

11859REPORT TO COUNCIL



Date: August 26, 2019

To: Council

From: City Manager

Department: Development Planning

Application: LUCT19-0031 Z19-0097 **Owner:** Multiple Owners

Address: Multiple Addresses **Applicant:** City of Kelowna

Affected Streets: Franklyn Road, All Star Court, Leathead Road, and Houghton Road

Subject: Land Use Contract Termination and Rezoning Application

Existing OCP Designation: MRM – Multiple Unit Residential (Medium Density)

Existing Zone: RM3 – Low Density Multiple Housing

Proposed Zone: RM5 – High Density Multiple Housing

1.0 Recommendation

WHEREAS the BC Provincial Government has mandated that all Land Use Contracts under the jurisdiction of a local government and in the Province of British Columbia be terminated by 2024;

AND WHEREAS the BC Provincial Government has provided a legislated process for the early termination of land use contracts when the local government has adopted a zoning bylaw that will apply to the land at the time the termination bylaw comes into force;

THEREFORE, BE IT RESOLVED THAT as the underlying RM3 – Low Density Multiple Housing zone for the subject properties under Land Use Contract LUC72-7a outlined in 'Schedule A' does not meet the land use requirements under City of Kelowna Zoning Bylaw No. 8000;

THAT Application No. LUCT 19-0031 to terminate LUC72-7a from properties identified in 'Schedule A', located on Franklyn Road, All Star Court, Leathead Road, and Houghton Road, Kelowna, BC, be considered by Council;

AND THAT Rezoning Application No. Z19-0097 to amend the City of Kelowna Zoning Bylaw No. 8000 by changing the zoning classification for the subject properties identified in 'Schedule B', located on Franklyn Road, All Star Court, Leathead Road, and Houghton Road, Kelowna, BC from the RM3 – Low Density Multiple Housing zone to RM5 – Medium Density Multiple Housing zone be considered by Council;

AND THAT the Land Use Contract Termination Bylaw be forwarded to a Public Hearing for further consideration;

AND THAT Council, in accordance with the *Local Government Act* s.464(2), waive the Public Hearing for Zoning Bylaw No. 11859;

AND FURTHER THAT final adoption of the Rezoning Bylaw be considered subsequent to the approval of Ministry of Transportation and Infrastructure.

2.0 Purpose

To consider an application for the early termination of Land Use Contract LUC72-7a and rezone the parcels to the RM5 – Medium Density Multiple Housing zone as identified in 'Schedule A and B'.

3.0 Development Planning

Staff are bringing forth and are recommending this Land Use Contract (LUC72-7a) be terminated from the subject properties. The current LUC affects ten properties along Franklyn Road, All Star Court, Leathead Road, and Houghton Road. Under the current Land Use Contract, it allows for multi-family residential buildings with the following restrictions:

- Density shall not exceed 40.8 dwelling units per acre or a total of 740 dwelling units
- Buildings that are 6 storeys shall not exceed 115 dwelling units
- Buildings under 6 storeys shall not exceed 46 dwelling units

The closest equivalent of these uses and regulations in the current Zoning Bylaw, No. 8000, is RM5 – Medium Density Multiple Housing. Therefore, Staff are proposing to adopt RM5 – Medium Density Multiple Housing to the subject property. This zone is in accordance with the Official Community Plan.

4.0 Proposal

4.1 Background

Land Use Contracts were a tool regularly used in the 1970's before it was eliminated on November 15th 1978. The purpose of the tool was to allow local governments to arrive at agreements with specific developers to grant development rights over and above what was allowed under current zoning. This was typically done in exchange for commitments by developers to help finance the infrastructure costs of development.

Issues have arisen, specifically with the continued application of land use contracts as they supersede any subsequent bylaw dealing with land use and development including: Zoning Bylaws, Development Cost Charge Bylaws, and Development Permits. The Local Government Act was amended in 2014 stating all land use contracts in the province will be terminated as of June 30th 2024. Land use contracts will remain in force until that date unless terminated early by the municipality. By June 20th 2022, local governments must have appropriate zoning regulations in place to replace land use contracts upon their termination. However, LUC terminations (unlike LUC discharges) do not apply when Council adopts the bylaw. Terminations require a one-year grace period as outlined by the Local Government Act.

4.2 Notification

Local governments must provide notice to each owner that the termination of land use contract is occurring and must provide notice of what the new zoning regulations apply to the land. The municipality must send additional letters after the one-year grace period is complete informing the property owners of which land use regulations apply to their properties.

Staff are recommending Council Notification Policy #367 including early notification and development signage be waived for all Land Use Contract terminations. Public consultation in this case is not recommended as the notification policy is a City initiative. Staff are suggesting the standard development notification, as outlined above, be sent to properties affected by the LUC under consideration for termination.

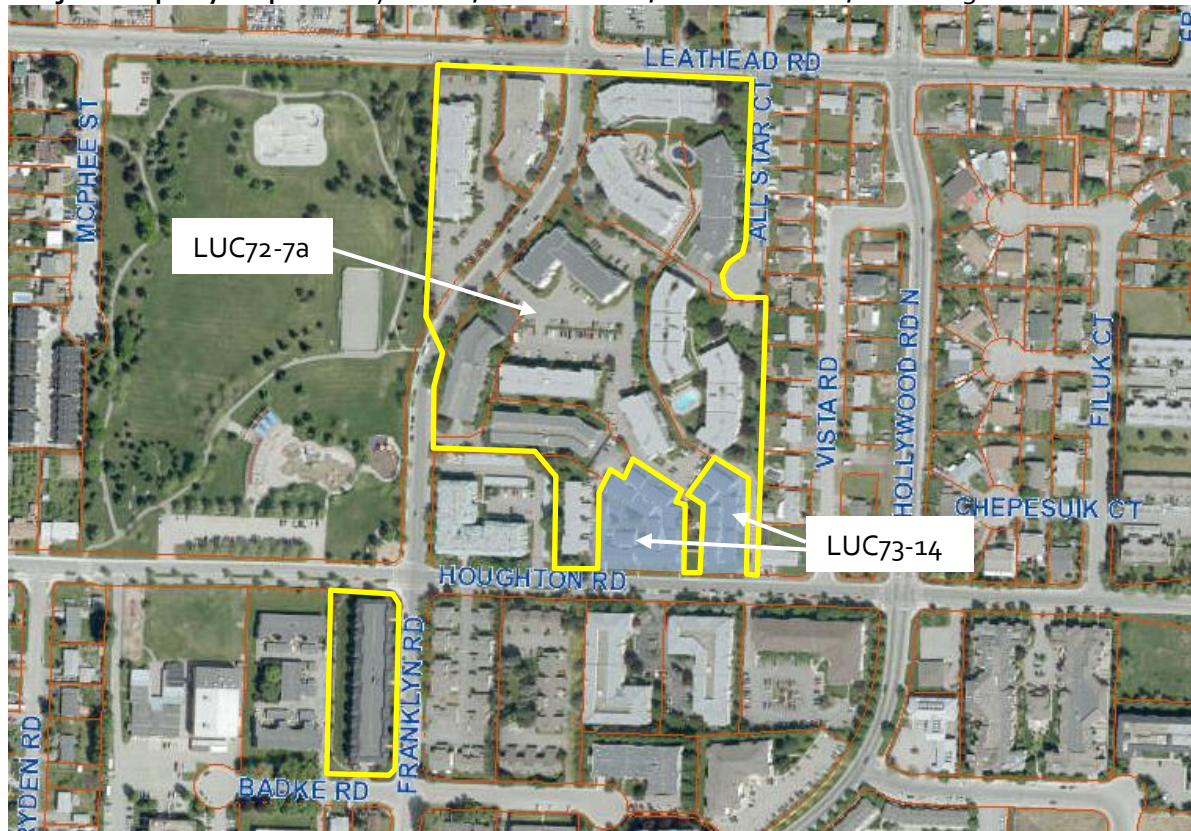
4.3 Site Context

The subject property has a total area of approximately 60,734 m² and is located on Franklyn Road, All Star Court, Leathead Road, and Houghton Road. The property is designated MRM – Multiple Unit Residential (Medium Density) and in the Official Community Plan and the surrounding area is residential and park.

Specifically, adjacent land uses are as follows:

Orientation	Zoning	Land Use
North	RU6 – Two Dwelling Housing RU1 – Large Lot Housing P2 – Education and Minor Institutional	Residential Subdivision Church
East	Ru1 – Large Lot Housing	Residential Subdivision
South	RM3 – Low Density Multiple Housing RM5 – Medium Density Multiple Housing	Multi-Family Residential
West	P3 – Parks and Open Space	Ben Lee Park

Subject Property Map: Franklyn Road, All Star Court, Leathead Road, and Houghton Road



5.0 Current Development Policies

5.1 Council Policy No. 282 – Strategy for Elimination of Remaining Land Use Contracts

Council Policy No. 282. Includes the following statement:

That the City of Kelowna initiate proceedings to discharge the contracts subject to consultation with affected owners of the land and subject to prior approval by council with regard to affected contracts;

5.2 Kelowna Official Community Plan (OCP)

Chapter 4: Future Land Use

Multiple Unit Residential (Medium Density) (MRM). Townhouses, garden apartments, and apartment buildings. Complementary uses (i.e. care centres, minor public services/utilities, and neighbourhood parks) which are integral components of urban neighbourhoods would also be permitted. Building densities would be consistent with the provisions of the RM4 – Transitional Low Density Housing and RM5 – Medium Density Multiple Housing zones of the Zoning Bylaw and may include CD Comprehensive Development zoning for similar densities or land uses.

6.0 Technical Comments

6.1 Development Engineering Department

No Concerns

6.2 Ministry of Transportation and Infrastructure

No Concerns

7.0 Application Chronology

N/A

Report prepared by: Jenna Ratzlaff, Planner

Reviewed by: Laura Bentley, Urban Planning & Development Policy Manager

Approved for Inclusion: Terry Barton, Development Planning Department Manager

Attachments:

Schedule A: Properties affected by LUC72-7a

Schedule B: Properties to be rezoned to RM5