REPORT TO COUNCIL

Date:	August 26, 2019		
To:	Council		
From:	City Manager		
Department:	Development Planning		
Application:	LUCT19-0021 / Z19-0089	**Owner:**	1110 Lawrence Holdings Ltd
Address:	1110 Lawrence Avenue	**Applicant:**	City of Kelowna
Subject:	Land Use Contract Termination and Rezoning Application		
Existing OCP Designation:	MRH - Multiple Unit Residential (High Density)		
Existing Zone:	RM3 – Low Density Multiple Housing		
Proposed Zone:	C4 – Urban Center Commercial		

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 Lot 1, District Lot 137, ODYD, Plan KAP26370, located at 1110 Lawrence Avenue, Kelowna, BC, under Land Use Contract LUC K73-65 does not meet the land use requirements under City of Kelowna Zoning Bylaw No. 8000;

THAT Application No. LUCT 19-0021 to terminate LUC K73-65 from Lot 1, District Lot 137, ODYD, Plan KAP26370, located at 1110 Lawrence Avenue, Kelowna, BC, be considered by Council;

AND THAT Rezoning Application No. Z19-0089 to amend the City of Kelowna Zoning Bylaw No. 8000 by changing the zoning classification for Lot 1, District Lot 137, ODYD, Plan KAP26370, located at 1110 Lawrence Avenue, Kelowna, BC, Kelowna, BC from the RM3 – Low Density Multiple Housing zone to C4 – Urban Center Commercial 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. 11899;

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 LUC K73-65 and rezone the subject property to the C4 – Urban Center Commercial zone.

3.0 Development Planning

Staff are bringing forth and recommending this Land Use Contract (LUC K73-65) be terminated and for the subject property to be rezoned. The underlying zone is RM3 – Low Density Multiple Housing and does not fit in the established neighborhood. Under the current Land Use Contract, it allows for private residential accommodation for senior citizens and citizens with special needs and commercial facilities. The Zoning Bylaw has since been updated and obtains different uses, requirements and zonings. Therefore, Staff are proposing to adopt the C4 – Urban Center Commercial zone to the subject property.

The existing Land Use Contract (LUC) affects 1 property at 1110 Lawrence Avenue. The Land Use Contract uses and regulations fit within the C4 – Urban Center Commercial 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 3,076 m² and is located at 1110 Lawrence Avenue. The property is designated MRH - Multiple Unit Residential (High Density) in the Official Community Plan and the surrounding area is residential.

Specifically, adjacent land uses are as follows:

Orientation	Zoning	Land Use
North	CD17 – Mixed Use Commercial – High Density	Retail Stores / Multi-family Apartments
East	RM3 – Low Density Multiple Housing	Multi-family buildings
South	C4 – Urban Centre Commercial	Retail Stores
West	C4 – Urban Centre Commercial	Retail Stores

Subject Property Map: 1110 Lawrence Avenue



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 (High Density) (MRH). High rise apartments. 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 and maximum heights would be consistent with the provisions of the RM6 – High Rise Apartment Housing zone 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

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