



Meeting 2008 February 11

COUNCIL REPORT

COMMUNITY DEVELOPMENT COMMITTEE

*HIS WORSHIP, THE MAYOR
AND COUNCILLORS*

**SUBJECT: SELECTION OF COMMUNITY BENEFIT
TO BE ACHIEVED THROUGH REZONING
REFERENCE #07-48 EDMONDS TOWN CENTRE**

RECOMMENDATION:

1. **THAT** Council approve a cash-in-lieu contribution for the proposed amenity density bonus as part of Rezoning Reference #07-48.

REPORT

The Community Development Committee, at its 'Open' meeting held on 2008 February 06, received and adopted the *attached* report outlining options for a community benefit to be achieved through a density bonus to Rezoning Reference #07-48 on Kingsway at Sperling Avenue. The development being proposed consists of a high rise residential building, townhousing and underground parking.

The Committee noted that the applicant for this project would prefer to contribute cash-in-lieu for a City determined off-site amenity and would be reluctant to pursue the density bonus if amenities were to be required on-site. Therefore, the Committee supported a cash-in-lieu contribution for the proposed amenity density bonus as part of Rezoning Reference #07-48.

Respectfully submitted,

Councillor C. Jordan
Chair

Councillor D. Johnston
Vice Chair

Councillor G. Evans
Member

Copied to:	City Manager Director Finance Director Parks, Recreation & Cultural Services City Solicitor Director Planning & Building
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TO: CHAIR AND MEMBERS
COMMUNITY DEVELOPMENT
COMMITTEE

DATE: 2008 February 06

FROM: DIRECTOR PLANNING & BUILDING

FILE: RZ#07-48

SUBJECT: SELECTION OF COMMUNITY BENEFIT TO BE ACHIEVED
THROUGH REZONING REFERENCE #07-48
EDMONDS TOWN CENTRE

PURPOSE: To outline options for a community benefit to be achieved through a density bonus to Rezoning Reference #07-48 on Kingsway at Sperling Avenue.

RECOMMENDATION:

1. THAT the Committee recommend to Council a cash-in-lieu contribution for the proposed amenity density bonus as part of Rezoning Reference # 07-48.

REPORT

1.0 BACKGROUND

At its meeting 2007 November 26, Council considered an initial report on RZ#07-48, a multiple-family residential development in the 6600 block of Kingsway, at Sperling Avenue (see *Sketch 1, attached*). The proposed development consists of a high-rise residential building, town-housing, and underground parking.

The site, which is located within the Edmonds Town Centre, is currently occupied by a Korean BBQ restaurant, the former Maverick's Cabaret, and a vacant car dealership. To the north across Arcola Street are a number of single-family residences and vacant properties owned by St. Francis De Sales Catholic Church. To the east across Sperling Avenue are a number of service commercial properties and single-family dwellings. To the south across Kingsway are multiple-family housing developments, the National Nikkei Heritage Centre, and Nikkei Garden. Directly to the west are a number of older service commercial properties.

The initial rezoning report noted that the developer, Polygon Development Ltd., is interested in pursuing a density bonus for the site. It is estimated that the FAR density bonus of 0.4 for RZ#07-48 would result in a community benefit valued at approximately \$1.52 million, based on a buildable value of \$57 per square foot. The actual amount will be determined once final plans have been prepared. This report discusses options for a community benefit to be selected in conjunction with the rezoning.

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2.0 THE COMMUNITY BENEFIT SELECTION PROCESS

In accordance with Burnaby's Community Benefit Bonus Policy, the City can accept the following community benefits through the provision of a density bonus:

- community amenity – something which enhances the desirability/liveability of a property and/or the local community;
- affordable or special needs housing – housing which is affordable to low or moderate income households, or which has features which the private market generally does not or cannot provide; or
- contribution-in-lieu – funds which are deposited in the relevant town centre community benefit account for future use for community benefits.¹

Staff maintain an inventory of possible community benefits which respond to the social, cultural, recreational, and environmental needs in each of Burnaby's four town centres. In identifying an appropriate community benefit to be associated with any given rezoning, staff assesses community benefit options against a number of criteria, including:

- response to need;
- compatibility with the host development and/or the neighbourhood;
- ability to overcome any challenges with the project (e.g., phasing, purchase of property); and
- existence of unique circumstances or factors which favour one potential community benefit over another (e.g., ability to attract matching funds from external sources, completion of long-term City vision, developer interest in specific on-site benefit).

Based on the assessment, the most appropriate community benefit options for RZ#07-48 are identified in Section 3.0 below.

3.0 COMMUNITY BENEFIT OPTIONS FOR RZ#07-48

3.1 On-Site Benefit

Staff considered two on-site benefit options including office space for non-profit groups and non-market housing. The preferred on-site option given community need is for on-site not-for-profit office space. It is estimated that the \$1.52 million would generate about 3,800 square feet of office space. Such space could be located at ground level along the Sperling Avenue frontage of the project, near Arcola Street. While not large enough to

¹ Twenty percent of contribution-in-lieu funds are earmarked for housing purposes. As a result of a decision made by Council at its meeting of 2008 January 7, contribution-in-lieu can be used to support and facilitate housing development in any part of Burnaby.

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be considered a mini-community resource centre, such a space could house one or two non-profit service organizations.

As noted, staff considered the provision of non-market housing units as a second possible on-site amenity, but do not recommend them for a number of reasons. Firstly, it would seem that the management of a small number of units² presents economic and logistical challenges for non-profit organizations, as the City has not received broad response to past Requests for Proposals to manage small numbers of non-market units. Secondly, in view of Council's 2008 January 07 decision to permit funds obtained through the Community Benefit Bonus Program to assist community sponsored affordable housing development on a city wide basis, this approach is considered more suitable than obtaining a limited number of units on the subject site.

In regards to potential on-site amenities, the applicant has submitted written correspondence indicating their reluctance to pursue an amenity density bonus if an on-site option were to be required. However, they are supportive of contributing cash-in-lieu or towards a City identified off-site benefit.

3.2 Off-Site Benefit

Two options present themselves as potential off-site benefits. First, the City could request \$1.52 million as a contribution-in-lieu. The Edmonds Town Centre Community Benefit Account currently has a balance of \$416,448³ and the City-Wide Housing Account currently has a balance of \$187,881. If the \$1.52 million in community benefits associated with Rezoning Reference #07-48 were to be taken as a contribution-in-lieu, commitments to the Edmonds Town Centre Community Benefit Account would increase by \$1,216,000 to \$1,632,448. The remaining 20% of the \$1.52 million (\$304,000) would be allocated to the City-Wide Housing Account, increasing commitments to that fund from \$1,452,000 to \$1,756,000.

A second approach to off-site benefits would be to designate a portion of the \$1.52 million toward the upgrading of local parks. The subject site is in close proximity to Rene Memorial Park and fairly close to Powerhouse Park. The Parks, Recreation & Cultural Services Department has advised that Rene Memorial Park has a children's spray pool which requires reconstruction at an estimated price of \$500,000. However, upcoming revisions to the Health Act relating to outdoor swimming pools, wading pools and spray pools could impact the design and requirements for the proposed spray pool. Therefore, this amenity may not be achievable in the immediate future. Plans for Powerhouse Park include site clearing, construction of a playground and establishment of an open lawn area, estimated at \$200,000. Work on the two parks would generate a designated allocation of \$700,000.

2 The \$1.52 million would likely finance about six housing units.

3 At this time, there are no outstanding commitments to the account.

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Should council accept contributions-in-lieu for Rezoning Reference #07-48, the allocation of all or part of the \$1,216,000 towards suitable off-site amenities, be it for housing, parks improvements or some other public amenity, could be determined by Council at a future date.

4.0 SUMMARY AND CONCLUSIONS

The applicant for RZ#07-48, a multiple-family residential development in the 6600 block Kingsway at Sperling Avenue, has expressed interest in pursuing a density bonus. However, they have indicated that they would prefer to contribute cash-in-lieu for a City determined off-site amenity and would be reluctant to pursue the density bonus if amenities were to be required on site. As the amenity density bonus program is a negotiative process, this department would recommend that a cash-in-lieu contribution be pursued in the amount of \$1.52 million (subject to future Legal Department re-evaluation). The allocation of these funds whether for housing, parks or some other suitable public amenity would be determined as part of a future report to the Committee and Council.

As the applicant wishes to advance the rezoning application to Public Hearing as soon as possible, it would be timely for the Committee to forward a recommendation to Council for a community benefit to be pursued in conjunction with RZ#07-48.

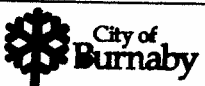
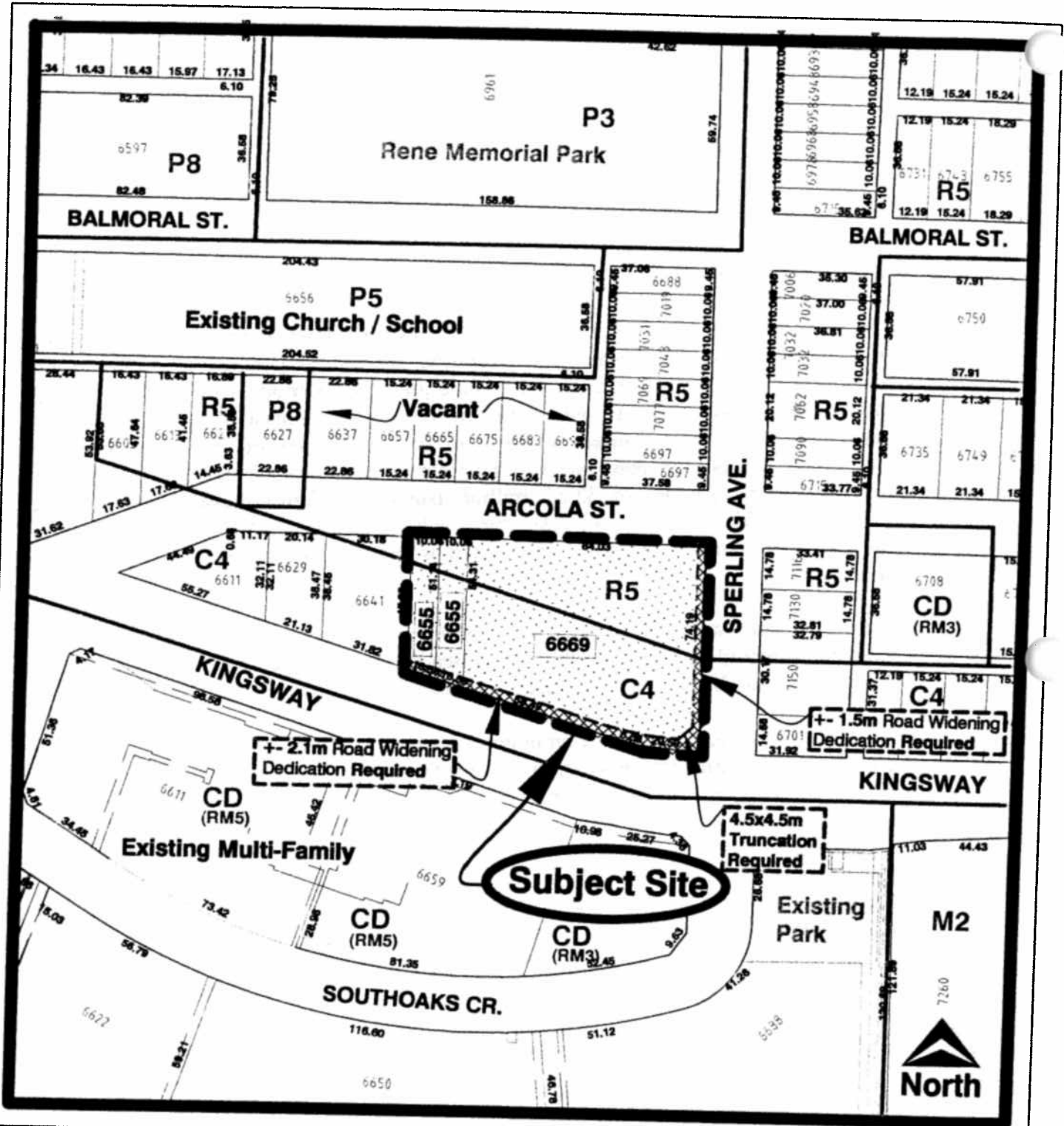
It is recommended that the Committee recommend to Council that a cash-in-lieu contribution towards off-site community benefits be received for the proposed amenity density bonus for Rezoning Reference # 07-48.


 B. Luksun, Director
 PLANNING & BUILDING

JS/JBS:jc
 Attachment

Copied to: City Manager Director Engineering
 Director Finance Director Parks, Recreation & Cultural Services
 City Solicitor Chief Building Inspector

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Planning and Building Department

Scale: 1 = 2000
 Drawn By: J.P.C.
 Date: November 2007

REZONING REFERENCE # 07 -- 48
 6655,6669 Kingsway

Sketch # 1