

NO: R130

COUNCIL DATE: July 13, 2009

REGULAR COUNCIL

TO: **Mayor & Council** DATE: **July 13, 2009**
FROM: **General Manager, Planning and Development** FILE: **0340-01**
SUBJECT: **Beautification of Decommissioned Service Station Sites**

RECOMMENDATION

The Planning and Development Department recommends that Council:

1. Receive this report as information;
2. Endorse the actions that are recommended in this report with regard to the beautification of each of the sites discussed in this report; and
3. Request that the Mayor forward a letter on behalf of Council, as recommended in the body of this report, to the owners of those sites where beautification efforts are needed, as identified in this report.

INTENT

The purpose of this report is to respond to Council's direction to provide an update on the status of each vacant lot in the City that formerly accommodated a service station and on actions being taken to address the aesthetics of these lots.

BACKGROUND

At the Regular Council – Land Use meeting on June 21, 2004, Council considered Corporate Report No. L010 and approved City Policy No. O-50 "Policy for Service Station Site Demolition, Decommissioning and Remediation" ("Policy O-50"). A copy of the Policy is attached as Appendix I. Policy O-50 is intended to assist in ensuring that service station sites that are in the process of being decommissioned and remediated remain attractive from the perspective of the surrounding lands and streets.

Policy O-50 applies to sites where a service station is being demolished or decommissioned and/or where the site is being remediated as a result of a service station use. It requires that an applicant outline the general activities involved in the various states of demolition, decommissioning and remediation and include detailed plans for site screening and landscaping to ensure that the site remains in an aesthetically pleasing condition during this process. It stipulates that:

- Where the site is proposed to be or is in the process of being demolished, decommissioned and/or remediated through the owner's initiative and is not associated with any redevelopment of the site or any other site, an application for and issuance of a Development Permit is required before a demolition permit will be issued; and
- Where the demolition, decommissioning and remediation are in association with a development proposal on the same site or separate site owned by the same owner, an application for and issuance of a Development Permit is required before Council considers final approval for the proposed development on the same site or on a separate site.

Policy O-50 sets out landscaping, fencing and screening requirements, and requires that the owner post a security equal to 150% of the costs of implementing the conditions of the Development Permit in advance of the Development Permit approval. The City retains this security until the decommissioning and remediation processes are complete. A restrictive covenant is registered against the title to the subject property to ensure that the landscaping and fencing are completed and to allow the City or its contractors to enter the site to correct or complete the Development Permit conditions if the owner fails to do so.

To date, Policy O-50 has been implemented on two sites, as follows:

- 13576 King George Highway was beautified in association with the redevelopment of a service station site a 13643 - 80 Avenue. While the King George Highway site is still vacant and undergoing remediation, it has been landscaped with a healthy grass ground cover and a thick planting strip of flowering shrubs and trees, surrounding a perimeter fence that screens the remediation works; and
- 15196 - 104 Avenue was subject to site improvements in association with the redevelopment of a service station at 10376 - 152 Street across the street. The owner has not completed the landscaping and screening requirements outlined in the Development Permit for 15196 - 104 Avenue, details of which will be discussed later in this report.

While Policy O-50 deals with service station sites that were demolished subsequent to June of 2004 and sites linked to another redeveloping site, there remain a number of other vacant service station sites throughout the City where the respective service station was demolished prior to 2004 and to which the Policy does not apply. Many of these sites are in very visible locations and the community would benefit from aesthetic enhancements to these sites.

This report addresses the following questions that have been raised about vacant service station sites in Surrey:

- Where the sites are located;
- Where sites currently undergoing remediation are in the process and how long will the remediation take to complete; and
- What actions the City can take to ensure the beautification of problem sites such that they are no longer an eyesore in the City.

DISCUSSION

Staff has undertaken a process of identifying all vacant service station sites in the City, determining their development status, and arranging meetings with the owner or agent for each such property. The meetings focussed on determining the remediation schedule, redevelopment plans and opportunities for improving the appearance of the sites in the short term.

When a service station is closed and demolished, the site must typically undergo a remediation process (i.e., the action to eliminate, limit, correct, counteract, mitigate or remove any contaminant from the environment or the adverse effects of any contaminant on the environment for human health, in compliance with the *Environmental Management Act* (the "Act")), prior to redevelopment. The Act requires either a declaration of independent remediation by an owner or the approval of a remediation process by the Ministry of Environment. The process can be lengthy, depending on the extent of onsite and offsite contamination and the method of remediation chosen by the site owner. Sites have typically been left vacant with little or no landscaping during the remediation process and in some circumstances are surrounded by chain link fence. They tend to attract the dumping of garbage and squatters. In some circumstances the cost of remediation exceeds the value that the owner would recognize from the remediated site, which leads to the site being left vacant and unremediated indefinitely, i.e., a "Brownfield" site.

Staff has identified all known vacant service station sites in the City. Of these vacant sites, the following sites were found to be in good condition or are the subject of a development application that will provide improvements in the short term:

1. **14780 - 108 Avenue** – Part of a redevelopment application and is expected to redevelop as gas station and convenience store within the next year;
2. **13216 - 104 Avenue** – Fenced and grass covered, with landscaping along the eastern edge;
3. **7005 King George Highway** – Part of an active redevelopment application;
4. **16795 - 96 Avenue** – A treed property adjacent to Tynehead Park that blends into the park;
5. **13769 - 104 Avenue** – A clean, gravel lot that is being used as a parking lot for adjacent commercial uses;
6. **18660 Fraser Highway** – Fenced and landscaped - waiting Ministry approval before redevelopment of the site can take place; and
7. **5554 - 176 Street** – A vacant site which is not out of keeping with the IH zoned area.

Six sites have been identified as sites where the current appearance should be improved. Five of these sites were vacant prior to June 2004, when Policy O-50 was approved and are in various stages of remediation and the sixth site at 15196 - 104 Avenue, as noted earlier in this report, was subject to site improvements as a condition of the approval of the redevelopment of a service station at 10376 - 152 Street.

The following is a summary of the issues and options for each site.

General Action With Respect To All f the Following Sites

It is recommended that the Mayor, on behalf of Council, write a letter to the owner of each of the following sites expressing the City's disappointment with the condition of the respective site and the apparent lack of motivation on the part of the owner in ensuring that the site is maintained in a condition that enhances the aesthetic appeal of the neighbourhood. The letter should request that the owner cooperate with City staff in developing a beautification plan for the site, implementing the plan on the site as soon as possible and maintaining the beautification elements on the site until the site is redeveloped. The letter will identify the appropriate employees with the City who are responsible for working with the owner.

1. 9572 - 120 Street

Owner: Imperial Oil

The site has a gravel surface, is not landscaped and is surrounded by a chain link fence. Significant excavation took place on this site in 2008 as part of the remediation process but further excavation work is required. The site owners estimate that remediation will take at least an additional two years to complete. The neighbouring mall has expressed interest in purchasing the site, subject to its remediation. Dogwood Petroleum maintains the site monthly. Landscaping of the site has been proposed by City staff; however, Imperial Oil is concerned that re-locating the fencing and establishing a landscaped boulevard would be costly (in the range of \$25,000) especially in view of the fact that excavation along the fence line and possibly beyond is envisioned in the next phase of remediation planned for the site. Most of the remediation yet to be completed is offsite, on City lands. There is no mechanism under current legislation to force a property owner to remediate offsite lands.

Site Specific Recommendation

It is recommended that the City's Landscape Architect continue to work with Dogwood Petroleum in developing and implementing a landscape plan for this site. The application of topsoil and grass on the gravel area on the primary site would assist in beautifying the site. The fence could be kept at the property line and potentially a hedge could be installed until excavation is necessary.

2. 7216 King George Highway

Owner: Imperial Oil

This site currently has an active vacuum extraction remediation system installed on it. It has a gravel surface with a series of wells located throughout the site. In addition, a container housing a water treatment process is located on the site. The contamination on the site is extensive and deep, extending beyond the property boundaries. Service vehicles need to regularly come onto the site to attend to the wells and treatment facility. Some future horizontal drilling may also be required as part of the remediation process. Remediation of this site could be very lengthy, being potentially more than five years in duration.

Imperial Oil plans to sell the property following remediation. Redevelopment, in association with the adjacent mall, is anticipated in the longer term. The site is adjacent to the Newton Town Centre study area. The City is currently working with TransLink on a new plan for the

area, focusing on a new transit exchange, to significantly enhance transit services and facilities in Surrey and to support these enhancements with higher density, transit-oriented development.

Site Specific Recommendation

This site is under active remediation. Imperial Oil's landscape architect consultant, DMG Landscape Architects, has provided a landscape plan (Appendix II) to fill in landscaping along King George Highway (with a cost estimate of between \$12,000 and \$13,000). The City's Landscape Architect and Dogwood Petroleum are working together to develop a two-phased approach to addressing the landscaping for this site. The first phase will focus on King George Highway and the second phase will focus on 72 Avenue.

3. 14811 - 108 Avenue

Owner: Petro Canada

This site has been vacant since the mid 1990s. The site has a grass surface, a chain-link fence around the property, and minor landscaping (a few bushes and shrubs) along the south edge of the property. A major excavation was done on this site, four to five years ago, to address the bulk of the contaminated material from the original operation on the site. There is extensive offsite contamination from the original operation under 108 Avenue. Petro Canada has approached the City with remediation plans, but has yet to initiate these offsite works. No timelines have been presented. The offsite works would require extensive excavation to remove material and excavation would likely affect any perimeter landscaping Petro Canada would install as a beautification amenity.

Site Specific Recommendation

It is recommended that Petro-Canada be requested to submit a landscaping plan for this site as soon as possible and to work with staff to have the plan implemented as soon as possible.

4. 8820 - 120 Street

Owner: Petro-Canada

This is a vacant site surrounded by a chain-link fence. It has been vacant since the mid 1990s and there are no plans for redevelopment. Petro-Canada has undertaken extensive remediation of the site and offsite contamination through works conducted in the last 10 years. With changes to Provincial legislation and the difficulties cleaning all areas fully, Petro Canada has to conduct additional testing and monitoring. Petro Canada advises that these works are almost complete and the property will then be placed on the market once the resultant reports meet the satisfaction of the Ministry of Environment and appropriate Certificates are granted.

Site Specific Recommendation

Petro-Canada's landscape architects provided a landscape plan (Appendix III) that shows landscape upgrades along 120 Street. The cost for these landscape upgrades ranges from \$13,000 to \$15,000. Staff will continue to work with Petro-Canada with regard to the timing of the sale/redevelopment of the property and attempt to obtain agreement from Petro Canada to undertake beautification works on the site.

5. 13590 - 105 Avenue

Owner: 105 KG Holdings Inc. c/o Value Properties

105 KG Holdings Inc (Value Properties) purchased this property in April 2008. The site, which is within Surrey's City Centre, was formerly a Super Save gas station. It is grassed, enclosed with a chain-link fence and has a few small shrubs around portions of the north and east sides of the fence. The previous site owner had cleaned most of the onsite contamination, but had not addressed that which had migrated offsite into the King George Highway road corridor. Value Properties would like to redevelop the site with an office use in the longer term but do not have any immediate plans because of the current market conditions. They are aware that additional remediation will need to occur prior to any development of the site. They are concerned about installing substantial landscaping and screening due to the possibility of squatters on the property.

Site Specific Recommendation

Value Properties has expressed interest in converting the site into a temporary parking lot that could involve landscaping along the east and north sides of the property. The site in this condition would be patrolled and maintained. A Temporary Use Permit application will be submitted subject to an indication of the City's support. Staff recommends this as an appropriate interim use that would upgrade the appearance and security of the site without compromising future works required to address the remaining contamination.

6. 15196 - 104 Avenue

Owner: Imperial Oil

This site, as discussed earlier in this report, has been subject of a Development Permit in relation to the redevelopment of the site across 152 Street to the east, which was developed by the same owner. Imperial Oil installed a chain link fence and a cedar hedge around the site as per the original Development Permit agreement. A municipal road right-of-way along the eastern and northern portion of the property (152 Street and 104 Avenue) was negotiated as part of the development application for 10376 - 152 Street to help facilitate a proposed road widening along 152 Street. A survey by the City discovered that the fence and planting were on City property and the owner was asked to relocate it to the property line. Although the owner moved the fence, the planting strip was removed, but not replaced. The area along 152 Street is now bare in preparation of the widening works with the fence installed at the property line.

The proposed road widening is currently on hold pending property dedication from the lot to the south as part of Guildford Town Centre's development application. Regardless of the road widening issue, there has not been any ground treatment of the site, such as grass cover within the fenced area, which is required by the Development Permit. The site remains unsightly with mounds of gravel/dirt and pieces of pipes throughout the site. The City met with the owner in January 2009 and again in May 2009 and discussed placing a fence on the property line and landscaping behind the fence. The owners have yet to begin the remediation works, which will need to be undertaken on the site. They plan to implement a vacuum extraction system, which will treat the contamination, which extends under 152 Street and 104 Avenue.

Site Specific Recommendation

That the City's landscape architect work with Imperial Oil's maintenance/landscape design company (Dogwood Petroleum) on developing a landscaping plan for this site. Given the circumstances noted above, all landscaping along the western edge should be placed along the western edge of the statutory right-of-way and not along the current legal property line. If Imperial Oil does not meet the City's requirements or does not complete their landscaping according to the Development Permit guidelines, the City or its contractors have the option of entering the site to correct/complete the requirements of the Development Permit using the security that Imperial Oil posted with the City at the time of approval of their development application.

CONCLUSION

City staff will continue to consult with the owners of each of the vacant service station sites to seek satisfactory resolution to the appearance of the sites. It is recommended that Council:

- Endorse the actions that are recommended in this report with regard to the beautification of each of the sites discussed in this report; and
- Request that the Mayor forward a letter, on behalf of Council, as recommended in the body of this report to the owners of those sites where beautification efforts are needed as identified in this report.

Original signed by
Jean Lamontagne
General Manager
Planning and Development

FW/kms/saw

Attachments:

- Appendix I Policy O-50 Policy for Service Station Site Demolition, Decommissioning and Remediation as adopted by Council on June 21, 2004
- Appendix II Imperial Oil Landscape Plan - 7216 King George Highway by DMG Landscape Architects
- Appendix III Petro-Canada Landscape Plan - 8820 - 120 Street by DMG Landscape Architects



CITY POLICY

No. O-50

REFERENCE:

REGULAR COUNCIL-LAND USE MINUTES
JUNE 21, 2004

APPROVED BY:

DATE: JUNE 21, 2004 RES.Ro4-1586
HISTORY:

CITY COUNCIL

TITLE: POLICY FOR SERVICE STATION SITE DEMOLITION, DECOMMISSIONING AND REMEDIATION

Objective:

This Policy is focused on ensuring that service station sites that are in the process of being demolished, decommissioned and/or remediated remain attractive from the perspective of the surrounding lands and streets during these processes.

Application of Policy:

1. This Policy applies to any existing service station site that is proposed to be or is in the process of being demolished, decommissioned and/or remediated either:
 - (a) through the owner's initiative and not associated with any redevelopment of the site or any other site; or
 - (b) in association with a development proposal on the same site or on a separate site owned by the same owner.
2. This Policy will be implemented in conjunction with and in compliance with the requirements and procedures of the *Waste Management Act*, R.S.B.C. 1996, c. 482 and Regulations and with the requirements of the By-laws, regulations and other policies of the City of Surrey.

Process:

1. Where an owner of a service station desires to demolish, decommission and/or remediate an existing service station development, the owner shall apply for a Development Permit to the City. The application must outline the general activities involved in the various stages of the demolition, decommissioning and remediation process and include a detailed plan(s) for site screening and landscaping to ensure that the site remains in an aesthetically pleasing condition from the perspective of the fronting streets and the surrounding lands during the entire demolition, decommissioning and remediation process.

2. In the case of 1(a) under the "Application of Policy" section, an application for and issuance of the Development Permit must be completed before a demolition permit will be issued for the subject service station site.
3. In the case of 1(b) under the "Application of Policy" section, an application for and issuance of the Development Permit is to be completed before Council considers final approval for the proposed development on the same site or on a separate site.

Components of the Development Permit:

The Development Permit required under this Policy shall include the following components:

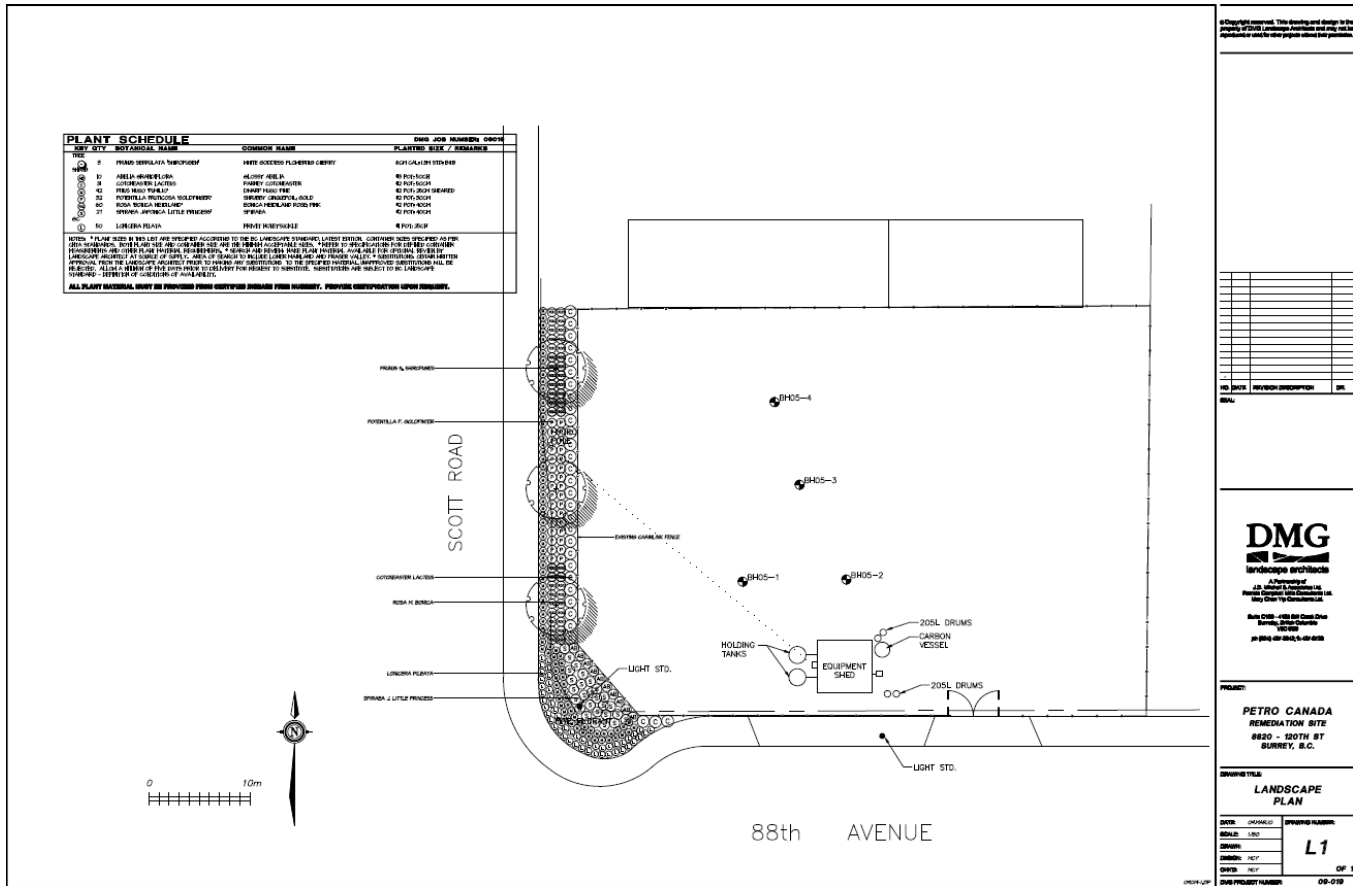
1. A statement or plan to outline the various stages of the decommissioning and remediation process for the subject site and, wherever possible, the approximate timing for structure demolition and tank removal, site clearing, soil testing and remediation, and site restoration.
2. A landscaping and screening plan(s) appropriate for the location context of the subject site and the decommissioning and remediation activities contemplated. Without limiting the generality of the intent of this Policy to ensuring that the site is maintained in an aesthetically pleasing condition at all times during site decommissioning and remediation process, the landscape and screening plans will include:
 - A planting strip of not less than 1.5 metres in width along the site boundary;
 - The planting strip must include appropriate planting materials with sufficient height and depth to cause effective screening of all demolition, soil testing and other decommissioning and remediation activities and equipment within the site at all times during the year and is to be designed to provide colours in different seasons, without compromising the effect of the landscape design including the application of CPTED principles;
 - Perimeter fencing may be installed for security and safety reasons, provided however that such fence is installed in a way that the visual impact of the fence is minimized by planting materials or other means to screen the fence;
 - Within the perimeter planting strip, the remainder of the site must be improved with a combination of landscaped ground treatments that will remain in an aesthetically pleasing condition without requiring significant on-going maintenance;
 - Minor modifications to the landscape and screening plan(s) to accommodate the activities associated with the various stages of the decommissioning and remediation process will be considered and are subject to approval of the General Manager, Planning and Development.
3. The owner will be required to satisfy any other requirement or condition necessary to achieve the aesthetic objective of this Policy for the specific site, as required by Council in association with the Development Permit approval.

4. The owner will be required to post a security in advance of the Development Permit approval in the form of cash or a letter of credit in an amount equal to 150% of the costs of implementing the conditions of the Development Permit including, but not limited to, the installation of all necessary landscaping and fencing and to ensure reasonable on-going maintenance of the site during the decommissioning and remediation processes. The City will retain this security until the decommissioning and remediation processes for the site are complete.

Implementation:

1. Applications for Development Permit, as required under this Policy, shall be reviewed and processed in accordance with the Development Permit requirements and procedures established and varied by the City from time to time. The base Development Permit fee will apply.
2. Due to the fact that service station decommissioning and remediation is a lengthy process, in most circumstances taking a number of years to complete, a Restrictive Covenant under Section 219 of the *Land Title Act*, R.S.B.C. 1996, c. 250 must be registered against the title of the property to bind the owner of the site to satisfying the requirements of the approved Development Permit in a satisfactory manner over time. The Restrictive Covenant will include:
 - A clause that requires the owner to complete, to the satisfaction of the General Manager, Planning and Development, all the necessary landscaping and fencing works as stipulated in the approved Development Permit within a specified period of time and to require the owner to keep and maintain the landscaping and fencing works in good and healthy condition for the full term of the site decommissioning and remediation process; and
 - A clause that allows the City, using its employees or contractors, to enter the subject site, after serving the owner with written notice regarding any deficiency with respect to the completion of or the condition of the site landscaping, screening and fencing, to complete or to correct the condition of the landscaping, screening and fencing works and/or to maintain the landscaping, screening and fencing works due to non-compliance by the owner with the requirements of the approved Development Permit and to charge the owner for the costs incurred plus an appropriate administration cost or to recover the costs incurred by the City from the security that is posted with the City in support of the Development Permit or to recover the costs as an additional charge against the property on the annual property tax assessment.

8820 - 120 Street



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