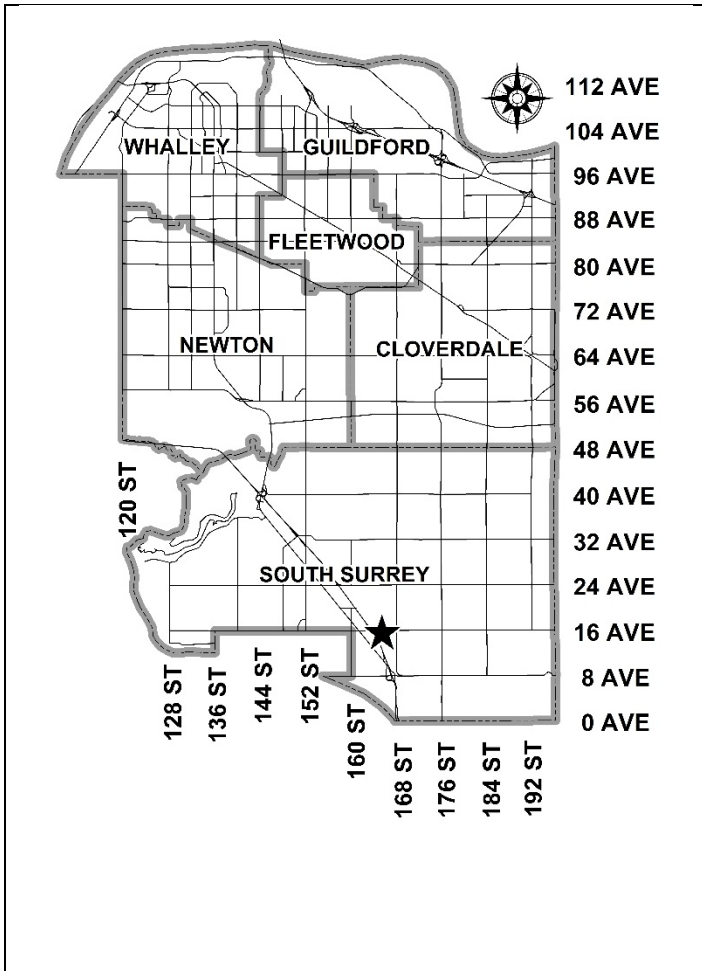


**City of Surrey  
PLANNING & DEVELOPMENT REPORT**

Application No.: 7918-0156-00

Planning Report Date: May 31, 2021



**PROPOSAL:**

- **OCP Amendment** from Mixed Employment to Commercial for the north portion of the site and from Mixed Employment to Multiple Residential for the south portion of the site.
- **LAP Amendment** to introduce a new land use designation: Multiple Residential, and to redesignate the south portion of the site from Commercial/Business Park to Multiple Residential, and for changes to the road network.
- **Rezoning** from RA to CD

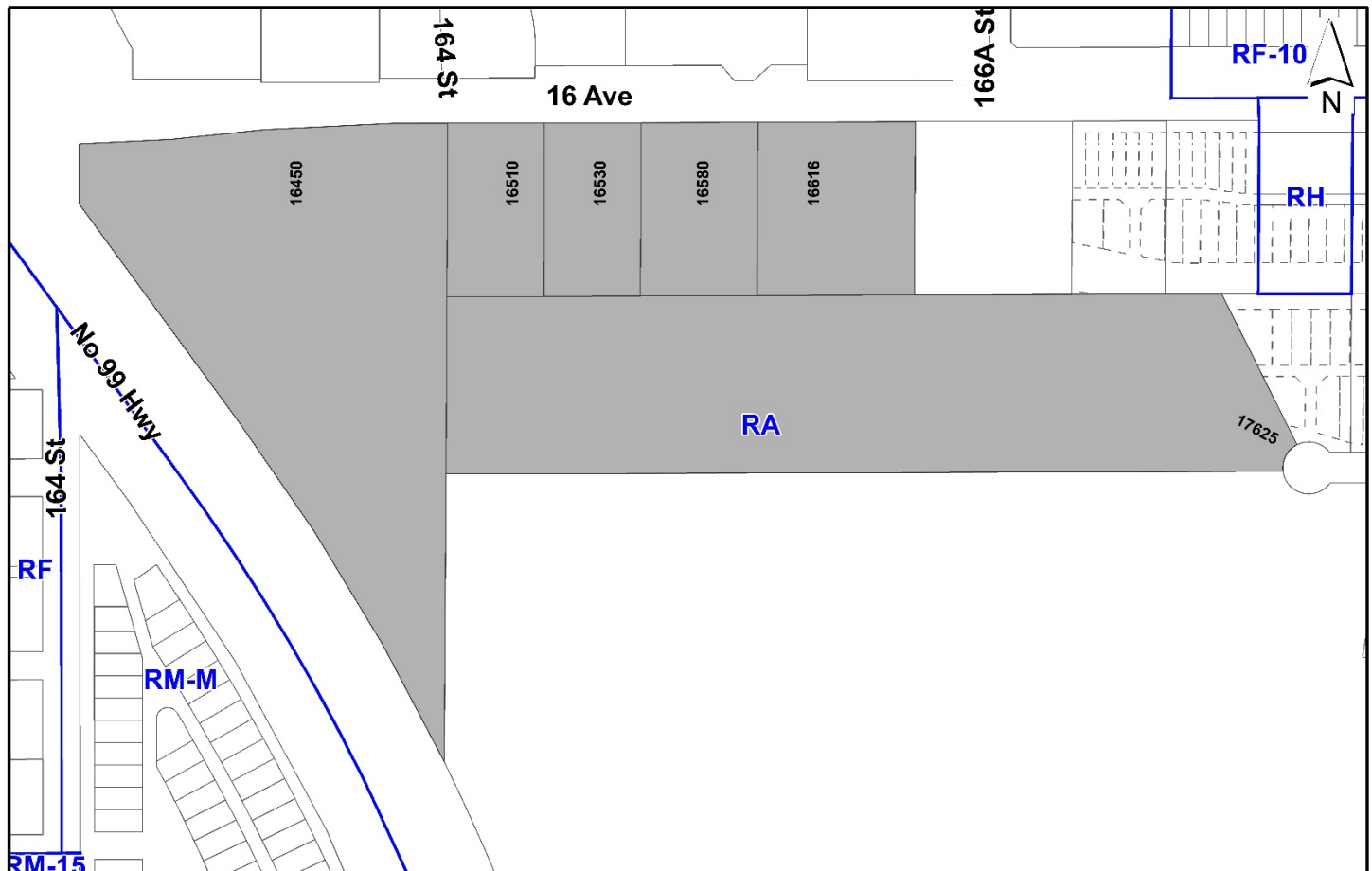
to permit the development of a commercial and residential development.

**LOCATION:** 16450, 16510, 16530, 16580 and 16616 - 16 Avenue  
16725 - 15 Avenue

**ZONING:** RA

**OCP DESIGNATION:** Mixed Employment & Suburban

**LAP DESIGNATION:** Commercial/Business Park & Habitat Preservation Area



## RECOMMENDATION SUMMARY

The Planning & Development Department recommends that that the application be referred back to staff to work with the applicant to develop a proposal that does not provide residential uses and complies with Employment Lands intent of the Official Community Plan (OCP) and the Highway 99 Corridor Local Area Plan (LAP).

## DEVIATION FROM PLANS, POLICIES OR REGULATIONS

- The proposed residential use is a significant departure from the policies identified in the City of Surrey Official Community Plan (OCP), the Highway 99 Corridor Local Area Plan (LAP) and the Surrey Employment Lands Strategy.

## RATIONALE OF RECOMMENDATION

### Policy Issues:

- The residential portion of the proposal does not comply with the Mixed Employment designation in the Official Community Plan (OCP) or with the Business Park and Commercial/Business Park designation in the Highway 99 Corridor Local Area Plan (LAP) (see pages 8-10 for discussion on this).
- The above designations are intended to provide business park and commercial uses in the form of office uses, service uses, warehouse and distribution centres, and retail uses. The area is not intended to have any residential uses. The protection of employment lands is a key objective of the City of Surrey. Surrey's OCP contains policies that are designed to "prohibit the conversion of industrial, business park or mixed-employment lands to residential or other non-employment uses". These policies seek to "encourage the full utilization and efficient use of industrial and other employment lands in order to maximize jobs and economic activity per hectare" (see pages 8-10 for discussion on this).

### Land Use Implications:

- There are ample opportunities for residential development in more appropriate areas of South Surrey, including in Grandview Heights and Douglas. Conversely, the supply of employment lands is limited, as highlighted in Metro Vancouver's 2015 Industrial Land Inventory report. Protecting the supply of employment lands in Surrey is important to generate significant jobs to meet the current and future needs of the local and regional economy (see pages 8-11 for discussion on this).
- The proposed development, if approved, could put pressure on other Mixed Employment or Industrial lands in Surrey to be converted to residential uses, including other lands located in the Highway 99 Corridor LAP area (see pages 8-11 for discussion on this).

### School Impacts:

- The School District advises that this proposal would have a direct impact on enrolment because long term School District planning never envisioned any student population in the Employment Lands within the Highway 99 Corridor Local Area Plan (LAP). For this particular site, the proposed development is anticipated to yield 52 students that were not anticipated in this area of South Surrey (see pages 6-7 for discussion on this).
- Enrolment pressures in this area of South Surrey will lead to new schools (i.e. Edgewood Elementary (which opened in January 2021) and Tata'alu Elementary (targeted to open in 2023), both in Sunnyside Heights Neighbourhood Concept Plan (NCP)) reaching capacity very quickly. Until more school projects are approved, growth will have to be addressed with portables if all the existing schools are full. Enrolment pressures will also push the School District's facility plan timeline to require more school sites in the Grandview Heights community.

### Parks Impacts:

- Parks has concerns with the proposal as there has been no assessment of active park provision for this portion of the Highway 99 Corridor Local Area Plan (LAP), as no residential development was anticipated in the Highway 99 Corridor LAP. Provision of active parkland in conjunction with the adjacent land development projects to the east will be required (see page 8 for discussion on this).
- The proposal is adjacent to Fergus Watershed Biodiversity Preserve for which there is a Council adopted management plan. The non-residential land uses proposed by the Highway 99 Corridor LAP at this location were intended to help preserve the habitat values associated with the Preserve by reducing the potential impact from residents seeking active recreational uses. The Fergus Preserve is intended primarily for habitat preservation, and not for active recreational uses that are typical in other City parks.

### Economic Impacts:

- The proposed land use amendment represents a loss of valuable employment lands within Surrey. Loss of employment lands negatively impacts Surrey's ability to attract employment generators and does not support Surrey's goal of achieving a higher job to resident ratio (see pages 8-11 for discussion on this).

## RECOMMENDATION

The Planning & Development Department recommends that that the application be referred back to staff to work with the applicant to develop a proposal that does not provide residential uses and complies with Employment Lands intent of the Official Community Plan (OCP) and the Highway 99 Corridor Local Area Plan (LAP).

However, should Council see merit in the proposed residential and commercial land uses, Council may wish to refer the subject application back to staff to review the application in detail with direction to bring forward, when ready, the associated Official Community Plan (OCP) and Rezoning bylaws to support a residential land use on the southern portion and commercial on the northern portions of the site.

The following items, amongst others, would need to be resolved prior to bringing the project forward for Council's consideration:

- Resolution of environmental considerations, including obtaining any required approvals from the Province and Fisheries and Oceans Canada (DFO);
- Provision of active parkland by the applicant to facilitate increased park demands from the proposed number of residents;
- Confirmation of a Tier 2 contribution to satisfy the City's Community Amenity Contribution requirements;
- Resolution of site planning issues, including provision of appropriate access and parking in accordance with the parking requirements of the Highway 99 Corridor LAP;
- Resolution of design concerns associated with the site plan and form and character of the commercial and residential units, including a more comprehensive and integrated design between the commercial and residential portions of the site; and
- Minimize the extent of, or eliminate, the proposed "back-to-back" townhouse units, to help in achieving the urban design standards identified in the OCP Development Permit guidelines for townhouse developments.

## SITE CONTEXT & BACKGROUND

Direction	Existing Use	LAP or NCP Designation	Existing Zone
Subject Site	Single family residential and vacant parcels	West of Hydro ROW: Commercial/Business Park, Habitat Preservation Area; East of Hydro ROW: Park, Low Density Residential 6-10 upa	RA

Direction	Existing Use	LAP or NCP Designation	Existing Zone
North (Across 16 Avenue):	Single family residential and City parkland under Hydro ROW	Commercial/Business Park, Habitat Preservation Area	RA
East:	Single family residential. One parcel is under application for single family small lots (Application No. 7916-0376-00; at Third Reading).	Neighbourhood Commercial, Low Density Residential 6-10 upa	RA
South:	Fergus Watershed Biodiversity Preserve	Habitat Preservation Area	RA
West (Across Highway No. 99):	Mobile home park, townhouses, and single family residential	Mobile Park, Townhouses (25 upa)	RM-M, RM-30, RF

### Context & Background

- The subject site is 10.1 hectares (25 acres) in area and consists of 6 parcels located at 16450/16510/16530/16580/16616 - 16 Avenue and 16725 - 15 Avenue, located on the south side of 16 Avenue, immediately east of the 16 Avenue interchange on Highway No. 99. The site contains three single family dwellings, forested areas, and several Class A and B watercourses which are tributary to Fergus Creek. A large BC Hydro right-of-way runs diagonally through and along the eastern edge of the subject site. The Fergus Watershed Biodiversity Preserve borders the site to the south.
- The site is zoned "One-Acre Residential Zone" (RA) and is designated Mixed Employment under the Official Community Plan (OCP) and Commercial/Business Park and Habitat Preservation Area in the Highway No. 99 Corridor Local Area Plan (LAP). A small portion of the site (on 16725 - 15 Avenue) on the eastern side of the BC Hydro right-of-way is within the Sunnyside Heights Neighbourhood Concept Plan (NCP) area and is designated Low Density Residential 6-10 upa and Park.
- The two westernmost properties (16450/16510 - 16 Avenue) in the subject site are currently under Development Application No. 7915-0194-00 (which received Third Reading on October 3, 2016) for rezoning from RA to "Comprehensive Development Zone" (CD) to permit a retail and business park development. If the subject application receives By-law introduction at a future date, staff will request at that time that Development Application No. 7915-0194-00 be closed and the associated rezoning by-law at Third Reading be filed.

### DEVELOPMENT PROPOSAL

#### Planning Considerations

- The applicant is proposing:
  - an Official Community Plan (OCP) amendment from Mixed Employment to Commercial for the north portion of the site and from Mixed Employment to Multiple Residential for the south portion of the site;

- a Local Area Plan (LAP) amendment to introduce a new land use designation: Multiple Residential and to redesignate the south portion of the site from Commercial/Business Park to Multiple Residential, and for changes to the road network; and
- to rezone the site from "One-Acre Residential Zone" (RA) to "Comprehensive Development Zone" (CD) to permit a commercial and townhouse development.
- On the north portion of the site, the applicant is proposing a number of commercial buildings and surface parking, with approximately 18,000 square metres commercial retail and office space. On the south portion of the site the applicant is proposing approximately 145 townhouse units.
- The applicant is also proposing several riparian protection and compensation areas on the site, in particular along Highway 99 and within or adjacent to the BC Hydro right-of-way. An active park area is proposed within, and adjacent to, the BC Hydro right-of-way on the east portion of the site. A single family lot is also proposed at the far eastern portion of the site, in accordance with the Sunnyside Heights Neighbourhood Concept Plan (NCP) designation at this location.
- Only the proposed OCP/LAP amendments and Rezoning, and not a Development Permit, are being presented for Council's consideration at this time. Given the significant departure from the City's plans, policies, and practices, it was deemed appropriate to consult Council on the proposed land use issue before proceeding further to detailed development planning of the site, which typically is done through a Development Permit application.

## Referrals

School District:

**The School District has provided the following projections for the number of students from this development:**

29 Elementary students at Edgewood Elementary School

23 Secondary students at Earl Marriott School

(Appendix IV)

The School District advises that this proposal would have a significant impact on enrolment because long term School District planning never envisioned any student population in the Employment Lands within the Highway 99 Corridor Local Area Plan (LAP).

For this particular site, the proposed development is anticipated to yield 52 students that were not anticipated in this area of South Surrey.

School District: Enrolment pressures in this area of South Surrey will lead to new schools (i.e. Edgewood Elementary (which opened in January 2021) and Tata'alu Elementary (targeted to open in 2023), both in Sunnyside Heights Neighbourhood Concept Plan (NCP)) reaching capacity very quickly. Until more school projects are approved, growth will have to be addressed with portables if all the existing schools are full. Enrolment pressures will also push the School District's facility plan timeline to require more school sites in the Grandview Heights community.

In addition, the School District highlights the undesirability of having school-aged children cross the busy 16 Avenue arterial road. Long term plans indicate that 16 Avenue is projected to be a major Fraser Valley transportation corridor between Highway 99 and Abbotsford, leading to higher volumes and increased truck traffic, which has a significant safety concerns for children making their way to school.

Parks, Recreation & Culture:

Parks has concerns with the proposal as there has been no assessment of active park provision for this portion of the Highway 99 Corridor Local Area Plan. Provision of active parkland in conjunction with the adjacent land development projects to the east will be required.

In addition, a full environmental assessment, coordinated with hydrological and arborist reports, to determine all riparian areas including wetlands, is required. Parks notes that any previous environmental approvals supported through Development Application No. 7915-0194-00 may need to be reassessed to confirm applicability to the subject application, and new applications may be required in the context of this application and changes to City and Provincial/Federal regulations around wetlands and streams.

Parks notes this proposal is adjacent to Fergus Watershed Biodiversity Preserve for which there is a Council adopted management plan. Any land conveyed to the City for the protection of Fergus Creek and/or the Biodiversity Conservation Strategy (BCS) in this area will be consolidated with Fergus Watershed Biodiversity Preserve. The lands will be protected for their natural values and fenced off for protection. The application must respect and design for a sensitive interface including substantial on-site planting of native species, minimizing light pollution, high quality fencing, and other measures to help protect the Preserve. Any compensation work in the existing Preserve is subject to a P-15 agreement, including lift/loss if applicable. Any works adjacent to the Preserve must have no negative impact on the Preserve.

With the exception of the School District and Parks, Recreation & Culture, formal referrals have not been completed for the subject proposal, given the proposed departure from existing City policies and practices. The current focus is on the appropriateness of the land uses that are proposed.

Should the proposal proceed to the detailed planning stage, referrals would be made to the following groups for comment. Any requirements would be incorporated into the detailed design for the proposal:

- Engineering;
- Fire Department;
- BC Hydro; and
- Ministry of Transportation & Infrastructure.

### **Transportation Considerations**

- The applicant is proposing an amendment to the road network shown in the Highway 99 Corridor Local Area Plan (LAP). The road network and other transportation considerations, including access for the proposed townhouse site, and the possible need for a Traffic Impact Analysis, will be further reviewed should this application proceed to the detailed planning stage.

## **POLICY & BY-LAW CONSIDERATIONS**

### **Official Community Plan**

#### Land Use Designation

- The site is designated Mixed Employment in the OCP. The applicant is proposing an OCP amendment from Mixed Employment to Commercial for the north portion of the site and from Mixed Employment to Multiple Residential for the south portion of the site.
- The proposed amendment from Mixed Employment to Commercial for the north portion of the site reflects the proposed commercial uses on the site, namely restaurants, retail, general office, daycare, and gym. These uses are more appropriate in the Commercial designation, as opposed to the Mixed Employment designation. The anticipated commercial uses in the Mixed Employment designation include "business park, large-scale retail outlets with warehousing requirements for furniture, building and landscaping supplies, outdoor storage and vehicle and equipment servicing" and office uses related to "industrial uses, construction trades, equipment assembly, repair and testing".
- The Commercial designation is appropriate for this site as the Highway 99 Corridor Local Area Plan (LAP) indicates that this site is intended for "smaller scale commercial development in the form of either free-standing buildings occupied by a single tenant or in multi-tenant commercial retail units". The applicant's proposed commercial development fits with this criteria.
- The proposed OCP amendment from Mixed Employment to Multiple Residential for the south portion of the site is to accommodate the proposed townhouse use. The Mixed Employment designation does not permit residential uses.



- The protection of employment lands is a key objective of the City of Surrey. Surrey's OCP contains policies that are designed to "prohibit the conversion of industrial, business park or mixed-employment lands to residential or other non-employment uses". These policies seek to "encourage the full utilization and efficient use of industrial and other employment lands in order to maximize jobs and economic activity per hectare". Of particular note is Policy E 1.13, which specifically prohibits the conversion of mixed-employment lands to residential or other non-employment uses.
- The proposed land use amendment on the southern portion of the site represents a loss of valuable employment lands within Surrey, which negatively impacts Surrey's ability to attract employment generators. Preserving lands designated Mixed Employment for employment uses helps Surrey achieve a higher job to resident ratio, which results in a more complete city where residents can both live and work within the city.
- If the proposed application is supported, the current Mixed Employment and/or Industrial-designated lands in other areas of Surrey may come under pressure to be amended to allow for non-employment uses.
- Pursuant to Section 475 of the Local Government Act, it was determined that it was necessary to consult specifically with Surrey School District (No. 36) with respect to the proposed OCP amendment.
  - No other agencies and organizations considered to be affected by the proposed OCP Amendment requires specific consultation.

### Themes/Policies

The proposed Official Community Plan (OCP) amendment on the south portion of the site is not supported by the following policies in the OCP:

- B 4.17: Plan neighbourhoods in consultation with School District No. 36 to ensure that urban development and population growth is considered in planning of new, appropriately-sized and well-located public schools.

*(The School District advises that the proposed development was not anticipated in their facility planning as this site is designated for Employment Lands. If residential uses are approved on the south portion of the site, this will place additional strain on school capacity in the area.)*

- C 3.7: Plan appropriate sizes, locations and types of parks and greenways in conjunction with land uses, densities and transportation networks in all secondary plan processes (e.g. Neighbourhood Concept Plans, Local Area plans, Infill Areas and Town Centre Plans) to support the parkland needs of future residents.

*(Parks Recreation & Culture advises that, should this application proceed to the detailed planning stage, provision of an active parkland in conjunction with the adjacent land development projects to the east will be required.)*

- D 1.1: Utilize the *Ecosystem Management Strategy* and the *Biodiversity Conservation Strategy* (as amended) to guide the management and protection of Surrey's diverse ecosystems.

*(If this application proceeds to the detailed planning stage, it will be subject to a Sensitive Ecosystem Development Permit for Streamside Areas and Green Infrastructure Areas.)*

- E 1.1: Ensure a sufficient supply of employment lands in Surrey, including designated industrial lands, to meet the current and future needs of the local and regional economy.

*(This application proposes to eliminate and convert approximately 3 hectares of employment land into multiple residential use on the southern portion of the site. Loss of these lands for employment purposes will hinder efforts to provide jobs for future Surrey residents that are close to where residents live.)*

- E 1.2: Monitor the utilization and availability of industrial lands in conjunction with Metro Vancouver.
- E 1.5: Encourage the full utilization and efficient use of industrial and other employment lands in order to maximize jobs and economic activity per hectare.
- E 1.13: Prohibit the conversion of industrial, business park or mixed-employment lands to residential or other non-employment uses.

*(This application proposes to eliminate and convert approximately 3 hectares of employment land into multiple residential use on the southern portion of the site.)*

- E 2.2: Promote economic development to achieve and maintain a balanced ratio of one job for every member of Surrey's labour force.

*(Loss of these lands for employment purposes will hinder efforts to provide jobs for future Surrey residents that are close to where residents live.)*

## Secondary Plans

### Land Use Designation

- The site is designated Commercial/Business Park and Habitat Preservation Area in the Highway 99 Corridor Local Area Plan (LAP). The applicant is proposing an amendment to the Highway 99 Corridor Local Area Plan (LAP) to introduce a new land use designation: Multiple Residential, to redesignate the south portion of the site from Commercial/Business Park to Multiple Residential, and for changes to the road network.
- The Highway 99 Corridor Local Area Plan (LAP) (2004) is a self-contained area defined by strong edges: Highway No. 99 to the west, BC Hydro ROW to the east, 8 Avenue to the south and Rosemary Heights Business Park to the north. The LAP is mostly comprised of Business Park, Light Industrial and Commercial areas, with a small mixed-use area at 24 Avenue, and the Fergus Creek habitat conservation area to the south. The regional accessibility provided by the proximity to the highway, 24 Avenue, 16 Avenue and the Border Crossing makes this a prime location for business development and employment uses.

- The Commercial/Business Park designation provides for a combination of commercial and business park uses including retail, office and warehouse/distribution uses with no outside storage.

### **Surrey Employment Lands Strategy (2008)**

- Surrey's Employment Lands Strategy, adopted by Council in 2008, outlines the City's commitment to maintaining employment lands for employment uses, as summarized in the excerpts below:
  - recognition of the employment land challenge, combined with the long-term objective of being self-sufficient in local employment, has triggered the City's support for the development and implementation of a strategy for Surrey's employment lands;
  - the City acknowledges port lands and key transportation corridors [e.g. the Highway 99 Corridor] as contributors to local economic well-being and is committed to protecting employment lands in these areas; and
  - there is an opportunity to develop the Highway 99 Corridor lands for higher value industrial/employment uses as they have good vehicular access (e.g. on the Highway 99 corridor), good visibility and proximity to the population base.

### **PUBLIC ENGAGEMENT**

- Pre-notification letters were sent on June 15, 2018 and again on January 11, 2021 (with the updated proposal submitted to staff in December 2020, showing townhouses instead of apartment buildings on the south portion of the site). Development Proposal Signs were originally installed on June 25, 2018, with updated development signs installed on January 15, 2021.
- To date, staff have received 1 phone call and 8 emails. The caller was curious about the proposal and did not indicate any concerns. Three (3) of the email respondents indicated support for the project. Four (4) of the email correspondents indicated concerns about traffic congestion, impacts to local schools and a lack of park space. A neighbour to the west had concerns about the implementation and feasibility of achieving the proposed 166A Street connection between 15 Avenue and 16 Avenue. *(with staff comments in italics)*

*(The road network and other transportation considerations, including the possible need for a Traffic Impact Analysis, will be further reviewed should this application proceed to the detailed planning stage. Further consultation with the neighbour to the east with respect to the implementation of 166A Street is anticipated in this regard. The applicant is proposing to provide some park space on the eastern side of the BC Hydro right-of-way. The above School Capacity section indicates the School District's concerns with respect to the proposal.)*

- The Little Campbell Watershed Society (LCWS) indicated a number of concerns regarding the proposal and is still in the process of reviewing the proposal and are seeking detailed information from the applicant. If the proposal proceeds to the detailed planning stage, further consultation between the applicant and key stakeholders (including the LCWS) will be required prior to bringing forward the proposal for by-law introduction.

*(Staff are recommending that the proposed residential land use not be supported and that the employment designated lands be used for employment uses. Should the proposed residential land use proceed to the detailed planning stage, then the concerns raised about the Fergus Watershed Biodiversity Preserve and the interface between the proposed residential use and the Preserve will be determined at that time. Stormwater concerns will also need to be resolved at that time.)*

### **Public Information Meeting**

- The applicant held a Public Information (PIM) meeting on June 7, 2018 at the Pacific Heights Elementary School from 6:00 pm to 8:00 pm for the previous proposal, which had apartment buildings, not townhouses, on the southern portion of the site. Approximately 22 persons attended with 19 persons signing the attendance sheet and 3 persons completing a comment sheet. The 3 comment sheets submitted indicated support for that proposal.
- Since the June 2018 Public Information Meeting, the applicant revised the nature of the application in December 2020. Should the proposed residential and commercial land uses proceed to the detailed planning stage, another Public Information Meeting would be required before this application is brought forward for Council's consideration to determine the level of neighbourhood support for the proposal.

### **DEVELOPMENT PERMITS**

#### **Sensitive Ecosystems (Streamside Areas) Development Permit Requirement**

- The subject property falls within the Sensitive Ecosystems Development Permit Area (DPA) for Streamside Areas in the OCP, given the location of existing Class A (red-coded) and Class B (yellow-coded) watercourses which flow on and/or adjacent to the subject site. The Sensitive Ecosystems (Streamside Areas) Development Permit is required to protect aquatic and terrestrial ecosystems associated with streams from the impacts of development.
- Should the proposed residential land use proceed to the detailed planning stage, then the applicant would be required to submit a full Ecosystem Development Plan. As the applicant is proposing to remove a number of watercourses and wetlands to facilitate the proposed development, the applicant is required to receive Provincial and/or Federal environmental approvals prior to bringing the application forward for Council's consideration.

### **Sensitive Ecosystems (Green Infrastructure Areas) Development Permit Requirement**

- The subject property falls within the Sensitive Ecosystems DPA for Green Infrastructure Areas in the OCP, given the location of a Biodiversity Conservation Strategy (BCS) Green Infrastructure Network (GIN) Corridor and Hub located on most of the subject site. The Sensitive Ecosystems (Green Infrastructure Areas) Development Permit is required to protect environmentally sensitive and/or unique natural areas from the impacts of development.
- The City of Surrey Biodiversity Conservation Strategy (BCS) Green Infrastructure Network (GIN) map, adopted by Council on July 21, 2014 (Corporate Report No. R141; 2014), identifies BCS Hub F and Regional BCS Corridor (#34) and Regional BC Corridor (#35) within the subject site, in the Redwood BCS management area, with a High ecological value.
- The BCS further identifies the GIN area of the subject site as having a High habitat suitability rating, derived from species at risk presence, species accounts and known ecosystem habitat inventories. The BCS recommends a target Corridor width of 100 meters. For the western BCS Corridor, the applicant is proposing a width of approximately 20-30 meters. For the eastern BCS Corridor the applicant is proposing a width of approximately 30-40 meters for the majority of the BCS corridor. The BCS recommends a target Hub Area that sees additional lands protected, the restoration of forest communities along creeks and creation of wetlands in old fields adjacent to forests.
- Should the proposed residential land use proceed to the detailed planning stage, then the applicant will be required to submit a full Ecosystem Development Plan (EDP), which will be subject to a peer review, and also receive any Provincial or Federal environmental approvals that are required, prior to bringing the application forward for Council's consideration. It is noted that environmental related requirements identified through the EDP and/or reviews by higher orders of government may necessitate significant revisions to the current development proposal.

### **Hazard Lands (Steep Slope) Development Permit Requirement**

- A portion of the subject property falls within the Hazard Lands (Steep Slope) Development Permit Area (DPA) in the OCP, given that a portion of the site contains steep slopes in excess of 20% gradient or is within 30 metres from the top of a slope/or 10 metres from the base of a slope in excess of 20%. A Hazard Land (Steep Slope) Development Permit is required to protect developments from hazardous conditions.
- Should the proposed residential land use proceed to the detailed planning stage, then the applicant will be required to provide a geotechnical report, to identify conditions under which the site may be safely developed.

### **Form and Character Development Permit Requirement**

- The proposed development is subject to a Development Permit for Form and Character and is also subject to the urban design guidelines in the Highway 99 Corridor Local Area Plan (LAP).

- Should the proposed residential and commercial land uses proceed to the detailed planning stage, a full detailed urban design review would be undertaken, including review by the Advisory Design Panel. This review would include:
  - Resolution of site planning issues, including provision of appropriate access and parking in accordance with the parking requirements of the Highway 99 Corridor LAP;
  - Resolution of design concerns associated with the site plan and form and character of the commercial and residential units, including a more comprehensive and integrated design between the commercial and residential portions of the site; and
  - Minimize the extent of, or eliminate, the proposed "back-to-back" townhouse units, to help in achieving the urban design standards identified in the OCP Development Permit guidelines for townhouse developments.

## PROJECT EVALUATION

### Applicant's Rationale

- The applicant has provided a rationale in support of their proposed Official Community Plan (OCP) and Local Area Plan (LAP) amendments (attached as Appendix V). Key points from the applicant's rationale include:
  - The proposal is consistent with the site's Metro Vancouver's Regional Growth Strategy (RGS) designation of General Urban.
  - The proposal includes 18,000 square metres of commercial retail and office space on the north portion of the site, which will provide services to the Sunnyside and Darts Hill Neighbourhood Concept Plan (NCP) areas;
  - The applicant estimates that approximately 800 jobs will be created through the proposed commercial retail/office uses on the north portion of the site;

*(Staff note that this equates to 149 jobs/hectare, which would appear to be quite high. Staff employment estimates for the site indicate a rate of 70 to 94 jobs/hectare, which would equate to 375 to 500 jobs on this northern portion of the site. Staff's estimate is based on typical employment rates for commercial retail uses in South Surrey, which are the uses indicated by the applicant.)*

- The applicant estimates that a solely Mixed Employment development on the whole site would generate a lower number of jobs on the site than their commercial retail and office space proposal; and

*(Staff note that job estimates for Mixed Employment uses can have a large range as Mixed Employment uses range from warehouses (lower employment numbers/hectare) to office uses (higher employment numbers/hectare). It is also noted that commercial retail/restaurant jobs may not provide the same income levels or job multiplier opportunities (ie. jobs that lead to creation of other related or supporting jobs) as compared to typical Mixed Employment uses.)*

- The applicant is proposing to include daycare space on the site.
- The applicant has completed a large site assembly at a key location at the 16 Avenue interchange on Highway No. 99. The applicant's proposal brings forward a project containing a mix of commercial and residential uses.

### Staff Rationale

While the applicant's proposed residential portion of the site may be marketable, there is a significant amount of lands in other parts of the city already designated for residential development.

There are several key concerns with the proposed residential land use amendment:

- The protection of employment lands is a key objective of the City of Surrey. Surrey's OCP contains policies that are designed to "prohibit the conversion of industrial, business park or mixed-employment lands to residential or other non-employment uses". These policies seek to "encourage the full utilization and efficient use of industrial and other employment lands in order to maximize jobs and economic activity per hectare".
- The proposed development will reduce the available supply of employment lands in Surrey, which does not support Surrey's goal of achieving a higher job to resident ratio. There is high demand and a finite supply of employment lands within the city.
- There are ample opportunities for residential development in the area, including in the Darts Hill and Redwood Heights Neighbourhood Concept Plan (NCP) areas. These two nearby NCPs alone have the capacity for approximately 5,100 townhouse units. Conversely, the supply of employment lands is limited and decreasing, as highlighted in Metro Vancouver's 2015 Industrial Land Inventory report.
- The proposed development, if approved, may also put pressure on other "Mixed Employment" or "Industrial" designated lands in Surrey to be converted to residential uses, particularly those located within the Highway 99 Corridor LAP area.
- The Highway 99 Corridor Local Area Plan (LAP) did not anticipate residential uses in this area, and accordingly there has been no provision of active park space for residents.
- The proposal would create significant strain on available school capacity in the local area given that these lands were not originally identified for residential uses.

## RECOMMENDATION

In light of the broader and longer term plan of the City to protect and to ensure a sufficient supply of employment lands to meet the current and future needs of the local and regional economy, staff is not supportive of proposed residential development at this location.

Accordingly, staff recommends that the subject application be referred back to staff to work with the applicant to develop a proposal that does not provide residential uses and complies with Employment Lands intent of the Official Community Plan (OCP) and the Highway 99 Corridor Local Area Plan (LAP).

However, should Council see merit in the proposal, Council may wish to refer the subject application back to staff to review the application in detail with direction to bring forward, when ready, the associated Official Community Plan (OCP) and Rezoning bylaws to support the proposed land uses.

The following items, amongst others, would need to be resolved prior to bringing the project forward for Council's consideration:

- Resolution of environmental considerations, including obtaining any required approvals from the Province and Fisheries and Oceans Canada (DFO) approvals;
- Provision of active parkland by the applicant to facilitate increased park demands from the proposed number of residents;
- Confirmation of a Tier 2 contribution to satisfy the City's Community Amenity Contribution requirements;
- Resolution of site planning issues, including provision of appropriate access and parking in accordance with the parking requirements of the Highway 99 Corridor LAP;
- Resolution of design concerns associated with the site plan and form and character of the commercial and residential units, including a more comprehensive and integrated design between the commercial and residential portions of the site; and
- Minimize the extent of, or eliminate, the proposed "back-to-back" townhouse units, to help in achieving the urban design standards identified in the OCP Development Permit guidelines for townhouse developments.



## INFORMATION ATTACHED TO THIS REPORT

The following information is attached to this Report:

Appendix I.	Proposed Conceptual Site Plan
Appendix II.	Highway 99 Corridor Local Area Plan with Site Highlighted
Appendix III.	OCP Redesignation Map
Appendix IV.	School District Comments
Appendix V.	Applicant's Rationale

*approved by Shawn Low*

Jean Lamontagne  
General Manager  
Planning and Development

KB/cm

# Appendix I

## Pacific Land Resource Group Inc.

Suite 212 - 12992 76 Avenue  
Surrey, British Columbia  
Canada V3W 2V6

Tel: 604-501-1624  
Fax: 604-501-1625

www.pacificlandgroup.ca  
info@pacificlandgroup.ca

### PROJECT:

**16725 15 Ave, 16616,  
16580, 16530, 16510, 16450  
16 Ave, Surrey**

### DRAWING TITLE:

**Concept Plan  
(Environmental Setback  
and Park Dedication)**

PRELIMINARY PLAN - SUBJECT TO APPROVAL(S) FROM  
FEDERAL, PROVINCIAL AND LOCAL AUTHORITIES

### CLIENT:

**The Grove South Surrey  
Mall Ltd.**

### SCALE:

**1:2000**

### DATE:

**January 29, 2021**

### PROJECT No.:

**17-1486**

### DRAWING No.:

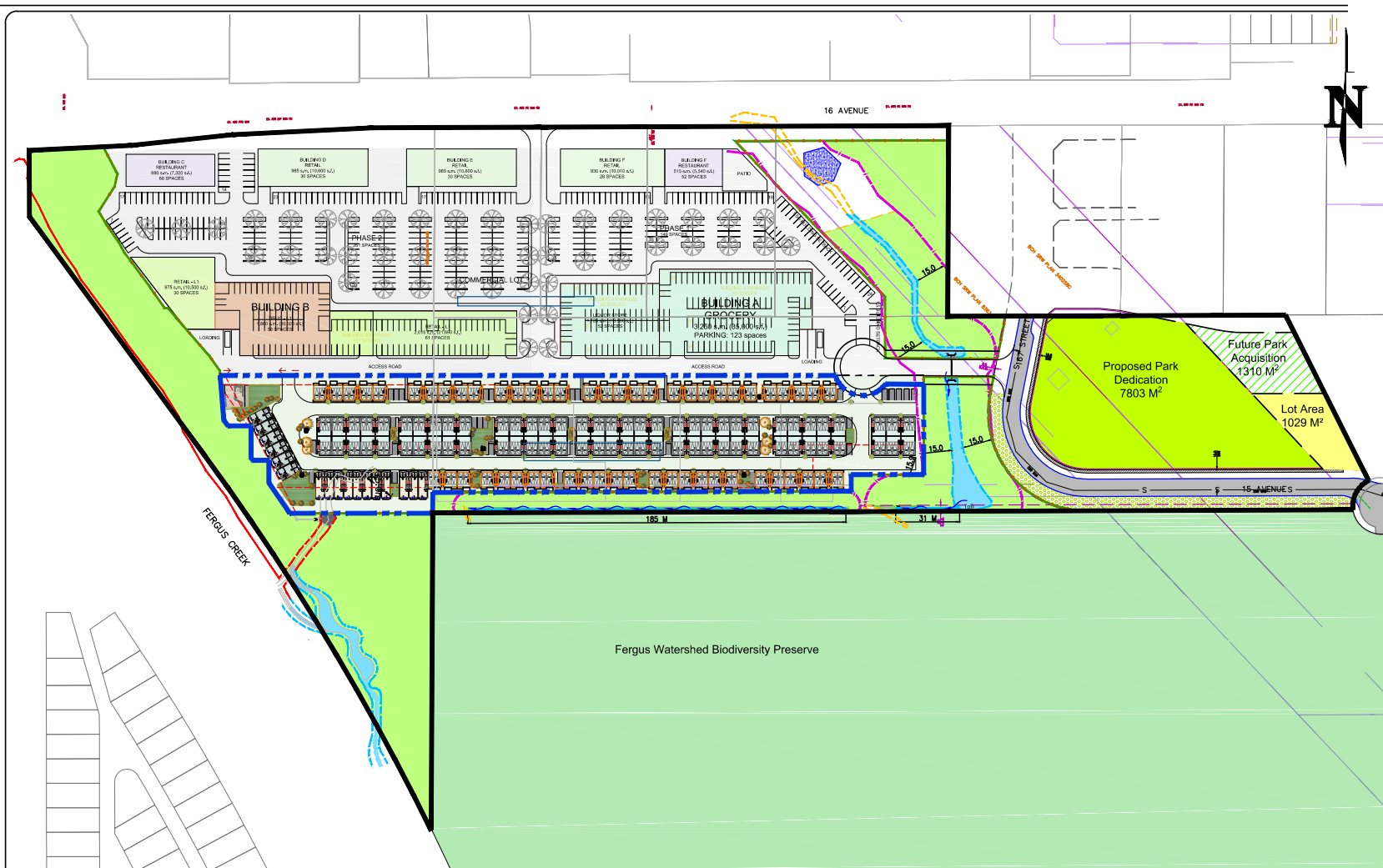
**01**

### DESIGNED BY:

**AF**

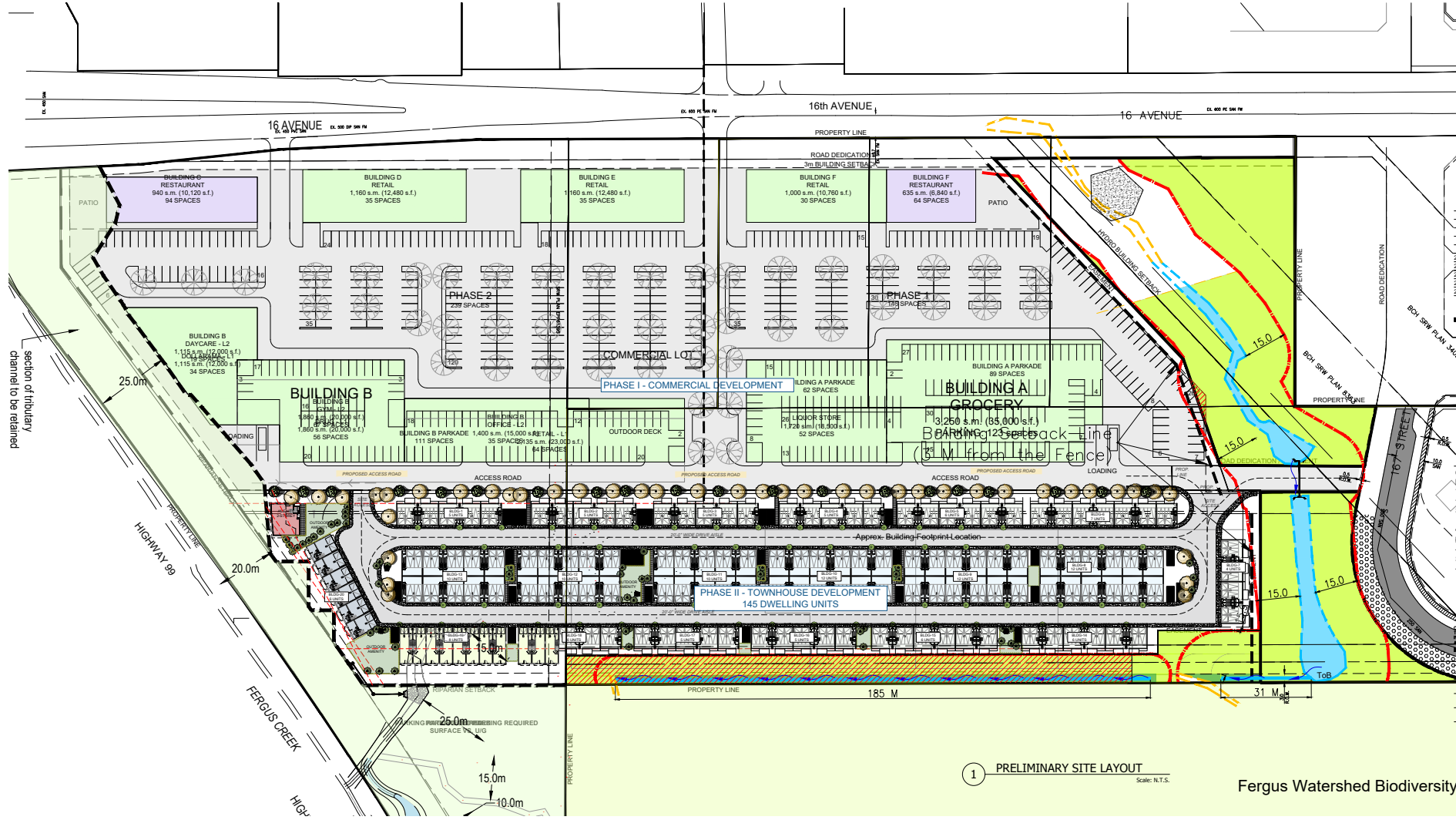
### CHECKED BY:

**KM**



**STATISTICS**  
Subject Property: 10.11 Ha. / 25 Ac.  
Disturbed Aquatic Area: 982 M<sup>2</sup>  
Disturbed Riparian Area: 6,670 M<sup>2</sup>  
Proposed Compensation of Aquatic Area: 1,013 M<sup>2</sup>  
- Linear Creek and Pond: 798 M<sup>2</sup>  
- Natural Bioswale: 216 M<sup>2</sup>  
Proposed Compensation of Riparian Area: 8,741 M<sup>2</sup>  
- Linear Creek and Pond: 6,701 M<sup>2</sup>  
- Natural Bioswale Planting: 2,040 M<sup>2</sup>  
Proposed Park Dedication: 7,083 M<sup>2</sup> (7%)

LEGEND	
	Subject Property
	Existing Stream ToB to be Retained
	Relocated Stream / Pond ToB
	Bylaw Required Setback
	Proposed Habitat Boundary / Setbacks
	Proposed Compensation of Aquatic Area
	Riparian Area / Planting
	Proposed Roadside Swale
	Underground Spring to be Retained
	Permanent Fence
	Fergus Watershed Biodiversity Preserve
	Proposed Culvert
	Proposed Flow Direction
	Proposed Park Dedication: 7,803 M <sup>2</sup>
	Potential Park Acquisition: 1,310 M <sup>2</sup>
	Future Residential Lot Area: 1,029 M <sup>2</sup>



2		
1		
H		
G		
F		
2020-12-14	F	PRELIMINARY SITE LAYOUT
2020-10-19	D	PRELIMINARY SITE LAYOUT
2020-10-14	C	PRELIMINARY SITE LAYOUT
2020-10-09	B	PRELIMINARY SITE LAYOUT
2020-09-24	A	PRELIMINARY SITE LAYOUT



1025-871 SMELL ROAD  
 RICHMOND, BRITISH COLUMBIA  
 CANADA V6X 3Z6  
 T (604)284-5194 F (604)284-5131  
 info@dfarchitecture.ca

PROJECT: PHASE II - TOWNHOUSE DEVELOPMENT  
 16450 - 16 Ave., SURREY, BC  
 CLIENT: NORTHWEST DEVELOPMENT, SURREY, BC

COPYRIGHT RESERVED. THIS PLAN AND DESIGN ARE, AND AT ALL TIMES SHALL REMAIN THE EXCLUSIVE PROPERTY OF DF ARCHITECTURE INC. AND CANNOT BE USED OR REPRODUCED WITHOUT THE WRITTEN CONSENT.

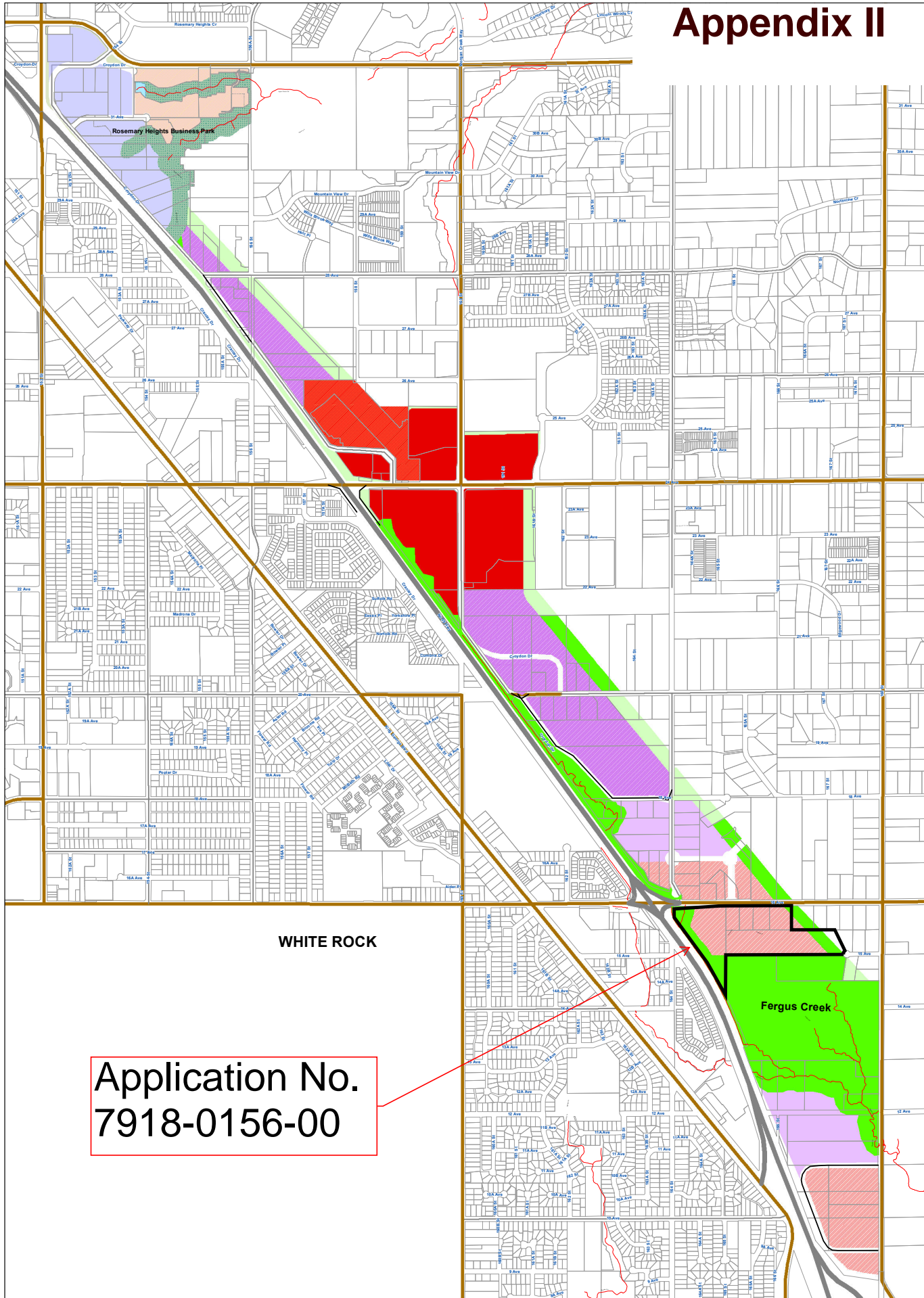
DATE:	28
DESIGNED BY:	JA
CHECKED BY:	N.T.A.
SCALE:	N.T.A.
JOB NO.:	EO-SUR-010
DATE:	OCT 2020
SHEET TITLE:	

1 PRELIMINARY SITE LAYOUT Scale: N.T.S.

Fergus Watershed Biodiversity

PRELIMINARY LAYOUT

1.1. NORTH ARROW POINTING UPWARDS UNLESS OTHERWISE INDICATED. 2.0. ALL DIMENSIONS ARE IN METERS UNLESS OTHERWISE SPECIFIED. 3.0. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE SPECIFIED. 4.0. ALL DIMENSIONS ARE TO CENTERLINE UNLESS OTHERWISE SPECIFIED. 5.0. ALL DIMENSIONS ARE TO SURFACE UNLESS OTHERWISE SPECIFIED. 6.0. ALL DIMENSIONS ARE TO FINISH UNLESS OTHERWISE SPECIFIED. 7.0. ALL DIMENSIONS ARE TO CENTERLINE UNLESS OTHERWISE SPECIFIED. 8.0. ALL DIMENSIONS ARE TO SURFACE UNLESS OTHERWISE SPECIFIED. 9.0. ALL DIMENSIONS ARE TO FINISH UNLESS OTHERWISE SPECIFIED. 10.0. ALL DIMENSIONS ARE TO CENTERLINE UNLESS OTHERWISE SPECIFIED.



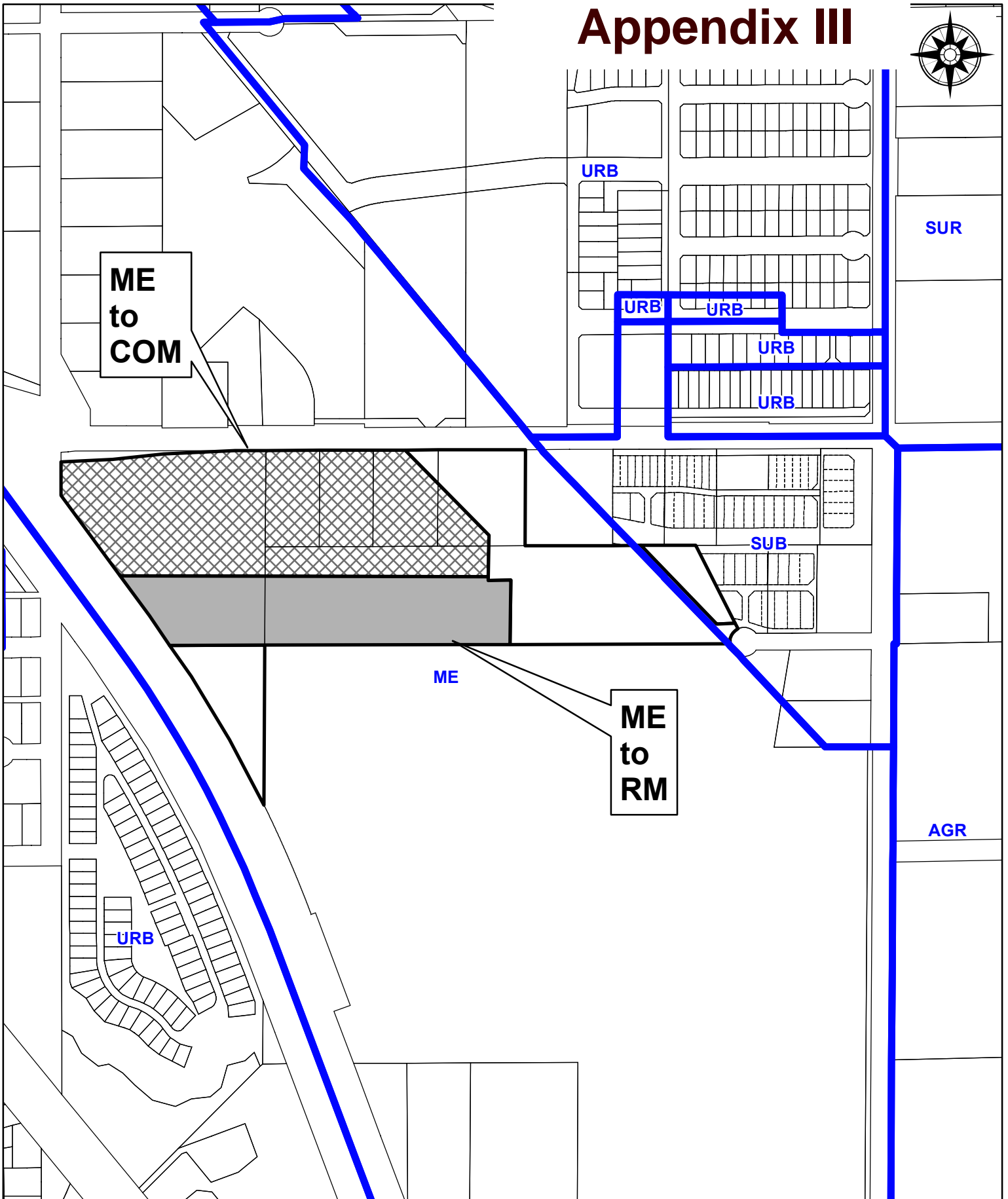
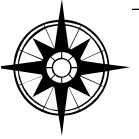
Application No.  
7918-0156-00

**HIGHWAY # 99 CORRIDOR Stage 1**  
**LAND USE CONCEPT PLAN**  
City of Surrey Planning & Development Department

- MIXED COMMERCIAL RESIDENTIAL LAND USES
- COMMERCIAL
- COMMERCIAL/BUSINESS PARK
- BUSINESS PARK
- BUSINESS PARK LIGHT INDUSTRIAL
- BUFFERS
- HABITAT PRESERVATION AREA
- CREEKS (CLASS A FISH BEARING)
- HIGHWAYS
- ARTERIAL ROADS
- COLLECTOR ROADS
- PROPOSED ROADS



# Appendix III



# Appendix IV

**School Enrolment Projections and Planning Update:**

The following tables illustrate the enrolment projections (with current/approved ministry capacity) for the elementary and secondary schools serving the proposed development.

The new Edgewood Elementary, located at 16666 23rd Avenue (Sunnyside Heights NCP), was opened January 2021. The new school will reduce the existing Pacific Heights catchment by almost half. As part of the District's boundary change process, the District consulted with the school community in the fall 2019 to determine the required boundary changes within this Grandview Heights community. The 10-year projections indicate that the growth trend will continue to be strong and enrollment will surpass 100% occupancy by 2024, even with a smaller catchment.

To relieve the pressure at Earl Marriot, a new 1500 capacity high school, Grandview Heights Secondary, located on 26th Ave next to the existing Pacific Heights Elementary is currently in construction; and targeted to open September 2021; which will provide some enrolment relief to both Earl Marriott and Semiahmoo Secondary schools. Pacific Heights will feed the new secondary school.

**THE IMPACT ON SCHOOLS**

APPLICATION #: 18 0156 00

**SUMMARY**

The proposed 145 townhouse units are estimated to have the following impact on the following schools:

**Projected enrolment at Surrey School District for this development:**

Elementary Students:	29
Secondary Students:	23

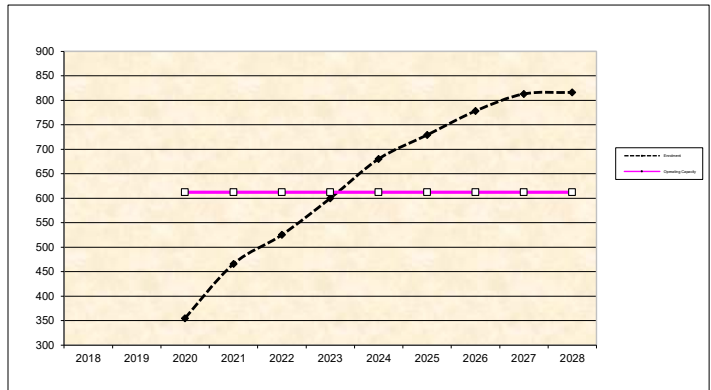
**September 2020 Enrolment/School Capacity**

<b>Edgewood Elementary</b>	
Enrolment (K/1-7):	79 K + 276
Operating Capacity (K/1-7)	76 K + 536
<b>Earl Marriott Secondary</b>	
Enrolment (8-12):	1882
Capacity (8-12):	1500

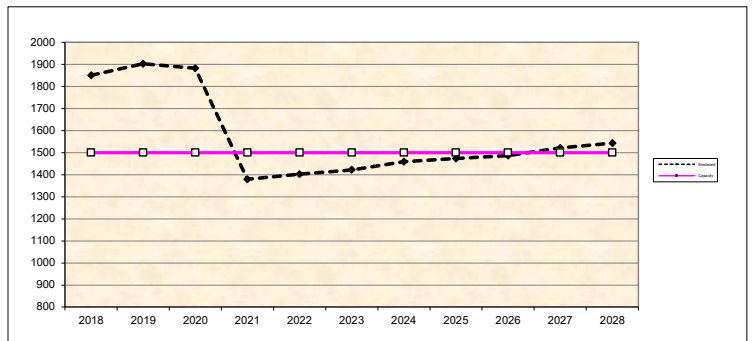
<b>Projected population of school-age children for this development:</b>	72
--	----

*Population:* The projected population of children aged 0-19 impacted by the development.  
*Enrolment:* The number of students projected to attend the Surrey School District ONLY.

**Edgewood Elementary**



**Earl Marriott Secondary**



\* Nominal Capacity is estimated by multiplying the number of enrolling spaces by 25 students.  
 Maximum operating capacity is estimated by multiplying the number of enrolling spaces by 27 students.

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[info@pacificlandgroup.ca](mailto:info@pacificlandgroup.ca)

December 22, 2020

PLG File: 17-1486

Keith Broersma  
City of Surrey  
13450 104 Avenue  
Surrey, BC V3T 1V8

Dear Mr. Broersma,

**RE: Planning Rationale for OCP/LAP Amendment for Commercial and Multiple Residential Uses at 16450, 16510, 16530, 16580, 16616 16 Avenue and 16725 15 Avenue, Surrey**

Pacific Land Resource Group ("PLG") has prepared a planning rationale to support an update to development application 7918-0156-00. The updated proposal requires an Official Community Plan ("OCP") and a Highway 99 Corridor Local Area Plan ("LAP") amendment at 16450, 16510, 16530, 16580, 16616 16 Avenue and 16725 15 Avenue, Surrey ("Subject Property", "Site"). Rezoning, subdivision, and development permits (Sensitive Ecosystem and Form and Character) are also required to support a 18,000 m<sup>2</sup> commercial/retail development fronting 16 Avenue and 143 Townhouse Units along the southern boundary of the Subject Property.

While the Metro Vancouver Regional Growth Strategy designates the Subject Property "General Urban" and allows the proposed uses, the OCP is proposed to be amended from Mixed Employment to Commercial for the north portion of the Site and to Multiple Residential for the south portion of the Site. The LAP is proposed to be amended from Commercial/Business Park to Multiple Residential for the southern portion of the Site.

The purpose of this planning rationale is to provide City of Surrey staff with a land use justification for the OCP and LAP amendments to inform a Stage 1 staff report to Council to receive Council feedback and direction.

## 1.0 Site Context and History

The Subject Property is 10.1 hectares (25 acres) in area and consists of 6 parcels as noted above, located on the south side of 16 Avenue, immediately east of the 16 Avenue interchange on Highway No. 99. The Site consists of single-family dwellings, forested areas, and Class A and B watercourses (tributaries to Fergus Creek). A large BC Hydro right-of-way runs diagonally through and along the eastern edge of the Subject Property. The Fergus Watershed Biodiversity Preserve is located to the south of the Site.

The following land use designations pertain the Subject Property:

- The OCP designation for the Subject Property is primarily Mixed Employment with the eastern portion designated Suburban.
- The Highway 99 Corridor LAP designates the Site as Commercial/Business Park. The western and eastern edges of the Site is designated Habitat Conservation Area.
- The eastern portion of the Subject Property is partially designated Low Density Residential 6-10 u.p.a. and Park / Open Space in the Sunnyside Heights Neighbourhood Concept Plan ("NCP").
- The Subject Property is zoned RA – One Acre Residential.
- Metro Vancouver's Regional Growth Strategy ("RGS"), *Metro 2040*, designates the Subject Property as "General Urban", intended to support residential neighbourhoods and centres and are supported by shopping, services, institutions, recreational facilities and parks.

The subject application is a combination of development application 7915-0194-00 (referred to as "Elkay"), located in the western portion of the Site. The Elkay application proposed commercial office and retail uses which stalled after receiving Third Reading due to market conditions that no longer permitted the proposal to proceed. Development application 18-0156-00 was subsequently submitted and proposed to integrate the Elkay development with the lots to the east to allow for a more comprehensive site design and environmental compensation planning to address the environmental features identified on the Subject Property.

## **2.0 Land Use Proposal & Planning Rationale**

Commercial and residential land uses are proposed for the Subject Property, consisting of approximately 18,000 m<sup>2</sup> of commercial retail and office floor area, 143 units of townhouse residential, and an expansion to the Fergus Watershed Biodiversity Preserve Park through parkland dedication and enhancement (approximately 3 hectares is proposed for dedication and enhancement) (see Figure 1).



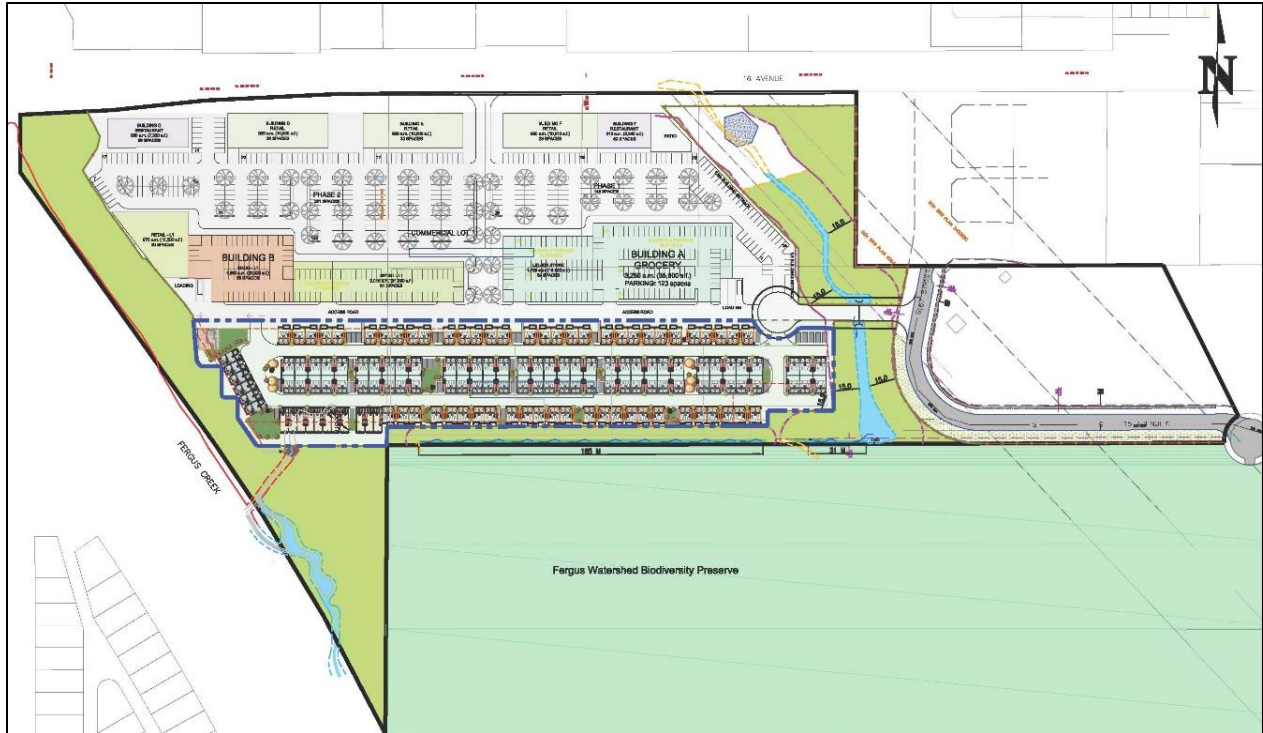


Figure 1 – Proposed land use and environmental concept

Gustavason Wylie Architects (“GWA”) prepared a conceptual site plan and parking plan detailing the commercial and residential land uses.

- Commercial retail uses include: full grocery store, drug store, two full-service restaurants, liquor store, general retail, daycare, gym, and general office uses. The total floor area of all commercial retail and office uses is 18,000 m<sup>2</sup> across six buildings;
- Parking onsite will be provided via a mix of underground and surface parking to create an urban, pedestrian-oriented environment.
- 143 townhouse residential units are proposed consisting of primarily double garage units.

#### Neighbourhood-Serving Commercial Uses

The Subject Property borders the Grandview Heights area, particularly within the Sunnyside Heights Neighbourhood Concept Plan (“NCP”) area. The nearest commercial-designated area to this stretch of 16 Avenue is concentrated at 160 Street and 24 Avenue, which is not within walking distance from the southern residential areas in the Sunnyside Heights NCP area. The proposed Commercial uses are intended to offer services to upcoming NCP growth areas (i.e., Sunnyside Heights, Grandview Heights NCP Area #3) through the provision of a grocery store, drug store, liquor store, restaurants and general retail/personal service uses. The dedicated daycare space is also in demand for new and growing families.

The proposed townhouse residential uses will provide a transition from the Commercial use to the Fergus Watershed Biodiversity Preserve Park and provide an opportunity for residents the daily conveniences within walking distance.

### *16 Avenue – a Regional Connector*

The location of the Subject Property on 16 Avenue also supports the Commercial use proposal. 16 Avenue is a regional connector for Surrey, Langley, and Abbotsford. 16 Avenue provides direct access to and from Highway 99, Highway 15, Highway 13, and will soon be connected to the Abbotsford International Airport.

### *Consistency with RGS General Urban designation*

The applicant understands that industrial land use is in short supply and high demand in the Metro Vancouver area. This condition has been described and detailed in municipal (City of Surrey OCP) and regional policies (Metro Vancouver Industrial Land Inventory 2015, Metro Vancouver Regional Industrial Lands Strategy 2020).

Despite the land use designation in the OCP and the LAP, the high demand for industrial land has not materialized into an industrial use proposal for the subject lands. Industrial end users prefer contiguous, flat areas for development. The Subject Property is not flat and drops 10 to 12 metres from 16 Avenue to the south boundary. The Subject Property also consists of several environmental features which inhibit efficient rectangular Business Park forms of development. The process to plan for, mitigate, or relocate environmental features is time consuming and cost prohibitive for industrial development (a contributing factor for the success of Campbell Heights).

The proposed amendment to Multiple Residential is consistent with the General Urban designation in the RGS and allows for development that will cater to a wide variety of age and family compositions, including families down-sizing from single-family dwellings.

### *Employment*

The proposed Commercial use for the Subject Property is projected to generate employment opportunities. The proposed commercial retail and commercial office uses is expected to create employment for 800 people, as illustrated in the enclosed employment calculations for commercial uses. The provision of 800 new jobs contributes to overall objectives of the City of Surrey's Employment Lands Strategy, specifically by:

- Contributing to the economic objective of reaching a 60% residential to 40% industrial/commercial assessment;
- Contributing to the objective of providing one job per resident worker in Surrey; and
- Being situated along the Key Corridor Transformation Area (South Surrey), which is one of three corridors designated by the City of Surrey for encouraging employment growth.

In comparison, based on the Subject Property's current land use designation of Commercial / Business Park in the LAP and Mixed Employment designation in the OCP, warehouse uses with ancillary office is presumed as the most likely use for the Site given its location and Hydro encumbrances. Lot coverage ranging between 30% to 40% of the gross lot area is assumed based on typical lot coverage achieved in many Business Park type developments. The enclosed

employment calculations for a Mixed Employment use indicate a range of 375 employees to 500 employees generated.

The proposed commercial development is projected to provide employment for 800 people or over 1.6 times more jobs than typically generated through business park or industrial zoning.

## **Conclusion**

The proposed OCP and LAP amendments requested to support the Commercial and Multiple Residential development offers multiple benefits to the City of Surrey, including:

- The creation of neighbourhood-serving commercial uses within walking distances to residential-designated areas in the Sunnyside Heights NCP;
- The creation of an urban, walkable environment;
- The provision of dedicated daycare spaces to serve new and growing families;
- Employment generation by the Commercial use is over 1.6 times than number of jobs created under the Mixed Employment and Business Park designations in the OCP and LAP;
- Consistency with the RGS General Urban designation; and
- Expansion of the amount of land protected and enhanced as part of the Fergus Watershed Biodiversity Preserve Park.

Please note that the site layout revisions presented in this submission package for development application 7918-0156-00 are preliminary and are subject to changes, pending further City of Surrey staff review and Council directives. We trust the rationale presented above, together with the supporting employment and site planning documents, highlight the merits of the subject development proposal. Should you have questions or require further clarification, please do not hesitate to contact the undersigned at 604-501-1624.

Sincere Regards,

**Pacific Land Resource Group Inc.**



Oleg Verbenkov, RPP, MCIP  
Principal

Attachments