

RE: REZONING REFERENCE #75/89
CANADA WAY/BOUNDARY ROAD/DOMINION STREET
AND ESMOND AVENUE

ITEM 10
MANAGER'S REPORT NO. 35
COUNCIL MEETING 90/05/14

MUNICIPAL MANAGER'S RECOMMENDATION:

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

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TO: MUNICIPAL MANAGER 1990 MAY 08
FROM: DIRECTOR PLANNING &
BUILDING INSPECTION

SUBJECT: REZONING REFERENCE #75/89
CANADA WAY/BOUNDARY ROAD/DOMINION STREET
AND ESMOND AVENUE

PURPOSE: To respond to a Council request for further information regarding the lot assembly and parking provisions associated with Rezoning Reference #75/89 and the construction of Esmond Avenue north of Canada Way.

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RECOMMENDATION:

- 1) THAT this report be received for the information of Council.

R E P O R T

1.0 BACKGROUND:

A Public Hearing for Rezoning Reference #75/89 was held on 1990 April 24. This site is located in the area generally bounded by Canada Way, Boundary Road, Dominion Street and the unbuilt portion of Esmond Avenue. Second Reading of the rezoning was granted on 1990 April 30 and at that time, Council also requested that staff report on:

- the negotiations that took place concerning the properties not included in the proposed site consolidation, and
- concerns about parking for businesses in the area.

2.0 STATUS OF PROPERTY NEGOTIATIONS -
(REFER ATTACHED SKETCH #1):

Council requested that staff obtain copies of the land purchase option agreements for properties that were not included in the site assembly under application. Agreements for certain of these properties were entered into by a previous applicant early in 1989 but were subsequently not completed. Properties in the north-westerly portion of the block (two commercial and one residential) were deleted from the land assembly proposed for the hotel, office and residential redevelopment project. It is to be noted, however, that the property in the south-easterly portion of the development area, at 3737 Canada Way, (Middleton) was never included in the assembly area.

Staff conveyed Council's request for the option details to the applicant, United Properties, who have replied to the request in the form of a letter (attached) which provides general information on the negotiations rather than the actual option agreements. On 1990 May 07, Mr. V. Setton, the President of United Properties, indicated verbally that he was prepared to privately review the actual options with Municipal officials, but declined to make the agreements public.

In previous staff reports, it has been noted that in the assembly of large redevelopment sites, it is considered desirable to include all the properties in a given block. Staff have however ascertained that in this case, the two excluded areas at the north-west and south-east corners of this block are each of a size that can accommodate independent redevelopment in the future. This conclusion was conveyed to Council in a report dated 1990 April 02 and the application was advanced to a Public Hearing on this basis.

If, on the other hand, Council's position is that the properties should be included in the development site, it would be necessary to amend the prerequisite conditions to make this a requirement, and to refer the revised site to a new Public Hearing.

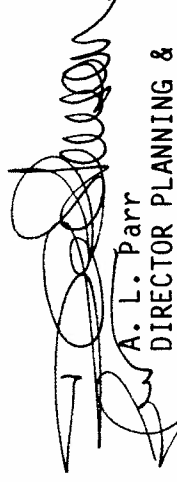
3.0 ESMOND AVENUE RIGHT-OF-WAY PARKING:

In the 1960's, the Municipality in co-operation with the merchants of the Canada Way area, associated with Mr. H. Middleton, arranged for the unopened portion of Esmond Avenue to be developed as a parking area for a distance approximately 35 m (115 ft.) north of Canada Way. The balance of the right-of-way north to Norfolk Street remains undeveloped. The business people are concerned that the construction of Esmond Avenue from Canada Way through to Norfolk Street will remove this present parking area.

In order to pursue the development of this area and this rezoning proposal, the existing paved parking area would be removed in order to construct Esmond Avenue from Canada Way to Norfolk Street. There will be some compensation in that 66 m (215 ft.) of new roadway will be constructed; and even after corner clearances and driveways are considered, there will be approximately 10 to 11 on-street parallel parking spaces provided on Esmond Avenue. Utilizing 1965 to 1989 air photos plus a site visit on 1990 May 07, the number of vehicles parked on the "parking lot" has ranged from three to ten.

Staff would not support the suggestion for the Municipality to purchase an additional commercial lot east of Esmond Avenue for parking. Apart from the very significant cost, this action would reduce the continuity of the commercial storefronts - already a problem on this side of this block - and would not safely serve the demand which primarily comes from the busier shops on the south side of Canada Way. Use of the first lot on Norfolk Street would be intrusive to the neighbourhood and result in an unacceptable residual development site (flanked by parking lots). It would also be somewhat remote from Canada Way.

This is for the information of Council.


A. L. Parr
DIRECTOR PLANNING &
BUILDING INSPECTION

BR:ap
Attach.

c.c. Director Engineering



UNITED PROPERTIES LTD.

May 4, 1990

Corporation of the District of Burnaby
4949 Canada Way,
Burnaby, B.C.
V5G 1M2

Attention: D. Stenson, Planning Dept.

Dear Mr Stenson:

Re: RZ 75/89
Boundary Road/Canada Way,
Burnaby, B.C.

We wish to respond to the concerns expressed by Council during the discussion at Second Hearing of the above-referenced Re-zoning Application. We refute Mr. Sparrow's public hearing statement that United Properties Ltd. did not attempt to renew or re-negotiate the Offer to Purchase his property at 3112 Boundary when the original option to purchase expired March 31, 1989.

Our Company assumed the position of the original developer, Strong Western, in early 1989. David Berg of Canada Trust, the land assembly agent, in conversations with Mr. Sparrow, advised him that upon expiry of the original Offer to Purchase option, United Properties Ltd. would wish to re-negotiate a lower purchase price. At that time, Mr. Sparrow left our agent with the impression that he was more than happy to allow the option to expire, believing his property to be worth more than the earlier optioned price. For your information, the properties currently under consideration in the proposal, are now owned by United Properties Ltd. and were all purchased for approximately \$24.00 per sq. ft. The properties excluded from the earlier submission, i.e. Mr. Sparrow (3112 Boundary), B.C. Fed (3110 Boundary) and Mr. Chin (3722 Dominion) were originally optioned at prices in excess of double the price of the lands we own. In respect to Mr. Middleton (Canada Way), who was never included in the original land assembly, but with whom we have had numerous discussions during the last 12 months, we have determined that the price of his property is almost 3 times the average base price of the property we own.

At the time that we completed the purchase of our properties, we determined that the economic feasibility of the proposed project would not survive with the inclusion of the higher valued properties. However, we did satisfy ourselves that the lands excluded from our proposal were of a size that would justify independent development if consolidated by future purchasers. A report to Council was

Corporation of the District of Burnaby
May 4, 1990

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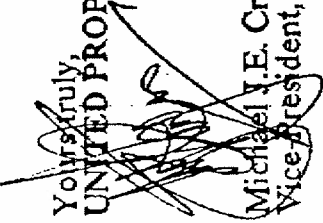
prepared by your department during the process of introducing the Re-zoning By-Laws and it also supported that position.

We believe we have acted in good faith with all of the property owners affected by our proposal; Council may be justified in having that assurance confirmed, but we expect them to make their judgement based on issues directly related to re-zoning and changes to the O.C.P. We have made business decisions on this proposal which have addressed not only the market place demands, the economic viability of our development as proposed, but also the effect on those landowners whose properties are not included. It has been shown that a future consolidation of the remaining parcels would support independent development and therefore we should not be held to ransom because some of these parties now indicate that they should not be excluded.

We have spent a great deal of time modifying our project to satisfy your demands and those of Councils: we implore you to re-iterate our position, in order that final approvals can be formalized to enable us to proceed. The cooling of our economy will undoubtedly impact all development, but this problem will only be exacerbated by further unnecessary delays.

Your prompt attention and kind consideration will be appreciated.

Yours truly,
UNITED PROPERTIES LTD.


Michael J.E. Craigen
Vice President, Operations

MJEC/lmp

