

ITEM	3
MANAGER'S REPORT NO.	86
COUNCIL MEETING	Dec. 19/77

Re: ALLOCATION OF FUNDS RECEIVED THROUGH THE  
MUNICIPAL INCENTIVE GRANT PROGRAM (MIG)  
FOR LAND ASSEMBLY AND DEVELOPMENT PURPOSES

Following is a report from the Director of Planning regarding the Municipal Incentive Grant Programs.

RECOMMENDATIONS:

1. THAT Council pass a resolution designating Areas A and B within the Metrotown precinct (attached Sketches 1 and 2) as a Municipal Land Assembly area for residential purposes; and
2. THAT Council approve the use of funds obtained by the Municipality through the Federal-Provincial Municipal Incentive Grant Program and the Provincial Interim Revenue Sharing Program for "Land Assembly and Development" purposes within Areas "A" and "B" as outlined in Section 4.0 of the Director of Planning's report; and
3. THAT Council authorize the Land Agent to negotiate the acquisition of property offered for sale within Areas "A" and "B", giving priority to the delineated sub-areas A1, B1 and B2, utilizing the funds obtained through the outlined grant programs on the understanding that any final purchase price will be subject to the approval of Council; and
4. THAT Council authorize the Planning Department to monitor and coordinate the subject Land Assembly and Development program for Areas "A" and "B".

\* \* \* \*

TO: MUNICIPAL MANAGER  
FROM: DIRECTOR OF PLANNING  
SUBJECT: ALLOCATION OF FUNDS RECEIVED THROUGH THE  
MUNICIPAL INCENTIVE GRANT PROGRAM (MIG)  
FOR LAND ASSEMBLY AND DEVELOPMENT PURPOSES

PLANNING DEPARTMENT  
DECEMBER 14, 1977

1.0 BACKGROUND

As required by the Province in order to be eligible for Municipal Incentive Grants, Council by resolution on May 31, 1976 agreed to use the funds obtained from the Municipal Incentive Grant (MIG) Program "to encourage and facilitate the production of housing in Burnaby".

In a letter dated July 12, 1977 the Minister of Municipal Affairs and Housing attached the first substantial funds to Burnaby in payment of Burnaby's first claim under the MIG program. It would therefore appear to be an appropriate time to pursue in firmer detail the terms of reference for the expenditure of the MIG funds deposited "to encourage and facilitate the production of housing in Burnaby".

2.0 USE OF MUNICIPAL INCENTIVE GRANT (MIG) FUNDS

Various general alternatives for the use of MIG funds have been examined. The Planning Department report submitted to Council on May 31, 1976 stated that:

"Clarification was requested of the processing authorities whether the Municipality was to be limited in the manner in which funds received from the Municipal Incentive Grant program were to be utilized. It was explained that the resolution constitutes the general intent of the Municipality to use the grant funds 'to encourage and facilitate the production of housing'. Therefore the funds could be utilized for, among others,

ITEM	3
MANAGER'S REPORT NO.	86
COUNCIL MEETING	Dec. 19/77

the provision of services and roads, land banking, parks acquisition, or any other purpose which can be reasoned to assist in the general opening up or creation of suitable residential communities and developments."

It is proposed that the funds obtained would be most advantageously used for a specific housing purpose rather than be placed in with current general revenues or a general account such as the tax sales monies funds. The use of the MIG funds for land assembly and development of residential sites was considered the most appropriate "to encourage and facilitate the production of housing". Municipal funding programs have been established for other specific purposes such as parks acquisition and community facilities (i.e. libraries, recreation facilities).

Various potential or possible land assembly and development areas were examined. Other than the Kingsway/Sussex Town Centre (Metrotown) area, the other town centre and district centre areas examined were either well advanced in their development by the private sector or offered few opportunities for additional municipal land assembly and development (i.e. servicing) involvement. One other area, the Cariboo Land Assembly area has a well-established land assembly program. The development of a community plan for the Cariboo area would be pursued, once the acquisition of the area was complete. Also, this area should be developed only when the current rapid residential growth of the north-east sector stabilizes. Its development at this time is premature.

The Metrotown or Kingsway/Sussex Town Centre is the area in which additional municipal funds would be most effective in promoting new residential development in the near future through a directed program of land assembly. The Metrotown area is the highest level town centre with a potential for significant additional residential development at relatively high densities and in the modest-cost housing range. Suitable community amenities, employment opportunities, retail facilities, and public transportation are proposed or available to support and complement the residential development. The success of Metrotown will be based in great part on the provision of a strong residential component.

The difference between the MIG Land Assembly program and the Land Assembly for General Purposes program is pointed out. The MIG Land Assembly program involves the acquisition of property specifically for modest-cost housing within clearly identified sub-areas within the overall Metrotown area. The Land Assembly for General Purposes program is a broad municipal-wide program which permits the acquisition on a property-by-property basis by the municipality for any rationalized "municipal purpose" and a variety of land uses including industrial, commercial, and institutional as well as residential.

The proposed land assembly program for residential purposes within the Metrotown is detailed in Section 4.0 of this report.

3.0 STATEMENT OF FUNDS ON HAND

The following is a statement of funds on hand:

Provincial interim revenue sharing program (\$100 per housing start)		
- received 1976	\$106,100	
- received 1977 (1st half)	\$ 59,700	
		\$165,800
Federal-Provincial Municipal Incentive Program		
- received 1977:		
C.M.H.C.	\$ 96,000	
Province of B.C.	\$ 38,400	\$134,400
Interest Income		\$ 12,225
Balance (November 27, 1977)		\$312,425

It is noted that there is \$165,800 in the reserve that came from the Provincial Interim Revenue Sharing program related to housing starts and which is technically not required to be spent in the same manner that is required of the Federal-Provincial MIG program monies. There is also \$12,225 in interest earnings on this account. However, it is considered that the funds from these two sources are sufficiently related to include under the same terms of reference.

In summary, there is available at this time \$312,425 to spend on a specific appropriate program to be approved by Council.

It is difficult to estimate total funds expected from this program but it is tentatively suggested that a total of \$1,000,000 may be obtained from this program, dependent also on the availability of funds by CMHC and the Province.

4.0 PROPOSED LAND ASSEMBLY AND DEVELOPMENT PROGRAM  
APARTMENT AREAS "L" AND "M" - METROTOWN

4.1 It is proposed that the MIG reserve account be designated for land assembly and development purposes to assist in the creation and development of consolidated apartment sites within two designated land assembly areas ("A" and "B") which are located in Apartment Areas "L" and "M" (see Sketches 1 and 2). Areas "A" and "B" are appropriate for medium to high density residential development, but their development is hampered by the fact that the large number of small single-family dwelling lots with older homes in these two areas make it difficult for private developers to assemble viable consolidated apartment sites. It is our considered opinion that the assembly of these areas by private developers is not practical due to their reluctance to purchase and hold individual lots within development sites for long periods of time and the difficulty encountered by private developers in coping with hold-out property owners or locked-in lot situations. Without Municipal Land Assembly assistance, the development of much of these areas would be delayed for some time. In general, Area "A" is considered the higher priority land assembly area compared to Area "B" due to the greater perceived difficulty to the private market in assembling sites in Area "A" (i.e. smaller lots, required road closure).

The active acquisition by the Municipality of lots which are offered for sale within Areas "A" and "B" (Sketches 1 and 2) would essentially have the effect of lowering the number of individual property ownerships in this area and reduce the possibility of individual hold-out owners who refuse to sell or who ask for unreasonably high prices for their property at a critical stage in the assembly of specific apartment sites by a developer. Any property within specific development sites acquired by the Municipality would be sold at market value as negotiated between the Municipality and individual developers. Should the Municipality be able to acquire virtually the whole of one of the designated development sites except for 1 or 2 hold-out properties, expropriation is available as a final measure. The intention is not to necessarily create an area of subsidized social housing, but to create an area of modest-cost market determined housing.

The monies from the MIG fund used to purchase property would be recovered through sale of the property and the program would function on a "revolving fund" principle. The possibility of utilizing the Tax Sale Monies Fund will be retained should the cost of property recommended for acquisition not be wholly met by the MIG funds on deposit.

It is therefore recommended that Areas "A" and "B" as outlined on Sketches 1 and 2 be designated Municipal Land Assembly areas.

3  
MANAGER'S REPORT NO. 86  
COUNCIL MEETING Dec. 19/77

ITEM	3
MANAGER'S REPORT NO.	86
COUNCIL MEETING	Dec. 19/77

4.2 Land Assembly Area A (Sketches 1 and 3)

The subject land assembly area comprises two rows of small (33' x 99') single-family dwelling lots almost all with small older houses on them on either side of Kathleen Avenue between Kemp Street and Beresford Street. These single-family dwelling lots due to their large number, their small size, and their relative shallow depth of 99 feet would be difficult for private developers to consolidate into viable apartment sites. The development of this precinct would be enhanced if Kathleen Avenue were to be closed between Kemp Street and Beresford Street (see Sketch 3). A few large lots fronting onto Wilson Avenue occupied by single-family dwellings are also included in Area A. The construction of Beresford Street east from Wilson Avenue would enable the southern portion of Area A to develop to its full potential.

Sketch 3 outlines the possible configuration of consolidated development sites in Area "A". The sites would be zoned according to the Comprehensive Development District utilizing the RM4 (1.7 maximum F.A.R.) regulations as a guideline. Innovative residential developments will be expected combining low-rise and high rise apartments in an appropriate manner.

It is proposed that the acquisition of property in Sub-area A1 as noted in Sketch 1 will be pursued on a priority basis.

4.3 Land Assembly Area B (Sketches 1, 2 and 4)

Area B has been detailed and approved by Council as Community Plan Area "M" (see Sketch 4). The area is at present subdivided into a large number of single-family dwelling lots with older dwellings and is ripe for redevelopment. Most of the lots still remain in individual private ownership. Due to the fact that developers must deal with many private owners and consolidate a number of individual lots in developing any given apartment site, the Municipality could beneficially assist the redevelopment process by acquiring lots within designated residential sites as they are offered for sale within this precinct.

Sketch 4 outlines the configuration of proposed consolidated development sites in Area "B". The sites would be zoned according to the Comprehensive Development District utilizing the RM5 (2.2 maximum F.A.R.) or RM4 (1.7 maximum F.A.R.) as a guideline. Innovative appropriate residential developments will be encouraged.

It is proposed that the priority sub-areas in which the acquisition of property will be actively pursued would be Sub-areas B1 and B2 as noted on Sketches 1 and 2. The municipality already owns a few lots in each of these sub-areas and these sub-areas also evidence a lesser proportion of control by investment interests.

5.0 RECOMMENDATION

It is recommended that Council

- a) pass a resolution designating Areas A and B within the Metrotown precinct (attached Sketches 1 and 2) as a Municipal Land Assembly area for residential purposes,

ITEM	3
MANAGER'S REPORT NO.	86
COUNCIL MEETING	Dec. 19/77

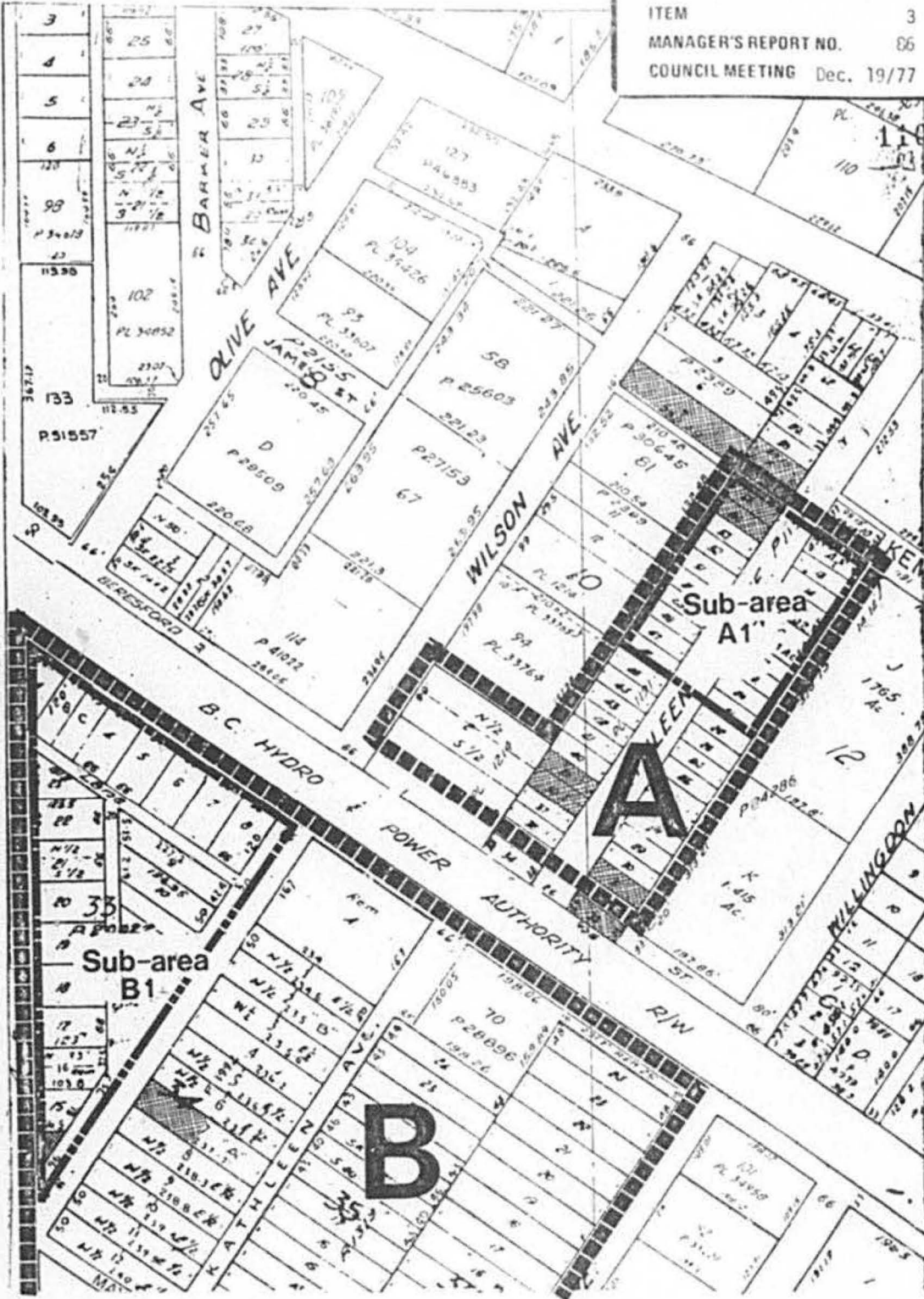
- b) approve the use of funds obtained by the Municipality through the Federal-Provincial Municipal Incentive Grant Program and the Provincial Interim Revenue Sharing Program for "Land Assembly and Development" purposes within Areas "A" and "B" as outlined in Section 4.0 of this report (attached Sketches 1 and 2),
- c) authorize the Land Agent to negotiate the acquisition of property offered for sale within Areas "A" and "B", giving priority to the delineated sub-areas A1, B1 and B2, utilizing the funds obtained through the outlined grant programs on the understanding that any final purchase price will be subject to the approval of Council, and
- d) authorize the Planning Department to monitor and coordinate the subject Land Assembly and Development program for Areas "A" and "B".

  
A. L. Parr,  
DIRECTOR OF PLANNING.

KI:cm  
Attached - 4 sketches

c.c. Municipal Treasurer  
Land Agent

ITEM 3  
 MANAGER'S REPORT NO. 06  
 COUNCIL MEETING Dec. 19/77



Date

SEPT/77

Scale

1" = 200'

Drawn By

Burnaby Planning Department

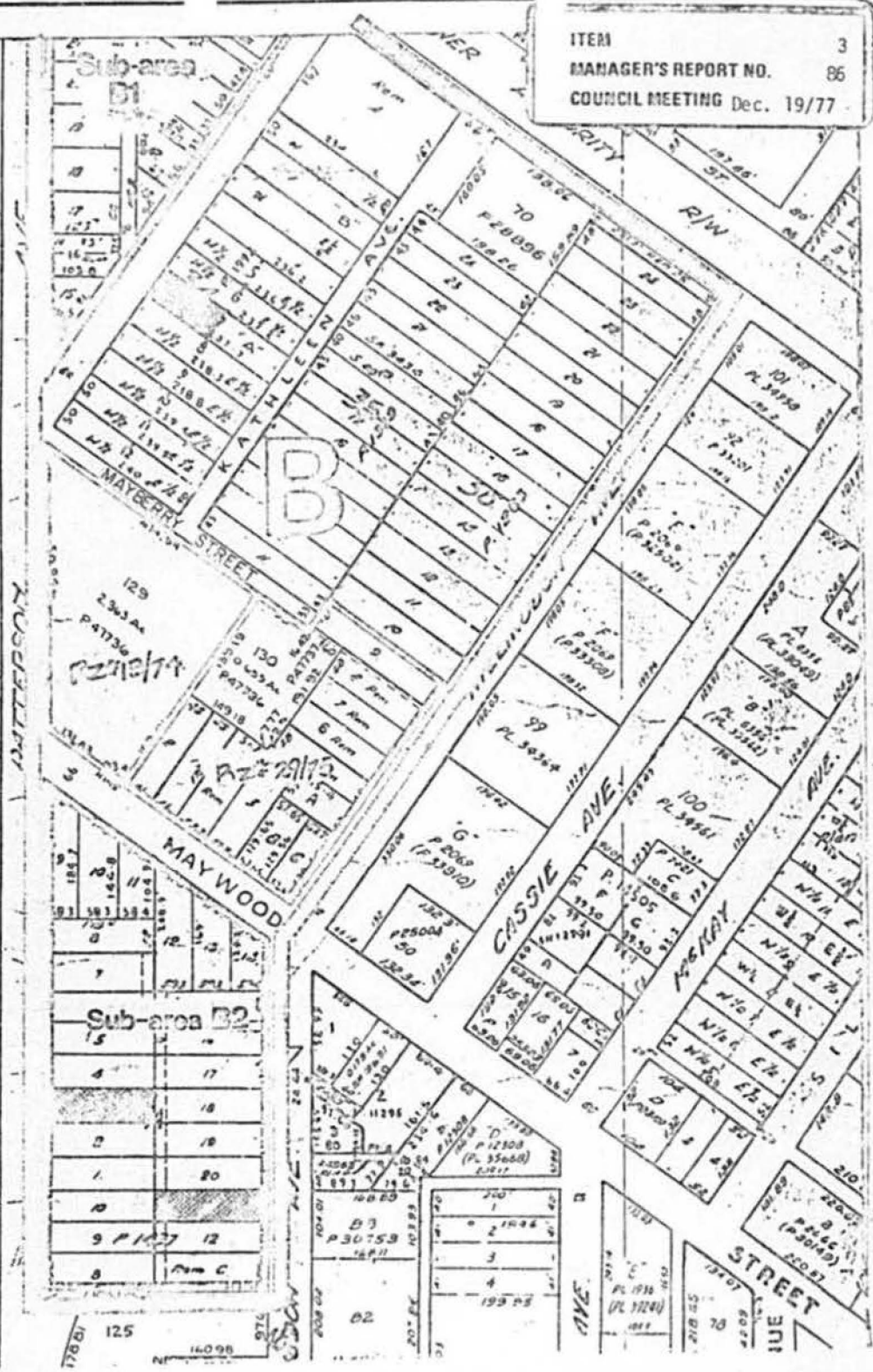


PROPOSED ALLOCATION OF  
 MUNICIPAL INCENTIVE GRANT FUNDS (MIG)  
 FOR LAND ASSEMBLY AND DEVELOPMENT.  
 AREA A = KATHLEEN FROM KEMP TO BERRSFORD  
 AREA B = COMMUNITY PLAN AREA "M"

 CURRENT  
 MUNICIPALLY OWNED

DUSTON 1

ITEM 3  
 MANAGER'S REPORT NO. 86  
 COUNCIL MEETING Dec. 19/77



Date  
 5/29/77  
 Scale  
 1" = 200'  
 Drawn By

Burnaby Planning Department

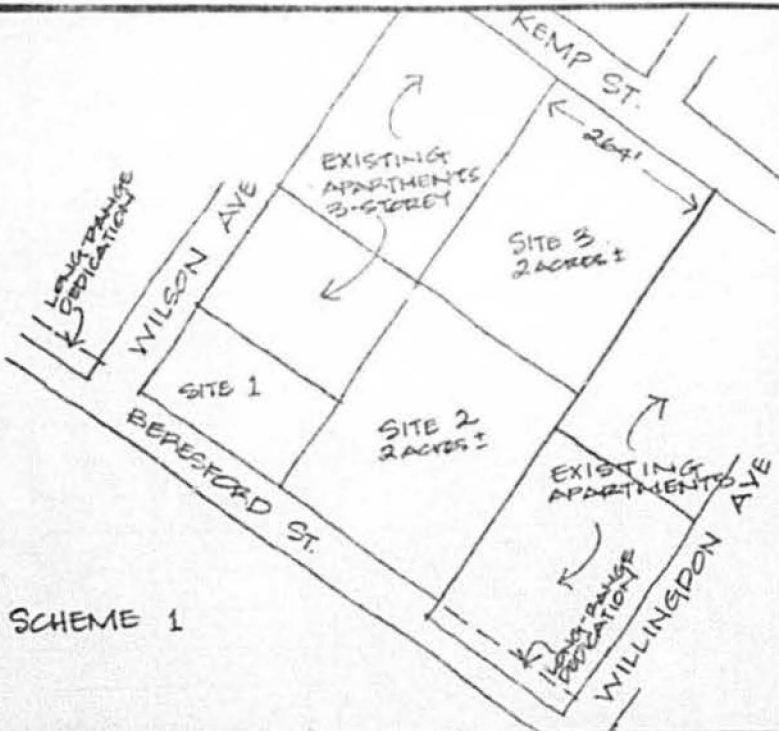
PROPOSED ALLOCATION OF  
 MUNICIPAL INCENTIVE GRANT FUNDS (MIG)  
 FOR LAND ASSEMBLY AND DEVELOPMENT.  
 AREA A = KATHLEEN FROM KEMP TO BERRSFORD  
 AREA B = COMMUNITY PLAN AREA "M" 111

CURRENTLY  
 MUNICIPALLY OWNED.

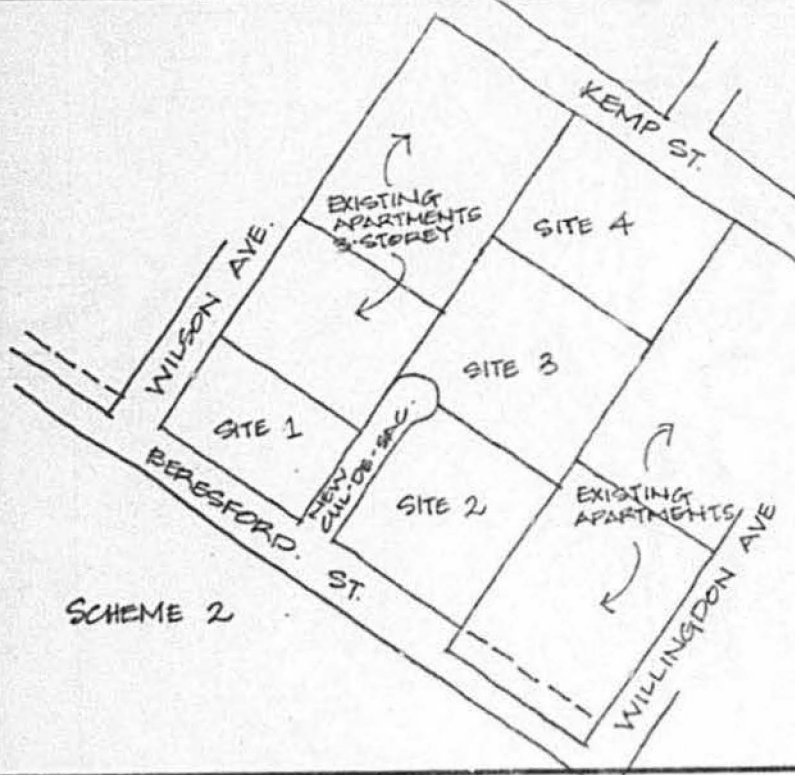
SKETCH 2

ITEM 3  
 MANAGER'S REPORT NO. 86  
 COUNCIL MEETING Dec. 19/77

112



SCHEME 1



SCHEME 2

Date  
 SEPT/77

Scale  
 1" = 200'

Drawn By

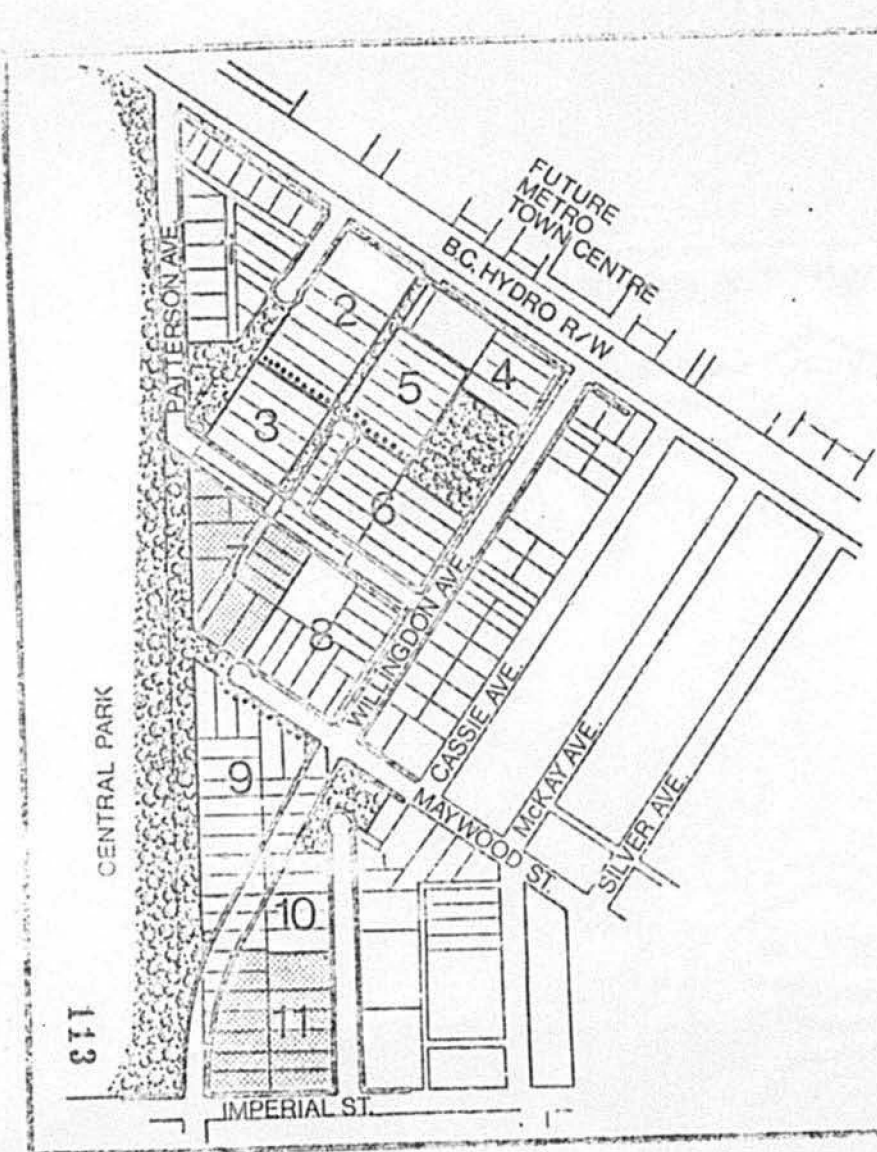
Burnaby Planning Department






ILLUSTRATIVE POSSIBLE CONSOLIDATED SITES.  
 AREA "A" PRECINCT - APARTMENT AREA "L"  
 COMPREHENSIVE DEVELOPMENT SITES  
 UTILIZING RMA ZONING AS A GUIDELINE  
 INNOVATIVE MULTIPLE HOUSING -  
 COMBINATION LOW & HIGH RISE DEVELOPMENT.

SKETCH 3.





LAND ASSEMBLY AREA "B"

-  PARK
-  UNDER CONSTRUCTION
-  WALKWAY EASEMENT
- 1-9 PROPOSED COMPREHENSIVE DEVELOPMENT (RM5 GUIDELINE)  
UNIT DENSITY 100 UPA MAXIMUM
- 10 & 11 PROPOSED COMPREHENSIVE DEVELOPMENT (RM4 GUIDELINE)  
UNIT DENSITY 80 UPA MAXIMUM

APRIL 1975  
SCALE: 1"=400'

SKETCH 4

ITEM  
MANAGER'S REPORT NO. 86  
COUNCIL MEETING Dec. 19/77

COMMUNITY PLAN AREA M

113