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RE: PRELIMINARY PLAN APPROVAL APPLICATION #4680 4909 KINGSWAY LOT 1 EXC. PT. ON PLAN WITH B/L 30078, BLK. 2/24, D.L. 32, PL. 1444 BURNABY METROTOWN AREA

Following is a report from the Director of Planning regarding an application for a P.P.A. relative to a property that is located in the Burnaby Metrotown Area,

This is for the information of Council.

PLANNING DEPARTMENT 1978 AUGUST 23

TO: MUNICIPAL MANAGER

FROM: DIRECTOR OF PLANNING

PRELIMINARY PLAN APPROVAL APPLICATION #4680 RE: 4909 KINGSWAY (SKETCH ATTACHED) Lot 1 exc. pt. on Plan with B/L 30078, Blk. 2/24, D.L. 32, Pl. 1444

Council on 1977 October 24 received a report from the Planning Department and adopted the recommendation "that all applications for preliminary plan approval relating to property within the Metrotown area be referred to Council together with a staff report".

This report is to advise that application has been received by the Planning Department for a change of use at the above location from a real estate agent's office to a restaurant with "take-out" facilities.

The site is located within Sub-Area 2 of the Metrotown Development Plan and is designated for secondary mixed use which includes many of the activities associated with the Core Area but of lower intensity. The building is single storey with flat roof and was erected about ten years ago, originally for use as a restaurant/take-out facility similar to that now proposed. Building and site appear to be in reasonable condition, and it is intended that this site eventually form part of a land assembly with properties to the east for redevelopment in accordance with the objectives of the Metrotown concept.

In giving consideration to "interim" development proposals that do not reflect the ultimate objectives of the Metrotown guidelines, Council is advised to consider such factors as extent of new capital expenditure and term of tenure commitment. Such factors may have a significant bearing on the prospects for timely redevelopment of sites in towncentre areas, as major investments in structures and improvements, and long-term lease commitments may present serious financial impediments to land assembly and/or renewal.

In the present case, the Planning Department would advise that there will be no significant changes to the exterior of the building and although the applicant estimates spending \$125,000 to establish his business, we are informed that approximately \$80,000 of this figure will be invested in removable and reusable equipment. As a result, capital expenditure or fixed improvements would not appear to be a concern with respect to consideration of this proposal as "interim".

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With reference to the term of lease tenure that is being contemplated, Planning Department staff have met with the owner of the property, Mr. R.E. Free of Greaves Real Estate & Co. Ltd. to obtain information for this report. The owner had proposed a five year lease, with option to renew for a further five years. Upon discussion of the objectives of the Metrotown concept, staff recommended that the property owner protect his opportunity to participate in a future possible redevelopment project involving his property should one materialize during the term of the proposed lease, and to this end seek inclusion of a demolition clause or other "opening" in his proposed lease. Such devices, which are common in commercial leases in urban areas, provide the owner with desirable flexibility to respond to new development initiatives, and also assist the Municipality by facilitating redevelopment in accordance with long-range plans.

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Mr. Free had expressed that he would introduce such a clause in the renewal portion of the lease if he is required to do so; however, he has expressed his reluctance to do so both on the ground of principle and because of the financial ramifications he feels he would suffer in adding this condition to the terms of the contemplated lease.

Mr. Free's views on this subject and the reasons for his position were obtained in a further meeting with him on 1978 August 24, in response to his letter dated 1978 August 23.

It is acknowledged that the Municipality does not have the authority to impose controls on leases of private properties of this sort, and there is certainly no desire to create financial hardship. Rather, the Municipality's interest is simply to be satisfied that an "interim" use that requires development approval will not be in conflict with its desire to implement the form of development conceived in its guideplan.

Under the present circumstances, therefore, we are able to advise that the change of use proposed under P.P.A. #4680 is compatible with existing surrounding uses, and the limited extent of capital fixed improvements supports consideration of the use as "interim". It is not possible, however, to offer to Council any assurance that the lease arrangement will reflect a similar interim nature, as the landlord has made it clear that it is not his wish to enter into such an agreement voluntarily.

This situation points out the need for an effective program of Interim Development Control Measures as outlined in Section 6.3.1 of the report <u>Metrotown, A</u> <u>Development Plan</u>. This matter is included in the current work program among studies arising from the Metrotown Study, and it is hoped that the conclusions that will be presented to Council once this report is complete will make possible a clear and effective control mechanism that will prevent future difficulties of this sort.

At this present time, it is necessary to deal with P.P.A. #4680, and although we regret that we are unable to report that all concerns are fully satisfied, it would be in order to issue approval for this minor development.

Accordingly, unless Council should otherwise direct, we propose to grant approval as requested, without further involvement on the question of lease terms.

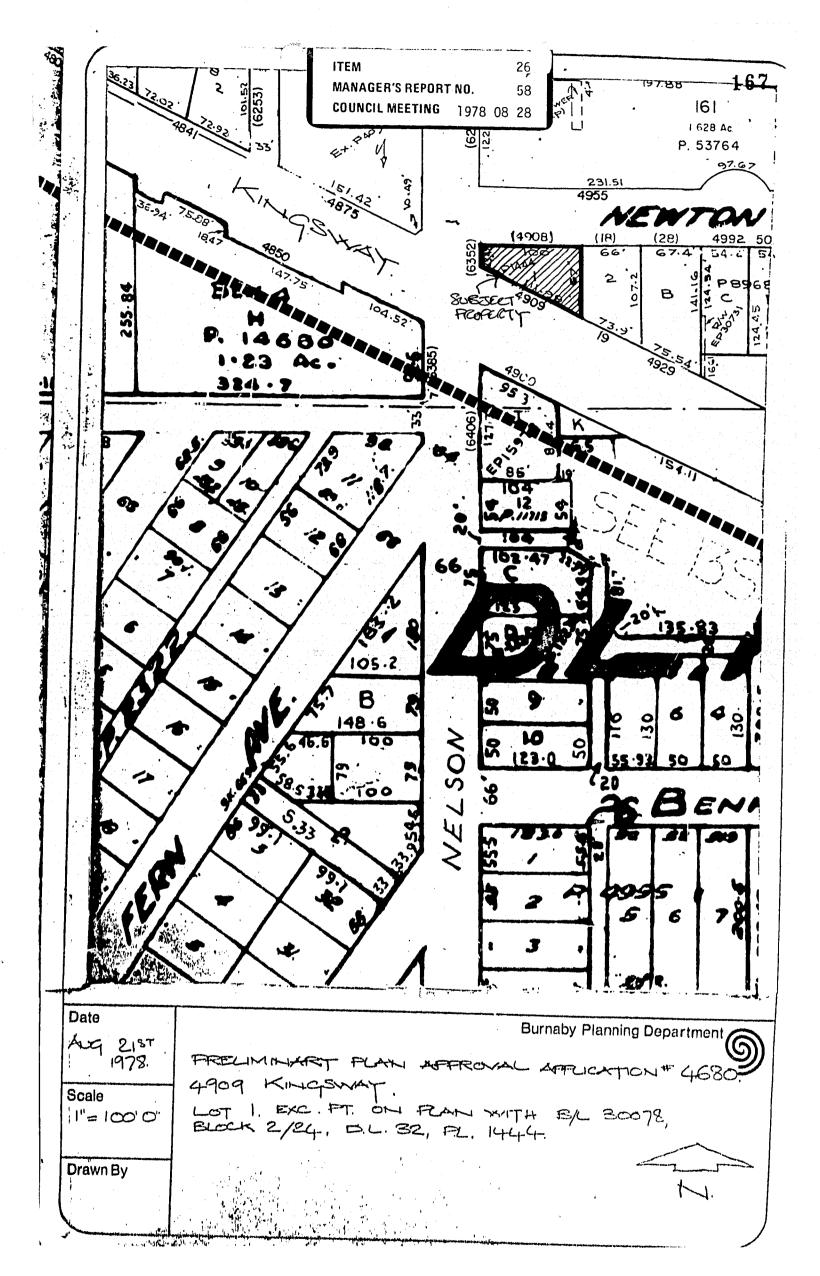
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