tourism through Supportive Government Policy and Guidelines**

**Recommendation 6**
Enhance the Capacity of the CORD Economic Development Office to Enable it to Better Facilitate Tourism Expansion and Development

\(^{20}\) These sectors could include, for example, tour operators, wineries, golf, ski, and conference organizers.
Background

Issues related to how government “red tape” affects the ability of existing and potential tourism operators and developers to expand or develop tourism businesses are discussed in the Priority Issues for Sustainable Tourism and Recreation section of the report.

In summary, existing and new tourism operators face a myriad of complicated processes to obtain the permits, licenses and tenures required to establish and operate their businesses. Requirements and related processes exist at the federal, provincial, regional and municipal government levels. The current Provincial Government administration is working to improve the overall business climate in British Columbia by reducing the “red tape” involved in establishing and operating businesses. The degree to which the Provincial Government’s efforts will improve the business climate is unknown at this time. However, even though there may be improvements at the Provincial level, there are opportunities for the Regional Government to coordinate information and processes for businesses in the Study Area (and perhaps in the broader region).

Recommendation

Recommendation 6 is to enhance the capacity of the CORD Economic Development Office to enable it to better facilitate tourism expansion and development.

Implementation

Implementing this recommendation would entail the following steps:

- Identify and document the federal, provincial, regional district, and municipal processes, permits, fees, and licenses required for the range of tourism businesses/developers.
- Review existing services CORD offers to prospective tourism businesses/developers to assist them in understanding the above requirements.
- Identify ways to improve CORD’s capacity to better enable prospective tourism businesses/developers upgrade existing businesses and/or develop new businesses.

Recommendation 7
Establish Guidelines for Evaluating the Land Use and Servicing Requirements of Crown Land Applications

Background

Land and Water British Columbia Inc. (LWBC) receives applications for commercial recreation and tourism-related businesses (in addition to other types of businesses) for Crown land use. As a part of the referral process for relevant agencies, LWBC sends the
Regional District several applications each year for tourism-related businesses on Crown land within the CORD. However, the Regional District currently lacks a process to evaluate these applications in a consistent and efficient manner. This situation can slow down the development process. Furthermore, inadequate understanding of the land use and servicing requirements of the applicant can lead to unexpected conflicts with adjacent or existing land uses and unanticipated servicing demands and costs on local government.

Recommendation

Recommendation 7 is to establish guidelines for evaluating the land use and servicing requirements of Crown land applications by the CORD.

Implementation

Implementing this recommendation would involve the following steps:

- Prepare written directions for applicants regarding the information they must submit to the CORD. This information should include the following completed forms (and any new form resulting from the current Commercial Recreation Policy review process):
  - Copies of the following forms as provided by and submitted to LWBC (all Crown land tenure applicants must complete these forms for LWBC – as they provide general information on the nature and benefits of the application, it would be helpful to the CORD to be able to review this information):
    1) Application Form for Crown Land and Water License
    2) Economic Benefits Questionnaire
    3) Appendix A – Application for Crown Land – Land Act
    4) Appendix B – Application for a Water License – Water Act (if applicable)
  - Completion of:
    5) CORD Crown Land Tenure Application Land Use and Servicing Requirements Form (new form – see below)

- Use the proposed draft form outline shown on the next page to prepare the CORD Crown Land Tenure Application Land Use and Servicing Requirements Form. Once finalized, all applicants that submit applications for Crown land tenure to the CORD for review should be required to complete this form.

- Once a complete application package (i.e., all forms) has been submitted, the responsible CORD staff person should review the proposal carefully. This review should include an assessment of the potential implications of the proposed activity on
existing or adjacent land uses based on a review of the TRI and other relevant mapped information. It may also require contacting existing tenure holders to discuss the application and confirm potential impacts. In addition to confirming land use conflict implications, the accuracy of the servicing requirements should be confirmed.

- In the event that the application has implications for municipal servicing, it should be forwarded to the Regional Board for review.

- If the application is not acceptable, CORD staff should arrange to meet with the applicant to review possibilities for addressing concerns and/or making modifications to the proposal to move the project forward.
**CORD Land Use and Servicing Requirements**

To Accompany Applications for Crown Land Tenure

1. Applicant’s Name, Address and Contact Information

2. Brief description of the nature of the application (including the location, nature and size/scale of support facilities, services and utilities)

3. Attach a map illustrating proposed tenure area and the location of proposed facilities, utilities, access routes and parking areas.

4. Attach a copy of an Emergency Management Plan that describes the following (note that required EMP measures for Crown land tenure applicants should be consistent with the EMP requirements for other areas of CORD):
   a. Fire Protection Measures
   b. Waste Water Management and Disposal Plans
   c. Potable Water Management and Disposal Plans
   d. Solid Waste (Garbage) Disposal Plans
   e. Hazard Management
   f. Emergency Response Measures (re: vandalism, land use conflicts, other users)

5. Based on a review of the above information as submitted by the applicant, the CORD should complete a “checklist” that allows them to determine whether the application is acceptable, whether additional information is required from the applicant, or whether CORD must conduct additional review. Following is a possible framework:

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Goal B: Ensure Greater Compatibility Amongst the Range of Resource Uses in the Study Area

Increase the ability of existing and potential tourism and commercial recreation businesses and users to operate sustainably and in concert with other priority uses on the Crown land portion of the Central Okanagan Regional District.

Objective B-1: Increase Compatibility Between Tourism and Other Resource Uses

Recommendation 8
Ensure that Existing and New Tourism Developments and Uses in the Study Area are Carefully Considered in Land and Resource Use Planning Processes

Background

Issues related to potential conflicts between tourism and other resource values are discussed in the Priority Issues for Sustainable Tourism and Recreation section of the report. In summary, the level of compatibility of existing and potential tourism and recreational use with other land and resource uses in the Study Area is an important factor in assessing potential tourism and recreation growth opportunities. Compatibility implies that tourism and recreational use takes place in locations and in a manner that allows other priority uses to occur. Likewise, compatibility also implies that, for areas where tourism and recreation is deemed a priority use and/or where there is significant potential for sustainable tourism growth, the location and management of other resource uses may have to be modified or curtailed.

Recommendation

Recommendation 8 is for the CORD to ensure that existing and new tourism developments and uses in the Study Area are carefully considered in land and resource use planning processes. Ultimately, this is to help:

- mitigate potentially negative impacts of tourism on other resource uses, such as water quality and sensitive wildlife and their habitats; and,
- mitigate potentially negative impacts of various resource uses on priority tourism use, development and facilities, such as potential impacts of timber harvesting on important viewscapes.

Implementation

Implementing this recommendation would entail the following steps:
• Maintain an active list of existing and new tourism operators, using the Tourism Resource Inventory created for this study as a base that can be updated regularly.
• Maintain and update maps showing existing and new resource values and tenures in the CORD.
• Have one agency designated to play a coordinating role:
  o for tourism operators, advising them about the relevant land and resource uses and processes in the CORD; and,
  o for other resource users and relevant resource agency managers, advising them about existing and proposed tourism developments and uses in the CORD.

Objective B-2: Increase Compatibility Amongst Different Tourism and Recreation Uses

Recommendation 9
Continue Monitoring the Potential for, or the Occurrence of, Conflicts Between Different Types of Tourism and Recreation Use in the Study Area and Take Steps to Begin Developing Guidelines to Manage Conflicts Between Motorized and Non-Motorized Activities

Background

Issues related to compatibility and conflict between different types of tourism and recreational use are discussed in the Priority Issues for Sustainable Tourism and Recreation section of the report. As noted in this section, the level of compatibility between different types of tourism and recreational use is an important factor in assessing potential tourism and recreation growth opportunities for the Study Area. For example, if certain locations are heavily used by potentially conflicting uses, such as dirt biking and wildlife viewing or snowmobiling and snowshoeing, conflict can occur and the recreational or tourism experience for all users can be eroded.

Both local recreation and tourism activities occur in the Study Area. Local recreation involves use of the Crown land portion of the CORD for a range of outdoor activities. There are typically no charges for these activities and they are pursued independently by individuals and by recreational club members. Tourism or commercial recreation activities involve the charging of fees by a facility to stay in the area, or by a business operator to partake in the activity. These include land, water and snow-based activities that may be pursued by patrons of the lodges or by customers of commercial tour companies.

Although not always the case, conflicts can arise between local recreation users and commercial users. Local residents typically resent the use of “their” recreation areas for commercial use. Conversely, commercial operators can find the added resource use and congestion of popular sites a detriment to their ability to offer a high quality outdoor experience.
Due to the proximity of the Study Area to the valley bottom populations of Kelowna and environs, access to the outdoors is relatively easy and quick. Consequently, there has been a long history of residents using the mid-country area for a variety of outdoor recreation activities, both during the summer and winter months. Historically, conflicts between resident and commercial users have been minor. This is partially a reflection of the small amount of commercial activity that currently takes place. Furthermore, the existing commercial operations tend to be small and/or older, and are not particularly dominant on the landscape. Likewise, with the exception of Crystal Mountain Resorts, the proposed commercial developments in the Study Area are relatively small and have been proposed at a scale that is in keeping with existing facilities. The scale of the proposals and the related levels of use are not expected to add significantly to resource use. Consequently, they are not expected to add to any friction that may exist between local recreation users and commercial recreation operators.

Recommendation

Recommendation 9 is for the CORD to continue monitoring the potential for, or the occurrence of, conflicts between different types of tourism and recreation use in the Study Area and take steps to begin developing guidelines to manage conflicts between motorized and non-motorized activities.

Implementation

As noted earlier, because it is not possible to predict the precise nature and location of potential conflicts between various tourism and recreation activities, it is difficult to recommend detailed management guidelines at this stage. However, the CORD can begin to implement this recommendation by collecting information on the approach used to manage conflicts in other jurisdictions and by monitoring interactions between potentially incompatible tourism uses. With growing use of the area by both tourism and recreation users, it is not inconceivable that significant conflicts may arise in the future. Should this occur, management intervention, in the form of appropriate tools, such as codes of conduct, zoning, guidelines, policies, and regulations, would be required. By being proactive and beginning the process of developing management tools now, the CORD can preempt a situation where they need to react to a conflict situation and are not adequately prepared.

While making specific conflict management recommendations at this time would be premature, it is recommended that the CORD move towards the development of a management plan or guidelines for responding to tourism/recreation land use conflicts. Using the same basic planning structure as is outlined in the document Integrated Land Use Planning for Public Lands in British Columbia, a possible approach to developing this plan/guidelines could include some or all of the following tasks.
• Identify tourism and recreation land use issues, conflicts, and responsible agencies (building on the information provided earlier in the report).

• Assess the status of affected tourism and recreation resources (this will change with time).

• Identify levels of concern regarding tourism and recreation land use conflicts through contacts with affected stakeholders.

• Review tenure, Tourism Resource Inventory, boundary and other land use map data and identify data gaps (which may arise as land use in the Study Area evolves).

• Conduct any required assessments to fill these data gaps.

• Identify public education and engagement methods and implement a consultation process.

• Prepare a work plan (i.e., leading to the development of guidelines), identify a budget and assign staff to conduct the work.

• Prepare statements of interest and map public interests regarding tourism and recreation land use (as per this report but updated as required).

• Confirm the tourism and recreation values of importance to the public (again, these may evolve over time).

• Establish the criteria and indicators for measuring the achievement of tourism and recreation conflict management objectives (e.g., environmental, social, economic, etc.).

• Invite public scrutiny of planning assumptions and analysis methods.

• Identify alternative land use zoning, management strategies etc. for achieving objectives.

• Analyze alternative management options to assess environmental, economic and social implications.

• Select the best management alternative based on objectives and impacts.

• Prepare a plan/guidelines and provide stakeholders with a meaningful opportunity to review and respond to these guidelines.

• Monitor and enforce the approved plan/guidelines.

• Review operational effectiveness against plan/guideline objectives and indicators.

• Amend the plan/guidelines as necessary to reflect new information and monitoring results.
Implementation Framework and Next Steps

Introduction

This section presents a Framework and next steps for implementing the nine recommendations described in the previous section. For each recommendation, the Framework proposes the suggested agency, organization or group to act as a catalyst for the implementation, other partners who should be involved, and a timeframe for commencing the implementation. Additional details regarding the recommendations and suggested implementation steps are provided in the previous section.

Proposed options for timeframes for commencing implementation are:

- Short-term (3 - 6 months)
- Medium-term (6 - 18 months)
- Long-term (18 months - 5 years)

Potential economic benefits associated with the recommendations that propose tourism development are also presented in this section, following the Implementation Framework.
### Implementation Framework

<table>
<thead>
<tr>
<th>Goal, Objective and Recommendation</th>
<th>Catalyst(^{21})</th>
<th>Initial Contributing Partners(^{21})</th>
<th>Timeframe for Commencing(^{22})</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Goal A: Increase Economic Benefits Derived from Tourism</strong></td>
<td></td>
<td></td>
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<tr>
<td><strong>Objective A-1: Encourage tourism enhancement and development that will diversify markets, increase length of stay and increase year-round visitation</strong></td>
<td></td>
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<tr>
<td><strong>Recommendation 1:</strong> Develop a strategy to encourage the enhancement of existing lodges</td>
<td>EDC</td>
<td>Tourism Operators, Tourism Kelowna &amp; TOTA, EDC (marketing), TBC (supporting role), LWBC (tenures), CORD (land use), Irrigation Districts (water quality)</td>
<td>Med-term</td>
</tr>
<tr>
<td><strong>Recommendation 2:</strong> Encourage the development of one to two new niche lodges</td>
<td>EDC</td>
<td>LWBC, MSRM, Tourism Kelowna &amp; TOTA, Irrigation Districts (water quality)</td>
<td>Med-Term</td>
</tr>
</tbody>
</table>

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\(^{21}\) CORD = Central Okanagan Regional District  
MSRM = Ministry of Sustainable Resource Management  
LWBC = Land and Water BC Inc.  
Tourism Kelowna  
TOTA = Thompson-Okanagan Tourism Association  
TBC = Tourism British Columbia  
MoF = Ministry of Forests  
EDC = Economic Development Commission  
WLAP = Ministry of Water, Land and Air Protection

\(^{22}\) Short-term (3 – 6 months)  
Med-term (6 – 18 months)  
Long-term (18 months – 5 years)
<table>
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<tr>
<th>Goal, Objective and Recommendation</th>
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<th>Timeframe for Commencing(^{22})</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Recommendation 3:</strong> Continue working toward resolving issues in order to encourage the implementation of the proposed Crystal Mountain Resort Development</td>
<td>CORD</td>
<td>Proponent</td>
<td>Short-Term</td>
</tr>
<tr>
<td><strong>Recommendation 4:</strong> Create a strategy to further develop the Kettle Valley Railway cycling product and experience</td>
<td>MSRM (Rails-to-Trails initiative)</td>
<td>Regional Recreation &amp; Resource User Groups TOTA &amp; Tourism Kelowna TBC LWBC CORD</td>
<td>Long-Term</td>
</tr>
<tr>
<td><strong>Objective A-2:</strong> Encourage tourism product packaging and awareness that will diversify markets, increase length of stay and increase year-round visitation</td>
<td>Tourism Kelowna</td>
<td>Operators TOTA EDC TBC</td>
<td>Short-Term</td>
</tr>
<tr>
<td><strong>Recommendation 5:</strong> Encourage the development and marketing of more integrated product offerings that respond to market demand</td>
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<tr>
<td><strong>Objective A-3:</strong> Encourage the sustainable expansion and development of tourism through supportive government policy and guidelines</td>
<td>EDC</td>
<td>CORD LWBC (supporting role) MSRM (supporting role)</td>
<td>Med-Term</td>
</tr>
<tr>
<td><strong>Recommendation 6:</strong> Enhance the capacity of the CORD Economic Development Commission office to enable it to better facilitate tourism expansion and development</td>
<td></td>
<td>Relevant Service Agencies (e.g., Irrigation Districts)</td>
<td>Med-Term</td>
</tr>
<tr>
<td><strong>Recommendation 7:</strong> Establish guidelines for evaluating the land use and servicing requirements of Crown land applications</td>
<td>CORD</td>
<td>LWBC</td>
<td>Med-Term</td>
</tr>
<tr>
<td>Goal, Objective and Recommendation</td>
<td>Catalyst²¹</td>
<td>Initial Contributing Partners²¹</td>
<td>Timeframe for Commencing²²</td>
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<tr>
<td><strong>Goal B:</strong> Ensure Greater Compatibility Amongst the Range of Resource Uses in the Study Area</td>
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<tr>
<td><strong>Objective B-1:</strong> Increase compatibility between tourism and other resource uses</td>
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<tr>
<td><strong>Recommendation 8:</strong> Ensure that existing and new tourism developments and uses in the Study Area are carefully considered in land and resource use planning processes</td>
<td>CORD</td>
<td>MSRM</td>
<td>Ongoing</td>
</tr>
<tr>
<td><strong>Objective B-2:</strong> Increase compatibility amongst different tourism and recreation uses</td>
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<tr>
<td><strong>Recommendation 9:</strong> Continue monitoring the potential for, or the occurrence of, conflicts between different types of tourism and recreation use in the Study Area and take steps to begin developing guidelines to manage conflicts between motorized and non-motorized activities</td>
<td>MSRM (through the LRMP Monitoring Committee)</td>
<td>LWBC</td>
<td>Ongoing</td>
</tr>
</tbody>
</table>

²¹ Catalyst for these recommendations are based on the table entries provided in the document. ²² Timeframes are indicated as Ongoing, suggesting continuous effort and monitoring.
Potential Economic Benefits of Proposed Developments

The Consulting Team estimated the potential economic benefits, including revenues and jobs, for the niche lodge proposed development and the Crystal Mountain resort development. The results of this assessment, including the methodologies and assumptions used, are presented below.

Niche Lodges / Resorts (2)

In order to determine the economic potential of the recommended niche lodges, preliminary estimates of projected revenues have been prepared for both a 30-room and 40-room lodge. These estimates reflect assumptions regarding the average room rate, expected occupancy, operating season and supporting revenue sources that are based on the Consulting Team’s extensive commercial accommodation and hotel valuation consulting experience. However, these projections must be viewed as estimates only and should not be used to make investment or other financial decisions without completion of a detailed feasibility study.

In terms of the operating season, the Consulting Team prepared revenue projections assuming both a seasonal and year-round operation in order to illustrate the financial implications associated with these two operating scenarios. In addition, it may take some time for the niche lodges to develop the market demand required to support a year-round operation. As such, the lodges could start out as seasonal operations and evolve into year-round operations over time.

30-Room Lodge - Seasonal Operation

It is estimated that a 30-room niche lodge with a food and beverage operation that operates from May through October could achieve an average room rate of between $175 and $185 ($2002) and an occupancy rate of between 70% and 75%. In turn, this could generate revenue of approximately $1.0 to $1.1 million (68% room revenue and 32% food and beverage revenue) and create about 12 or 13 FTE positions.

30-Room Lodge - Year-round Operation

It is estimated that a 30-room niche lodge with food and beverage and spa operations that operates year-round could achieve an average room rate of $150 to $155 ($2002) and an occupancy rate of 55% to 60%. In turn, this could generate revenue of approximately $1.8 to $1.9 million (52% room revenue, 28% food and beverage revenue, 19% spa revenue) and create about 17 to 18 FTE positions.

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23 Job estimates for the lodge concepts have been determined based on data from Statistics Canada Small Business Profile for the Accommodation Service Industry and for the Food and Beverage Service Industries regarding percent of gross operating revenue allocated to wages and salaries, and on average wage data for the industry from Human Resources Development Canada for the accommodation and food service sectors.
40-Room Lodge - Seasonal Operation

It is estimated that a 40-room niche lodge with a food and beverage operation that operates from May through October could achieve an average room rate of $175 to $185 ($2002) and an occupancy rate of 70% to 75%. In turn, this could generate revenue of approximately $1.3 and $1.5 million (68% room revenue and 32% food and beverage revenue) and could create between 15 and 17.5 FTE positions.

40-Room Lodge - Year-round Operation

It is estimated that a 40-room niche lodge with food and beverage and spa operations that operates year-round could achieve an average room rate of $150 to $155 ($2002) and an occupancy rate of 55% to 60%. In turn, this could generate revenue of approximately $2.4 to $2.6 million (52% room revenue, 28% food and beverage revenue, 19% spa revenue) and could create between 27 and 30 FTE positions.

Crystal Mountain Resort

The Master Plan for the Crystal Mountain Ski Resort expansion proposes to add ten new ski lifts to the existing lift inventory over several years. As these additional ski facilities are being phased in, the base area will be expanded and will ultimately include 3,860 bed units (i.e., hotels, B&Bs, condos, single family housing, employee housing), commercial outlets, day lodge, teahouse, visitor centre, conference centre, golf course and non-ski recreation facilities (e.g., tennis courts, toboggan runs, etc.). Although the proponents have prepared an economic assessment for this proposal, this information is confidential. However, any large-scale project such as Crystal Mountain, represents significant potential economic impacts in terms of direct, indirect and induced construction and operations employment impacts, purchasing impacts, government revenue impacts, and tourism spending impacts.

Of particular relevance to this Study are the potential tourism spending impacts of this project. While final decisions regarding the scope of the project and the phasing of development have yet to be made, the proponents have released projections related to expected annual skier visits and golf rounds. These figures indicate that the number of skier visits is anticipated to increase from 40,000 to 45,000 in the 2002/2003 ski season to a maximum of 345,000 to 350,000 (not including seasons pass holders) in the 2012/13 ski season. In terms of golf rounds, the proponents are projecting that the number of rounds will increase from 20,000 in 2004 (year 1) to (a normal average of) 30,000 in 2006 (year 3). For both skier and golf visits, the breakdown between visitors and residents is projected to be 80%/20%. Therefore, the estimated number of visitor days associated with these activities will be 276,000 for skiing and 24,000 for golfing.

Although the average per diem for all visitors to the study area is estimated at $50 as reported by BC Visitor Study for the South Thompson Okanagan (and adjusted for inflation), this spending average reflects the high percentage of people who camp in the area or visit friends and relatives. Based on
data obtained from Silver Star and Big White, the proponents anticipate that the average per diem of visitors who participate in skiing and golfing at Crystal Mountain will likely be closer to $150 (due to the costs of accommodation, lift tickets or golf fees, food and beverages, retail spending, etc). Therefore, by year ten, visitor revenue associated with skiing activity is expected to be approximately $41.4 million (276,000 skier days x $150/day) while, by year three, visitor revenue associated with golfing activity is expected to be approximately $3.6 million (24,000 golfer days x $150/day). Combined, these figures suggest that the Crystal Mountain expansion project could generate annual visitor spending (i.e., in year 10 and beyond) in the Central Okanagan Regional District of $45 million.

**Next Steps**

The following next steps are proposed to initiate implementation of the Study recommendations.

**Communicate the Results of the Final Study**
Announce the publication of the final study and indicate how it can be obtained.

**Conduct Further “General” Consultation as Needed**
Based on the feedback obtained during the January - February 2003 Communications Process (Web Site update, Central Okanagan Regional District Project Display, and the February 5 Open House), decide if further consultation with certain interest groups or government agencies is required. Conduct additional consultation and make refinements to the recommendations as needed.

**Prepare Detailed Action Plans for Each of the Recommendations**
This will entail the following steps:

- For each Recommendation, meet with the groups, individuals, organizations and/or agencies, identified in the Implementation Framework, to communicate the intent of the Recommendation. Ascertain their level of interest in participating in the implementation of the Recommendation and their level of comfort with their specified roles. Make revisions to the recommendation and/or their involvement as needed.
- For each Recommendation, collectively revise and/or refine the implementation steps identified in the report.
- For each Recommendation, collectively prepare a detailed Action Plan, including specific action steps, roles, responsibilities and timing.
- For each Recommendation, identify the funding required for implementation. Identify potential funding sources and the process for obtaining funding.
- For each Action Plan, prepare a Monitoring and Evaluation Framework.

**Prepare Communication and Promotional Literature as Appropriate**
Prepare a Communications Piece for the public that summarizes the Recommendations, Action Plans and Key Implementers. As appropriate, prepare promotional literature regarding specific investment opportunities.