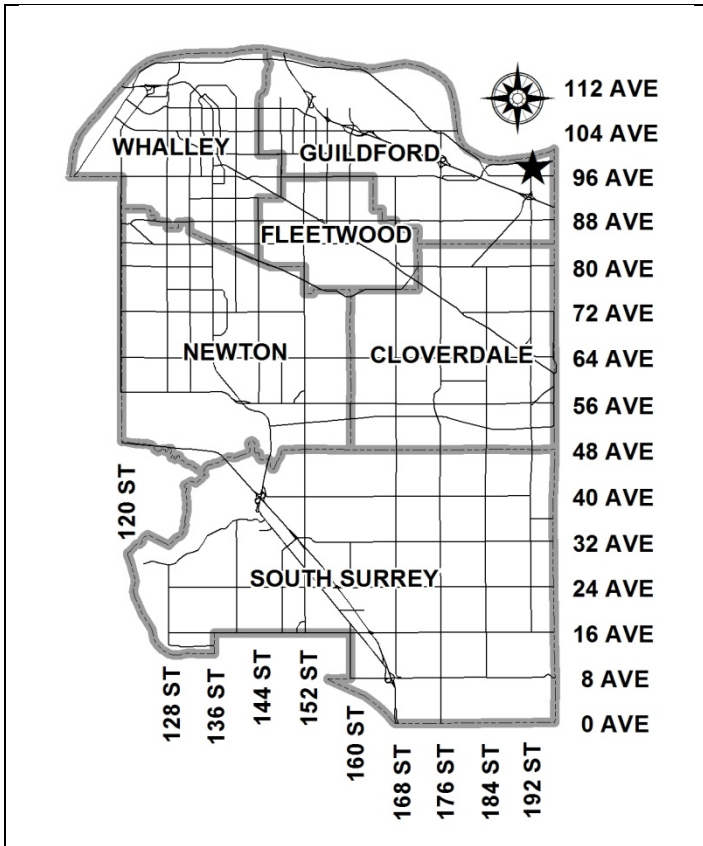


City of Surrey
PLANNING & DEVELOPMENT REPORT

File: 7910-0241-00

Planning Report Date: May 27, 2013



PROPOSAL:

- **Rezoning** from IL to CD (based on IL)

in order to permit the development of an organic waste biofuel processing facility.

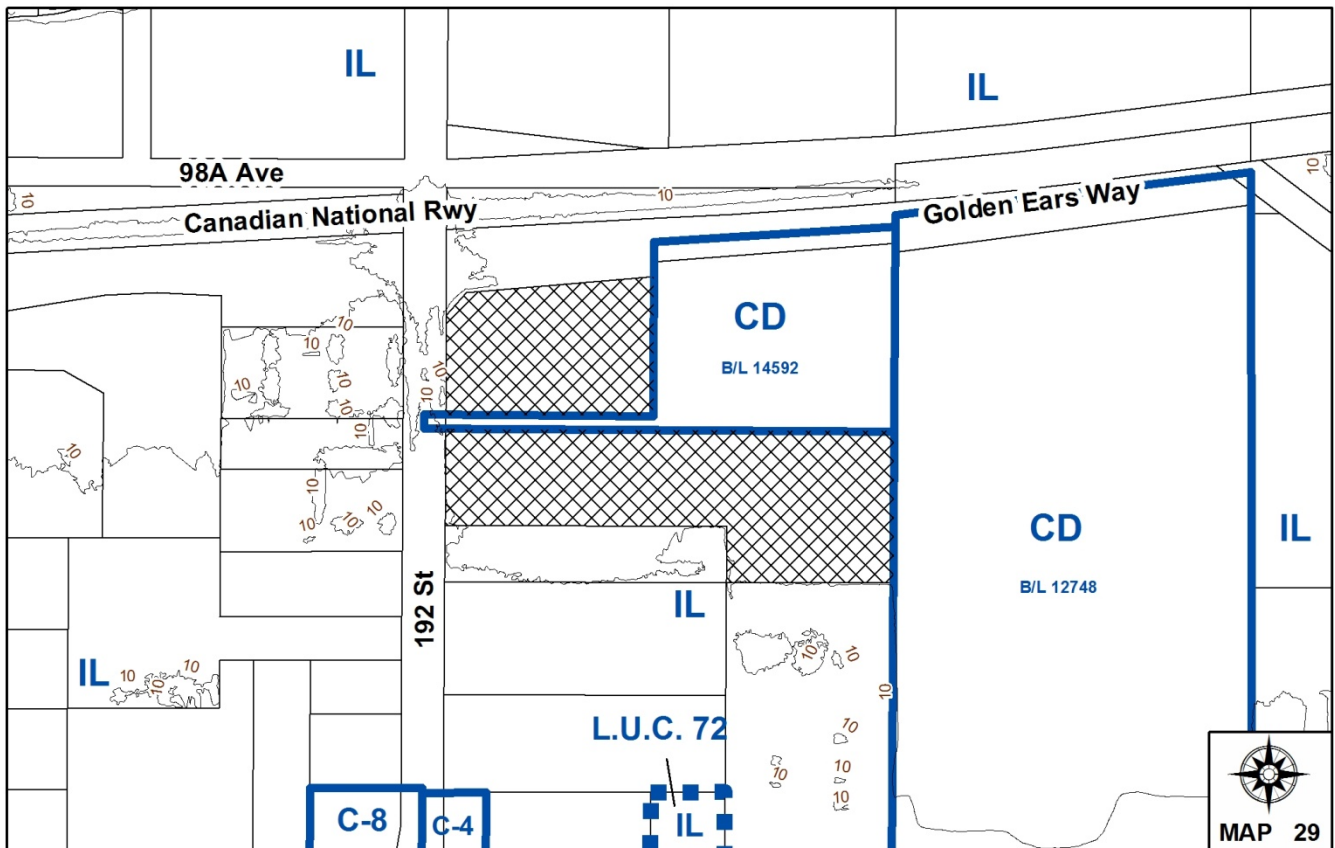
LOCATION: 9752 and 9810 - 192 Street

OWNER: City of Surrey

ZONING: IL

OCP DESIGNATION: Industrial

LAP DESIGNATION: Industrial



RECOMMENDATION SUMMARY

- By-law Introduction and set date for Public Hearing for rezoning.

DEVIATION FROM PLANS, POLICIES OR REGULATIONS

- None.

RATIONALE OF RECOMMENDATION

- Complies with Industrial designation in OCP.
- Will assist the City in achieving its solid waste diversion goal of 70% by 2015.
- Allows the City to establish a non-thermal waste-to-energy program.
- Allows the City to operate a wholly sustainable, closed loop waste collection program.
- Supplements growing regional demand for organic waste processing infrastructure.

RECOMMENDATION

The Planning & Development Department recommends that:

1. a By-law be introduced to rezone the subject sites from "Light Impact Industrial Zone (IL)" (By-law No. 12000) to "Comprehensive Development Zone (CD)" (By-law No. 12000) and a date be set for Public Hearing.
2. Council instruct staff to resolve the following issues prior to:
 - (a) ensure that all engineering requirements and issues including restrictive covenants, dedications, and rights-of-way where necessary, are addressed to the satisfaction of the General Manager, Engineering.

REFERRALS

Engineering: The Engineering Department has no objection to the project subject to the completion of Engineering servicing requirements as outlined in Appendix II.

SITE CHARACTERISTICS

Existing Land Use: Vacant

Adjacent Area:

Direction	Existing Use	OCP Designation	Existing Zone
North of Southern Lot:	Metro Vancouver waste transfer station.	Industrial	CD By-law No. 14592
North (Across Golden Ears Way):	Sawmills.	Industrial	IL
East of Northern Lot:	Metro Vancouver waste transfer station.	Industrial	CD By-law No. 14592
East of Southern Lot:	Mixed industrial uses.	Industrial	CD By-law No. 12748
South of Southern Lot:	Mixed industrial uses.	Industrial	IL
West (Across 192 Street):	Mixed industrial uses.	Industrial	IL

DEVELOPMENT CONSIDERATIONS

Background

- In 2010, the City of Surrey and Metro Vancouver entered into negotiations for the purpose of creating a partnership for the construction and operation of an organic waste and biofuel processing facility on the subject properties.
- However, these negotiations did not lead to the anticipated partnership and the project was held in abeyance.
- As a requirement of the Metro Vancouver Integrated Solid Waste and Resource Management Plan, all member municipalities within the region are required to implement curbside collection of food waste by 2015, which is when this waste material will be banned from the landfill. Accordingly, the City implemented its organics waste collection program on October 1, 2012.
- In conjunction with this curbside program, the City has identified a need to construct a facility to process the material collected. Currently, the organic waste that is collected in the City is being processed at Fraser Richmond Soil and Fiber, a compost facility located in Richmond.
- As a result, the City of Surrey has now decided to proceed on its own with the development of an organic waste biofuel processing facility to meet its operational goals with respect to organic waste diversion and recycling.
- The proposed organic waste biofuel processing facility will be developed as a Public Private Partnership (P3) project.
- In September 2012, the Federal P3 Canada Fund approved for funding of 25%, up to \$16.9 million, for the construction of the organic waste biofuel processing facility.
- In May 2013, the City began the P3 process for the construction of the organic waste biofuel processing facility with the release of a Request for Qualification.

Current Proposal

- The two subject lots are located in the Port Kells industrial area, north of Highway No. 1 and south of the intersection with the Golden Ears Bridge Connector, and adjacent to the existing Metro Vancouver waste transfer station.
- The subject lots are designated Industrial under the Official Community Plan (OCP) and are zoned Light Impact Industrial (IL). The southern lot at 9752 - 192 Street has an area of 2.6 hectares (6 acres) and the northern lot located at 9810 - 192 Street has an area of 1.36 hectares (3 acres).
- There are no existing structures on the lots as they were previously cleared for gravel extraction purposes.
- Both of the subject lots are owned by the City of Surrey.
- The proposed organic waste biofuel processing facility is currently intended to handle primarily residential organic waste collected in the City of Surrey. However, in order to accommodate growing

regional demand for organic waste processing, this facility may also accept organic material from the Industrial/ Commercial/ Institutional sectors and/or from neighbouring municipal curbside organic waste collection programs.

- It is intended that the proposed organic waste biofuel processing facility will convert both wet and dry organic waste into gas that can be directed into existing natural gas distribution systems and/or can be used to fuel vehicles.
- As noted, the proposed organic waste biofuel processing facility will be constructed as a P₃ project, which is a competitive process that will require prospective proponents to submit proposals to the City for review and evaluation.
- In order to provide a level of certainty to the prospective P₃ proponents, it is necessary for the site to be rezoned to accommodate the proposed organic waste biofuel processing facility, which is considered a recycling plant and is not permitted under the current IL zoning.
- As a result, it is proposed that the subject site be rezoned from the IL Zone to a Comprehensive Development (CD) Zone to accommodate the proposed facility.
- Both subject lots are being rezoned to the proposed CD Zone. However, once the successful P₃ proponent has been selected, the technology being utilized by the successful proponent may result in only one of the subject lots being required for the construction of the organic waste biofuel processing facility.
- In accordance with the application process for industrial lands, the rezoning is proposed without an associated Development Permit. A Development Permit, approved by Council, will be required before a building permit can be issued.
- Once a preferred proponent has been selected, the preferred proponent will be required to submit a separate Development Permit application to regulate the form and character of the facility and the landscaping.

Context

- The subject site is surrounded on the west, south and east by the Port Kells industrial area and immediately adjacent Metro Vancouver's waste transfer station at 9770 – 192 Street.
- The Golden Ears Way, CN Railway tracks, industrial uses and the Fraser River lie north of the subject site.
- The closest residential area to the west is over 2.3 kilometres (1.4 miles) from the subject site on Barnston Drive East.
- The closest residential area to the south is located about 1.5 kilometres (0.93 mile) from the subject site in the South Port Kells community, south of Highway No. 1.
- The closest residential area to the east is over 2 kilometres (1.2 miles) away in the Township of Langley.

Proposed CD By-law

- The proposed CD By-law is based on the Light Impact Industrial Zone (IL), which currently regulates the site.
- However, to accommodate the proposed development, the following has been included as a permitted use:

Recycling plant limited to an organic waste biofuel processing facility, provided that the disposal of organic waste and biofuel production is confined to an enclosed *building*.

- A number of uses permitted in the IL Zone, such as coffee shops, child care facilities and dwelling units, have not been included in the proposed CD Zone, as they are not considered compatible with an organic waste biofuel processing facility.

Traffic Impact Study

- McElhanney Consulting Services Ltd was retained to review the traffic patterns arising from the proposed biofuel processing facility and identify any impacts on nearby streets.
- Contained within the conclusions of the Traffic Impact Study are the following comments:
 - The facility is expected to process approximately 80,000 tonnes of organic waste per year. The facility is expected to operate at capacity at opening day (2015). The trip generation calculations were based on tonnage processed per day, tonnage capacity of the trucks and number of employees. It is anticipated the facility will generate a total of 70 daily trips.
 - These projected trips were added to traffic on surrounding roadways, based on traffic counts taken in February 2013 and June 2010 to allow for an estimate of traffic along the frontage of the site.
 - The intended shared driveway with the adjoining waste transfer facility will meet the demand of the project traffic without hindering operations on the surrounding roadways. There is no need for additional dedicated turning lanes at this time.
 - Any further operational deficiencies to the traffic movement at the intersection with the Golden Ears Bridge Connector can be remedied, if needed in the future with adjustments to signal timing and phasing at the 192 Street/Golden Ears Connector intersections.
 - It is recommended that a range of 10-15 parking spaces be provided on-site based on estimates from similar land uses in the Surrey Zoning By-law and the number of employees expected on the site.
- The City's Transportation Section has reviewed the Traffic Impact Study and advises that the findings of the study are generally acceptable and that no additional off-site road works are required as part of this application.

Environmental Assessment

- An environmental assessment was prepared by McElhanney Consulting Services Ltd. dated February 18, 2012, to review any potentially sensitive environmental features that might be present and to identify licensing and permitting requirements for the proposed biofuel processing facility. The findings of the study are as follows:
 - Existing databases and mapping systems were reviewed to determine if there were any known ecosystems, species at risk or concern within or nearby the subject site. There were no records of environmentally sensitive terrestrial or aquatic ecosystems located in or around the subject site.
 - A Certificate of Compliance under Section 27.6 of the Waste Management Act was issued for the subject properties on December 20, 2002.
 - In addition to the City permitting requirements, the proposed organic waste biofuel processing facility will require Regional operating permits that regulate air quality and waste water. The facility may also require provincial registration as a composting facility, depending on how the digestate material is managed.

Tree Retention Assessment

- There are four black cottonwood trees and two groves of immature cottonwood trees. The cottonwood trees will be removed with the development of the site, and four replacement trees will be planted. The location and species of these replacement trees will be determined during the evaluation of the Development Permit. The four street trees along 192 Street will be retained with the development.

Odour Assessment

- An Odour Assessment Report was prepared by RWDI Air. The report findings are as follows:
 - Due to the nature of the organic matter being processed at the facility, there is a potential that odour issues may occur if the facility is not designed and operated to the highest standards. The ventilation design of the handling area is critical. A wet scrubber/bio-filter technology is critical to the success of this facility.
 - In 2013, Metro Vancouver odour regulations will be coming into effect, which will require a detailed odour mitigation strategy to be submitted along with the Air Quality operating permit.
- As part of the procurement process for a facility partner, significant emphasis will be placed on the odour suppression technology for this development.

PRE-NOTIFICATION

A development proposal sign was erected on the property, and pre-notification letters were sent on October 7, 2010 and more recently, on January 18, 2013. Two letters were received concerning this proposal:

- A concern was expressed about odour.

(At this time, the technology for the operation of this plant is undetermined. The future proponent will be required to ensure that the migration of odours that could impact nearby industrial businesses and users of the Golden Ears Bridge Connector are mitigated through proactively implementing a state of the art odour suppression system.)

- A concern was expressed about traffic.

(The site is located on 192 Street, an arterial road, which intersects with the Golden Ears Bridge Connector to the north and 96 Avenue to the south. The facility will generate about 70 trips per day, which can be accommodated on the existing arterial road.)

PUBLIC INFORMATION MEETING

- A Public Information Meeting was held on April 18, 2013.
- Property owners and businesses in the area bounded by 96 Avenue to the south, Golden Ears Bridge Connector to the north, 196 Street to the east and 190 Street to the west were notified about this meeting by letter. In addition advertisement was placed in the local newspapers. The meeting was held at the Port Kells Community Hall from 3:00 pm to 7:00 pm for the convenience of area business owners.
- Eleven attendees signed the sign-in sheet and eight comment sheets were submitted. The majority of the respondents were supportive or somewhat supportive of the concept of developing an organic recycling biofuel facility. Only one respondent was somewhat opposed to developing such a facility at this location.
- The comment sheets indicated that 63% of respondents were concerned with the potential odour implications, and 25% were concerned that there would be an increase in waste management trucks in residential areas.
- It is anticipated that once a preferred P3 proponent has been selected, the preferred proponent will hold an additional Public Information Meeting as part of the Development Permit process to apprise surrounding business owners and tenants of the exact type of technology being proposed and to permit further input into the proposal.

INFORMATION ATTACHED TO THIS REPORT

The following information is attached to this Report:

Appendix I.	Lot Owners, Action Summary
Appendix II.	Engineering Summary
Appendix III.	Aerial Photo of Subject Site and Vicinity
Appendix IV.	Proposed CD By-law

INFORMATION AVAILABLE ON FILE

- Odour Assessment Prepared by RWDI Air
- Environmental Report Prepared by McElhanney Consulting Services Dated February 18, 2013
- Traffic Study prepared by McElhanney Consulting Services Dated March 8 2013
- Parking Study Prepared by McElhanney Consulting Services Dated March 8 2013

original signed by Judith Robertson

Jean Lamontagne
General Manager
Planning and Development

LAP/da

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Information for City Clerk

Legal Description and Owners of all lots that form part of the application:

1. (a) Agent: Name: Dwight Heintz
 McElhanney Consulting Services
 Address: Suite 2300 Central City Tower
 13450 - 102 Avenue
 Surrey BC V3T 5X3

 Tel: 604-596-0391
 Fax: 604-506-5676

2. Properties involved in the Application
 - (a) Civic Address: 9810 - 192 Street
 9752 - 192 Street

 - (b) Civic Address: 9810 - 192 Street
 Owner: City of Surrey
 PID: 025-560-123
 Lot 1 Except: Parcel A (Statutory Right of Way Plan BCP25079) District Lot 387A Group 2
 New Westminster District Plan BCP3186

 - (c) Civic Address: 9752 - 192 Street
 Owner: City of Surrey
 PID: 025-560-140
 Lot 3 District Lot 387A Group 2 New Westminster District Plan BCP3186

3. Summary of Actions for City Clerk's Office
 - (a) Introduce a By-law to rezone the site.

**TO: Manager, Area Planning & Development
- North Surrey Division
Planning and Development Department**

FROM: Acting Development Services Manager, Engineering Department

DATE: May 22, 2013

PROJECT FILE: 7810-0241-00

**RE: Engineering Requirements (Industrial)
Location: 9752 & 9810 192 Street**

REZONE

Property and Right-of-Way Requirements

Once the site layout has been determined, the following may be required as a condition of the future Development Permit:

- Reciprocal access between the subject properties and 9770-192 Street; and
- 8.0-metre statutory right-of-way (SRW) for access, constructed to the industrial lane standard.

Works and Services

- Provide each lot with a storm, sanitary, and water service connection;
- Provide a Restrictive Covenant to reflect access restrictions at the site; and
- Provide a Restrictive Covenant for installation and maintenance of on-site stormwater management features.

A Servicing Agreement is not required prior to Rezone.



Rémi Dubé, P.Eng.
Acting Development Services Manager

RWB/SK

Aerial Photo of Subject Site and Vicinity



CITY OF SURREY

BY-LAW NO. _____

A by-law to amend Surrey Zoning By-law, 1993, No. 12000, as amended
.....

THE CITY COUNCIL of the City of Surrey, in open meeting assembled, ENACTS AS FOLLOWS:

- 1. Surrey Zoning By-law, 1993, No. 12000, as amended, is hereby further amended, pursuant to the provisions of Section 903 of the Local Government Act, R.S.B.C. 1996 c. 323, as amended by changing the classification of the following parcels of land, presently shown upon the maps designated as the Zoning Maps and marked as Schedule "A" of Surrey Zoning By-law, 1993, No. 12000, as amended as follows:

FROM: LIGHT IMPACT INDUSTRIAL ZONE (IL)

TO: COMPREHENSIVE DEVELOPMENT ZONE (CD)

Parcel Identifier: 025-560-123

Lot 1 Except: Parcel A (Statutory Right of Way Plan BCP25079) District Lot 387A Group 2
New Westminster District Plan BCP3186

9752 - 192 Street

Parcel Identifier: 025-560-140

Lot 3 District Lot 387A Group 2 New Westminster District Plan BCP3186

9810 - 192 Street

(hereinafter referred to as the "*Lands*")

- 2. The following regulations shall apply to the *Lands*:

A. Intent

This Comprehensive Development Zone is intended to accommodate and regulate the development of a *recycling plant* for a biofuel production facility, *light impact industry, transportation industry, warehouses, distribution centres* and limited office and service uses.

B. Permitted Uses

The *Lands* and *structures* shall be used for the following uses only, or for a combination of such uses:

1. *Recycling plant* limited to organic waste recycling and biofuel production and dispensing facility provided that the collection and biofuel production is confined to an enclosed *building*.
2. *Light impact industry*.
3. *Recycling depots* provided that:
 - (a) The use is confined to an enclosed *building*; and
 - (b) The storage of used tires is prohibited.
4. *Transportation industry*.
5. *Automotive service uses*.
6. Automobile painting and body work.
7. *Vehicle storage and parking facilities* including truck parking and recreational *vehicle* storage.
8. *Industrial equipment rentals*.
9. *General service uses* limited to the following:
 - (a) Driving schools;
 - (b) Taxi dispatch offices;
 - (c) Industrial first aid training; and
 - (d) Trade schools.
10. *Warehouse uses*.
11. *Distribution centres*.
12. Office uses limited to the following:
 - (a) Architectural and landscape architectural offices;
 - (b) Engineering and surveying offices;
 - (c) General contractor offices;
 - (d) Government offices; and
 - (e) Utility company offices.
13. *Accessory uses* including the following:

- (a) Sales of rebuilt *vehicles* less than 5,000 kilograms [11,023 lbs.]
G.V.W. provided that:
- i. It is part of an automobile painting and body work business;
 - ii. The number of rebuilt vehicles ready for sale shall not exceed 5 at any time;
 - iii. The business operator holds a current and valid Motor Dealer's certificate; and
 - iv. The business operator is an approved Insurance Corporation of British Columbia Salvage Buyer.

C. Lot Area

Not applicable to this Zone.

D. Density

The *floor area ratio* shall not exceed 1.00

E. Lot Coverage

The *lot coverage* shall not exceed 60%.

F. Yards and Setbacks

Buildings and structures shall be sited in accordance with the following minimum setbacks:

Use	Setback	<i>Front Yard</i>	<i>Rear Yard</i>	<i>Side Yard</i>	<i>Side Yard on Flanking Street</i>
<i>Principal Buildings and Accessory Buildings and Structures</i>		7.5 m. [25 ft.]	7.5 m [25 ft.]	7.5 m [25 ft.]	7.5 m. [25 ft.]

Measurements to be determined as per Part 1 Definitions of Surrey Zoning By-law, 1993, No. 12000, as amended.

G. Height of Buildings

Measurements to be determined as per Part 1 Definitions of Surrey Zoning By-law, 1993, No. 12000, as amended.

1. *Principal buildings*: The *building height* shall not exceed 18 metres

[60 ft.].

2. Accessory buildings and structures: The *building height* shall not exceed 6 metres [20 ft.].

H. Off-Street Parking

1. Refer to Table C.2 of Part 5 Off-Street Parking and Loading/Unloading of Surrey Zoning By-law, 1993, No. 12000, as amended.
2. *Tandem parking* may be permitted for company fleet *vehicles*.

I. Landscaping

1. All developed portions of the *lot* not covered by *buildings, structures* or paved areas shall be landscaped including the retention of mature trees. This *landscaping* shall be maintained.
2. Along the developed sides of the *lot* which abut a *highway*, a continuous *landscaping* strip of not less than 3 metres [10 ft.] in width shall be provided within the *lot*.
3. The boulevard areas of *highways* abutting a *lot* shall be seeded or sodded with grass on the side of the *highway* abutting the *lot*, except at *driveways*.
4. Outdoor storage shall be screened to a height of at least 2.5 metres [8 ft.] by *buildings*, a *landscaping* screen, a solid decorative fence, or a combination thereof.

J. Special Regulations

1. Land and *structures* shall be used for the uses permitted in this Zone only if such uses:
 - (a) Constitute no unusual fire, explosion or safety hazard;
 - (b) Do not emit noise in excess of 70 dB measured at any point on any boundary of the *lot* on which the use is located; and
 - (c) Do not produce heat or glare perceptible from any *lot line* of the *lot* on which the use is located.
2. Outdoor storage of any goods, materials or supplies is specifically prohibited between the front of the *principal building* and the *highway*, excluding *vehicles* exceeding 5,000 kilograms [11,023 lbs.] *G.V.W.* which are intended for sale.
3. The storage of damaged or *wrecked vehicles* shall be completely enclosed within a *building* or approved walled or fenced area;

4. *Wrecked vehicles* shall not be visible from outside the *building* or the walled or fenced area in which they are stored.

K. Subdivision

Lots created through subdivision in this Zone shall conform to the following minimum standards:

<i>Lot Size</i>	<i>Lot Width</i>	<i>Lot Depth</i>
1,800 sq. m. [0.5 acre]	30 metres [100 ft.]	30 metres [100 ft.]

Dimensions shall be measured in accordance with Section E.21 of Part 4 General Provisions of Surrey Zoning By-law, 1993, No. 12000 as amended.

L. Other Regulations

In addition to all statutes, by-laws, orders, regulations or agreements, the following are applicable, however, in the event that there is a conflict with the provisions in this Comprehensive Development Zone and other provisions in Surrey Zoning By-law, 1993, No. 12000, as amended, the provisions in this Comprehensive Development Zone shall take precedence:

1. Definitions are as set out in Part 1 Definitions, of Surrey Zoning By-law, 1993, No. 12000, as amended.
2. Prior to any use, the *Lands* must be serviced as set out in Part 2 Uses Limited, of Surrey Zoning By-law, 1993, No. 12000, as amended and in accordance with the servicing requirements for the IL Zone as set forth in the Surrey Subdivision and Development By-law, 1986, No. 8830, as amended.
3. General provisions are as set out in Part 4 General Provisions of Surrey Zoning By-law, 1993, No. 12000, as amended.
4. Additional off-street parking requirements are as set out in Part 5 Off-Street Parking and Loading/Unloading of Surrey Zoning By-law, 1993, No. 12000, as amended.
5. Sign regulations are as set out in Surrey Sign By-law, 1999, No. 13656, as amended.
6. Special *building setbacks* are as set out in Part 7 Special Building Setbacks, of Surrey Zoning By-law, 1993, No. 12000, as amended.
7. *Building* permits shall be subject to the Surrey Building By-law, 2012, No. 17850, as amended.

8. *Building* permits shall be subject to Surrey Development Cost Charge By-law, 2013, No. 17856, as may be amended or replaced from time to time, and the development cost charges shall be based on the IL Zone.
 9. Tree regulations are set out in Surrey Tree Protection By-law, 2006, No. 16100, as amended.
 10. Development permits may be required in accordance with the Surrey *Official Community Plan*, 1996, By-law No. 12900, as amended.
3. This By-law shall be cited for all purposes as "Surrey Zoning By-law, 1993, No. 12000, Amendment By-law, _____, No. _____."

READ A FIRST AND SECOND TIME on the _____ th day of _____, 20__ .

PUBLIC HEARING HELD thereon on the _____ th day of _____, 20__ .

READ A THIRD TIME ON THE _____ th day of _____, 20__ .

RECONSIDERED AND FINALLY ADOPTED, signed by the Mayor and Clerk, and sealed with the Corporate Seal on the _____ th day of _____, 20__ .

_____ MAYOR

_____ CLERK