

NO: R115

COUNCIL DATE: June 14, 2021

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## REGULAR COUNCIL

TO: **Mayor & Council**

DATE: **June 9, 2021**

FROM: **General Manager, Engineering  
General Manager, Planning & Development**

FILE: **5480-01**

SUBJECT: **Parking Update: Rapid Transit Corridors and Rental Housing**

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## RECOMMENDATION

The Engineering Department and the Planning & Development Department recommend that Council:

1. Receive this report for information; and
2. Endorse staff recommendations to amend the *Surrey Zoning Bylaw, 1993, No. 12000, as amended*, as illustrated in Appendix "I" to include:
  - a. Defined Rapid Transit Areas ("RTAs") consisting of the existing Expo SkyTrain Line and planned corridors of Surrey-Langley-SkyTrain and Surrey-Newton-Guildford, as illustrated in Appendix "II";
  - b. Reduced multi-family residential parking requirements in areas located in RTAs;
  - c. New market rental housing parking requirements; and
  - d. Expansion of Alternative Parking Provisions to the new RTAs;
3. Authorize staff to bring forward the necessary amendments to the *Surrey Zoning Bylaw, 1993, No. 12000, as amended*; and
4. Direct staff to bring forward a Corporate Report with an updated Transportation Demand Management Policy.

## INTENT

The purpose of this report is to report back on Council's direction from February 8, 2021 as part of Corporate Report No. R027; 2021 (attached as Appendix "III") to proceed with review of off-street multi-family parking requirements on the Fraser Highway Surrey-Langley-SkyTrain ("SLS") corridor to encourage transit-oriented and smart development, and to obtain Council endorsement of the corresponding amendments to the *Surrey Zoning Bylaw, 1993, No. 12000, as amended* (the "Zoning Bylaw").

## **BACKGROUND**

The City's off-street parking regulations contained within Part 5 of the Zoning Bylaw specify both the number of spaces required for various land uses and how parking is to be provided. As Surrey grows, transit service improves, and transportation choices increase, there is a corresponding need to review the supply and management of off-street parking both in terms of its day-to-day impact on the public and its role in helping to shape the future development of the City.

The parking requirements for various uses throughout the City have been updated over time. The most significant of these updates was the 2019 City Centre Parking Update (Corporate Report No. R014; 2019) which significantly reduced parking requirements in City Centre and introduced several innovative measures (including parking maximums), and alternative parking provisions that includes a shared vehicle incentive, transportation demand management measures ("TDM"), and payment-in-lieu of parking.

At the February 8, 2021, Regular Council meeting, direction was provided to staff as part of Corporate Report No. R027; 2021 (attached as Appendix "I") to proceed with preparing Bylaws for parking payment-in-lieu for the Fraser Highway Rapid Transit Corridor that would support SLS project. To complete this work, a review of the minimum parking requirements for multiple family residential buildings was also required.

As part of the review, staff presented to the Development Advisory Committee ("DAC") on April 6, 2021, who supported amendments to parking minimums for multi-unit residential developments along the SLS corridor and recommended that expanded reduced parking requirements and associated alternative parking provisions be brought forward for other rapid transit corridors.

## **DISCUSSION**

The management of off-street parking is a powerful tool for achieving the principles of "smart development", long-term transportation goals and transit-oriented development to promote increased transportation choices and encourage sustainable modes of travel. Creating reduced parking requirements, and the additional flexibility provided by alternative parking provisions, will reduce the need for parking variances and create a consistent approach for both developers and City staff.

### **Supporting Existing City Plans and Policies**

Establishing defined Rapid Transit Areas, reducing parking minimums for multi-family residential, creating parking requirements for market rental developments, and extending alternative parking provisions is consistent with many of the objectives in key strategic City plans and policies including:

- Surrey Transportation Plan;
- Climate Change Action Strategy;
- Official Community Plan;
- Newton Town Centre, Fleetwood, and Guildford - 104 Avenue Corridor;
- Surrey Affordable Housing Strategy; and
- SLS Supportive Policies Agreement.

The recommended changes to parking requirements will support Smart Growth Development, expanded affordable rental housing, greenhouse gas ("GHG") targets, and green transportation choices.

## Evidence Based Parking Demand Analysis

Metro Vancouver has conducted two comprehensive investigations of apartment (multi-family residential) parking supply and demand to help “right-size” parking for new apartment developments across the Metro Vancouver region. The findings of the most recent study in 2018 found are summarized in Table 1: Resident Parking Demand by Proximity to Transit below.

**Table 1: Resident Parking Demand by Proximity to Transit (2018 Regional Parking Study)**

Tenure	Proximity to Transit	Spaces per Unit	Parking Vehicles per Unit	Parking Oversupply
Strata Sites	Within 800m of rapid transit	1.21	0.86	+42%
	Within 400m of frequent bus only	1.40	0.97	+45%
Market Rental Sites	Within 800m of rapid transit	0.62	0.35	+77%
	Within 400m of frequent bus only	0.90	0.72	+25%

In 2017, the City undertook a comprehensive study of parking supply and demand within City Centre. The study followed the same methodology that was used for the Metro Vancouver studies and recorded direct observations of residential parking demand in 52 residential buildings. The study found parking to be over-supplied by 50% on average. The observed parking demand rate was 0.76 parked vehicles per dwelling unit. The parking demand was found to be even lower in newer buildings and buildings located within 400 metres of a SkyTrain station.

The above parking studies also measured visitor parking demand, which was found to generally be over-supplied, with observed parking demand rates below 0.1 stall per dwelling unit, compared to the typical municipal requirement of 0.2 visitor stall per apartment unit. These findings formed the basis of the City Centre Parking Update. Numerous other Metro Vancouver municipalities have also since updated their parking requirements in areas located near frequent transit and to support the development of rental housing.

## Proposed Parking Amendments

The proposed recommended amendments to the Zoning Bylaw parking requirements, include:

- Defining RTAs for generally consisting of;
  - The existing Expo Line;
  - SLS on Fraser Highway; and
  - Surrey-Newton-Guildford (“SNG”) on King George Boulevard and 104 Avenue.
- Applying flat per unit parking rates instead of based on type of unit in RTAs;
- Applying parking maximums in RTAs;
- Modifying requirements for ground-oriented units with shared underground parking City wide;
- Reducing minimum parking requirements for market strata in RTAs;
- Creating new parking requirements for market rental City-wide;
- Reducing visitor parking requirements in RTAs; and
- Extending the alternative parking provisions (parking in-lieu) and TDM policies in RTAs.

A summary of the recommend changes is included in Appendix “I”. The maps of the RTAs are illustrated in Appendix “II”.

## **Zoning Bylaw Parking Requirement Reduction Specifications**

In addition to the amendments to parking requirements discussed above, staff will also be recommending changes to the organization of the Zoning Bylaw and the sections related to reduced parking. Specifically, consolidating sections into a single schedule for reduced parking requirements in RTAs and the alternative parking provisions. This change will make it easier to interpret and apply the requirements and will also better facilitate the addition of a future TDM policy.

### **Implementation**

No special accommodations for “in-stream” applications will be necessary for the proposed changes to parking minimums since the proposed amendments reduce the minimum parking requirements in the identified areas.

### **Next Steps**

If the proposed Zoning Bylaw amendments outlined in this report are endorsed by Council, staff will report back to Council in September 2021 with the Zoning Bylaw amendments for Council’s approval. Additionally, subject to Council’s endorsement of the recommendation, staff will proceed with developing a comprehensive TDM policy to replace the current interim approach and bring forward a report for Council’s consideration.

## **SUSTAINABILITY CONSIDERATIONS**

The proposed new parking requirements support the objectives of the City’s Sustainability Charter 2.0. In particular, these requirements support the Sustainability Charter 2.0 themes of Built Environment and Neighbourhoods, and Infrastructure. Specifically, these updates support the following Desired Outcomes (“DO”) and Strategic Directions (“SD”):

- Neighbourhoods and Urban Design DO3: The City Centre is a dynamic, attractive and complete metropolitan area and important international destination, and is one of North America’s most livable and desirable downtowns;
- Neighbourhoods and Urban Design DO9: All aspects of planning, design and construction include climate change impacts, greenhouse gas (GHG) mitigation, adaptation, and resiliency strategies;
- Neighbourhoods and Urban Design SD5: Leverage, incentivize and enhance community benefits through the planning and construction of new development;
- Buildings and Sites SD15: Provide greater multi-family housing choice, and options for affordability and accessibility; and
- Transportation DO11: An integrated and multi-modal transportation network offers affordable, convenient, accessible, and safe transportation choices within the community and to regional destinations.

## CONCLUSION

The management of off-street parking is critical to achieving long-term transportation goals and is an effective way to support existing rapid transit on the Expo Line and planned investments on the SLS and SNG corridors. Providing the appropriate amount of off-street parking promotes increased transportation choices, facilitates transportation demand management measures, and supports Smart Growth and affordable housing development. As described in this report, staff recommend reducing parking minimums in rapid transit areas, reducing parking requirements for rental developments, and extending in-lieu of parking options to rapid transit areas.

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General Manager, Engineering

Jean Lamontagne  
General Manager, Planning & Development

RV/RJG/cc

Appendix "I" - Recommended Changes and Rationale to Parking Provisions of Zoning Bylaw

Appendix "II" – Rapid Transit Area Maps

Appendix "III" – Corporate Report No. Ro27; 2021

<https://surreybc.sharepoint.com/sites/ENG.Administration/WP Docs/2021/Admin/CR/Parking Update Frequent Transit Corridors and Rental Housing/VL Parking Update Frequent Transit Corridors and Rental Housing.docx>

# APPENDIX “I”

## RECOMMENDED CHANGES AND RATIONALE TO PARKING PROVISIONS (PART 5) OF SURREY ZONING BYLAW, 1993, NO. 12000

### Rapid Transit Areas

Based on the policies and the Metro Vancouver study for evidence-based analysis the eligible locations are proposed to be within Rapid Transit Areas (“RTAs”). The RTAs are defined as either:

- Currently served by existing Expo Line Skytrain Rapid Transit; or
- Are part of the approved Mayors’ Council 10-Year Vision plan project corridors for future rapid transit, consisting of:
  - The Surrey-Langley-SkyTrain (“SLS”) expo line SkyTrain extension; and
  - The Surrey-Newton-Guildford (“SNG”) on King George Boulevard and 104 Avenue.

The RTAs are illustrated in Appendix “III”, and the associated transit service are specifically:

<b>Rapid Transit Area</b>	<b>Rapid Transit Service</b>
Surrey City Centre	Expo Line SkyTrain
Scott Road Station (South Westminster)	Expo Line SkyTrain
Fleetwood Plan	SLS
Guildford Town Centre – 104 Avenue Corridor Plan Area	SNG Rapid Transit Corridor
King George Boulevard – Newton Town Centre	SNG Rapid Transit Corridor

### Flat Per-Unit Rate

A “flat” space per unit rate differs from the existing approach, where rates are prescribed depending on the dwelling unit type (e.g., one-bedroom, two-bedroom, etc.). By applying a flat rate across all unit types, dwelling unit mix can better reflect market demands and the community’s needs, rather than the Zoning Bylaw parking requirements and supports the City’s efforts for “smart development” by facilitating a greater proportion of larger unit types targeted at families.

Flat per unit rate parking requirements is already applied in Surrey City Centre and is recommended to be extended to the RTA’s included in this update.

### Parking Maximums

Parking maximums establish an upper limit on parking supply and can be imposed in addition to or instead of minimum parking requirements. The proposed amendments take the latter approach, establishing a new maximum in addition to the minimum requirement, effectively establishing a parking requirement “range”. Establishing a maximum discourages developers from supplying parking more than the known demand, while simultaneously supporting the shift from private vehicles to alternative, sustainable modes of transportation.

Parking maximums are already applied in Surrey City Centre and is recommended to be extended to the areas included in this update.

### Ground-Oriented Units with Underground Parking

The Zoning Bylaw prescribes different parking requirements for ground-oriented units. The reason for this is that ground-oriented units typically take the form of 2-3 storey townhouses with individual garages; however, it is also typical for multiple unit residential apartment buildings to include ground-oriented units at the base of the building (e.g., townhomes or city-homes).

The higher parking rates for townhomes with individual garages is necessary, as these units tend to be larger, family-oriented units and parking cannot be shared between units when provided as individual garages. However, when ground-oriented units are provided as part of a multiple residential building, the units can be two-bedroom units or smaller and the shared underground parking facility provides opportunities to match parking supply to demand and to share parking.

Applying a flat per unit rate parking requirements is already applied in Surrey City Centre and is recommended to be applied to the areas included in this update.

### Minimum Parking Requirements for Multi-Family Residential

The recommended amendments introduce new minimum parking requirements for the new Rapid Transit Areas, except for the City Centre Rapid Transit Area, which remains unchanged.

The rates apply only to multiple unit residential dwellings with underground parking and are supported by the findings of the two Metro Vancouver Regional Parking Studies and the City Centre Parking Analysis. These changes represent a reduction of approximately 20% from the current minimum. Table 2 below summarizes the proposed changes.

**Table 2: Parking for Multiple Unit Residential Units with Underground Parking – Market Strata**

Location	Unit Type	Current		Proposed	
		Minimum	Maximum	Minimum	Maximum
New Areas		0-1 Bed	2 Bed+	All Unit Sizes	
New Rapid Transit Areas (except Surrey City Centre)	Ground-Oriented	2.0	2.0	1.1	1.3
	Non-Ground-Oriented	1.3	1.5	1.1	1.3

### Minimum Parking Requirements for Market Rental

The Zoning Bylaw does not currently include specific parking requirements for rental housing. Studies have consistently found parking demand for rental housing to be lower than that of market strata, and even more so when located near rapid and frequent transit.

The recommended amendments introduce new minimum parking requirements for market rental housing and apply Citywide.

Table 3 below describes the proposed new parking requirements for market rental developments located in Surrey City Centre, all other Rapid Transit Areas and Citywide.

**Table 3: Parking for Multiple Unit Residential Units with Underground Parking – Market Rental**

Location	Market Strata Unit Rate (Current & Proposed)		Market Rental Unit Rate (Proposed)	
	Minimum	Maximum	Minimum	Maximum
Surrey City Centre RTA	0.9	1.1	0.65	0.85
All other Rapid Transit Areas	1.1	1.3	0.8	1.0
City-wide	0-1 Bed	2 Bed+	Minimum	Maximum
	1.3	1.5	1.1	1.3

The changes in the areas represent a reduction of approximately 30% from the minimum for market strata. For rental developments located outside of rapid transit areas the reduction is approximately 20% to the City-wide minimum parking requirement.

To be eligible for these market rental parking rates, applicants will be required to enter into a Housing Agreement restricting the use of the units to market rental housing for a term agreed to by the City and the owner (minimum of 20 years). For non-market rental housing developments, parking rates will be determined on a case-by-case basis and will depend on the target resident population and staffing (if applicable).

### Visitor Parking Requirements

Based on the parking demand studies, and on the successful precedent of the City Centre Parking Update the minimum visitor parking requirement are recommended to be reduced to 0.10 space per unit for rapid transit areas and all rental developments for multi-family residential with underground parking, and market rental housing.

### Transportation Demand Management (Alternative Parking Provisions)

The City Centre Parking Update introduced three types of TDM requirements, identified as Alternative Parking Provisions in the Zoning Bylaw, for further reductions below the minimum parking rates in combination to a total of 20%. TDM is a critical tool to help support Smart Growth principles and encourage reduced driving and increased walking, biking, and transit use. The current TDM provisions include:

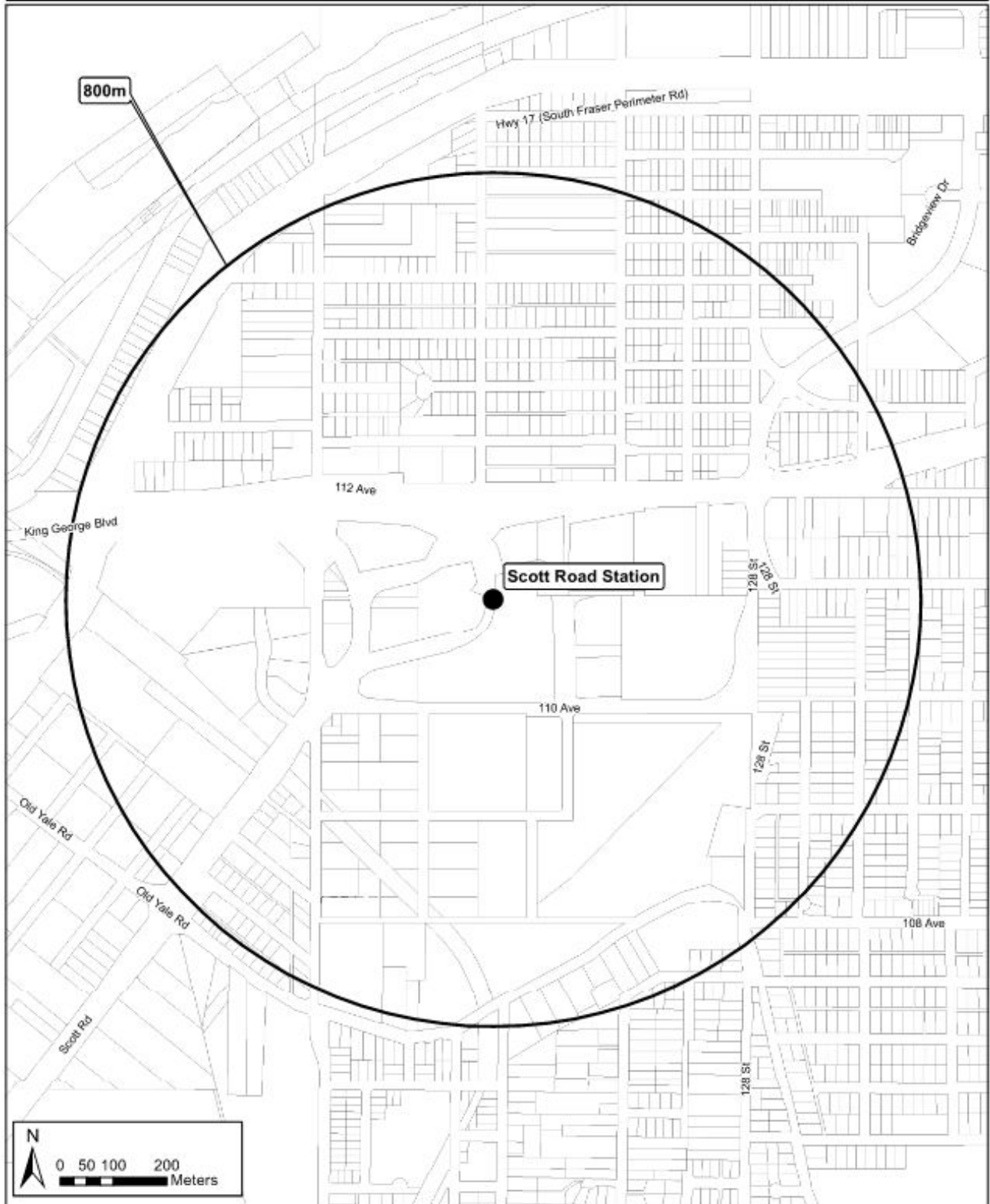
- Car-sharing vehicles (currently provided by Modo);
- Alternative TDM measures (such as cycling amenities and infrastructure, car-share, and transit passes); and
- Payment-in-lieu of \$20,000 per stall.

Alternative Parking Provisions of the Zoning Bylaw, which currently is limited to Surrey City Centre RTA, is recommended to extend to the new RTAs. A comprehensive TDM policy and update for the Alternative Parking Provisions will occur later in 2021 to support this update.



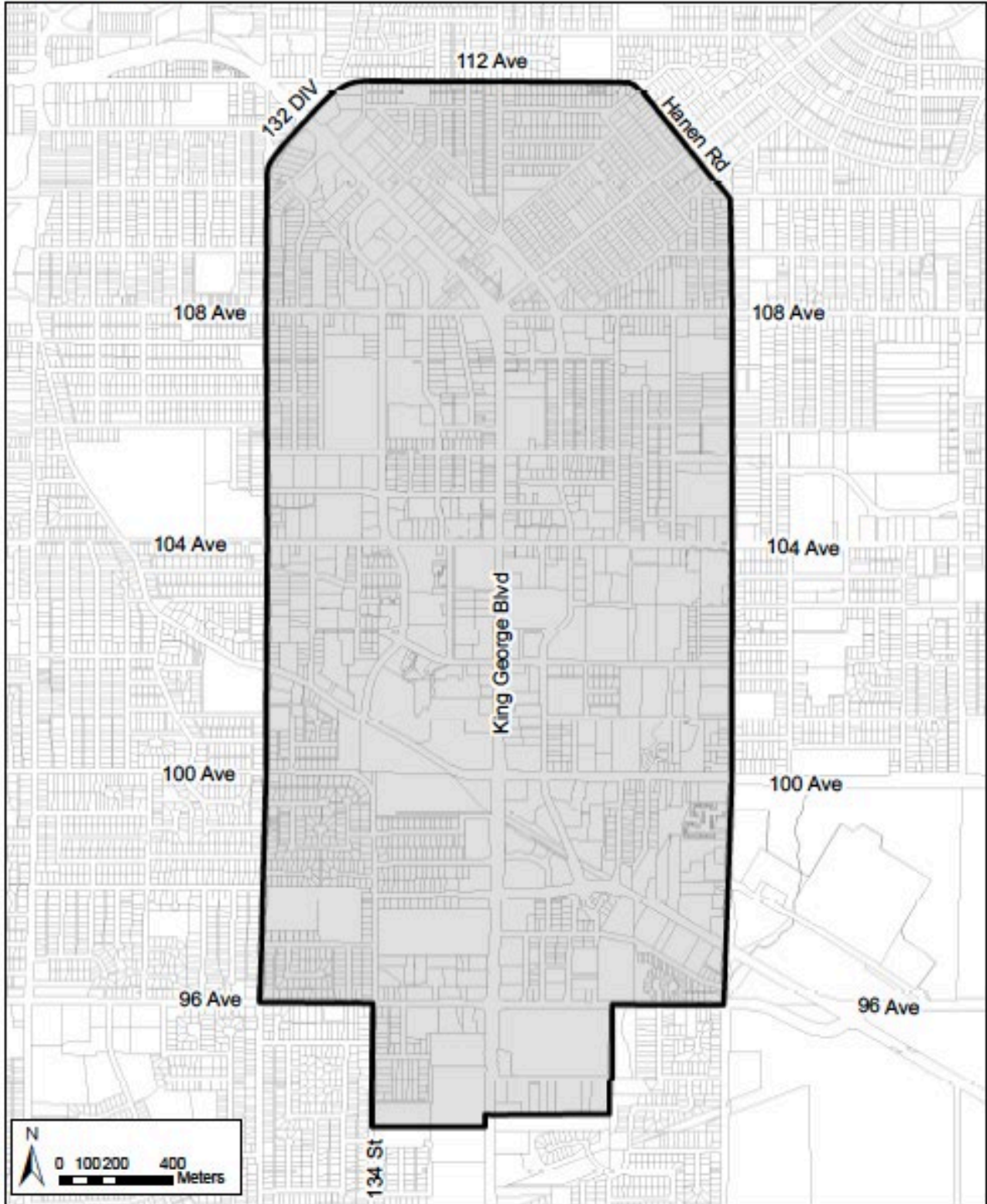
### Scott Road Station Off-Street Parking Reduction Area Map

Scott Road Station Area



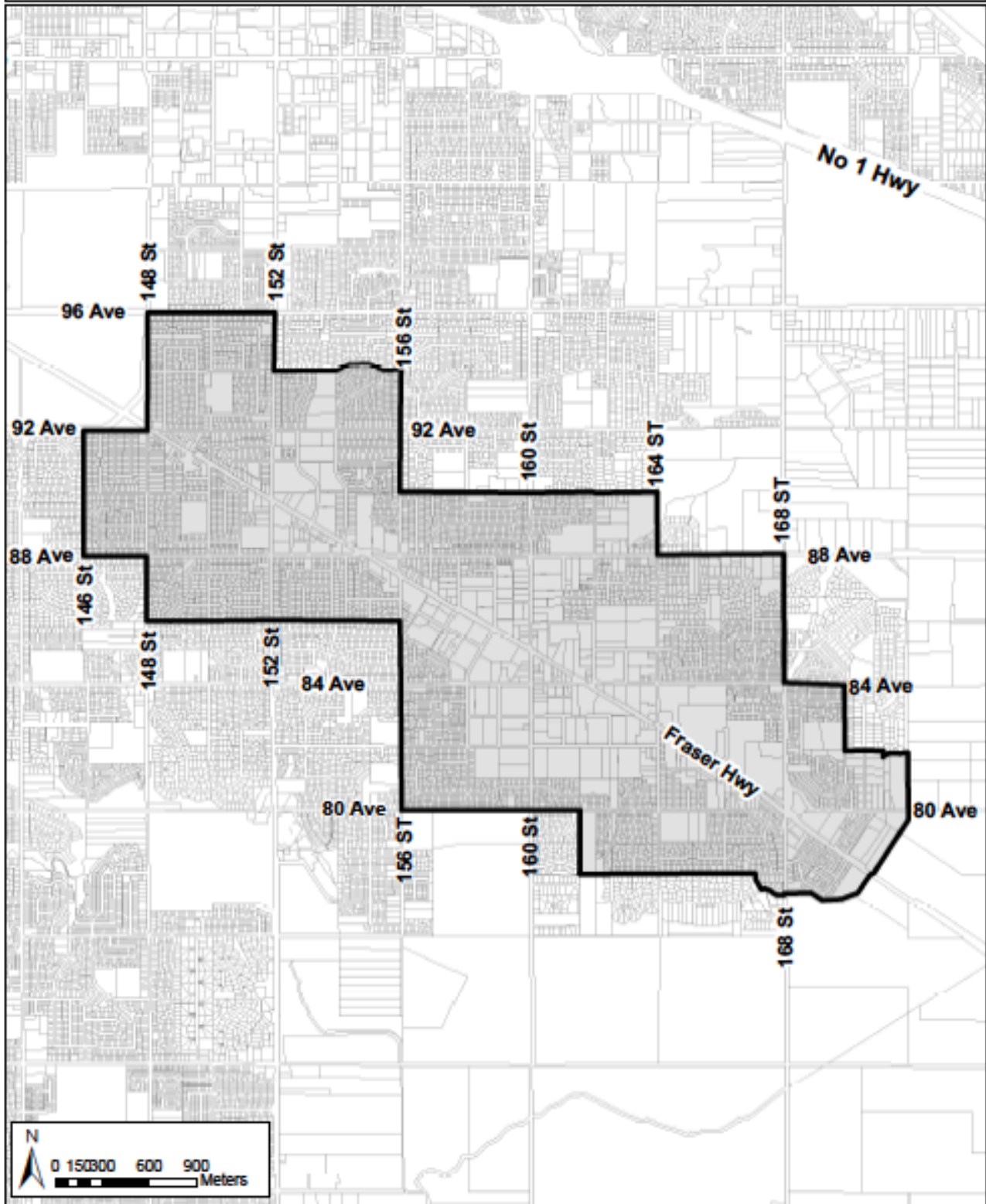
### City Centre Off-Street Parking Reduction Area Map

City Centre Plan area



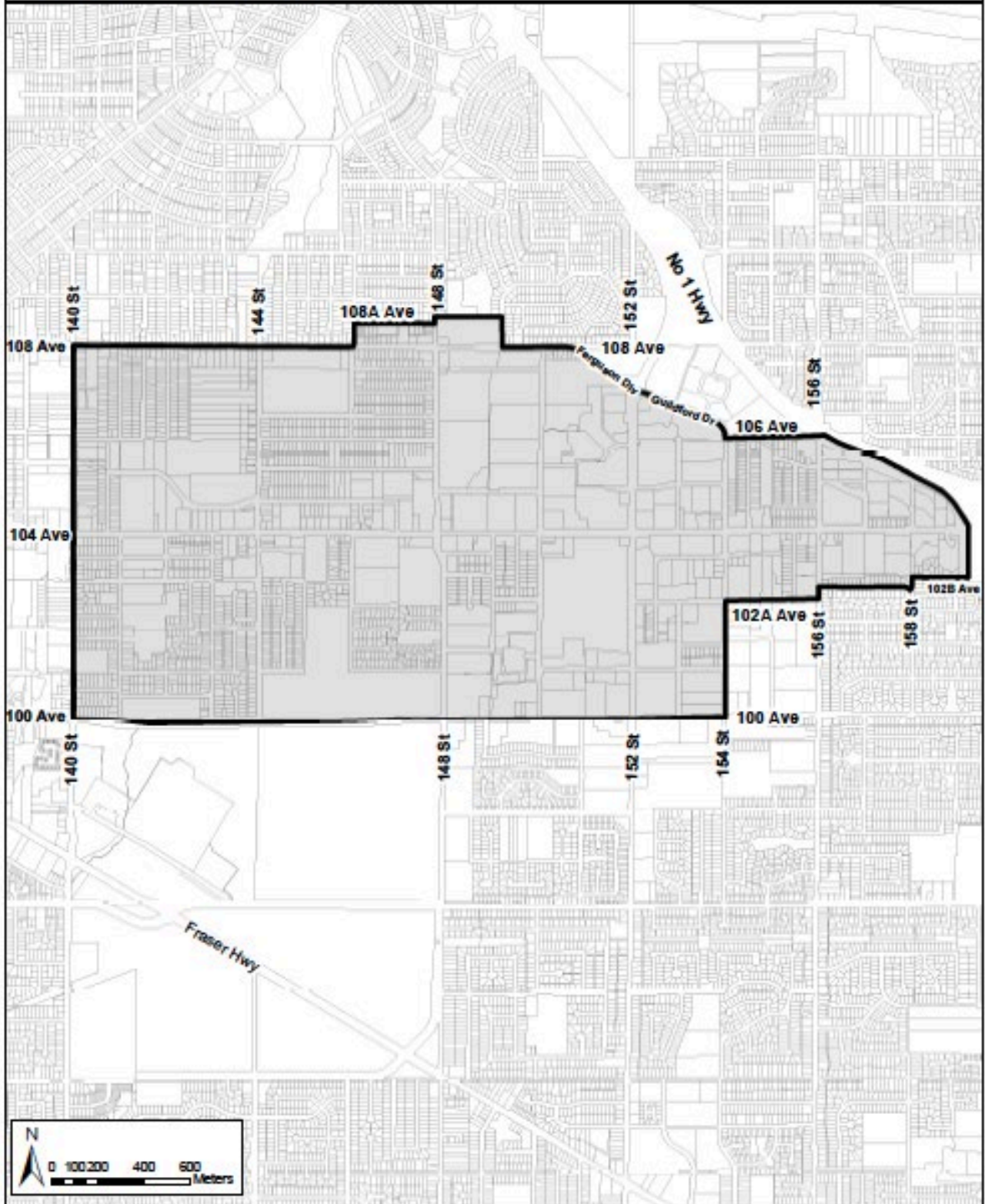
### Fleetwood Off-Street Parking Reduction Area Map

Fleetwood Plan area



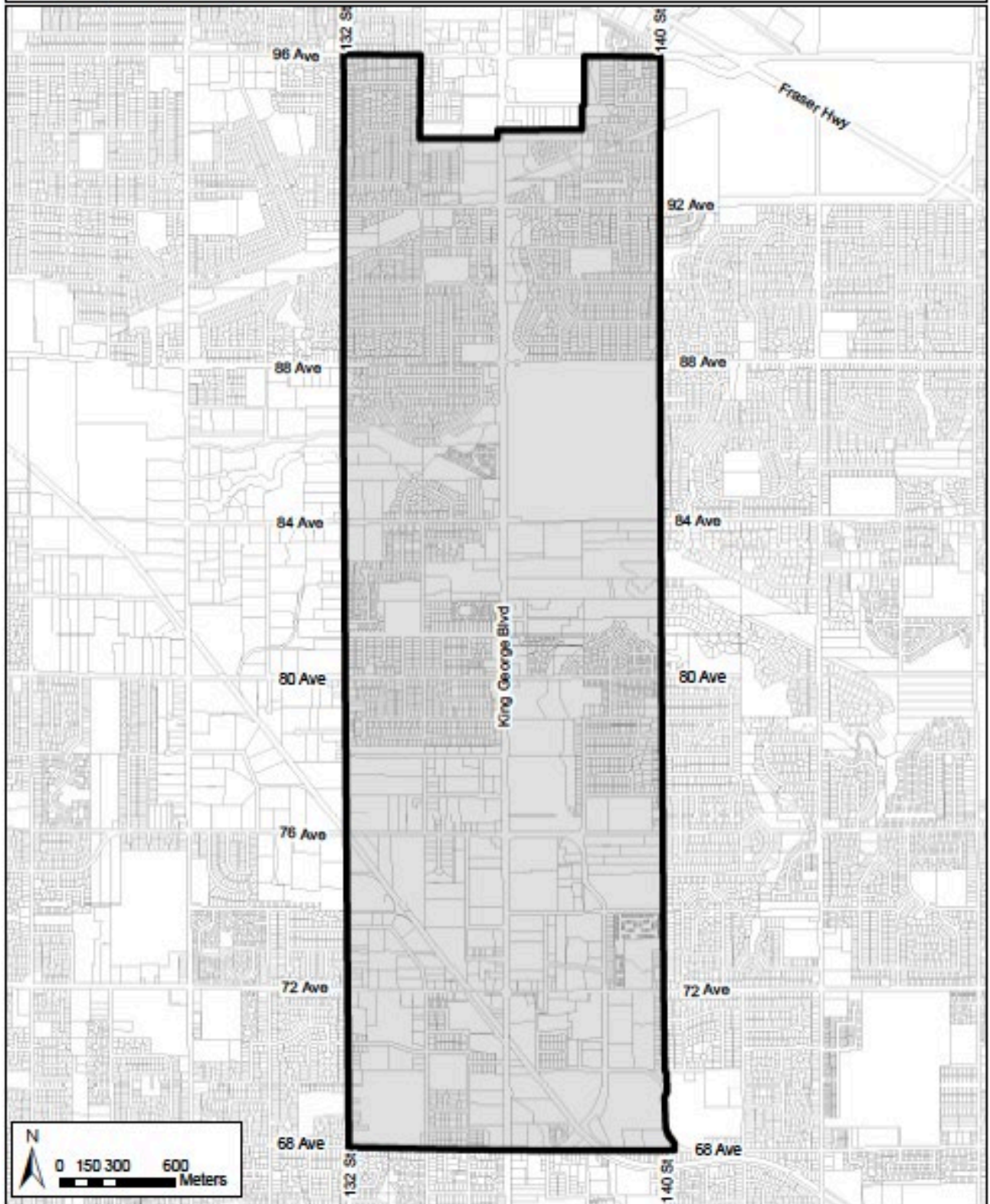
### Guildford-104 Avenue Off-Street Parking Reduction Area Map

Guildford Town Centre - 104 Avenue Plan area



### King George Boulevard-Newton Town Centre Off-Street Parking Reduction Area Map

King George Boulevard Rapid Transit Corridor



## CORPORATE REPORT

NO: R027

COUNCIL DATE: FEBRUARY 8, 2021

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### REGULAR COUNCIL

TO: Mayor & Council

DATE: February 4, 2021

FROM: General Manager, Engineering

FILE: 5480-17

SUBJECT: Parking Payment-in-Lieu - Reserve Funds Status and Fraser Highway Corridor

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### RECOMMENDATION

The Engineering Department recommends that Council:

1. Receive this report for information; and
2. Direct staff to proceed with preparing Bylaws for parking payment-in-lieu expansion along the Fraser Highway rapid transit corridor, as generally described in this report.

### INTENT

The intent of this report is to provide an annual update on the City's payment-in-lieu of parking reserve funds, and seek approval for extension of the Bylaw along Fraser Highway to align with Smart Growth, densification and sustainable development with the Surrey-Langley Skytrain ("SLS") line.

### BACKGROUND

In 2019, Council approved the City Centre Parking Update (Corporate Report No. R014; 2019 attached as Appendix "I"), which updated minimum parking requirements, introduced a car share incentive, included Transportation Demand Management ("TDM") options, and authorized two new payment-in-lieu of parking reserve funds. These new provisions currently only apply to new multiple residential unit developments in City Centre.

Payment in-lieu of parking is the practice of providing a cash contribution in exchange for not building and providing a parking space and has been in place since 1971. The intent is to provide alternatives when achieving parking requirements is not technically feasible or where parking demand is anticipated to be less than parking minimums. Payment-in-lieu of parking is enabled by Section 525 of the Local Government Act. Money received by the local government in-lieu of parking must be credited to a reserve fund for the purposes of providing either:

1. New and existing off-street parking spaces; or
2. Transportation infrastructure that supports walking, bicycling, public transit, or other alternative forms of transportation.

Historically, cities focused payment-in-lieu of parking reserve funds to build centralized and city-owned parking facilities. However, with the legislation expanding the eligible uses of payment-in-lieu funds to include investments in alternative transportation infrastructure, the City can provide walking, cycling and transit infrastructure to support sustainable transportation infrastructure.

Currently, the City's Zoning Bylaw allow minimum parking requirements to be reduced by up to 10% with payment-in-lieu provisions at \$20,000 per stall. There is the potential for an additional 10% reduction (for a maximum of 20%) when TDM measures are provided, such as car share or enhanced cycling amenities. When TDMs are proposed, staff negotiate with the developer to approve a combined payment-in-lieu and TDM package.

## **DISCUSSION**

### **Parking Reserve Fund – Current Balances**

The City has three separate parking reserve funds, each with a unique purpose:

- Cloverdale Off-Street Parking Facilities Reserve (Bylaw No. 3470);
- Alternative Transportation Infrastructure Reserve Fund (Bylaw No. 19769); and
- Off-Street Parking Reserve Fund (Bylaw No. 19768)

#### Cloverdale Off-Street Parking Facilities Reserve

The Cloverdale Off-Street Parking Facilities Reserve was created in 1971 under provisions of the Municipal Act. Developers of commercial and mixed-used properties in Cloverdale Town Centre have the option to provide payment in-lieu of meeting minimum parking requirements. These provisions recognize the challenges associated with providing underground parking in this area of the City, given the shallow groundwater table limits in the area and the unique character of Cloverdale Town Centre.

The City uses has used these funds to acquire off-street parking for public use in Cloverdale Town Centre. The funds cannot be used for operations or maintenance. To date nine lots within 100 metres of the 176 Street main retail area of the Town Centre have been acquired, providing approximately 220 parking spaces (Appendix "II"). Current utilization of these sites is sufficient to meet peak demand without any parking fees, enforcement, or monitoring mechanisms. Management of the sites is closely coordinated with the Cloverdale Business Improvement Association.

#### Alternative Transportation Infrastructure Reserve Fund (City Centre)

Contributions to the Alternative Transportation Infrastructure Reserve Fund can only be used for transportation infrastructure investments that support walking, bicycling, public transit, or other alternative forms of transportation within City Centre. Currently, 50% of parking payment-in-lieu per stall is allocated to this fund.

Investment of the Alternative Transportation Infrastructure funds are to be made on investments that support walking, bicycling, transit or other alternative forms of transportation. Surrey City Centre is already highly walkable and has significant access to public transit resulting in a high transit and walk mode share. A significant opportunity for improvement is available for cycling and micromobility (scooters, etc.). As a result, short term priority investment is recommended for:

- Completing protected cycling on University Drive along Holland Park;
- Completing protected cycling on Whalley Boulevard between Fraser Highway and 100 Avenue; and
- Implementing public bike maintenance and storage facilities at key locations adjacent to transit, business and institutional facilities.

#### Off-Street Parking Reserve Fund (City Centre)

Contributions to the Off-Street Parking Reserve Fund can only be used for new, City-owned off-street parking spaces intended to help offset parking shortfalls associated with development within City Centre. Currently, 50% of parking payment-in-lieu is allocated to this fund.

#### Current Parking Reserve Balances

Current parking reserve fund balances are identified below in Table 1 and for the City Centre reflect payment-in-lieu of 66 stalls.

<b>Fund</b>	<b>Current Balance</b>
Cloverdale Off-Street Parking Facilities Reserve	\$1,408,463
City Centre Alternative Transportation Infrastructure Reserve Fund	\$840,217
City Centre Off-Street Parking Reserve Fund	\$840,217

**Table 1. Parking Reserve Fund Balances**

#### Extension of Reserve Funds Along Fraser Highway

With the delivery of the SLS line along Fraser Highway, the anticipated densification, and Smart Growth principles being applied, future consideration will be given to expansion of payment-in-lieu and TDM measures. With the SLS line, there is a need to review minimum parking requirements along the Fraser Highway corridor. This will meet commitments required in the City-TransLink Supportive Policy Agreement to encourage the use of transit along the corridor. This will also support the land use planning processes along the corridor and the key principles in the Surrey Transportation Plan.

In 2021, staff propose to undertake a series of parking related policy updates to support expanding TDM and payment-in-lieu on the rapid transit corridor for SLS and bring forward the associated Bylaws for Council's consideration.



## SUSTAINABILITY CONSIDERATIONS

The parking requirements support the objectives of the City's Sustainability Charter 2.0. In particular, these proposed requirements support the Sustainability Charter themes of Built Environment and Neighbourhoods, and Infrastructure. Specifically, this initiative supports the following Sustainability Charter 2.0 by supporting the following Desired Outcomes ("DO"):

- Neighbourhoods and Urban Design DO<sub>3</sub>: The City Centre is a dynamic, attractive and complete metropolitan area and important international destination, and is one of North America's most livable and desirable downtowns;
- Neighbourhoods and Urban Design DO<sub>9</sub>: All aspects of planning, design and construction include climate change impacts, greenhouse gas (GHG) mitigation, adaptation, and resiliency strategies; and
- Transportation DO<sub>11</sub>: An integrated and multi-modal transportation network offers affordable, convenient, accessible, and safe transportation choices within the community and to regional destinations.

## CONCLUSION

The City collects payment-in-lieu for parking as part of applicable development applications in Cloverdale Town Centre and City Centre. Funds are allocated towards reserve funds, the Off-Street Parking Reserve Funds and/or Alternative Transportation Infrastructure Reserve Fund. These funds are critical to supporting Smart Growth and sustainable transportation.



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Appendix "I" – Corporate Report No. R014; 2019

Appendix "II" – Parking Spaces Acquired in Cloverdale Town Centre