

INTER-OFFICE MEMO

Regular Council - Public Hearing H.12 7923-0273-00 Monday November 20, 2023 Supplemental Information

TO:

City Clerk, Legislative Services Division

FROM:

General Manager, Planning & Development Department

DATE:

November 20, 2023

FILE:

7923-0273-00

RE:

Agenda Item H.12 Regular Council – Public Hearing

Development Application No. 7923-0273-00

Development Application No. 7923-0273-00 is on the agenda for consideration and support of the Development Variance Permit by Council at the November 20, 2023 Regular Council – Land Use Meeting under Item H.12.

After the Planning Report for 7923-0273-00 was considered at the October 30, 2023 Regular Council – Land Use Agenda, it was identified that the draft Development Variance Permit document could be made more clear and to better align with language in the Planning Report to Council.

The Development Variance Permit document has been updated for additional clarity in its reference to CD Bylaw No. 20452 and as referenced in the Planning report (Appendix II).

Ron Gill

Director, Area Planning - North

Planning & Development Department

Attachment

Development Variance Permit No. 7923-0273-00

c.c. - City Manager

- 3. Surrey Zoning By-law, 1993, No. 12000, as amended is varied as follows: Section H.3 of Surrey Zoning Bylaw, 1993, No.12000, Amendment Bylaw, 2021, No. 20452, is varied as follows:
 - a) In Section H.3 of Surrey Zoning Bylaw, 1993, No.12000, Amendment Bylaw, 2021, No. 20452, the required resident parking spaces shall be reduced from 0.9 parking spaces per dwelling unit to 0.65 parking spaces per dwelling unit in Block B;
 - b) In Section H.3 of Surrey Zoning Bylaw, 1993, No.12000, Amendment Bylaw, 2021, No. 20452, the required resident parking spaces shall be increased from 0.05 parking spaces per dwelling unit to 0.1 parking spaces per dwelling unit in Block B;
 - c) In Section H.2 of Surrey Zoning Bylaw, 1993, No.12000, Amendment Bylaw, 2021, No. 20452, the required resident parking spaces shall be increased from 0.05 parking spaces per dwelling unit to 0.1 parking spaces per dwelling unit in Blocks A and D.
- 4. This development variance permit applies to only the portion of the Land shown on Schedule A which is attached hereto and forms part of this development variance permit.
- 5. The Land shall be developed strictly in accordance with the terms and conditions and provisions of this development variance permit.
- 6. This development variance permit shall lapse if the Owner does not substantially start any construction with respect to which this development variance permit is issued, within two (2) years after the date this development variance permit is issued.
- 7. The terms of this development variance permit or any amendment to it, are binding on all persons who acquire an interest in the Land.
- 8. This development variance permit is not a building permit.

AUTHORI	ZING RESOLUTION PASSED BY THE COUNCIL/DELEGATED OFFICIAL, TH	ſΕ
DAY OF	, 20 .	

ISSUED THIS DAY OF , 20.

Mayor -	Brenda Lo	cke	
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CITY OF SURREY

(the "City")

DEVELOPMENT VARIANCE PERMIT

NO.: 7923-0273-00

Issued To:

(the "Owner")

Address of Owner:

- 1. This development variance permit is issued subject to compliance by the Owner with all statutes, by-laws, orders, regulations or agreements, except as specifically varied by this development variance permit.
- 2. This development variance permit applies to that real property including land with or without improvements located within the City of Surrey, with the legal description and civic address as follows:

Parcel Identifier: 032-020-368

Lot 2 Section 29 Block 5 North Range 2 West New Westminster District Plan EPP86148

12758 103 Avenue

Parcel Identifier: 032-020-350 Lot 1 Section 29 Block 5 North Range 2 West New Westminster District Plan EPP86148

12747 - 102 Avenue, 10272/10252/10238 - 127A Street

Parcel Identifier: 032-020-384 Lot 4 Section 29 Block 5 North Range 2 West New Westminster District Plan EPP86148

10235 128 Street

Parcel Identifier: 032-020-384 Lot 3 Section 29 Block 5 North Range 2 West New Westminster District Plan EPP86148

10285 - 128 Street

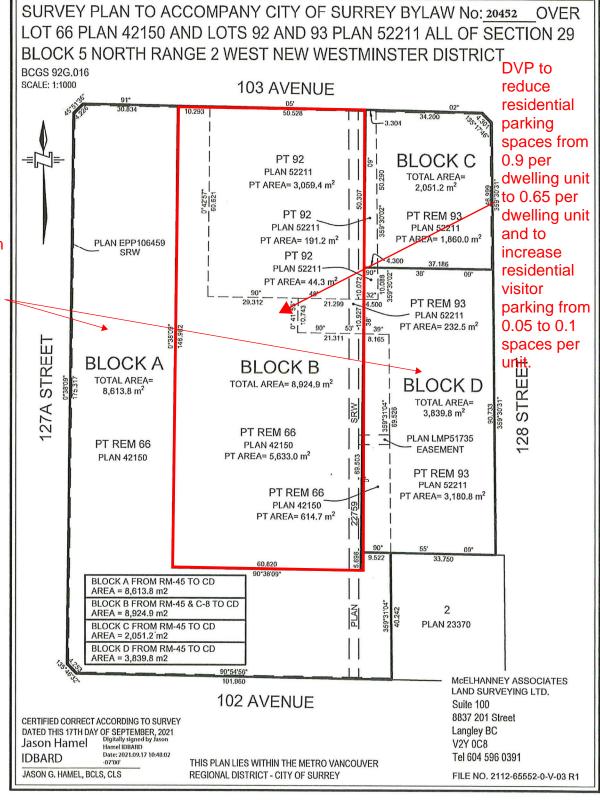
(the "Land")

- 3. Section H.3 of Surrey Zoning Bylaw, 1993, No.12000, Amendment Bylaw, 2021, No. 20452, is varied as follows:
 - a) In Section H.3 the required resident parking spaces shall be reduced from 0.9 parking spaces per dwelling unit to 0.65 parking spaces per dwelling unit in Block B;
 - b) In Section H.3 the required residential visitor parking spaces shall be increased from 0.05 parking spaces per dwelling unit to 0.1 parking spaces per dwelling unit in Block B;
 - c) In Section H.2 the required residential visitor parking spaces shall be increased from 0.05 parking spaces per dwelling unit to 0.1 parking spaces per dwelling unit in Blocks A and D.
- 4. This development variance permit applies to only the portion of the Land shown on Schedule A which is attached hereto and forms part of this development variance permit.
- 5. The Land shall be developed strictly in accordance with the terms and conditions and provisions of this development variance permit.
- 6. This development variance permit shall lapse if the Owner does not substantially start any construction with respect to which this development variance permit is issued, within two (2) years after the date this development variance permit is issued.
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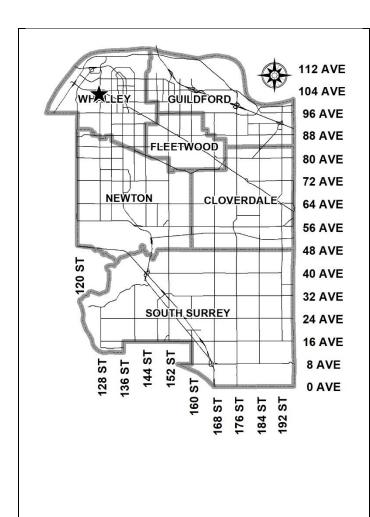
AUTHORIZING RESOLUTION PASSED BY THE COUNCIL/DELEGATED OFFICIAL, THE DAY OF $\,$, 20 $\,$.

ISSUED THIS DAY OF , 20.

Mayor – Breno	da Locke	
1		



DVP to increase residential visitor parking from 0.05 to 0.1 spaces per unit



City of Surrey ADDITIONAL PLANNING COMMENTS Application No.: 7923-0273-00

Planning Report Date: October 30, 2023

PROPOSAL:

- Housing Agreement
- Development Variance Permit

to reduce the residential off-street parking requirements outlined in CD Bylaw No. 20452 for three proposed market rental apartment buildings and enter into a new Housing Agreement to extend the secured rental term from 20 to 40 years.

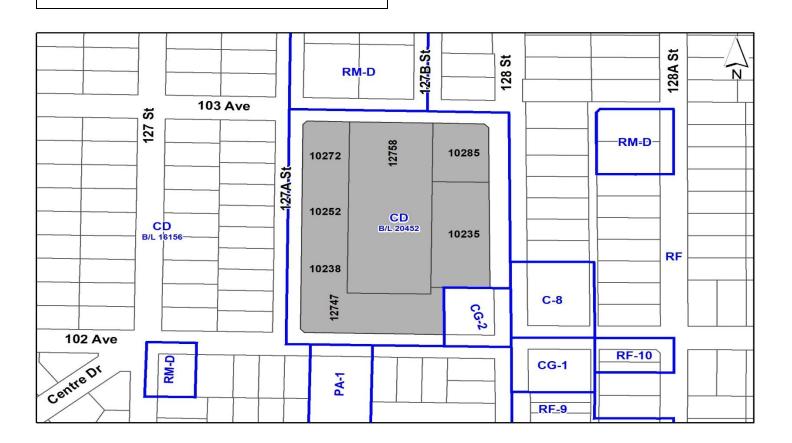
LOCATION: 12758 - 103 Avenue

10272/10252/10238 127A Street

12747 102 Avenue

10285 & 10235 128 Street

ZONING: CD Bylaw No. 20452 **OCP DESIGNATION:** Multiple Residential



RECOMMENDATION SUMMARY

- Approval for Development Variance Permit No. 7923-0273-00 to proceed to Public Notification.
- File Housing Agreement Authorization Bylaw, 2021, No. 20453.
- By-law Introduction, First, Second and Third Reading for a Housing Agreement.

DEVIATION FROM PLANS, POLICIES OR REGULATIONS

- Development Variance Permit Application No. 7923-0273-00 was brought forward for Council consideration at the October 16, 2023, Regular Council Land Use Meeting.
- The previous staff recommendation was that the application be denied based on the following:
 - Current Zoning Bylaw requirements for rental dwelling units are consistent with recent regional and City-led parking studies.
 - The existing CD Bylaw is a reduction from the current Zoning Bylaw requirements and was previously supported based on a site-specific parking study provided by the applicant.
 - The proposed further reduction is significant, equivalent to a 232-stall reduction from the Zoning Bylaw and a 73-stall reduction from the CD Bylaw and is not consistent with the site-specific parking study nor with the findings of the regional and City-led parking studies.
 - Based on staff observations, parking demand on site and in the surrounding neighbourhood is currently high and staff have concerns about further exasperating the on-street parking supply as a result of the requested further parking reductions.
- Council referred the Development Variance Permit application back to staff to reconsider the parking rates given the site's proximity to the City Centre Plan and to consider extending the term for the rental tenure.
- Staff have worked with the applicant to modify the proposal in response to Council comments. The proposal has been revised as follows:
 - The term of the Housing Agreement is proposed to be lengthened from 20 to 40 years;
 - The magnitude of the proposed parking reduction has been reduced so that the proposed parking rate for all new rental units is now consistent with the City Centre Plan rental parking rates of 0.65 parking spaces per rental residential dwelling unit plus 0.1 parking spaces per rental dwelling unit for visitors; and
 - The applicant is proposing to provide transportation demand management (TDM) measures to offset the impact of the requested variance.

RATIONALE OF RECOMMENDATION

- Staff support the amended Development Variance Permit based on the following:
 - Staff have worked with the applicant to lengthen the proposed Housing Agreement term from 20 to 40 years which will ensure that the units remain secured as rental for a longer period of time;
 - Staff have worked with the applicant to increase the proposed parking rates for the new rental units in Block B from 0.60 to 0.65 per dwelling unit, which is consistent with the rental parking rates in City Centre;
 - Staff have worked with the applicant to provide transportation demand management (TDM) measures; and
 - o Staff have worked with the applicant to increase the proposed visitor parking rates for the existing and new units from 0.05 to 0.1 per unit (Blocks A, B and D), which is also consistent with rental visitor parking rates in City Centre.
- The increase in parking rates results in an additional 35 required parking spaces from the previous Development Variance Permit brought forward for Council consideration at the October 16, 2023 Regular Council Land Use Meeting (315 vs. 280).

RECOMMENDATION

The Planning & Development Department recommends that:

- 1. Council file Housing Agreement, Authorization Bylaw, 2021, No. 20453.
- A By-law be introduced to enter into a Housing Agreement and be given First, Second and Third Reading (Appendix I).
- 3. Council approve Development Variance Permit No. 7923-0273-00 (Appendix II) varying the following, to proceed to Public Notification:
 - (a) to reduce the required off-street parking as outlined in Section H.3 of Surrey Zoning Bylaw, 1993, No. 12000, Amendment Bylaw, 2021, No. 20452, from 0.9 parking spaces per dwelling unit to 0.65 parking spaces per dwelling unit in Block B;
 - (b) to increase the required off-street parking as outlined in Section H.3 of Surrey Zoning Bylaw, 1993, No. 12000, Amendment Bylaw, 2021, No. 20452, from 0.05 to 0.1 parking spaces per dwelling unit for visitor parking (Block B); and
 - (c) to increase the required off-street parking as outlined in Section H.2 of Surrey Zoning Bylaw, 1993, No. 12000, Amendment Bylaw, 2021, No. 20452, from 0.05 to 0.1 parking spaces per dwelling unit for visitor parking (Blocks A and D).
- 4. Council instruct staff to resolve the following issue prior to Development Variance Permit issuance:
 - (a) the proposed traffic demand measures (TDM) be adequately secured to the satisfaction of the General Manager, Engineering.

SITE CONTEXT & BACKGROUND

Direction	Existing Use	OCP Designation	Existing Zone
Subject Site	Recently finalized	Multiple	CD Bylaw No.
	Development Application	Residential &	20452
	No. 7920-0146-00	Commercial	
	consisting of three new 5-		
	& 6-storey rental		
	apartment buildings		
	(unconstructed),three		
	existing 3-storey rental		
	apartment buildings and		
	vacant commercial lot.		
North (Across 103 Avenue):	3-storey apartment	Multiple	RM-D & RF
	buildings and single	Residential	
	family dwelling		

Direction	Existing Use	OCP Designation	Existing Zone
East (Across 128 Street):	Single family dwellings and 2-storey commercial building	Urban & Commercial	RF & C-8
South (Including across 102 Avenue):	Vacant gas station site within the same block, and single family dwellings and Amazing Grace United Church across 102 Avenue	Commercial and Urban	CG-2, CD (Bylaw No. 16156), PA-1 & RF
West (Across 127A Street):	Single family dwellings	Urban	CD (Bylaw No. 16156)

DEVELOPMENT PROPOSAL

Planning Considerations

• The initial Planning Report for 7923-0273-00 is attached as Appendix III to this report for additional information.

Referrals

Engineering: The Engineering Department has no concerns.

Development Variance Permit

- The applicant is requesting the following variances:
 - (a) to reduce the required off-street parking as outlined in Section H.3 of Surrey Zoning Bylaw, 1993, No. 12000, Amendment Bylaw, 2021, No. 20452, from 0.9 parking spaces per dwelling unit to 0.65 parking spaces per dwelling unit in Block B;
 - (b) to increase the required off-street parking as outlined in Section H.3 of Surrey Zoning Bylaw, 1993, No. 12000, Amendment Bylaw, 2021, No. 20452, from 0.05 to 0.1 parking spaces per dwelling unit for visitor parking (Block B); and
 - (c) to increase the required off-street parking as outlined in Section H.2 of Surrey Zoning Bylaw, 1993, No. 12000, Amendment Bylaw, 2021, No. 20452, from 0.05 to 0.1 parking spaces per dwelling unit for visitor parking (Blocks A and D).
- As part of Development Application No. 7920-0146-00 and the existing CD Bylaw No. 20452, which received Final Adoption on June 19, 2023, the applicant is required to provide 353 residential and visitor parking spaces on site, equivalent to:
 - o.5 parking spaces per dwelling unit for existing rental units, consistent with existing leased demand (Blocks A and D of Bylaw No. 20452);

- o. o.o parking spaces per dwelling unit for new rental units (Block B) subject site; and
- o.o5 parking spaces per dwelling unit for visitor parking, based on observed existing demand (Blocks A, B and D).
- The applicant was previously proposing a Development Variance Permit to further reduce the residential parking requirements to provide 280 total residential parking spaces on site, equivalent to:
 - 0.5 parking spaces per dwelling unit for existing rental units;
 - o.6 parking spaces per dwelling unit for new rental units; and
 - 0.05 parking spaces per dwelling unit for visitor parking.

An overall reduction of an additional 73 parking spaces.

- The applicant is now proposing a Development Variance Permit to reduce the residential parking requirements to provide 315 total residential parking spaces on site, equivalent to:
 - o.5 parking spaces per dwelling unit for existing rental units;
 - o.65 parking spaces per dwelling unit for new rental units; and
 - o.1 parking spaces per dwelling unit for visitor parking
- The applicant has also agreed to provide the following transportation demand management measures (TDM) to support the proposed reduction:
 - o Improvements to the existing transit facilities in proximity to the subject site; and
 - o On-site cycling amenities.

Housing Agreement

- Housing Agreement Bylaw No. 20453 was previously adopted as part of the original Development Application No. 7920-0146-00 to secure the 465 rental dwelling units for a term of 20 years.
- The applicant has proposed to extend the term in the Housing Agreement from 20 to 40 years.
- In order to facilitate this extended term, the existing Housing Agreement Bylaw is proposed to be filed and replaced with a new Housing Agreement that includes a 40 year term (Appendix I).

CONCLUSION

• Staff are supportive of the revised proposal given that the parking rates have been increased, transportation demand management measures will be provided to offset the proposed reduction, and the Housing Agreement will be extended to 40 years.

Application No.: 7923-0273-00

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INFORMATION ATTACHED TO THIS REPORT

The following information is attached to this Report:

Appendix I. **Housing Agreement**

Appendix II. Development Variance Permit No. 7923-0273-00

Appendix III. Initial Planning Report No. 7923-0273-00, dated October 16, 2023

approved by Ron Gill

Don Luymes General Manager Planning and Development

CITY OF SURREY

HOUSING AGREEMENT (Residential Only)

THIS HOUSING AGREEMENT made the 24th day of October, 2023.

BETWEEN:

CITY OF SURREY, a municipal corporation having its offices at 13450 – 104 Avenue, Surrey, B.C. V3T 1V8

(the "City")

OF THE FIRST PART

AND:

SURREY GARDENS HOLDINGS LTD., a corporation having its offices at 200 – 1785 West 4th Avenue, Vancouver, B.C. V6J 1M2

(the "Owner")

OF THE SECOND PART

WHEREAS:

A. The Owner is the legal and beneficial owner of those certain lands and premises located in the City of Surrey, in the Province of British Columbia, legally described as:

Parcel Identifier: 032-020-350

Lot 1 Section 29 Block 5 North Range 2 West New Westminster District

Plan EPP86148:

Parcel Identifier: 032-020-368

Lot 2 Section 29 Block 5 North Range 2 West New Westminster District

Plan EPP86148; and

Parcel Identifier: 032-020-384

Lot 4 Section 29 Block 5 North Range 2 West New Westminster District

Plan EPP86148

(collectively, the "Lands").

B. The Owner currently uses the Lands for rental housing in three (3) buildings comprising 223 Dwelling Units, and intends to construct an additional 242 Dwelling Units in three (3) new buildings (the "**New Buildings**") on the Lands (collectively,

- the "**Development**") and shown as Lots 1, 2, and 4 on the plan attached as Appendix I to the Agreement.
- C. The Owner has voluntarily agreed to enter into a housing agreement pursuant to Section 483 of the *Local Government Act*, R.S.B.C. 2015, Chapter 1, as amended, to ensure that the Rental Units are rented in accordance with this Agreement.

NOW THEREFORE in consideration of the premises herein and of the mutual covenants and agreements hereinafter set forth and contained herein and \$1.00 now paid by the City to the Owner (the receipt of which is hereby acknowledged), the parties hereto covenant and agree each with the other as follows:

1. <u>DEFINED TERMS</u>

- 1.1 In and for the purpose of this Agreement, in addition to the definitions on the first page of this document, the following terms shall have the following meanings:
 - (a) "Agreement" means this housing agreement and any amendments to or modifications of the same:
 - (b) "City" means the City of Surrey and any person authorized by the City of Surrey, including assigns of whole or partial interest in this Agreement or of any of the rights conferred upon the City of Surrey by this Agreement;
 - (c) "City Personnel" means all of the City's elected and appointed officials, officers, employees, agents, nominees, delegates, permittees, contractors, subcontractors, invitees and the Approving Officer;
 - (d) "Claims and Expenses" means all actions, causes of actions, suits, judgments, proceedings, demands, and claims, whether at law or in equity, losses, damages, expenses, and costs (including legal fees and disbursements on an indemnity basis) of any kind or nature whatsoever, at law or in equity, for any damages, losses, injuries or death;
 - (e) "Development" means as defined in Recital B;
 - (f) "Dwelling Unit" means each of the existing 223 dwelling units on the Lands, and any new dwelling units constructed by the Owner within the Development;
 - (g) "Lands" means the parcels of land situated in the City of Surrey, British Columbia and legally described in Recital A, and includes any parcel into which such land is consolidated or further subdivided (including a subdivision pursuant to the *Land Title Act*;
 - (h) "Owner" means the person named on the first page of this Agreement and the legal and beneficial owner at any given time and any successors in title of the Lands;

- (i) "Rental Units" means all 465 Dwelling Units existing or to be constructed on the Lands, all of which must be made available by the Owner to the general public at arms' length for use as residential rental accommodation on a month-to-month or longer basis in accordance with all applicable laws including, without limitation, the *Residential Tenancy Act*, S.B.C. 2002, Chapter 78, as amended, and any regulations pursuant thereto; and
- (j) "**Term**" means forty (40) years, commencing on the first day of the month after the City issues an occupancy permit for the New Buildings.

2. RESTRICTION ON OCCUPANCY OF DWELLING UNITS

- 2.1 During the Term the Rental Units must be made available for rent in accordance with this Agreement.
- 2.2 The City may, from time to time, during the Term request the Owner to provide written proof of compliance with section 2.1 and the Owner agrees to provide, or cause an operator of the Lands to provide, the City with such proof in a form reasonably satisfactory to the City.
- 2.3 During the Term, the portion of the Lands containing the Development shall not be stratified.
- 2.4 Each building in the Development shall be owned by one Owner(s).
- 2.5 Throughout the Term, the Owner shall not sell or transfer the beneficial or registered title or any interest in and to the Rental Units, unless the Owner obtains from the transferee an agreement in writing from the transferee to assume and perform all of the obligations of the Owner arising under this Agreement.

3. <u>LIABILITY</u>

- Indemnity. The Owner shall indemnify and save harmless the City and City Personnel from all Claims and Expenses which the City and City Personnel may suffer, or incur, or be put to, arising out of or in connection with any breach or default of any covenants or agreements on the part of the Owner contained in this Agreement, or arising out of, or in connection with the Development or arising out of the fact that the Lands are encumbered by and affected by this Agreement.
- 3.2 **Release.** The Owner does hereby remise, release and forever discharge the City and City Personnel from all Claims and Expenses which the Owner may have against the City and City Personnel, which the Owner now has or hereafter may have with respect to or by reasons of or arising out of the fact that the Lands are encumbered by and affected by this Agreement.
- 3.3 **Obligations Continue.** The Owner covenants and agrees that the indemnity and release in Sections 3.1 and 3.2 will remain effective and survive the expiration or termination of this Agreement whether by fulfilment of the covenants contained in this Agreement or otherwise.

4. NOTICE

- 4.1 Any notices or other documents to be given or delivered pursuant to this Agreement will be addressed to the proper party as follows:
 - (a) As to the City:

City of Surrey 13450 – 104 Avenue Surrey, BC V3T 1V8

Attention: General Manager, Planning and Development Department

(b) As to the Owner:

Surrey Gardens Holdings Ltd. 200 – 1785 West 4th Avenue Vancouver, BC V6J 1M2

Attention: Andrew Rennison, Director

or such other address as such party may direct. Any notice or other documents to be given or delivered pursuant to this Agreement will be sufficiently given or delivered if delivered to the particular party as its address set out or determined in accordance with this section and shall be deemed complete two (2) days after the day of delivery.

4.2 It is specifically agreed that for any notice or document to be validly given or delivered pursuant to this Agreement, such notice or document must be delivered and not mailed.

5. **GENERAL**

- 5.1 **Joint and Several.** Where the Owner consists of more than one person, each such person will be jointly and severally liable to perform the Owner's obligations under this Agreement.
- 5.2 **Assignment by City.** This Agreement or any of the rights conferred by this Agreement upon the City may be assigned in whole or in part by the City without the consent of the Owner.
- 5.3 **City's Other Rights Unaffected.** Nothing contained or implied herein will derogate from the obligations of the Owner under any other agreement with the City or, if the City so elects, prejudice or affect the City's rights, powers, duties or obligations in the exercise of its functions pursuant to the *Local Government Act* and the *Community Charter*, as amended from time to time and the rights, powers, duties and obligations of the City under all public and private statutes, by-laws, orders and regulations, which may be, if the City so elects, as fully and

- effectively exercised in relation to the Lands as if this Agreement had not been executed and delivered by the Owner and the City.
- Agreement for Benefit of City. The Owner and the City hereby acknowledge, agree and declare that this Agreement is entered into for the sole purpose of benefitting the City and, in particular, acknowledge, agree and declare that this Agreement is not designed to protect or promote the interests of the Owner or any mortgagee of the Owner, or any future owner or occupier of the Lands and any improvements on the Lands or any other person and the City may, at its sole option, execute a release of this Agreement at any time without liability to any person for so doing.
- No Waiver. The Owner acknowledges and agrees that no failure on the part of the City to exercise and no delay in exercising any right under this Agreement will operate as a waiver thereof, nor will any single or partial exercise by the City of any right under this Agreement preclude any other or future exercise thereof of the exercise of any other right.
- 5.6 **City Not Required to Prosecute.** The Owner agrees that the City is not required or is under no obligation in law or equity to prosecute or enforce this Agreement in any way whatsoever.
- 5.7 **Remedies.** The remedies provided for in this Agreement will be cumulative and not exclusive of any other remedies provided by law or in equity. In addition to any remedies which are available under this Agreement or at law, the City will be entitled to all equitable remedies, including, without limitation, specific performance, injunction and declaratory relief, or any combination thereof, to enforce its rights under this Agreement. The Owner acknowledges that specific performance, injunctive relief (mandatory or otherwise) or other equitable relief may be the only adequate remedy for a default by the Owner under this Agreement.
- 5.8 **Severability.** All the obligations and covenants in this Agreement are severable, so that if any one or more of the obligations or covenants are declared by a court of competent jurisdiction to be void and unenforceable, the balance of the obligations and covenants will remain and be binding.
- 5.9 **City Court Costs.** In an action to enforce this Agreement in respect of which the court determines that the position of the City will prevail, the City will be entitled to court costs on a solicitor-client basis.
- 5.10 **Personal Representatives and Successors**. This Agreement shall enure to the benefit of and be binding upon the parties hereto and their personal representatives, respective heirs, executors, administrators, successors, and assigns.
- 5.11 **Governing Law.** This Agreement will be governed by and construed in accordance with the laws of the Province of British Columbia and the laws of Canada applicable in British Columbia.

- 5.12 **Priority.** The Owner shall at the sole expense of the Owner, do or cause to be done all acts reasonably necessary to grant priority to this Agreement over all charges and encumbrances which may have been registered against the title to the Lands at the Land Title Office save and except those specifically approved in writing by the City.
- 5.13 **Further Assurances.** The Owner shall do, or cause to be done, all things and execute or cause to be executed all documents and give such further and other assurances which may be reasonably necessary to give proper effect to the intent of this Agreement.
- 5.14 **Counterparts.** This Agreement may be executed in any number of counterparts and delivered via facsimile or e-mail, each of which will be deemed to be an original and all of which taken together will be deemed to constitute one and the same instrument, provided that any party delivering this Agreement via facsimile or e-mail will deliver to the other party any originally executed copy of this Agreement forthwith upon request by the other party.
- 5.15 **Entire Agreement.** This Agreement represents the entire agreement between the City and the Owner regarding the matters set out in this Agreement and supersedes all prior agreements, letters of intent or understandings about these matters.

(remainder of page left intentionally blank – signature page follows)

IN WITNESS WHEREOF the City of Surrey and the Owner have executed this Agreement under seal of their duly authorized officers as of the references of this Agreement.

CITY OF SURREY

Ву:	Authorized Signatory
	Brenda Locke, Mayor City of Surrey
Ву:	Authorized Signatory
	Jennifer Ficocelli, City Clerk City of Surrey

SURREY GARDENS HOLDINGS LTD.

By:

Authorized Signatory

Warren Andrew Rennison

Director

Filed NW EPP86148 EPP86148 168-374-2206 RCVD:2023-07-27 RQST:2023-08-12 03:04 Surrey, City of

CITY OF SURREY

(the "City")

DEVELOPMENT VARIANCE PERMIT

NO.: 7923-0273-00

Issued To:

(the "Owner")

Address of Owner:

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12758 103 Avenue

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12747 - 102 Avenue, 10272/10252/10238 - 127A Street

Parcel Identifier: 032-020-384 Lot 4 Section 29 Block 5 North Range 2 West New Westminster District Plan EPP86148

10235 128 Street

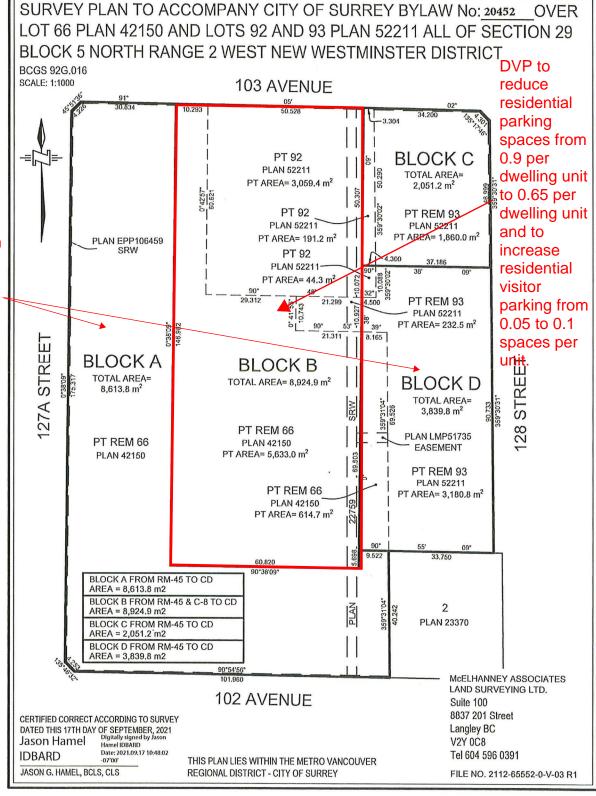
Parcel Identifier: 032-020-376 Lot 3 Section 29 Block 5 North Range 2 West New Westminster District Plan EPP86148

10285 - 128 Street

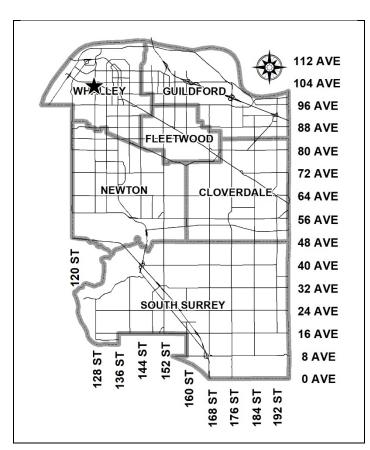
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AUTH DAY (IORIZING RESOLUTION PASSED BY THE COUNCIL/DELEGATED OFFICIAL, THE DF , 20 .
ISSUE	CD THIS DAY OF , 20 .

Mayor - Brenda Locke	
City Clerk - Jennifer Ficocelli	



DVP to increase residential visitor parking from 0.05 to 0.1 spaces per unit



City of Surrey PLANNING & DEVELOPMENT REPORT Application No.: 7923-0273-00

Planning Report Date: October 16, 2023

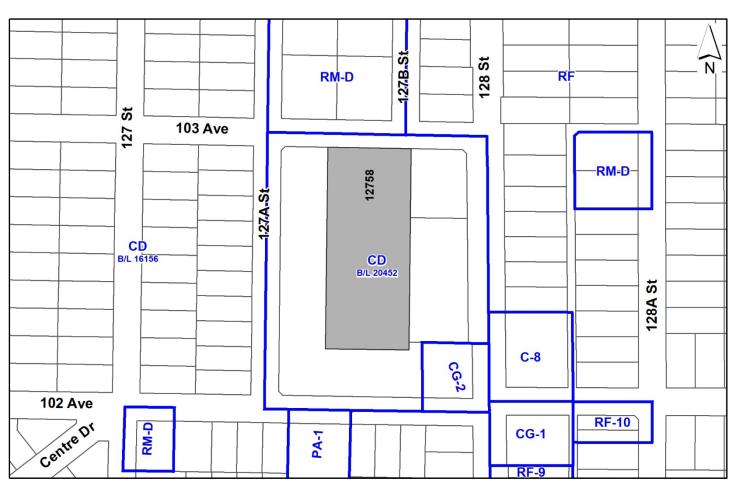
PROPOSAL:

• Development Variance Permit

to reduce the residential off-street parking requirements outlined in CD Bylaw No. 20452 for three proposed market rental apartment buildings.

LOCATION: 12758 - 103 Avenue

ZONING: CD Bylaw No. 20452 **OCP DESIGNATION:** Multiple Residential



RECOMMENDATION SUMMARY

• The Planning & Development Department recommends that this application be denied.

DEVIATION FROM PLANS, POLICIES OR REGULATIONS

- The applicant is proposing to reduce the minimum resident parking rates for three proposed market rental apartment buildings on the subject site under the existing CD By-law (No. 20452) from <u>0.9 parking spaces per dwelling unit</u> to <u>0.6 parking spaces per dwelling unit</u> (an overall reduction of 73 parking spaces).
- Staff do not support the proposed parking rates.

RATIONALE OF RECOMMENDATION

- The subject property and neighbouring properties to the south and east were rezoned to "Comprehensive Development Zone (By-law No. 20452) under Development Application No. 7921-0146-00. The subject property (12758 103 Avenue) is Block B in the CD Zone and is intended for three new rental apartment buildings (two, 6-storey buildings and one, 5-storey building) comprising a total of 242 new rental dwelling units. The remaining properties are occupied by three existing 3-storey rental apartment buildings comprised of 223 rental dwelling units to be retained (Surrey Gardens). A future 1-storey commercial building is proposed on the northeast corner. All existing and proposed buildings will share parking through registered shared access/parking easements.
- As outlined in Part 5 of the Zoning Bylaw, the 223 existing and 242 proposed rental dwelling units (465 rental units in total) require a total of 512 parking spaces to be provided on site for residential and visitor parking, equivalent to:
 - 1.0 parking spaces per market rental dwelling unit; and
 - 0.1 parking spaces per dwelling unit for visitor parking.
- As part of Development Application No. 7920-0146-00 and the existing CD Bylaw No. 20452, which received Final Adoption on June 19, 2023, the applicant is required to provide 353 residential and visitor parking spaces on site, equivalent to:
 - o.5 parking spaces per dwelling unit for existing rental units, consistent with existing leased demand (Blocks A and D of Bylaw No. 20452);
 - o.9 parking spaces per dwelling unit for new rental units (Block B) subject site; and
 - o.o5 parking spaces per dwelling unit for visitor parking, based on observed existing demand (Blocks A, B and D).
- The applicant is now proposing a Development Variance Permit to further reduce the residential parking requirements on the subject site (Block B) by 73 parking spaces (by reducing the resident parking rate in Block B from 0.9 parking spaces per dwelling unit to 0.6 parking spaces per dwelling unit).
- Staff do not support the proposed parking reduction, based on the following considerations:

- The current Zoning Bylaw requirements for rental dwelling units are consistent with recent regional and City-led parking studies.
- The existing CD Bylaw is a reduction from the current Zoning Bylaw requirements and was previously supported based on a site-specific parking study provided by the applicant.
- The proposed further reduction is significant, equivalent to a 232-stall reduction from the Zoning Bylaw and a 73-stall reduction from the CD Bylaw and is not consistent with the site-specific parking study nor with the findings of the regional and City-led parking studies.
- Based on staff observations, parking demand on site and in the surrounding neighbourhood is currently high and staff have concerns about further exasperating the on-street parking supply as a result of the requested further parking reductions.

RECOMMENDATION

The Planning & Development Department recommends that this application be denied.

If Council is supportive of the proposed parking reduction, Council may direct that the Development Variance Permit proceed to Public Notification (Appendix II).

SITE CONTEXT & BACKGROUND

Direction	Existing Use	OCP Designation	Existing Zone
Subject Site	Recently finalized Development Application No. 7920-0146-00 consisting of three new 5- & 6-storey rental apartment buildings (unconstructed),three existing 3-storey rental apartment buildings and vacant commercial lot.	Multiple Residential & Commercial	CD Bylaw No. 20452
North (Across 103 Avenue):	3-storey apartment buildings and single family dwelling	Multiple Residential	RM-D & RF
East (Across 128 Street):	Single family dwellings and 2-storey commercial building	Urban & Commercial	RF & C-8
South (Including across 102 Avenue):	Vacant gas station site within the same block, and single family dwellings and Amazing Grace United Church across 102 Avenue	Commercial and Urban	CG-2, CD (Bylaw No. 16156), PA-1 & RF
West (Across 127A Street):	Single family dwellings	Urban	CD (Bylaw No. 16156)

Context & Background

- Development Application No. 7920-0146-00 received final adoption on June 19, 2023 and consisted of:
 - Official Community Plan (OCP) amendment to redesignate a portion of the site from Commercial to Multiple Residential;
 - Rezoning the subject site from Multiple Residential 45 Zone (RM-45) and Community Commercial Zone (C-8) to Comprehensive Development Zone (CD) (based on RM-70 and C-8);
 - Subdivision from three lots into four lots;
 - Detailed Development Permit for Form & Character for the three new rental apartment buildings on proposed Lot 2; and

o General Development Permit for the future commercial building on proposed Lot 3;

In order to permit the development of two 6-storey purpose-built rental apartment buildings, one 5-storey purpose-built rental apartment building (in Block B of CD Bylaw No. 20452), and the future development of a 1-storey commercial building (Block C).

DEVELOPMENT PROPOSAL

Planning Considerations

- Subsequent to final adoption on June 19, 2023, the applicant has submitted a Development Variance Permit to reduce the required residential parking in Block B.
- The applicant is working towards obtaining building permit issuance for the 3 new rental buildings and is seeking the Development Variance Permit to align with excavation timing.
- The proposed parking reduction would result in approximately 26,046 sq. ft of reduced excavation, and significant cost savings to the project.
- Detailed information regarding the proposed parking reduction is outlined in the Development Variance Permit section of this report.

Referrals

Engineering: The Engineering Department does not support the proposed reduction in parking.

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Development Variance Permit

- The applicant is requesting the following variance:
 - To reduce the required off-street parking as outlined in Section H.3 of Surrey Zoning Bylaw, 1993, No.12000, Amendment Bylaw, 2021, No. 20452, from 0.9 parking spaces per dwelling unit to 0.6 parking spaces per dwelling unit in Block B.
- As outlined in Part 5 of the Zoning Bylaw, the 223 existing and 242 proposed rental dwelling
 units (465 rental units in total) require a total of 512 parking spaces to be provided on site for
 residential and visitor parking, equivalent to:
 - o 1.0 parking spaces per market rental dwelling unit; and
 - o o.1 parking spaces per dwelling unit for visitor parking.
- As part of Development Application No. 7920-0146-00 and the existing CD Bylaw No. 20452, which received Final Adoption on June 19, 2023, the applicant is required to provide 353 residential and visitor parking spaces on site, equivalent to:
 - o.5 parking spaces per dwelling unit for existing rental units, consistent with existing leased demand (Blocks A and D of Bylaw No. 20452);

- o. o.o parking spaces per dwelling unit for new rental units (Block B) subject site; and
- o.o5 parking spaces per dwelling unit for visitor parking, based on observed existing demand (Blocks A, B and D).
- The applicant is now proposing a Development Variance Permit to further reduce the residential parking requirements to provide 280 total residential parking spaces on site, equivalent to:
 - 0.5 parking spaces per dwelling unit for existing rental units;
 - o.6 parking spaces per dwelling unit for new rental units; and
 - 0.05 parking spaces per dwelling unit for visitor parking.

An overall reduction of an additional 73 parking spaces.

- No changes are proposed to the commercial parking rate for Block C.
- Staff do not support the proposed parking reduction, based on the following considerations:
 - The current Zoning Bylaw requirements for rental dwelling units are consistent with recent regional and City-led parking studies.
 - The existing CD Bylaw is a reduction from the current Zoning Bylaw requirements and was previously supported based on a site-specific parking study provided by the applicant.
 - The proposed further reduction in residential parking spaces is significant, equivalent to a 232-stall reduction from the Zoning Bylaw and a 73-stall reduction from the CD Bylaw and is not consistent with the site-specific parking study nor with the findings of the regional and City-led parking studies.
 - Based on staff observations, parking demand on site and in the surrounding neighbourhood is currently high and staff have concerns about further exasperating the on-street parking supply as a result of the requested further parking reductions.

Applicant's Rationale:

- Surrey Gardens is a 'shovel ready' market rental housing development proposing to add 242 new market rental housing units to the existing 223 rental units being retained on site. The project received Third Reading in September 2021 in a unanimous council decision.
- The financial viability of our project at Surrey Gardens is significantly challenged due to the current economic climate, including ten consecutive increases in Canada's Prime interest rate and substantial increases in construction costs (+%30-40%), making the delivery of rental housing (not just Surrey Gardens) difficult. These issues were not yet prevalent in 2021.
- The financial savings associated with the proposed reduction in the required parking ratio, combined with CMHC MLI Select construction financing and the recently announced GST rebate for market rental housing, would make Surrey Gardens financially viable, and we can commit to beginning substantial construction by the end of 2023.

- Primex requests this parking reduction to ensure that Surrey Gardens can be successfully constructed in the City of Surrey with a targeted occupancy date of early 2026.
- The proposed parking rates are consistent with Surrey's City Centre parking rates for market rental housing per Corporate Report Ro77, which was presented and adopted by Council in May 2023. While Surrey Gardens is not in the City Centre area, it is a 6-minute bus ride to the nearest Sky Train Station at Surrey City Centre on bus # 323, which travels past the Surrey Gardens site every 20 minutes. The site is also situated along a future Frequent Transit Network corridor on 128 Street, so better transit service can be expected in the future.
- The pre-development parking utilization rate (as of March 2020) was 106 occupied parking stalls out of a total of 204 parking spaces on-site (0.48 stalls/unit). A Bunt Engineering/Traffic Study completed for Primex Investments Ltd. in April 2020 provides significant rationale for reduced parking, including that Vancouver, North Vancouver and Burnaby all have lower parking rates for market rental projects.
- The financial savings of not building 26,046 square feet of underground parkade space (equivalent to 90 stalls) is significant and allows the project to be financed and delivered 3-4 months faster than anticipated.
- If Surrey Council chooses not to support this request for a parking reduction, Primex advises that the Surrey Gardens project will be delayed, and the project will lose access to the CMHC MLI Select construction financing, the beneficial terms, and lending rates.
- If Primex is forced to renegotiate the financial terms associated with this project, it will result in a smaller loan amount and a correspondingly higher equity contribution required from Primex, making the project not financially feasible. Moreover, if the project is delayed, the applicant anticipate it will become subject to the new BC Building Code requirements and the higher Metro Vancouver Development Cost Charges.
- The applicant, Primex, also proposes to provide 37 additional, interim surface parking stalls on the future commercial parcel (Lot 3, Block C) until such time as this parcel is developed several years in the future. These stalls would not be secured in perpetuity.

CONCLUSION

- While staff support this rental housing project, the existing CD By-law (No. 20452) already includes a reduced parking rate to reflect the proposed market rental tenure of the units. Staff do not support a further reduction in parking rates that are not consistent with the site-specific parking study nor with the findings of the regional and City-led parking studies.
- The Planning & Development Department recommends that this variance application be denied.
- If Council is supportive of the proposed parking reduction, Council may direct that the Development Variance Permit proceed to Public Notification (Appendix II).

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INFORMATION ATTACHED TO THIS REPORT

The following information is attached to this Report:

Appendix I. Site Plan and Underground Parking Plan

Appendix II. Development Variance Permit No. 7923-0273-00

approved by Ron Gill

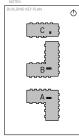
Don Luymes General Manager Planning and Development

IM/ar









PROPOSED SURFACE PARKING SPACES

SITE PLAN: GENERAL NOTES

SURREY GARDENS BUILDING A 10238 127A STREET

BUILDING B

BUILDING C 12758 103 AVENUE

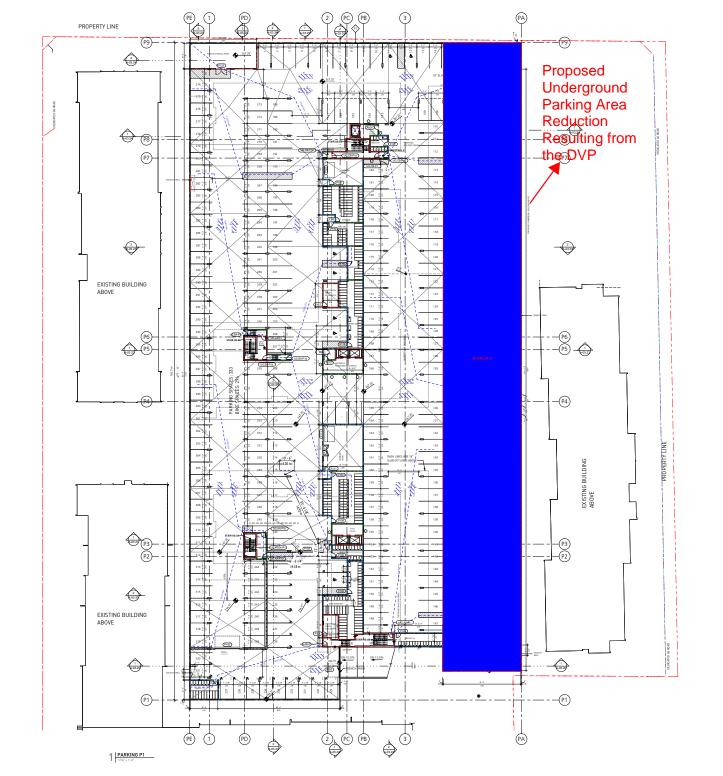
OVERALL SITE PLAN

A-1.01

FIRE SEPARATION LEGEND

0 HR FIRE SEPARATION	
3/4 HR FIRE SEPARATION	
1 HR FIRE SEPARATION	
1 1/2 HR FIRE SEPARATION	
2 HR FIRE SEPARATION	
TRAVEL DISTANCE	
DIAGONAL DISTANCE	

PROPOSED UNDERGROUD PARKING SPACES







20-MAY-2022 ISSUED FOR BP DEVELOPMENT PERSONT NUMBER-26-0144 BUILDING PERSONT NUMBER-8P-

BULENNE PERMIT NUMBER-BPN
PROJECT NORTH

Surrey Gardens
10238 & 10252 127A Street,
12758 103 Avenue
SURREY BC. BERNAL DIVELOPMENT

UNDERGROUND PARKING

5/18/2022 10: IN BY Author KED BY Checker E As indicated

19061 A-01.01

CITY OF SURREY

(the "City")

DEVELOPMENT VARIANCE PERMIT

NO.: 7923-0273-00

(the "Owner")

Address of Owner:

- 1. This development variance permit is issued subject to compliance by the Owner with all statutes, by-laws, orders, regulations or agreements, except as specifically varied by this development variance permit.
- 2. This development variance permit applies to that real property including land with or without improvements located within the City of Surrey, with the legal description and civic address as follows:

Parcel Identifier: 032-020-368 Lot 2 Section 29 Block 5 North Range 2 West New Westminster District Plan EPP86148

12758 103 Avenue

(the "Land")

- 3. Surrey Zoning By-law, 1993, No. 12000, as amended is varied as follows:
 - a) In Section H.3 of Surrey Zoning Bylaw, 1993, No.12000, Amendment Bylaw, 2021, No. 20452, required resident parking spaces shall be reduced from 0.9 parking spaces per dwelling unit to 0.6 parking spaces per dwelling unit in Block B.
- 4. This development variance permit applies to only the portion of the Land shown on Schedule A which is attached hereto and forms part of this development variance permit.
- 5. The Land shall be developed strictly in accordance with the terms and conditions and provisions of this development variance permit.
- 6. This development variance permit shall lapse if the Owner does not substantially start any construction with respect to which this development variance permit is issued, within two (2) years after the date this development variance permit is issued.

7.	The terms of this development variance permit or any amendment to it, are binding on al persons who acquire an interest in the Land.		
8.	This development variance permit is not a b	ouilding permit.	
AUTH DAY C	ORIZING RESOLUTION PASSED BY THE CODE , 20 .	OUNCIL/DELEGATED OFFICIAL, THE	
ISSUE	D THIS DAY OF , 20 .		
		Mayor – Brenda Locke	
		City Clerk – Jennifer Ficocelli	

