



Corporate Report

NO: R093

COUNCIL DATE: APRIL 30, 2007

REGULAR COUNCIL

TO: Mayor & Council DATE: April 27, 2007
FROM: Acting General Manager, Planning and Development FILE: 7906-0104-00
SUBJECT: Morgan Creek Golf Course Driving Range- Proposed Poles and Safety Netting
Development Permit and Development Variance Permit No. 7906-0104-00
(3500 Morgan Creek Way)

RECOMMENDATION

It is recommended that Council receive this report as information.

INTENT

The purpose of this report is to provide Council with the results of the public notification process for Development Variance Permit No. 7906-0104-00 and related information on the proposal by the Morgan Creek Golf Course to install poles and safety netting around the existing golf driving range, to assist Council in consideration for final approval of the proposed Development Variance Permit and Development Permit amendment.

BACKGROUND

At the Regular Council- Land Use meeting of April 2, 2007, Council considered Development Permit ("DP") (No. 7906-0104-00) and Development Variance Permit ("DVP") (No. 7906-0104-00) applications by Morgan Creek Holdings Ltd., to install poles and safety netting around the existing golf driving range on the Morgan Creek Golf Course. A DVP is required to increase the maximum permitted height of a structure from 12 metres (40 feet) to 26.5 metres (87 feet), to allow the proposed driving range enclosure. A DP is required to amend the existing DP (No. 6792-0106-00), which governs the Morgan Creek Golf Course site.

The April 2, 2007, Planning Report (Attachment "A") submitted by staff recommended that the applications be denied. However, after considering the matter, Council approved the following recommendations:

1. *Approve Development Variance Permit No. 7906-0104-00 varying Section G.1 of the CD By-law (No. 13614) to allow the maximum height of a structure to be increased from 12 metres (40 feet) to 26.5 metres (87 feet), to proceed to public notification; and*
2. *Authorize that the notification boundary be extended from adjacent property owners to property owners within 100 metres of the proposed development.*

This report provides a summary of the results of the recent public notification process in accordance with the recommendations noted above.

DISCUSSION

Notices of the proposed DVP were mailed to all households within the 100 metre (300 foot) public notification area by the City Clerk, on April 4, 2007. The public notification letter indicated that concerns or comments should be submitted to the City, no later than April 16, 2007. The following is a summary of the responses received by the City on or before April 16, 2007. Attachment "B" illustrates the notification boundaries.

- ***Responses Within the 100 metre notification area*** - 453 responses were received from within the 100 metre public notification area. 199 responses (44%) have indicated support for the proposal; 188 responses (42%) have indicated opposition to the proposal, and 66 responses (14%) from 33 respondents have indicated both support and opposition to the proposal;
- ***Responses Within the "Morgan Creek area (including the 100 metre notification area)"*** - The "Morgan Creek area" is defined as the area bounded by 156 Street, 40 Avenue, 32 Avenue and the agricultural area to the north and east. The majority of this area has been developed by Morgan Creek Holdings during the past several years. 747 responses were received from the "Morgan Creek area". 343 responses (46%) within this area have indicated support for the proposal; 314 responses (42%) have indicated opposition to the proposal. It is also noted that 90 responses (12%) received from 45 respondents in this area have indicated both support and opposition to the proposal;
- ***Responses from Outside of the "Morgan Creek area"*** - 94 responses were received from residents outside of the "Morgan Creek area". 82 responses (87%) have indicated support for the proposal; 12 responses (13%) have indicated opposition to the proposal;

- **Responses with no Addresses** - 112 responses were received that included no address. One response (1%) indicated support for the proposal. 111 responses (99%) indicated opposition to the proposal;
- **Total Responses** - In total, 953 responses were received during the two week public notification period, from April 4, 2007 to April 16, 2007. Approximately 426 responses (45%) indicated support for the proposal. Approximately 437 responses (46%) indicated opposition to the proposal. The remaining 90 responses (9%) were from 45 respondents who have indicated support and opposition to the proposal.

The responses are summarized in the table below:

Area Responses	Within Notification Area (100 metres)	Within "Morgan Creek area" (includes 100m notification area) A	Outside "Morgan Creek Area" B	Non- Addressed Responses C	Total Responses A+B+C
Support	199 (44%)	343 (46%)	82 (87%)	1 (1%)	426 (45%)
Oppose	188 (42%)	314 (42%)	12 (13%)	111 (99%)	437 (46%)
Indicated both Support & Oppose	66*(14%)	90**(12%)	0	0	90 (9%)
Total Responses	453	747	94	112	953

*The 66 responses (33 support and 33 oppose) were from 33 respondents

**The 90 responses (45 support and 45 oppose) were from 45 respondents

The overall results of the public notification process undertaken from April 3, 2007 to April 16, 2007, demonstrate an even distribution between support and opposition to the proposal. This even distribution is also reflected in both the area within the 100 metre notification area, as well as the "Morgan Creek area".

Some residents have suggested that a compromise solution may be possible to address the residents' concerns, by reducing the pole heights and implementing a very aggressive berming and tree planting program. Staff have discussed this option with Morgan Creek Holdings, and they advise that such a compromise is not possible, as the proposed pole height (26.5 metres/87 feet) has been reduced to the lowest possible point and the proposal meets the minimum requirements necessary for their needs.

The issue of the colour of the poles has also been discussed. It has been suggested that the poles may be painted green to improve the aesthetics of the enclosure. However, Morgan Creek has advised that the pole colour is determined during the manufacturing process and cannot be altered unless the erected poles are replaced.

Should Council wish to approve DP No. 7906-0104-00 and DV Permit No. 7906-0104-00, it is in order for Council to pass the following motion:

1. *Council approve the attached Development Permit (Attachment "C"), authorize the Mayor and Clerk to sign the Development Permit and authorize the transfer of the Permit to the heirs, administrators, executors, successors and assigns of the title of the land within the terms of the Permit; and*
2. *Council approve and issue the attached Development Variance Permit (Attachment "D")."*

How Yin Leung
Acting General Manager
Planning and Development Department

RCA/NL:saw

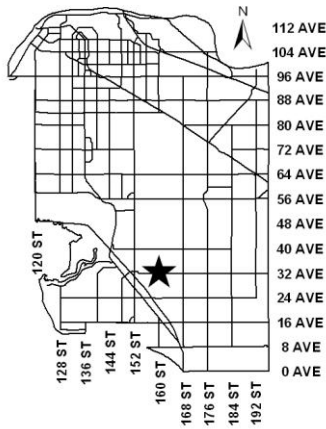
Attachments:

Attachment "A"- April 2, 2007 Planning Report (without attachments)

Attachment "B"- Public Notification Boundary

Attachment "C"- Development Permit No. 7906-0104-00

Attachment "D"- Development Variance Permit No. 7906-0104-00



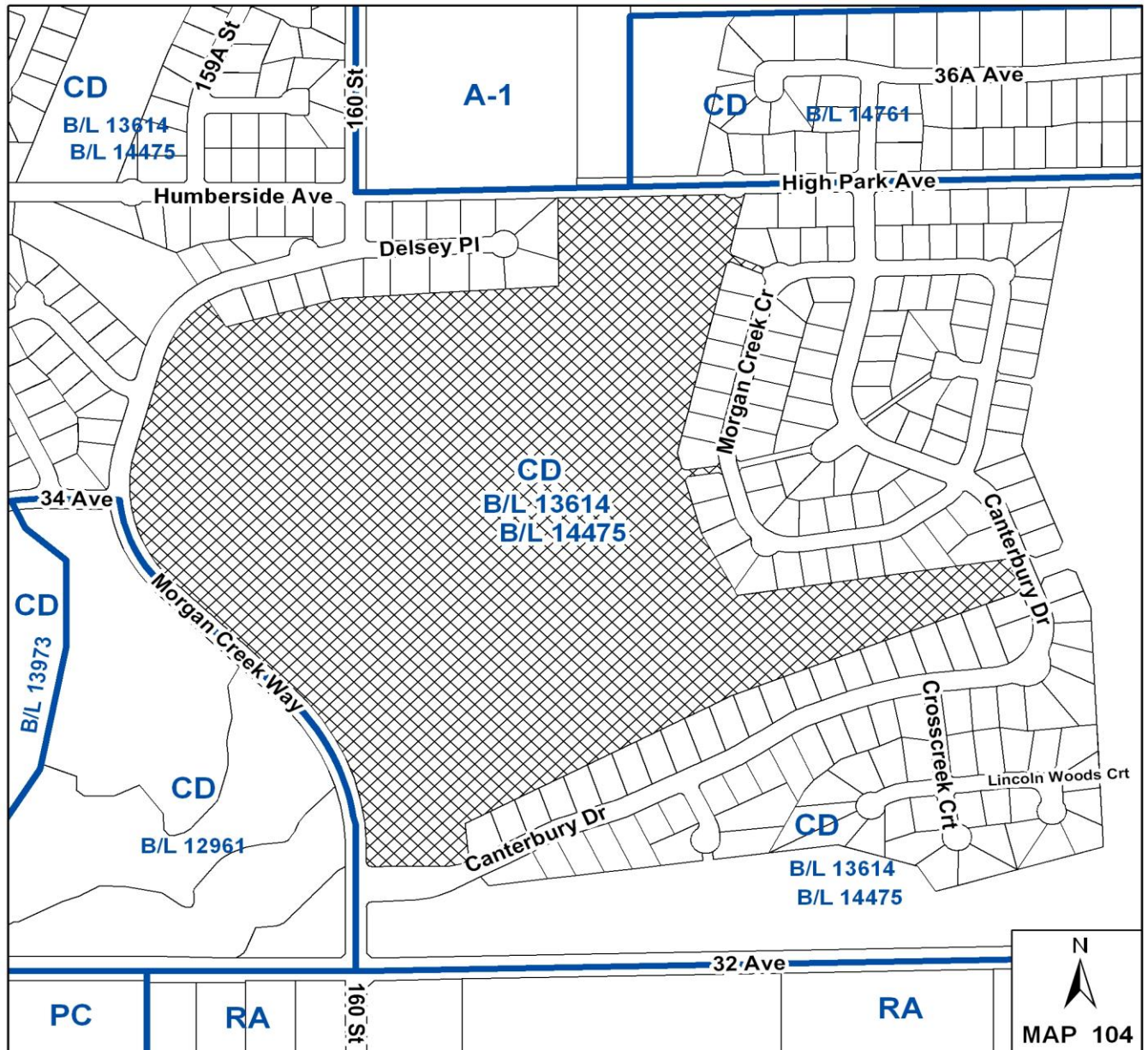
Proposal: DP and DVP to permit the installation of poles and safety netting around the existing golf driving range.

Recommendation: Denial

Location: 3500 Morgan Creek Way **Zoning:** CD (By-law No. 13614)

OCP Designation: Suburban

LAP Designation: Golf Course **Owner:** Nanoose Harbour Holdings Ltd.



PROJECT TIMELINE

Completed Application Submission Date: March 7, 2006
Application Revision & Re-submission Date: November 16, 2006
Planning Report Date: April 2, 2007

PROPOSAL

The applicant is proposing:

- a Development Permit; and
- a Development Variance Permit to vary the following by-law regulations:
- relax Section G.1 of the CD By-law (No. 13614) to allow the maximum height of a structure to be increased from 12 metres (40 ft.) to 26.5 metres (87 ft.)

in order to permit the development of a driving range that includes poles to support safety netting.

RECOMMENDATION

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

REFERRALS

Engineering: The Engineering Department has no objection to the project subject to the completion of Engineering servicing requirements as identified in the attached (Appendix IV). No concerns.

SITE CHARACTERISTICS

- **Existing Land Use** Golf course.
- **East, West, South and North:** Single family homes, zoned CD (By-law No. 13614), designated Suburban in the OCP.

PLAN AND POLICY COMPLIANCE

OCP Designation: Suburban. Complies.

DEVELOPMENT CONSIDERATIONS

Background

- The Morgan Creek Golf Club course, clubhouse and Driving Range are located between 32nd and 40th Avenues, immediately east of Morgan Creek Way in South Surrey. The property is designated Suburban in the Official Community Plan, is zoned Comprehensive Development Zone (By-law No. 13614), and the lands are subject to Development Permit No. 6792-0106-00 (Appendix V).
- The Morgan Creek golf course was developed as part of a comprehensive development that included a residential community. The design intent was a symbiotic relationship between the housing and recreational elements in the project: the golf course is functionally considered part of the community, and the CD zone was crafted on the basis that the golf course was to serve the dual purpose of recreational facility and park space. The holes meander through the subdivision that surrounds the golf course, and the entire area was planned and approved under to the same CD Zone and Development Permit.
- The Morgan Creek Golf Club ("The Club") started operating in 1995. It is a private golf club – only those who own property in the Morgan Creek subdivision area permitted to be members of the club. The club operates an 18-hole golf course, a driving range/practice facility, and a clubhouse including restaurant, Pro Shop, and teaching facility.
- The Club has operated a driving range or warm up and teaching area since it opened, in the same general location where poles and netting are now proposed. Up to now, a natural barrier, consisting of trees and mature vegetation, delineated the driving range area. A driving range is a permitted use in the CD Zone.
- The warm up area also includes a practice putting green, chipping green, and both matted and natural tee areas for the driving range.

Proposed Safety Netting and Poles

- The applicant has installed poles along the north, east, and south sides of the existing Driving Range in order to install an enclosure consisting of safety netting. The applicant advises that the main purpose of the enclosure is to limit the possibility of injury or conflict on the golf course due to errant balls from the driving range, which has increased in the last few years due to improved golf technology and increased hitting distances. This issue is discussed in detail later in this report.
- There were a total of 41 new poles installed in February 2006 without the benefit of an amendment to the existing Development Permit, a Development Variance Permit or a Building Permit. Upon being notified of the unauthorized construction, City staff issued a stop-work order on the site, although the developer was allowed to install safety guy wires in the interim for stability.
- Subsequently, 6 of the poles at the western end (3 on both the north and south sides) were removed or reduced in height by the Developer in order to taper the height at the western end. This work was carried out in November 2006 with permission of the City on the understanding that such work is not an endorsement of the netting proposal as a whole.

Presently, there are 35 poles on the driving range site.

- The nominal measurement of 21.3 metres (70 feet) in height is the maximum height of the poles above "tee box" height, which is at the western end of the range from where balls are hit. The actual height of the full height poles ranges above this compared to the grade in the area surrounding the range.
- The ground level drops down and undulates to a maximum of approximately 5 metres (17 feet) over the length of the range, moving eastward from the tee box, and as a result the poles range in height up to a maximum of 26.5 metres (87 feet) measured from the grade at the base to the top of each pole.
- The ground level around the base of the poles has also been bermed upwards (by approximately 2 metres, or 6 feet), such that the poles are located on higher ground than the areas inside and outside the driving range fairway.
- Five (5) poles with netting forming the back wall of the hitting area (at the east end) have been in place since the practice area and Club opened, at a height of approximately 10 metres (32 feet), which is within the maximum height permitted by the CD Bylaw for this site. These 5 poles were removed as part of the installation in 2006, and replaced with 5 new poles at a height of approximately 12 metres (40 feet), located 16 metres (50 feet) further towards the east, in order to move the tee area slightly eastward without compromising the overall length of the range as discussed below.
- The total length of the pole and netting structure is proposed to be approximately 237 metres (779 feet). The width between the two rows of poles is 64.6 metres (212 feet). The poles along the lengthwise edges of the range are spaced at 15.8 metres (52 feet) on centre with the exception of the spacing between the last set of two poles at the east end (numbers 15 and 16, and numbers 20 and 21 respectively) which propose a spacing of 15.2 metres (50 feet). The poles forming the east wall of the range are spaced 16.1 metres apart (53 feet). (Appendix III)
- The poles require a guy wire to be installed on four sides (aligned with the east, west, north and south quadrants) to provide additional support, and the poles are linked together at the tops with similar wire cables which suspend the netting. Installed netting sections are proposed to be stitched together vertically at the poles, forming a continuous barrier.
- The netting proposed is a plastic mesh that permits wind to pass through but not objects the size of, or any larger than, a golf ball. It is proposed to be a dark green colour, and is to be suspended by a cable system that allows removal or replacement of sections as required;

- The proposal also involves the widening of the "tee box" or the area from which those using the range hit, and moving it approximately 16 metres (50 feet) away from the clubhouse towards the east from where it has been located since the opening of the Club. This is intended to allow greater flexibility in the use of the tee box, and improved teaching quality, according to the Developer, and increases the number of tees available for practice hitting from 11 to 15.
- The increased width allows increased capacity, or reduced wait times on busy days. The comparison between 2005 and 2006 air photos shows the relative increase in width contemplated (Appendix VI).
- The widening of the practice fairway and installation of the poles required partial filling of a water feature at the south side of the range, and removal of some vegetation, including several trees (Appendix VI). None of the works proposed or completed are within the Environmental Area on this property protected by Restrictive Covenant registered against the title.
- The proposal does not include lighting for the purposes of nighttime operation; the applicant has indicated that lighting is not part of their plan. It should be noted that lighting provision is not reflected in the existing Development Permit.

Proposed Landscaping

- The proposal also includes the installation of various landscaping elements to address the concerns arising from the installation of the netting structure. The Landscape Architecture firm Thomas McBroom Ltd. (the original Designer of Morgan Creek Golf Course), has prepared comprehensive landscaping and planting plans which attempt to mitigate any impact on view from surrounding residential areas.
- The various landscaping elements, which attempt to shield the poles and netting from view, include screen planting of large scale (up to 9 metres or 30 foot) trees along the adjacent fairways, tree clusters within the range, some soil berming in combination with tree planting, and strategic planting at locations around the course, such as at the corner of Morgan Creek Way and Devonshire Crescent to the south of the practice area towards 32nd Avenue (Appendix III). The consultant has also provided a textual description of the landscaping mitigation proposed (Appendix VIII).
- A "bent grass fairway with target greens" within the range fairway is also part of the proposal, and is intended to help train shots towards the centre of the practice area, and soften views eastward from the Morgan Creek Clubhouse.
- Adjacent fairways (#18 to the north and #9 to the south) are also proposed to be slightly modified to help direct golfers using them away from the areas immediately adjacent to the practice range, as range balls may potentially escape the netted area and land on these adjacent fairways. Modifications include the re-shaping of bunkers and the relocation of tees.

Required Permit Approvals and Process

- Although a driving range is a permitted use under the CD Zone, the installation of the proposed pole and netting structure requires a Development Permit, Development Variance Permit (DVP), and a Building Permit.
- An amendment to the existing Development Permit (6792-0106-00) is required to regulate the design, form, and character of the proposal, which involves altering the natural barrier and landscaped area around the range and installing an artificial enclosure.
- In addition, the poles also exceed the maximum height of a structure in this zone (12 metres or 40 feet), therefore the proposal also requires a Development Variance Permit to relax the maximum permitted height. The Building Division of the Planning and Development Department requires professional certification of any pole structures when they exceed 8 feet in height, and the scale of the proposed installation would trigger a Building Permit.
- The applicant has provided rationale for the proposed driving range enclosure. This includes information on the applicant's business case for the driving range as an integral part of the golf course operation, the applicant's concerns respecting their liability, and the overall community consultation process and modifications that have been undertaken to address public concerns. A discussion of these components is provided below.

Driving Range Business Case

- The Morgan Creek Golf Club is a private organization, and aims to offer its members the opportunity to bolster their golfing time with the opportunity to warm-up and practice on a putting green, a chipping green, and a practice driving area. The driving range has always been part of the golf course operation. Warm-up shots can be made from a plastic mat or from grass tees, conditions permitting. The club members also utilize these various warm-up spaces to take lessons, try new clubs from the pro shop, or have a professional club fitting.
- The range has historically operated 7 days per week, with some restrictions such as scheduled closures to allow grass cutting, opening ½ hour before the first golf tee-off and closing of the range before dusk. Morgan Creek charges more per ball than other ranges in the area, and offers a relatively limited capacity and level of amenities (it has no lighting, heating, or shelter).
- The current range (up until 2006) included only eleven tee "stalls" of approximately 3 metres (10 feet) width each. They were bunched towards the north side of the range, to reduce the likelihood of slices towards the south (Fairway #9). The proposed range would be slightly wider and of a more precisely rectangular shape, with a width of 64.5 metres or 212 feet. It would accommodate 15 tee stalls, occupying approximately 70% of the width between the proposed poles. This is an increase in hitting capacity of 27%.
- The additional stalls would allow greater flexibility and throughput, given that most golfers choose to warm-up for approximately 20 minutes, and tee off in sets of 4 when beginning their rounds on the course. This suggests a need for at least 12 stalls, assuming that every golfer chooses to make use of the warm-up area. When completed, the number

of stalls is limited to 15 (the area to be occupied by stalls, at 3 metres [10 feet] each) is limited by the guy wires that are proposed to be installed from the poles towards the centre of the range area, limiting the hitting area to 46 metres (150 feet).

Applicant's Risk Concerns

- The applicant identifies the issue of liability as the key concern related to the need for the proposed pole and netting enclosure.
- The applicant advises that there has been an increased focus by golf courses to address the liability arising from the potential of ball strikes on users of golf facilities North America wide.
- The applicant has documented three (3) cases of golfers being hit by driving range balls that have strayed from the range area. No serious injuries have been reported, but members of the Golf Club have anecdotally reported many near misses.
- The applicant advises that the decision to install netting was made based on the steadily increasing chances of golfers, particularly on the 18th fairway, of being hit by errant range balls, and the need to protect the club from any liability arising from the possibility of anyone being hurt. The increasing chances of balls straying from the intended practice area is, according to the applicant, due to changes in golf technology that allow greater driving distance, ball height, and velocity, rather than any increased capacity of the range.
- The applicant has not investigated any potential rise in insurance premiums associated with operation of a driving range with or without a net system in place.

Public Concerns / Input

Concerns

- A substantial number of submissions have been received from surrounding Morgan Creek residents and the immediate community in opposition to the proposed poles and netting enclosure. The principal issue is the overall aesthetic impact of the poles on views through the site, as these are visible from all directions. The following concerns have been voiced, in approximate order of importance, as repeated at the Public Information Meetings, on Comment sheets, by fax, by telephone to the Planning and Development Department, and by email:
 - The poles are unsightly from all directions, and original views have been substantially compromised. The applicant has not held true to the intent of the original Development Permit. The golf course is an integral part of the residential community, and should not be fundamentally altered through the installation of highly artificial structures in a manner that contravenes the original Development Permit;
 - The community does not object to the driving range use, and acknowledges the practice facility has always existed; however, the proposed poles and enclosure is unsightly, and the facility should be modified or relocated to eliminate the need

for the poles;

- The developer has acted in bad faith by failing to pre-consult with area residents, for erecting the poles in contravention of the Development Permit, and for failing to seek approval from the City of Surrey.
- The threat of injury from errant balls has been overestimated, and will be exaggerated by the increase in capacity of the range;
- Poles and netting are required only to compensate for a poor golf course design, and current location and type of range should be re-evaluated;
- Trees that originally screened the practice area have been removed by the Golf Course without or a Tree Cutting Permit or City approvals;
- Tree cover proposed in order to mitigate the pole and net structure will take many years to mature, and will not properly screen the poles erected nor grow at the rate claimed by the proponents;
- The range should not be increased in size or scope in order to attract more customers at the expense of neighbouring property owners;
- Modifying the driving range to limit club type and length could be done to address the issue of errant balls, and would fit the spirit of the original golf course design and approved Development Permit. Such alternatives include:
 - "irons only" hitting;
 - the installation of a smaller, caged hitting area;
 - use of top netting on lower poles that prevents errant balls from exceeding a maximum height;
 - the use of low-flight balls;
 - reduced or staggered hours for the range and course, thus ensuring no golfers are on the adjacent fairways; and
 - placing additional limits as appropriate on the use and capacity of the facility.

Other Comments

- The public response to the installation of the poles, the landscaping modifications proposed, and the various public meetings held have been mixed.
- Many residents have expressed support for the proposal, in particular the applicant's efforts to address the concerns of neighbouring residents through engaging the services of the original designer for the course.
- Club members have expressed support for the applicant's efforts, along with their desire to see the practice area as a whole re-opened, allowing the club to offer a full range teaching facility.

- Input from residents has also included the opinion that more work could be done to mitigate aesthetic concerns, such as the exploration of other measures that could be used to contain errant balls, or a modification of the management of the practice area.
- Opinions on the project vary across the full range, and a small number of residents have expressed the opinion that a compromise could be reached that would accommodate the concerns of all.

PUBLIC CONSULTATION PROCESS

- Development signs were installed to solicit public views on the proposal. Pre Notification is not normally required for Development Permits or for Development Variance Permits. However, due to the public concerns and nature of this proposal, several community meetings have been held to obtain community input. They are summarized as follows:
 - An initial Public Information Meeting was conducted by the applicant on April 27, 2006, which was attended by two city staff from the Planning and Development Department. This meeting, held at the Morgan Creek Golf Course clubhouse, attracted approximately 71 attendees. The information presented included the rationale for the pole and netting system which had at that time been partially installed. The proposal as presented met with a reaction from neighbourhood residents that was approximately 74% in favour of the proposal, based on the applicant's assessment of the response sheets completed. Based on the feedback received, the proponent decided to engage the services of a Landscape Architect (Thomas McBroom) to help develop a landscape based alternative that might mitigate community concern.
 - The consultant presented the additional proposed mitigation measures (landscaping, berming, tree installation, etc.) at several private meetings with neighbours, area residents, and the golf course membership during the months of August and September 2006.
 - A second widely advertised Public Information meeting conducted by the applicant on November 29, 2006 was again attended by two City staff and attracted approximately 125 attendees. The information presented included historical information about the development of the golf course, as well as details about the proposed landscaping and mitigation measures. Comment sheets were distributed by the proponent and collected by City staff for analysis by the management of Morgan Creek. Approximately 61% of the responses received were in favour of the proposal as presented at the meeting. Support for the proposal was heard by City staff attending the meeting, along with continuing concerns as described above. In addition, some attendees voiced the opinion that this meeting was held during inclement weather (it snowed that day and during the meeting) and that not all affected residents were able to attend due to the season (some residents were away at that time of year).

PROJECT EVALUATION

- The applicant, Morgan Creek Golf Course, has presented information related to their business case, liability issues, and public process in support of the proposal. They seek a

Development Permit amendment and Development Variance Permit to enable the proposed pole and netting enclosure, as presented. The proposal is required to be evaluated on the basis of conformity with the design guidelines in the Official Community Plan related to form and character of development.

- The golf course and driving range were approved in 1994 as part of this comprehensive residential community. The golf course is a fundamental element of the surrounding residential lots, and functions as part of the overall public open space. The approved Development Permit (6792-0106-00) was approved at the same time, establishing the form and character of the golf course and associated uses. It is therefore reasonable that any changes to the form and character of the golf course be evaluated on the basis of the original approvals, including the impact on the surrounding integrated residential community.
- The OCP includes guidelines to evaluate golf course development. Section E.3.3 of the OCP specifically requires that golf course buildings and structures be "integrated into the character of the surrounding area and openness of the golf course" and that buildings and structures should be located and designed to "allow preservation and enhancement of any existing view corridors and vistas". Section E.2.1.e also requires that natural features such as ponds and trees be utilized to create natural barriers to adjacent areas.
- While it is recognized that the Morgan Creek Golf Club is entitled to operate a driving range/practice facility, the proposed enclosure alters the previous natural barrier and establishes an artificial barrier, thereby impacting the openness and views through the golf course. The proposal is therefore contrary to the applicable OCP guidelines as it is deemed to have a major aesthetic impact for surrounding properties due to its location, height of the proposed poles, and impact on views and aesthetics through the site. On this basis, the current proposal does not comply with the established form and character of the area in accordance with the OCP or the Development Permit, and is not deemed appropriate.

On balance, the Planning & Development Department believes that the negative impacts of this project out-weigh its advantages, and therefore recommends that the proposed Development Permit and Development Variance Permit be denied.

INFORMATION ATTACHED TO THIS REPORT

The following information is attached to this Report:

Appendix I.	Lot Owners, Action Summary and Project Data Sheets
Appendix II.	Contour Map
Appendix III.	Proposed Poles, Netting and Landscaping Plans
Appendix IV.	Engineering Summary
Appendix V.	Original Development Permit (No. 6792-0106-00)
Appendix VI.	Photographs and Airphotos
Appendix VII.	Applicant's Submission Letter
Appendix VIII.	Applicant's Consultant Submission Letter

Original signed by
How Yin Leung
Acting General Manager
Planning and Development

CITY OF SURREY

(the "City")

DEVELOPMENT PERMIT

NO. 7906-0104-00

Issued To: NANOOSE HARBOUR HOLDINGS LTD.

(the "Owner")

Address of Owner: 504 - 1367 West Broadway
Vancouver, B.C.
V6H 4A7

1. This development 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 permit.
2. This development 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: 019-199-597

Lot 1 Except: Portion in Plans LMP 34571 LMP 42205 and LMP42537, LMP 51807

3500 Morgan Creek Way

(the "Land")

3. This development permit applies to only that that portion of the buildings and structures on the Land shown on Schedule A which is attached hereto and forms part of this development permit.
4. The Land has been designated as a Development Permit Area in Surrey Official Community Plan, 1996, No. 12900, as amended.
5. The character of the development including landscaping and the siting, form, exterior design and finish of buildings and structures shall be in accordance with the drawings numbered 7906-0104-00(A) through to and including 7906-0104-00(C) (the "Drawings") which are attached hereto and form part of this development permit.

6. No lighting for the purpose of nighttime operation of the driving range is to be allowed.

Minor changes to the Drawings that do not affect the general form and character of the landscaping and the siting, form, exterior design and finish of buildings and structures on the Land, may be permitted subject to the approval of the City.

7.
 - (a) The landscaping shall conform to drawings numbered 7906-0104-00(A) through to and including 7906-0104-00(B) (the "Landscaping").
 - (b) The Landscaping shall be completed within six (6) months after the date of the final inspection of the buildings and structures referred to in the Drawings.
 - (c) Prior to the issuance of the building permit for this development, security is to be submitted to ensure satisfactory completion of the Landscaping. The security for the Landscaping is to be submitted as follows:

An Irrevocable Letter of Credit, in a form acceptable to the City, in the amount of \$167,981.00

(the "Security")

- (d)
 - i. When the Landscaping is substantially complete as determined by the City, without the City having to use the Security, 90% of the original Security will be returned. When the Landscaping receives final approval by the City, not earlier than twelve (12) months after the date of substantial completion of the Landscaping, 10% of the original Security will be returned.
 - ii. If final approval of the Landscaping is not given by the City, the City has the option of using the Security to complete the Landscaping and any remaining money shall be returned. The Owner hereby authorizes the City or its agents to enter upon the Land to complete the Landscaping.
 - iii. If the City elects not to enter upon the Land to complete the Landscaping and the Owner does not complete the Landscaping, the Security is forfeited to the City five (5) years after the date of the provisional or final inspection of the buildings and structures referred to in the Drawings.
8. This development permit supplements Development Permit No. 6792-0106-00.
9. The Land shall be developed strictly in accordance with the terms and conditions and provisions of this development permit.
10. This development permit shall lapse if the Owner does not substantially start any construction with respect to which this development permit is issued, within two (2) years after the date this development permit is issued.

11. The terms of this development permit or any amendment to it, are binding on all persons who acquire an interest in the Land.

12. This development permit is not a building permit.

AUTHORIZING RESOLUTION PASSED BY THE COUNCIL, THE DAY OF , 20 .
ISSUED THIS DAY OF , 20 .

Mayor - Dianne L. Watts

City Clerk - Margaret Jones

IN CONSIDERATION OF COUNCIL'S APPROVAL OF THIS DEVELOPMENT PERMIT AND OTHER GOOD AND VALUABLE CONSIDERATION, I/WE THE UNDERSIGNED AGREED TO THE TERMS AND CONDITIONS OF THIS DEVELOPMENT PERMIT AND ACKNOWLEDGE THAT WE HAVE READ AND UNDERSTOOD IT.

Authorized Agent: (Signature)

Name: (Please Print)

CITY OF SURREY

(the "City")

DEVELOPMENT VARIANCE PERMIT

NO. 7906-0104-00

Issued To: MORGAN CREEK HOLDINGS INC.

(the "Owner")

Address of Owner: 1180 - 1333 West Broadway
Vancouver, BC V6H 4C1

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: 019-199-597

Lot 1, Except Portions in Plans LMP34571, LMP42205, LMP42537, LMP51807
Sections 25 and 26 Township 1 New Westminster District Plan LMP21759

3500 Morgan Creek Way

(the "Land")

3. Surrey Zoning By-law, 1993, No. 12000, as amended is varied as follows:

(a) In Section G.1 of the CD By-law (No. 13614) the maximum height of a structure is increased from 12 metres (40 feet) to 26.5 metres (87) feet).

4. The landscaping and the siting of buildings and structures shall be in accordance with the drawings numbered 7906-0104-00 (A) through to and including 7906-0104-00 (C) (the "Drawings") which are attached hereto and form 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.

AUTHORIZING RESOLUTION PASSED BY THE COUNCIL, THE DAY OF , 2007.
ISSUED THIS DAY OF , 2007.

Mayor - Dianne L. Watts

City Clerk - Margaret Jones