

## PLANNING AND DEVELOPMENT COMMITTEE

**TO:** MAYOR AND COUNCILLORS

SUBJECT: SWING SITE PROPOSAL FOR INTERIM RENTAL HOUSING 6616 AND 6638 TELFORD

# **RECOMMENDATION:**

**THAT** staff be authorized to work with Belford Properties on a suitable swing site proposal for interim rental housing, with the understanding that a new proposal will require:

- an amendment to the existing Phased Development Agreement approved under Bylaw No. 14401 between the City and Belford Properties; and
- a rezoning amendment bylaw for 6616 and 6638 Telford Avenue, REZ #18-23
   Bylaw No. 14402.

# **REPORT**

The Planning and Development Committee, at its meeting held on November 8, 2023, received and adopted the <u>attached</u> report seeking direction on a proposed swing site for interim rental housing in the Maywood neighbourhood of the Metrotown Downtown Plan area.

On behalf of the Planning and Development Committee,

Councillor P. Calendino Chair

Councillor J. Keithley Vice Chair





COMMITTEE REPORT

TO: PLANNING AND DEVELOPMENT COMMITTEE (PDC)

FROM: GENERAL MANAGER PLANNING AND DEVELOPMENT

SUBJECT: SWING SITE PROPOSAL FOR INTERIM RENTAL HOUSING - 6616

**AND 6638 TELFORD AVENUE** 

**PURPOSE:** To seek direction on a proposed swing site for interim rental housing in

the Maywood neighbourhood of the Metrotown Downtown Plan area.

#### REFERENCES

Address: 6616 and 6638 Telford Avenue Applicant: Jay Lin, Belford Properties

#### RECOMMENDATION

**THAT** staff be authorized to work with Belford Properties on a suitable swing site proposal for interim rental housing, with the understanding that a new proposal will require:

- an amendment to the existing Phased Development Agreement approved under Bylaw No. 14401 between the City and Belford Properties; and
- a rezoning amendment bylaw for 6616 and 6638 Telford Avenue REZ #18-23 - Bylaw No. 14402.

#### 1.0 POLICY SECTION

The proposed recommendations are generally consistent with the following policies and plans adopted by Council:

- Regional Context Statement (2013);
- Corporate Strategic Plan (2022);
- Official Community Plan (1998);
- Social Sustainability Strategy (2011);
- Metrotown Downtown Plan (2017);
- Rental Use Zoning Policy (2020);
- Tenant Assistance Policy (2022); and,
- HOME: Housing and Homelessness Strategy (2021).

#### 2.0 BACKGROUND

At its meeting of November 7, 2022, Council granted Final Adoption to a Phased Development Agreement Bylaw (Bylaw No. 14401) and Phased Development Agreement (PDA) between the City and Belford Properties in respect of:

- REZ #17-34 6433 McKay Avenue and 6366 Cassie Avenue
- REZ #17-39 6444 Silver Avenue,
- REZ #18-21 4355 Maywood Avenue and
- REZ #18-23 6630 Telford Avenue.

The purpose of the PDA was to allow development of four sites in Maywood to proceed in a phased manner, with a density transfer enabled to provide the full amount of replacement rental units upfront, and on one individual site (formerly 6630 Telford Avenue, and now 6616 and 6638 Telford Avenue).

The subject development site at 6616 and 6638 Telford Avenue (adopted by Council under REZ #18-23), is a rental-only site which supports all of the Rental Use Zoning Policy (RUZP) replacement units generated from all four redevelopment sites and voluntary RM4r inclusionary units (see **Attachment 1** – Sketch #1 and #2). In total, the subject site is required to provide 220 rental replacement units. As these replacement units did not fully consume all of the available RM4r density, remaining rental density was used to provide an additional 168 rental units, 84 of which will be market rental units and 84 of which will be rented at the CMHC Market median rates for the Maywood neighborhood.

Prior to the Telford site receiving Final Adoption, a section 219 Covenant was registered on title to prohibit occupancy until Belford Properties has constructed the 220 rental replacement units (in addition to the other 168 rental units), and until they have entered into a Housing Agreement which is consistent with the RUZP housing agreement business terms and Tenant Assistance Policy (TAP). For replacement rental units, the requirement under the RUZP is for units to be rented at rental rates equivalent to the returning tenants' rent at move-out plus annual increases permitted by the Residential Tenancy Branch, or 20% below CMHC Market median rates if an eligible tenant does not utilize their right of first refusal and chooses not to move back into the newly constructed building on the site.

#### 3.0 GENERAL INFORMATION

On December 13, 2022, Vice President of Development with Belford Properties, Jay Lin, appeared as a delegate before the Planning and Development Committee to present a proposal which would increase the supply of interim rental housing in Maywood for tenants displaced as a result of redevelopment.

In summary, Belford Properties proposes to use the subject site as a swing site, where for a 10-year period, any replacement units which are not occupied (meaning the right of first refusal is not acted upon), would be converted to market rental units for the

benefit of other Burnaby residents who are eligible for support under the TAP, and will be displaced due to upcoming redevelopment. In this circumstance, rather than rental replacement units converting to affordable rental units at 20% below the CMHC market median rate when the right of first refusal is not acted upon for eligible tenants, the units would instead be made available as market rental swing units for TAP eligible tenants in Burnaby to live in on an interim basis while their replacement units are being constructed elsewhere. The eligible tenants would pay the reduced rents, and the developer who is causing their displacement would provide top-ups to Belford Properties as per the TAP. If a unit was not tenanted by an eligible TAP tenant, the unit would then be rented at 20% below CMHC market median as required under the RUZP.

Due to the current shortage of rental housing and low vacancy rates, developers and tenants have been challenged to find interim rental housing options in their own neighborhoods (particularly in Metrotown). While this proposal could help to mitigate this issue, the number of tenants who would forego their right of first refusal is unknown, and the proposal would take away from the total number of affordable units (20% below CMHC Market Median) that the development would otherwise make available, albeit temporarily (10 years).

As Belford Properties remains eager to pursue this proposal, it is worth discussing the merits of additional interim rental housing options in Maywood, and whether the City would allow the 220 replacement rental units and the 84 CMHC market median rental units (or a portion thereof) to be used as temporary swing units. Should Council authorize Staff to continue working with Belford Properties on an interim rental swing site proposal at 6616 and 6638 Telford Avenue, the specific number and tenure of units to be used as swing units would be finalized through the updated bylaw amendment processes and detailed in future reports to CouncilAs per Section 519 of the Local Government Act, an amendment to a Phased Development Agreement (other than a minor amendment) must be adopted by bylaw. As the exact rental rates and tenure of units are detailed within the Council-adopted REZ #18-23, the Phased Development Agreement Bylaw, and the Phased Development Agreement itself, bylaw amendments and new legal agreements would be required if Council were to endorse a swing site proposal for interim rental housing at the Telford site.

### 4.0 COMMUNICATION AND COMMUNITY ENGAGEMENT

Adjustments to the rates or tenure of any units approved under REZ #18-23 (Bylaw No. 14402) and referenced in the existing Phased Development Agreement (Bylaw No. 14401), would require a rezoning amendment bylaw and an amendment to the Phased Development Agreement Bylaw (Bylaw No. 14402). These amendments would require new public hearings where the public will be invited to provide comments.

### 5.0 FINANCIAL CONSIDERATIONS

There are no financial considerations related to this report.

Respectfully submitted,

E.W. Kozak, General Manager Planning and Development

# **ATTACHMENTS**

Attachment 1 – Sketch #1 (Subject Site) and Sketch #2 (Four Phased Development Agreement Sites)

# **REPORT CONTRIBUTORS**

This report was prepared by Mike Phillips, Development Planner and reviewed by Carla Schuk, Senior Housing Planner, Jesse Dill, Director Development and Lee-Ann Garnett, Deputy General Manager Planning and Development.



