

TO: MAYOR & COUNCILLORS
FROM: GENERAL MANAGER PLANNING AND DEVELOPMENT
SUBJECT: **UPDATE ON NON-MARKET HOUSING DEVELOPMENTS ON CITY-OWNED LANDS**
PURPOSE: To provide Council with an update on the non-market housing developments on City-owned Lands.

RECOMMENDATION

THAT the report titled “Update on Non-Market Housing Developments on City-owned Lands,” dated April 29, 2024, be received for information.

EXECUTIVE SUMMARY

Since Council’s adoption of the City Lands Program for Non-Market Housing, several City-owned properties have been leased to non-profit housing providers or other orders of government at a nominal rate for the development of new non-market housing in Burnaby. This report provides an update on recent non-market housing projects on City-owned sites.

1.0 POLICY SECTION

There are several City policies that support the provision of market and non-market rental housing in Burnaby, including the following:

- *Community Benefit Bonus Policy (1997);*
- *City Lands Program for Non-Market Housing (2015);*
- *Mayor’s Task Force on Community Housing Final Report (2019);*
- *Burnaby Housing Needs Report (2021);* and
- *HOME: Burnaby’s Housing and Homelessness Strategy (2021).*

2.0 BACKGROUND

Council adopted the City Lands Program for Non-Market Housing in 2015. This policy arose from Council’s desire to better utilize the funds generated for affordable housing resulting from density bonus cash-in-lieu contributions received through the Community Benefit Bonus Policy. The City Lands Program enabled Council to offer City-owned lands, leased at a nominal rate, to non-profit housing providers through a public Request for Proposals (RFP) process in an effort to increase feasibility of these developments. Since 2015, several sites have been offered under this program, through public RFP processes or through direct partnerships with other orders of government.

This report provides an update on the progress of the non-market housing developments on City-owned lands that were recently completed or are in progress as of March 2024.

Based on the projects included in this report, a total of 1,040 units (plus additional units yet to be determined for the site at Sunset/Kincaid) will be achieved. The City’s financial contribution to these projects to date is approximately \$172,438,000 in the form of grants, land, and site preparation and offsite servicing work.

A webpage has been created and regularly updated to provide public updates on the status of City lands projects at www.burnaby.ca/our-city/projects/non-market-housing (note that the website highlights additional non-market projects that were developed on City lands that received occupancy prior to 2023).

3.0 GENERAL INFORMATION

3.1 First City RFP Sites (2016)

3838 Hastings Street (REZ #19-03)

Developer/Operator	S.U.C.C.E.S.S. Affordable Housing Society (S.U.C.C.E.S.S.)	
Lessee	S.U.C.C.E.S.S.	
Rezoning Status	Final Adoption (July 25, 2023)	
PPA Status	Completed	
BP Status	Under review	
Development Concept	Six-storey, mixed-use building with 161 non-market rental units, a child care centre and ground-level commercial space.	
Lease	60 year nominal lease, fully executed, registered on Title	
Funding Program	BC Housing Community Housing Fund (CHF), Federal Lands Initiative	
City Contributions	\$3,054,700	Approved grant
	\$28,310,000	Assessed value ^{1, 2}
	pending	Demolition reserve contribution
	\$31,364,700	Total contribution to date
Rental Rates	CHF affordability requirements:	

¹ Assessed value is determined by BC Assessment. Assessed value is meant to reflect market value (the most probable price of a property in an open market between a willing purchaser and seller) but may not reflect the actual value as transacted in the open market.

² The City’s land contribution includes a contribution of land from the federal government, under the Federal Lands Initiative, which comprises approximately 1/5 of the property and valued at \$3.23 million.

	<ul style="list-style-type: none"> • 30% of units at rents affordable to those with low and moderate incomes, as determined by BC Housing; • 50% of units at Rent Geared to Income (RGI) for households with incomes below BC Housing’s Housing Income Limits (HILs); and • 20% of units at deep subsidy, affordable to those receiving income assistance, or with very low RGI.
Other Comments	Federal Lands Initiative forgivable loan agreement, and associated agreements, with Canada Mortgage and Housing Corporation (CMHC) were executed in 2023. The Building Permit is currently under review with construction anticipated to start in Spring 2024.

7898 18th Avenue (REZ #18-50) – Eunice Oh Residences

Developer/Operator	New Vista Society (New Vista)	
Lessee	New Vista	
Rezoning Status	Final Adoption (March 29, 2021)	
PPA Status	Completed	
BP Status	Issued	
Development Concept	3-storey residential apartment building with 25 units for seniors and families.	
Lease	60-year nominal lease, fully executed and registered on Title.	
Funding Program	BC Housing CHF	
City Contribution	\$1,024,311	Grant disbursed to New Vista
	\$2,524,000	Assessed value
	pending	Demolition reserve contribution
	\$3,548,311	Total Contribution to date
Rental Rates	CHF affordability requirements: <ul style="list-style-type: none"> • 30% of units at rents affordable to those with low and moderate incomes, as determined by BC Housing; • 50% of units at RGI, for households with incomes below BC Housing HILs; and • 20% of units at deep subsidy, affordable to those receiving income assistance, or with very low RGI. 	
Other Comments	This development is under construction and is anticipated to be completed in 2024.	

3.2 Second City RFP Sites (2019) - BC Housing Memorandum of Understanding (MOU) Sites

Site #1 – 6889 Royal Oak Avenue (REZ #20-14)

Developer/Operator	Catalyst Community Developments Society (Catalyst)	
Lessee	Catalyst	
Rezoning Status	Final Adoption (December 5, 2021)	
PPA Status	Completed	
BP Status	Issued	
Development Concept	Six-storey, mixed-use development comprised of 134 non-market rental units and six market commercial rental units at grade.	
Lease	60 year nominal lease, fully executed and registered on Title	
Funding Program	BC Housing, CMHC Co-Investment funding and financing	
City Contribution	\$9,140,395	Grant disbursed to Catalyst
	\$1,307,900	Contribution to fund site prep and offsite servicing
	\$11,824,000	Assessed value
	\$296,980	Demolition reserve contribution
	\$22,569,275	Total contribution
Rental Rates	<ul style="list-style-type: none"> • 30% of the units will be rented at rates not exceeding 20% below CMHC Market Median; and • 70% of the units will be rented at BC Housing Average Rents (same as CMHC Average Rents). 	
Other Comments	<p>This project is under construction and anticipated to be completed in 2025. It is intended to serve as a swing site for interim housing for eligible TAP tenants for the first 12 years of operations. To date, the City has disbursed \$9,140,395 in grant funding to Catalyst, but some of this grant is expected to be returned to the City with Catalyst securing additional funding from BC Housing. The BC Housing funding requires deeper affordability levels, as noted above, improving the required affordability as set out in the lease.</p>	

Site #2 – 5912-5988 Sunset Street and 5907-5989 Kincaid Street (REZ #20-15)

Developer/Operator	BC Indigenous Housing Society (BCIHS), formerly Vancouver Native Housing Society	
Lessee	BCIHS	
Rezoning Status	Second Reading (December 17, 2020)	
PPA Status	Yet to be submitted	
BP Status	Yet to be submitted	
Development Concept	To be determined.	
Lease	Anticipated 60-year nominal lease, to be initiated later this year	
Funding Program	BC Housing CHF	
City Contribution	tbd	Grant
	tbd	Contribution to fund site prep and offsite servicing work
	\$23,279,000	2024 assessed value
	pending	Demolition reserve contribution
	\$23,279,000	Total contribution to date
Rental Rates	CHF affordability requirements: <ul style="list-style-type: none"> • 30% of units at rents affordable to those with low and moderate incomes, as determined by BC Housing; • 50% of units at RGI for households with incomes below BC Housing’s HILs; and • 20% of units at deep subsidy, affordable to those receiving income assistance or with very low RGI. 	
Other Comments	With the confirmation of BC Housing CHF funding for this project, BCIHS is anticipated to submit a revised proposal. CHF funding requires a greater level of affordability than previously proposed.	

Site #3 – 6488 Byrnespark Drive (REZ #20-16)

Developer/Operator	M’akola Housing Society (M’akola)	
Lessee	M’akola	
Rezoning Status	Final Adoption (October 3, 2022)	
PPA Status	Completed	
BP Status	Issued	
Development Concept	Six-storey building with 130 units for Indigenous families and individuals.	
Lease	60-year nominal lease, fully executed and registered on Title	
Funding Program	BC Housing CHF	
City Contribution	\$552,516	Grant disbursed to M’akola
	\$875,966	Contribution to fund site prep and offsite servicing work

	\$13,037,000	Assessed value
	pending	Demolition Reserve contribution
	\$14,465,482	Total contribution to date
Rental Rates	CHF affordability requirements: <ul style="list-style-type: none"> • 30% of units at rents affordable to those with low and moderate incomes, as determined by BC Housing; • 50% of units at RGI for households with incomes below BC Housing’s HILs; and • 20% of units at deep subsidy, affordable to those receiving income assistance or with very low RGI. 	
Other Comments	A building permit has been issued for this development and it is now under construction.	

Site #4 – 7392 16th Avenue (REZ #19-57)

Developer/Operator	Catalyst	
Lessee	Catalyst	
Rezoning Status	Final Adoption (December 14, 2020)	
PPA Status	Completed	
BP Status	Issued	
Development Concept	Six-storey, wood-framed building with 207 units. 60-year nominal lease.	
Lease	Nominal, fully executed and registered on Title	
Funding Program	BC Housing, CMHC Co-Investment funding and financing	
City Contribution	\$10,675,412	Grant disbursed to Catalyst
	\$5,287,600	Contribution to fund site prep and offsite servicing work by City
	\$20,586,000	Assessed value
	\$354,980	Demolition reserve contribution
	\$36,903,992	Total contribution
Rental Rates	<ul style="list-style-type: none"> • 30% of the units will be rented at rates not exceeding 20% below CMHC Market Median; and • 70% of the units will be rented at BC Housing Average Rents (same as CMHC Average Rents). 	
Other Comments	This project is under construction and anticipated to be completed in 2025. It is intended to serve as a swing site for interim housing for eligible TAP tenants for the first 12 years of operations. To date, the City has disbursed	

	\$10,675,412 in grant funding to Catalyst, but some of this grant is expected to be returned to the City with Catalyst securing additional funding from BC Housing. The BC Housing funding requires deeper affordability levels, improving the required affordability as set out in the lease.
--	--

Site #6³ – Portion of 6229 Marine Drive – Little Bevan (REZ #20-17)

Developer/Operator	Community Land Trust (CLT)	
Lessee	CLT	
Rezoning Status	Second Reading (January 15, 2024)	
PPA Status	Yet to be submitted	
BP Status	Yet to be submitted	
Development Concept	Still in design, but tentatively a five to six-storey apartment building with 118 non-market cooperative housing units.	
Lease	Anticipated 60-year nominal lease, Council authorization to enter into the lease provided, lease anticipated for Q2 2024.	
Funding Program	BC Housing CHF	
City Contribution	tbd	Grant request not yet received
	\$2,139,474	Estimated contribution to fund site prep and offsite servicing work by City
	tbd ⁴	Assessed value
	Pending	Demolition reserve contribution
	\$2,139,474	Total contribution to date
Rental Rates	CHF affordability requirements: <ul style="list-style-type: none"> • 30% of units at rents affordable to those with low and moderate incomes, as determined by BC Housing; • 50% of units at RGI, for households with incomes below BC Housing’s HILs; and • 20% of units at deep subsidy, affordable to those receiving income assistance or with very low RGI. 	
Other Comments	This site was originally required to be developed by Mosaic Homes concurrently with the adjacent site (Big Bevan). Council approved a contribution of \$8,025,380 towards the City undertaking the site prep and off-site servicing for the	

³ Site #5 (7285 Kitchener Street) was removed from the MOU due to environmental considerations. 7409 Halifax Street was identified as an alternative City-owned site that could be offered for lease for non-market housing development.

⁴ The assessed value of the property will be determined once the subdivision from Big Bevan is complete.

	entire Bevan Lands with the contribution to Little Bevan being \$2,139,474. Council approved a request from Mosaic and CLT to have the two portions of the Bevan Lands developed separately, in recognition that CLT had been unsuccessful in obtaining capital funding to advance design and construction of the non-market housing. Since that time, BC Housing announced CHF funding for this project. Development guidelines setting a maximum density for the site went to Public Hearing on December 12, 2023 and received 2 nd Reading on January 15, 2024.
--	---

3.3 CMHC Rapid Housing Initiative Sites

8305 11th Avenue (REZ #21-03) – Anna Buxton Apartments

Developer/Operator	Elizabeth Fry Society of Greater Vancouver (EFry)	
Lessee	EFry	
Rezoning Status	Final Adoption (April 4, 2022)	
PPA Status	Completed	
BP Status	Completed	
Development Concept	Four-storey modular development with 49 units for women and women with children at risk of homelessness.	
Lease	60 year nominal lease, fully executed and registered on Title	
Funding Program	2022 CMHC Rapid Housing Initiative - \$11,043,309 to the City to deliver a minimum of 28 units.	
City Contribution	\$5,709,504	Grant disbursed to EFry (additional contribution anticipated based on final project invoices)
	\$350,000	Contribution to fund site prep and offsite servicing work
	\$2,921,000	Assessed value
	\$140,570	Demolition reserve contribution
	\$9,121,074	Total contribution to date
Rental Rates	<ul style="list-style-type: none"> • 70% of units at provincial income assistance shelter rates; and • 30% of units at RGI basis where rents will be no more than 30% of the household’s income. 	
Other Comments	This project completed construction in fall of 2023. The total approved grant from the City to EFry was \$8,423,300, but the project is anticipated to come in under budget. The City also disbursed the CMHC RHI funding amount to EFry.	

8304 11th Avenue (REZ #23-01)

Developer/Operator	Progressive Housing Society (Progressive) and Connective Support Society (Connective)	
Lessee	Provincial Rental Housing Corporation (PRHC)	
Rezoning Status	Second Reading (November 6, 2023)	
PPA Status	Yet to be submitted	
BP Status	Yet to be submitted	
Development Concept	Up to five-storey modular development with 38 units for women, seniors, and individuals with disabilities at risk of homelessness.	
Lease	Nominal, business terms are under review	
Funding Program	2023 CMHC Rapid Housing Initiative – \$10,520,708 to the City to deliver a minimum of 21 units, BC Housing funding for an additional 17 units.	
City Contribution	\$1,557,697	Approved grant to Progressive (to be distributed by BC Housing)
	\$450,000	Contribution to fund site prep and offsite servicing work
	\$4,089,000	Assessed Value
	Pending	Demolition reserve contribution
	\$6,096,697	Total contribution to date
Rental Rates	<ul style="list-style-type: none"> • 61% units will be rented at the provincial income assistance shelter rates; and • 39% units will be rented on RGI basis where rents will be no more than 30% of the household’s income. 	
Other Comments	This project has been delayed due to the need to find a new modular contractor and new architect. The lease and capital funding agreement are anticipated to move forward in the next few months.	

3.4 Metro Vancouver Housing Request for Expressions of Interest - Selected Site (2020)

7388 Southwynde Drive (REZ #22-02) – The Stellar

Developer/Operator	Metro Vancouver Housing (MVH)
Lessee	MVH
Rezoning Status	Second Reading (July 10, 2023)
PPA Status	Under review
BP Status	Under review
Development Concept	Six-storey purpose-built rental apartment with a total of 122 units and a 37-space childcare facility.

Lease	Nominal, business terms are under review.	
Funding Program	BC Housing portfolio funding secured, seeking CMHC funding and financing.	
City Contribution	\$8,325,000	Approved grant
	\$9,862,000	Assessed Value
	Pending	Demolition reserve contribution
	\$18,187,000	Total contribution to date
Rental Rates	<ul style="list-style-type: none"> • 50% of units at rents affordable to those with low and moderate incomes, as determined by BC Housing; • 25% of units at RGI, for households with incomes below BC Housing’s HILs; and • 25% of unit at deep subsidy, affordable for those receiving income assistance, or with very low RGI. 	

3.5 City-owned Site in Direct Partnership with Provincial Government

4803 Canada Way (REZ #20-12)

Developer/Operator	PRHC/YWCA	
Lessee	PRHC	
Rezoning Status	Final Adoption (July 25, 2023)	
PPA Status	Completed	
BP Status	Under review	
Development Concept	Four-storey, non-market rental apartment building with 56 units and a 37-space childcare facility. 60-year nominal ground lease with option for 40-year renewal	
Lease	Nominal, draft lease under review	
Funding Program	BC Housing Women’s Transition Housing Fund, contribution from philanthropist Cindy Beedie	
City Contribution	tbd	Grant request not yet received
	\$4,763,000	Assessed value
	Pending	Demolition reserve contribution
	\$4,763,000	Total contribution to date
Rental Rates	As per the Women’s Transition Housing Fund program, all units will be rented at RGI, for households with incomes below BC Housing’s HILs, except when a household receives income assistance, then the rents will be at the provincial income assistance shelter rates.	
Other Comments	This project is anticipated to start construction immediately following execution of the lease. YWCA will operate the housing units and the child care facility.	

4.0 COMMUNICATION AND COMMUNITY ENGAGEMENT

A map and list of non-market housing projects on City-owned properties is maintained on the City’s website at <https://www.burnaby.ca/our-city/projects/non-market-housing> to publicly share updates on these projects.

5.0 FINANCIAL CONSIDERATIONS

The City provides significant financial contributions to non-profit housing providers and other orders of government to help support the delivery of affordable housing within Burnaby. For non-profit housing built on City land and leased from the City at a nominal rate, a significant contribution to the project is the market value of the leased land, which according to the CEO of the Urban Development Institute, typically represents about 15 percent of the cost of the development.⁵ Housing grants paid to non-profit housing providers and contributions towards on-and-off-site capital works are paid for using funds accumulated in the Community Benefit Bonus Affordable Housing Reserve (CBBAHR). CBBAHR funds are also contributed to the Non-Market Housing Demolition Reserve, which is used to pay for end-of-lease demolition and site restoration costs for all nominal land leases for non-market housing projects constructed on City lands by not-for-profit operators.

Each project has been updated to provide Council with a complete package of contributions made by the City to each non-market housing project in Burnaby. Contributions that are listed as “tbd” or “pending” will be updated in future reports as those amounts become known.

Respectfully submitted,

E.W. Kozak, General Manager Planning and Development

ATTACHMENTS

Not applicable.

REPORT CONTRIBUTORS

This report was prepared by Carla Schuk, Planner 3, and reviewed by Richard Mester, Manager Business Process and Reporting, Wendy Tse, Director Community Planning, and Lee-Ann Garnett, Deputy Director Planning and Development.

⁵ Lee-Young, Joanne (2023, Nov 29) “How B.C.’s housing minister arrived at a housing price drop remains a mystery” *Vancouver Sun*, [How B.C. arrived at a housing price drop remains a mystery Vancouver Sun](#)