

# CORPORATE REPORT

NO: R155 COUNCIL DATE: July 27, 2009

#### **REGULAR COUNCIL**

TO: Mayor & Council DATE: July 27, 2009

FROM: General Manager, Planning and Development FILE: 6520-01 (GH#4)

**General Manager, Engineering** 

SUBJECT: Neighbourhood Concept Plan Area #4 of Grandview Heights

#### RECOMMENDATION

The Planning and Development Department and the Engineering Department recommend that Council:

- 1. Receive this report as information;
- 2. Authorize staff to bring forward a Terms of Reference for the preparation of a Neighbourhood Concept Plan ("NCP") for the Grandview Heights NCP Area #4, subject to the execution by the Grandview Heights NCP Area #4 Owners' Group (the "Owners' Group") of the Agreement attached to this report as Appendix I; and
- 3. Approve the addition to Grandview Heights NCP Area #4 of 10 properties on the north side of 20 Avenue, east of 176 Street, now within the Redwood Park Rural designation, as illustrated on the map attached as Appendix II.

#### **INTENT**

The purpose of this report is to:

- Provide background information and discuss the prerequisites that staff view as necessary for the preparation of an NCP for Grandview Heights Area #4;
- Advise Council of the proposal by the Owners' Group to proceed with a process toward the preparation of such an NCP; and
- Seek Council approval for a proposed Agreement between the City and the Owners' Group regarding the preparation of an NCP for Area #4 in Grandview Heights.

#### **POLICY CONSIDERATIONS**

Grandview NCP Area #4 is designated as Suburban in the Official Community Plan and is in majority zoned General Agriculture (A1), Intensive Agriculture (A2) and One-Acre Residential (RA).

In June of 2005, Council considered and approved a General Land Use Plan for Grandview Heights. The General Land Use Plan describes the general land use designations and community features for the future development of Grandview Heights, setting the stage for the preparation of more detailed NCPs. The NCPs provide a much more detailed description of the location and mix of land uses, densities, community amenities and environmental features and also provide a detailed servicing and financial strategy. To date, an NCP for Grandview Area #1 has been completed and an NCP process is underway for each of Grandview Areas #2 and #5a.

#### **BACKGROUND**

Grandview Heights Area #4 is the most easterly neighbourhood area within Grandview Heights, as shown on the map attached as Appendix III to this report. It has an area of approximately 200 hectares (495 acres) and consists of 92 properties, bounded by 176 Street (Highway 15), 20 Avenue and the northerly boundary of the existing Redwood Park Estates subdivision, 184 Street and the Agricultural Land Reserve (ALR) boundary to the north.

At the time of the development and approval of the Grandview Heights General Land Use Plan, it was anticipated that development of Grandview Heights would occur from west to east based on servicing constraints and that as a result the development of Area #4 would not proceed for some time.

In July 2005, a group of owners of land in Area #4 submitted a petition requesting that the City begin the process for preparing an NCP. The petition represented 63% of the owners of properties in the Area and 66% of the land area. The owners indicated that using an alternative sanitary sewer system development of the NCP area could be advanced ahead of the normal progression of sewer services from west to east, as was envisaged in the General Land Use Plan. A study prepared for the owners, entitled "East Grandview Heights Trunk Servicing Concept Report", provided the justification for this approach. Instead of waiting for the construction of the permanent North Grandview Sewer Interceptor through North Grandview Heights, the alternative scheme proposed the construction of a pump station near 176 Street/32 Avenue and a sanitary forcemain within 32 Avenue right-of-way to the Rosemary Heights Pressure Sewer at 152 Street/32 Avenue over a distance of about 5 kilometres.

In July of 2006, Council considered Corporate Report No. Loo8 regarding the phasing of new NCPs, including the pros and cons of commencing an NCP process for the Grandview Heights Area #4 and directed staff to bring forward a Terms of Reference for the preparation of an NCP for the Grandview Heights Area #4 subject to the NCP proponents agreeing to:

- 1. Pay the costs for construction and maintenance of all interim engineering services required for opening the area to development (such costs are not eligible for DCC rebates);
- 2. Pay to the City, all costs the City incurs in retaining consultants for studies and plan preparation work in support of preparing the subject NCP;
- 3. The NCP planning process commencing when the Stage I component of the NCP for Grandview Heights Area #2 has been completed and approved by Council; and
- 4. That conditions 1 and 2 be incorporated in an agreement, prior to the commencement of the NCP process.

Since that time, the Stage I component of the Grandview Heights Area #2 NCP has been completed.

#### **DISCUSSION**

Division A, Policy 5.3 of the Official Community Plan states that, "Support from a majority of property owners within the planning area will be required to initiate (an NCP) process. For the purposes of Neighbourhood Concept Plans, majority is generally defined as 51% or more of landowners or owners of 70% or more of the land area".

In the case of Grandview Area #4, surveys have been submitted by the Owners' Group indicating support for an NCP process. As shown on the map attached as Appendix IV:

- Owners of 70 properties representing 75.7% of the land area are in support of the preparation of an NCP;
- Owners of 6 properties representing 12% of the land area are "neutral";
- Owners of 12 properties representing 8.8% of the land area have not been contacted; and
- Owners of 4 properties representing 3.5% of the land area are opposed to the preparation of an NCP.

The Owners' Group, a subset of those in support, consists of owners representing 53.5% of the land area as shown on the map attached as Appendix IV. This group would be signatories to the Agreement with the City, which is discussed in more detail in the following section, would act as the proponent and would pay for the preparation of the NCP and the design, construction and maintenance of services necessary for the development of the area, as set out in the Agreement.

### **Draft Agreement with the Owners' Group**

As noted above, if NCP Area #4 is to proceed in advance of the normal progression of development from west to east across Grandview Heights, which will result in engineering services being available to the area, it is necessary that an agreement be executed with the proponents of the NCP for the proponents to pay for the preparation of the plan and for the costs for the design, construction and maintenance of all works required for opening the area to development.

A series of discussions have taken place with the Owners' Group and a draft Agreement has been developed in consultation with the City's Legal Services. The Agreement contains the following elements:

- Two registered companies have agreed to be signatories on behalf of the entire Owners' Group. The "agreement" is attached as a schedule to the Agreement with the City and all members of the Owners' Group are listed in this Schedule.
- To ensure that all of the interests of the City are taken into account in the preparation of the NCP and the work is done in a manner consistent with the normal NCP preparation process including the management of consultants, the Agreement states that:
  - The City will undertake the Stage I component of the NCP preparation process, consisting
    of the land use concept, distribution of densities, preliminary engineering concepts and

preliminary financial analysis. Work in this stage will be done by consultants retained by the City through a "Request for Proposals" and the work will be managed by the City under its normal NCP process;

- The work from Stage I will form the basis for a determination as to whether the parties wish to proceed to Stage II of the NCP preparation process, which involves the development of detailed urban design guidelines, detailed engineering servicing plans and a financial strategy for the NCP. Subject to agreement to move to Stage II, the Owners' Group will be responsible for all of the costs associated with the detailed studies required to complete the NCP Stage II component;
- Subject to the completion of the Stage II component, a further agreement will be required
  to ensure that the financing of all costs for the design, construction and maintenance of all
  works required for the development of the NCP, including but not limited to sewer, water,
  drainage, transportation facilities and parkland, will be the responsibility of the Owners'
  Group;
- The City will initiate a process to recoup its costs and the Owners' Group costs for the
  preparation of the NCP through a charge that will be levied in Area #4 at the time of the
  development of each existing lot;
- The Owners' Group understands and agrees that the works undertaken in relation to the servicing of Area #4 may not be included in the 10 year Servicing Plan and may not be eligible for DCC rebates. Further, if the cost of the works exceeds DCC revenues that will be generated by development in the area, special levies may be charged. The Owner's Group further understands and agrees that cost recovery may be achieved through a Development Works Agreement Process, which requires successful petitioning of benefiting properties and a by-law; and
- The Owners' Group understands and agrees that the NCP is proceeding out of sequence with regard to the normal west to east construction of services and as a result it will be required to upsize services to accommodate potential future growth in areas of Grandview Heights and North Grandview Heights to the west of Area #4.

Subject to the signing of this Agreement, staff will finalize a detailed Terms of Reference for the preparation of an NCP for Area #4 and will issue a Request for Proposals for the purpose of retaining a consultant to undertake the work associated with preparing Stage I of the NCP. **Background Studies in Grandview Heights** 

A number of background studies have already been completed for Grandview Heights including Area #4. In February 2008, Council considered "Corporate Report No. Ro17 – Review of the Grandview Heights Land Use Plan Related to the Application of Place-Making Principles and the Status of further Neighbourhood Concept Plans within Grandview Heights", and authorized staff to proceed with a series of background studies. To this end:

• An "Environmental Assessment and Tree Survey" has been completed by Madrone Environmental Services, which identifies, classifies and inventories the significant environmental features and tree stands in Grandview Heights and provides recommendations to the City for the preservation of important environmental features. Area #4 was found to have important forest habitat and large contiguous forest patches. These areas co-anchor

wildlife corridors to the south and south east and provide connections to riparian areas stretching north beyond Area #4;

- Coriolis Consulting has completed a study to estimate market demand for additional commercial development in Grandview Heights. The report indicates that the area can support some smaller commercial centres within the individual neighbourhoods. The intent of the report was to determine how potential commercial development, when combined with civic facilities, could contribute to "place-making" within Grandview Heights neighbourhoods; and
- The consultant group known as Project for Public Spaces was retained to provide place making principles and guidelines to be used in developing future NCPs. The report provides an overview of general qualities and components for making places successful, focusing on civic squares and plazas, neighbourhood parks, streets and trails.

In addition, the Engineering Department has completed the preparation of an Integrated Storm Management Plan (ISMP) for the Erickson Creek watershed, as mandated by the Region's Liquid Waste Management Plan. This will provide direction for land use planning and the preparation of a drainage servicing strategy for the area.

### Request by 20 Avenue Residents for Inclusion in the Area #4 Study

In March of 2008 the City received a petition signed by the owners of eight one-acre properties along the north side of 20 Avenue (17642 to 17691 - 20 Ave inclusive) and one property at 2048 - 176 Street. The petition requested that they be included in the Area #4 NCP. This area also contains two small City-owned properties that house Fire Hall #14. These properties form a residential enclave bounded by Highway 15 to the west, Redwood Park the south across 20 Avenue, and by the boundary of NCP Area # 4 to the north and east, as shown on Appendix II. While the properties are part of the Redwood Park Estates Rural designation in the Official Community Plan and were not included in the Grandview Heights General Land Use Plan or the original boundaries of NCP Area #4 they form a pocket of houses that are physically separated from the remainder of Redwood Park Estates.

The petition received from these owners' states that "100% of the property owners strongly request to be allowed to join in the proposed Grandview Heights NCP for Area 4 and the coming development process". They are concerned that:

- If they are left out of the proposed NCP they will be surrounded by increased development, and traffic and will be separated from rural properties to the south by 20 Avenue;
- For this reason, future residents desiring the type of rural lifestyle they currently enjoy will not find their properties attractive, impacting their property values; and
- By allowing them to join the NCP process, the potential use of these lands will be optimized.

The Owners' Group supports the inclusion of these properties in the Area #4 NCP area. Staff have been in touch with the Redwood Park Association to discuss this recommendation with them and will update them following Council's decision.

### **Sustainability Considerations**

Grandview Heights Neighbourhood # 5 (see Appendix III), the large central area of the Grandview Heights, remains in a Suburban designation, with no current appetite by the majority of the landowners to service the area or increase the density. The extension of development approximately 1.5 kilometres beyond the Urban designation will require the extension of sewer services to Area #4 from the end of the Grandview Interceptor which is located at approximately 160 Street, just north of 28 Avenue and the extension of other services from the Grandview Reservoir west of 168 Street to Area #4 and will require road upgrades that have yet to be determined through the planning process.

The principles set out in the Sustainability Charter will be followed in the development of a plan for this area. The following considerations will have to be taken into account:

- The development of the NCP will be subject to an extensive public consultation process;
- Environmental Studies undertaken by ECL-Envirowest (in the preparation of the General Land use Plan), Madrone Environmental Services Ltd. (in the preparation of the "Grandview Heights Overview Environmental Assessment and Tree Survey") and by HBLanarc in the mapping work for the Surrey Ecosystems Management Study all show Area #4 to contain area of high vegetative and wildlife significance. Care will be required in the development of a plan for this area to protect these values. A variety of best practices, including cluster development, development permit areas and other means will be studied and employed, so that this neighbourhood becomes a model for "Green Infrastructure";
- The area will be planned as a complete, compact and walkable neighbourhood, taking advantage of the natural features of the area. A walkability plan and cycling opportunities will be identified. An elementary school and park sites will be identified through the process, and will take advantage of and be one element in protecting natural features of the area. While transit service cannot be expected in the area in the near future, the plan will be developed for efficient future transit service;
- The planning of any commercial uses will be integrated with public amenities to assist in
  ensuring the maximum benefit in creating a sense of neighbourhood identity, community
  gathering spaces and a sense of "place";
- Integration of the recommendations of the Erickson Creek Integrated Stormwater Management Plan will be a prerequisite of development; and
- The extent, form and density of development along the easterly slopes adjacent to the ALR
  and the extent and character of the buffer between Urban and ALR uses will be an important
  component of the NCP.

#### **CONCLUSION**

Based on the above discussion, it is recommended that Council:

 Authorize staff to bring forward a Terms of Reference for the preparation of an NCP for the Grandview Heights NCP Area #4, subject to the execution by the Owners' of the Agreement attached to this report as Appendix I; and • Approve the addition to Grandview Heights NCP Area #4 of 10 properties on the north side of 20 Avenue, east of 176 Street, now within the Redwood Park Rural designation, as illustrated on the map attached as Appendix II.

Original signed by Jean Lamontagne General Manager, Planning and Development Original signed by Vincent Lalonde General Manager, Engineer

## JMcL:saw Attachments:

Appendix I Agreement between the City of Surrey and the Grandview NCP Area #4 Owners'

Group

Appendix II Map of properties being added to the NCP Area #4 Study Area

Appendix III Map of the Grandview Heights General Land Use Plan and NCP Boundaries Appendix IV Map showing support for the NCP and the extent of the Owners' Group

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#### **AGREEMENT**

### GRANDVIEW HEIGHTS AREA #4 NEIGHBOURHOOD CONCEPT PLAN

THIS	<b>AGREEMENT</b> is dated theday of, 2009.		
BETV	VEEN:		
	CITY OF SURREY 14245 – 56 Avenue Surrey, British Columbia V3X 3A2		
	(the "City")		
	OF THE FIRST PART		
AND:			
and	<b>PLATINUM ENTERPRISES LTD.</b> , a British Columbia corporation having its registered office at #201 – 12837 76 Avenue, Surrey, British Columbia V3W 2V2 nd		
	<b>SOUTH SURREY DEVELOPMENT CORP.</b> , a British Columbia Corporation having its registered office at #100 – 1450 Creekside Drive, Vancouver, British Columbia V6J 5B3		
	(the "Owners' Group")		
	OF THE SECOND PART		

### **WHEREAS:**

- A. Grandview Heights Area #4 "Area #4" consists of 92 individual properties and approximately 195 hectares (481 acres) of land bounded by 176 Street (Highway 15) to the west, the Agricultural Land Reserve to the north and east, and the Redwood Park Community to the South, as shown on the map attached as Schedule I to this Agreement.
- B. On July 24, 2006, Council resolved as follows:

"Direct staff to bring forward a Terms of Reference for the preparation of an NCP for Grandview Heights Area #4 subject to the proponents agreeing to:

- a) pay the costs for construction and maintenance of all interim engineering services required for opening the area to development (such costs are not eligible for DCC rebates);
- b) pay to the City, all costs the City incurs in retaining consultants for studies and plan preparation work in support of preparing the subject NCP;

- c) the NCP planning process commencing when the Stage I component of the NCP for Grandview Heights Area #2 has been completed and approved by Council; and
- d) that conditions a) and b) be incorporated in an agreement, prior to the commencement of the NCP process".
- C. The Owners' Group, representing themselves and the owners of certain properties within Area #4 as set out in Schedule II as the proponent, has advised the City that it wishes to proceed with the preparation of a Neighbourhood Concept Plan ("NCP") for Area #4 in advance of the anticipated normal phasing of development from west to east in Grandview Heights.
- D. The Stage I component of the NCP for Grandview Heights Area #2 has been completed.

**THEREFORE** in consideration of the payment of ONE (\$1.00) DOLLAR and other good and valuable consideration paid by each of the parties to the other (the receipt and sufficiency of which is hereby acknowledged) the City and the Owners' Group agree as follows:

- 1. The City will undertake the Stage I component of the NCP for Area #4 which will consist of a Land Use Concept showing the distribution of uses, densities and population, preliminary engineering concepts and a preliminary financial analysis as outlined in the NCP Checklist attached as Schedule III to this Agreement.
- 2. Subject to the approval of the Stage I NCP by the City, the preparation of the Stage II component of the NCP will be dependent on the Owners' Group agreeing to pay for all costs associated with the detailed servicing studies required to complete the Stage II component of the NCP process.
- 3. Subject to the approval of the Stage II NCP by the City, in order for development to proceed the Owners' Group will agree to pay the costs for design, construction and maintenance of all works required for the opening of the NCP area to development.
- 4. For the purposes of this Agreement, the "Works" shall mean any works that are required to be constructed for the development of the NCP area, including and without limitation sewer, water, drainage, transportation services and parkland development.

## PHASE 1 – NCP STUDY

- 5. The City shall, in consultation with the Owners' Group, finalize a Terms of Reference for the preparation of the NCP.
- 6. The City will initiate a process to recoup its costs for the Stage I NCP and to recoup and return to the Owners' Group, the costs of Stage II NCP preparation, through a per unit or area charge applied to all owners in Area #4 which is payable at the time of development.
- 7. The City will retain qualified consultants through a "Request for Proposals" process and will pay for other costs directly associated with the preparation of the NCP, excluding the

Stage II studies. The City will select and manage the work of the consultants under its normal process for undertaking the Stage I and Stage II components of the NCPs.

#### PHASE 2 – NCP IMPLEMENTATION

- 8. Upon completion of the NCP and prior to its final approval by the City and the implementation of any Works, the City will require a further agreement to be signed between the City and the Owners' Group specifying how the works will be implemented and financed.
- 9. The Owners' Group understands and agrees that only permanent trunk works will be eligible for Development Cost Charge (DCC) reimbursement and for possible inclusion in the City's 10 Year Servicing Plan.
- 10. The Owners' Group acknowledges that permanent, DCC eligible works may not necessarily be included in the current 10 Year Servicing Plan. The DCC Works will be assessed in relation to the total cost of servicing the area and the area's DCC revenue. If the estimated costs for the DCC eligible Works exceed projected DCC revenues for the area it is agreed that the additional costs may be covered by a special area levy, or other such cost recovery mechanism, for the NCP area to cover all permanent infrastructure costs. Such a levy will be charged and can be available to reimburse front ending proponents only once the DCC eligible works are included in the City's 10 Year Servicing Plan. If the DCC eligible Works are not included in the City's 10 Year Servicing Plan at time of development, costs recovery may be achieved through the Development Works Agreement process, which requires successful petitioning of benefiting properties and a By-law.
- 11. The Owners' Group agrees that because the NCP is proceeding out of sequence with regard to the normal west to east progression of the construction of services anticipated for Grandview Heights, the NCP study will include the upsizing of any infrastructure within or outside Area #4. This upsizing will accommodate potential future growth in the areas to be serviced by the system, namely Grandview Heights NCP#5 and North Grandview NCP areas. This may be greater than the densities currently suggested in the Grandview Heights General Land Use Plan and North Grandview NCP. Should development proceed based on the approved NCP, the Owners' Group will agree to construct and pay for the reasonable upsizing of infrastructure as identified in the approved NCP, before proceeding to development. This upsizing, although part of permanent infrastructure, shall not be eligible for the 10 Year Servicing Plan, but its cost may be recovered through the Development Works Agreement process.
- 12. The Owners' Group agrees that because the NCP is proceeding out of sequence with regard to the normal west to east progression of the construction of services anticipated for Grandview Heights, the NCP study will include an analysis of additional operational costs associated with the services to ensure the proposed works do not impose an unreasonable burden on the City's operational budgets.

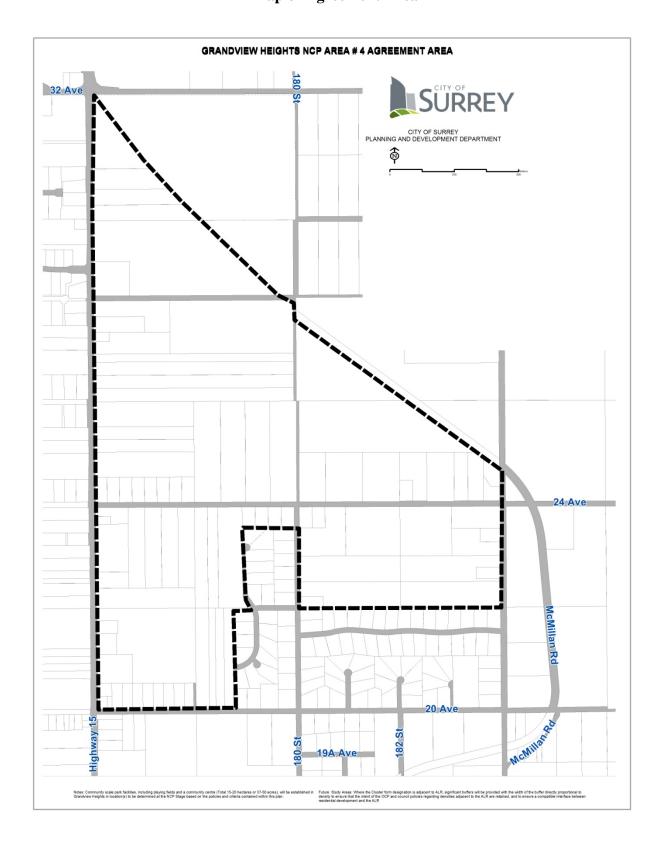
13.	In the event that the Owners' Group attempt to circumvent the spirit of this Agreement or
	to change its terms and conditions, Surrey retains the right to cease all work on the NCP.

THIS AGREEMENT has been executed as of the day and year first above written.

CITY OF SURREY by its authorized signatories	)))
authorized signatory	_) ) )
authorized signatory	_)
<b>PLATINUM ENTERPRISES LTD.</b> by its authorized signatory(ies)	)))
authorized signatory	)))
authorized signatory	_)
<b>SOUTH SURREY DEVELOPMENT CORP.</b> by its authorized signatory(ies)	)))
authorized signatory	)))
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# **Map of Agreement Area**



# **SCHEDULE II**

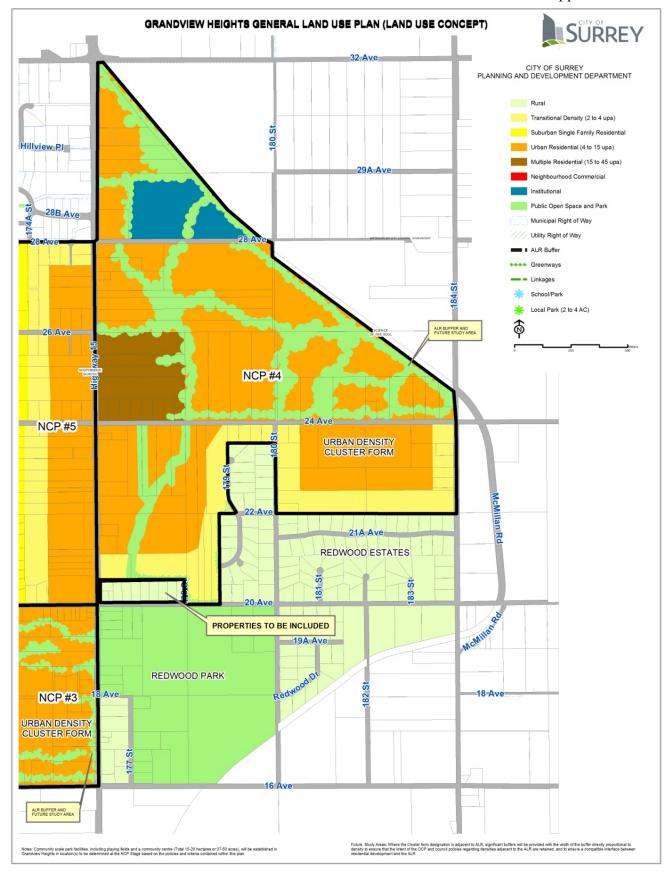
The "Owners' Group" is made up of the following persons/companies:

Name	Company
Tony Hepworth	Pennyfarthing Development
Avtar Johl	Platinum Group
Bernie Scholz	Adam-Chris Development
Narinder Pooni	Pooni Developments
Julian Carlson	Shearwater Investments
Marlon Carlson	Shearwater Investments
Maurice Ouellette	Emaar Canada
Hugh Carter	Qualico Development
Davy Sangara	Beech Development
Eric Chen	Erico Development
Jagmohan Singh	The Mask Group
Connie Chow	178 Developments
Ranj Deol	Terra Group
Gordie Mann	Richwell Holdings Ltd

# **SCHEDULE III**

# CHECKLISTS FOR NPC PREPARATION

ITEM	LEVEL OF DETAIL FOR	LEVEL OF DETAIL FOR
	STAGE I:	STAGE II
Land Use Concept – Map and draft	Distribution of uses and densities,	Finalized concept and population
policies	projected population/commercial	analysis.
	and other land area, reflecting items	Specific plans and actions related
	listed below.	to the development of a
	Overall sustainability principles.	sustainable neighbourhood.
Location of Schools, Parks,	Recommended sites for schools and	Confirmation of sites, design
Walkways and Greenways	parks to satisfaction of School	details for walkways, greenways,
	District and Parks planning staff.	implementation strategy.
		Development of a finalized
		neighbourhood walkability plan.
Design Guidelines	Preliminary design concepts	More detailed design and place-
		making guidelines.
Transportation	Proposed road layout, hierarchy of	Finalized transportation plan and
_	roads, preliminary indication of	impact assessment, including the
	impact on transportation system to	incorporation of transit service.
	satisfaction of Engineering staff.	Integration of the road network
		with the walkways, greenways
		and walkability plan.
Storm water Management	Proposed Storm Water Management	Conceptual sizing of
	Plan within watershed context (or	neighbourhood storm water
	existing Master Drainage Plans) and	management facilities (including
	corresponding impact mitigation	detention or retention systems,
	strategies to the satisfaction of	trunks, etc.) and associated
	Engineering staff.	financial analysis, coordinated
		with environmental analysis.
Water, sewer	Confirmation of connectivity to	Completed design of water and
	Surrey System, preliminary	sewer water systems, including
	servicing strategy and indication of	Financials.
	capacity and impact on surrounding	
	area to satisfaction of Engineering	
	staff.	
	Analysis of any oversizing required.	
Environmental analysis	Site assessment, assessment of	Review of plan by EAC, ERC,
	environmentally sensitive areas,	AAC and other applicable
	coded streams, significant stands of	committees. Integration of
	trees. Preliminary review by EAC,	environmental concept into
	ERC, AAC and other applicable	finalized plan and policies.
Haritaga assassment	committees.  Overview assessment of area	Recommendations for
Heritage assessment		incorporation of heritage
	heritage resources.	resources into plan.
Other studies as necessary related		resources into pian.
to specific features of the NCP area		
or impact on adjacent areas		
Amenity charges		Calculation of amenity fees.
Amonity charges		Calculation of afficility ices.



## **Appendix III**

