From:

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To:

LegislativeServices

Subject:

Opposition to Metrotown Rezoning #21-32, Concord, 4750 Kingsway, Public Hearing

Nov 22, 2022

Categories:

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## Dear Council:

In 2017, the Department of Planning and Development (City Planning) advanced Phase 1 of Concord's luxury Metrotown mall area development with 1,309 strata units and not one rental. I opposed this development on grounds of its gentrifying effect on Metrotown. In 2021, City Planning amended Phase 1, but instead of adding a non-market rental component they granted Concord another 75 strata units. According to the architectural plan (which unfortunately suggests slightly different unit numbers than what is summarized in the rezoning application), this proposed 2022 Concord Phase 2 rezoning includes 1,062 stratas, 903 market rentals (of which the floor plans of 772 units remain unspecified), and 188 non-market rentals. This comes to a total of 2,153 units with an effective inclusionary rate of 8.7% for Phase 2 and an overall inclusionary rate of 5.4% for both Phases 1 and 2. While I trust City Planning's determination that 8.7% "meets the requirements of the Rental Use Zoning Policy," [Rez #21-32] I doubt that one Burnaby resident expects such a low rate when politicians keep telling us about Burnaby's 20% inclusionary requirement – a requirement that clearly applies to 44% of the Concord development only.

## Affordability Level of Proposed Concord Rentals

To avoid paraphrasing myself ad nauseam from previous Public Hearing submissions, let me quote this time a member of Burnaby council herself, describing the effect of luxury developments on rental affordability. In 2021, Cllr. Gu opposed Anthem's Metro King development, just across from the proposed Concord development on Kingsway, on grounds of affordability:

"... I have some concerns around this building in large part due to the affordability in relation to its size. The median price of rent in Burnaby for a 1-bedroom right now is \$1,850 a month, with \$22,200 a year, and for this to be considered as affordable at 30% of income you need to earn 74,000 a year. But the median household income... in Burnaby is \$62,000 a year. From my understanding of this project, it is going to be a luxury high-rise, and I am concerned that this will make Burnaby increasingly unaffordable... I believe [it] will also contribute pulling up the CMHC median rent and that further impacts non-market rentals as well. ... I am concerned that the benefit of this project don't necessarily outweigh the cost. ... "[Cllr. Alison Gu; Burnaby council meeting September 1, 2021; Argument at Second Reading in opposition to Anthem's Metro King development on Kingsway]

As for the expected rent level when Concord's development opens, Quadreal's luxury Hazel rental tower, which is located adjacent to Anthem's Metro King and opposite Concord's development, offers a hint. The Hazel opened a year ago in October 2021 and rents their smallest 490 sq.ft 1-bedroom apartments between \$2,438 and \$2,723



a month, without parking and storage. By the 30% rule of affordability, this is considered affordable for earners between \$97,520 and \$108,920 a year. As for Concord's development, the list of luxury amenities and its proximity to transit hints a rent level that likely surpasses that of the Hazel.

If council moves forward with the proposed 903 luxury market rentals while at the same time allowing the demolition of Metrotown's affordable low-rise market rental stock, the CMHC median rent for a 1-bedroom will rise from \$1,200 today to \$2,500 when this development is completed. Subtract 20% as per the RUZP, and Metrotown's "non-market" 1-bedroom units will be affordable for households earning \$80,000. While I hear rhetoric that council may change the CMHC-based affordability rule when the time comes, reality is that all the existing rezoning contracts are binding and such measure will not affect the approximately 1,650 RUZP non-market units that have passed the rezoning stage.

## Unit Sizes of Proposed Non-Market Rentals vs Strata Units

Many have written and spoken about the unlivable sizes of non-market units for partner and family households with no effect. To my surprise, however, more recently I sense general recognition of this concern among some members on council, with Mayor Hurley himself acknowledging this issue in a recent Burnaby NOW article: "It's a big concern for me that some people's answer to the affordability piece is just to make units smaller and smaller. And I'm not sure that that's a very positive step." In fact, about half a year ago, members of the Planning and Development Committee (PDC) informally assured that future developments would align the sizes of non-market rentals with strata units. Clearly, that assurance does not translate to the proposed Concord development Phase 2. A closer look at the floor plans in the architectural diagram of Towers 4, 5, and 6 (the floor plans of market rental Tower 7 are incomplete) shows a big discrepancy between the unit sizes of non-market rental and strata units.

Non-Market	Sq.Ft	Units	Avg Sq.Ft
Studios	21,979	66	333
1-bedrooms	28,271	52	544
2-bedrooms	36,764	52	707
3-bedrooms	15,756	18	875
Total Non-Market	102,770	188	547

Strata	Sq.Ft	Units	Avg Sq.Ft
Studios	198,558	391	508
1-bedrooms	142,358	245	581
2-bedrooms	266,947	330	809
3-bedrooms	97,148	96	1,012
Total Strata	705,011	1,062	664

Most noticeable is the square footage discrepancy between studios, with non-market studios as an average 34.5% smaller than strata studios. To put those average 333 sq.ft non-market studios into perspective, the modular units of Burnaby's Norland supportive housing facility have 350 sq.ft. Clearly, those units are meant as dormitory-style housing for students and temporary residents.

I can only repeat myself from previous Public Hearings that the issue is not the minimum unit sizes per se. The issue is City Planning's practice allowing developers to build almost all non-market units at minimum size, rather than demanding needs-based interior building configurations. Aligning the sizes of non-market units with strata units is a positive step forward, but keep in mind that in the realm of stratas the 1-bedroom apartments tend to be either owner-occupied by singles, or, as Statistics Canada census data suggests, bought as investments and then rented to temporary Metrotown residents. In the non-market rental realm, however, most 1-bedrooms are occupied by partners that naturally need a bigger space than singles or temporary residents, so even 600 sq.ft. is too small for many. Most Metrotown partner households occupy 640 sq.ft. units, which allows them to adapt the floor plan to their individual needs. Times have changed. People need space to work from home or to isolate when a household member becomes sick. Partner households simply cannot split out a second room from those tiny open-concept 540 sq.ft units with the bedroom door opening into the living room, which at the same time is also the kitchen, storage, W/D closet, shoe rack and cloth hanger, and everything else. It is inconceivable that partners can live a comfortable life on such small space. Rather than blindly opting for the bare minimum every step of the way, City Planning needs to find a better needs-based way to build non-market components.

Sincerely,

Reinhard Schauer

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