

ITEM 5
MANAGER'S REPORT NO. 51
COUNCIL MEETING 85/07/29

RE: LETTER FROM MR. TED WOROBETZ, 7938 ROSEWOOD STREET, BURNABY, B.C. V5E 2H3
DEVELOPMENT PROPOSALS - 7969 WEDGEWOOD STREET MUNICIPALLY-OWNED PROPERTY
(Item No. 7, Report No. 33, 1985 May 06)

MUNICIPAL MANAGER'S RECOMMENDATION:

1. THAT the recommendation of the Director Planning & Building Inspection be adopted.

* * * * *

TO: MUNICIPAL MANAGER 1985 July 22

FROM: DIRECTOR PLANNING & BUILDING INSPECTION Our File: 01.228.1

SUBJECT: DEVELOPMENT PROPOSALS - 7969 WEDGEWOOD STREET
MUNICIPALLY-OWNED PROPERTY (SEE ATTACHED SKETCHES 1 & 2)

RECOMMENDATION:

1. THAT the Municipally-owned property at 7969 Wedgewood Street be subdivided in accordance with the Residential District (R5) (Sketch 2).
2. THAT Council authorize the preparation of the necessary subdivision plans and engineering design drawings by the Engineering Department.
3. THAT Council authorize that financing of the site servicing costs be obtained from the tax sale and corporate land reserves designated for land assembly and development purposes.
4. THAT a copy of this report be sent to Mr. T.I. Worobetz, 7938 Rosewood Street, Burnaby, B.C., V5E 2H3.

REPORT

1.0 BACKGROUND AND SUMMARY

Council in the past had considered that the Wedgewood site (3.15 acres) was suitable for an appropriate Municipal housing purpose such as for non-profit family-oriented housing in accordance with the density regulations of the R8(R5) Group Housing zoning designation. Many residents in the area have expressed their opposition to the Group Housing use by signing a petition but would support the subdivision of the subject site according to the existing (R5) Residential District Zoning. On 1985 May 06, Council considered a staff report (Item 7, Manager's Report No. 33) on this matter. In the report it was indicated that, if so directed by Council, this Department would be prepared to pursue the subdivision and servicing of the subject site in accordance with the current governing Residential District (R5) zoning. Council requested that a further report on the cost comparison of land-use alternatives including the subdivision of the site into single-family dwelling lots be brought forward.

A cost and market value comparison of the Group Housing (R8) alternative (Sketch 1) and the Residential District (R5) subdivision alternative (Sketch 2) has been pursued and is outlined in Section 2.0 of this report. It is concluded that the subdivision of the subject site for single family dwelling lots in conformance with the existing R5 District would not only be more compatible with the existing surrounding residential neighbourhood but would also achieve a significantly greater monetary return to the Municipality than the group housing alternative. The Municipal Solicitor has also indicated that the marketability of group housing (townhousing) is currently weak whereas there appears to be a ready market for single family dwelling lots as outlined. A subdivision layout has been achieved which is both attractive and efficient. It is recommended that the subdivision of the subject site in accordance with the existing R5 zoning be pursued.

2.0 COMPARISON OF SITE SERVICING COSTS AND RETURNS

2.1 The Director Engineering has been asked to provide servicing estimates for the development of the site in accordance with the Group Housing District (R8) zoning (Sketch 1) or the Residential District (R5) zoning (Sketch 2). A subdivision plan compatible with the R5 single family dwelling area and existing development has been developed for a maximum 16 lots in an attractive configuration. The servicing figures applying to each site are as follows:

<u>PRELIMINARY COST ESTIMATES</u>	<u>GROUP HOUSING (R8)</u> S.D. #24/82 (SKETCH 1)	<u>RESIDENTIAL DISTRICT (R5)</u> S.D. #35/85 (SKETCH 2)
	38 GROUP HOUSING UNITS	16 SINGLE-FAMILY DWELLING LOTS
Roadworks (including separated sidewalk one side, street lights, underground wiring, landscaping)	\$ 105,100	\$ 153,800
Water Mains	18,500	32,500
Sanitary Sewer	650	26,600
Storm Sewer	94,500	97,300
TOTAL (LETTER OF CREDIT)	\$ 218,750	\$ 310,200
4% Inspection Fee (Cash)	8,750	12,408
10% for Legal, Design & Supervision (Cash)	21,875	31,020
Tie-ins, Hubs, Connections (Cash)	2,460	5,860
<u>GRAND TOTAL</u>	<u>\$ 251,835</u>	<u>\$ 359,488</u>

These estimates do not include a sum of \$4,500 to be earmarked "In Trust" representing one-half the future cost of extending the existing paved lane along the northerly edge of the site when the additional lane right-of-way is provided, which applies to both alternatives. The road estimates for both alternatives include the short road linkage south to Edmonds to tie into the existing full standard street at that point. The dedication of a small 0.22 acre triangle of property for parks purposes (joined to Robert Burnaby Park) will meet the Neighbourhood Parkland Acquisition Charge applicable to this site.

The Director Finance has provided the attached (Appendix A) statement of funds available in the Tax Sale Fund and the Capital Works, Machinery and Equipment Reserve as of 1985 July 14 within which there are sufficient funds to meet the servicing costs of this site. It is therefore recommended that financing of the site servicing costs be obtained from these tax sale and corporate land reserves which are designated for land assembly and development purposes.

2.2 The Municipal Solicitor has been asked to provide an estimate of the market value of the two alternative development approaches. The Municipal Solicitor reports that:

"We would advise that due to the poor demand for townhousing we would doubt if the property could be marketed for this type of use at this time. We can only apply an arbitrary value. As a townhouse site serviced to the perimeter only, we estimate the value to be \$25,000 per unit of development.

Based on our recent sales of municipal lots we would anticipate a ready market in this location at \$73,000 per lot average."

Therefore, the estimated current market value of 38 Group Housing units is \$950,000 (\$25,000 per unit) and of 16 single-family dwelling lots is \$1,168,000 (\$73,000 per unit).

2.3 Therefore, the overall cost comparison is:

	GROUP HOUSING (R8) <u>S.D. #24/82 (SKETCH 1)</u>	RESIDENTIAL DISTRICT (R5) <u>S.D. #35/85 (SKETCH 2)</u>
TOTAL ESTIMATED MARKET VALUE	\$ 950,000	\$1,168,000
TOTAL ESTIMATED SERVICING COSTS	251,835	359,488
BALANCE (PROFIT)	\$ 698,165	\$ 808,512
DIFFERENCE:	\$110,347 in favour of Residential District (R5)	

3.0 CONCLUSIONS

The Wedgewood site has been considered in the past suitable for some type of subsidized, non-profit, and/or social housing purpose. However, it is also concluded that sufficient opportunity has already been given both to the Greater Vancouver Housing Corporation and others to pursue appropriate group housing proposals for the subject site. The approval of the subdivision alternative would then preclude holding this site for future social housing purposes. The residents in the area are opposed to the group housing use but would support a single-family dwelling lot subdivision according to the existing (R5) Residential District zoning. This department considers the development of this site for single-family dwellings in a manner compatible with the surrounding existing single-family dwelling to be appropriate. An attractive efficient subdivision layout has been achieved.

On a cost comparison basis, the subdivision alternative would achieve a significantly greater return than the group housing alternative with a difference estimated to be \$110,347 in favour of the subdivision alternative. Also as indicated by the Municipal Solicitor, there appears to be a current poor demand for townhousing/group housing while a ready market is anticipated in this location for single-family dwelling lots.

Therefore, it is recommended that the subdivision alternative be pursued. This would entail the preparation of the necessary subdivision plans and engineering design drawings by the Engineering Department, the servicing of the site through the use of funds allocated from the tax sale and corporate land reserves, and the subsequent sale of the created lots by public tender.



A. L. Parr
Director Planning &
Building Inspection

KI:1f

Attachments

cc: Director Engineering
Municipal Solicitor
Director Finance
Municipal Clerk
Director Recreation & Cultural Services

APPENDIX "A"

THE CORPORATION OF THE DISTRICT OF BURNABY
STATEMENT OF FUNDS AVAILABLE
AS AT 1985 JULY 14

TAX SALE FUND (Tax Sale Lands)	4,379,411.00
CAPITAL WORKS, MACHINERY & EQUIPMENT RESERVE (Corporate Lands)	<u>17,083,110.00</u>
	21,462,521.00

LESS

FUNDS COMMITTED FOR DEVELOPMENT	2,638,579.00
EXPENDITURES INTERIM-FINANCED FROM GENERAL REVENUE FUND PENDING FINANCING FROM RESERVE	<u>852,799.00</u>
	<u>1,785,780.00</u>
FUNDS AVAILABLE FOR FINANCING FUTURE LAND ASSEMBLY AND DEVELOPMENT PROGRAMS	19,676,741.00
ESTIMATED VALUE OF LANDS AUTHORIZED FOR NEGOTIATION TO PURCHASE, THIS DATE	<u>3,346,800.00</u>

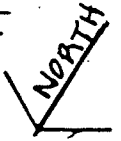
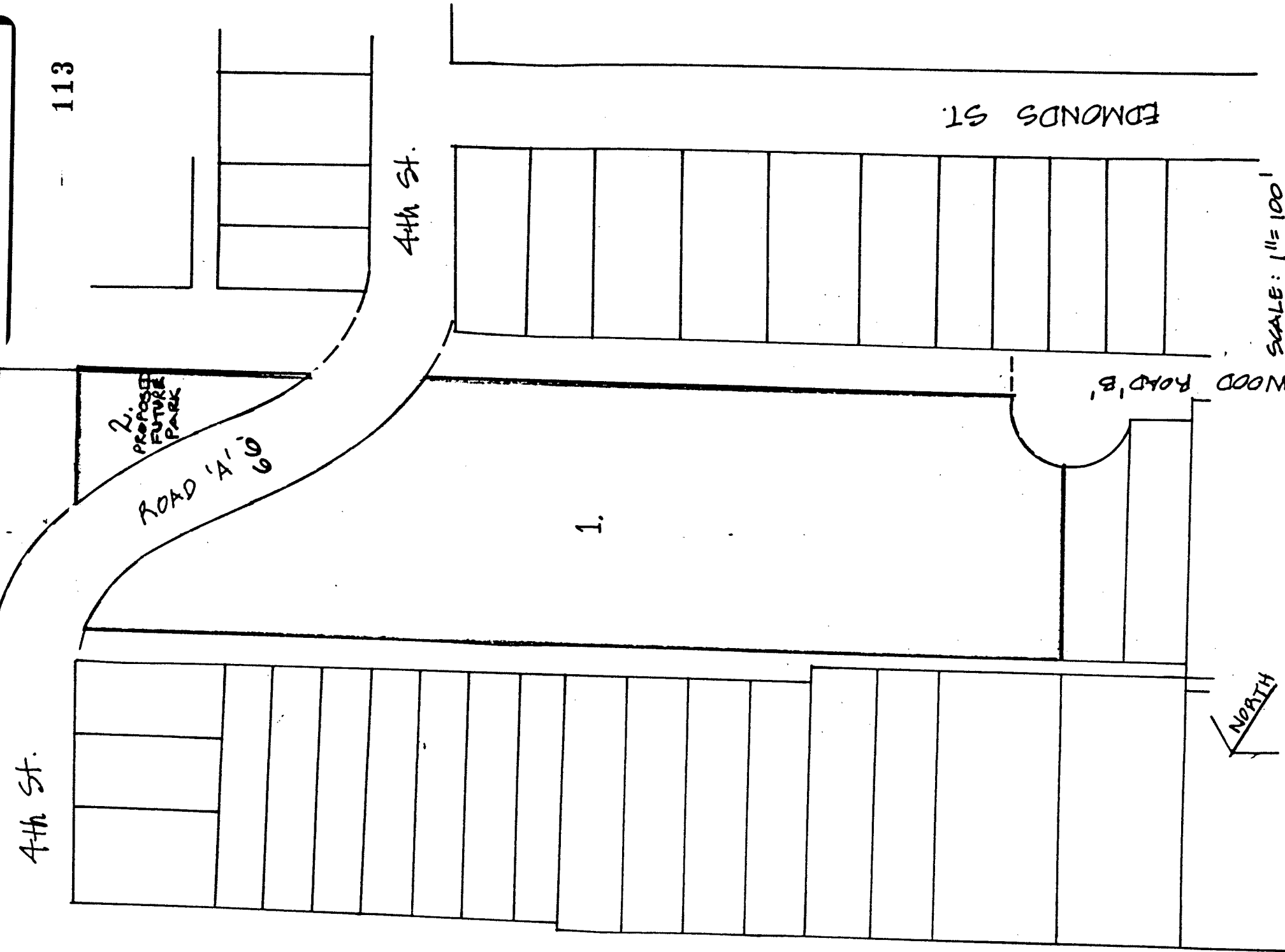
UNCOMMITTED FUNDS 16,329,941.00

SD #24/82
ZONING CD (PROPOSED)

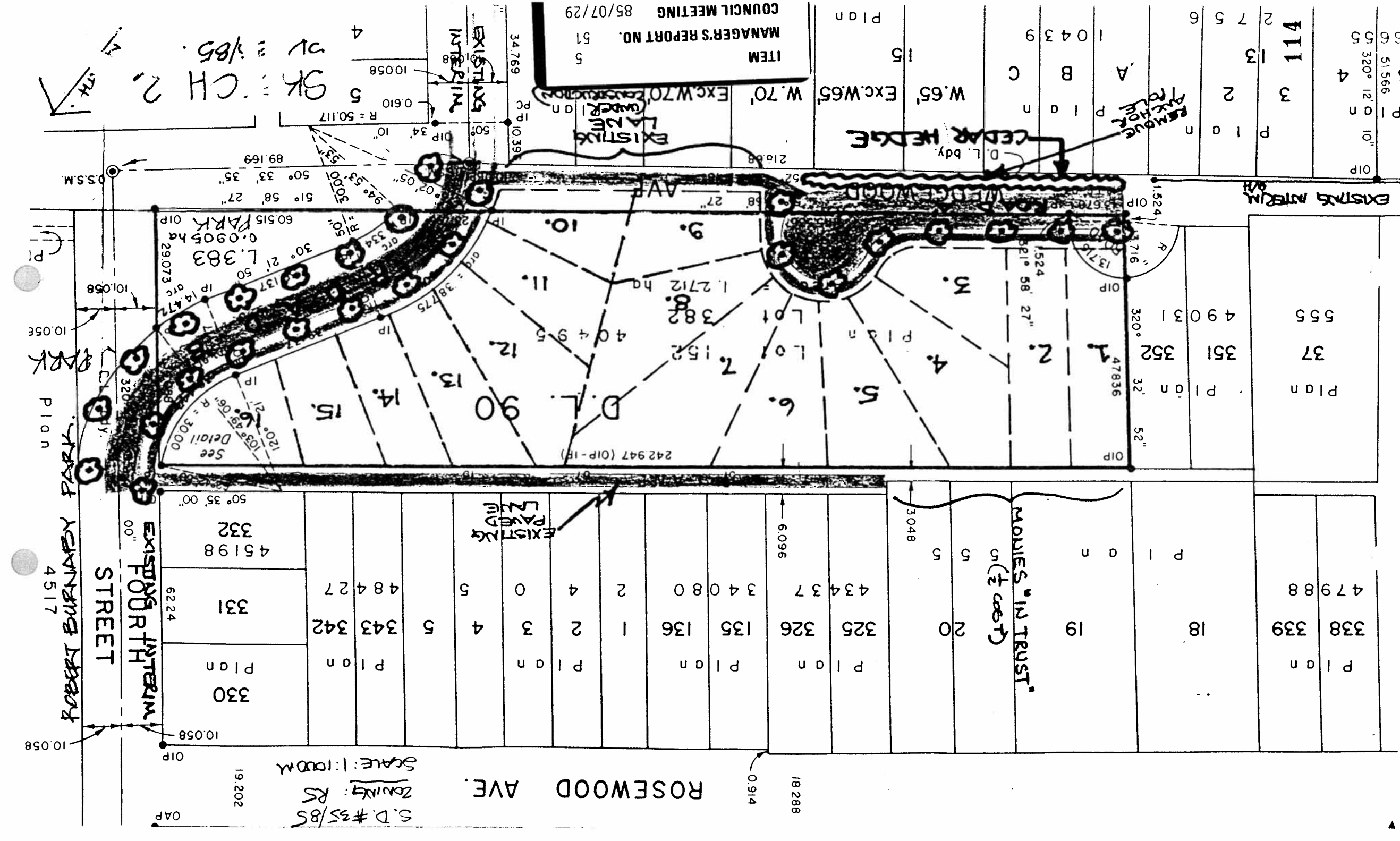
D.L. 90
PART OF LOT 152
PLAN 40495

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ROBERT BURNABY PARK.



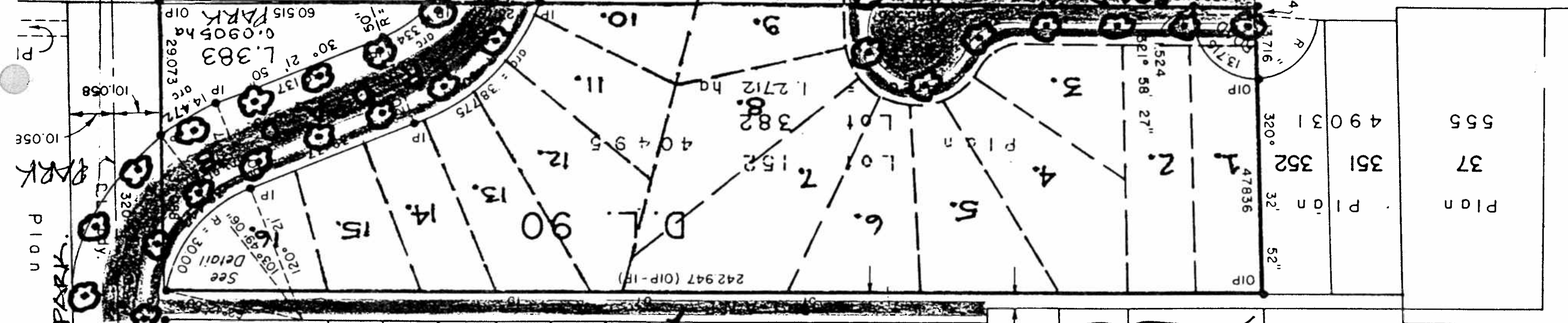
SCALE: 1" = 100'
APRIL 1982 K.I.
SKETCH 1



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EXISTING INTERIM
 34.769
 R = 50.117
 0.610
 10.058
 5
 4
 0.55 M

ITEM 5
 51
 5
 W. 70' EXC. W. 70' CONSTRUCTION
 W. 65' EXC. W. 65'
 W. 70' EXC. W. 70'
 10439
 10439
 10439
 114
 2 1 3 6
 7 5 2
 5 3 2
 5 5
 5 5
 6 6
 5 5
 3 3
 3 3
 12 10 10 10
 320° 320° 320° 320°
 5 5
 4 4
 10
 10
 10
 10



ROBERT BURNABY PARK
 STREET
 4 5 1 7
 10.058
 0.55 M

EXISTING INTERIM
 Foothill Street
 00"
 332
 4 5 1 9 8
 62 2 2 4
 331
 4 8 4 2 7
 343 342
 5
 4
 3
 2
 1
 2
 136
 135
 326
 325
 434 37
 6096
 3048
 19 202
 10.058
 OAP

EXISTING INTERIM
 5
 4
 3
 2
 1
 2
 136
 135
 326
 325
 434 37
 6096
 3048
 19 202
 10.058
 OAP
 S.D.#35/85
 ZONING: RS
 SCALE: 1:1000
 19 202

MOVIES "IN TRUST"
 5 (1 1/2 lots)
 5
 5
 5
 19
 18
 339 338
 479 88
 352 351
 37
 555
 114
 320° 320° 320° 320°
 5 5
 4 4
 10
 10
 10
 10

