



Item.....
Meeting..... 2020 July 27

COUNCIL REPORT

TO: CITY MANAGER 2020 July 22

FROM: DIRECTOR PLANNING AND BUILDING

SUBJECT: REZONING REFERENCE #16-39
Development Guidelines for Rental Townhousing
Edmonds Town Centre Plan

ADDRESS: 7532, 7544, 7556, 7568 and 7580 Bevan Street, 6199 Marine Drive, 6335, 6375, 6423, 6453 and 6489 Fifteen Avenue and portions of 7514 Bevan Street, 6370, 6380, 6428, 6448 and 6488 Stride Avenue, and 6229 and 6253 Marine Drive (see *attached* Sketches #1 and #2)

LEGAL: See *attached* Schedule A

FROM: R5 Residential District

TO: CD Comprehensive Development District (based on RM2r Multi-Family Residential District and Edmonds Town Centre Plan as guidelines and in accordance with the development guidelines provided in Appendix A *attached*)

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

PURPOSE: To seek Council authorization to forward this application to a Public Hearing on 2020 August 25.

RECOMMENDATIONS:

1. **THAT** Council approve in principle City acquisition of the three properties at 7544, 7556 and 7580 Bevan Street, as described in Section 5.1 of this report.
2. **THAT** Council approve in principle the execution of a 99 year leasehold interest of the subject site to Mosaic Homes, as described in Section 5.1 of this report.
3. **THAT** a Rezoning Bylaw be prepared and advanced to First Reading on 2020 July 27 and to a Public Hearing on 2020 August 25 at 5:00 pm.

4. **THAT** the following be established as prerequisites to the completion of the rezoning:
- a) The submission of development guidelines.
 - b) The granting of a Section 219 Covenant (No Build) in accordance with section 6.3 of this report.

R E P O R T

1.0 REZONING PURPOSE

The purpose of the proposed rezoning bylaw amendment is to establish development guidelines for the future development of rental townhouses on the subject site, as part of a broader City initiative to develop non-market housing on various City-owned sites in Burnaby.

2.0 POLICY CONTEXT

The *Mayor's Task Force on Community Housing Final Report*, unanimously adopted by Council on 2019 July 29, specifically calls on the City to "pursue partnerships that leverage the contributions of the City, BC Housing, non-profit societies, and private developers to provide more non-market and below-market rental housing". As well, the *Final Report* broadly recommends investment in housing partnerships, and increasing the supply of affordable rental housing.

There are several other City policies that support the provision of affordable housing, particularly in partnership with senior levels of government:

- Burnaby's *Official Community Plan* (1997) contains goals within its residential and social policy frameworks to help ensure that the needs of people with special and affordable housing requirements are met. This could be achieved by seeking new methods, regulations, and partnerships to encourage the development and protection of affordable and special needs housing in the City.
- The *Burnaby Economic Development Strategy* (2007) sets a goal of building a strong, liveable, and healthy community, which includes developing a diverse and affordable housing stock which is appropriate to residents' needs.
- The *Burnaby Social Sustainability Strategy* (2011) contains several actions in the area of affordable and suitable housing, including looking for opportunities to work with senior levels of government to facilitate the development of housing that is supportive of, suitable, and affordable to specific target groups, such as low and moderate income households, and those experiencing mental illness, addictions, family violence, homelessness, and other challenges.

- The adopted Council reports entitled “Affordable Housing and Homelessness – A Response to Issues and Proposals” (2007) and the “Burnaby Housing Profile – 2016” (further updated in 2017) identify the opportunity for the City to facilitate the delivery of affordable housing, in part, by cooperating with senior government.

A partnership approach to develop affordable housing in Burnaby is further supported by 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.
- Social Connection - Enhance social connections throughout Burnaby.

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.
- Community involvement - Encourage residents and businesses to give back to and invest in the community.

A Dynamic Community

- Community development - Manage change by balancing economic development with environmental protection and maintaining a sense of belonging.

3.0 SITE AND COMMUNITY PLAN CONTEXT

- 3.1 The subject site measures approximately 4.24 hectares (10.48 acres) and is located within Sub-Area 3 of the Edmonds Town Centre Plan, at the southeast corner of Southridge Drive and Byrnespark Drive. The subject site, together with a smaller site to the northwest measuring approximately 0.80 hectares (1.98 acres), forms a large development site commonly referred to as the “Bevan Lands”. The overall site slopes significantly from the northeast to the southwest. Seventeen of the total twenty properties forming the Bevan Lands are owned by the City, with the remaining three properties being owned by Mosaic Homes (“Mosaic Homes”). The overall Bevan Lands site is designated for multiple-family development using the RM3 Multiple Family Residential District (see **attached** Sketches #1 and 2), and is considered a key site for plan implementation in the southwest portion of the Edmonds Town Centre.
- 3.2 The subject rezoning application includes nineteen of the twenty properties. The twentieth property, to the north at 6365 Stride Avenue, is being advanced separately under Rezoning Reference #19-59, which has recently achieved Third Reading.

- 3.3 On the subject site seven of the nineteen properties are improved with older single-family dwellings, including two owned by Mosaic Homes. The remaining properties are heavily wooded and undeveloped. To the west of the overall Bevan Lands site are City-owned and privately held properties designated for single-family development or a future area rezoning. To the east is Fourteenth Avenue Ravine Park. To the north, across Southridge Drive, are two City-owned lots that are designated for multiple-family residential development and currently being rezoned. To the south, across Marine Drive, are single family dwellings in the Big Bend Development Plan area, with agricultural properties beyond.

4.0 BACKGROUND

- 4.1 Given the split ownership structure of the overall Bevan Lands, staff have been working with Mosaic Homes over the past 15 years to determine a suitable development concept. In 2005, a City-initiated rezoning application, Rezoning Reference #05-62, proposed RM2 development guidelines for a five-lot subdivision with new access road. One of the lots would have been retained by Mosaic Homes with the remaining lots under City ownership for eventual sale by public tender. In 2006, Council approved an amendment to the rezoning application to utilize the RM3 District as a development guideline. In 2007, Rezoning Reference #07-03 was advanced as a site specific application for the development of the lot that was to be retained by Mosaic Homes. However, the proposal was ultimately withdrawn.

Further analysis of the site by staff and Mosaic Homes indicated that the site is best suited for a lower density form, primarily townhousing with parking at grade. In 2016, Mosaic Homes initiated a new rezoning application, the subject Rezoning Reference #16-39, to reflect this revised development direction. Further discussions later arose about the potential to include a non-market housing component on the lands, culminating in the inclusion of a portion of the lands in a broader initiative to develop non-market housing in Burnaby.

- 4.2 On 2019 October 07, Council received a staff report advancing a program to bring forward a number a number of City-owned sites for the development of non-market housing, in a partnership with senior levels of government. One of the identified sites was Site #6 (6365 Stride Avenue – Rezoning Reference #19-59), the smaller, flatter, northwest corner of the Bevan Lands. Site #6 is proposed to be retained under City ownership, developed with two low rise non-market apartment buildings with up to 108 units, and ultimately leased to a non-profit housing operator.

The report noted that due to the significant grades on the overall Bevan Lands, the resultant limited locations for vehicular access, and private ownership of three lots by Mosaic Homes, development of Site #6 relies on concurrent development of the balance

of the Bevan Lands to the southeast. The report authorized Mosaic Homes (or a designated alternative should the three privately owned lots transact to another developer) as the development partner for Site #6, on the proviso that site specific rezoning applications by Mosaic Homes for both Site #6 and the balance of the Bevan Lands (the subject site) be pursued concurrently.

With respect to the form of tenure on the subject site, the report identified up to 218 units of townhousing, potentially under an affordable home ownership program (AHOP) supported by BC Housing. It has ultimately been determined that, due to factors of ongoing affordability and the required disposition of City land, the subject site is best developed as affordable rental. Staff continue to seek opportunities for affordable home ownership elsewhere in the city.

- 4.3 A City-initiated prezoning application for Site #6, Rezoning Reference #19-59, is currently underway and will be advanced for Council consideration of Final Adoption later this summer. The rezoning will establish development guidelines for Site #6 and ultimately deliver detailed civil designs and estimates for the overall Bevan Lands. Together with Council's approval in principle to provide a financial contribution from the Community Benefit Bonus Affordable Housing Reserve towards capital development costs, the City is poised to be in a stronger position to obtain capital funding from BC Housing under its *Building BC: Community Housing Fund (CHF)* program and CMHC under its *National Housing Co-Investment Fund* to build the 108 non-market housing units targeted for that site. Further detailed information on Site #6, including a formal partnership agreement with Mosaic Homes to plan, design, and build Site #6 and turn over the completed buildings to a non-profit operating partner of the City's choice, will be advanced to Council as the project proceeds.
- 4.4 As aforementioned, successful delivery of non-market housing on Site #6 relies on concurrent advancement of the subject site. This rezoning application is therefore being advanced by the City in order to provide Mosaic Homes with clarity on the development potential and expectations for the subject site, as well as the assurance that the revised approach to land tenure and housing tenure is supported by the City.

5.0 REZONING PROPOSAL

- 5.1 The subject site is proposed to be rezoned to the CD Comprehensive Development District (based on the RM2r Multiple Family District) to establish guidelines that will support the future development of up to 216 two- and three-bedroom *rental* townhouses targeted to families. Fifty percent of the units are proposed to be rented at CMHC market median rents for Burnaby South, with the balance rented at market rents, in accordance with the Council Adopted Rental Use Zoning policy. This arrangement would be secured through a Housing Agreement Bylaw. The proposed rents would be accessible to households with midrange incomes (approximately \$56,000 to \$120,000 per year).

Mosaic Homes would seek financing support from BC Housing through its HousingHub program. The subject site is proposed to be leased to Mosaic Homes on a 99 year prepaid basis, with land value to be calculated on a residual land value basis. Mosaic Homes would contribute its three lots (7544, 7556, and 7580 Bevan Street) towards the development at the same prepaid rate (i.e. the City would assume ownership of the lots, which would form part of the leasehold parcel). The rental townhousing on the site would be developed and operated by Mosaic Homes.

5.2 Development of the overall Bevan Lands as described in this report, including the proposed approach for the subject site as articulated in section 4.1, would achieve the following:

- Up to 108 non-market apartment units on Site #6, with rents targeted to meet CHF program requirements, i.e. 20% of units at deep subsidy levels, 50% at rent geared to income, and 30% at affordable market rates;
- Up to 108 townhouse units on the subject site rented at CMHC market median for Burnaby South; and,
- Up to 108 townhouse units on the subject site rented at market rates.

5.3 Development guidelines for the subject site reflecting the revised approach are provided in Appendix A (*attached*), and the application is considered suitable to advance to a Public Hearing. It is emphasized that the subject rezoning application is not seeking approval for specific new development at this time. A future site specific rezoning application for a specific form of development that meets the established development guidelines will be required.

6.0 REZONING REQUIREMENTS

6.1 All necessary civil servicing design, third party utility design, and environmental and geotechnical investigation for the site will be provided by the City through its engineering consultant team in connection with Rezoning Reference #19-59 for Site #6.

6.2 Road closures, road dedications, and consolidation of a net development site will be completed by the City, prior to approval of a future site specific rezoning application.

6.3 The registration of a Section 219 No Build Covenant is required to ensure the following items are satisfied prior to construction commencing on the site. Items include, but are not limited to:

- a site specific rezoning application for a specific form of development, in line with established development guidelines.

- specific Council consideration and approval of the value of the prepaid lease;
- all offsite engineering, road, and civil works as determined necessary, Servicing Agreement, all bonding and payments associated with civil works;
- any necessary road closures and road dedications, and consolidation of a net development site;
- undergrounding of overhead wiring and provision of all third party utilities;
- site profile application to ensure compliance with Ministry of Environmental Protection and Sustainability requirements;
- stormwater and groundwater management, sediment control, solid waste and recycling, and loading plans;
- tree survey and arborist report, acoustical study, and green building strategy;
- all necessary legal agreements, including statutory rights-of-way, easements, covenants, lease agreements, and servicing construction contracts;
- housing Agreement Bylaw; and,
- payment of all applicable Development Cost Charges.

6.4 Further prerequisite conditions for site development may be determined as part of the future site specific rezoning application.

7.0 CONCLUSION

Over the past 15 years, the City and Mosaic Homes have studied the overall Bevan Lands to determine a suitable development concept. A development approach for the subject site that is technically possible, financially viable, and aligns with City goals and objectives with respect to its land holdings and housing affordability has been identified. The broader rental housing program that can be achieved on the overall Bevan Lands exceeds the requirements of City's Rental Use Zoning Policy.

Establishing development guidelines through this rezoning application provides Mosaic Homes with clarity on the development potential and expectations for the subject site, as well as the assurance that prepaid leasehold tenure and rental housing tenure is supported by the City. This clarity and assurance will enable concurrent advancement of approvals for both Site #6 and the

City Manager
Director Planning and Building
REZONING REFERENCE #16-39
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subject site, so that non-market and market housing can be achieved on both sites in an expedited timeframe.

A handwritten signature in black ink, appearing to read 'E.W. Kozak', is written over the printed name and title.

E.W. Kozak, Director
PLANNING AND BUILDING

KH:tn

Attachments

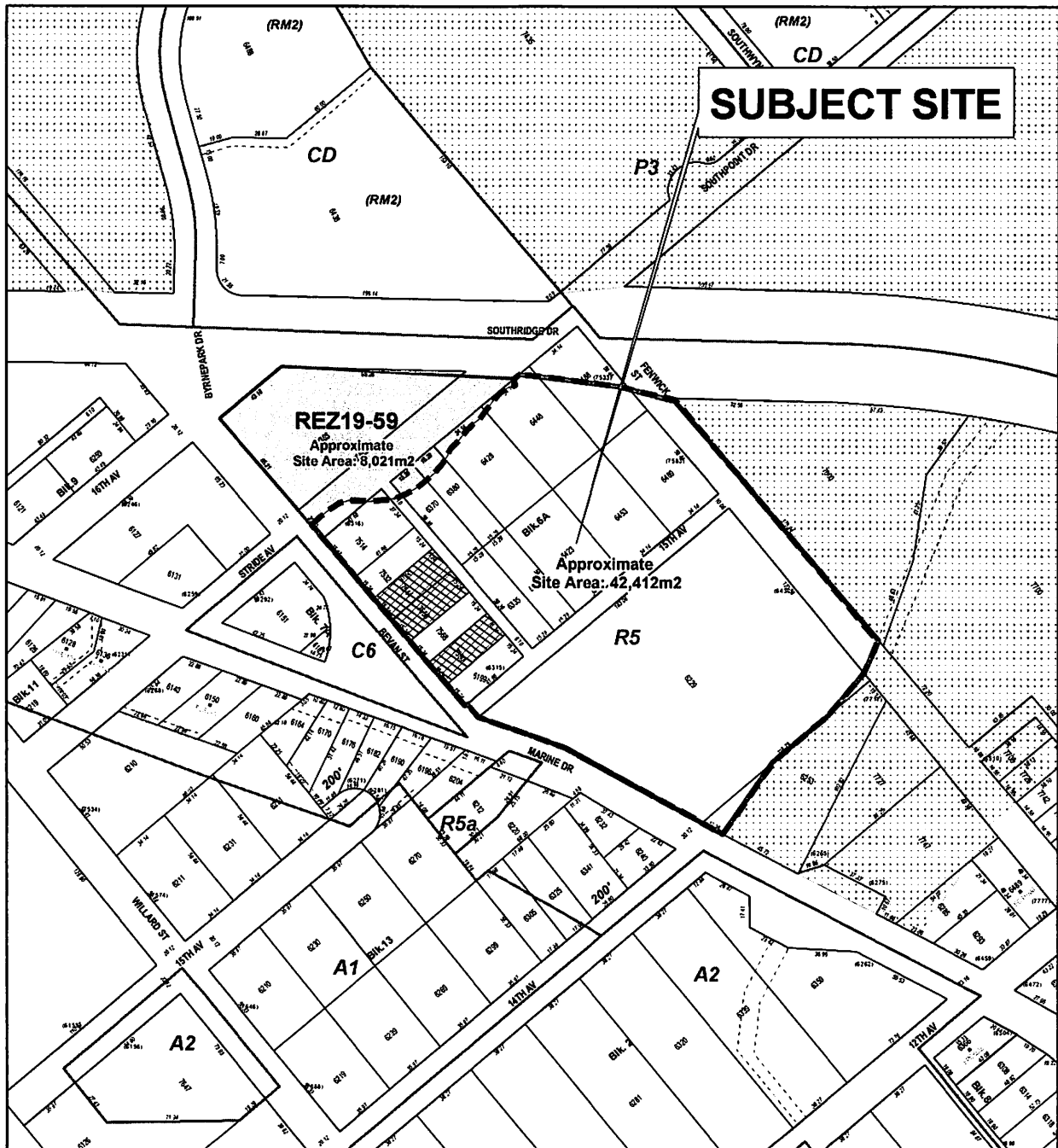
cc: Director Public Safety and Community Services
City Solicitor
City Clerk

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SCHEDULE A

REZONING #16-00039

Civic Address	PID	Legal Description	Zoning	Registered Owner
6335 Fifteenth Ave.	009-914-650	Lot 8, DL 155A, Group 1, NWD Plan 14019	R5	City of Burnaby
6375 Fifteenth Ave.	009-914-668	Lot 9, DL 155A, Group 1, NWD Plan 14019	R5	City of Burnaby
6423 Fifteenth Ave.	024-728-560	Lot 8, Block 6A, DL 155A, Group 1, NWD Plan 1425	R5	City of Burnaby
6453 Fifteenth Ave.	012-161-594	Lot 7, Block 6A, DL 155A, Group 1, NWD Plan 1425	R5	City of Burnaby
6489 Fifteenth Ave.	024-728-551	Lot 6, Block 6A, DL 155A, Group 1, NWD Plan 1425	R5	City of Burnaby
Ptn 7514 Bevan Street	004-538-099	Lot 1, DL 155A, Group 1, NWD Plan 14019	R5	City of Burnaby
7532 Bevan Street	003-203-611	Lot 2, DL 155A, Group 1, NWD Plan 14019	R5	City of Burnaby
7544 Bevan Street	009-914-617	Lot 3, DL 155A, Group 1, NWD Plan 14019	R5	Bevan Holdings Ltd.
7556 Bevan Street	002-887-711	Lot 4, DL 155A, Group 1, NWD Plan 14019	R5	Bevan Holdings Ltd.
7568 Bevan Street	009-914-625	Lot 5, DL 155A, Group 1, NWD Plan 14019	R5	City of Burnaby
7580 Bevan Street	009-914-633	Lot 6, DL 155A, Group 1, NWD Plan 14019	R5	Bevan Holdings Ltd.
6199 Marine Drive	000-618-721	Lot 7, DL 155A, Group 1, NWD Plan 14019	R5	City of Burnaby
Ptn 6229 Marine Drive	003-109-372	Part (Reference Plan 3116), DL 155A, Group 1 Except: Part on Plan 22372, NWD	R5	City of Burnaby
Ptn 6253 Marine Drive	003-168-298	Lot B, DL 155A/173, NWD Plan 22372	R5	City of Burnaby
Ptn 6370 Stride Ave.	003-275-019	Lot 37, DL 155A, Group 1, NWD Plan 24105	R5	City of Burnaby
Ptn 6380 Stride Ave.	009-299-971	Lot 38, DL 155A, Group 1, NWD Plan 24105	R5	City of Burnaby
Ptn 6428 Stride Ave.	012-162-655	Lot 3, Block 6A, DL 155A, Group 1, NWD Plan 1425	R5	City of Burnaby
Ptn 6448 Stride Ave.	002-818-159	Lot 4, Block 6A, DL 155A, Group 1, NWD Plan 1425	R5	City of Burnaby
Ptn 6488 Stride Ave.	012-162-663	Lot 5, Block 6A, DL 155A, Group 1, NWD Plan 1425	R5	City of Burnaby



PLANNING & BUILDING DEPARTMENT



Date:
JUL 15 2020

scale:
1:3,500

Drawn By:
JS

REZONING REFERENCE #16-39
MARKET & NON-MARKET RENTAL HOUSING SITE
7532, 7544, 7556, 7568 & 7580 BEVAN STREET, 6199 MARINE DRIVE,
6335, 6375, 6423, 6453 & 6489 FIFTEENTH AVENUE
AND PORTIONS OF 7514 BEVAN STREET,
6370, 6380, 6428, 6448 & 6488 STRIDE AVENUE AND 6229 & 6253 MARINE DRIVE



Subject Site



Overall Bevan Lands Site

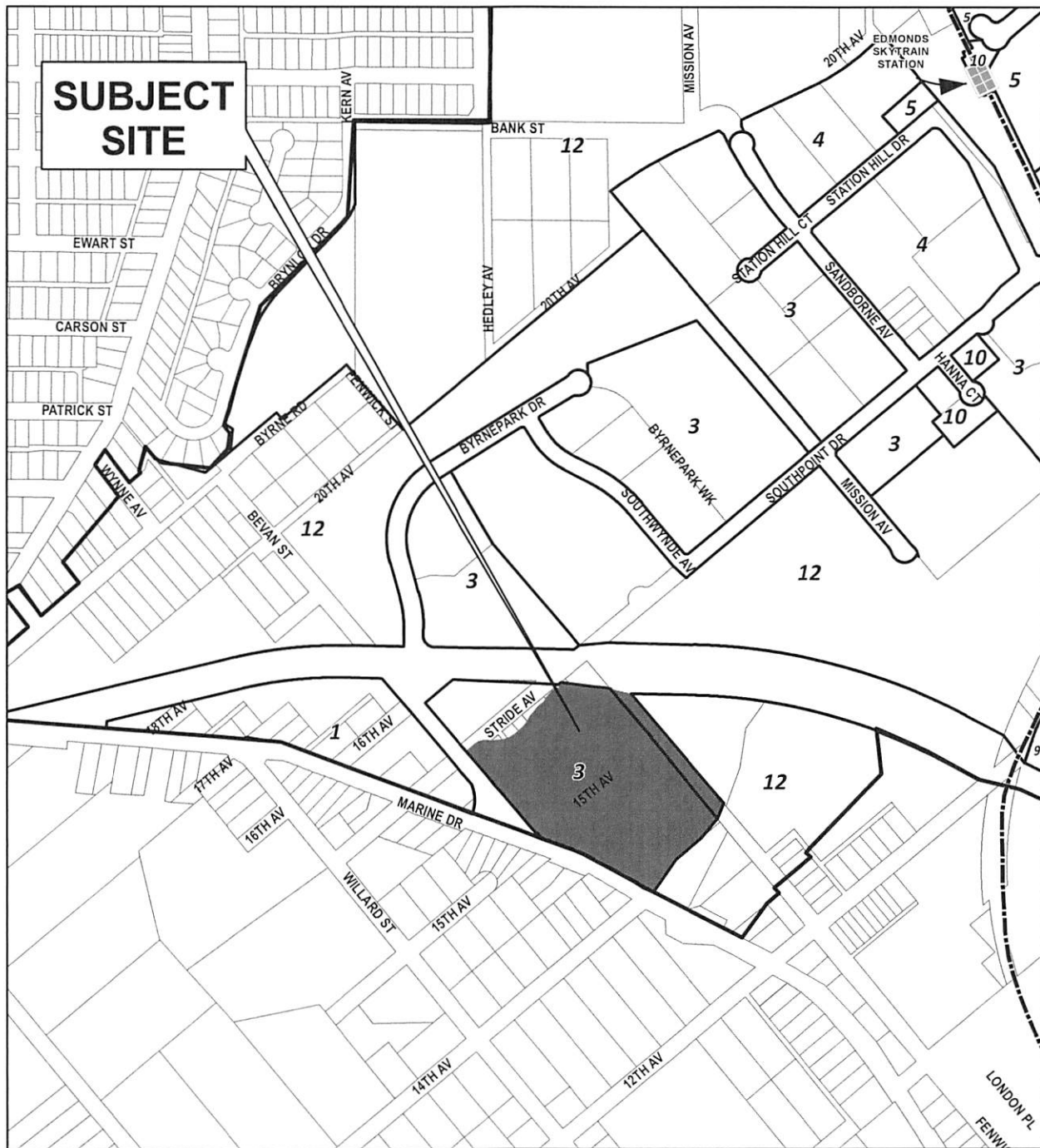


Privately Owned



Future Potential Non-Market Housing Site

Sketch #1



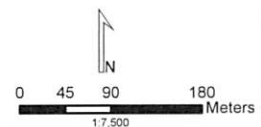
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| 1 Single and Two Family Residential | 9 Industrial |
| 3 Medium Density Multiple Family Residential | 10 Institutional |
| 4 High Density Multiple Family Residential | 12 Park and Public Use/Public School |
| 5 Commercial | 17 Low or Medium Density 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



APPENDIX A: DEVELOPMENT GUIDELINES

BEVAN LANDS – REZONING REFERENCE #16-39 MARKET AND NON-MARKET TOWNHOUSE DEVELOPMENT

Addresses: 7532, 7544, 7556, 7568 & 7580 Bevan Street, 6199 Marine Drive, 6335, 6375, 6423, 6453 & 6489 Fifteen Avenue and portions of 7514 Bevan Street, 6370, 6380, 6428, 6448 & 6488 Stride Avenue AND 6229 & 6253 Marine Drive

Site Area: Approximately 4.24 hectares (10.48 acres) including road closure area, subject to detailed survey

Permitted land use: Market and non-market rental housing

Zoning & Maximum Density: CD (RM2r), 0.7 FAR

Anticipated Maximum Unit Count: 216 units

Anticipated Building Form & Height: Townhouse form up to three storeys

Targeted Client Group: Families

Targeted Rent Levels: 50% of units at CMHC market median for Burnaby South, 50% of units at market

KH:
2020 July 15