



# Corporate *NO: C004*

# Report *COUNCIL DATE: May 7, 2001\_*

<b>COUNCIL-IN-COMMITTEE</b>			
<b>TO:</b>	<b>Mayor &amp; Council</b>	<b>DATE:</b>	<b>May 3, 2001</b>
<b>FROM:</b>	<b>General Manager, Planning &amp; Development</b>	<b>FILE:</b>	<b>2300-001</b>
<b>SUBJECT:</b>	<b>Terms of Reference: Official Community Plan Major Review (2001)</b>		

## RECOMMENDATION

It is recommended that City Council:

1. Authorize staff to proceed with a major review of Surrey's Official Community Plan based on the Terms of Reference attached to this report that focuses the review on creating the framework for accelerated economic development in the City and will add a strong business plan dimension to the OCP;
2. Direct that other land use designation issues (as generally identified in Appendix A of this report) be dealt with as part of a future annual or major OCP review process; and
3. In accordance with Section 879 of the Local Government Act, approve the proposed public consultation process for this major OCP review as outlined in the attached Terms of Reference contained in Appendix B.

## INTENT

The intent of this report is to obtain Council approval for a specific course of action to complete a major review of Surrey's OCP by the end of 2001. This report and the attached Terms of Reference highlight the key areas to be addressed in the review, outline the process and participants, and identify how the public and other stakeholders will be involved in an effective way.

## BACKGROUND

Surrey's Official Community Plan By-law No. 12900 (Section 7, Division A) indicates that every five years, there will be a major review of the Official Community Plan involving a public participation process. The current Official Community Plan was adopted in 1996 and it is therefore appropriate that a major review be

undertaken this year.

Since its approval in 1996 there have been a series of annual reviews, which have been effective in fine-tuning policies and land use designations in response to the needs of the community. Surrey has experienced less than anticipated residential growth over the last 5 years. Last year's annual review of the OCP confirmed that there is enough residential land capacity in the existing Urban "infill" and NCP areas to accommodate growth through the next 7 to 12 years. The basic principles and directions in the OCP remain valid as they pertain to residential growth, capacity and development.

In April, 2001, City Council unanimously passed a resolution in support of accelerating and encouraging growth of the City's business sector, particularly industrial and commercial development which creates employment and new tax revenues.

At its meeting on April 26, 2001, the Business Development Committee recommended that, in view of the upcoming major OCP review, priority be given in the review to achieving Council's goal of increased economic development in the City. The Business Development Committee also indicated their strong preference that the major review of the OCP be completed by the end of 2001.

Through interdepartmental workshops convened to assist in identifying the primary issues on which the OCP major review should be focused, the following emerged as requiring the most immediate attention:

- (a) broadening opportunities for business investment in Surrey through land use flexibility and pragmatic implementation strategies addressing all aspects or potential aspects of the City's involvement in accelerating economic development and in approving and implementing economic development projects;
- (b) expanding the City's tax and employment potential;
- (c) finding proactive approaches for the provision of infrastructure and removing as much as possible all "hurdles" standing in the way of business investment in the City; and
- (d) from a corporate systems perspective, integrating key elements of all corporate policies and plans into a common action strategy to achieve business growth and attract economic development investment to the City.

## **DISCUSSION**

### **A Focussed Approach**

Given that the policy directions contained in the existing OCP remain operative and effective with respect to residential development in the City, it is proposed that the major review of the OCP be focussed upon enhancing the framework associated with significantly expanding investment in the local economy of the City, particularly industrial and commercial development creating new jobs and taxable land assessment. The objectives of the OCP review as articulated in the attached Terms of Reference (Page 2) reflect economic development expansion priorities rather than residential growth and land redesignation considerations.

What has become increasingly evident over the last 5 years is the fundamental importance of economic development to both the short and long term well being of the City. While the OCP has a relatively broad range of policies related to the economic development side of the City, there is growing concern that these policies need to be adjusted to better capture the opportunities that are available to the City in relation to its economic future. A healthy economy is a critical part of a healthy city.

There are some dimensions of Surrey's current profile that indicate a strong need for the City to change its direction significantly. For example, it is generally recognized that a healthy city should have a "total jobs" to "total workforce" ratio of at least 1.0. Currently, it is estimated that Surrey has a ratio of approximately 0.6 jobs to every Surrey resident in the workforce, a very weak ratio. The City's tax rolls also hold some revealing

statistics. The City's tax assessment base is approximately 72% residential and 28% non-residential (i.e., industrial and commercial). Based on a review of other cities in the lower mainland and in other areas of Canada, it is evident that this ratio of residential development to industrial/commercial development is not “balanced” and if not significantly adjusted will make it increasingly difficult for the City to function effectively. A ratio of approximately 60% “residential” and 40% “industrial and commercial” is considered to be the minimum level necessary relative to the long-term health of the City. Therefore, it is clearly evident that actions need to be taken by the City to ensure that economic development activity in the City is accelerated in comparison to residential development. This requires that the City not only attract investment interest but have on-going immediate opportunities for investment. Currently, the City is attracting a reasonable amount of investment interest but is having a difficult time fulfilling the needs of the potential investors in terms of the available opportunities for economic development investment.

## **Objectives of the Major OCP Review**

The Terms of Reference for the 2001 major OCP review will be primarily focused on converting the OCP from primarily a land use plan with some related economic policies to a more holistic business plan for the City involving objectives and policies with direct emphasis on creating an environment within which economic development flourishes in the City to bring about significant changes in the ratios discussed above. The review will also look at changes to the objectives and policies contained in other Master Plans of the City to ensure that they act in a complementary manner to facilitate the acceleration of economic development in the City (i.e., maintain quality but remove hurdles). The following is a more defined list of the proposed objectives for the OCP review:

### **1 A Thriving Local Economy**

- To create a practical policy framework in the OCP to cause and maintain a thriving local economy in Surrey. The policy framework will involve developing strategies to meet Council's expressed goals and objectives for ensuring the City's long term health through creating jobs, wealth and investment and thereby enhancing the City's ability to generate new revenues in support of delivering high quality services to the City's residents and businesses. The OCP will be refocused from being primarily a land use planning document to a business plan that will allow the City to remain healthy and viable not only from a quality of life perspective but from a financial perspective as well. Through research into successful economic development and business practices of other successful cities in the world, this policy review will consider ways to improve plan flexibility by moving toward performance-based approaches to land use planning rather than the more prescriptive approach that has been used historically.
- To explore the potential for land use intensification for existing business areas in the City and to adjust policies if required.
- To search out by-law, policy and regulation “hurdles” acting to impede industrial and commercial investment in the City and take action to remove these hurdles while maintaining the City's overall quality of life and image.
- To implement a more “corporate systems-oriented” approach to economic policy development by integrating all of the City's policies and plans (i.e., planning, engineering infrastructure, parks and recreation) into proactive strategies to implement Council's expressed desire to achieve a thriving and sustainable local economy.

- To reinforce the need for a practical balance between environmental concerns and the needs of industrial and commercial development.
- To add a financial/business dimension to the Official Community Plan thereby making it more practical and more integrated with the City's business objectives and other subordinate plans and policies.
- To review and propose policies related to the City taking a more pro-active role in providing the infrastructure and services necessary to facilitate business investment and development in the City.
- To canvass opinions and to involve the public and specific significant stakeholder groups both early and throughout the review of the OCP, and to integrate the views of the public and significant stakeholders such as the industrial and commercial development industry in the new or augmented policies proposed for inclusion in the plan.

## **2 Sustainable Parks and Recreation Standards**

- To review parks and recreation standards and environmental protection initiatives in the City to determine their appropriateness within a sustainable context.
- To find practical and effective ways to enhance and maintain the City's character and image, with a focus upon the City Centre and Surrey's waterfront.

## **3 Integration and Co-ordination**

- To ensure that the OCP and the Master Plans guiding the delivery of the various elements of the City services and the implementation of City infrastructure (e.g., 10 Year Capital Plan, NCPs, LAPs, Master Transportation Plan, Economic Development Strategy, etc.) are complementary to one another.
- To update and extend the growth projections and other plan information to a new horizon year.
- To update the OCP policies to enhance their operational effectiveness, including, among others, policies respecting Crime Prevention Through Environmental Design (CPTED).

## **Residential Growth and Land Use Designation Considerations**

There are some expectations on the part of specific individuals or groups in the City that certain specific land use issues will be addressed during the major OCP review or through an annual review (a list of some of these requests/issues is provided in Appendix A). In view of the time frame available for undertaking the major OCP review, it is recommended that these other requests be referred to a subsequent review of the OCP, either a future annual review or major review. This will enable staff to deal more comprehensively with issues raised in connection with the economic component of the OCP review and complete the review by the end of 2001.

## **Proposed OCP Review Process**

The proposed review process is described in the attached Terms of Reference (Appendix I). The process will

include a comprehensive public, stakeholder and agency consultation program allowing input by interested parties early and throughout the OCP review process. It is also strategically designed to directly involve business leaders and groups, investors and commercial/industrial stakeholders (i.e., Business Improvement Associations such as Cloverdale and South Westminster, the Chamber of Commerce, commercial/industrial developers, business investors/lenders and business associations such as the National Association of Industrial and Office Properties). Consultation with business groups will occur in various contexts such as strategy forums, individual meetings, workshops and interviews.

### **Work Program and Costs**

It is anticipated that the major review of the OCP will take approximately 8 months to complete (by December, 2001). The work program and schedule for completing this project are identified in the attached Terms of Reference (Appendix I).

The consulting fees associated with this project are expected to be about \$25,000, which is available in the Planning and Development Department budget, and all other costs and resources (i.e., staff) will be funded through existing 2001 departmental operating budgets.

## **CONCLUSION**

City staff has prepared the attached Terms of Reference for this year's major review of the Official Community Plan. Staff is recommending that the focus of the review be directed toward creating a comprehensive corporate policy framework that will significantly accelerate industrial and commercial development in Surrey. The review will include adding a strong business plan dimension to the OCP. The review is expected to be complete by the end of 2001 and will be funded through regular departmental budgets.

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General Manager

Planning & Development Department

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Attachment: Terms of Reference – Official Community Plan Major Review (2001)

Appendix A: Recent Requests Related to Residential Growth and Land Use Designation Issues

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