



CITY OF BURNABY
OFFICE OF THE MAYOR
DEREK R. CORRIGAN
MAYOR

State of the City Address

Burnaby – Centred on Communities

Good afternoon, everyone.

Thank you, Dr. Davis, for that kind introduction and thank you to CEO, Paul Holden, and the directors of the Burnaby Board of Trade, for hosting this event and for the important work that you do throughout the year, promoting our city and supporting Burnaby businesses.

Along with our community-based business associations – the Heights Merchants Association and North Road Business Improvement Association – and, of course, Tourism Burnaby, whose staff do such a superb job of introducing our city to the world – the Board of Trade helps ensure current and future businesses are aware of our many resources and opportunities. They also host delegations, help to develop city strategies and are simply the most progressive and innovative board of trade in Canada. We are proud they are leading the way nationally in promoting sustainable business practices. In 2017, the Western Association of Chamber Executives recognized the Board for its pioneering sustainability program, The Pledge for a Sustainable Community. This is only the latest of many awards they have received.

Thank you, Paul and directors.

Thank you, too, to our event sponsors – and to all of you for taking the time to be here.

And thanks to our city councillors for the considered and thoughtful decisions they make throughout the year.

Today, I look forward to showing how Council's policies are setting the direction for our city.

Burnaby is a diverse and sustainable community, developed based on longstanding plans. We have designated 25 per cent of the city land to parks and green space, with four distinct town centres, benefitting from excellent rapid transit, and we are recognized as one of Canada's most culturally vibrant cities.

All of these factors enhance our city's appeal. They form the solid foundation upon which Burnaby is growing in a planned and sustainable way.

As you probably know, more than one million people and 500,000 jobs are expected to come to Metro Vancouver over the next 25 years, 125,000 of those people and 60,000 jobs will come to Burnaby. We have a population of about 234,000 people, so that's a significant population increase.

As planned, most of the growth will happen in our four town centres -- Metrotown, Edmonds, Brentwood and Lougheed – where we're accommodating high-density buildings that allow us to preserve our green space and existing neighbourhoods.

At \$1.05 billion, building permit values for 2017 were the highest ever, with the next highest in 2015 at \$879 million. And that trend continues this year in our first few months of construction activity.

But in spite of added supply, housing costs in Burnaby and throughout Metro Vancouver remain extremely high. We know that adding supply can help to decrease upward pressure on housing prices, but we also recognize that we have to provide additional special housing opportunities that immediately address the need for low-cost housing. It is a significant challenge, but we are making real progress that has been helped by the breaking of the log jam on affordable housing initiatives, with lots of activity and support now from the provincial government.

Burnaby has the third-largest supply of non-market and cooperative housing in the region, and our new secondary suites policy continues to provide an affordable ground-oriented rental housing option for Burnaby residents.

In addition, our town centre developments provide what we call density-bonus funds. They allow us to cover the capital costs of significant amenities at no cost to taxpayers by charging developments a fee, in exchange for the City allowing for additional building density. These funds are used for park enhancements, community centres, non-profit spaces and affordable housing. In fact, 20 per cent of all density-bonus fund contributions are deposited into the Housing Fund to support the City in offering land and financial support for non-market housing projects. The Housing Fund alone has received over \$87 million to date.

One of our most recent housing successes is the partnership between the City, the New Vista Society, B.C. Housing and Thind Properties that will see a new, 14-storey non-market housing project built in Metrotown adjacent to a market-condo tower. The non-market building will include 125 units for rental housing, with substantial funding from B.C. Housing and \$7 million from the City's Community Benefit Fund. We're very excited about this project and hope that it will be a model for other development. Construction is expected to start very soon.

We're also working with SUCCESS, the immigrant services society, on the development of non-market housing on city-owned land on Hastings Street, and another city property, located on Eighteenth Avenue, is the subject of a proposal by the New Vista Society.

But there is more.

Derby Manor opened less than a year ago and now provides 122 new non-market housing units for seniors in a beautiful new facility. We provided a Housing Fund grant of \$1 million to offset development costs.

and...

Cedar Place, a redevelopment project, with 90 units of non-market family housing and 91 units of non-market seniors housing. It's a partnership between the City, BC Housing and Ledingham McAllister. The City contribution includes about \$8.5 million through the density bonus program. The 90-unit family housing component is currently under construction; and the 91-unit seniors housing component is in the rezoning process.

Fair Haven, a seniors' housing redevelopment proposal that will replace 16 seniors housing units with 145 new units is under construction and UniverCity Passivhaus, a 90-unit, below-market rental building, which features rigorous energy efficiency standards. It will be managed by the SFU Community Trust, which is also advancing a new district energy utility project that will reduce greenhouse gas emissions by 80%.

Council also recently announced support-in-principle to contribute \$1.6 million toward a redevelopment initiative by the Burnaby Association for Community Inclusion to construct 15 units of non-market housing for people with developmental disabilities.

In total, more than 1,500 new purpose-built market rental units are currently in the rezoning process or under construction. And development of almost 1,000 units of non-market housing has been initiated, including the 122 units just completed at Derby Manor. In addition, more than 4,000 secondary rental units (including secondary suites and houses or apartments that are for rental) are under construction or in the rezoning process.

Another way we're working to help tenants displaced by new construction, is with our Tenant Assistance Policy. It now requires developers who need tenant relocation for new development, to offer those tenants three months of rental payment compensation and three months of notice, and four months of payment for tenancies of 10 years or more. It also applies to tenants displaced by renovations pursued through the rezoning process.

So... our density-bonus funds are helping us to create new low-cost housing at no cost to taxpayers, but there are other ways new developments help to build the community. They also contribute to development of valuable amenities in other very significant ways -- funding park enhancements, community centres, and non-profit office spaces.

Current projects include:

- Willingdon Linear Park
- A new Brentwood Community Centre
- Refurbishment of the Kensington Pitch and Putt
- Redevelopment of CG Brown pool
- Two new arenas in South Burnaby
- Redevelopment and enhancement of the Cameron Recreation Centre, including a new swimming pool and library
- In partnership with School District #41, up to four new childcare centres on school lands
- and, potentially, a new performance and events centre in Metrotown, which would be funded largely through cooperative development and density bonus funds

Let me offer a bit more about a few of these projects:

The Willingdon Linear Park, which you can now see paralleling Willingdon, between Brentwood and Hastings, is almost complete. It's a multi-use green space – for walking and cycling – linking the new Brentwood Town Centre to the Heights business area. We originally set this land aside, thinking we would widen Willingdon. But people who are close to transit want to deemphasize the single-occupant vehicle and have more options for cycling and walking. This new park is one of many projects responding to that request – and I hope that you and your friends and family will all join us for the grand opening street party that we're planning for one day this summer.

The new south Burnaby arenas will be a fantastic addition to the Edmonds area, next to Byrne Creek Secondary. The two new ice rinks will be South Burnaby's first public arenas. As you may be aware, the new Edmonds Community Centre is exceptionally well used and the adjacent Edmonds Park recreation area is nearing completion. The new ice rinks will add another opportunity for young and old to enjoy their community, as a direct result of all the new development.

And almost everyone knows the CG Brown Pool in the Central Valley. It was built in the early 1960s, located right in the heart of our City, and has served us well. We're now working with

the community to determine how best to develop a replacement competitive swimming venue, with construction targeted for 2020.

In addition to the amenities being funded by our density-bonus funds, there many other new opportunities for recreation, including the spectacular Central Park Perimeter Trail. It's a four-metre wide, multi-use trail in place and under development from Boundary Road to Imperial Street, east along Imperial Street to Patterson Avenue, and north to the BC Parkway. I have no doubt this will become one of our most-used facilities.

This new feature, along with the Willingdon Linear Park, the new improvements along the Fraser River Dike and the attractive urban trail along Rumble Street, are a few examples of the many trails and bicycle paths being developed throughout the city, as we focus on enabling alternative, sustainable modes of transportation.

Speaking of Transportation, as work advances on the Transportation Plan update, we're keeping front-of-mind the many new and creative ways we can manage the City's transportation needs while contributing to our social, economic and environmental objectives.

And everywhere, we're enhancing accessibility. In 2017, improvements were made in and around five facilities, including lifts, wheelchair access ramps, automated doors, and change rooms.

Our new urban design standards are resulting in wide sidewalks, striking public art, colourful rain gardens, and comfortable seating areas, particularly in the Brentwood, Edmonds, Lougheed and Metrotown town centres.

These new village-style street frontages encourage small business development and we're now seeing many unique businesses choosing to locate on our pedestrian-oriented streets such as the Beresford Art Walk in Metrotown.

Which is a good segue into one of my favourite topics...jobs. In Burnaby, we're fortunate to have many new employment opportunities because of our business-friendly policies and our excellent planning.

A recent Board of Trade report, arising out of our regular business walks to visit Burnaby employers, noted that 72 per cent self-reported that business is good or increasing and 86 per cent credited our City's location as a major factor, putting the region's 2.4 million customers within reach, and offering good connections to the airport, the port and the U.S.

Burnaby's central location and its transportation network are repeatedly referenced as a key asset for attracting workers and customers.

Our commitment to retaining and enhancing industrial and business parks is also encouraging and enabling businesses of all sizes to call Burnaby home, including everything from chocolatiers to cutting-edge research firms, and long-time trade and service companies to craft breweries. In fact, our Dageraad Brewery has named a beer in honour of our city – the Burnabarian. And while we're on another of my favorite topics...Steamworks Brewing also continues to grow, employing more people in Burnaby Heights. They're going to launch The Heights lager soon and their beer is now in Europe, Asia, the U.S. and several Canadian provinces...including Alberta.

Metro Vancouver's head office recently changed locations within Metrotown and moved into Metrotower III, keeping the seat of the regional government here. Metrotower III was the first office building in Canada to be pre-certified LEED Platinum and will provide savings from lower operating and maintenance costs for years to come (40% less water and 26% less energy), so Metro is setting a good example in environmental responsibility.

In addition to the city's four well-known high-density mixed-use Town Centres, Burnaby also has 16 Business Centres for high-technology, office, R&D and specialized manufacturing uses. These centres are strategically located throughout the City and vary by size, character and supporting local amenities. Their uses tend to be intensive, knowledge-based and structurally

diverse, attracting the high tech, corporate, specialized manufacturing, post-secondary education, television, film and entertainment sectors.

The Lake City Business Centre is a good example of the transition that Burnaby has been promoting, moving from relatively low-density, low-employment uses to more intensive operations like the ones you see here on the slide.

In contrast, the Big Bend area of south Burnaby is accommodating businesses that are more industrial.

And, before anyone complains: I know I've missed a lot of important businesses on these slides. If I missed you this year, let me know and we'll get you for next year!

I'd like to profile two recent business moves that indicate not only that Burnaby continues to attract leading edge businesses, but the exceptional variety of businesses we are attracting and retaining as they grow.

The first is Daiya Foods. They were founded in 2008 and have big expansion plans. Their new site is located within the Lake City Business Centre and will house a larger corporate headquarters with a combination of manufacturing, distribution and office functions. The move will allow Daiya to greatly expand strategic operations and accelerate innovation of the company's signature, plant-based foods, while also significantly increasing the number of people they employ with aggressive hiring expected over the next two to five years.

The new facility is a vast 400,000 square feet (about the same size as seven football fields) that will provide Daiya with enough capacity to generate \$1 billion in revenue.

The second company I want to mention specifically was the focus of a large public announcement I attended this morning, just before coming here.

STEMCELL Technologies, Canada's largest biotech company, will be consolidating their four existing operations into one advanced manufacturing campus in the Lake City Business Centre. This location enables them to have labs, research and development, offices, manufacturing, and distribution all at one location and can support significant expansion to meet the needs of their businesses' strong forecast future growth.

STEMCELL is a home-grown company that was started in 1993 when founder CEO Allen Eaves needed to find a way to meet the increased demand for his media for growing stem cells.

Today, they continue to reinvest all profits back into developing products to support the international research community. They describe themselves as "Scientists helping scientists". As of 2017, the company employs more than 1,000 highly-educated people globally -- over one-third hold a PhD or Masters of Science, and the majority hold a Bachelor of Science or Engineering degree.

This is an exciting time for STEMCELL and we're so pleased to have them right here in Burnaby! Congratulations!

For all businesses, the City is continuing to work to remove regulatory barriers. To support processing of development applications, building permits, and business licences, in 2017 the City launched its new permitting system EnerGov. This system streamlines and coordinates permit and licence processes for builders and businesses.

As we move ahead with all of our City's initiatives, we continue to be guided by our longstanding Official Community Plan and an unwavering commitment to economic, social and environmental sustainability. Our foundational plans, developed in consultation with citizens, businesses, not-for-profit organizations and other governments, provide a policy framework for shaping Burnaby as a city of complete communities that enjoy proximity to a wide range of housing options, services, employment opportunities, recreation and shopping.

Our commitment to sustainability can be seen in all of our new plans and initiatives.

Just west of Brentwood, for example, the Gilmore Station Master Plan will see new office, retail, and residential construction with 2,100 retail and 5,100 office jobs. It also takes transit-optimization to the next level by fully integrating buildings with the SkyTrain station.

Also in the Town Centre, just east of Brentwood Mall, Concord Brentwood's site – formerly an industrial area – will include a 13-acre park right in the middle of the town centre that links directly to the Central Valley Greenway. It's a beautifully designed master plan that supports Burnaby's three sustainability strategies and is becoming a model example of a complete community.

In the developing Edmonds Town Centre, the Southgate Neighbourhood Master Plan will also see the transformation of an industrial site into a complete neighbourhood with a public park at its heart.

Looking specifically at environmental sustainability, among our many efforts to improve efficiency and performance, is our LED Streetlight Conversion project, which began in 2015 and will see 13,000 City owned streetlights converted to LED by the end of 2018. It anticipates average annual cost savings of over \$620,000. Last year, we reduced our energy use more than any other large municipality and we were recognized as a BC Hydro top performing customer.

We're also exploring options to deploy new wireless technology that could facilitate even better management of power consumption.

And we're:

- consolidating existing policies and new ideas into a Green Building Policy, including:
 - making it easier for residents to charge electric vehicles. All new residential construction will now be pre-wired for electric vehicle charging;

- and we're continuing to bring nature back into urban areas by daylighting creeks. A recent example is a section of Byrne Creek in Edmonds that was transformed from a pipe in the ground to a beautiful creek.

Our commitment to recycling will be seen in every neighbourhood, as new garbage and recycling receptacles are added at over 300 bus stops and public locations and new collection vehicles increase pickup and sorting efficiency.

We're also updating our waste management technology, following a very successful pilot program. Full implementation of this new technology will allow us to further improve service and reduce costs, by immediately identifying missed pickups, misplaced bins and illegal dumping. It will also streamline route planning, enabling faster large-item pickup.

This is part of the City's overall waste reduction strategy that will help us reach our regional goal of 80% diversion by 2020.

Our recently constructed Still Creek Works Yard and nearby Eco-Centre are also significantly increasing diversion from the waste stream.

And we're redeveloping our Laurel Street Works Yard, as the existing operations centre no longer meets our needs. The new facility will optimize energy consumption and work efficiency, and will feature state-of-the-art stormwater treatment.

For city vehicle fuel management, the current system will be replaced with a new automated fuel dispensing and monitoring system that will improve fuel consumption across the fleet.

Along the Fraser River, we'll continue to enhance flood protection, by upgrading the linear dike between Glenlyon Creek and Byrne Road. The chosen design preserves the ecological connection between the Fraser River and foreshore area, allows for future environmental enhancements to Glenlyon Creek and provides for a new scenic trail through the park.

Habitat restoration is also taking place in areas such as:

- Deer Lake Park
- Central Park
- Burnaby Mountain

Our new Sustainable City Advisory Committee is overseeing and measuring our progress on all of these initiatives. And also complementing and guiding all of our work is our new Strategic Plan, which sets out goals for City staff on service delivery, priority setting, and program development.

It also sets out our:

- vision
- core values
- and strategic directions

It looks not just at what Burnaby is, but what it could be and what our citizens have told us they want it to be. We'll continue to work with staff, citizens, businesses and our not-for-profit organizations to achieve the ambitious vision and goals.

As mentioned earlier, throughout the City and inside City Hall, work is under way to optimize technological opportunities to streamline interactions for citizens and businesses – for everything from taxes, to bidding, licensing and permitting processes.

With this in mind, we recently launched our new online Open Data portal, offering citizens, businesses and researchers direct access to City data. They can explore, download, analyze and combine datasets, or interact directly with data through maps, tables and charts. Previously, anyone seeking access to this information would have applied individually and waited for it to be extracted and delivered.

We also launched a new web application called Burnaby Map that provides spatial information across the entire city -- for properties, infrastructure, parks, zoning and more that can be viewed

from mobile phones, tablets, laptops and desktops. It's fast and easy to use and has already been embraced by our community.

And we're planning a City-owned and operated fibre network.

Our Digital Strategy is under development to shape our online presence and digital connectivity over the next five years.

In our libraries – focal points for dialogue and community connections – technology is also playing a role. Our library staff are taking advantage of social media opportunities for interaction, while staying focused on providing access to a rich array of the world's stories, ideas and information, keeping Burnaby a vibrant community where people are informed, literate and entertained.

Our focus on efficiency, partnerships and innovation continues to ensure that the City's fiscal position remains strong. The investment portfolio totaled \$1.3 billion for the year and will provide investment income of more than \$45.1 million to City revenues; an annualized return of just over 3.22%. For 2018, \$44.5 million in investment income is expected. This income helps to reduce City taxes and provides funding for the City's capital investment in infrastructure replacement.

Every new addition proposed in our capital budget will be fully funded from our reserves – not from taxes. This is because Burnaby is debt free – one of few cities in Canada with this status. Our financial stewardship has put the City in this enviable position and has given us financial reserves that enable us to have a cost-saving, pay-as-you-go financing strategy. Rather than paying interest charges to finance our city's capital projects, as most cities must do, Burnaby Council saves taxpayers millions of dollars in interest costs each year with this unique model. Other cities are now emulating this program, as it ensures long-term financial sustainability.

In addition, because of prudent fiscal management and financial planning, Burnaby businesses and residents can expect a financial reprieve next year. City council approved a zero per cent

increase to the city's sanitary sewer and water utility rates, with services to be maintained at 2017 levels and a very reasonable tax increase of 1.5 per cent, well below inflation.

Clearly, our City's reserve funds provide security and value for everyone who lives or invests in Burnaby, but that doesn't stop some people from calling on us to spend them as quickly as possible.

The fact is that we are spending them – on all of the capital projects I've described – but we're spending them wisely and in a way that respects the many legislative restrictions around how they can be used. These funds come from many areas – most notably from cash contributions from developers for additional density (under our Community Benefit Bonus Policy) and from casino funds – but how they can be spent is limited: by legislation; and our internal commitment to self-financing.

It's because of these funds and our extremely solid position that we can keep tax rates low, while continuing to fund major capital projects that benefit our entire community, including non-market housing, park enhancements, community centres, and office spaces for non-profits.

But enough about taxes, business and development. Burnaby is also a great place to have fun and enjoy life.

The Chalk Art Experience is coming back to Bonsor Recreation Complex on June 16, where local and international street painters transform the pavement into a gallery.

We also, of course, are continuing to feature the Vancouver Symphony Orchestra for a free family-oriented concert in lovely Deer Lake Park – this year on Sunday, July 8. As you can see in the photo, it's an opportunity to enjoy the symphony with even the youngest members of your family, without having to worry about getting dressed up or being too quiet.

We host three Canada Day Events (at Edmonds Park, Burnaby Village Museum and at Swangard Stadium) and, of course, our much-loved – for 18 years now! – Burnaby Blues and Roots

Festival, this year on Saturday, August 11, with headliner Nathaniel Rateliff and the Night Sweats. Year-round, admission to Heritage Village is free. When you go, don't miss our fantastic, restored carousel, built in Leavenworth, Kansas in 1912. And don't miss Heritage Christmas... or the Rhododendron festival at Deer Lake Park, coming soon, on Sunday, May 6, followed shortly after by Hats Off Day – our biggest city festival – on June 2 in the Heights.

And every July, the streets of North Burnaby get a little crazy for a day – this year, July 12 – with the Giro di Burnaby pro-cycling race. It follows a 1.3-kilometre loop that includes a 200-metre downhill straightaway on Hastings Street.

Over its first 125 years, the City of Burnaby has created many special events and has built a wealth of community, cultural and park facilities, many of which played host to 140,000 guests at our Burnaby 125/Canada 150 celebrations last year.

Lots of our enjoyment comes from the dozens of festivals hosted by our very multicultural community, often in partnership with the city and supported by our Festivals Burnaby Grant Program, which funds an average of 28 festivals each year, including European, Korean, Chinese and other ethnic events at Swangard Stadium.

As we reflect on our many achievements – and anticipate those in progress – it is clear that our success is the result of our strong history of planning and partnerships and having many communities within our city that focus on common goals. Thank you to all of our citizens, business leaders and non-profit organizations for the exceptional contributions you make to the development of Burnaby every day. Together with all of you, Burnaby Council looks forward to ensuring that we meet your high expectations for the City's future.

Thank you.