



File: 49500 20 REZ#23-13 COUNCIL REPORT

TO: MAYOR & COUNCILLORS

FROM: GENERAL MANAGER PLANNING AND DEVELOPMENT SUBJECT: REZ #23-13 – 6505 SUSSEX AVENUE – HOTEL USE

PURPOSE: To seek Council authorization to forward REZ #23-13 to First and

Second Reading at a future Council meeting.

### **REFERENCES**

Address: 6505 Sussex Avenue

Legal: PIDs: (see **Attachment 2**: Schedule A)

Titles: (see Attachment 2: Schedule A)

Applicant: Thind Properties Ltd.

700-4211 Kingsway, Burnaby, BC V5H 1Z6

Attention: Allan Lal

Current Zoning: CD Comprehensive Development District (based on the RM5s and

RM4 Multiple Family Residential Districts and C2 Community

Commercial District)

Proposed Zoning: Amended CD Comprehensive Development District (based on the

RM5s and RM4 Multiple Family Residential Districts, C2 Community Commercial District, and C3 and C3f General

Commercial Districts)

#### RECOMMENDATION

**THAT** a Rezoning Bylaw for REZ #23-13 be prepared and advanced to First and Second Reading at a future Council meeting;

**THAT** an amendment to the Metrotown Downtown Plan as outlined in Section 3.5 of this report by the General Manager Planning and Development, Rezoning Reference #23-13 dated February 26, 2024, be approved to take effect upon the granting by Council of Second Reading of the Rezoning Amendment Bylaw related to the subject site;

**THAT** a Public Hearing not be held for the Rezoning Bylaw for REZ#23-13, as it is consistent with the Burnaby Official Community Plan; and

**THAT** the items listed (see **Attachment 4**: Rezoning Prerequisites) to the report titled "REZ #23-13 – 6505 Sussex Avenue – Hotel Use" dated February 26, 2024, be established as prerequisites to consideration of Final Adoption of the Rezoning Bylaw for REZ #23-13.

### **EXECUTIVE SUMMARY**

A rezoning application has been received in order to permit the conversion of the existing commercial office floor area, recently constructed and approved under Rezoning Reference #16-42, to hotel use. The proposed change also includes the addition of a liquor licence establishment on-site. The purpose of this report is to provide Council with information on the proposal and to recommend that the Rezoning Bylaw be brought forward for consideration of First and Second Reading at a future meeting of Council. An amendment to the Metrotown Downtown Plan is required in order for this rezoning application to proceed.

## 1.0 POLICY SECTION

The proposed rezoning application is consistent with the following policies and plans adopted by Council:

- Corporate Strategic Plan (2022),
- Regional Context Statement (2013),
- Official Community Plan (1998),
- Metrotown Downtown Plan (2017),
- Economic Development Strategy (2007),
- Social Sustainability Strategy (2016),
- Transportation Plan (2021), and
- Rental Use Zoning Policy (2020).

#### 2.0 BACKGROUND

- 2.1 The subject site is located at the corner of Sussex Avenue and Beresford Street, within the Maywood neighborhood of the Metrotown Downtown Plan area (see **Attachment 1:** Sketch #1 and Sketch #2). The subject site is designated for high-density mixed-use within the Metrotown Downtown Plan, and as a Town Centre within the Official Community Plan.
- 2.2 Approved under Rezoning Reference #16-42, the subject site has been redeveloped to accommodate a high-rise mixed-use tower comprised of retail, office, and residential uses with a residential townhouse podium oriented towards Sussex Avenue. Construction of this development was completed in the Fall of 2023.
- 2.3 On October 16, 2023, Council received an initial rezoning report for the subject site, which proposed to convert the recently constructed commercial office floor area to hotel use. A portion of the commercial floor area is also proposed for liquor service. At this meeting, Council authorized staff to continue working with the applicant on a suitable plan of development.

2.4 The applicant has now submitted a plan of development suitable for First and Second Reading of the Rezoning Bylaw.

# 3.0 GENERAL INFORMATION

- 3.1 The existing 48-storey mixed-use tower contains 336 residential strata units (9 of which are townhomes) above 10 storeys of commercial office space and 3 ground-level retail units. Access to a shared underground parkade is from the rear lane. The proposal is to convert the 10 storeys of commercial office space to a hotel use which includes 159 hotel units, and a ground-level hotel lobby. To achieve a generously sized hotel lobby, two of the three existing ground-level retail units are proposed to be consolidated with the existing commercial lobby to create one large space with the opportunity for a hotel lounge, concierge, business centre, and liquor primary lobby bar establishment. The remaining commercial retail unit, at the corner of Beresford and the lane, is proposed to be a liquor primary pub or food primary restaurant which can work in partnership with the hotel operator to provide food and liquor services to hotel guests and patrons. No additional development density or changes to the overall building footprint are proposed as part of this application.
- 3.2 As this is a change of use application, the proposed addition of the C3 General Commercial District and C3f District is for land use purposes only, and will only be applied to the portions of the subject site that are proposed as a hotel use (C3 District) and a liquor licence establishment or service area (C3f). In addition to rezoning the property, the operators would need to secure a liquor licence in order to serve liquor and operate such an establishment. If a liquor licence is pursued, a liquor licence application would be required to outline the specifics regarding the proposed hours of service, the proposed number of occupants, and any additional components of the proposal, if applicable.
- 3.3 New liquor primary licence establishments are permitted in Burnaby subject to rezoning to an appropriate sub-district in specific Commercial or Institutional Districts. In this case, the service of liquor in the commercial retail unit and hotel lobby requires rezoning to the "f" sub-district of the C3 District. Although the C3f District is being applied, it is noted that the floor area provided for the liquor primary use is generally designed to accommodate less than 100 patrons, in line with the intent of the C2 District. As conversations advance between the applicant and the prospective hotel operator, the applicant anticipates that they will apply to the Liquor and Cannabis Regulation Branch (LCRB) for a liquor primary or food primary liquor licence. At present, Council receives reports to consider and comment on all new LCRB liquor primary licences or food primary applications with patron participation or extended hours later than midnight. Any future LCRB liquor licence application on the subject site will be required to follow the Council adopted recommendations for processing liquor licence applications that are in place at that time. If a restaurant or pub is not in use at this location, staff are comfortable with the space operating as an expanded common area for the hotel.

- 3.4 As hotel use is not a permitted use within the C2 Community Commercial District (for which this property is currently zoned), the applicant is proposing to rezone to the C3 General Commercial District to allow for a hotel use on the subject site. Due to the site's immediate proximity to the Metro Downtown neighborhood and SkyTrain, this department is supportive of the proposed hotel use at this location. Staff are also supportive of the addition of the "f" sub-district of the C3 District in the hotel lobby area and remaining commercial retail unit within the development to support the proposed hotel use. With excellent proximity to SkyTrain, access to nearby bus services, and convenient parking access for vehicular traffic, the proposed liquor service establishment is well situated to safely provide a fun and lively space in the heart of downtown Metrotown. Given the location of the proposed use, staff do not anticipate potential noise impacts beyond what would otherwise be expected in this Town Centre location. It is noted that all uses are subject to the Burnaby Noise or Sound Abatement Bylaw. Should a liquor primary licence be applied for by the applicant, staff will prepare a report to Council which more broadly evaluates the potential community impacts of the proposed establishment, as per Council-adopted procedures.
- 3.5 An amendment to the Metrotown Downtown Plan is proposed to facilitate the hotel uses on the subject property (see Figure #1). The Metrotown Downtown Plan currently designates the subject property for High Density Mixed Use utilizing the C2 District for any of the commercial uses on-site. The addition of the C3 and C3f District designation is supported by staff as it will enable the development of the hotel and associated uses on the subject site. A hotel will complement the current and potential future commercial and residential development within the area by providing central hotel accommodation within the community. The C3 and C3f District designation applies only to subject property and is limited to hotel and associated uses (e.g. hotel lobby, hotel lobby lounge, business centre, and lobby café/restaurant or liquor license establishment). The commercial density for the subject site is in line with the C2 District, as no additional density is being proposed with the addition of the C3 and C3f Districts. As the proposed hotel use is not anticipated to have any major neighbourhood impacts beyond the office use that was previously approved, public engagement for the plan amendment will be limited to the public notice requirements outlined in Section 4 of this report.



Figure 1: The High Density Mixed-Use Designation assigned to the subject site outlined in red is to include the C3 and C3f District for the purposes of hotel and associated uses only, in line with REZ #23-13

- 3.6 The proposal does include a number of minor tenant improvements to account for hotel operational requirements. For example, in addition to changes at the ground-level for the purposes of creating a large hotel lobby, six parking stalls have been removed to provide adequate space for linen storage, laundry facilities, and hotel employee areas below grade. The proposed number of commercial parking stalls exceeds the Zoning Bylaw requirements for hotel use. Commercial employees (including Hotel employees) will continue to have access to end-of-trip facilities and bike storage. Hotel guests will also have access to a fitness room and the outdoor roof deck on Level 5, which was previously intended for the use of office employees. A more detailed summary of the proposed change of use, including parking and loading statistics, can be found in Attachment 3: Development Statistics. As the building has already been constructed, no further servicing will be required in connection with the subject rezoning application.
- 3.7 The required prerequisites to the adoption of the rezoning are listed (see Attachment 4: Rezoning Prerequisites).

# 4.0 COMMUNICATION AND COMMUNITY ENGAGEMENT

On December 11, 2023, Council directed staff to include a recommendation to not hold a Public Hearing for rezoning applications that have less than 50% residential uses and that are consistent with the Burnaby Official Community Plan (OCP). This is authorized by section 464(2) of the *Local Government Act*. As this application is consistent with the OCP, it is recommended that a Public Hearing not to be held.

Although a Public Hearing is proposed to not be held, public notice of the Rezoning Bylaw for REZ #23-13 will be completed prior to bringing forward the Rezoning Bylaw for First Reading, in accordance with section 467 of the *Local Government Act*, the *Burnaby Public Notice Bylaw* and Council policy. City staff will mail a notice to those properties that are within a 30 m radius of the subject site. A public notice will also be published on the City's website, distributed as part of the City's online newsletter, and a sign regarding the proposal will be posted on the site.

If the City opts in to comment on a future LCRB liquor licence application, then the public will be notified in line with Council adopted policies. At present, for liquor licence applications referred to Council, City-led public consultation includes written notice sent to property owners and residents within a 30 m distance of the subject property, posting of notices on the City of Burnaby's website for two consecutive weeks, and the installation of signage at the subject site to invite members of the public to submit written comments for Council's consideration.

#### 5.0 FINANCIAL CONSIDERATIONS

There are no financial considerations with respect to this proposal.

Respectfully submitted,

E. W. Kozak, General Manager Planning and Development

# **ATTACHMENTS**

Attachment 1 - REZ #23-13: Sketch #1 and Sketch #2

Attachment 2 - REZ #23-13: Schedule A-1 and Schedule A-2

Attachment 3 – REZ #23-13: Development Statistics

Attachment 4 – REZ #23-13: Rezoning Prerequisites

## REPORT CONTRIBUTORS

This report was prepared by Michael Phillips, Development Planner and reviewed by Jesse Dill, Director Development.