

Report to Council



Date: May 30th, 2016
File: 0505-35
To: City Manager
From: Ross Soward, Planner Specialist
Subject: Rescind Housing Agreement

Recommendation:

THAT Council, receives for information, the report from the Planner Specialist dated May 30, 201 recommending that Council repeal the Housing Agreement Bylaw for 1459 and 1469 KLO Road;

AND THAT Council consider a Bylaw which would authorize the City of Kelowna to repeal Bylaw No. 9889 being Housing Agreement Authorization Bylaw Witmar Developments Ltd. (Witmar Holdings Ltd.) - 1459 and 1469 KLO Road, and all amendments thereto, for Lot 1, District Lot 131, Plan 13798, O.D.Y.D except Plan KAP79224 and Lot 2, District Lot 131, O.D.Y.D. Plan 13798 except Plan KAP79225;

AND THAT Bylaw No. 11251 being Repeal Housing Agreement Authorization Bylaw No. 9889 be forwarded for reading consideration

Purpose:

To consider rescinding the outdated affordable housing agreements for the subject properties 1459 and 1469 KLO Road in order to allow for the site to be developed as a purpose-built rental housing project.

Background:

In 2013 Staff received direction from Council to rescind housing agreements related to affordable ownership housing. The affordable ownership component of housing agreements was determined to be impractical given the significant staff resources required to monitor and maintain them with limited benefit to the community. In 2013, approximately ten active "affordable ownership" housing agreements were identified and brought forward for rescindment. However, the "affordable ownership" housing agreement for 1459 and 1469 KLO Road was not captured during this process. As a result, an "affordable ownership" housing

agreement is still active at 1459 and 1469 KLO. In this instance, the housing agreement had been registered on title in association with a proposed development that never came to fruition. The land remains undeveloped and the Development Permit for the site has expired.

Currently, staff is in discussion with the landowner for the development of the site as a purpose-built rental housing project, increasing the city's rental housing supply. The rescinding of the "affordable ownership" agreement will ensure that the site and landowners are not unfairly burdened by an outdated agreement, and will clear the path for a more up-to-date agreement as part of the forthcoming development application.

Legal / Statutory Authority:

Local Government Act Section 483: A housing agreement under section 483 of the Local Government Act (LGA) is a tool available to the City to ensure that purpose-built rental housing terms and conditions are kept. Under Section 483 of the LGA: "A housing agreement may include terms and conditions agreed to by the local government and the owner regarding the occupancy of the housing units identified in the agreement..."

Existing Policy:

Official Community Plan 2030: Objective 5.9 - Support the creation of affordable and safe rental, non-market and/or special needs housing. Note that the existing policy does not suggest that the City will be involved in ownership housing agreements.

Personnel Implications:

Affordable housing conditions in housing agreements were previously determined impractical given the significant staff time required to monitor them. Also, they are very problematic in terms of administration when a property owner wants changes to the housing agreement, requiring legal consultation and the involvement of various city departments.

Internal Circulation:

Acting Department Manager, Policy and Planning

Submitted by:

R. Soward, Planner Specialist

Approved for inclusion:

J. Moore, Acting Department Manager, Policy and Planning

cc:
City Clerk
Acting Department Manager, Policy and Planning
Manager, Urban Planning