



**CITY OF RICHMOND**

**REPORT TO COUNCIL**

**TO:** Richmond City Council

**DATE:** May 24, 2001

**FROM:** Paul Kendrick  
City Solicitor

**FILE:** 8060-20-7108/  
RZ 98-153805

**RE: BC PACKERS OFFICIAL COMMUNITY PLAN (OCP) AMENDMENT BYLAW 7107 AND REZONING BYLAW 7108 – INFORMATION ON REZONING REQUIREMENTS AND EXECUTION OF NON-STANDARD DEVELOPMENT AND SERVICING AGREEMENTS.**

**STAFF RECOMMENDATION**

1. That the Mayor and City Clerk be authorized to execute, on behalf of the City, non-standard Development and Servicing Agreements relating to the BC Packers rezoning; and
2. That the staff report of the City Solicitor and Manager of Development Applications setting out the status of BC Packers rezoning requirements be received for information.

Paul Kendrick  
City Solicitor

Att.2

FOR ORIGINATING DIVISION USE ONLY		
<b>ROUTED TO:</b>	<b>CONCURRENCE</b>	<b>CONCURRENCE OF GENERAL MANAGER</b>
Development Applications .....	Y <input checked="" type="checkbox"/> N <input type="checkbox"/>	

## STAFF REPORT

### ORIGIN

The rezoning of the BC Packers property in Steveston was subject to a number of conditions that had to be satisfied prior to final adoption. The development is also being done in phases. These two circumstances have required that a special Servicing Agreement be drafted for this specific development and as well, a Development Agreement has been negotiated to deal with a variety of matters unique to this development.

### FINDINGS OF FACT

The applicant has completed a considerable amount of detailed design work as a requirement of rezoning. The following material has been placed in the Councillors' Lounge for reference purposes:

1. **Detailed Waterfront Park Design Plans** (reviewed and accepted by Manager - Development Applications, Director - Parks, Acting Director – Operations, Manager – Building Approvals and Chair - Beautification Team).
2. **Detailed Waterfront Dyke Design Plans** (reviewed and accepted by Manager - Development Applications, Director – Engineering and Acting Director - Operations).
3. **Detailed Road Works and Site Servicing Design Plans** (reviewed and accepted by Manager - Development Applications, Director – Engineering, Manager – Transportation, and Chair – Beautification Team).
4. **Heritage Interpretation Plan.**
5. **“As Found” Photogrammetric Records of the Brunswick, Imperial and Phoenix Canneries.**
6. **Development Agreement.**
7. **Servicing Agreement.**

**Compliance with Rezoning Conditions**

The following is an outline of the rezoning requirements that were applied to the BC Packers site for completion prior to consideration of adoption. Staffs' assessment of compliance with the rezoning conditions is outlined below:

<b><u>REZONING REQUIREMENT</u></b>	<b><u>STATUS</u></b>
<b><u>Transfer/Dedication of Lands</u></b>	
1. Transfer of approximately 0.9 acre Community Mixed-Use site to City of Richmond.	<b>Completed:</b> Transfer of a 0.362 ha (0.894 ac.) Community Mixed-Use site (Lot C on Attachment 1) will occur prior to Council Meeting on May 28, 2001.
2. Transfer of approximately 6.59 acres for waterfront park/dyke to City of Richmond.	<b>Completed:</b> Transfer of a total of 2.823 ha (6.98 ac.) for park/dyke use will occur prior to Council Meeting on May 28, 2001 (Lot E and "Park" on Attachment 1).
3. Provide a temporary walkway between No. 1 Road and Westwater Drive.	<b>Completed.</b>
4. Dedicate land for Bayview Street extension to Moncton Street.	<b>Equivalent Proposed:</b> Provision has been made in the Development Agreement for the Bayview Street extension (Lot B on Attachment 1) to transfer to the City in the first phase of subdivision or within 12 months of adoption. This approach enables demolition work to be deferred.
5. Dedicate upland below Phoenix Net Loft and western concrete pier to City of Richmond.	<b>Equivalent Proposed:</b> Since consideration of rezoning, detailed survey has shown that these structures are located wholly over submerged land and water lots. The Development Agreements provides time for the City to negotiate water lot leases with the Fraser River Port Authority and for future transfer of the structures from BC Packers to the City.
<b><u>Payment</u></b>	
1. Payment of \$200,000 to the City of Richmond for heritage interpretation.	<b>Completed.</b>

**Detailed Design Plans and Security**

1. Preparation of Detailed Waterfront Park Design Plans and Detailed Waterfront Dyke Design Plans. Post security for works.
  
2. Preparation of a Heritage Interpretation Plan including:
  - documentation of Phoenix, Brunswick and Imperial buildings.
  - details of interpretative displays.
  - graphics identification package.
  - provision for artifact storage.
  
3. Preparation of Detailed Road Works and Site Servicing Design Plans. Post security for works. Works include:
  - construction of Bayview Street extension.
  - upgrading of No. 1 Road frontage.
  - upgrading of Moncton Street frontage.
  - re-alignment of Bayview Street/No. 1 Road.
  - upgrading of Westwater Drive.

**Completed:** Detailed Design Plans have been received and reviewed/accepted by staff as noted earlier in this memorandum. The applicant has entered into a Servicing Agreement and provided security in the form of a Letter of Credit for \$5,843,370 to ensure construction of these works.

**Completed:** The Heritage Interpretation Plan forms part of the park development package. Provision has been made for implementation and artifact storage within the Development and Servicing Agreements. A Photogrammetric record of the Brunswick, Imperial and Phoenix Cannery buildings has been received.

**Completed:** Detailed Design Plans have been received and reviewed/accepted by staff as noted earlier in this memorandum. The applicant has entered into a Servicing Agreement and provided security in the form of a Letter of Credit for \$3,189,839 to ensure construction of these works. This security includes approximately \$1,300,000 to ensure that the Bayview Street extension is constructed as part of the first phase of development on the site.

**Legal Requirements**

1. Enter into legal agreements for phased construction of park, dyke, services and heritage interpretation.
  
2. Provide covenant to prohibit direct vehicle access to Moncton Street.
  
3. Provide Public Rights-of-Passage for all private roads, laneways, road ends and Arrival Plaza.

**Completed:** A Development Agreement and Servicing Agreement have been prepared and reviewed/accepted by the City Solicitor. Although not a requirement of rezoning, the applicant has made provision for implementation of an Archaeological Work Program within four Archaeologically Sensitive Areas within the Development Agreement.

**Completed.**

**Completed.** Provision has been made for Public Rights-of-Passage within the Development Agreement.

<p><b><u>Outside Agency Approvals</u></b></p> <ol style="list-style-type: none"> <li>1. Obtain FREMP approval for foreshore works/fill.</li> <li>2. Obtain Ministry of Environment approval for Remediation Plan.</li> <li>3. Obtain approval from the Provincial Dyking Authority.</li> </ol> <p><b><u>Feasibility Study</u></b></p> <ol style="list-style-type: none"> <li>1. Completion (by BC Packers or others) of the 1903 Imperial Cannery Feasibility Study.</li> </ol> <p><b><u>Development Permit</u></b></p> <ol style="list-style-type: none"> <li>1. Process a Development Permit (ESA) to a satisfactory level.</li> </ol> <p><b><u>Remediation</u></b></p> <ol style="list-style-type: none"> <li>1. Remediate/post security for all lands being transferred to the City. All land to be remediated to City's satisfaction prior to transfer.</li> </ol>	<p><b>Completed.</b></p> <p><b>Completed.</b> Approval in Principle obtained.</p> <p><b>Completed.</b></p> <p><b>Equivalent Proposed:</b> In lieu of a feasibility study, BC Packers proposed, at time of rezoning, not to remove the Imperial Cannery until September, 2000 to allow others to investigate potential use of the building. The commitment to retain the building has been met.</p> <p><b>Completed.</b> A Development Permit application was considered by the Development Permit Panel at its May 17, 2001 meeting. The Panel has recommended that the Permit be approved and it will be listed on the May 28, 2001 Council Agenda. Security, in the form of a Letter of Credit, for \$30,000 has been received.</p> <p><b>Equivalent Proposed:</b> BC Packers has submitted a proposal for Park site remediation as outlined in the Memorandum from the General Manager, Urban Development dated May 22, 2001 (Attachment 2). The proposal provides security of \$600,000 for removal of contaminated material from the park site and protection of the City from any unexpected liability.</p>
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### **Development Agreement**

The development agreement deals with a number of issues to wit:

- no Building Permits can be issued until the dyke work related to the phase is completed.
- no occupancy allowed of any building until all the services required for that phase are completed.
- BC Packers must transfer or dedicate the Bayview extension within 12 months, and must construct it during the development of the first phase (the delay in transfer is due to the existence of buildings which encroach on the proposed allowance – BC Packers has provided security to ensure the removal of these buildings.
- BC Packers and the City have agreed on the establishment of a legacy centre.
- Park Lot Remediation – BC Packers has agreed to post a bond (\$600,000) to ensure all the areas are remediated to the City's satisfaction.
- the agreement grants BC Packers a Park Development Cost Charge (DCC) credit with the amount being determined under the procedure set out in the Local Government Act.
- the agreement also grants BC Packers some other DCC credits for some construction it is doing that is in the DCC program.
- there is an archaeological work plan methodology schedule attached to this agreement – setting out such matters as site inventory, data analysis and mitigation procedures.

### **Servicing Agreement**

The non-standard Servicing Agreements contains the usual clauses regarding liability, bonding, etc. with the following changes from the standard agreement:

- allows for phasing the works in accordance with a phasing plan.
- repeats the restrictions of applying for Building Permits or occupancy relating to services.

### **Security Provided by BC Packers**

- major works and subdivision services Letter of Credit - \$9,031,209, based on the total cost of servicing the site, including the dyke and park works.
- security to ensure demolition of shoreline buildings located on park lot – Letter of Credit - \$86,997.00.
- security to ensure demolition of buildings located on other parklands, CMU lot on Moncton Street and on Bayview extension – Letter of Credit - \$306,912.
- security with respect to the remediation of two areas which BC Packers has removed contaminants but has not yet received a certificate of compliance from the Province - Letter of Credit - \$10,000.
- security for the remediation of AEC's 4, 16 and 18 – Letter of Credit - \$600,000.
- security for Environmentally Sensitive Area Development Permit – Letter of Credit - \$30,000.

### **ANALYSIS**

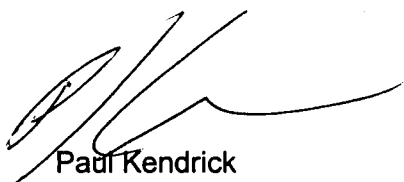
The City and BC Packers have developed a development agreement and a Servicing Agreement that will allow the lands to be developed in an orderly manner and with as little risk to the City as possible.

FINANCIAL IMPACT

The development of the BC Packers property will result in the provision of dyke, parkland and other amenities by BC Packers.

CONCLUSION

The non-standard Servicing Agreement and development agreement are required to ensure that the development of the BC Packers property is done in a manner that has minimal risk to the City and as well allows the development to proceed in an orderly fashion.



Paul Kendrick  
City Solicitor

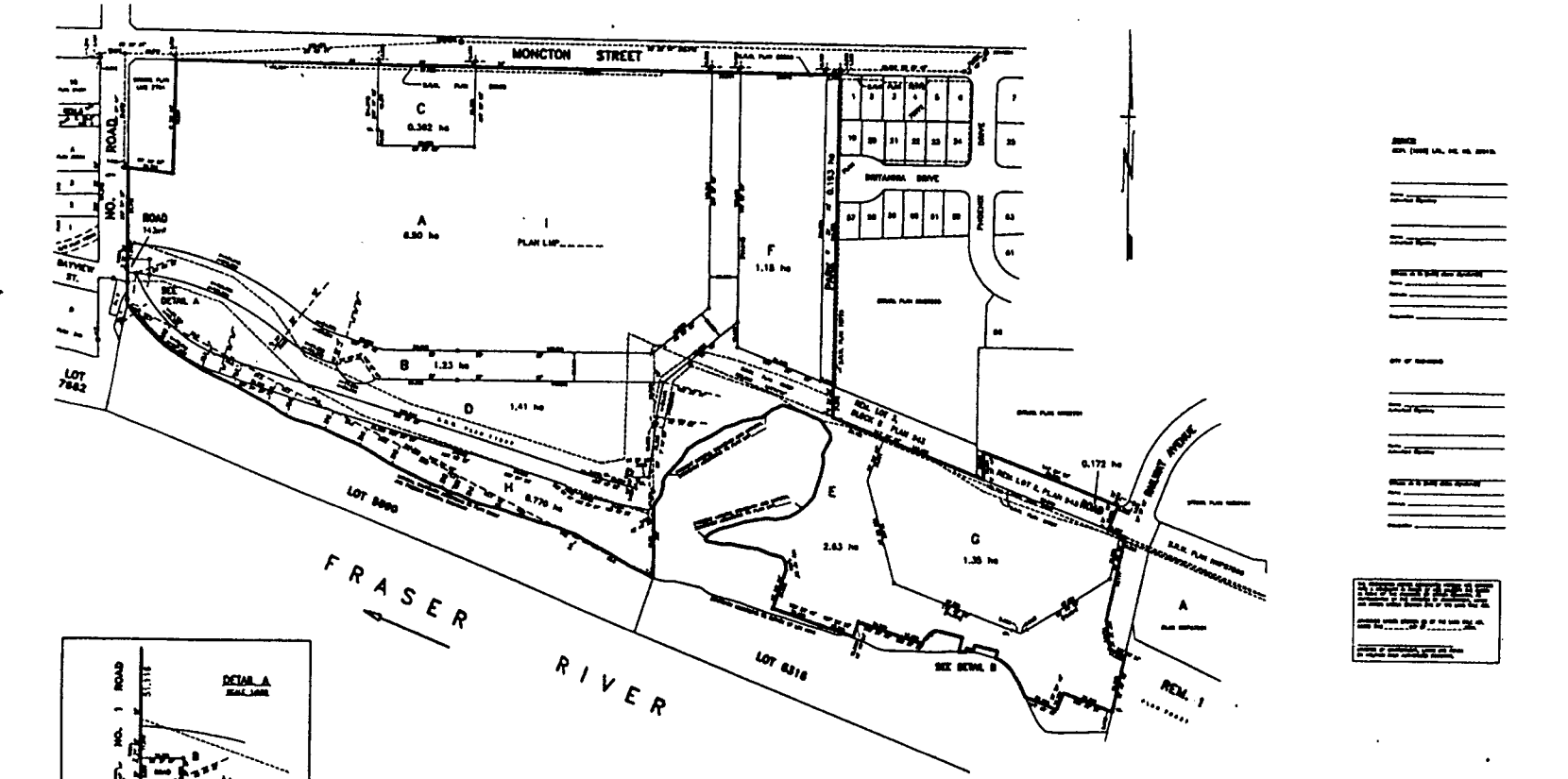
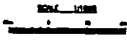
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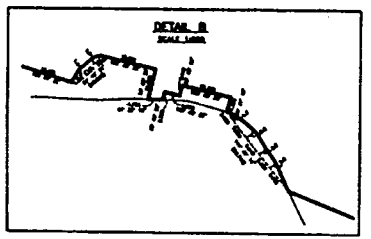
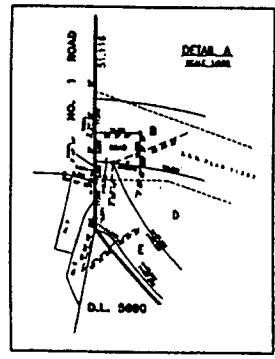
Joe Erceg  
Manager, Development Applications

SUBDIVISION OF LOT 1, PLAN LMP \_\_\_\_\_  
 LOT 2 EXCEPT: FIRSTLY: PARCEL A (PLAN WITH FEE DEPOSITED 16804F),  
 SECONDLY: PARCEL A (REF. PLAN 7768),  
 THIRDLY: PART SUBDIVIDED BY PLAN HWP87881, PLAN 943;  
 ALL OF SECTION 11, BLOCK 3 NORTH, RANGE 7 WEST, NEW WESTMINSTER DISTRICT  
 S.C.R.S. 926-015

PLAN LMP



DATE	DESCRIPTION



NOTES:

1. ALL DIMENSIONS IN METERS
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BY: ...

FOR: ...





**CITY OF RICHMOND**  
URBAN DEVELOPMENT DIVISION

MEMORANDUM

**TO:** Mayor and Councillors  
**FROM:** David McLellan  
General Manager, Urban Development  
**DATE:** May 22, 2001  
**FILE:** RZ 98-153805  
**RE:** **BC Packers – Park Site Remediation**

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Council, at its May 14, 2001 meeting, resolved to advise BC Packers that a “risk-based” approach to soil remediation is not acceptable to the City, and that the City requires:

- a) *“the clear delineation of AEC #16 and AEC #18; and*
- b) *specific information on the cost of removing contaminated soil from all sites.”*

Staff have had subsequent discussions with the applicant regarding this matter. A proposal has been received (Attachment 1) which is intended to address the City’s concerns regarding remediation of the Park site while also enabling consideration of rezoning adoption at the May 28, 2001 Council Meeting. The main elements of the proposal are:

1. BC Packers will provide security of \$600,000. for remediation of the Park site;
2. The security exceeds the attached estimate to remove contamination from AEC 4, 16 and 18 by approximately \$265,000;
3. BC Packers will further delineate AEC 16 and 18, if required by the Ministry of Environment;
4. The City will have the authority to unilaterally require removal of all contamination in AEC 4, 16 and 18, however, before this decision is made, BC Packers wishes to have additional dialogue to explore other options which may be acceptable to the City; and
5. BC Packers will enter into an agreement to protect the City from any unexpected liability.

I have discussed this proposal with the General Manager, Community Safety and we believe that it provides a balance which addresses potential risk to the City while enabling the rezoning to be processed in a timely manner. I would be pleased to receive any feedback that you may have regarding this matter and can be reached at 276-4083.

Handwritten signature of David McLellan in cursive.

David McLellan  
General Manager, Urban Development

JE:big  
Att. 1

INTER-OFFICE  
CORRESPONDENCE

F A X

DATE: May 18, 2001  
TO: Chuck Gale, Community Safety  
CC: David McLellan, Urban Development  
FAX NUMBER: 276-4222 / 276-4222  
FROM: Steve Zuliani  
NUMBER OF PAGES: 5 (including this page)

SUBJECT: IMPERIAL LANDING AT STEVESTON – RISK MANAGEMENT AREAS

Chuck – further to your recent discussions with David McLellan, please find attached the cost estimates for complete removal of contaminated soil from the three risk management areas, as prepared by AMEC Earth and Environmental Ltd.

We are in the process of preparing a legal agreement between BCPL (1999) Ltd. (formerly BC Packers Ltd.) and the City as per our discussions with David, as follows:

1. BCPL provides additional information from recent delineation activities
2. City's General Managers of Urban Development and Community Safety ("General Managers") review existing and additional information
3. Meeting held with BCPL, General Managers and appropriate Provincial and Federal environmental authorities to discuss situation and options to meet City's requirements
4. General Managers will unilaterally instruct BCPL to:
  - a. Complete remediation to Numerical Standards (remove contamination);
  - b. Complete remediation by Covenant (risk manage contamination); or
  - c. Combination of a. and b. above
  - d. Obtain Certificates of Compliance or Conditional Certificates of Compliance as the case may be
5. A covenant will also be registered on title that prevents occupancy of buildings until d. above is completed
6. The City will be fully protected by BCPL providing a \$600,000 letter of credit, noting that it is 60% larger than the estimated cost to remove all contamination and that if costs exceeded the letter of credit amount that BCPL will be legally bound to cover any exceedance.

The legal agreement and letter of credit will be provided to Paul Kendrick on May 22, 2001.



Steve Zuliani

Moodie Consultants Ltd.  
590 East Tower  
555 West 12th Ave.  
Vancouver, B.C.  
V5Z 3X7

Tel: (604) 873 6418  
Fax: (604) 873 0855



**Fax**

To	<b>Steve Zuliani</b>	From	<b>Chad Taylor</b>
Company	<b>Moodie Consultants</b>	Direct Tel	<b>294-3811 ext. 405</b>
Fax	<b>536-2339/873-0655</b>	Fax	<b>294-4864</b>
File No.	<b>VE50945</b>	Pages	<b>4 (Incl. this page)</b>
Fax Operator	<b>CT</b>	Date	<b>18 May 2001</b>
		cc	

**Subject Budget Estimates for the Remediation of AEC #4, #16 and #18  
BC Packers Steveston Site**

AMEC Earth & Environmental Limited (AMEC) understands that notwithstanding the approvals received from the Provincial and Federal environmental agencies to leave the contamination in place at AECs #4, 16 and 18 at the BC Packers Steveston Site based on a risk assessment / management program, that the City of Richmond would like to confirm the cost to remove (remediate) contaminated soil from these three locations.

The following presents budget estimates for the remediation of AEC #4, #16 and #18. The budget estimates are based upon excavation and disposal of the contaminated soil off-site at an approved facility. The estimates have been developed from unit rates that AMEC considers to be representative of local contractors and disposal facilities, and quantities of contaminated soil inferred from the Detailed Site Investigation.

**AEC #4**

Pursuant to the provincial Ministry of Environment, Lands and Parks (MELP) Technical Guidance Document 1, Site Characterization and Confirmation Testing, one *in-situ* discrete sample represents 10 m<sup>3</sup> of commercial or industrial quality waste or 5 m<sup>3</sup> of special waste. Therefore, three (3) samples yielding exceedences of the provincial Contaminated Sites Regulation (CSR) Urban Park (PL) and Commercial/Industrial (CL/IL) soil standards would represent approximately 15 m<sup>3</sup> of contaminated soil (designated Special Waste for disposal purposes). A factor of safety of 3 would yield approximately 45 m<sup>3</sup> of contaminated soil requiring excavation and disposal off-site. It is assumed that the contaminated soil is situated beneath approximately 200 m<sup>3</sup> of overburden including ripped areas. Assuming the contaminated soil is disposed of out-of-province (presently the only alternative), the following budget estimate is provided:

**Excavate and store clean overburden and riprap**  
 (200 m<sup>3</sup>) x (1.8 tonnes/m<sup>3</sup>) x (\$4.00/tonne for excavation and handling)  
 + (50 m<sup>3</sup>) x (2.0 tonnes/m<sup>3</sup>) (\$4.00/tonne for handling) = \$ 1,840

S:\ENV\Projects\0000\ve50945 - BC Packers\Task\01 - Site Remediation\Moodie Fax 2.aml.doc

AMEC Earth & Environmental Limited  
2227 Douglas Road, Burnaby, BC  
Canada V5C 5A9  
Tel +1 (604) 294-3811  
Fax +1 (604) 294-4864  
www.amec.com

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Steve Zuliani  
18 May 2001



**Excavate, load, transport and dispose of contaminated soil**  
(45 m<sup>3</sup>) x (1.8 tonnes/m<sup>3</sup>) x  
(\$130.00/tonne for excavation, loading, transport and disposal) = \$ 10,530

**Import and place clean backfill**  
(45 m<sup>3</sup>) x (1.8 tonnes/m<sup>3</sup>) x  
(\$10.00/tonne for material, import and placement) = \$ 810

**Replace clean overburden and riprap**  
(200 m<sup>3</sup>) x (1.8 tonnes/m<sup>3</sup>) x (\$8.00/tonne for handling and placement)  
+ (50 m<sup>3</sup>) x (2.0 tonnes/m<sup>3</sup>) (\$10.00/tonne for handling and placement) = \$ 3,160

**Other Costs**  
Consulting costs related to excavation in sensitive habitat areas,  
site supervision and analytical costs (allowance) ..... = \$ 5,000

Sub-total = \$ 21,340

GST ..... = \$ 1,494

**Total Budget Estimate = \$ 22,834**

AEC #16

Pursuant to the provincial MELP Technical Guidance Document 1, Site Characterization and Confirmation Testing, one *in-situ* discrete sample represents 10 m<sup>3</sup> of commercial or industrial quality waste. Therefore, three (3) exceedences of the provincial CSR PL soil standards would represent approximately 30 m<sup>3</sup> of contaminated soil (designated Residential (RL)+ for disposal purposes). Based on the spatial distribution of the exceedences (i.e., 3 exceedences in 22 samples in random locations) a factor of safety of 3 would yield approximately 90 m<sup>3</sup> of contaminated soil requiring excavation and disposal off-site. It is assumed that the contaminated soil is situated beneath approximately 100 m<sup>3</sup> of overburden. Assuming the contaminated soil is disposed of at Hazco's Richmond Bioremediation Facility which accepts metals contaminated soil considered to be Commercial (CL)+, the following budget estimate is provided:

**Excavate and store clean overburden**  
(100 m<sup>3</sup>) x (1.8 tonnes/m<sup>3</sup>) x (\$4.00/tonne for excavation and handling) = \$ 720

**Excavate, load, transport and dispose of contaminated soil**  
(90 m<sup>3</sup>) x (1.8 tonnes/m<sup>3</sup>) x  
(\$18.00/tonne for excavation, loading, transport and disposal) = \$ 2,916

**Import and place clean backfill**  
(90 m<sup>3</sup>) x (1.8 tonnes/m<sup>3</sup>) x  
(\$10.00/tonne for material, import and placement) = \$ 1,620

Steve Zullani  
18 May 2001



**Replace clean overburden**  
(100 m<sup>3</sup>) x (1.8 tonnes/m<sup>3</sup>) x (\$6.00/tonne for handling and placement) = \$ 1,080

**Other Costs**

Consulting costs related to excavation in sensitive habitat areas,  
site supervision and analytical costs (allowance) ..... = \$ 10,000

Sub-total = \$ 16,338

GST ..... = \$ 1,144

**Total Budget Estimate = \$ 17,480**

**AEC #18**

The field work for delineation of contamination in AEC #18 has recently been completed with analytical results to follow. Based on existing Detailed Site Investigation information and the preliminary results of additional field investigation it is estimated that there is approximately 2,100 m<sup>3</sup> of contaminated soil designated RL+ for disposal purposes and approximately 700 m<sup>3</sup> of contaminated soil designated special waste for disposal purposes. Assuming the RL+ contaminated soil is disposed of at Hazco's Richmond Bioremediation Facility which accepts metals contaminated soil considered to be Commercial (CL)+ and special waste is disposed of out-of-province (presently the only alternative), the following budget estimate is provided:

**Excavate and store clean overburden**  
(2,800 m<sup>3</sup>) x (1.8 tonnes/m<sup>3</sup>) x (\$2.00/tonne for excavation and handling) = \$ 10,080

**Excavate, load, transport and dispose of contaminated soil (RL+)**  
(2,100 m<sup>3</sup>) x (1.8 tonnes/m<sup>3</sup>) x  
(\$18.00/tonne for excavation, loading, transport and disposal) = \$ 68,040

**Excavate, load, transport and dispose of contaminated soil (Special Waste)**  
(700 m<sup>3</sup>) x (1.8 tonnes/m<sup>3</sup>) x  
(\$130.00/tonne for excavation, loading, transport and disposal) = \$ 163,800

**Import and place clean backfill**  
(2,800 m<sup>3</sup>) x (1.8 tonnes/m<sup>3</sup>) x  
(\$10.00/tonne for material, import and placement) = \$ 50,400

**Replace clean overburden**  
(2,800 m<sup>3</sup>) x (1.8 tonnes/m<sup>3</sup>) x (\$2.00/tonne for handling and placement) = \$ 10,080

**Other Costs**

Consulting costs related to excavation in sensitive habitat areas,  
site supervision and analytical costs (allowance) ..... = \$ 10,000

Sub-total = \$ 312,400

Steve Zuliani  
18 May 2001



GST..... = \$ 21,868

**Total Budget Estimate = \$ 334,268**

**Therefore, the total budget estimate to fully remediate all three areas (AECs #4, 16 and 18) that the Provincial and Federal environmental agencies have approved to be left in place is \$374,552, including allowances and GST.**

I trust this meets your present requirements. If you have any questions or require further clarification, please call.

Best regards,

Chad M. Taylor, M.A.Sc., P.Eng.  
Project Manager  
Direct Tel (604) 294-3811 ext. 405  
Direct Fax (604) 294-4664  
E-mail chad.taylor@amec.com

CT/ct