

REPORT
Regular Council Meeting
1992 November 30

CITY OF BURNABY
HOUSING COMMITTEE

HIS WORSHIP, THE MAYOR
AND COUNCILLORS

Re: Non-Market Housing Component at Oakalla Site

RECOMMENDATION:

1. THAT Council support the development of non-profit housing for seniors under the Federal/Provincial Non-Profit Rental Housing Program on Site 2b of the Oakalla lands, and that staff report back to the Housing Committee once the details of the site configuration and project size are examined.

R E P O R T

On 1992 November 24, the Housing Committee approved the attached staff report supporting the development of seniors non-profit housing on a designated non-market site at the Oakalla lands.

Respectfully submitted,

Councillor L. Rankin
Chairman

Councillor C. Redman
Member

Councillor J. Young
Member

INTERNAL DISTRIBUTION:

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- DIRECTOR PLANNING AND BUILDING

TO: CHAIRMAN AND MEMBERS, HOUSING COMMITTEE 1992 NOVEMBER 19
FROM: ASSISTANT DIRECTOR PLANNING AND BUILDING
SUBJECT: NON-MARKET HOUSING COMPONENT AT OAKALLA SITE

PURPOSE: To recommend that Council support the development of seniors non-profit housing on a designated non-market site at the Oakalla lands.

RECOMMENDATION:

1. THAT the Housing Committee recommend that Council support the development of non-profit housing for seniors under the Federal/Provincial Non-Profit Rental Housing Program on Site 2b of the Oakalla lands, and that staff report back to the Housing Committee once the details of the site configuration and project size are examined.

R E P O R T

1.0 BACKGROUND

As part of the approval process for the development plan for the Oakalla lands, 20% of the 539 housing units were reserved for the development of non-market housing. Sites 1, 2a and 2b, which are capable of providing 108 units, were identified to meet this requirement.

At the Executive Committee Meeting of Council held November 2, 1992, the consultants acting on behalf of British Columbia Buildings Corporation presented some possible approaches regarding the method, timing and program for the affordable housing component of the Oakalla lands. This presentation is summarized in the attached memorandum. Since the Executive Committee Meeting, Planning and Building Department Staff has met with the consultants to discuss the options further. Staff are currently reviewing the issues and options raised in the attached memorandum and will report back to the Housing Committee in the next month.

The consultants suggest that one of the sites be earmarked for the development of seniors housing under the Non-Profit Rental Housing Program. Given the probable timing of BCHMC's 1993 Expression of Interest Call, the consultants have asked that they, on behalf of British Columbia Buildings Corporation (B.C.B.C), be given direction to expedite this part of the affordable housing requirement. This report responds to this request.

2.0 THE SENIORS NON-PROFIT RENTAL HOUSING COMPONENT

The consultant has identified Site 2b (referred to as Site 2 in the attached memo) designated for 44 units as being appropriate for housing for low income seniors. Since the floor area for such units is much smaller than what was originally envisioned in the plan, staff are looking at the possibility of increasing the number of seniors units while remaining within the prescribed Floor Area Ratio and other development plan guidelines for the site. This increased density is justified on the basis that this form of housing has a low impact on a neighbourhood since residents typically form only a one or two person households and have a low incidence of automobile ownership.

In addition, the consultants and staff discussed the reconfiguration of sites 2a and 2b so that the site better serves the apartment style building form appropriate for seniors housing. The details of a possible reconfiguration will be examined as the preliminary architectural drawings for the seniors housing component are being prepared.

The consultants are intending to request Expressions of Interest from non-profit sponsor groups in December and to have a proposal ready for the British Columbia Housing Management Commission (BCHMC) Non Profit Housing Calls for Submission process that may occur as early as January 1993. This schedule means that the Housing Committee and Council's decision regarding this site will have to occur before decisions are made on the development of the other two designated non-market housing sites.

3.0 CONCLUSION

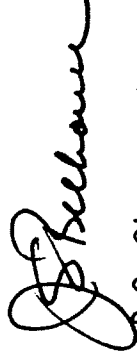
Site 2b was identified on the development plan as being appropriate for seniors' housing due to the site's uphill location, its proximity to transit located currently on Oakland and in the future on Royal Oak, and accessibility to the small commercial component in the development site itself as well as to medical offices and grocery shopping at Royal Oak and Kingsway, and the full services at Metrotown. Given land prices in the Metrotown area, this site represents one of the few opportunities to add to the stock of affordable seniors' housing in the Metrotown area.

Planning Division staff are of the view that the proposal to develop this site with seniors housing under the Non-Profit Rental Housing Program meets the intent of the non-market housing requirement and that it would be appropriate for BCBC to proceed with preparing a proposal for the 1993 Calls for Submission. Details on the suggested reconfiguration of Site 2a and 2b as well as the exact number of seniors' dwelling units appropriate for the site will be investigated as the architectural drawings for the project are prepared. Staff will report the result to Council as part of the rezoning for the site.

Staff are currently reviewing the options suggested for the other two non-market housing sites on the Oakalla lands and will report back to the Housing Committee in a month.

BG/cr

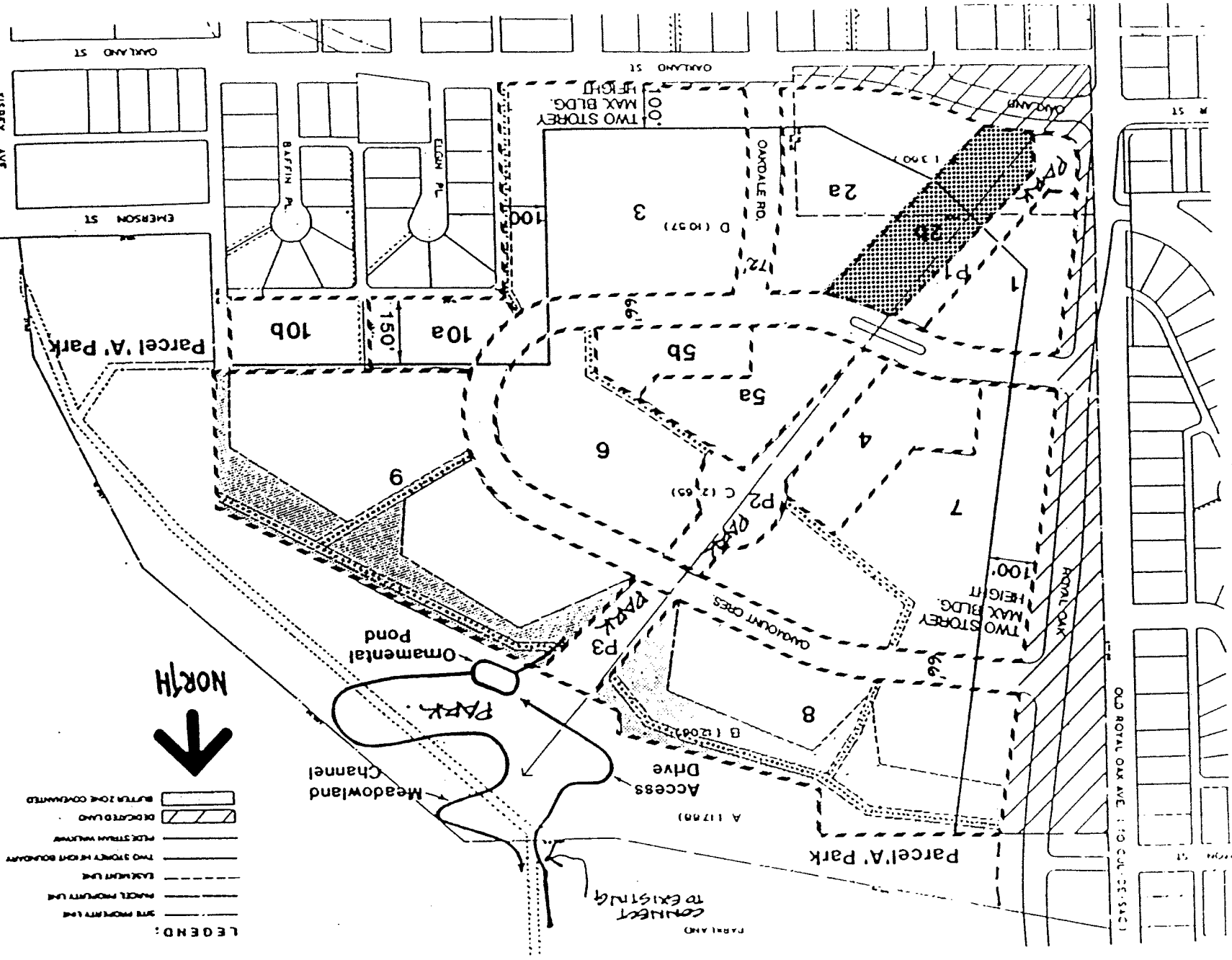
Attach.

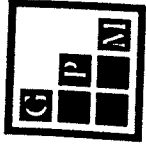


D.G. Stenson, Acting Director
PLANNING AND BUILDING

OAKALLA DEVELOPMENT PLAN

Site Designations Sketch 1





GRIGGS PROJECT MANAGEMENT LTD.

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MEMORANDUM

To: Beverly Grieve
From: Planning Department, Burnaby City Hall
Griggs Project Management
Date: November 10, 1992
Re: Oakalla Non Market Housing

Background

Griggs Project Management in association with IBI Group and Molnar Homes were retained on August 6th for this project.

We have reviewed the plan and are now in a position to commence the tender call process for the market housing sites which we anticipate will occur mid December. We intend to offer Lots 4, 6, 7, 8 and 11 in the first tender call. We will be undertaking the first stage construction of roads, services and park areas in the spring of 1993.

Further to our meeting with the Executive Committee of Council on November 2nd and further to the BCBC letter of 25th June from John Robinson to the Director of Planning, and Mayor Copeland's letter of August 6th to the Honorable Lois Boon, this memo summarizes the method, timing and other related issues regarding the affordable housing requirement of the Oakalla Land development.

Item A addresses three issues of a general housing nature, that require discussion and a resolution between BCBC and Burnaby. Item B is the non market housing proposal for the Oakalla lands and Item C is a summary of the Oakalla social housing issues and options.

Item A. General Housing Issues

1. Proposed definition of Non Market and Affordable Housing

We propose that Non Market Housing for lots 1, 2 & 3 of the Oakalla project be achieved by any of the following action programs:

1. BCHMC Seniors Housing
2. BCHMC Family Co-op Housing
3. VLC Rental Housing
4. Equity Co-ops where the average family household income to qualify is no more than \$??
5. Affordable Ownership, where the average family household income to qualify is not more than \$??

We require City Council agree to a definition for non market and affordable housing and to determine income qualification levels for Equity Co-ops and Affordable Ownership.

2. Maximum total units and maximum F.A.R. - Oakalla Development Plan - Schedule I

We wish to bring to the attention of the City of Burnaby, that there is an opportunity, due to current market conditions, to increase the number of market and non market housing units without increasing the maximum floorspace permitted.

- Using the BCHMC guidelines for Social Housing there is an opportunity on lot 1, 2, & 3 to increase the presently permitted total number of units (104) to approximately 150, without increasing the maximum floorspace.
- We also believe that in today's "price driven" townhouse and apartment market, that the maximum permitted floorspace will not be built. We believe that between 15% - 20% of the maximum floorspace will be left undeveloped at the end of the projected 3 years of construction.
- We do not believe that an additional 50 - 75 market townhouses and 30 - 40 social housing units will have a significant impact on the overall project from traffic to community facilities and services.
- We believe the potential revenue from these units will be significant to the Province of BC. BCBC is prepared to negotiate the allocation of some of these funds towards social housing.

We require that Burnaby Planning staff advise us on the procedure and timetable to change the zoning schedule to achieve the above, increase in maximum total units

3. Additional Cash for Social Housing

We believe in today's economic conditions, that in addition to BCBC offering to reduce the land cost on each of the non market sites, that there will be a need to generate further cash in order to deliver any social housing for Oakalla.

We suggest there is an opportunity to redesign the park, presently budgeted to cost just under \$5 million, and substitute some of the more expensive stone, concrete, lighting, bollards, pools and fountains with more soft landscape materials. We believe as much as \$500,000 could be saved which could be redirected to social housing.

We require that the Planning Department advise us on the procedure and timetable to undertake this work.

Item B. Non Market Housing Proposals for Lots 1, 2, & 3

We propose the following social housing solutions for non market Lots 1, 2 & 3 be an acceptable plan for the Oakalla lands.

Lot 2

- We propose Lot 2 be developed for seniors rental housing under the BCHMC program in 1993.
- We will be requesting Expressions of Interest from Non Profit sponsor groups in December and intend to have a proposal ready for the upcoming BCHMC January 1993 Non Profit Housing Program Calls for Submission.
- After the BCHMC approval in early April, and after completion of design work by August, we anticipate a rezoning application for this Lot to occur by year end 1993.

Lot 1 & 3

We propose Burnaby City Council consider any of these five options for social housing solutions for non market Lots 1 & 3.

1. Lots 1 or 3 be sold as a market housing site with the net sale revenue after development costs being shared using an agreed upon formula between BCBC and Burnaby. This would allow the municipality to use the funds for social housing on another location, and in doing so would develop more housing units elsewhere than could be built on this more expensive site.
 - The projected land sale revenues from Lot 1 for 20 townhouses and from Lot 3 for 40 townhouses would need to be determined, less land development costs in order to establish a net amount to be shared.
 - We propose that the timing to undertake this would be in the fall of 1993.
2. Nominate one site as an Equity Co-op site. BCBC would then advertise for Expressions of Interest and a bring a proposal to Burnaby.
 - Due to the 6 - 12 month timetable to undertake this, we believe that this would result in a 1994/95 program.
3. Nominate one site as a BCHMC Family Co-op site.
 - Due to our BCHMC Senior Housing Proposal for Lot 1, we believe that this option would result in a 1994/95 program.

4. Nominate one site as an Affordable Ownership site.

- BCBC would reduce the maximum buildable area per suite to 750 sq. ft. for 1 Bedroom Units, 900 sq. ft. for 2 Bedroom Units and 1,100 sq. ft. for 3 Bedroom Units.
 - The lot would be sold to a builder as a leasehold site with the term ranging between 50 - 75 years.
 - A builder would commit to establish agreed upon maximum selling prices.
 - Burnaby Housing Committee would participate in establishing how families would qualify to purchase these units.
 - The timing to undertake this would occur during 1994/95.
5. Nominate one lot as a VLC Rental site.
- BCBC would negotiate the terms with VLC, with VLC applying to the Province for the rent supplement for their units.
 - The land would be leased to VLC for between 60 - 80 years.

We require that Burnaby Planning staff advise us on the procedure and timetable to have the above proposal for Lot 1 be endorsed which we believe will satisfy Mayor Copeland's letter of August 6th.

We propose that the Social Housing solution for Lots 1 & 3 be addressed over the course of the next few months.



OPTIONS	<ul style="list-style-type: none"> Due to limited Provincial housing funds and no Federal or Municipal programs, the delivery of any Social Housing will require land subsidy as well as additional equity. 	<ul style="list-style-type: none"> Innovative approaches to land subsidy and raising equity within the project will be required to deliver Social Housing.
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HOUSING ISSUES	<ul style="list-style-type: none"> Uncertainty of funds for Program and BCBC application being successful. Requires significant land subsidy. Achieves Social Housing objective. 	<ul style="list-style-type: none"> 60 to 80 year lease. Requires Provincial rent supplements. Requires significant land subsidy. Could achieve Social Housing objective. 	<ul style="list-style-type: none"> Requires Co-op group with equity. Generally more attractive to middle income occupants. Requires land subsidy. Could achieve Social Housing objective. 	<ul style="list-style-type: none"> Opportunity to provide freehold or leasehold land. Requires developer to build smaller units. No guarantee to remain affordable. Requires some land subsidy. Could achieve Social Housing objective.
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POTENTIAL SOURCES OF EQUITY	<p>PARK CONTRIBUTION</p> <ul style="list-style-type: none"> Requires substituting hard landscape items for less costly soft landscape items (ie. less concrete for more greenery). Savings produce cash for Social Housing. 	<p>UNIT CONTRIBUTION</p> <ul style="list-style-type: none"> Requires allowing the present maximum number of 104 Social Housing units to be increased to reflect the maximum permitted gross built area of 147,400 sq. ft. Approximately 40 additional Social Housing units could be built within the 147,000 sq. ft. permitted. The 40 additional housing units could generate an additional land value that could be used to provide additional cash for Social Housing Equity. 	<p>LAND SALE CONTRIBUTION</p> <ul style="list-style-type: none"> Requires sale of Lot 1 (20 units) Social Housing site for Market Sector Housing Net proceeds from land sale to provide Social Housing Equity.
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