

**TO:** CHAIR AND MEMBERS  
PLANNING AND DEVELOPMENT COMMITTEE **DATE:** 2021 March 23

**FROM:** DIRECTOR PLANNING AND BUILDING **FILE:** 49500 20  
*Reference:* REZ #17-26

**SUBJECT:** **REQUEST FOR COMMUNITY BENEFIT BONUS AFFORDABLE  
HOUSING RESERVE GRANT  
CATALYST COMMUNITY DEVELOPMENTS SOCIETY  
6525 TELFORD AVENUE  
REZONING REFERENCE #17-26  
METROTOWN DOWNTOWN PLAN AREA**

**PURPOSE:** To seek Committee consideration of an application for a Community Benefit Bonus Affordable Housing Reserve grant to support the development of 54 non-market housing units at 6525 Telford Avenue.

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**RECOMMENDATIONS:**

1. **THAT** the Committee recommend that Council approve a Community Benefit Bonus Affordable Housing Reserve grant of \$458,417, as outlined in this report.
2. **THAT** a copy of this report be provided to the Financial Management Committee for information.

**REPORT****1.0 INTRODUCTION**

On 2018 January 29, Council received an initial rezoning report for the subject site and authorized staff to work with the applicant towards a suitable plan of development for a high-rise residential apartment building. A suitable plan of development was achieved, and the Rezoning Bylaw received Second Reading on 2018 June 11, with Third Reading anticipated in late 2018. However, the application was ultimately referred back to the applicant to incorporate the requirements of the City's Rental Use Zoning Policy (RUZP) and Initial Implementation Framework.

On 2018 December 03, Burnaby became the first municipality in British Columbia to adopt rental tenure zoning following the provincial government enactment of the *Residential Rental Tenure Zoning Amendment Act* on 2018 May 31, which enabled local governments to establish rental tenure housing as a specific land use in zoning bylaws. To guide the implementation of residential rental tenure across the City, Council adopted the RUZP and Initial Implementation Framework on 2019 May 13.

On 2020 March 09, Council adopted the finalized RUZP, which establishes four policy streams – Rental Replacement, Inclusionary Rental, Voluntary Rental in Commercial Districts, and Protection of Existing Rental Sites – to enable the replacement, and increase, of rental housing at a variety of rent levels and affordability, as well as the protection of rental housing into the future.

To: *Planning and Development Committee*  
From: *Director Planning and Building*  
Re: *Request for Community Benefit Bonus Affordable Housing Reserve Funds – Catalyst Community Developments Society 6525 Telford Avenue, Rezoning Reference #17-26 Metrotown Downtown Plan Area*

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As per the finalized RUZP, new developments requiring rezoning are required to provide below-market units, known as inclusionary units, at 20% below Canada Mortgage and Housing Corporation (CMHC) market median rents. In the event of redevelopment of existing rental buildings, the RUZP requires replacement of existing rental units in the redeveloped buildings, with right of first refusal for the replacement units provided to displaced tenants. Rents for replacement units must be the same as the tenant's rent at the rezoning application site, plus any permitted *Residential Tenancy Act (RTA)* annual rent increases during the intervening period between when the tenant moved out and when they move into the replacement unit. If a tenant chooses not to return or subsequently moves out, vacant replacement units will be rented at inclusionary rates of 20% below CMHC market median rents.

The RUZP encourages partnerships between the development sector and non-profit housing operators, including granting ownership and/or maintenance of replacement units and inclusionary rental units to non-profit organizations. Funding from other levels of government to deepen the affordability of rental housing in Burnaby is also strongly encouraged.

Since this time, the applicant has returned with a new plan of development, which includes the provision of 66 rental units, of which 54 are replacement rental units. The proposed floor area for the rental component is 4,437 m<sup>2</sup> (47,766 ft<sup>2</sup>), of which 3,737 m<sup>2</sup> (40,229 ft<sup>2</sup>) is for the replacement rental units. The unit mix for the 54 replacement rental units is as per the existing rental building with 36 one-bedroom units, 13 two-bedroom units, and five three-bedroom units. The applicant has partnered with Catalyst Community Developments Society (Catalyst) to own and operate the rental units. The project was given Final Adoption by Council on 2021 January 25.

Catalyst has requested a Community Benefit Bonus Affordable Housing Reserve grant of \$458,417 to offset capital project costs for the replacement rental portion only. The remaining 12 rental units are rented at market rates and are not be eligible for a Community Benefit Bonus Affordable Housing Reserve grant as per the City's policy.

Under the approach adopted by Council, the Committee receives requests for Community Benefit Bonus Housing Reserve grants and provides Council with recommendations on each proposal. This report recommends that the Committee forward the request to Council with a recommendation of approval.

## 2.0 POLICY CONTEXT

Support for the provision of non-market housing aligns with the following Council-adopted City policies:

- *Regional Growth Strategy / Regional Context Statement;*
- *Corporate Strategic Plan;*
- *Official Community Plan;*
- *Social Sustainability Strategy;*
- *Economic Development Strategy;*
- *Environmental Sustainability Strategy;*
- *Climate Action Framework;* and,
- *Mayor's Task Force on Community Housing Final Report.*

To: Planning and Development Committee  
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### 3.0 FUNDING REQUEST

In a letter dated 2020 October 28, Catalyst has requested a grant in the amount of \$458,417 to offset capital expenses for the project. The proposed non-market component of this development (Rezoning Reference #17-26) and the request for funding meet the guidelines established by Council for community-sponsored projects. The current unallocated balance of the Community Benefit Bonus Affordable Housing Reserve is sufficient to support this grant request.

With Committee and Council approval, the funds would be released to the applicant upon the issuance of a Building Permit for the project.

### 4.0 CONCLUSION

Catalyst has requested a \$458,417 Community Benefit Bonus Affordable Housing Reserve grant to help offset capital costs of their proposal to construct 54 replacement rental units that will be rented at non-market rates at 6525 Telford Avenue (Rezoning Reference #17-26). As the request is consistent with Council guidelines for use of the Reserve, and other City policies, and sufficient funds are available, this report recommends that the Committee forward the request to Council with a recommendation of approval.



E.W. Kozak, Director  
PLANNING AND BUILDING

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Copied to: Acting City Manager  
Director Finance  
City Solicitor  
City Clerk