

## Attachment 2

### *Metro Vancouver Staff Report to Regional Planning Committee*

To: Regional Planning Committee

From: Marcin Pachcinski, Division Manager of Electoral Area and Implementation Services,  
Mikayla Tinsley, Senior Policy and Planning Analyst, Regional Planning and Housing  
Services

Date: June 3, 2024 Meeting Date: July 4, 2024

Subject: **Metro 2050 Type 3 Proposed Amendment – City of Surrey (7880 128 St)**

---

### RECOMMENDATION

That the MVRD Board:

- a) initiate the *Metro 2050* amendment process for the City of Surrey's requested regional land use designation amendment from Industrial to Employment for the lands located at 7880-128 Street;
  - b) give first, second, and third readings to "Metro Vancouver Regional District Regional Growth Strategy Amendment Bylaw No. 1392, 2024"; and
  - c) direct staff to notify affected local governments as per section 6.4.2 of *Metro 2050*.
- 

### EXECUTIVE SUMMARY

The City of Surrey is requesting a Type 3 amendment to *Metro 2050* for a 1.3 hectare parcel located on the east side of 128 Street and south of 80 Avenue in the Newton Industrial area, directly adjacent to the Newton Cultural Commercial District. The proposed amendment would redesignate the regional land use from Industrial to Employment to accommodate commercial uses, including retail, office space, and a childcare facility. The requested *Metro 2050* Type 3 amendment bylaw requires an affirmative 50% + 1 weighted vote of the MVRD Board. The proposed amendment has been assessed in relation to applicable *Metro 2050* goals and policies. There is some concern that this proposal could lead to additional requests to redesignate industrial lands nearby. However, the direct impacts from redesignating this small parcel of industrial land would be small, and the amendment is compatible with several of the goals in *Metro 2050*. Based on this review, on balance, the proposed amendment is supportable. The key points of regional analysis for this application are as follows:

- The proposed amendment would redesignate 1.3 hectares of land with a regional Industrial land use designation that is strategically located from a goods movement perspective;
- The 16 hectare Newton Cultural Commercial District was created by the City of Surrey in 2014 (including support from Metro Vancouver for regional land use redesignation from Industrial to Employment) to contain the loss of industrial lands and conversion to other uses. Adding the subject site to the Newton Cultural Commercial District may increase pressure for adjacent lands to seek redesignation to non-industrial uses;
- The proposed amendment would add 1.3 hectares of land with a regional Employment land use designation, and likely lead to the creation of jobs, as commercial uses tend to provide a higher density of jobs;

- While provisions in *Metro 2050* stipulate that it is preferable to concentrate commercial uses within Urban Centres and Frequent Transit Development Areas, the subject site is located near bus routes with frequent service and a greenway; and
- The City of Surrey staff report estimates that the proposed amendment would lead to an increase in vehicle trip generation compared to the site’s current Industrial use.

## PURPOSE

To provide the Regional Planning Committee and MVRD Board with the opportunity to consider the City’s request to amend Metro 2050 to accommodate commercial uses, including retail, office space, and a childcare facility through a Metro 2050 Type 3 amendment.

## BACKGROUND

On March 21, 2024, Metro Vancouver received a request from the City of Surrey to consider a *Metro 2050* amendment for the subject site. The proposed amendment would amend the regional land use designation for the site from Industrial to Employment. Proposed amendments are brought to the Regional Planning Advisory Committee, Regional Planning Committee and MVRD Board for consideration.

## SITE CONTEXT

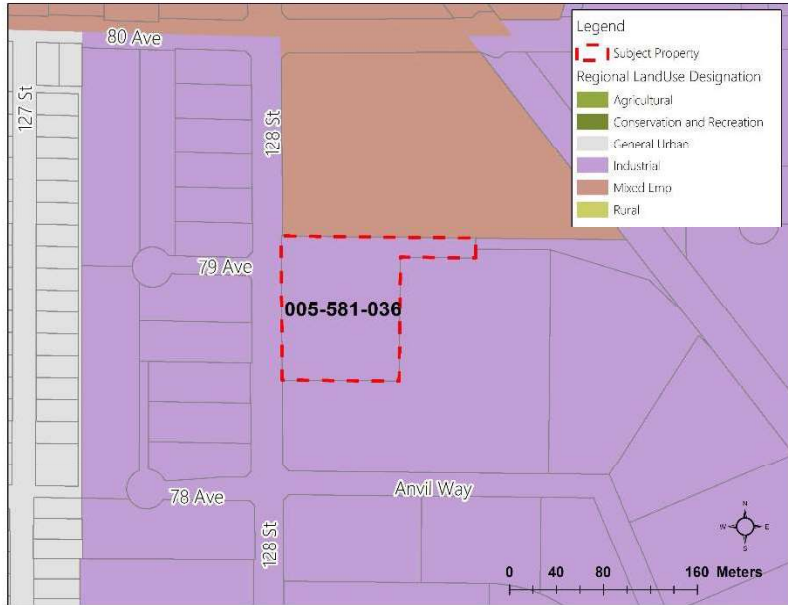
The subject site is a single parcel that is approximately 1.3 hectares in size. It is bounded by commercial uses to the north, and industrial uses to the east, west, and south. The City’s staff report notes that the subject site is abutting, but not within, the Central Newton Cultural Commercial District.

Figure 1 – Site Context



The Central Newton Cultural Commercial District was created to address development pressure to introduce commercial uses throughout the Industrial lands in Newton. As such, the plan concentrates commercial uses on lands designated Mixed Employment around the intersection of 80 Avenue and 120 Street, with the intent that, elsewhere in Newton, these uses would not be permitted on Industrial lands to help retain Industrial uses. The City of Surrey intends to add the subject lot to the Central Newton Cultural Commercial District plan area, should Metro Vancouver approve the Metro 2050 amendment.

**Figure 2 – Existing Regional Land Use Designations**



**Figure 3 – Proposed Regional Land Use Designations**



The proposal would see the site developed into two five storey commercial buildings and one childcare building with a total FAR of 2.0. The commercial building would consist of retail uses on the ground and second floors, and office uses on floors three through five.

**Table 1 – Proposed Lot Area and Floor Area**

<b>Lot Area</b>	
<b>Gross Site Area</b>	13,453 sq.m.
<b>Road Dedication</b>	345 sq.m.
<b>Net Site Area</b>	13,109 sq.m.
<b>Floor Area</b>	
<b>Retail</b>	10,472 sq.m.
<b>Office</b>	14,685 sq.m.
<b>Childcare</b>	1,060 sq.m.
<b>Total</b>	26,218 sq.m.

**PROPOSED REGIONAL LAND USE DESIGNATION AMENDMENT**

On February 26, 2024, the City of Surrey held a public hearing and granted 3<sup>rd</sup> reading to the respective OCP and zoning amendment bylaws. The proposal would amend the City’s OCP and Zoning Bylaw for the subject site to accommodate commercial uses. The City can only proceed to adopt the proposed OCP amendments after the MVRD Board approves the corresponding *Metro 2050* Type 3 amendment given the change of land use being requested. The proposed land use changes are outlined in Table 2 and on Figures 2 and 3.

**Table 2 – Proposed Site Designations**

	<b>Current</b>	<b>Proposed</b>
<b><i>Metro 2050</i></b>	Industrial	Employment
<b>OCP</b>	Industrial	Mixed Employment
<b>Zoning</b>	IL (Light Impact Industrial Zone)	CD (Comprehensive Development Zone)

**REGIONAL PLANNING ANALYSIS**

The City of Surrey’s proposed *Metro 2050* amendment has been assessed in relation to the applicable goals and policies of the Regional Growth Strategy. The intent of the assessment by Regional Planning staff is to identify regional planning implications and the regional significance of the proposed land use changes in consideration of *Metro 2050*, not to duplicate the municipal planning process. *Metro 2050* sets out a long-term regional vision to support growth and change while protecting the natural environment, fostering community well-being, and supporting economic prosperity, among other objectives. Staff’s role in assessing amendment requests is primarily to consider any implications to the shared *Metro 2050* vision, goals and strategies from a long-term, regional perspective. A summary of the regional analysis is provided as follows.

**Goal 1: Create a Compact Urban Area**

Goal 1 of *Metro 2050* includes strategies to concentrate urban development within the Urban Containment Boundary, and to direct growth to a network of Urban Centres and along transit

corridors, with an aim to support the development of resilient, healthy, connected, and complete communities with a range of services and amenities.

*Consideration 1: Contain urban development within the Urban Containment Boundary*

The proposed amendment does not affect the Urban Containment Boundary.

*Consideration 2: Focus growth in Urban Centres and Frequent Transit Development Areas*

The subject site is not located within an Urban Centre or Frequent Transit Development Area. The shared regional vision in *Metro 2050* sets out that major commercial uses are most strategically located within Urban Centres and Frequent Transit Development Areas. However, the subject site does have good transit service, with two current bus routes, the 323 and 393 routes, with the former providing Frequent Transit Network service, with all-day frequencies under 15 minutes and peak-period services under 10 minutes.

*Consideration 3: Develop resilient, healthy, connected, and complete communities with a range of services and amenities*

*Metro 2050* encourages member jurisdictions to locate a variety of services, including local serving retail uses and child care facilities in areas with good access to transit to support the development of resilient, healthy, connected, and complete communities. The proposed amendment would introduce office, retail and childcare, all of which are in strong demand in a fast growing community. The 2023 Survey of Licensed Child Care Spaces in Metro Vancouver showed that the City of Surrey is particularly lacking in childcare spaces, with only 18.3 childcare spaces per 100 children under the age of 12 (Reference 1). The inclusion of retail, office and child care uses into this location would generally support the regional goal of creating complete communities with a range of services and amenities.

Goal 2: Support a Sustainable Regional Economy

Goal 2 of *Metro 2050* includes strategies to promote land development patterns that support a diverse regional economy. This includes the protection and enhancement of the region's supply of industrial and agricultural lands, while supporting employment opportunities close to where people live.

*Consideration 1: Promote land development patterns that support a diverse regional economy and employment opportunities close to where people live*

Although commercial uses and employment are needed in every community, the shared regional vision set out in *Metro 2050* sets out that they should be primarily focused in Urban Centres and Frequent Transit Development Areas. While provisions in *Metro 2050* stipulate that it is preferable to concentrate commercial uses within Urban Centres and Frequent Transit Development Areas, the subject site is located in a fast growing community that is well served by transit and other transportation options. The proposed amendment will result in the creation of additional office, retail and child care related jobs in a location that is easily accessible. Economic activity on industrial lands also contributes directly to employment and plays a significant role in helping to support a diverse regional economy. As noted in the Economic Value of Industrial Lands to the Metro Vancouver Region study, not all jobs are the same, and the average wages from industrial jobs are higher than the regional average (Reference 2). The proposed amendment would be mixed

in terms of supporting the regional goal to support the development of a diverse regional economy. The proposal would increase economic activity and jobs on the site, but this would come at the expense of losing a small site of strategically located industrial land in the region.

*Consideration 2: Protect the supply and enhance the efficient use of industrial land*

The supply of industrial lands in Surrey and the region is limited and in high demand as documented in the Metro Vancouver Regional Industrial Lands Strategy and the 2020 Regional Industrial Lands Inventory (References 3 and 4).

In 2014, a Regional Growth Strategy land use designation amendment from the City of Surrey created the 16 hectare Newton Cultural Commercial District. One stated objective of this new commercial district was to stop and contain the ongoing loss of industrial lands and intrusion of commercial uses into the surrounding areas. This is confirmed and stated in the City's staff report submitted in support of this proposal where it notes:

*In order to relieve commercial pressure on Industrial lands throughout the community, the Central Newton Cultural Commercial District was established so that cultural and commercial uses could be focused in one area, thus protecting and maintaining the integrity of the remaining industrial lands.*

Metro Vancouver staff note that a change in the regional land use designation from Industrial to Employment will further erode the city's and region's supply and capacity of industrial lands. When considering a re-designation from Industrial to Employment or any other designation, it is important to consider whether accepting this request will lead to additional requests. If this application is approved, it is likely that there will be further pressure for land use changes, conversions, and speculation in the area, that will result in increased pressure for more non-industrial uses on designated Industrial lands.

The City's staff report on this proposal notes similar concerns:

*Approval of the current proposal would draw commercial uses farther south along 128 Street, further eroding the industrial land base, and providing increasing pressure for adjacent lands to redevelop to non-industrial uses.*

*The proposed development, if approved, would put pressure on other Industrial lands in Surrey to be converted to commercial uses, including other lands located in the Newton industrial area.*

**Goal 3: Protect the Environment, Address Climate Change, and Respond to Natural Hazards**

Goal 3 of *Metro 2050* includes strategies to protect, enhance, restore and connect ecosystems while advancing land uses that reduce greenhouse gas emissions and improve resilience to climate change impacts.

*Consideration 1: Protect, enhance, restore, and connect ecosystems*

The City's staff report notes that the applicant has proposed to remove one mature cottonwood tree on-site and plant 40 replacement trees (including birch, maples, spruce and cherry trees),

which exceeds the City's 1:1 replacement requirement. As the site is within the Urban Containment Boundary, planting 40 trees on site will contribute to the *Metro 2050* regional urban tree canopy cover target to increase the total regional tree canopy cover within the urban containment boundary to 40 percent by the year 2050. This is provided that: the tree species are resilient to harsh urban conditions (i.e. high temperatures, summer drought); sufficient soil volume is provided; and the trees are regularly irrigated and properly maintained so they can reach full maturity.

*Consideration 2: Advance land use, infrastructure, and human settlement patterns that improve resilience to climate change impacts and natural hazards*

The proposed amendment application is not expected to negatively affect the shared *Metro 2050* objective to advance land use, infrastructure, and human settlement patterns that collectively improve our resilience to climate change impacts and natural hazards. The site is not located within a high-probability hazard area, according to Metro Vancouver's Regional Multi-Hazard Mapping Project.

#### Goal 4: Provide Diverse and Affordable Housing Choices

Goal 4 of *Metro 2050* includes strategies that encourage greater supply and diversity of housing to meet a variety of needs. The proposed amendment does not enable or impact residential development, therefore the Goal 4 strategies and policies of *Metro 2050* are not applicable.

#### Goal 5: Support Sustainable Transportation Choices

Goal 5 of *Metro 2050* includes strategies that encourage the coordination of land use and transportation to encourage transit, multiple-occupancy vehicles, cycling and walking, and support the safe and efficient movement of vehicles for passengers, goods and services.

*Consideration 1: Supporting sustainable transportation options*

The subject site is located close to transit with many sustainable transportation options, which supports increasing the intensity of uses at the site. The subject site is directly served by two current bus routes, the 323 and 393 routes, with the former providing Frequent Transit Network service, with all-day frequencies under 15 minutes and peak-period services under 10 minutes. Moreover, the site is directly linked by a bike lane on 128 Street, connecting facilities on both 80 Avenue and 76 Avenue, and a multi-use path on the nearby Serpentine Greenway (which is part of the Regional Greenway Network).

However, these assets seemingly did not inform the design of the proposed project. The project is largely being designed to accommodate private vehicles, and will likely drive significantly more vehicle traffic to the area compared to the site's current industrial use. The City of Surrey's amendment application materials estimate that the site will generate approximately 900 vehicles per hour in the peak and 713 off-street parking spaces, primarily underground, are proposed. To help manage this incremental demand, the applicant is being required to construct a new traffic signal at 79 Avenue and extensions of existing turn bays at 80 Avenue, along with unspecified improvements to pedestrian and transit infrastructure along 128 Street.



*Consideration 2: Supporting efficient movement of goods and services*

128 Street is a designated truck route and part of the Major Road Network, which makes the site favourable for industrial uses. Given the importance of protecting industrial lands with access to goods movement networks set out in *Metro 2050*, the site's proximity to truck routes and major roads does not support a change in land use to commercial-oriented uses from a regional goods movement perspective.

**IMPLICATIONS FOR METRO VANCOUVER UTILITY SERVICES**

*Water Services (GVWD)*

The City's staff report does not provide an estimation of the increase in population served and the associated water demand resulting from this redesignation and rezoning. As soon as the population and water demand details are available, the City is requested to forward the information to Metro Vancouver's Water Services.

*Liquid Waste Services (GVS&DD)*

The proposed amendment should be of minimal hydraulic impact on Metro Vancouver's sewer conveyance system.

**REGIONAL PLANNING ADVISORY COMMITTEE COMMENTS**

An information report on the amendment application was provided to the Regional Planning Advisory Committee (RPAC) for comment on May 17, 2024. Staff from the City of Surrey presented on the amendment application and in response to a question from committee members, confirmed that a transportation impact analysis was completed.

**REGIONAL CONTEXT STATEMENT**

An updated Regional Context Statement (RCS) that reflects the proposed regional land use designation change is required from the City of Surrey prior to final adoption of the amendment bylaw. It is expected that the City will submit the updated RCS for consideration of acceptance if the Board chooses to initiate the proposed amendment process for *Metro 2050* and gives 1st, 2nd and 3rd readings to the *Metro 2050* amendment bylaw. The updated RCS will then be considered alongside the final adoption of the amendment bylaw. This process is in alignment with the regional growth strategy and associated implementation guidelines. Once received, Metro Vancouver has 120 days to accept or not accept the RCS.

**REGIONAL GROWTH STRATEGY AMENDMENT PROCESS AND NEXT STEPS**

Subsequent to the Regional Planning Advisory Committee meeting, Metro Vancouver staff will prepare a report for the Regional Planning Committee and MVRD Board with a draft amendment bylaw for consideration. If the amendment bylaw receives 1<sup>st</sup>, 2<sup>nd</sup>, and 3<sup>rd</sup> readings, it will then be referred to affected local governments, local First Nations, and relevant agencies, as well as posted on the Metro Vancouver website for a minimum of 45 days to provide an opportunity for comment.

*Metro 2050* identifies additional public engagement opportunities that may be used at the discretion of the MVRD Board including: appearing as a delegation to the Regional Planning Committee for the MVRD Board when the amendment is being considered; conveyance of comments submitted from the respective local public hearing to the MVRD Board, and hosting a

public information meeting (digitally or in person). All comments received will be summarized and included in a report advancing the amendment bylaw and updated RCS to the MVRD Board for consideration of final adoption.

### ALTERNATIVES

1. That the MVRD Board:
  - a) initiate the *Metro 2050* amendment process for the City of Surrey’s requested regional land use designation amendment from Industrial to Employment for the lands located at 7880-128 Street;
  - b) give first, second, and third readings to “Metro Vancouver Regional District Regional Growth Strategy Amendment Bylaw No. 1392, 2024”; and
  - c) direct staff to notify affected local governments as per section 6.4.2 of *Metro 2050*.
2. That the MVRD Board decline the proposed amendment for 7880-128 Street, and notify the City of Surrey of the decision.

### FINANCIAL IMPLICATIONS

If the MVRD Board chooses Alternative 1, there are no financial implications for Metro Vancouver related to the initiation of the City of Surrey’s proposed Type 3 Amendment. If the MVRD Board chooses Alternative 2, a dispute resolution process may take place as prescribed by the *Local Government Act*. The cost of a dispute resolution process is prescribed based on the proportion of assessed land values. Metro Vancouver would be responsible for most of those associated costs.

### CONCLUSION

The City of Surrey has requested that the MVRD Board consider a Type 3 amendment to *Metro 2050* for a 1.3 hectare site in the Newton Industrial area to change the land use designation from Industrial to Employment. This proposal would add 1.3 hectares of lands with a regional Employment land use designation to accommodate commercial uses, including retail, office space, and a childcare facility. It will also result in the loss of 1.3 hectares of well-located Industrial land. Metro Vancouver staff are concerned that this proposal could lead to further applications to convert adjacent industrial land, which was meant to be contained through the creation of the 16 hectare Newton Cultural Commercial District. However, the subject site is quite a small parcel, and therefore the direct impact of redesignation is minor.

From a transportation perspective, the proposed amendment is likely to generate significantly more vehicle trips than its current industrial use. Although commercial uses are more ideally located in Urban Centres and Frequent Transit Development Areas, the site does have frequent bus service and is located near a greenway. The proposed amendment is also likely to confer benefits in terms of job creation and the provision of amenities, such as childcare, in the area. Therefore, staff have concluded that, on balance, the proposed amendment is supportable.

The proposed amendment is unlikely to have a significant impact on Metro Vancouver’s sewer conveyance system. Additional information is required to fully assess water servicing implications for this application, should it proceed. This information can be received post-bylaw during the development planning stage. Staff recommend Alternative 1.

## ATTACHMENTS

1. City of Surrey Regional Growth Strategy Amendment Application and Staff Report, dated March 21, 2024 (File: 7923-0090-00)
2. Metro Vancouver Regional District Regional Growth Strategy Amendment Bylaw No. 1392
3. Presentation re: *Metro 2050* Type 3 Proposed Regional Land Use Amendment City of Surrey - 7880-128 ST

## REFERENCES

1. [The 2023 Survey of Licensed Child Care Spaces in Metro Vancouver](#), Metro Vancouver, December 2023.
2. [Economic Value of Industrial Lands to the Metro Vancouver Region Study](#), Metro Vancouver, 2019
3. [Regional Industrial Lands Strategy](#), Metro Vancouver, June 2020.
4. [Metro Vancouver 2020 Regional Industrial Lands Inventory: Technical Report](#), Metro Vancouver, March 2021.

67028732