

ITEM 16
MANAGER'S REPORT NO. 52
COUNCIL MEETING 90/08/27

TO: MUNICIPAL MANAGER
FROM: DIRECTOR PLANNING & BUILDING INSPECTION
SUBJECT: PROPOSED OFFER TO SELL MUNICIPAL LAND
REZONING REFERENCE #99/89
MIXED-USE DEVELOPMENT
KINGSMAY/WILLINGDON/McKAY/KINGSBOROUGH
METROTOWN - AREA 14

PURPOSE: To provide Council with current information on the development proposal being advanced for this site and on the status of the land assembly; and to recommend the terms under which the Municipal lands should be offered for sale.

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RECOMMENDATIONS:

1. THAT Council authorize the advertising for sale by tender of the Municipal lands in accordance with the terms outlined in Sections 4.2 and 4.5 of this report.
2. THAT a copy of this report be sent to the applicant, VanCity Enterprises Limited; and to A & B Sound and Musicman, the owners of the unassembled properties situated at 4546, 4550, 4560, 4568 Kingsway and 6007, 6015 McKay Avenue.

R E P O R T

1.0 BACKGROUND

In 1989 October, Council was advised that Vancity Enterprises Limited had initiated preliminary discussions with Planning staff with a view to pursuing a potential development of the block bounded by Kingsborough Street, McKay Avenue, Willingdon Avenue and Kingsway within Metrotown Area 14.

The greater portion of this block north of Kingsborough Street, approximately 4.3 acres, had been designated as a Public Land Assembly Area. Based on a Council-directed public land acquisition program pursued since 1986 May, over 50% of the properties in this area are publicly owned. The portion of Metrotown Area 14 north of the Public Land Assembly Area is part of the Kingsway commercial corridor and amounts to approximately 1.9 acres.

Council on 1989 October 10 authorized staff to explore the potential development by a private developer of the Public Land Assembly Area north of Kingsborough Street within Metrotown Area 14 and to report back when a preliminary development concept which could meet the public-interest objectives of the Public Land Assembly Area was determined suitable for Council's further consideration.

On 1990 April 23, Council considered an initial rezoning report on the subject site which described a preliminary proposal with a total floor area in the range of 1,040,000 sq. ft. Council at that time approved an amendment to the Metrotown Development Plan, Sub-area 14 to permit the development concept proposed by the developer.

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Council also approved a recommendation indicating its willingness to include the Municipally-owned property within the subject development and authorizing the Municipal Solicitor to pursue preliminary discussions with the developer relative to the offering of the Municipal properties for sale for inclusion in the project in line with the development options outlined in the initial rezoning report. Council then authorized staff to work with the applicant towards the preparation of a suitable plan of development for presentation to a Public Hearing.

2.0 GENERAL DISCUSSION

2.1 DEVELOPMENT PROPOSAL

The applicant has pursued development of a plan for a mixed-use development on a 5.5 acre site (see attached Sketch #1), comprising the block bounded by Kingsway, Willingdon Avenue, Kingsborough Street, and McKay Avenue. The proposal's major components consist of two office towers, an apartment tower, a hotel tower with supporting facilities, an institutional (college) use, and a retail/restaurant/office podium use surmounting a multi-level underground parking structure. The scheme features a variety of public pedestrian plaza spaces in a high density, town centre setting, and has achieved a number of important objectives related to enhancing the urban design and "human" qualities desired in the further development of the Metrotown core.

2.2 PROJECT DESCRIPTION

The proposal for the overall site is summarized as follows:

- a) Gross Site Area = 271,000 sq.ft. (6.2 acres)
- b) Total Dedications = 30,000 sq.ft. (0.7 acres)
- c) Net Site Area = 241,000 sq.ft. (5.5 acres)
- d) Gross Floor Areas:
 - Retail/Restaurant/Office (primarily ground floor with some basement and second floor areas) = 130,630 sq.ft.
 - Institutional College (primarily second and third floor areas with a ground floor access) = 49,910 sq.ft.
 - Apartment Tower = 195,210 sq.ft.
 - Hotel Tower and ancillary facilities (primarily on second floor) = 140,471 sq.ft.
 - Office Tower #1 = 361,225 sq.ft.
 - Office Tower #2 = 232,813 sq.ft.
 - TOTAL= 1,110,259 SQ.FT.

e) Proposed Floor Area Ratio = 4.6

f) Site Coverage = 56% = 134,960 sq.ft.

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The apartment component provides for 140 strata title units in a 27-storey tower located near the Kingsborough Street and Willingdon Avenue intersection, and includes a recreational facility on the fourth floor, with access to an extensive landscaped podium roof deck.

It is desirable that 5% of the apartment units be adaptable to meet the needs of the disabled in line with Council's established voluntary guidelines. The applicant has indicated that he will examine this possibility further.

The hotel component provides 204 rooms in a 16-storey tower, with ancillary facilities amounting to 35,720 sq.ft. gross on the first, second and third floors. The ancillary facilities include a coffee/bar, lounge, meeting and banquet rooms, and a health/fitness centre. An accessible roof garden with an outdoor swimming pool are indicated over the podium roof deck. The hotel is located along the McKay Avenue frontage.

Two office towers of 23 and 27 storeys in height facing a gateway plaza at the Kingsway and Willingdon Avenue intersection are proposed. Podium offices are also provided at the second and third floor levels. Landscaped podium roof decks will also be accessible from the office towers.

A large public square is proposed in the centre of the site surrounded by the various major use components. This public square is designed with fountain and clock-tower features, decorative paving, terraced areas, continuous perimeter covered pedestrian arcades, trees, planters, benches and outdoor restaurant seating. Major walkway accesses lead diagonally from this square to the four major intersections abutting this site.

It is proposed that the provision of this public square and the main pedestrian accesses to the square be guaranteed for public use by registered easements.

Public benefit uses outlined in the proposal include the public square, other landscaped plazas and open space, continuous pedestrian canopies, fountains and sculpture, the clock tower feature, bus shelters, bike racks, and a college use.

The following community-oriented facilities are also proposed:

- a) A daycare facility (3,600 sq.ft. indoor and 2,800 sq.ft. outdoor) with guarantees for its continued long term provision protected by registered covenant.
- b) A community meeting room of 2,000 sq.ft. fully dedicated to public use with guarantees for its continued long term provision protected by registered covenant.
- c) Some medical/dental facilities within the development.

Specially designed gateway plazas are also proposed at the Willingdon Avenue and Kingsway intersection related to the two office towers and at the McKay Avenue and Kingsborough Street intersection related to accessing the primary core. Other decorative, pedestrian plazas are provided at the Willingdon Avenue and Kingsborough Street intersection and the Kingsway and McKay Avenue intersections.

All buildings are proposed to be setback from property lines with continuous pedestrian canopies along the retail/restaurant frontage of these buildings.



The applicant contemplates phased construction for this major project. The applicant's first construction phase would include a major portion of the complete retail/restaurant podium development, including underground parking and at least one of the three commercial towers (hotel or office). A covenant should be registered to this effect.

Depending on market conditions, the remaining towers including the apartment tower and the balance of the podium development and underground parking would follow as further construction phases.

The use of brick and stone with extensive glass and glass curtain wall treatment is proposed.

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2.3 PARKING REQUIREMENTS

The following summarizes the parking required and proposed in the development scheme submitted:

<u>DESCRIPTIONS</u>	<u>REQUIRED AND MINIMUM PROVIDED</u>
a) Retail/Restaurant:	522 spaces
b) Institutional College:	120 spaces
c) Apartment Tower: 1.5 spaces per unit x 140 units (includes 0.2 spaces per unit to be allocated for visitors)	210 spaces
d) Hotel Ancillary hotel facilities	102 spaces) 103 spaces)
e) Offices:	1,056 spaces
f) Total minimum required parking spaces Total provided parking spaces (all parking is provided underground)	2,113 spaces 2,113 spaces
Additional parking may be required to meet detailed area calculations in line with the Burnaby Zoning Bylaw.	
g) Total provided loading bays (all loading bays are provided underground)	11 bays

2.4 ROADS AND SERVICES

The applicant will be responsible for all services necessary to service the site. The deposit of required funds, provision of necessary easements and covenants, and the entering into of a servicing agreement will be required as part of the rezoning process. The servicing requirements will include, but not necessarily be limited to, the following roadworks:

- a) Kingsway - Median improvements utilizing decorative pavers and provision of a streaming lane for the full frontage between McKay Avenue and Willingdon Avenue. A road improvement transition is required west of Willingdon Avenue.

Special boulevard improvements including a separated sidewalk, pavers, and a double row of street trees in tree grates to match the standard established for the balance of the primary core frontage along Kingsway are required.

- b) Willingdon Avenue - Median relocation incorporating decorative pavers and provision of a right-turn streaming lane. Boulevard improvements including a separated sidewalk, pavers and street trees in tree grates are required.
- c) McKay Avenue - A right-turn merge off Kingsway. Boulevard improvements including a separated sidewalk, pavers, and street trees in tree grates are required.
- d) Kingsborough Street - Protect future road improvements. Boulevard improvements including a separated sidewalk, pavers, and a double row of street trees in tree grates to match the standard along the Civic Facilities' frontage on the opposite side of Kingsborough Street are required.
- e) The upgrading and/or provision of traffic signals at abutting intersections would apply.

A number of road dedications are required, including road widenings along Kingsway, McKay Avenue, Kingsborough Street, and Willingdon Avenue; and corner truncations. The important required 33-1/2 ft. widening dedication along Kingsway corresponds to the widening obtained to date along the balance of the Kingsway frontage of the Metrotown core.

It is proposed that the road dedications amounting to approximately 22,700 sq.ft., outlined above and shown in attached Sketch #2, required off the non-municipal properties, be exchanged for rights-of-way within the site which are to be closed, such as Cassie Avenue and lane allowances amounting to approximately 28,600 sq.ft.

The applicant will be obtaining more closed rights-of-way in the exchange than he is dedicating; therefore, the balance of land in favour of the applicant would be purchased by the applicant.

3.0 SITE CONSOLIDATION

3.1 OVERALL DEVELOPMENT SITE

As noted above, the complete development proposal is predicated on assembly of all the properties within the area bounded by Kingsway, Willingdon, Kingsborough and McKay Avenues, to create a single site with a gross area in the order of 6.2 acres, with required dedications of approximately 0.7 acres resulting in a net consolidated site of approximately 5.5 acres (see Sketch #2).

This consolidated site is highly desirable both from the point of view of the Municipality (providing important road and infrastructure improvements and ensuring the integrated development of a substantial element of the core, thereby allowing achievement of a number of significant design and urban quality objectives) and also from the point of view of the developer (recognizing the integral nature of the various components served by a single underground parking garage and joint vehicular accesses/service vehicle facilities serving all component users).

3.2 STATUS OF LAND ASSEMBLY

The applicant advises that the properties at 4546, 4550, 4560 and 4568 Kingsway and 6007 and 6015 McKay Avenue have not yet been acquired (see Sketch #2). These properties currently accommodate "Musicman" and "A & B Sound", two large retail operations. It is necessary that these properties be acquired by the applicant in order to achieve the consolidated site necessary for the complete plan of development as currently presented, the dedications and road improvements along the important Kingsway frontage necessary to support and serve this development, and the overall Metrotown development and infrastructure objectives as they relate to the subject block.

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Additionally, it is noted that there are fourteen (14) municipally-owned properties (see Sketch #2) which the applicant wishes to acquire for inclusion in his overall development site. The net area of municipally-owned properties is approximately 79,400 sq.ft. after deducting the widening dedications off these properties.

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4.0 PURCHASE OF MUNICIPAL PROPERTY

- 4.1 The Municipal Solicitor has been pursuing preliminary discussions with the applicant relative to the offering of these Municipal properties for sale for inclusion in the project, and in the course of these discussions has obtained an independent appraisal to assist in establishing the value of the Municipal lands. The appraisal is available for viewing by members of Council in the Solicitor's office.
- 4.2 Following extensive discussions with the applicant, and recognizing the time factor involved with completing a land assembly and rezoning process for a development of this magnitude, the Solicitor has determined that the appropriate minimum acceptable value for redevelopment purposes for these lands is \$60.00 per square foot. Accordingly, the Legal Department on 1990 August 16 wrote to the applicant indicating that it could support a recommendation that the lands, road and lane allowances (beyond those involved in a Highway Exchange) be offered for sale by public tender as required by Section 538 of the Municipal Act on the following terms:
1. Having allowed for road dedications the net area to be sold shall be determined by a legal survey prepared by a qualified B.C. land surveyor.
 2. Minimum acceptable bid \$60.00 per sq.ft.
 3. The bid must be accompanied by a certified cheque representing 10 per cent of the total bid.
 4. The balance will be due and payable when all the terms and conditions of the block consolidation and rezoning are satisfied, but not later than one year following the acceptance of the bid by the Council for The Corporation of the District of Burnaby.
- 4.3 The applicant has now responded to the proposed terms, confirming in writing his agreement with items 1 through 3 inclusive, and agreeing with the thrust of item 4, but raising a qualification with respect to its implementation due to the difficulty he has experienced to date in acquiring the private properties identified in Section 3.2 above.
- 4.4 Further discussions with the developer related to this concern have led to agreement in principle by staff to recommend that the Municipal properties be offered for public tender for consolidation purposes, on a basis which provides for accomplishment of the total assembly but which also allows for modified development to proceed on a suitable "two-site" basis in the event that negotiations for the remaining private properties cannot be successfully concluded.


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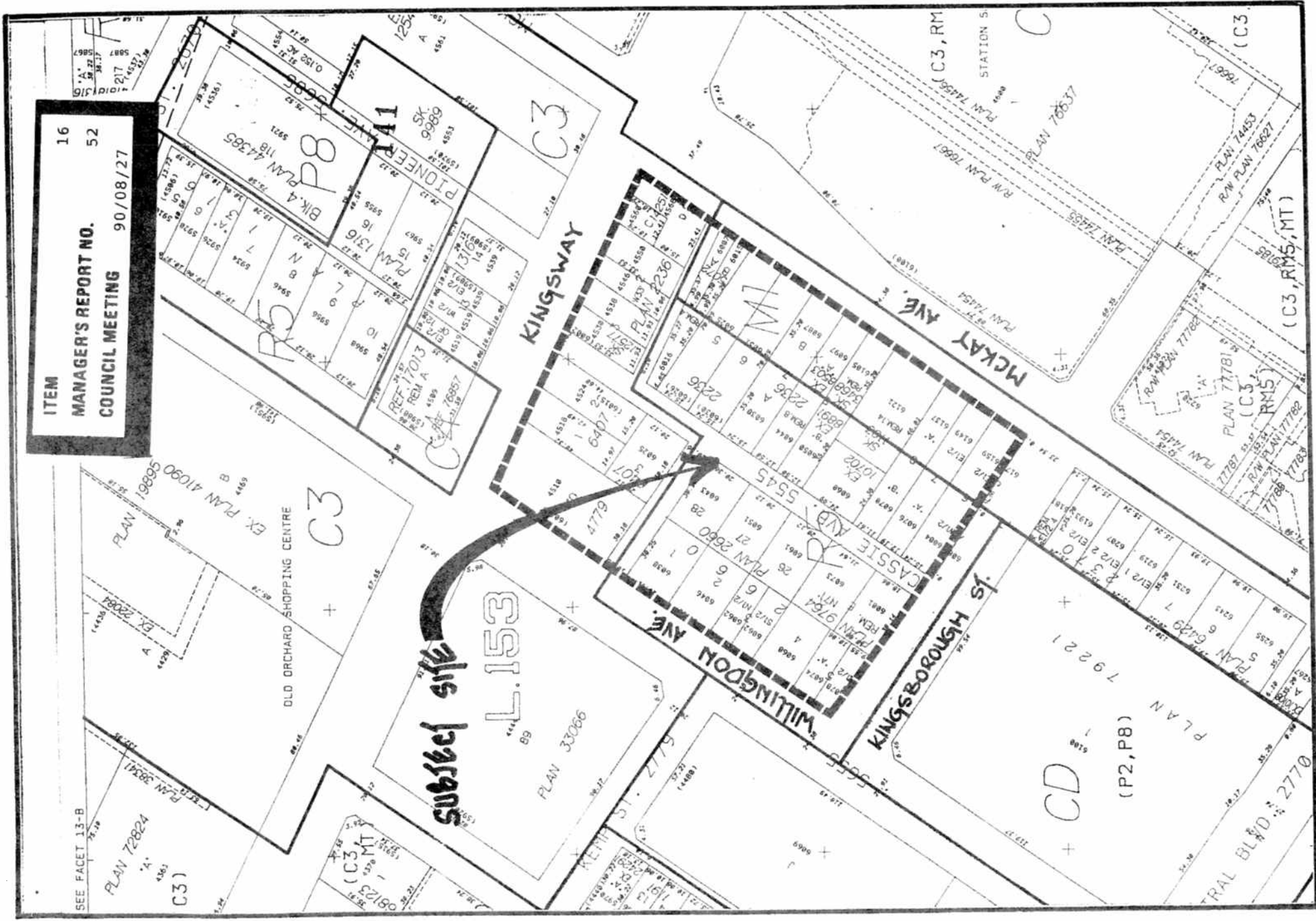
- 4.5 Under the terms of this arrangement, the whole of the Municipal lands in the total site would be offered for sale by tender as described, but an additional provision would be made via the terms of the sale, and secured by a suitable registered covenant, to ensure that in the event the entire site cannot be consolidated, a sufficient area of the Municipal lands, together with the unacquired private holdings and any intervening portion of lane allowance, would be excluded from the initial development site and held for future consolidation to create a second site having a net area of not less than 34,500 square feet. (The possibility that such a two-site scenario might be necessary has been considered for several months, and staff in 1990 March indicated to the applicant that if, for any reason, it was not possible to assemble the entire block site, it would be necessary to preserve a site of this size and a suitable configuration to make possible a future development on the remaining area of the block for a high-density commercial tower).
- 4.6 It is important to note that at this point all parties have expressed a strong desire to achieve the entire site assembly, as the clearly preferred development scheme, and that the alternative arrangement would be pursued only if the total assembly was unachievable in the final analysis.
- 4.7 Development of the initial portion of the block, under the "two-site" scenario, would necessitate adjustments to the design and the gross floor area of the present development proposal to reflect a reduced and re-configured initial site, and to indicate the design potential for complementary high-density commercial future development on the remaining 34,500 square foot site. The applicant has indicated that, assuming he is the successful bidder for the Municipal land, he would be prepared to undertake such a design exercise and has expressed his desire to pursue such a revised scheme which would be submitted to a Public Hearing in the next two or three months in the event that he is unable to conclude negotiations for the remaining private properties during that time.
- 5.0 **CONCLUSIONS**
- 5.1 Based on the foregoing, it is recommended that Council now authorize staff to proceed to advertise for sale by public tender the Municipally-owned property for inclusion within the subject development site, in accordance with the terms outlined in Sections 4.2 and 4.5 above.
- 5.2 The results of the tender offering will be the subject of a future report to Council, and a further report will also be submitted at the appropriate time to convey the outcome of the site assembly process and to recommend the corresponding suitable plan of development for advancement to a Public Hearing.

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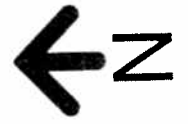
Attachments: Sketches #1 and #2

cc: Municipal Clerk
Director Engineering
Municipal Solicitor


A. L. Parr
Director Planning &
Building Inspection



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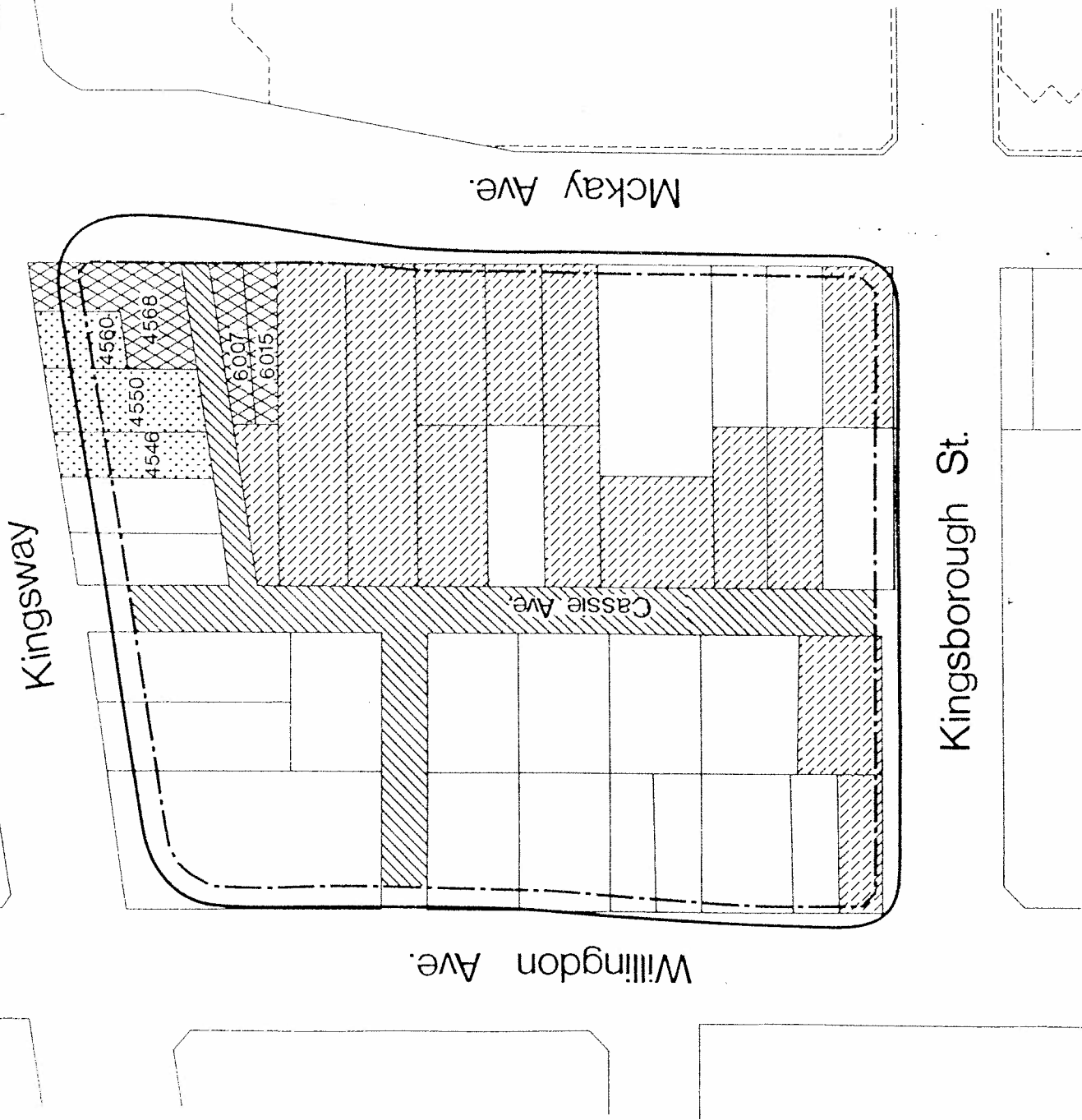
THE CORPORATION OF
BURNABY
 Planning &
 Building Inspection
 Department

R.Z. #99/89

SKETCH 1

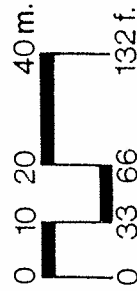
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Metrotown - Area 14
North Block

RZ# 99/09.



SKETCH 2

Legend

-  Municipally Owned Property
-  Privately Owned Property
-  Potential Closed Rights-of-Way
-  } Under negotiation for
-  } inclusion in the
-  } development site.
-  Final Road Curb
-  Extent of Required Road Right-of-Way Dedication

