



COMMUNITY DEVELOPMENT COMMITTEE

*HIS WORSHIP, THE MAYOR
AND COUNCILLORS*

**SUBJECT: BYLAW AMENDMENTS FOR DEFERRAL OF FEES FOR
AFFORDABLE NON-PROFIT HOUSING PROJECTS**

RECOMMENDATION:

1. THAT Council authorize the preparation of Bylaws amending the:
 - a. Burnaby Zoning Bylaw, 1965;
 - b. Burnaby Subdivision Control Bylaw, 1971;
 - c. Burnaby Building Bylaw, 2004;
 - d. Burnaby Electrical Bylaw, 1974;
 - e. Burnaby Gas Bylaw, 1978;
 - f. Burnaby Tree Bylaw, 1996; and
 - g. Burnaby Plumbing Bylaw, 2000;

as outlined in Section 2.0 of this report; and that the amending bylaw for Burnaby Zoning Bylaw be advanced to First Reading on 2009 March 9 and to a Public Hearing on 2009 March 24.

REPORT

Council, at the regular Council Meeting held on 2009 February 02, referred the attached report to the Community Development Committee for further review. Council requested that the Committee consider forgiveness of fees rather than deferment of fees.

Copied to: City Manager Director Planning & Building Director Engineering Director Finance Chief Building Inspector City Solicitor

To: His Worship, the Mayor and Councillors
From: Community Development Committee
Re: Bylaw Amendments for Deferral of Fees for
Affordable Non-Profit Housing Projects
2009 March 02 Page 2

The Community Development Committee, at its open meeting held on 2009 February 17, completed its review and supported the deferral of Planning and Building application and permit fees for affordable non-profit housing projects.

Respectfully submitted,

Councillor C. Jordan
Chair

Councillor D. Johnston
Vice Chair

Councillor P. Calendino
Member

TO: CHAIR AND MEMBERS
COMMUNITY DEVELOPMENT COMMITTEE

DATE: 2008 January 15

FROM: DIRECTOR PLANNING AND BUILDING

FILE: 7000-01
*Reference: Fees Deferral
Non-Profit Housing*

SUBJECT: BYLAW AMENDMENTS FOR DEFERRAL OF FEES FOR AFFORDABLE NON-PROFIT HOUSING PROJECTS

PURPOSE: To propose bylaw amendments to allow for the deferral of Planning and Building application and permit fees for affordable non-profit housing projects.

RECOMMENDATIONS:

1. **THAT** Council be requested to authorize the preparation of Bylaws amending the:

- a. Burnaby Zoning Bylaw, 1965;
- b. Burnaby Subdivision Control Bylaw, 1971;
- c. Burnaby Building Bylaw, 2004;
- d. Burnaby Electrical Bylaw, 1974;
- e. Burnaby Gas Bylaw, 1978;
- f. Burnaby Tree Bylaw, 1996; and
- g. Burnaby Plumbing Bylaw, 2000;

as outlined in Section 2.0 of this report; and that the amending bylaw for Burnaby Zoning Bylaw be advanced to First Reading on 2009 March 9 and to a Public Hearing on 2009 March 24.

REPORT**1.0 BACKGROUND**

At its meeting on 2008 May 5 Council adopted several recommendations relating to affordable housing and homelessness. One of the adopted recommendations was:

"That Council authorize staff to pursue mechanisms to allow for deferral of applicable City development cost charges and permit fees for eligible non-market housing projects up to a period of 24 months commencing from the time of final development approval, with the deferred payments required to be paid prior to issuance of occupancy permit."

The purpose of this report is to seek Council authorization for the preparation of the necessary bylaw amendments to allow for the deferral of City-related fees for affordable non-profit housing

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From: Director Planning and Building
Re: Bylaw Amendments for Deferral of Permit Fees for Affordable Non-Profit Housing Projects
2009 January 15 Page 2

projects, and to advise Council of the application and associated procedures for implementation of the deferral policy.

It is noted that the City has implemented other initiatives to assist the development of affordable non-profit housing, including the adoption of a fast tracking application policy in 1981, the policy for allocation of 20% of density bonus funds received as cash to affordable housing in 2006, and the grant allocation process for use of community benefit density bonus funds by non-profit groups pursuing affordable housing projects in 2007. Council's approval to allow for the deferral of City fees for non-profit housing projects will complement these existing initiatives.

2.0 PROPOSED BYLAW AMENDMENTS

The deferral of City Planning and Building application and permit fees is intended to assist in the advancement of non-profit projects by deferring costs that are typically incurred earlier in a project development schedule. Payment of the deferred fees is proposed to be required within 24 months from the time of Final Adoption of the Rezoning Bylaw and prior to approval of occupancy by the Building Inspector. This approach is intended to recognize that, from an operating budget perspective, one of the most difficult periods in a project's establishment is the time during which it is being developed and has not been occupied and a corresponding cash flow has yet to be generated.

To implement the proposed deferral option for non-profit housing projects, it is proposed that:

- The Burnaby Zoning Bylaw (1965) be amended to permit the deferral of the initial Rezoning Application fee.
- The other applicable Bylaws, including the Burnaby Subdivision Control Bylaw (1971), Burnaby Building Bylaw (2004), Burnaby Electrical Bylaw (1974), the Burnaby Gas Bylaw (1978), Burnaby Tree Bylaw (1996) and Burnaby Plumbing Bylaw (2000), be amended to require that any requested deferral of fees be subject to approval by Council. It is noted that amendment to the Burnaby Building Bylaw would also address the Preliminary Plan Approval fees.
- An interested applicant would be requested to apply in writing to the City for deferral of Planning and Building application and permit fees.
- The request for Council approval for the deferral of these fees be a recommendation in the initial rezoning report to Council.
- A Section 219 covenant be registered on title, prior to Final Adoption of the Rezoning Bylaw, requiring repayment of the deferred fees (without interest) within 24 months of Final Adoption and prior to the approval of occupancy by the Building Inspector.
- Similar to the covenants for housing fund grants, the covenant would not be registered in priority and any outstanding balance of deferred fees not repaid to the City at the end of the year in which they are payable, would be added to the property taxes for the property.

For those projects receiving funds from the City's Community Benefit Bonus Affordable Housing Funds program, the funds will be issued after the release of the Building Permit, in line with established policy. However, the City would withhold an amount equivalent to the deferred application and permit fees to pay the applicant's outstanding deferral amounts due at that time.

It is noted that, in the event that a project does not proceed to Final Adoption of the Rezoning Bylaw with registration of the deferred fees covenant, any deferred fees to that point in time

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From: Director Planning and Building
Re: Bylaw Amendments for Deferral of Permit Fees for Affordable Non-Profit Housing Projects
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would be forgone. On balance, however, the deferral proposal has merit and would offer a further enhancement to the City's efforts to assist not-for-profit groups in the advancement of affordable non-profit housing projects. After registration of the covenant, repayment would be secured on the title of the property.

The deferral of City development cost charges (parkland acquisition, Metrotown public open space, and pedestrian overpasses) has not been included in the proposed amendments as Section 933.1 of the *Local Government Act* does not allow for the deferral of these charges. It is noted that non-profit housing is already exempt from the School Site Acquisition Charge under the *Local Government Act (School Site Acquisition Charge Regulation Section 2)*. It is recommended that this issue be addressed through preparation of a resolution to the upcoming Union of B.C. Municipalities Convention. Through a further report to Council, a resolution will be prepared requesting amendment of Section 933.1 of the Act to allow for the deferral of City development cost charges.

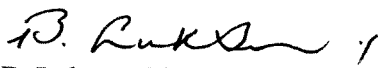
3.0 CONCLUSION

At its meeting on 2008 May 5, Council adopted several recommendations relating to affordable housing and homelessness. One of the adopted recommendations was:

"That Council authorize staff to pursue mechanisms to allow for deferral of applicable City development cost charges and permit fees for eligible non-market housing projects up to a period of 24 months commencing from the time of final development approval, with the deferred payments required to be paid prior to issuance of occupancy permit."

This report recommends that Council be requested to authorize the preparation of Bylaws amending the Burnaby Zoning Bylaw (1965), Burnaby Subdivision Control Bylaw (1971), Burnaby Building Bylaw (2004), Burnaby Electrical Bylaw (1974), the Burnaby Gas Bylaw (1978), Burnaby Tree Bylaw (1996) and Burnaby Plumbing Bylaw (2000), as outlined in Section 2.0 of this report; and that the amending Bylaw for the Burnaby Zoning Bylaw be advanced to First Reading on 2009 March 9 and to a Public Hearing on 2009 March 24.

The proposal for deferral of the required Planning and Building application and permit fees could assist non-profit housing projects in advancing through the development approval and construction stages and complement other City affordable housing initiatives.


B. Luksun, Director
PLANNING AND BUILDING

SF/sa
Attachment

Copied to: City Manager
Director Finance
Director Engineering
City Solicitor
Chief Building Inspector