REPORT TO COUNCIL

Date:	August 26, 2019		
To:	Council		
From:	City Manager		
Department:	Development Planning		
Application:	LUCT19-0025	**Owner:**	Father De Lestre Housing Society
Address:	720 Houghton Road	**Applicant:**	City of Kelowna
Subject:	Land Use Contract Termination Application		
Existing OCP Designation:	MRL – Multiple Unit Residential (Low Density)		
Existing 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 RM3 – Low Density Multiple Housing zone in the City of Kelowna Zoning Bylaw No. 8000 applies to the subject property under Land Use Contract LUC73-14;

THAT Application No. LUCT19-0025 to terminate LUC73-14 from Lot 2, Section 27, Township 26, ODYD, Plan KAP24794, located at 720 Houghton Road, Kelowna, B.C. be considered by Council;

AND THAT the Land Use Contract Termination Bylaw be forwarded to a Public hearing for further Consideration.

2.0 Purpose

To consider an application for early termination of Land Use Contract LUC73-14 and revert the subject property back to the underlying RM3 – Low Density Multiple Housing zone.

3.0 Development Planning

Staff are bringing forth and are recommending this Land Use Contract (LUC73-14) be terminated from the subject property. The current LUC affects one property at 720 Houghton Road. The Land Use Contract currently restricts the use to residential accommodation for senior citizens.

The underlying zoning (RM3 – Low Density Multiple Housing) fits with the established neighbourhood and is an appropriate zone for the existing land use. The Land Use Contract uses and regulations fit within the RM3 zone.

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.

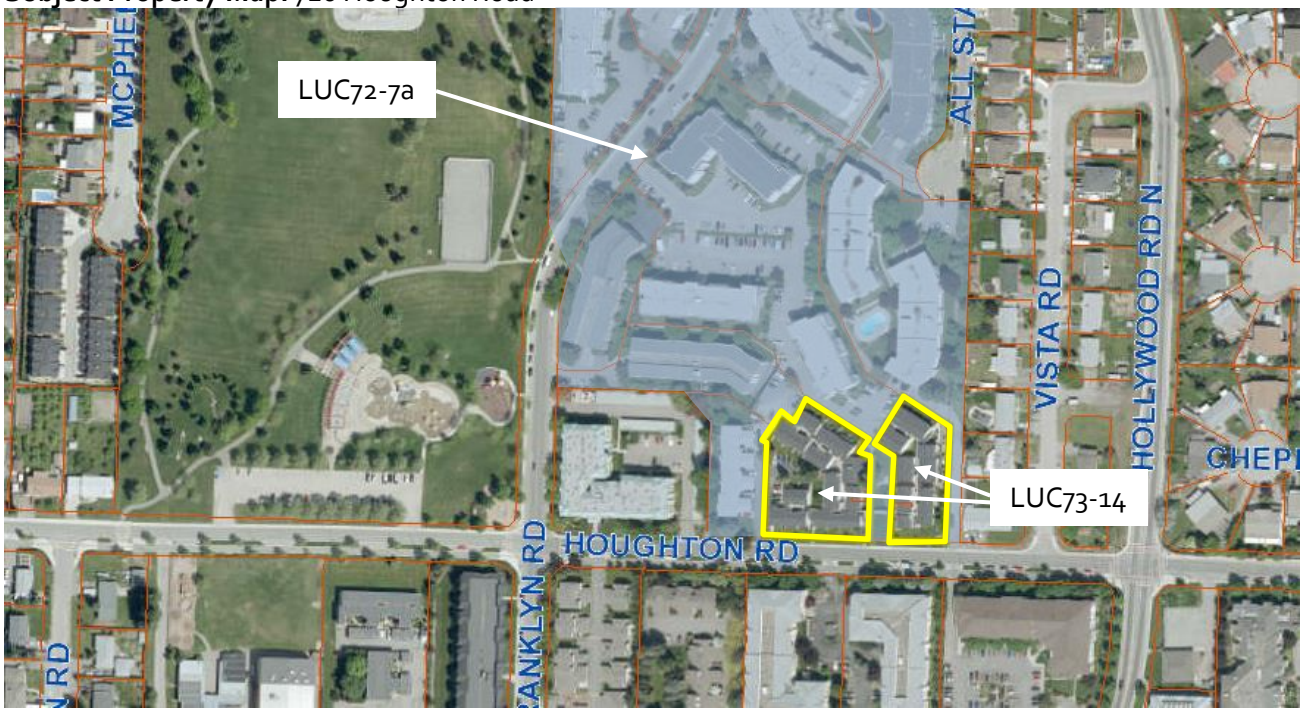
4.3 Site Context

The subject property has a total area of 5,868 m^2 and is located at 720 Houghton Road. The property is designated MRL - Multiple Unit Residential (Low Density) in the Official Community Plan and the surrounding area is multi-family and single-family residential subdivision.

Specifically, adjacent land uses are as follows:

Orientation	Zoning	Land Use
North	RM3 – Low Density Multiple Housing	Multi-family Residential LUC72-7a
East	RU1 – Large Lot Housing	Single Family Residential
South	RM5 – Medium Density Multiple Housing	Multi-family Residential
West	RM3 – Low Density Multiple Housing	Multi-family Residential LUC72-7a

Subject Property Map: 720 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 (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.

6.0 Technical Comments

N/A

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