

CITY OF BURNABY

PLANNING AND BUILDING REZONING REFERENCE #16-44 2016 SEPTEMBER 28

ITEM #11

1.0 GENERAL INFORMATION

- 1.1 Applicant:** Hathstauwk Holdings Ltd.
12831 Horseshoe Way
Richmond, BC V7A 4X5
(Attn: Ray Bourbonnais)
- 1.2 Subject:** Application for the rezoning of:
Lot 282, DL's 56 & 57, Group 1, NWD Plan 36166
- From:** M3 Heavy Industrial District
- To:** CD Comprehensive Development District (based on M2 General Industrial District, M5 Light Industrial District, B1 Suburban Office District and Lake City Business Centre as guidelines)
- 1.3 Address:** 2821 Production Way
- 1.4 Location:** The subject site is located at the northwest corner of Eastlake Drive and Production Way (Sketch #1 *attached*).
- 1.5 Size:** The site has an area of 4.68 hectares (11.6 acres).
- 1.6 Services:** The Director Engineering will be requested to provide all relevant servicing information.
- 1.7 Rezoning Purpose:** The purpose of the proposed rezoning bylaw amendment is to permit office, light industrial, and research uses within the existing building.

2.0 NEIGHBOURHOOD CHARACTERISTICS

The subject site is currently improved with a large industrial building with a total gross floor area of approximately 21,988.7 m² (236,685 sq.ft.) and a development density of 0.37 FAR. The Metro Vancouver Operations Centre is located immediately to the north of the site, and heavy industrial uses are located to the south across Eastlake Drive. Light industrial and business centre uses are located immediately to the west at the multi-phased Eastlake Campus, which was approved in connection with Rezoning Reference #08-21, Phase 1 of the development is occupied, Phase 2 is currently under construction, and Phase 3 is planned. Light industrial uses are located to the east across Production Way. Silver Creek traverses a portion of the site along the western property line.

3.0 BACKGROUND INFORMATION

- 3.1 The building is owned by H.Y. Louie and accommodates its food distribution warehouse of approximately 15,419.7 m² (165,976 sq. ft.), its 2,799.2 m² (30,130 sq. ft.) head office as an accessory use, and a 3,769.9 m² (40,579 sq. ft.) tenant space that is leased to a courier delivery operation.
- 3.2 The subject site is located within the Council-adopted Lake City Business Centre Plan (Sketch #2 *attached*). The Plan anticipates the transition of the area from predominantly heavy industrial uses to more employment intensive office and specialized light industrial uses, given the area's strategic location between the developing Lougheed and Brentwood Town Centres and adjacent rapid transit service along Lougheed Highway. The subject site is designated for B1 Suburban Office development, which is principally intended to accommodate business, professional and high tech offices; research and development facilities; associated manufacturing uses; and broadcasting, telecommunications, and digital information facilities. The maximum permitted development density for the B1 District is 1.0 FAR.

4.0 GENERAL INFORMATION

- 4.1 The proposed rezoning to the CD Comprehensive Development District (based on M2 General Industrial District, M5 Light Industrial District, B1 Suburban Office District and Lake City Business Centre as guidelines) is intended to meet the changing business needs of H.Y. Louie and to continue to transition the Lake City Area from heavy industrial uses to uses that generate higher employment.

H.Y. Louie has indicated that it is transitioning towards a more retail focused business in its broader operations, and as such, will be closing its warehousing and distribution operations at the subject site. H.Y. Louie at the same time wishes to maintain its existing head office at the subject site, which upon closure of the warehousing and distribution operations, would become a principal use that is not permitted under the prevailing M3 zoning. As such, the proposed M5 and B1 underlying districts, both of which permit offices as a principal use, are necessary. It is also noted that the proposed zoning includes the M2 District as an underlying zone so that the existing courier delivery facility remains conforming. Given that the courier delivery facility occupies a modest amount of the total gross floor area, inclusion of the M2 District as an underlying zone is supported, provided it is limited to the courier delivery facility tenant's space only, and no additional M2 uses are permitted. The proposed rezoning would support re-use of the vacated space in line with the City's B1 and M5 Districts. At this time, H.Y. Louie has not indicated an intended future use of its warehouse space at the subject site.

- 4.2 The requested CD(M2, M5, B1) zoning includes the CD(B1) zoning that is specified for the site in the adopted Lake City Business Centre Plan. The Lake City Business Centre is an area in transition that has required more flexible zoning to accommodate existing industrial tenants while attracting new, employment-intensive office and more specialized

light industrial tenants. For instance, approved CD rezoning applications for 2820 Production Way, 8081 Lougheed Highway, and 8501/8600 Commerce Court (Rezoning References #00-30, #06-29, and #11-06) included an underlying M5 component to improve the viability of the existing buildings on the sites through a flexible office space approach. The adjacent East Lake Campus development at 8327 Eastlake Drive (Rezoning Reference #08-21) was also zoned to the CD(M5, B1) District to permit flexible use of space for warehouse, manufacturing, or office space. Given the requested CD(M2, M5, B1) zoning for the subject site is consistent with the general objective of transitioning the Lake City Area from heavy industrial uses to uses that generate higher employment, and enables two long-standing uses to remain on site in a conforming manner, this rezoning application is supportable.

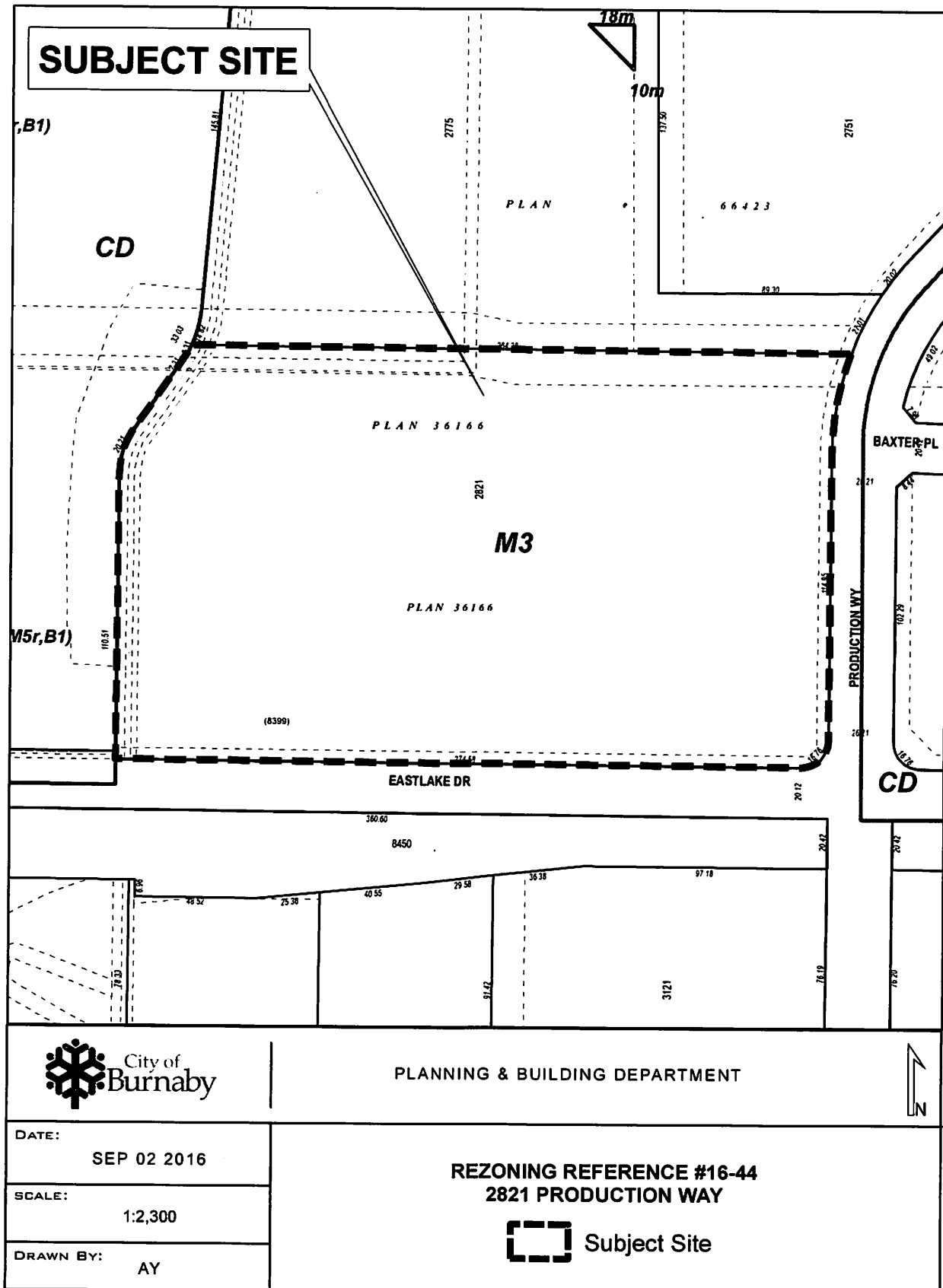
- 4.3 Vehicular access would continue to be from Production Way and Eastlake Drive.
- 4.4 The Director Engineering will be requested to provide an estimate for all services necessary to serve this site.
- 4.5 The granting of any necessary statutory rights-of-way, easements, dedications and/or covenants will be required.
- 4.6 The submission of a suitable on-site stormwater management system to the approval of the Director Engineering, the deposit of sufficient monies for its provision, and the granting of a Section 219 Covenant to guarantee its provision and continuing operation is required.
- 4.7 Approval by the Engineering Environmental Services Division of a suitable solid waste and resource storage facility plan will be required.
- 4.8 The proposed prerequisite conditions to the rezoning will be included in a future report.

5.0 RECOMMENDATION

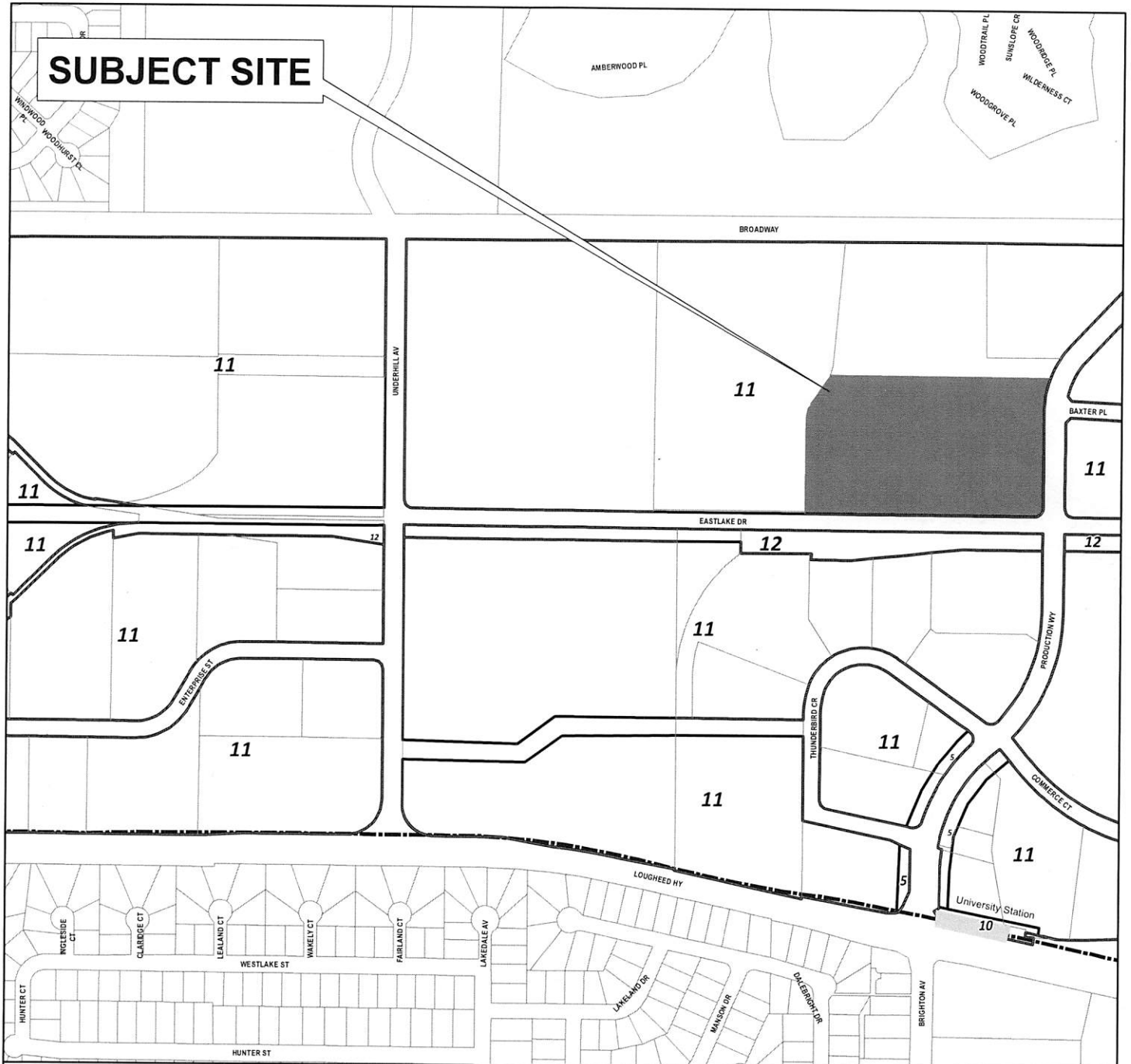
1. **THAT** the Planning and Building Department be authorized to continue to work with the applicant towards the preparation of a suitable plan of development for presentation to a Public Hearing on the understanding that a more detailed report will be submitted at a later date.

L.P. SMN:spf
Attachments

cc: Director Engineering
City Solicitor
City Clerk



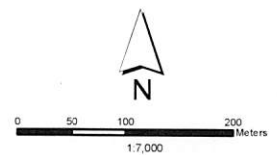
SUBJECT SITE



Land Use Designations

- 5 Commercial
- 10 Institutional

- 11 Business Centre District
- 12 Park and Public Use



PLANNING & BUILDING DEPARTMENT

Lake City Business Centre

Mailing Address:
P. O. Box 4000
Vancouver, BC
Canada V6B 3Z5

August 23, 2016

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

Attention: Planning Department

Re: Rezoning Application – 2821 Production Way, Burnaby, BC

Dear Sirs:

H.Y. Louie Co. Limited is the owner and user of the above referenced property. Originally constructed in the 1970's the warehouse has proudly been at the heart of H.Y. Louie's wholesale and retail grocery business. As well, the office building has served steadfast as the company's head office. The property is currently zoned M3 meeting the needs of our current business.

As we continue to evolve our business it has become apparent to us that the current zoning may not be aligned with our anticipated business needs. As we move towards a more retail focused business our need for warehousing and distribution are being reduced. However, the requirement for an office remains in order for us to continue to support our retail partners. As we refine our future needs, it is anticipated that we will continue to occupy the offices at 2821 Production Way for a period of time. It is our understanding that the M3 zone prohibits office use as a principal use on the property.

Our agent, Hathstauwk Holdings Ltd., is submitting this rezoning application on our behalf in order to provide flexibility surrounding the office component of the property by allowing office use as a permitted use rather than an ancillary use. At the same time, we wish to respect and retain certain long term uses on the property. Accordingly, the rezoning application proposes a change in zoning from M3 to B1-M2/M5.

Our plans do not include the demolition, expansion or redevelopment of the buildings or land at this time.

Sincerely,

H.Y. Louie Co. Limited



Gary Sorenson
Chief Operating Officer

Hathstauwk Holdings Ltd.



Ray Bourbonnais
Director.