



City of Richmond

Report to Committee

To: Planning Committee
From: John Hopkins
Director, Policy Planning
Date: May 20, 2021
File: 01-0153-01/2021-Vol
01
Re: YVR Proposed Land Use Plan Amendment (2021)

Staff Recommendations

1. That Council receive the report titled "YVR Proposed Land Use Plan Amendment (2021)" dated May 20, 2021 from the Director, Policy Planning for information;
2. That Council support the proposed amendment to the YVR 2037 Master Plan in principle, subject to a request that YVR:
 - a. define the process and scope of the planning process that will precede any development in the areas proposed to be amended; and
 - b. refine the "Groundside Commercial" land use designation south of the South Runway to clarify YVR's stated intent to limit retail to be local-serving.

John Hopkins
Director, Policy Planning

Att. 2

| REPORT CONCURRENCE | | |
|-----------------------------------|--|---------------------------------------|
| ROUTED TO: | CONCURRENCE | CONCURRENCE OF GENERAL MANAGER |
| Engineering Transportation | <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> | |
| SENIOR STAFF REPORT REVIEW | INITIALS: | APPROVED BY CAO |

Staff Report

Origin

Vancouver International Airport (YVR) staff have recently informed City of Richmond staff of proposed amendments to the YVR 2037 Master Plan, which was adopted in 2017, and requested comments from the City before they submit the proposal to Transport Canada, the approving agency. YVR staff have indicated that they expect to present the proposed amendments to their Board of Directors in June 2021, before submitting it to Transport Canada for consideration. A letter outlining YVR's land use amendment (Attachment 1) and associated map (Attachment 2) are attached.

The purpose of this report is to inform Council of the amendment proposal and staff's response, and provide members of Council an opportunity to comment on the proposed amendments before YVR staff submit their request to Transport Canada.

This report supports Council's Strategic Plan 2018-2022 Strategy #6 Strategic and Well-Planned Growth:

Leadership in effective and sustainable growth that supports Richmond's physical and social needs.

6.1 Ensure an effective OCP and ensure development aligns with it.

This report supports Council's Strategic Plan 2018-2022 Strategy #7 A Supported Economic Sector:

Facilitate diversified economic growth through innovative and sustainable policies, practices and partnerships.

7.2 Encourage a strong, diversified economic base while preserving agricultural land and maximizing the use of industrial land.

Findings of Fact

Planning Context at the Airport

YVR's planning framework is determined through their ground lease with Transport Canada, and includes their YVR 2037 Master Plan which includes a broad strategic framework and a Land Use Plan. The YVR 2037 Master Plan which was last updated in 2017, is updated every 10 years and requires extensive consultation. Amendments to the Land Use Plan component of the Master Plan require less consultation as set out in YVR's ground lease with the Federal Government where they must consult with agencies, municipalities and First Nations. Transport Canada is the approving body. Transport Canada's primary considerations are protection of land for aviation purposes, and the highest and best use of the land asset.

In the past, YVR has not had a defined process for detailed land use planning. YVR staff have indicated that they intend to define and follow a specific “Area Planning” process in future, but the scope and process (including technical elements and consultation with the City and others) has not yet been defined.

YVR’s Proposed Land Use Plan Amendments

The amendments proposed by YVR:

1. shift land uses to allow more flexibility along the North runway and create space for more logistics-related uses;
2. adjust the designation of the Central Utilities Building next to the terminal; and
3. expand commercial uses near the South runway.

Adjacent to the South runway, YVR are proposing to expand “Airside Commercial” land uses (aircraft service uses accessed primarily from the runway) as well as “Groundside Commercial” land uses (uses that could include light industrial, commercial and retail accessed primarily from roadways).

Part of the expansion adjacent to the South runway includes one of the area options for a possible future third runway parallel to the existing South runway as outlined in the 2037 YVR Master Plan. YVR has not begun the process of selecting a third runway which would involve an environmental assessment review and comprehensive consultation process with stakeholders (e.g., the City) and the public. The expansion of “Airside Commercial” land uses parallel to the existing South runway suggests that YVR’s review for a third runway will not begin for some time.

Analysis

Strategic Alignment

In terms of intent and direction, the proposal is aligned with City Strategic Direction 7.2 to maximize the use of industrial/employment lands and is consistent with the City’s Official Community Plan.

Potential Impacts

The amendment proposal is presented as a change to the land use map that is part of the YVR 2037 Master Plan, without accompanying text changes. Broadly, it is similar to an Official Community Plan amendment in that subsequent work is needed to more clearly define development and supporting changes to infrastructure.

Based on the amendment proposal, staff are concerned that the “Groundside Commercial” land use designation proposed along the south end of Sea Island is very broad, and could include general retail. This would be a concern if substantial retail were built here as it could compete with Richmond retailers and draw traffic. YVR has indicated verbally that their intent is to have

some local-serving retail (e.g., restaurants for local workers), but the proposed amendment language is too flexible to assure this outcome.

As a high-level land use amendment, the proposal does not include details of utility and transportation network changes that would accommodate increased development. Recognizing that future work will define these changes, and that YVR and the City collaborate on infrastructure planning, staff have identified the following concerns:

1. **Utilities:** YVR has not completed high-level analyses of impacts on utilities (e.g., to a similar level as for an OCP amendment of this scale). While YVR does not anticipate major impacts, they are not able to provide substantiating data at this time. Enhancements to the City's infrastructure may be needed to address increased development. YVR will be conducting assessments on the impacts of their proposed land use amendments to City utilities as the scope becomes further defined. YVR should be fully responsible for the costs of any required utility upgrades.
2. **Transportation:** Staff anticipate the amendments will advance and add to the road and alternate mode network upgrades as envisioned in the YVR 2037 Master Plan. YVR anticipates but has not formally communicated transportation network changes associated with the amendment. They anticipate the need for improvements such as an airport-only lane along northbound Russ Baker Way and re-alignment of Ferguson Road, but these are not formally discussed in the amendment proposal. The nearby transportation network includes important links for Richmond commuters, and increased demands will require further assessment by YVR to identify and mitigate impacts resulting from the amendments in consultation with the City.
3. **Consultation:** Impacts on neighbouring communities and residents using adjacent transportation routes are expected, and diligent consultation with Richmond residents and businesses is essential.

Recommended Response

Given the amendment's alignment with the City's strategic direction and YVR's expressed intent to conduct an "Area Planning" process that would address staff's concerns, staff recommend that the proposal be supported in principle, subject to:

- A written assurance that YVR consult with the City to define the "Area Planning" scope and process in such a way as to address identified concerns around utilities, transportation and consultation in an integrated fashion; and
- Refinement of the "Groundside Commercial" designation in the proposed amendment to clarify that retail space be a small proportion of the total developable area and that any retail be limited to uses primarily serving local businesses and employees.

Financial Impact

None.

Conclusion

YVR staff have informed the City of Richmond of proposed amendments to the YVR 2037 Master Plan and requested comments from the City before they submit the proposal to Transport Canada.

It is recommended that Council support the proposed amendments to the YVR 2037 Master Plan in principle, subject to a request that YVR:

- a. define the process and scope of the planning process that will precede any development in the areas proposed to be amended; and
- b. refine the “Groundside Commercial” land use designation south of the South Runway to clarify YVR’s stated intent to limit retail to be local-serving.



Peter Whitelaw, MCIP, RPP
Planner 3, Policy Planning

PW:cas

- Att. 1: YVR Land Use Amendment Letter, dated April 22, 2021
2: YVR Land Use Amendment Map, dated April 21, 2021



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April 22, 2021

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City of Richmond,
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via email: pwhitelaw@richmond.ca

Dear Peter

Re: Proposed Amendment to the YVR 2037 Land Use Plan

In response to the impacts of the COVID-19 pandemic on aviation and on our region, Vancouver Airport Authority (VAA) has prepared a 2021 Strategic Plan (see: <https://www.yvr.ca/en/about-yvr/2021-strategic-plan>). The 2021 Strategic Plan sets out at a high level how VAA proposes to serve the community and the economy that supports it as we enter into a period of post-pandemic recovery. A core aspect of strategy implementation relates to the future utilization of airport infrastructure and land assets. As such, VAA intends to amend the YVR 2037 Land Use Plan. A copy of the current Land Use Plan showing proposed amendments is appended to this letter.

As required under the terms of our ground lease with the federal government, VAA is seeking the City of Richmond's comments on the proposed amendments, prior to submitting an application to Transport Canada for approval.

Context

The COVID-19 pandemic has had an unprecedented impact on aviation: passenger volumes in 2020 where the lowest ever experienced in VAA history. Reduced passenger throughput has resulted in decreased airport revenues. As a result, capital budgets have been curtailed and the CORE program has been terminated. While cargo traffic remains robust, the forecast for recovery of passenger traffic remains uncertain.

The YVR 2037 Master Plan forecast that the timeline within which a third parallel runway would be required was beyond the 20-year lifetime of the YVR 2037 Master Plan. This need has been further deferred as a result of the pandemic. VAA proposes to support the development of the lands within the footprint of a proposed future runway at Airport South, allowing these parcels to be used productively until such time as a third parallel runway may be required in future.



In addition, cessation of the Core Program has prompted the need to reconsider the future use of the partially completed Central Utilities Building (CUB) structure.

Strategic Plan Drivers

The YVR 2021 Strategic Plan underpins the proposed amendments to the Land Use Plan, driven by three focus areas of our Strategy:

- **Strengthen the Core:** improving utilization and efficiency of existing infrastructure and enhancing operations. This enables us to get the most out of our existing assets, and to support our core business.
- **Financial Sustainability:** diversifying our revenue base and improving financial resilience. This compels us to utilize our land assets productively to generate revenue.
- **Gateway to the New Economy:** aligning to the future growth and needs of our community and economy. This requires us to consider opportunities for supporting regional economic growth and employment creation.

Proposed Changes

A total of around 65 ha of undeveloped land and a further 39 ha of currently leased land is located within the area protected for a future potential South Parallel Runway at Airport South. By deferring the construction of a third parallel runway and supporting use of aircraft accessible land at Airport South for Airside uses, greenfield parcels can be brought into productive use, certainty can be provided to existing leaseholders and operators, and the urgent need for additional air cargo and aircraft maintenance sites can be accommodated. Retaining and releasing land at Airport South for Airside development, until such time as a third parallel runway is required, allows optimal use of existing airside infrastructure (taxiways, aprons, airside road, aircraft run-up facility), while also forestalling the need for a costly new parallel taxiway to support aircraft accessible Airside uses at Airport North.

Changes are reflected in the proposed Land Use Plan Amendment whereby land within the footprint of the future South Parallel Runway is to be re-designated for Airside uses, while land at Airport North will be re-designated for a mix of Groundside Commercial and Airside (accessible by airside vehicles only) uses. Land parcels at Airport South which do not benefit from airside access via existing taxiway infrastructure will be re-designated for Groundside Commercial uses.

The CUB building will be re-designated for Groundside Commercial use, optimizing development flexibility in the repurposing of this structure.



Benefits of the Proposed Land Use Changes

- Permitting Airside development at Airport South will enable realization of cargo growth potential, supplementing the shortfall in supply at Cargo Village (which is fully occupied) and supporting just-in-time delivery of high value air cargo shipments, critical to Metro Vancouver businesses
- Providing more flexibility in the use of land at Airport North will enable large lots (which are in short supply in Metro Vancouver) at Airport North to be developed for trade-enabling warehouse and logistics uses, consistent with the objectives of Metro Vancouver's Industrial Lands Strategy and Regional Growth Strategy update
- Land development for employment uses will increase the supply of jobs in the region while also supporting the generation of non-aeronautical revenues for the Airport Authority

Impacts to the Airport Zoning Regulations Process

The proposed Land Use Amendment does not alter the need for VAA to protect for a future South Parallel Runway over the long term or the requirement to ensure that aircraft using that runway can operate safely. Transport Canada is currently processing an application from VAA to create new Airport Zoning Regulations (AZRs), which will serve to protect the airspace in areas of the City from intrusions that would impact use of the future runway. The height maxima associated with the new AZR would remain in effect irrespective of the outcome of the Land Use Plan Amendment.

Should you have any comments on the proposed changes, please provide these to the under-signed before 24 May 2021. If we do not hear from you by this date, the Airport Authority will assume that the City of Richmond has no comments on the proposed amendment to the Land Use Plan. Should you have any questions, please feel free to get in touch with me at peta_wolmarans@yvr.ca or 778.995.5182.

Yours truly,



Peta Wolmarans
Director, Planning

ATTACHMENT: PROPOSED AMENDMENTS TO THE YVR LAND USE PLAN



Vancouver International Airport Land Use Plan – Approved May 8, 2018

YVR recognizes that Sea Island holds historical and cultural significance to Musqueam and that recorded and unrecorded heritage resources are present.

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| | Airfield - Land for existing and future airfield to support the safe movement of aircraft. Includes runways, runway and safety areas, taxiways, airside roads, navigational aids and other facilities. |
| | Terminal - Land for existing and future passenger terminal facilities, aprons, and ancillary commercial and operational uses. |
| | Airside - Land for existing and future uses that require direct access to the airfield. Priority to be given to those uses requiring access for aircraft (cargo buildings, aircraft maintenance, etc.) and then to those uses requiring vehicle access to the airfield. |
| | Ground Access and Parking - Land that enables the flow of goods and people to, from, and around Sea Island. Includes bridges, roads, the Canada Line, cycling and walking corridors, public and employee parking, commercial transportation, and car rentals. |
| | Groundside Commercial - Land for uses not requiring direct access to the airfield. Uses can be: 1. Aviation Related: Uses that are directly related to ongoing airport operations. 2. Aviation Dependent: Uses that benefit from close access to aviation services. 3. Aviation Compatible: Uses that support the ongoing development of YVR as a sustainable gateway and connecting hub. |
| | Recreational Area - Designates lands for recreational uses. |
| | Groundside Commercial / Ground Access and Parking - Land for both Groundside and Ground Access and Parking uses. a) Land that enables the flow of goods and people to, from, and around Sea Island. Includes bridges, roads, the Canada Line, cycling and walking corridors, public and employee parking, commercial transportation, and car rentals. b) Land for uses not requiring direct access to the airfield. Uses can be: 1. Aviation Related: Uses that are directly related to ongoing airport operations. 2. Aviation Dependent: Uses that benefit from close access to aviation services. 3. Aviation Compatible: Uses that support the ongoing development of YVR as a sustainable gateway and connecting hub. |
| | Terminal / Ground Access and Parking - Land for existing and future passenger terminal support facilities, ancillary commercial and operational uses and land that enables the flow of goods and people to, from, and around Sea Island. Includes bridges, roads, the Canada Line, cycling and walking corridors, public and employee parking, commercial transportation, and car rentals. |

