

ITEM SUPPL. 7
MANAGER'S REPORT NO. 4
COUNCIL MEETING 87/01/19

RE: REVIEW OF THE COMMUNITY PLAN PHASING POLICY FOR THE PRIMARY
METROTOWN CORE

The amount of time available for the Municipal Manager to review and consider the content of this report was very limited. The Manager agrees with the general thrust of the report, but feels that a time limit should be set for the development plan review referred to in Recommendation No. 2.

The report is written from a policy review aspect and once the matter of phasing is concluded, then the specifics of the application by Cal Investments for Phase II development will need to be addressed. That should arise naturally out of the results of the Metrotown Development Plan review referred to in Recommendation No. 2.

RECOMMENDATION:

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

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TO: MUNICIPAL MANAGER 1987 JANUARY 15
FROM: DIRECTOR PLANNING & BUILDING INSPECTION OUR FILE: 15.312.2
SUBJECT: RETENTION OF THE COMMUNITY PLAN PHASING POLICY
FOR THE PRIMARY METROTOWN CORE

RECOMMENDATIONS:

1. THAT the policy of phasing Metrotown core development be retained, in order to permit Council to provide for the orderly, systematic and balanced development of the primary Metrotown core, and the associated public infrastructure; and
2. THAT staff be authorized to pursue a review of the Metrotown Development Plan including the determination of appropriate uses and development guidelines necessary to accommodate Phase II developments; and
3. THAT staff be authorized to prepare a Capital Budgeting program for transportation improvements necessary to accommodate Phase II developments.

R E P O R T

1.0 BACKGROUND

On 1986 September 08, Council considered a report (Supplementary Item 5, Manager's Report No. 52, see attached Appendix 'B'), related to the completion of the First Phase Community Plan for the primary Metrotown core and adopted as a Community Plan Policy the following:

"In order to provide for the orderly development of the primary Metrotown core, phasing should be implemented to ensure that the completion of construction and occupancy of the approved first phase core plan is first achieved, as described in and qualified by Sections 3.2 and 4.0 of the report; subsequently followed by further core area phasing plans upon Council reassessment and adoption of phasing amendments to the Community Plan."

On 1986 September 15, Council agreed to hear several delegations who expressed a desire to comment on the phasing policy. In response to a number of Council enquiries, a further report (Item 16, Manager's Report No. 72) was considered by Council at its 1986 December 08 meeting. A number of delegations were also heard at that meeting. Council then requested that staff report on some additional inquiries raised by Council and also examine marketing and transportation consultant studies prepared for developers of the primary core developments. It was indicated that some of the findings of the transportation consultant, T. Partridge & Associates, retained by the Municipality would also be available for the next report.

The following report represents a summary of the extensive reports and discussions which have been pursued on the matter of a phasing policy related to the primary Metrotown core.

2.0 PHASING POLICY

Attached to this report is Appendix 'A' which provides further detailed responses and discussion of development, community plan, transportation, and marketing aspects. The previous reports received by Council, on 1986 September 08 and 1986 December 08, outline detailed responses to a wide range of inquiries, detailed statistics on primary core developments, and various clarifying and guiding points in support of the phasing policy; and form an information resource for Council with respect to the phasing policy. The conclusions of these previous reports for the orderly phasing of the development of the primary core area continue to be supported.

In light of a review of all available material from public and private sources, phasing is confirmed as a necessary, reasonable, and prudent policy to provide for the orderly, systematic and balanced development of the primary Metrotown core. The following items a) to i) summarise a number of key points in support of the phasing policy.

- a) The first phase core plan provides for a balanced, integrated, high quality primary core of over 2,815,000 sq.ft. of gross floor area with a range of desirable uses including a large office component, either completed or proceeding to construction and occupancy within the next 2 to 3 years.
- b) Phasing will ensure that the next retail components (Station Square and Eaton Centre) of the Phase I plan amounting to 930,000 sq.ft. of floor area can be integrated into the Municipal fabric during a reasonable absorption period while reducing its effects on existing businesses.
- c) The development of further major retail phases beyond Phase I within the primary Metrotown core will clearly transform the Metrotown core into a super-regional centre indicating the need for time to enable the Municipality to fully analyse the implications of this developmental direction with respect to the adopted Metrotown Development Plan and major transportation expenditures (see section 3.3 of Appendix 'A').
- d) The phasing policy will ensure that essential Metrotown core road, pedestrian walkway, and public transit provisions and connections which are linked to the construction and completion of Phase I developments are achieved.
- e) The phasing policy will enable the Municipality to determine a responsible, properly-managed and phased public expenditure program amounting to in excess of \$17 million to pay for extensive transportation improvements necessary to support Phase II developments.

- f) The phasing policy will provide a period between phases to resolve numerous difficulties and public complaints which arise out of the establishment of even the most carefully designed large retail developments and to pursue important improvements and refinements arising out of actual use.
- g) The phasing policy will, by ensuring the construction and completion of the large Station Square and Eaton Centre developments, provide the many construction jobs and permanent jobs available through these developments.
- h) The phasing policy will protect the extensive investments made by Phase I developers and by the public sector in Metrotown on the assumption that stability, certainty and a strong long-term guiding hand will continue to be provided by Council for Metrotown.
- i) The phasing policy will provide for sufficient time to determine the preferred uses for Phase II developments, in order to achieve the necessary enrichment and balance to the Metrotown core. This would be pursued in conjunction with a review of guidelines for the Metrotown Development Plan.

The lengthy discussions concerning the phasing policy have also served to indicate the appropriateness of pursuing a review of the Metrotown Development Plan. This review would provide an update of the Development Plan and include consideration of new situations which have come to light as a result of recent staff studies and reports. This review would also permit consideration of the development policy direction which would be appropriate for Phase II developments as they relate to Municipal goals and objectives for Metrotown.

3.0 CONCLUSIONS

In the light of the review of the various consultant reports on marketing and transportation and the key points summarised above, it is concluded that a phased approach to major Metrotown primary core developments is reasonable and necessary. The use of statistics which requires the measurement of real conditions is at the base of the consultant studies. The use of absorption periods inherent in phasing is recognized by various consultants as enhancing the long-term effectiveness and viability of Metrotown and its supporting road network.

Burnaby Council has been widely praised for its patience, protectiveness and consistency regarding the development of Metrotown over a long span of years. The decision to dissuade the Triple-Five Corporation from developing the Boundary/Lougheed site for commercial retail development has been lauded. The Municipality has been committed through the expenditure of extensive public funds for roads and public recreational and cultural facilities to ensuring the long-term success of Metrotown. In the same vein, the qualitative aspects of Metrotown with respect to the creation of an urbane environment with balanced uses need to be addressed as much as or even stressed over strictly quantitative aspects.

Under continued strong guidance by Council, Metrotown has now the potential of becoming a high density urban centre, second only in scope to downtown Vancouver. The goal is to develop a regional town centre in which quality, urbanity, and liveability are stressed, to serve as a lasting legacy for the citizens of Burnaby. It is important that Metrotown evolve on a phased basis, permitting the measured build-up of a unique, balanced, multi-use environment, arising out of an assessment of deficiencies or of new opportunities at each major phasing period.

RETENTION OF THE COMMUNITY PLAN PHASING
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There is no compelling reason for Council to change from its consistent course at this time. The long term success and health of Metrotown should not be placed under needless risk. It is recommended that the policy continue to be maintained for the phasing plan providing for the orderly development of the primary Metrotown core.

It is also recommended that staff be authorized to pursue a review of the Metrotown Development Plan. This review would include the determination of appropriate further uses and development guidelines for the Metrotown core and the identification of the public infrastructure expenditures necessary to accommodate Phase II developments. The preparation of a Capital Budgeting program for the transportation improvements necessary to accommodate Phase II developments would follow the community plan review.


A. L. Parr
DIRECTOR PLANNING &
BUILDING INSPECTION

ALP/KI/lf
Attach. - Appendices 'A' and 'B'

cc: Director Engineering
Director Finance

A P P E N D I X

INFORMATION APPENDIX RELATED TO RETENTION OF THE COMMUNITY PLAN PHASING POLICY

FOR THE PRIMARY METROTOWN CORE

As a result of the delegations heard by Council at its meeting of 1986 December 08, staff were requested to respond to further enquiries raised by Council members. A number of the enquiries raised by Council were also answered directly by the delegated spokespersons and by staff at the 1986 December 08 meeting.

The following responses and clarifications are provided under three general section headings - Section 1.0 addresses a number of general development and Community Plan related topics; Section 2.0 examines transportation aspects; and Section 3.0 examines marketing aspects.

SECTION 1.0 - TOPICS RELATED TO DEVELOPMENT AND COMMUNITY PLANNING

1.1 Information was requested as to whether phasing was supported by the adopted Community Plan and on the relationship between development now proposed and the original Community Plan projections.

The balanced development of the Metrotown Core includes the need for appropriate phasing. Phasing is supported by the need to guide Municipal development in line with its overall land use goals and consistent with its Capital Budgeting program. The policy report, "Burnaby Metrotown - A Development Plan", adopted in 1978, included the development of a defined central core and the overall Metrotown Plan was based on a total 3.95 million sq.ft. of commercial floor area being in place by 1996 of which the retail component was 1.35 million sq.ft.

On the assumption that this building program would be pursued in an orderly way, the basic Metrotown transportation plans which were prepared with the assistance of N.D. Lea & Associates, Transportation Consultants, were keyed to this scale of development to 1996. The initial Phase I development proposals seemed to support this development schedule with no indication that there would be any other imminent major Phase II proposals. However, it became apparent once complete details were available on all Phase I projects that this 1996 figure for the whole of Metrotown would be, in the case of the retail component, significantly exceeded by the full completion in 1989 of the three Phase I core developments. The total commercial floor area to be in place for the overall Metrotown in 1989 would be 4.46 million sq. ft. of which the retail component would be 2.2 million sq. ft. The three Phase I primary core developments, in themselves, call for a total gross commercial floor area of approximately 2.5 million sq.ft. with a gross leaseable retail area of approximately 1.5 million sq. ft. without including cinemas.

The actual experience of major shopping complexes supports the approach of pursuing further major phases only after a substantial absorption period following the completion of a previous phase. These examples include Park Royal, Guildford, Loughheed Mall, and Surrey Place among others.

1.2 A brief comparison was requested of the proposed Eaton Centre related to the preliminary figures for Metrotown Centre Phase II.

The following information is provided with respect to the overall scope, parking provisions, public open space amenities and linkages, taxes, jobs during construction and upon completion, and total value for the two projects.

Eaton Centre at Metrotown	Metrotown Centre Phase II
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Gross Floor Area	1,146,000 sq.ft.	596,000 sq.ft.	
Retail Component (Net)	630,500 sq.ft.	348,500 sq.ft.	117
Other Major Components (Gross)	314,000 sq.ft. (office)	127,000 sq.ft. (apartment)	

Parking Provisions	3,423 spaces	1,669 spaces
Major Public Open Spaces	1.89 acres	0.64 acres

Public Transit Aspects

- Bus loop on site accessed by escalators
- Passerelle to Sky-Train Station
- Proposed passerelle to transit interchange from Station Square
- Pedestrian connection to Kingsway

Internal Pedestrian

- Bridge to Kingsway - North-east internal pedestrian way
- North-south public pedestrian way
- Feasible mall links to Metrotown Centre and to Station Square

Estimated Taxes (1988-89) \$4,800,000 \$2,900,000 (pro-rated)

Estimated Jobs during construction 1,150 (pro-rated) 600

Estimated Jobs upon completion 2,500 (pro-rated) 800 (includes office employment estimate)

TOTAL ESTIMATED VALUE \$160,000,000 \$70,000,000

Note: The recommended review of the Metrotown Development Plan would include a reassessment of appropriate Phase II uses.

1.3 The question was raised as to why development could still be approved at this time outside the primary Metrotown Core.

Some replies to this enquiry were outlined in the Council discussion. Developments outside the primary core are pursued on smaller sites rarely over 2 acres and often under 1 acre in size. The development of these sites on a relatively slow but steady incremental basis is generally considered beneficial and in line with the objectives for Metrotown, and should not affect the orderly completion of all Phase I projects within the primary core. Offices and apartments are the primary uses encouraged. Within commercial precincts, retail uses are usually provided at grade but the magnitude of this retail growth as compared to the primary core area is very small and caters essentially to locally-oriented, convenience and service commercial needs. Traffic generation aspects are also considered to be of a much lower magnitude for these smaller developments, particularly with the efficiency of public transit. Their cumulative effects will continue to be given due attention and consideration. In addition, staff would examine this question further as a part of the recommended Metrotown Development Plan review.

1.4 One enquiry asked what could be conjectured as a "worst case" situation.

We do not wish to overemphasize negative possibilities but the following cumulative sequence of situations is not inconceivable:

- overbuilding could result in significant retail vacancies which even at a modest level could be damaging to the economics and image of Metrotown
- overbuilding the retail component could result in lower maintenance levels and no incentives to up-date in future
- traffic congestion could drive shoppers and others away from Metrotown
- negative economic and traffic effects could create a loss of confidence in Metrotown
- a reduced attractiveness (market) for high-quality office and residential uses may arise
- a poor "return" may be evident for the high infrastructure investment of the Municipality in Metrotown.
- the recovery period from overbuilding could be prolonged and the full potential of Metrotown never realized.

1.5 A point of discussion as to how Metrotown and its retail development relate to the Livable Region program, and Burnaby's responsibility within the Region was raised.

One objective of the Livable Region program is to create a series of Regional Town Centres dispersed throughout the Greater Vancouver region in order to create foci of significant magnitude of a mixed-use and balanced nature including higher density residential, retail, and office uses. It is hoped that some decentralization from the overwhelming dominance of the Vancouver Central Business District (CBD) particularly for office space will be achieved. The creation of these strong regional centres of employment could have the effect of reducing intra-regional trip times, thereby reducing some of the perceived and potential traffic congestion within the region.

The Livable Region program did not foresee the emergence of a super-regional centre in Burnaby's Metrotown. A super-regional centre would tend to increase not decrease travel times within the region. Its success would depend on the willingness of people to travel greater distances to shop at Metrotown. The development of a super-regional centre at too great a scale at one time could also create extensive sales transference from existing retail centres, not only in Burnaby but in neighbouring municipalities. If Metrotown is to become a super-regional centre, it should evolve on a reasonable phased basis in order to minimize disruptive effects on existing businesses.

SECTION 2.0 - ASSESSMENT OF TRANSPORTATION ASPECTS

Council requested staff to review the consultant transportation studies which had been carried out on behalf of the developers of Station Square and Metrotown Centre by N.D. Lea & Associates and of Eaton Centre by Barton-Aschman Associates. Staff have also taken into consideration a consultant study prepared by N.D. Lea & Associates for the Municipality in 1978 and another prepared by Wilbur Smith & Associates for Daon in 1984.

In addition, Council had been advised that the Municipality's transportation consultant, T. Partridge and Associates, was expected to provide information from his computer-based transportation model shortly. We can now report that the desired transportation model is in operation and preliminary conclusions are available from the initial runs of the model. Current forecasts are also compared with those on which the 1978 Metrotown Transportation Study prepared by N.D. Lea & Associates for the Municipality were based.

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2.1 1978 METROTOWN TRANSPORTATION STUDY

The N.D. Lea & Associates 1978 Metrotown Transportation Study on which the adopted overall Metrotown Development Plan is based projected the need for only minimal street improvements for 10 years of incremental development growth, with the ultimate commercial development to the 1996 forecast year requiring more major transportation improvements. Most of these improvements are now in place such as rapid transit, Central Boulevard, the Willingdon Avenue extension, Marine Way, and the Grange Street extension. Still outstanding are the additional four east-west traffic lanes recommended by N.D. Lea - two of which can be readily implemented by barring parking on Imperial Street but the other two are problematic with respect to continuity. It is noted that the 1996 "ultimate" development level of commercial floor space used for the transportation forecast for the whole of Metrotown is met by existing development plus the Phase I core developments.

2.2 TRANSPORTATION CONSULTANTS

The divergent transportation views expressed by the consultants relative to Metrotown traffic impacts reflect differences in assumption application and interpretation. Our concern has been that the traditional manual or semi-automated methods of traffic impact assessment, while adequate for small to medium developments, are not wholly satisfactory for assessing the traffic needs of multiple large scale developments in the context of a regional town centre or the needs of a regional town centre in the context of the metropolitan area.

To overcome some of the methodological concerns, and to provide us with a tool for further future monitoring and assessment, we retained T. Partidge and Associates (TPA) to build a computer-based traffic simulation model. This model uses the EMME/2 interactive graphics software of the GVRD regional a.m. peak hour model adjusted to create a p.m. peak hour (region wide) model and integrated detailed (Metrotown) sub-area model.

The model developed by TPA generally conforms with the developers consultants' estimates of site traffic generation but the distribution and assignment of traffic are "automated" and considered in the context of region-wide travel patterns. This results in two features of particular relevance to the issues raised by Metrotown development.

1. The TPA model trip distribution simulates the effects of the Metrotown developments in reorganizing the trip patterns rather than in simply adding to a fixed pattern of pre-existing travel.
2. The model assignment allows through trips as well as trips to and from the Metrotown developments to compete for road space using the equilibrium route choice features of the (EMME/2) simulation model.

At a broad level, the TPA study results tend to substantiate the array of road improvements implemented and proposed for the Metrotown area. Further work is required to refine and test the individual components of the road improvement package. Further work is also required to assess the relative impact of core area developments on future non-core developments and the ultimate road requirements of the Metrotown Regional Town Centre. The intent is that the computer model will be used for this further testing and evaluation by municipal staff.

2.3 SKYTRAIN AND TRANSIT IMPROVEMENTS

Public transit including SkyTrain was assumed as a requirement in the 1978 N.D. Lea Study and is included (at least implicitly) in all recent consultant studies. The extent of transit's future share of travel demand has a considerable impact on car traffic volumes. "Hard" evidence of SkyTrain's impact is not available and will not be until the system has had time to influence home and work place location patterns. Conventional wisdom suggests that transit usage for shopping is limited and has only a marginal impact on car usage. However, in order to accommodate a much larger commercial retail component than originally forecast, some modal shift to transit from auto use should be promoted to avoid potential increased traffic congestion. In the case of Metrotown, this is not an unreasonable longer term expectation.

2.4 CORE-RELATED ROAD NETWORK

Most of the developers' consultant's work indicates that the core-related road network and access provisions now existing or proposed are adequate for Phase I development. However, a degree of congestion is and will continue to be a fact of life in Metrotown. T. Partridge & Associates (TPA) predicts that core area congestion could be alleviated by the diversion of trips over a wider road network and a balancing of demand versus capacity. TPA's assessment of critical intersections is somewhat at variance with developers consultants and these implications require further examination.

The current proposed schedule of improvements to the Metrotown road network to accommodate the completed Phase I developments and the Phase I plus Phase II developments are outlined as follows. These proposals are supported by the Director Engineering and are broadly validated by T. Partridge & Associates' model results. The Stage I improvements are generally keyed to completion in 1988 and the Stage II improvements to completion in 1998. These transportation projects would be pursued on a continuous basis to 1998 and are listed in estimated order of implementation. However, substantial Stage II improvements would be required to accommodate any major Phase II development, the required improvements being related both to the timing and the size of specific major developments.

2.4.1 STAGE I TRANSPORTATION IMPROVEMENTS CONSIDERED ESSENTIAL BY 1988 TO ACCOMMODATE COMPLETION OF PHASE I PRIMARY CORE DEVELOPMENTS

Completed Requirements

The following Phase I transportation improvements pursued and completed to date have an estimated value of \$7.2 million. \$0.32 million of this amount have been improvements provided by private developers. Provincial cost sharing was obtained for the improvements provided out of public expenditures.

- a) Willingdon Avenue - Extension south to Imperial Street
- b) Central Boulevard - Willingdon Avenue to Imperial Street
- c) Grange Street (Oakland) - Royal Oak Avenue to Burris Street
- d) Bennett Street - West of Nelson Avenue
- e) McMurray Avenue - Kingsway to Grange Street

Requirements to be completed by 1988

The following Phase I transportation improvements required by 1988 have an estimated value of \$10.7 million. Over \$3.1 million of this amount represents improvements and dedications expected to be provided by private developers. Provincial cost sharing may be applicable on over \$4 million of the public expenditures.

- a) Boundary Road - Widening Hurston Street to Fir Street
- b) Kingsway - Improvements contiguous to current development proposals
- c) Kingsway intersections - At Patterson Avenue, Royal Oak Avenue and Imperial Street
- d) Grange Street - Improvements and intersection work from Kingsway to Royal Oak Avenue
- e) Willingdon/Central Boulevard - Minor intersection work
- f) McKay Avenue - Central Boulevard to Grange Street
- g) Kingsborough Street - East of Willingdon Avenue
- h) Park and Ride facilities - Vicinity of Central Boulevard and McKay Avenue
- i) Traffic management and regulation - As required at various core contiguous locations and along the Imperial, Kingsway and Willingdon corridors.
- j) Route signing

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2.4.2

STAGE II TRANSPORTATION IMPROVEMENTS REQUIRED BY 1998 TO ACCOMMODATE COMPLETION OF PHASE II PRIMARY CORE DEVELOPMENTS

The following Phase II transportation improvements required by 1998 have a ballpark value of \$17.4 million. Up to approximately 20% of this amount could be expected to be improvements provided by private developers. Provincial cost sharing would likely be requested on improvements amounting to approximately \$7.5 million of the public expenditures.

- A) Royal Oak Avenue - Reconstruction from Grange Street to Gilpin Street
- B) Nelson Avenue - Upgrading from Imperial Street to Grange Street
- C) Hazel Street - Upgrading and extension east to Royal Oak Avenue
- D) Wilson Avenue - Extension north of Kingsway to Grange Street
- E) Bonsor Avenue - Central Boulevard to Bennett Street
- F) Moscrop/Gilpin - Provision of diversion and intersection improvements.
- G) Kingsway - Upgrading, traffic management, and completion of intersection improvements through and beyond Metrotown
- H) Central Boulevard - 2-lane extension west to Patterson Avenue
- I) Beresford Street - Continuity from Patterson Avenue to Dow Avenue
- J) Kingsborough Street - Westward extension to Wilson Avenue desirable
- K) Traffic signals - Coordination of all traffic signals within Metrotown and on the major approaches

- L) Traffic management and regulation - As required at various locations
- M) Major roads south of Imperial Street - Such as desirable improvements to Patterson Avenue, Nelson Avenue, Rumble Street and Marine Drive.

2.5 DEVELOPMENT SCALE

While recent consultants' works have focussed on the adequacy of the Metrotown road network relative to Phase I and Phase II of the primary core, there has been no detailed look at the cumulative traffic impact of other proposed and potential non-core development. Further studies related to non-core development need to be pursued to assure that the projected levels of congestion from core generated traffic do not "blight" the development potential of the rest of Metrotown.

The marketing conclusion is that if Metrotown is to accommodate major Phase II primary core developments, the primary core would have to function as a super-regional centre. This conclusion is confirmed by the TPA model work which indicates that the Phase II primary core developments require a wider draw and that as a consequence average region wide travel time is increased and overall network travel speeds are decreased.

2.6 TRANSPORTATION CONCLUSIONS

Based on the submitted consultant's studies and most particularly the transportation modelling work of T. Partridge & Associates, it is concluded that the proposed Metrotown road network is basically sound. However, a number of already planned road linkages, road widenings and traffic management improvements need to be pursued and completed with respect to the primary core development. Congestion will continue to be a fact of life in Metrotown but if we continue to pursue timely improvements we can be assured that the level of congestion can be maintained within acceptable limits. The need for proper monitoring and adjustments is borne out by the variety of complaints that residents have expressed with respect to Metrotown Centre Phase I. The model forecasts are based on a calculated "equilibrium" of travel patterns and road traffic. This equilibrium implies a restructuring of existing travel patterns that will not, in reality, happen overnight. The duration and extent of restructuring is open to speculation.

For the Phase II condition, various major road improvements, road widenings, and traffic management improvements will need to be pursued. Phase II developments will result in the creation of a super-regional retail centre; and road network improvements will be required farther afield from the Metrotown road network itself. Retention of the phasing policy will enable us to provide the required transportation improvements in an orderly manner.

Further refinement work is being pursued by staff and T. Partridge and Associates with respect to road network improvements. The computer model will be used for this further testing and evaluation. Once this further refinement work is complete, a summary report will be submitted to Council outlining the capabilities of the computer model and a more detailed account of the findings provided by T. Partridge and Associates. Council had also previously requested a report on whether Sussex Avenue should be linked between Imperial Street and Central Boulevard to provide another access to the core from the south. This option is planned to be tested on the computer model and a further report will be submitted to Council on this matter.

SECTION 3.0 - ASSESSMENT OF MARKETING ASPECTS

The developers of the primary core projects were requested to submit their consultant marketing reports in order to permit staff to examine their findings including any significant variances. The marketing reports included one prepared on behalf of a previous potential Metrotown core developer in 1984. The consultants involved in the four marketing studies examined were Larry Smith & Associates, Urbanics Consultants, and Thomas Consultants. These studies have been examined by staff and the following generalized conclusions related to the various consultants' studies are provided.

3.1 MARKET STUDIES

Three of the consultants' reports which used a standardized residual and market share analysis tended to be similar. The basic trade area boundaries for the primary Metrotown core is remarkably similar between 1984 and 1986 reports and covers a trade area population of 275,000 to 300,000. The annual rate of population growth assumed by the various consultants ranged from 0.3% to 0.8% representative of a mature area. It is noted that the 300,000 trade area population is also acknowledged in the Metrotown Centre Phase I promotional brochure. This trade area also acknowledges a significant inflow from outside the area. Based on this trade area, the amount of department store space and supermarket space provided in the Phase I development can be supported. The supermarket component achieves its equilibrium through a net floor area increase based on the closure of some existing facilities. However, the amount of CRU's (commercial rental units) already provided and proposed in Phase I is considered to exceed the projected available market. Therefore, on the basis of consultants' market studies, this trade area in itself could not at this time absorb an initial Phase II development comprised of an additional 165,000 sq.ft. department store and 185,000 sq.ft. of CRU's.

The development of major retail facilities in Metrotown within a trade area with slow population growth will inevitably result in some market transference affecting existing businesses in Burnaby, Vancouver, and New Westminster. The early introduction of Phase II development would create more abrupt and detrimental market transference. However, it is also acknowledged that Burnaby has been under-served by retail development compared to other suburban municipalities, as evident in a consistent outflow of up to 45% of retail expenditures out of Burnaby. However, recent retail development such as the Lougheed Mall and Kensington Square expansions as well as Metrotown Phase I development will redress this past imbalance.

One of the reports which was submitted in support of an early start for further Phase II developments outlines the results of a questionnaire and an examination of retail space ratios. However, the retail space ratios are based upon non-comparable situations and the questionnaire taken November 19 and 23 could be subject to the novelty of the new centre, and the closeness of Christmas; and therefore the findings are not considered a long-term predictor of retail buying allegiances. The strong super-regional attraction for Metrotown Centre mentioned in the same report requires further study, although some of the super-regional implications of Metrotown development are discussed further in Section 3.3 of the appendix.

The possibility of the over-saturation of trade areas is a matter of valid public discussion. Recent examples have been raised in the press concerning the possible detrimental effects of new development on existing development.

3.2 MUNICIPAL RETAIL FLOORSACE

The marketing studies have suggested the need to also look at retail floor space from a different perspective in order to appreciate the scope of Metrotown development. The following information is from the GVRD Development Services' Commercial and Industrial Floorspace Inventory System as of 1985 July.

The GVRD estimated the per capita retail space for various municipalities to be as follows:

	Total Retail Sq.Ft. Per Capita	Shopping Centres Only Sq.Ft. Per Capita
Older Centres		
New Westminster	63	5
North Vancouver City	53	12
Vancouver City	61	6
Primary Suburbs		
Burnaby	30	10
Coquitlam	39	19
Richmond	35	14
Delta	28	15
Surrey	39	16

With the completion of all three Phase I Metrotown developments and including the additions to Lougheed Mall and Kensington Square, Burnaby's total retail space will rise to approximately 39 sq.ft. per capita and shopping centre space to approximately 20 sq.ft. per capita; placing Burnaby in the upper range of primary suburbs. Of the other suburbs, continued shopping centre expansion seems likely in the Coquitlam Centre area partly to serve its regional sphere which includes Port Coquitlam, Port Moody and other areas further east; and in south Surrey with the planned Panorama Centre.

3.3 METROTOWN AS A SUPER-REGIONAL RETAIL CENTRE

The implicit conclusions of all the consultants studies examined is that the pursuance of Phase II primary core developments could only be justified over time on the basis that the Metrotown primary core function as a super-regional centre drawing a high percentage of potential customers from outside the Metrotown main trade area. Also, the transportation model constructed by the Municipality's consultant, T. Partridge and Associates, indicates that with all Phase I developments operating, a substantial proportion of core trips will be generated within the immediate trade area, while with all Phase II developments added, virtually all new core trips are generated from further afield. This finding corroborates the change of scope of Metrotown to a super-regional centre with the addition of Phase II developments. The concentrated commercial focus planned in Metrotown would be considered to be more resistant to competition in future from other regional centres such as those in Coquitlam, Richmond and Surrey which are dispersed over a larger area. However, an increase in retail shopping space on its own would not enhance Metrotown. The super-regional draw of Metrotown and assurance of its success is based on close attention to aspects such as:

- a) The primary core composed of the three major developments MUST function as and be commonly viewed as a single centre. It is acknowledged that a single large retail centre will draw more shoppers than two smaller centres of similar overall size. The lack of cooperative connections could prove detrimental both to developers of adjoining sites and to the long term health and image of Metrotown.

- b) Sufficient free parking is necessary to attract shoppers to match other suburban centres while at the same time differentiating Metrotown from downtown Vancouver where paid parking is established.
- c) Road network improvements need to be pursued both within Metrotown and along primary corridors leading to Metrotown within a regional framework.
- d) A strong office component needs to be encouraged and established thereby in effect increasing the trade area population and shopping activity during daytime off-peak hours by office employees.
- e) Greater use of public transit for shoppers to Metrotown should be promoted, especially the SkyTrain due to its regional draw.
- f) The provision of a wide variety of attractive uses and the creation of a high quality, unique, "user friendly" environment is necessary. These desirable uses and facilities include cinemas, hotels, restaurants, library, major recreation/community centre, art galleries, theatre, park space, people places, sculptures and water features, and a pleasing pedestrian walkway network.

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3.4 PHASING AS AN ASPECT OF MARKETING

The development of the primary core is currently proceeding as follows:

- pre-existing	Sears	230,000 sq.ft.
- 1986	Metrotown Centre	440,000 sq.ft.
- 1989	Station Square) Eaton Centre)	930,000 sq. ft.
- Phase II	Metrotown Centre	350,000 sq.ft.

As previously noted, most large suburban centres have expanded on a phased basis, with a reasonable absorption period between phases being recommended by marketing consultants.

The marketing findings reviewed by staff indicate that in due course further phases can be developed in the primary core area but only under those trade area, marketing, and transportation conditions which acknowledge the creation of a super-regional centre as outlined in Section 3.3 of this appendix. If continued steps are taken to enhance the accessibility and attractiveness of Metrotown, further phases would be viable in due course. In this context, a phasing policy is quite appropriate, and would not affect the ultimate further development potential of Metrotown or of various key development sites. The valuable experience gained in monitoring and examining each completed phase will permit the Municipality to more effectively accommodate and improve further phases.

APPENDIX 'B'

RE: COMPLETION OF THE FIRST PHASE COMMUNITY PLAN FOR
THE PRIMARY METROTOWN CORE

MUNICIPAL MANAGER'S RECOMMENDATION:

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

* * * * *

SUPPLEMENTARY
1986 SEPTEMBER 03

TO: MUNICIPAL MANAGER
FROM: DIRECTOR PLANNING &
BUILDING INSPECTION
RE: COMPLETION OF THE FIRST PHASE COMMUNITY PLAN
FOR THE PRIMARY METROTOWN CORE

RECOMMENDATION:

1. It is recommended that Council adopt as a Community Plan Policy the following:

In order to provide for the orderly development of the primary Metrotown core, phasing should be implemented to ensure that the completion of construction and occupancy of the approved first phase core plan is first achieved, as described in and qualified by Sections 3.2 and 4.0 of this report; subsequently followed by further core area phasing plans upon Council re-assessment and adoption of phasing amendments to the Community Plan.

REPORT

1.0 PREAMBLE

Within the last year or two, Burnaby Metrotown and, in particular, the primary core area has experienced a level of private development initiative which could fairly be described as explosive. In one sense, this growth represents a fulfillment of the strong public fiscal and policy support for Metrotown over the past ten years; but, in another sense, the rapid rate of this growth has raised serious concerns as to whether this growth is being properly managed relative to the achievement of the approved and desired Metrotown concept. The Municipality has now before it a clear vision of the complete first phase development of the primary Metrotown core which has been provided in detail through proposals which are now under construction, about to commence construction or have been granted Second Reading of the requisite zoning bylaw. Staff considers this to be the first real opportunity to assess the total impact of this basically complete first phase core plan and to address the phasing of further primary core development.

2.0

BURNABY METROTOWN CORE CONCEPT

The Burnaby Metrotown Development Plan proposed in 1977 was structured around the development of one, easily recognized core in a central position relative to the Metrotown boundaries. The redevelopment of large core-area land holdings generally in three ownerships (Sears, Kelly-Douglas, GTE/Electrolier) amounting to approximately 50 acres was considered to hold the key to the character and strength of the Metrotown core. The intent of the adopted Development Plan (Community Plan) is to provide a balanced redevelopment of the core, assisted and enhanced by the completion of core-related public infrastructure initiatives ranging from road network improvements, public transit provisions, Metrotown Development Cost Charges for public purposes, public open space expansion and social/recreational facilities, to park and ride initiatives. These public efforts to date have been pursued to assure that the total Metrotown primary core area bounded by Kingsway, Nelson Avenue, Central Boulevard, and McKay Avenue will reach a certain threshold of maturity represented by the completion of the first phase proposals and the related public infrastructure.

The development phasing of the primary core area is vital to the implementation of this balanced program in order to solidify the desired community plan concept for the area and successfully complete the basic needed infrastructure improvements early in the redevelopment process. Phasing is commonly employed in the formulation of community plans to assist in guiding the appropriate redevelopment of all or parts of a municipality (for example, Burnaby's Community Plans and Apartment Study Areas).

3.0

CURRENT STATUS OF THE PRIMARY CORE

3.1 Public Expenditures

Extensive public expenditures have been and will continue to be made to create an infrastructure to support and promote the redevelopment of the Metrotown core.

With respect to major roadworks, the Willingdon Avenue extension, Oakland/Grange, and Central Boulevard have been constructed as municipal/provincial cost-shared projects to serve the Metrotown and, in particular, its core, at a total estimated cost of over \$6 Million. The upgrading of McMurray Avenue north of Kingsway as well as the provision of the key Kingsborough Street linkage west of McKay Avenue are being pursued under municipal auspices.

The Metrotown SkyTrain station, part of the overall SkyTrain line mega-project, has been specifically designed to link directly into the core. A major bus loop with trolley capability is established just north of the SkyTrain station. These public transit arrangements will focus public transit ridership from a large catchment area into the centre of the core.

Public land assembly initiatives supportive of and compatible with the Metrotown core are continuing to be pursued by the Municipality with respect to the expansion of Bonsor Park and Metrotown Area 14 directly west of the primary core. The Municipality is now proceeding with a major Bonsor Recreation Centre expansion at a total cost of over \$8.8 Million and is pursuing a Metrotown Resource Library proposal in the range of \$7 Million. Council has also made commitments to provide some Park and Ride facilities near the Metrotown SkyTrain station by the fall of 1988.

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All of these public initiatives were predicated on the assumption that an orderly and integrated development of the total primary core would be achieved.

3.2 Approved First Phase Primary Core Plan

The Metrotown primary core is the area bounded by Kingsway, Nelson Avenue, Central Boulevard and McKay Avenue, with the exclusion of Bonsor Park in the south-east corner (see attached sketch). The first phase redevelopment of the complete Metrotown primary core area, in a manner consistent with the Metrotown concept plan, has been essentially approved. Three proposals which encompass this first phase core plan include Metrotown Centre (RZ #9/85), the Galleria at Metrotown (RZ #71/85), and Station Square (RZ #95/85).

Metrotown Centre provides 584,000 sq. ft. of retail space in the form of a 3-level skylit mall with two anchors with 114,000 sq. ft. of offices on a fourth level. Some pedestrian plazas, pedestrian linkages, a parking deck, and underground parking are provided. Metrotown Centre is expected to be completed and operating within a month.

The Galleria at Metrotown provides 656,000 sq. ft. of retail space in the form of a 2-level skylit mall with three anchors and a cinema complex. A 296,000 sq. ft. phase one office tower is proposed. The site also accommodates the Metrotown bus loop and a passerelle is indicated over Central Boulevard linking the bus loop by escalator and the mall directly to the Metrotown SkyTrain station. A major pedestrian plaza is provided on the Central Boulevard frontage. Other pedestrian plazas, pedestrian linkages, an unusually large underground parking facility, and parking decks are provided. The Galleria project will be under construction shortly.

Station Square provides 227,000 sq. ft. of shopping centre retail space with a major food anchor and a cinema complex, and 39,000 sq. ft. of offices. The project includes a 103,000 sq. ft. hotel tower and 325 apartment units in two towers. Pedestrian plazas and linkages, a parking deck and underground parking are provided. Station Square has been granted Second Reading of the rezoning bylaw which essentially represents approval in principle, and it is expected that the proposal will shortly be advanced towards final readings of the rezoning bylaw.

In total, the first phase of the core development as provided by these three major projects incorporates 1,467,000 square feet of retail floor space, and some 552,000 square feet of office and hotel uses. This represents a very substantial regional commercial presence which demands to be managed in relation to other desirable and necessary urban uses which will compete for a presence in Metrotown's core. The extent and scope of this first phase development necessitates its completion and occupancy prior to considering any further phases. This approach represents a fair allocation of development opportunities amongst those major participants with proclaimed development interests in the area.

4.0

COMPLETION OF THE FIRST PHASE PRIMARY METROTOWN CORE PLAN

The foregoing has served to reinforce the clear conclusion that the adoption of a policy is needed for the orderly phasing of the development of the primary Metrotown core area bounded by Kingsway, Nelson Avenue, Central Boulevard and McKay Avenue to ensure that the completion of the already approved first phase core plan supportive of the Metrotown core concept is first achieved.

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It is intended that this policy be in effect during the time frame needed for the completion and occupancy of the first phase and that it would cease to have effect after 1989 February 28 unless otherwise directed by Council. Moreover, if any of the three projects encompassing the first phase core plan does not commence foundation construction by 1987 September 30, this phasing policy would be considered to cease to have effect as of the 1987 September 30 date unless otherwise directed by Council. In any event, staff would under such circumstances provide Council with a report on the matter.

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This conclusion on the orderly phasing of the development of the primary core area is clarified by the following points:

- a). The completion of the first phase primary core plan in line with the Metrotown Development Plan will clearly establish the success of the Metrotown concept and delineate its boundaries.
- b). The completion of the first phase core plan will achieve the optimum balanced, integrated, and high quality primary core capable of serving Burnaby for at least two to five years.
- c). The Municipality has through a pluralist approach achieved the development of a coherent core through the efforts of a variety of private development interests.
- d). Recent extensive public infrastructure expenditures such as the SkyTrain and major Metrotown roads as described previously will be utilized most efficiently by the completion of the first phase core plan.
- e). The first phase core plan provides for extensive private contributions to the public infrastructure such as public squares and plazas, vehicular and pedestrian linkages, public transit connections, and major underground parking facilities.
- f). Serious traffic concerns have been raised questioning the appropriateness of proceeding at this time with major second phase primary core developments which exceed past projections. Even though traffic modelling as pursued by the retained consultant may provide some clarity, the conclusions of such studies remain inferential. Actual monitoring of the traffic situation after completion of the first phase development program is required to reflect the staged approach to traffic assessment which was initially envisioned.
- g). The completion and occupancy of the first phase core plan is considered a reasonable plateau at which to pause in order to fully assess the Metrotown core and how further phases can be integrated and managed.
- h). Adoption of a phasing policy will as far as possible ensure that all first phase developments proceed and the primary core area achieves its optimum potential, while avoiding unbalanced development within the core area.
- i). Private development pressures and interests in the Metrotown core appear to be at a volatile level, and it is important that the Municipality provide guidance in order that the volatility of the private development industry not detrimentally affect the orderly development of Burnaby's Metrotown.

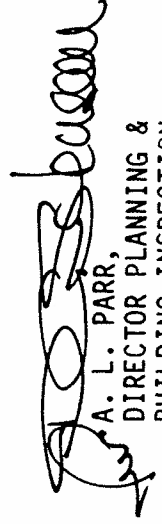
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5.0 CONCLUSION

It is important that the development of Metrotown and its core be properly managed to serve the best interests of Burnaby and its residents. The proper management of Metrotown's growth and assessment of the impact of growth has been guided by the need to ensure the wise and optimum use of public resources; the pursuance of a balanced development approach which is a reflection of the type of community that Burnaby residents desire; and the determination of a reasonable phasing over time of Metrotown development.

The adoption of a policy is recommended for the orderly phasing of the development of the primary Metrotown core to ensure that the completion and occupancy of the approved first phase core plan is first achieved. The appropriate timing of further core area phasing plans would be pursued and determined. The result of the adoption of such a policy will be that none of the second phases of the three major projects constituting the primary core plan will be recommended for advancement until all of these three first phase projects are completed and occupied, subject to the expiry provisions outlined in Section 4.0 of this report.

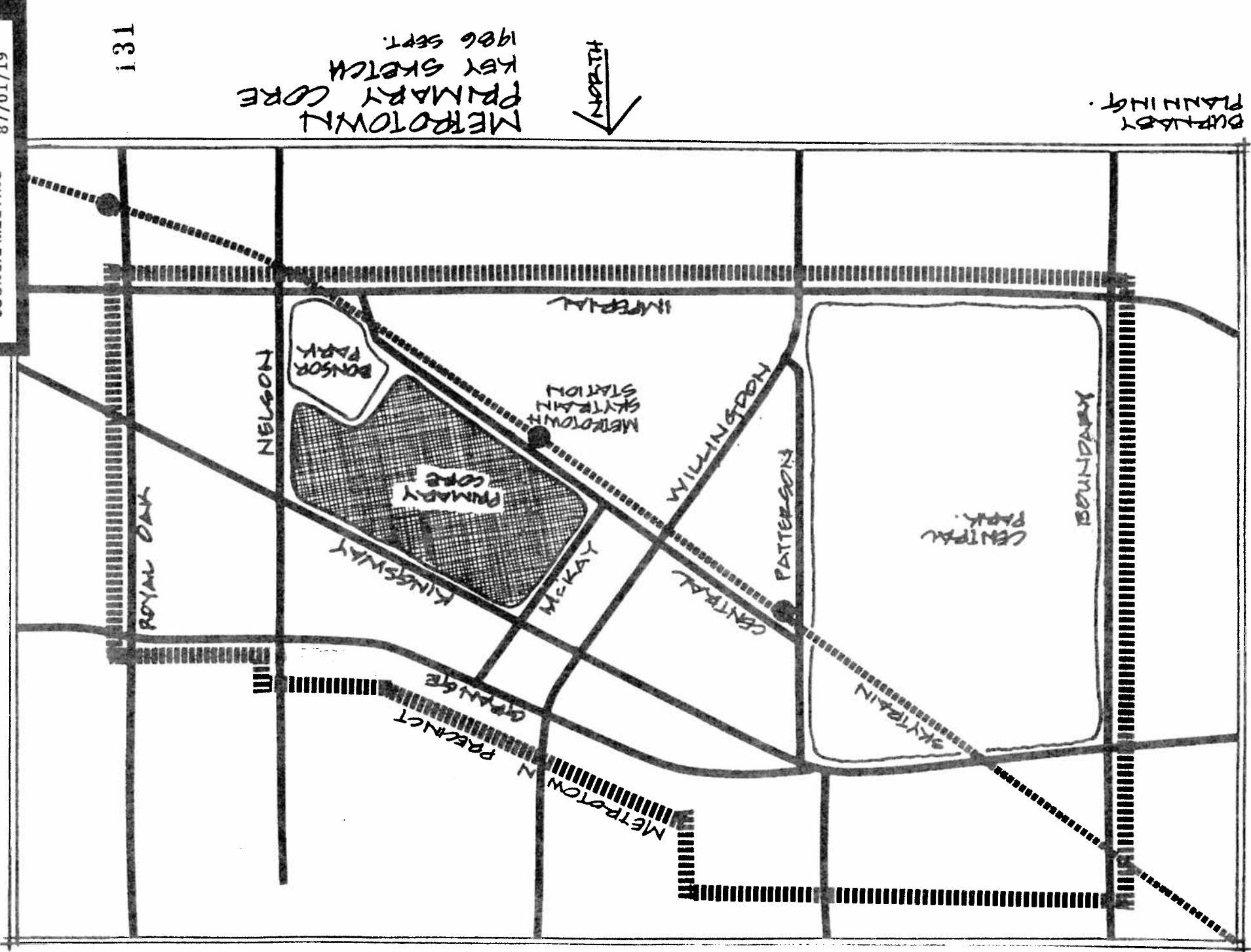
Council direction is needed to indicate to all private developers where they stand in relation to the Municipality's goal of achieving a strong and balanced Metrotown core which can be developed in an orderly manner. The situation if left unaddressed could result in the Municipality's goals and objectives for the whole of the Metrotown area being detrimentally affected. A firm and steady public hand is required at this time to guide private development in the core of Metrotown in support of the public interest.


A. L. PARR,
DIRECTOR PLANNING &
BUILDING INSPECTION

KI:ad
Att. (Sketch)
cc: Municipal Solicitor

ITEM SUPPLEMENTARY 5
 MANAGER'S REPORT NO. 52
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ITEM SUPPL. 7
 MANAGER'S REPORT NO. 4
 COUNCIL MEETING 87/01/19



METRO TOWN
 PRIMARY CORE
 KEY SKETCH
 1986 SEPT.



BURTON
 PLANNING