

TO: MAYOR & COUNCIL
FROM: GENERAL MANAGER PLANNING AND DEVELOPMENT
SUBJECT: **REZ #20-27 – 6877, 6891, 6913, 6939, AND 6945 PALM AVENUE – PROPOSED ALTERATIONS TO MIXED USE DEVELOPMENT FOLLOWING PUBLIC HEARING**
PURPOSE: To seek Council approval to alter the suitable plan of development for Rezoning Reference (REZ) #20-27 following Public Hearing by rescinding Second Reading, updating the bylaw and reintroducing for Second Reading.

RECOMMENDATIONS

THAT rescinding Second Reading of Burnaby Zoning Bylaw 1965, Amendment Bylaw No. 6, 2022 (Bylaw No. 14433) be approved;

THAT the alterations to the suitable plan of development for REZ #20-27, as set out in the report titled “REZ #20-27 – 6877, 6891, 6913, 6939, and 6945 Palm Avenue – Proposed Alterations to Mixed Use Development following Public Hearing” dated August 28, 2023, be approved; and

THAT the City Solicitor be authorized to bring forward Bylaw No. 14433 with an amended development plan reflecting these alterations for Second Reading.

CHIEF ADMINISTRATIVE OFFICER’S COMMENTS

I concur with the recommendation of the General Manager Planning and Development.

1.0 POLICY SECTION

The proposed rezoning aligns with the following policies and plans adopted by Council:

- Corporate Strategic Plan (2022);
- Regional Context Statement (2013);
- Official Community Plan (1998);
- Royal Oak Community Plan (1999);
- Economic Development Strategy (2007);
- Social Sustainability Strategy (2011);
- Environmental Sustainability Strategy (2016);
- Transportation Plan (2021);

- HOME: Housing and Homelessness Strategy (2021);
- Burnaby Housing Needs Report (2021); and,
- Rental Use Zoning Policy.

2.0 BACKGROUND

On February 28, 2022, Council received a report recommending a Public Hearing for the subject rezoning application, which proposes a Comprehensive Development (CD) District based on the RM3 Multiple Family Residential District, RM5r Multiple Family Residential District, C2 Community Commercial District, and P1 Neighbourhood Institutional District. The proposed mixed use rental housing development is comprised of two rental residential towers above office uses for the BC General Employees' Union (BCGEU), as well as a café and an affordable childcare facility. The rental housing was noted to be a mix of non-market and market rental housing. Half of the 292 residential units were noted to be at rental rates 20% below the Canadian Mortgage and Housing Corporation (CMHC) market median rate, with the applicant intending to bring the affordability rate down further for a portion of the non-market units.

On March 29, 2022, a Public Hearing was held for REZ #20-27 in order to permit the development of the mixed-use development. On April 25, 2022, Council granted Second Reading to the Rezoning Bylaw (Bylaw No. 14433) and approved the required amendment to the Royal Oak Community Plan.

3.0 GENERAL INFORMATION

Since Second Reading, the applicant has advised the Planning and Development Department that market conditions have changed, and financing and construction costs have escalated significantly. As a result, the applicant notes that the original design intent and non-market affordability considerations which were presented at Public Hearing are no longer economically feasible without modifications to the project.

The applicant has proposed a number of amendments to the plan of development that would result in reduced costs and the ability to meet the stated affordability targets. A list of the proposed amendments is outlined in Attachment 1 – Summary of Changes. While there are alterations to the building form and parking, the number of residential units will remain the same and the gross floor area for the development will not be increased, and thus the proposed development remains generally consistent with the previous report to Council and other City policies.

The proposed changes are reflected in the amended suitable plan of development titled “Amended Development Plan - 6877, 6891, 6913, 6939, and 6945 Palm Avenue” (See **Part 1 of 12 to Part 12 of 12**). In addition, Figure #1 below illustrates the previous development plan and Figure #2 below illustrates the proposed new development plan.

Figure #1 – Previous Development Plan

- RENTAL: MARKET & NON-MARKET
- COMMERCIAL
- INSTITUTIONAL
- LOBBIES & AMENITIES

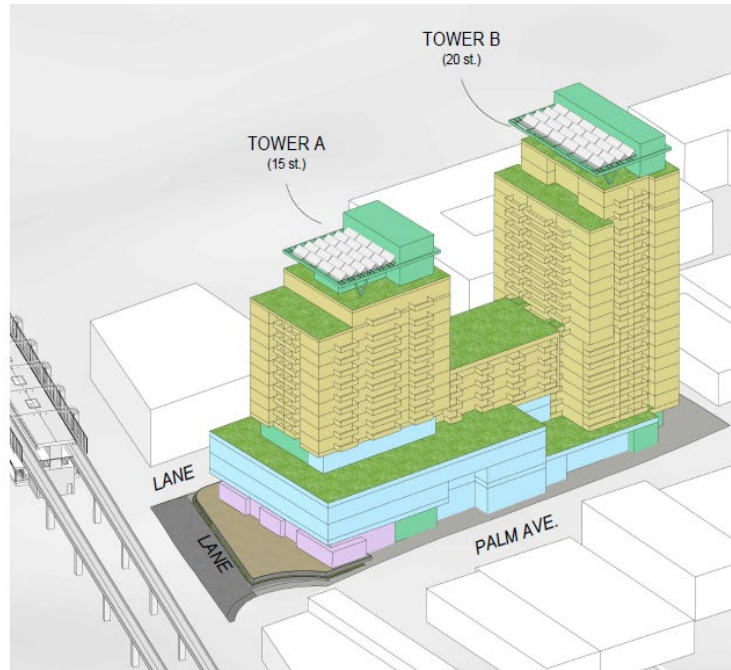
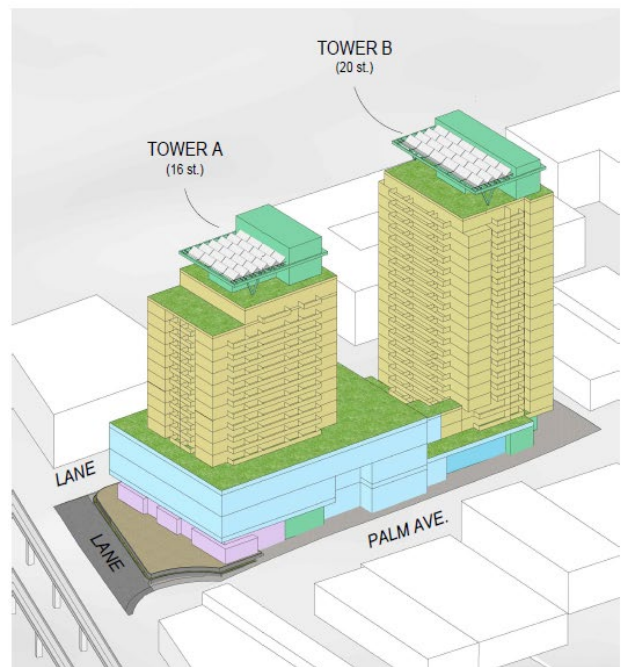


Figure #2 – Proposed New Development Plan

LEGEND:

- RENTAL HOUSING
- RESIDENTIAL AMENITY SPACE
- OFFICE
- OFFICE MEETING ROOMS
- CAFE
- CHILDCARE
- CHILDCARE OUTDOOR PLAY AREA
- OUTDOOR GREEN SPACE
- SOLAR PANELS



With the proposed changes, the buildings' overall bulk is reduced and the gross floor area for the development will be decreased.

The applicant advises that the proposed changes are necessary to allow the project to meet the intended levels of affordability for the non-market units without decreasing the number of housing units. Furthermore, the proposed changes to provided parking are considered supportable given Council's commitment to Climate Action, the site's proximity to the Royal Oak SkyTrain Station, the provision of a parking study demonstrating decreased need for residential parking, and the provision of TDM measures.

Under section 470(1)(b) of the Local Government Act, Council may alter and then adopt a Rezoning Bylaw after a Public Hearing, without further notice or a further Public Hearing, as long as the alterations do not alter the use, increase the density or (without the owner's consent) decrease the density. In this case, the number of residential units and the mix of uses on the development site will remain the same and the gross floor area (density) is being decreased at the request of the applicant. The changes proposed by the applicant will only alter the building forms and parking requirements for the development. As such, Council has the authority to approve these alterations to the proposed development prior to Final Adoption of the Rezoning Bylaw without a further Public Hearing.

As the revised proposal would provide for a mixed-use development with significant affordability components, and is in close proximity to the Royal Oak SkyTrain Station, staff support the proposed changes being incorporated into the development without requiring another Public Hearing. If Council supports this approach, it is recommended that Council authorize rescinding Second Reading of the original Rezoning Bylaw and approve bringing forward for a new Second Reading a revised Rezoning Bylaw with an amended development plan reflecting the proposed changes, as shown in "Amended Development Plan - 6877, 6891, 6913, 6939, and 6945 Palm Avenue" (See **Part 1 of 12 to Part 12 of 12**).

Staff will then continue to work with the applicant towards Third Reading and Final Adoption of the Rezoning Bylaw with the amended development plan. The rezoning application would advance to Third Reading once prerequisites of the rezoning are partially satisfied. Final Adoption would be considered once all prerequisite conditions of the rezoning have been fully satisfied.

4.0 COMMUNICATION AND COMMUNITY ENGAGEMENT

As noted above, further communication and community engagement for the proposed changes are not required.

5.0 FINANCIAL CONSIDERATIONS

There are no financial considerations related to this proposal.

Respectfully submitted,

E. W. Kozak, General Manager Planning and Development

ATTACHMENT

Attachment 1 – Summary of Changes

REPORT CONTRIBUTORS

This report was prepared by Lisa Scott, Development Planner, and reviewed by Shawn Natrasony, Development Planner, Jesse Dill, Senior Planner, Johannes Schumann, Director Development and Urban Design, and May Leung, City Solicitor, and Lee-Ann Garnett, Deputy General Manager Planning and Development.