



# **Corporate** NO: R213

# **Report** COUNCIL DATE: October 1, 2001

## **REGULAR COUNCIL**

**TO: Mayor & Council** DATE: **September 28, 2001**

**FROM: General Manager, Planning & Development** FILE: **5591-049**

**SUBJECT: Amendment to the Salvage Industrial Zone and Council-Initiated Rezoning In South Westminster**

## **RECOMMENDATION**

The Planning & Development Department recommends that Council:

1. Approve amendments to Surrey Zoning By-law, No. 12000, as amended, as described in Appendix II of this report;
2. Approve the rezoning of the lands shown highlighted in Appendix III of this report from "Light Impact Industrial Zone (IL)" (By-law No. 12000) to "Selected Business Industry Zone (ISB)" (By-law No. 12000); and
3. Instruct staff to further investigate additional Council-initiated rezonings in the South Westminster area and report back to Council, accordingly.

## **BACKGROUND**

On September 24, 2001, Council approved the following recommendation of the Business Development Committee:

"That it be recommended to Council that consideration be given to rezoning the lands that the Province purchased for the purpose of the PNE relocation and other industrial lands in the South Westminster area to eliminate the possibility of such lands being used for purposes that result in the large scale storage of vehicles such as automobile sales, automobile storage yards, truck parking lots and trucking warehouse uses."

## **DISCUSSION**

South Westminster is located at one of the main entrances to Surrey. Given its accessibility and its function as a gateway, Council has recognized the need to transform this area from that of a salvage industrial area to an area with high quality development, with greater employment opportunities. In recognition of this vision for the area and in recognition that much of the land in South Westminster was zoned to allow salvage industry use, on November 29, 1999, Council approved the deletion of salvage industry from the list of permitted uses in the Salvage Industrial Zone (IS) (Corporate Report No. R2098). The Public Hearing for the IS Zone amendment (By-law No. 13916) was held on July 31, 2000 and Final Adoption of the by-law was given on the same date.

The IS Zone as amended by By-law No. 13916, however, continues to allow all land uses permitted under the Light Impact Industrial (IL) Zone, including transportation industry, vehicle storage and parking facilities, including truck parking and recreational vehicle storage. These permitted industrial uses may result in large-scale storage of vehicles and other forms of large-scale outdoor storage of materials. "Automobile sales" is not a permitted use in the IL Zone or the IS Zone. It is only a permitted use in the Highway Commercial Industrial Zone (CHI).

## Proposed First Steps

In response to the recommendation of the Business Development Committee, which was adopted by Council, staff have focused initial efforts on the area within South Westminster, bounded by King George Highway to the north, Grace Road and River Road to the south, South Fraser Perimeter Road to the west and Scott Road to the east and have focused on parcels of land that are a minimum of 1.5 acres in size. The following measures are proposed for Council's consideration:

### 1. Amend the IS Salvage Industrial Zone

Many of the lots in South Westminster are zoned Salvage Industrial (IS), as illustrated in Appendix I. To ensure that these lots are reserved for high quality development, it is recommended that the IS Zone be amended by further restricting the land uses permitted within the zone. Currently the IS Zone permits all uses permitted in the IL Zone (except office uses). It is proposed to amend the IS Zone as follows:

- Exclude the following uses:
  - outdoor storage of vehicles, containers and materials as a principal use;
  - automotive-related services;
  - recycling depots; and
  - general service uses, except industrial first aid training and trade schools.
- Permit the following uses:
  - light impact industry, provided the use is contained within a building and any associated outdoor storage occupies an area no greater than the area equivalent to the area of the lot covered by the principal building on the lot.
  - warehouse uses;
  - general service uses limited to industrial first aid training and trade schools; and
  - accessory uses limited to coffee shops, indoor recreation facilities and one dwelling unit.
- Require buildings to satisfy a minimum floor area ratio (FAR) of 0.05 (or 1,000 sq. ft., whichever is greater) and a maximum FAR of 1.0; the proposed minimum FAR is a new

regulation.

- Prohibit outdoor storage in the front yard and restrict outdoor storage in the rear and side yards as follows:
  - the outdoor storage is associated with a light impact industrial use;
  - the area occupied by stored materials shall not exceed the area equivalent to the area of the lot covered by the principal building;
  - the outdoor storage area is completely screened by buildings and/or landscaping; and
  - the material stored outdoors does not exceed a height of more than 3.5 metres (12 ft.).
- Permit truck parking, only if in compliance with the following:
  - the truck parking is associated with a permitted use;
  - the area used for truck parking shall occupy an area no greater than the area equivalent to the area of the lot covered by the principal building, minus the area used for outdoor storage (i.e., the total combined area occupied by truck parking and outdoor storage on the site cannot exceed the area of the lot covered by the principal building); and
  - the truck parking area is adequately screened by buildings and/or landscaping.

Since the Salvage Industrial Zone (IS) no longer permits salvage industries, it is appropriate to rename the zone. It is proposed that the zone be renamed to "Selected Business Industry Zone" with a new abbreviation of ISB.

The proposed amendments are provided in Appendix II.

It should be noted that should a landowner wish to develop an ISB-zoned site for a use that is not proposed to be included in the amended ISB Zone, rezoning of that site would be necessary. As such, Council will be in a relatively strong position to determine where any uses not listed in the ISB Zone would be permitted by virtue of the authority of the rezoning process.

## 2. Rezone Sizable IL-Zoned Lands

There are also some large lots in South Westminster that are currently zoned IL and, therefore, currently permit transportation industry and truck parking uses. To restrict the possibility of large-scale outdoor storage uses on these sites, it is recommended that these lots be rezoned to the amended ISB Zone, based on the following criteria:

- currently zoned IL;
- within the area bounded by King George Highway to the north, Grace Road and River Road to the south, South Fraser Perimeter Road to the west and Scott Road to the east;
- lot size is 1.5 acres or more; and
- currently not under application for rezoning, Development Permit and Development Variance Permit.

The properties proposed for rezoning under this set of criteria are highlighted in Appendix III. These lots range in size from 1.5 acres (0.6 hectare) to 13 acres (5.3 hectares).

Additional Follow-up Work

Some of the lots within the area of South Westminster, that is the focus of this report, are currently under application. There are four, in-stream, non-rezoning development applications on properties that have an area greater than 1.5 acres and that are currently zoned IL, as shown on Appendix IV. These are described below:

- 7998-0020-00: This is a Development Permit application at 10128 Grace Road to allow the construction of two multi-tenant industrial buildings, in two phases. The application received approval to proceed on May 19, 1998.
- 7999-0241-00: Abutting the Southern Railway of B.C., this application involves a Development Variance Permit to vary the building and paving requirements and a Development Permit to regulate landscaping, to allow a storage yard and truck parking facility. The application received approval to proceed on April 3, 2000.
- 7900-0166-00: Bounded by South Fraser Perimeter Road and Grace Road, this application involves a Development Variance Permit to vary the building and outdoor storage regulations and a Development Permit to regulate landscaping, to allow an outside storage yard. The application received approval to proceed on September 18, 2000.
- 7901-0179-00: Bounded by South Fraser Perimeter Road and Grace Road, this application involves a Development Permit to allow the construction of a trucking warehouse and office use. The application received approval to proceed on September 4, 2001.

Although these IL-zoned properties satisfy the above-noted criteria for rezoning to the new ISB Zone, due to the lands being subject to an in-stream application, it is recommended that these properties be excluded from this Council-initiated rezoning until staff further review the implications of rezoning these properties and report back to Council, accordingly.

In addition, the properties at 10882 Spruce Road, 12094 & 12118 Old Yale Road (shown on Appendix V) are zoned I-G General Industrial Zone (By-law No. 5942) which allows storage yards, including automobile towing and storage yards and contractor's storage yards. The properties are under rezoning and subdivision application (56/6086-0302-00) from I-G General Industrial Zone (By-law No. 5942) to I-L(S) Salvage Industrial Zone (By-law No. 5942) to permit lot consolidation and a salvage operation. The rezoning by-law (No. 8789) received Third Reading on October 20, 1986. Due to the inactivity of the file and the time lapse since Third Reading of the By-law was granted, the rezoning by-law could be filed. A rezoning could then be initiated by Council from I-G (By-law No. 5942) to the new ISB Zone (By-law No. 12000).

It is recommended that staff be instructed to investigate further whether the above properties should be considered for rezoning to the new ISB Zone and report back to Council on the steps that need to be taken, prior to initiating any rezoning of these properties.

Other large IL-zoned lands in the South Westminster area, beyond the area that is the focus of this report, include existing port-related industrial uses, light impact industrial uses and undeveloped City-owned lands. It is recommended that staff be instructed to review these other lands with a view to initiating additional Council-initiated rezoning, where appropriate, consistent with the rezonings being recommended in this report. A further report will be submitted to Council, in this regard, at a future meeting.

There are a large number of IL-zoned properties in South Westminster that are less than 1.5 acres in size. Due to the relatively small size of each of these lots, they are not proposed for Council-initiated rezoning at this time, as they are not capable, individually, of permitting large-scale outdoor storage. Consolidation of these

lots, however, could result in large lots and, as such, these small lots should also be considered for rezoning to the new ISB Zone. Such consolidation is possible, directly through the Land Title Office, without City approvals. In the interests of bringing forward quickly, a rezoning by-law for Council's consideration, in relation to the larger lots in South Westminster, these smaller lots were not included in the rezonings recommended in this report, but will be brought forward for Council's consideration in the near future.

## Neighbourhood Concept Plan

Staff have commenced the process of preparing a Neighbourhood Concept Plan for South Westminster to replace the out-of-date local area plan. Three land use options have been prepared and discussed with the Citizens Advisory Committee. However, the process went into abeyance, pending the decision on the possible relocation of the PNE to South Westminster. Given the recent information from the Provincial government, that they do not plan to support such a relocation of the PNE, the NCP process for South Westminster will be resumed. Through the process of completing the NCP for South Westminster, additional actions may be proposed for Council's consideration, including further Council-initiated rezonings in support of the NCP.

Legal Services have reviewed this report and are satisfied with its contents.

## SUMMARY

In accordance with the recommendation of the Business Development Committee, that was adopted by Council, it is recommended that Council adopt amendments to the Zoning By-law that would result in the Salvage Industrial Zone (IS) being renamed the Selected Business Industry Zone (ISB) and would include a new set of regulations related to the new ISB Zone. It is further recommended that the large lots in the area of South Westminster, bounded by King George Highway to the north, Grace Road and River Road to the south, South Fraser Perimeter Road to the west and Scott Road to the east, that are currently zoned IS and IL, be rezoned to the new ISB Zone. The related Zoning By-law Amendment By-laws are included for first and second readings and setting a Public Hearing date, on the same Council agenda as this report.

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General Manager

Planning & Development Department

GK/kms/saw

Appendix I - Lands in South Westminster Currently Zoned ISB

Appendix II - Proposed Amendments to Surrey Zoning By-law No. 12000

Appendix III - Map of Subject Lands Proposed for Rezoning from IL to IS

Appendix IV - Map of Lands Under Development Permit & Development Variance Permit Applications Within the High Visibility Area

Appendix V - Map of Lands Under Rezoning & Subdivision Application No. 56/6086-0302-00

c.c. - City Manager

- City Solicitor

- Acting City Clerk

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## Appendix II

### **Proposed Amendments to Surrey Zoning By-law No. 12000**

It is recommended that Surrey Zoning By-law, 1993, No. 12000, as amended, be further amended as follows:

3. That Part 48 Light Impact Industrial Zone (IL) be amended as follows:

- Delete the paragraph in Section A. and replace with the following:

"This Zone is intended to accommodate and regulate the development of *light impact industry* and *transportation industry*."

4. That Part 50 Salvage Industrial Zone (IS) be amended as follows:

- Rename Part 50 from "Salvage Industrial Zone (IS)" to "Selected Business Industry Zone (ISB)"
- Delete the paragraph in Section A. and replace with the following:

"This Zone is intended to accommodate and regulate the development of selected *industrial uses* primarily enclosed within *buildings*."

- Delete Sub-sections B.1, B.2 and B.3 and replace with the following:

"1. *Light impact industry* provided that any associated outdoor storage occupies an area no greater than the area equivalent to the *lot coverage* of the *principal building*.

2. *Warehouse uses*.

3. *General service uses* limited to the following:

- (a) Industrial first aid training; and
- (b) Trade schools.

4. *Accessory uses* limited to the following:

- (a) *Coffee shops*, provided that the seating capacity shall not exceed 35 and the said *coffee shop* is not licensed by the *Liquor Control and Licensing Act*, R.S.B.C. 1996, c. 267, as

amended;

(a) Indoor *recreational facilities*; and

(a) One *dwelling unit* provided that the *dwelling unit* is:

i. Contained with the *principal building*; and

ii. Restricted to a maximum floor area of 140 square metres [1,500 sq.ft.] on a *lot* and where a *lot* has been subdivided by a strata plan then there shall be no more than one 140 square metre [1,500 sq. ft.] *dwelling unit* within the strata plan."

- Delete the paragraph in Section D. and replace with the following:

1. "The minimum *density* shall be the greater of:

(a) a *floor area ratio* of 0.05; or

(b) a *building* on the *lot* that is a minimum size of 100 sq.m. [1,076 sq.ft.] and contains washroom facilities; and

2. The maximum *density* shall not exceed a *floor area ratio* of 1.00."

- Delete Sub-sections H.1 and H.2 and replace with the following:

"1. Refer to Table C.3 of Part 5 Off-Street Parking and Loading/Unloading of this By-law. For the purpose of this Part, the parking requirements for *warehouses uses* shall be the same as those for *light impact industry*.

2. *Tandem parking* may be permitted."

- Insert the following after Sub-section H.2:

"3. Parking of *vehicles*, except parking for employees and customers of the uses on the *lot*, and including without limitation, parking of *vehicles* exceeding 5,000 kilograms [11,023 lbs.] *G.V.W.*, is specifically prohibited between the front of the *principal building* and the *highway* and shall occupy an area no greater than the area equivalent to the *lot coverage* of the *principal building*;"

- Insert the following after Sub-section H.3:

"4. Notwithstanding Sub-section A.2(a) of Part 5 Off-Street Parking and Loading/Unloading of this By-law, required parking shall be provided on the same *lot* as the uses they serve."

- Delete Sub-section I.5 and replace with the following:

"5. The area for the parking of *vehicles*, except employee parking, shall be completely screened to a height of at least 2.5 metres [8 ft.] by *buildings* and/or solid decorative fence and/or *landscaping* at

least 2.5 metres [8 ft.] high."

- Insert the following after Sub-section I.5:

"6. Outdoor storage of any goods, materials or supplies in the *rear yard* and *side yards* shall be completely screened to a height of at least 2.5 metres [8 ft.] by *buildings* and/or solid decorative fence and/or *landscaping* at least 2.5 metres [8 ft.] high. No display or storage of any goods, materials or supplies shall be piled up to a height of 2.5 metres [8 ft.] within 5 metres [16 ft.] of the said screen and in no case shall these materials be piled up to a height of more than 3.5 metres [12 ft.]."

- Insert the following after Sub-section J.3:

"4. Outdoor storage of any goods, materials or supplies in the *rear yard* and *side yards* shall not exceed the area equivalent to the *lot coverage* of the *principal building* less the area used for the parking of *vehicles* in accordance with Sub-section H.3 of this Zone."

2. That all references to "Salvage Industrial Zone (IS)" be replaced with "Selected Business Industry Zone (ISB)".