

# DRAFT MINUTES

## Development Advisory Committee

File: **360-20 (DAC)**  
Date: **May 23, 2019**  
Time: **2:30 p.m.**  
Location: **3W Meeting Room  
A, Surrey City Hall**

**Members:**

Jennifer Clow  
Jeff Fisher  
Mike Harrison  
Stefan Hertel  
James Howard  
Roger Jawanda  
Louis Kwan  
Phil Magistrale  
Tom Miller  
Scott Pelletier  
Thomas Rawe  
Sunny Sandher  
Jas Sandhu  
Stefan Slot  
Neeraj Sood  
Brett Standerwick  
Chris Vollan

**City Staff:**

Tommy Buchmann  
Patrick Klassen  
Jean Lamontagne  
Kristen Lassonde  
Sam Lau  
Ted Ulrich  
Yonathan Yohannes

**Guest:**

Blair Erb, Coriolis Consulting

**1. Previous Minutes**

The notes of the March 28, 2019 meeting were accepted as distributed.

**2. Density Bonus & Community Amenity Contributions – Blair Erb, Coriolis Consulting**

Community Amenity Contributions are an “optional” contribution, but amenities are not defined in the LGA. When property value under existing use is low, there is an optimal scenario for CACs. In deciding upon CACs, municipalities must consider the cost of providing the required amenities, the financial ability of a rezoning to provide amenities, and other municipal objectives. There are two different approaches: target fixed rate CACs and negotiated site specific CACs. In Metro Vancouver, there is not a right way of doing things. Some municipalities use one method, some use the other, some use a mix of both.

Currently in Surrey the density bonusing approach is a mix of both negotiated and fixed rates. In plan areas and town centres, there is a fixed rate CAC up to the density in the Plan and on occasion there is a negotiated CAC if there is a Plan Amendment. Outside of the Plan Area, there is a negotiated approach for OCP Amendments.

**Fixed Rate:**

- Advantages - straight forward, efficient, less risk for developers.
- Disadvantages – CAC may not match the projects value added through up-zoning, municipalities must update regularly, not well suited for in-kind contributions.

## Negotiated

- Advantages– tailored to the specific proposal, ‘municipal can address other objectives, can result in larger contributions, flexibility for in-kind.
- Disadvantage – Uncertain, inequitable, time consuming, less transparent.

Density Bonus Policy Review is looking at three areas: inside existing plan areas, outside existing plan areas, and new plan areas. Currently it is in Phase 3, looking at a financial analysis of the types of rezonings that can be achieved in these contexts.

## Questions

DAC member asked Council’s opinion on fixed or negotiated. Jean Lamontagne said the best-case scenario would be to have simple fixed rate system that worked. Coriolis mentioned there would be exemptions for rental, office, etc. and there is an enormous difference in value for extra density between areas of the city and project types (City Centre/Semiahmoo vs suburban areas) so one size doesn’t fit all.

Jeff Fisher asked if analysis was being conducted around future SkyTrain stations. Coriolis confirmed they chose to review a few sites along Fraser Highway. Patrick Klassen added that a second RFP has been issued for market analysis on Fraser Highway.

Jeff Fisher asked if there would be grandfathering for projects in-stream. Jean Lamontagne said the City would be looking at grandfathering and phasing.

Jeff Fisher asked for clarification on a land value approach (like Burnaby) or using the proforma. Coriolis said the proforma approach is preference, as things like affordable housing don’t get reflected in the land value approach but part of it is what resources are available to the municipality because proforma analysis is more time consuming.

DAC member mentions the CACs at Cambie and the reason it has not developed. Coriolis says Cambie is an example where the CACs were set too high and not reflective of changing market. If it is a fixed rate and set high, to try to keep up with the market, the solution is update the fixed rate CACs and reduce them if market is no longer going up. If land values are dropping CACs should be dropping.

Jeff Fisher asked if TransLink has expressed interest in receiving some of the CACs along Fraser Highway. Jean Lamontagne said yes.

DAC member commented on the transparency of negotiated CACs and challenges to developers when land is selling assuming bonus density is guaranteed. Purchasing land in city centre now, just assumes 20% bump which is paid to the owner because it is guaranteed. Landowner should only be getting paid for what is certain.

Christopher Vollan when the City received the CACs, is there public input where the money is going. Jean Lamontagne explained it goes into 6 reserves for each neighbourhoods.

Jeff Fisher suggested pre-zoning would really speed up the process. Coriolis said that is going to be recommended to the City. The issue is road dedications, etc, Surrey doesn’t usually pre-zone so there would be several issues to resolve.

### **3. Anniedale-Tynehead and Grandview Plans – Patrick Klassen**

Patrick Klassen provided a status update on Anniedale-Tynehead. Council received a briefing in April with a deep dive into the application that was received and explanation on schools and utility requirements for the NCP. Council was recommended to re-receive the application they had sent back. Since then, it has gone back to Council and received third reading. Subsequent development applications in the area are expected.

An update on Grandview Area 4 was given to Council with the recommended to move this plan forward. Council will consider Stage 2 Redwood adoption following the acquisition of the school site, which is underway.

Darts Hill shirtsleeve session is scheduled with a presentation on the plan and recommendation to endorse the Stage 1 plan. School District is looking at a site in Darts Hill. As with Redwood, the Stage 1 approval may be paired with the school site acquisition as well.

#### **4. Fraser Highway Corridor – Patrick Klassen**

Since the Corporate Report on Fraser Highway, an RFR has been issued for Fraser Highway. The RFP includes market feasibility, environmental, and heritage assessments. These studies will be undertaken over the summer. September report back to Council will initiate certain aspects on the planning for this area (depending on where the SkyTrain is going). There will likely be a West Fleetwood Plan (as there is no Land use plan there currently), an update to Fleetwood Stage 1 Plan, updates to existing Clayton plans, and some new plan areas (ex: Willowbrook Station).

The City is still receiving applications in this corridor. It may or may not be held or brought forward for Council consideration.

Development Applications within SkyTrain Planning Area and within an Approved Stage 2 Plan – if consistent with the existing plan, can move forward. If looking to go higher densities, it will be on a case-by-case basis.

For applications within the area but outside of an approved Plan Area...

- Not yet submitted application or recent submitted: may make application and work concurrently with planning, but the application would not go to council until Stage 1 Land Use Plan is approved.
- Application has gone for public hearing: case-by-case basis. If the applicant is happy with their proposal they can move forward, they will advise the Land Use Plan. If looking to pause or change substantially, it may have to wait for the Land Use Plan.
- If application has already received Council approval, application may proceed.

#### **Comments:**

Roger Jawanda mentioned the risk of applications getting Referred Back to staff. Patrick Klassen clarified that the projects that will go forward are ones that will support the SkyTrain project.

#### **5. Seismic Design Criteria – Yonatan Yohannes**

The last time Design Criteria was updated was early 2000. Recent large earthquakes have provided a lot of data on the extent of damage, impact of soil, data on pipe materials, most common failure type – pull-out joints. As such, many other cities have been adopting seismic design criteria.

Key Changes:

- Currently 475 year design return, moving to a 975 year design return.
- Pipe materials – harness type restraint to non-harness restraint
- Polyethylene to V-bio polyethylene
- Cathodic protection system to Zinc Coating
- Suitable valve spacing to optimal valve spacing.

## **6. Comments on the market (all members)**

All DAC Members cited a slowing of the market with selling prices coming down, increasing marketing required to sell units. There are floods of activity in Anniedale-Tynehead, lots of speculation. Shift to multifamily sites, less single-family activity. Construction costs continue to rise while prices/sales are falling. The industrial development side of the market is still strong.

## **7. Next Scheduled Meeting – June 27, 2019**

The meeting adjourned at approximately 4:08 pm.