

**TO:** CITY MANAGER

November 26, 1997

**FROM:** DIRECTOR PLANNING & BUILDING

OUR FILE: RZ #65/97

**SUBJECT:** Utilization of Comprehensive Development Zoning Regulations for Water Oriented Industrial Use of 22.56 Acre Parcel Adjacent to Fraser River

**PURPOSE:** To provide Council with preliminary information regarding the proposed establishment of comprehensive development zoning regulations for lands abutting the Fraser River.

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**RECOMMENDATION:**

1. **THAT** this report be received for information and that copies be forwarded to:

Anita Fleming  
C.N. Real Estate Management  
10004 - 104 Avenue  
Edmonton, Alberta T5J 0K2

Jamie Johnson  
Ritchie Bros. Auctioneers  
9200 Bridgeport Road  
Richmond, B.C. V6X 1S1

**REPORT**

**1.0 BACKGROUND**

Council, on 1997 July 21, received the Manager's Report No.20, Item 06 providing information regarding the proposed rezoning of a number of properties in the Big Bend area in conformance with adopted development plans (Referenced on Figures 1 and 2 *attached*). As a result of its consideration of this report, Council adopted a resolution providing for the preparation of a rezoning bylaw for these properties, including the subject property, as outlined in the Manager's Report with the provision that the property owners be consulted as the first step of the rezoning process.

Council was advised that the subject property, which is zoned M3 Heavy Industrial District, abuts the north Arm of the Fraser River and as such, its southerly portion is covered by the Fraser River Estuary Management Program's (FREMP) Statement of Intent which was entered into with other Estuary Managers on 1993 May 10. This property falls within the FREMP Management Unit V-3.3 (Figure 3 *attached*) in which the Upland 50 metre wide portion and the Foreshore portion have a primary designation of Industrial which means that

the land and water areas are designated for industries that require water-borne transportation, surface use of the water or use of submerged lands in their operation. The upland portion also has a recreation sub-designation which advises of the City's intent to pursue the provision of linear public access opportunities along the River's edge as a component of the industrial development of lands abutting the Fraser River.

The FREMP Statement of Intent includes a clause which states the *"For those Area Designations which have received concurrence, each Party agrees to implement administrative procedures to support each Area Designation which include but are not limited to the following:*

- a) zoning bylaws;
- b) foreshore leases;
- c) building permits;
- d) servicing arrangements;
- e) navigational approvals;
- f) environmental approvals;
- g) adoption of official community plans and area plans;
- h) acquisition or dedication of parcels for specified purposes."

In view of the foregoing, Council was advised that it is proposed to rezone the undeveloped parcels abutting the river (including the subject property) from the M3 Heavy Industrial District to CD Based on the M3 District as a guideline together with the following:

- a) Uses abutting the North arm of the Fraser River shall require water-borne transportation, surface use of the water or use of submerged lands in their operation.
- b) Industrial uses shall provide linear public access along the upland areas abutting the North Arm of the Fraser River.
- c) Due to the proximity to the North Arm of the Fraser River, particular attention will need to be paid to the type and conditions of use for upland industries. No use shall be permitted which has the potential to damage or have a negative environmental impact on the River.
- d) Uses shall make efficient use of available lands, assist overall employment growth which increases the value of the industrial tax base, and integrate with the surrounding natural and physical environment.

Council was further advised that the subject property is owned by the Canadian National Railway Company (CN), that it was vacant and that it was being offered for sale. It was noted that staff intended to pursue the development of a land use concept plan which would form the basis for Comprehensive Development zoning regulations. The regulations would address issues such as the location and amount of water related industry, public access along the river, servicing issues and subdivision options.

## **2.0 EXISTING SITUATION**

Ritchie Bros. Auctioneers (Canada) Ltd. has entered into an agreement with CN to purchase the subject property in order to establish an auction facility for the sale of industrial equipment which includes very large logging and construction equipment. Ritchie Bros. is a multinational company with operations in 13 countries representing over 50% of world-wide market share. Its corporate headquarters is currently located in Richmond, B.C. and its regional auction facility is located on a 9.5 acre riverside site in Surrey, B.C. with a further 5 acres available on Auction day for parking. Ritchie Bros. has experienced significant growth in recent years and requires additional lands for expansion. Key to this expansion is the need to secure a site with water access.

## **3.0 GENERAL DISCUSSION**

Certainly the Ritchie Bros. proposal meets the City and FREMP's mandate for the establishment of water dependent industry at the subject location. It is also a permitted use under the current M3 Heavy Industrial District which provides for the *"sale and repair of machinery and heavy equipment"*. It must also be recognized that Council has authorized the preparation of a Bylaw rezoning this property to CD Comprehensive Development District as outlined in Section 1.0 herein. Consequently, there a number of issues which have been the subject of discussions with Ritchie Bros. and CN as outlined below.

### **3.1 Scope of Intended Use**

It has been stated that uses should make efficient use of available lands, assist overall employment growth which increases the value of the tax base, and integrate with the surrounding natural and physical environment.

The net site is approximately 20.26 acres on which it is proposed to construct an auction facility consisting of 25,196 sq.ft. of warehouse space and 12,000 sq.ft. of office space. A separate 6,498 sq.ft. refinishing plant (equipment reassembly, painting) is also proposed for a total of 43,694 sq.ft. This equates to a site coverage of only 5.1%.

Nine full time staff persons would be onsite with 6 to 8 regular part-time employees. At present, auctions are currently held 4 times a year (to a maximum of 6) at which time an additional 25 to 35 persons would be employed onsite with 6 to 10 additional Ritchie Bros. personnel in attendance. Out-of-town attendees range from 1,500 to 3,000 persons per auction and are here for average of 2 days which would provide spin-off benefits to the regional economy through contract suppliers of services to the auction by way of food, accommodation and other travel related requirements.

In summary, the use would be viewed as a low net contributor to the employment growth criterion. However, it is acknowledged that the use provides some support for other commercial and industrial operations, including some located in Burnaby.

## **2.2 Services**

Ritchie Bros. has agreed to provide services to the site to the full urban standard including the dedication and construction of Thorne Avenue across the frontage of the property.

## **2.3 Public Access Along the River**

Ritchie Bros. has agreed to dedicate a parcel 15 metres wide and 302 metres in length to the City along the River's edge as shown on Figure 4 *attached* and to construct a walkway complete with berming and landscaping according to an agreed upon plan. A further 10 metre wide public access statutory right-of-way would be provided along the easterly property line to provide interim access from Thorne Avenue to the foreshore walk. Ritchie Bros. would retain the right to eliminate this latter right-of-way in the future once the City has secured additional foreshore public access along the River to the east of the subject property connecting to Meadow Avenue.

In order to assist in Ritchie Bros. efforts to secure the City's support for the development of these lands for the proposed auction facility, CN has offered an opportunity for the City to secure additional public access along the River at this time as a component of the land sale. CN owns additional lands east of Meadow Avenue as shown on Figure 4 and is prepared to dedicate at no cost to the City, a further 15 metre wide strip extending approximately 192 metres east of Meadow Avenue for a total dedication approximately 494 metres (1,620 feet) in length at at this time.

#### **2.4 River Access for Industrial Use**

Ritchie Bros. would retain an access easement to an existing barge ramp across the proposed 15 metre riverfront access parcel as illustrated on Figure 4. Access would be controlled by a system of gates which would be briefly closed on the occasions machinery and other items are loaded (for shipment) or unloaded. Ritchie Bros. has advised that it is prepared to allow the City and other industrial users access to the barge ramp providing that prior written permission is obtained from the operations manager to allow for scheduling and safety.

#### **2.5 Potential Expansion of Public Riverfront Access Through to Wiggins Street**

As noted on Figure 2, the lands immediately west of the subject site are also zoned M3 Heavy Industrial District and have been proposed to be rezoned to CD Comprehensive Development District. The northerly half of this 19 acre parcel is being leased by a major recycling firm and it is our understanding that Ritchie Bros. has submitted an offer to purchase these lands for consolidation with its principal parcel. An opportunity may, therefore, be presented in the near future to continue the City's efforts to secure additional public riverfront access.

#### **2.6 Advancement of Rezoning Application**

Notwithstanding the fact that the property is currently M3 Heavy Industrial District, Ritchie Bros. recognizes the City's desire to have specific zoning provisions in place to ensure that the lands are appropriately used now and in the future. Accordingly, it has agreed to proceed with an application to rezone the property to CD Comprehensive Development based on the M3 Heavy Industrial District as proposed with specific provision for the establishment of its industrial auction facility. CN, as the present owner, has provided its authorization for Ritchie Bros. to pursue the rezoning application.

### **3.0 RELOCATION OF RITCHIE BROS.' HEAD OFFICE TO BURNABY**

As part of its preliminary discussion with the City, Ritchie Bros. advised that it would pursue the purchase of lands in Burnaby to relocate its corporate head office with its current 72 person staff complement. Towards this end, preliminary discussions have been held regarding the acquisition of a 5 to 6 acre portion of the lands to the west. If successful in this regard, Ritchie Bros. has agreed to dedicate the 15 metre wide public riverfront access through to Wiggins Street. Failing this, they are also in discussions with others regarding the acquisition of other lands in the Big Bend area. However, Ritchie Bros. has stated that no firm commitment can be assured with respect to their head office relocation to the City.

#### 4.0 SUMMARY

In considering the proposed acquisition and development of the site for a regional auction facility as proposed, staff have a fundamental concern with the lack of intensity and low employment associated with the proposed use. It does, however, meet the City's and the Fraser River Estuary Management Programs' objectives for the use of lands abutting the Fraser River for water dependent industrial use. Moreover, provision would be made to secure an additional 1,600 feet of riverfront lands as part of the City's overall objective for continuous public access along the Fraser River.

The existing M3 Heavy Industrial District zone would also be replaced with the proposed CD Comprehensive Development District zone which would provide the city with greater certainty towards achieving appropriate zoning control in the future. In the longer term the property would be redeveloped for more intensive industrial use should a change of use be contemplated. Notwithstanding the conflicting values associated with this proposed with regards to the City's overall development objectives, staff, on balance, consider it worthy to pursue further discussion with Canadian National and Ritchie Bros. Auctioneers leading to a further report recommending the advancement of a CD Rezoning Bylaw and the submission of a suitable plan of development for the proposed auction facility.

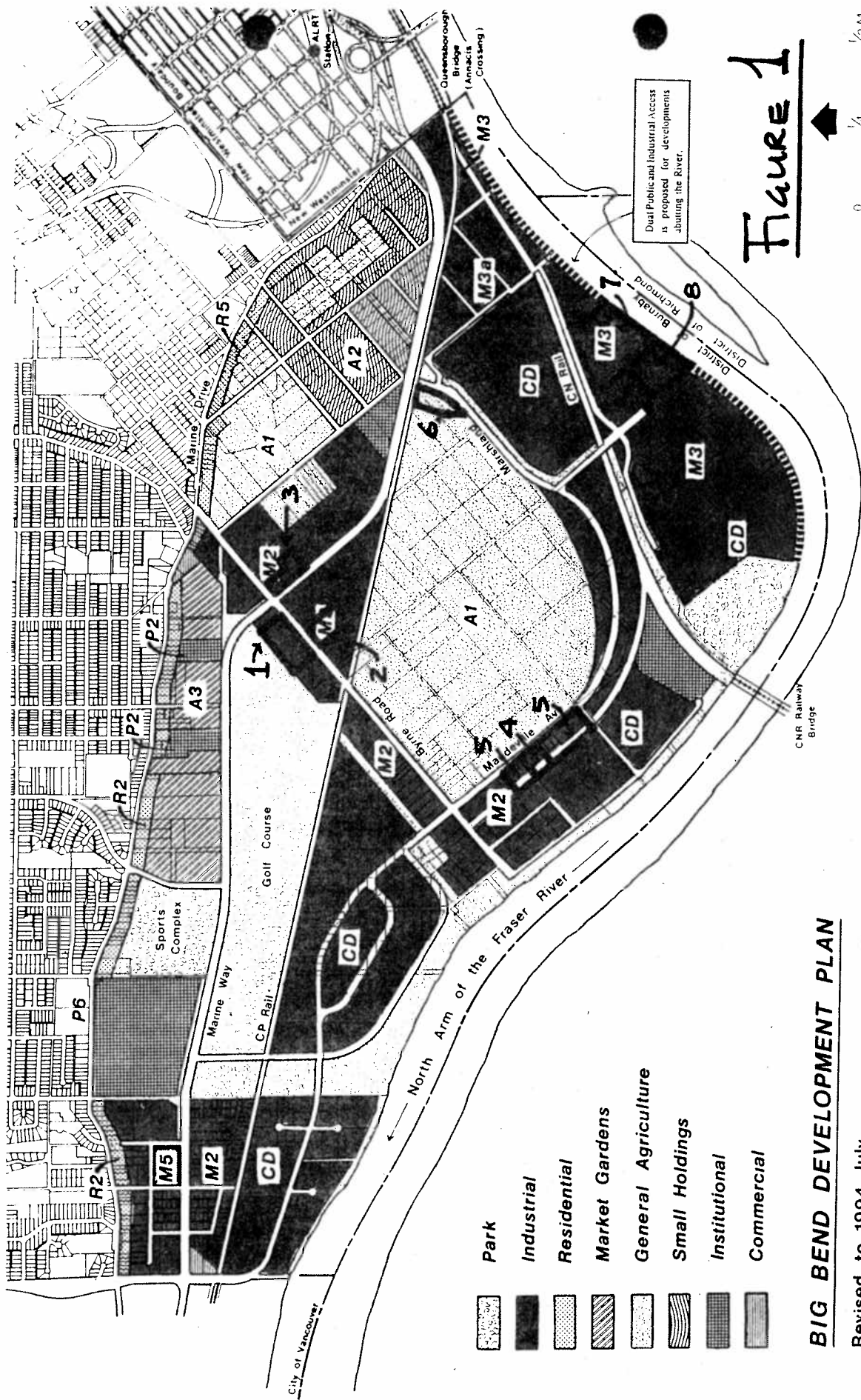
Unless otherwise directed by Council, staff would propose to do so.



D.G. Stenson, Director  
PLANNING AND BUILDING

PB\ma  
Attachments

cc: City Clerk  
Director Engineering  
Director Recreation & Cultural Services

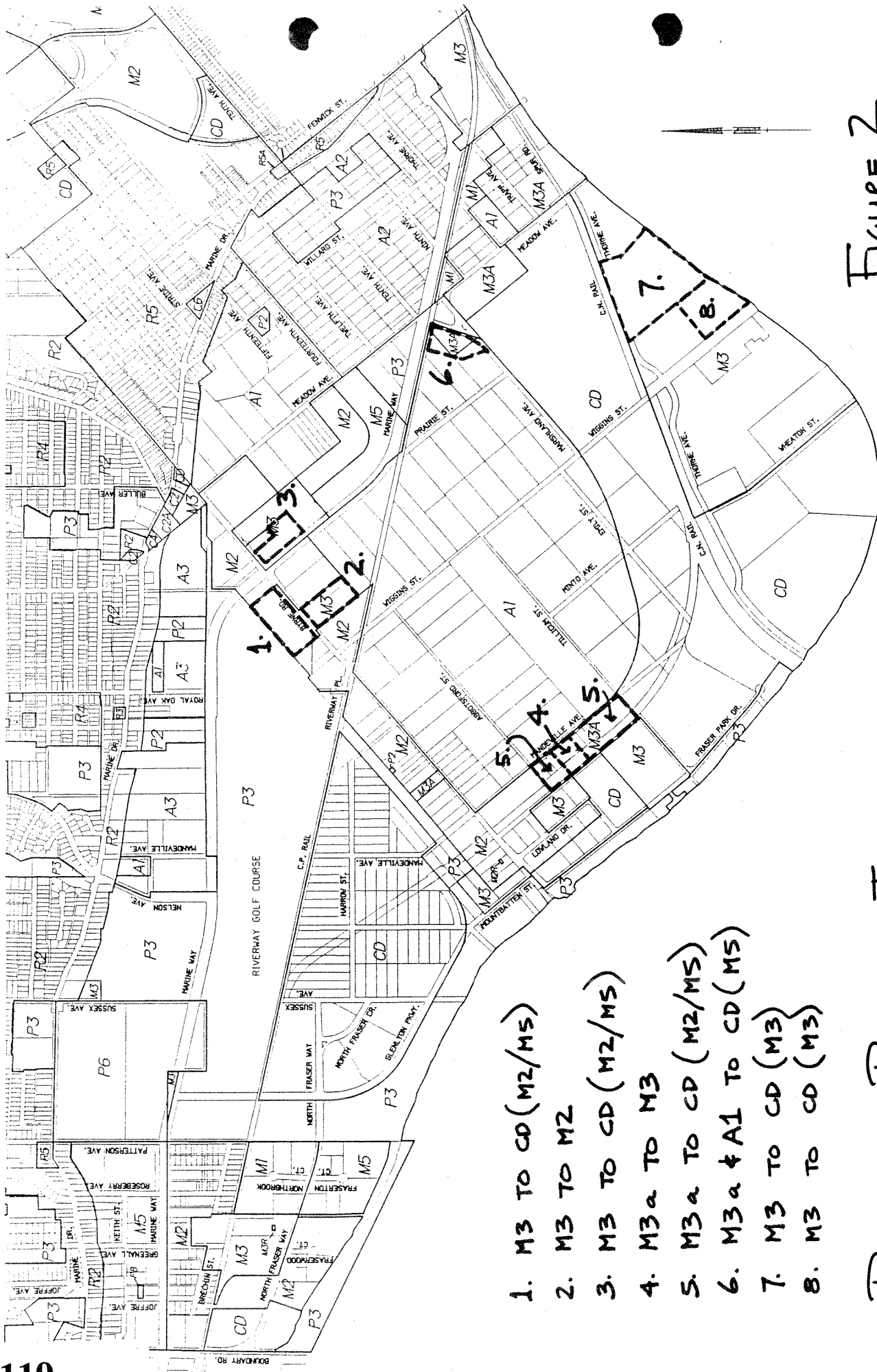


**FIGURE 1**

**BIG BEND DEVELOPMENT PLAN**

Revised to 1994 July

97 JULY 06



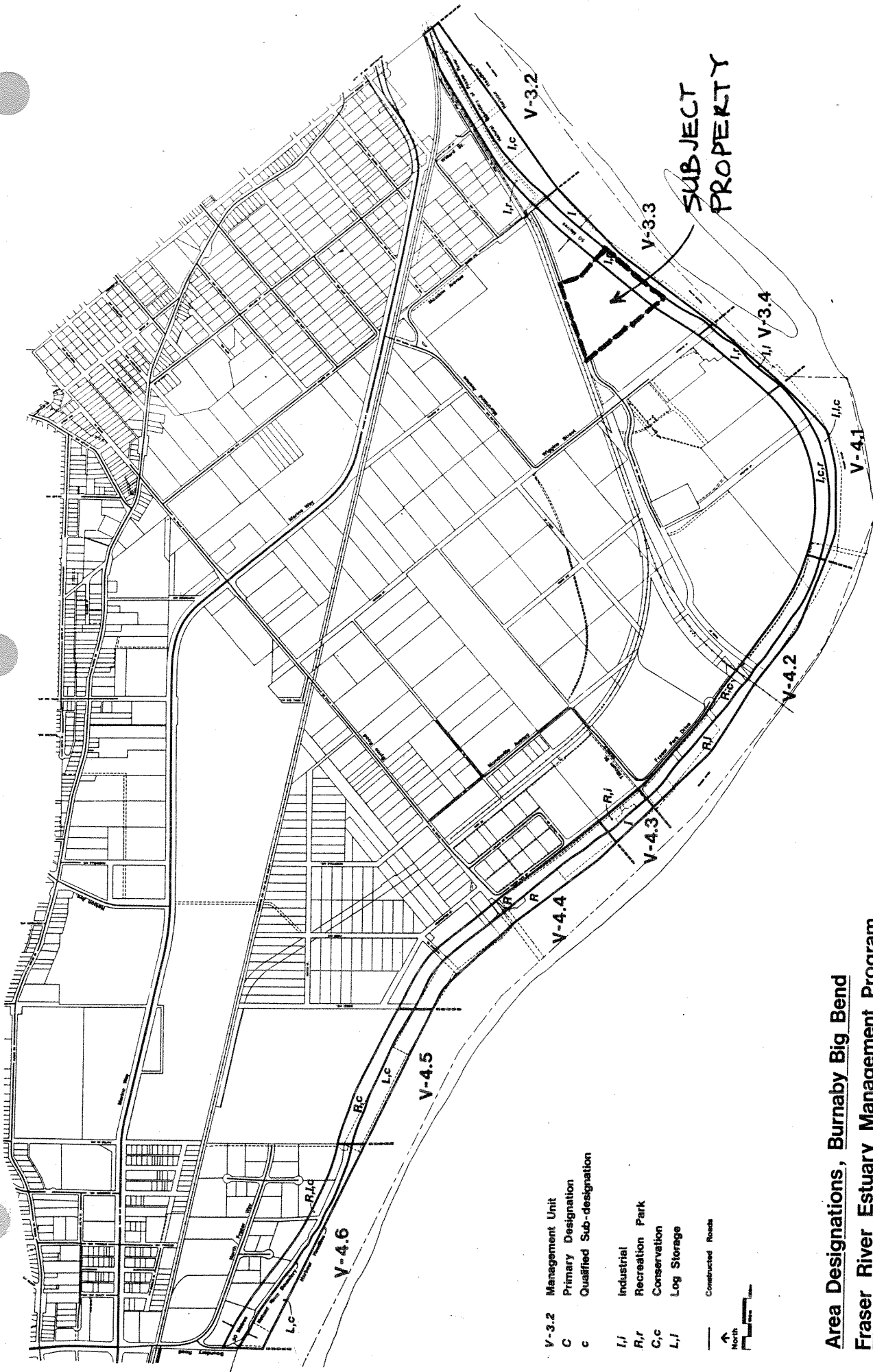
1. M3 TO CD (M2/M5)
2. M3 TO M2
3. M3 TO CD (M2/M5)
4. M3a TO M3
5. M3a TO CD (M2/M5)
6. M3a & A1 TO CD (M5)
7. M3 TO CD (M3)
8. M3 TO CD (M3)

PROPERTIES PROPOSED TO  
BE REZONED TO REFLECT  
THEIR INTENDED USE

FIGURE 2

97 JULY 07





SUBJECT  
PROPERTY

- V-3.2 Management Unit
- C Primary Designation
- c Qualified Sub-designation
- I,I Industrial
- R,r Recreation Park
- C,c Conservation
- L,l Log Storage
- Constructed Roads
- ↑ North

**Area Designations, Burnaby Big Bend  
Fraser River Estuary Management Program**

120 ZONING REFERENCE # 65/97

FIGURE 3  
97 NOV. 25

12 REZONING REFERENCE 65/97

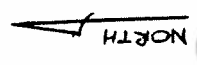
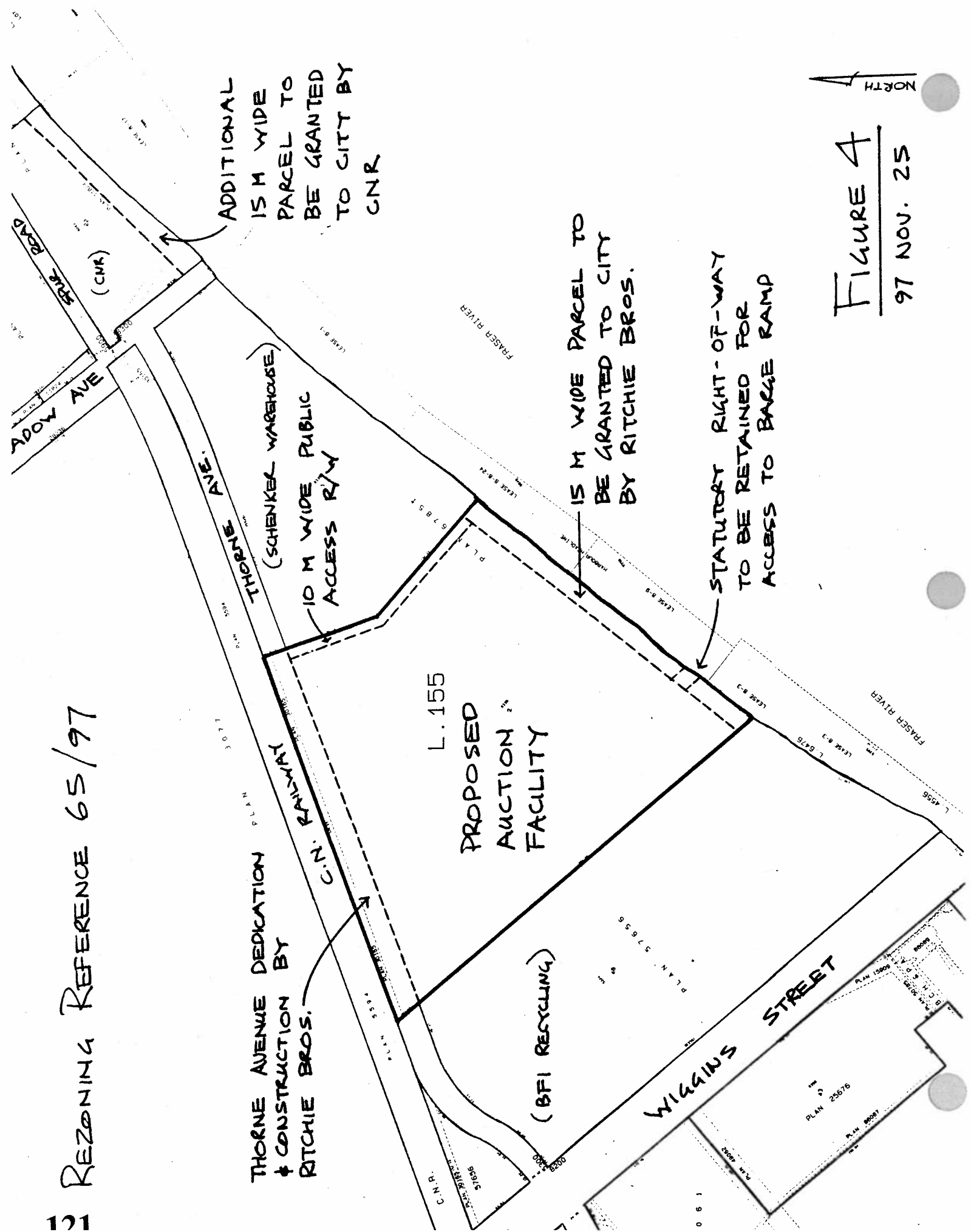


Figure 4  
97 NOV. 25