

Webinar

ULI British Columbia: City of Burnaby Rental Use Zoning Policy Review

Date: December 06, 2022

00:00:38 --> 00:00:41: All right, everyone, let's get started. I'd like to welcome
00:00:42 --> 00:00:46: you to today's ULIBC professional development event where
we are
00:00:46 --> 00:00:50: covering having a presentation and discussion and panel
group on
00:00:50 --> 00:00:54: the city of Barnaby's rental use zoning policy review. Before
00:00:54 --> 00:00:57: we get going with that, I do want to make
00:00:57 --> 00:00:57: sure that we.
00:00:58 --> 00:01:01: Acknowledge that the city of Vancouver, which is where I
00:01:01 --> 00:01:04: am and I guess where ULIBC is technically located is
00:01:05 --> 00:01:09: situated on the unseated traditional territories of the
Musqueam, Squamish
00:01:09 --> 00:01:13: and similar tooth nations. And that you may be calling
00:01:13 --> 00:01:16: in or zooming in from another location. And that that
00:01:16 --> 00:01:20: is may well be the traditional territory and unseated territory
00:01:20 --> 00:01:23: of another nation here. And that we would like to
00:01:23 --> 00:01:27: acknowledge that as well. We have a great presentation for
00:01:27 --> 00:01:28: you today.
00:01:28 --> 00:01:31: We go any further. My name is Stuart Somerville and
00:01:31 --> 00:01:35: I'm the moderator. I'm a professor at the Sauder School
00:01:35 --> 00:01:38: of Business. UBC have had a long association with ULIBC,
00:01:38 --> 00:01:42: was part of the original Advisory Board and it's thrilled
00:01:42 --> 00:01:45: to be able to be engaging with this great organization
00:01:45 --> 00:01:46: today.
00:01:47 --> 00:01:50: We have three excellent, well informed people who are going
00:01:50 --> 00:01:54: to be the panelists for today's presentation. We're coming
from
00:01:54 --> 00:01:58: three different perspectives, and I think that means that we'll
00:01:58 --> 00:02:02: have a great discussion here because they're all engaged
with

00:02:02 --> 00:02:07: the policy, but from a being essentially representing different stakeholders.

00:02:07 --> 00:02:09: We have Ahmed Omran, who is a planner with a

00:02:09 --> 00:02:13: success, and Ahmed will tell you about his background.

00:02:14 --> 00:02:15: Maybe now would be a good time.

00:02:15 --> 00:02:18: Sure. Thanks. So my name is Omar, and I'm the

00:02:18 --> 00:02:22: director of Community real estate and asset management for success,

00:02:22 --> 00:02:26: which is for nonprofits. So it's a multifaceted nonprofit that

00:02:26 --> 00:02:27: deals with.

00:02:29 --> 00:02:33: Social services and settlement services for you covers long term

00:02:33 --> 00:02:37: care for seniors and My Portfolio, which is the affordable

00:02:37 --> 00:02:40: housing. Before that I was with BC housing for seven

00:02:41 --> 00:02:45: years and that's how I first started the affordable housing

00:02:45 --> 00:02:45: career.

00:02:46 --> 00:02:50: Excellent. We have Andrew Brown, who's the director of development

00:02:50 --> 00:02:53: here in the Lower Mainland, I think more broadly for

00:02:53 --> 00:02:56: Starlight investments, so the private sector.

00:02:57 --> 00:03:00: Yeah, thank you. I'm Andrew Brown. I. So I'm a

00:03:00 --> 00:03:04: director of development with Starlight Developments, that development division of

00:03:04 --> 00:03:09: Starlight Investments. We're Canadian asset manager first and foremost and

00:03:09 --> 00:03:12: we have the the privilege of operating over 70,000 apartments

00:03:13 --> 00:03:15: across the US and Canada, 60,000 plus of those in

00:03:15 --> 00:03:19: Canada. So we're active, we're very active in British Columbia,

00:03:19 --> 00:03:23: companies based in Toronto and that's where also a large

00:03:23 --> 00:03:25: number of units are. We also have a lot of

00:03:25 --> 00:03:27: activity in really smaller markets.

00:03:28 --> 00:03:31: So a lot of northern markets in the territories as

00:03:31 --> 00:03:35: well and and smaller in remote communities. So we operate

00:03:35 --> 00:03:38: at really large metropolitan scale as well as very small

00:03:39 --> 00:03:41: or rural areas as well and we have a pretty

00:03:41 --> 00:03:42: good window on.

00:03:43 --> 00:03:46: On uh the the the joys and challenges of of

00:03:46 --> 00:03:47: rental housing across the country.

00:03:49 --> 00:03:52: Prior to this, I worked in municipal planning and consulting

00:03:52 --> 00:03:52: as well.

00:03:53 --> 00:03:56: Wonderful. And from the City of Burnaby Burnaby, we have

00:03:56 --> 00:03:57: Wendy Tay, Wendy.

00:03:59 --> 00:04:02: Hi everyone, I'm Wendy C, senior housing planner at the
00:04:02 --> 00:04:05: City of Burnaby. My housing team and I have helped
00:04:05 --> 00:04:08: to shape this policy and we implement it and now
00:04:08 --> 00:04:11: we're reviewing it after a 2 year time period. So
00:04:11 --> 00:04:13: I'm happy to be part of this discussion and hear
00:04:14 --> 00:04:16: from the the panelists as well as the the people
00:04:16 --> 00:04:19: who have joined and and really get your thoughts on
00:04:19 --> 00:04:22: how Burnaby is doing and what we can improve on.
00:04:24 --> 00:04:27: Let me remind all those participating that we definitely want
00:04:28 --> 00:04:30: to hear from you and we would like to know
00:04:30 --> 00:04:33: if you have any questions, but please do those in
00:04:33 --> 00:04:37: the chat function and then Katrina and Robin will have
00:04:37 --> 00:04:41: the responsibility of sorting those and figuring out which
questions
00:04:41 --> 00:04:44: will then package at the end for the panelists if
00:04:44 --> 00:04:47: time allows us. So with I think that sort of
00:04:47 --> 00:04:51: covers that introduction. I think, Wendy, you were going to
00:04:51 --> 00:04:54: give everybody a refresher on the city of.
00:04:54 --> 00:04:58: Barnaby's recent policy developments in the rental housing
inspector sphere.

00:05:02 --> 00:05:05: Yes. So I just wanted to note that we are
00:05:05 --> 00:05:08: working on a policy review currently. So I'm going to
00:05:08 --> 00:05:12: be sharing the existing policy as well as the scope
00:05:12 --> 00:05:15: of work that the policy review is going to cover.
00:05:15 --> 00:05:18: We're not at the point yet that that we're, you
00:05:18 --> 00:05:22: know we're able to share what is coming forward, but
00:05:22 --> 00:05:25: as part of this discussion we are getting feedback and
00:05:25 --> 00:05:28: so I know there's a lot of a lot of
00:05:28 --> 00:05:31: opinions about it. So I'm excited to hear where this
00:05:31 --> 00:05:32: conversation.
00:05:32 --> 00:05:35: Those and to really incorporate that into the work that
00:05:35 --> 00:05:36: we're doing.
00:05:38 --> 00:05:41: So to provide some context, really the rent to zoning
00:05:41 --> 00:05:44: policy as well as some of the other major housing
00:05:44 --> 00:05:48: policies that came into play in Burnaby really happened in
00:05:48 --> 00:05:51: a very specific context. It was during a time in
00:05:51 --> 00:05:55: sort of the, you know right before the 2018 municipal
00:05:55 --> 00:05:59: election there was significant loss of purpose built rental units
00:05:59 --> 00:06:03: in the City of Burnaby, specifically in our Metro Town
00:06:03 --> 00:06:07: neighborhoods where we saw a lot of displacement of lower
00:06:07 --> 00:06:08: income tenants.
00:06:08 --> 00:06:11: Through that and through the election we did get a

00:06:11 --> 00:06:15: new mayor and and new members of Council that really
00:06:15 --> 00:06:18: became engaged on housing and wanting the the city to
00:06:18 --> 00:06:21: do more in terms of creating rental housing as well
00:06:21 --> 00:06:25: as protecting tenants. So the the mayor convened the
mayor's
00:06:25 --> 00:06:28: task force on Community Housing in conjunction there was a
00:06:28 --> 00:06:32: your voice your home public engagement process which was
the
00:06:32 --> 00:06:36: largest public engagement process the city has ever done on
00:06:36 --> 00:06:37: housing and through that.
00:06:38 --> 00:06:41: This was where a lot of the ideas came from.
00:06:41 --> 00:06:44: Firstly to do a more robust tenant assistance policy, which
00:06:44 --> 00:06:48: is made of, you know, possible through the rent to
00:06:48 --> 00:06:49: zoning policy.
00:06:49 --> 00:06:53: In addition to looking at ways to increase additional density
00:06:53 --> 00:06:57: for projects with below market rental units. So that is
00:06:57 --> 00:07:00: what the rental zoning policy does. So really it was
00:07:00 --> 00:07:03: it came out of a very specific place and we
00:07:03 --> 00:07:06: have really tailored our policy to meet those goals of
00:07:06 --> 00:07:08: Council and the Community.
00:07:09 --> 00:07:13: So the cities eventually zoning policy has four streams. The
00:07:13 --> 00:07:16: first stream which is replacement ties really closely with our
00:07:16 --> 00:07:20: tenant assistance policy. I'm not sure if everyone knows, but
00:07:20 --> 00:07:23: Burnaby has one of the most I guess supportive tenant
00:07:23 --> 00:07:27: assistance policies in all of Canada. Tenants are provided
rent
00:07:27 --> 00:07:30: top ups during sort of the interim period of when
00:07:30 --> 00:07:34: they're displaced when they can move into a replacement
unit,
00:07:34 --> 00:07:37: which is basically meant to be like a forever home
00:07:37 --> 00:07:40: for these tenants and that they can return to the
00:07:40 --> 00:07:40: same community.
00:07:41 --> 00:07:43: And be renting the unit at rent very similar to
00:07:43 --> 00:07:47: what they were paying when they were displaced. So under
00:07:47 --> 00:07:50: the rental zoning policy under the stream, any rental units
00:07:50 --> 00:07:53: lost to redevelopment must be replaced on a 1 to
00:07:53 --> 00:07:53: one basis.
00:07:54 --> 00:07:57: In addition to that, we have stream 2 which is
00:07:58 --> 00:08:02: inclusionary. So new multifamily developments must include
20% of their
00:08:02 --> 00:08:06: units as rental and these rental units must be rented
00:08:06 --> 00:08:09: at below market rates, which is specifically 20% below
CMHC

00:08:10 --> 00:08:11: market median in Burnaby.

00:08:12 --> 00:08:15: And then the third stream is really to take advantage

00:08:15 --> 00:08:18: of the unused density that we have in our commercial

00:08:19 --> 00:08:22: zones. And as long as the commercial density is utilized

00:08:22 --> 00:08:25: up to 51%, the remaining 49% of the commercial density

00:08:25 --> 00:08:29: could be used to construct market rental housing. So we

00:08:29 --> 00:08:32: are seeing take above that and then the 4th stream

00:08:32 --> 00:08:36: which is the protectionary stream that is something that city

00:08:36 --> 00:08:39: hasn't quite completed the work on. This is meant to

00:08:39 --> 00:08:42: look at ways of protecting existing rental buildings.

00:08:43 --> 00:08:46: But again, we've had so much interest in all the

00:08:46 --> 00:08:49: other streams that really we we've taken a step back

00:08:49 --> 00:08:52: from the protection area and we will explore that further

00:08:52 --> 00:08:55: as we kind of work through what the new iteration

00:08:55 --> 00:08:57: of the rental zoning policy will look like.

00:08:59 --> 00:09:02: So a lot of people ask how does Burnaby make

00:09:02 --> 00:09:06: this happen and it's really we provide density. Burnaby has

00:09:06 --> 00:09:10: a very I guess kind of unique development pattern will

00:09:10 --> 00:09:14: be we concentrate all of our growth primarily in our

00:09:14 --> 00:09:17: four town centers. So in these town centers we do

00:09:18 --> 00:09:21: see quite high densities and that's an example on on

00:09:21 --> 00:09:25: the slide that you're seeing for RM-5 zone. So in

00:09:25 --> 00:09:29: terms of you know we provide this density offset really

00:09:29 --> 00:09:30: to account.

00:09:30 --> 00:09:34: For the new affordability requirements that the city requires,

00:09:34 --> 00:09:36: another

00:09:37 --> 00:09:39: rent to zoning policy and you can see on the

00:09:39 --> 00:09:43: screen in front of you that really what the city

00:09:43 --> 00:09:47: has tried to do is create you know, different tranches

00:09:47 --> 00:09:50: of affordability within these communities. In Burnaby, we're

00:09:50 --> 00:09:53: looking at

00:09:53 --> 00:09:56: buildings that are you know, 5060 even 80 stories high.

00:09:56 --> 00:09:59: So we're we're seeing a lot of units and we

00:09:59 --> 00:10:00: do want to see a healthy mix of incomes within

00:10:01 --> 00:10:04: there. So the replacement units is mentioned are for tenants

00:10:04 --> 00:10:07: who were displaced.

00:10:07 --> 00:10:08: And are moving back in at rents similar to when

00:10:09 --> 00:10:12: they moved out. Our inclusionary is 20% below CMHC

00:10:12 --> 00:10:15: market

00:10:15 --> 00:10:18: median.

00:10:18 --> 00:10:21: We have an optional inclusionary stream which requires A1

00:10:21 --> 00:10:24: to

00:10:24 --> 00:10:27: one ratio of units at market rental and at CMHC

00:10:15 --> 00:10:19: market median. So that's if you have remaining RMR density
00:10:19 --> 00:10:22: that you didn't use to account for the replacement
inclusionary,
00:10:22 --> 00:10:25: you can take advantage of that. And then in terms
00:10:25 --> 00:10:29: of voluntary rental, that's the unused commercial density and
those
00:10:29 --> 00:10:31: can be rented at purely market rents.
00:10:33 --> 00:10:35: So in terms of progress to date, we've seen a
00:10:35 --> 00:10:39: lot of interest in our programs. We have over 12,000
00:10:39 --> 00:10:42: units that are in stream right now and of which
00:10:42 --> 00:10:45: if you look at it, there's a split between sort
00:10:45 --> 00:10:48: of market rental units and you can actually see that
00:10:48 --> 00:10:51: we're achieving more non market rental units and really of
00:10:52 --> 00:10:55: this you know 7600 or so non market rental units,
00:10:55 --> 00:10:58: 4895 have been achieved through our two zoning policy. So
00:10:58 --> 00:11:01: we're getting a lot of units being delivered to this
00:11:02 --> 00:11:02: program.
00:11:03 --> 00:11:07: That said, we we recognize that not everything is working
00:11:07 --> 00:11:10: perfectly and that is why we did tell Council we
00:11:10 --> 00:11:13: would review the policy with after two years of
implementation.
00:11:13 --> 00:11:16: I will note that two years is a really quick
00:11:16 --> 00:11:20: turnaround time that doesn't align with the development
cycle. So
00:11:20 --> 00:11:24: we haven't actually seen these buildings get to occupancy
yet,
00:11:24 --> 00:11:27: so we can't fully evaluate how it's been working. But
00:11:27 --> 00:11:29: one of the things you know that we do want
00:11:29 --> 00:11:33: to do is talk to the development community and nonprofit
00:11:33 --> 00:11:34: housing providers.
00:11:34 --> 00:11:37: As well as other levels of government to just get
00:11:37 --> 00:11:40: their experience to date and really help us shape this
00:11:40 --> 00:11:43: policy further. Also as part of this review we want
00:11:43 --> 00:11:46: to undertake financial analysis to evaluate whether or not the
00:11:46 --> 00:11:49: density provisions you know still are are feasible and and
00:11:49 --> 00:11:52: you know sort of achieving the goals of the rent
00:11:52 --> 00:11:53: to zoning policy.
00:11:54 --> 00:11:58: We've heard feedback from non market, non non profit
operators
00:11:58 --> 00:12:01: in terms of sort of the ownership and operational goals
00:12:01 --> 00:12:04: of these below market units. So we want further input
00:12:05 --> 00:12:08: on that. The City of Burnaby recently updated our tenant
00:12:08 --> 00:12:12: assistance policy, so we have to ensure that the policies

00:12:12 --> 00:12:15: are are continued to be aligned. And then we've heard
00:12:15 --> 00:12:18: feedback on a few other things. So some of the
00:12:18 --> 00:12:21: other things that we're exploring as part of this review
00:12:21 --> 00:12:24: is how to make 100% market rental projects.
00:12:24 --> 00:12:28: With inclusionary requirements feasible and Burnaby, it's
mainly a mix
00:12:28 --> 00:12:31: of strata and rental and you know we're not sure
00:12:31 --> 00:12:34: of the density offset works completely for market rental and
00:12:34 --> 00:12:38: then also exploring the minimum unit sizes for rentals as
00:12:38 --> 00:12:41: well as other livability considerations that have been brought
up
00:12:41 --> 00:12:42: by Council.
00:12:43 --> 00:12:46: So that's summarizes what City of Burnaby is doing and
00:12:46 --> 00:12:49: I look forward to the feedback as part of being
00:12:49 --> 00:12:50: on this panel.
00:12:51 --> 00:12:54: That's excellent. That's really, really exciting and the your
reward
00:12:54 --> 00:12:57: for doing that presentation is you get the first question.
00:12:58 --> 00:13:01: And so the first question and I think you touched
00:13:01 --> 00:13:04: a little bit on this in the presentation is what's
00:13:05 --> 00:13:08: the feedback that the city has received to date and
00:13:08 --> 00:13:11: I think you know across the spectrum of stakeholders, so
00:13:11 --> 00:13:15: would be interested there in you know market stakeholders,
developers,
00:13:16 --> 00:13:19: the non market providers, but also the citizens, you know
00:13:19 --> 00:13:23: the renters, people moving into the strata units. So the
00:13:23 --> 00:13:26: whole gamut of of people who would be interested in
00:13:26 --> 00:13:28: this and not just the sort of active.
00:13:28 --> 00:13:29: Market participants.
00:13:31 --> 00:13:33: Yeah, thanks Sir. So I would say in terms of
00:13:33 --> 00:13:36: I'll start with the renters because we know that really
00:13:36 --> 00:13:39: these policies like the rental zoning policy and the tenants
00:13:40 --> 00:13:43: distance policy really came out of Council's desire to you
00:13:43 --> 00:13:46: know, really meet the needs of tenants in especially in
00:13:46 --> 00:13:49: Metrotown, but in you know, across Burnaby. So in terms
00:13:49 --> 00:13:53: of the the provision of replacement rental units and
inclusionary
00:13:53 --> 00:13:56: rental units, that's very welcomed in Burnaby. We know
there's
00:13:56 --> 00:13:59: a great need for rental housing and even at the
00:13:59 --> 00:14:01: market level like we know that.
00:14:01 --> 00:14:05: There is housing need across all the different affordability
levels
00:14:05 --> 00:14:07: that are rent 2 zoning policy provides.

00:14:08 --> 00:14:12: In terms of non market, sorry nonprofit operators, that's one

00:14:12 --> 00:14:14: area that I think the city could have done a

00:14:14 --> 00:14:18: better job in in communicating what the rental zoning policy

00:14:18 --> 00:14:21: is. And really I think when we came up with

00:14:21 --> 00:14:24: the policy we really wanted it to be an organic

00:14:24 --> 00:14:27: kind of process where you know a developer may reach

00:14:27 --> 00:14:30: out to a nonprofit and they form you know sort

00:14:30 --> 00:14:33: of a a beautiful relationship and they come to the

00:14:33 --> 00:14:36: city and and say they want to work together and

00:14:36 --> 00:14:37: deliver these units.

00:14:38 --> 00:14:41: I think in reality it's been a bit more challenging

00:14:41 --> 00:14:44: because the city hasn't been explicitly clear about, you know,

00:14:44 --> 00:14:48: what does it mean? Like we're working through that right

00:14:48 --> 00:14:50: now with our housing agreements in terms of how do

00:14:50 --> 00:14:54: they actually operate this, especially when there are tenants

00:14:54 --> 00:14:57: who

00:14:57 --> 00:15:00: could come back and may not be income tested because

00:15:00 --> 00:15:02: they're returning tenant and that may not meet, say, a

00:15:02 --> 00:15:05: nonprofits mission and mandate.

00:15:05 --> 00:15:07: So we kind of recognize that, you know, we might

00:15:07 --> 00:15:10: have you know, not been as you know, sort of

00:15:10 --> 00:15:13: as great on our communications as we should have, which

00:15:13 --> 00:15:15: is what we're trying to do now. And I would

00:15:15 --> 00:15:18: say on the on sort of the developer side, we've

00:15:18 --> 00:15:21: noticed that you know, our policy hasn't completely missed

00:15:21 --> 00:15:24: the

00:15:24 --> 00:15:27: mark and that there's been no development that's come in.

00:15:27 --> 00:15:29: But we also recognize that a lot of them were

00:15:29 --> 00:15:32: already midstream. They were really kind of you know into

00:15:32 --> 00:15:34: the process and we want to make sure it works

00:15:34 --> 00:15:37: like that's why we're doing a financial analysis again on

00:15:37 --> 00:15:41: whether or not the density offset.

00:15:41 --> 00:15:44: It's enough to account for you know, sort of constructing

00:15:44 --> 00:15:48: these units and providing the units at the affordability levels

00:15:48 --> 00:15:50: the city requires. So overall the feedback I think has

00:15:50 --> 00:15:54: been mixed. We know that there are things that need

00:15:54 --> 00:15:55: to be improved upon, but overall I think we are

00:15:55 --> 00:15:59: meeting you know, really the goal of creating new rental

00:15:59 --> 00:16:03: housing in Burnaby.

00:16:03 --> 00:16:07: Excellent. So I'm going to take advantage of my

00:16:07 --> 00:16:10: role here as moderator and before passing this on to

00:16:10 --> 00:16:13: Ahmed and Andrew for their stakeholder inputs on on on

00:16:07 --> 00:16:07: that.

00:16:08 --> 00:16:12: In terms of the sort of political dynamics, in terms

00:16:12 --> 00:16:15: of voters, how is that, you know, navigated? Because certainly

00:16:16 --> 00:16:19: when you looked at the the Broadway corridor plan in

00:16:19 --> 00:16:23: Vancouver, there were a lot of interesting views that existing

00:16:23 --> 00:16:26: residents have had put in. Have you gotten feedback, you

00:16:26 --> 00:16:30: know, from renters who are afraid of displacement, from the

00:16:30 --> 00:16:33: people who own units in those areas about how they

00:16:33 --> 00:16:34: feel about this?

00:16:36 --> 00:16:40: Yeah, I think because the tenant assistance policy came really

00:16:40 --> 00:16:43: like they were pretty much done at the same time

00:16:43 --> 00:16:46: there was assurance to to tenants you know that really

00:16:47 --> 00:16:50: they would be protected through this process. You know, they

00:16:50 --> 00:16:53: knew that they would be getting rent top ups, they

00:16:53 --> 00:16:57: would be getting a replacement unit which they could move

00:16:57 --> 00:16:59: back in if they choose to do so at rent

00:17:00 --> 00:17:02: similar to what they paid before. So in terms of

00:17:03 --> 00:17:06: I think that was how Council really kind of heard

00:17:06 --> 00:17:06: what the.

00:17:06 --> 00:17:09: You know, the renters in these areas were saying and

00:17:09 --> 00:17:12: they directed staff to do these policies to do that.

00:17:12 --> 00:17:15: I think in terms of the larger community, I think

00:17:15 --> 00:17:17: we're starting to hear some feedback in terms of you

00:17:18 --> 00:17:20: know how high is too high in Burnaby. You know,

00:17:20 --> 00:17:23: we do recognize what the density that there are some

00:17:23 --> 00:17:26: urban design and livability considerations that we have to take

00:17:26 --> 00:17:29: into account. So I think that's kind of the this

00:17:29 --> 00:17:32: time around as part of the policy review is you

00:17:32 --> 00:17:34: know, we we kind of know that we need density

00:17:34 --> 00:17:36: to make these projects happen.

00:17:37 --> 00:17:39: But whether or not there could be ways of sort

00:17:39 --> 00:17:42: of improving you know just the urban form whether you

00:17:42 --> 00:17:45: know because we're in some cases on these some of

00:17:45 --> 00:17:48: these larger sites what we get is a really tall

00:17:48 --> 00:17:51: strata building. But in terms of the non market housing

00:17:51 --> 00:17:55: it could actually be accommodated in a lower wood frame

00:17:55 --> 00:17:58: building and we know that you know there is economics

00:17:58 --> 00:18:01: to doing that. However in terms of you know sort

00:18:01 --> 00:18:04: of the urban form that we're creating having a six

00:18:04 --> 00:18:06: story next to A50 story building you know it's a
00:18:06 --> 00:18:07: pretty large.
00:18:07 --> 00:18:10: Gaps. So we're trying to figure out if there are
00:18:10 --> 00:18:13: ways to improve that in order to, you know, really
00:18:13 --> 00:18:16: create a, you know, a fully, you know, sort of
00:18:16 --> 00:18:20: sustainable and you know complete community within our
our town
00:18:20 --> 00:18:21: centers and beyond.
00:18:22 --> 00:18:25: Looks fantastic. So I'm going to want to encourage Ahmed
00:18:25 --> 00:18:28: and Andrew to jump in if they want to on
00:18:28 --> 00:18:31: anything that Wendy has to say. I mean ideally what
00:18:31 --> 00:18:35: we'd have here is a panel discussion rather than Q&A.
00:18:35 --> 00:18:38: I don't think that question, the first question sort of
00:18:38 --> 00:18:42: lends itself as much to discussion, but hopefully as we
00:18:42 --> 00:18:45: move forward. So Ahmed, the next question is for you
00:18:45 --> 00:18:48: and hopefully this, you know we can hear from Wendy
00:18:48 --> 00:18:51: and from Andrew and and and have that dialogue, how
00:18:51 --> 00:18:52: do you feel?
00:18:52 --> 00:18:56: But this type of policy is affecting the nonprofit sector
00:18:56 --> 00:19:00: in terms of the ability to deliver and operate affordable
00:19:00 --> 00:19:03: housing. These, you know, your ability to work in these
00:19:03 --> 00:19:07: properties that are mixed between strata and renter and how
00:19:07 --> 00:19:11: those dynamics work out, say compared to to buildings that
00:19:11 --> 00:19:13: are 100% rental or 100% affordable.
00:19:15 --> 00:19:19: Yeah. So at high level, any policy or initiative that
00:19:19 --> 00:19:23: would increase the number of affordable housings we are in
00:19:23 --> 00:19:25: favor of. And at a high level and you know,
00:19:26 --> 00:19:29: the more we can build the better and you know,
00:19:29 --> 00:19:32: we can tackle this housing crisis and the better we
00:19:32 --> 00:19:35: as a sector can, you know, can deliver on our
00:19:35 --> 00:19:36: mandate.
00:19:38 --> 00:19:39: There is a.
00:19:40 --> 00:19:44: An advantage of having the nonprofit work with the developer
00:19:44 --> 00:19:47: directly early on in the development to basically form a
00:19:47 --> 00:19:50: partnership and, and I think this is the intention of
00:19:50 --> 00:19:53: of Burnaby, is to leave it to the developer and
00:19:53 --> 00:19:56: the nonprofit to work together ahead of time.
00:19:56 --> 00:20:00: And meet each other's objectives and come up with the
00:20:00 --> 00:20:04: with the with the building that would work for both
00:20:04 --> 00:20:08: the the market rental the the condo side and the
00:20:08 --> 00:20:12: and and affordable housing and I think that that's great
00:20:12 --> 00:20:16: that's a really good approach there is you know.

00:20:17 --> 00:20:18: For for us.

00:20:19 --> 00:20:22: The most important part for for for a nonprofit is

00:20:22 --> 00:20:27: the financial sustainability and operational efficiency of that building after

00:20:27 --> 00:20:30: all. So whether it is an airspace parcel within a

00:20:30 --> 00:20:33: tower or a standalone building and not a huge difference

00:20:33 --> 00:20:37: between the two, there is a little bit more coordination

00:20:37 --> 00:20:39: that has happened if it is one big tower, but

00:20:39 --> 00:20:43: it's not, it's not so difficult that it would hinder

00:20:43 --> 00:20:46: because we understand that not every developer has a a

00:20:46 --> 00:20:49: large piece of land where they can have a standalone.

00:20:49 --> 00:20:52: Building and we would rather have an air space parcel

00:20:52 --> 00:20:55: within a tower than having nothing at all. So we

00:20:55 --> 00:20:58: understand the limitations of developers and we are, you know,

00:20:58 --> 00:21:01: more than happy to work with them within the building.

00:21:01 --> 00:21:04: With that said, if if we have a choice between

00:21:04 --> 00:21:07: scattered units within the tower or a block of units

00:21:07 --> 00:21:10: as an airspace parcel, you would rather have a block

00:21:10 --> 00:21:13: of units because what I mentioned about the operational efficiency

00:21:14 --> 00:21:16: to have all units beside each other and we have

00:21:16 --> 00:21:19: control over what happens in the corridors of that airspace.

00:21:20 --> 00:21:23: Parcel and most of the neighbors are under our management

00:21:23 --> 00:21:27: so we can deal with issues that arise much, much

00:21:27 --> 00:21:27: more.

00:21:27 --> 00:21:27: Efficient.

00:21:28 --> 00:21:30: Hope that answers the question.

00:21:30 --> 00:21:34: Next point, any comments on that from Andrew or Wendy?

00:21:36 --> 00:21:37: Yeah, I think the.

00:21:38 --> 00:21:41: The mechanics of how you combine rental or a market

00:21:41 --> 00:21:44: component, whether it's condo or rental and a non market

00:21:45 --> 00:21:49: component I think are often overlooked because they're quite complex.

00:21:49 --> 00:21:51: So when you have a large site like an Olympia

00:21:52 --> 00:21:54: tile size site which is one of the sites kind

00:21:54 --> 00:21:56: of in play in Burnaby.

00:21:56 --> 00:21:59: You build a bunch of condo towers, you portion off

00:21:59 --> 00:22:01: a piece of it for the affordable rental, the non

00:22:01 --> 00:22:04: market rental and it gets subdivided off and it's a

00:22:04 --> 00:22:06: six story wood frame and away you go. And so

00:22:06 --> 00:22:10: that's pretty straightforward. But like as you said Ahmed and

00:22:10 --> 00:22:12: as you alluded to Wendy on some of the smaller

00:22:12 --> 00:22:15: sites that can be a challenge. I think affordability you

00:22:15 --> 00:22:18: know anytime you have a mixed-use whether it's a cafe

00:22:18 --> 00:22:20: or or or or a rental component in otherwise strata

00:22:20 --> 00:22:23: building, there is going to be a long term insurance

00:22:23 --> 00:22:26: hit to that. It's going to impact operating expenses for

00:22:26 --> 00:22:27: both the rental operator.

00:22:28 --> 00:22:30: As well as the strata. So it's one of those

00:22:30 --> 00:22:33: things where, OK, we've combined them into one building, so

00:22:33 --> 00:22:36: we feel better about it urban design, but we've actually

00:22:37 --> 00:22:40: made 100% of those units less affordable to everybody

00:22:40 --> 00:22:43: because

00:22:43 --> 00:22:46: they're taking a bigger insurance hit, right. So some of

00:22:46 --> 00:22:49: these design objectives really need to be verified with on

00:22:49 --> 00:22:52: the ground realities of operating a building, be it a

00:22:52 --> 00:22:55: strata budget or or or a rental rental operator. And

00:22:55 --> 00:22:58: so, you know, like the 50 story versus 6 story

00:22:58 --> 00:23:00: thing, is that really what we should be focusing on?

00:23:00 --> 00:23:03: I, I, I you know I think the good news

00:23:03 --> 00:23:06: is there is hey we've got affordable housing built. It's

00:23:06 --> 00:23:09: not that well it should have been integrated in the.

00:23:09 --> 00:23:12: I think that's kind of nipping at the edges of

00:23:12 --> 00:23:15: what is otherwise a success story, right? So I do

00:23:15 --> 00:23:18: definitely feel, I think for the nonprofit operators where you,

00:23:18 --> 00:23:21: where you have a situation where you're.

00:23:21 --> 00:23:24: Our expenses are growing every month, every year, but your

00:23:24 --> 00:23:27: revenues are strictly capped, you know 100% from our

00:23:27 --> 00:23:30: building

00:23:30 --> 00:23:33: that can very quickly turn into, it doesn't take many

00:23:33 --> 00:23:36: changes in cap rates, interest rates, loan renewals,

00:23:36 --> 00:23:39: maintenance costs,

00:23:39 --> 00:23:42: utilities, insurance. Pretty soon you're underwater and you're

00:23:42 --> 00:23:45: having, you're

00:23:45 --> 00:23:48: dipping below your your your covenants to your lenders and

00:23:48 --> 00:23:51: then what do you do you got to make some

00:23:51 --> 00:23:54: phone calls and figure it out the buildings there people

00:23:54 --> 00:23:57: are in it.

00:23:57 --> 00:24:00: So someone's taking a bath. Right on on a mix.

00:24:00 --> 00:24:03: Circumstance where you have you know let's say 80%

00:24:03 --> 00:24:06: market

00:24:06 --> 00:24:09: whether it's.

00:24:09 --> 00:24:12: Well 80% market rental and 20% non market at least

00:24:12 --> 00:24:15: you could maybe hope the market rents help defray the

00:24:15 --> 00:24:18: losses on, on the on the on the growth and

00:24:04 --> 00:24:08: operating expense. But if you don't have that market component

00:24:08 --> 00:24:11: to kind of cross your fingers and hope it works

00:24:11 --> 00:24:13: out, I think it's it can be, it can get

00:24:13 --> 00:24:17: serious really quickly on balancing operating expenses and revenue.

00:24:19 --> 00:24:19: Excellent.

00:24:20 --> 00:24:22: What do you comment or we'll go on to the

00:24:22 --> 00:24:22: next question.

00:24:25 --> 00:24:28: I I just want to say this is feedback that

00:24:28 --> 00:24:31: we we've definitely heard. So we'll we'll definitely take it

00:24:31 --> 00:24:34: into account as we work on the policy review.

00:24:35 --> 00:24:38: It is. It is challenging and I think one of

00:24:38 --> 00:24:40: the things in terms of this policy review that we

00:24:40 --> 00:24:43: won't be able to answer because it's only been two

00:24:43 --> 00:24:46: years. It's kind of what Andrew alluded to like us,

00:24:46 --> 00:24:49: we see cost going up. It's just whether or not

00:24:49 --> 00:24:53: these projects have been approved, whether or not they'll actually

00:24:53 --> 00:24:54: move forward. So we're.

00:24:54 --> 00:24:56: Definitely difference between instream and built right?

00:24:56 --> 00:25:00: Yeah. So we're definitely keeping an eye on that, again

00:25:00 --> 00:25:04: because our policies are our tenant assistance policy and zoning

00:25:05 --> 00:25:05: policy.

00:25:05 --> 00:25:08: They're so linked together that has major impacts on you

00:25:08 --> 00:25:11: know tenants who are kind of you know living an

00:25:11 --> 00:25:14: interim housing as we call it before they can move

00:25:14 --> 00:25:16: in. But as well as as well as you know

00:25:16 --> 00:25:19: the rezoning applicants who have come forward and are paying

00:25:19 --> 00:25:22: the rent top ups that's a that's a large expense.

00:25:22 --> 00:25:24: So we recognize that you know our policies have you

00:25:25 --> 00:25:27: know sort of a real impact and as we're looking

00:25:27 --> 00:25:30: at interest rates go up in construction costs go up,

00:25:30 --> 00:25:32: it does make us a bit nervous as to what

00:25:32 --> 00:25:35: is going to happen with these buildings that are in

00:25:35 --> 00:25:35: stream.

00:25:36 --> 00:25:38: And whether or not they will actually get built quickly.

00:25:39 --> 00:25:41: I think the policy review is important. I think these

00:25:41 --> 00:25:43: things, you know, in my 20s I thought I knew

00:25:43 --> 00:25:46: everything. And now I know the more I know every

00:25:46 --> 00:25:48: day, the the more I know I know nothing, right?

00:25:48 --> 00:25:50: And so I kind of go through as I work
00:25:50 --> 00:25:52: on projects, like every day I'm more and more humble.
00:25:52 --> 00:25:55: But you know, you you learn very quickly that things
00:25:55 --> 00:25:58: take unanticipated turns and flexibility is very important.
Which isn't
00:25:58 --> 00:26:01: to say you don't have principles or goals, but you
00:26:01 --> 00:26:03: need to recognize when when things are not kind of
00:26:03 --> 00:26:06: slotting into the boxes you thought they were going to,
00:26:06 --> 00:26:08: right. And so I think, you know, it's obvious to
00:26:08 --> 00:26:09: me as a as a.
00:26:09 --> 00:26:12: As a as an individual you know that the whole
00:26:12 --> 00:26:14: process of of change in Metro channel is quite traumatic
00:26:14 --> 00:26:17: for a lot of people right and and it's just
00:26:17 --> 00:26:19: in hindsight and even at the time I mean it
00:26:19 --> 00:26:21: was just way too much change in in in rental
00:26:21 --> 00:26:24: stock that was affordable because it was existing. It's like
00:26:24 --> 00:26:27: an old used car it's it's it's affordable right. And
00:26:27 --> 00:26:30: you know now those units were not in great shape
00:26:30 --> 00:26:32: so so that would have had been dealt with eventually
00:26:32 --> 00:26:35: that was not that was some of that housing was
00:26:35 --> 00:26:38: really barely only technically habitable right. But it was still
00:26:38 --> 00:26:39: housing people.
00:26:40 --> 00:26:42: And so, you know, I think the policy's reaction to
00:26:43 --> 00:26:46: that is kind of natural and understandable. And to my
00:26:46 --> 00:26:48: mind, it has two purposes. One would be to help
00:26:48 --> 00:26:51: put an immediate stop to some of those issues that
00:26:51 --> 00:26:55: were accelerating pretty rapidly in terms of just loss of
00:26:55 --> 00:26:55: stock.
00:26:56 --> 00:26:58: And then secondly, I think.
00:26:59 --> 00:27:01: Which as a force would be to kind of reduce
00:27:01 --> 00:27:04: rate of change, right, and to make it more difficult.
00:27:04 --> 00:27:07: But then I think longer term, the the rest of
00:27:07 --> 00:27:10: the policy needs to really facilitate construction of new rental
00:27:10 --> 00:27:13: housing and new long-term. Otherwise we're never going to
get
00:27:14 --> 00:27:16: out of that shortage, right. If we make it so
00:27:16 --> 00:27:19: hard to build anything that you can't build anything, well,
00:27:19 --> 00:27:21: the policy may actually be a net.
00:27:22 --> 00:27:24: Negative you know in in, in in in terms of
00:27:24 --> 00:27:27: you know doing nothing might have delivered more housing
in
00:27:27 --> 00:27:29: a sense. Right. So and and that's that's a difficult
00:27:30 --> 00:27:32: balance to make and you know I certainly applaud the

00:27:32 --> 00:27:34: city's attempts to to get it right and I think
 00:27:35 --> 00:27:37: you know they're close but the flexibility and the review
 00:27:37 --> 00:27:40: and and I think just an open mindedness. You know
 00:27:40 --> 00:27:43: if someone's coming in the door whether they're a nonprofit
 00:27:43 --> 00:27:45: or or a market developer saying hey here's a here's
 00:27:46 --> 00:27:49: a unique circumstance where the policy doesn't really work. I
 00:27:49 --> 00:27:51: don't think the way really any of us thought it
 00:27:51 --> 00:27:51: would.
 00:27:52 --> 00:27:55: Um, I think it's important that those conversations, those
 sites,
 00:27:55 --> 00:27:58: be able to move forward and get tested at Council.
 00:27:58 --> 00:28:01: And then ultimately it's a political decision that it is
 00:28:01 --> 00:28:03: what it is. But, you know, like I said, every
 00:28:03 --> 00:28:05: day I wake up, realize that I know less and
 00:28:05 --> 00:28:08: less. And so there's a I think sometimes as planners
 00:28:08 --> 00:28:11: we think we're too clever and it's just not how
 00:28:11 --> 00:28:12: the world works.
 00:28:13 --> 00:28:16: Great thing is you get to my age. You actually
 00:28:16 --> 00:28:19: know nothing. So you know it's a process. So that
 00:28:19 --> 00:28:23: your reward for that wonderful observation is you get the
 00:28:23 --> 00:28:26: next question. And you know and I think this is
 00:28:26 --> 00:28:29: really sort of focusing a little bit on what you
 00:28:29 --> 00:28:32: talked about, which is how does it play out.
 00:28:33 --> 00:28:38: For market developers, actual ability to deliver properties. So
 when
 00:28:38 --> 00:28:42: you have this type of mandated inclusionary policy on on
 00:28:42 --> 00:28:47: rental where there's a mandatory inclusion of in whatever
 framework
 00:28:47 --> 00:28:51: it has for existing resident existing tenants or for other
 00:28:51 --> 00:28:56: types of affordable units, how does that actually interact and
 00:28:56 --> 00:29:00: play out and affect your ability to deliver units doesn't
 00:29:00 --> 00:29:03: affect what type of buildings ones.
 00:29:03 --> 00:29:06: Looking for, I realize it's Starlight is mainly in in
 00:29:06 --> 00:29:08: the in the 100% rental space, but maybe if you
 00:29:08 --> 00:29:11: could also comment on on how this affects the rental
 00:29:11 --> 00:29:14: versus STRATA balance in terms of of the development
 pipeline
 00:29:14 --> 00:29:15: that'd be awesome.
 00:29:16 --> 00:29:18: Yeah, I can speak to that. So I mean, jumping
 00:29:18 --> 00:29:22: way backwards, I mean there's this whole development
 should pay
 00:29:22 --> 00:29:25: for growth kind of mindset, right, the cost of growth.
 00:29:25 --> 00:29:27: And so that's what you see in the DC program,

00:29:27 --> 00:29:29: right. Hey, we need to extend a new trunk main.

00:29:30 --> 00:29:33: It costs \$4 million. We notionally predict how much development

00:29:33 --> 00:29:35: will occur in that sector. We divide it by the

00:29:35 --> 00:29:38: number of units. It's 4 grand a unit, whatever. And

00:29:38 --> 00:29:40: I think but in the industry, we all know that's

00:29:41 --> 00:29:43: not really how it works. Development pays for cost of

00:29:43 --> 00:29:46: growth and then some, right? That's CAC amenity.

00:29:46 --> 00:29:50: Charges development has been subsidizing existing residents for decades in

00:29:50 --> 00:29:53: terms of goodies, rec centers, all sorts of things that

00:29:53 --> 00:29:57: are underfunded services that existing residents don't pay for. And

00:29:57 --> 00:30:00: it's a tax on newcomers. It's a tax on new

00:30:00 --> 00:30:03: development. It increases the cost of new housing.

00:30:03 --> 00:30:05: Is that right? Is it wrong? I don't know. It's

00:30:05 --> 00:30:09: a philosophical kind of argument more than anything. Similarly with

00:30:09 --> 00:30:11: when you look at inclusionary housing.

00:30:11 --> 00:30:14: Is that something that's purely the cost of new development

00:30:14 --> 00:30:17: because it increases the cost of housing. If someone, you

00:30:17 --> 00:30:19: know that if 20% of your units have to be

00:30:19 --> 00:30:21: sold at a loss, 80% of the other units go

00:30:21 --> 00:30:23: up in price. It's just the way it is. You

00:30:23 --> 00:30:26: squeeze the balloon, it's got to go somewhere. So you

00:30:26 --> 00:30:29: know, the extent to which that's something that should be

00:30:29 --> 00:30:32: entirely borne by new development, I think is a question

00:30:32 --> 00:30:35: that we've not really talked about enough. We've just kind

00:30:35 --> 00:30:37: of assumed the answer. I'd like to see, as we

00:30:37 --> 00:30:40: did decades ago, more involvement from the provincial and federal

00:30:40 --> 00:30:41: governments.

00:30:42 --> 00:30:45: We've seen some of that in terms of preferential financing.

00:30:45 --> 00:30:48: So the feds have stepped up with programs like MSI

00:30:48 --> 00:30:51: select on the rental side. I'm not as knowledgeable in

00:30:51 --> 00:30:54: strata side about how they hide that off the piece

00:30:54 --> 00:30:57: that is non condo that becomes rental. What they don't

00:30:57 --> 00:31:00: do is there's there's really no capital injections. So even

00:31:00 --> 00:31:04: after the preferential financing is usually an equity gap that

00:31:04 --> 00:31:07: needs to be filled by somebody typically the developer and

00:31:07 --> 00:31:10: that increases again the cost of the other house in

00:31:10 --> 00:31:11: their building.

00:31:12 --> 00:31:12: Umm.

00:31:13 --> 00:31:17: But I think flexibility would be the key. So when
00:31:17 --> 00:31:20: you when you've got a large site, an old car
00:31:20 --> 00:31:24: dealership, Dairyland plant, whatever you you can build your
condo
00:31:25 --> 00:31:28: towers, you can draw a box around a piece of
00:31:28 --> 00:31:31: dirt for A6 story, wood frame rental, pivot off. It's
00:31:32 --> 00:31:35: neat and tidy and it costs money, but it all
00:31:35 --> 00:31:36: works out often.
00:31:37 --> 00:31:39: And then I think when you get into a pure
00:31:40 --> 00:31:42: rental model like ours, you know, we just don't have
00:31:42 --> 00:31:45: the same returns as a condo developer. So if if
00:31:45 --> 00:31:48: a 20% metric was determined through economic analysis to
work
00:31:48 --> 00:31:51: for the condo model it, it doesn't really work for
00:31:51 --> 00:31:54: a pure rental model. It's quite, quite costly. And especially
00:31:54 --> 00:31:56: where we have, you know, we have a large infill
00:31:57 --> 00:31:59: project in Burnaby where we're also on the hook for
00:31:59 --> 00:32:02: significant building upgrades like I think we need to spend
00:32:02 --> 00:32:04: about 40 million bucks before we.
00:32:05 --> 00:32:07: You don't do a single thing on any new unit
00:32:07 --> 00:32:11: in terms of enabling works, utilities and seismic upgrades and
00:32:11 --> 00:32:14: all manner of, you know, code, standpipes, all sorts of
00:32:14 --> 00:32:15: good stuff.
00:32:16 --> 00:32:19: Umm, so those are additional costs we have to absorb
00:32:19 --> 00:32:21: as well and still do the 20% that the condo
00:32:22 --> 00:32:25: developer have to. So that's where depending on your
different
00:32:25 --> 00:32:29: revenue model things can get unrealistic and you know the
00:32:29 --> 00:32:32: the, the policy was not modeled for that, it was
00:32:32 --> 00:32:34: modeled for you know you have a large site.
00:32:35 --> 00:32:38: You're building condos and to that extent it kind of
00:32:38 --> 00:32:41: works. I think there's implementation details which Wendy, I
know
00:32:41 --> 00:32:45: you've talked about and you guys are living or breathing
00:32:45 --> 00:32:47: every day about how you get, you know your your
00:32:47 --> 00:32:50: matchmaking service between a nonprofit operators and so
on.
00:32:52 --> 00:32:54: But you know there are challenges and I think as
00:32:54 --> 00:32:58: interest rates have risen and have construction costs have
grown,
00:32:58 --> 00:33:01: those challenges have are biting even harder. Before it was
00:33:01 --> 00:33:02: just kind of procedural.
00:33:03 --> 00:33:05: Challenges and I think now we have about you know
00:33:05 --> 00:33:06: how do we get through this maze and now I

00:33:07 --> 00:33:09: think it's turning into real execution challenges and.

00:33:10 --> 00:33:13: I I hope the most of those units in stream

00:33:13 --> 00:33:14: execute and.

00:33:15 --> 00:33:18: Do you extent people have already invested time and money

00:33:18 --> 00:33:20: and they may try and see it through but there

00:33:20 --> 00:33:22: might be some where at the end of the day

00:33:22 --> 00:33:25: if conditions have changed and people cannot get their financing

00:33:25 --> 00:33:26: doesn't get built so.

00:33:29 --> 00:33:32: Wendy, maybe have you been sort of hearing different things

00:33:32 --> 00:33:36: from different parts of the development community on this sort

00:33:36 --> 00:33:36: of?

00:33:37 --> 00:33:40: Strata versus pure rental, you know, you talked a little

00:33:40 --> 00:33:43: bit about rental zoning and you also talked a little

00:33:43 --> 00:33:45: bit about the challenges with.

00:33:47 --> 00:33:50: Making the rental only work and why it seems to

00:33:50 --> 00:33:51: be mixed with STRATA?

00:33:52 --> 00:33:54: Yeah, we do know the the, you know, the pure

00:33:54 --> 00:33:58: rental model doesn't quite work with our density offset and

00:33:58 --> 00:34:01: that is one of the things that we are reviewing

00:34:01 --> 00:34:03: as part of our, of our part of our policy

00:34:03 --> 00:34:06: review. You know, we haven't really seen a lot of

00:34:06 --> 00:34:09: these projects come forward and I think when we were

00:34:10 --> 00:34:13: initially devising the policy and the density offset, it really

00:34:13 --> 00:34:16: was you know sort of thinking of the strata model

00:34:16 --> 00:34:20: and then they would have to do inclusionary rental. However

00:34:20 --> 00:34:23: when it's 100% market rental and they have to do.

00:34:23 --> 00:34:27: Inclusionary rental, we recognize that the economics of that are

00:34:27 --> 00:34:28: are really different.

00:34:29 --> 00:34:32: I should say that you know Burnaby has you know

00:34:32 --> 00:34:36: sort of recognized the the differences between STRATA and rental

00:34:36 --> 00:34:39: and you know like recently you know before we would

00:34:39 --> 00:34:42: we we would get a density bonus payment that was

00:34:42 --> 00:34:46: I guess really at strata values whether it was strata

00:34:46 --> 00:34:49: or rental and you know we have recently changed that

00:34:49 --> 00:34:52: to account that you know really if it's a rental

00:34:52 --> 00:34:56: project we the density bonus payment can't be the same

00:34:56 --> 00:34:59: as a strata project it really it it just.

00:34:59 --> 00:35:01: Doesn't work that way. So we have you know we

00:35:02 --> 00:35:05: we are changing our ways and trying to make these

00:35:05 --> 00:35:08: projects more feasible. But as part of this policy review
 00:35:08 --> 00:35:12: we will be kind of looking into the financial analysis
 00:35:12 --> 00:35:15: of like what type of density offset is you know
 00:35:15 --> 00:35:19: potentially needed to make inclusionary requirements work
 and 100% market

 00:35:19 --> 00:35:23: rental projects. And then we'll take it back to council
 00:35:23 --> 00:35:26: and see whether or not that's something that you know
 00:35:26 --> 00:35:28: that they that they want to support.
 00:35:30 --> 00:35:32: And I think the backwards of just big picture but
 00:35:32 --> 00:35:35: the issue of housing is you know going back to
 00:35:35 --> 00:35:38: the loss of rental old admittedly old rental rental around
 00:35:38 --> 00:35:41: Metrotown it's it's you know we and this isn't just
 00:35:41 --> 00:35:43: a Burnaby issue wherever we've you know as a region
 00:35:43 --> 00:35:46: lost rental housing we kind of get surprised but so
 00:35:46 --> 00:35:49: much of other region you know we only allow apartments
 00:35:49 --> 00:35:53: where apartments already exist so it's almost a foregone
 conclusion

 00:35:53 --> 00:35:55: we were going to lose apartments and none of us
 00:35:55 --> 00:35:58: should be shocked about it and so you know I
 00:35:58 --> 00:36:00: don't want to lose sight of the importance of.
 00:36:00 --> 00:36:03: Of adjusting the land use classifications in the OCP. Because
 00:36:03 --> 00:36:06: if this is if there's nowhere to build apartments except
 00:36:06 --> 00:36:10: where apartments already exist, guess what? The bulldozers
 are coming,

 00:36:10 --> 00:36:12: right? So and and it can't just be.
 00:36:13 --> 00:36:15: You know, in a, in a healthy housing market where
 00:36:15 --> 00:36:18: we had enough units, you could have this, you know,
 00:36:18 --> 00:36:20: like a like a life cycle evolution of a forest
 00:36:20 --> 00:36:22: is succession of species goes through. You can have the
 00:36:22 --> 00:36:25: oldest apartments fall off and the new ones come forward.
 00:36:25 --> 00:36:27: But we have such a shortage, we can't do that.
 00:36:27 --> 00:36:30: We really need to go into the single family neighborhoods
 00:36:30 --> 00:36:32: for new land, for apartments.
 00:36:32 --> 00:36:35: And I will thank Andrew for the plug because Burnaby,
 00:36:35 --> 00:36:38: yeah, I should say rent 2 zoning policies really only
 00:36:38 --> 00:36:40: one aspect of the work that we're doing on rental.
 00:36:40 --> 00:36:43: We have our housing choices program which is underway.
 00:36:43 --> 00:36:46: Which is, you know, looking at laneway housing, I know
 00:36:46 --> 00:36:49: barnaby's a little bit late to the party on that,
 00:36:49 --> 00:36:52: but rolling it into laneway housing, more of the other
 00:36:52 --> 00:36:55: sort of missing middle housing forms as well as we
 00:36:55 --> 00:36:58: are updating our official community plan. So that is all
 00:36:58 --> 00:37:02: under consideration. So we're we're trying to make up for

00:37:02 --> 00:37:04: you know, the, I guess, yeah, we were really late
 00:37:04 --> 00:37:07: to some of the things. So we're trying to make
 00:37:07 --> 00:37:10: up time by doing sort of all this work now.
 00:37:10 --> 00:37:12: So we will be coming out to engage all of
 00:37:12 --> 00:37:13: you shortly.
 00:37:13 --> 00:37:16: City of Burnaby is coming for you and I'm going
 00:37:16 --> 00:37:19: to take this topic and and bring it back to
 00:37:19 --> 00:37:21: you a little bit. And I know you mentioned a
 00:37:21 --> 00:37:25: little bit the challenges with different types of buildings. Is
 00:37:25 --> 00:37:29: there a difference between being the manager of affordable
 units
 00:37:29 --> 00:37:32: in a market rental building versus in a strata building?
 00:37:32 --> 00:37:35: Like does that make a difference at your end whether
 00:37:35 --> 00:37:38: or not you're dealing with renters or strata where where
 00:37:39 --> 00:37:41: you're still in a in a mixed market, non market
 00:37:41 --> 00:37:42: building?
 00:37:43 --> 00:37:46: It, it does in a way that when when you're
 00:37:46 --> 00:37:49: dealing with a strata there is the the strata bylaws
 00:37:49 --> 00:37:51: which which in in a way it gives us an
 00:37:51 --> 00:37:52: ability to actually.
 00:37:54 --> 00:37:54: Problem.
 00:37:55 --> 00:37:56: Come up or or.
 00:37:56 --> 00:37:59: Work with us, try that to come up with bylaws,
 00:37:59 --> 00:38:02: rules and regulations for our renters to follow and it's
 00:38:02 --> 00:38:05: really easy for us to say, well you are in
 00:38:05 --> 00:38:07: a in a strata building you have to abide by
 00:38:07 --> 00:38:11: the strata bylaws as well as the Residential Tenancy act.
 00:38:11 --> 00:38:14: In a in a purely rental building we only have
 00:38:14 --> 00:38:17: the Residential Tenancy Act to go to go after. So
 00:38:17 --> 00:38:19: I a simple example is you know you you drove
 00:38:20 --> 00:38:23: off before the parking gate closes, Estrada would find you
 00:38:23 --> 00:38:24: \$200.00 because.
 00:38:24 --> 00:38:28: Somebody snuck in behind you where in a rental building,
 00:38:28 --> 00:38:30: we don't have the ability to do that. So it's
 00:38:30 --> 00:38:33: it actually makes it a little easier to manage in
 00:38:33 --> 00:38:36: a strata building. But on the other side it makes
 00:38:36 --> 00:38:39: it a little more complex where you have a strata
 00:38:39 --> 00:38:42: Council you have to deal with. And a lot of
 00:38:42 --> 00:38:45: times if you have a rental block or affordable rental
 00:38:45 --> 00:38:49: block within the Strata Council, you don't actually get a
 00:38:49 --> 00:38:51: vote. So you have to abide to to go with
 00:38:51 --> 00:38:54: whatever strata decides if they want to.

00:38:54 --> 00:38:58: Paint the building gold and our special assessment out of
00:38:58 --> 00:39:01: that is \$1,000,000. We don't have a say whether we
00:39:01 --> 00:39:03: we want it or not. So you know it. It's
00:39:03 --> 00:39:06: a double edged sword for sure. Going into a building
00:39:06 --> 00:39:09: we have to look at all of those things to
00:39:09 --> 00:39:12: make sure that how is that going to impact us.
00:39:12 --> 00:39:14: What's the, you know a lot of it.
00:39:14 --> 00:39:18: What is the operational you know impact and the financial
00:39:18 --> 00:39:22: impact that have that that the financial impact is a
00:39:22 --> 00:39:26: lot, a lot to deal with because we're the ones
00:39:26 --> 00:39:29: who are going to be operating those units for the
00:39:29 --> 00:39:33: next 60 years or so. And like Andrew alluded to,
00:39:33 --> 00:39:36: we have a cap on our revenue stream, our rent,
00:39:36 --> 00:39:40: our our fixed even if with tenant turnover we this
00:39:40 --> 00:39:42: is our as as much money as we can make
00:39:43 --> 00:39:44: with the increase in costs.
00:39:45 --> 00:39:47: And you know, shocks to the system that we can
00:39:48 --> 00:39:52: see, you know the financial sustainability is, is really, really
00:39:52 --> 00:39:55: key here. So having control over our expenses and not
00:39:55 --> 00:39:58: having a strata council that may decide to.
00:39:59 --> 00:40:01: Do a capital upgrades for whatever reason and you know
00:40:02 --> 00:40:05: give us a special assessment would actually be beneficial to
00:40:05 --> 00:40:06: us to have more control over that.
00:40:07 --> 00:40:10: Like here's here's a great direct example and this isn't
00:40:10 --> 00:40:13: a mixed strata rental, but you know, we've all heard
00:40:13 --> 00:40:16: headlines over the past two, two years maybe slightly more
00:40:16 --> 00:40:20: about a growth in strata insurance premiums and then the
00:40:20 --> 00:40:23: stratas then emptying the reserve funds to pay for it
00:40:23 --> 00:40:26: initially and then like adding \$200.00 a unit per month
00:40:26 --> 00:40:29: in fees or or whatever the number might be.
00:40:29 --> 00:40:32: OK. Well those insurance costs are also now occurring in
00:40:32 --> 00:40:34: the the cost growth is down also occurring in rental.
00:40:34 --> 00:40:37: There was a slight lag but it but it's happening
00:40:37 --> 00:40:39: now. So what does Ahmed do he can't increase his
00:40:39 --> 00:40:40: rents 200 a month at door?
00:40:41 --> 00:40:43: He now has a \$200.00 per month per unit hole
00:40:44 --> 00:40:47: in the budget. He's legally prohibited from raising rents. What
00:40:47 --> 00:40:50: does he cut? They're already pretty lean operations. And so,
00:40:50 --> 00:40:52: I mean, this is where, like, we really need to
00:40:52 --> 00:40:55: grapple with this because this is not going to work
00:40:55 --> 00:40:56: long term, you know?
00:40:56 --> 00:41:01: Even further Andrew, so with that insurance our our

deductible

00:41:01 --> 00:41:04: for for our insurance when from \$5000 to 30,000.

00:41:04 --> 00:41:07: Dollars. That's a load inducible. Still.

00:41:07 --> 00:41:10: Relatively low compared to STRATA, but, but.

00:41:11 --> 00:41:15: So imagine. Imagine somebody left the bathtub running and they

00:41:15 --> 00:41:18: flooded their unit. And five units below that. It happens

00:41:18 --> 00:41:21: on a on an average, two or three times a

00:41:21 --> 00:41:24: year. It used to cost us 15,000. Now it costs

00:41:24 --> 00:41:24: us 90,000.

00:41:25 --> 00:41:29: And our our tenants are low income people if we

00:41:29 --> 00:41:33: give them that bill for \$30,000 for a deductible because

00:41:33 --> 00:41:38: they caused them the the flood they're bankrupt. So that

00:41:38 --> 00:41:42: ensure goes way beyond what what what just the the

00:41:42 --> 00:41:44: you know the regular cost is.

00:41:45 --> 00:41:48: Painting ourselves into a corner here where it feels good

00:41:48 --> 00:41:52: because we're providing affordable housing, but the the administrative balance

00:41:52 --> 00:41:55: between operating cost and revenue is going to break.

00:41:55 --> 00:41:58: And it's going to happen in about 10 years or

00:41:58 --> 00:42:01: sooner. And then are we creating slums for the next

00:42:01 --> 00:42:01: 30 years like?

00:42:03 --> 00:42:06: There needs to be something to you know, if if

00:42:06 --> 00:42:09: Ahmed has a building that's suddenly losing.

00:42:10 --> 00:42:13: In absolute terms, losing money every month. I mean just

00:42:13 --> 00:42:15: it just can't go on forever. The building is going

00:42:15 --> 00:42:18: to be liquidated and then, you know, the courts will

00:42:18 --> 00:42:19: have to sort it out, right?

00:42:20 --> 00:42:23: So I want to go back to one word that.

00:42:24 --> 00:42:27: Flexibility. So from a from a city perspective and a

00:42:27 --> 00:42:31: policy perspective, we want to see flexibility. So 1015 years

00:42:31 --> 00:42:34: down the road, if things don't pan out the way

00:42:34 --> 00:42:37: we imagine that they would and they probably won't, there

00:42:37 --> 00:42:40: is some flexibility to go back to the drawing board

00:42:40 --> 00:42:43: to adjust the housing agreement to adjust the revenue model

00:42:43 --> 00:42:46: or the OR the expense model, whatever the case may

00:42:46 --> 00:42:49: be. Nobody has a crystal ball. This agreement is supposed

00:42:49 --> 00:42:51: to be in perpetuity but.

00:42:52 --> 00:42:54: The reality is that we're going to need to visit

00:42:54 --> 00:42:58: that housing agreement that's registered on title sometime in the

00:42:58 --> 00:43:01: future that, you know, just to make it, you know,

00:43:01 --> 00:43:03: sustainable in the long term.

00:43:04 --> 00:43:07: So I'm going to be a little attentive to time

00:43:07 --> 00:43:10: here and because I want to make sure we both

00:43:10 --> 00:43:13: Andrew and Ahmed get in a quick chance to make

00:43:13 --> 00:43:16: a plug to the City of Burnaby for best practices

00:43:16 --> 00:43:20: or changes that they should make. So Amanda, Andrew really

00:43:20 --> 00:43:24: quickly and succinctly, you know, one to three best practices

00:43:24 --> 00:43:28: or changes that you think would would be most helpful

00:43:28 --> 00:43:31: in aligning the objectives that the city has with the

00:43:31 --> 00:43:33: reality on the ground.

00:43:35 --> 00:43:39: Have 111 really important one and and I'm going to

00:43:39 --> 00:43:42: leave it at that, so that the income threshold and

00:43:42 --> 00:43:46: the, you know the qualifications for people going into those

00:43:46 --> 00:43:48: affordable housing units.

00:43:50 --> 00:43:54: Noting that the the gap between the high end of

00:43:54 --> 00:43:57: that you know 80% of the median rents to the

00:43:57 --> 00:44:01: full market rents is huge. If if 80% like 4-4

00:44:01 --> 00:44:05: one bedroom is 80% of Mr is around \$1200 and

00:44:05 --> 00:44:08: a one bedroom in a in in the market rentals

00:44:08 --> 00:44:12: renting for 80 to \$2000. That gap is is very

00:44:12 --> 00:44:17: large for somebody that their income just surpassed the

00:44:17 --> 00:44:20: threshold

00:44:17 --> 00:44:20: and now they have to find the market.

00:44:21 --> 00:44:25: Unit, there are probably that that difference between the two

00:44:25 --> 00:44:29: will probably eat up any increase that they had in

00:44:29 --> 00:44:34: their in their income. So recognizing that there seems to

00:44:34 --> 00:44:39: be a slight more flexibility required before somebody has to

00:44:39 --> 00:44:43: vacate their you know affordable unit good to go into

00:44:43 --> 00:44:47: market or there seems to be a need for another

00:44:47 --> 00:44:51: type of affordable units between what is currently.

00:44:51 --> 00:44:53: Being proposed and the full market.

00:44:54 --> 00:44:55: OK, Andrew.

00:44:57 --> 00:44:59: Yeah, I mean that that's a great point. Like we've

00:44:59 --> 00:45:02: learned, you know that provincial and federal scales that

00:45:02 --> 00:45:03: benefit

00:45:02 --> 00:45:03: shouldn't end when you are in 1 penny past the

00:45:03 --> 00:45:06: point, right. It's just not a productive way to run.

00:45:06 --> 00:45:08: You know, it creates weird incentives around income and

00:45:08 --> 00:45:09: stuff.

00:45:08 --> 00:45:09: So that's I think a great one.

00:45:11 --> 00:45:13: I think I think staff are doing a great job.

00:45:13 --> 00:45:16: I know you're all trying very hard to to navigate

00:45:16 --> 00:45:19: the complex environment and and then the political decision

00:45:19 --> 00:45:22: making

00:45:22 --> 00:45:24: is a whole other process that of course you can't

00:45:24 --> 00:45:27: control. So I think I think it's a difficult environment

00:45:27 --> 00:45:29: to operate in and I I think you're doing a

00:45:29 --> 00:45:32: good job given all of that I would just encourage

00:45:32 --> 00:45:34: you to keep considering and it sounds like this review

00:45:34 --> 00:45:37: will wrap up some of that the flexibility just think

00:45:37 --> 00:45:40: of of situations where because we can never think of

00:45:40 --> 00:45:41: anything or everything rather and and different sites always

00:45:41 --> 00:45:44: have

00:45:44 --> 00:45:46: unique.

00:45:46 --> 00:45:50: Instances which you know may be able to comply with

00:45:50 --> 00:45:54: the policy and spirit if not letter or or an

00:45:54 --> 00:45:57: alternate means of compliance and we'll still achieving you

00:45:57 --> 00:46:00: know

00:46:00 --> 00:46:03: overall objectives and thinking again at different scale. So

00:46:03 --> 00:46:06: you

00:46:06 --> 00:46:09: know how does the policy impact a large master plan

00:46:09 --> 00:46:11: site where you're landing 9 towers versus a single piece

00:46:11 --> 00:46:14: of dirt where you have one tower, right. I think

00:46:14 --> 00:46:17: I don't think it's the case that you can necessarily

00:46:17 --> 00:46:18: achieve the same quantum of percentage of whatever in both

00:46:18 --> 00:46:20: of those, they just have a different.

00:46:20 --> 00:46:23: Ability even though like I don't think it'll be a

00:46:23 --> 00:46:26: straight ratio necessarily and and the same thing with with

00:46:26 --> 00:46:28: tenure strata versus.

00:46:28 --> 00:46:32: OK, excellent. Thank you very much. When did you want

00:46:32 --> 00:46:36: to quickly respond to those before we try to fit

00:46:36 --> 00:46:39: in some questions from the floor?

00:46:39 --> 00:46:42: Just that I've I've noted them down and it's definitely

00:46:42 --> 00:46:46: something, yeah we'll definitely have to think through I think

00:46:46 --> 00:46:49: especially on the income testing bit as we're working on

00:46:49 --> 00:46:53: housing agreements it's it's really come to light that it

00:46:53 --> 00:46:56: is challenging. So it's definitely something that we'll have

00:46:56 --> 00:46:59: to we'll you know we'll get feedback from nonprofits as

00:46:59 --> 00:47:00: we do that engagement but it's something that we'll have

00:47:00 --> 00:47:02: to think about further in terms of what we're really

00:47:02 --> 00:47:04: trying to achieve is it you know people who can

00:47:04 --> 00:47:07: remain in these.

00:47:07 --> 00:47:10: And it's, you know, for as long as they want

00:47:10 --> 00:47:12: no matter what their income is or is it really

00:47:12 --> 00:47:14: geared for people at a certain income. And if you're

00:47:14 --> 00:47:16: slightly over you may have to leave. So that's definitely

00:47:10 --> 00:47:13: something we'll have to, we'll have to think about in
00:47:13 --> 00:47:15: terms of what our, you know, our core values are
00:47:15 --> 00:47:17: in terms of these policies.
00:47:18 --> 00:47:21: Right. I'm, I'm going to take some of the questions
00:47:21 --> 00:47:24: that have come in from the audience. So the first
00:47:24 --> 00:47:27: question I had to do with a bullet point in
00:47:27 --> 00:47:30: one of your slides, Wendy, which was on the minimum
00:47:30 --> 00:47:33: unit size and whether or not the city is looking
00:47:33 --> 00:47:37: to increase the minimum unit size or decrease the minimum
00:47:37 --> 00:47:39: unit size. And let me throw in on that whether
00:47:39 --> 00:47:42: or not you're thinking about a full sort of menu
00:47:42 --> 00:47:46: of percentages of given bedroom size, number of bedrooms
00:47:46 --> 00:47:48: and
00:47:46 --> 00:47:48: sizes and sort of the whole like.
00:47:48 --> 00:47:52: Planning out the the internal dynamics and architecture.
00:47:54 --> 00:47:57: I think what we've heard from from mayor and Council
00:47:57 --> 00:48:00: so far has been looking at increasing minimum unit sizes
00:48:00 --> 00:48:03: for rental. So as part of the Rent 2 zoning
00:48:03 --> 00:48:06: policy, the city did decrease the minimum unit size for
00:48:06 --> 00:48:10: rentals. You know, again sort of recognizing the economics
00:48:10 --> 00:48:14: of
00:48:10 --> 00:48:14: rental development wanting to make sure that they're
00:48:14 --> 00:48:16: feasible. However,
00:48:14 --> 00:48:16: I think as Council is trying to see some of
00:48:16 --> 00:48:20: these, you know these smaller units, you know 300
00:48:20 --> 00:48:22: something
00:48:20 --> 00:48:22: square feet and you know in terms of studios I
00:48:22 --> 00:48:26: think they're starting to get concerned about livability.
00:48:26 --> 00:48:29: So they've directed staff to to take a look really
00:48:29 --> 00:48:32: at, you know, how do we compare it to other
00:48:32 --> 00:48:34: places in the region.
00:48:35 --> 00:48:39: Should we be looking at livability requirements and maybe
00:48:39 --> 00:48:42: not
00:48:39 --> 00:48:42: just a minimum unit size, but maybe there's certain criteria
00:48:42 --> 00:48:45: that should go in there, maybe there's design guidelines. So
00:48:45 --> 00:48:48: it is the whole gamut of of things that you
00:48:48 --> 00:48:50: know that we're going to be looking at. But also
00:48:50 --> 00:48:53: we are having some financial analysis done on that as
00:48:53 --> 00:48:55: well in terms of if we were to require a
00:48:56 --> 00:48:59: larger unit minimum unit size for rental, what does that
00:48:59 --> 00:49:02: actually mean in terms of the density offset that we're
00:49:02 --> 00:49:04: providing? Because when we did it, it was based on
00:49:04 --> 00:49:07: rental units being smaller than strategy.

00:49:08 --> 00:49:10: So we will be looking at at all of it
00:49:10 --> 00:49:12: including potentially.
00:49:12 --> 00:49:15: You know, sort of how you would lay out one
00:49:15 --> 00:49:18: of these units and if there's any livability considerations that
00:49:18 --> 00:49:21: you know, could become best practices or guidelines in terms
00:49:21 --> 00:49:24: of, you know, sort of moving forward on what these
00:49:24 --> 00:49:25: units would look like?
00:49:26 --> 00:49:29: I didn't see the discussion at Council, but I saw
00:49:29 --> 00:49:32: some quotes and meeting. It sounded to me like the
00:49:32 --> 00:49:36: concern was really just with the studios, because I think
00:49:36 --> 00:49:39: the minimum for A2 bed is 700. Is that what
00:49:39 --> 00:49:41: it is? Which is fine. I mean, I was in
00:49:41 --> 00:49:42: A2 bed, 2 bath.
00:49:42 --> 00:49:45: Condo for of 640 square feet for years. And it
00:49:45 --> 00:49:49: was, you know, not palatial, but it was livable enough.
00:49:49 --> 00:49:52: So it seemed that the discomfort was really at the
00:49:52 --> 00:49:53: low end.
00:49:53 --> 00:49:54: And.
00:49:54 --> 00:49:57: I mean, I think there's kind of a just, it's
00:49:57 --> 00:49:59: tough. I mean are you going to have a family
00:49:59 --> 00:50:01: of four in there? I hope not, right? But it's,
00:50:01 --> 00:50:04: it's, it's a house, it's a home, it gets built,
00:50:04 --> 00:50:04: it gets lived in.
00:50:07 --> 00:50:10: You know you don't need to store your lawn mower
00:50:10 --> 00:50:12: in there, right? Like it's there's there might be a
00:50:12 --> 00:50:15: disconnect, maybe a generational disconnect between the
00:50:15 --> 00:50:17: needs of people
00:50:17 --> 00:50:18: who need the housing and and decision makers there a
00:50:18 --> 00:50:18: little bit. But it's.
00:50:19 --> 00:50:21: Yeah and I think it does come back like this
00:50:21 --> 00:50:24: come from feedback from tenants as well. You know they're
00:50:24 --> 00:50:27: they're used to some of the older rental buildings which
00:50:27 --> 00:50:30: were you know much larger units and even though you
00:50:30 --> 00:50:31: know they are going.
00:50:31 --> 00:50:33: To be a shock in a rental replacement scenario, I
00:50:33 --> 00:50:34: understand.
00:50:34 --> 00:50:36: Yeah. So I think that's part of where you know,
00:50:36 --> 00:50:37: this has come up as well as.
00:50:37 --> 00:50:40: Just I think the expectations of you know what they
00:50:40 --> 00:50:43: can expect from going from you know their previous unit
00:50:43 --> 00:50:46: to their new unit and just the size differential. So

00:50:46 --> 00:50:48: again part of it is you know sort of tempering
 00:50:48 --> 00:50:51: expectations but we'll you know we'll do the research and
 00:50:51 --> 00:50:53: and figure out sort of how we're going to be
 00:50:54 --> 00:50:56: aligns. You know we may not be that you know
 00:50:56 --> 00:50:59: sort of different from other municipalities in the Lower
 mainland
 00:50:59 --> 00:51:02: in terms of what we require, I don't think we
 00:51:02 --> 00:51:04: would be but but we'll go do the research and
 00:51:04 --> 00:51:07: we'll report back to Council and and let them know
 00:51:07 --> 00:51:08: our recommendations.
 00:51:08 --> 00:51:11: After we do all the financial analysis that comes along
 00:51:11 --> 00:51:12: with that.
 00:51:13 --> 00:51:16: Right. The next question is about whether or not the
 00:51:16 --> 00:51:20: developer can transfer affordable rental density from one site
 to
 00:51:20 --> 00:51:24: another, so you essentially have, you know, affordable
 TDR's.
 00:51:25 --> 00:51:27: I'll give you the development community's answer, and then
 Wendy
 00:51:27 --> 00:51:27: will give you the.
 00:51:29 --> 00:51:32: Why don't we let Wendy go first? Because. I asked.
 00:51:32 --> 00:51:33: Her.
 00:51:34 --> 00:51:36: Felt for a minute I missed the question.
 00:51:36 --> 00:51:40: Transferable development, affordable transferable
 development rights. So can they. Can
 00:51:40 --> 00:51:42: you transfer affordable rental density from one side to the
 00:51:42 --> 00:51:45: other? And then Andrew will tell you what it actually.
 00:51:45 --> 00:51:45: Happens.
 00:51:47 --> 00:51:50: The answer is yes, uh, you can, but I think
 00:51:50 --> 00:51:54: in the past we have required that they be built
 00:51:54 --> 00:51:55: first.
 00:51:56 --> 00:51:58: So again, you would have to, you can do it,
 00:51:58 --> 00:52:01: but we would want the affordable housing you know sort
 00:52:01 --> 00:52:04: of provided to provided you know I guess provided to
 00:52:04 --> 00:52:07: the city first or not, I shouldn't say provided to
 00:52:07 --> 00:52:10: say because you actually have to provide the city, you
 00:52:10 --> 00:52:13: have to build it first and there's no occupancy on
 00:52:13 --> 00:52:16: your strata or your market rental component until the
 affordable
 00:52:16 --> 00:52:18: housing component is completed.
 00:52:19 --> 00:52:20: Andrew.
 00:52:22 --> 00:52:24: It's been complications around.
 00:52:25 --> 00:52:28: Neighborhoods as well. So there's there's there's limits on
 where

00:52:28 --> 00:52:31: it can be which so pretty much, unless it's going
00:52:31 --> 00:52:35: across the street effectively, no you can't transfer it in.
00:52:35 --> 00:52:37: In the city of Burnaby it's people have tried and
00:52:37 --> 00:52:41: it's very occasionally worked out, but generally speaking it's
not
00:52:41 --> 00:52:42: possible.
00:52:42 --> 00:52:44: So it sounds like your your destination there's not a
00:52:44 --> 00:52:46: broad enough set of destination zones.
00:52:47 --> 00:52:50: Yeah. Well, it's it's more than that. It's I believe
00:52:50 --> 00:52:53: it's Council's view that building this that let's say as
00:52:53 --> 00:52:55: an example the condo component and.
00:52:55 --> 00:52:59: The neighborhood and moving the affordable rental
component to another
00:52:59 --> 00:53:02: neighborhood where you have to have a piece of land
00:53:02 --> 00:53:03: runs counter to their.
00:53:05 --> 00:53:08: Sense of housing goals. So more often than not, it's
00:53:08 --> 00:53:10: not a viable path. The transfer.
00:53:11 --> 00:53:13: We do want to see the housing sort of especially
00:53:13 --> 00:53:16: if there are people coming back, if there are tenants
00:53:16 --> 00:53:18: who are coming back. You know, one of the, one
00:53:18 --> 00:53:20: of the things that, you know, we prioritize is that
00:53:20 --> 00:53:23: they move back into the same neighborhood. So Andrew is
00:53:23 --> 00:53:26: correct. We do kind of, you know, really want it
00:53:26 --> 00:53:27: to be as close to the site as possible.
00:53:29 --> 00:53:34: Alright, let's wrap up with each of our wonderful participants
00:53:34 --> 00:53:37: getting a a brief one line.
00:53:38 --> 00:53:42: You know, point that you want to make. There's one
00:53:42 --> 00:53:45: thing to communicate to each other and to the ULI
00:53:45 --> 00:53:48: audience in this sphere. What would it be? And we
00:53:48 --> 00:53:49: will start with Amit.
00:53:50 --> 00:53:53: I'm sorry, Sir, I you cut out a little bit.
00:53:53 --> 00:53:54: I'm sorry I didn't.
00:53:54 --> 00:53:56: Hear, I'm sorry about that.
00:53:57 --> 00:54:00: I with my end what I'm giving you each a
00:54:00 --> 00:54:03: chance to do a quick little book one, but one
00:54:03 --> 00:54:07: final bullet point that you'd like to communicate to each
00:54:07 --> 00:54:10: other and to the UI audience as it relates to
00:54:10 --> 00:54:14: inclusionary zoning type policies as we see in Burnaby.
00:54:17 --> 00:54:20: Yeah, sure. SO1 bullet point and I think it, it
00:54:20 --> 00:54:25: got mentioned already, but recognizing that Metro Vancouver
or the
00:54:25 --> 00:54:28: Lower Mainland is kind of 1 Big city yet, each
00:54:29 --> 00:54:33: municipality is taking their own approach on how they can

00:54:33 --> 00:54:38: tackle the affordable housing after many declared it a provincial

00:54:38 --> 00:54:40: issue or a federal issue, so.

00:54:42 --> 00:54:45: Keep keep in mind what's going on in the other

00:54:45 --> 00:54:49: municipalities if if local governments can actually.

00:54:49 --> 00:54:53: Put their heads together and come up with a sweeping

00:54:53 --> 00:54:57: policy across the region. It would make lives easier for,

00:54:57 --> 00:55:01: I think, developers. I'm speaking on their behalf for nonprofits

00:55:01 --> 00:55:05: and maybe even for end users of of the housing.

00:55:05 --> 00:55:08: I know it's a it's a far fetched thought, but,

00:55:08 --> 00:55:09: you know, just.

00:55:10 --> 00:55:13: That that's why I'm what I'm going to leave with

00:55:13 --> 00:55:17: otherwise the faster we can build it the the better.

00:55:17 --> 00:55:21: You know the the the biggest hurdle of developing housing

00:55:21 --> 00:55:24: is how long it takes and the the longer it

00:55:24 --> 00:55:28: takes the more expensive it becomes. And while everybody's waiting

00:55:29 --> 00:55:32: for the housing the housing crisis to be solved so.

00:55:33 --> 00:55:35: Drew one minute, Max.

00:55:36 --> 00:55:38: Yeah. Well, as I said, I think as planners we,

00:55:38 --> 00:55:41: we think we're all very clever and I think more

00:55:41 --> 00:55:44: often than that we're not. So you know the answer

00:55:44 --> 00:55:44: to.

00:55:44 --> 00:55:49: Operating in an increasingly complex regulatory and development environment isn't

00:55:49 --> 00:55:52: ever ratcheting up complexity. You know instead of rules getting

00:55:52 --> 00:55:55: ever more specific every six months I I I think

00:55:55 --> 00:55:58: it's inevitable path to failure and we're seeing that starting

00:55:58 --> 00:56:01: to bite now and and break down kind of socially

00:56:01 --> 00:56:03: a bit right. I think the answer is flexibility. I

00:56:04 --> 00:56:06: think we need to ratchet down complexity. We need to

00:56:06 --> 00:56:09: run away from complexity and simplify and and and make

00:56:09 --> 00:56:12: regulation more flexible and and really take a kind of

00:56:12 --> 00:56:15: common sense approach to you know does project.

00:56:15 --> 00:56:18: Next, meet generally, meet our objectives. You know, never mind,

00:56:19 --> 00:56:19: you know.

00:56:20 --> 00:56:22: Is the number off by 1% or 2%? And I

00:56:22 --> 00:56:26: I think chasing increasing levels of complexity is is not

00:56:26 --> 00:56:29: is not working and will continue to not work.

00:56:30 --> 00:56:31: Excellent, Wendy.

00:56:33 --> 00:56:36: I would say policy making is hard, it's never perfect,

00:56:36 --> 00:56:39: but we're trying and part of this policy review is
00:56:39 --> 00:56:42: we will be, we will be getting feedback from all
00:56:42 --> 00:56:45: the different stakeholders. So we are trying to make it,
00:56:45 --> 00:56:49: you know, more streamlined, more efficient and just reduce
the
00:56:49 --> 00:56:52: complexity to, you know, a staff we have to implement
00:56:52 --> 00:56:54: it as well. So we hear it first hand and
00:56:54 --> 00:56:57: we know we wanted to be easy as well. So
00:56:57 --> 00:57:00: I think we're we are working towards common goals here.
00:57:00 --> 00:57:03: So we're hoping that this next iteration.
00:57:03 --> 00:57:05: So we'll kind of get us closer towards that.
00:57:06 --> 00:57:09: Excellent. Thank you very much. I'm going to turn it
00:57:09 --> 00:57:12: back over to Shannon and USLI central along with Katrina
00:57:12 --> 00:57:15: and Robin to just sort of wrap up here.
00:57:16 --> 00:57:18: Great. Thank you, Sir. I'll. I'll.
00:57:18 --> 00:57:20: Pass it over to Robin and Katrina because they were
00:57:20 --> 00:57:23: the organizers of this event. But thank you all for
00:57:23 --> 00:57:24: for your time today.
00:57:26 --> 00:57:29: Thanks everyone. I think we just want to first and
00:57:29 --> 00:57:32: foremost thank our our moderator and panelists and for your
00:57:32 --> 00:57:35: participation and really excellent discussion as well as our
audience
00:57:35 --> 00:57:38: for logging on with us today and asking some wonderful
00:57:38 --> 00:57:38: questions.
00:57:39 --> 00:57:43: So thanks everyone for supporting you Li in this event
00:57:43 --> 00:57:45: and we hope you have a wonderful rest of your
00:57:45 --> 00:57:46: afternoon.
00:57:47 --> 00:57:49: And thank you, Burnaby, for doing a policy review. We
00:57:49 --> 00:57:50: really appreciate that.
00:57:52 --> 00:57:53: Thank you everyone.
00:57:53 --> 00:57:54: Thanks everyone.
00:57:56 --> 00:57:56: Aye.

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