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| ITEM | 14 |
| MANAGER'S REPORT NO. | 23 |
| COUNCIL MEETING | 86/04/01 |

RE: LETTER FROM JOHN F. ADAMS & SON LTD., 3267 NORLAND AVENUE, BURNABY, B.C., V5B 3A9
 (Item 4 f, Correspondence and Petitions, 1986 March 24)
 DIESEL FUELING INSTALLATIONS IN INDUSTRIAL DISTRICTS
 USE OF ALTERNATE FUELS

MUNICIPAL MANAGER'S RECOMMENDATION:

1. THAT the recommendation of the Director Planning & Building Inspection be adopted.

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TO: MUNICIPAL MANAGER 1986 MARCH 26
 FROM: DIRECTOR PLANNING & BUILDING INSPECTION OUR FILE: 02.240
 SUBJECT: DIESEL FUELING INSTALLATIONS IN INDUSTRIAL DISTRICTS
 USE OF ALTERNATE FUELS

RECOMMENDATION:

1. THAT a copy of this report be sent to Mr. John F. Adams, John F. Adams & Son Ltd., 3267 Norland Avenue, Burnaby, B.C., V5B 3A9.

R E P O R T

Appearing on the Agenda for the 1986 March 24 meeting of Council was a letter from Mr. John Adams requesting consideration of a zoning adjustment concerning his company's commercial vehicle fuel facility at 3267 Norland Avenue. Mr. Adams' request is for authority to dispense natural gas, gasoline, and diesel fuel from two additional dual fuel pump islands at his company's expanded diesel fueling installation in an M2 General Industrial District.

The purpose of this report is to outline the alternative courses of action available to deal with Mr. Adams' proposal, and to indicate the course of action the Planning & Building Inspection Department proposes in order to address the larger subject of dispensing of "alternative fuels" for industrial vehicle use in general, subject to Council concurrence.

BACKGROUND

The Burnaby Zoning Bylaw in its regulation of land uses has since 1965 permitted "Gasoline Service Stations" in the C6 Gasoline Service Station District and in a variety of other commercial (C) zones, subject to the C6 regulations. The Bylaw's definition of "Gasoline Service Station" is intentionally broad in terms of the type of fuels that may be dispensed ("the retail sale of motor fuels and lubricants"), and there would be no difficulty approving the sale of natural gas as well as gasoline, diesel, or other motor fuels at a location in such a Commercial zone.

Initially, upon passage of the Zoning Bylaw in 1965, there was no provision made for sale of petroleum products for motor vehicle use in the Industrial zones. However, in 1969 Council received a report recommending a text amendment to allow for limited sale of an industrial motor fuel in the M Districts, and subsequently adopted a bylaw providing for "Diesel Fueling Installations" in the M1, M2, M3 and M4 zoning districts. By definition, the fuel product permitted to be dispensed from such installations was limited to "the sale of diesel fuel and lubricants to commercial vehicles and industrial equipment, but shall not include a gasoline service station". The purpose of the amendment was to allow the specialized heavy transport vehicles commonly associated with industrial areas to be served by fuel facilities in those districts, while at the same time preventing commercial use intrusion into those zones and the resulting potential pre-emption of industrial land.

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The provision for diesel fuel installations in those industrial districts satisfied the special needs of diesel-powered industrial equipment operators for several years, and continues to do so. However, with the advent and the increasing use of a variety of other "alternate" energy fuels (including propane and compressed natural gas) for trucks and other types of industrial equipment, there is an apparent demand for a broadening of the range of fuels that may be sold in the industrial areas.

RECENT PRACTICE

On several occasions in recent years, proposals to dispense either gasoline or other fuels other than diesel as a principal use in industrial areas, **to industrial account customers and not to the general public**, have been handled through the rezoning process. By this means, Council has entertained site-specific rezoning applications to introduce C6 zoning on sites to allow for the expanded fuel sales subject to certain agreements or restrictions to limit the sales to bona-fide industrial customers (for example, industrial keylock or cardlock installations). This course of action would appear to be one that could accommodate Mr. Adams' needs, as he indicates that the sale of natural gas, gasoline, and diesel fuel would be to commercial vehicle operators, and not to the general public.

ALTERNATIVE APPROACH

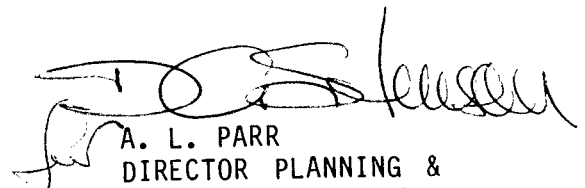
Recognizing the growing use of non-diesel fuels in the truck transport industry, including local delivery and service vehicles in addition to line-haul transports, and the advantages of developing the use of "alternate fuels" for industrial equipment use, there is merit in considering an up-dating of the Zoning Bylaw's provision for motor fuel sales in the industrial areas. At the same time, the principle of avoiding commercial use intrusion and land stock pre-emption in the industrial areas remains valid, and should be preserved.

Accordingly, the Planning & Building Inspection Department is prepared to recommend suitable text amendments to broaden the scope of motor fuel sales in the Industrial zones, with the appropriate safeguards and the necessary provisions to ensure that any resulting "Industrial Fueling Installations" will not contradict the objective of protecting the industrial land use areas.

Unless otherwise directed by Council, it would be our intention to prepare a report on this approach, with draft text amendments prepared in consultation with the Municipal Solicitor, for Council's consideration within the next two to three weeks.

With reference to the specific request by Mr. Adams, staff had initially been contacted by a representative of B.C. Hydro, and had understood that he and the prospective operator would be coming in to meet with staff to discuss their needs. This did not transpire, but we have now taken the initiative and arranged a meeting to discuss the contents of this report as well as the company's specific development proposal, with reference to project timing and to proceeding with an application for project approval.

This is for the information of Council.


A. L. PARR
DIRECTOR PLANNING &
BUILDING INSPECTION

DGS:lf

cc: Municipal Solicitor
Chief Licence Inspector