

TO: MAYOR & COUNCILLORS
FROM: GENERAL MANAGER PLANNING AND DEVELOPMENT
SUBJECT: **REZ #22-30 – PTN 7201 11TH AVENUE – MULTIPLE FAMILY RESIDENTIAL DEVELOPMENT**
PURPOSE: To seek Council authorization to forward REZ #22-30 to First and Second Reading at a future Council meeting.

REFERENCES

Address: Portion of 7201 11th Avenue
Legal: Portion of PID: 031-577-237
Lot 2 District Lot 53 Group 1 New Westminster District Plan
EPP114963
Applicant: Southgate City Homes Ltd.
Suite #300-1285 West Pender, Vancouver, BC
Attention: Bob Estey
Current Zoning: CD Comprehensive Development District (based on the RM5 and RM1 Multiple Family Residential Districts, C2 Community Commercial District, and the development plan entitled “Southgate Master Plan Concept Book and Design Guidelines” prepared by IBI Group and PWL Partnership)
Proposed Zoning: Amended CD Comprehensive Development District (based on RM5 and RM5r Multiple Family Residential Districts and C2 Community Commercial District, Edmonds Town Centre Plan and Southgate Master Plan Concept Book as guidelines and in accordance with the development plan entitled “G3-G6 Southgate City” prepared by Arcadis Architects (Canada) Inc.)

RECOMMENDATION

THAT a Rezoning Bylaw for REZ #22-30 be prepared and advanced to First and Second Reading at a future Council meeting;

THAT park and open space requirements be secured through phases prior to and subsequent to the G3-G6 rezoning application (REZ#22-30) and associated subdivision, and as outlined in Section 3.11 of the report titled “REZ #22-30 – Ptn 7201 11th Avenue – Multiple Family Residential Development” dated December 16, 2024;

THAT Housing Agreements be authorized according to the terms outlined in Section 3.6 of the report titled “REZ #22-30 – Ptn 7201 11th Avenue – Multiple Family Residential Development” dated December 16, 2024, and the City Solicitor be authorized to bring forward Housing Agreement Bylaws for Final Adoption; and

THAT the items listed in **Attachment 3** to the report be established as prerequisites to consideration of Final Adoption of the Rezoning Bylaw for REZ #22-30.

EXECUTIVE SUMMARY

A rezoning application has been received to allow for a multiple-family residential development above underground parking within the Gateway Neighbourhood (G3-G6) of the Southgate Master Plan area. The development is comprised of two primary phases. Phase 1 (G5 and G6) will be comprised of a single high-rise strata apartment building with a six-storey podium and street-fronting townhomes along Southgate Boulevard, and a separate wood-framed rental apartment building fronting a future internal road to the north. Phase 2 (G3 and G4) is proposed to replicate the form and tenure of the development proposed in Phase 1. Each phase will have its own shared underground parkade, and outdoor open space amenities between the buildings. 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 First and Second Reading at a future date of Council.

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),
- Economic Development Strategy (2007),
- Social Sustainability Strategy (2011),
- Environmental Sustainability Strategy (2016),
- Transportation Plan (2021),
- Rental Use Zoning Policy (2020),
- HOME: Housing and Homelessness Strategy (2021), and
- Edmonds Town Centre Plan (1994).

2.0 BACKGROUND

2.1 The subject development site is located along Southgate Boulevard and east of 18th Street, within the Gateway Neighborhood of the Southgate Master Plan community. The site is designated for high-density mixed-use development within Sub-Area 2 of the Edmonds Town Centre Plan, and as Town Centre within the Official Community Plan (see **Attachment 1** – Sketch #1 and Sketch #2). The

proposal includes the subdivision of the Phase 1 area and Phase 2 area from the parent parcel into two distinct parcels.

- 2.2 On July 20, 2015, Council adopted Bylaw No. 13387 (REZ #14-25), which established a conceptual Master Plan framework, companion design guidelines, and a density allocation covenant for the Southgate neighborhood. Following the adoption of the Southgate Master Plan, Council adopted the Rental Use Zoning Policy (RUZP) in February 2020 to support the development of rental units in the City. On August 26, 2024, Council granted Third Reading to Bylaw No.14614, which proposes to amend the Southgate Master Plan to incorporate the requirements of the RUZP. Adoption of the amended Master Plan (Bylaw No. 14614) will be required prior to the adoption of the subject rezoning.
- 2.3 On June 19, 2023, Council received an initial rezoning report for information, which proposed to rezone the subject property to the Amended CD Comprehensive Development District (based on RM5 and RM5r Multiple Family Residential District and C2 Community Commercial District as guidelines). Council authorized staff to work with the applicant towards the preparation of a suitable plan. The applicant has now submitted a plan of development suitable for First and Second Reading of the Rezoning Bylaw.

3.0 GENERAL INFORMATION

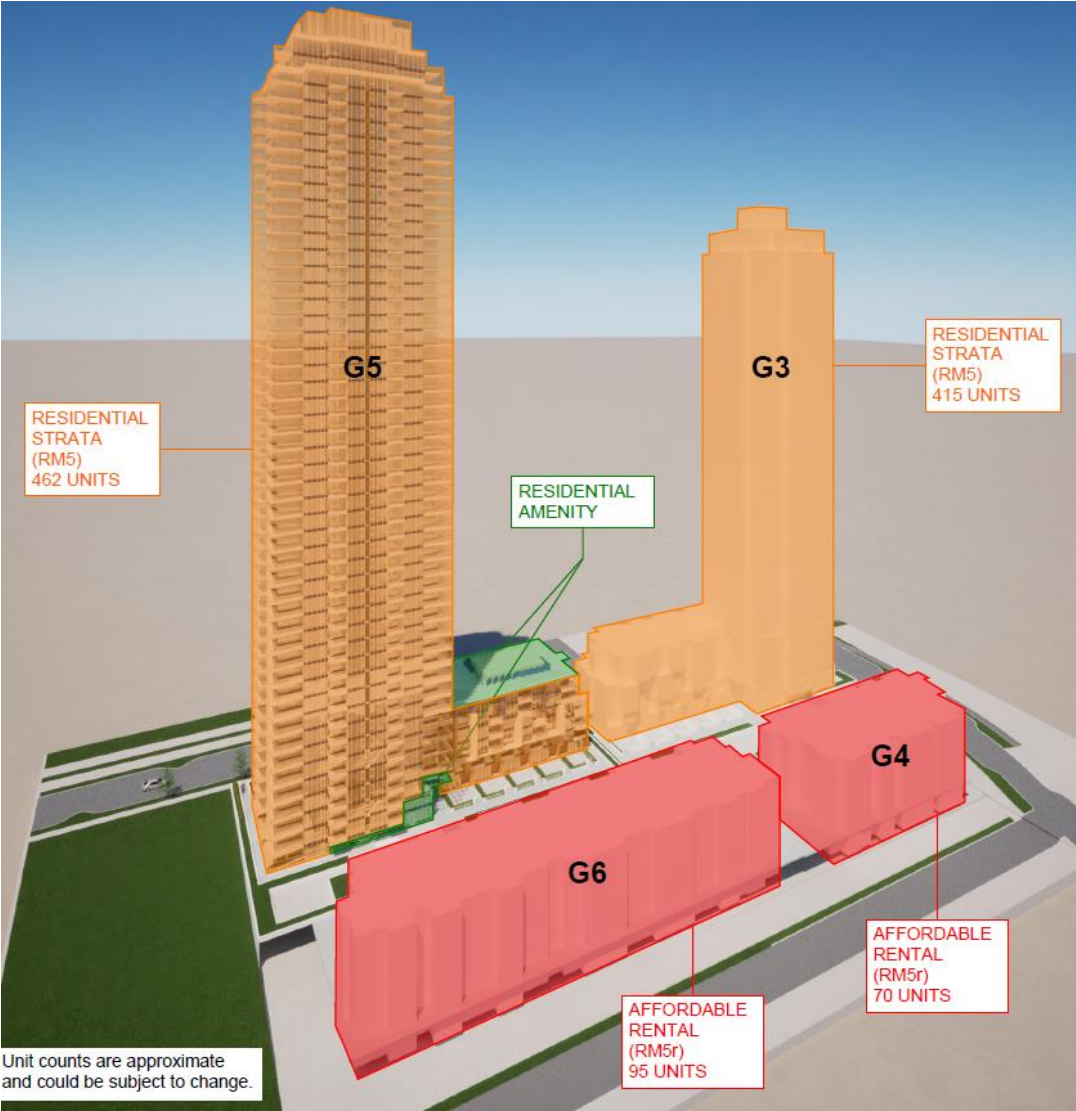
3.1 The development proposal, as shown in **Figure 1**, is separated into two phases. Phase 1 (G5 and G6) contains a 50-storey market strata residential tower at the southeast corner of the development site with a six-storey residential podium and street-fronting townhomes (G5) along Southgate Boulevard. On the northern portion of the site is a proposed six-storey non-market rental building (G6). Vehicular access to a shared underground parkade will be located along the future internal road on the northern side of the development site. Together, Phase 1 (G5 and G6) is proposed to provide 462 market strata units and 95 non-market rental units, which exceeds the minimum inclusionary non-market requirement for this first phase of the subject site.

The future Phase 2 (G3 and G4) is proposed to have a 45-storey market strata residential tower at the southwest corner of the development site with a six-storey residential podium and street-fronting townhomes (G3) along Southgate Boulevard. On the northern portion of the Phase 2 site area is a proposed six-storey non-market rental building (G4). Vehicular access to a shared underground parkade will be located along the future internal road on the northern side of the development. Together, Phase 2 (G3 and G4) is proposed to provide 415 market strata units and 70 non-market rental units. Phase 2 will also contain an optional commercial opportunity, that may be pursued or converted to a residential amenity at the time of a future site-specific development application (PPA or DP).

Pedestrian access is provided from Southgate Boulevard to the south and a future internal road to the north. A minimum 2.0 m wide publicly accessible pathway is

proposed between Phase 1 and Phase 2, creating a north-south mid-block connection. A more detailed summary of the proposed development, including density, floor area, residential unit mix, amenity space, and parking and loading, is provided in **Attachment 2 – Development Statistics**.

Figure 1: Land Use and Tenure



3.2 It should be noted that the timing of Phase 2 (G3/G4) may be impacted by market conditions. As such, the CD District accommodates the sales centre on the Phase 2 portion of the site as a permitted temporary use until this phase redevelops. The applicant may choose to refine the design of the proposal insofar that it continues to meet the Southgate Master Plan and that refinements do not result in an increase in the proposed maximum building height or the maximum density identified for the Phase 2 site within the plan of development.

To ensure any amendments to the proposed plans are reviewed in detail and comply with the development statistics outlined in this report and/or the City’s Zoning Bylaw, as amended from time to time, a Section 219 Covenant will be registered as part of the subject application, restricting issuance of a Building Permit for Phase 2 (G3/G4) until a site specific development application has confirmed detailed drawings have been accepted in line with the CD District’s suitable plan of development.

3.3 Density is determined based on the gross site area and the permitted Floor Area Ratio (FAR). The maximum permitted and proposed density for the subject site is outlined in **Table 1** and **Table 2**. There may be minor changes to Gross Floor Area (GFA) and proposed unit counts a result of design refinements or detailed surveys, subject to the proposed Density (FAR) on **Table 2** not being exceeded.

Table 1: Proposed density based on Master Plan site area

	Permitted GFA (m ²)	Remaining GFA (m ²)
RM5 Base and Bonus	423,634.42	379,005.10
RM1	41,492.73	41,492.73
RM5r	63,738.64	56,479.20
RM5 Offset	179,230.03	160,348.42
C2 Commercial	37,161.22	36,969.10
Total GFA (m ²)	745,257.04	674,294.55

The Permitted GFA is based on the Permitted GFA outlined in the amended Master Plan (Bylaw No. 14614), and as such, final adoption of the amendment is required prior to the adoption of the subject rezoning. Table 1 identifies the remaining density available on site after density allocated to REZ#22-31B (C1-C4) has been accounted for. Enactment of REZ#22-31B also requires the adoption of the amended Master Plan prior to its adoption. Applied to the subject site area (Phase 1 and Phase 2 combined) of 14,031.00 m², the proposed allocated density for G3-G6 is 5.94 FAR, as outlined in Table 2.

Table 2: Proposed density based on subject site area (G3-G6)

Zoning: CD (RM5, RM5r, C2) G3-G6 Site Area: 14,031.00 m ²		
	Proposed Density (FAR) and GFA (m ²)	Proposed Units
RM5 Base and Bonus	3.61 FAR	616
GFA (m ²)	50,740.11	
RM5r	0.78 FAR	165
GFA (m ²)	10,937.10	
RM5 Offset	1.53 FAR	261
GFA (m ²)	21,467.01	
C2 Commercial	0.02 FAR	-
GFA (m ²)	212.56	
Total Density	5.94 FAR	1,042
Total GFA (m ²)	83,356.78	

3.4 The site specific 3.61 FAR noted on **Table 2** exceeds the maximum permitted RM5 density of 2.2 FAR for the RM5 District, permitted by the density allocation covenant registered on title as part of the Southgate Master Plan (REZ #14-25). The density allocation covenant allows additional density from within the overall Master Plan pool of density to be assigned to site specific applications, including the subject application for G3-G6. As a requirement of the amended Master Plan, an updated density allocation covenant will be registered on title, which will include the density provisions associated with the RUZP (Density Offset and RM5r). Ultimately, the density applied to the subject site will draw down from the maximum overall Master Plan density permitted.

3.5 As noted in **Table 1**, the applicant is proposing to use the amenity density provisions as supported by the adopted Master Plan and the existing Density Allocation Covenant on title. The calculation of bonus density floor area for the Southgate neighborhood is outlined in the covenant that is registered on title for the Master Plan area. The covenant outlines different ratios of RM5 Base Density versus RM5 Bonus Density, and the ratios change as more units are developed over time. The density for the portion of Base and Bonus RM5 units that exceed 1,500 units across the Master Plan site is allocated based on a percentage of 84.62% Base Density and 15.38% Bonus Density. Phase 1 (G5) will bring the cumulative number of RM5 units delivered across the site to 1,856 units, and as

a result, based on the covenant, will be using the 15.38% Bonus Density percentage. Phase 2 (G3) will bring the cumulative number of RM5 units delivered across the site to 2,147 which will increase the required Bonus Density percentage to 24.67% of the overall RM5 density proposed on that site.

The Real Estate Division of the Lands and Facilities Department will initiate discussions with the applicant on the amenity bonus value. Based on the allocation of density outlined above, the approximate bonused floor area being pursued in both phases is 3,887.99 m² for Phase 1 and 6,281.08 m² for Phase 2. A separate report detailing the value of the density bonus will be brought forward to Council for consideration and approval before the subject Rezoning Bylaw is advanced for Third Reading. In accordance with Council-adopted policy, 80% of the cash-in-lieu contributions will be applied to the City-Wide Community Benefit Bonus Reserve and 20% to the Community Benefit Bonus Affordable Housing Reserve. As this is a Master Planned site, the applicant may choose to defer negotiation and payment of their density bonus value until prior to PPA issuance, whereby a no-build and no marketing covenant will be registered on title.

- 3.6 With respect to the rental component of the project, this application will be processed in accordance with the City’s Rental Use Zoning Policy (RUZP), utilizing Stream 2 – Inclusionary Rental. As such, the applicant is proposing to utilize 0.78 FAR of RM5r density to provide 165 non-market rental units to be rented at 20% below the CMHC market median rental rates for the neighborhood. Phase 1 is proposed to contain 95 non-market rental units, and Phase 2 is proposed to contain approximately 70 non-market rental units. This would exceed the inclusionary requirement for both Phases (65 units required for Phase 1 and 59 required in Phase 2). Any excess inclusionary units will be credited towards future phases to fulfill future inclusionary rental requirements within the Southgate Master Plan community. It is noted that the proposal meets the requirements of the Rental Use Zoning Policy. The registration of Housing Covenants and Housing Agreements will be required to protect and regulate affordability measures and tenure of the non-market rental units.

- 3.7 The applicant is proposing to provide 114 adaptable units in Phase 1, which exceeds a minimum of 20% of all single-level residential units as adaptable, in line with the Adaptable Housing policy. Approximately 92 adaptable units is proposed to be provided in Phase 2. The specific number of adaptable units for Phase 2 will be determined at the time of a future site-specific development application and Staff will work with the applicant to ensure this policy (or any updated BC Building Code requirements) at that time are met.

- 3.8 Residential parking ratios of 1.0 space per market strata unit, 0.6 spaces per rental unit, and 0.1 visitor spaces per residential unit are proposed for the development. The vehicle parking rates outlined above may be varied prior to the issuance of a Preliminary Plan Approval in line with the rates set out in this paragraph or the then-current requirements in the Burnaby Zoning Bylaw, subject to any necessary

changes to the transportation demand management (TDM) strategy for the site to be in line with Council adopted guidelines or standards.

3.9 Bicycle parking provisions are outlined in **Attachment 2**. Further, the applicant is providing a comprehensive transportation demand management strategy for Phase 1 rental and strata residents, which includes:

- a transit subsidy fund that amounts to \$2,850 per dwelling unit to allow for a monthly subsidy made available to each dwelling unit at 50% of the cost of a two-zone monthly transit pass;
- provision of \$1,500 in car share vehicle driving credits per dwelling unit;
- provision of four spaces for car share vehicles on-site with Level 2 or higher charging level;
- provision of bicycle repair and maintenance stations on-site; and,
- a Communications Strategy that provides the building owners, tenants and employees of the residential and commercial uses with an understanding of how to best use each of the alternative transportation options.

The final transportation demand management strategy measures may be varied prior to Final Reading in line with adopted City policy or bylaw regulations, as amended from time to time. A transportation demand management strategy for Phase 2, and the appropriate bonding, will be determined and collected prior to the issuance of PPA/DP of that phase.

3.10 Transportation and servicing improvements include, but are not limited to, construction of Southgate Boulevard to a final two-lane local Town Centre Standard, construction of an internal road to the north of the development site, construction of a north-south pedestrian linkage (2.0 m) between the two phases of development, undergrounding of overhead wiring, and any required storm, sanitary and water services.

3.11 Under Section 510 of the Local Government Act, where a subdivision or multiple subdivisions of a lot results in the creation of three or more additional lots within a five year period, then the City may require the applicant to provide up to a maximum of five per cent of the land being subdivided as dedicated park land or to pay to the City an amount equal to the market value of the land required to be dedicated as park. The subject rezoning (REZ #22-30) includes an associated subdivision which will result in the creation of two additional development lots. The Jade rezoning (REZ #22-31B) also includes an associated subdivision which will result in the creation of two additional development lots. The subject rezoning and the Jade rezoning (and their associated subdivisions) are both anticipated to be completed in 2025, and will together result in the creation of a total of four additional development lots.

In line with the Master Plan, the proposed phasing for the delivery of the five acre park identified as part of the adopted Southgate Master Plan is outlined in Attachment 1: Sketch #3. The proposal is to dedicate the park to the City in three phases (from west to east). Approximately 8,414 m² of constructed and

programmed park with street frontage improvements is to be dedicated to the City following the occupancy of the second phase of the Jade rezoning (REZ#22-31B). This first phase of park dedication is a significant area of park which satisfies the requirements under Section 510 of the LGA in connection with the subdivisions associated with both the Jade rezoning (REZ#22-31B) and the subject G3-G6 rezoning (REZ# 22-30).

Approximately 4,985 m² of additional park will be delivered with the occupancy of G9/G10 (REZ#23-09), and may be developed before, concurrently, or after the subject G3-G6 Phase. The final approximately 6,835 m² will be delivered with a future rezoning application for CR1/CR2 in the Crescent neighborhood of the Southgate Master Plan. In total, the applicant will be providing approximately 20,234 m² (5 acres) of dedicated park space to the City, with park construction completed by the developer, and the detailed park designs subject to City approval. Once completed, this park will represent approximately 10% of the total Southgate Master Plan site area.

Prior to the final adoption of the subject rezoning and the amended Master Plan rezoning (REZ 22-31A), a covenant will be required to detail the phasing and requirements of the park delivery, including the subdivision and dedication of the park parcels.

- 3.12 The submission of a Green Building Plan and energy benchmarking is required to demonstrate consistency with the Burnaby Green Building Policy. The developer has committed to demonstrating sustainability through building design, materiality and efficiency (water, energy and waste management) initiatives. The applicant has indicated that the development will meet a minimum of Step 3 of the BC Energy Step Code and the Zero Carbon Step Code EL-4.
- 3.13 The City is currently developing a district energy utility (DEU) to serve space heating and domestic hot water needs of buildings in south Burnaby. Based on the development's location, proposed Comprehensive Development (CD) District zoning and the total floor area of all buildings on the site (>100,000 sq. ft.), the proposed buildings will be required to meet the Council-adopted District Energy policy. Since the site is within Service Area A, connection to the future DE system is mandatory. A DEU system compatibility review will be conducted prior to building permit issuance.
- 3.14 As per the City's Public Art Policy, this development would be subject to options available as presented in the City's Private Sector Public Art Guidelines. The provision of public art is a prerequisite of rezoning, with Option A: to provide public art on the subject site, or Option B: to provide a cash-in-lieu contribution to public art. A final determination will be made prior to Final Adoption of the rezoning, with all necessary covenants secured to ensure delivery of the artwork or cash in lieu payment.

3.15 The required prerequisites to the adoption of the rezoning are listed in **Attachment 3 – Rezoning Prerequisites**. In part, the prerequisites include the necessary fees, financial securities, professional reports, legal and servicing agreements, easements, covenants, and statutory rights-of-way to facilitate the servicing and development of the proposed site.

4.0 COMMUNICATION AND COMMUNITY ENGAGEMENT

As of November 30, 2023 the *Housing Statutes (Residential Development) Amendment Act, 2023* amended Section 464 of the *Local Government Act* to prohibit local governments from holding a Public Hearing for rezoning applications that are all or predominantly (greater than 50%) residential, where the proposed rezoning is consistent with the City’s Official Community Plan. As such, a Public Hearing is prohibited from being held for this rezoning application.

Public notice of the Rezoning Bylaw for REZ #22-30 will be completed prior to bringing forward the Rezoning Bylaw for First Reading, in accordance with section 467 of the *Local Government Act*, the City’s 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.

5.0 FINANCIAL CONSIDERATIONS

There are no financial considerations associated with this proposal.

Respectfully submitted,

E. W. Kozak, General Manager Planning and Development

ATTACHMENTS

- Attachment 1 – Sketch #1, Sketch #2, and Sketch #3
- Attachment 2 – Development Statistics
- Attachment 3 – Rezoning Prerequisites

REPORT CONTRIBUTORS

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