

**City of Surrey  
Board of Variance  
Minutes**

**2E – Community Room A**  
City Hall  
13450 - 104 Avenue  
Surrey, B.C.  
**WEDNESDAY, NOVEMBER 14, 2018**  
Time: 9:00 a.m.  
File: 0360-20

**Present:**

Gil Mervyn, Chair  
Mike Bola  
Inderjit Dhillon  
Puneet Sandhar  
Jennifer Rahiman

**Absent:**

**Staff Present:**

K. Broersma, Planner  
L. Anderson, Secretary

**A. ADOPTION OF MINUTES**

1. Minutes of the Board of Variance hearing held October 10, 2018.

Moved by M. Bola  
Seconded by P. Sandhar

THAT the Minutes of the Board of Variance hearing held on October 10, 2018, be received and adopted as circulated.

CARRIED UNANIMOUSLY

**B. DEFERRED APPEALS**

**C. NEW APPEALS**

1. **Appeal No. 18-63 – Clover Square Holdings Ltd.**

*For permission for an extension to the effective termination date of Land Use Contract No. 144 until June 30, 2024, to allow the continuation of the existing non-conforming uses at 17700 – 56 Avenue, until the property is rezoned to a Comprehensive Development Zone (CD).*

The Board acknowledged Appellant, Glenn D'Silva, Vice President and Managing Director, Clover Square Holdings Ltd. and Barry Holmes, Property Manager, Colliers International, in attendance to speak to the application.

Mr. D'Silva provided an overview of the property noting that the existing non-conforming uses have been grandfathered under the *Local Government Act*, however the ability to upgrade premises, make tenant improvements or take any steps requiring a building or similar permits from the City would be

affected by the termination of Land Use Contract (LUC) No. 144 and the underlying Community Commercial Zone (C-8). There are five tenants who will be significantly affected. Of those five, two are considered anchors, Chevron and Coast Capital Savings, representing 10,000 sq. ft. of the centre and 20% of the income. Many of the tenants have been there for 20-30 years. DQ, KFC, Chevron and Salty's are family owned franchises, involved in the community for a very long time. The C-8 zone does not allow more than three drive-thru areas. Chevron will be impacted by this restriction and could result in the loss of that tenant should any changes be required in the future. The non-conforming tenants such as KFC, Taco Bell, etc., change their branding every so often. Not having the ability to make the necessary branding changes will affect their decision to renew. Based on discussions with leasing, \$46 per sq. ft. is the average rate. Restrictions of the C-8 zone would likely reduce that rate to \$26 per sq. ft. Furthermore, the cost to let will be 12-18 months of down time, which could result in a potential loss of \$300,000 - \$400,000. The request is to keep the LUC permissions in place until 2024 in order to allow time to continue discussions with the City and to undergo and complete the process of making adjustments to the zoning from C-8 to Comprehensive Development (CD) during that time.

**In response to questions from the Board, the Agents made the following comments:**

- At the public hearing for the initial rezone application, which included the submission of all the required documentation for the rezone, the Mayor acknowledged the property was grandfathered and that there wasn't a concern at that time, but that all changes with the termination of the LUC.
- Grandfathering the existing development still prevents improvements as the underlying zoning of the LUC is C-8 which needs to be changed to CD in order to ensure future tenant improvements can be supported.
- The request for the LUC extension is not to delay. The extension until June 30, 2024 will provide sufficient time to continue and complete the process of reapplying for the change in the underlying zone to CD.
- In the initial rezoning application, the City identified some things that needed to be considered that were not possible for some of the long term tenants but will be addressed in the new application and also subject to a public hearing.
- There are varying lease terms for the tenants ranging in expiry from 2020, 2024 and 2027, and some have two five-year options.
- Tenant improvements are not always predicable and include changes such as branding that often requires the replacement of the façade.

The Chair confirmed there were no persons present to speak to the application and no correspondence received in response to the notification regarding the appeal.

**Members of the Board made the following comments regarding the requested variance:**

- This is a situation where the Appellant has already initiated discussions and is in the process of trying to change the zoning but needs time to go through the process.
- The current timing of the LUC termination could potentially result in a hardship depending on what the desires of the Appellant's tenants are and the ability of those tenants to run their businesses. If alterations or tenant improvements are required but not permitted under the new zoning, the Appellant may lose tenants.
- The maximum extension date for an LUC termination is provincially dictated as June 30, 2024. The current uses will be grandfathered once the LUC terminates, however the difficulty will be minimizing potential vacancies as a result of the zoning change, keeping in mind that once vacant for more than six months the grandfathering will terminate.

Therefore, it was

Moved by P. Sandhar

Seconded by J. Rahiman

THAT the Board finds that undue hardship would be caused to the Appellant by the early termination of Land Use Contract No. 144, and orders that Appeal No. 18-63, for an extension to the effective termination date of Land Use Contract No. 144 to June 30, 2024, to allow the continuation of the existing non-conforming uses at 17700 – 56 Avenue, while the property is being rezoned to a Comprehensive Development Zone (CD), be **ALLOWED**.

CARRIED UNANIMOUSLY

**D. OTHER BUSINESS**

**E. NEXT MEETING**

The next Board of Variance hearing is scheduled for Wednesday, December 12, 2018 at 9:00 a.m.

**F. ADJOURNMENT**

Moved by J. Rahiman  
Second by P. Sandhar

THAT the meeting be adjourned.

CARRIED UNANIMOUSLY

The meeting adjourned at 9:37 a.m.



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Gil Mervyn, Chair



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Lorraine Anderson, Secretary