

Major civic project funding on the line as Burnaby saw \$175M shortfall in developer money last year



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The city's community benefit bonus program did not meet its expected revenue from developers in 2023. | Jennifer Gauthier

The City of Burnaby took in \$175 million less than expected in developer money last year – and that spells trouble for the future of the city's major community amenity projects.

Burnaby expected to pocket almost \$237.2 million from developers in 2023, but the city only took in about \$62.2 million, almost three-quarters less than expected, according to the city's [annual municipal report](#).

The city took in \$250.7 million in 2022.

Through its community benefit bonus program, the city funnels the developer money into its reserves dedicated to affordable housing and community amenities like recreation centres, cultural facilities and space for non-profit organizations.

The program is “essential” for the city to pay for new community amenities, according to Noreen Kassam, the city’s chief financial officer and deputy CAO.

It allows the city to serve its growing population without raising property taxes or incurring external debt, Kassam wrote in the annual report.

She noted the amount of developer cash fluctuates year to year, depending on development activity in the city and market conditions.

City of Burnaby community bonus benefit money received 2019-2023

How much money did Burnaby expect to receive from developers vs. how much it actually got

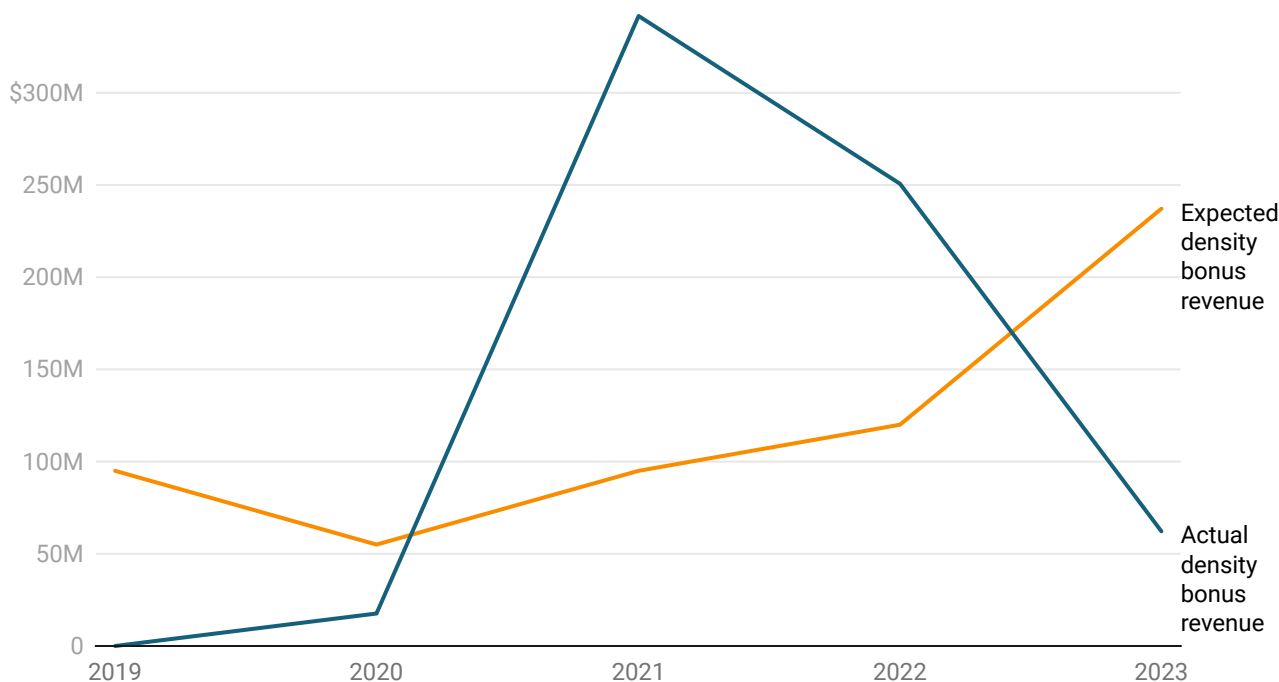


Chart: Lauren Vanderdeen/Burnaby NOW • Source: City of Burnaby • Created with [Datawrapper](#)

But this most recent shortfall could have consequences.

“We haven’t collected as much money as we anticipated to, so we won’t have sufficient funding for the future,” Kassam told the *Burnaby NOW*.

Her report also included a cautionary note: the city doesn’t have enough money in its reserves to pay for future community centres and other amenities.

“As the city has continued to see significant cost escalations and growth in the community, the future replacement values of city assets exceed the current reserve funds and reserves levels.”

The city had \$2.16 billion in its bank of reserves and reserve funds at the end of 2023.

In 2022, Burnaby’s reserves were the largest in the province by more than \$1 billion.

But the city notes that money is fully allocated in its five-year, \$2.6-billion capital plan, which invests in major civic projects, including the redevelopment of the Cameron Community Centre and Library, the Confederation Park Community Centre, and the Burnaby Lake Recreation Complex, as well as the RCMP Facility and city hall redevelopments.

The \$175-million shortfall isn't the only concern on the horizon for the community bonus benefit program.

New provincial housing legislation has created “uncertainty” for the program and will impact future contributions from developers, according to the municipal report.

“At this time the magnitude of the impact is uncertain and may require city staff to re-assess funding strategies for the associated capital projects,” Kassam said in the report.