



**URBAN DEVELOPMENT INSTITUTE – PACIFIC REGION**

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Ed Kozak  
Assistant Director of Current Planning,  
City of Burnaby  
4949 Canada Way  
Burnaby, BC V5G 1M2

***Re: Rental Replacement and Implementation of a Rental Zoning Bylaw  
Council Motion***

Dear Mr. Kozak:

I would like to thank you for organizing the September 4, 2018 meeting with City of Burnaby officials, BC Housing staff, and Urban Development Institute (UDI) members to discuss the recent Council motion regarding the rental replacement and the implementation of a *Rental Zoning Bylaw*. We appreciated your recognition about the impact that the recent change in policy and the subsequent delays to development projects are having on our membership. As you know, Burnaby has a positive reputation as a good place to do business because of the consistency of its policies and their application.

UDI understands the need the City has to address affordable housing – particularly rental replacement – especially when senior governments are making affordable housing a priority. We are keen to work with Burnaby to develop a balanced and flexible policy that achieves the objectives of Council, while finding workable solutions for our members.

It was evident from the BC Housing presentation at the meeting that outside of financing, few projects will benefit from their programs. No more proposals are currently being accepted for the *Women's Transition Housing and Supports Program*, and the *Community Housing Fund* which are the primary sources of funding from BC Housing for affordable units. The other programs offered by BC Housing will not likely meet Council's rental replacement objectives for local displaced tenants.

As discussed at the meeting, modifications to the permitted densities on sites will be the key vehicle to meet the affordability and rental replacement goals of Council. The City may wish to explore the density incentives Coquitlam is offering for rental units under their [Housing Affordability Strategy](#). The delivery of rental and affordable rental density is additive and incentivized. The more rental and density a developer seeks, the more affordable the rental units have to be, as there is a sliding scale approach.

A flexible policy will also be important because solutions will vary site to site. We encourage the City to continue to explore numerous approaches to delivering rental replacement housing. This includes options such as:

- Allowing developers to retain ownership of the affordable units as is permitted in Richmond;
- For sites, where density increases are not possible, reducing the density bonus CAC payments;
- For sites in urban areas where additional height is acceptable and feasible, allow a density increase beyond current limits in exchange for providing rental housing.
- Develop an approach to utilize the City's Housing Fund (which receives developer contributions through the Community Benefit Bonus Policy) based on mutually agreeable criteria to apply to any site;
- Allow developers to transfer or aggregate affordable housing requirements amongst themselves; and
- Taking a district-wide approach, so 1:1 replacement of rental units is not required on a site-by-site basis.
- Considering a phasing in/grandfathering approach for this new policy for sites where a developer has purchased the property prior to the rental replacement policy coming into effect

UDI recognizes that the City needs time to develop a balanced policy. However, we do encourage the City to complete its work as soon as possible, so project delays can be minimized. These delays are adding to the costs of housing. For this reason, we are encouraged that the City will allow some applications to move forward before the Housing Policy is approved if the rental replacement issues are resolved on those sites.

We also respectfully request that the City define as quickly as possible to which sites the new rules will apply, and those which are exempt. At the September meeting, our members were informed that affordable housing requirements may not be mandated for projects in which no rental replacement is occurring – unless the sites are large. However, it is not clear what sites the City deems as large. We would also ask that the City provide guidelines for determining the rental rates of units and the types and sizes of units created under the replacement policy. Clarifying the application of the policy would allow many projects to proceed forward without further delay.

Thank you again for working with our members both through the Liaison Committee meetings and individually. It is important that we work together to ensure that the Housing Policy is flexible, viable, balanced and completed in a timely way. As such, UDI looks forward to our next meeting in early October to review any proposed policy direction by the City to ensure that there are workable solutions for both of us.

Yours sincerely,



Anne McMullin  
President & CEO