



Corporate Report

NO: RL006

COUNCIL DATE: January 22, 2007

REGULAR COUNCIL – LAND USE

TO: **Mayor & Council** DATE: **January 19, 2007**
FROM: **Acting General Manager, Planning and Development** FILE: **6630-20 (Cloverdale
Town Centre-
Cloverdale Mall)**
SUBJECT: **Redevelopment of the Cloverdale Mall Site**

RECOMMENDATION

It is recommended that Council:

1. Receive this report as information;
2. Authorize staff to proceed with the following steps to facilitate the redevelopment of the Cloverdale Mall site in a manner which will optimize the benefit to the City and to the Cloverdale Town Centre:
 - (a) Engage a consultant to prepare an updated study to assess the short and long-term market prospects to assist in the determination of appropriate land uses on the subject site and to recommend options for the land uses and densities that would maximize the use of the site, financial return and community benefit and support the Cloverdale Town Centre;
 - (b) Upon completion of the consultant's report and in consideration of the City's policies and priorities, including the objectives contained in the Cloverdale Town Centre Plan, identify the optimum mix of land uses for the site, and any other considerations and/or conditions that should be taken into account in the redevelopment of the site, including, among others:
 - (i) Increasing the attractiveness of the site by acquiring additional adjacent land;
 - (ii) Maintaining the site under the City's ownership and developing it under a long term lease to the private sector; or
 - (iii) Developing the site under a development corporation; and

- (c) Provide a report to Council with recommendations regarding a recommended land use plan and disposition/development strategy for the site.

INTENT

The purpose of this report is to advise Council of the recommended steps to facilitate the redevelopment of the Cloverdale Mall site and to seek Council's authorization to proceed with these steps.

BACKGROUND

The Cloverdale Mall site is located at 5710 to 5798 – 175 Street, as shown on the map attached as Appendix I to this Report. It originally comprised a single site, but is now bisected by the recently constructed 58 Avenue. The portion to the north of 58 Avenue has an area of 0.25 hectares (0.61 acres) and the portion to the south of the road has an area of 2.72 hectares (6.72 acres) for a total of 2.97 hectares (7.33 acres). The southern portion of the site contains the Cloverdale Mall building, including a Canada Safeway store. The Cloverdale Health Centre is located on a separate piece of leased land at 17536 - 175 Street. The northern 0.25 hectare (0.61 acre) portion of the site is vacant.

To facilitate the redevelopment of the subject site, the City has been attempting to terminate the lease with Canada Safeway, on which the Safeway store was located. In November 2006, the dispute with Canada Safeway was settled out-of-court with Safeway agreeing to surrender its rights and interests to the City, effective February 28, 2007. Safeway closed their store on December 31, 2006. Also, in accordance with an agreement with the City reached in 2003, the Fraser Health Authority will vacate the Cloverdale Health Centre by May 31, 2007. The agreements with Safeway and Fraser Health Authority provide the opportunity to move forward with the process of planning for the future of the subject site, in support of the objectives of the Cloverdale Town Centre Plan. Other tenants, including the Bank of Nova Scotia, have been given a notice of the City's intent to redevelop the site and are on a monthly notice basis.

Council requested that staff explore possible development options for the site. This report reviews the policy framework of the Cloverdale Town Centre Plan, relating to the subject site and outlines steps that should be taken to assist in maximizing the potential of the site.

DISCUSSION

Cloverdale Town Centre Plan

The Cloverdale Town Centre Plan, adopted by Council in 2000, envisages the redevelopment of the subject site as an integral part of revitalizing the Cloverdale Town Centre. The Land Use Plan for the Town Centre, attached as Appendix II to this report, designates retail/service commercial land uses for the site. The commercial core of the Town Centre is designated on the lands to the east of the site, along and between 176 Street and 176A Street, and as a policy of the Plan, mixed commercial and residential

development will be encouraged within the core area to enhance the viability of the Town Centre.

The planning and land use policies that guided the development of the Town Centre's Land Use Plan include the following principles:

- Provide land use opportunities for a range of commercial uses that would offer a wide selection of goods and services within the Town Centre;
- Strive for a land use pattern that would allow an increase in the residential population located within easy walking distance of the Town Centre; and
- Provide land use opportunities for mixed commercial and residential projects within the Town Centre core.

Within the context of these principles, the Plan states that the development of the Cloverdale Mall site should complement rather than compete with the retail outlets of the commercial core area to the east of the site. The Plan calls for the redevelopment of the site to provide direct exposure and visual presence on Highway 15, currently lacking in the existing mall development, and for linking the site to the Town Centre's core area by a pedestrian-friendly linkage and for the creation of a multi-use public open space within the site.

Economic Study

In 1999, an economic assessment of the Cloverdale business area was completed for the City to assist in formulating land use options and strategies. This study analyzed the Town Centre's prospects for future commercial development, identified strategies that could increase its commercial growth potential and suggested actions to help revitalize the existing commercial core. It concluded that if no new shopping centre was approved outside the Town Centre by 2006, the Cloverdale Town Centre area could support 17,651 square metres (190,000 square feet) of retail/service space under a low population growth scenario, to 30,657 square metres (330,000 square feet) under a high population growth scenario. If, however, a new shopping centre was built outside the Town Centre, these figures would be reduced proportionately.

The study recommended that, to maximize the Town Centre's development potential, no new shopping centre should be approved outside of the Town Centre, except for some small neighbourhood scale commercial plazas in surrounding growing residential areas. It recommended that the City-owned lands should be used to contribute to enhancing the Town Centre's commercial prospects and, in particular, the Cloverdale Mall site has significant potential for expansion and is in a good location for more intensive commercial uses, which should be encouraged. It also emphasized the need to increase residential population in and around the Town Centre to support the commercial and business growth.

Since the approval of the Cloverdale Town Centre Plan in 2000, there has been rapid residential growth in the Cloverdale and Clayton areas. In response to the needs of this growing population, a number of commercial developments, as noted below, have been

approved by Council, which could have an impact on the development options for the subject site:

- In 2004, two shopping centre developments were approved to the north of the Cloverdale Town Centre at 188 Street and Fraser Highway in Clayton, which are both constructed and, for the most part, occupied. One development comprises 7,425 square metres (79,925 square feet) of commercial space and the other 5,900 square metres (63,510 square feet). Both developments include spaces for large chain-food stores, one of which is occupied by Extra Foods; and
- In 2005, a commercial development comprising 8,892 square metres (95,716 square feet) was approved to the northeast of 64 Avenue and 176 Street, and is now constructed. PriceSmart Foods is the anchor occupant and London Drugs will soon be another major occupant;

Additionally, the following developments should be taken into account in addressing the redevelopment of the Cloverdale Mall site:

- The Cloverdale campus of Kwantlen University College under construction south of Highway 10 at 180 street; and
- The redevelopment of the Cloverdale Fairgrounds. The options include the possible development of a trade & exhibition centre, multi-purpose community recreation centre, a spectator arena and a hotel.

Preparation of Development Options

A number of options are possible for the redevelopment of the site, including a mixed commercial/residential development, which could include a grocery store, retail uses, other commercial uses and civic facilities on the ground floor or a life-style village style development.

It would, however, be prudent to first assess the economic and market opportunities for various land uses on the site within the context of the current market and the needs of the Cloverdale Town Centre and the Cloverdale community as the basis for proceeding with the redevelopment of the site. This report recommends a process for maximizing the value of the redevelopment of the subject site to the City and the Cloverdale Town Centre.

Strategies for both the ownership and management of the land could include, among others, leasing the land on a long term basis to a proponent, based on a specific proposal for the site. A request for expressions of interest would be required to implement these strategies. The City could also consider developing the land through a development corporation. Further, the attractiveness of the site could be increased possibly by purchasing additional land and/or reconfiguring the site to provide more exposure to the core area of the Town Centre.

CONCLUSION

With the agreements between the City and Canada Safeway and Fraser Health Authority now concluded, the City is in a position to proceed with the redevelopment of the Cloverdale Mall site. Council has asked staff to explore options for its redevelopment. It is recommended that Council authorize staff to proceed with the course of actions as documented in the "Recommendations" section of this report.

How Yin Leung
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Planning and Development

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Attachments:

Appendix I Location Map - Cloverdale Mall Site

Appendix II Cloverdale Town Centre Land Use Plan



