

CORPORATE REPORT

NO: R095 COUNCIL DATE: May 8, 2017

REGULAR COUNCIL

TO: Mayor & Council DATE: May 3, 2017

FROM: General Manager, Planning & Development FILE: 6520-20

(South Campbell Heights)

SUBJECT: South Campbell Heights Land Use Plan Update

RECOMMENDATION

The Planning & Development Department recommends that Council:

1. Receive this report as information; and

2. Direct staff to prepare for a public information meeting in order to receive feedback on the draft Planning Principles as presented in this report and the draft Land Use Concept as documented in Appendix "I."

INTENT

The intent of this report is to update Council on the planning process for the South Campbell Heights Local Area Plan, to present the draft Planning Principles and draft Land Use Concept that has been prepared, and to seek Council's authorization to prepare for a public open house in order to receive comment on the process to date.

POLICY CONSIDERATIONS

Regional Growth Strategy and Official Community Plan

The South Campbell Heights Land Use Plan study area (Appendix "II") includes lands within and outside of the Metro Vancouver Regional Growth Strategy's Urban Containment Boundary (UCB), as shown in Appendix "III."

The part of the study area that is within the UCB is designated "Mixed Employment" in the Regional Growth Strategy (RGS), where residential land uses are not consistent with the RGS. This area is also designated "Mixed Employment" in the City's Official Community Plan (OCP), which has similar land use provisions to the RGS. Any land use changes approved by Council through the Local Area planning process that are not consistent with these current designations would require a "Type 3" minor amendment to the RGS and an OCP amendment. A "Type 3" minor RGS amendment requires a 50%+1 majority weighted vote of the Metro Vancouver Board. An OCP amendment requires a public hearing at City Council.

The majority of the study area is outside of the UCB (Appendix "III"), and is also outside of the Agricultural Land Reserve (ALR). This area is designated "Rural" in the RGS, which greatly limits the density of any residential land uses and is not intended to be serviced by the regional sewerage system. This area is designated "Agricultural" in the OCP (Appendix "IV"), which limits land uses to agriculture and compatible, very low density land uses. In both the RGS and the OCP the area is identified as a "Special Study Area," indicating that future land use changes are anticipated.

Land use changes approved by Council through the Local Area planning process that are not consistent with the current designations would require a "Type 2" amendment of the RGS and an OCP amendment. A "Type 2" RGS amendment is required for amendments that involve changes to the UCB, and which involve changes from a "non-urban" land use to an "urban" land use. A Type 2 amendment would normally require a 2/3 majority weighted vote of the Metro Vancouver Board, along with a regional public hearing; however, since this area is identified in the RGS as a "Special Study Area," the threshold for approval is reduced to a 50%+1 majority weighted vote with no regional public hearing. An OCP amendment requires a public hearing at City Council.

Local Area Plans

The part of the study area that lies within the existing Campbell Heights Local Area Plan (Appendix "V" and "VI") may require amendments to that plan. These amendments can be approved by Council resolution, and do not involve a public hearing. The rest of the study area may form a new Local Area Plan, which can be approved by Council resolution as well, consistent with the City's normal secondary plan process.

BACKGROUND

Study Area Description

The lands within the South Campbell Local Area Plan study area are characterized by a mix of forage and pasture fields and by mixed coniferous and deciduous second-growth forests on gently-sloping lands on either side of the Little Campbell River, which flows within a shallow, wooded ravine from the northeast to the southwest through the area. The Little Campbell River, along with several of its tributaries within the study area, is classified as Class A watercourse, which means that they support fish.

Land uses within the study area include several working farms, rural residential properties and hobby farms, a recreational vehicle park, a small City-operated cemetery, and the protected heritage Brooksdale Estate, operated as an environmental and education centre by the A Rocha Society. The area is bounded by the Campbell Heights industrial area to the north of 20 Avenue, the Township of Langley to the east, and the Agricultural Land Reserve (ALR) to the south and west (Appendix "II").

The City owns a number of properties in the study area (Appendix "II"), totalling approximately 130 acres, much of which is forested and identified as environmentally significant in the Biodiversity Conservation Strategy.

Virtually the entire Study Area is located over the Brookswood Aquifer (Appendix "VII"), a shallow, unconfined aquifer that is sensitive to water quality issues related to recharge and runoff,

as well as to potential water table fluctuation related to impervious surfaces limiting infiltration, wells drawing down the water table, and to aggregate extraction in the area.

Planning Process

The Local Area Plan process was initiated in September 8, 2014 by way of Council approving the recommendations in Corporate Report No. R152; 2014. The process began with commissioning two background studies; an environmental study, including an archaeological assessment and groundwater review; and a market demand study, focused on the regional and local need for employment lands. The Terms of Reference for these studies was approved on December 1, 2014 by Council by way of Corporate Report No. R199; 2014. The background studies provided key information for land use planning.

The planning process has involved intensive consultation, particularly with a stakeholders committee made up of a diverse group of local landowners and representatives of environmental and community groups with strong interests in the area. Additional consultation has included a meeting with all landowners in the study area, a public open house, interagency meetings, meetings with Metro Vancouver staff, and delegations to various City Committees.

DISCUSSION

Background Studies

Environmental Study

The Environmental Study was conducted by Madrone Environmental Ltd., and identified significant environmental resources in the study area, made recommendations on environmental conservation opportunities, environmental constraints on development, and on management of issues related to groundwater resources and aquifer protection. The study also included an archeological review, as the study area is located within the Semiahmoo First Nation's traditional territory. The results of the Environmental Study were presented to Council on June 29, 2015 through Corporate Report No. R141; 2015.

Market Demand Study

The market demand assessment was conducted for the City by Colliers International (Appendix "IX") to determine the existing and future need for industrial and/or other employment lands, and the timing of this need in relation to the absorption of existing industrial sites in Campbell Heights and elsewhere in the region.

This study indicated that the Metro Vancouver region is facing a shortage of employment land, particularly industrial lands over the coming 15 to 25 years. This regional shortage is manifesting itself in an increased absorption rate (annual acreage of new development) in Surrey, which is one of the last areas in the region with available lands designated for industry. The implication of this study's findings is that industrial land uses should have a priority consideration within the study area, except in areas that are not appropriate for industry.

Public Process to Date

Landowner Meeting

All landowners within the study area were invited to a meeting on April 14, 2016 at the Hall's Prairie Elementary School. Approximately 70 persons attended the meeting, which introduced the planning process and shared the results of the background studies. Comment sheets were handed out in order to collect feedback on the process and to ascertain the main planning issues, and a question-and-answer session was held to address concerns and questions related to the planning process.

Public Meeting

A public open house was held on May 31, 2016 at Shannon Hall in Cloverdale. Approximately 152 persons attended the meeting. The material presented was similar to that at the initial landowners meeting, comment sheets were distributed and a question-and-answer session was held. Some of the main issues raised at this meeting included concerns related to a specific development application for a truck parking facility in the area that has since been withdrawn, environmental concerns related to the protection of the aquifer, air quality concerns related to potential industrial uses within the plan, traffic (particularly commercial truck traffic), and the potential loss of habitat and agricultural land. 71 feedback forms were returned to the City; the majority (52 respondents) were opposed to urban development in the area, with only 9 respondents in favour and 14 unsure. The comments received were valuable in framing the planning issues and the development of Planning Principles and a Land Use Concept.

Stakeholders Meetings

Following the public meeting, a Stakeholders Committee was formed, including 23 members. Members included landowner representatives drawn from each "quadrant" of the planning area, representatives of environmental and community groups including the Little Campbell River Watershed Society, Semiahmoo Fish & Game Club, the Surrey Environmental Partners, the A Rocha Society, Friends of Hazelmere/Campbell Valley, Grandview Heights Stewardship Association, and representatives of the Semiahmoo and Kwantlen First Nations.

The Stakeholders Committee has met four times between Spring 2016 and February 2017 to provide feedback and input on key planning issues, to refine draft Planning Principles that guide land use planning, and to assist staff in refining a general Land Use Concept. These Stakeholders Committee meetings have been valuable in terms of developing and refining the draft Planning Principles summarized below and the draft Land Use Concept shown in Appendix "I." Through an iterative process and several rounds of feedback, the draft Planning Principles and Land Use Concept have received broad support among the members of the Stakeholders Committee.

Draft Planning Principles

Based on several iterations and refinements suggested by stakeholders, the following draft Planning Principles have been developed for Council's consideration and endorsement:

1. Protect and enhance the integrity of the Little Campbell River and its supporting riparian area.

- 2. Protect the integrity of the aquifer and groundwater resource from contamination and depletion through the development and implementation of Aquifer Protection Measures.
- 3. Establish and protect significant wildlife corridors along the Little Campbell River in keeping with the Biodiversity Conservation Strategy.
- 4. Protect significant forest stands and tree specimens both within conservation areas and within development areas.
- 5. Ensure appropriate buffers and land use interface between development and the ALR, both in Surrey and Langley.
- 6. Recognize and build upon the special and unique character of the area through development policies and design guidelines that integrate agriculture and natural systems with development that is compatible in scale, density, and intensity.
- 7. Respect sensitive land uses and sites including heritage, archaeological sites, educational, conservation, and care facilities, and cemeteries through compatible interface land uses and buffers.
- 8. Ensure safe road conditions, intersections and access points, particularly along 16 Avenue and 192 Street.
- 9. Ensure that development is well-connected with a local street, cycling and pedestrian network to distribute traffic effectively and provide efficient accessibility within the plan area.
- 10. Emphasize a high standard of building and site design including low-impact development features such as green roofs, energy-efficient buildings, bioswales, and rain gardens.
- 11. Prioritize employment land uses, especially agriculture, those that address the regional shortage of employment land and those which require large sites or a semi-rural setting.
- Limit new residential development to institutional (seniors, care homes, educational, retreat, non-profit), low density, or "agri-community" or "eco-community" housing where environmental or access considerations preclude employment uses.
- 13. Reserve appropriate lands as agricultural for potential future exchange and inclusion into the agricultural land reserve.

These Planning Principles have been refined in consultation with the Stakeholders Committee and have received virtually unanimous support among the diverse stakeholders. They form the basis for developing the draft Land Use Concept shown in Appendix "I," and for design and development guidelines that will be developed further in later stages of the planning process.

Draft Land Use Concept

The draft Land Use Concept shown in Appendix "I" is the result of an iterative process, working with members of the Stakeholders Committee to develop a plan that applies the Planning Principles to the study area in ways that are consistent with the findings of the Environmental Study and the Market Demand Study.

The land uses shown in the Land Use Concept are grouped into four designations:

- 1. Conservation;
- 2. Business Employment;
- 3. Special Commercial and Institutional; and
- 4. Institutional/Special Residential

Zone 1: Conservation

Approximately 225 acres (93 ha.) or 35% of the study area is within the Conservation designation. This area is intended to be protected and set aside as natural area, either as public land dedicated to the City at the time of development or purchased by a public agency such as the City, or as privately-owned lands with conservation protection such as a restrictive covenant. The core areas of this designation are the riparian setback areas along the Little Campbell River and its tributaries, Twin Creeks in the northwest of the study area, and significant forested blocks along 192 Street owned by the City. These Conservation areas are aligned with the Green Infrastructure Network (GIN) identified in the Biodiversity Conservation Strategy as shown in Appendix "VIII." The Land Use Concept includes a significant amount of protected greenspace as shown in Appendix "I," forming a wide central spine running from the northeast to the southwest parts of the study area.

The management of these lands are intended to stress natural ecosystem protection, restoration and enhancement, but may include trails and limited site amenities such as viewing areas and benches as determined through further site planning.

Zone 1 Goal

Establish a contiguous and well-managed natural core as the central organizing element for the plan area, anchored on the Little Campbell River valley

Zone 1 Objectives

- Create a wide and contiguous natural corridor along the Little Campbell River augmented by significant forested hubs, consistent with the BCS;
- Pursue public or conservation organization ownership of the Conservation area through land acquisition and/or land development processes;
- Develop recreational trail systems connecting key conservation areas along the Little Campbell River and the Campbell Heights escarpment; and
- Facilitate secondary natural corridors and trail loops in a planted buffer along the ALR edge.

Zone 2: Business Employment

Approximately 85 acres (35 ha.), comprising 14% of the study area is designated for Business Employment. This designation is intended for employment uses such as warehousing, clean light industry contained within enclosed buildings, office uses that are accessory or complimentary to light industry consistent with the Industrial-Business Zone and comparable to the uses in the Campbell Heights Business Park to the north of 20 Avenue. This land use addresses the regional demand and impending shortage of light industrial land, which is important for the functioning of the regional economy and which provides employment.

In subsequent stages of the planning process staff will develop design and development guidelines specific to this designation including Aquifer Protection Measures intended to protect water quality in the aquifer through runoff management and treatment controls and to ensure replenishment of the aquifer through infiltration and recharge. Staff will also develop detailed design guidelines for the interface of this land use with the ALR to the west and the Conservation Zone to the north and east.

Zone 2 Goal

To address the regional demand and impending shortage of employment land in the region, particularly in the logistics, warehousing and light industry sectors.

Zone 2 Objectives

- To regulate development to protect the aquifer and riparian habitat through appropriate rainwater management, infiltration control and site planning measures;
- To ensure an appropriate interface with agricultural areas through buffer strips planted with native vegetation, light, noise and air emission controls;
- To effectively distribute traffic and especially truck traffic to reduce impacts on adjacent, sensitive land uses and neighbourhoods;
- To maximize the utilization of light industrial lands in order to reduce their footprint and use scarce employment lands efficiently; and
- To facilitate a network of walkways linking to major greenways.

Zone 3: Special Commercial and Institutional

Approximately 155 acres (65 ha.), comprising 24% of the study area is designated for Special Commercial and Institutional uses. This designation is intended to support employment in a diverse set of developments including care homes and care facilities, schools and other education institutions, cemeteries, assembly uses such as worship centres, retreat and conference centres, and appropriately-scaled hospitality uses such as hotels, recreation uses, restaurants and craft breweries and small-scale, local commercial (retail or service) uses. This designation is not intended for residential uses except those that are accessory to an institutional use, in order to prioritize employment in this zone.

In subsequent stages of the planning process staff will develop detailed density, site coverage and site design regulations to ensure an appropriate scale and character of development to meet the Planning Principles, along with Aquifer Protection Measures and interface/buffer guidelines where development adjoins the ALR or the Conservation Zone.

Zone 3 Goal

To support a range of institutional uses, and supporting local and unique commercial uses in the 16 Avenue corridor.

Zone 3 Objectives

- To encourage a diverse set of institutional uses such as education, care, arts, health and wellness, places of worship and public assembly, natural conservation, recreation, and cemeteries to locate in the area, preferably in a campus environment;
- To encourage and maximize non-industrial employment;
- To create an attractive frontage character along the 16 Avenue corridor;
- To encourage local-serving and small-scale commercial uses that contribute to the creation of a unique and attractive district within the City, particularly in the agrifood, beverage and hospitality sectors, and in services that complement institutional uses;
- To prohibit large-format commercial, drive-through and auto-oriented commercial uses, including gas stations and auto servicing in order to reinforce a special and unique commercial character; and
- To facilitate the development of a major greenway along 16 Avenue, connecting to regional destinations and linked with a network of walkways in the surrounding neighbourhoods.

Zone 4: Institutional/Special Residential

Approximately 170 acres (71 ha.) comprising 27% of the study area is designated for Institutional and Special Residential uses. The intent of this designation is to create a unique and attractive mixed community that respects and enhances the special nature of the study area and its surroundings. The institutional, recreational, and hospitality uses listed above in Zone 3 would be permitted in this Zone as well, along with limited and specially-planned residential neighbourhoods.

The unique nature of these residential neighbourhoods will be ensured through a set of design and development guidelines that will be refined in a later stage of the planning process. At this time, staff is proposing a form of "agri-community" or "eco-community" for the residential component, with a clustered form of housing and substantial open space within the neighbourhood to be allocated to either agriculture and food production or to nature conservation. These land uses will be secured through Land Management Agreements at the time of rezoning.

The current staff proposal that will be presented at the next public open house permits an overall residential density of up to 7.5 units per acre on the condition that 50% of the <u>developable area</u> on the site is set aside for agricultural and/or conservation purposes in a master-planned environment. These limited and special residential uses are deemed to be appropriate for this Zone for several reasons:

• The sensitive nature of the aquifer underlying the area and the significant environmental areas may be best protected by a low-density residential use, rather than alternative uses such as industry that involve more paving and less landscaped space.

- The unique and scenic environment of the Little Campbell/Hazelmere area lends itself to a low-density, carefully and comprehensively planned development such as an "eco-community" or "agri-community."
- The substantial open spaces for agriculture and conservation within the residential community will provide additional greenspace to the lands protected in Zone 1, enhancing the ecological functioning of these lands.

Zone 4 Goal

To encourage the realization of a unique form of community integrating community-based agriculture, institutional, recreational, and clustered residential "village" development.

Zone 4 Objectives

- Provide density incentives to encourage significant open space set-aside for agriculture and conservation;
- Ensure equity between properties;
- Ensure sufficient size of agricultural parcels to be viable;
- Develop design guidelines for clustered development to ensure a consistent and high-quality character;
- Ensure a compatible and appropriate interface with agriculture, conservation and employment areas; and
- Develop Land Management Guidelines and Agreements for the sustainable management of community-based agriculture parcels.

Feedback

The Land Use Concept as described above and shown in Appendix "I" has broad support among the Stakeholders Committee members, and is seen as an appropriate reflection of the Planning Principles outlines above. While the level of support for the concept in feedback received by the City is very high (12 out of 12 forms returned expressing support or qualified support), a number of concerns remain. One member of the Stakeholders Committee has expressed the position that a larger portion of the wooded lands south of 16 Avenue be protected than is shown in the plan, and three members of the Committee would like to see a wider protected area in the City-owned forested lands west of 192 Street. Three members also stressed the importance of not breaking the continuous band of forest along the west side of 192 Street with an access road into Zone 2 to the west. Staff has considered these suggestions, but has balanced the environmental protection objective with the City's fiscal limitations and development equity between property owners in putting the Land Use Concept forward.

Next Steps

Staff is now seeking the authorization from Council to present the draft Land Use Concept along with the draft Planning Principles at a public open house, in order to receive feedback from the general public. Following analysis of feedback received at the public open house staff will make further adjustments to the draft plans and elaborate on elements of the plan such as specific environmental protection measures, an access and circulation plan and further definition of land use and density policies. These refinements will be subject to further Stakeholders Committee and Council Committee review before being brought for Council's consideration and approval of a Stage 1 Local Area Plan. If the feedback from the public open house is positive, staff expects that Council consideration of a Stage 1 Local Area Plan (Land Use Concept) may occur in July 2017.

Following Stage 1 approval, staff will prepare the necessary OCP amendments that support the Land Use Concept. These amendments will be brought for Council's consideration and the required bylaw readings and a public hearing. If Council grants Third Reading to OCP amendments, staff will prepare and submit an application to amend the Metro Vancouver RGS, including potential adjustments to the Urban Containment Boundary. The RGS amendment process is expected to take approximately six months, after which the OCP amendments may be finalized by Council, assuming approval at the Metro Vancouver Board.

Once the necessary Metro Vancouver RGS and the OCP amendments are completed staff will seek Council's authorization to proceed with Stage 2 of the Local Area Plan process. Stage 2 will include a detailed servicing and transportation strategy to support the approved land uses, detailed design and development policies and guidelines, Aquifer Protection Measures, and a financial strategy.

SUSTAINABILITY CONSIDERATIONS

The planning process leading to the draft Planning Principles and draft Land Use Concept outlined in this report respond to a number of Desired Outcomes and Strategic Objectives in the Sustainability Charter 2.0. These include:

Built Environment and Neighbourhood

Desired Outcomes:

- DO 5: Trees, green spaces and natural areas are integrated into all neighbourhoods.
- DO 6: Land is used efficiently and sensitively, and development minimizes the impacts on the natural environment, viewscapes, agricultural land and wildlife.
- DO 8: The built environment enhances quality of life, happiness and well-being.
- DO 10: Opportunities for community food production are integrated into the private and public realm.

Strategic Directions:

- SD 3: Integrate natural areas, ecosystems and green areas in all neighbourhoods.
- SD 12: Encourage and enable opportunities for community-based food production and capacity building programs.

Economic Prosperity and Livelihoods

Desired Outcomes:

- DO 8: The City's strong revenue base includes a balance of commercial and residential property taxes.
- DO 10: The Agricultural Land Reserve is maintained, agricultural practices are sustainable, and food production and processing are enhanced.

Strategic Directions:

• SD 7: Support and expand the use and availability of agricultural land and food processing facilities, while enhancing the ability of agricultural enterprises to access the local market.

Ecosystems

Desired Outcomes:

• DO 1: Parks, natural areas, urban forests and habitat corridors are interconnected throughout Surrey and the region, creating healthy places for people and wildlife.

- DO 3: All development enhances, or minimizes the impacts on Surrey's lush tree canopy and natural environment, and avoids encroachment into natural areas, habitat features and parks.
- DO 6: Water supports healthy ecosystem functioning.
- DO 8: Surrey has a clean and adequate supply of groundwater.
- DO 11: Surrey's Green Infrastructure Network is an essential and integrated component of the City's infrastructure, providing valuable ecosystem services as well as places for recreation and rejuvenation.

Strategic Directions:

- SD 4: Develop, apply, monitor and enforce standards and strategies to minimize the impacts of development on the natural environment, ecosystems and urban forest.
- SD 7: Ensure water quality and base water levels are maintained in Surrey's river systems.
- SD 9: Continue to acquire Surrey's Green Infrastructure Network (GIN) as determined in the Biodiversity Conservation Strategy, including through a financial strategy.
- SD 12: Include natural capital and ecosystem services in City projects at the planning phase, as well as in the City's infrastructure services program and climate adaptation planning.

CONCLUSION

Staff has been working with a Stakeholders Committee on the preparation of draft Planning Principles and a draft Land Use Concept for the South Campbell Heights Local Area Plan, as directed by Council.

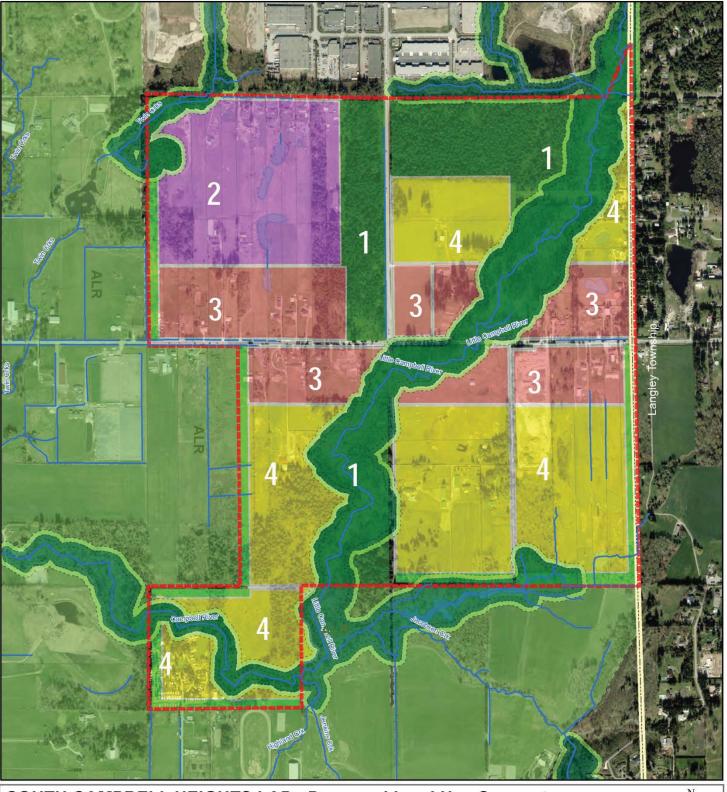
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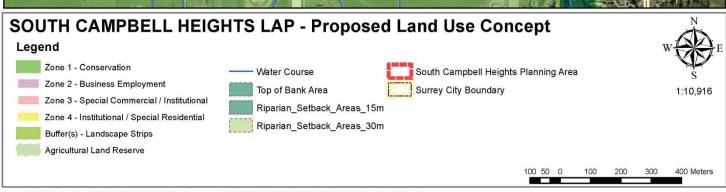
 Direct staff to prepare for a public information meeting in order to receive feedback on the draft Planning Principles as presented in this report and the draft Land Use Concept as documented in Appendix "I."

Original signed by Jean Lamontagne General Manager, Planning & Development

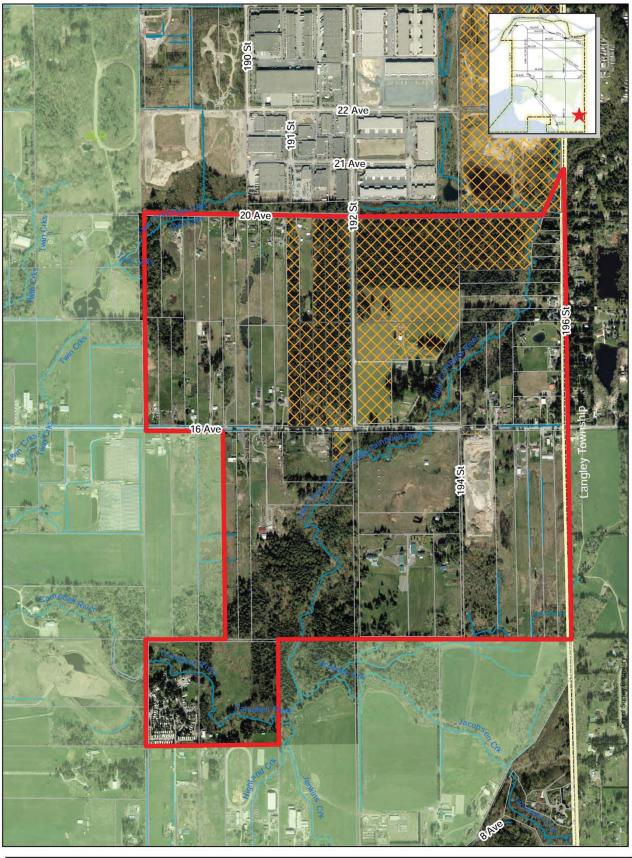
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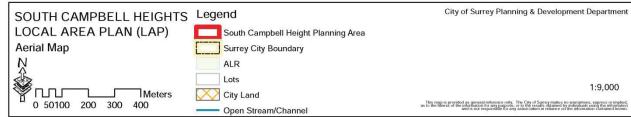
Appendix "I"	Draft Land Use Concept Plan
Appendix "II"	Study Area Map (Air Photo) with City-owned Lands
Appendix "III"	Existing RGS and Urban Containment Boundary
Appendix "IV"	Existing OCP Designations
Appendix "V"	Boundary of Campbell Heights Local Area Plan
Appendix "VI"	Existing Campbell Heights Local Area Plan
Appendix "VII"	Extent of Brookswood Aquifer
Appendix "VIII"	Biodiversity Conservation Strategy Map



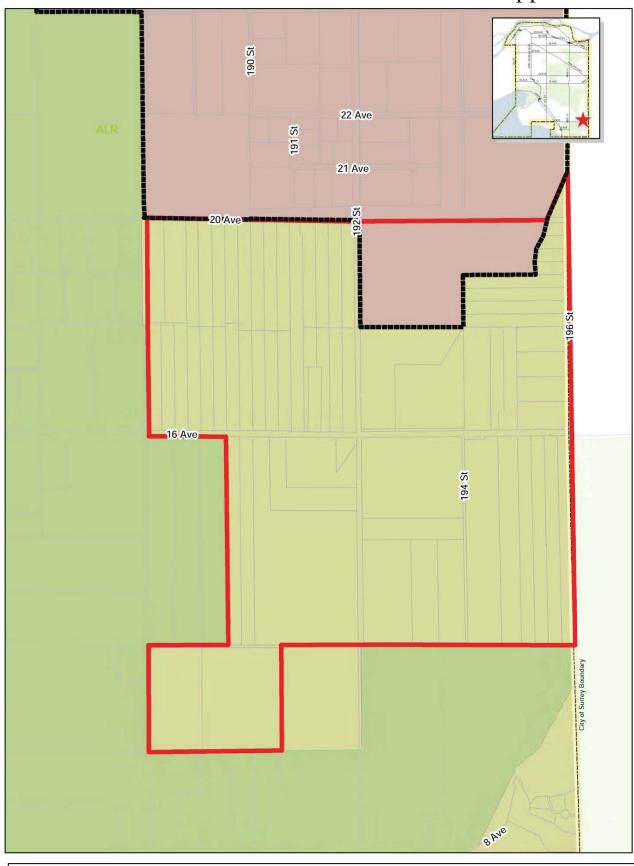


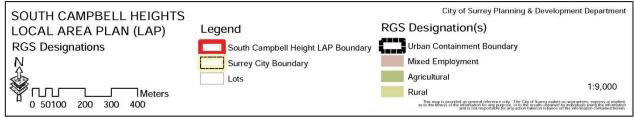
Appendix "II"





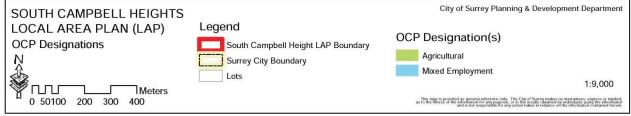
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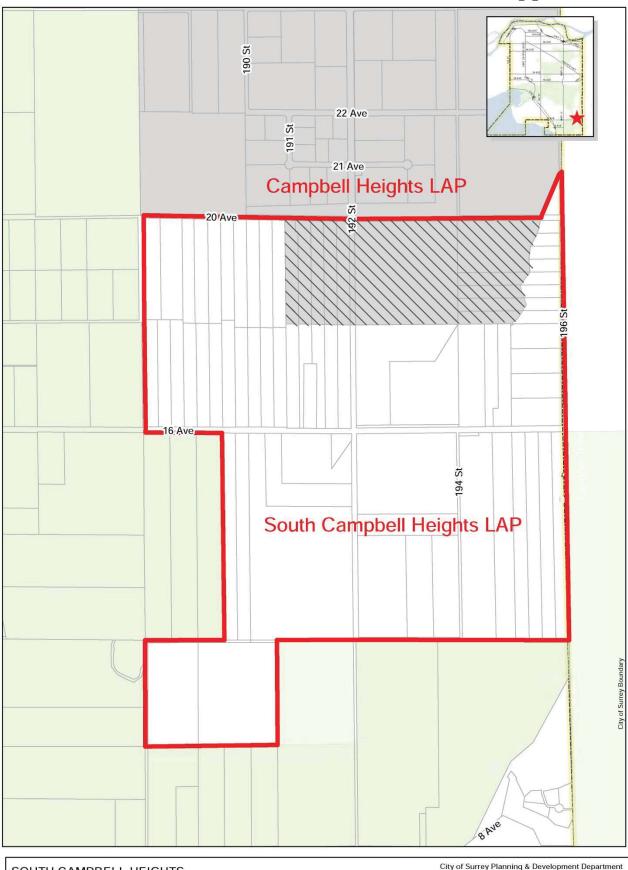


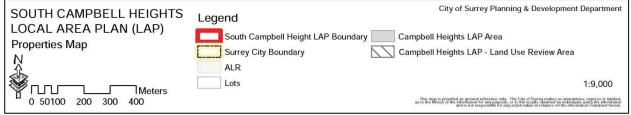
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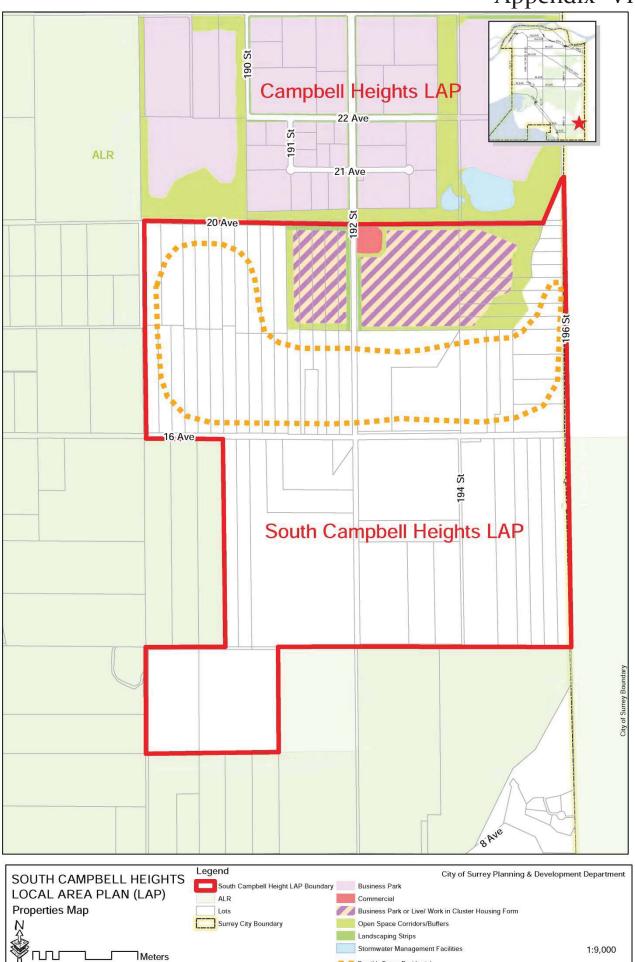


Appendix "V"





Appendix "VI"

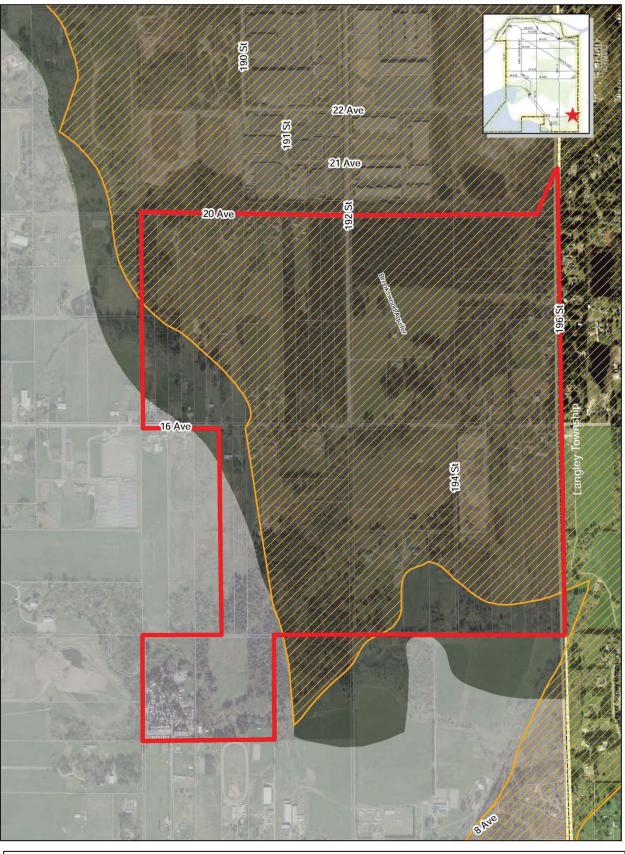


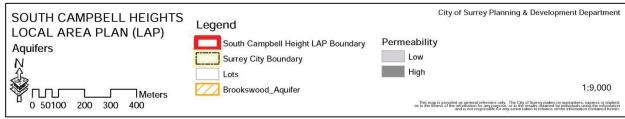
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Possible Future Residential

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Appendix "VII"





Appendix "VIII"

