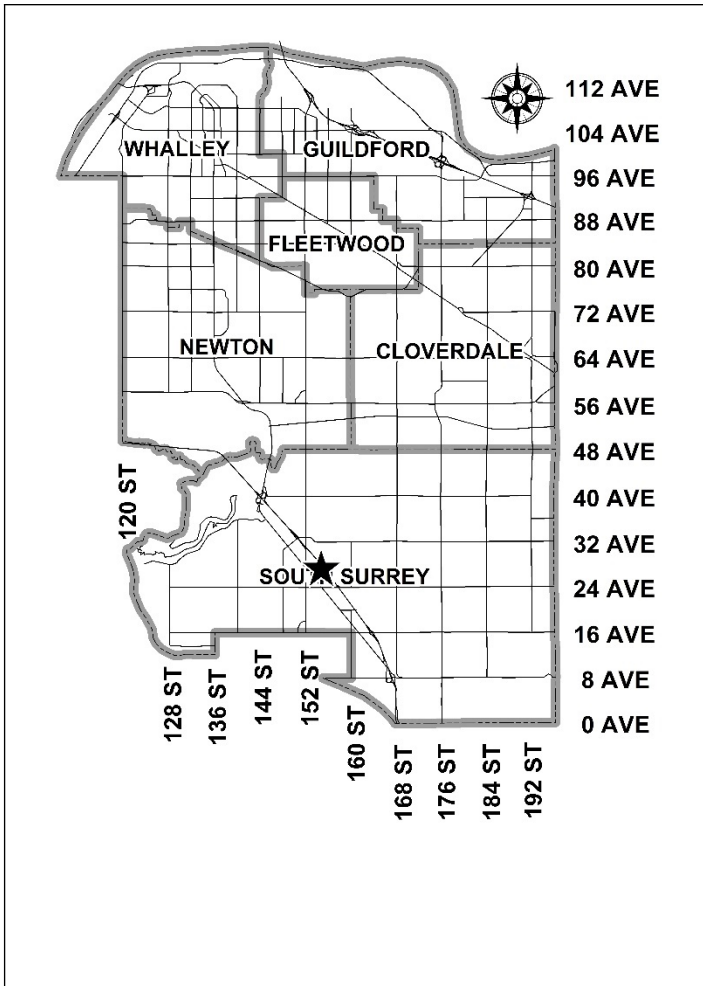


**City of Surrey
PLANNING & DEVELOPMENT REPORT**

Application No.: 7919-0241-00

Planning Report Date: June 29, 2020



PROPOSAL:

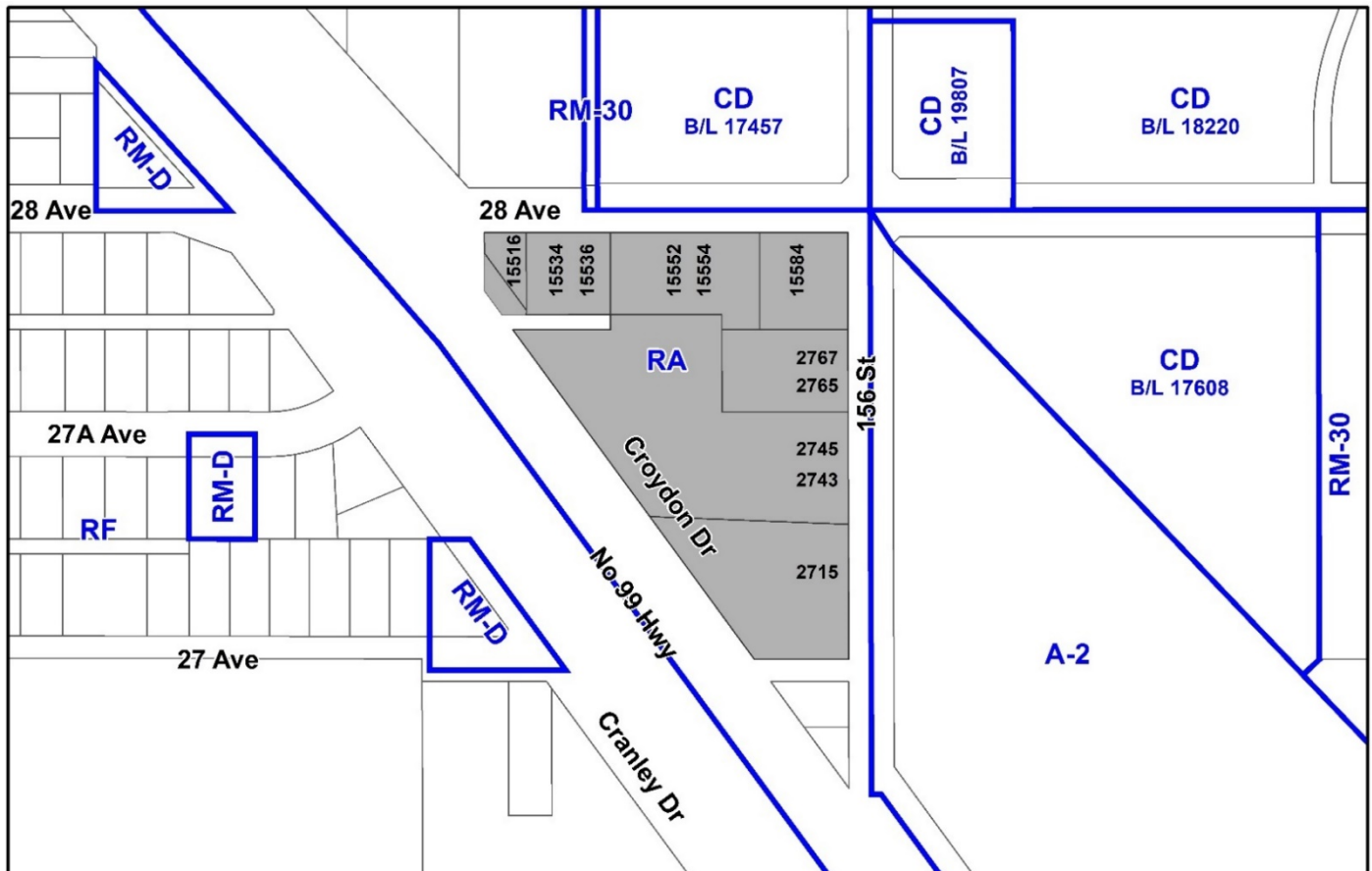
- **OCP Amendment** from Mixed Employment to Multiple Residential and to increase the maximum density permitted under the Multiple Residential designation
- **RGS Amendment** from Mixed Employment to General Urban
- **LAP Amendment** from Business Park/Light Industrial to Mixed Commercial-Residential
- **Rezoning** from RA to CD

to permit the development of a mixed-use development with 347 market and rental apartment units and 3,700 square metres of office/retail.

LOCATION: 15516 - 28 Avenue, 15552 - 28 Avenue, 15584 - 28 Avenue, 2743 - 156 Street, 2767 - 156 Street, 15536 - 28 Avenue, 2715 - 156 Street

ZONING: RA
OCP DESIGNATION: Mixed Employment

LAP DESIGNATION: Business Park/Light Industrial and Buffers



RECOMMENDATION SUMMARY

The Planning & Development Department recommends that the application be referred back to staff to work with the applicant to develop a proposal that complies with the Official Community Plan (OCP), the Highway 99 Corridor Local Area Plan and the Metro Vancouver Regional Growth Strategy (RGS).

DEVIATION FROM PLANS, POLICIES OR REGULATIONS

- The proposal does not comply with policies identified in the City of Surrey Official Community Plan (OCP), Surrey Employment Lands Strategy, the Highway 99 Corridor Local Area Plan (LAP), nor with Metro Vancouver's Regional Growth Strategy (RGS).

RATIONALE OF RECOMMENDATION

- The proposal does not comply with the Mixed Employment designation in the Official Community Plan (OCP).
- The proposal does not comply with the Business Park/Light Industrial and Buffers designation or the road network proposed in the Highway 99 Corridor Local Area Plan (LAP).
- These designations are intended to provide business park and light industrial uses, in the form of office uses, service uses, warehouse and distribution centres. 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".
- The proposal does not comply with the Mixed Employment designation in the Metro Vancouver Regional Growth Strategy (RGS).
- Although a small portion of the site is proposed for employment uses, the proposed development is a significant departure from existing City and Metro Vancouver plans and policies and will result in an overall reduction in the supply of employment lands in the City. This does not support Surrey's goal of achieving a higher job to resident ratio.
- The proposed development, if approved, could put pressure on other lands designated Mixed Employment or Commercial in Surrey to be converted to residential uses.

RECOMMENDATION

The Planning & Development Department recommends that this application be referred back to staff to work with the applicant to develop a proposal that complies with the Official Community Plan (OCP), the Highway 99 Corridor Local Area Plan (LAP) and the Metro Vancouver Regional Growth Strategy (RGS).

SITE CONTEXT & BACKGROUND

Direction	Existing Use	OCP/LAP or NCP Designation	Existing Zone
Subject Site	Single family houses and duplexes	Mixed Employment / Road, Business Park/Light Industrial and Buffers	RA
North (Across 28 Avenue):	Single family house, and townhouse complex, and an apartment and townhouse complex	Mixed Employment and Multiple Residential / Business Park/Light Industrial, Buffers and Multiple Residential (15 to 25 upa)	RA, CD (By-law No. 17457) and RM-30
East (Across 156 Street):	Single family house and illegal storage, under Development Application No. 7919-0242-00	Mixed Employment / Business Park/Light Industrial and Buffers	A-2
South (Across unopened lane):	Vacant lots	Mixed Employment / Road and Business Park/Light Industrial	RA
West (Across Hwy No. 99):	Single family houses and duplexes	Urban / -	RF and RM-D

Context & Background

- The subject 2.15-hectare site consists of 7 parcels and some unopened road allowance, located at the southwest corner of 28 Avenue and 156 Street. The property has several single family houses and duplexes. The parcel is zoned "One-Acre Residential Zone" (RA) designated "Mixed Employment" in the Official Community Plan (OCP) and in Metro Vancouver's Regional Growth Strategy (RGS).
- The site is designated Business Park/Light Industrial, Buffers, and Road on the Highway 99 Corridor Local Area Plan (LAP). As part of an overall assessment of transportation needs in this area, staff has agreed to eliminating the extension of Croydon Drive, originally planned through the west portion of the site. Alternatively, 156 Street would be upgraded to a collector road standard south of 28 Avenue.

- There are approximately 100 trees on the site. The site is within a Green Infrastructure Area and would be subject to a Sensitive Ecosystem Development Permit, should this application be supported to proceed to the detailed planning stage.
- There are approximately 10 metres between the highest and lowest point of the site, sloping down from the south to the northwest.
- A BC Hydro Right-of-Way runs along the eastern portion of the site, which encumbers approximately 22% of the site area.
- The site directly abuts Highway 99 and any residential units along this frontage would need to confirm an appropriate acoustical treatment and careful interface to ensure livability for future residents enjoyment.
- The southern portion of the site has had several TUP applications for recreational vehicle storage in the past. The most recent one was Development Application No. 7916-0295-00, which was approved on October 03, 2016, for a period of two years (expired October 2018). One property in particular, 2773/2745 156 Street, continues to have unpermitted uses: storage of vehicles, trailer and containers. The applicant has advised that they will work with their tenant to discontinue the use soon, and have no intention of applying for a new TUP.

DEVELOPMENT PROPOSAL

Planning Considerations

- The applicant is proposing a mixed-use development with 347 apartment units and 3,700 square metres of office and retail space. The applicant proposes the majority of the units as purpose-built rental but has not yet clarified exactly how many units are proposed as rental.
- The applicant is proposing to utilize a provision in the OCP that allows for additional bonus densities in select areas in exchange for the provision of sufficient community amenities. The applicant is proposing a development with a maximum floor area ratio (FAR) of 1.75, whereas typically under the "Multiple Residential" designation a maximum FAR of 1.5 is permitted.
- Further discussion with staff would be required, should the proposal be supported to determine if this is an appropriate location for additional density (i.e. transit access, amenities, etc.) and what, if any, community amenity contribution may be appropriate in support of this.
- The application proposes the following:
 - A Regional Growth Strategy (RGS) amendment from Mixed Employment to General Urban;
 - An Official Community Plan (OCP) amendment from Mixed Employment to Multiple Residential;
 - Local Area Plan (LAP) amendment from Business Park / Light Industrial to Mixed Commercial – Residential;
 - Rezoning: from "One-Acre Residential (RA)" to "Comprehensive Development (CD)";
 - Development Permits for Form & Character and Sensitive Ecosystem (Green Infrastructure Area);

- Consolidation (subdivision) of seven properties and some road allowance into one lot; and
- A Housing Agreement to secure the proposed purpose-built rental units.

Proposed	
Lot Area	
Gross Site Area:	21,541.94 square metres
Road Dedication:	1,183.27 square metres
Undevelopable Area:	5,047.85 square metres
Net Site Area:	15,310.82 square metres
Number of Lots:	1
Building Height:	6 storeys
Unit Density:	210 units per hectare
Floor Area Ratio (FAR):	1.75
Floor Area	
Residential:	25,192.85 square metres
Commercial:	3,700 square metres
Total:	28,892.85 square metres
Residential Units:	
Studio:	52 units
1-Bedroom:	208 units (174 units, plus 34 units 1-bed and den)
2-Bedroom:	87 units
Total:	347 units

- In terms of the subject application, only the proposed OCP amendment and rezoning, and not the Development Permit, are being presented for Council’s consideration. Given the significant departure from the City’s and Metro Vancouver’s plans and policies that the proposal entails, it was deemed appropriate to consult Council on the larger land use issue before proceeding further to detailed development planning of the site, which typically is done through the Development Permit application.

Referrals

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

35 Elementary students at Sunnyside Elementary School
 24 Secondary students at Semiahmoo Secondary School

They have note that both Sunnyside Elementary and Semiahmoo Secondary are over capacity.

(Appendix II)

With the exception of the School District, formal referrals have not been completed for the subject proposal given the proposed departure from existing City policies and practices. The current discussion is on the appropriateness of the land use that is proposed.

Should the proposal ultimately be supported and proceed to the detailed planning stage, referrals will be made to the following groups for comment.

Any requirements would be incorporated into the detailed design for the proposal:

- Engineering
- Parks, Recreation & Culture
- Ministry of Transportation
- BC Hydro
- Advisory Design Panel
- Metro Vancouver

Transportation Considerations

- The Highway 99 Land Use Plan shows a road planned along the southwest portion of the site, as an extension of Croydon Drive. As part of an overall assessment of transportation needs in this area, staff have accepted the elimination of this planned portion of Croydon Drive, provided that the following improvements are made:
 - 156 Street between Croydon Drive and 28 Avenue is upgraded to the City's collector road standard (whereas previously a local road standard was planned); and
 - The intersection of 28 Avenue and 156 Street is upgraded with a roundabout.
- The following road dedication is being required:
 - 2.2 metres along 156 Street
 - 4.142 metres along 28 Avenue
 - 5 metre by 5 metre of corner cut at the 28 Avenue and 156 Street intersection
- The applicant is proposing a reduction in the number of parking stalls that are provided relative to Zoning By-law requirements, which staff have raised concerns with. The applicant is proposing to provide 423 of the required 637 stalls. Further review and adjustments will be required, including for the provision of a Parking Study to determine if a reduction may be appropriate, should this application proceed to the detailed planning stage.
- The proposal is at least 800 metres from a transit stop, both on 152 Street and on 24 Avenue.
- A Traffic Impact Study may be required and will be further discussed should this application proceed to the detailed planning stage.

Parkland and/or Natural Area Considerations

- The site is within a Green Infrastructure Area and will be subject to a Sensitive Ecosystem Development Permit, should this application proceed to detailed planning stage.
- The Green Infrastructure Area runs along the western portion of the site. Staff have identified that a 10-metre corridor with an additional 5-metre building setback would meet the intent of this local corridor. The applicant is currently showing a smaller corridor and a smaller setback than is required. Further adjustments to the site plan will be reviewed through the Development Permit process, should this application proceed to the detailed planning stage.

- The corridor does not need to be conveyed, but fencing would be required. A pedestrian pathway could be built within the 5-metre building setback. Further details on planting, fencing and pathway will be reviewed with the applicant should this application proceed to detailed planning stage.

POLICY & BY-LAW CONSIDERATIONS

Regional Growth Strategy

- The site is designated Mixed Employment in Metro Vancouver's Regional Growth Strategy (RGS). Areas designated Mixed Employment in the RGS are "intended for industrial, commercial and other employment related uses to help meet the needs of the regional economy. Residential uses are not intended in 'Mixed Employment' areas."
- The proposed development would trigger an application to Metro Vancouver to amend the RGS designation from Mixed Employment to General Urban.
- Amendments from the Mixed Employment designation to the General Urban designation of the RGS are to be referred from the affected municipal government and are classified as a "Type III Minor Amendment", and require an affirmative majority (50%+1) weighted vote of the Metro Vancouver Board but would not require a regional public hearing.
- RGS amendment applications are forwarded to Metro Vancouver for consideration upon endorsement by Council, after a Public Hearing is held and a proposal is granted Third Reading of the Rezoning By-law. The proposed development can only be finalized if Metro Vancouver grants approval of the RGS designation amendment.

Official Community Plan

Land Use Designation

- The site is designated Mixed Employment in the OCP. The applicant proposes an amendment to Multiple Residential.
- The proposal also includes an additional Official Community Plan (OCP) amendment to increase the maximum permitted Floor Area Ratio (FAR) in the Multiple Residential from 1.5 FAR to 1.75 FAR. Typically this type of increase in density is supported by proximity to a Frequent Transit Network (FTN) or for development that are located in Urban Centres or Frequent Transit Development Areas (FTDA), which is not the case for this proposal.
- 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". Particularly noted is Policy E 1.13, that specifically prohibits the conversion of mixed-employment lands to residential or other non-employment uses.

- 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.
- The City has a number of areas designated "Mixed Employment" or "Industrial" where inquiries have been made to amend the OCP and RGS to allow for residential uses. To date Surrey has not forwarded any proposed RGS amendments of this nature, with support, to Metro Vancouver.
- There are several Business Park developments south of this proposal along Croydon Drive and south of 24 Avenue that developed according to the site's designation. Even though these applications have not yet received preliminary approval (Development Applications No. 7911-0200-00, 7912-0140-00, 7918-0156-00), they are all proposing Mixed Employment developments. Development Application No. 7915-0194-00 has received preliminary approval but has not yet been completed.
- If the proposed application is supported, the current "Mixed Employment" and/or "Industrial" designations in other areas of Surrey may come under pressure to be amended to allow non-employment uses. In particular, Development Application No. 7919-0242-00 located to the east across 156 Street, is also being considered by Council on tonight's Regular Council – Land Use Agenda. Together, both applications would account for 5.96 hectares of employment land being converted to residential and commercial uses, with a total of almost 600 residential units proposed.

Amendment Rationale

- The applicant proposes to amend the site's OCP designation from Mixed Employment to Multiple Residential. Given the deviation from the requirements under the OCP, staff have concern with the removal of employment lands from the City's land base.
- The proposed development will be subject to the Tier 2 Capital Plan Project CACs for proposed density greater than the OCP designation, as described in the Community Amenity Contribution section of this report.
- If the application proceeds to the detailed planning stage, in accordance with Density Bonus Policy O-54, the applicant will be required to submit a Market Report and Financial Analysis to determine the value of the land lift, and the recommended 75% land lift contribution value in order to satisfy the proposed OCP Amendment.
- The applicant has provided the following rationale for the proposed OCP amendment:
 - Highway 99 Corridor LAP: the Highway 99 Corridor is underdeveloped due to Campbell Heights absorbing much of the market demand for light industrial and business parks. The applicant feels the demand in this area is limited for mixed-employment uses.
 - Proposed development: the proposed mixed-use development provides some vitality for the area with a mix of uses, as well as a good supply of purpose-built rental units.

- Transition: the applicant feels a mixed-use, predominantly residential, proposal would provide a good transition between the Rosemary Heights Business Park with several commercial developments to the northwest and Morgan Heights and North Grandview Heights with several residential developments to the north, south and east.
- Surrey Housing Profile (2018): only 14% of rental units in Surrey are purpose-built rental, while the other 86% is supplied by the Secondary Rental Market (secondary suites and privately-owned units), which provide less rental stability.
- Surrey Housing Profile (2018): The 2017 vacancy rate in Surrey was 0.4%, which is lower than the regional average of 1.0%. According to the Housing Profile, there are only 180 purpose-built market rental units (3% of Surrey's purpose-built rental units) in South Surrey.
- Housing mix: the development of purpose-built rental, along with market units and a commercial building will provide a healthy mix of options for Surrey residents and businesses.
- Surrey Employment Lands Strategy (2008): an amendment to the employment lands designations could be considered outside of Town Centres, where the proposed use will exceed the original employment designation by 1.5 times. When compared to similar designations in Campbell Heights, where there are approximately 56 jobs per hectare (total of 84 jobs on net area), this proposal includes a six-storey commercial building would generate approximately 173 additional jobs than a business park development, based on Canadian businesses typically requiring 11-16 square metres per employee, this proposal would generate approximately 257 jobs
- School impact: given that most units are studios or one-bedroom units, the applicant believes this application will have very little impact on school capacity (Note: based on the Surrey School District's forecasting, this proposal would add 59 students to the area).

Themes/Policies

The proposed development is supported by the following policy in the Official Community Plan:

- F 3.12 Ensure an adequate supply of rental housing units in all areas of the city.

(The application proposes the majority of 347 residential units as market rental units.)

The proposed development is not supported by the following policies in the Official Community Plan:

- A 1.1 Support compact and efficient land development that is consistent with the Regional Growth Strategy (RGS) (2011).

(The proposal is not consistent with the RGS and proposes an amendment.)

- B 3.2 Encourage mixed-use developments within Commercial and Multiple Residential land use designations along Frequent Transit Corridors (see Figure 22), particularly within 400 metres of existing or planned Rapid Transit stops.

(The proposed mixed-use development is not located in proximity to Frequent Transit Corridors, and it is located at least 800 metres from a transit stop, on 160 Street and on 24 Avenue.)

- B 4.6 Direct higher residential densities to locations within walking distance of neighbourhood centres, along main roads, near transit routes and adjacent to major parks or civic amenities.

(The proposed residential use, and the higher density development that is proposed [210 uph] is better suited to be located in a town centre or locations closer to services and transit routes.)

- B 4.7 Design housing units to front directly onto public streets and/or public spaces, in order to facilitate a safe, welcoming, public streetscape and public realm.

(The proposed design will be further reviewed if the application proceeds to the detailed planning stage. Currently, the applicant is showing the buildings mostly perpendicular to the street.)

- 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.

(A referral to the School District has been made, which resulted in a forecast of 59 students to the area. Both the elementary and secondary schools in the area are over capacity.)

- C 1.35 Ensure the appropriate interface between land uses and utility corridors, including electrical transmission corridors and oil and gas Rights-of-Way.

(A referral to BC Hydro will be made should this application proceed to the detailed planning stage.)

- 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.

(A referral to Parks will be made should this application proceed to the detailed planning stage. However, it is anticipated there will be significant need for provision of parks, as no residential use was initially envisioned at this site, and the applicant proposes 347 residential units.)

- 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 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 convert 2.15 hectares of employment land into multiple residential uses. Loss of these lands for employment purposes may 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 (see Figure 41) to residential or other non-employment uses.

(This application proposes to convert 2.15 hectares of employment land into multiple residential uses.)

- 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 may 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 Business Park/Light Industrial and Buffers in the Highway 99 Corridor Land Use Plan. The extension of Croydon Drive is identified along the west boundary of the subject property. The applicant is proposing an amendment to allow for Mixed Commercial-Residential Land Uses, and realignment of the road network.

Plan Amendment

- The site is designated Business Park/Light Industrial and Buffers in the Highway 99 Corridor Land Use Plan. The applicant is proposing an amendment to the Highway 99 Local Area Plan to allow for Mixed Commercial-Residential Land Uses and Buffers, as well as a realignment of the road network.
- The proposed development will be subject to the Tier 2 Capital Plan Project CACs for proposed density greater than the Secondary Plan designation, as described in the Community Amenity Contribution section of this report.
- If the application proceeds to the detailed planning stage, in accordance with Density Bonus Policy O-54, the applicant will be required to submit a Market Report and Financial Analysis to determine the value of the land lift, and the recommended 75% land lift contribution value in order to satisfy the proposed Secondary Plan Amendment.

- The Highway 99 Corridor Local Area Plan (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 made this a prime location for business development and employment uses.
- The mixed-use area at 24 Avenue was not originally foreseen in the LAP, and it was part of an amendment approved in June 2007, under Development Application No. 7906-0137-00. This development is mostly commercial, with all commercial at grade, and residential units above. That site was also partially in the Morgan Heights NCP, with an amendment from residential-only, to mixed-use as part of the same application.
- The Business Park / Light Industrial designation in the Highway 99 Corridor LAP provides opportunity for a variety of business park and light impact industrial uses including office and service uses, and wholesale warehousing and light manufacturing uses that are completely enclosed within a building. Outdoor storage and display is not allowed under this designation.
- Specific policies for this northern area of the LAP include:
 - Business Park and "high end" Light Impact industrial uses may be developed in this area;
 - All Business Park and Light Impact Industrial development will be of a high environmental and architectural quality; and
 - No outdoor storage of any kind will be allowed in this area.

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.
 - conversion from an employment use to a non-employment use is only supported where development will align with the City's objectives to create thriving, transit oriented, mixed-use centres and corridors.
 - the City acknowledges port lands and key transportation corridors as contributors to local economic well-being and is committed to protecting employment lands in these areas.
 - There is an opportunity to develop the Highway 99/Grandview Heights corridor lands for higher value industrial as they have good access (e.g. on the Highway 99 corridor), have good visibility and proximity to the population base.

CD By-law

- The applicant proposes to rezone the subject site from "One-Acre Residential Zone (RA)" to "Comprehensive Development Zone (CD)".

- A CD By-law will be required to accommodate all of the proposed uses and densities. This will be further discussed and brought forward for Council's consideration, should the application be supported to proceed to the detailed planning stage.
- The applicant proposes the following parameters:
 - Unit density of 210 units per hectare and a net Floor Area Ratio (FAR) of 1.75;
 - Building heights: 6 storeys (20 metres);
 - Significant parking reduction: proposal provides 423 of the required 637 parking spaces (the proposed parking relaxation would require a parking study and further staff review to confirm its appropriateness);
 - Setbacks: 7.5 metres (north and east), 5 metres (west) and 1.5 metres (south) – these setbacks are not endorsed by staff and will be reviewed further, should this application proceed to the detailed planning stage;
 - Indoor and outdoor amenity spaces have not yet been reviewed. Staff will request the applicant to provide the minimum requirements in accordance with the Zoning By-law; and
 - Applicant proposes predominantly residential uses, and commercial uses (office and retail). Further details on the permitted uses will be discussed should this application proceed to detailed planning stage.

Capital Projects Community Amenity Contributions (CACs)

- On December 16, 2019, Council approved the City's Community Amenity Contribution and Density Bonus Program Update (Corporate Report No. R224; 2019). The intent of that report was to introduce a new City-wide Community Amenity Contribution (CAC) and updated Density Bonus Policy to offset the impacts of growth from development and to provide additional funding for community capital projects identified in the City's Annual Five-Year Capital Financial Plan.
- The proposed development will be subject to the Tier 1 Capital Plan Project CACs and will provide \$2,000/unit if final adoption of the Rezoning By-law is approved by December 31, 2020. The contribution rates will be introduced based on a three-phase schedule, with rates increasing as of January 1, 2021. The proposed development will be required to pay the rates that are applicable at the time of Building Permit issuance.
- The proposed development will be subject to the Tier 2 Capital Plan Project CACs for proposed density greater than the OCP and Secondary Plan designation, as well as a Floor Area Ratio (FAR) above the maximum 1.5 allowed under the Multiple Residential designation.
- If the application proceeds to the detailed planning stage, in accordance with Density Bonus Policy O-54, the applicant will be required to submit a Market Report and Financial Analysis to determine the value of the land lift, and the recommended 75% land lift contribution value in order to satisfy the proposed Secondary Plan Amendment.

Affordable Housing Strategy

- On April 9, 2018, Council approved the City's Affordable Housing Strategy (Corporate Report No. Ro66; 2018) requiring that all new rezoning applications for residential development contribute \$1,000 per unit to support the development of new affordable housing. The funds collected through the Affordable Housing Contribution will be used to purchase land for new affordable rental housing projects.
- The applicant proposes the majority of the units as purpose-built rental but has not yet clarified the number of units proposed as rental.
- If this application proceeds to detailed planning stage, the units that are not proposed as rental will be subject to this contribution, and the rental units would be exempt. Rental units would be secured through a Housing Agreement.

Public Art Policy

- The applicant will be required to provide public art, or register a Restrictive Covenant agreeing to provide cash-in-lieu, at a rate of 0.5% of construction value, to adequately address the City's needs with respect to public art, in accordance with the City's Public Art Policy requirements. The applicant will be required to resolve this requirement prior to consideration of Final Adoption.
- The applicant proposes the majority of the units as purpose-built rental but has not yet clarified the number of units proposed as rental. The rental portion of the building would be exempt from this contribution, but the market units would be subject to this contribution, in addition to the commercial portion of the site.

PUBLIC ENGAGEMENT

- Pre-notification letters were sent on April 21, 2020, and the Development Proposal Signs were installed on April 27, 2020. A letter was also sent to the Semiahmoo Residents Association. Staff received 58 responses, and a petition against the proposal with 269 signatures. Staff has also received correspondence in opposition from 14 Stratas in the area, representing a total of 1,250 residents. Below is a summary of all comments received (*staff comments in italics*):
 - Traffic and parking: concerns with increased traffic in the area, road capacity and demand for parking

(In consideration of the broader road network in the area, staff have considered the appropriateness of the elimination of the section of the planned Croydon Drive through the subject site, with the collector road connection to be replaced by upgrades to 156 Street and 28 Avenue. Whereas 156 Street was previously planned as a local road connection, the road is now proposed to be upgraded as part of the subject application to the City's collector road standard with wider pavement to accommodate additional traffic, on-street parking on both sides of the road, and wider sidewalks.

The Pioneer Greenway is also proposed to be re-routed to 156 Street and to remain as an off-street multi-use path. Similarly, 28 Avenue will be upgraded to the City's collector road standard as part of the subject application. Impacts to existing adjacent residential uses as a result of the proposed re-routing of the collector road connections are anticipated to be relatively minimal, as Croydon Drive is anticipated to continue to serve as the collector road connection for the business park uses both to the north and to the south.

Staff have concerns with the proposed parking reduction. This will be reviewed with the applicant should this proposal proceed to the detailed planning stage.)

- School impact: concerns with catchment capacity

(A referral to the School District will be made should the application proceed to detailed planning stage. 75% of the proposed units are one-bedroom or studios, which typically have a lower impact on school capacity, and 25% of the unit are proposed as two-bedroom units.)

- Concerns with loss of trees and potential green buffering along Hwy No. 99

(Tree retention will be further reviewed, should this application proceed to detailed planning stage, and the use of the BC Hydro corridor as a buffer will also be further discussed.

Application will be subject to a Development Permit for Sensitive Ecosystem [Green Infrastructure Area] regarding the corridor adjacent to Highway 99, which is part of the Biodiversity Conservation Strategy. Staff has requested a 10-metre wide corridor be preserved along the western portion of the site, and further analysis will need to be made through an environmental report and tree assessment.)

- Residential Density, building height and neighbourhood character

(Proposed residential density and building height are significantly different from surrounding developments. Developments to the east are townhouses with 2-3 storeys, development to the south is a business park with 4 storeys, and to the north are townhouses and apartments at 3-4 storeys in height. The subject proposal is for 6 storeys in an apartment form with retail/office.

Should this application proceed to detailed planning stage, urban design review will take into account neighbourhood character, setbacks, interfaces and transitions).

- Proposed Retail: concerns that no retail is needed in close proximity to Grandview Corners

(The proposed retail and office component would support the proposed residential density, and provide some employment opportunities).

- Rental: wanted more info on rental proposed

(The proposal includes a "majority" of the residential units as rental units, but no specific numbers for this have been provided by the applicant at this time. These would be market rental, without subsidy. The rental tenure would be secured through a Housing Agreement, should this application proceed to detailed planning stage).

Public Information Meeting

- A Public Information Meeting has not been undertaken at this time. Should the proposal be supported by Council, allowing the proposal to proceed to the detailed planning stage, then a Public Information Meeting will 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 (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 located along the western portion of the 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 a Local BCS Corridor within the subject site, in the Redwood BCS management area, with a Low ecological value.
- The BCS further identifies the GIN area of the subject site as having a Low habitat suitability rating, derived from species at risk presence, species accounts and known ecosystem habitat inventories. The BCS recommends a target Corridor width of 20 meters, 10 metres would be within the property, and 10 metres would be within the Highway No. 99 right-of-way. The BCS recommends a target Corridor Area of approximately 2,220 square meters or 9.6 % of the subject property.
- The applicant is currently showing 8 metres of corridor on the site, instead of 10 metres, and a building setback from the corridor of 0.5 metres, instead of the requested 5 metres by staff. The applicant has suggested creating "pockets" of environmental clusters in lieu of the full corridor, but staff does not believe the intent of the corridor is achieved in broken "pockets" between buildings. If the application proceeds to the detailed planning stage, these site design details will be further reviewed with the applicant.

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).
- The site plan attached to this report is for reference purposes only and has not been reviewed in detail given the proposed plan amendments and land use changes that are being considered. There are several high-level items that still need to be addressed in addition to the proposed land use, which include:
 - Highway 99 interface: The site directly abuts Highway 99 and any residential units along this frontage would need to confirm an appropriate acoustical treatment and careful interface to ensure livability for future residents enjoyment;
 - Setbacks: setbacks along the west property line, as well as the width of the GIN corridor along Highway 99, and setbacks along 156 Street and 28 Avenue
 - Building siting building interface with the street, as well as building siting relative to tree retention

- Parking reduction: the applicant is proposing a parking reduction (providing 66% of the required stalls), which is not supported by staff. Should the proposal be supported, a Parking Study will be required to confirm the appropriateness of the proposed parking reduction;
 - Parking location: the applicant is proposing one third of stalls as surface. Typically, only the commercial/retail/visitor stalls would be allowed as surface parking
 - Landscaping: should the proposal be supported, a landscape plan will be required, and special attention will need to be given to buffers and transitions to other uses
 - Building height: the proposed height is out of context with the neighbourhood and interfaces will need to be considered when reviewing the proposal. Most residential or business park developments in this area range from 2 to 4 stories in height. The subject application proposes 6 stories; and
 - Additional urban design items such as character, materials, etc. would require further consideration.
- If the application proceeds to the detailed planning stage, staff will work with the applicant to refine the site design and provide a landscape plan.

Outstanding Items

- If this application proceeds to the detailed planning stage and achieves a design that is supported by staff, then the application would be subject to review by the Advisory Design Panel.

TREES

- The applicant has provided an Arborist Assessment, prepared by Diamond Head Consulting, which states that there is a total of 111 mature trees on the site, excluding Alder and Cottonwood trees. 22 existing trees, approximately 16 % of the total trees on the site, are Alder and Cottonwood trees.
- The applicant's current proposal shows 5 trees to be retained and 128 trees to be removed. Staff believes there is opportunity for further tree retention. Should this application proceed to the detailed planning stage, staff will further assess opportunities for tree retention with the applicant.
- For those trees that cannot be retained, the applicant will be required to plant trees on a 1 to 1 replacement ratio for Alder and Cottonwood trees, and a 2 to 1 replacement ratio for all other trees.

PROJECT EVALUATION

- The applicant's proposal brings forward purpose-built rental units, which are in high demand in Surrey. The proposal also provides a component of commercial and retail spaces.
- The proposal contains a diverse mix of uses with purpose-built rental, market residential units, retail and office space. The proposed development would provide some employment opportunities.
- While the proposal has merit in some parts, particularly for the provision of rental units, there are several key concerns with the proposed use:
 - 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 would reduce the supply of employment lands in Surrey, which does not support Surrey's goals of achieving a higher job to resident ratio;
 - The proposed development, if approved, could put pressure on other "Mixed Employment" or "Industrial" lands in Surrey to be converted to residential uses, including the parcel across 156 Street to the east at 2660 Croydon Drive (Development Application No. 7919-0242-00);
 - There is not adequate public transit in this area to support the residential density, and particularly the rental units that are proposed;
 - The impact on available school capacity in the local area given these lands were not originally identified for residential uses. The School District has confirmed that should the subject application be supported that an additional 59 students may result from this proposal (35 Elementary students and 24 Secondary students); and
 - The proposed development proposes a density, floor area ratio (FAR) and building height not in keeping with the surrounding neighbourhood;

RECOMMENDATION

Staff recognizes that the applicant's proposal to develop the site for primarily residential use, with some commercial space would provide employment opportunities, as well as purpose-built rental units that are in demand. However, in light of the broader and longer term plans of the City to preserve or promote employment opportunities, staff are not supportive of the proposed residential development at this location.

Staff recommend that the application be referred back to staff to work with the applicant to develop a proposal that complies with the Highway 99 Corridor Local Area Plan (LAP), the Official Community Plan (OCP), and Metro Vancouver's Regional Growth Strategy (RGS).

INFORMATION ATTACHED TO THIS REPORT

The following information is attached to this Report:

Appendix I.	Site Plan
Appendix II.	School Comments
Appendix III.	LAP Plan
Appendix IV.	OCP Redesignation Map

approved by Shawn Low

Jean Lamontagne
General Manager
Planning and Development

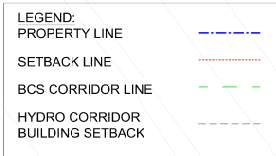
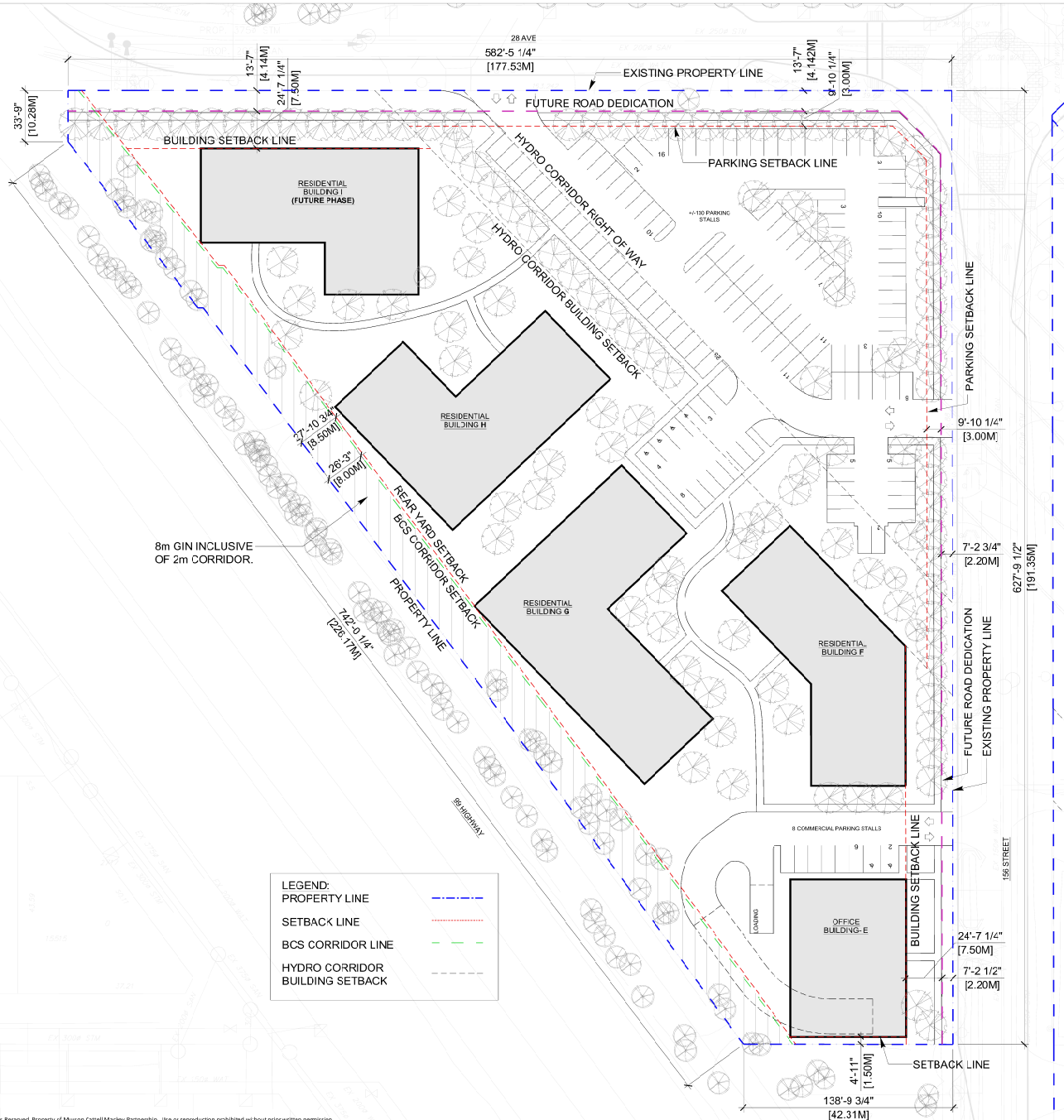
LFM/cm

**Musson
Cattell
Mackey
Partnership**

Architects Designers Planners
Oceanic Plaza
1046 West Hastings Street
Suite 1930
Vancouver, British Columbia
Canada V6E 3X1
T: 604.587.2996
F: 604.587.1771
MCPArchitects.com

DISTRICT

200-0009 BEAVER STREET,
VANCOUVER,
BRITISH COLUMBIA
CANADA V6P 3T1
T: 604.522.3702
DISTRICTGROUP.CA



Site Information

City Address:	2715 & 2743 156 St and 15684 St Ave, Surrey, BC
Legal Description:	SECTION 23 TOWNSHIP 8 PLAN W007096 WA02 PARCELS 8 & PART OF PARCELS 10 & 11 (EXCEPT) PLAN 1746 2746 & LOT 23 SECTION 23 TOWNSHIP 8 PLAN W007096 WA03 & LOT 23 SECTION 23 TOWNSHIP 8 PLAN W007096 WA04 (EXCEPT SUBDIVISION E)
PID:	008-099-215 & 008-905-576 & 008-819-042

Lot Area

Lot Area	Minimum required	Proposed
Gross Total	N/A	231,875.15
Undeveloped area	N/A	21,941.81
Road Dedication	N/A	1,839.37
No. Total	N/A	150,693.97

Lot Coverage (m² of total area)

Buildings & Structures	Maximum allowed	Proposed
	N/A	5,207.15m ² 16.48% of 31,100m ² 21.1%

Principal Buildings Setbacks

	Minimum Setback Required	Setback Proposed
Front Yard (North)	7.5M	7.5M
Side Yard (East)	7.5M	7.5M
Side Yard (West)	5.0M	5.3M
Rear Yard (South)	1.5M	1.5M

Height of Buildings

Maximum allowed	Proposed
5M	20M

Project areas

Building	GFA (SF)	GFA (SM)	Number of Levels
Residential A	65,000	6,114.60	6
Residential B	72,000	6,680.02	6
Residential C	87,000	8,092.26	6
Residential D	85,000	6,114.60	6
Total	299,000	27,001.48	
Balcony Areas	Approx. 20,000	Approx. 1800	
Total Residential (Including Balconies)	271,000	25,195.72	
Commercial Use- Office			
Office - E	35,000	2,872.80	5
Commercial Use- Retail			
Office - E	8,000	741.22	5
Total	311,000	28,809.85	

Unit Count and Mix

Unit Count	One Bed + 1/2 Bath	Two Bed
Total Units	343	27
Unit Mix %	15.0%	11.0%

Density

# of units ha gross	# of units ha net	FAR (gross)	FAR (net)
1.4	1.4	28.8%	28.8%

Residential Off-street Parking

Minimum required parking	Proposed parking
1.3 parking spaces per dwelling unit with 1 or no balconies	433 spaces
1.3 parking spaces + 200 + 245.7 = 338 parking spaces	(138 above ground and 205 underground)
1.5 parking spaces per dwelling unit with 1 or more balconies	
1.5 parking spaces + 87 = 133.5 = 131 parking spaces	
0.2 parking spaces per dwelling unit for visitors	
0.2 parking spaces + 54 + 69.4 = 70 parking spaces	
2.3 parking spaces per 100 SF (1.075 SF) of gross floor area for building with central air conditioning	
2.3 parking spaces + 63,600 (1,075 SF) = 2,474 = 78 parking spaces	
2 parking spaces per 100 SF (1.075 SF) of gross floor area (total above ground floor area 100,000 sq ft greater than or equal to 272,304 (4,000 SF) but less than or equal to 391,000 sq ft)	
2 parking spaces + 1,620 = 215 SF = 25.3 = 23 parking spaces	
Total required 437 parking spaces	
Minimum required parking	Proposed parking
Total required 7 spaces	7 spaces

Heritage Site NO
Tree Survey/Assessment Provided YES

Revisions WYY-21-M-00

Seal
**2715 & 2743
156 Street and
15584 28 Ave**

S. SURREY WEST
SURREY, BC

SITE PLAN

Drawing 1/32" = 1'-0"

Project 218053

Sheet **A001**



May 20, 2020

Planning

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.

A new Sunnyside Elementary was opened September 2013 on the east side of Highway 99. As of September 2019, there are currently 12 portables on site used for enrolling classroom space. As part of the District's 2019/20 Five Year Capital Plan Submission to Ministry of Education, the District is requesting a 200 capacity addition targeted to open 2021. The project has not received Ministry approval to move to design and construction. Even with this proposed addition, some portable may be required to remain on site to meet projected longer term growth in the catchment.

In March 2018, the Ministry of Education approved the funding to design and build a new 655 capacity elementary school, Edgewood Drive, located at 23rd Avenue and 166th Street. The school is targeted to open September 2021 and may provide some enrolment relief to Sunnyside.

The District is currently in design and construction on a new 1500 capacity high school, Grandview Heights Secondary, to be located in the Grandview area which is targeted to open September 2021. This new secondary is intended to provide enrolment relief to Earl Marriott Secondary.

THE IMPACT ON SCHOOLS

APPLICATION #: 19 0241 00

SUMMARY

The proposed 347 highrise units are estimated to have the following impact on the following schools:

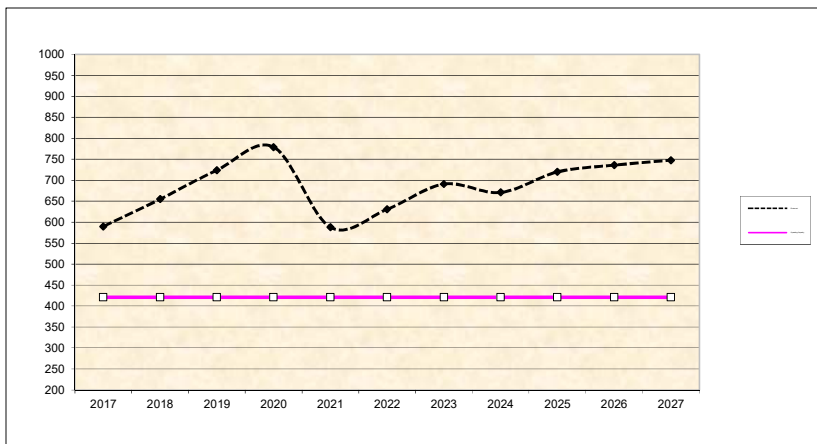
Projected # of students for this development:

Elementary Students:	35
Secondary Students:	24

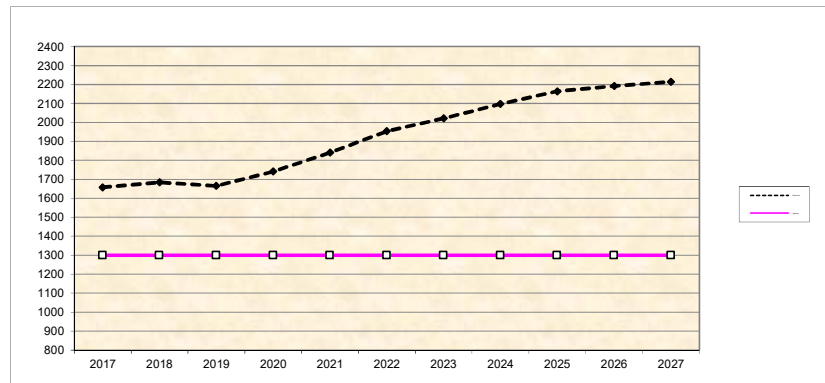
September 2019 Enrolment/School Capacity

Sunnyside Elementary	
Enrolment (K/1-7):	114 K + 610
Operating Capacity (K/1-7)	95 K + 326
Semiahmoo Secondary	
Enrolment (8-12):	1666
Capacity (8-12):	1300

Sunnyside Elementary



Semiahmoo 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.

