



# Corporate Report

NO: R124

COUNCIL DATE: May 17, 2004

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## REGULAR COUNCIL

TO: Mayor & Council      DATE: **May  
13,  
2004**

FROM: General Manager,  
Planning and  
Development      FILE: 6880-20-75

SUBJECT: **Proposed Revisions to the Policy for Considering  
Applications for Exclusion from the Agricultural Land  
Reserve**

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## RECOMMENDATION

It is recommended that Council:

1. Receive this report as information; and
2. Approve the revised "Policy for Considering Applications for Exclusion from the Agricultural Land Reserve", attached to this report as Appendix I.

## INTENT

The purpose of this report to obtain Council approval for revisions to the "Policy for Considering Applications for Exclusion from the Agricultural Land Reserve" (the "Policy") that was adopted by Council in November of 2003. The Policy has been modified to:

- reflect recent changes in the policies used by the Agricultural Land Commission (the "ALC") to evaluate Agricultural Land Reserve ("ALR") exclusion applications; and
- recognize additional forms of compensation that may be used to protect and enhance the agricultural capability of agricultural lands within the City.

## BACKGROUND

At its Regular meeting on November 24, 2003, Council approved the Policy. Since that time, the ALC has reconsidered its policy framework document, "Encouraging Agriculture Net Benefit to Agriculture Framework". Rather than a straight "land for land" form of compensation, the ALC has determined that greater flexibility is required in determining acceptable means to compensate for the potential exclusion of lands from the ALR. The ALC has noted that, due to the varied nature of applications, not all cases can achieve a net benefit to agriculture. Therefore, the ALC does not want a framework or policy that would constrain it from assessing each individual proposal on its own merits. While the overall objective of "net benefit" remains and is sought by the

ALC, other mechanisms may be used to achieve compensation.

It had become the ALC's experience that applying the "no net loss" concept to address proposed reductions in the agricultural land base sometimes prevented creative solutions that could result in improved agricultural land productivity through means such as soil, drainage and other improvements associated with some exclusion applications.

As an example, the ALC considered and approved, in one circumstance, compensation works that resulted in the water table being lowered on adjacent farmlands, thereby significantly improving agricultural productivity on these remaining lands. This was considered suitable compensation for excluding ALR land where certain non-agricultural facilities had to be located on ALR land.

## DISCUSSION

In view of concerns that have been raised that the compensation criteria in the City's Policy are, in some circumstances, too rigid and recent changes to the ALC policies, modifications are being recommended to the City's Policy to:

- delete reference to the former ALC policy document; and
- suggest a broader range of mitigation and compensation options under certain circumstances that are more reflective of the ALC's current practices.

The current Policy contains a requirement that for every acre of land excluded from the ALR, 2 acres of non-ALR land within Surrey must be included in the ALR (i.e., a 2 to 1 replacement ratio). This requirement exceeds the 1 to 1 ratio in the former ALC "framework" and currently applies to all types of ALR exclusion applications, including minor boundary adjustments and applications related to the installation of government facilities. Upon further reflection since the adoption of the Policy, this replacement ratio is considered to be too onerous a requirement, particularly in instances where there is no option, but to locate certain facilities within the ALR.

### **Proposed Revisions**

In proposing revisions to the City's Policy, it is not with the intent of encouraging ALR exclusions. The Policy is not to be construed, in any way, as opening up the ALR for development. The criteria for considering applications for exclusion remain unchanged. The significant revisions are to the sections of the Policy related to compensation for those types of ALR land exclusions that are supported by the Policy.

The proposed revisions are focussed on providing somewhat greater flexibility in providing compensation for certain types of exclusion applications where the application of the Policy leads to a decision to support the exclusion of land from the ALR.

The proposed changes were reviewed by Surrey's Agricultural Advisory Committee (the "AAC") on February 12, 2004. The AAC discussed the changes, suggested further enhancements and passed the following resolution:

*"That the Agricultural Advisory Committee receive the amended policy for considering applications for exclusion of land from the Agricultural Land Reserve and that the policy be forwarded to Council".*

The following is a description of the proposed revisions to the Policy, including the enhancements suggested by the AAC:

1. A paragraph has been added to the end of Section 2 – CONTENT which states:

"A further intention of this policy is to address the issue of compensation in instances where land is removed from the ALR. Compensation is intended to mitigate the impact of the exclusion and to maintain and/or enhance the productive capability of ALR lands in Surrey".

2. Reference to the, now cancelled, ALC guideline entitled "Encouraging Agricultural Net Benefit to Agriculture Framework" has been removed.
3. A clause 5, addressing compensation, has been added to sub-section 3.1 "ALR Applications Involving Minor Boundary Adjustments" that states "Compensation may be required in accordance with Section 5".
4. Clause 4, that addresses compensation, in sub-section 3.2 "Facilities Operated by Government" has been modified to read, "Compensation may be required in accordance with Section 5".
5. A new clause 3.3 has been added to address compensation for private sector development, which can only be accommodated on a site in the ALR.
6. Section 5 – COMPENSATION has been revised by including a new paragraph which reads:

"Where exclusion applications are supported for minor boundary adjustments as set out in Clause 3.1 or for government operated facilities as set out in Clause 3.2 of Section 3 of this policy, compensation may be required. However, such compensation will not require the replacement of the excluded land with non ALR land.

Where exclusion applications are supported for private sector facilities that can only be accommodated on ALR land as set out in Clauses 3.3 of Section 3 of this policy, compensation may be required in accordance with Section 5, except that replacement land may not be required. Compensation requirements for these types of applications will be considered on an application-by-application basis".

7. The Policy, as adopted in November 2003, requires that non-ALR land be included in the ALR to compensate for land that is excluded from the ALR, with the area of the land being included in the ALR being at least twice the area of land being excluded. It is proposed that this policy be augmented through the provision of additional means of compensation that can be used to ensure no net loss to the overall productive capability of ALR lands in Surrey. The proposed additional policy, as set out in Subsection 3 of Section 5 – COMPENSATION, would state:

"Where a 2 to 1 ratio is not achievable, non-ALR land inclusion may be reduced to as low as a 1 to 1 ratio if the land inclusion is supplemented by other means to mitigate the impact of the exclusion and to increase agricultural capability of land remaining within the ALR. These means may include, but are not limited to:

- (a) infrastructure works to improve drainage and irrigation;
- (b) consolidation of parcels and the creation of more rationally sized and configured farm parcels or units;
- (c) increased utilization of land through cancellation of rights-of-way, utility corridors or home sites;
- (d) improvements to utilities such as potable water supply, etc.; and
- (e) improvements to farm access".

8. Some minor housekeeping amendments have been incorporated.

## CONCLUSION

In view of concerns that have been raised that the compensation criteria in the City's Policy are too onerous in some

circumstances and in consideration of recent changes to the ALC policies related to applications for exclusion of land from the ALR, it is recommended that Council approve the revised "Policy for Considering Applications for Exclusion from the Agricultural Land Reserve", attached to this report as Appendix I.

Murray Dinwoodie  
General Manager  
Planning and Development

JMcL/kms/saw

### Attachments

Appendix I - Revised Policy for Considering Applications for Exclusion from the ALR, dated April 5, 2004

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Appendix I



# CITY POLICY

No.

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**REFERENCE:**

**APPROVED BY:**

CITY COUNCIL

**DATE: Revision Approved on**

**HISTORY: First adopted November/03**

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**TITLE: POLICY FOR CONSIDERING APPLICATIONS FOR EXCLUSION OF LAND FROM THE AGRICULTURAL LAND RESERVE**

## 1. PURPOSE

The purpose of this policy is to provide the context for and establish criteria that will be used for the evaluation of applications received by the City of Surrey to exclude land from the Agricultural Land Reserve (the "ALR").

## 2. CONTEXT

The ALR is a Provincially protected land base focussed on sustaining British Columbia's agricultural potential. About one-third or 100 sq. km. (38.6 sq. mi.) of Surrey's land base is designated for agriculture in the City's Official Community Plan (the "OCP"), of which 95% is in the ALR. Provincial legislation and regulations establish how the ALR is to be managed and the role municipalities may exercise in relation to the ALR.

Surrey's OCP contains policies to protect farmland as a resource for agriculture, a source of heritage and a distinct landscape defining communities. These policies seek to maintain the integrity of the ALR and its existing boundaries and to enhance the viability of agriculture as a component of the City's economy by:

- Promoting compatibility between agricultural and non-agricultural areas through such means as buffering and

development permit areas;

- Maintaining viable agriculture by means such as discouraging subdivision, protecting boundaries and supporting Agricultural Land Commission (the "ALC") policies;
- Enhancing farm viability by taking actions to support farming;
- Coordinating farming and environmental protection;
- Managing water and drainage needs; and
- Building awareness about the economic dimensions of farming.

Lands outside of the ALR are sufficient to accommodate population and employment growth in the City to beyond 2021.

The intention of this policy is not directed at lending support to or encouraging ALR exclusions nor is its intention to allow the ALR to be "opened up" for development. This policy is focused on maintaining the City's long-standing practice of protecting agricultural lands for agricultural purposes consistent with the OCP. The policy recognizes that, from time to time, applications for exclusion of land from the ALR will be received that will need to be evaluated and that such an evaluation should be undertaken within a comprehensive and consistent policy context.

A further intention of this policy is to address the issue of compensation in instances where land is removed from the ALR. Compensation is intended to mitigate the impact of the exclusion and to maintain and/or enhance the productive capability of ALR lands in Surrey.

### **3. ALR EXCLUSION APPLICATIONS INVOLVING BOUNDARY ADJUSTMENTS AND GOVERNMENT OPERATED FACILITIES**

Over the last decade, the ALC has approved very few applications for exclusion of land from the ALR. Exclusions that have been approved for land within the City of Surrey have, for the most part, been related to minor boundary adjustments that were identified through the development of Neighbourhood Concept Plans. In each case the exclusion was carefully evaluated by the City and approved by the ALC on the basis that there was a clear need to fine tune or strengthen a boundary to provide a better interface between agricultural and non-agricultural uses, thus creating a more defined edge along the ALR.

The ALC also recognizes that certain facilities operated by governments or Crown Corporations, due to their function or geographical requirements, must be situated in agricultural areas. The provisions of this policy have been structured to accommodate such facilities.

The policy also recognizes that there may be some circumstances where private sector development can only feasibly be located on land that is currently within the ALR. Although such circumstances are expected to be very few, this policy has been structured to recognize this possibility.

The following sections contain criteria that will be used as the basis for evaluating applications for:

- Minor boundary adjustments to the ALR; and
- Exclusions of land from the ALR to accommodate:
  - government/Crown Corporation facilities; and
  - private sector development that must be located on land that is currently in the ALR.

#### **3.1 Minor Boundary Adjustments**

Minor adjustments to the boundary of the ALR will in general be supported if they satisfy all of the following criteria:

1. The land proposed to be excluded abuts an existing non-agricultural area and is a "sliver" of land as opposed to an entire parcel;
2. The land proposed to be excluded forms a logical extension to the existing non-agricultural area and does not constitute an intrusion into the ALR (i.e., the ALR boundary will not be significantly lengthened as a result of the exclusion);
3. The proposed ALR boundary is clearly defined by physical or other clear features such as major roadways or topographical or other natural features so that it will not act as a precedent for the exclusion of other or adjoining parcels in the ALR;
4. Landscaping and buffering is provided along the proposed ALR boundary within the land being excluded from the ALR with sufficient dimensions to clearly separate and minimize the impacts between the adjacent agricultural and non-agricultural uses; and
5. Compensation may be required in accordance with Section 5.

### **3.2 Facilities Operated By Government**

A "public facility" for the purpose of this policy is a facility operated by a level of government or a Crown Corporation. Where an application is received to exclude land from the ALR to allow a new public facility to be established within, or an existing public facility to be expanded within the ALR, such an exclusion proposal will generally be supported if all of the following criteria are met:

1. It is clearly demonstrated that locating such new or expanded facility on existing ALR land is necessary and that such facility cannot practically be located on non-ALR lands;
2. Uses, buildings and structures are located on the land in such a manner so as to minimize the impact on the abutting ALR lands;
3. Landscaping and buffering is provided along the proposed ALR boundary within the land being excluded from the ALR with sufficient dimensions to clearly separate and minimize the impacts between the adjacent agricultural and non-agricultural uses; and
4. Compensation may be required in accordance with Section 5.

### **3.3 Private Sector Facilities in the ALR**

Although such circumstances are expected to be extremely few in number, there may be circumstances where the only feasible location for certain types of private sector facilities is on land that is currently within the ALR. Such applications will be considered, based on the following criteria:

1. It is clearly demonstrated that locating such new or expanded facility on land currently in the ALR is the only feasible location for such development and that such facility cannot be located on other lands;
2. Uses, buildings and structures are located on the land in such a manner so as to minimize the impact on

the abutting ALR lands;

3. Landscaping and buffering is provided along the proposed ALR boundary within the land being excluded from the ALR with sufficient dimensions to clearly separate and minimize the impacts between the adjacent agricultural and non-agricultural uses; and
4. Compensation is provided as outlined in Section 5.

#### **4. ALL OTHER ALR EXCLUSION APPLICATIONS NOT COVERED IN SECTION 3**

The following criteria are to be used as the basis for evaluating all applications for exclusion of land from the ALR, except for those specifically covered by Section 3:

##### **4.1 Soil Capability**

If the land proposed for exclusion has a Soil Capability Rating of or is improvable to a Soil Capability Rating of Class 1, 2 or 3, or, in the case of farms providing for grazing, to Class 4, the exclusion application will not generally be supported.

A site with a Soil Capability Rating of 4 to 7 and which is not suitable to support the growing of crops or use by farm animals for grazing, may still lend itself to non-soil bound agricultural use, especially if it is surrounded by other agricultural uses. In such instances, exclusion will generally not be supported.

Council will not give favourable consideration to applications for exclusion where soils have become degraded due to poor farming practices, illegal dumping or filling or wilful despoiling of the soil.

Consideration of each exclusion application will be based on a comprehensive planning exercise to examine the context of the site and the impacts of the proposed exclusion. To assist in making this determination, applicants will be required to retain, at their own expense, a qualified consultant acceptable to the City to undertake an assessment of the existing and potential improvable Soil Capability Rating of any land proposed for exclusion and an assessment of the impacts and potential ramifications of the exclusion from the perspective of the continued viability of agricultural activities in the City of Surrey, particularly in the vicinity of the site.

##### **4.2 Proposed Use**

The OCP focuses on building a sustainable and complete city, consisting of compact communities with a full range of uses in support of the citizens of the City. Lands have been designated in non-agricultural areas to accommodate both residential and business growth, together with supporting institutional and recreational uses to accommodate growth in the City for the foreseeable future without the need to exclude land from the ALR for the purposes of accommodating growth.

If an application for ALR exclusion is intended for uses that will result in a departure from the sustainable development principles of the OCP and will encourage speculative pressures on ALR lands, such an application will generally not be supported.

### **4.3 Alternative Site For The Proposed Use**

The OCP has designated areas for a full range of uses to support the development of complete communities and to accommodate the anticipated needs of the current and projected future population of the City. The retention of the agricultural land base to produce food needed by the current and future generations is fundamental to sustainability.

Based on the above, if the land proposed for exclusion from the ALR is to be zoned for a use that can be accommodated on alternative sites in the City that are not in the ALR, whether serviced or not serviced and that are designated or potentially can be designated for the proposed use or uses, the application will generally not be supported.

### **4.4 Location of the Site**

The integrity of the agricultural area of the City should be maintained. Intrusion of non-agricultural uses into the established agricultural area will generally act to undermine the viability of agricultural activities.

If the land proposed for exclusion does not abut an existing non-agricultural area (e.g. Suburban, Urban, Commercial, Industrial or Business Park designation) and does not provide a logical and continuous extension of the existing development pattern of the adjacent non-ALR area, the application will generally not be supported.

The OCP policies are intended to maintain the integrity of the ALR lands and their boundary. The ALR boundary is intended to be clearly defined and defensible.

Where an area proposed to be excluded from the ALR is not contained within permanent well-defined boundaries (i.e., roads, topographic or other natural features, etc.) the application for exclusion will generally not be supported. The applicant will be responsible for retaining an appropriately qualified professional to undertake a comprehensive planning exercise to examine the boundary conditions of the proposed exclusion and provide justification with respect to how the proposed boundary satisfies the requirements of this criterion.

If a site is isolated or separated from the rest of the ALR by a significant developed area or by physical barrier and such isolation is detrimental to the economic viability of the agricultural pocket, exclusion may be considered. If the cost to connect the isolated pocket with the rest of the ALR, or if the cost to overcome the barrier (e.g. transportation infrastructure) is minor in comparison to the potential gain in the productivity of the lands in the agricultural pocket, then the application will generally not be supported.

### **4.5 Roads and Services**



Local roads in agricultural areas are not generally intended to accommodate the movement of goods and people to and from non-agricultural areas. Allowing general traffic on local roads in agricultural areas often result in conflicts with farm vehicles. As well, the extension of engineering services through agricultural areas can be disruptive, costly and trigger undesirable development interest.

If the area proposed for exclusion from the ALR does not have primary vehicular access from an abutting arterial street or provincial road or requires the extension of engineering services on a local agricultural road, the application will generally not be supported.

#### **4.6 Interface Buffering**

The OCP requires landscaping buffers along the boundary between the ALR and adjacent non-agricultural land uses. Landscaping along the proposed ALR boundary on the land proposed to be excluded, is to be provided with sufficient dimensions to clearly separate and minimize impacts between agricultural and non-agricultural uses.

In general, applications for exclusion will not be supported unless the landscaping and other buffering features fully meet or exceed the buffering requirements set out in the OCP.

#### **4.7 Impacts On Adjacent Agricultural Activities**

The agricultural areas of the City consist of a number of well-defined rural communities that can be physically impacted by boundary changes and by the encroachment of urban development/uses. The impact may go beyond the immediately abutting lands that remain in the ALR. Measures to mitigate impacts may be necessary and could include farm lot or field reconfiguration, lot consolidation, road closures and exchanges, drainage improvements, landscaping and buffering, etc.

Unless the impact upon the areas adjacent to the lands proposed to be excluded is fully mitigated, the application will generally not be supported. The applicant will be responsible for retaining the services of a qualified professional to assess all potential impacts on the rural community and to recommend all necessary measures to fully mitigate the potential impacts.

### **5. COMPENSATION**

Subject to satisfying the criteria contained in Section 4 of this policy, an application for exclusion of land from the ALR must also demonstrate that compensation will be provided that is satisfactory to Council and to the ALC. The compensation to be provided is intended to ensure that the overall productive capability of Surrey's ALR lands will be retained.

Compensation will include, among other things, the inclusion of other land into the ALR to offset for the impact of the land being removed. The compensation criteria contained in this policy supplement and, in some cases, exceed ALC compensation criteria.

Generally, compensation for land being excluded from the ALR will include:

1. The inclusion of land into the ALR at no cost to the City and coincidentally with the exclusion from the ALR, with an area that is at least twice as large as the area of land being excluded;
  
2. The lands being included in the ALR must:
  - (a) be within the City of Surrey;
  - (b) be designated Agricultural or Suburban in the OCP;
  - (c) abut the existing ALR boundary;
  - (d) provide a logical extension to the ALR;
  - (e) be zoned or supportable to be rezoned to an appropriate Agricultural Zone as specified in the Surrey Zoning By-law;
  - (f) either be consolidated with existing lots in the ALR or form new lots within the ALR, provided that the new or consolidated lots have a minimum area of 5 hectares (12.4 acres); and
  - (g) be rated with a Soil Capability Rating equal to or exceeding that of the improvable soil capability rating of the site proposed for exclusion;
  
3. Where a 2 to 1 ratio is not achievable, the inclusion of non-ALR land in the ALR may be reduced to as low as a 1 to 1 ratio if the land included in the ALR is supplemented by other means to mitigate the impact of the exclusion and to increase the agricultural capability of land remaining within the ALR. These means may include, but are not limited to:
  - (a) infrastructure works to improve drainage and irrigation;
  - (b) consolidation of parcels and the creation of more rationally sized and configured farm parcels or units;
  - (c) increased utilization of land through cancellation of rights-of-way, utility corridors or home sites;
  - (d) improvements to utilities such as potable water supply, etc.; and
  - (e) improvements to farm access.
  
4. The ALC's agreement with the exclusion and proposed compensation calculations.

Where exclusion applications are supported for minor boundary adjustments as set out in Subsection 3.1 or for government-operated facilities as set out in Subsection 3.2 of Section 3 of this policy, compensation may be required. However, such compensation will not require the replacement of the excluded land with non-ALR land. Where exclusion applications are supported for private sector facilities that can only be accommodated on ALR land, as set out in Subsection 3.3 of Section 3 of this policy, compensation will be required in accordance with Section 5 except that replacement land may not be required. Compensation requirements for each of these types of applications will be considered on an application-by-application basis.

## **6. APPLICATION PROCESSING**

- Applications for exclusion of land from the ALR will be received by the Planning and Development Department and will be evaluated by City staff using this policy in conjunction with the other policies and by-laws of the City.
- All applications for exclusion of land from the ALR will be forwarded to the AAC for comments and input.
- The applicant will be responsible for retaining the services of qualified professionals, as necessary, to provide information to staff to demonstrate how the criteria in this policy and other relevant policies and by-laws of the City have been or will be satisfied.
- Upon completion of the evaluation and consultation, a Planning report will be submitted to Council for consideration at a Regular Council – Land Use meeting.
- The report will provide, among other things, a summary of the application, a summary of staff's evaluation of the application against the criteria contained in this policy and a recommendation or set of recommendations for Council's consideration.

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