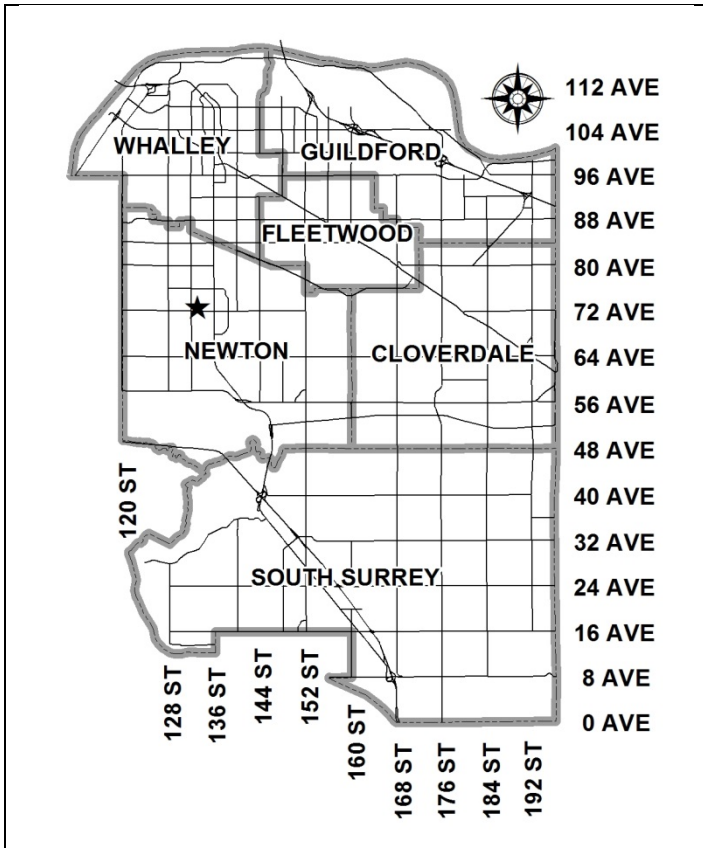


City of Surrey
PLANNING & DEVELOPMENT REPORT

File: 7915-0301-00

Planning Report Date: September 14, 2015



PROPOSAL:

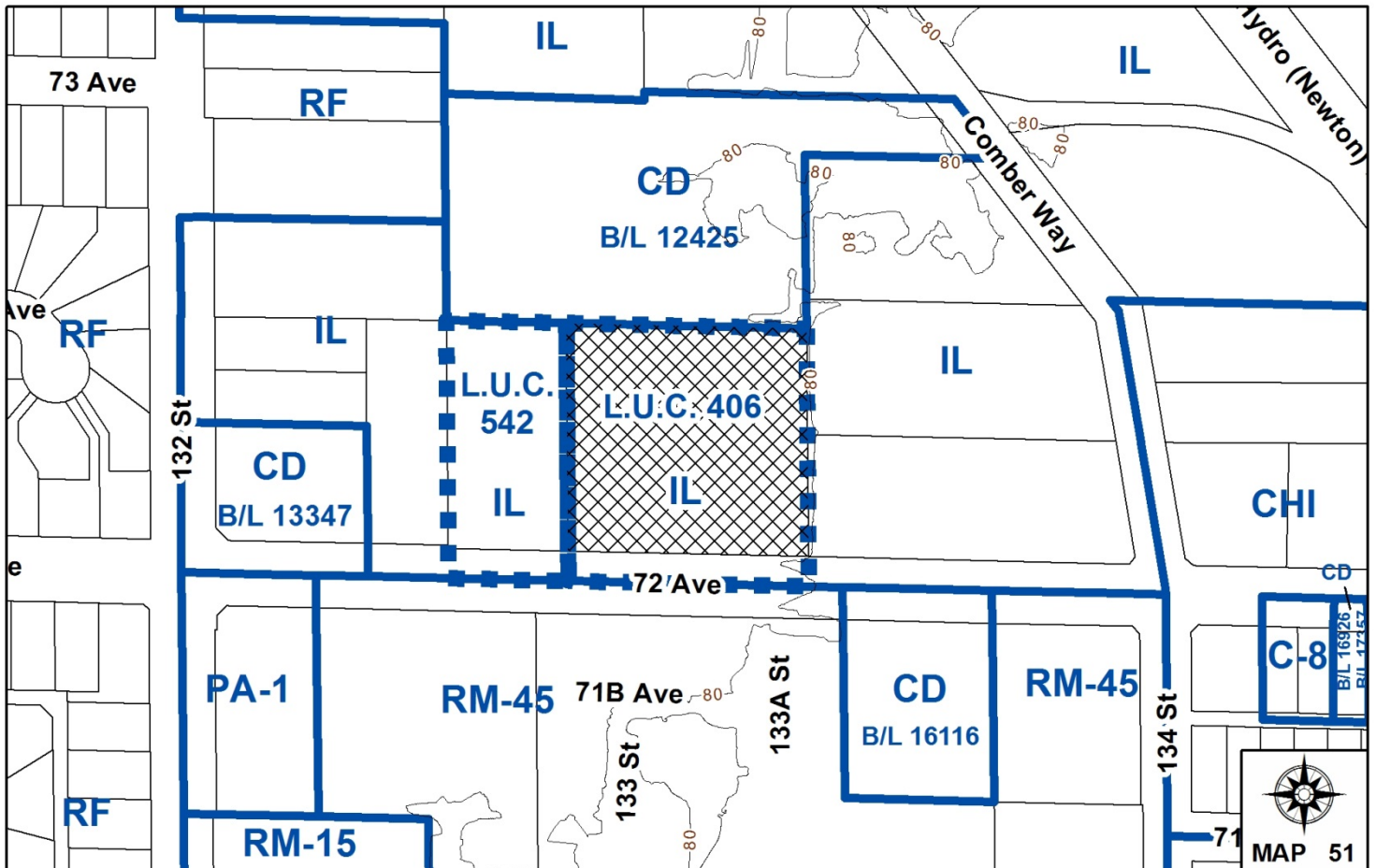
- **Terminate Land Use Contract No. 406**
to permit the existing underlying IL Zone to come into effect.

LOCATION: 13301, 13321, 13279, 13299 - 72 Avenue

OWNER: Malak Home Group Limited

LUC NO. AND UNDERLYING ZONING: LUC No. 406 (IL Zone underlying)

OCP DESIGNATION: Industrial



RECOMMENDATION SUMMARY

- By-law Introduction and set date for Public Hearing to terminate LUC No. 406.

DEVIATION FROM PLANS, POLICIES OR REGULATIONS

- None

RATIONALE OF RECOMMENDATION

- In 2014, the Provincial Government adopted changes to the *Local Government Act* that terminate all Land Use Contracts (LUCs) in the Province on June 30, 2024. However, the legislation also permits municipalities to undertake early termination of LUCs in advance of 2024.
- On June 15, 2015, City Council endorsed the recommendations in Corporate Report No. R122, which outlined a process with respect to the early termination of LUCs in Surrey.
- In accordance with recent legislative changes, the LUC Termination By-law must include an effective date that is no less than one year from adoption of the by-law, resulting in a grace period.
- City staff are now moving forward with the first group of LUCs to be terminated, in accordance with the approved process described in Corporate Report No. R122, which prioritizes based on business development or the simplicity of the termination.
- LUC No. 406 permits a variety of light industrial uses.
- Two buildings exist on the property, which have been stratified into four strata lots.
- Once LUC No. 406 is terminated and the one-year grace period ends, the current underlying IL Zone will come into effect and will regulate the four lots.

RECOMMENDATION

The Planning & Development Department recommends that a By-law be introduced to terminate Land Use Contract No. 406 and a date be set for Public Hearing.

BACKGROUND

- In the early 1970s the Provincial Government adopted changes to the *Municipal Act* (now called the *Local Government Act*) that allowed local governments to enter into Land Use Contracts (LUCs) with land owners and/or developers that incorporated zoning, development control and servicing issues into one document. As a result, on lands within an LUC, the LUC became the governing land use control and, in some instances, the subdivision and development control as well.
- Although LUCs are an agreement between the City and land owners/and developers, all LUCs were adopted by By-law. The first LUC in Surrey was adopted by City Council by By-law on August 7, 1972.
- In the late 1970s the Provincial Government adopted changes to the *Municipal Act*, eliminating the ability of municipalities to enter into LUCs.
- Approximately 370 LUCs were adopted in Surrey, most of which remain in effect today.
- In 2014, the Provincial Government adopted changes to the *Local Government Act* that terminate all Land Use Contracts (LUCs) in the Province on June 30, 2024. However, the legislation also permits municipalities to undertake early termination of LUCs in advance of 2024, should they choose to do so.
- On June 15, 2015, Council approved the recommendations in Corporate Report No. R122, which outlined a proposed process with respect to the early termination of LUCs in Surrey, which prioritizes based on business development or the simplicity of the termination.
- As a result, City staff are now moving forward with the termination of LUC No. 406 in accordance with the approved process.

PUBLIC NOTIFICATION

Early termination of LUCs is a Council-initiated project that does not require the consent of landowners within the LUC being terminated. A Development Proposal Sign has not been installed and no pre-notification letters have been mailed.

However, the LUC Termination By-law is required to have its own Public Hearing. As a result, the Public Hearing Notice will be delivered to all residents and tenants of properties within LUC No. 406, informing them that Council is considering terminating the LUC. Notice of the Public Hearing will also be delivered to adjoining property owners and tenants within 100 metres (or 3-lot depth, whichever is greater) of the boundaries of LUC No. 406. In addition, the Public Hearing notice will be published in two consecutive issues of either the Surrey Now or the Peace Arch News.

DISCUSSION

- It is now in order for LUC No. 406 to be considered for early termination.
- LUC No. 406 was adopted by By-law No. 5410 on April 3, 1978. There have been a number of amendments (5) to LUC No. 406 over the years to incorporate additional uses.
- Industrial uses are located to the north, east and west of the LUC NO. 406 land. Multiple Residential uses are located to the south, across 72 Avenue.
- LUC No. 406 permits a variety of light industrial uses, with the one notable exception that the LUC also allows "suntanning facility" as a use.
- Two buildings exist on the property, which have been stratified into four strata lots. The strata lots, with the exception of 13279 – 72 Avenue, have a number of individual units within the buildings (27 addresses in total).
- In accordance with the recent legislative changes, the LUC Termination By-law must include an effective date that is no less than one year from adoption of the by-law, resulting in a grace period. The subject Termination By-law has a one-year grace period.
- Once LUC No. 406 is terminated and the one-year grace period ends, the current underlying "Light Impact Industrial Zone (IL)" will come into effect and will regulate the use of the land.
- The IL Zone permits a variety of light impact industrial uses, automotive uses, vehicle storage, warehouse uses, office uses and accessory uses.
- In reviewing the existing tenants of the building, there are a number of uses that would not be permitted under the IL Zone. For example, a real estate company and a tutoring company are located in two of the units. These would both be considered office uses. While the IL Zone does allow for some limited office uses, the existing office uses would not be permitted. However, as the uses are existing, they will be able to continue to operate as non-conforming uses in accordance with legislation, provided they are licensed accordingly.
- It should be noted, that a suntanning facility, which is presently permitted in LUC No. 406, would also not be permitted under the IL Zone. A suntanning facility is presently not licensed on the subject properties.

INFORMATION ATTACHED TO THIS REPORT

The following information is attached to this Report:

- Appendix I. Legal Descriptions and Owners of Properties within Land Use Contract No. 406 and Action Summary
- Appendix II. Copy of Part 48 "Light Impact Industrial Zone (IL)" of Surrey Zoning By-law, 1993, No. 12000, as amended

INFORMATION AVAILABLE ON FILE

- Land Use Contract No. 406.

original signed by Nicholas Lai

Jean Lamontagne
General Manager
Planning and Development

SML/da

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Information for City Clerk

Legal Description and Owners of all lots that form part of Land Use Contract No. 406:

1. Properties involved:

- (a) Civic Addresses: 13301 - 72 Avenue
13321 - 72 Avenue
13279 - 72 Avenue
13299 - 72 Avenue

- (b) Civic Address: 13301 - 72 Avenue
Owner: Malak Home Group Limited
PID: 001-697-749
Strata Lot 1 Section 20 Township 2 New Westminster District Strata Plan NW1213
Together With An Interest In The Common Property In Proportion To The Unit
Entitlement Of The Strata Lot As Shown On Form 1

- (c) Civic Address: 13321 - 72 Avenue
Owner: Malak Home Group Limited
PID: 001-697-803
Strata Lot 2 Section 20 Township 2 New Westminster District Strata Plan NW1213
Together With An Interest In The Common Property In Proportion To The Unit
Entitlement Of The Strata Lot As Shown On Form 1

- (d) Civic Address: 13279 - 72 Avenue
Owner: Malak Home Group Limited
PID: 001-697-811
Strata Lot 3 Section 20 Township 2 New Westminster District Strata Plan NW1213
Together With An Interest In The Common Property In Proportion To The Unit
Entitlement Of The Strata Lot As Shown On Form 1

- (e) Civic Address: 13299 - 72 Avenue
Owner: Malak Home Group Limited
PID: 001-697-838
Strata Lot 4 Section 20 Township 2 New Westminster District Strata Plan NW1213
Together With An Interest In The Common Property In Proportion To The Unit
Entitlement Of The Strata Lot As Shown On Form 1

2. Summary of Actions for City Clerk's Office

- (a) Introduce a By-law to terminate Land Use Contract No. 406.



Part 48 - IL, Light Impact Industrial Zone

Light Impact Industrial Zone

Part 48

IL

A. Intent

Amendments: 16957, 06/29/09

This Zone is intended to accommodate and regulate the development of *light impact industry, transportation industry, warehouses, distribution centres* and limited office and service uses.

B. Permitted Uses

Amendments: 12333, 07/25/94; 12715, 12/04/95; 13201, 09/16/97; 13212, 10/06/97; 13703, 05/17/99; 13970, 04/17/00; 14835, 11/18/02; 15664, 05/18/05; 17704, 07/23/12

Land and *structures* shall be used for the following uses only, or for a combination of such uses:

1. *Light impact industry.*
2. *Recycling depots* provided that:
 - (a) The use is confined to an enclosed *building*; and
 - (b) The storage of used tires is prohibited.
3. *Transportation industry.*
4. *Automotive service uses.*
5. Automobile painting and body work.
6. *Vehicle storage and parking facilities* including truck parking and recreational *vehicle storage*.
7. *Industrial equipment rentals.*
8. *General service uses* limited to the following:
 - (a) Driving schools;

- (b) Taxi dispatch offices;
 - (c) Industrial first aid training; and
 - (d) Trade schools.
9. *Warehouse uses.*
10. *Distribution centres.*
11. Office uses limited to the following:
- (a) Architectural and landscape architectural offices;
 - (b) Engineering and surveying offices;
 - (c) General contractor offices;
 - (d) Government offices; and
 - (e) Utility company offices.
12. *Accessory uses* including the following:
- (a) *Coffee shops* provided that the seating capacity shall not exceed 35 and the said *coffee shop* is not licensed by the Liquor Control and Licensing Act, R.S.B.C. 1996, chapter 267, as amended.
 - (b) *Recreation facilities*, excluding go-kart operations, drag racing and rifle ranges;
 - (c) *Community services*;
 - (d) *Assembly halls* limited to *churches*, provided that:
 - (i) the *church* does not exceed a total floor area of 700 square metres (7,500 sq. ft.);
 - (ii) the *church* accommodates a maximum of 300 seats; and
 - (iii) there is not more than one *church* on a *lot*.
 - (e) *Child care centres*; and
 - (f) *Dwelling unit(s)* provided that the *dwelling unit(s)* is (are):

- i. Contained within the *principal building*;
 - ii. Occupied by the owner or a caretaker, for the protection of the businesses permitted;
 - iii. Restricted to a maximum number of:
 - a. One *dwelling unit* in each *principal building* less than 2,800 square metres [30,000 sq. ft.] in floor area;
 - b. Two *dwelling units* in each *principal building* of 2,800 square metres [30,000 sq. ft.] or greater in floor area; and
 - c. Notwithstanding Sub-sections B.12 (f) iii.a. and iii.b., the maximum number shall be two *dwelling units* for *lots* less than 4.0 hectares [10 acres] in area and three *dwelling units* for *lots* equal to or greater than 4.0 hectares [10 acres] in area.
 - iv. Restricted to a maximum floor area of:
 - a. 140 square metres [1,500 sq. ft.] for one (first) *dwelling unit* on a *lot* and where a *lot* has been subdivided by a strata plan then there shall only be one 140-square metre [1,500- sq. ft.] *dwelling unit* within the strata plan;
 - b. 90 square metres [970 sq. ft.] for each additional *dwelling unit*; and
 - c. Notwithstanding Sub-sections B.12 (f) iv.a. and iv.b., the maximum floor area shall not exceed 33% of the total floor area of the *principal building* within which the *dwelling unit* is contained.
- (g) Sales of rebuilt *vehicles* less than 5,000 kilograms [11,023 lbs.] *G.V.W.* provided that:
- i. it is part of an automobile painting and body work business;
 - ii. the number of rebuilt vehicles ready for sale shall not exceed 5 at any time;
 - iii. the business operator holds a current and valid Motor Dealer's certificate; and

- iv. the business operator is an approved Insurance Corporation of British Columbia Salvage Buyer.

C. Lot Area

Not applicable to this Zone.

D. Density

Amendments: 13155, 02/09/98; 18414, 03/23/15

1. In Neighbourhood Concept Plan and Infill Areas as described and outlined on the maps attached as Schedule F attached to this By-law, the maximum *density* shall not exceed a *floor area ratio* of 0.1 or a *building* area of 300 square metres [3,230 sq. ft.] whichever is smaller. The maximum *density* may be increased to a maximum *floor area ratio* of 1.00 if amenities are provided in accordance with Schedule G of this By-law.
2. In areas other than the ones in Sub-section D.1 of this Zone, the maximum *density* shall not exceed a *floor area ratio* of 1.00.

E. Lot Coverage

The maximum *lot coverage* shall be 60%.

F. Yards and Setbacks

Amendments: 12333, 07/25/94; 17471, 10/03/11

Buildings and structures shall be sited in accordance with the following minimum setbacks:

Use	Setback	<i>Front Yard</i>	<i>Rear Yard</i>	<i>Side Yard</i>	<i>Side Yard on Flanking Street</i>
<i>Principal and Accessory Buildings and Structures</i>		7.5 m. [25 ft.]	7.5 m. [25 ft.]	7.5 m.* [25 ft.]	7.5 m. [25 ft.]

Measurements to be determined as per Part 1 Definitions, of this By-law.

* One (1) *side yard setback* shall be 7.5 metres [25 ft.] or 0.0 metre if the said *side yard* abuts land which is *commercial* or *industrial*.

G. Height of Buildings

Measurements to be determined as per Part 1 Definitions, of this By-law:

1. *Principal building*: The *height* shall not exceed 18 metres [60 ft.].
2. *Accessory buildings and structures*: The *height* shall not exceed 6 metres [20 ft.].

H. Off-Street Parking and Loading/Unloading

Amendments: 13774, 07/26/99;

1. Refer to Table C.3, Part 5 Off-Street Parking and Loading/Unloading of this By-law.
2. *Tandem parking* may be permitted as specified:

For company fleet vehicles in all commercial, industrial and mixed-use developments (where commercial or industrial uses are part of the development) required *parking spaces* may be provided as *tandem parking*.

I. Landscaping

Amendments: 13201, 09/16/97; 17471, 10/03

1. All developed portions of the *lot* not covered by *buildings*, *structures* or paved areas shall be landscaped including the retention of mature trees. This *landscaping* shall be maintained.
2. Along the developed sides of the *lot* which abut a *highway*, a continuous *landscaping* strip of not less than 1.5 metres [5 ft.] in width shall be provided within the *lot*.
3. The boulevard areas of *highways* abutting a *lot* shall be seeded or sodded with grass on the side of the *highway* abutting the *lot*, except at *driveways*.
4. Screen planting at least 1.5 metres [5 ft.] high in a strip at least 1.5 metres [5 ft.] wide, or a solid decorative fence at least 1.5 metres [5 ft.] high shall be provided along all *lot lines* separating the developed portion of the *lot* from any *residential lot*.
5. Loading areas, garbage containers and *passive recycling containers* shall be screened from any adjacent *residential lot*, to a height of at least 2.5 metres [8 ft.] by *buildings*, a *landscaping* screen, a solid decorative fence, or a combination thereof.
6. Open display and storage including the outdoor storage of damaged or *wrecked vehicles* shall be completely screened to a height of at least 2.5 metres [8 ft.] by *buildings* and/or solid decorative fencing and/or substantial *landscaping* strips of not less than 2.5 metres [8 ft.] in height and not less than 1.5 metres [5 ft.] in width. No display or storage of material shall be piled up to a height of 2.5 metres [8 ft.] within 5 metres [16 ft.] of the said screen and in no case shall these materials be piled up to the height of more than 3.5 metres [12 ft.].

J. Special Regulations

Amendments: 13657, 03/22/99; 17471, 10/03/11

1. Land and *structures* shall be used for the uses permitted in this Zone only if such uses:
 - (a) Constitute no unusual fire, explosion or safety hazard;

- (b) Do not emit noise in excess of 70 dB(A) measured at any point on any boundary of the *lot* on which the use is located, provided that where a *lot* abuts a *lot* other than an *industrial lot* the noise level shall not exceed 60 dB(A); and
 - (c) Do not produce heat or glare perceptible from any *lot line* of the *lot* on which the use is located.
2. Outdoor storage of any goods, materials or supplies is specifically prohibited between the front of the *principal building* and the *highway*, excluding *vehicles* exceeding 5,000 kilograms [11,023 lbs.] *G.V.W.* which are intended for sale.
 3. The storage of damaged or *wrecked vehicles* shall be completely enclosed within a *building* or approved walled or fenced area; and
 4. *Wrecked vehicles* shall not be visible from outside the *building* or the walled or fenced area in which they are stored.
 5. Garbage containers and *passive recycling containers* shall not be located within any required *setback* adjacent any *residential lot*.
 6. *Child care centres* shall be located on the *lot* such that these centres have direct access to an *open space* and play area within the *lot*.

K. Subdivision

Amendments: 17471, 10/03/11

Lots created through subdivision in this Zone shall conform to the following minimum standards:

<i>Lot Size</i>	<i>Lot Width</i>	<i>Lot Depth</i>
1,800 sq. m. [0.5 acre]	30 metres [100 ft.]	30 metres [100 ft.]

Dimensions shall be measured in accordance with Section E.21, Part 4 General Provisions, of this By-law.

L. Other Regulations

Amendments: 13201, 09/16/97; 13657, 03/22/99; 13774, 07/26/99; 17181, 06/07/10; 17471, 10/03/11

In addition, land use regulations including the following are applicable:

1. Prior to any use, lands must be serviced as set out in Part 2 Uses Limited, of this By-law and in accordance with the "Surrey Subdivision and Development By-law".
2. General provisions on use are as set out in Part 4 General Provisions, of this By-law.
3. Additional off-street parking requirements are as set out in Part 5 Off-Street Parking and Loading/Unloading of this By-law.
4. Sign regulations are as provided in Surrey Sign By-law No. 13656.
5. Special *building setbacks* are as set out in Part 7 Special Building Setbacks, of this By-law.
6. Floodproofing regulations are as set out in Part 8 Floodproofing, of this By-law.
7. *Building* permits shall be subject to the "Surrey Building By-law" and the "Surrey Development Cost Charge By-law".
8. Development permits may be required in accordance with the *Official Community Plan*.
9. Safety regulations are as set out in the Health Act R.S.B.C. 1979, c. 161 and the "Surrey Fire Prevention By-law".
10. Permits may be required for the storage of *special wastes* in accordance with the Environmental Management Act, S.B.C. 2003, chapter 53, as amended.
11. Provincial licensing of *child care centres* is regulated by the Community Care and Assisted Living Act, S.B.C., 2002, c.75, as amended and the Child Care Licensing Regulation set out under B.C. Reg. 95/2009, as amended.