
TO: CITY MANAGER **DATE:** 2019 February 06

FROM: DIRECTOR PLANNING AND BUILDING **FILE:** 71130 20
Reference: ETC Subarea 2

**SUBJECT: KINGSWAY AND EDMONDS – COMPREHENSIVE REDEVELOPMENT
AND PARTNERSHIP WITH BC HOUSING
7252, 7264, 7282 Kingsway and 7255 Edmonds Street**

PURPOSE: To provide information on the Request for Expression of Interest (RFEOI) developed in partnership with BC Housing, in the comprehensive redevelopment of four publically owned sites at the southwest corner of the Kingsway and Edmonds intersection in the Edmonds Town Centre, as generally outlined in this report.

RECOMMENDATION:

1. **THAT** this report be received for information.

REPORT**1.0 BACKGROUND**

The southwest corner of the Kingsway and Edmonds intersection includes four publicly owned properties (the “**Lands**”) that are identified for high density development in accordance with the Council-adopted Edmonds Town Centre Plan (see Sketches #1 and #2 *attached*). The City-owned 7252 Kingsway (the “**Former Library Site**”) previously housed the Kingsway Branch Library, while 7282 Kingsway (the “**Former Community Centre Site**”) and 7255 Edmonds Street (the “**Parking Lot Site**”) accommodated the Edmonds 55+ Community Centre and associated surface parking. The property at 7264 Kingsway (the “**Hall Towers Site**”), which is owned by the Provincial Rental Housing Corporation, accommodates the Hall Towers; two older mid-rise buildings containing 331 non-market housing units that are operated by BC Housing.

In 2013, the City initiated a rezoning application (Rezoning Reference #13-16) to establish development guidelines and preliminary servicing requirements for the Former Library Site, with the intention of subsequently selling the site by public tender for development. Shortly thereafter, it came to the City’s attention that an aging Metro Vancouver water main that crosses the site within a statutory right-of-way requires upgrading. The pending review of the water main upgrade provided the City an opportunity to review the redevelopment potential of its properties more broadly.

A comprehensive redevelopment and partnership opportunity with BC Housing was identified – an opportunity that maximizes the redevelopment potential of both parties’ properties, while aligning with the objectives of the Edmonds Town Centre Plan, and BC Housing Programs.

In 2018 January, the City and BC Housing entered into a Memorandum of Understanding (MOU) that sets out the preliminary development guidelines for the Lands and establishes the basis of understanding between the two parties in facilitating the sale, subdivision, and comprehensive redevelopment of the subject properties to support non-market and market housing, supporting amenities, and commercial uses.

Building on the objectives and development guidelines outlined in the MOU, City staff in partnership with BC Housing, have developed a RFEOI in order to generate and evaluate interest in the comprehensive redevelopment of the subject properties, and to facilitate input from the development community on the proposal. The RFEOI process will also enable Council and BC Housing to select a development partner through a discretionary selection process to help realize the comprehensive redevelopment opportunity.

This report provides an overview of the comprehensive redevelopment program, and outlines the RFEOI process and next steps.

2.0 POLICY FRAMEWORK

The advancement of the proposed redevelopment project aligns with the following goals and sub-goals of the Corporate Strategic Plan:

- **A Connected Community**
 - Partnership – Work collaboratively with businesses, educational institutions, associations, other communities and governments
 - Geographic Connection – Ensure that people can move easily through all areas of Burnaby, using any form of transportation
- **A Dynamic Community**
 - Economic Opportunity – Foster an environment that attracts new and supports existing jobs, businesses and industries
- **An Inclusive Community**
 - Create a Sense of Community – Provide opportunities that encourage and welcome all community members and create a sense of belonging
- **A Healthy Community**
 - Healthy Life – Encourage opportunities for healthy living and well being
 - Healthy Environment – Enhance our environmental health, resilience and sustainability

3.0 PROPOSED COMPREHENSIVE REDEVELOPMENT PROGRAM

As outlined to Council previously, the objectives of the comprehensive redevelopment program are as follows:

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- replacement of 331 ageing non-market dwelling units on the Lands for BC Housing;
- reconfiguration of the Lands to maximize opportunities for new high-density mixed-use development of non-market housing, market housing, commercial space, community services, and public amenities;
- improved road connections between Edmonds Street and Kingsway;
- improved pedestrian and bike connections between the Highland Park Line Trail and the Kingsway-Edmonds intersection; and,
- a new terminus plaza for the Highland Park Line Trail.

The proposed comprehensive redevelopment program, as outlined in the RFEOI, involves minor amendments to the Edmonds Town Centre Plan designations for the Lands; a change in the configuration and ownership of three of the four lots; construction of a new road connecting to 16th Street; replacement of the existing non-market housing units in the Hall Towers; and construction of new non-market and market housing units, as well as supporting amenities and commercial units. A conceptual lot layout and building program is shown in Sketch #3 (*attached*), and detailed further in the sections below. It is noted that the final lot configuration and building program for the Lands will be refined through the RFEOI and a subsequent master planning process.

3.1 Proposed Plan Designation for the Lands

The Former Library Site, Hall Towers Site, and Former Community Centre Site are designated within the Edmonds Town Centre Plan for high-density multi-family residential development, using the CD District (based on RM5s District guidelines) (see Sketch #2 *attached*). This district permits a maximum development density of 5.0 FAR, inclusive of a 1.6 FAR density bonus. Given the surrounding development context – primarily mixed-use development with commercial podiums and residential uses above – an amendment to the Edmonds Town Centre Plan is proposed to allow for high-density mixed-use on the three sites using the CD District (based on RM5s and C3 District guidelines). These guideline districts are the same as those applicable to other mixed-use sites fronting Kingsway to the west, north, and northeast. With respect to commercial floor area, the proposed C3 land use designation permits a maximum density of 6.0 FAR, though it is noted that the commercial density typically achieved in the area has been lower than 6.0 FAR; accommodating primarily street fronting retail and above grade office uses.

No plan change is proposed for the Parking Lot Site, which would remain designated for park and public use in order to support future open space and plaza development and enhancements. However, it is proposed that the investment of City funds in the acquisition of the property from BC Hydro in 1986, be recaptured by attributing RM5s multi-family residential density to the site and transferring the density and related development opportunity to a suitable, adjacent development site related to the City's land holdings.

3.2 Potential Lot Configuration, Ownership and Uses

3.2.1 Lot 1: Non-Market Housing Site (Proposed Owner: BC Housing through the Provincial Rental Housing Corporation (PRHC))

The Former Library Site is proposed to be sold to BC Housing and slightly expanded to form a new Lot 1, suitable for mixed-use development utilizing the CD District (based on RM5s and C3 District guidelines). This new Lot 1 would be owned by BC Housing to facilitate replacement non-market housing units atop a commercial podium. To allow for the replacement of the 331 existing units, it is proposed that the City contribute the 1.6 FAR density bonus to the site, with any surplus gross floor area to be used towards additional family oriented low to moderate-income housing units on the site. The value of this amenity bonus contribution to non-market housing and the number of additional units achieved would be detailed in a future report to Council.

As a condition of the City's amenity bonus contribution, and to help support the residents of the non-market housing, BC Housing would be required to provide amenities and services within the residential building and/or commercial podium, such as recreation facilities, community meeting space, and offices for supporting services. Commercial space that is surplus to BC Housing's needs could be sold or leased for additional revenue to offset capital costs of construction or to supplement operating costs. Existing tenants at Hall Towers will be given first right of refusal for the replacement units constructed on Lot 1, with priority for the remaining units given to Burnaby residents.

3.2.2 Lot 2: Middle-Income Housing or Private Development Site (Proposed Owner: BC Housing through the PRHC or Private Developer)

Once all replacement non-market housing units are constructed on Lot 1, and existing tenants are relocated, the existing Hall Towers can be demolished. The southwestern portion of the Lands would form a new Lot 2 that is suitable for high-density residential development utilizing the CD District (based on RM5s District guidelines). Lot 2 is also considered an appropriate recipient site for RM5s density that is associated with the area that is proposed for use as a new access road (see Section 3.2.5). Lot 2 is proposed to be retained by BC Housing for development of new middle-income housing through the recently established HousingHub program, with priority for the new middle-income units given to Burnaby residents. However, it is noted that Lot 2 would also be a suitable site for market multiple-family housing, should BC Housing opt not to retain Lot 2. The likely form of development for Lot 2 would be a single residential tower atop a townhouse podium.

3.2.3 Lot 3: Private Development Site (Proposed Owner: Private Developer)

The eastern portion of the Hall Towers Site would be consolidated with the Former Community Centre Site to form a new Lot 3 that can accommodate mixed-use development utilizing the CD District (based on RM5s and C3 District guidelines).

As noted in Section 3.1, it is proposed that the earlier City investment in the acquisition of the Parking Lot Site be recaptured by assigning residential density to the site. This development density would be transferred to Lot 3, which would allow the entire Parking Lot Site to be used for open space and plaza purposes (see Section 3.2.4). Lot 3, including the density transferred from the Parking Lot Site, would be sold for private development of two residential towers atop commercial and residential podiums.

3.2.4 Parking Lot Site

With development potential associated with this site transferred to Lot 3, this site would be fully available for use as public open space. The developer of Lot 3 would be required to enhance public use of this site through landscape and public realm improvements, including re-greening existing surface parking areas, providing a better connection between the Highland Park Line Trail and the Kingsway-Edmonds intersection, and creating a terminus plaza for the trail. Existing BC Hydro infrastructure would remain in place. No change to lot configuration would be required, and ownership would remain with the City.

3.2.5 New Road

A new road would be created through the Hall Towers Site and over a small portion of BC Hydro property containing the Highland Park Line to provide access to the newly created lots. This 16th Street extension would also provide greater connectivity between the primary commercial area in the Edmonds Town Centre and the neighbourhoods to the south, including the Southgate master planned community. As noted in Section 3.2.2, the RM5s density potential associated with the new road area would be transferred to an appropriate recipient lot. BC Housing will take the lead in facilitating discussions with BC Hydro to achieve public access over this property.

3.2.6 Metro Vancouver Water Main

The Metro Vancouver water main, which currently runs along Hall Avenue and connects to Edmonds Street by means of a statutory right-of-way on the Former Library Site and the Hall Towers Site, may require relocation prior to redevelopment commencing. Coordination with Metro Vancouver on an appropriate alignment is ongoing.

3.2.7 Summary: Resultant Land Ownership and Development Rights

The table below summarizes the resultant land ownership and development rights^A, including density transfers, of the conceptual redevelopment program described above:

^A References to gross floor area are subject to legal survey, and will be finalized through a master rezoning process.

Property	Proposed Owner	Development Potential			
		Maximum Residential (Based on RM5s)			Maximum Commercial (Based on C3)
		Base GFA (sq.ft.)	Bonus GFA (sq.ft.)	Total GFA (sq.ft.)	GFA (sq.ft.)
Lot 1: Replacement Non-Market Housing Site	Province	150,800	70,965	221,765	266,118
Lot 2: New Non-Market or Market Housing Site (TBD)	Province or Private	191,097	89,928	281,025	-
Lot 3: Private Development Site	Private	324,595	152,750	477,345	313,440
Parking Lot Site	City	-	-	-	-
TOTAL:		666,492	313,643	980,135	96,593

3.3 Phasing

The general phasing of the project would be as follows: (1) construction of replacement non-market housing units, on-site amenities and services, and commercial space on Lot 1 for BC Housing; (2) relocation of existing Hall Towers tenants to the new building; (3) demolition of the Hall Towers; (4) construction of residential units on Lot 2, and construction of residential units and commercial space on Lot 3.

3.4 Master Plan Rezoning and Land Sales

A master plan rezoning application will be required to establish the overall comprehensive redevelopment program for the Lands. The master rezoning will establish zoning and permitted uses; lot configuration and size; density; general building form, massing, character, and program; and general open space and public realm design. A master transportation plan, master engineering servicing plan, and master storm and ground water management plan will also be required as part of the master rezoning process. Separate CD Comprehensive Development rezoning applications for site specific development will also be required, and may be pursued concurrent with the master rezoning application; however, the master rezoning must be adopted by Council prior to the final adoption of any site specific rezoning.

The sale of the subject City lands would occur concurrent with Final Adoption of the site specific rezoning applications for each respective site.

4.0 RFEOI PROCESS AND NEXT STEPS

The RFEOI process provides an opportunity for the development community to offer feedback on the proposal and to help define the spatial and technical requirements of the program, prior to the City and BC Housing selecting a successful development partner through a discretionary selection process. It should be noted that issuance of an RFEOI does not imply any binding commitment by any party to follow through with the discretionary selection process, or carry forward the conceptual redevelopment program as outlined above.

4.1 RFEOI Process and Schedule

A preliminary schedule for the RFEOI process and selection of a development partner is tentatively scheduled as follows:

	Milestone	Target Dates
Step 1	Develop RFEOI package	2018 February - December
Step 2	Joint Press Release with BC Housing	2019 January
Step 3	Post RFEOI	2019 January
Step 4	Closing date of RFEOI	2019 March 28
Step 5	Evaluation and shortlisting of respondents	2019 April - May
Step 6	Council and BC Housing approval of development partner	2019 June

It is noted that depending on the complexity and number of submissions received, the projected timeline for selection of a development partner may be extended. The RFEOI is issued electronically through the City of Burnaby website, where any interested party may download the RFEOI documents directly.

4.2 Eligibility Criteria

In order to ensure that the comprehensive redevelopment program can be effectively delivered by respondents, participation in the RFEOI is subject to eligibility criteria. The following criteria would provide the basis for initial screening of all RFEOI submissions:

- **Financing:** respondents must demonstrate strong financial capability by providing audited annual financial reports or audited financial statements for the three most recent fiscal years prepared by a Chartered Professional Accountant.
- **Experience:** respondents must have experience in high-density mixed-use development in Metro Vancouver, with a preference given to those with non-market housing development experience, as demonstrated by examples of projects completed within the last five years in Metro Vancouver.

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4.3 Discretionary Selection Process and Next Steps

Respondents to the RFEOI are requested to provide a submission for review and evaluation by the City and BC Housing. Respondents will be shortlisted in priority order based on the strength of their submission, and as necessary, the City and BC Housing may conduct interviews with the respondents to clarify components of the submissions. As part of the evaluation and shortlisting process, the City and BC Housing reserve the right to negotiate directly with a preferred respondent as Council and BC Housing considers desirable.

Following the evaluation and shortlisting of submissions, a future report will be advanced to Council with a summary of the submissions and a proposal for selection of a development partner. This future report will also provide details of land sales and any updates to the comprehensive redevelopment program.

5.0 CONCLUSION AND RECOMMENDATIONS

An opportunity has been identified for the City and BC Housing to work collaboratively with a development partner to create new non-market and market housing, commercial space, community services, and public amenities at the Kingsway-Edmonds intersection – the primary node of development in the Edmonds Town Centre.

In 2018 January, the City and BC Housing entered into a Memorandum of Understanding (MOU) that sets out the development guidelines for the four City and Provincially owned properties, and establishes the basis of understanding between the two parties in facilitating the sale, reconfiguration, and comprehensive redevelopment of the Lands.

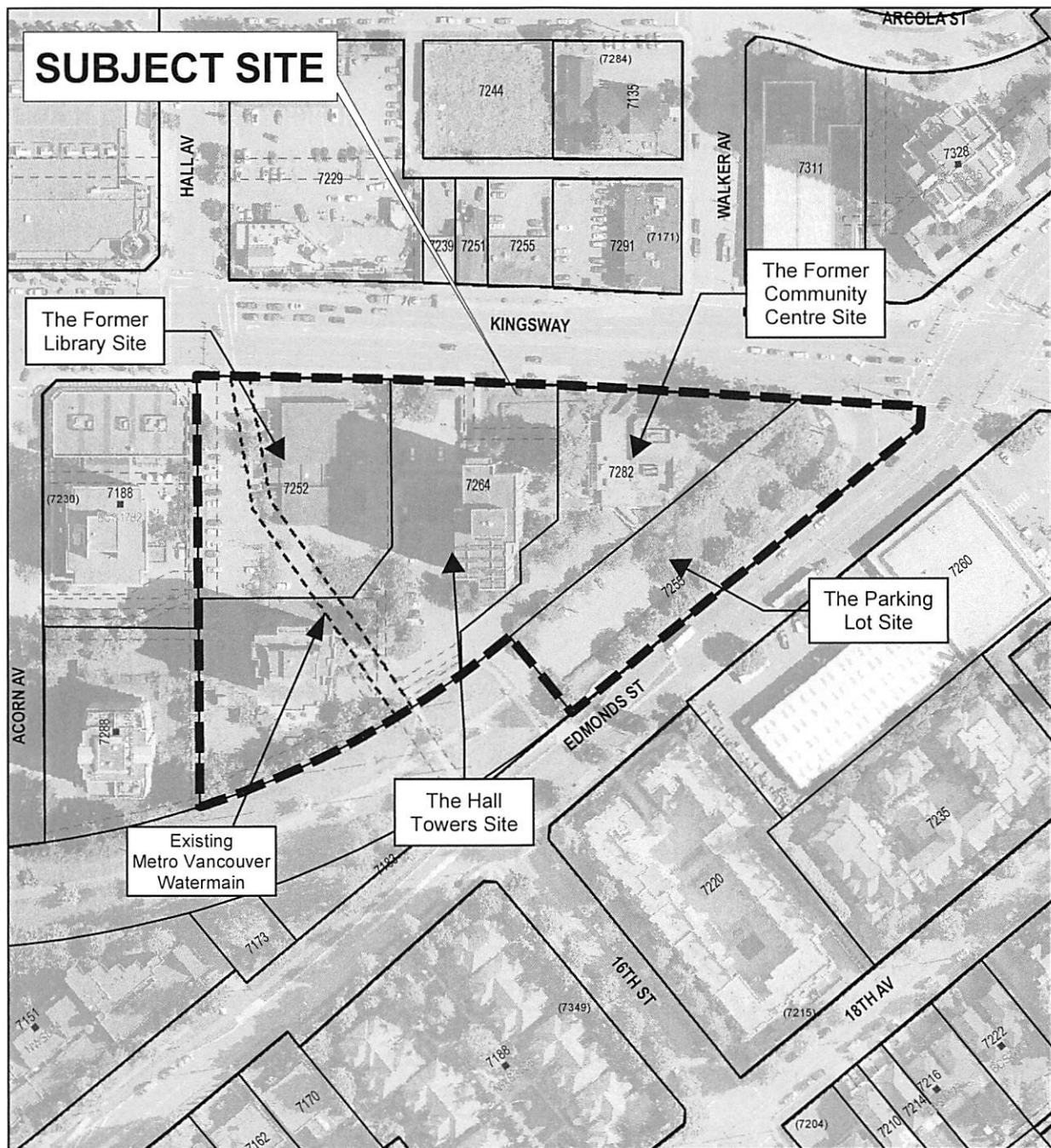
This informational report provides information on the Request for Expression of Interest (RFEOI), developed in partnership with BC Housing, in the comprehensive redevelopment of four publically owned sites at the southwest corner of the Kingsway and Edmonds intersection in the Edmonds Town Centre.


Lou Pelletier, Director
PLANNING AND BUILDING

MN:tn

Attachments

cc: Director Corporate Services	Director Engineering
Director Parks, Recreation and Cultural Services	Director Finance
Director Public Safety and Community Services	City Solicitor
City Clerk	



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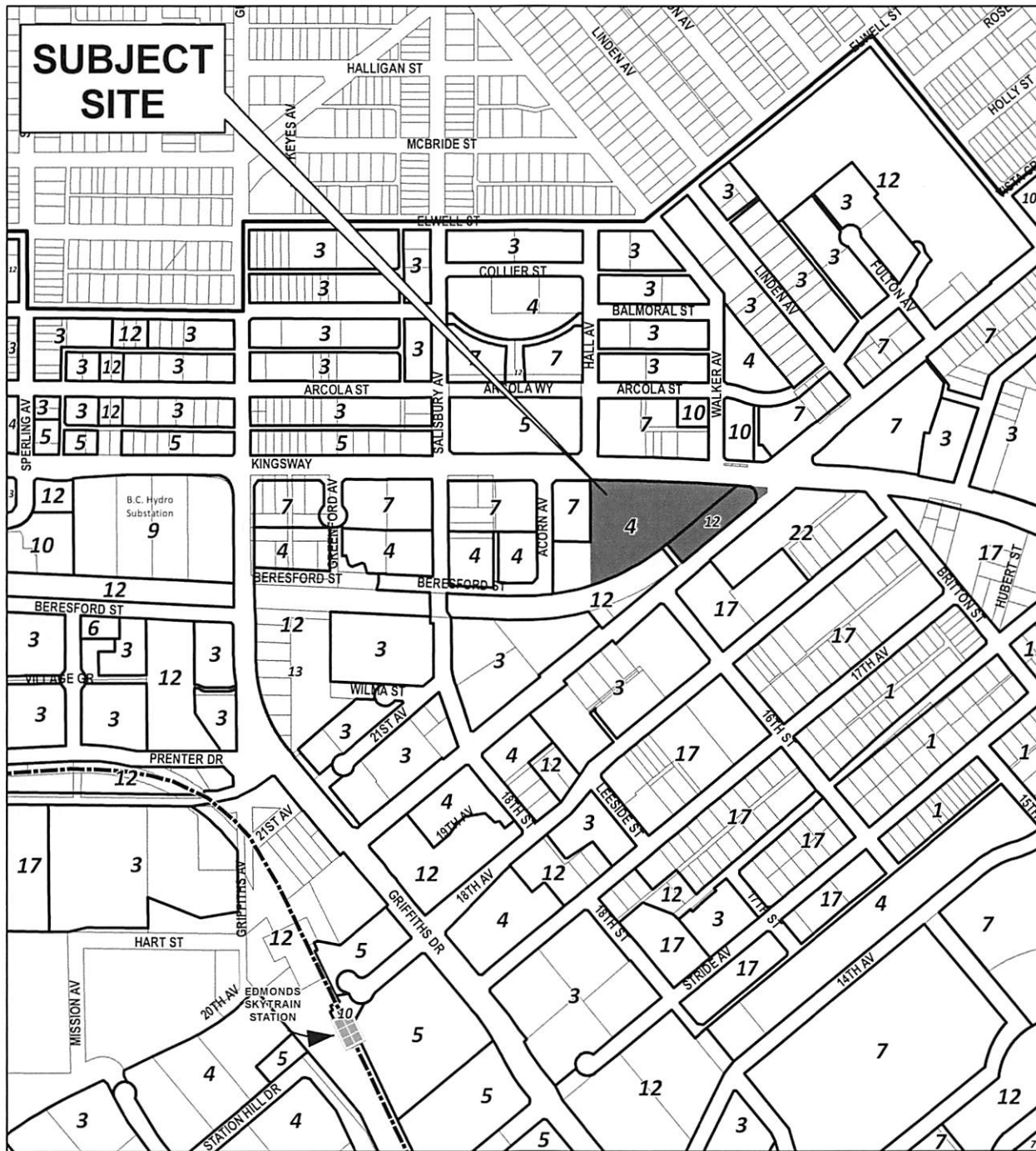
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KINGSWAY AND EDMONDS:
EXISTING

 Subject Site

Sketch #1



- 1 Single and Two Family Residential
- 3 Medium Density Multiple Family Residential
- 4 High Density Multiple Family Residential
- 5 Commercial
- 6 Medium Density Mixed Use
- 7 High Density Mixed Use

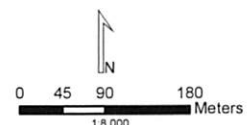
- 9 Industrial
- 10 Institutional
- 12 Park and Public Use/Public School
- 17 Low or Medium Density Multiple Family Residential (Ground Oriented)
- 22 Low/Medium Density Mixed Use

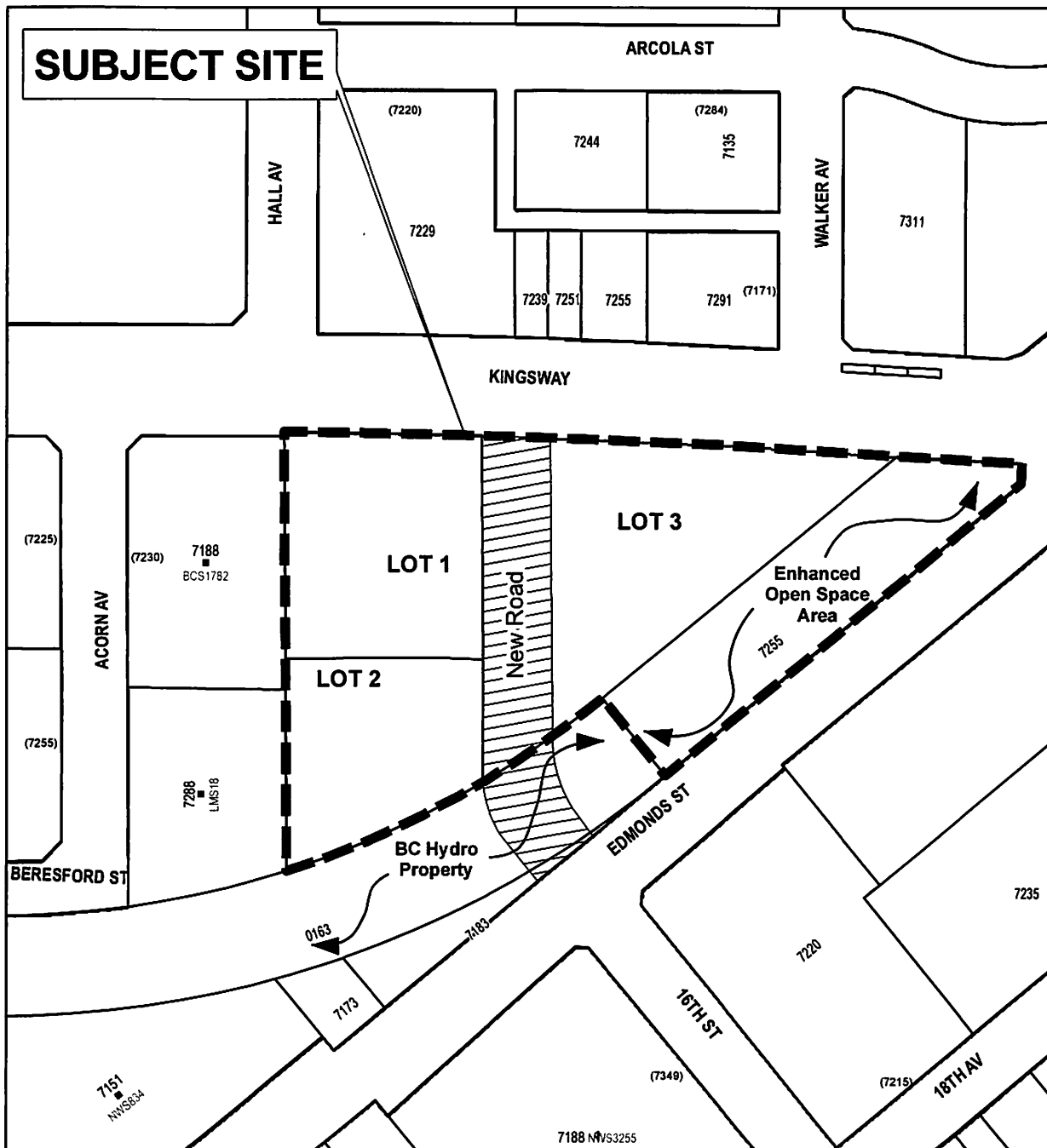
Edmonds Town Centre Plan Development Guidelines



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Note: Composite Sketch Subject to Change





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**KINGSWAY AND EDMONDS COMPREHENSIVE REDEVELOPMENT:
CONCEPTUAL LOT LAYOUT**

Sketch #3