

# Report to Council



**Date:** November 4, 2024  
**To:** Council  
**From:** City Manager  
**Subject:** Amendments to RTE23-0004 and Housing Agreement Bylaw No. 12565  
**Department:** Development Planning

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**Recommendation:**

THAT Council receives, for information, the report from the Development Planning Department dated November 4, 2024, with respect to amendments to Revitalization Tax Exemption Agreement RTE23-0004 and Housing Agreement Bylaw No. 12565, both concerning the property located at Lot 1 District Lot 134 ODYD EPP41204 Except Plan EPP112300, located at 3773 – 3795 Lakeshore Road, Kelowna, BC;

AND THAT Council authorizes amendments to Revitalization Tax Exemption Agreement RTE23-0004 between the City of Kelowna and Westcorp On The Lake Inc., Inc. No. A75763 for Lot 1 District Lot 134 ODYD EPP41204 Except Plan EPP112300, located at 3773 – 3795 Lakeshore Road, Kelowna, BC as set out in Schedule A of the report from the Development Planning Department dated November 4, 2024;

AND THAT Council authorizes the Development Planning Department Manager to execute the amendments to Revitalization Tax Exemption Agreement RTE23-0004 on behalf of the City of Kelowna;

AND THAT Bylaw No. 12565 be rescinded;

AND FURTHER THAT Bylaw No. 12725 authorizing a Housing Agreement between the City of Kelowna and Westcorp On The Lake Inc., Inc. No. A75763, which requires the owners to maintain 521 dwelling units as rental housing for 10 years for Lot 1 District Lot 134 ODYD EPP41204 Except Plan EPP112300 located at 3773 – 3795 Lakeshore Road, Kelowna, BC be forwarded for reading consideration.

**Purpose:**

To authorize an amendment to a Revitalization Tax Exemption Agreement and Housing Agreement Bylaw on the subject property to amend the unit count and project details.

## Council Priority Alignment:

### Affordable Housing

#### Background:

Revitalization Tax Exemption Agreement RTE23-0004 and Housing Agreement Bylaw No. 12565 for 3773 – 3795 Lakeshore Road was authorized by Council on July 24, 2023. An amendment to the Revitalization Tax Exemption Program Bylaw No. 12561 introducing a transitional provision was adopted on August 12, 2024, which facilitated this amendment application.

#### Previous Council Resolution

| Resolution   | Date          |
|--|---------------|
| <p>THAT Council approves the City entering into a Revitalization Tax Exemption Agreement with Westcorp On The Lake Inc., Inc. No. A75763 for Lot 1 District Lot 134 ODYD EPP41204 Except Plan EPP112300, located at 3773 – 3795 Lakeshore Road, Kelowna, BC in the form attached to the Report from Policy and Planning dated July 24, 2023;</p> <p>AND THAT Bylaw No. 12564 authorizing a Housing Agreement between the City of Kelowna and Westcorp On The Lake Inc., Inc. No. A75763 which requires the owners to maintain 439 dwelling units as rental housing for 10 years for Lot 1 District Lot 134 ODYD EPP41204 Except Plan EPP112300, located at 3773 – 3795 Lakeshore Road, Kelowna, BC be forwarded for reading consideration.</p> | July 24, 2023 |

#### Discussion:

An amendment to a Development Permit at 3773 – 3795 Lakeshore Road was authorized by Development Planning in July 2024. Project details within previous RTE23-0004 and Housing Agreement Bylaw No. 12565 need to be amended to reflect the changes to the Development Permit. The changes can be summarized as follows:

| Project Details                | Previous RTE23-0004   | Amended RTE23-0004  |
|--------------------------------|---|---|
| Proposal and Unit Count        | Three towers (10, 10 and 17 storeys) consisting of 439 dwellings                              | Three towers (12, 12 and 17 storeys) consisting of 521 dwellings                          |
| Parking                        | 3-level Parkade with a total of 1172 stalls. 4 <sup>th</sup> level landscaped amenity rooftop | Parkade contains 1266 stalls. 4 <sup>th</sup> level landscaped amenity rooftop eliminated |
| Amenity Space                  | 6,732 m <sup>2</sup>  | 4,552 m <sup>2</sup>  |
| Commercial Space               | 831 m <sup>2</sup>  | 824 m <sup>2</sup>  |
| Estimated Exemption Start Year | 2027  | 2028  |
| 10-year Estimated Tax Impact   | \$3,074,488   | \$4,195,209   |
| Average Tax Impact Per Year    | \$307,449   | \$419,521   |

This amended Revitalization Tax Exemption exceeds the thresholds for delegation established in Section 9 of Revitalization Tax Exemption Program Bylaw No. 12561 and requires Council authorization.

**Internal Circulation:**

Revenue  
Office of the City Clerk  
Long Range Policy Planning

**Considerations applicable to this report:**

***Legal/Statutory Authority:*** Section 226 of the Community Charter provides authority to exempt property from municipal property value taxes and sets the basic requirements for a revitalization tax exemption program. Council may include requirements in its revitalization program bylaw that must be met before an exemption certificate may be issued.

***Financial/Budgetary Considerations:*** The estimated average annual tax impact of this amended RTE application is \$419,521, an increase of \$112,072 from the original July 2023 estimate of \$307,449. This would be in addition to the current tax impact of the RTE program.

**Considerations not applicable to this report:**

***Legal/Statutory Procedural Requirements:***

***Existing Policy:***

***Consultation and Engagement:***

***Communications Comments:***

Submitted by: K. Brunet, Planner Specialist

Approved for inclusion: R. Smith, Divisional Director, Planning, Climate Action & Development Services

**Attachments:**

Schedule A – Amended RTE23-0004

Attachment A – Amendment to Housing Agreement Bylaw No. 12565

Attachment B - Applicant's Letter of Rationale