

NO:

COUNCIL DATE:

REGULAR COUNCIL

TO: **Mayor & Council**

DATE: **March 6, 2024**

FROM: **General Manager, Engineering**

FILE: **0930-30/515**

SUBJECT: **Use of Portions of City Properties for Commercial Truck Parking**

RECOMMENDATION

The Engineering Department recommends that that Council:

1. Receive this report for information;
2. Subject to consideration and approval by Council of a Temporary Use Permit ("TUP") and a Truck Parking Facility Permit ("TPFP"), approve the execution by the Mayor and the City Clerk of a licence agreement for 13119, 13123 – 115A Avenue (PID #'s: 001-602-392 and 001-602-384), 13132/34 – 115B Avenue (PID #: 025-435-230) and 11561 – 132 Street (PID #: 030-116-031) between Prudential Transportation Ltd. and the City for a term of 36 months, with the option to extend the TUP and TPFP for an additional 36 months at the City's discretion;
3. Subject to consideration and approval by Council of a TPFP, approve the execution by the Mayor and the City Clerk of a licence agreement for 12875 – 112B Avenue (PID #: 027-996-166) between Prudential Transportation Ltd. and the City for a term of 60 months;
4. Subject to consideration and approval by Council of a TUP and a TPFP, approve the execution by the Mayor and the City Clerk of a licence agreement for 17768 – 96 Avenue (PID #: 002-283-654) between Prudential Transportation Ltd. and the City for a term of 36 months, with the option to extend the TUP and TPFP for an additional 36 months at the City's discretion;
5. Subject to consideration and approval by Council of a TPFP, approve the execution by the Mayor and the City Clerk of a licence agreement for 18949 – 52 Avenue (PID #: 012-369-080) between Prudential Transportation Ltd. and the City for a term of 60 months;
6. Authorize the General Manager, Engineering to proceed with preparation of the four sites for truck parking purposes, as described in this report.

INTENT

The purpose of this report is to provide an overview and seek Council approval of the proposed license agreements and use of portions of four City properties, as illustrated on the attached Appendices “I” to “IV”, for commercial truck parking. The license duration for Sites 1 and 3 will be for a period up to three years, subject to the issuance of TPFs and TUPs, as required, with the option to extend for an additional three years. The license duration for Sites 2 and 4 will be for a period up to five years, subject to the issuance of TPFs, with the ability to extend one year to match the total duration of six years for all four sites.

BACKGROUND

The City has experienced a significant shortfall of truck parking spaces for the transportation industry for a considerable duration of time. The City is seeking to address this ongoing shortage of truck parking spaces that have been a longstanding issue and led to an array of issues including Bylaw infractions for overweight vehicle parking and unauthorized use of designated truck routes, as well as negative ramifications for Surrey businesses and residents including noise complaints, safety concerns, damage to roads, diesel fumes and oil leaks. A contributing factor toward these issues is the lack of available parking spaces for large commercial vehicles.

The City is endeavoring to improve this situation by leasing the following City-owned sites, on a temporary basis, specifically for the purpose of truck parking to assist in increasing the local supply of truck parking stalls:

1. Site 1: 13119, 13123 – 115A Avenue, 13132/34 – 115B Avenue and 11561 – 132 Street, for an overall area of 6,219 m² (1.54 acres), as illustrated in Appendix “I”.
2. Site 2 – 12875 – 112B Avenue, for an overall area of 7,760 m² (1.92 acre) as illustrated in Appendix “II”.
3. Site 3 – 17768 – 96 Avenue, for an overall area of 7,637 m² (1.89 acre) as illustrated in Appendix “III”.
4. Site 4 - 18949 – 52 Avenue for an overall area of 4,712 m² (1.16 acre) as illustrated in Appendix “IV”.

Collectively, the above four sites total 26,328m² (6.51 acres) of land being leased temporarily for a commercial truck parking purposes, which equates to approximately 150 truck parking spaces being made available.

DISCUSSION

On December 18, 2023, a Request for Expression of Interest – Statement of Qualification (“RFEOI”) was posted on the City of Surrey and BC Bid websites. The solicitation process was originally intended to close on January 31, 2024 but was extended on two separate occasions to ultimately close on February 23, 2024. These extensions were intended to facilitate maximum exposure and responses from interested proponents.

The City's procurement team undertook the following efforts to market this RFEOI:

- During the selection process, staff proactively reached out to numerous local trucking companies to raise awareness about the RFEOI;
- The solicitation was posted to the City's truck parking webpage and an eNews email was sent to 262 individuals who had signed up to this page;
- Ads were posted on the City's social media channels;
- This initiative attracted significant media attention and was covered in the Vancouver Sun and other local newspapers, including South Asian media print and radio outlets; and
- The City issued an official news release on this opportunity.

Overall, staff's robust marketing efforts have ensured a high level of community awareness around this opportunity.

In total, the City received six submissions from interested proponents.

RFEOI/SOQ Evaluation

The City received Expressions of Interest from the following operators;

- APM Transportation;
- Big Country Storage Terminals Ltd.;
- BST Transportation Richmond;
- Golden Express Trucking Inc.;
- Lotus Terminals Ltd.; and
- Prudential Transportation Ltd.

The evaluation included consideration of previous and recent performance on projects of a similar scale and nature, proponents' financial stability and proposed business plan, understanding of the project scope, demonstrated capability to deliver project objectives, schedule, and financial submission.

In consideration of the above factors, the best value submission is from Prudential Transportation Ltd. ("Prudential"). Key features of Prudential's submission include:

- Well established, large, Surrey-based transportation company;
- Strong financial standing to finance operations;
- Experienced in operating large truck parks;
- Reputable client list and strong references;
- Well developed business plan;
- Parking is for the community rather than their own business;
- Parking for Surrey-based trucks will be prioritized over all others;
- Experienced project team;
- No outstanding legal claims and/or bylaws issues; and
- Competitive financial offers for all sites.

It is recommended that Prudential Transportation Ltd. be awarded the opportunity to operate the truck parking facilities at the Sites included in this report.

Zoning, Plan Designations and Land Uses

Site 1 properties are located at 13119, 13123 – 115A Avenue, 13132/34 – 115B Avenue and 11561 – 132 Street. The low-lying properties are covered with vegetation and will need preloading prior to use. The properties are zoned Special Industry (I-4) Zone, and Light Impact Industrial (IL) Zone. Site 1 is designated “General Industrial” in the 1986 Local Area Plan.

Site 2 located at 12875 – 112B Avenue is zoned Light Impact Industrial (IL) Zone and designated “General Industrial” in the 1986 Local area Plan. This land was previously used for municipal operations, such as gravel and pipe storage, and is now vacant.

Site 3 located at 17768 – 96 Avenue is heavily treed and currently zoned One-Acre Residential (RA) Zone. This property is designated “Light Industrial” in the Anniedale Tynehead NCP.

Site 4 located at 18949 – 52 Avenue is vacant land acquired as part of the Robert’s Bank Rail Corridor project in the mid 2010’s. The property is zoned Light Impact Industrial (IL) Zone and designated “General Industrial” in the 1986 Local Area Plan.

Site/Land Preparation and Funding

The City will undertake the primary initial capital investments to improve the Sites as may be necessary for truck parking facility purposes. City responsibilities will include: tree clearing, importing and compaction of gravel fill and the construction of driveway access(es). The sites will remain gravel, for use by the proponent, and in accordance with our recommended truck parking servicing requirements.

The proponent will be responsible for fencing requirements and maintenance of the gravel surface, which may include import of additional granular fill as required, to support their operations. In the event the proponent seeks to repair or maintain trucks on the property, it will be their responsibility for paving those applicable portions of the property, including oil-water separator, and the proponent is required to install and maintain temporary washroom facilities as may be required.

Legal Services Review

This report has been reviewed by Legal Services.

FUNDING

The City’s proposed 2024 – 2025 budget includes a one-time, capital investment of \$2 million in general revenue for this initiative, which will be recovered through the recommended license agreement fees and related property taxes.

CONCLUSION

It is recommended that the City enter into licensing agreements with Prudential Transportation Ltd., subject to consideration and approval by Council of the appropriate TPFs and TUPs, in order to address the ongoing shortage of truck parking spaces in the City.

Scott Neuman, P.Eng.
General Manager, Engineering

NR/cc

Appendix "I" – Aerial Photograph of Site 1
Appendix "II" – Aerial Photograph of Site 2
Appendix "III" – Aerial Photograph of Site 3
Appendix "IV" – Aerial Photograph of Site 4