

REPORT TO COUNCIL



Date: August 26, 2019

To: Council

From: City Manager

Department: Development Planning

Application: LUCT19-0010 / Z19-0079 **Owner:** Multiple Owners

Address: 290 Highway 33 East **Applicant:** City of Kelowna

Subject: Land Use Contract Termination and Rezoning Application

Existing OCP Designation: MRL – Multiple Unit Residential (Low Density)

Existing Zone: RU1 – Large Lot Housing

Proposed Zone: RM3 – Low 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 RU1 – Large Lot Housing zone for the subject property under Land Use Contract LUC76-20 outlined in 'Schedule A' does not meet the land use requirements under City of Kelowna Zoning Bylaw No. 8000;

THAT Application No. LUCT 19-0010 to terminate LUC76-20 from properties identified in 'Schedule A', located at 290 Highway 33 East, Kelowna, BC, be considered by Council;

AND THAT Rezoning Application No. Z19-0079 to amend the City of Kelowna Zoning Bylaw No. 8000 by changing the zoning classification for the subject property identified in 'Schedule B', located at 290 Highway 33 East, Kelowna, BC from the RU1 – Large Lot Housing zone to RM3 – Low Density Multiple Housing 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. 11878;

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 LUC76-20 and rezone the parcels to the RM3 – Low Density Multiple Housing zone as identified in 'Schedule A and B'.

Development Planning

Staff are bringing forth and recommending this Land Use Contract (LUC 76-20) be terminated and for the subject property to be rezoned. The underlying zone is RU1 – Large Lot Housing and is not appropriate for the current land use. Under the current Land Use Contract the uses are regulated in accordance with the R-3 (Low Density) Multi-Family Residential zone in former Zoning Bylaw No. 4500. The Zoning Bylaw has since been updated and obtains different uses, requirements and zonings. The equivalent of R-3 in Zoning Bylaw, No. 8000 is RM3 – Low Density Multiple Housing. Therefore, Staff are proposing to adopt RM3 – Low Density Multiple Housing to the subject property. This zone is in accordance with the Official Community Plan.

The existing Land Use Contract (LUC) affects 1 property at 290 Highway 33 East, and currently restricts the use to one multi-family residential building. The Land Use Contract uses and regulations fit within the RM3 – Low Density Multiple Housing zone.

3.0 Proposal

3.1 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.

3.2 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.

3.3 Site Context

The subject property has a total area of 7,872 m² and is located on Highway 33 East. The property is designated MRL – Multiple Unit Residential (Low Density) in the Official Community Plan and the surrounding area is residential.

Specifically, adjacent land uses are as follows:

Orientation	Zoning	Land Use
North	RU1 – Large Lot Housing RU6 – Two Dwelling Housing	Residential Subdivision
East	RU1 – Large Lot Housing RM3 – Low Density Multiple Housing	Residential Subdivision
South	RM3 – Low Density Multiple Housing	Residential
West	C3 – Community Commercial RU6 – Two Dwelling Housing	Pub Residential Subdivision

Subject Property Map: 290 Hwy 33 East



4.0 Current Development Policies

4.1 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;

4.2 Kelowna Official Community Plan (OCP)

Chapter 4: Future Land Use

Multiple Unit Residential (Low Density) (MRL). Townhouses, garden apartments, apartments, buildings containing three or more residential units. Complementary uses (i.e. care centres, minor public services/utilities, and neighbourhood parks), that are integral components of urban neighbourhoods would also be permitted. Building densities would be consistent with the provisions of the RM1 – Four-plex Housing, RM2 – Low Density Row Housing, or RM3 – Low Density Multiple Housing zones of the Zoning Bylaw and may include CD Comprehensive Development zoning for similar densities or land uses.

5.0 Technical Comments

5.1 Development Engineering Department

No Concerns

5.2 Ministry of Transportation and Infrastructure

Removal of the existing access curb drop on Highway #33, installation of non-mountable curb and the re-establishment of the sidewalk.

All access to this property to be obtained from Danube Court.

6.0 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

Commented [CM1]: Minor application (no Director signoff required)

Attachments:

Schedule A: Strata Lots affected by LUC76-20

Schedule B: Strata Lots to be Rezoned to RM3