
TO: CITY MANAGER **DATE:** 2005 July 20

FROM: DIRECTOR PLANNING AND BUILDING

SUBJECT: **POTENTIAL BURNABY URBAN DEVELOPMENT AGREEMENT**

PURPOSE: To review the advisability and feasibility of the City of Burnaby pursuing an Urban Development Agreement with senior levels of government.

RECOMMENDATIONS:

1. **THAT** the Mayor, on behalf of Council, write to the Honorable Stephen Owen, Minister of Western Economic Diversification and the Honorable Ida Chong, Minister of Community Services indicating the City's interest in pursuing discussions about the possible initiation of a Burnaby Urban Development Agreement.
2. **THAT** a copy of this report be sent to
 - a) Dr. Baldev Sanghera
Edmonds Medical Centre
7423 Edmonds Street
Burnaby, B.C. V3N 1B1; and
 - b) Burnaby MPs and MLAs.

REPORT**1.0 INTRODUCTION**

Under the new business portion of its 2005 May 30 meeting, Council adopted a motion requesting staff to prepare a report on the advisability and feasibility of the City of Burnaby pursuing an Urban Development Agreement with senior levels of government. This report responds to that request.

It consists of four components: a) background on Urban Development Agreements; b) an overview of two recent community meetings in Edmonds (spurred by interest in Urban Development Agreements and the potential establishment of a wellness centre in the area); c) considerations for Burnaby with respect to Urban Development Agreements; and d) concluding comments and recommendations.

2.0 BACKGROUND ON URBAN DEVELOPMENT AGREEMENTS

Urban Development Agreements involve partnerships amongst the federal, provincial and municipal governments to work collaboratively on a range of urban development issues. Each Urban Development Agreement is tailored to meet the particular needs of the host municipality. Examples of focus include inner city revitalization, improved innovation, and sustainable economic development. Winnipeg, Edmonton, Vancouver, Regina, and Saskatoon currently have such agreements, and Victoria is expected to enter into one this fall. An overview of the existing and forthcoming Urban Development Agreements is presented in *Attachment 1*.

Staff have been informed that, as originally conceived, Urban Development Agreements were intended to apply to the so-called “big seven” western Canadian cities (i.e., Vancouver, Victoria, Calgary, Edmonton, Regina, Saskatoon, and Winnipeg). Agreements are already in place in four of these cities (Vancouver, Regina, Saskatoon, and Winnipeg), and discussions are underway regarding establishment of agreements in the other three cities (i.e., Victoria, Edmonton¹, and Calgary).

Notwithstanding the initial intent to focus of the “big seven” cities, Federal and Provincial Government officials have indicated that they would be pleased to discuss the potential establishment of an agreement with Burnaby. Also, other non-“big seven” municipalities (e.g., Surrey and Prince George) have had preliminary discussions regarding Urban Development Agreements for their jurisdictions.

3.0 COMMUNITY MEETINGS

Before examining the question of the City’s possible participation in an Urban Development Agreement, it is considered useful to provide an overview of two recent community meetings in the Edmonds area. While the focus of the meetings extended beyond Urban Development Agreements, the information and conclusions generated should provide a useful backdrop for the discussion in the remainder of this report.

3.1 2005 June 14 Meeting

On 2005 June 14, Dr. Baldev Sanghera, a family physician who practices out of the Edmonds Medical Centre at 7423 Edmonds Street, hosted a community meeting at the Eastburn Community Centre. The meeting focused on two matters: a) the possible establishment of a wellness centre in Edmonds – potentially in conjunction with the proposed expansion of Eastburn Centre, and b) the need for an Urban Development Agreement for Burnaby. Nearly 30 people attended, including area doctors and representatives of local community agencies, schools, service clubs, and businesses. Councillor Dhaliwal, two MLAs, and a Special Assistant to the Honorable Stephen Owen

¹ Edmonton has technically had an Urban Development Agreement since 1995; however, no implementation has been occurring with respect to the agreement. Edmonton’s existing Urban Development Agreement would be superceded by the new one currently being negotiated.

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were present, and staff from the Planning and Parks, Recreation and Cultural Services Departments attended in an observer capacity.

At the meeting, Dr. Sanghera indicated that the City is interested in purchasing his property for the expansion of Richmond Park and the Eastburn Community Centre. He noted that, in considering his options, he and his colleagues came up with the concept of establishing a wellness centre² to replace his existing premises. He also reported that he had spoken with Federal Government representatives who had suggested that an Urban Development Agreement could be a useful vehicle for helping to pursue a wellness centre (a point reiterated at the meeting by the Special Assistant to the Honorable Stephen Owen). People attending the meeting expressed strong interest in, and support for, a wellness centre. They also suggested various other neighbourhood enhancements (e.g., health and community services, affordable housing) that could conceivably be supported by an Urban Development Agreement.

Conceptually, the potential establishment of a wellness centre in conjunction with the Eastburn Community Centre expansion has much to commend it. That said, the idea raises several significant financial, site planning, and policy questions which, while important, are beyond the scope of this report.³ Staff propose to continue discussions with Dr. Sanghera and address the various questions in a subsequent report regarding the Eastburn Recreation Centre expansion.

For purposes of this report, the key points to note from the June 14 meeting are:

- 1) the wellness centre is being suggested as a potential project that could be addressed through an Urban Development Agreement, and
- 2) an Urban Development Agreement could conceivably be used as a vehicle for addressing a range of other community enhancement initiatives in Edmonds.

² The proposed wellness centre would include space for doctors (both from the Edmonds Medical Centre and Sixth Street Medical Clinic), nurses, physiotherapists and other health professionals. It would serve as a “one-stop shop” for various health services, placing emphasis on health promotion and prevention, not just sickness care. Dr. Sanghera estimates that the centre would require an estimated 10,000 sq. ft. of space, and he contends that its co-location in a recreation complex could create a “synergy” amongst the uses. He also expresses optimism that the Fraser Health Authority could be interested in being a partner, delivering various community-based public health services from the centre.

³ For example, could an expanded Eastburn Centre accommodate the estimated 10,000 sq. ft. of space required for a wellness centre? How would the capital costs be funded? Would the City be expected to provide ongoing subsidies for the wellness centre? What form of tenure or lease would be appropriate for a wellness centre? How could the City ensure that it was not stuck with a “white elephant” if the wellness centre proved unviable, key personnel departed, or other unforeseen circumstances emerged? Would the wellness centre be contingent on the signing of an Urban Development Agreement or retention of funding or support from the Fraser Health Authority or senior governments? Could the various issues be sorted out in sufficient time to enable a wellness centre to be included in the redevelopment plans for Eastburn Centre?

3.2 2005 July 7 Meeting

During a visit to British Columbia in early July, the Honourable Claudette Bradshaw, Minister of State (Human Resources Development) expressed an interest in learning about issues affecting the Edmonds area. To this end, Dr. Sanghera was asked by representatives of the Federal Government to arrange a meeting in the community with the Minister, her officials, and a small group of community representatives. The meeting occurred on 2005 July 7 at the Eastburn Recreation Centre. It was attended by Minister Bradshaw, her assistants, the Senior Advisor & Executive Director of the Vancouver Minister's Regional Office, Councillor Dhaliwal, and representatives from the New Vista Society, South Burnaby Neighbourhood House Society, RCMP, and Planning Department.

After hearing about issues being faced in Edmonds (including Dr. Sanghera's proposal for a wellness centre), Minister Bradshaw indicated that the Federal Government may be willing to look at supporting a pilot strategy in the area. She recommended that, to be considered for funding, the strategy should be developed through consultation with the community, contain specific information regarding costs and time lines, include provisions for documentation, have the potential to be replicated in other parts of the country, and be developed promptly (ideally before 2005 October).

A proposed response to the potential of pilot strategy funding is provided in the following section of this report. For purposes of this discussion, the key points to note are that:

- 1) the City *may* be able to request Federal (if not Provincial) funding support for initiatives in the Edmonds area, irrespective of an Urban Development Agreement (provided that a thorough, well documented proposal is submitted); and
- 2) any support provided for a pilot initiative in Edmonds could serve as a precursor to (or initial component of) a more comprehensive Urban Development Agreement, which would take a longer time to develop.

4.0 CONSIDERATIONS FOR BURNABY

In assessing the merits of an Urban Development Agreement for Burnaby, several questions would need to be considered. Three key questions are identified and discussed below.

Question 1: What would be a priority area of focus for a potential Burnaby Urban Development Agreement?

As indicated, Urban Development Agreements are relatively flexible instruments which can be tailored to the particular needs of a host municipality. Existing agreements focus on such matters as inner city revitalization, improved innovation, and sustainable economic development.

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Building on the discussion in Section 3.0 of this report, for Burnaby, the Edmonds area would appear to be a logical initial focus for an Urban Development Agreement. The area has considerable strengths, but has faced a number of challenges (e.g., crime concerns, relatively high transiency, large influx of immigrants, low average income levels, and poor upkeep of some properties). Recognizing this situation, the City has placed considerable attention on Edmonds in recent years, developing a new Firehall, committing to new library and recreation facilities (including a swimming pool), funding various infrastructure improvements (e.g., undergrounding of overhead wiring, street lighting installations, and other crime prevention through environmental design or CPTED enhancements), and supporting various community-building activities (e.g., the Edmonds Santa Claus Parade).

The City is currently developing a plan to revitalize the Edmonds Street corridor between Kingsway and Sixth Street (the Edmonds Street Corridor Plan). A report will be presented to the Housing Committee in the early fall which will seek authority to obtain public comment on the draft plan. Prior to that time, and as part of our planning process, staff intend to hold further, more focused discussions with community and agency representatives. The aim will be to identify a broad range of community concerns and responses for consideration in preparing the revised Edmonds Street Corridor Plan. It is believed that the Edmonds Street Corridor Plan (including its physical and social infrastructure components) could form the basis of a specific proposal to the Federal Government for pilot strategy funding, as suggested by Minister Bradshaw.

Regardless of whether the City is successful in obtaining pilot funding, an Urban Development Agreement could be a useful tool to help with addressing issues faced by the larger Edmonds area (i.e., beyond the Edmonds corridor). Provincial and Federal officials have indicated that, before entering into an Urban Development Agreement with Burnaby, they would seek assurances that public consultation has occurred and that the priorities identified by the City have community support. The City of Victoria is currently addressing this concern, seeking public input on priority needs, prior to the anticipated signing of the Victoria Urban Development Agreement this fall.

Question 2: What could the City expect to get out of an Urban Development Agreement?

Until a Burnaby Urban Development Agreement is negotiated, it is not possible to state with certainty what the City could expect from such an agreement. It is also not possible to determine what resources or funding the City could expect to receive in the absence of an agreement. As indicated, the City may be able to apply for funding on a pilot basis to help with initiatives in the Edmonds corridor. Also, a contact at Western Economic Diversification Canada indicated that, irrespective of an agreement, the City may be able to obtain help with economic revitalization efforts under existing programs through the Ministry. The contact noted, however, that if a diversity of initiatives were being considered (e.g., health, housing, community services), especially those involving multiple ministries or agencies, an Urban Development Agreement may be a useful tool to pursue.

The Provincial and Federal Government funding commitments for existing Urban Development Agreements – particularly the Winnipeg Agreement, may sound impressive. That said, it is difficult to determine the proportion of funding allocations that constitute new monies, and the portion which may have been available to partner municipalities through various senior government programs irrespective of an agreement.

Also, officials from Western Economic Diversification Canada and the Province indicate that the signing of an Urban Development Agreement would not necessarily be accompanied by funding for the host municipality. For example, discussions regarding a future Victoria Urban Development Agreement have emphasized improved relationships and collaboration amongst the three government partners. No senior government monies have yet been committed for projects.

Officials contacted for this report stressed that, irrespective of funding commitments, a key value of Urban Development Agreements is their facilitation of improved relationships and communication amongst the three levels of government. The officials noted that agreements should provide a framework for addressing community issues in a more coordinated and effective manner. Municipal contacts acknowledged that, while the tri-partite mechanisms can be cumbersome, they have resulted in enhanced cooperation (which has extended beyond Urban Development Agreement issues) and a shared commitment to addressing local needs.

Question 3: What resources would be required of the City for participation in an Urban Development Agreement?

Urban Development Agreements require strong support from the host city and, as noted, typically involve extensive time and resource commitments from municipal partners. In Victoria, for example, senior municipal officials have been meeting with Federal and Provincial Government counterparts for roughly two years regarding the proposed Victoria Urban Development Agreement. Also, the City of Victoria has retained a project coordinator to assist with development work for the agreement.⁴ Similarly, discussions occurred for about two years before the initial Vancouver Agreement was signed in 2000. Since the signing, the City of Vancouver has allocated extensive staffing, financial, and in kind resources towards implementation efforts.

In reviewing the experience of other municipalities, it is clear that initiation and implementation of a Burnaby Urban Development Agreement would require dedicated staff resources. Also, the City could be expected to contribute its share of funding towards realization of any agreement, based on an agreed upon cost-sharing formula. Before signing an Urban Development Agreement, the question that the City would ultimately need to consider is “would the potential benefits of such an agreement outweigh the requisite contribution of City time and resources?”

⁴ Funding for the coordinator position is being cost-shared by the City of Victoria and Provincial and Federal Governments.

5.0 CONCLUSION AND NEXT STEPS

As requested by Council, this report has provided some preliminary information on the City's possible pursuit of an Urban Development Agreement with the Federal and Provincial Governments. It provided background on existing Urban Development Agreements, an overview of two recent community meetings in the Edmonds area, and a discussion of considerations for Burnaby with respect to Urban Development Agreements.

From the review, the following conclusions can be drawn:

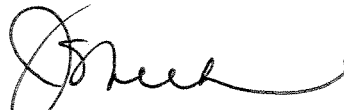
- Urban Development Agreements are flexible instruments which can be tailored to the particular needs of the host municipality;
- Urban Development agreements take considerable lead time (typically two years) and extensive staff resources to initiate;
- Once initiated, the agreements involve heavy ongoing staff and resource commitments from the host municipality;
- While project funding has been attached to some Urban Development Agreements (e.g., Winnipeg), it has not been attached to others (e.g., Victoria); also some funding attributed to Urban Development Agreements may have been available to the host municipality irrespective of an agreement; and
- A key value of an Urban Development Agreement appears to be improved relationships and communication with senior levels of government, and the establishment of a framework for addressing community issues in a coordinated manner.

If Burnaby chose to pursue an Urban Development Agreement, the Edmonds Town Centre would appear to be a logical area of initial focus. Also, in the shorter term, the City may be able to pursue funding on a pilot basis for initiatives identified in the forthcoming revitalization plan for the Edmonds Street corridor. Based on the information obtained for this report, however, it is not yet clear whether or not it would be advantageous for Burnaby to pursue an Urban Development Agreement. It is believed that a clearer understanding will only be achieved after discussion takes place amongst City and senior government officials on the particulars of a potential Burnaby Agreement.

To this end, it is recommended the Mayor, on behalf of Council, write to the Honorable Stephen Owen, Minister of Western Economic Diversification and the Honorable Ida Chong, Minister of Community Services indicating the City's interest in pursuing discussions about the possible initiation of a Burnaby Urban Development Agreement. It is also recommended that a copy of this report be sent to Burnaby MPs and MLAs & Dr. Sanghera.

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If Council concurs with the approach proposed above, staff will hold discussions with appropriate Federal and Provincial Government officials to clarify the various questions relating to a potential Burnaby Urban Development Agreement. We will, in turn, provide Council with a subsequent report which outlines our findings and conclusions, and recommends next steps for the City to consider on the matter.



J.S. Belhouse, Director
PLANNING AND BUILDING

JF/sla/jc

Copy: Director Parks, Recreation & Cultural Services
Director Finance
Director Engineering

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OVERVIEW OF EXISTING URBAN DEVELOPMENT AGREEMENTS

1.0 WINNIPEG PARTNERSHIP AGREEMENT

Winnipeg was the first Canadian municipality to enter into an Urban Development Agreement. Since 1981, Winnipeg has participated in four five year agreements:

- Winnipeg Core Area Initiative 1 (1981 – 1986)
- Winnipeg Core Area Initiative 2 (1986 – 1991)
- Winnipeg Development Agreement (1995 – 2001)
- Winnipeg Partnership Agreement (2004 – 09).

The purpose of the agreements has been to stimulate investment and employment and revitalize Winnipeg's inner city areas. According to Western Economic Diversification Canada, the Federal, Provincial and municipal funding partners contributed a total of \$271 million towards the first three agreements, which helped to leverage a further \$726 million in contributions from other private sector and government sources. Key initiatives to date include:

- physical renewal of downtown Winnipeg – particularly The Forks and North Portage areas;
- development of an Aboriginal centre in downtown Winnipeg;
- improvements to inner city neighbourhoods and business streets;
- construction and renovation of inner city housing; and
- delivery of education and training programs targeted at immigrants, Aboriginal persons, youth, and women.

The Winnipeg Partnership Agreement, signed in 2004 May, will focus on four strategic areas:

- Aboriginal participation;
- building sustainable neighbourhoods;
- downtown renewal; and
- supporting innovation and technology.

Through the Partnership Agreement, the three government partners have committed to spending up to \$25 million each (for a total of up to \$75 million) towards implementing initiatives over the term of the agreement.

2.0 EDMONTON ECONOMIC DEVELOPMENT INITIATIVE

The Edmonton Economic Development Initiative was signed in 1995. It was open-ended, with no scheduled termination date. The initiative was designed to support Edmonton's long term sustainable economic development, streamline program coordination and delivery, and identify and attract resources to support proposed projects.

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While the Edmonton agreement is still technically in place, contacts at the City of Edmonton and Western Economic Diversification Canada indicate that it is, in reality, dead. The agreement was signed during a time of extensive cutbacks (at least at the municipal and Provincial levels), and the resources required for project implementation were not put in place. That said, Western Economic Diversification Canada has committed substantial funding to assist with initiatives of the Edmonton Economic Development Corporation, most notably the Greater Edmonton Competitiveness Strategy. Also, contacts at Western Economic Diversification Canada indicate that tripartite discussions are underway to launch a new Urban Development Agreement in Edmonton, and another in Calgary.

3.0 VANCOUVER AGREEMENT

The Vancouver Agreement was originally signed in 2000, and was renewed for a further five year term in 2005. It involves a partnership amongst the City of Vancouver, and the Federal and Provincial Governments. The Vancouver Police Department and Vancouver Coastal Health are also involved in several projects and initiatives of the Vancouver Agreement. The primary focus of the agreement is the Downtown Eastside.

Initially, the Vancouver Agreement did not have designated funding. In 2003, the Federal and Provincial Governments announced that they would each contribute \$10 million towards implementation of strategic initiatives identified through the agreement. The City of Vancouver's commitment has included in-kind goods and services (e.g., provision of space in City buildings for Vancouver Agreement personnel), dedication of staff resources, heritage preservation incentives, and increased capital funding for the Downtown Eastside. Specific City commitments have included:

- allocation of \$300,000 per year for coordination of activities in the Downtown Eastside;
- inclusion of \$2.5 million in the 2000-2002 and 2003-2005 Capital Plans for capital projects in the Downtown Eastside; and
- provision of funding and staff support for such initiatives as the Four Pillars Drug Strategy, Chinatown Revitalization Program, and Homelessness Action Plan.

The goals of the Vancouver Agreement are to:

- increase economic development in the Downtown Eastside;
- improve the health of area residents; and
- increase public safety.

Key strategies of the agreement, and a sampling of projects related to each, are as follows:

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- *Economic development and job creation* – e.g., development of the Downtown Eastside Economic Revitalization Plan and the Downtown Eastside Employment Strategy, construction of the Carral Street Greenway.
- *Dismantling of the area's open drug scene* – e.g., facilitation of a supervised injection site for intravenous drug users, coordination of a strategy to reduce the number of illegitimate businesses in the Downtown Eastside.
- *Turning problem hotels, particularly single-room-occupancy establishments, into safe and clean places to live* – e.g., allocation of funding for a privately-owned single-room-occupancy pilot project to house and support residents with serious mental illnesses, physical health problems, and substance abuse issues.
- *Making the community safer for women, youth, children, and other vulnerable groups* – e.g., initiation of the Mobile Access Project (a pilot project which offers respite and safety from violence for sex trade workers at night), allocation of funds for Crabtree Corner (a YWCA program, operated in the Downtown Eastside, which offers emergency short term child care and other support services for single mothers and their children).

4.0 REGINA URBAN DEVELOPMENT AGREEMENT

The Regina Urban Development Agreement was signed in 2005 May. It is a five year, \$10 million agreement which will be cost-shared by the Government of Canada, Government of Saskatchewan, and City of Regina. The initial focus will be on Regina's inner city neighbourhoods and downtown revitalization. The following six priorities for action have been identified:

- community-based approaches to affordable housing, homelessness, and renewal of Regina's inner city neighbourhoods;
- developing cultural and recreational opportunities to enhance quality of life;
- supporting environmental protection and climate change solutions;
- enhancing Aboriginal participation in Regina's economy;
- promoting a positive business climate and enhancing Regina's competitiveness; and
- addressing the strategic infrastructure needed to develop Regina physically, socially, and economically.

5.0 SASKATOON URBAN DEVELOPMENT AGREEMENT

As with the Regina agreement, the Saskatoon Urban Development Agreement was signed in 2005 May. It too is for a five year term, with funding partners committing to collectively contribute \$10 million over the duration of the agreement. Priorities for action under the Saskatoon Urban Development Agreement are as follows:

- community-based approaches to affordable housing, homelessness, and renewal of Saskatoon's older neighbourhoods;

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- developing cultural and recreational opportunities to enhance the quality of life in Saskatoon;
- supporting environmental protection and climate change solutions;
- enhancing Aboriginal participation in the economy;
- promoting innovative initiatives for a positive business climate and enhanced competitiveness; and
- addressing strategic infrastructure necessary for continued physical, social, and economic development in Saskatoon.

6.0 VICTORIA URBAN DEVELOPMENT AGREEMENT

Discussions have been underway for roughly two years amongst the Federal and Provincial Governments and City of Victoria regarding a Victoria Urban Development Agreement. The impetus for the discussions came from concerns related to downtown Victoria (e.g., complaints about decreasing public safety, increasing numbers of homeless people, open drug dealing). The overarching goal of the Victoria Urban Development Agreement will be to support a safer, more sustainable and vibrant community and improve the quality of life of Victoria residents through the better delivery of local programs and services. Further, the agreement is expected to demonstrate a commitment of the three levels of government to:

- work with the community to establish priorities that reflect what Victoria residents feel their city needs, with particular emphasis on the downtown core;
- implement proactive solutions to issues such as urban decay, safety, loss of green space, unemployment and homelessness; and
- address issues affecting Victoria's downtown core before they become a crisis.

A public consultation process is currently underway to share information about Urban Development Agreements generally, and to elicit ideas on the potential content of a Victoria Agreement specifically. It is expected that the Victoria Urban Development Agreement will be signed this fall. No Federal or Provincial Government project funding is anticipated with the agreement. Instead, the agreement is intended to facilitate improved collaboration and communication between Victoria and its senior government partners.