

**COMMUNITY DEVELOPMENT COMMITTEE**

*HIS WORSHIP, THE MAYOR  
AND COUNCILLORS*

**SUBJECT: REQUEST FOR COMMUNITY BENEFIT BONUS HOUSING FUNDS -  
SWEDISH CANADIAN REST HOME ASSOCIATION**

**RECOMMENDATION:**

1. **THAT** Council approve a grant to the Swedish Canadian Rest Home Association in an amount not to exceed \$355,000 from the City's Community Benefit Bonus Housing Fund for the proposed 64 unit seniors assisted living project at 1800 Duthie Avenue.

**REPORT**

The Community Development Committee, at its meeting held on 2009 September 22, received and the *attached* report outlining a request for Community Benefit Bonus Housing Funds in support of the future development of a 64 unit seniors assisted living project at the Swedish Canadian Rest Home Association property located at 1800 Duthie Avenue, Burnaby.

Arising from consideration of the request, the Committee recommends that Council approve a grant to the Swedish Canadian Rest Home Association in an amount not to exceed \$355,000 from the City's Community Benefit Bonus Housing Fund for the proposed 64 unit seniors assisted living project at 1800 Duthie Avenue.

Respectfully submitted,

Councillor C. Jordan  
Chair

Councillor D. Johnston  
Vice Chair

Councillor P. Calendino  
Member

Copied to: City Manager Director Finance City Solicitor Director Planning & Building
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**TO:** CHAIR AND MEMBERS  
COMMUNITY DEVELOPMENT COMMITTEE

**DATE:** 2009 September 17

**FROM:** DIRECTOR PLANNING AND BUILDING

**FILE:** 71000 01  
*Reference:* Housing Funds  
*X-Ref:* REZ# 06-58

**SUBJECT:** REQUEST FOR COMMUNITY BENEFIT BONUS HOUSING FUNDS -  
SWEDISH CANADIAN REST HOME ASSOCIATION

**PURPOSE:** To respond to the request for housing funds in support of the future development of the Swedish Canadian Rest Home Association property at Duthie Avenue and Halifax Street

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**RECOMMENDATION:**

1. **THAT** the Committee receive this report for information.

**REPORT****1.0 BACKGROUND**

The Swedish Canadian Rest Home Association (SCRHA) has made a written submission, dated 2009 July 3, requesting a grant of up to \$500,000 from the City's Community Benefit Bonus Housing Funds to support future redevelopment of the SCRHA site located at 1800 Duthie Avenue on the southeast corner of Duthie Avenue and Halifax Street (see *Attachments #1 and 2*). The purpose of this report is to provide the Committee with information on the request.

**2.0 EXISTING SITE AND PROPOSED REDEVELOPMENT**

The SCRHA development is currently composed of four buildings in 30 strata lots on one site. Strata Lot 1 is an 80 unit seniors rental building (Gustav Wasa) owned by SCRHA and leased to Gustav Wasa Housing Society. Strata Lot 2 is a 63 unit seniors rental building (Swedish Canadian Manor) owned and operated by Swedish Canadian Manor Society. Strata Lots 3-29 are a 27 unit seniors strata building (Valhalla Court) in which the units are owned by individuals. Strata Lot 30 is a vacant building owned by SCRHA which previously operated as the Swedish Canadian Villa care home and is intended to be demolished.

Under Rezoning Reference #06-58, the SCRHA has advanced an application to develop a new assisted living building on the Swedish Canadian Villa site. The proposal involves the subdivision of the existing property into four separate parcels (see *Attachment #3*). Upon

completion of the rezoning and subdivision process, Lot A will contain the existing Swedish Canadian Manor seniors rental building. Lot B, with the existing vacant building, will be redeveloped for a proposed 64 unit seniors assisted living building. Lot C will contain the existing Gustav Wasa seniors rental building. Lot D will contain the existing Vahalla Court seniors strata building.

The proposed new assisted living building on Lot B, which is the subject of the funding request, is to include 64 units, 46 of which would be subsidized for low income seniors through the Independent Living B.C. program. The proposed development also includes on-grade parking, individual storage units, scooter storage, common lounges, activity rooms, dining room and commercial kitchen, exercise room, wellness room, and a beauty salon.

The Rezoning Bylaw received third reading on 2008 July 7. The Society is pursuing completion of the outstanding prerequisites to complete the zoning and subdivision for the proposed development.

### **3.0 COMMUNITY BENEFIT BONUS HOUSING FUNDS**

Under the City's density bonus program, funds received in-lieu of on or off-site community amenities are deposited to the Community Benefit Bonus Fund with 20% allocated to the affordable housing sub-account. These funds are then available for allocation by Council for community amenities from the general fund, or for affordable housing projects from the housing sub-account, consistent with the purpose for which they were collected. With regard to the affordable housing sub-account, an allocation of density bonus funds is generally supported for affordable and special needs housing projects.

In 2008 January, Council adopted policy guidelines for the use of Community Benefit Bonus Funds to support for the delivery of affordable housing units in partnership with non-market / profit housing providers. The Community Development Committee has the mandate to consider applications and make recommendations to Council on the allocation of the City's affordable housing bonus funds. Projects approved to receive a grant of bonus funds are eligible to receive the funds at the time of issuance of the building permit for the subject development. Under a Section 219 covenant, following receipt of the grant funds, the project is expected to achieve occupancy of the development within a 5 year period; otherwise the funds must be repaid. Council has the discretion to extend this term should a project be in progress. If a project operates for a period of ten years for the approved purpose, the grant is forgiven. If a project reverts from the approved use within the first ten years of operation, the grant repayment amount would be reduced by 1/10<sup>th</sup> for each year that the project operated for the approved use. The purpose of these guidelines and covenant is to ensure that projects receiving funds are substantially viable, and advance to completion within a timely manner to avoid the unnecessary reservation of limited density bonus funds that could otherwise be made available for other projects. They also ensure that the public benefit is secured with regard to the use of the funds.

#### 4.0 THE SCRHA GRANT REQUEST

The Council adopted policy for Community Benefit Bonus Housing Funds provides general objectives and guidelines for considering projects. Generally, requests for an allocation of funds are considered in relation to City related development fees, servicing costs and development cost charges. Other aspects considered include the community need to be addressed, capabilities and experience of the non-profit applicant, commitment from other funders, benefit to be derived from City support, and the current availability of Housing Funds. The SCRHA proposal for a non-profit seniors assisted living development generally meets the objectives for the use of Community Benefit Bonus Housing Funds.

The SCRHA has requested a grant amount of up to \$500,000 to be used to offset permit fees, Metro Vancouver Development Cost Charges (DCCs), servicing costs and demolition costs as follows:

1. *City Permit Fees:* To date, the proposal has incurred or will incur the following permit and application fees:

▪ Rezoning Fee	6,494.00
▪ Preliminary Plan Approval Fee	25,207.60
▪ Subdivision Fee	1,751.00
▪ Building Permit	123,582.40 (not yet paid)
▪ Demolition Permit	591.30
▪ <b>Total</b>	<b>157,626.30</b>

*Staff Comment: The City permit and application fees equalling \$157,626.30 are eligible to be taken into consideration for use of Housing Funds.*

2. *Metro Vancouver DCCs:* City staff have determined that the Greater Vancouver Sewerage and Drainage District (GVSD) charge will not be payable for this project as a credit has been provided for the existing building floor area which will fully off-set this charge.

*Staff Comment: When payable, this charge is collected by the City on behalf of GVSD. As noted, this charge is not payable as this project will receive an off-setting credit for the existing building.*

3. *Off-Site Servicing:* City staff have estimated that off-site servicing costs for the development will total \$194,566.

*Staff Comment: The estimated off-site servicing costs equalling \$194,566 are eligible to be taken into consideration for use of Housing Funds.*

4. *Demolition Costs:* The SCRHA did not provide separate estimated cost for demolition.

To: Community Development Committee  
From: Director Planning and Building  
Re: Request for Community Benefit Bonus Housing Funds - Swedish Canadian Rest Home Association  
2009 September 17 ..... Page 4

*Staff Comment: Demolition costs are not a City initiated charge, but are a cost of building construction. In this regard, this cost is not generally considered to be within the scope of City fees and changes to be off-set through the use of Housing Funds.*

It is noted that the City's Parkland Acquisition Levy is not payable for this project as a credit has been provided for the existing building on the site which fully off-sets this charge.

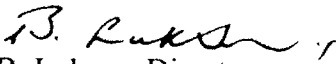
The SCRHA proposal is generally consistent with the objectives established for the use of Housing Funds. The City costs that are considered to be eligible for consideration for the use of Housing Funds total \$352,192. In accordance with Council adopted policy for use of the Community Benefit Bonus Housing Funds, a Section 219 covenant would be required to ensure the funds are used for the proposed non-profit seniors assisted living project as noted in this report. With Council approval of a grant amount, the funds would be released upon issuance of the building permit and execution the required covenant.

The current unallocated balance available within the Community Benefit Bonus Housing Fund is \$1,674,418.

## 5.0 CONCLUSION

The SCRHA has requested a grant of up to \$500,000 from the Community Benefit Bonus Housing Funds in support of its proposed 64 unit seniors assisted living project at 1800 Duthie Avenue. This report has summarized the SCRHA request and has concluded that the request is generally consistent with the objectives and guidelines for the use of Housing Funds. The City costs that are eligible to be taken into consideration for use of Housing Funds total \$352,192, based on the City's servicing estimate and application and permit fees. Any funds approved would be released upon issuance of the Building Permit and the registration of a Section 219 covenant, in accordance with the approach previously approved by Council.

This information is presented for the Committee to take into consideration in the establishment of a recommended grant amount for Council consideration.

  
B. Luksun, Director  
PLANNING AND BUILDING

SF:sa  
Attachments

Copied to: City Manager  
Director Finance  
City Solicitor

## *Swedish Canadian Rest Home Association*

1800 Duthie Ave. Burnaby BC V5A 2R8 Telephone 604-420-3222 Fax 604-420-3234

July 3, 2009

City of Burnaby  
Mr. Basil Lukson  
Director - Planning and Building  
4949 Canada Way  
Burnaby, BC V5G 1M2

Dear Mr. Lukson:

### Re: Application for Funding – Community Development Fund

Swedish Canadian Rest Home Association is a non-profit organization that has provided care and housing to the seniors since 1947. Our site at 1800 Duthie Avenue in Burnaby British Columbia has two buildings that provide subsidized housing for seniors, the Swedish Canadian Manor which contains 63 self contained units and Gustav Wasa Place, offering 80 one bedroom units.

In April of 2006, our volunteer Board of Directors submitted an Expression of Interest to BC Housing, asking for the opportunity to build a much needed Assisted Living residence in Burnaby. Preliminary project approval was granted in June of 2006 and the Board has moved forward with the first Phase of the project and has consulted with architects, consultants and hired a project manager. This new facility will provide affordable housing for seniors that we know is desperately needed.

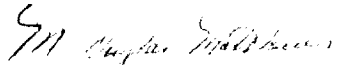
This residence will consist of 46 ILBC Assisted Living Units and 17 private affordable Assisted Living Units, plus an optional guest suite, for a total of 64 units. The Swedish Canadian Assisted Living Residence located in Burnaby will be "purpose-built". It will incorporate the latest universal standards which comply with the City of Burnaby, Smart Growth environment standards and conform to all of the mandatory requirements. The project will also achieve all of the desired standards. The building and property are conducive to meeting the needs of the residents. It will have on grade parking, individual storage units, scooter storage, 1 guest suite for a total of 64 suites, (the guest suite could be used with Fraser Health as overflow, respite and a revenue source). It further includes, a reception area, common lounges, activity rooms, dining room, and commercial kitchen are designed to be large enough to easily accommodate all residents, a private dining room, an exercise room, tuck shop, wellness room, beauty salon and a pleasant outdoor area for residents and visitors to enjoy.

Assisted living and support living self contained suites will be designed to be wheelchair accessible and identical ensuring maximum flexibility.

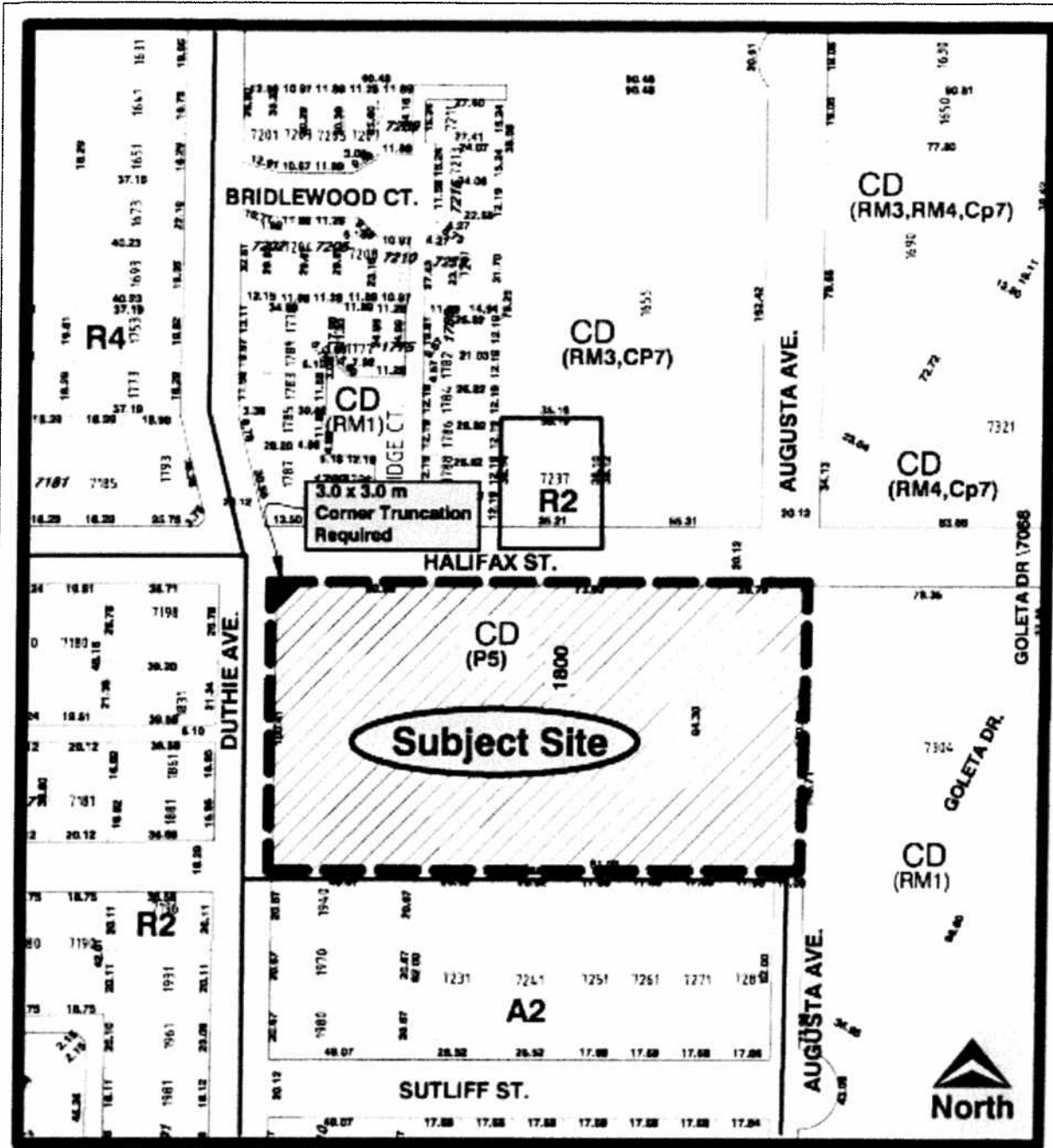
Assistance from the Community Development fund is being sought to help cover some of the costs that need to be incurred during the implementation of this project. A grant of up to \$500,000 to be used for City of Burnaby permit fees, GVRD DCCs, offsite service costs and demolition costs, will go along way to assist the Society in moving this important project forward.  
For further information regarding this project, please contact me at any time.

Thank-you for consideration of our request.

Sincerely,

A handwritten signature in cursive script, appearing to read "M. Douglas-Matthews".

Margaret Douglas-Matthews, Executive Director



**Planning and Building Department**

Scale: 1 : 2000

Drawn By: J.P.C.

Date: February 2007

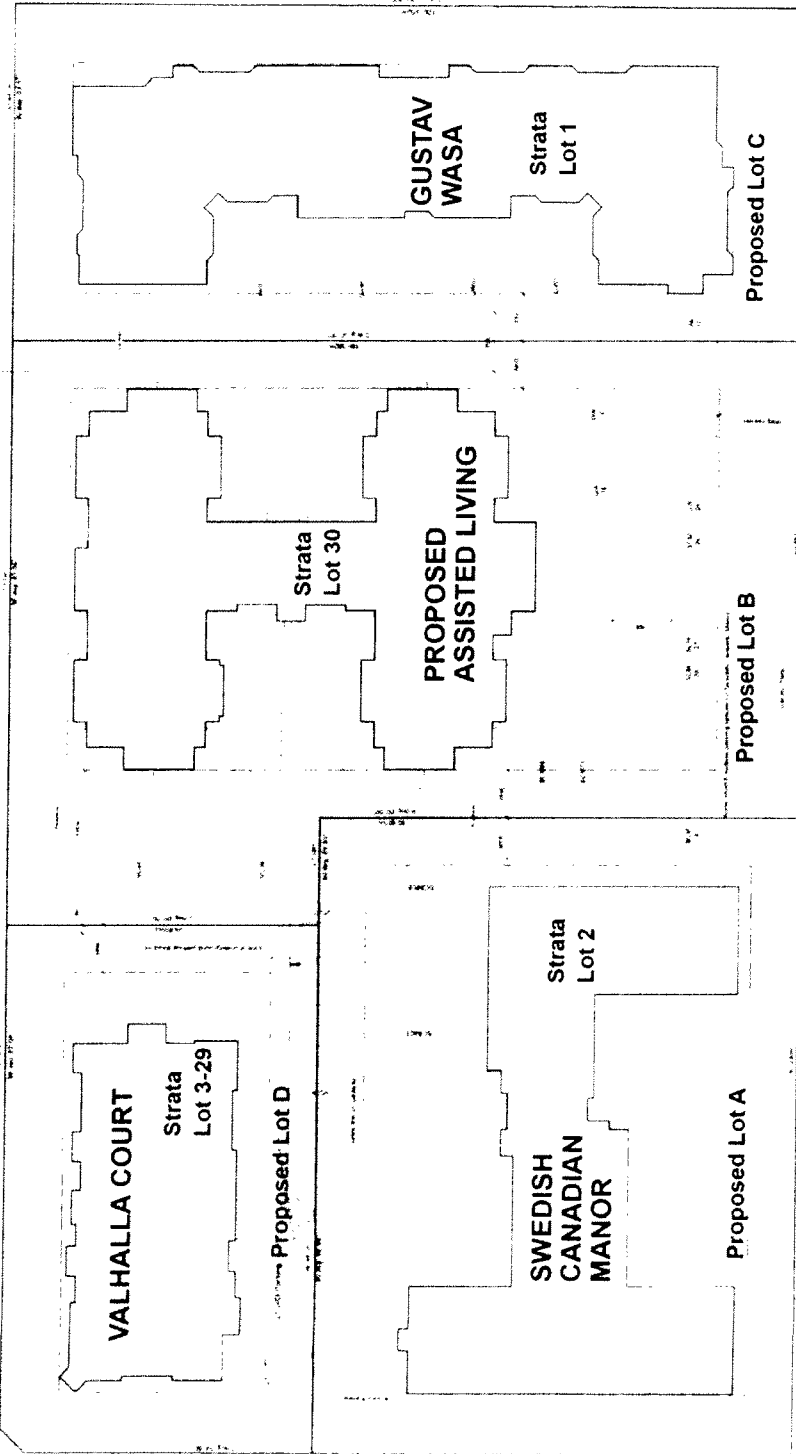
**REZONING REFERENCE # 06 -- 58**

1800 Duthie Ave.  
(Swedish Canadian Rest Home)



Attachment #3 – Proposed Site Plan

Halifax Street



ARCHITECTS

Swedish Canadian  
Assisted Living Project  
Halifax, N.S.

Proposed Property  
Lines and Boundaries

Date: 11/24/14  
Scale: A-004