

TO: MAYOR & COUNCILLORS

FROM: GENERAL MANAGER PLANNING AND DEVELOPMENT

SUBJECT: **REZ #24-20 – 7135 WALKER AVENUE AND 7244 ARCOLA STREET – RESIDENTIAL RENTAL TOWER AND COMMUNITY HUB**

PURPOSE: To seek Council authorization to forward REZ #24-20 to First and Second Reading at a future Council meeting.

REFERENCES

Address: 7135 Walker Avenue and 7244 Arcola Street
Legal: PID: 012-320-820, 002-882-531
Lot “B” Block 3 District Lot 95 Group 1 New Westminster District Plan 1796; and Parcel “D” District Lot 95 Group 1 New Westminster Reference Plan 58881
Applicant: Gracorp Properties LP
700 – 700 West Pender Street, Vancouver, BC V6C 1G8
Attention: Adrien Rahbar
Current Zoning: CD Comprehensive Development District (based on C3 General Commercial District as a guideline) and P1 Neighbourhood Institutional District
Proposed Zoning: CD Comprehensive Development District (based on the Edmonds Community Plan as a guideline, and in accordance with the development guidelines provided in Appendix A attached to the Rezoning Bylaw for REZ #24-20)

RECOMMENDATION

THAT a Rezoning Bylaw for REZ #24-20 be prepared and advanced to First and Second Reading at a future Council meeting;

THAT a Housing Agreement be authorized according to the terms outlined in Section 3.3 of the report titled “REZ #24-20 – 7135 Walker Avenue and 7244 Arcola Street – Residential Rental Tower and Community Hub” dated April 22, 2025, and that in connection therewith the City Solicitor be authorized to bring forward a Housing Agreement Bylaw; and

THAT the items listed in Attachment 3 – Rezoning Prerequisites to the report be established as prerequisites to consideration of Final Adoption of the Rezoning Bylaw for REZ #24-20.

EXECUTIVE SUMMARY

A rezoning application has been received to establish development guidelines for the construction of a 50-storey residential rental tower with an adjoining 6-storey community hub inclusive of an auditorium, retail space, community serving uses (such as a food bank), and office space. The development proposal includes approximately 480 purpose-built rental units, including approximately 96 non-market rental units. The project is a partnership between BC Builds and The Neighbourhood Church, who is the owner of the lands. 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),
- Edmonds Community Plan (2025),
- Social Sustainability Strategy (2016),
- Burnaby's Housing Needs Report (2021), and
- "HOME: Housing and Homelessness Strategy" (2021).

2.0 BACKGROUND

- 2.1 The subject development site is located at the southwest corner of Arcola Street and Walker Avenue and is designated for Town Centre uses within the current Official Community Plan, and for High Rise Apartment 2 and Institutional uses in the Edmonds Community Plan and draft Official Community Plan 2050 (see **Attachment 1 – Sketch #1**). In the Edmonds Community Plan, High Rise Apartment 2 designated sites with an Institutional designation overlay are identified for a base height permission of up to 40 storeys, with the opportunity for additional height consideration subject to provision of uses with public or community benefit, including but not limited to non-market housing, community gathering and/or programming space, commercial uses and childcare. The subject site is comprised of 2 lots. 7135 Walker Avenue is improved with an existing church (commonly known as the Edmonds Baptist Church), and 7244 Arcola Street is currently vacant.
- 2.2 The proposed development is a Provincially supported project through the BC Builds housing development program. Funding approval and project advancement

is contingent on BC Builds securing BC Treasury Board approval before their summer recess at the end of June 2025. As a condition of their approval, the Board has requested that BC Builds demonstrate advancement of the rezoning application.

- 2.3 On April 8, 2025, Council endorsed a report from staff on the proposed height-based development framework (HBDF), which is an approach to city building that prioritizes the form of development and the relationship of buildings to the public realm. A key element of the new framework is the removal of FAR as a development control mechanism. Under the height-based development framework, the development potential of a lot is determined by the permitted building height and required setbacks. The City is currently in the process of creating the height-based framework regulations, including updates to inclusionary non-market rental and Community Benefit Bonus (density bonus) regulations. Accordingly, for expedience and in support of this Provincial housing initiative, this application is being advanced under a Comprehensive Development District utilizing the recently adopted Edmonds Community Plan as a guideline, with development guidelines in line with the proposed HBDF. The development guidelines will establish the permitted uses, tenure, density (height), unit mix, non-market rental requirements, and general conditions for the subject site. As a condition of the rezoning, the applicant will be required to submit a suitable plan of development acceptable to the City prior to issuance of a Preliminary Plan Approval (PPA) or Development Permit (DP). It is noted that on March 11, 2025, Council approved a motion to exclude market rental projects from inclusionary non-market requirements under the new HBDF.
- 2.4 At the February 25, 2025, Open meeting, Council passed a motion that the Terms of Reference for the Planning and Development Committee (PDC) be updated to have all rezoning applications brought forward to PDC. The subject rezoning application was submitted in September 2024, prior to the Council motion to bring forward all rezonings to PDC. Further, due to the impending deadline for Treasury Board approval, this application is being brought directly to Council, as the additional time required to first present the application to PDC may jeopardize the timelines for Provincial funding approval. The Chair of PDC has been advised and concurs with the approach of submitting this rezoning application directly to Council.
- 2.5 On December 2, 2024, Council received an initial rezoning report which proposed to rezone the subject property to a Comprehensive Development District. Council authorized staff to work with the applicant towards the preparation of a suitable plan of development. The applicant has now submitted a plan of development suitable for First and Second Reading of the Rezoning Bylaw.

3.0 GENERAL INFORMATION

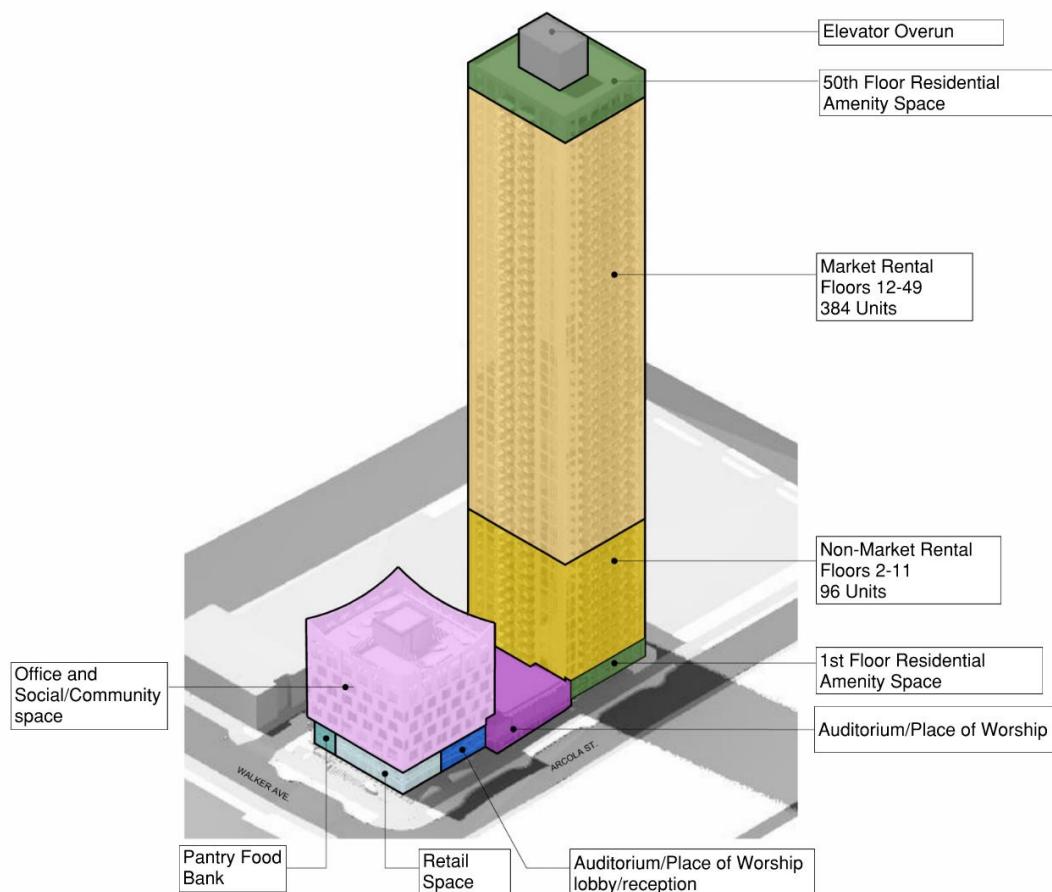
- 3.1 The development proposal, as shown in **Figure 1**, is for a 50-storey residential tower, consisting of approximately 480 purpose-built rental units, and an adjoining

6-storey podium inclusive of a proposed large single-level auditorium, retail space, and the intent for community serving commercial uses at the street level, such as a food bank, with leasable commercial space on upper levels for office and other community focused programs. The purpose-built residential rental component will include a mix of both market and non-market rental units. Following completion of the project, it is currently proposed that the residential rental units will be managed by a non-profit housing operator. Management of the community hub is proposed to remain with the current owners.

Pedestrian access is provided from Arcola Street and Walker Avenue, with vehicular access provided via a rear laneway running north-south and east-west, connecting to both Arcola Street and Walker Avenue. Vehicle and bicycle parking for both the residential and community hub uses will be provided in a common underground parkade.

The development guidelines outlined in **Attachment 2** will be appended to the rezoning bylaw, in lieu of a complete suitable plan of development. The specific plan of development would be approved through future PPA or DP, and Building Permit applications.

Figure 1: Land Use and Tenure



*Note: Specific commercial or institutional uses may change in accordance with the uses permitted in **Attachment 2**.

- 3.2 The subject site includes the 1912 Edmonds Baptist Church building, which is listed on the City's Heritage Inventory. As the applicant is not proposing to include the building in the new development, they will provide for the documentation of the building through an as-found report and undertake a responsible removal assessment to look at options for relocation, or for the deconstruction and material salvage if relocation cannot be achieved. The applicant is encouraged to incorporate salvaged material into the new development as design features. The applicant will also incorporate the history of the site and the Edmonds Baptist Church building into a commemorative program that is accessible to the public through strategies such as interpretive signage and artwork, public realm and landscape design, and architectural features.
- 3.3 The development is proposing approximately 480 purpose-built rental units, with 384 market rental units (80%) and 96 non-market rental units (20%). As a BC Builds project, rental rates are proposed as BC Builds compliant market and below market. The applicant is proposing a strong mix of unit types for the development, with 40% of units planned to be two bedrooms or larger. BC Builds compliant market rents are established based on an independent market rent appraisal of the area around the development site. BC Builds compliant non-market rental units are 20% below market rental rates.

It is noted that the unit count is subject to final design and will be confirmed prior to issuance of the PPA or DP, with a minimum of 20% of the units being maintained as BC Builds compliant non-market rental. The registration of a Housing Covenant and Housing Agreement prior to building occupancy will be required to protect the number and regulate affordability measures of the non-market rental units.

- 3.4 The development guidelines for the subject site have been developed in alignment with the land use designations within the Edmonds Community Plan and draft Official Community Plan 2050. The respective Plans permit a base building height of 40 storeys on the subject site, with opportunities to increase the building height to up to 50 storeys, subject to the project providing significant public or community benefit. It is noted that as part of the City's transition to a Height Based Zoning Framework, an updated Community Benefits Bonus (CBB) Policy is currently under review and has yet to be adopted by Council. Of the 50 residential storeys proposed, 10 storeys would accommodate the non-market rental housing (approximately 96 units) and amenity. It is recommended that Council consider the voluntary provision of these fully non-market units an appropriate public/community benefit that warrants the approval of an additional 10 storeys, absent a Council-adopted updated CBB Policy/Bylaw.
- 3.5 A vehicle parking ratio of 0.25 spaces per residential unit is proposed for the development. Residential parking will not be permanently allocated to any

particular unit and will be available to both market and non-market residential rental units. The non-residential parking will also be available as residential visitor parking. For non-residential parking, a rate exceeding 1 parking space per 55 sq. m is proposed, which is the most common rate for a range of commercial uses such as childcare, office, and retail. To meet minimum parking requirements, including for the accessory assembly functions (place of worship), the application is proposing to adhere to the shared parking provisions under Section 800.5A of the Zoning Bylaw, and a Transportation Impact Assessment has been provided to demonstrate how the proposed non-residential parking will meet anticipated demand through sharing of spaces between uses and functions with different hours of operation. In addition, the applicant is proposing to provide over 20 additional stalls to provide flexibility for occasional variation in needs for the accessory assembly uses.

The vehicle parking rates outlined above may be varied prior to the issuance of a PPA or DP in line with the then-current requirements in the Burnaby Zoning Bylaw. Bicycle parking provisions, as well as end of trip facilities for non-residential uses will also be provided in line with the Zoning Bylaw requirements at the time of PPA or DP issuance. Cash-in-lieu for non-residential parking spaces will only be applicable should the final design propose a lower parking rate than otherwise approved under this rezoning or as required by the Zoning Bylaw at the time of PPA/DP issuance.

To support transportation alternatives on the site, the applicant is providing the following transportation demand management measures:

- provision of \$500 in car share vehicle driving credits per dwelling unit;
- provision of four parking spaces for car share vehicles on-site with Level 2 or higher charging level. These spaces will be made available to car share providers and protected by way of a Statutory Right of Way agreement to allow for public access and use;
- 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 non-residential uses with an understanding of how to best use each of the alternative transportation options.

3.6 Transportation and servicing improvements include, but are not limited to, construction of Arcola Street to its final Two-lane Local Standard and Walker Avenue to its Two-lane Standard (Collector) under the Town Centre Standards, reconstruction of the rear lane, undergrounding of overhead wiring, and any required storm, sanitary and water services. To facilitate the final standard for Walker Avenue, an approximate 1.8 m road dedication is required, subject to final survey.

3.7 The provision of public art is a prerequisite of this rezoning. In accordance with the City's Public Art Policy, the applicant may satisfy the public art requirement through

one of two options: Option 1 is to provide public art on the subject site, and Option 2 is to provide a cash-in-lieu contribution to public art. A final determination of which option applies 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.

- 3.8 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 estimated total floor area of all buildings proposed 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 A2, connection to the future DE system is mandatory. A DEU system compatibility review will be conducted prior to building permit issuance.
- 3.9 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 #24-20 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 related to this proposal.

Respectfully submitted,

E. W. Kozak, General Manager Planning and Development

ATTACHMENTS

Attachment 1 – Sketch #1

Attachment 2 – Appendix A Development Guidelines and Schedule A to Appendix A

Attachment 3 – Rezoning Prerequisites

REPORT CONTRIBUTORS

This report was prepared by Alex Kolsteren, Planner 2, and reviewed by Mark Norton, Manager Development and Jesse Dill, Director Development.