PLANNING AND BUILDING REZONING REFERENCE #15-25 2016 JANUARY 20

ITEM #2

1.0 GENERAL INFORMATION

1.1 Applicant: Ledingham McAllister Communities Ltd. 3rd Floor, 1285 West Pender Street Vancouver, BC V6E 4B1 (Attention: Cameron Thorn) 1.2 Subject: Application for the rezoning of: Lot 67, DL 53, Group 1, NWD Plan 33863 From: CD Comprehensive Development District (based on RM1 Multiple Family Residential District) To: CD Comprehensive Development District (based on RM4 Multiple Family Residential District) 1.3 Address: 7121 Fourteenth Avenue 1.4 Location: The subject site is located on the north side of Fourteenth Avenue between Eighteenth Street and Fifteenth Street (Sketches #1 and #2 attached). 1.5 Size: The site is rectangular in shape with width of 72.66 m (238 ft.) a depth of 489.8 m (1,607 ft.) and a total area of 2.76 hectares (6.82 acres). 1.6 The Director Engineering will be requested to provide all relevant Services: servicing information. 1.7 Rezoning The purpose of the proposed rezoning bylaw amendment is to permit the construction of a multiple family residential development with a **Purpose:** non-market affordable seniors' rental housing component.

2.0 NEIGHBOURHOOD CHARACTERISTICS

The subject site is currently improved with an older (1969) low-rise multiple family development in poor condition, which is owned and operated by BC Housing (commonly known as "Cedar Place"). Immediately to the north is an area designated under the Plan for ground-oriented multiple family redevelopment, and which is in transition encompassing a mix of multiple family PLANNING AND BUILDING REZONING REFERENCE #15-25 2016 January 20..... PAGE 2

and single and two-family uses. To the south across Fourteenth Avenue, is the Southgate Village site (Rezoning Reference #14-25), for which a master plan has been adopted by Council involving a range of multiple family housing forms, a local commercial component and a large central park. To the east, across 15th Street, are single and two family dwellings, which are designated to remain single and two family under the adopted Plan. To the west is the Stride Avenue Elementary School.

3.0 BACKGROUND INFORMATION

- 3.1 Cedar Place is an aging social housing development that was constructed under the Canada Mortgage and Housing Corporation (CMHC) Section 79 Public Rental Housing Program in the Social Housing Agreement (SHA) portfolio, and was approved under Rezoning Reference #69/68. Cedar Place is comprised of 90 family-oriented (two, three and four bedroom units) townhouse units with surface parking. As noted, the overall development is aging, in poor condition, and in need of replacement. Cedar Place is currently owned and operated by BC Housing, with the overall value of the asset being protected by the original SHA, meaning that redevelopment of the site would require 100% of the funds generated by redevelopment be reinvested within the same community.
- 3.2 The subject site is located within the Sub-Area 2 of the adopted Edmonds Town Centre Plan. The site is designated for ground oriented multiple family housing based on the RM1 or RM2 District.

4.0 PROPOSAL TO REDEVELOP CEDAR PLACE

4.1 As the master planning work for the Southgate Village site advanced, an opportunity to also address the Cedar Place site became apparent. Extensive discussions with the applicant, BC Housing, and the City has resulted in an innovative approach to replace existing Cedar Place housing with new units, and access the value in the site itself to generate additional seniors' non-market housing units, as proposed in this report.

Given its site size, exceeding 16.2 hectares (40 acres), the Southgate site can accommodate replacement units for Cedar Place without impact to the overall development form approved under the Master Plan. Moreover, the Southgate Village Master Plan permits up to 0.26 FAR (588,365 sq.ft.) for alternative forms of housing, that can accommodate the replacement of the Cedar Place non-market housing units on the Southgate Village site. Therefore, this project represents a significant opportunity to replace obsolete social housing with new, sustainable, and efficient affordable housing units that will accommodate, firstly, current Cedar Place residents, and secondly, other Burnaby families in need of such housing. It is noted that Rezoning Reference #14-27, appearing elsewhere on tonight's Council Agenda, seeks Council authority to work with the applicant toward a suitable plan of development involving the replacement of the Cedar Place units on the Southgate Village site.

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4.2 Key to the replacement of the Cedar Place housing units on the Southgate Village site is the resulting vacancy of the Cedar Place site itself and its potential for redevelopment, which is the purpose of the subject rezoning application.

As noted earlier, the value of the Cedar Place site is protected by way of a Housing Agreement which protects Cedar Place and the land on which it is situated as a public asset. Under the terms of the Federal/Provincial SHA Agreement, 100% of proceeds generated by the sale of the Cedar Place site are to be reinvested in non-market housing within that same community. BC Housing is advancing this project on this basis.

- 4.3 In addition to the replacement of the Cedar Place units on the Southgate Village site, its redevelopment represents a significant opportunity for the applicant, the City, and BC Housing to advance a program of development that best meets the varied needs of the local community and the City more generally. As such, the proposal involves:
 - a) the sale of a portion of the Cedar Place site to the applicant for the development of market condominium units, generally in 6-storey frame apartment buildings;
 - b) BC Housing retaining ownership of the western portion of the site, adjacent to Stride Avenue Elementary School, for the purpose of developing 90 non-market seniors' housing units; and,
 - c) the City advancing an amendment to the Plan to re-designate the site from RM1/RM2 to RM4, as well as contributing density bonus funding toward the 90 non-market seniors' housing project.

This approach exemplifies an efficient delivery of housing for a mixed income community involving a wide range of needs and appealing to many Burnaby residents. Overall, it represents a total public investment in non-market housing of approximately \$50 million dollars. On a preliminary basis, the City's proposed contribution to the project is approximately \$8.5 million in direct funding through the density bonus program, and about \$28.5 million in indirect funding through the value created by the proposed rezoning of the Cedar Place site to RM4. As noted earlier, BC Housing has committed to reinvesting revenues received from the sale of the Cedar Place site in both the replacement of the Cedar Place units and the new seniors' housing units. This constitutes a total direct investment by BC Housing of approximately \$47 million, resulting in 180 new non-market housing units on the Southgate and Cedar Place sites, representing a 2:1 replacement of the current older non-market housing stock.

5.0 GENERAL INFORMATION

5.1 The applicant is requesting rezoning from the CD Comprehensive Development District (based on the RM1 Multiple Family Residential District) to the Amended CD (RM4 Multiple Family Residential District) in order to permit the development of a multiple-

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family residential development including an affordable non-market seniors' housing component.

For the market component, the preliminary development form is for six-storey frame apartment buildings fronting 14th Avenue, stepping down to four storeys fronting the northern lane. The BC Housing component of the site is currently proposed to be located at the corner of 18th Street and 14th Avenue, and is expected to accommodate a six-storey frame apartment form.

A significant community plan objective is to connect 16th Street through the subject site, thereby linking the Southgate Village site to Edmonds Street. As the subject site is partly being used to generate new non-market housing units, it is proposed that density be calculated on a gross site basis, similar to the approach taken for the Southgate Village site immediately to the south.

- 5.2 As indicated above, the Edmonds Town Centre Plan currently designates the subject site for ground-oriented RM1/RM2 Multiple Family Residential District use. As such, an amendment to the Plan, through the proposed rezoning application, is necessary to accommodate the RM4 District. Council approval of the proposed land use change would take effect upon Council granting Second Reading of the Rezoning Bylaw for the subject site, following its presentation to a Public Hearing.
- 5.3 The site's proposed designation to the RM4 District makes available a density bonus of 0.3 FAR. As noted above, of the 0.3 FAR, 0.241 FAR is proposed to be used to support the construction of affordable non-market seniors' housing on the site. The 0.059 FAR balance is proposed to be taken as a cash contribution in lieu, which would be applied to other amenities, including housing, as identified by Council.
- 5.4 The Director Engineering will be requested to provide an estimate for all services necessary to serve this site. The servicing requirements for this development will include, but not necessarily be limited to: the dedication and construction of 16th Street through the site to its final Town Centre standard.
- 5.5 A tree survey and arborist report of the site will be required to determine whether any existing trees are suitable for retention. If trees measuring 20 cm (8 in.) in diameter are required to be removed due to the site's development, then a tree removal permit is required.
- 5.6 Any necessary easements, covenants, and statutory rights-of-way for the site are to be provided.
- 5.7 Subdivision with road dedication is required.
- 5.8 An on-site Stormwater Management Plan will be required for the new development.

- 5.9 Approval by the Engineering Environmental Services Division of a detailed plan for an engineered sediment control system is required.
- 5.10 Compliance with the Burnaby Solid Waste and Recycling guidelines is required for the new development, including the provision of an appropriately screened garbage handling and recycling holding area.
- 5.11 Applicable Development Cost Charges include:
 - a) Parkland Acquisition Charge.
 - b) GVS & DD Sewerage Charge.
 - c) School Site Acquisition Charge.
- 5.12 In line with the City's adopted guidelines for adaptable housing, 20% of the market units within the proposed development will be required to meet BC Building Code adaptable housing standards.
- 5.13 A complete outline of all proposed prerequisite conditions to the rezoning will be included in a more detailed report to be submitted at a future date prior to advancing to a Public Hearing.

6.0 **RECOMMENDATIONS**

- 1. **THAT** the amendment of the designation of the site under the Edmonds Town Centre Plan, as outlined in Section 5.2 of this report, be approved to take effect upon the granting by Council of Second Reading of the Rezoning Bylaw related to the subject site.
- 2. **THAT** the Planning and Building Department be authorized to continue to work with the applicant towards the preparation of a suitable plan of development for presentation to a Public Hearing on the understanding that a more detailed report will be submitted at a later date.

EK:DR:spf Attachments cc: Director Engineering City Solicitor City Clerk

P:\REZONING\Applications\2015\15-00025 7121 Fourteenth Avenue\Rezoning Reference 15-25 Initial Report 20160125.doc



Sketch #1



Printed on January 5, 2016

Sketch #2



3rd Floor, 1285 West Pender Street, Vancouver, BC, Canada V6E 4B1 / (604) 662-3700-FAX: (604) 684-9004

December 15, 2015

City of Burnaby Planning Department 4949 Canada Way Burnaby, BC, V5G 1M2

Attention: Mr. Edward Kozak

Dear Ed:

Re: Cedar Place, 7121 – 14th Avenue, Burnaby - Rezoning Letter of Intent

Please accept this letter and attachments as our rezoning application for the property at $7121 - 14^{th}$ Avenue, Burnaby, BC.

Located in the Edmonds Town Centre Plan, we are applying to rezone the property from the current zoning of CD RM1 to CD RM4.

The property is currently owned by BC Housing (Provincial Rental Housing Corporation) and contains 90 aging townhouse units. Our intent is to work with BC Housing and the City of Burnaby to redevelop the property for multi-family residential (market) housing and, to construct a separate building containing 90 units of seniors oriented affordable housing.

The 90 unit seniors oriented building would be situated at the west end of the site fronting 18th Street and would be owned by BC Housing.

Under a separate rezoning application we also propose to redevelop a portion of the Southgate site to construct a multi-family building containing 90 units of affordable family oriented housing. Upon completion, this building and the property therein would be owned and managed by BC Housing. This building at Southgate is intended to replace the 90 units of aging affordable housing at Cedar Place.

Cedar Place tenants would continue to live in their existing units until their new homes are ready. Importantly, the sequence of redevelopment would ensure no tenants would be displaced. Redevelopment of the Cedar Place property would commence only once the tenants move into their new homes at Southgate. The rezoning of Cedar Place and that portion of the Southgate site to accommodate the family oriented affordable housing building will result in 180 units of new affordable housing or a 2:1 increase from the existing 90 units at Cedar Place.

It is our intent to design and build the new buildings at Cedar Place using six storey wood frame construction over an underground concrete parkade.

We look forward to working with Burnaby staff and Council on this exciting project.

Yours truly,

LEDINGHAM MCALLISTER COMMUNITIES LTD.

Cameron Thorn Vice President Development