

NO: R240

COUNCIL DATE: December 4, 2017

REGULAR COUNCIL

TO: Mayor & Council

DATE: November 30, 2017

FROM: General Manager, Planning & Development

**FILE: 6520-20
(Downzoning – General)**

SUBJECT: Downzoning Process Guidelines

RECOMMENDATION

The Planning & Development Department recommends that Council:

1. Receive this report as information; and
2. Endorse the downzoning process guidelines as set out in this Corporate Report.

INTENT

The intent of this report is to seek Council approval to implement a formal set of downzoning guidelines in order to assist residents who wish to move forward with a downzoning request.

BACKGROUND

Trends in new single family house construction in the Single Family Residential (RF) Zone have changed significantly in recent decades in terms of building size and height. During the housing boom that occurred from the 1950s to 1970s, many of the neighbourhoods built under the RF Zone regulations consisted of modest-sized houses: typically, single storey ranchers and bungalows, some with basements, and two storey houses of moderate size (larger bungalows, split-level houses, and “BC Box” houses). Houses constructed during this period were typically between 1,200 sq. ft. and 2,500 sq. ft. and were not built to the maximum floor area and height permitted in the RF Zone.

Since the 2000s, newer houses are being constructed in older established neighbourhoods, which previously had remained relatively unchanged for a period of 30 to 50 years. These newer homes are generally larger than those built earlier. Many houses are built to the maximum floor area and height permitted in the RF Zone, resulting in two storey to three storey semicustom or custom house size ranges between 3,000 sq. ft. and 5,000 sq. ft. in size and up to 9 m. (30 ft.) in height.

Since 2005, the City has received requests for a neighbourhood downzoning, to change the zoning of a neighbourhood from Single Family Residential (RF) to a Comprehensive Development (CD) Zone which would limit the size, height, and lot coverage of houses in order to preserve the existing residential character of their neighbourhood. Nine requests for downzoning have come forward to Council to date: five of these received approval for the downzoning, two did not receive approval, and two are currently in process. Appendix “I” illustrates the locations of each

downzoning request, and the following table provides a summary and status of each downzoning request area.

NEIGHBOURHOOD	Status
2006: St. Helen's Park Neighbourhood	Approved
2008: Crescent Park Annex Area	Approved
2008: Royal Heights Park Neighbourhood	Approved
2013: Al Cleaver Park and Tom Hopkins Ravine Park	Not Approved
2015: Kwomais Point Park Neighbourhood Area 1	Approved
2016: Bolivar Park Neighbourhood and Extension Area	Approved
2016: Kwomais Point Park Neighbourhood Area 2	Not Approved
2017: Cloverdale Slope	In Process
2017: Birdland Area	In Process

There are mixed levels of support for these downzoning processes; residents have expressed support as well as concerns about downzoning requests. Reasons for support expressed by proponents of downzoning petitions include:

- Preservation of existing residential character of the neighbourhood and mature tree cover, including impact of neighbouring areas under development application on the neighbourhood.
- Protection of existing views, a sense of privacy on private yards and gardens, and sense of spaciousness on individual lots.
- Exclusion of basement floor area in total floor area count. It is perceived that basements have an effect on building mass.
- Addition of secondary suites, and associated on-street parking shortage, and, at times, neighbourhood instability (nuisance tenants).

Those who have expressed opposition to proposed downzoning are concerned about:

- Exclusion of large family households (multi-generational families and young families) from the neighbourhood.
- Limiting affordable housing options for young adults, families, and seniors.
- Limiting the ability for residents to build their “dream home” when the time is right.
- Impeding neighbourhood improvement through the replacement of smaller and older homes in need of repair with new and higher-value replacement homes.
- Building according to the RF Zone, because current owners bought their property under the assumption that they could build according to the existing RF Zone.
- Reducing potential property values relative to the existing RF Zoning.

Currently, there are no formal guidelines for downzoning petitions. Although an informal process has been developed over time, since the first downzoning petition was received in 2005, the threshold as to whether or not a petition is accepted by Council to proceed to a downzoning process has been processed on a case-by-case basis, and staff recommendations have likewise been made on a case-by-case basis.

On July 24, 2017, Council received Corporate Report No. R175; 2017 and directed staff to provide a summary of neighbourhood downzoning proposals and to provide draft neighbourhood downzoning guidelines for Council's consideration. This report outlines the current downzoning process, and proposes draft guidelines to assist residents wishing to move forward with a downzoning request.

Typical Downzoning Process

Downzoning requests are typically processed through a three-phase process:

1. Pre-screening to initiate the process;
2. Neighbourhood consultation; and
3. Council consideration of a proposed rezoning.

Although each request is handled on a case-by-case basis, the typical downzoning process is described below, and illustrated in Appendix "II."

Phase 1: Pre-Screening

1. The City receives a petition from neighbourhood proponents wishing to initiate a downzoning process. Staff works with the proponent to ensure that there are sufficient number of lots, reasonable boundaries, and sufficient support to initiate a downzoning process for Council consideration.
2. Staff verifies that the petition was signed by actual property owners in the neighbourhood.
3. At the discretion of staff, a Corporate Report is brought to Council recommending the initiation of a neighbourhood consultation process for the proposed downzoning area.

Phase 2: Neighbourhood Consultation

- If Council endorses a neighbourhood consultation process, the downzoning process is "Council initiated;" therefore, there is no application fee. Staff works with the proponents to develop the detailed zoning provisions of a proposed CD Zone that meets the objectives of the neighbourhood, while remaining in a format consistent with the *Surrey Zoning By-law, 1993, No. 12000* ("Zoning By-law").

Building permits are placed on hold for a period of 30 to 90 days in accordance with provisions in the *Local Government Act [RSBC 2015] Chapter 1* (Section 463) while the downzoning process is in progress. A 30 day period commences from the date that a building permit application is received, and during this period, Council may pass an additional resolution extending the period of withholding permit issuance for a further 60 days, allowing time for Council to make a decision on the proposed bylaw.

- The proponents hold an open house/meeting to gauge the level of support for the proposed zoning provisions. Staff attends the meeting as a resource to answer any technical questions about the draft zoning provisions, and to respond to any questions about the rezoning process.
- On the basis of the comments received at the open house, the proponents, in consultation with staff, revise or fine tune the proposed zoning provisions. Staff works with the proponents to prepare a draft CD Zone.
- Staff sends a survey by registered mail to each lot owner whose property is proposed to be included in the rezoning. The mail out contains detailed information on the provisions of the draft CD Zone, and a questionnaire to which each owner is requested to respond. This survey is used to determine the extent of support or opposition on the part of the owners of lots that are directly involved in the rezoning.

Phase 3: Council Consideration of a Proposed Rezoning

- Staff provides a report for Council consideration that includes the results of the consultation process and the related survey, as well as provides recommendations in relation to whether or not the rezoning process should be formally commenced.
- If Council approves the staff recommendation(s), a CD Bylaw is introduced.
- A Public Hearing is held, where proponents and opponents may address Council related to the rezoning proposal.
- Final approval of the CD Bylaw may be granted.

DISCUSSION

Proposed Downzoning Guidelines

Established guidelines would help to create downzoning boundaries, the number of lots required, and thresholds for neighbourhood support. Staff proposes the following guidelines to assist residents wishing to move forward with a downzoning request. The proposed guidelines are shown in Appendix "III."

Boundary Guidelines

Several elements should be considered when proponents establish a boundary for a downzoning proposal. These elements are illustrated in Appendix "IV."

- **Specifically Defined Area**
The petition area should have a contiguous and logically consistent boundary.
- **Same Zoning**
Lots in the petition area should all have the same existing and proposed zoning.
- **Facing Lots**
Lots that face each other along the same street should be included within the boundary area.
- **Major Roads**

Major roads delineating neighbourhoods could be considered as boundary edges.

- **Topography**
Changes in slope could be considered as natural boundary edges.
- **Parkland and Schools**
Parkland and schools could define boundary edges.

Minimum Number of Lots

Most of the neighbourhoods that have submitted downzoning petitions include between 100 and 200 lots. The majority of these were successful in downzoning from RF to CD. There have been two downzoning areas under 100 lots (one did not proceed to downzoning, and the decision on the other is currently pending). In addition, one neighbourhood proposal had over 400 lots, and proceeded to downzoning.

Based on these past and current downzoning petitions, it is recommended that downzoning proposals aim to include a minimum of 100 lots.

- **Consider including a minimum of 100 lots for a downzoning petition.**

Threshold for Neighbourhood Support

Currently, there is no formal threshold number to guide whether or not a downzoning petition/proposal has sufficient neighbourhood support. Appendix “V” illustrates the levels of support in response to the formal surveys for each downzoning petition that has been received by the City to-date. In neighbourhoods that were approved for a downzoning, the level of support ranged from 57% to 80%, with an average of 68.2% (or median of 63%).

Other petition processes were examined in order to evaluate a suitable support threshold for downzonings. These include Neighbourhood Concept Plan (NCP) initiations, which consider land use review to consider transit-supportive densities, and Local Area Service (LAS) petitions, which propose a surcharge to share up-front servicing infrastructure costs for a defined area. The initiation of an NCP requires demonstrated support from 50% or more of the landowners, or owners of 70% of the land within the proposed land area. Approval of a LAS petition requires support from 50% of all properties, as well as demonstration that the lots represent 50% or more of the total assessed value of all properties.

Impact of the above-described processes is an important consideration when determining optimal support levels for downzonings. While the NCP and LAS processes generally require 50% level of support, these changes typically result in increased density, expanded permitted uses, and higher infrastructure capacity. Historically, these density changes associated with NCPs increase property values significantly, and the introduction of servicing infrastructure can support additional density, it may also facilitate addition of new neighbourhood amenities.

Downzoning processes typically seek to limit the size, height, and lot coverage of houses in order to preserve views and existing residential character of the neighbourhood. While these changes in zoning allowances have a positive effect by protecting important features of a neighbourhood, there also needs to be recognition that downzoning changes are also more restrictive in nature. Downzoning involves implementation of a more restrictive zone for the area, and changes the ability of home owners to build in accordance with the zoning that the lot was originally purchased under.

After consideration of other city petition processes, as well as the complex nature of downzoning requests, staff recommends the following guidelines for neighbourhood support threshold categories:

1. Insufficient Neighbourhood Support (less than 50%)
 - If the level of support from the Phase 2 survey results is less than 50% of the total lots, then the proposal will not proceed to Phase 3 of the Downzoning Process.
2. Moderate Neighbourhood Support (between 50-64%)
 - If the level of support from the Phase 2 survey results is between 50-64% of the total lots, then staff will work with the proponents on further neighbourhood consultation before proceeding to Phase 3 of the Downzoning Process.
3. Sufficient Neighbourhood Support (65% or more)
 - If the level of support from the Phase 2 survey results is 65% or more of the total lots, then the proposal will proceed to Phase 3 of the Downzoning Process.

SUSTAINABILITY CONSIDERATIONS

Establishing guidelines for downzoning will assist both residents and staff with processing such requests, and relates to the following Sustainability Charter's Desired Outcomes (DO) and Strategic Directions (SD).

Inclusion

DO20: Surrey residents are proud of their community.

DO21: All residents have opportunities to be meaningfully engaged in civic issues and to contribute to community life.

SD16: Enhance the opportunities available for residents to be meaningfully engaged in civic issues.

Built Environment and Neighbourhoods

DO6: Land is used efficiently and sensitively, and development minimizes the impacts on the natural environment, viewsapes, agricultural land and urban wildlife.

DO8: The built environment enhances quality of life, happiness and well-being.

CONCLUSION

The downzoning guidelines described above (boundary guidelines, minimum number of lots required, and threshold for neighbourhood support) and set out in Appendix "III" will provide a consistent approach to the downzoning process.

Based on the above discussion, it is recommended that Council:

- Receive this report as information; and

- Endorse the downzoning process guidelines as set out in this Corporate Report.

Original signed by

Jean Lamontagne

General Manager, Planning & Development

Appendix "I" Locations of Downzoning Petitions

Appendix "II" Typical Downzoning Process Diagram

Appendix "III" Proposed Downzoning Guidelines

Appendix "IV" Boundary Guidelines

Appendix "V" Neighbourhood Support Levels for Downzoning Proposals

FW/PH/ss

Birdland Area
(In Process)

Bolivar Park
Neighbourhood and
Extension Area
(2016)

St. Helen's Park
Neighbourhood
(2006)

Al Cleaver
Park and
Tom Hopkins
Ravine Park
Neighbourhood
(2013)

Royal Heights
Park
Neighbourhood
(2008)

Cloverdale Slope
(In Process)

Crescent Park
Annex Area
(2008)

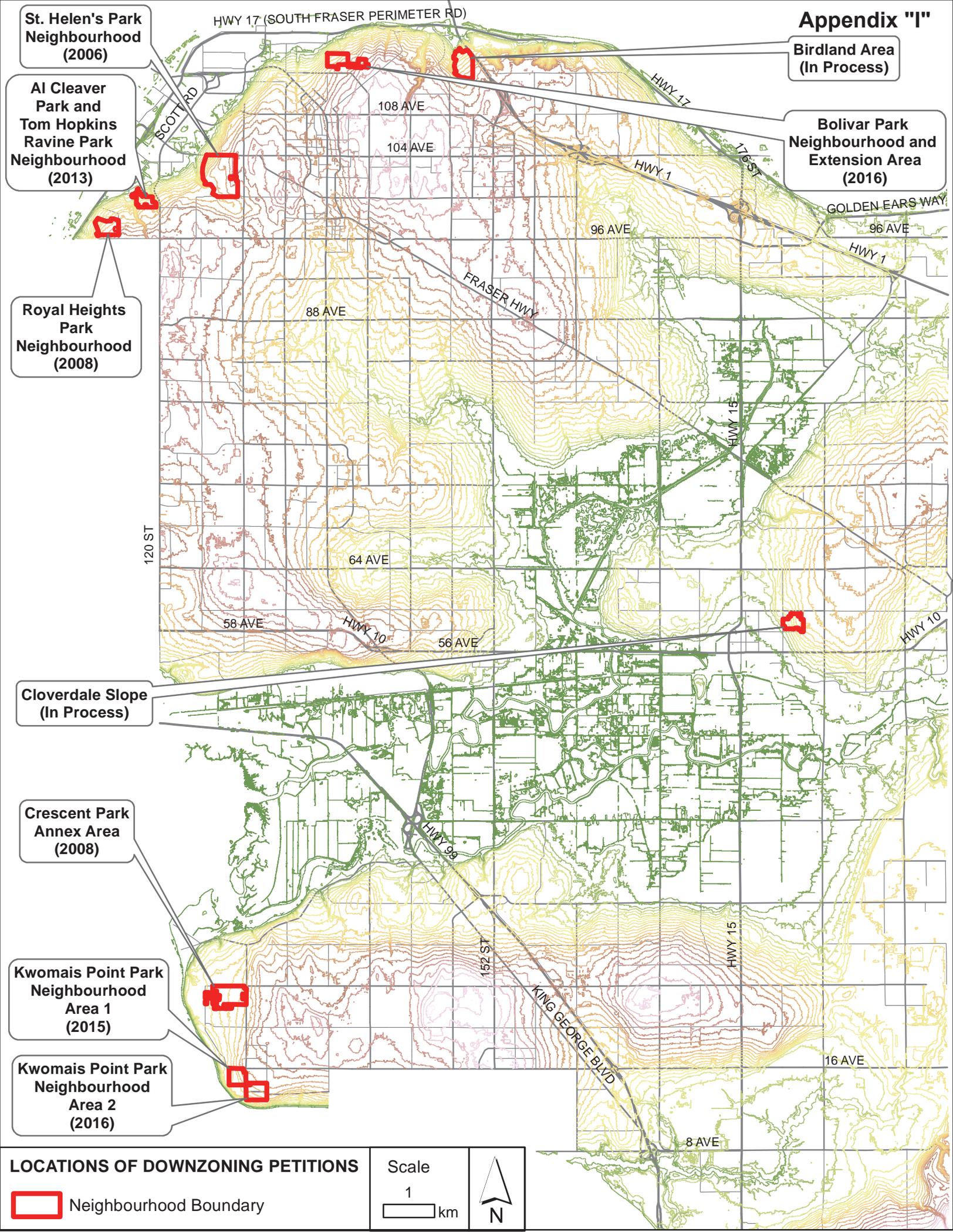
Kwomais Point Park
Neighbourhood
Area 1
(2015)

Kwomais Point Park
Neighbourhood
Area 2
(2016)

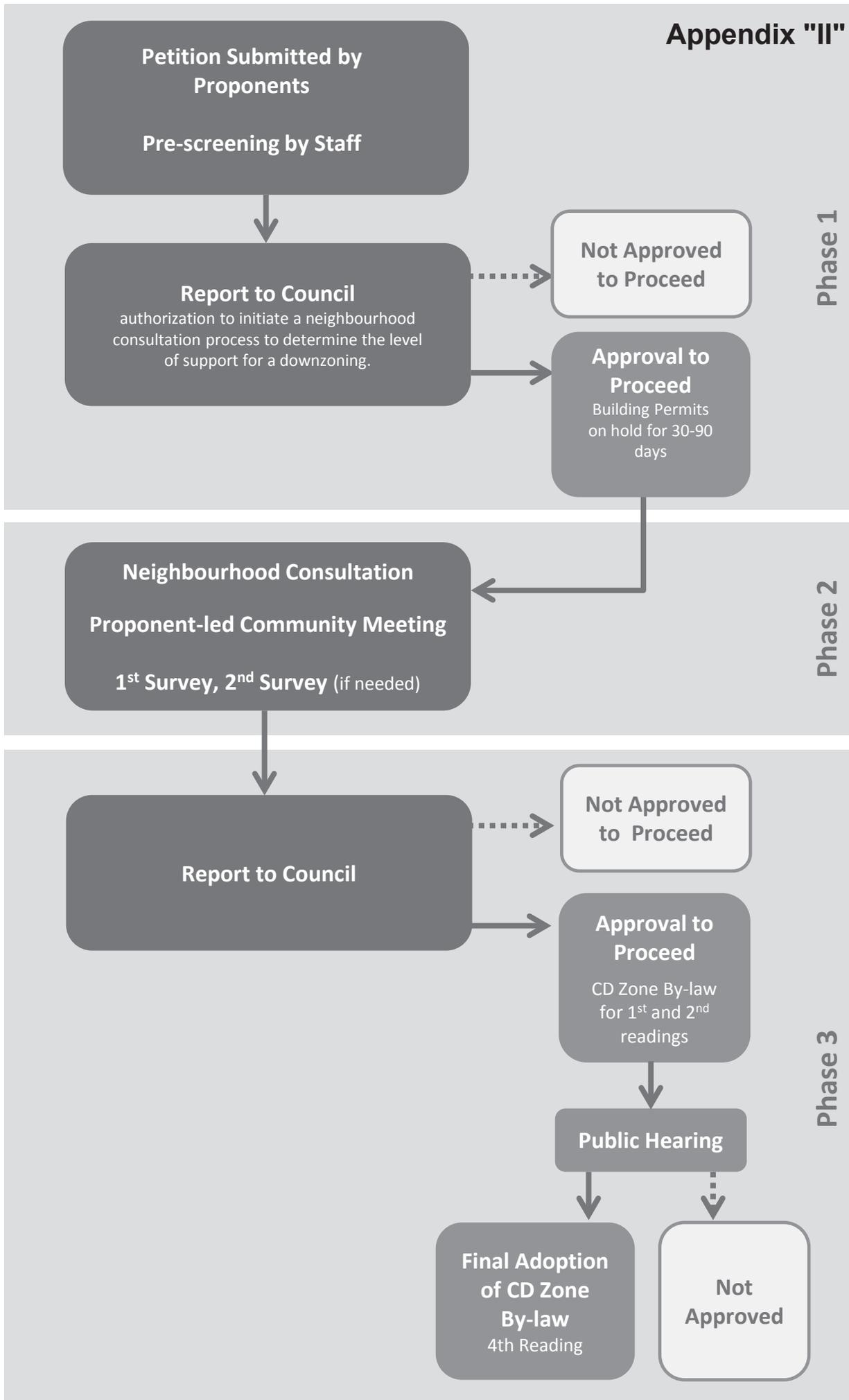
LOCATIONS OF DOWNZONING PETITIONS

Neighbourhood Boundary

Scale
1
km



Appendix "II"



Proposed Downzoning Guidelines

Boundary Guidelines

- **Specifically Defined Area**
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- **Same Zoning**
Lots in the petition area should all have the same existing and proposed zoning.
- **Facing Lots**
Lots that face each other along the same street should be included within the boundary area.
- **Major Roads**
Major roads delineating neighbourhoods could be considered as boundary edges.
- **Topography**
Changes in slope could be considered as natural boundary edges.
- **Parkland and Schools**
Parkland and schools could define boundary edges.

Minimum Number of Lots

- **Consider including a minimum of 100 lots for a downzoning petition.**

Threshold for Neighbourhood Support

1. Insufficient Neighbourhood Support (less than 50%)

- If the level of support from the Phase 2 survey results is less than 50% of the total lots, then the proposal will not proceed to Phase 3 of the Downzoning Process.

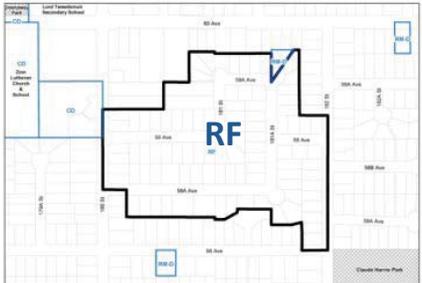
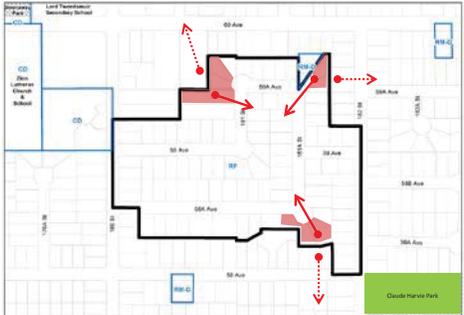
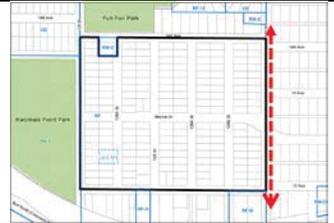
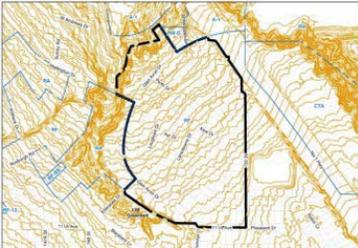
2. Moderate Neighbourhood Support (between 50-64%)

- If the level of support from the Phase 2 survey results is between 50-64% of the total lots, then staff will work with the proponents on further neighbourhood consultation before proceeding to Phase 3 of the Downzoning Process.

3. Sufficient Neighbourhood Support (65% or more)

- If the level of support from the Phase 2 survey results is 65% or more of the total lots, then the proposal will proceed to Phase 3 of the Downzoning Process.

Boundary Guidelines

Boundary Guideline	Illustrative Example
<p>Specifically Defined Area</p> <ul style="list-style-type: none"> The petition area should have a contiguous boundary. 	
<p>Same Zoning</p> <ul style="list-style-type: none"> Lots in the petition area should all have the same existing and proposed zoning. 	
<p>Facing Lots</p> <ul style="list-style-type: none"> Lots that face each other along the same street should be included within the boundary area. 	
<p>Major Roads</p> <ul style="list-style-type: none"> Major roads delineating neighbourhoods could be considered as boundary edges. 	
<p>Topography</p> <ul style="list-style-type: none"> Changes in slope could be considered as natural boundary edges. 	
<p>Parkland and Schools</p> <ul style="list-style-type: none"> Parkland and schools could define boundary edges. 	

Neighbourhood Support Levels for Downzoning Proposals

NEIGHBOURHOOD	# OF LOTS	SUPPORT	DECISION
St. Helen's Park Neighbourhood (415 lots)	over 200	63%	
Kwomais Point Park Neighbourhood Area 2 (184 lots)	100-200	26%	
Birdland Area (166 lots)		in process	in process
Kwomais Point Park Neighbourhood Area 1 (148 lots)			
Crescent Park Annex Area (147 lots)			
Royal Heights Park Neighbourhood (126 lots)			
Bolivar Park Neighbourhood and Extension Area (121 lots)			
Cloverdale Slope (95 lots)	less than 100	54%	pending
Al Cleaver Park and Tom Hopkins Ravine Park (73 lots)		48%	



Approved by Council



Not Approved by Council