



EXPLANATORY MEMO

INDUSTRIAL ZONING (I1 ZONE) UPDATE

ZONING BYLAW AMENDMENT NO. 195, BYLAW NO. 3251

PURPOSE:

The City has initiated a phased process to update the Zoning Bylaw, to align it with the City's new Official Community Plan (OCP). This Bylaw proposes to update the I1 'Light Industrial' Zone (mapped on Attachment 1) as a 'first step' in the Zoning Bylaw update process, to respond to increasing industrial investment and redevelopment activity in the City. The I2 & I3 industrial and other zones will be updated as a part of the broader Zoning Bylaw update process, anticipated to be complete by mid-2024.

POLICY:

The OCP is organized around five policy 'Directions'. Most relevant to this Bylaw, Direction 2: 'A Highly Connected City Aligned With Rapid Transit' and Direction 4: 'A Responsive Economy That Creates New Jobs', include industrial land use policies that aim to 1) maintain the City's significant industrial land base, 2) encourage more industrial uses that provide more jobs and taxation benefits, 3) support innovation and investment, including new and emerging trends in industrial activity and business, and 4) modernize industrial zoning and parking to reflect industry and regional best practices, and improved transit service (including planned SkyTrain).

COMMENTS/ANALYSIS:

These proposed updates to the I1 Zone will implement OCP policies, enhance the City's economic competitiveness, provide opportunities for existing businesses and new developments to make the best use of valuable and costly industrial land, align the City with regional and national industrial development trends, and recognize the increased investment opportunities that will emerge with SkyTrain's arrival in 2028.

Specific Updates and Rationale

The proposed I1 Zone updates, and the rationale for these updates, is as follows:

1. Lowering the minimum parking requirement for I1 Zone industrial uses to 1 space per 100 square metres (sm). The current parking rate is 2 spaces per 93 sm, which is more than double the City of Surrey rate (1 space per 100 sm) and the Township of Langley rate (0.5 spaces per 100 sm). Given high land costs, and that adjacent municipalities are hosting successful industrial activity with lower parking rates, this new parking minimum will help the City's industrial businesses make the best use of expensive land, provide more flexibility when adding more floorspace to existing sites, and enhance the City's economic competitiveness. This new minimum rate will not force existing businesses to reduce their parking, and existing and new businesses can provide more parking if they choose to.

2. Increasing the I1 zone height limit to 30 metres from the current 15 metre height limit. This will provide more flexibility for industrial businesses with taller buildings and/or on-site structures, and opportunities for new development to 'stack' uses on a site to maximize land efficiency and fit in new industrial uses such as e-commerce, warehousing and speciality manufacturing uses that require taller buildings and 'floor to ceiling' heights. Given high land costs, increased building height also provides opportunities to place industrial uses on top of parking, which improves site use and cost efficiencies.
3. Permitting more small-scale office uses, including professional offices supporting land development, manufacturing, utility and technology/e-commerce industries, in industrial buildings located along major or 'arterial' roads. This office space would be 'accessory' to on-site industrial uses, limited to a maximum of 10 percent of the site area and building floorspace, and only permitted on I1-zoned properties adjoining major roads, including 200 Street, 56 Avenue, Fraser Highway, Logan Avenue and Langley Bypass. This approach is intended to create new business investment opportunities, support emerging industrial-business trends, provide more commercial uses that service local industrial and neighbourhood areas and are in close walking distance of high frequency transit, and help create attractive 'office-like' industrial buildings, along the City's major travel corridors and at major intersections, when industrial properties redevelop.

Effect of Bylaw: No Impact on Existing Industrial Businesses

If this proposed amendment is adopted by Council, these updates will not impact or impose additional zoning requirements on existing industrial businesses.

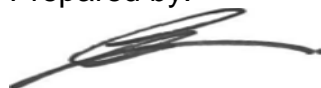
SUMMARY

The I1 'Light Industrial' Zone is being updated to support increasing industrial investment interest and new industrial redevelopment activity in the City, and align a commonly used Industrial Zone with the industrial development policies in the OCP.

BUDGET IMPLICATIONS:

None.

Prepared by:



Carl Johannsen, RPP MCIP
Director of Development Services

Reviewed by:



Darrin Leite, CPA, CA
Deputy Chief Administrative Officer
Director of Corporate Services