

# Land Use Contract Review

## RECOMMENDATION:

None.

## REPORT SUMMARY

This report provides information on the City's existing Land Use Contracts (LUCs), which will expire on June 30<sup>th</sup>, 2024, in accordance with Provincial legislation. The report further describes the provisions contained within these contracts, and confirms the underlying zoning and OCP designations which are in place for these properties. Staff will ensure information on this change is available on our website and will provide additional information to impacted Port Coquitlam property owners as required.

## BACKGROUND

**Provincial Legislation:** Land Use Contracts (LUCs) were a form of land use and development control used by BC municipalities from 1971 to 1978 to allow more flexibility than traditional zoning. LUCs were registered on title and included a specific, contractual arrangement between local governments and landowners that typically included permitted land uses, as well as matters such as subdivision layout, parking, servicing, infrastructure and building design.

When the Provincial legislation allowing for LUCs was repealed in 1978 many of the existing LUCs remained in place, overriding zoning and other development controls on a property, however no new contracts could be created. While the Contracts provide certainty to both parties, under contractual law they are complex to administer, modify or terminate, and often resulted in municipalities being challenged to implement public objectives or property owners being unduly restricted by outdated development provisions.

In 2014, the Province amended the *Local Government Act* to phase-out Land Use Contracts, with all LUCs terminating on June 30, 2024. Local Governments were given time to ensure zoning and other bylaws were in place and were given an option for early termination (June 30, 2022) in situations that were merited. The *Act* further provides that LUC properties with development that does not meet the requirements of the zoning applied upon termination are protected as non-conforming.

**Port Coquitlam Land Use Contracts:** Between 1971 and 1978, the City entered into 30 Land Use Contracts. Over time, a number of these contracts have been voluntarily discharged by the land owner; at present, there are 14 remaining LUCs regulating 239 properties in the City. The Contracts apply to a variety of land development, including single residential subdivision, multi-family development, multi-tenant industrial building and commercial or mixed-use developments.

## Land Use Contract Review

The City has historically taken a proactive approach to LUC properties and has applied appropriate underlying zoning to all LUC properties to provide certainty and direction to those seeking to discharge the Contract. These zoning designations have been updated over time, most recently in 2008 when the City adopted Zoning Bylaw 3630. In addition, the 2005 OCP establishes land use designations for all LUC properties, and the underlying zoning identifies development permit guidelines, subdivision and servicing provisions for the LUC properties.

### **DISCUSSION**

In the lead up to Contract termination, staff have undertaken a detailed assessment of the provisions contained in the existing LUCs in relation to the underlying zoning and current development provisions. Staff's assessment notes that while most of the Contracts reference outdated land use, siting, parking and development provisions from the 1970's, there are generally only minor discrepancies to current provisions which are unlikely to constitute a hardship. Several properties include a form of multi-family development ("detached townhouses") which would not be permitted under current zoning provisions, however these properties are afforded non-conforming protection under the Act. Two LUCs for properties in the Downtown included a provision to lease parking from the City, an arrangement which would also be permitted to continue (staff note that the City is in process of restructuring the provision of public parking in the Downtown, which is anticipated to phase out downtown parking lease arrangements). A full assessment of the existing LUCs is included in Attachment 1.

The proactive steps undertaken by the City over time to ensure updated and appropriate underlying zoning, OCP designation and development controls were in place for LUC properties has been successful in eliminating the need for a comprehensive review and consultation process prior to the Contracts expiring. In general, staff expect the LUC termination will benefit property owners who are subject to outdated or restrictive regulations contained within the Contract or have been constricted in making minor building or landscape alterations without a substantial process to amend the Contract.


In accordance with Provincial legislation, LUCs will expire on June 30<sup>th</sup> after which LUC properties will be regulated by the City's Zoning Bylaw and other applicable regulatory provisions. Information on this change and links to the Provincial Land Use Contract website will be posted on the City's website and communicated to property owners as required.

### **FINANCIAL IMPLICATIONS**

Staff do not anticipate the termination of the Land Use Contracts will have a significant financial implication to the City.

## Land Use Contract Review

### **OPTIONS** (✓ = Staff Recommendation)

	#	Description
	1	Receive this report for information.
	2	Request additional information or clarification on specific matters in this report.

### **ATTACHMENTS**

Attachment 1: List of Land Use Contracts

**Lead author(s):** Jennifer Little

**Contributing author(s):** Natalie Coburn