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**TO:** CITY MANAGER **DATE:** 2019 April 24

**FROM:** DIRECTOR PLANNING AND BUILDING **FILE:** 49500 20  
*Reference:* Rez #17-07

**SUBJECT:** REZONING REFERENCE #17-07  
PORTION OF 7201 11<sup>TH</sup> AVENUE  
Edmonds Town Centre Plan | Southgate Master Plan  
Revised Development Proposal for Below-Market Rental Building

**PURPOSE:** To inform Council of a revised development proposal for Rezoning Reference #17-07.

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**RECOMMENDATION:**

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

**REPORT****1.0 INTRODUCTION**

The subject site is located in the Gateway neighbourhood within the Southgate Master Plan area. On 2017 April 03, Council received the report of the Planning and Building Department regarding the subject rezoning application and authorized the department to continue to work with the applicant in the preparation of a suitable plan of development, with the understanding that a further and more detailed report would be submitted at a later date. The applicant initially proposed a market strata development comprised of a six-storey residential building on the northern portion of the site and a 42 storey residential tower and six storey podium on the southern portion of the site. The applicant now wishes to amend the rezoning proposal to permit development of the northern portion of the site only (see *attached* Sketches #1, #2 and #3). A low-rise, below-market rental building, developed in partnership with the HousingHub at BC Housing on a subdivided site, is envisioned. The southern portion of the site, which is still envisioned to support a market strata high rise tower and low rise podium, would be brought forward to Council under a separate rezoning application at a future time. This report seeks Council approval to continue working with the applicant on this revised basis.

**2.0 POLICY FRAMEWORK**

The revised rezoning proposal aligns with the following goals and sub-goals of the Corporate Strategic Plan:

- **A Connected Community**
  - Social Connection – Enhance social connections throughout Burnaby
- **A Dynamic Community**
  - Economic Opportunity – Foster an environment that attracts new and supports existing jobs, businesses and industries
  - Community Development – Manage change by balancing economic development with environmental protection and maintaining a sense of belonging
- **An Inclusive Community**
  - Serve a diverse community – Ensure City services fully meet the needs of our dynamic community
  - Create a sense of community – Provide opportunities that encourage and welcome all community members and create a sense of belonging

### **3.0 REVISED PROPOSAL FOR BELOW-MARKET RENTAL BUILDING**

The revised development site is irregular in shape and has an area of 4,255 m<sup>2</sup> (45,800 sq.ft.). The site is currently occupied by an industrial warehouse building and related surface parking and loading facilities. Existing adjacent uses within the Southgate Master Plan area include a dairy plant to the north and two large industrial warehouse buildings and several accessory buildings/structures to the west, east, and south, all of which are planned to be redeveloped in the future. Vehicular access to the overall master plan site is currently available from 18<sup>th</sup> Street and 11<sup>th</sup> Avenue. The revised development site is proposed to support a low-rise below-market rental building, developed in partnership with the HousingHub at BC Housing.

The HousingHub was established by the Provincial government in 2018 with a goal to purposefully seek partnerships with private sector stakeholders with land and to work with all levels of government to achieve new affordable rental housing for middle income households. With these partnerships, BC Housing intends to share its extensive knowledge in the development and construction industry and provide low-cost financing. In return, BC Housing would require a restrictive covenant and/or a Housing Agreement registered on title for 10 years to ensure rental rates are below current market rental rates and fit the middle income bracket. Rents are targeted to be approximately five percent below market rental rates for comparable units in the Edmonds area. To qualify to rent a unit within the proposed development, residents would need to meet the middle income limits established by BC Housing for gross household income<sup>1</sup> for a corresponding unit size. Upon expiry of the Housing Agreement, provisions of the Residential Tenancy Act will apply to all tenancies, and market rental rates may be applied to any new tenancies.

The Southgate Master Plan specifies 64,661 m<sup>2</sup> (588,365 sq.ft.) (0.26 FAR based on the overall Southgate site) for alternative housing. The applicant intends to utilize approximately 6,543.2 m<sup>2</sup> (70,430 sq.ft.) of this amount for the proposed rental building, which is envisioned to be in a low-rise form and contain 100 units. Development density based on the net site is 1.54 FAR.

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<sup>1</sup> For 2019, the middle income limit is \$112,410 for residential units with less than two bedrooms and \$155,510 for residential units with two or more bedrooms.

To: City Manager  
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Re: REZONING REFERENCE #17-07  
Revised Development Proposal for Below-Market Rental Building  
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The proposed rental building qualifies as alternative housing under the adopted Master Plan, is in accordance with the density allocation covenant registered for the overall Southgate site, and is in line with current City objectives for achieving new, affordable rental stock in the city. This would be the second project to utilize the alternative density provisions available for the Southgate Master Plan area.

As noted above, below market rental rates will be guaranteed through a restrictive covenant and/or Housing Agreement for 10 years. To ensure that the site is restricted to rental dwelling use in perpetuity, the subject rezoning application will utilize the RM4'r District, which permits rental dwelling units only; strata-titling units for individual sale would not be permitted.

In order to advance this proposal immediately, it is proposed that Rezoning Reference #17-07 proceed on this revised basis, including a reduction in development site area. The balance of the original site (which would still support a market strata 42 storey tower with a low rise podium, in accordance with the Southgate Master Plan) would be brought forward to Council under a separate rezoning application at a future time.

#### **4.0 CONCLUSION AND RECOMMENDATION**

The revised rezoning proposal would deliver 100 rental units at below market rates for a minimum of 10 years, in a form and with a proposed density that is supported by the Southgate Master Plan. The balance of the original rezoning site would be developed in accordance with the Master Plan under a separate rezoning application at a future time. It is therefore recommended that the Planning and Building Department be authorized to continue to work with the applicant towards the preparation of a plan of development suitable for presentation to a Public Hearing, on a revised basis as described in this report, on the understanding that a more detailed report will be submitted at a later date.

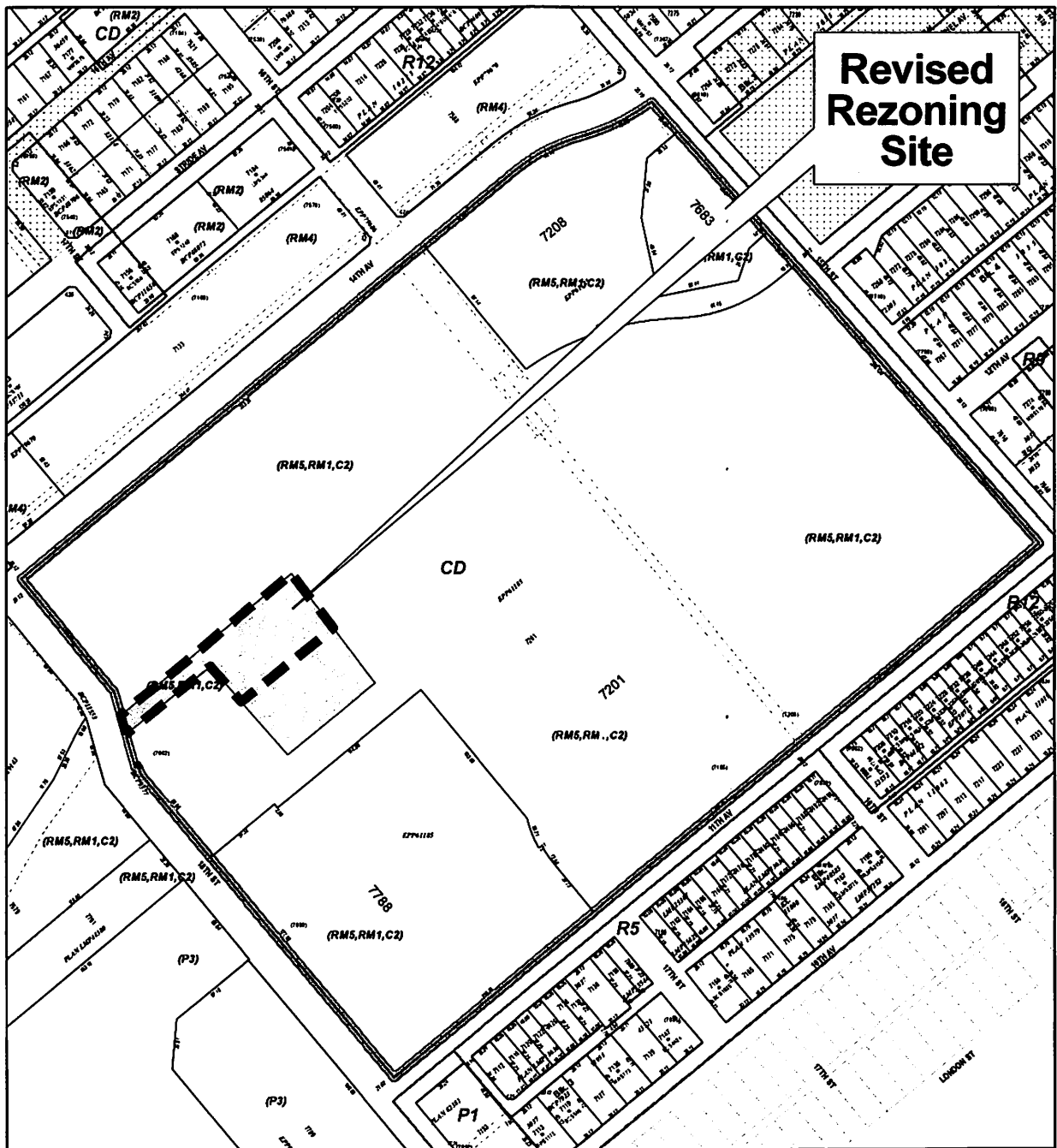


E. W. Kozak, Director  
PLANNING AND BUILDING

DR/KH:

#### ***Attachments***

cc: City Solicitor  
City Clerk



PLANNING & BUILDING DEPARTMENT



DATE:

APR 16 2019

SCALE:

1:4,000

DRAWN BY:

AY

**REZONING REFERENCE #17-07  
7201 11TH AVENUE**



Revised Rezoning Site

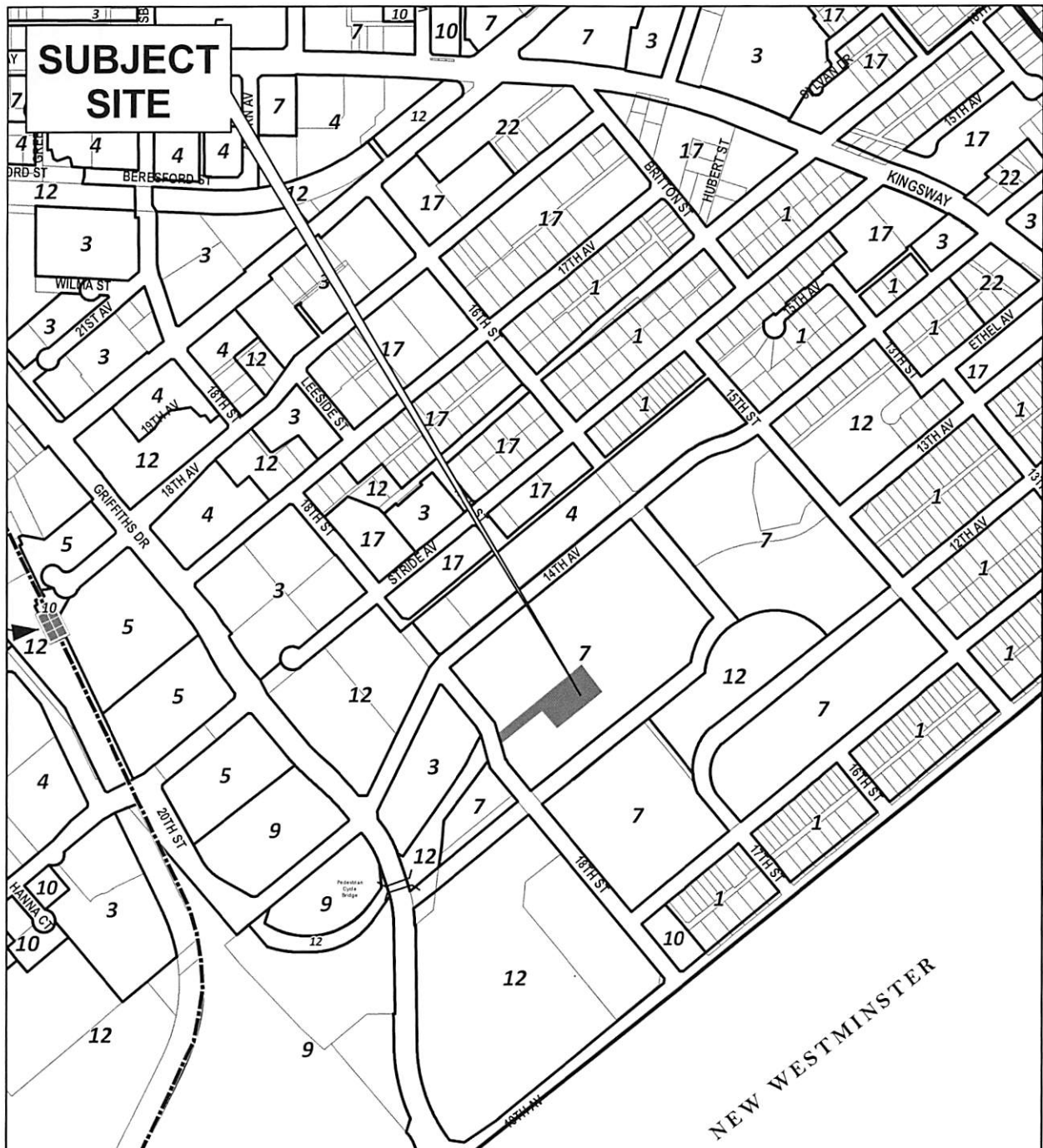


Original Rezoning Site



Overall Southgate  
Master Plan Site

**Sketch #1**



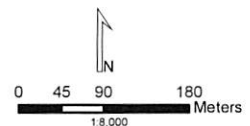
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|--|--|
| 1 Single and Two Family Residential          | 9 Industrial   |
| 3 Medium Density Multiple Family Residential | 10 Institutional   |
| 4 High Density Multiple Family Residential   | 12 Park and Public Use/Public School                                   |
| 5 Commercial                                 | 17 Low or Medium Density Multiple Family Residential (Ground Oriented) |
| 6 Medium Density Mixed Use                   | 22 Low/Medium Density Mixed Use  |
| 7 High Density Mixed Use                     |  |

## Edmonds Town Centre Plan Development Guidelines

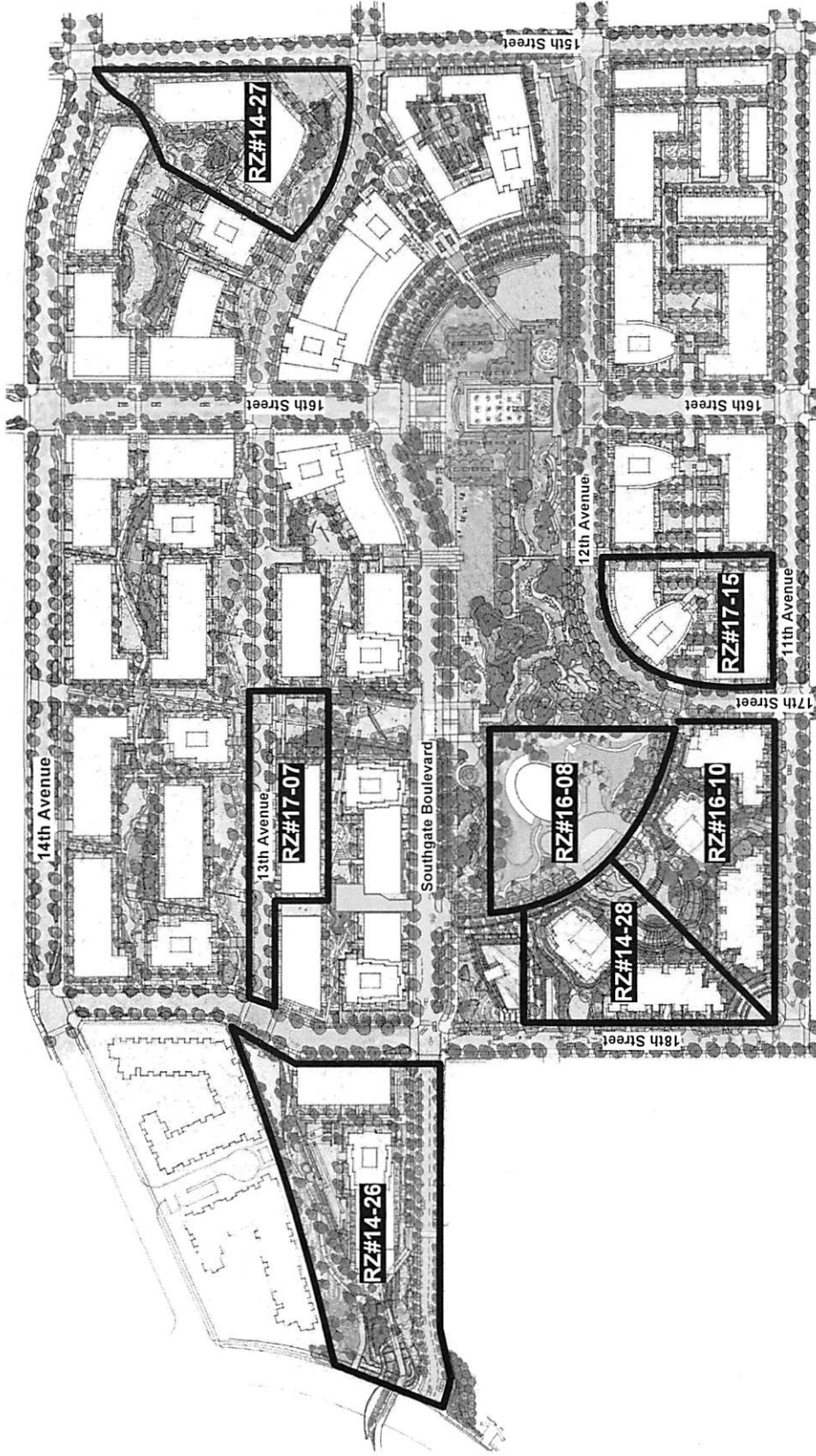


PLANNING & BUILDING DEPARTMENT

Note: Composite Sketch Subject to Change







SKETCH 3

## Southgate Master Plan Rezoning

City of  
Burnaby  
PLANNING & BUILDING DEPT.  
2019 04 17