

COMMUNITY DEVELOPMENT COMMITTEE

*HIS WORSHIP, THE MAYOR
AND COUNCILLORS*

**SUBJECT: DANIA SOCIETY REQUEST FOR COMMUNITY BENEFIT BONUS
HOUSING FUNDS**

RECOMMENDATIONS:

1. THAT Council advise the Dania Society of the opportunity to apply for issuance of a Community Benefit Bonus Grant to support the proposed Phase II development of the Dania site as part of the future rezoning and development approval process for this phase of the subject development.
2. THAT a copy of this report be provided to Mr. Dan Olsen, Dania Society, 4279 Norland Avenue, Burnaby, B.C. V5G 3Z6.

REPORT

The Community Development Committee, at its meeting held on 2009 June 23, received and adopted the *attached* report responding to the request of the Dania Society for Community Benefit Bonus Housing Funds in support of the future development of the Dania property at Canada Way and Norland.

Respectfully submitted,

Councillor C. Jordan
Chair

Councillor D. Johnston
Vice Chair

Councillor P. Calendino
Member

Copied to: City Manager Director Finance Director Building & Planning

TO: CHAIR AND MEMBERS
COMMUNITY DEVELOPMENT
COMMITTEE

DATE: 2009 June 17

FROM: DIRECTOR PLANNING AND BUILDING

FILE: 71000 01
Reference: Community Benefit Bonus
Housing Funds
X-Ref: REZ #05-26

SUBJECT: DANIA SOCIETY REQUEST FOR COMMUNITY BENEFIT BONUS HOUSING FUNDS

PURPOSE: To respond to the request of the Dania Society for Community Benefit Bonus Housing Funds in support of the future development of the Dania property at Canada Way and Norland.

RECOMMENDATIONS:

1. **THAT** the Committee request Council to advise the Dania Society of the opportunity to apply for issuance of a Community Benefit Bonus Grant to support the proposed Phase II development of the Dania site as part of the future rezoning and development approval process for this phase of the subject development.
2. **THAT** a copy of this report be provided to Mr. Dan Olsen, Dania Society, 4279 Norland Avenue, Burnaby, B.C. V5G 3Z6.

REPORT**1.0 BACKGROUND**

At the 2009 June 2 meeting of the Community Development Committee, a delegation from the Dania Society requested an allocation of \$500,000 from the City's Community Benefit Bonus Housing Funds to support future redevelopment of the Dania site at the northwest corner of Canada Way and Norland Avenue. Arising from the delegation presentation, the Committee requested a report from staff on the application.

2.0 EXISTING DANIA SITE AND PROPOSED REDEVELOPMENT

The Dania site is currently composed of four buildings on three properties (see *attached* Sketch #1). The property at 4035 Norland Avenue contains Carl Mortensen Manor - a 49 unit rental apartment building for seniors. The property at 4151 Norland Avenue contains Dania Manor - a 50 unit seniors assisted living facility and Dania Lodge - a 12 unit rental

apartment building. The property at 4279 Norland Avenue contains the Dania Home - a 67 bed long term care facility for seniors.

Under Rezoning Reference #05-26, the Dania Society has applied for rezoning and re-subdivision of the Dania site based on an overall master plan and phase redevelopment proposal. Phase I of the project is proposed to involve the demolition of the 67 bed Dania Home at 4279 Norland Avenue and the 12 unit Dania Lodge on the eastern portion of 4151 Norland Avenue and the construction of an 88 bed licensed complex care facility. Phase II is proposed to involve the construction of a 90 unit assisted living building on the remaining portion at 4279 Norland Avenue. Phase III is proposed to involve the demolition of the 50 unit Dania Manor on the western portion of 4151 Norland Avenue and the construction of a 51 unit assisted living building. Phase I of the proposed redevelopment scheme is accommodated under the subject rezoning, while separate rezoning applications will be required for the subsequent Phase II and III development of assisted living units.

The Rezoning Bylaw received Second Reading on 2005 November 7. The Society is pursuing completion of the outstanding prerequisites and is requesting housing funds to assist with costs of development.

3.0 BONUS DENSITY FUND REQUEST

Prior to its presentation to the Committee, the Society submitted a letter dated 2009 May 25 to the Planning and Building Department regarding its request for Community Benefit Bonus Funds (see copy *attached*). The Society is seeking a grant of \$500,000 to assist with completion of the noted rezoning and re-subdivision to achieve the proposed Phase I development of an 88 bed complex care facility for seniors. The Society also notes that the Phase I development will also establish the context for the proposed Phase II development of a 90 unit assisted living facility. The Society estimates that the capital budget for Phase I will be \$22 million to be funded through long term debt financing, and that a commitment for operating funding for 67 of the proposed 88 complex care beds has been provided from the Ministry of Health.

4.0 EVALUATION OF REQUEST

4.1 Community Benefit Bonus Funds

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. Generally, the Committee has evaluated requests for an allocation of funds in relation to City related development fees, servicing costs and development cost charges. 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. Following receipt of the grant funds, the project is expected to achieve occupancy of the development within a 5 year period; otherwise funds may be required to be repaid. The purpose of these guidelines is to ensure that projects receiving funds are

To: *Community Development Committee*
From: *Director Planning and Building*
Re: *Dania Society Request for Community Benefit Bonus Housing Funds*
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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. Currently, Community Benefit Bonus Funds account for affordable housing purposes contains \$1,367,309.

4.2 Eligible Affordable Housing Projects

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 are collected.

The Community Development Committee has the mandate to consider applications and make recommendations to Council on allocation of the City's affordable housing bonus funds.

With regard to the affordable housing sub-account, an allocation of density bonus funds is generally supported for affordable and special needs housing projects that include units developed under senior government non-profit housing programs, price controlled limited equity market units, units controlled or managed or owned by non-profit housing groups providing affordable housing, guaranteed rental units, and housing for people with special needs such as those with physical or mental disabilities or victims of violence, as referenced within the Burnaby Zoning Bylaw.

4.3 Evaluation of Dania Proposal

As noted above, Phase I of the Dania proposal involves the demolition of the 12 unit Dania Lodge on the eastern portion of 4151 Norland Avenue and the construction of an 88 bed licensed complex care facility on this site. In relation to the City's Community Benefit Bonus Fund program, the Phase I development would not meet the general requirements for receipt of Bonus Funds given that the project does not involve the development of 'housing units' as defined in the Bylaw, but relates directly to the development of care beds within an institutional health care facility.

The Phase II proposal for the development of a 90 unit assisted living building would qualify for an allocation of Community Benefit Bonus Funds as this proposal would result in the development of 'housing units' as defined within the Bylaw.

In its presentation to the Committee, the Dania Society noted that the phased development program would result in expenditures in the Phase I program that would contribute to the Phase II and Phase III plans for the provisions of housing units on site that would be eligible for consideration for a grant of bonus funds for affordable housing units.

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From: Director Planning and Building
Re: Dania Society Request for Community Benefit Bonus Housing Funds
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In staff's view, however, given that the Phase I development does not directly result in development of any affordable housing units, and the likely extended timeline to achieve the proposed Phase II development of the assisted living housing units, staff would advise that the subject request for an allocation of bonus funds for this phase of the proposed redevelopment scheme for the Dania site does not meet the intent and purpose of the Community Benefit Bonus Fund program.

The proposal for Phase II involves the creation of assisted living units consistent with the intended purpose of Council's Community Benefit Bonus Fund program. As such, it is recommended that the Committee advise the Dania Society of the opportunity to apply for issuance of a Community Benefit Bonus Grant to support the proposed Phase II development of the Dania site, as part of the future rezoning and development approval process for this phase of the subject development. At that time, the Committee would also be able to take into consideration the proportion of development costs attributable to the Phase I development that would be eligible for off-set through an approved grant amount for the assisted living housing units.

5.0 SUMMARY

The Dania Society has requested funding through the Community Benefit Bonus Housing Funds to assist in off-setting the costs of undertaking its phased redevelopment for complex care and assisted living on the Dania site at the northwest corner of Canada Way and Norland Avenue.

As noted in this report, however, the proposed Phase I development does not directly result in development of any affordable housing units. The proposal for Phase II does involve the creation of assisted living units consistent with the intended purpose of Council's Community Benefit Bonus Fund program.

As such, it is recommended that the Committee request Council to advise the Dania Society of the opportunity to apply for issuance of a Community Benefit Bonus Grant to support the proposed Phase II development of the Dania site, as part of the future rezoning and development approval process for this phase of the subject development.

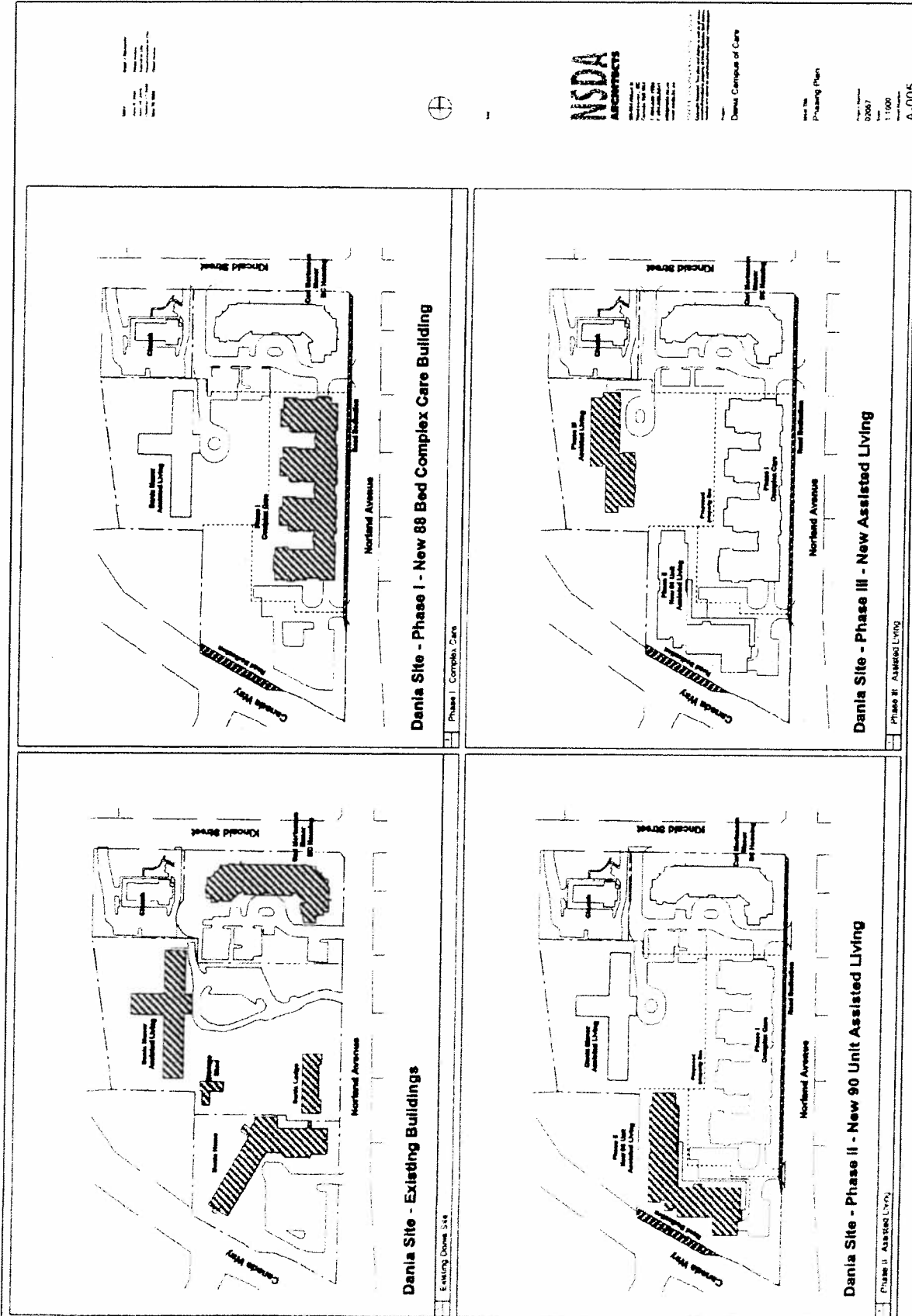
It is also recommended that a copy of this report be provided to Mr. Dan Olsen, Dania Society, 4279 Norland Avenue, Burnaby, B.C. V5G 3Z6.



B. Luksun, Director
PLANNING AND BUILDING

LP:SF:sla:sa
Attachments

Copied to: City Manager
Director Finance



NSDA
ARCHITECTS

Direct Campus of Care

Site No.
P-1000

02007

1:1000

A-0015

Dania Site - Phase I - New 88 Bed Complex Care Building

Phase I - Complex Care

Dania Site - Phase III - New Assisted Living

Phase III - Assisted Living

Dania Site - Existing Buildings

Existing Dania Site

Dania Site - Phase II - New 90 Unit Assisted Living

Phase II - Assisted Living



4279 Norland Avenue, Burnaby, B.C. Canada V5G 3Z6 Phone 604-299-2414 Fax 604-299-7775

May 25, 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

Dania Home Society and Dania Society are registered charities that have provided care and housing to the seniors of Burnaby since 1944. We have a unique 8 acre site located at Canada Way and Norland Avenue that affords our residents a complete Campus of Care that includes Subsidized Housing, Assisted Living and Complex Care.

A few years ago, our volunteer Board of Directors committed to a 10 year plan to redevelop the existing site. This plan was to be implemented over three phases as the time and market conditions warranted.

Phase I of the plan is currently under way to subdivide the site, in order to make way for a new state of the art 88 bed Complex Care facility operated by Dania Home Society. In order to accommodate this new facility, Dania Home and Dania Society will do a land swap. The new Care facility will be situated on land currently owned by Dania Society, and title to this newly subdivided lot will be held by Dania Home Society. The existing Care Home will be demolished and the land will be transferred to Dania Society.

This new vacant lot at the south end of the property will allow for Phase II of our ten year plan to proceed. Phase II will see the construction of a new 90 unit Assisted Living Building that will be operated by Dania Society. This new facility will provide affordable housing for the seniors of Burnaby that we know is so desperately needed.

Funding for Phase I & II of this project will be raised mostly through long-term debt financing. CMHC has approved a PDF loan in the amount of \$100,000 for Phase I. The Phase II Assisted Living project will be partnered with BC Housing.

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 Phase I

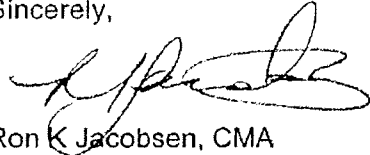
Dania Home Society

Dania Society

and II of this project. A grant of up to \$500,000 to cover estimated City of Burnaby DCC/permit fees will go a long way to assist the Society in moving this important project forward.

We look forward to the opportunity to discuss this project in more detail with the Community Development Fund Committee, and appreciate your consideration of our request.

Sincerely,

A handwritten signature in black ink, appearing to read 'Ron K. Jacobsen', written over a horizontal line.

Ron K Jacobsen, CMA
Director of Corporate Services
Cc: Margaret-Douglas-Matthews, Executive Director

Encl: Dania Society Charter.
Site Phasing Plan



S-2704

Certificate

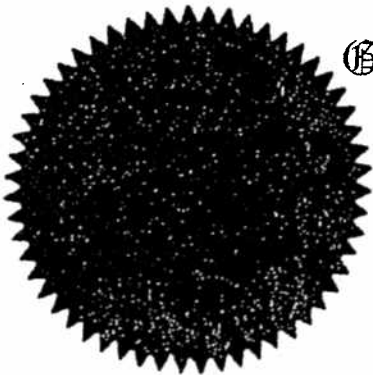
SOCIETY ACT

Canada

Province of British Columbia

I Hereby Certify that DANIA SOCIETY has pursuant to the Society Act altered its purposes and that its purposes now are:

- 2. (a) To establish or acquire by purchase, gift, transfer, lease, or otherwise, and to maintain, manage and operate on a non-profit basis facilities for providing specialized housing accommodation for senior citizens.
- (b) To carry on any activity related to the operation and maintenance of shelter to seniors which, in the opinion of the directors, may be justified by the facilities, personnel, funds, or other considerations that are, or can be made available.



Given under my hand and seal of office at
Victoria, B.C., thistwentieth.....
day ofJuly....., one
thousand nine hundred and eighty-eight

B. BECKWITH

Assistant Deputy Registrar of Companies.