



Corporate Report

NO: R127

COUNCIL DATE: June 26, 2006

REGULAR COUNCIL

TO: **Mayor & Council** DATE: **June 21, 2006**
FROM: **Acting General Manager, Planning and Development** FILE: **5480-01**
SUBJECT: **Truck Parking Issues**

RECOMMENDATION

It is recommended that Council:

1. Receive this report as information;
2. Direct staff to proceed with retaining an appropriately qualified consultant to undertake a detailed study of the current circumstances with respect to truck parking in the City and to investigate alternatives to address the shortfall in parking spaces, including appropriate consultation with stakeholders and to make recommendations with respect to an equitable and sustainable truck parking strategy for the City and with respect to, among other things, the merits of the City establishing a Truck Parking Authority and the potential commercial opportunities associated and community impacts with truck parking; and
3. Direct staff to prepare a further report to Council on the matter when the above-referenced study is complete.

INTENT

The purpose of this report is to:

1. Document information that has been gathered with respect to trucks and truck parking in the City; and
2. Propose a process for investigating and developing an appropriate strategy to address the current shortfall in legal truck parking spaces in the City.

BACKGROUND

On February 13, 2006 Council received a memorandum from Councillor Gill, which discussed a number of truck parking issues. A copy of that memorandum is attached as Appendix I to this report. Council considered the memorandum and, subsequently, directed staff:

"to expediently develop an adequate truck parking strategy and truck parking plan with the goal of finding a permanent solution".

Councillor Gills' memorandum highlighted the concern that there are an increasing number of large trucks that require access to safe and secure parking facilities and that sites that are subject to Temporary Use Permits cannot be relied upon to supply truck parking in the long term, since they are often held by the owners pending higher order development. There is a large and increasing gap between the supply of truck parking spaces in the City and the related demand. Councillor Gill's memorandum proposed possible solutions, including:

- The creation of a Truck Parking Authority to explore the exclusion of suitably located marginal Agricultural Land Reserve ("ALR") lands for use as a full-service truck parking facility and using profits from the Truck Parking Authority to improve other ALR lands in the City;
- The facilitation of a working group with truck operators and/or their associations to review other alternative sites suitable for truck parking; and
- Any other additional solutions.

DISCUSSION

Current Zoning Provisions Related to Truck Parking

The General Provisions of the Surrey Zoning By-law 1993, No. 12000 (the "Zoning By-law") state that vehicles exceeding 5,000 kilograms (11,023 pounds) licensed G.V.W. are not permitted to be parked or stored, inside or outside, in any residential zone.

Truck parking is currently allowed as a principal use only in the Light Impact Industrial (IL) Zone under the "Transportation Industry" use. The transportation industry use is an industrial use relating to the transporting, distributing and storing of goods or materials and the storage and service of transportation equipment, and includes warehouses, distribution centres, port and railway facilities, bus terminals and truck refuelling facilities and sales and service of vehicles over 5,000 kilograms G.V.W. The Zoning By-law further requires that there be a building that has a minimum area of 100 square metres (1,076 square feet) and which contains washroom facilities on any lot accommodating the parking of vehicles over 5,000 kilograms G.V.W.

Other industrial and business park zones allow truck parking only if it is directly related to uses such as shipping and warehousing or other uses that take place on the same lot.

In June of 2004, Council considered Corporate Report No. R136 regarding temporary truck parking facilities in the City and endorsed the use of Temporary Use Permits ("TUPs") to vary the requirements of an industrial or commercial zone to allow temporary truck parking for up to two years. Legislation provides that the term of a TUP can be extended by Council for an additional two years after the expiry of the first two year term. These provisions allow Council to consider applications on a case-by-case basis, and provides for the waiving of the IL Zone requirements, such as the construction of a building, drainage improvements and hard surfacing to allow the establishment of temporary truck parking facilities on lots in the IL Zone. This initiative was focused on increasing the supply of truck parking spaces in the City and to discourage the parking of heavy trucks in residential areas throughout the City.

The majority of licensed truck parks and locations seeking TUPs for truck parking are located in the Newton industrial area and along the Fraser River. The location of each of these facilities is illustrated on the map attached as Appendix II to this report.

Issues related to Truck Parking Facilities

As the value of industrial land in the region increases, there has been a trend towards the conversion of lower value industrial activities, such as outdoor storage of goods, equipment and vehicles, to higher value uses, such as manufacturing, warehousing and distribution. In recent months, the owners of two local truck parking facilities in the City have initiated the conversion of some or all of their land from parking to other industrial uses.

Truck parking is an activity that is generally not viewed as being compatible with non-industrial uses. Given the relatively low rates currently charged for truck parking, as well as the temporary nature of many of the parking lots, most truck parking lots in the City provide minimal landscaping and screening and provide only basic parking services for users. There has not been the same attention to property maintenance and installation of amenities as for other industrial and commercial uses. Truck parking lots can be visually intrusive and can create noise and dust nuisance.

Through discussions with truck owners and operators, truck parking lot business operators, the RCMP and staff in Planning and Development, Engineering and By-laws and Licensing Services, a number of issues with respect to truck parking have been identified, as follows:

Insufficient Parking Spaces to Accommodate Trucks in the City

Independent truckers have indicated that they are seeking not only locations to park their trucks on nights and weekends, but also suitable locations for truck maintenance, repair and washing. This demand for facilities has led to trucks being parked in unauthorized locations, including residential neighbourhoods.

Staff has conducted a site survey at each currently licensed truck parking facility in the City and each location for which a temporary use permit application for truck parking has been received by the City. The owner of each licensed facility was interviewed. Through these surveys and discussions, it has been established that licensed truck parking

facilities are operating at greater than 75% of their capacity and most are near capacity. It was further determined that some sites for which TUP applications are in process are already being used for truck parking and are occupied at between 50% and 75% of capacity. It was further determined that two of the seven licensed truck parking facilities the City are in the process of converting some or all of their truck parking stalls to other uses.

Currently, the seven licensed truck parking lots contain a total of 496 spaces for trucks to park. On average, approximately 20 to 25 trucks can be parked per acre in a truck parking lot. There are eight other sites where TUPs have been issued or are in progress, with approximately 190 spaces.

Truck Parking Stall Charges

The fees charged for truck parking in the City has increased over time with the current rate being approximately \$200/month/tractor-trailer. Slightly lower rates are charged for detached trailers or dump trucks without trailers. Independent truck operators have indicated that these parking rates, combined with rising fuel prices, modest freight charge increases and strong competition, are causing financial difficulties.

Number of Trucks Operating in City

According to ICBC statistics, there are currently approximately 8,300 trucks (i.e., with a G.V.W. greater than 5,500 kilograms) registered to addresses in the City of Surrey. This number has been growing at a rate of approximately 11% per year for the last four years. The most significant growth in truck ownership has been in the central and northern parts of the City, with no net growth in truck ownership in the southern part. This may be expected to change with the developments in the Campbell Heights area. Appendix III shows the growth in truck ownership in different areas of the City from 2001 to 2005.

Difference Between Trucks and Parking Spaces in the City

At first glance, it would appear that there is a significant shortfall truck parking spaces in the City. However, it should be noted that many of the trucks associated with warehousing, manufacturing and distribution businesses are parked on the lots which contain their related business use when the truck is not on the road. As such, in addition to the commercial truck parking lots discussed previously in this report, there are many truck parking stalls located on private property, as part of industrial business operations. Despite these unreported private parking spaces, staff estimates that there is a deficiency in legal truck parking spaces in the City that could range to as high as 1,000 spaces. For example, independent gravel truck operators typically do not have a home industrial address at which to park their trucks and many independent long haul freight truckers do not have an industrial site as a home base.

Access to Truck Parking and Truck Routes

The truck parking facilities in the City are located in only a few areas, which presents a challenge for those truck operators who wish to access residences and personal services during the working day. Truck parking facilities which are located a significant distance

from the homes of truck operators means that the trucks have to be dropped off and the operator needs to then drive home. This leads to increased truck and vehicle traffic on roads. The distance between the truck parking facilities and homes of the operators also makes it less convenient when truck operators wish to repair, clean and/or maintain their vehicles on evenings and weekends. City by-laws require truck operators to use designated truck routes within the City, including accessing truck parking facilities.

Representation for Independent Truck Operators

There is no official association of independent truck operators. Many local truck operators do not have a Surrey business license, which presents significant coordination and communication difficulties. According to the BC Trucking Association, approximately 85% of commercial trucks are operated by independent operators and are not affiliated with a major trucking company. Based on the City's business license records, the City has issued approximately 405 business licenses to truck operators with a single truck and approximately 255 business licenses to operators with multiple trucks in Surrey. As was noted earlier in this report, there are approximately 8,300 trucks registered with ICBC to addresses in the City.

Overweight Vehicle Parking Infractions

There are regular complaints about heavy trucks being parking in residential areas. Over 2,400 tickets were issued by Bylaw Enforcement Officers last year, related to overweight vehicle parking. The majority of these were for locations in the Newton and Fleetwood areas of the City. This gives some indication of the serious nature of the shortfall in legal parking spaces in the City.

Temporary Use Permits

The City has issued TUPs to assist in addressing the demand for parking facilities. The TUPs have typically allowed relief from some of the more onerous zoning requirements, particularly the need for a building on the parking lot site, drainage improvements and hard surfacing of the parking lot. A TUP is issued for an initial period of two years with a possible extension for an additional two years, subject to Council approval. Clearly TUPs do not provide a permanent truck parking solution. In addition, TUPs have not typically provided for vehicle washing or maintenance facilities on the same lot, which is a need expressed by many operators.

Due to the waiving of certain requirements under the TUP approach, including the need for hard surfacing of parking areas, there have been concerns with regard to the environmental implications of temporary facilities. According to the current TUP policy, restrictive covenants are registered on the title of the property to limit uses that may have environmental impacts, such as truck washing, maintenance and the storage of fuel or waste products. Other environmental legislation would still apply to the truck parking lots such as the *Environmental Management Act*, the *Fish Protection Act* and associated Riparian Area Regulations.

Vehicle Security

Truck operators have expressed concern about the minimal level of security in some truck parking lots. Surrey RCMP has researched crime statistics for the most recent five year period for truck parking facilities that have a business license and found 32 cases of theft from a vehicle and 10 vehicle thefts. Although this number is likely under-reported, as with most crime, RCMP Community Services does not consider this rate of theft to be unusual for the City. Regardless, it is important that truck parking facilities be as safe and secure as possible to encourage their use and discourage parking in unauthorized locations.

Identified Areas of Need for Truck Parking Facilities

Although the South Fraser Perimeter Road is expected to be a major goods movement corridor, there are currently limited opportunities for future truck parking facilities along the corridor in the City. Similarly, although there is significant trucking activity associated with the international border crossing and major truck routes in South Surrey, there currently are no truck parking facilities in southerly part of City.

Costs for Constructing and Operating a Truck Parking Lot

The attached Appendix IV provides a "pro forma" analysis of the costs and revenues associated with a truck parking lot in Surrey under current market conditions. Under current real estate conditions, the cost of industrial land in non-prime locations is in the order of \$600,000 per acre. It is evident from this analysis that the use of industrial land for a truck parking lot does not make economic sense on a permanent basis. Based on this preliminary analysis, assuming truck parking rates are \$250 per month, a parking lot cannot be established to break even if the land value exceeds \$178,000 per acre. This value is well below market value in any industrial area of the City, except where the land is significantly encumbered, such as under power lines where a hydro right-of-way exists. If Development Cost Charges were payable, this amount would reduce the amount that an operator could pay for land and still break even.

Trends in Truck Activity in Surrey

The increase in the number of trucks in Surrey has been dramatic, increasing 44% in registrations since 2001, which is well above the regional average. This includes large increases in trucks in both the 5,500 to 10,000 kilogram G.V.W. and the over 10,000 kilogram G.V.W. categories.

According to the BC Trucking Association, the growth in the number of truck drivers provincially is increasing by approximately 2.5% per year, which translates into approximately a 1% annual increase in the number of trucks expected to be on the road. It is expected that construction activities for the Golden Ears Bridge, the South Fraser Perimeter Road and other elements of the proposed provincial Gateway Program, may lead to greater trucking activity within the City.

According to TransLink, the regional growth in truck miles driven is approximately 4% per year, which significantly exceeds the provincial growth rate and the growth in population or automobile ownership. TransLink's estimate does not account for all future increases anticipated, due to growth in container traffic and major construction projects, such as the Gateway Program. As well, it is unable to predict future variations due to the level of residential construction, which is currently at record high levels.

TransLink's predicted future increase in travel for the morning peak hour (expressed in Vehicle Kilometres Travelled, VkmT) by light trucks (two axles) and heavy trucks (three or more axles) compared to the growth in total traffic in the City is:

VkmT	2004	2021	Growth
Light Trucks	24,300 km	48,300 km	99%
Heavy Trucks	28,100 km	54,600 km	94%
All Vehicles	703,200 km	950,800 km	35%

The strong local growth rates in truck ownership and truck travel indicates that the availability of truck parking facilities will become even more critical in the future.

Potential Options to Address the Truck Parking Issue

Given:

- the shortfall between the supply of truck parking spaces within the City and the potential demand for truck parking spaces;
- the negative ramifications to the community and the City of trucks being parked in unauthorized locations; and
- the lack of a solid business case for the construction of permanent truck parking lots on developable land in the City;

additional work needs to be undertaken to develop a sustainable truck parking strategy for the City.

Retain a Consultant to Conduct Further Analysis and Make Recommendations

Given current workload and the need to address the truck parking inequity in a reasonable timeframe, it is proposed that the City retain an appropriately qualified consultant to undertake a detailed study of the current circumstances with respect to truck parking in the City and to investigate alternatives to address the shortfall in parking spaces, including appropriate consultation with stakeholders and to make recommendations with respect to an equitable and sustainable truck parking strategy for the City, including the merits of the City establishing a Truck Parking Authority and the potential for commercial opportunities associated with truck parking that would offset some of the costs.

Consideration of the Use of Land in the ALR for Truck Parking

An argument could be made to the Agricultural Land Commission ("ALC") that there is no suitable land available for truck parking outside of the ALR and that an application for truck parking as a non-farm use on ALR land, based on economic necessity, may be supportable. ALC policies indicate that exclusion or non-farm use application based on economic necessity may be supported. The above-referenced consultant would be requested to study the establishment of a truck parking lot on ALR land and to analyze whether the net revenues from the parking facility could be used to enhance other ALR lands, such that there is no net loss to agriculture.

ALC policy currently supports truck parking in the ALR for farm uses only and requires that these vehicles be operated by farm staff.

City Policy No. O-51 – Policy for Considering Applications for Exclusion of Land From the Agricultural Land Reserve, indicates that support for applications for non-farm uses in the ALR would be considered, based on the following criteria:

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

Under the policy, compensation for ALR land exclusion takes the form of other land being included in the ALR with equal or greater agricultural capability and implementation of means to mitigate the impact of the exclusion by increasing the capability of the other land remaining in the ALR, such as drainage or irrigation improvements.

The Engineering Department has identified opportunities for irrigation projects that could significantly increase agricultural capability of land in the ALR in Surrey if sufficient funds were available.

The City of Abbotsford, which recently was successful in gaining the approval for an exclusion of 450 acres from the ALR to create industrial land, made a one time contribution of \$20,000 per acre toward the implementation of other enhancements to land in the ALR to offset the loss of agricultural capability brought about by the exclusion. The compensation funds were placed in a trust for use on agricultural enhancement programs in the City of Abbotsford.

As the City does not, as a policy, become involved in supporting particular sectors of the economy, it is recommended that the option of involving the private sector in this solution should first be explored. The City could undertake a pilot exercise to identify one suitable site, through the issuance of a proposal to the private sector, to monitor this process as a model for future action. A pilot project would involve making the private sector aware that the City of Surrey will consider supporting an application to exclude a site of approximately 4 hectares (10 acres) in size from the ALR for the purposes of a truck parking facility, subject to the locational policies of City Policy No. O-51 – Policy for Considering Applications for Exclusion of Land from the Agricultural Land Reserve. This would be subject to suitable monetary compensation of at least \$20,000 per acre for improvements to other ALR land, as discussed in this report, and subject to a suitable agreement with the City regarding the development and management of this facility;

It is noted that these options have not been presented to or reviewed by the City's Agricultural Advisory Committee ("AAC"). The AAC will have a strong interest in this matter. Should Council decide to proceed with the exploration of these options, it is recommended that the AAC be involved directly with the determination of the process, the evaluation of sites and the compensation program.

Consultation Process

The consultant will be directed to undertake an adequate consultation process in relation to the truck parking study. Such a process could include:

- Conducting meetings with and potentially a formal survey of, truck operators and business stakeholders, including truck parking facility owners, the Chamber of Commerce, TransLink and the BC Trucking Association;
- Conducting public meeting(s) involving truck parking lot owners and truck operators at which potential alternatives would be reviewed and feedback encouraged;
- Meetings with the AAC and the staff of the ALC; and
- Meetings with the owners of underutilized IL-zoned land and appropriate lands in utility corridors to determine if interest exists in providing additional truck parking lots on such sites.

CONCLUSION

Based on the above discussion, it is recommended that Council direct staff to proceed with retaining an appropriately qualified consultant to undertake a detailed study of the current circumstances with respect to truck parking in the City and to investigate alternatives to address the shortfall in parking spaces, including appropriate consultation with stakeholders and to make recommendations with respect to an equitable and sustainable truck parking strategy for the City and with respect to, among other things, the merits of the City establishing a Truck Parking Authority and the potential commercial opportunities and community impact associated with truck parking. It is further recommended that staff prepare a further report to Council on the matter when the

above-referenced study is complete and, if necessary, at appropriate milestones in the process.

How Yin Leung
Acting General Manager
Planning and Development

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Attachments:

- Appendix I Memorandum from Councillor Gill considered by Council on February 20, 2006.
- Appendix II Map of Truck Parking Locations in the City of Surrey
- Appendix III Map of Distribution of Truck Ownership in Surrey
- Appendix IV Pro Forma of Truck Parking Scenarios



INTER-OFFICE MEMO

TO: **Mayor & Council**
 FROM: **Councillor Gill**
 DATE: **June 21, 2006** FILE:

RE: **Truck Parks Issue**

Recommendations

- Council receive this “draft discussion paper” on Truck Park Issues
- Council direct staff to expediently develop an adequate truck parking strategy and truck parking plan with the goal of finding a permanent solution.

Background

Under City by-laws, it is illegal to park a vehicle over 5,000 kg (GVW) on a City road. This by-law was intended to avoid the impact of large commercial vehicles being parked on City roads, especially those in residential areas. This by-law is enforced by City by-law officers and the parking commissionaires, **with approximately 2,450 by-law infraction tickets issued in 2005**. The average ticket fine is \$100.00. This by-law, together with the growth in the number of trucks, has led to the establishment of a number of private truck parking lots. Currently, there are seven (7) licensed truck parks, one (1) temporary use permit truck park, and seven (7) pending temporary use permit applications.

Numbers of Trucks and Truck Parking Lots

Exact data on the number of trucks registered in Surrey is only available from ICBC for which we understand an FOI request is required plus a few weeks of processing time. The best data the City has is the number of Municipal commercial vehicle decals which amounts to 4,760 truck/commercial vehicles; however, this includes all commercial vehicles, some of which would be less than 5,000 kg.

The data on the number of truck parks and truck stalls is approximately as follows:

Existing truck parks	7
Approximate number of stalls	400±
Existing TUP truck parks	1
Approximate number of stalls	23
Proposed TUP truck parks	7
Approximate number of stalls	170±
Approximate total number of stalls	600

Please note that the estimate number is very approximate, as most of the truck parks do not have marked out stalls. It represents a potential number if the trucks are parked in an orderly manner.

TUP or Temporary Use Permit for truck parks last for 2 years with a maximum number of one 2-year extension. They are also seen as more of an interim use until a more economic use for the land arises. Consequently, TUP truck parks cannot necessarily be relied on to continue long-term as truck parks. In fact, this same comment could be made about all truck parks, except those under a transmission line.

Anticipated Growth in Trucks

With the anticipated growth in the economy, there will be an associated growth in the number of trucks requiring parking areas. This is likely to be even more accentuated in Surrey due to the construction of the Golden Ears Bridge and the recently announced Provincial Gateway Program which includes South Fraser Perimeter Road. All of these new roads and bridges will improve mobility for trucks in, and adjacent to, Surrey.

In addition, significant number of owner operators residing in Delta and Langley are likely using the truck parks in Surrey.

The above analysis, although approximate, points out to a very large gap between truck parks needs in our City.

Other Issues

Even where parking is permitted, truckers are experiencing significant and frequent security issues such as thefts, break-ins and damages to their trucks resulting in significant downtime and loss of income. Given these trucks are used for making their living, these issues impact their ability to earn a living as well as causes them to utilize Sundays for repairs etc. thus impacting their family life.

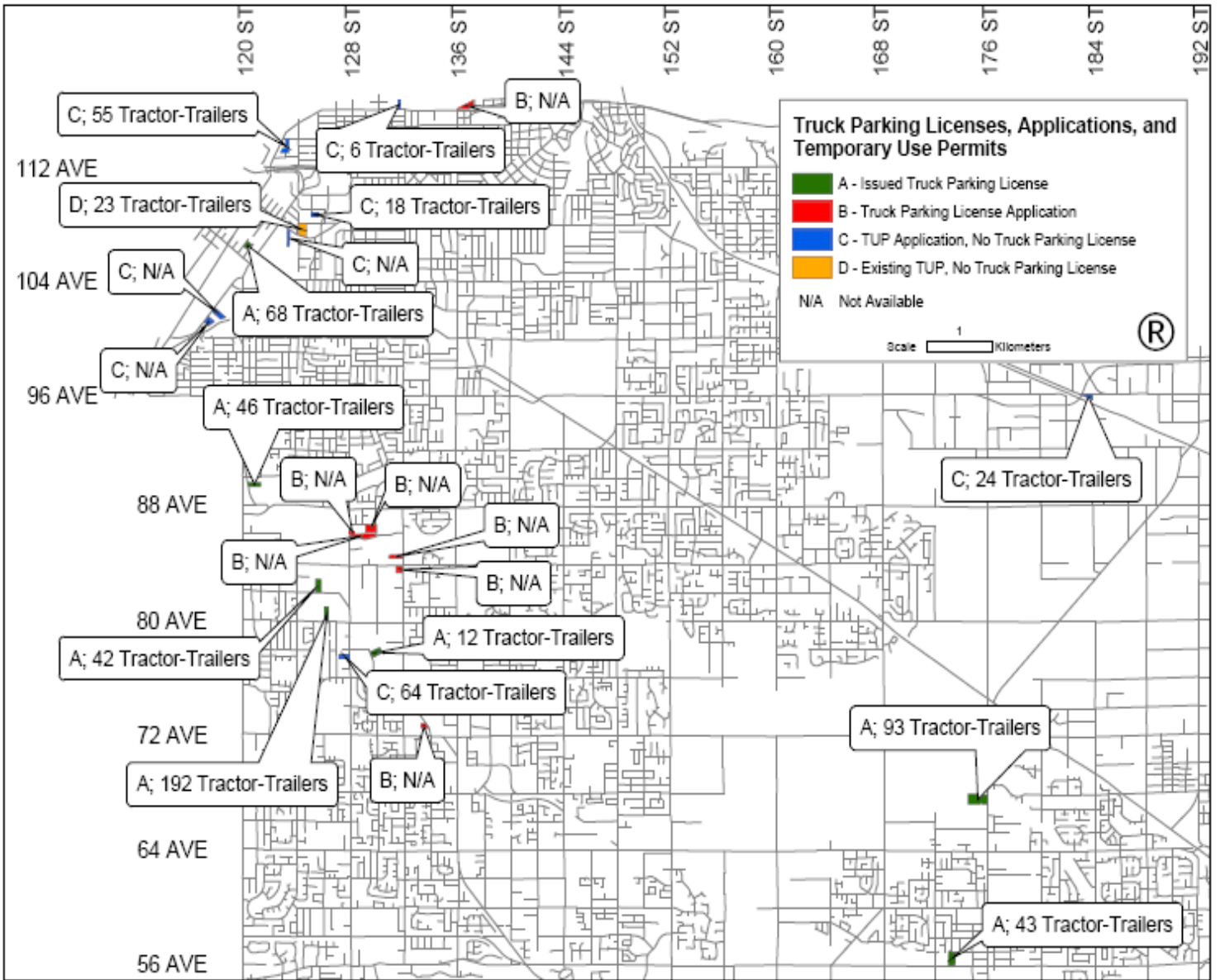
Possible Solutions

- 1.0 As a conceptual solution, City to consider establishing a Truck Park Authority. This authority could explore a suitably located, but very low value ALR lands. This U.S. style Truck Park should be a full service truck park including provisions for fuelling, repairs, truck wash etc, as well as security provisions. This will result in efficiencies with benefits such as reduced trucks on City roads, fuel savings etc. The return from this operation should be entirely dedicated for improving other ALR lands in the City thus potentially making a win-win situation.

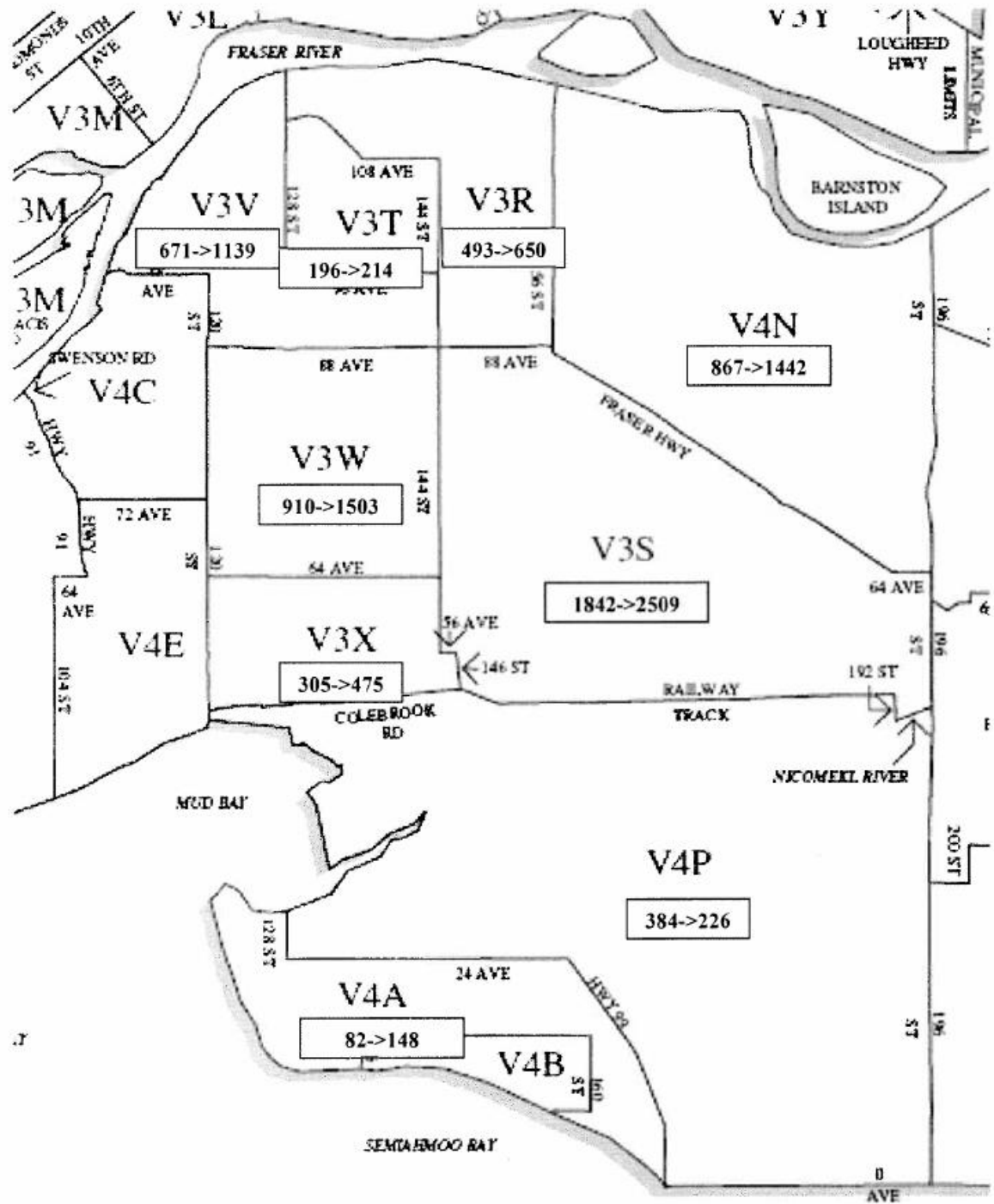
- 2.0 City could facilitate working with truckers and/or their associations to review other alternate sites (eg. Bridgeview area) suitable for truck parking.
- 3.0 Any other additional solution(s).

Original signed by

Tom Gill
Councillor, City of Surrey



Growth in Truck Ownership 2001-2005 by Postal Code



Revenue and Cost Estimate Per Acre of Truck Parking

REVENUE PER ACRE 20 stalls per acre at \$250 per stall	\$5,000 per month
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CAPITAL COST PER ACRE FOR CONSTRUCTION (site preparation, grading, base preparation, paving, drainage, fencing and lighting [not including land]) \$250,000 per acre amortized over 25 years at 5% annual interest	\$1,460 per month
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OPERATING COSTS PER ACRE (maintenance, security, administration, etc.)	\$2,500 per month
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COSTS PER MONTH EXCLUDING LAND	\$3,960 per month
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RESIDUAL AVAILABLE TO SUPPORT LAND PURCHASE	\$1,040 per month
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SUPPORTABLE MORTGAGE FOR LAND PURCHASE \$1,040 paid on a monthly basis over 25 years at 5% annual interest will support	\$178,000/acre
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