

City of Surrey  
**PLANNING & DEVELOPMENT REPORT**

Application No.: 7921-0204-00

Planning Report Date: March 7, 2022

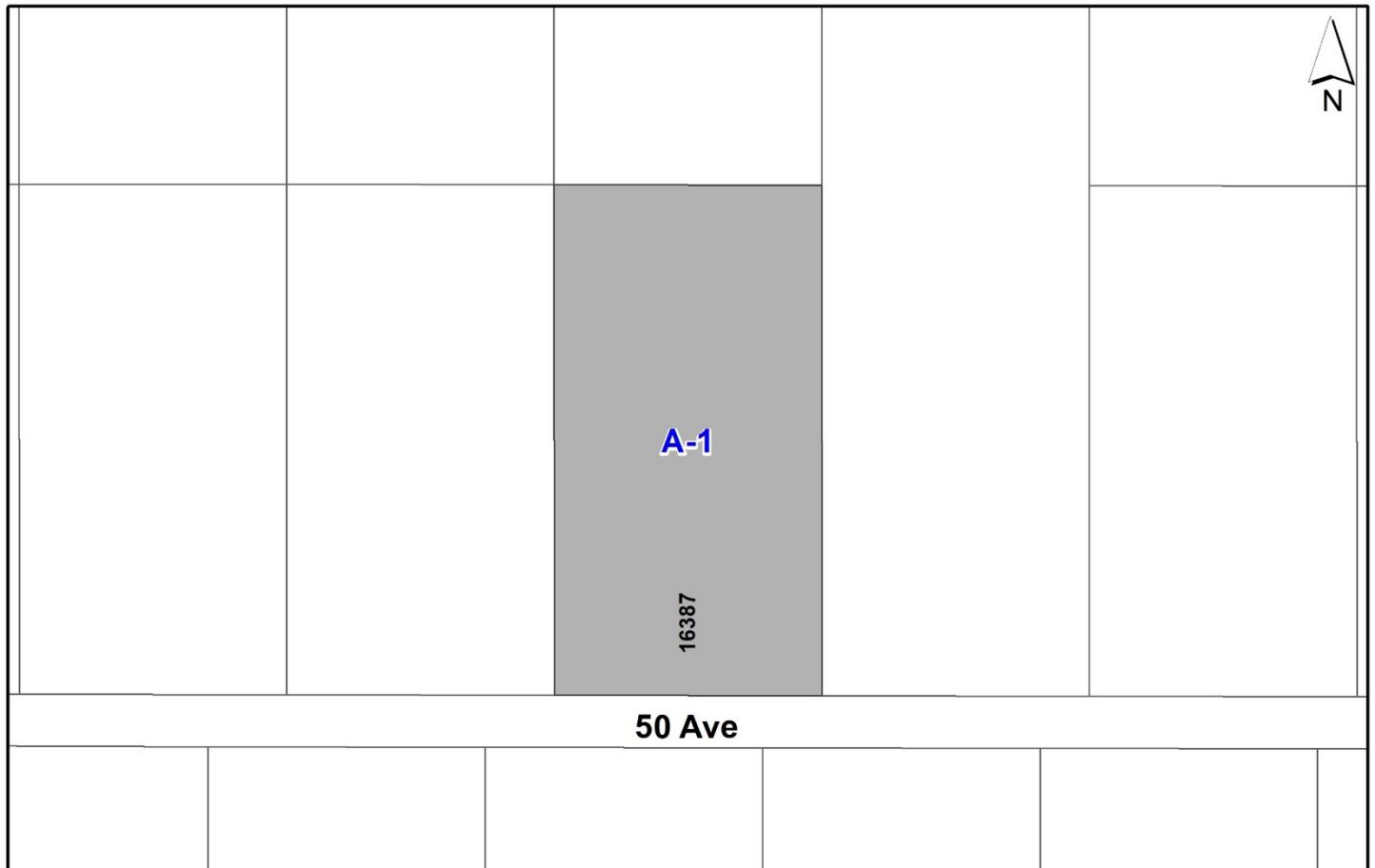
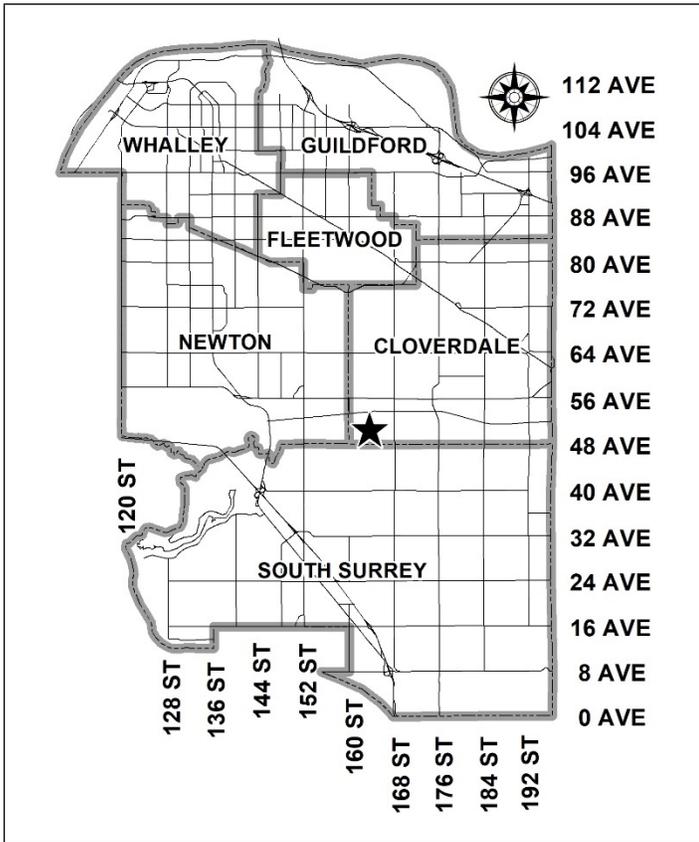
**PROPOSAL:**

- **Rezoning** from A-1 to CD (based on A-1)  
 to permit a cannabis production facility within an existing Quonset building on the lot.

**LOCATION:** 16387 - 50 Avenue

**ZONING:** A-1

**OCP DESIGNATION:** Agricultural



## RECOMMENDATION SUMMARY

- By-law Introduction and set date for Public Hearing for Rezoning

## DEVIATION FROM PLANS, POLICIES OR REGULATIONS

- The production of cannabis is currently not-permitted in any zone, except for the C-8B Zone, which only applies to one vacant City-owned lot in City Centre.

## RATIONALE OF RECOMMENDATION

- The proposal complies with the Agricultural designation in the Official Community Plan (OCP).
- The proposal complies with the Agricultural designation in the Metro Vancouver Regional Growth Strategy (RGS).
- All forms of cannabis production are considered a 'farm use' under the Agricultural Land Commission Act (ALCA). The proposal complies with the ALCA.
- The applicant is proposing to rezone the subject site to 'Comprehensive Development Zone' (CD) (based on A-1) to allow a cannabis production facility (cannabis micro-cultivation as per the *Cannabis Act*) as a permitted use. Although a cannabis production facility is not a permitted use within the existing A-1 Zone, the proposed small-scale cannabis production use is compatible with the intent of the A-1 Zone and the ALCA.
- The applicant is seeking a federal Micro-Cultivation Licence under the *Cannabis Act* for their intended business operations. The proposed cannabis micro-cultivation use will include the production, processing, packaging, transport and sale of cannabis plants, seeds, and dried cannabis. Sale of cannabis products to the general public is not permitted on site.
- All activities pertaining to the growing, processing, packing and sale of cannabis will take place within the existing Quonset building, which is 356 square metres in size. The Federal Micro-Cultivation Licence restricts the surface area of the micro-cultivation use to 200 square metres.
- Should the Rezoning be supported by Mayor & Council, upgrades are required to the site to improve security, as well as upgrades to the existing Quonset building for compliance to BC Building Code. The applicant will also be required to submit an odour mitigation plan prior to Final Adoption.
- The site is exempt from a Development Permit for Form and Character given the existing/proposed agricultural use. The site is also exempt from a Development Permit for Farm Protection given the site is not proximal to the ALR border. A future Tenant Improvement Permit for interior renovations will be required.

## RECOMMENDATION

The Planning & Development Department recommends that:

1. A By-law be introduced to rezone the subject site from "General Agriculture Zone (A-1)" to "Comprehensive Development Zone (CD)" and a date be set for Public Hearing.
2. Council instruct staff to resolve the following issues prior to final adoption:
  - (a) ensure that all engineering requirements and issues including restrictive covenants, dedications, and rights-of-way where necessary, are addressed to the satisfaction of the General Manager, Engineering;
  - (b) submission of a detailed odour mitigation plan, to the satisfaction of the Planning & Development Department; and
  - (c) submission of a Tenant Improvement Building Permit application, for interior renovations to the existing Quonset building, as required to support the cannabis production use.

## SITE CONTEXT & BACKGROUND

Direction	Existing Use	OCP Designation	Existing Zone
Subject Site	Residential dwelling, agricultural buildings and active agriculture (cedar and blueberry hobby farm)	Agricultural	A-1
North:	Residential dwelling, agricultural buildings and active agriculture	Agricultural	A-1
East:	Residential dwelling, agricultural buildings and active agriculture	Agricultural	A-1
South (Across 50 Avenue):	Residential dwelling, agricultural buildings and active agriculture	Agricultural	A-1
West:	Residential dwelling, agricultural buildings and active agriculture	Agricultural	A-1

### Context & Background

- The subject lot is located at 16387 – 50 Avenue in Cloverdale and is approximately two (2) hectares in area.
- The property is designated "Agricultural" in the Official Community Plan (OCP), zoned "General Agricultural Zone (A-1)" and is within the Agricultural Land Reserve (ALR).

- The property is comprised of blueberry and cedar tree crops and three (3) existing buildings including a single-family dwelling, a Quonset-style steel building, and an accessory building (garage).
- For the past 20 years, the site has been used as a hobby farm, with 1.2 hectares of blueberries and cedar tree farming. The existing hobby farm has no employees.

## DEVELOPMENT PROPOSAL

### Planning Considerations

- The applicant is seeking to rezone the property from A-1 to CD (based on A-1) to permit a cannabis production facility as a permitted use on the site. The proposed cannabis production will take place within existing Quonset building on site, and includes the production, processing, packaging, transport and sale of cannabis plants, seeds, and dried cannabis.
- The proposed "Comprehensive Development Zone (CD)" will only differ from the existing A-1 Zone in that it will permit a cannabis production facility as a permitted use within the zone. All other provisions of the A-1 Zone will remain unchanged.
- A Non-Farm Use application to the Agricultural Land Commission is not required, as cannabis cultivation is considered a farm use under the *Agricultural Land Commission Act (ALCA)*.
- The applicant will be seeking a Federal Micro-Cultivation Licence under the *Cannabis Act*.
  - The Federal Micro-Cultivation Licence, granted through Health Canada, would allow the holder of the licence to possess cannabis, cultivate, propagate, or harvest cannabis and sell cannabis.
  - The holder of a Micro-Cultivation licence may only sell cannabis to holders of other licences under the *Cannabis Act*. A licence holder cannot sell cannabis to the general public from the facility or conduct general retail sales. The cannabis produced on the site would be sold to cannabis dispensaries around the Lower Mainland.
  - As part of the application for the Federal Micro-Cultivation Licence, the applicant is required to provide written notice to the municipality, local fire authority, and local police or RCMP detachment. Proof of the written notice forms part of the Federal Micro-Cultivation application and is required in addition to the subject Planning Report.
  - It is the applicant's responsibility to comply with all applicable provincial laws as well as municipal by-laws (zoning and building permits).

- Site improvements to enhance security (fencing, electric gate, security cameras, alarmed doors) and improvements to the Quonset building to meet BC Building Code will be required prior to the Federal application being made. Submission of photos and a guided tour of the site (including both indoor and outdoor areas) highlighting the security features, operation, and storage areas are a requirement of the Micro-Cultivation Licence application.
- The existing Quonset building is 356 square metres in size and was issued a Building Permit in 1979. The existing Quonset building, accessory building, and single-family dwelling on site all conform to the minimum setback requirements of the A-1 Zone.
- For a future business licence to be issued, the Quonset building must comply with BC Building Code. Staff anticipate a future Tenant Improvement Permit for interior renovations will be required to support the proposed use.
- All activities pertaining to the growing, processing, packing and sale of cannabis will take place within the existing 356-square metre Quonset building. The Federal Micro-Cultivation Licence restricts the area for the micro-cultivation use to 200 square metres.
- Approximately 800 plants will be grown on site, with different timelines to complete the growth cycle. Between 1-10 people will be employed by the business, and the anticipated hours of operation are Monday – Friday 8 AM – 5 PM.

## Referrals

Engineering:	The Engineering Department has no objection to the project subject to the completion of Engineering servicing requirements as outlined in Appendix II.
Surrey RCMP:	As part of the application for the Federal Micro Cultivation Licence, the applicant is required to provide written notice to the local police force or Royal Canadian Mounted Police detachment. The content of the notice must include: the expected date on which the applicant will submit the application to Health Canada, the class and subclass of licence being sought, the cannabis-related activities expected to be conducted under that licence, and the site address at which the applicant is expecting to conduct cannabis-related activities.
Surrey Bylaws & Licensing Services:	No concern with the proposal. Bylaws did note a lengthy history of complaints regarding dogs, wrecked vehicles and unsightly property issues dating back to 2010 for this property.
Agriculture, Environment, and Investment Advisory Committee (AEIAC):	The proposal was considered at the December 8, 2021, meeting of the AEIAC. The committee had no concerns with the proposal. The meeting minutes are attached as Appendix III.

## POLICY & BY-LAW CONSIDERATIONS

### Regional Growth Strategy

- The subject site is designated "Agricultural" in the Regional Growth Strategy (RGS). The proposal complies with the RGS.

### Cannabis Act

- The Federal *Cannabis Act* became law on October 17, 2018. The Act helps to protect public health and safety by providing for the legal production of cannabis to reduce illegal activities in relation to cannabis and deter illegal activities in relation to cannabis through appropriate sanctions and measures.
- The Federal Cannabis Regulation SOR-2018-144 ("the Regulation") is one of a series of regulations intended to implement the Cannabis Act. Section 8 of the Regulation establishes a series of classes of licences that authorize activities related to cannabis, including licences for cultivation.
- A licence for micro-cultivation under the *Cannabis Act*, granted through Health Canada, would allow the holder of such licence to:
  - possess cannabis;
  - obtain dried cannabis, fresh cannabis, cannabis plants or plant seeds by cultivating, propagating, and harvesting cannabis;
  - for the purpose of testing, obtain cannabis by altering its chemical or physical properties by any means; and
  - sell cannabis.
- The holder of a licence for micro-cultivation can sell cannabis to the holder of other licences established by the Regulation, and certain persons that may have been granted an exemption under the *Cannabis Act* (e.g., for medical reasons). However, the licence holder cannot sell cannabis to the general public from the facility. General retail sales are not permitted.
- Should the Rezoning be supported by Council, a Tenant Improvement Permit for interior renovations will likely be required to upgrade the Quonset building in accordance with BC Building Code, and to rectify any site infractions if any are found.
- Site improvements for enhanced security will also be required, in accordance with the Federal requirements for a micro-cultivation use.

### Agricultural Land Commission Act

- All forms of cannabis production are considered a 'farm use' under the *ALCA*. Cannabis production in the ALR does not contravene the *ALCA*.

## Official Community Plan

### Land Use Designation

- The site is designated "Agricultural" in the OCP. The proposal complies with the OCP designation.

### Themes/Policies

- The proposal is supported by the following OCP policies:
  - E3.2 – Ensure all land uses within the Agricultural Land Reserve conform to the policies and regulations of the *Agricultural Land Commission Act* and *Farm Practices Protection Act*, as amended.
  - E3.8 – Maximize the productive utilization of agricultural land through such means as amending by-laws, policies, and other regulations, as appropriate, to support agricultural production and innovation.
  - E3.10 – Encourage the diversification of agricultural operations and the production of new crops and commodities, particularly high-value crops, and those servicing new markets with growth potential.

### **CD By-law**

- The applicant is proposing a "Comprehensive Development Zone (CD)" to accommodate the proposed cannabis production facility use on the subject site. The CD By-law will have provisions based on the "General Agriculture Zone (A-1)" Zone.
- The only difference between the existing A-1 Zone and the proposed CD Zone is the addition of a cannabis production facility use as a permitted use. All other provisions of the existing A-1 Zone will remain unchanged.

## **PUBLIC ENGAGEMENT**

- Pre-notification letters were sent on October 6, 2021, and the Development Proposal Sign was installed on October 15, 2021. Staff received one (1) response from neighbouring residents (*staff comments in italics*):
  - Concern with the smells from the proposed cannabis cultivation use.

*Two (2) large 120V turbine fans with Green Line Filters will be utilized in the Quonset building, to assist with intake and outtake of air. The filters are joined onto the fans to reduce smells of cannabis, and will exchange clean, filtered air out of the Quonset building. A detailed smell mitigation plan is a condition of Final Adoption of the Rezoning By-law, should the application be supported by Council.*

**INFORMATION ATTACHED TO THIS REPORT**

The following information is attached to this Report:

- Appendix I. Site Plan (Survey Plan)
- Appendix II. Engineering Summary
- Appendix III. Agricultural and Food Security Advisory Committee Minutes

*approved by Ron Gill*

Jeff Arason  
Acting General Manager  
Planning and Development

SC/cm

**BRITISH COLUMBIA LAND SURVEYOR'S CERTIFICATE OF BUILDING LOCATIONS AND FLOOR AREA CALCULATIONS ON LOT 3 BLOCK 2 DISTRICT LOT 362 GROUP 2 NEW WESTMINSTER DISTRICT PLAN 1143**

CURRENT CIVIC ADDRESS:

16387 - 50 AVENUE  
SURREY, B.C.

**LEGEND**

SCALE 1:750



ALL DISTANCES ARE IN METRES

**ZONE A - 1**

LOT AREA = 2.02 ha

STEEL QUONSET FLOOR AREA = 356.7 Sq.m.

DWELLING FLOOR AREA (1st FLOOR) = 138.8 Sq.m.

DWELLING FLOOR AREA (2nd FLOOR) = 122.0 Sq.m.

TOTAL DWELLING FLOOR AREA = 260.8 Sq.m.

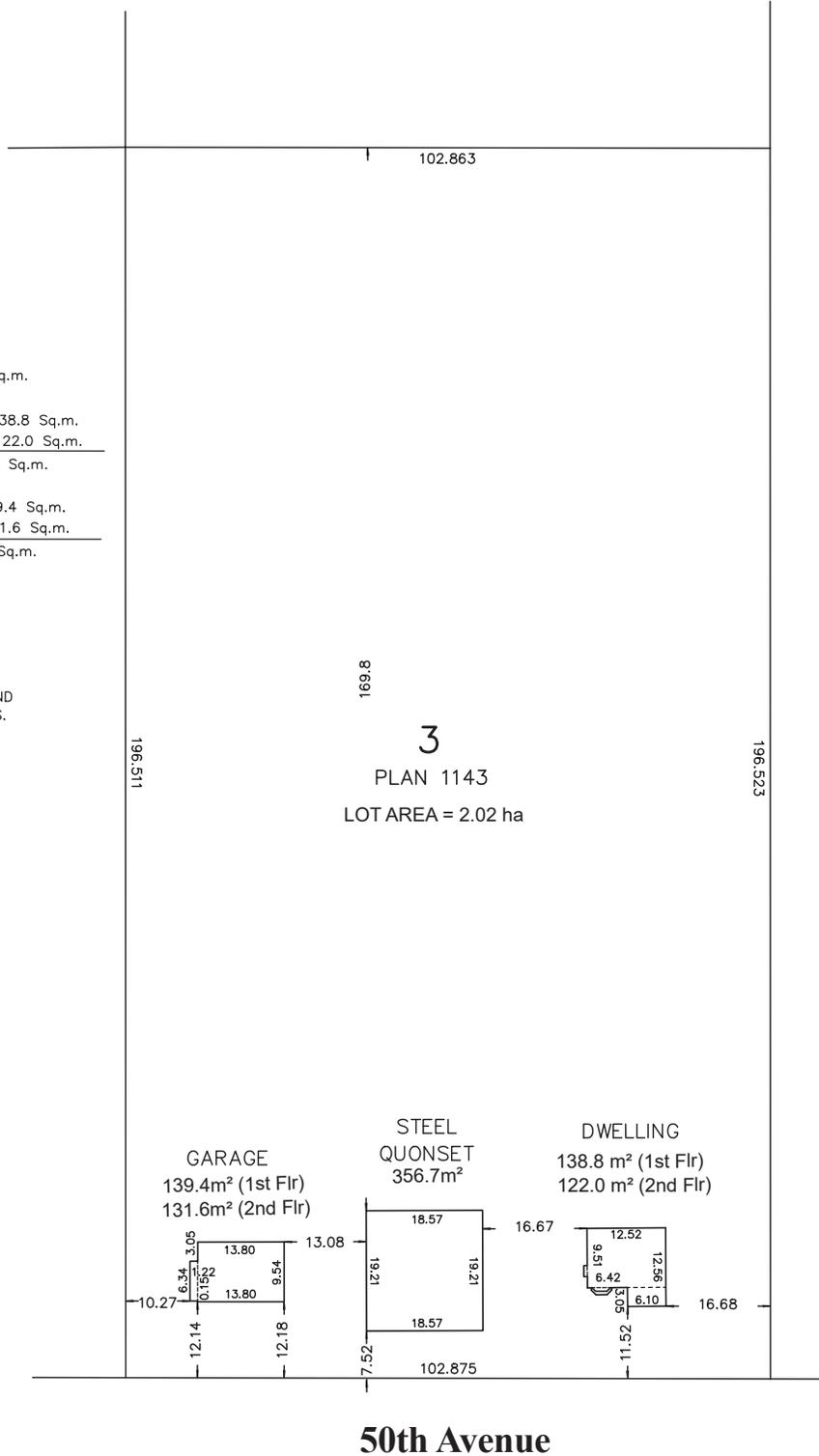
GARAGE FLOOR AREA (1st FLOOR) = 139.4 Sq.m.

GARAGE FLOOR AREA (2nd FLOOR) = 131.6 Sq.m.

TOTAL GARAGE FLOOR AREA = 271.0 Sq.m.

**NOTES:**

- THIS PLAN IS NOT TO BE USED FOR LOCATION OF PROPERTY LINES.
- ALL BUILDING DIMENSIONS CORRESPOND TO OUTSIDE FACE OF EXTERIOR WALLS.



**H.Y. AND ASSOCIATES  
LAND SURVEYING LTD.**

200, 9128 - 152nd STREET  
SURREY, B.C. V3R E7  
(ph) 604-583-1616  
File: 205513\_FAR.DWG

THIS CERTIFICATE OF LOCATION HAS BEEN PREPARED IN ACCORDANCE WITH THE MANUAL OF STANDARD PRACTICE AND IS CERTIFIED CORRECT

THIS 28th DAY OF SEPTEMBER, 2021

**Eugene Wong** Digitally signed by Eugene Wong FCCWT8  
Date: 2021.09.30 10:59:25 -07'00'

EUGENE O. WONG

BCLS 718



## INTER-OFFICE MEMO

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

FROM: **Development Services Manager, Engineering Department**

DATE: **February 16, 2022** PROJECT FILE: **7821-0204-00**

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RE: **Engineering Requirements  
Location: 16387 50 Ave**

**REZONE**

*There are no site changes and the proposed rezoning is strictly to allow permitted use within the zone and existing buildings.*

**Works and Services**

- Confirm adequacy of the existing road structure on 50 Ave with supporting geotechnical report. Construct upgrades to City standards if required.
- Install a backflow preventer.

A Servicing Agreement will be required prior to Rezone if the geotechnical report determines that road upgrades are required.

Jeff Pang, P.Eng.  
Development Services Manager

IJ



# Agriculture, Environment and Investment Committee Minutes

Location: Virtual  
WEDNESDAY, DECEMBER 8, 2021  
Time: 6:07 p.m.

**Present:**

Councillor Patton, Chair  
Councillor Elford  
M. Lamont  
S. Rai  
S. Van Keulen

**Regrets:**

Councillor Nagra  
Shannon Lambie, Agriculture Land Commission  
Mikayla Roberts, Ministry of Agriculture

**Staff Present:**

R. Gill, Acting General Manager, Planning & Development  
Y. Yohannes, Manager, Utilities  
S. Cranston, Planner  
L. Blake, Administrative Assistant

**A. ADOPTIONS****1. Adoption of the Agenda**

It was Moved by M. Lamont  
Seconded by S. Van Keulen  
That the Agriculture, Environment, and  
Investment Advisory Committee meeting agenda held December 8, 2021 be adopted.  
Carried

**2. Adoption of the Minutes – November 9, 2021**

It was Moved by Councillor Elford  
Seconded by M. Lamont  
That the minutes of the Agriculture, Environment,  
and Investment Advisory Committee meeting held November 9, 2021 be adopted.  
Carried

**B. DELEGATIONS**

This section had no items to consider.

**C. NEW BUSINESS****1. Development Application 7921-0204-00**

Sarah Cranston, Planner  
Address: 16387 - 50 Avenue

Sarah Cranston, Planner, summarized the report dated November 30, 2021 regarding Development Application 7921-0204-00. The application proposes to rezone the site located at 16387 - 50 Avenue from A-1 to CD (based on A-1) to permit a cannabis micro-cultivation use in the Agricultural Land Reserve (ALR). The following information was highlighted:

- The property is located 1000 metres from the northern boundary of the Agricultural Land Reserve. The property is two hectares and has been used as a hobby farm to grow blueberries and cedar trees. There are three existing structures located on the site with the necessary Building Permits.

- The Applicant is requesting to rezone the site to a Comprehensive Development (CD) Zone based on A-1 (General Agricultural Zone) to permit a cannabis micro cultivation use within the existing Quonset building on site. Cannabis micro cultivation would be the only additional permitted use and will include the production, processing, packaging, transport and sale of cannabis plants, seeds and dried cannabis.
- All proposed cannabis micro cultivation will occur within the Quonset building, which is 356 square metres. Health Canada restricts the size of micro cultivation surface area to a maximum of 200 square metres.
- Micro cultivation is considered a farm use in the Agricultural Land Commission (ALC) Act and the proposal is not contrary to the ALC Act.
- The Applicant is also seeking a federal Micro Cultivation License, which requires support from the City. This would enable the Applicant to possess, cultivate and transport cannabis to other license holders but not the public, nor does it allow general sales of cannabis products. The products would be sold to dispensaries in the Lower Mainland.
- A Micro Cultivation License from Health Canada requires annual renewal.
- The proposal is not subject to a Form and Character Development Permit nor a Farm Protection Development Permit. The Applicant is proposing security features for the site such as a gated entry, lighting and security cameras. Two large 120 V turbine fans with Green Line Filters will be implemented to assist with air intake and outtake, as well as odors.

In response to questions from the Committee, Ms. Cranston provided the following information:

- The Applicant will only be permitted to package products they produce on site.
- The micro cultivation use of the site will be regulated by Health Canada. The City requires rezoning to permit a micro cultivation cannabis use so the Applicant can apply for a Business License.
- Staff have not been in contact with Metro Vancouver regarding the proposal. As cannabis farming is a permitted farm use, staff have been in contact with the ALC.
- This proposal is the first licensed cannabis grow operation in Surrey.

S. Rai joined the meeting at 6:18 p.m.

- The site will continue to be used as a hobby farm for blueberry and cedar tree crops.

- It is understood that Health Canada does not conduct site visits to ensure compliance with their regulations. Staff could stipulate in the zoning that the maximum square footage permitted for micro cultivation use would be 200 square metres in accordance with Health Canada regulations.

In addition, Ron Gill, Acting General Manager, Planning & Development, advised that the City considered cultivation and retail of cannabis as separate issues.

The Committee noted that micro cultivation is a permitted agricultural use, the proposal would not likely affect ALC land and there are agencies responsible for the regulation of cannabis.

2. **Applications for Non-adhering Residential Dwellings in the Agricultural Land Reserve**

Ron Gill, Acting General Manager, Planning & Development  
File: 6880-75

Ron Gill, Acting General Manager, Planning & Development, summarized the on-table report dated December 6, 2021 regarding non-adhering residential use applications for houses larger than 500 square metres in the Agriculture Land Reserve (ALR). Mr. Gill noted that the City has received nine applications, of which three have been denied by the Agricultural Land Use Commission (ALC), six are in process and none have been approved to date. The City does not regulate house size in the Agricultural Land Reserve (ALR); however, it limits the farm house Homeplate and its distance from the property line in order to maintain the maximum amount of agricultural land on the lot.

In response to questions from the Committee, Mr. Gill provided the following information:

- The ALC usually provides an explanation as to why an application would be denied. Staff can further research why the three applications were denied.
- New legislation regarding second dwellings on ALR lots will come into effect in 2022. The second dwelling would also be restricted in size relative to the size of the lot. An Applicant would be required to rezone the site in order to construct a second dwelling as the City's Zoning Bylaw only permits one dwelling per lot.

The Committee requested additional information regarding the ALC's decision related to denying the three applications for non-adhering Residential Dwellings in the ALR, as that could provide beneficial information when the Committee considers these applications in the future. The Committee suggested that if the reasons for denials are consistent, a guidance document could be created to better assist applicants.