



City of Richmond

Report to Committee

To: Public Works and Transportation Committee **Date:** April 4, 2005 *To Public Works & Transportation: Apr 20, 2005*

From: Victor Wei, P. Eng.
Acting Director, Transportation **File:** 10-6530-01/2004-Vol 01
XR: 01-0140-20-FRHA1

Re: FRASER RIVER PORT AUTHORITY – WATERBORNE TRANSPORTATION INITIATIVE

Staff Recommendation

That the City support the efforts of the Fraser River Port Authority to enhance waterborne commerce on the Fraser River by requesting the GVRD to specifically include goods movement and marine transportation as components in the updated Livable Region Strategic Plan.

Victor Wei, P. Eng.
Acting Director, Transportation
(4131)

Att. 1

FOR ORIGINATING DIVISION USE ONLY			
ROUTED TO:	CONCURRENCE	CONCURRENCE OF GENERAL MANAGER	
Policy Planning	Y <input checked="" type="checkbox"/> N <input type="checkbox"/>	<i>Victor Wei</i>	
REVIEWED BY TAG	YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>	REVIEWED BY CAO	YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>

Staff Report

Origin

At the June 7, 2004 General Purposes Committee meeting, Mr. Allan Domaas of the Fraser River Port Authority (FRPA) gave a presentation entitled “*Fuelling an Economic Engine: Waterborne Commerce and the Fraser River.*” As a result of Committee discussion of the presentation, the following motion was approved:

That staff review the dredging and water route initiatives proposed by the Fraser River Port Authority, which would include the identification of support for those initiatives, and report to Committee accordingly.

This report summarizes the actions taken by the City with respect to the FRPA dredging initiative and recommends that the efforts of the FRPA to enhance waterborne commerce on the Fraser River be supported.

Analysis

1. Sustainable Public Funding for Maintenance Dredging

In 1998, the federal government paid a \$14 million settlement to the FRPA for taking on dredging of the Fraser River, despite FRPA’s assertion that \$28 million was required. The FRPA commenced an initiative to secure stable federal government funding for dredging and essential river management infrastructure in 2004 when the settlement funding ran out. Staff presented a report on the FRPA initiative to secure sustained public funding for maintenance dredging of the Fraser River at the July 5, 2004 General Purposes Committee meeting. At the July 12, 2004 regular Council meeting, Council approved that report’s recommendation:

That the efforts of the Fraser River Port Authority to secure sustainable federal government funding for:

- 1. annual dredging activities; and*
 - 2. essential public infrastructure that promotes appropriate flood protection and sound river management,*
- be supported.*

Subsequently, the City, along with all eight of the remaining municipalities that surround the FRPA along the lower Fraser River, signed a joint resolution asking the Government of Canada to provide the requested public funding. FRPA report that the resolution was officially submitted to the Honourable Jean Lapierre (Minister of Transport) with a letter from Surrey Mayor Doug McCallum on November 12, 2004. In September and October 2004, FRPA began briefing all BC ministers and MPs and provided copies of the resolution to them. The first briefing was to the Honourable Raymond Chan and since then the FRPA has met with almost all of the BC Liberal Caucus, the Conservative Party Caucus, Premier Campbell and other senior BC ministers. The FRPA continues to explore funding possibilities with several ministries with both levels of government and several meetings have been set up in 2005 to continue this work.

The Lower Mainland Municipal Association, of which the City is a member, also endorsed a resolution (B18) presented at the 2004 UBCM Convention (held September 21-24, 2004) that the UBCM request the federal government to:

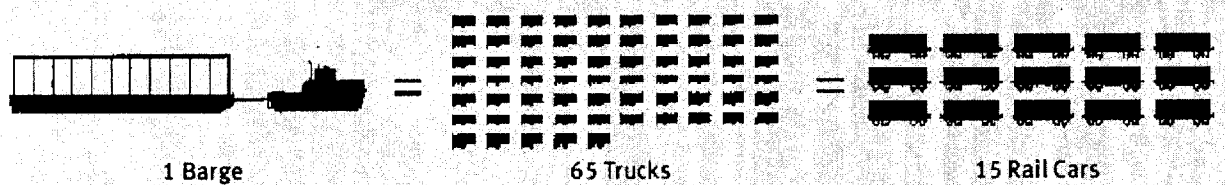
- work with the FRPA and government agencies involved in dredging of the Fraser River from Hope to Georgia Strait;
- provide them with an immediate cash infusion of \$35 million; and
- work toward developing a sustainable funding strategy for dredging of the main and secondary channels along this section of the Fraser River.

This resolution was endorsed at the convention and presented to the provincial government. The provincial Ministry of Sustainable Resource Management provided the following response: *"Land and Water BC continues to initiate and support gravel and sand removal from the Fraser River. In so doing, LWBC will continue to develop relationships with First Nations, other agencies and local governments."*

2. Waterborne Commerce on the Fraser River

Waterborne transportation means using waterways for commercial and passenger movements. The Fraser River Port Authority is currently partnered with FREMP and the Greater Vancouver Gateway Council to promote the Fraser River as a waterborne transportation route. Water-based transportation has the advantages of a dedicated right-of-way and, relative to land-based transportation, lower infrastructure costs and fewer social and environment impacts. The Fraser River already operates as an efficient mode of transportation for the movement of specific bulk cargos. However, with growing congestion on the road network and capacity constraints on portions of the rail network, there can be an increasing role for the movement of goods and passengers via water transportation.

One barge carries as much cargo as 65 trucks or 15 jumbo rail cars.



Source: 2003/2004 Annual Review, Fraser River Port Authority (July 2004).

2.1 Waterborne Priority Nodes

The Major Commercial Transportation System (MCTS) defined by the Gateway Council includes a prioritised list of 11 sites with the potential to become nodes for the integration of land-based transportation modes with waterborne routes, based on the criteria of their development potential for goods and passenger movement and their links to rail and road infrastructure (see Attachment 1). The highest priority site is Coast 2000 Terminal, which is located within the Fraser-Richmond Lands industrial area in southeast Richmond on land administered by the FRPA. Coast 2000 Terminal currently has a 252,000 square foot warehouse with 11 acres of container storage, a covered barge-unloading ramp and a CN rail spur. Future plans include a coastal and deep-sea terminal as well as serviced backup land for distribution-related industry.

A series of sites such as Coast 2000 Terminal along the Fraser River have the potential to reduce traffic congestion in the Lower Mainland by using waterborne transportation rather than truck movements to ship freight. FRPA suggest that a strategy to encourage waterborne commerce should include:

- cohesive regional planning and investment in transportation infrastructure;
- cohesive economic development planning that balances competing uses for the Fraser River (e.g., freight versus passenger movements); and
- enhanced public awareness of the advantages of waterborne transportation.

2.2 Opportunities for City Support of Initiative

Staff recently discussed the initiative with the FRPA and two areas were identified in which the City could demonstrate its active support of this initiative to increase waterborne transportation along the Fraser River:

- take the lead among municipalities bordering the Fraser River by including short sea shipping (i.e., moving cargo via barges to and from destinations not separated by an ocean) or designations of land for water-oriented uses in its Official Community Plan; and
- ask the GVRD to include goods movement and marine transportation as components in the Livable Region Strategic Plan.

These potential areas are discussed further in Section 3 below.

3. Staff Comments on Waterborne Transportation Initiative

3.1 Official Community Plan (OCP) References

Objective 1 of the Industry section (2.3) of the City's OCP is to "*Continue to reinforce Richmond as one of the major industrial employment centres in the Lower Mainland and a predominant location for airport-serving business.*" This objective is to be achieved via the following industrial land use policies relevant to promoting waterborne transportation:

- retaining appropriate waterfront sites for fishing, log storage and processing, and port activities;
- ensuring that both the City and regional transportation planning for roads, rail, and water facilitates the efficient movement of goods for industrial purposes; and
- protecting, enhancing, and facilitating major transportation corridors serving industrial areas (e.g., highways, roads, rail, watercourses).

Currently, the Fraser-Richmond Lands are zoned I1 (Industrial Use), which includes the operation of truck terminals, docks and railways. As noted in the OCP, these lands are to be used for manufacturing/distribution, advanced technology, port/fishing and other water-oriented industries. Note that as the Fraser-Richmond Lands are Crown Lands, they are not subject to the City's Zoning Bylaw. However, the FRPA has a Land Use Plan that has been reviewed by the City to make sure it does not conflict with municipal objectives. The FRPA and the City also have a land use framework that outlines the types of uses that are permitted within certain areas of the FRPA lands. The FRPA and the City uses this Land Use Plan and the land use framework to coordinate and guide land-use and servicing decisions regarding the development of FRPA lands.

The City is currently working with the FRPA on an Accord to better co-ordinate responsibilities with respect to a number of items, including zoning and building approvals, servicing and infrastructure, and emergency services (fire protection). The draft Accord recognizes that the management and implementation of the FRPA Land Use Plan is to be coordinated and harmonized with the City's OCP and Zoning and Development Bylaws.

As outlined above, the City's OCP and its Zoning Bylaw already contain several land use policies and designations that are supportive of increased waterborne transportation. Moreover, the draft FRPA-City Accord specifically refers to the need to integrate the FRPA Land Use Plan with the City's OCP and Zoning Bylaw. Given these existing policies and forthcoming agreements, staff do not believe that any revisions to the City's OCP are necessary, as suggested by the FRPA.

3.2 GVRD Livable Region Strategic Plan

The transportation policy direction of the current Livable Region Strategic Plan (LRSP) is to increase transportation choice. The implementation policies associated with this direction do not specifically mention water-based transportation. However, the GVRD is currently reviewing the LRSP within the framework of the Sustainable Region Initiative (SRI). The SRI was initiated in July 2001 when the GVRD Board adopted social, economic and environmental sustainability as the fundamental objective for its review of the LRSP and the Air Quality Management Plan (AQMP).

Based on the work to date, the GVRD intends to adopt a number of transportation goals (developed by TransLink as part of the SRI process) as the basis for the review and update of the transportation-related components of the LRSP and AQMP. One of these goals specifically relates to waterborne commerce:

Deliver a road and transit, rail and marine transportation network that meets the region's travel and goods movement requirements and improves efficiency for goods movement, while reducing growth in private automobile use.

The SRI envisions the development of a regional Major Commercial Transportation System and a complementary Strategic Transportation Plan as potential outcomes of the process to review and update the LRSP and AQMP. To reinforce the inclusion of goods movement and water transportation as components in the updated LRSP, as suggested by the FRPA, staff recommend that the City send a letter to the GVRD indicating its support of increased waterborne transportation and requesting that this travel mode for both passengers and goods be explicitly recognized in the new LRSP.

3.3 BC Ports Strategy

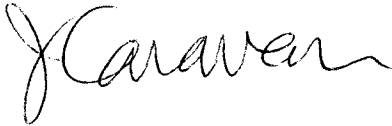
The provincial cabinet-approved BC Ports Strategy (released March 18, 2005) seeks to develop BC ports as the most competitive international trade hub on the North American west coast. Both BC and Alberta have committed to its implementation, which will involve significant investment in port expansion and new infrastructure (including rail and roads) from private and public sources. Richmond is currently part of an Interim Advisory Group working to establish a permanent multi-stakeholder committee to oversee implementation of the Strategy, which is a further potential opportunity to advance the FRPA initiatives to increase waterborne transportation as well as secure sustainable funding for dredging activities.

Financial Impact

None to the City at this time.

Conclusion

Increased waterborne transportation for both people and goods has the potential to help mitigate growing traffic congestion on the regional road network. To support the Fraser River Port Authority's initiative to encourage increased water-based transportation, staff recommend that the City send a letter to the GVRD requesting that this travel mode for both passengers and goods be explicitly recognized in the new Livable Region Strategic Plan.



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JC:jc

MCTS Waterborne Nodes – Potentials for Development

Node	Description	Development Potential for:		Node Serviced by: Road? Rail? Combo?	Other Considerations	Stakeholders
		Goods / Cargo	Passenger Movement			
Fraser-Richmond Properties – Coast 2000 Terminals	<ul style="list-style-type: none"> 680 acre former landfill site. Land administered by the FRPA for marine and industrial uses. Environmental issues in hand. 	<ul style="list-style-type: none"> Development underway. Plans include a coastal and deep-sea terminal as well as serviced backup land for distribution related industry. 	<ul style="list-style-type: none"> No passenger capability. 	<ul style="list-style-type: none"> Road link to East – West Richmond Connector. CN Rail is on site now. 	<ul style="list-style-type: none"> Land is available for lease from FRPA but no land sales available. 	<ul style="list-style-type: none"> FRPA CN Rail City of Richmond
Tilbury Island	<ul style="list-style-type: none"> 65 acre waterfront site. Owned by Stuart Belkin (Chatterton), Washington Group (Seaspan), Smit International (Riv Tow site) Environmental considerations on Chatterton site only 	<ul style="list-style-type: none"> Seaspan & Riv Tow sites presently used for waterborne distribution. Expansion potential at Chatterton. 	<ul style="list-style-type: none"> Passenger service potential. 	<ul style="list-style-type: none"> River Road connection is poor. Rail Service via CNR & BNSF 	<ul style="list-style-type: none"> Old deep-sea bulk loading facility exists at Chatterton site. 	<ul style="list-style-type: none"> Land owners Railways Corporation of Delta
Fraser-Surrey Area	<ul style="list-style-type: none"> Fraser River Port Authority. Zoned Industrial. Environmental issues in hand. 	<ul style="list-style-type: none"> Deep sea Terminal (Fraser-Surrey Docks) in place as well as 80 acres of distribution facilities. 20 acres waterfront optioned for water – dependant cargo distribution. 	<ul style="list-style-type: none"> No passenger capability. 	<ul style="list-style-type: none"> Reasonable road access and on the future South Fraser Perimeter Road. Served by CNR, CPR, BNSF & SRY. 	<ul style="list-style-type: none"> Adjacent lands owned by the Province of BC. 150 acres zoned industrial. 	<ul style="list-style-type: none"> FRPA, City of Surrey Province of BC Southern Railway of BC CN Rail BNSF
Brunette Creek	<ul style="list-style-type: none"> The majority of the site is privately owned, with some GVRD ownership. Environmentally sensitive areas need to be considered. 	<ul style="list-style-type: none"> Development potential requires further investigation. 	<ul style="list-style-type: none"> Passenger capability requires further investigation. 	<ul style="list-style-type: none"> Road access has network bottlenecks, which create significant access constraints in some areas. Some properties are only accessible via North Road that presently has very low traffic. Further information would be required on port throughput and traffic generation from cargo. Partial rail access: may not be active (would need to be confirmed). 	<ul style="list-style-type: none"> Soil contamination at Domtar site. 	<ul style="list-style-type: none"> Landowners Environmental groups, including streamkeeper groups City of Coquitlam GVRD FREMP CP Rail
Port Kells Area	<ul style="list-style-type: none"> Approx. 20 acres on triangular site bordered by Fraser River, Triggs Road and 104 Ave. Properties owned by Teal Cedar Products and Columbia Shake & Shingle. Site is mostly coded "Green". 	<ul style="list-style-type: none"> Eroded foreshore and excavated log pocket could provide "end on" moorage (i.e. ferry style) for limited impact on navigation. 	<ul style="list-style-type: none"> Potential water-based passenger service fed by Hwy #1 or future rail passengers from a CN-like "West Coast Express" 	<ul style="list-style-type: none"> Close access to 176th St that leads to Hwy #1. Close access to CN mainline. Very close to the proposed South Fraser Perimeter Road. 	<ul style="list-style-type: none"> Adjacent lands are mill and/or wood fiber oriented. Could be available if pressure on BC forest industry continues. Currently processing high value cedar products. 	<ul style="list-style-type: none"> Land owners City of Surrey CN Railway

MCTS Waterborne Nodes – Potentials for Development

Node	Description	Development Potential for:		Node Serviced by: Road? Rail? Combo?	Other Considerations	Stakeholders
		Goods / Cargo	Passenger Movement			
Pitt Meadows Airport	<ul style="list-style-type: none"> Owned by the Pitt Meadows Airport Society, Municipality of Pitt Meadows and Maple Ridge. Much of the land is contained within the ALR. Land is located within the flood plain so development costs could be high. 	<ul style="list-style-type: none"> Airport Society motivated toward industrial development. Good deep water site. 	<ul style="list-style-type: none"> Existing air passenger terminal. Potential links to rail and water passenger service. 	<ul style="list-style-type: none"> Limited road access at present but proposed Fraser River Crossing will be nearby. CP Railway is close by as is CPR Intermodal Yard. 	<ul style="list-style-type: none"> Difficult to rezone from current ALR designation. Limited availability of inexpensive fill material. 	<ul style="list-style-type: none"> Pitt Meadows Airport Society City of Pitt Meadows City of Maple Ridge CP Rail
Burnaby – Big Bend	<ul style="list-style-type: none"> City of Burnaby Severe environmental remediation on going. 		<ul style="list-style-type: none"> None 	<ul style="list-style-type: none"> Serviced by road and CN Rail. 	<ul style="list-style-type: none"> Movie studio enquiries 	
Mitchell Island		<ul style="list-style-type: none"> Available space to develop 	<ul style="list-style-type: none"> None 	<ul style="list-style-type: none"> Serviced by road and water. 	<ul style="list-style-type: none"> None 	
Eburne Site	<ul style="list-style-type: none"> Owned by NFPA No environmental considerations. 	<ul style="list-style-type: none"> Potential for container terminal 	<ul style="list-style-type: none"> Potential for passenger terminal. 	<ul style="list-style-type: none"> Serviced by road and CP Rail. 	<ul style="list-style-type: none"> None 	
Fraser-Delta Area	<ul style="list-style-type: none"> Several small parcels owned by a number of owners. FRPA owns 15 non-contiguous parcels equal to approx. 50 acres. 	<ul style="list-style-type: none"> Potential industrial site, CFS/CY yard. No direct access to water as River Road runs between river and property. 	<ul style="list-style-type: none"> Possible passenger terminal but not if River Road continues in its present location. 	<ul style="list-style-type: none"> Serviced by CN/BNSF. 	<ul style="list-style-type: none"> Site needs to be consolidated. This was a FRPA goal prior to the enactment of the Canada Marine Act 	<ul style="list-style-type: none"> FRPA Corporation of Delta Various small lot owners
Mission Industrial Foreshore	<ul style="list-style-type: none"> Mission Raceway and adjacent industrial lands. Ownership not yet determined. Flat, developable land on riverfront. Land is in the floodplain and floodproofing requirements unknown. Racetrack may have to be relocated. River in area of productive fish habitat. 	<ul style="list-style-type: none"> Good access to river for all types of cargo. 	<ul style="list-style-type: none"> Currently adjacent to the eastern terminus of the West Coast Express. Could this be an alternative passenger mode? 	<ul style="list-style-type: none"> CPR mainline adjacent, CNR can cross from south shore via CP Bridge. Lougheed Highway near by, good access to the Mission Bridge, Hwy #1 and US Border. 	<ul style="list-style-type: none"> Much of the site is Mission Raceway. This is a positive in that it holds the lands but by the time conversion takes place there may be little opportunity to relocate the raceway. 	<ul style="list-style-type: none"> City of Mission CP Rail

Source: Major Commercial Transportation System: Water Routes for Cargo and Passengers – Overview of Issues and Opportunities, Greater Vancouver Gateway Council (January 2003).