

TO: Electoral Area Advisory Committee
FROM: Planning Department
SUBJECT: Termination of Land Use Contracts

File No: 21-1073-B-TA
Date: November 24, 2021

RECOMMENDATION:

That letters be sent to all applicable property owners whose properties are affected by a land use contract advising that after June 30, 2024, as per Section 549 of the *Local Government Act* the land use contract will terminate.

SUMMARY:

Under Division 16 of Part 14 of the *Local Government Act*, all existing land use contracts will terminate on June 30, 2024, and local governments are required to have zoning in place for the affected lands by June 30, 2022. Local governments are required to advise all owners with property subject to a land use contract that these contracts will be coming to an end and that zoning regulations will apply after June 30, 2024.

Staff recommend that letters be sent to all applicable property owners advising that their land use contracts will terminate on June 30, 2024 and the underlying zoning will prevail as per Section 549 of the *Local Government Act*. This approach is recommended as it meets the requirements of the *Local Government Act* in the most efficient and cost effective manner and zoning is already in place and provisions of the subject land use contracts no longer apply.

BACKGROUND:

In 2014, changes were made to the *Local Government Act (LGA)* to require all existing land use contracts to terminate on June 30, 2024. Under Division 16 of Part 14 of the *LGA*, local governments are required to have zoning in place for the affected lands by June 30, 2022. Local governments are also required to advise all owners with property subject to a land use contract that these contracts will be coming to an end and that zoning regulations will apply after June 30, 2024.

Land use contracts, under the *Municipal Act*, were in effect for a relatively brief period in the late 1970s, prior to the introduction of development permits, development cost charges and off-site servicing requirement provisions. A land use contract is a contract that exists between the owner of a specific property and a local government. This approach was used as a means to negotiate the terms and conditions of subdivision and development in a municipality or regional district. The contract may describe the subject lands, the uses permitted, the regulations for siting of buildings, the use of parks, landscaping requirements and other development criteria. Zoning bylaws generally do not apply where land use contracts are in place, except to the extent that they may be incorporated by reference into the contracts.

There are four active land use contracts (LUC) within the Electoral Areas of the Regional District which represent 60 properties that will be directly affected by the requirements of the LGA.

1. LUC96:
 - Adopted in 1974
 - McClure Subdivision
 - Located in Electoral Area “B”
 - Affects 47 properties
 - Contract states that following the subdivision the Zoning reverts to current Zoning Bylaw
 - Subdivision was completed in 1974 and the underlying Residential Single Family (R.1) zone applies

2. LUC102:
 - Adopted in 1974
 - North Enderby Timber (NET)
 - Located in Electoral Area “F”
 - Affects 1 property
 - Contract permits the property to be used for manufacturing of fencing and related specialty wood materials subject to developing and landscaping the property in accordance with an approved site and landscaping plans.
 - Underlying Zoning is General Industrial (I.2)
 - NET is an active industrial use.

3. LUC268:
 - Adopted in 1978
 - Creighton Valley Road Subdivision
 - Located in Electoral Area “D”
 - Affects 5 properties
 - Contract states that following the subdivision the Zoning reverts to current Zoning Bylaw
 - Subdivision was completed in 1979 and the underlying Small Holding (S.H) zone applies

4. LUC289 (amended by LUC466):
 - Adopted in 1979 and amended in 1982
 - Clover Road Subdivision
 - Located in Electoral Area “B”
 - Affects 7 properties
 - Contract states that following the subdivision the Zoning reverts to current Zoning Bylaw
 - Subdivision has been partially completed (7 out of 8 lots) and the underlying Residential Single Family (R.1) zone applies

The attached maps indicate the location of the properties affected by LUC96, LUC102, LUC268 and LUC289.

The Province has advised that all land use contracts that were established by the Regional District for lands subsequently included within a boundary extension are the responsibility of the municipality where they now reside. Former Electoral Area “A”, which is now within the City of Vernon, may include numerous land use contracts that may still be active and would be the responsibility of the City of Vernon.

DISCUSSION:

Local governments are provided two legislative options to address the termination of land use contracts and the application of the Zoning Bylaw to the affected properties:

1. Under Section 548 of the *LGA*, the Regional District may terminate land use contracts **earlier** than June 30, 2024 by the adoption of a bylaw prior to June 30, 2022. The termination bylaw must follow the usual public notification process and a Public Hearing would be required. The enforcement date of the bylaw must be at least one year after the adoption date, giving land owners at least one additional year to develop their land in accordance with the land use contract. The *LGA* provides an opportunity for owners to apply to the Board of Variance for an extension within six months of the adoption of the bylaw to extend the in-force date.
2. Under Section 549 of the *LGA*, the land use contracts will automatically terminate on June 30, 2024. The Regional District would be required to advise all land owners with land use contracts of their termination and the applicability of the Zoning Bylaw prior to June 30, 2022.

Under either option, the Land Title Office must also be notified as land use contracts are registered and reflected on property's titles.

Staff recommend that letters be sent to all applicable property owners advising that the land use contracts will terminate on June 30, 2024 and the underlying zoning will prevail. This approach meets the requirements of the *LGA* in the most efficient and cost effective manner as a Public Hearing is not required and the subject properties already have underlying zoning. Further, the provisions of the land use contracts largely no longer apply. For example, LUC96 and LUC268 no longer apply as the related subdivision has been completed and the underlying zoning for the property which is affected by LUC102 is consistent with the uses permitted by the contract. While the provisions of LUC289 have not been completed (7/8 lots have been created), the owners will be notified and the contract will not expire until June 30, 2024.

Submitted by:



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Reviewed by:



Greg Routley
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Endorsed by:



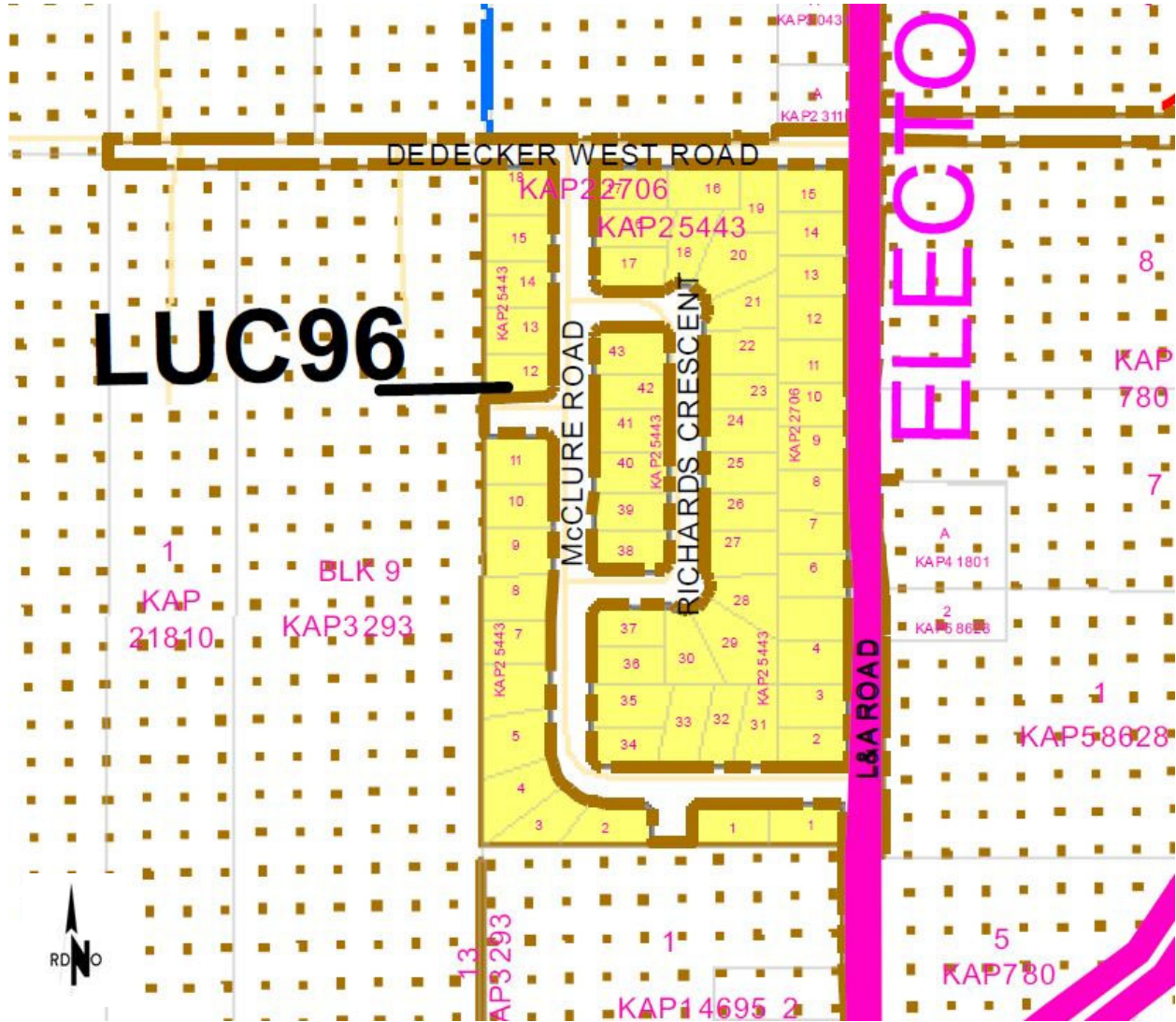
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Approved for Inclusion:

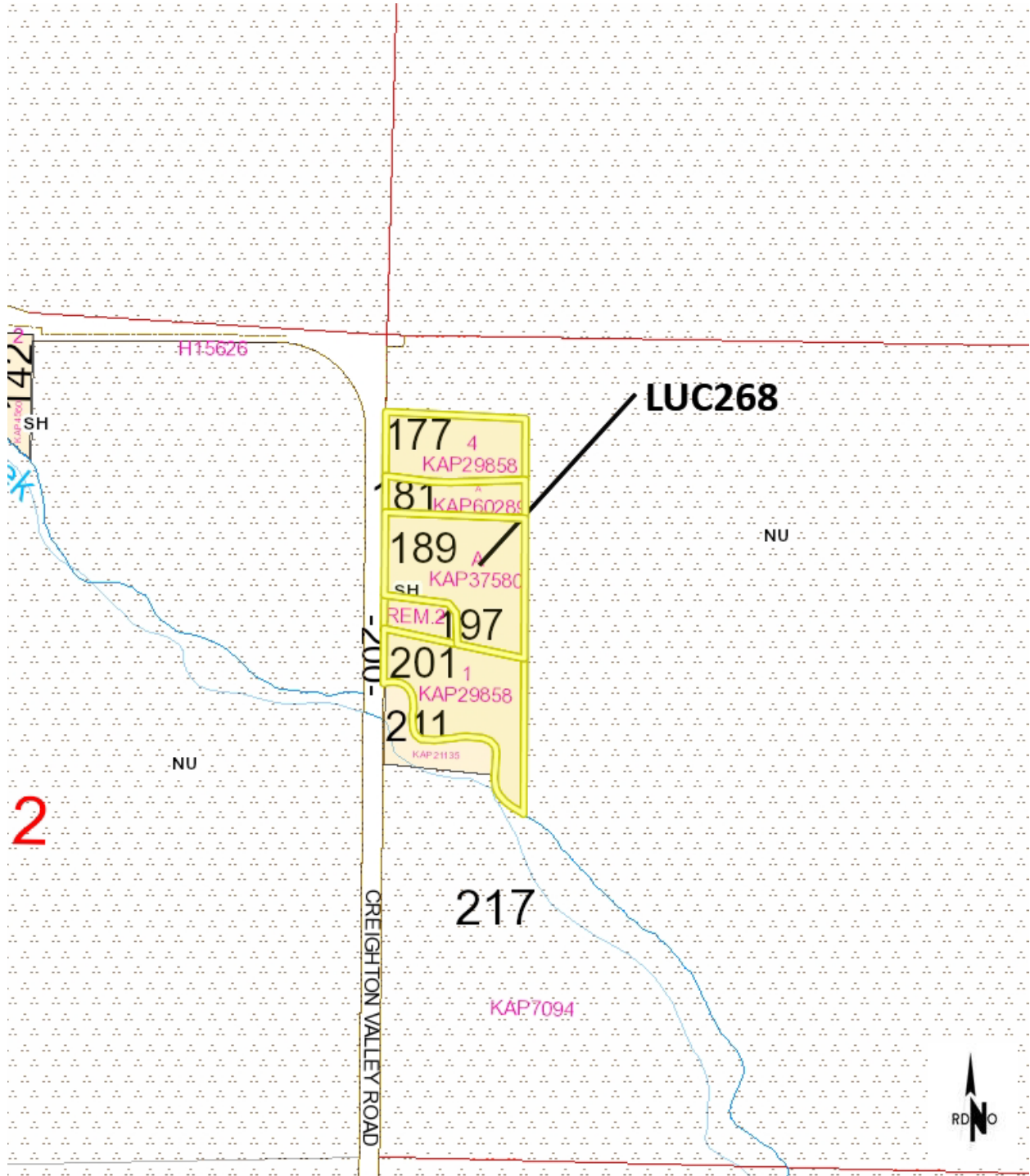


David Sewell
Chief Administrative Officer

ZONING SUBJECT PROPERTY MAP LAND USE CONTRACT 96



ZONING SUBJECT PROPERTY MAP LAND USE CONTRACT 268



ZONING SUBJECT PROPERTY MAP LAND USE CONTRACT 289

