

NO: R020

COUNCIL DATE: February 13, 2023

REGULAR COUNCIL

TO: **Mayor & Council**

DATE: **February 9, 2023**

FROM: **Acting General Manager, Planning & Development
General Manager, Investment & Intergovernmental
Relations**

FILE: **6880-75 (ALR)**

SUBJECT: **Response to Agricultural Land Commission Proposal for Inclusion of Federally
Owned Lands in City of Surrey into the Agricultural Land Reserve**

RECOMMENDATION

The Planning & Development Department and the Investment & Intergovernmental Relations Department recommend that Council:

1. Provide staff with direction to proceed with:
 - a. Option 1, that the City supports the addition of the currently farmed portion of the lands included in the Agricultural Land Commission's proposal into the Agricultural Land Reserve, as outlined in this report and related map; or
 - b. Option 2, that the City does not support the Agricultural Land Commission proposal to have Federally Owned Lands added into the Agricultural Land Reserve, as outlined in this report; or
 - c. Option 3, that the City request the Agricultural Land Commission withdraw their current proposal with the intention of reviewing the use of these lands at a later date; and
2. Direct the City Clerk to forward a copy this report, along with the related Council Resolution, to the Agricultural Land Commission as the City's written comments to their Inclusion Proposal prior to their extended deadline for comments of February 15, 2023.

INTENT

The intent of this report is to obtain Council's direction from a series of options, as described in Appendix "I", in response to a December 15, 2022 letter from the Agricultural Land Commission ("ALC"), attached as Appendix "II", proposing to include 123 ha (304 ac) of federally owned lands within the City of Surrey into the Provincial Agricultural Land Reserve ("ALR"). This report also provides background information and options for Council's consideration and requests that the related Council Resolution be provided to the ALC as written comments on the matter prior to their February 15, 2023 extended deadline for comments.

BACKGROUND

Under s. 17(1) of the *Agricultural Land Commission Act* (“the Act”), the ALC, on its own initiative, has applied for the inclusion of approximately 123 ha (~305 ac) of federally owned lands in Surrey, within North Campbell Heights Local Area Plan (“LAP”) into the ALR, as illustrated in Appendix “II”. The inclusion proposal (“the Proposal”) includes five separate properties.

A summary of the proposed inclusion property addresses, uses, land use designations, and zones as well as previous motions by the City and Metro Vancouver related to the federally owned lands is provided in Appendix “III”.

In accordance with s. 17(2) of *the Act*, the ALC held a public hearing. The City requested and was granted an extension to provide written comments, until February 15, 2023.

DISCUSSION

Given the intent of ALC to include the properties into the ALR, it is recommended that Council provide written direction to the Province on behalf of the City. Accordingly, staff have prepared the following options to consider in forming the City’s response:

1. Option 1, to support the addition of the currently farmed portion of the lands in the ALC Proposal into the ALR; or
2. Option 2, to not support the ALC Proposal to have the lands added into the ALR; or
3. Option 3, to request the ALC withdraw their current proposal with the intention of reviewing the use of these lands at a later date.

A summary of each option is provided in Appendix “I”.

CONCLUSION

This report provides background information to Council on a proposed ALR Inclusion of Federal Lands in the City of Surrey by the ALC, and options for Council to provide written comments on the matter in advance of an extended deadline to provide comments of February 15, 2023.

Original signed by
Jeff Arason, P.Eng.
Acting General Manager,
Planning & Development

Original signed by
Donna Jones
General Manager,
Investment & Intergovernmental Relations

Appendix “I” Summary of Options for Considerations

Appendix “II” ALC Letter for Proposed ALR Inclusion of Federal Lands in the City of Surrey

Appendix “III” Proposed ALR Inclusion Area

Appendix “IV” Proposed Inclusion and Adjacent Property Uses and Land Use Designation Tables

Option 1: To Support the addition of the currently farmed portion of the lands in the ALC Proposal into the ALR

There are currently 9,275 ha (22,919 ac) of ALR land in Surrey, which was established by the Province in 1973. If the Proposal properties of 123 ha (303 ac) are added into the ALR, it will increase the total ALR lands in Surrey by 1.3%, as identified in Schedule “B”.

Protection of Farmland

Information from the ALC indicates that, according to the BCLI Land Capability Classification for Agriculture, 112.8 ha of the Proposal properties are considered to have prime agricultural capability due to a soil classification which allows for production of a wide range of crops with no major difficulties in management. The remainder 10.7 ha is a combination of soil types with varying subclasses.

The ALC also indicates that the majority of the Proposal properties have been leased to local producers for agricultural uses dating back to the 1970s, and approximately 89 ha of land are currently cultivated with field vegetable crops. Given the longstanding agricultural use and productivity of the subject properties, the ALC considers the lands suitable for inclusion in the ALR.

From an economic standpoint, Surrey’s farmers support over 3,300 jobs and produce over \$167 million in sales (2013). In addition to the part-time seasonal workers, there are farm manager positions for each site, as well as jobs created indirectly through transportation, processing, and retail.

Potential Loss of Campbell Heights DCCs

Removing these identified lands from the Campbell Heights Land Use Plan will result in an estimated \$53 million shortfall in Campbell Heights DCCs, resulting in inadequate funds to complete infrastructure upgrades.

Potential Loss of Future Property Tax Revenue

If these properties become a part of the ALR versus if these properties were to be zoned as Business Park resulting in a Class 6 (Business & Other) classification assigned by British Columbia Assessment, the potential municipal tax revenue loss is \$4.0M based on 2022 land assessments.

Potential Loss of BCS Lands

The Proposal properties includes 34 hectares of intact forested land which has been identified as providing moderate to high ecological value as part of the GIN in Surrey’s BCS, as illustrated in Schedule “C”. Should the Proposal properties be added to the ALR, they would be governed under the *Farm Practices Protection (Right to Farm) Act*. This legislation allows for all or portions of the existing forested area on the property to be cleared for farming purposes, as the *Farm Practices Protection (Right to Farm) Act* ensures that a farmer is not prevented from conducting normal farming practices as part of their farm operation. There may, however, be limitations to the extent of removal of any environmentally sensitive assets based on the presence of regulated

watercourses and wildlife as well as federally regulated species at risk, or a future farm plate or agricultural buildings.

Given the above, as an alternative to adding all of the lands in the ALC Proposal, Option 1 recommends that only the actively farmed portions of the lands be added to the ALR, as illustrated in Schedule “C”.

Option 2: To Not Support the ALC Proposal

The Proposal properties have been designated and anticipated for industrial use since 1966 when the *Surrey Official Community Plan By-law No. 2465* was adopted, and the Proposal properties were not identified as lands to be added to the ALR in 1973. The Campbell Heights Land Use Plan, approved by Council in 2000, designated the Proposal properties as Business or Technology Park.

Pressure on Regional Industrial Land Supply

According to the Metro Vancouver Industrial and Mixed Employment Land Policy review, industrial lands, while comprising only 4% of this region’s land base, accommodate over one-quarter of total employment, and contribute to the region’s economic well-being, along with connections to transportation, trade, and government tax revenues. Metro Vancouver’s Regional Industrial Lands Strategy documents the extremely limited supply of industrial lands in the region, the consistently strong demand for industrial space, and the few opportunities to add more industrial lands to the regional market. In many areas, existing industrial lands are also being threatened by conversion to other uses.

There are currently 4,030 ha (9,958 ac) of Mixed Employment designated lands identified in the OCP (as generally identified in Schedule “D”), with 658 ha (1,627 ac) within the Campbell Heights Land Use Plan area. Lands in the Campbells Heights Land Use Plan area are nearing development capacity, with only 313 ha (775 ac) remaining undeveloped. If the Proposal properties were removed from the Business/Technology Park designation, it would reduce the vacant employment land supply in the Plan area to 190 ha (470 ac). Based on current absorption rates, the remaining capacity would be built out by 2029.

Future Land Capacity for Farming vs. Industrial Uses

Surrey’s ALR lands (9,275 ha) form a larger land base area than industrial land area (4,030 ha). While each use requires differing land area for production, there is a significant difference between the land available for future use for farming than for industrial.

Approximately 30% of Surrey’s land base, 9,275 ha (22,919 ac) is currently within the ALR. According to the 2016 BC Land Use Inventory (“BCLUI”), 57% of Surrey’s ALR lands are actively farmed, 24% are natural or semi-natural, and 19% are inactively farmed or not farmed. This leaves approximately 1,700 ha (4,200 ac) of unconstrained land that is not actively farmed in the ALR available for future farming.

In comparison, 4,030 ha (9,958 ac) of land is designated for Mixed Employment and Industrial in the OCP, with most of this land being largely developed. According to a 2016 Industrial Land

Supply Analysis report conducted by Colliers, there are only 432 ha (1,069 ac) of industrial land that is unconstrained and vacant in Surrey. With South Campbell Heights lands being added to the inventory, the total supply of land potentially for industrial development in Surrey is estimated at 622 ha (1,537 ac).

Across the region, the demand for industrial land continues to outpace supply, as there are few alternative employment lands available within the Urban Containment Boundary (“UCB”). In the absence of additional land to meet continued demand, the region is anticipated to absorb all effective supply sometime between 2028 and 2035.

Protection of BCS Lands

The Proposal properties includes 34 ha of intact forested land which has been identified as providing moderate to high ecological value as part of the GIN in Surrey’s BCS. Should the Proposal properties remain outside of the ALR, the City will be able to ensure that the ecological value of these lands are protected as part of any future development application.

Option 3: To request the ALC withdraw their current proposal with the intention of reviewing the use of these lands at a later date

As discussed above, farming uses have occurred on a portion of the Proposal properties while they have been outside of the ALR but zoned as A-1 - General Agriculture. Also as discussed above, the inclusion of the any lands in the ALR does not ensure that the lands are actively farmed, as currently 1,700 ha of lands in the City in the ALR are not actively being farmed. Furthermore, the inclusion of the lands in the ALR could result in a loss of the 34 ha of intact forested land which has been identified as providing moderate to high ecological value as part of the GIN in Surrey’s BCS.

In addition, the City has been advised by the Katzie, Kwantlen, and Semiahmoo First Nations that they have been engaging with the Federal Government on the future of Proposal properties. The Katzie, Kwantlen, and Semiahmoo First Nations have expressed concern that the addition of these lands to the ALR could frustrate their discussions with the Federal Government. Staff have not been advised when these discussions are expected to conclude.

Given the above, Council could direct staff to request the ALC withdraw their current proposal with the intention of reviewing the lands at a later date.

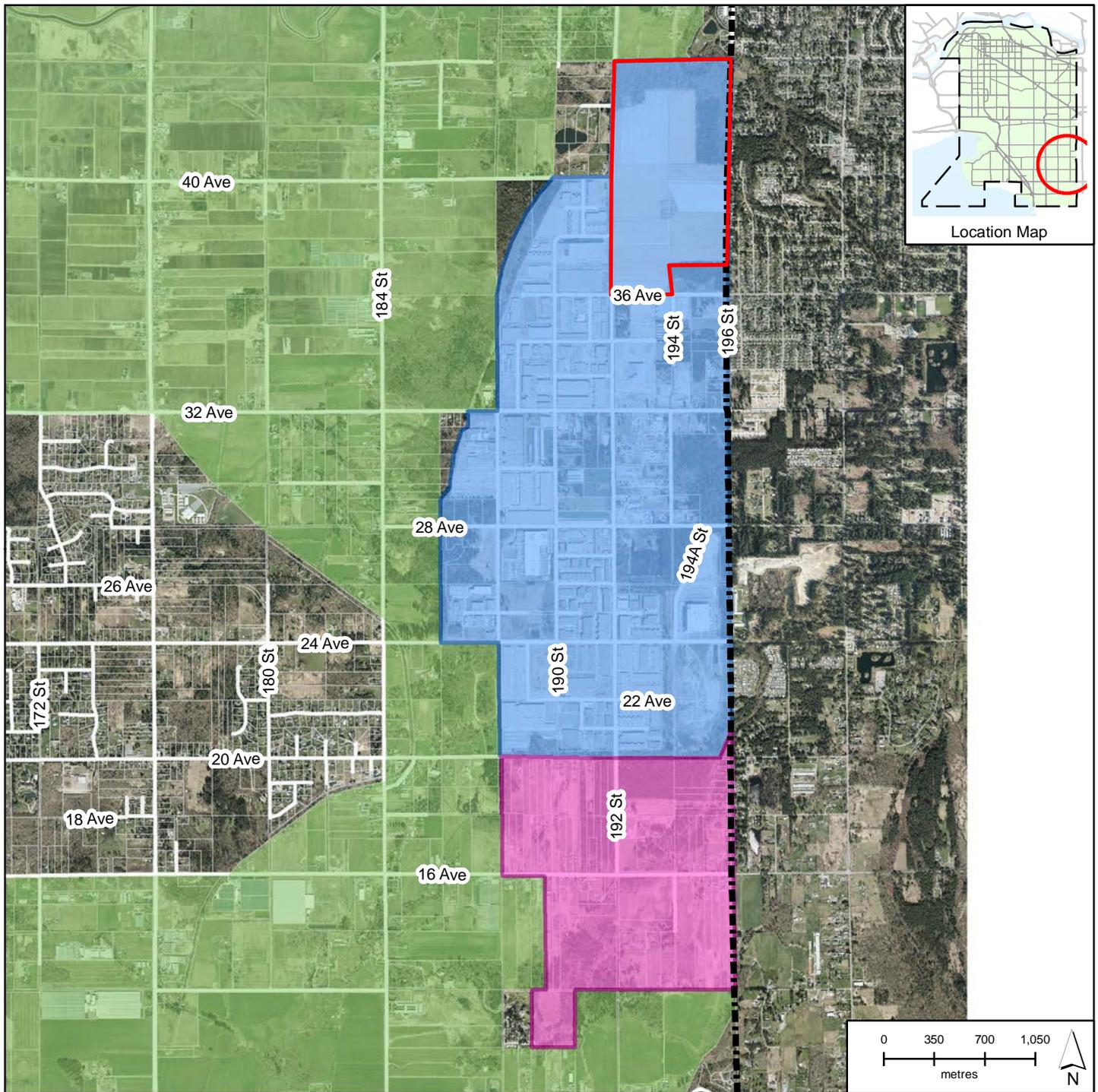
Schedule “B” Current ALR Lands in Context to Proposed Inclusion Area

Schedule “C” Recommended ALR Inclusion Area

Schedule “D” Current OCP Employment Areas in Context to Proposed Inclusion Area

Proposed Inclusion Area - Context Map

SCHEDULE "B"



LEGEND

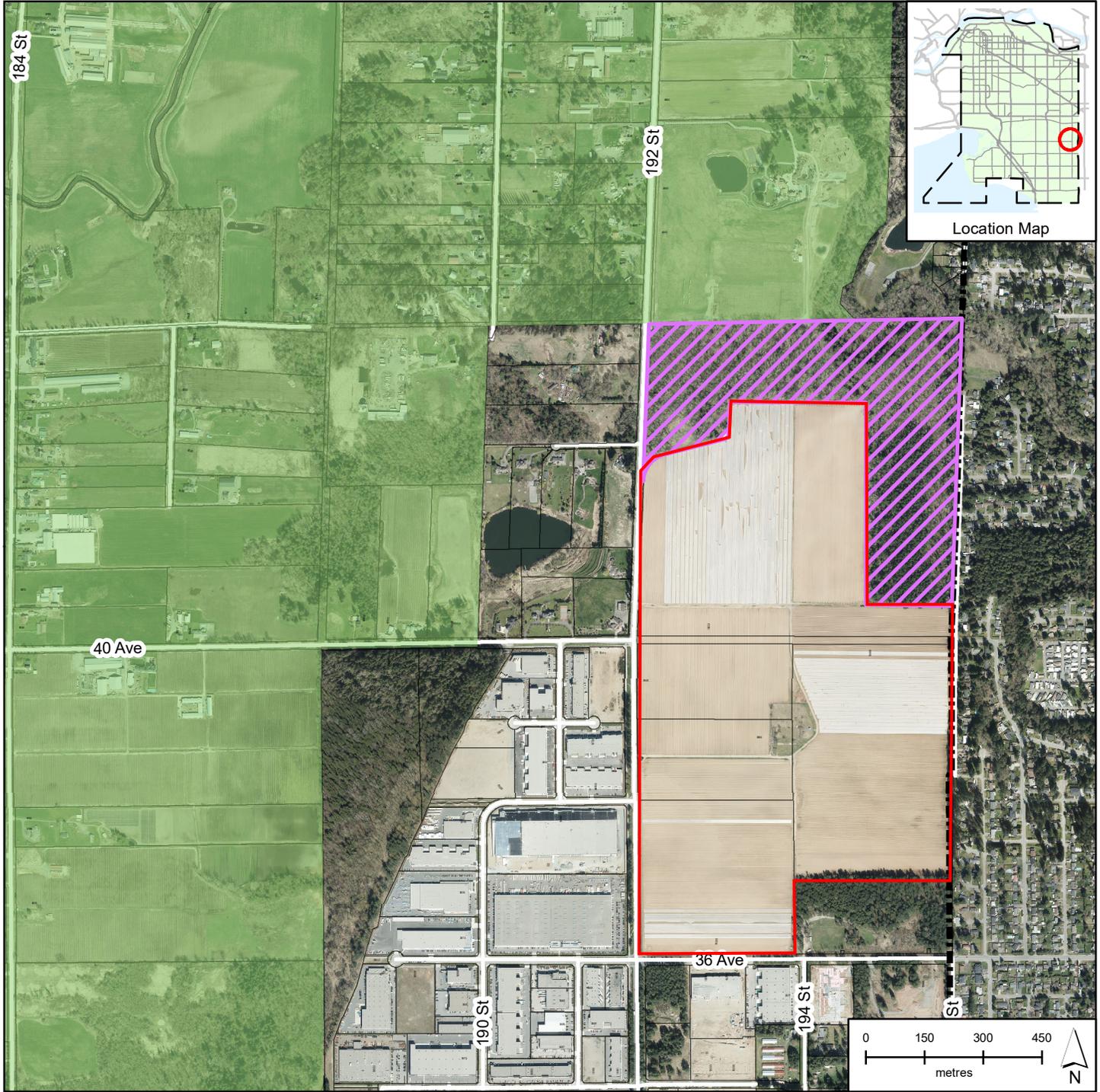
-  Surrey City Boundary
-  Agricultural Land Reserve
-  North Campbell Heights Local Area Plan
-  South Campbell Heights Local Area Plan
-  ALC Inclusion Area
-  Lots



Study Area

**Planning & Development
Department**

Recommended ALR Inclusion Area



LEGEND

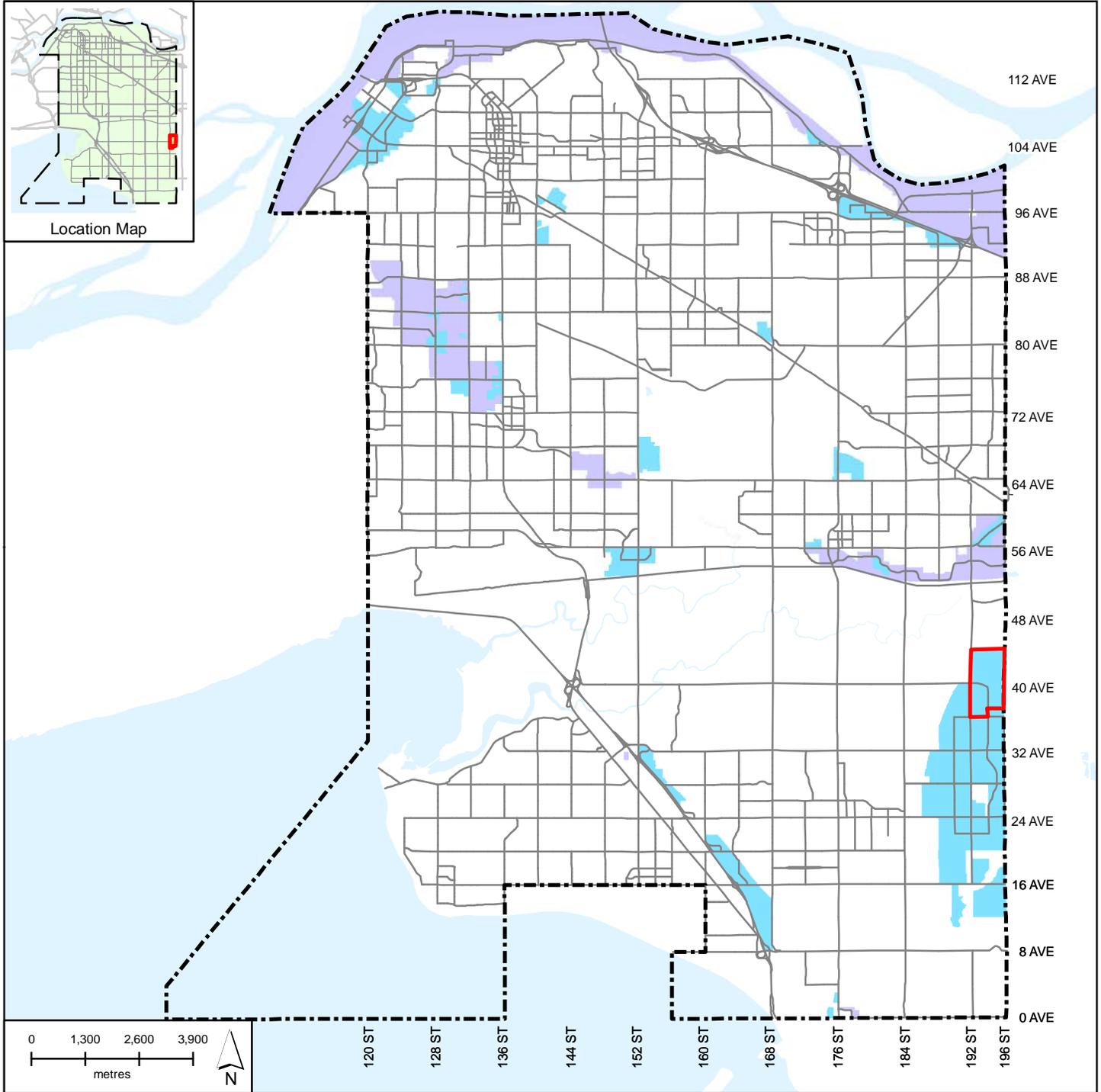
- Surrey City Boundary
- Agricultural Land Reserve
- Recommended ALR Inclusion Area
- Not Recommended for Inclusion in ALR
- Lots



Recommended ALR Inclusion Area

Planning & Development
Department

Employment Lands OCP and Proposed ALR Inclusion Area



LEGEND

- Surrey City Boundary
- ALC Inclusion Area
- Industrial
- Mixed Employment
- Lots



Study Area

**Planning & Development
Department**

**Agricultural Land Commission**

201 – 4940 Canada Way
 Burnaby, British Columbia V5G 4K6
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 Fax: 604 660-7033
 www.alc.gov.bc.ca

December 15, 2022

ALC File 66884

Jeff Arason**General Manager, Planning & Development**

City of Surrey
 13450 - 104 Avenue
 Surrey, BC V3T 1V8

Re: Proposed ALR Inclusion of Federal Lands in the City of Surrey

The Provincial Agricultural Land Commission (the "Commission") wishes to advise your agency, as a potentially affected local government, that the Commission has initiated a proposal pursuant to section 17(1)(a) of the *Agricultural Land Commission Act* (ALCA), to include the following properties into the Provincial Agricultural Land Reserve (ALR):

Civic Address	PID	Legal Description
19233 40 Ave, Surrey, BC	014-120-321	South West Quarter, Section 34, Township 7, New Westminster District
3948 192 St, Surrey, BC	014-119-129	North Half of the North West Quarter of the North West Quarter, Section 27, Township 7, New Westminster District
3884 192 St, Surrey, BC	014-120-178	South Half of the North West Quarter of the North West Quarter, Section 27, Township 7, New Westminster District
19305 36 Ave, Surrey, BC	014-120-224	South Half of the West Half of the North West Quarter, Section 27, Township 7, Except: South 33 Feet, New Westminster District
19498 40 Ave, Surrey, BC	014-120-291	North Three-Quarters of the East Half of the North West Quarter, Section 27, Township 7, New Westminster District

A Proposal Summary & Property Information package is enclosed for reference.

Please be advised that the Commission will be holding a Public Hearing on the matter in accordance with section 17(2) of the ALCA. The Public Hearing will be held on:

Monday, January 23, 2023, 7:00 pm
KPU Langley Campus Auditorium
[20901 Langley Bypass, Langley, BC](#)

The Commission invites your agency to provide written comment on the matter for the Commission's consideration in advance of the Public Hearing.

Please note that written submissions must be received by the ALC by **4:30 pm PST on January 23, 2023** in order to form part of the Public Hearing record. No representations will be accepted by the Commission after the Public Hearing has concluded.

Written submissions or inquiries regarding the proposal can be directed by email to the undersigned at ALC.Referrals@gov.bc.ca.

Updates regarding the proposal will be posted on the [ALC website](#) as necessary.

Sincerely,

PROVINCIAL AGRICULTURAL LAND COMMISSION

A handwritten signature in black ink, appearing to read 'M Bandy', written in a cursive style.

Mike Bandy
Regional Planner

Enclosure: Proposal Summary and Property Information

66884m2



Proposal Summary & Property Information

Proposed Inclusion of Surrey Federal Lands in the Agricultural Land Reserve

Prepared By: Mike Bandy, Regional Planner

Date: December 6, 2022

ALC File: 66884

Overview

The Agricultural Land Commission (the “Commission” or “ALC”), acting under s. 17(1) of the [Agricultural Land Commission Act](#) (ALCA), is initiating a proposal to include 123.6 ha (~305 acres) of land within the City of Surrey into the Provincial Agricultural Land Reserve (ALR) (the “Proposal”). The subject land is comprised of five contiguous parcels described in **Table 1** and shown on **Attachments A-C** (the “Properties” or the “Lands”):

Table 1: Subject Properties

Civic Address	PID	Legal Description	Owner
19233 40 Ave	014-120-321	South West Quarter, Section 34, Township 7, New Westminster District	His Majesty the King in right of the Government of Canada
3948 192 St	014-119-129	North Half of the North West Quarter of the North West Quarter, Section 27, Township 7, New Westminster District	His Majesty the King in right of the Government of Canada
3884 192 St	014-120-178	South Half of the North West Quarter of the North West Quarter, Section 27, Township 7, New Westminster District	His Majesty the King in right of the Government of Canada
19305 36 Ave	014-120-224	South Half of the West Half of the North West Quarter, Section 27, Township 7, Except: South 33 Feet, New Westminster District	His Majesty the King in right of the Government of Canada
19498 40 Ave	014-120-291	North Three-Quarters of the East Half of the North West Quarter, Section 27, Township 7, New Westminster District	His Majesty the King in right of the Government of Canada

The Properties are owned by the Government of Canada and were historically held for Federal communication purposes. The Properties have been concurrently leased to local producers for agricultural use dating back to the 1970s, and approximately 89 ha (220 acres) of the subject Lands are currently cultivated with field vegetable crops.

The Government of Canada has determined that the Properties are surplus to its needs and, in 2017, initiated a process to dispose of the Properties in accordance with Federal disposition procedures. The potential sale of the Properties by the Government of Canada to another agency or owner may render the Properties vulnerable to future changes in land use, as local land use plans contemplate Mixed Employment development on the Properties.

Given the longstanding agricultural use and productivity of the Properties, the Commission considers that the Lands may be suitable for inclusion in the ALR. Land within the ALR is subject to Provincial legislation (the ALCA and ALR regulations) which permits and protects agricultural use of ALR land while restricting non-farm uses or subdivision unless approved by the Commission. The ALR designation would support in preserving the Properties' continued agricultural use.

Site Context & Characteristics

The Properties are located in the Campbell Heights area of the City of Surrey, bounded by 192 St (west), 32 Ave (south), and the Township of Langley municipal boundary (east).

The surrounding land use is comprised of residential development (east), the Campbell Heights Business Park (south and west), and non-ALR residential acreages (west). The subject Lands border private ALR lands to the north, and if designated as ALR, would adjoin the large, contiguous ALR block within the City of Surrey.

Approximately 89 ha (220 acres) of the Lands is cleared and currently cultivated while the remaining ~34 ha (~84 acres) along the north and east boundary is forested. The Lands are generally flat with the exception of steep slopes in the northeast corner where Anderson Creek bisects the Lands, and gentler slopes in the northwest within the forested area.

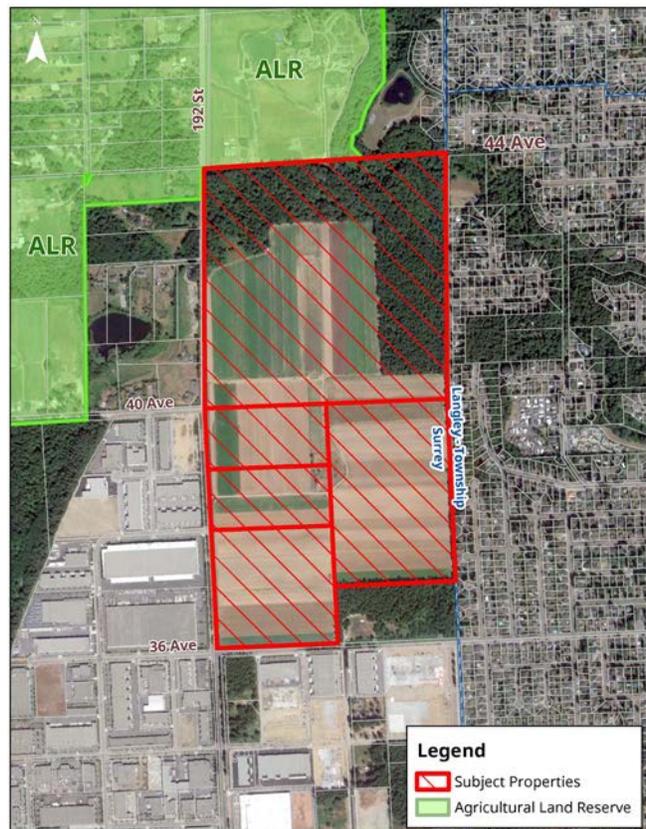


Figure 1: Google Earth image of the Properties and surrounding area (2022)

Agricultural Capability

Based on the BC Land Inventory (BCLI), 'Land Capability Classification for Agriculture in B.C.' system, the improved agricultural capability ratings applicable to the Lands are Class 2, 3, 4, and 7¹; more specifically, as shown in **Table 2** and **Attachment D**, approximately 91% of the land (112.8 ha) is within a polygon rated as improvable to Class 2A (considered as having prime agricultural capability). Class 2 land is capable of producing a wide range of crops; minor soil restrictions may reduce capability but pose no major difficulties in management. The limiting subclass associated with this polygon is A (soil moisture deficiency).

The remaining 10.7 ha comprising the northern extent of the Lands is primarily a combination of Classes 2, 3, and 4 land with various limiting subclasses including A (soil moisture deficiency), D (undesirable soil structure), F (low fertility), T (topographic limitations), and W (excess water). A small portion of the Lands' northeast corner is within a polygon rated as Class 7T generally following Anderson Creek, and is considered unimprovable due to topographic limitations.

Table 2: Agricultural Capability of the Lands

Improved BCLI Rating	Unimproved BCLI Rating	Approximate Total Area	Proportion of Proposal Area
(2A)	4AF	112.8 ha	91%
(4:4T 4:2WA 2:3AT)	6:4ATF 4:4WA	7.2 ha	6%
n/a	7T	3.3 ha	3%
(7:2AD 3:2WA)	7:4AWD 2:4WA 1:5W	0.2 ha	<1%

¹ Class 2 - land is capable of producing a wide range of crops. Minor restrictions of soil or climate may reduce capability but pose no major difficulties in management.

Class 3 - land is capable of producing a fairly wide range of crops under good management practices. Soil and or climate limitations are somewhat restrictive.

Class 4 - land is capable of a restricted range of crops. Soil and climate conditions require special management considerations.

Class 5 - land is capable of production of cultivated perennial forage crops and specially adapted crops. Soil and/or climate conditions severely limit capability.

Class 7 - land has no capability for soil bound agriculture.

The BCLI Agricultural Capability classification system is further explained on the [Soils and Agricultural Capability](#) page of the ALC website.

Local Government Zoning and Land Use Designations

While the Properties are currently zoned for agricultural use under City of Surrey Zoning Bylaw No. 12000, local and regional land use plans contemplate future Mixed Employment uses on the Properties (i.e. Business or Technology Park), similar in nature to adjacent lands to the southwest in the Campbell Heights Business Park area (**Table 3**). In July 2022, City of Surrey Council expressed support for redesignating the Properties as 'Agricultural' as part of the City's Official Community Plan review process taking place in 2023.

Table 3: Applicable Zoning/Land Use Designations of the Properties

Plan/Bylaw	Designation(s)
City of Surrey Zoning Bylaw No. 12000, 1993	A1 General Agricultural
City of Surrey Campbell Heights Local Area Plan (2000)	Technology Park or Business Park Technology Park or Business Park (Office) Open Space Corridors/Buffers Landscaping Strips
City of Surrey Official Community Plan Bylaw No. 18020, 2014	Mixed Employment
MetroVancouver Regional Growth Strategy Bylaw No. 1136, 2010	Mixed Employment

The proposed inclusion may have implications on the Properties' future land use, as the Provincial ALCA takes precedence over (but does not replace) local and regional land use regulations. Though the Properties are designated for future Mixed Employment use in local land use plans, non-agricultural uses such as Business Park development etc. would not be permitted without Commission approval if the Properties are designated as ALR.

ALC Policy & Procedures

The Proposal is being initiated under s. 17(1) of the ALCA, which states that the Commission, on its own initiative, may approve the inclusion of land in the ALR if the Commission considers that the approval carries out the intent of the ALCA. Additionally, s. 15(1) of the ALCA states that the Commission may designate land, including Crown land, as ALR land for the purposes of s. 6 of the ALCA, if the Commission is satisfied that the land is suitable for farm use.

In accordance with s. 17(2) of the ALCA, the Commission will hold a Public Hearing to afford interested parties an opportunity to be heard on matters related to the Proposal. A report of the Public Hearing and all written submissions received in advance of the Public Hearing will be compiled and provided to the Commissioners for review. Additional procedural requirements for Commission-initiated inclusion proposals are set out in ss. 15 and 17 of the ALR General Regulation, BC Reg. 149/2020.

In making a determination on the matter, the Commission will consider the Proposal and the Public Hearing feedback in the context of the Commission's purposes and priorities set out in s. 6 of the ALCA:

6 (1) The following are the purposes of the commission:

(a) to preserve the agricultural land reserve;

(b) to encourage farming of land within the agricultural land reserve in collaboration with other communities of interest; and,

(c) to encourage local governments, first nations, the government and its agents to enable and accommodate farm use of land within the agricultural land reserve and uses compatible with agriculture in their plans, bylaws and policies.

(2) The commission, to fulfill its purposes under subsection (1), must give priority to protecting and enhancing all of the following in exercising its powers and performing its duties under this Act:

(a) the size, integrity and continuity of the land base of the agricultural land reserve;

(b) the use of the agricultural land reserve for farm use.

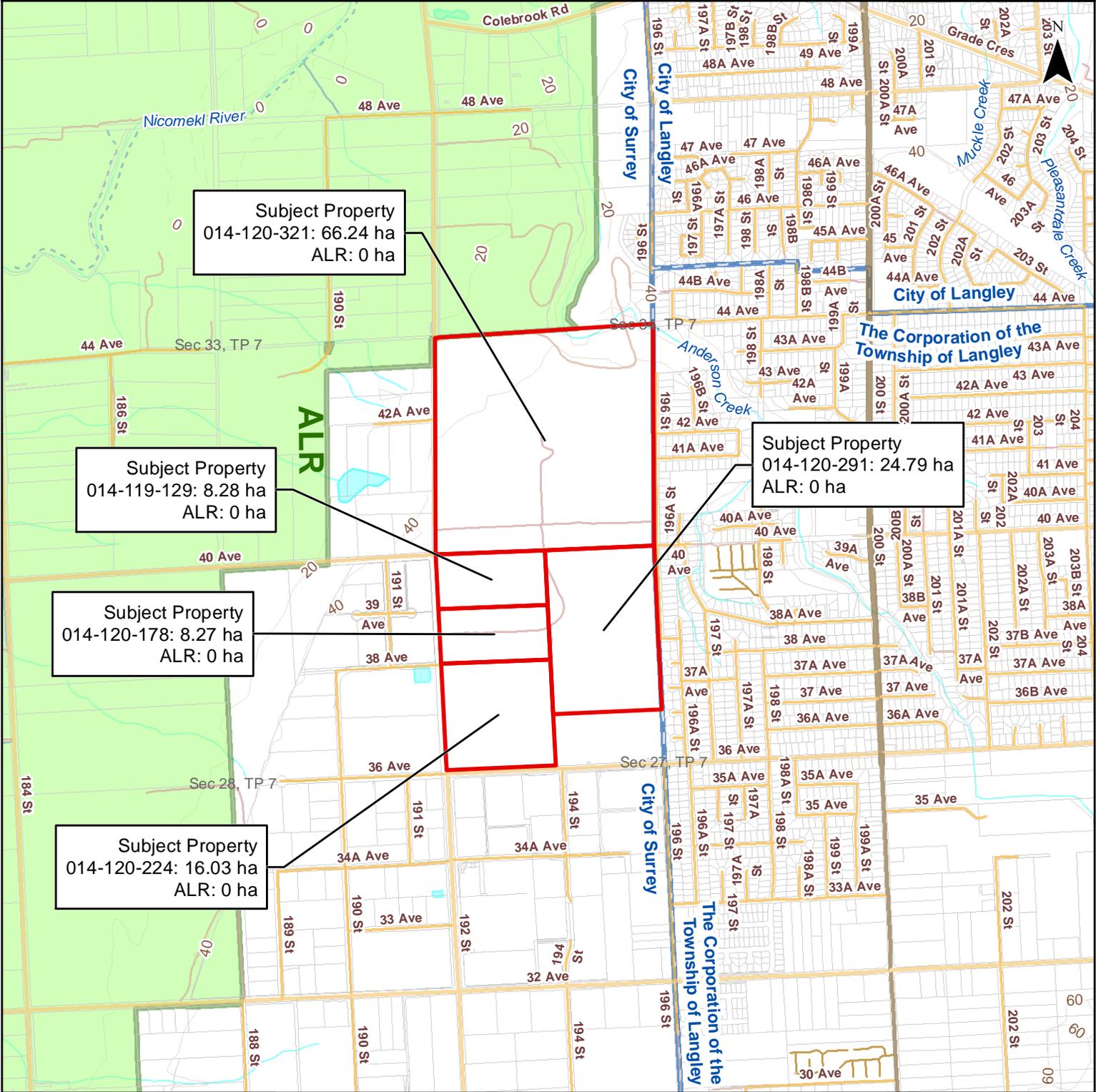
Attachments

- A. ALR Context Map (Local scale 1:20,000)
- B. ALR Context Map (Regional scale 1:120,000)
- C. Airphoto Map
- D. Agricultural Capability Map



ALR Context Map

MAPSHEET NO:
92G.007
LOCAL GOVERNMENT:
Surrey



ALC FILE NO:
66884

MAP PRODUCED:
December 2, 2022

MAP SCALE:
1:20,000

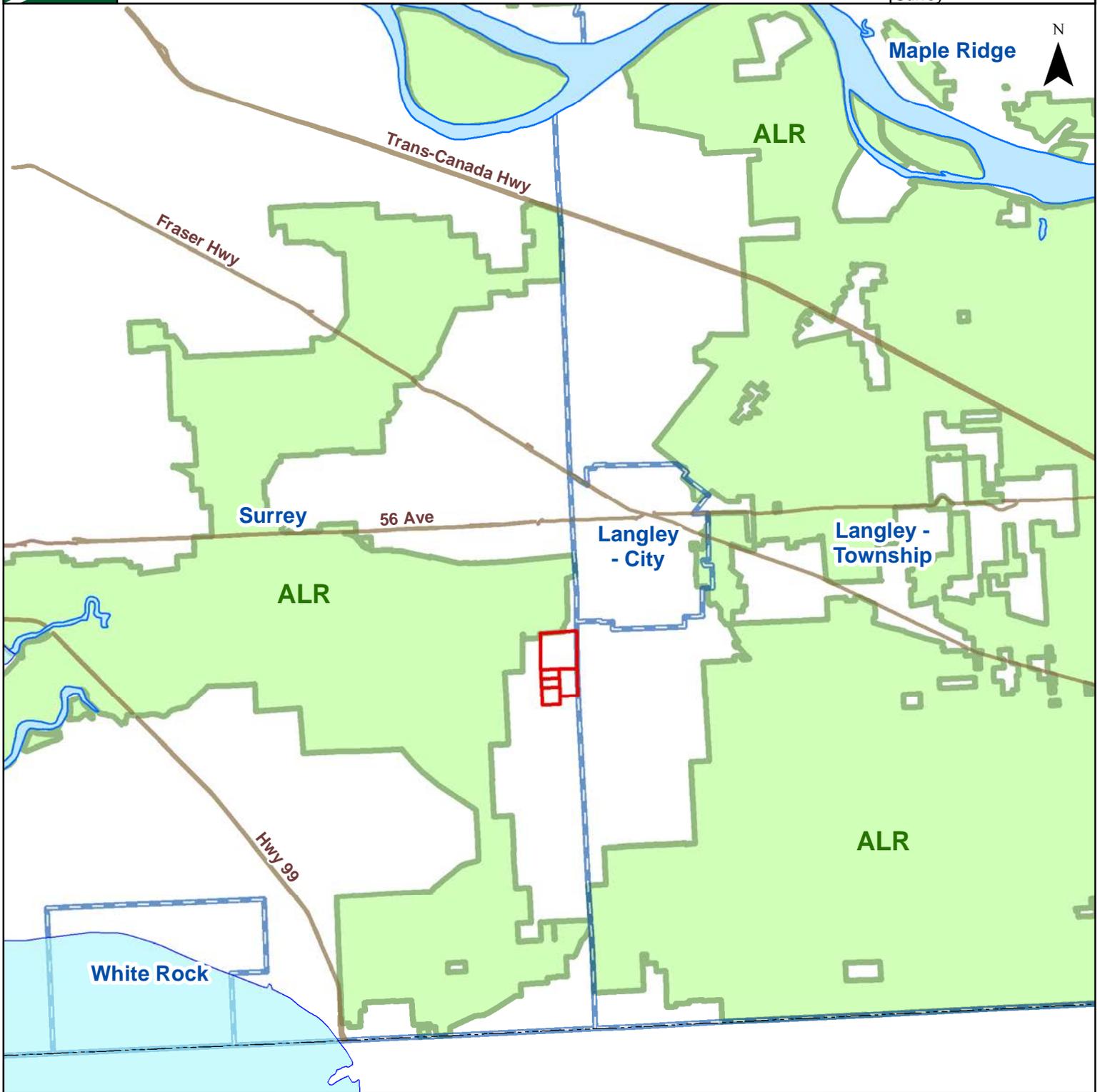
DATA SOURCES & NOTES:
ALC and BCGW. Contains information licensed under Open Government License - British Columbia.

Map for reference only. Accuracy not guaranteed.

- Subject Properties
- Agricultural Land Reserve
- PMBC Parcel Cadastre

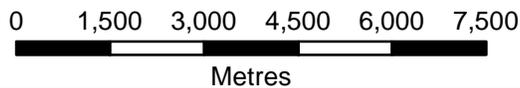
0 200 400 600 800 1,000
Metres





ALC FILE NO: 66884
MAP PRODUCED: December 2, 2022
MAP SCALE: 1:120,000
DATA SOURCES & NOTES: ALC and BCGW. Contains information licensed under Open Government License - British Columbia.
Map for reference only. Accuracy not guaranteed.

- Subject Properties
- Agricultural Land Reserve
- Municipal Boundary

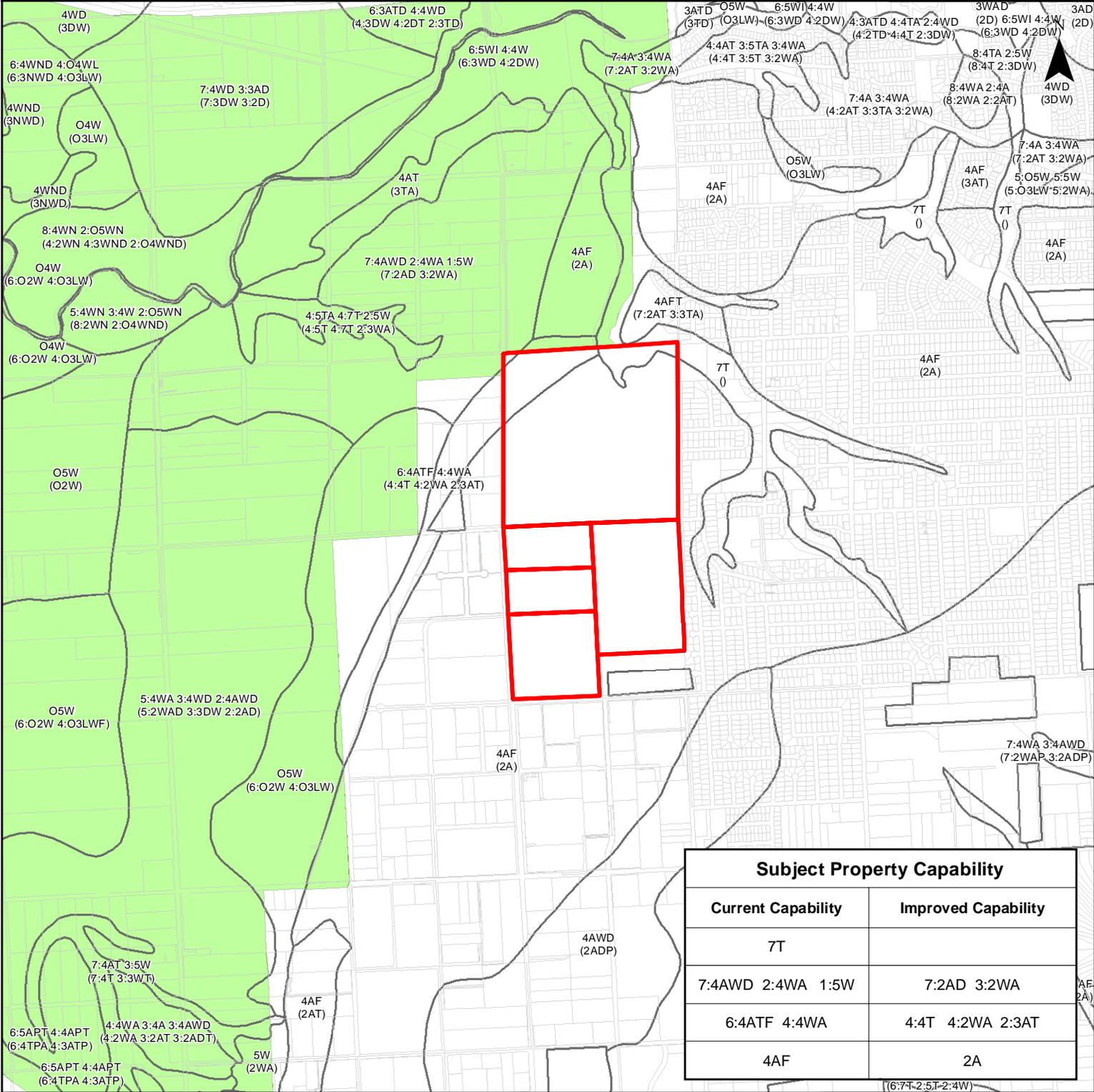




Agricultural Capability Map

MAPSHEET NO:
92G/02b

LOCAL GOVERNMENT:
Surrey



Subject Property Capability	
Current Capability	Improved Capability
7T	
7:4AWD 2:4WA 1:5W	7:2AD 3:2WA
6:4ATF 4:4WA	4:4T 4:2WA 2:3AT
4AF	2A

ALC FILE NO:
66884

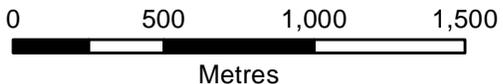
MAP PRODUCED:
December 2, 2022

MAP SCALE:
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DATA SOURCES & NOTES:
ALC & BCGW. Contains information licensed under Open Government License - British Columbia.

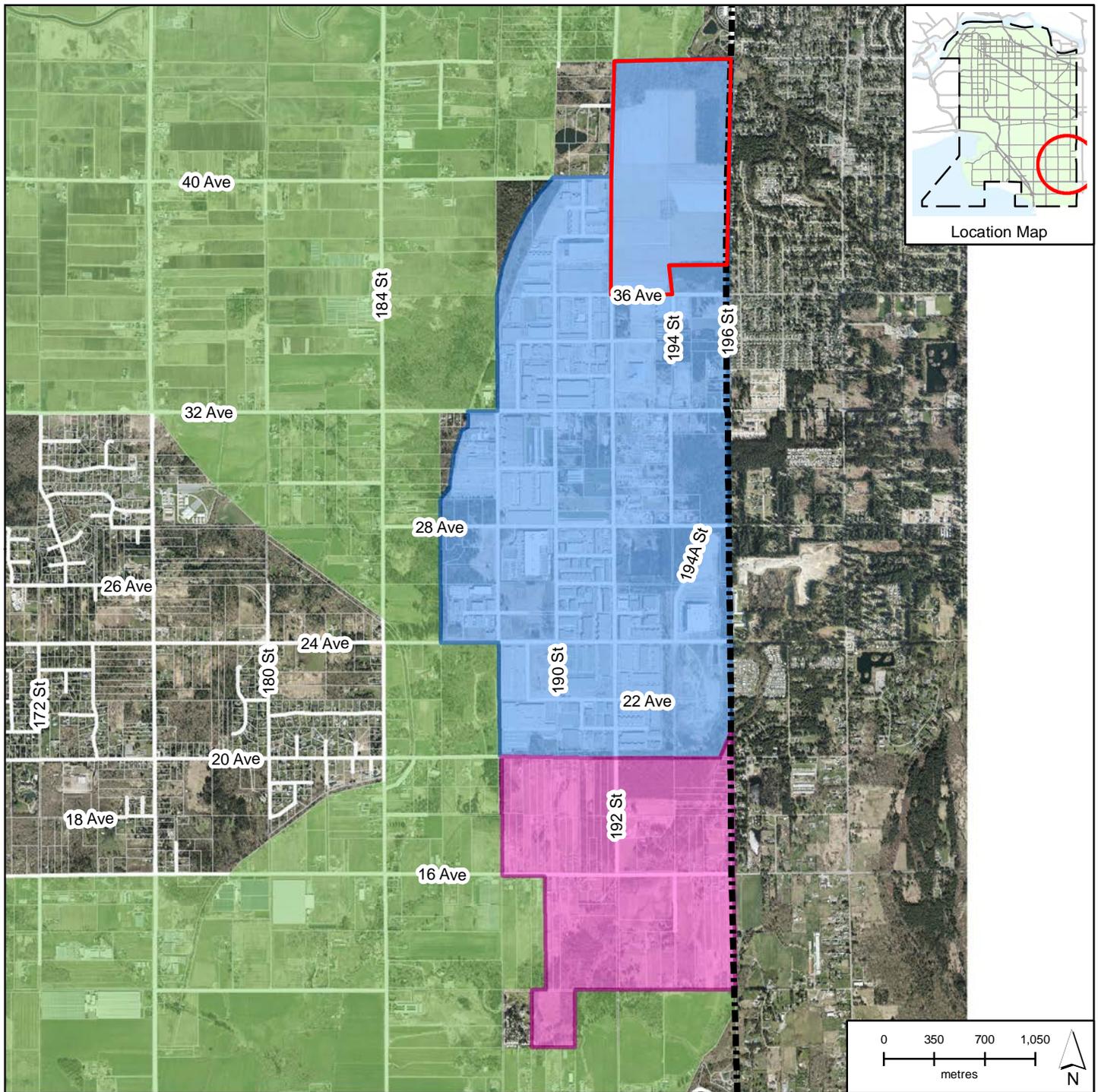
Map for reference only. Accuracy not guaranteed.

- Subject Properties
- Agricultural Land Reserve
- PMBC Parcel Cadastre



Proposed Inclusion Area - Context Map

APPENDIX "III"



LEGEND

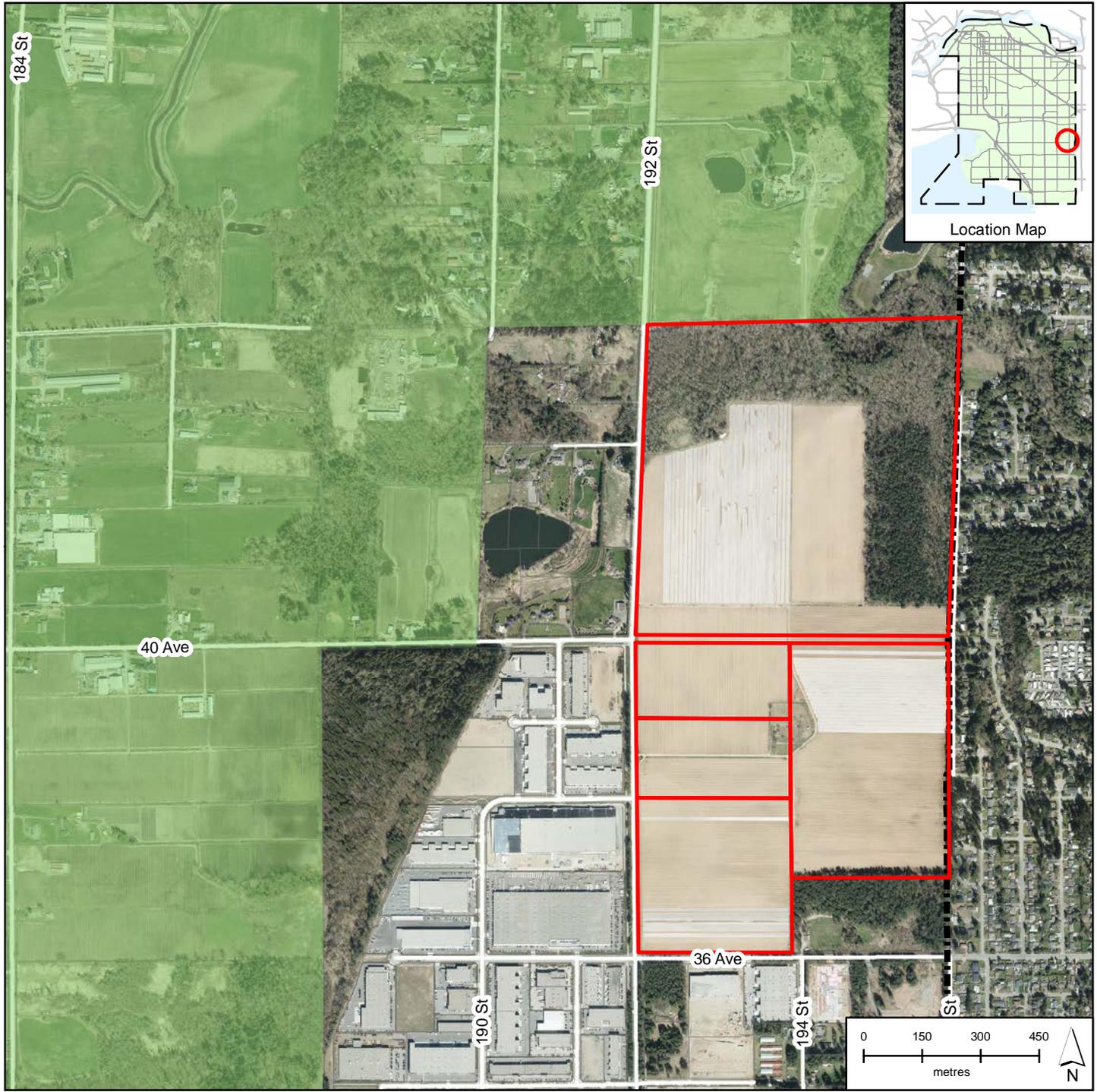
-  Surrey City Boundary
-  Agricultural Land Reserve
-  North Campbell Heights Local Area Plan
-  South Campbell Heights Local Area Plan
-  ALC Inclusion Area
-  Lots



Study Area

**Planning & Development
Department**

Proposed Inclusion Area



LEGEND

-  Surrey City Boundary
-  Agricultural Land Reserve
-  ALC Inclusion Area
-  Lots



Proposed ALR Inclusion Area

Planning & Development
Department

APPENDIX “IV”

The five properties are currently designated Mixed Employment in the Regional Growth Strategy (“the RGS”), designated “Mixed Employment” in *Surrey Official Community Plan Bylaw, No. 18020* (“the OCP”), and are zoned A-1 General Agriculture in *Surrey Zoning By-law, 1993, No. 12000* (“the Zoning By-law”).

The five properties in the Proposal are bounded by 192 Street to the west, 32 Avenue to the south, and the Township of Langley municipal boundary to the east. While the properties are designated Technology Park or Business Park in the Campbell Heights LAP, approximately 89 ha (220 ac) of the lands are currently cultivated with field vegetable crops, with the remaining 34 ha (84 ac) along the north and east boundary being forested.

The Proposal, as put forward, requests inclusion of the entire 123 ha of the federally owned properties into the ALR. While 89 ha of the land is currently productive farmland with high value soil, there is also 34 ha of intact forested land which has been identified as providing moderate to high ecological value as part of the Green Infrastructure Network (“GIN”) in Surrey’s Biodiversity Conservation Strategy (“BCS”), specifically Biodiversity Hub B and Connectivity Corridor 59.

The Proposal properties are owned by Innovation, Science and Economic Development Canada (“ISED”), a department of the Federal Government responsible for improving conditions for investment and expanding Canada’s role in global trade. The Proposal properties are currently under a federal disposition process.

According to a Metro Vancouver staff report titled “Federally-owned Farmland in Surrey”, a copy of which is attached as Schedule “A”, a large portion of the Proposal properties have been leased to, and farmed by, the same family for approximately 50 years. Over that time, the ISED had not considered a change in land use to support other economic development purposes and, therefore, the long-standing lease for the farming operation remained in place. In 2017, ISED determined the land was no longer required for federal purposes and at that time began a disposition process, which is established by the Treasury Board through the Directive on the Management of Real Property.

The Metro Vancouver report also notes that over the past year Public Services and Procurement Canada (“PSPC”), the federal department working on behalf of ISED to manage the land disposition, compiled the required resources and reviews for the Proposal properties and anticipates being able to post a request for a Notice of Expression of Interest (“EOI”) in the properties in the near future. The PSPC indicated that the ISED has requested that the solicitation of an EOI be deferred to provide local First Nations additional time to review information they have been provided by PSPC and to allow additional time to examine the potential implications and to assess appropriate next steps related to the recent intent by the ALC to include these properties within the ALR.

At the July 11, 2022 Regular Council Public hearing Meeting, Council passed a Notice of Motion pertaining to the review of the Proposal properties as part of the OCP process and to support the Federal and Provincial Governments to move towards including these lands into the ALR as follows:

That:

- 1. The 220 ac of exceptionally fertile farmland located at 192nd Street and 36th Avenue and currently zoned Agricultural (A-1), be designated as Agricultural as part of the Official Community Plan review process taking place in 2023;*
- 2. The City work with the Federal and Provincial governments to move towards bringing these lands into the Agriculture Land Reserve; and*
- 3. Staff conduct an assessment of all agricultural, food producing land in Surrey with a view to protecting these lands for the purpose of addressing future food security requirements.*

At the October 28, 2022 Metro Vancouver Board Meeting, it was noted that the long term protection of the Proposal properties for agricultural purposes would be best achieved under public inclusion into the ALR and being designated Agricultural by the RGS and the OCP. The Metro Vancouver Board made the following motion:

That the MVRD Board Coordinate with the City of Surrey in supporting a re-designation for the Heppell property (federally-owned land leased by the Heppell Family) as part of the OCP amendment process to preserve it for agricultural uses.

Schedule "A" Metro Vancouver Report

Table 1: Proposed ALR Inclusion Lands - Existing Property Uses, Land Use Designations, and Zoning Summary

Property Address	Existing Use	OCP	LAP	RGS	Zoning
19233 40 Ave	Owned by Federal Government and leased to local agriculture producers. 72% in southwest cultivated with field vegetable crops and 28% in north and east remaining forested.	Mixed Employment	Technology Park or Business Park & Landscape Strips	Mixed Employment & located within Metro Vancouver Urban Containment Boundary	A-1 General Agriculture
3948 192 St					
3884 192 St					
19305 36 Ave					
19498 40 Ave					

Table 2: Surrounding Properties - Existing Use and Land Use Designation and Zoning Summary

Direction	Existing Use	OCP	LAP	RGS	Existing Zones
North: (North of 44 Ave)	63% in ALR 37% out of ALR	Agricultural	N/A (Outside Secondary Plan Area)	63% Agricultural 37% Rural	A-2 66 % A-1 26% CD 8%
East: (Township of Langley)	Residential Subdivisions	Urban	Brookwood Fern ridge Plan	Urban	Residential Lots
South: (Across 32 Ave)	Existing or Proposed Light Industrial Buildings	Mixed Employment	Technology Park or Business Park & Landscape Strips	Mixed Employment & Within Urban Containment Boundary	A-1 General Agriculture
South: 19461/19495 36 Ave	City Owned Lot: German Shepherd Dog Club and Forested Areas	Mixed Employment	Technology Park or Business Park & Landscape Strips	Mixed Employment & Within Urban Containment Boundary	A-1 General Agriculture
West: (Across 192 St north of 40 Ave)	Hobby Farms and Estate Homes	Agricultural	N/A (Outside Secondary Plan Area)	Rural	A-1 General Agriculture
West: (Across 192 St south of 40 Ave)	Existing or Proposed Light Industrial Buildings	Mixed Employment	Business Park	Mixed Employment & Within Urban Containment Boundary	CD Based on IB-1 & IB-2



To: Regional Planning Committee

From: Carla Stewart, Senior Planner, Regional Planning and Housing Services

Date: September 26, 2022 Meeting Date: October 7, 2022

Subject: **Federally - Owned Farmland in Surrey**

RECOMMENDATION

That the MVRD Board receive for information the report dated September 26, 2022, titled “Federally-Owned Farmland in Surrey”.

EXECUTIVE SUMMARY

On September 8, 2022, members of Metro Vancouver’s Agricultural Advisory Committee presented to the Regional Planning Committee asking for Metro Vancouver to support the protection of a five-parcel, 120-hectare site in Surrey for continued agriculture production. The properties are currently designated Mixed Employment in the Regional Growth Strategy, designated “Mixed Employment” in Surrey’s Official Community Plan and are zoned General Agriculture (A-1); they are federally-owned, and are currently under a Federal disposition process. This process requires the Federal government to consider a range of obligations that are not publicized, including determining any asserted or established Aboriginal or treaty rights.

Given that the properties are owned by Innovation, Science and Economic Development Canada, a department of the Federal Government focused on national economic development and trade, the long-term protection of the properties for agricultural purposes would be best achieved under municipal or provincial ownership, being included into the Agricultural Land Reserve, and being designated Agriculture by the regional growth strategy and Surrey’s Official Community Plan.

Changing the property’s designation to “Agriculture” as part of the City’s OCP update process and including them into the Agricultural Land Reserve has been supported by a Surrey City Council resolution. This report is being provided to the Committee in response to questions asked at the September meeting and to requests for additional information.

PURPOSE

The purpose of this report is to provide additional information regarding the federally-owned farmland also known as Heppell’s farm, located between 36 and 44 Avenues along 192 and 196 Streets in the City of Surrey and the Federal Government’s disposition process for the lands.

BACKGROUND

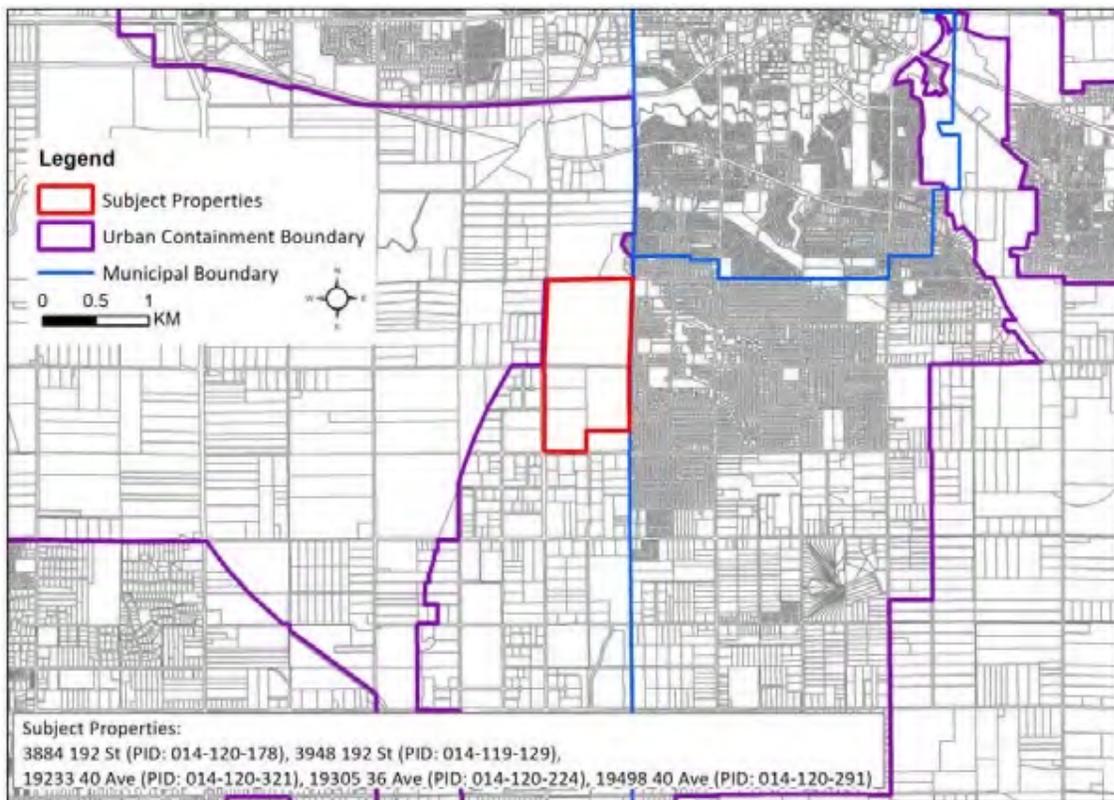
On September 8, 2022 the Regional Planning Committee received an invited presentation from two members of the Metro Vancouver Agricultural Advisory Committee (AAC) where they presented a memo (Reference 1) identifying concern over the potential loss of a large, 120-hectare federally-owned parcel of farmland in Surrey. The AAC members requested that the Regional Planning Committee assist in ensuring these properties are not lost from agricultural production. Regional

Planning staff were requested by the Committee to report back with more information on the status of the federal land disposition process as well as the jurisdictional authority over the lands.

PROPERTY DETAILS

Approximately one third of the City of Surrey falls within the Agricultural Land Reserve, a provincial designation established in 1973 with the intent of prioritizing agriculture and protecting the most fertile farm lands throughout the province. Several properties located between 192 Street and 196 Street and between 36 Avenue and 44 Avenue in Surrey, also known as Heppell’s Farm, were not included in the Agricultural Land Reserve when it was first created, but have been actively farmed since that time, producing a sizeable portion of fresh vegetables that serve regional, provincial and national markets (Figure 1).

Figure1: Subject Properties



During the preparation of *Metro Vancouver 2040: Shaping our Future*, the regional growth strategy, the subject properties were designated Mixed Employment to align with Surrey’s Official Community Plan (OCP) (Figure 2). In Surrey’s OCP, adopted in October 2014, the properties are designated Mixed Employment, which was derived from the Campbell Heights Land Use Plan completed in 2000, identifying the properties as “Technology Park or Business Park” (Figure 3).

Figure 2: Regional Land Use Designations, Metro 2040

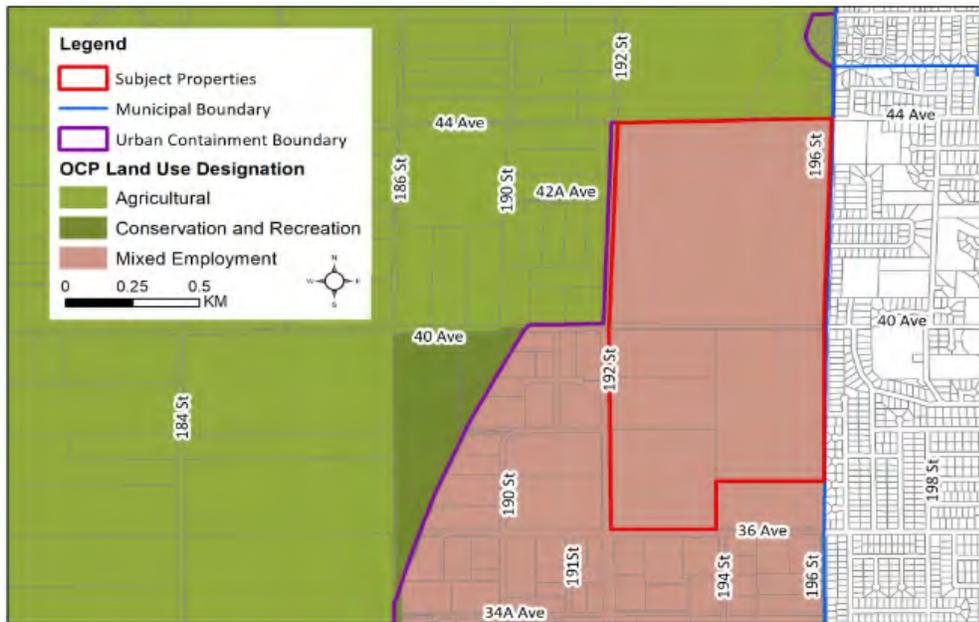
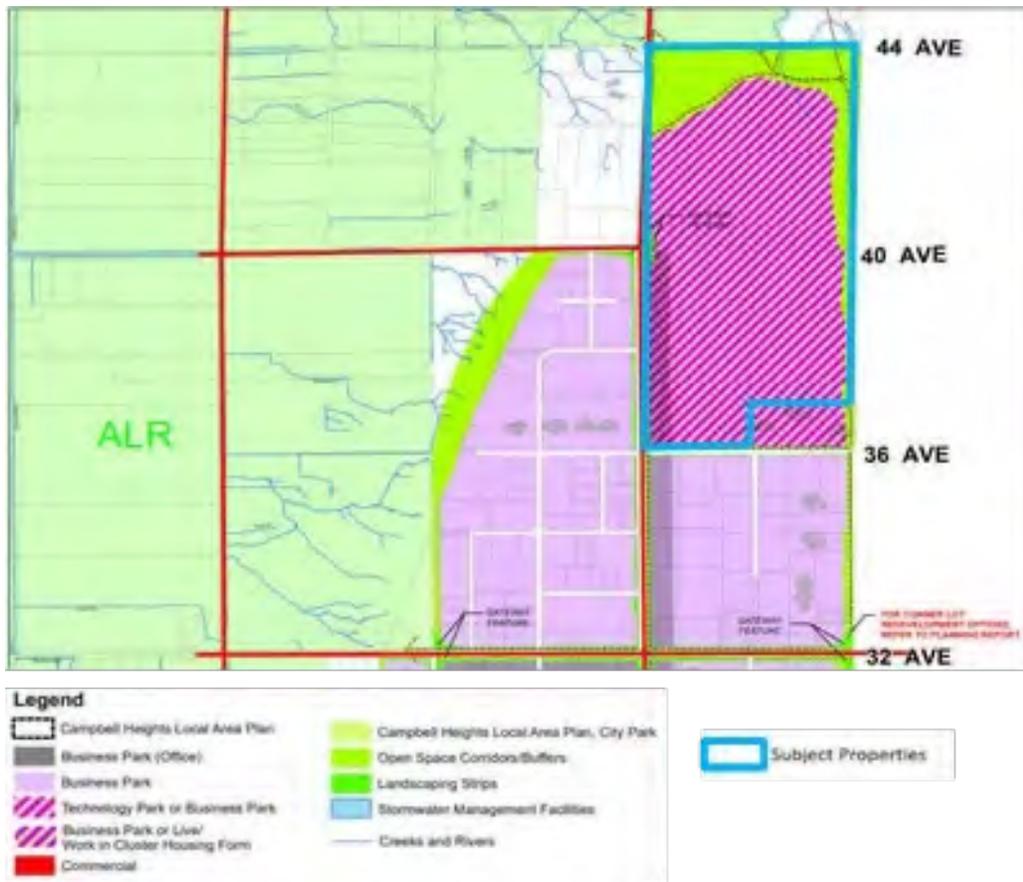


Figure 3: Surrey Campbell Heights Land Use Plan



PROPERTY OWNERSHIP AND DISPOSITION PROCESS

The subject properties have been leased to, and farmed by, the same family for approximately 50 years. The 120-hectare site and all five properties within it are owned by Innovation, Science and Economic Development Canada (ISED), a department of the Federal Government responsible for improving conditions for investment and expanding Canada's role in global trade. Over that time, the ISED had not considered a change in land use to support other economic development purposes and therefore the long-standing lease for the farming operation remained in place. In 2017, ISED determined the land was no longer required for federal purposes and at that time began a disposition process, which is established by the Treasury Board through the Directive on the Management of Real Property (Reference 2).

This Directive sets out the due diligence for federal property disposition which includes determining the following components:

- title to the land;
- environmental conditions;
- physical performance;
- heritage value or archaeology sites;
- security conditions; and
- market value and appraisals.

Over the past year, Public Services and Procurement Canada, the federal department working on behalf of ISED to manage the land disposition, compiled the required resources and reviews for the subject properties and now anticipates being able to post a request for a Notice of Expression of Interest in the properties before the end of 2022. These Notices are sent to all levels of government, including First Nations, and are open for 30 days. Priority for considering interest in acquiring federally-owned lands is reviewed in the following order:

- federal departments;
- crown corporations;
- provinces; and
- municipalities and Indigenous groups.

Any submissions made as part of that Expression of Interest must include an identified public purpose for the future use of the lands. This process is intended to be open and transparent and based on the determined market value of the properties.

CITY OF SURREY'S POSITION

The subject properties have been in the media for several months after a petition was launched by a City of Surrey citizen seeking support to keep the properties in agricultural production (Reference 3). The petition's signatories are asking the Federal Government to continue to lease the land for farming purposes, and to work with the Province to include the parcels within the ALR. The petition also asked the City of Surrey to adjust its OCP to ensure that the land is retained over the long term for agricultural use.

As noted at the Regional Planning Committee on September 8, 2022, on July 11, 2022 the City of Surrey demonstrated support for the continued use of the land for agricultural purposes by passing a Council resolution that states:

1. *The 220 acres of exceptionally fertile farmland located at 192nd Street and 36th Avenue and currently zoned Agricultural (A-1), be designated as Agricultural as part of the Official Community Plan review process taking place in 2023;*
2. *The City work with the Federal and Provincial governments to move towards bringing these lands into the Agriculture Land Reserve; and*
3. *Staff conduct an assessment of all agricultural, food producing land in Surrey with a view to protecting these lands for the purpose of addressing future food security requirements.*

The City is in the early stages of updating its OCP and while the timeline for the update has not been released, depending on the scope of the OCP review, could take several years to complete. Updating the OCP will also necessitate an application to Metro Vancouver to amend the regional land use designation for the site.

JURISDICTION AND AUTHORITY

Managing the jurisdictions and authorities for decision making for the subject properties is complicated and involves several levels of government. References have been made to the Agricultural Land Reserve and the City's OCP land use designations as possible methods to ensure the long-term protection of the land for agricultural purposes, but the ownership of the lands is a critically important factor.

Federal Authority

Canada's constitutional structure establishes the authority of the Federal Government over that of all lower-tier governments. Under Federal ownership, the inclusion of the subject properties into the Agricultural Land Reserve under Provincial legislation, or the re-designation of the lands in the City's OCP from "Mixed Employment" to "Agricultural" would not supersede Federal jurisdiction over the preferred use of the lands. While for the most part federal departments work to comply with local land use policies and regulations, conflicts over use have been upheld in court in favour of federal interests, even in cases where properties are occupied by a tenant or not used for Federal Government purposes.

City Jurisdiction

While uses on federally-owned lands are ultimately at the discretion of the Federal Government, a local government can indicate its intent and support for land uses through OCP land use designations and zoning. In this instance, the subject property is already zoned General Agriculture (A-1) by the City of Surrey's Zoning Bylaw, No. 12000 and, as noted above, the City has passed a resolution indicating support for changing the OCP land use designation of the properties from "Mixed Employment" to "Agricultural" during its upcoming OCP update process. While the OCP process could take several years to complete, and given that the Federal Government is planning to post its request for Expressions of Interest in the coming months, as the authority over its OCP land use designations, the City has the option to amend the subject property's land use designation at any time prior to or during its OCP update. This would make the City's desired land use direction for the properties clear

and illustrate its commitment to retaining the agricultural use and to pursuing an Agricultural Land Reserve inclusion application to any potential purchasers of the lands before the Federal Government disposes of them.

Metro Vancouver Jurisdiction

An additional related land use policy that has not yet been discussed is the role of the regional growth strategy in the protection of these lands. Should the MVRD Board determine that there is a regional interest in the long-term protection of these lands for agricultural purposes, and to support the City of Surrey's interest in re-designating the lands to "Agricultural" and bringing them into the Agriculture Land Reserve, an amendment to the regional growth strategy can be initiated at any time to amend the regional land use in *Metro 2040* from "Mixed Employment" ("Employment" in *Metro 2050*) to "Agricultural". Such an amendment would better support the City's application to expand the Agricultural Land Reserve and it will be made clear to all parties interested in the possible purchase of the lands, as well as those involved in the City's OCP update, that the OCP land use change is being done to not only protect the continued agricultural use of the lands, but also to be consistent with the regional land use designation.

Should a non-government entity succeed at purchasing the properties, they would be required to comply with all applicable Provincial, regional, and local policies and regulations.

LONG-TERM AGRICULTURAL PROTECTION

Options for long-term agricultural protection of the subject properties will depend on the direction of the Federal Government and the outcome of the current land disposition process. Because the disposition of federal lands follows procedures established by a Directive under the authority of the federal *Financial Administration Act*, it cannot be circumvented nor adjusted by a lower-tier government; however, the Province, the City, and Metro Vancouver could submit expressions of interest for the retention of the lands for the public purpose of food production over the long term.

ALTERNATIVES

This is an information report. No alternatives are presented.

FINANCIAL IMPLICATIONS

There are no financial implications to this report.

CONCLUSION

A five-parcel 120-hectare piece of active farmland located in Surrey is owned by the Federal Government and is part of a current land disposition process. Many citizens, the farming community and the City of Surrey have expressed interest in retaining the properties for farming use. While amendments to the regional growth strategy and the City of Surrey's OCP and inclusion into the Agricultural Land Reserve can happen at any time, as long as the property is Federally-owned, the Federal Government's constitutional jurisdiction can override that of a lower-tier government. Long-term protection of these properties for agricultural purposes would be best achieved under public inclusion into the Agricultural Land Reserve, and being designated Agricultural by the regional growth strategy and the City's Official Community Plan as soon as possible.

References

1. [Briefing Memo from Metro Vancouver Agricultural Advisory Committee Dated July 4, 2022](#)
2. [Directive on the Management of Real Property](#)
3. [Surrey Farmland Petition](#)

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