



Corporate Report

NO: R074

COUNCIL DATE: May 4, 2009

REGULAR COUNCIL

TO: Mayor & Council DATE: May 4, 2009
FROM: General Manager, Planning and Development FILE: 6520-20 (South Westminster)
SUBJECT: Light Impact Industrial (IL-1) Zone in the South Westminster Area

RECOMMENDATION

The Planning and Development Department recommends that Council:

1. Receive this report as information; and
2. Approve the course of action documented in this report as Option 1 to expand the potential for the establishment of truck parking lots on sites that are within the Light Impact Industrial 1 (IL-1) Zone.

INTENT

The purpose of this report is to respond to the direction by Council that staff review and report to Council on the consequences of deleting the Light Impact Industrial 1 (IL-1) Zone and zoning any affected properties to the Light Impact Industrial (IL) Zone.

POLICY CONSIDERATIONS

The Official Community Plan (the "OCP") contains the following policies:

- Encourage Efficient Utilization of Designated Commercial and Industrial Lands;
- Encourage High Quality and Environmentally Responsible Development; and
- Enhance Surrey's Image and Character.

In 2003, a Neighbourhood Concept Plan ("NCP") was approved for the South Westminster area of Surrey that provides a land use and urban design framework to promote and attract business development to the area (Appendix I). The NCP promoted an aesthetically pleasing environment and an ambience to encourage investment, capitalize on the City's waterfront assets and opportunities and enhance the City's image at a prominent entrance to the City (i.e., the Patullo Bridge and the SkyTrain Bridge).

The NCP provides a guide for the City's short-term and long-term land use decisions and contains the following policy statements:

- All Light Impact Industrial and Business park development will be of high quality;
- The redevelopment of the existing industrial uses near the base of the hillside should be developed for business park land uses;
- Industrial zones should be developed that reflect the goals and objectives of the Plan for South Westminster while recognizing the transportation network, which attracts industrial uses to the area; and
- Development conditions should be created that attract higher quality desirable industries to the Plan area.

BACKGROUND

At its Regular meeting on March 9, 2009, Council discussed the following notice of motion:

"That the Zoning By-law be amended to delete the IL-1 Zone in its entirety and that those properties so affected be rezoned to IL".

After the discussion, Council passed the following resolution:

"That staff review the proposed amendment to the Zoning By-law to delete the IL-1 zone in its entirety and that those properties affected be rezoned to IL and report back to Council".

In the discussion prior to the above resolution, Council members raised the concern that the IL-1 Zone, which has, to date, only been applied in South Westminster, prohibits outdoor storage and truck parking, which could mean lost opportunity for addressing the City's truck parking needs. It was stated that truck parking could be a good interim use sites in South Westminster while they are awaiting economic conditions that will allow a more permanent form of redevelopment of these sites. Providing for truck parking could provide some relief to the City's shortage of truck parking stalls, add value to the land and provide the owner of the land with a revenue source in the interim. The question was also raised as to whether the zoning change, as suggested, could allow truck repair and washroom facilities that truck operators would like to have on the same site as the truck parking stalls.

Council adopted the IL-1 Zone in May 2005 and rezoned a number of properties in the South Westminster area from the IL and IS Zones to the IL-1 Zone. The rationale for the IL-1 Zone is discussed in the following section.

Rationale for the IL- 1 Zone

In the planning process for the South Westminster NCP, there was considerable review and discussion in relation to the types of industrial uses that would be appropriate in South Westminster. This included the formation of a Business Advisory Committee that met regularly to review the land use options and proposed land uses. Three public open houses were also held along with numerous meetings with the South Westminster

Ratepayers Association regarding compatibility between residential and adjacent industrial lands and uses. In general, the owners of the residential properties on the hillside overlooking South Westminster were concerned with the unsightliness of and noise caused by outdoor storage and trucks related to the industrial uses.

Options were discussed with a major development interest that had purchased most of the former United Auto lands and who intended to develop port-related and other types of business-related development on these lands near the Surrey Fraser Docks.

The Light Impact Industrial 1 (IL-1) Zone was developed with a view to recognizing the concerns of residential property owners near the South Westminster area while providing a range of permitted industrial and business uses that require a limited amount of outdoor storage and truck parking. Outdoor storage and truck terminals are permitted as a principal use under the IL Zone but not in the IL-1 Zone. In implementing the South Westminster NCP, it was determined that:

- (a) Due to the rapid growth of Surrey Fraser Docks and the increasing demand for port related businesses in the vicinity of the Docks, more land needed to be made available for businesses that support port-related activities, while ensuring that the objectives of clean and aesthetically pleasing development with limited outdoor storage are met;
- (b) Previous zoning proposals considered for the area were viewed as being too restrictive, especially in the context of a master-planned business development envisioned by the owners of a majority of the property near the Port; and
- (c) Since the residents on the hillside adjacent to South Westminster voiced their strong concerns about outdoor storage and noisy industrial uses on the South Westminster lands adjacent to their neighbourhood, these lands should be rezoned from their current Light Impact Industrial (IL) Zone to some other Zone that would not permit truck terminal uses and large-scale outdoor storage uses as are allowed in the IL Zone.

The IL-1 Zone accommodates warehouse and distribution facilities, service commercial uses and single occupancy and multi-tenant industrial buildings. The IL-1 Zone was consistent with the vision contained in the South Westminster NCP, with limits on outdoor storage to a maximum area of 1.5 times the footprint area of the principal building on the same lot but in any case outdoor storage could not cover more 40% of the area of the lot. Also consistent with the South Westminster NCP, outdoor storage is limited to a height no greater than 3.5 metres (12 feet) and storage of shipping containers cannot be in excess of two containers in height. Outside storage is only permitted on a site if the site contains a building (i.e., outdoor storage is not permitted as a principal use).

At its Regular meeting on May 18, 2005, Council gave final adoption to a by-law that rezoned several properties in the South Westminster area from IL or IS to the Business Park (IB), Business Park 2 (IB-2) and IL-1 Zones. Some IL properties were exempted from this rezoning process because they contained long established businesses that would have become legally non-conforming if the IL Zone were eliminated on the lot.

The map attached in Appendix II shows locations of the IL-1 zoned properties in the South Westminster area.

The implementation of the IL-1 Zone and the rezoning in 2005 of IL properties to IL-1 was viewed as an interim step in the strategy for transforming the South Westminster area to be more attractive as envisioned in the NCP. The NCP shows business park and combination of light impact industrial and business park uses on much of South Westminster. Consistent with that vision, over time it is expected that the remaining IL properties and a majority of the IL-1 properties close to residential areas will be rezoned and redeveloped into comprehensive business parks.

The following table compares the IL and IL-1 Zones:

Zone	Uses Allowed	Truck Parking and Automotive Repairs/Body Work?	Outdoor Storage?	Maximum Density (FAR)	Maximum Lot Coverage
IL	Light impact industries including enclosed recycling depots, transportation industries, distribution centres, warehouses, automotive service, painting and body work, vehicle storage and parking facilities, including truck parking and recreational vehicle storage; some office uses, service uses and limited assembly halls	Truck Parking is permitted, provided there is a building on the same site with a minimum of 100 sq. m./1,076 sq. ft. of floor area and washrooms and the parking lot is paved with asphalt, concrete or similar dust-free material	Unlimited outdoor storage is permitted but it must be screened from adjacent roads. The maximum height for outdoor storage is 3.5 m.	1.0	60%
IL-1	Same as IL above, but: does not permit transportation industries (i.e., truck terminals), truck parking lots or automotive service uses (i.e., automobile repairs, painting, body work, etc.)	No.	Outdoor storage is limited to 1.5 times the area of the footprint of the buildings on the same lot to a maximum of 40% of site area. Outdoor storage may not exceed a height of 3.5 meters or in the case of containers no more than 2 containers in height.	1.0	60%

DISCUSSION

Repealing the IL-1 Zone and rezoning the affected properties to the IL Zone raises a number of concerns, as follows:

- Removal of limits on the amount of outdoor storage permitted on each site and allowing truck terminals to be established more broadly in the South Westminster area along with truck parking and servicing is not in keeping with the longer term vision for the South Westminster area as contained in the area NCP. The NCP was based on the recognition that many of the current land uses in the area were damaging to the image and character of this visible entrance to Surrey and were detracting from new investment in the area. It was Council's desire, through the South Westminster NCP, to improve the City's image at this prominent entrance to Surrey and attract businesses and investments that would generate economic activity and employment; and
- Residents of the residential areas overlooking the South Westminster area (Royal Heights and St. Helen's Park) have voiced objections with respect to large areas of outdoor storage and noisy unattractive industrial land uses such as truck terminals, truck parking and other uses that are permitted in the IL Zone. ; and
- As in all zones, the IL Zone requires a permanent building with washrooms on site in order to allow a land use on the site, including truck parking, regardless of whether it is an interim or permanent use. As is the case with the Temporary Use Permit (TUP) applications for truck parking, most of the applicants will want to provide truck parking on relatively inexpensive vacant lands and request a variance to waive the requirement for a building. Also, as is common with many TUPs, they will request variances to waive the requirements for a paved parking lot and off-site services, and waive or reduce landscaping requirements.

Permits Issued within the new IL-1 Zone

Since the IL-1 Zone was approved in South Westminster, the City has issued four building permits for industrial warehouse facilities. Two of these facilities are located on IL-1 zoned properties and the other two are located on the properties with a CD Zone that is based on the IL-1 Zone. All four applications went through the Development Permit process and set a good example for the type of development that was envisaged by the South Westminster NCP. Appendix II illustrates the locations of the properties for which the building permits were issued and photographs of the buildings that have been built to date.

Modifications to the IL-1 Zone to Allow Truck Parking

As an alternative to rezoning IL-1 properties to IL so as to reintroduce the potential for truck parking on such lots, the following options have been evaluated:

Option 1: Allow truck parking on a temporary basis in the IL-1 Zone, similar to the IL Zone, by amending the Temporary Industrial Use Permit Area No. 10 in the OCP.

Pros

- This would increase opportunities for truck parking on underutilized or vacant industrial lands that are within the IL-1 Zone;
- there would be no need for an OCP Amendment or a public hearing each time Council considers an application to allow truck parking on an IL-1 zoned lot, which would be similar to the process for establishing a truck parking lot on an IL zoned property.

Cons

- Residents adjacent to the South Westminster area may be concerned with truck parking lots being established on lots in South Westminster that are near residential areas.

Option 2: Repeal IL-1 Zone and Rezone all IL-1 Properties to the IL Zone

Pros

- This would increase opportunities for truck parking and truck service and repair operations and may bring some relief to the truck parking problem; however, no more so than Option 1.
- No public hearing would be required in relation to establishing a truck parking lot on an IL-zoned lot.

Cons

- Replacement of the IL-1 Zone with the IL Zone would not only allow truck parking, but would also allow unlimited outdoor storage and the continuation of the auto repair uses, which have been a major concern of the adjacent residents. Several IL-1 zoned properties are located in relatively close proximity to residential areas.
- This could be seen as perpetuating the image of South Westminster as a neglected, unattractive and unkempt area and "turning back the clock", sending a conflicting message to investors and the current and prospective business owners and residents and may be viewed as being inconsistent with the recently announced Economic Investment Zone for the area.

Option 3: Retain the IL-1 Zone, but Amend the Zone to Allow Truck Parking and Truck Servicing as Permitted Uses

Pros

- This option would provide opportunities for truck parking not associated with a principal use on the site and bring some relief to the truck parking problem. Unlike in the IL Zone, outdoor storage would continue to be limited to an area behind the principal building and would be restricted to 1.5 times the area of the building footprint, up to a maximum of 40% of the site area. Truck serving uses would be subject to the Development Permit process.

- No public hearing would be required in relation to each individual application related to the establishment of a truck parking lot on an IL-1 zoned lot.

Cons

- There would be no significant impact on the number of TUP applications for truck parking Lots as most of the applications to allow truck parking on vacant lands request the City to waive the requirement of having to construct a permanent building with washrooms on the same site, provide hard surfacing on the parking lot area and satisfy engineering servicing requirements.
- It could be viewed as being inconsistent with the vision of the South Westminster NCP in relation to improving the image of the South Westminster area so as to attract businesses and investments that are generators of economic activity and jobs, and could be viewed as sending conflicting signals to prospective investors and business owners.

Recommended Option

Based on the relative merits of the options, staff consider Option 1 to be the most effective course of action for the City to follow in relation to satisfying the need for truck parking as an interim use on vacant industrial sites while not abandoning the longer term vision for the redevelopment of the South Westminster area as an attractive business area and gateway to the City.

Truck Parking Comment

The City is proactively addressing concerns about the need for truck parking sites throughout the City. Through the office of the City's Truck Parking Coordinator, assistance is being provided to both truckers and prospective truck parking lot developers in finding appropriate truck parking sites and guiding proponents through the TUP process.

CONCLUSION

It is recommended that Council approve the course of action documented in this report as Option 1 to expand the potential for the establishment of truck parking lots on sites that are within the Light Impact Industrial 1 (IL-1) Zone.

Original signed by
Jean Lamontagne
General Manager
Planning and Development

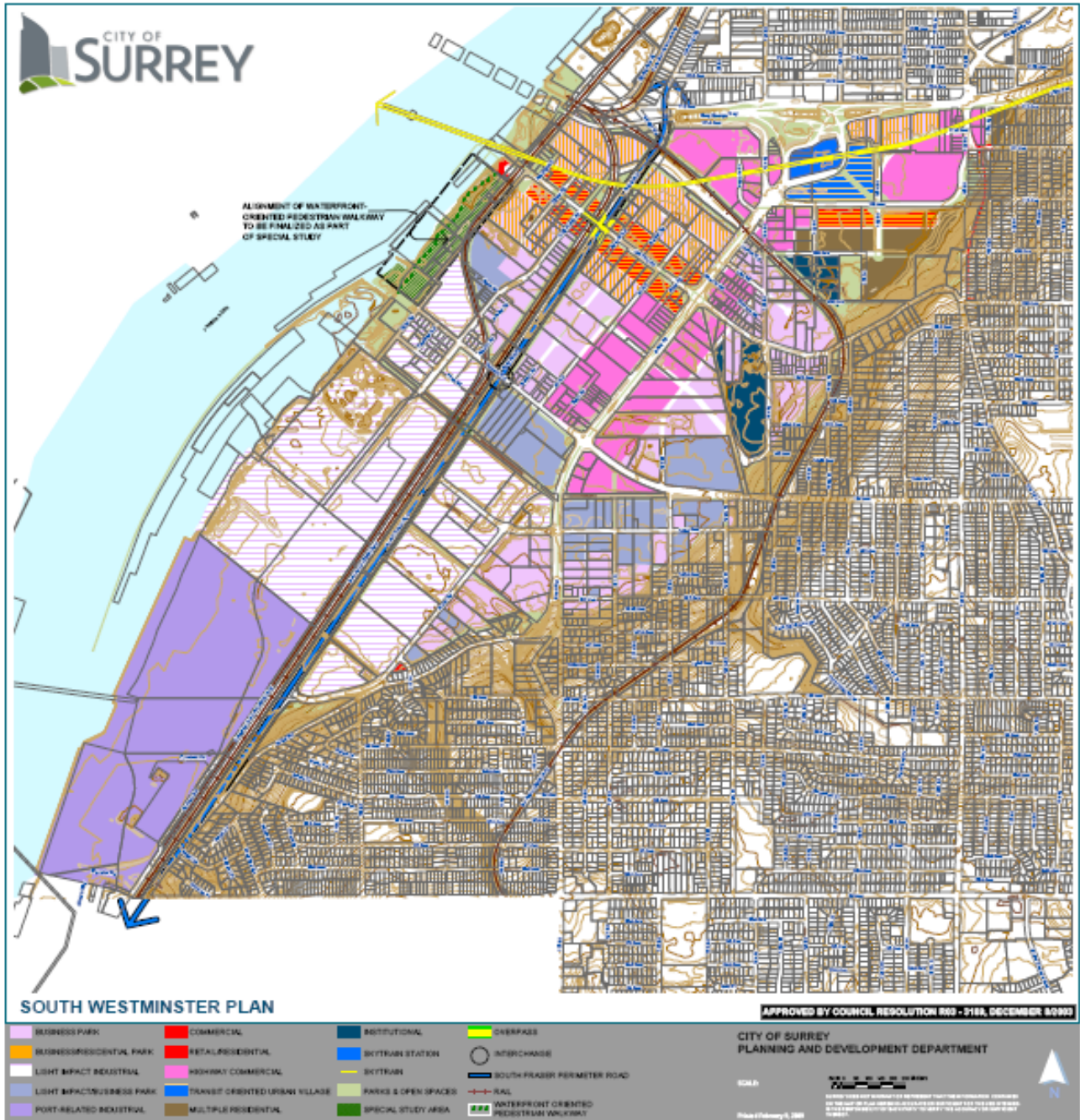
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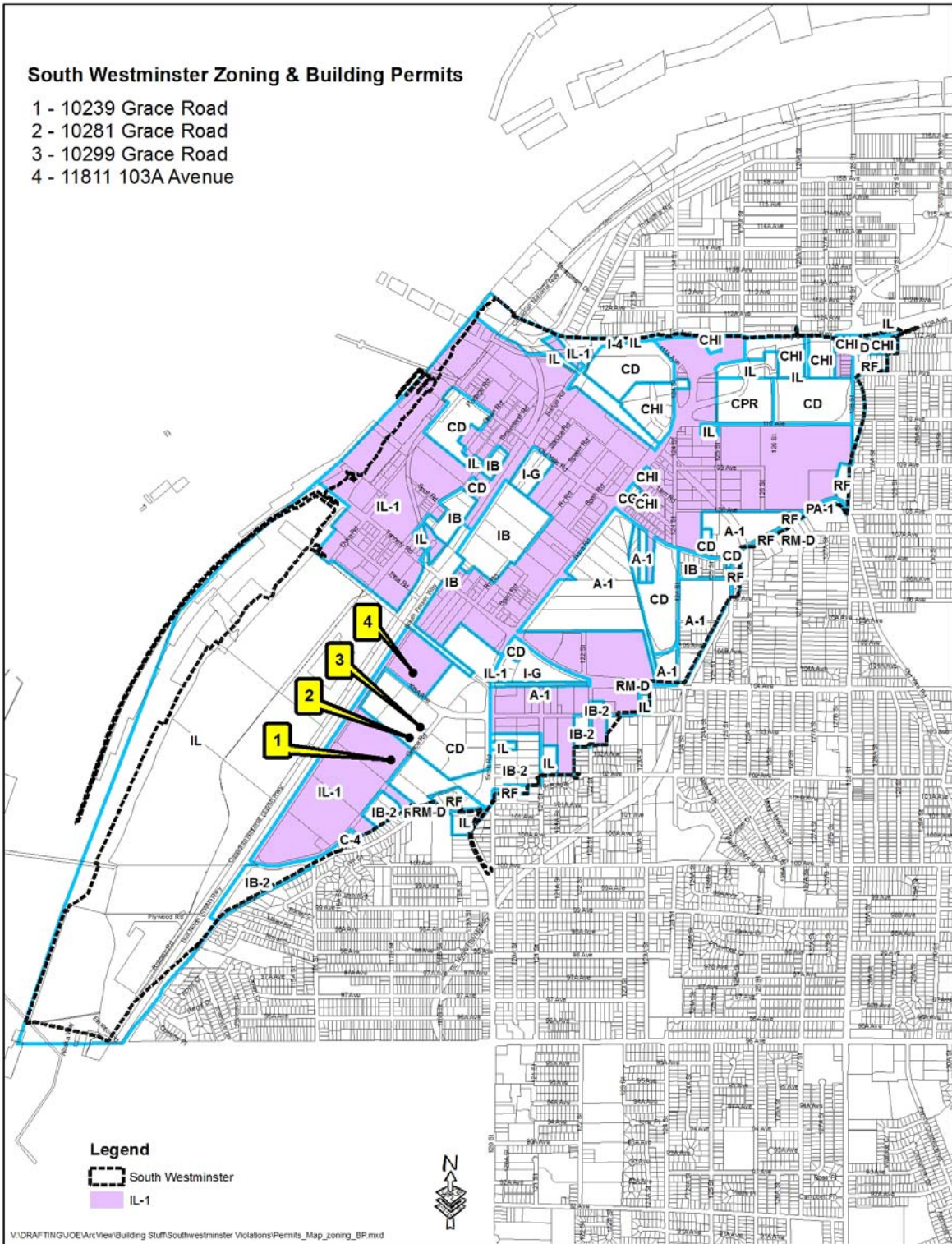
Appendix I Land Use Plan - South Westminster NCP

Appendix II IL-1 Zoned Properties and Locations of the Building Permits Issued in the IL-1 Zone

Land Use Plan - South Westminster NCP



Zoning & Building Permit Locations



10281 & 10299 Grace Road



11811 - 103A Avenue

