



Corporate NO: C009

Report COUNCIL DATE: October 22, 2001

RECOMMENDATION

The Planning & Development Department recommends that Council:

1. Receive this report as information; and
2. Authorize staff to present the draft policy proposals, as described in this report, to the public and other interested stakeholders, which will include, amongst others, representatives of the business community and ratepayers associations.

PURPOSE

The purpose of this report is to:

- advise Council of the progress, to date, on the 2001 major review of the OCP;
- to inform Council regarding draft policies proposed for inclusion in the OCP; and
- to obtain Council authorization to present the draft policies to the business community, other interested stakeholder groups and the public for comments.

BACKGROUND

At a Council-in-Committee meeting on May 7, 2001, Council considered Corporate Report C004 entitled "Terms of Reference for the Official Community Plan Major Review (2001)" and, subsequently, approved the Terms of Reference contained in that report to act as the basis for the 2001 Major Review of the OCP. A copy of that report, including the Terms of Reference, is attached as Appendix "A". The Terms of Reference contain a summary of the general objectives for the major review of the OCP.

At a Council-in-Committee meeting on July 16, 2001, Council considered Corporate Report C007 entitled "Official Community Plan (OCP) Review - Status Report". The report provided information regarding the progress that staff had made on the Major Review of the OCP, to that date, with particular emphasis on each of the major elements of the work program contained in the Terms of Reference adopted by Council. A copy of the subject report is attached as Appendix "B". Council resolved to receive the report as information.

At its meeting on July 26, 2001, the Business Development Committee considered a memorandum from the Planning and Development Department, dated July 22, 2001, entitled "Options for Enhancing the OCP by Increasing the Amount of Land Available for Business Development in the City". A copy of the memorandum is attached as Appendix "C". The memorandum documented the Business Development Goals that have been established by Council as follows:

Business Development Goals:

1. To match the number of jobs available in the City to the total workforce that resides in the City of Surrey (Currently the jobs to workforce ratio for the City is 0.55. This means that for every 10 residents of Surrey, in the workforce, there are only 5.5 jobs. As such, many Surrey residents must travel outside Surrey to their places of employment);
2. To double (based on construction value) the amount of business development that occurs in the City in the decade between 2000 and 2009 in comparison to the decade from 1990 to 1999. Between 1990 and 1999 the City achieved \$1 billion in new business development. Therefore, the goal for the next decade is \$2 billion or approximately \$200 million per year;
3. To further accelerate new business development between the years 2010 and 2021 such that building permits having a total construction value of \$2.5 to \$3.0 billion (i.e., \$250 to \$300 million per year) are issued;
4. To shift the City's property tax revenue base from the current ratio of 72% residential and 28% business to a ratio of 66% residential and 34% business by the year 2009; and

5. To shift the City's property tax revenue base ratio to 60% residential and 40% business by the year 2021. This ratio is considered to be the minimum necessary for the long-term financial health of the City.

The memorandum also identified three areas where new policies are necessary to achieve the very demanding goals listed above. These are:

- Policy Area 1: New policies and a policy framework are needed to address land use designation requirements to respond to market pressures with greater predictability and flexibility. The conventional practice of "prescribing" land use designations on maps alone may no longer be adequate to achieve the above goals.
- Policy Area 2: To further improve the "market readiness" of industrial and commercial business development lands, it is necessary to simplify constraints imposed by requirements related to the City's off-site engineering systems. To achieve this, a new process is proposed that will shift the administrative responsibilities for servicing to the City from the developers. Additionally, it is proposed that the City consider "pre-servicing" of industrial areas for some situations.
- Policy Area 3: The business community has indicated that, in addition to having developable land and engineering services available to support new business development, the City of Surrey could accelerate business development within the City, if the City were able to achieve a higher profile image within the region. Significant built features, such as destination tourism venues, a trade and convention centre, quality hotels, publicly accessible waterfront venues, etc., enhancing existing programs such as Clean City and Safe City and encouraging significant annual events such as the Air Canada Championship, Cloverdale Rodeo, PNE, etc., would all help to better define Surrey as a "character" City. To this end, a new policy, or set of policies, needs to be developed, in relation to dealing with this aspect of enhancing the City.

The memorandum to the Business Development Committee also provided an overview of the projected area of land that would be needed to satisfy the business development goals and compared those requirements with the lands available for business development purposes, as designated within the current OCP. The memorandum documented the fact that additional commercial lands and additional industrial lands would need to be designated to satisfy the subject goals documented previously in this report.

Finally, the memorandum to the Business Development Committee described and evaluated three options available to the City for expanding the land available within the City, for each of industrial and commercial development purposes. After careful consideration of the three options, the Business Development Committee recommended to Council that Option "C" - "Hybrid Map/Criteria Approach", be adopted as the basis for continuing work on the Major Review of the OCP. At its Regular meeting on September 4, 2001, Council adopted this recommendation of the Business Development Committee.

On July 27, 2001 and September 12, 2001, the City's Ratepayer Associations were consulted through two separate forums. The input received through these forums is documented in Appendix "D".

Since the July 16, 2001, report to Council, the OCP Project Team in the Planning and Development Department has completed a significant amount of research into the OCP policies of other cities in North America, Europe and the Pacific Rim (see **Appendix "E" for overview of details**) to determine whether there were any new policy ideas that have been implemented by others that would assist the City of Surrey in achieving its economic objectives. The result of the research was disappointing, in that it produced little in the way of unique or creative approaches to land use planning that could be applied in Surrey, to assist in achieving the economic development goals documented previously in this report.

DISCUSSION

The following sections of this report will be dedicated to discussing policy proposals in relation to the three policy areas that were listed in the background section of this report.

POLICY AREA 1: LAND USE DESIGNATIONS AND ZONES

Land Requirements and Budget Modelling

Based on the Business Development Goals, for commercial and industrial construction, documented in the Background section of this report, a model was created to evaluate the future land requirements to accommodate the projected growth, as well as the employment and financial benefits, to the City, of achieving these goals. Appendix "E" provides a summary of results of the modelling exercise. The modelling exercise confirms that if the industrial/commercial construction value goals are met, then the

employment and tax base goals will be met. However, it is also clear, based on the modelling work, that the current land use designation map within the OCP, does not designate sufficient land in either of "commercial" or "industrial", to achieve the stated goals. It is estimated that up to **1000 acres of additional industrial land** (i.e. approximately a 20% increase in the industrial land base) and approximately **500 acres of additional commercial land** (i.e. a 37% increase in the commercial land base) are needed.

The question that arises from the above conclusion is, where and how, can the City satisfy the identified land base shortfall for each of the industrial and commercial sectors? The answer to this question is fundamental to the policy changes proposed for the OCP, as discussed in the remainder of this section.

In relation to land use, there are two fundamental policy components in the OCP. These are, firstly, a **land use designation map** which applies one of 11 different designations to every piece of property in the City and, secondly, a **matrix which identifies the specific zones from the City's Zoning By-law that are permitted in each of the 11 designations**.

The OCP also contains a policy, in relation to where and when amendments can be made to the land use designation map. However, the decision-making criteria, included in this policy, which is intended to form the basis for determining whether or not to consider a re-designation, is weak. As such, it is difficult to undertake amendments to the existing land use designation map efficiently. The current approach places a strong emphasis on maintaining the existing land use designation on each piece of property and, therefore, changes are often confrontational in nature between the proponent of the change and the community. As such, the current approach places a strong **emphasis on predictability at the expense of flexibility**. It inherently assumes that the current land use designation map reasonably represents the interests of the City and the market. This assumption appears to be incorrect, based on the analysis that staff have undertaken and based on comments received from the City's business community, who consistently comment that the OCP does not provide for sufficient flexibility to capture opportunities in the market.

The memorandum to the Business Development Committee of July 22, 2001, documents three options for re-designating additional land for business purposes. Option "C" - "Hybrid Map/Criteria Approach to Business Development Designations", as described in the aforesaid memorandum, was recommended to Council by the Business Development Committee and adopted by Council as the basis for further work on the OCP.

The "Hybrid Approach" to making land available for business development, is intended to remove emphasis from the land use designation map within the OCP, which is **prescriptive** by nature and place greater emphasis on "**performance-based criteria**" for the purposes of evaluating potential locations for business development, that meet both the interests of the City and its residents, as well as the interests of the business community and the market. This should encourage further business investment in the City. This approach represents "outside the box" thinking and, therefore, is somewhat untested, in that it was not found in the OCP of any other City researched by staff.

Performance-based Criteria

The fundamental OCP change proposed, in this regard, is to introduce more precise "performance-based" criteria in the OCP policies, that will act as the basis for developers and the City to make reasonable decisions regarding where new and expanded business development areas should be located within the City and encourage changes to the OCP to capture market opportunities, while maintaining the quality of life for the City's citizens. The performance-based criteria will allow proponents of business development proposals to assess the credibility of the proposal against predetermined "performance standards" that will ultimately form the basis of staff's recommendations to Council, regarding the appropriateness of the location proposed for the development. In this way, land use designations will be more flexible, while the outcome of particular proposals can be made more predictable for the proponents.

New Business Designation

In parallel with these new, more precise performance-based criteria, a new "Business" designation will be introduced in the OCP. The OCP currently permits business development in three designations, these being the Industrial, Commercial and Town Centre designations. Some limited commercial development (i.e., the Commercial –C 4 Zone) is also permitted in Urban and Suburban designations. However, the amount of such commercial development is very limited.

The Industrial designation is perceived as negative by the typical resident who assumes by the nature of the word "industrial" that this designation will bring with it high impact industrial uses with accompanying nuisances such as noise, smell, unsightly

outdoor storage, heavy volumes of truck traffic and insufficient attention to landscaping, screening and buffering.

The new "Business" designation is proposed to accommodate a range of business uses that are clean in nature and result in high quality development with minimal nuisance to surrounding uses. As such, it should be easier to introduce, into a much broader range of areas in the City, with less resistance from the local community. This proposed "Business" designation will be added to Part 3 of the OCP, with the following general description:

***Business (B) Designation:** The Business designation is intended for areas throughout the City where business development is appropriate, but which require a sensitive interface with adjoining land uses. This designation may be located adjacent to residential or non-commercial/industrial areas and may include mixed uses along its periphery to act as a "buffer" with an adjacent residential designation. The uses within the designation are clean, non-intrusive, and well buffered.*

The OCP will include the following performance criteria to act as a basis for making decisions, with respect to where the new "Business" designation will be considered:

- The site has proximity and direct access to a Provincial highway or an existing or proposed arterial road that is an existing or potential designated truck route;
- The site is located within an existing or potential servicing catchment area(s) that will allow comprehensive infrastructure and utility servicing, including water, sewer, drainage, flood control, natural gas and electricity;
- The scale of the area being redesignated must be reasonable, in the context of existing and potential future business development in the same area;
- The site can provide an adequate interface with adjacent land uses and adequate protection for environmentally sensitive areas;
- The site topography and soils are conducive to large floor-plate buildings; and
- Larger areas being considered for the new Business designation, will be planned in accordance with a Local Area Plan process to ensure a comprehensive development plan and compatibility and integration with surrounding land uses, transportation and utility systems.

New Zones

In addition to the performance-based criteria and the new "Business" designation, two new zones are proposed for inclusion in the OCP and the City's Zoning By-law. These new zones accommodate business uses that reflect current market demands, while at the same time are compatible with an adjacent land uses in a broad range of settings, particularly residential uses. The purpose of these new zones is to reduce the potential for concern on the part of neighbouring property owners, with respect to impacts that development in these new zones will create on adjacent properties.

The proposed zones are named the "Business Park 2 Zone (IB-2)" and the "Highway Commercial 2 Zone (CHI-2)" and are intended primarily for lands under the new "Business" designation, but will also be permitted in the Industrial, Suburban, Urban and Multiple Residential designations, subject to satisfying various **performance criteria** to be included in the OCP. These performance criteria are discussed in more detail later in this report.

The following provides a brief description of each of these zones:

Business Park 2 Zone (IB-2)

The proposed "IB-2 Zone" is a modification of the Business Park IB Zone and is intended to accommodate high quality business park uses, research and development activities, advanced technology, office uses and associated service activities, all with significant employment opportunities and increased assessment values, but which will not, in general, create a nuisance to adjacent properties and, therefore, can be located adjacent to properties zoned for non-business uses. This zone is intended, primarily, for lands under the proposed "Business" Designation, but will also be permitted in Suburban, Urban, and Multiple Residential designated lands, subject to the satisfaction of performance criteria.

The fundamental differences between the IB-2 Zone and the IB Zone are:

- Light manufacturing uses will not be permitted in the IB-2 Zone;
- Office uses will be permitted, excluding medical, dental, and law offices, which are encouraged to locate in City Centre and Town Centre areas;
- Eating establishments are proposed to be permitted as an accessory use, but are limited in size to less than 278.7 square metres (3,000 square feet);
- Setbacks will vary dependent on surrounding land uses. Increased setbacks will be required if the proposed development is adjacent to residential uses; and
- Landscaping and buffering/screening requirements will also vary dependent on adjacent uses, to ensure compatibility with the adjacent land uses.

Highway Commercial 2 Zone (CHI-2)

The proposed "CHI-2 Zone" is intended to accommodate high quality commercial development and related uses with significant employment opportunities and assessment values, but which will not, in general, create a nuisance to adjacent properties and, therefore, can be located adjacent to properties zoned for non-business uses. This zone is intended, primarily, for lands covered by the "Business" Designation, but will also be permitted in the Industrial, Suburban, Urban, and Multiple Residential designated lands, subject to the satisfaction of performance criteria.

The fundamental differences between the CHI-2 Zone and the CHI Zone are:

- Automotive service uses are not permitted in the CHI-2 Zone;
- Automobile painting and body work are not permitted in the CHI-2 Zone;
- Light Impact Industry is not included as a permitted use in the CHI-2 Zone;
- A range of general service uses are permitted, but those business activities with requirements for outdoor storage are excluded;
- Outdoor storage of any kind is prohibited in the CHI-2 Zone;
- A wider range of retail and office uses is permitted in the CHI-2 Zone than the CHI Zone;
- Eating establishments are proposed to be permitted, but are limited in size to less than 278.7 square metres (3,000 square feet);
- Setbacks vary dependent on surrounding land uses. Increased setbacks will be required if the proposed development is adjacent to residential uses; and
- Landscaping and buffering requirements will also vary dependent on adjacent uses, to ensure compatibility with the adjacent land uses.

Flexibility for New Business Locations Through Performance Criteria Allowing a Broader Range of Zones in Existing Designations

One of the issues that has been identified by the business community, as a concern, is the limited flexibility that the current OCP policies provide for locating new businesses. It is proposed that a greater range of flexibility, for the location of new businesses, be introduced in the OCP, by allowing some of the "business" zones to be allowed in a greater number of land use designations. These business zones, including the two new zones discussed above, will be permitted in an expanded number of designations, provided that the specific proposal satisfies certain performance criteria, as documented in Table 1. These performance criteria are grouped into eight categories and are proposed to be included in Part 3 of the OCP.

Table 2, "OCP Land Use Designation and Permitted Zones", notes those zones [indicated by a diamond (◆)] that are permitted in an expanded range of land use designations, subject to the satisfaction of the performance criteria listed in Table 1.

Table 1
Performance Criteria

This table applies for determining the suitability of a development proposal for a zone shown by a diamond (◆) in the table of Section 3.7 Land Use Designation and Zoning.

Category	Criteria	Indicators	Performance Requirement
1	<i>Land Efficiency:</i> The project should make efficient use of the land.	(a) FAR (b) Outdoor storage	(c) Minimum 0.25 (d) No outdoor storage
2	<i>Increased Assessment:</i> Contribution to Surrey's tax and assessment base.	Dollar value	Increase in assessed value
3	<i>Commitment to Build:</i> New business developments should be constructed as soon as possible after they are approved.	(a) Displayed level of commitment (b) Confirmed major tenant	Agreement to construct within a specific timeframe
4	<i>Demand:</i> New business development, particularly commercial projects, should locate in underserved markets and should make a positive contribution to the variety and scale of products and services in the area.	Analysis	(a) Retail Commercial Market study (b) Proposal does not undermine adjacent existing NCP's
5	<i>Interface:</i> The project must have an effective interface and not be obtrusive with adjacent land uses.	(a) Landscaping (b) Nuisance (c) Use intensity	(a) Along the perimeter of the site, abutting residential areas and fronting roads, to create an effective interface between the adjacent uses. (b) Analysis demonstrating compliance with nuisance provisions in applicable, by-laws (i.e. zoning, noise, etc.) (c) Density and/or use transition to adjacent land uses in conjunction with buffering or screening.
6	<i>Scale and Siting:</i> The size, scale, massing and design features must be harmonious and in character with the existing area.	Design concept, including: design principals, architectural plans visual representations, models, etc.	Compliance with development permit guidelines and specialised guidelines.
7	<i>Integration and Connectivity:</i> New projects must be well integrated into the area or community.	Conceptual circulation plans and analysis.	Concept map and area plan developed for a sufficient portion of the neighbourhood or community
8	<i>Transportation/Servicing:</i> All proposals must demonstrate the ability to address issues of transportation, municipal services, utilities (cable, telephone, gas and hydro) and environmental protection.	Analysis and feasibility for provision of City services and other utilities.	Meet requirements of Works and Services By-law

Table 2
OCP Land Use Designations and Permitted Zones

<u>Zone</u>	<u>Land Use Designation</u>	Business	Commercial	Town Centre	City Centre	Multiple Residential	Urban	Suburban	Rural	Industrial	Agriculture	Conservation	Indian Reserve
Agricultural, Residential and Institutional Zones													

A-1										•		
A-2										•		
RA								•	•			
RA-G								•				
RH						•	•					
RH-G						•	•					
RC							•					
RF						•						
RF-SS						•						
RF-G						•						
RF-9						8						
RF-12						8						
RF-SD						8						
RM-D						•						
RM-M						•						
RM-10					•	•						
RM-15					•	•						
RM-19					8	8						
RM-30			•	•	•	○						
RM-45			•	•	•	○						
RM-70			•	•	•							
RM-135				•								
RMC-135				•								
RMC-150				•								
RMS-1		•			•	•	•		○	•		
RMS-1A		•			•	•	•		•	•		
RMS-2		•	•	•	•	•			○			
PC						•	•			•		
PA-1		•	•	•	•	•	•		•	•		
PA-2		•	•	•	•	•	•		•	•		
PI		•	•	•	•	•	•		○			
Business Zones												
C-4		•			•	•	•		○	•		
C-5		•			•	•	•		○	•		
C-8	•	•	•	•	◆	○◆	◆					
C-8A		•	•	•								
C-8B		•	•	•								

C-15	●	■	●	●	◆	◆						
C-35				●								
CHI		●				●			●			
CHI-2	●	●			◆	●	◆		●			
CG-1	●	●	●	●	●	●	●		●	●		
CG-2	●	●	●	●	●	●	●		●	●		
CTA	●	●				●	●		○	●		
CCR		●	●	●	●	●	●			●		
CPR		●		●	●	●	●		○	●		
CPG						●	●		○	●		
CPM		●			●	●	●		○	●		
IB				○		○			●			
IB-2	●	◆	◆	◆	◆	◆	◆		●			
IL									●			
IH									●			
IS									●			
IA									●	●		
Comprehensive Development Zone												
CD	◆	●	●	●	●	●	●		●	●	●	



8

Zone permitted.

Small Lot Residential Guidelines.



Zone permitted conditionally through NCP:



Zone permitted if in compliance with Performance Criteria



Zone allowed only in the Surrey City Centre.

New Policies to Build a Sustainable Local Economy

To support the economic development goals and directions of the City, it is proposed that a new economic development policy section be created in Part 2 – Issues and Policies of the OCP. The new policy section would be entitled, "Build a Sustainable Local Economy" and would include a set of 10 policy statements that establish the overall intent, objectives and specific policy initiatives that will guide economic development planning for the City. A draft of the new policy section is contained in Appendix "F".

Official Recognition of Workplace Centres in the City

The current OCP establishes the planning concept of Nodal Development – building Surrey around a hierarchy of centres that include City Centre, Town Centres and Neighbourhood Centres. These centres, or nodes, are focal points for community services, business activities and transportation networks. However, the nodal concept, currently, does not recognize the role of *workplaces* – business or industry parks/areas – within the City structure. In that workplaces are major activity centres within the

city, workplace areas are proposed to be included in the OCP nodal development concept.

POLICY AREA 2: MARKET READINESS OF LAND FOR BUSINESS DEVELOPMENT

In order to further improve the "market readiness" of lands for business development, it is necessary to address existing constraints imposed by requirements related to the City's off-site engineering services. To achieve this, it is proposed that an implementation strategy be pursued, based on the following goals:

- 1 The City will deploy "pre-servicing" as a means of improving the market readiness and to accelerate the "absorption rate" of industrial and commercial lands within the City; and
2. For industrial and commercial developments, the City will offer the option to the developer that it will be responsible for the provision of the "off-site" services.

Further, it is proposed that this strategy involve:

1. Determining the pre-servicing costs for the existing industrially designated areas in the City and that a preliminary ranking of the areas be prepared for pre-servicing; and
2. That a new approach to servicing industrial and commercial sites be adopted, whereby the City will offer to take responsibility for the provision of off-site services for projects that do not qualify for pre-servicing.

As noted in the land requirement analysis, to meet the business development goals of the City, it is estimated approximately 1000 acres of newly serviced industrial land will be required over the next 20 years. Similar projections for commercial land indicate that an additional 250 acres of retail and 250 acres of office lands will be required over the next 20 years. The following discussion outlines background and options based upon the assumed land requirements.

1. **Pre-servicing Option**

The majority of pre-servicing carried out previously in Surrey was financed by the Provincial Government with costs being recovered as the land developed, or as building permits were issued. Most of this pre-servicing was for residential areas, however, most of the Port Kells industrial area was pre-serviced in this way in the late 1970's. Virtually all the pre-serviced area is now built upon with associated costs recovered.

More recently, a small area of North Port Kells, that was outside the previously pre-serviced area, was pre-serviced with funding by the City. The works for this 20-acre industrial area have just been completed. Cost recovery will be through a specified charge collected at time of building permit. The pre-servicing of this site was seen as a pilot project and has established the necessary specified charge by-laws and the processes.

Alternative options for servicing of industrial lands are proposed to include the opportunity of pre-servicing the lands with off-site servicing costs being front ended by the City and a new processing approach, as discussed below.

Where pre-servicing of industrial/commercial lands has been determined to be justifiable, the City will be responsible for providing off-site services to the sites. The off-site servicing costs will be funded in whole, or in part, by the City with the costs being recovered from developers over time.

The City is currently budgeting \$3 million in 2001 for the City's utilities (\$1 million for water and \$2 million for sewer), specifically to provide for pre-servicing of industrial and commercial lands. In order to meet the OCP's new goals for industrial/commercial development, the City will need to see an average of 50 acres per year develop. Much of the 50 acres may require pre-servicing. It is estimated that to service all the 50 acres per year, the average annual cost would be \$2 to \$3 million per year for utilities and \$3 million per year for road and surface works. These estimates do not include Campbell Heights. It is anticipated that seed financing for pre-servicing will become largely self-financing over time, with payments in pre-serviced areas funding pre-servicing in new areas. Once the amount of pre-serviced land reaches

the amount established by Council, then all repayments, including interest, would be returned to the original funding source.

The potential funding sources for pre-servicing include utility funds and borrowing from the Legacy Fund, with the funds being returned as development takes place. Some of the services required to open up an area may also be funded by Development Cost Charges.

Once the costs to pre-service each area and the extent of the City's involvement that is required have been determined and the priorities established, the City can then identify the annual budgetary needs to achieve the objectives set out for industrial and commercial development.

2. Modified Servicing Process

In addition to the pre-servicing outlined above, the City is also proposing to provide an additional option for the servicing of industrial and commercial projects that do not qualify for pre-servicing.

Most new servicing of industrial land is currently carried out by the private property owners or developers. Under this current process, the developer will engage the necessary planning and engineering consultants who will, jointly with the City, determine on and off-site servicing needs. The works will then be designed by the engineering consultant retained by the developer and be constructed by the developer's contractor. This process to install services can be quite lengthy and to someone who is not routinely in this business and just wants to get a site serviced in order to proceed with industrial buildings, it can be perceived to be a significant impediment.

Consequently, the City will give the developer an option, whereby the City will take on the responsibility for providing municipal services, external to the development site, on behalf of the developer. This will include:

- Retaining the consultant to undertake the design and construction administration and inspection services;
- Obtaining approvals from outside agencies; and
- Tendering and retaining a contractor to construct the services.

The principle of "developer pay" for the cost of providing the services required for his/her site will remain as is currently the case. This new approach, regarding servicing, will be at the option of the property owner/developer and will require that the owner/developer pay all of the actual costs of providing these services. This would be equivalent to pre-servicing, without the City financing the services. There are some additional risks, to the City, of this approach and these will be dealt with in detail in a separate Corporate Report.

3. Locations for Pre-Servicing

The 50 acres of additional industrial lands, per year, discussed earlier in this report, is for various areas around Surrey, including potential candidate areas as listed below:

- East Newton Business Park
- South Newton Business Park (152 Street and Highway 10)
- North Cloverdale (176 Street and 64 Avenue)
- South Cloverdale (Kwantlen College site)
- East Cloverdale (184 to 192 Street)
- South Westminster (Old Yale to 104 Avenue East of Scott Road)
- South Westminster (East of Skytrain area)
- Bridgeview West
- Rosemary Heights Business Park / Live-Work Area

- Campbell Heights

Within these 10 areas, there are three different categories comprised of the following:

- Areas where the City has significant land holdings (e.g. Bridgeview, Campbell Heights);
- Areas that are primarily privately held; and
- Large areas that require specific treatment (e.g. Campbell Heights).

In areas where the City has significant land holdings, it may have broader opportunities to influence the development of the areas. In areas that are largely privately held, the interest shown by the marketplace, in the development of the areas, will influence to a large extent, the City's ability to open these areas up for development. Due to its size and need for very costly infrastructure to service, Campbell Heights can only be dealt with on a site specific basis, involving outside parties, as is currently the case. Cost recovery would likely be by DCCs specific to Campbell Heights.

Of the non-Campbell Heights areas, there has yet to be a determination of a priority rating, to establish a timetable for pre-servicing. Such a priority rating would require the establishment of criteria to make business case choices on which areas to pre-service and in what order the work should be done.

POLICY AREA 3: CITY IMAGE AND CHARACTER

Information gathered from research and input from the business and ratepayer groups forums, indicates that, in addition to having flexible and responsive land use policies (i.e., Policy Area 1) and pre-serviced developable land (i.e., Policy Area 2), an essential ingredient to accelerating business development is for the City to develop its own unique character or identity, so as to distinguish itself not only regionally but at the national and international level, as well. It has been stated that business owners are attentive, not only to ensuring that the city within which they choose to locate can meet the immediate needs of the business, but also provides an attractive environment within which their employees can live, learn, and enjoy recreation. It is recognized that if this aspect of the City is not given due consideration, the work that is spent in Policy Areas 1 and 2 will not be effective. Therefore, although this Policy Area is the most difficult to address, it is also the most important, in terms of its ramifications, to the long-term health and well being of the City, as a business.

Character and image are developed through a variety of means, some of which are listed below:

- Council initiatives: Clean City, Safe City, Active City
- Cultural venues (theatres, museums, heritage buildings, planetarium, etc.);
- High profile sports venues and profile sports teams (e.g., GM Place, Vancouver Canucks, BC Place, BC Lions, etc.);
- Convention/Trade and consumer show facilities;
- High quality and varied local recreational opportunities (i.e., PNE, Cloverdale Fairgrounds, Fraser Downs, Science World, Learning and Discovery Centre, parks, golf courses, large stadiums and arenas, etc.);
- High quality restaurants, offering a variety of ethnic cuisine;
- Parks/Trail systems linking all areas of the City;
- Feature shopping areas (i.e., Robson Street, Granville Island, etc.);
- High quality hotels;
- Attractive buildings;
- Architectural landmarks/icons (i.e., city skyline, Space Needle, CN tower, etc.);
- Significant natural amenities (agricultural areas, creeks, streams, forests, etc.);
- Views (oceans, rivers, mountains, city skyline, etc.);
- Significant annual events (Air Canada Championship, Canada Cup, Cloverdale Rodeo and Exhibition, etc.);

- Educational Facilities (i.e., Tech BC, Kwantlen College, etc.);
- Agriculture;
- Public markets/farmers markets;
- Events and locations that celebrate the City's ethnic diversity; and
- Well-developed transportation system (i.e., airport, transit, Skytrain, well lit and landscaped streets with wide boulevards, etc.).

The OCP policy proposals, resulting from the current major review, need to include a policy framework and a work program focused on further developing a unique identifiable positive character and image for the City that will act to entice new businesses to locate in the City and existing businesses to remain and grow in Surrey.

The policies need to answer the following fundamental questions:

4. On what elements should the City focus, in each of the short, medium and longer term, to build its unique character and image?
5. To what extent can the City control or influence the development of the elements identified in 1 and what partnerships will the City need to develop to recognize the full potential of each element, in relation to building the City's character and image?
6. How will the financial requirements, related to building the City's character and image, be managed?

The next report to Council will include a recommended new section, within the OCP, that will identify the fundamental policy statements in regard to Policy Area 3 and will include a recommended work program, in relation to answering the questions that are listed above. Ultimately, a master plan will need to be developed that provides a "blue print" which will guide the City's future activities and expenditures in this area.

Other Policy Areas Under Consideration

Parks Acquisition Standards

The Parks, Recreation and Culture Department has evaluated the parks acquisition standards and has determined that the gross standard for parks acquisition should be maintained at 4.2 hectares per 1000 residents, as is shown in the 1996 Official Community Plan. However, the distribution of this land, between neighbourhood, community, and citywide parks, is being evaluated. Any proposed revisions to parks acquisition standards will be reviewed by Surrey's Parks, Recreation and Culture Commission and then be presented to Council, under a separate report from the Parks, Recreation and Culture Department, before the OCP By-law is considered by Council. The final text of the revised OCP By-law will include any Commission approved revisions to the parks acquisition standards.

Crime Prevention through Environmental Design (CPTED)

City staff have worked closely with the Surrey Detachment of the RCMP to develop enhanced guidelines for Crime Prevention Through Environmental Design (CPTED). These guidelines will be matched, with amendments to various existing policies, in the OCP and additional policy statements will be developed to achieve the objectives of safe environmental design. Details of these changes will be included in the final text of the OCP for consideration by Council.

Neighbourhood Concept Plan (NCP) Policies

Currently, the policies related to the development of residential NCPs, do not adequately address the need to ensure a balanced mix of land uses. The next report to Council will include recommendations, in relation to amending the NCP policies, to ensure that new residential NCPs are developed, where possible, with a balanced mix of land uses so that employment opportunities are provided to accommodate the potential workforce of the neighbourhood and that local commercial needs are adequately satisfied for the projected population of the neighbourhood.

In addition, a new set of policies will be developed, related to business-related local area plans (e.g., South Westminster), that will place less emphasis on the opinions of the local landowners and require more involvement by the broader industrial/commercial development community, to ensure that the final plan creates an effective framework for business development in current market conditions.

Once Council adopts an NCP, LAP or Town Centre Plan, amendments to the OCP, within the plan area or immediately adjacent to the plan area, should be restricted for some period of time so that the fundamentals of the plan are not undermined. The next report to Council on the OCP Major Review will recommend a policy regarding this matter.

Overview of Proposed OCP Changes

The following table provides an overview of the OCP and outlines, in general terms, the changes that are proposed in each part of the Plan, as have been discussed in previous sections of this report.

Components of the OCP	Purpose of Section	Proposed Changes
Division A		
Part 1: Overview	Background and summary of the Plan.	The description of the plan goals, background and contents have been revised to reflect the economic development thrusts and business plan approach to the OCP.
Part 2: Issues and Policies	Description of objectives and policies.	Two new sections are proposed: <ol style="list-style-type: none"> "Build A Sustainable Local Economy" - it will articulate the economic development objectives and policies; and "Build a City with Character" – it will articulate the potential for developing the character and image of the City.
Part 3: Land Use Strategy	Description of land use designations, permitted uses, densities and performance criteria.	A new land use designation has been added and the land use designation and permitted zones table has been restructured to accommodate performance based planning. Performance criteria have been added to accommodate selected business-related zones in a broader range of designations.
Part 4: Supplemental Land Use Strategy	Series of maps showing natural and physical features that influence growth and development.	This section has not been changed apart from housekeeping matters.
Part 5: Secondary Plans	Status, content and procedures for secondary plans, including Local Area Plans and Neighbourhood Concept Plans.	The terminology for this section has been changed to encompass a variety of Area Plans (i.e. Local Area Plans, Town centre Plans, etc) and Neighbourhood Concept Plans as Secondary Plans. This section will be modified in relation to the policies related to NCPs and LAPs and the procedures followed to develop such plans
Part 6: Permits and Procedures	Conditions and procedures required to issue Temporary Use, Development and Heritage Alteration Permits.	This section has not been changed apart from housekeeping matters.
Part 7: Administration and Procedures	Administration of the Official Community Plan, relationship to other By-laws, annual review and process.	This section has been changed to add the types of Official Community Plan amendment categories for Performance criteria-based proposals.
Schedules	Land Use Designation Map and Guidelines for Temporary Use, Development Permit and Heritage Conservation Areas.	This section has not been changed apart from housekeeping matters.

Appendices	Statistical background to the Plan, a Regional Context Statement and a list of in-stream applications.	The statistic background will be revised and updated and the list of 1996 in-stream applications will be removed.
Division B	Form and Character Guidelines for the Area in the Vicinity of the Douglas Crossing	This section has not been changed, apart from housekeeping matters.
Division C	Form and Character Guidelines for the Area in the Southeast of Scott Road from 104 Avenue to Scott Road Skytrain Station in South Westminster	This section has not been changed, apart from housekeeping matters.
Division D	Design Guidelines for Gas Stations	This section has not been changed, apart from housekeeping matters.
Division E	Form and Character Guidelines for the Crescent Beach Commercial Area	This section has not been changed, apart from housekeeping matters.
Division F	Guidelines for Crime Prevention Through Environmental Design (CEPTED)	This is a new section organising existing and new guidelines for Crime Prevention Through Environmental Design (CEPTED).

For details of the proposed changes, documented in this table, refer to Appendix "F".

Policy Directions – Phasing of Initiatives

The 2001 Major Review of the OCP should be viewed as a first phase of a multi-phased strategy, to accelerate business development in the City. The second phase, following the adoption of new policies in the revised OCP, will be a program of work to identify and designate lands to the new "Business" designation and to the "Commercial" designation, based on the new policies contained in the OCP. This process will be facilitated by the work of the first phase that will act to prepare the way for potential redesignations.

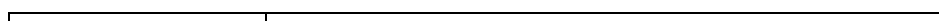
Other initiatives to be pursued, as future phases of work necessary to accelerate business development, include:

- The development of an overall strategy and related policies focused on building the Image and Character of the City;
- Updating the Economic Development Strategic Plan;
- Updating all of the City's Master Plans to ensure that the policies contained in them align with the revised OCP;
- The introduction of an Engineering Pre-servicing task force; and
- The development of a Waterfronts plan.

A. Next Steps in the 2001 OCP Major Review Process - Business and Public Consultation

It is proposed that the general policy directions, outlined above, be presented for comments to the public, the business community and other stakeholders throughout October and early-November, 2001. At the last Development Advisory Committee Meeting, concern was raised that the commercial and industrial community have had limited opportunity to provide input into the OCP Review process, to date. To address these concerns, an intensive working session, with the commercial and industrial business representatives, is set for November 1, 2001, to describe the OCP proposals and receive comments and input.

The following is a summary of the public consultation and other process steps that will be completed during the remainder of the year.



Date	Activity
October 22	Interim Report considered by Council.
October 25	Status Report/Discussion with Development Advisory Committee.
October 30	Public Open House.
November 1	Business Community Forum and Public Open House
November 7	Ratepayers Associations Forum #3.
November 8	Working session with planning teams.
November 26	Final recommendations to Council, By-law Introduction, 1 st /2 nd Reading.
December 10	Public Hearing (tentative).
2002 and beyond	Implementation.

New Name for the Official Community Plan

To ensure that the OCP is recognized as being the foundation document for the City as a business and not just a land use plan, staff will be recommending a new name for the OCP document, to reflect its importance as a fundamental business plan for the City. At this time no specific name has been chosen, but a recommendation will be included in the next report to Council.

CONCLUSION

The OCP Major Review has, as its primary focus, the introduction of a strong business dimension into the OCP. This direction is based on five business development goals that have been adopted by Council. These goals are aimed at ensuring that the City remains vibrant and financially healthy over time. Draft policy proposals, contained in this report, for the revised OCP were developed, based upon significant research and an analysis of the City's future needs, along with public consultation involving business and community groups and the general public.

The proposed policies are grouped into three categories. The first category of policies focuses on land use designations, zoning and performance criteria. A new "Business" designation and two new business zones – "Business Park 2 Zone (IB2)" and "Highway Commercial 2 Zone (CHI2)" are proposed along with performance-based criteria to assist in determining where the new designation and zones should be supported from a location perspective. The performance criteria will also be used as a basis for allowing existing business-related zones in a broader range of land use designations. The "Performance Criteria", as proposed, is intended to ensure a balance is maintained between business development opportunities within the City and the quality of the City's existing and future communities.

The second category of policies addresses the need for timeliness, in relation to the readiness of sites, for building construction. One of the principal obstacles that extends the timeframe in building construction is design and construction of off-site engineering services. Policies regarding the pre-servicing of industrial and commercial lands, to make the lands building ready, are proposed for consideration by Council.

The third category of policies relate to developing character and image for the City, since this element is recognized as an "essential ingredient" for future economic growth. It is proposed that, as follow-up to the completion of the OCP major review process, a plan and implementation strategy be developed in relation to establishing a strong character and image for the City.

Other policy areas have also been reviewed, including the parks acquisition standards and Crime Prevention Through Environmental Design. Revised policies, in this regard, will be included in the next report to Council.

The 2001 Major Review of the OCP should be viewed as the first phase of a multi-phase strategy to continue to enhance the City as a place to invest, live, work and play.

The Planning and Development Department recommends that Council authorize staff to present the draft policy proposals, as described in this report, to the public and other interested stakeholders, which will include, amongst others, representatives of the business community and ratepayers associations. Information gathered through this consultation process will be considered in relation to final recommendations regarding the OCP revisions that will be presented to Council later this year.

It should be emphasized, again at this point, that the business development goals that have been set by Council are very ambitious goals. The draft policies documented in this report represent "new", somewhat untested approaches to land use designations and zoning. However, to achieve the goals, the City will need to stretch itself, to some extent, into uncharted territory.

Murray D. Dinwoodie

General Manager

Planning & Development Department

GS/kms/saw

[Attachments](#)