

Report to Committee

To:General Purposes CommitteeFrom:Wayne Craig
Director, Development

 Date:
 October 22, 2020

 File:
 TU 20-890999

Re: Application by Brook Pooni Associates for a Temporary Commercial Use Permit for the Property at 13651 Bridgeport Road

Staff Recommendation

- That the application by Brook Pooni Associates for a Temporary Commercial Use Permit (TCUP) for the property at 13651 Bridgeport Road to permit a maximum of 1,490 m² (16,043 ft²) of floor area to be used for "Warehouse Sales" limited to the sale of household appliances, and the provision of 87 vehicle parking spaces, be considered for three years from the date of issuance;
- 2. That this application be forwarded to the December 14, 2020 Public Hearing at 7:00 p.m. in the Council Chambers of Richmond City Hall.

Wayne Con

Wayne Craig Director, Development (604-247-4625)

WC:na Att. 5

REPORT CONCURRENCE CONCURRENCE OF GENERAL MANAGER pe Erceg

Staff Report

Origin

Brook Pooni Associates, on behalf of Midland Appliances (Director – Lee Methot), has applied to the City of Richmond for a Temporary Commercial Use Permit (TCUP) to allow up to 1,490 m² (16,043 ft²) of space for "Warehouse Sales" limited to the sale of household appliances, and the provision of 87 parking spaces, as a temporary use at 13651 Bridgeport Road on a site zoned "Light Industrial (IL)" (Attachment 1). This would permit Midland Appliances to conduct retail sales to the general public for a temporary period of time until a permanent location is found.

If approved, the TCUP would be valid for three years from the date of issuance.

Background

Midland Appliances has operated in Richmond since 1990 and has been at the current location at 13651 Bridgeport Road since 2007. Community Bylaws investigated a complaint in November of 2018 that Midland Appliances was conducting retail sales to the general public at the Bridgeport Road location, which is not a permitted use within the "Light Industrial (IL)" zone. Within the "IL" zone only wholesale of goods is permitted. Wholesale operations are limited to business-to-business transactions and do not permit retail to the general public. Staff have confirmed that the business licenses issued to Midland since 2007 have been for wholesale trading of appliances.

Midland Appliances subsequently applied to the City for a Zoning Text Amendment application (ZT 19-855959) to permit Warehouse Sales on a site specific basis. Staff advised the applicant that the City would not support the Zoning Text Amendment application as it represents the introduction of retail uses into an industrial areas, which is contrary to the Official Community Plan (OCP) policies around preservation and intensification of industrial lands. Staff have also advised the applicant that warehouse sales is a permitted use within the City's "Industrial Retail (IR1)" zone and that they should seek to find a suitably zoned location.

The Zoning Text Amendment application is being held in abeyance at the applicant's request pending the completion of the City's Industrial Lands Intensification Initiative (ILII) and associated policy direction. Until further policy direction has been given for the permitted use regulations of Industrial zones, Midland Appliances continues to work towards temporary zoning compliance with this Temporary Use Application to legitimize the retail use while they actively search for an appropriately zoned site.

Findings of Fact

Midland Appliances leases the premises and is one of two lessees on the subject site. The subject site is 13,912.8 m² in area and is currently developed with a 6,282 m² (67,622 ft²) warehouse building. Midland leases the westerly portion of the building, which is 3,990 m² (42,949 ft²) in area. The site is used for warehousing and distribution of household appliances and includes a showroom that allows potential purchasers to view samples of the appliances (Attachment 2).

A Development Application Data Sheet providing details about the development proposal is provided as Attachment 3.

Surrounding Development

The subject site is located in the Bridgeport planning area. Development immediately surrounding the subject site is as follows:

To the North: An office and warehouse building on land zoned "Light Industrial (IL)".

To the South: Across Bridgeport Road, a warehouse building on land zoned "Industrial Business Park (IB1)".

To the East: Across a railway, land zoned "Light Industrial (IL)".

To the West: Across Viking Way, land zoned "Light Industrial (IL)".

Related Policies & Studies

Official Community Plan/ Bridgeport Area Plan

The Official Community Plan (OCP) land use designation for the subject site is "Mixed Employment". The Industrial North-East Sub-Area and Bridgeport Land Use map within the Bridgeport Area Plan designates the subject site as industrial, which allows for light and heavy industrial uses and discourages commercial uses (retail with public access).

The OCP allows TCUPs in areas designated "Industrial", "Mixed Employment", "Commercial", "Neighbourhood Service Centre", "Mixed Use", "Limited Mixed Use", and "Agricultural" (outside of the Agricultural Land Reserve), where deemed appropriate by Council and subject to conditions suitable to the proposed use and surrounding area.

Council's consideration of the proposed temporary use of "warehouse sales" is consistent with the applicable policies in the OCP.

Richmond Zoning Bylaw 8500

The subject site is zoned "Light Industrial (IL)", which allows for a range of industrial uses. The applicant proposes to include warehouse sales in a showroom type setting and allow retail sales to the general public. Richmond Zoning Bylaw 8500 defines "Warehouse Sales" as "the wholesale or retail sale of a limited range of bulky goods from within an enclosed building where the size and nature of the principal goods being sold typically require large floor areas for direct display to the purchaser or consumer, and includes but is not limited to buildings where principal goods being sold are such bulky items as furniture, carpet, major appliances and building materials."

Retail sales of this nature are permitted in appropriately zoned commercial areas and within the "Industrial Retail (IR1)" zone. There is approximately 228 acres of land is zoned "IR1" in the City.

Local Government Act

The *Local Government Act* states that TCUPs are valid for a period of up to three years from the date of issue, and that an application for one extension to the Permit may be made and issued for up to three additional years. A new TCUP application is required after one extension.

Public Consultation

Development application notification signage has been installed on the site. Staff have not received any comments from the public about the rezoning application in response to the placement of the rezoning sign on the property. Should Council endorse the staff recommendation, the application will be forwarded to a Public Hearing, where any area resident or interested party will have an opportunity to comment. Public notification for the Public Hearing will be provided as per the *Local Government Act*.

Analysis

Proposed Warehouse Sales use

Midland Appliances occupies $3,990 \text{ m}^2$ (42,949 ft²) of space in the western portion of the un-stratified building on the subject site. This space is currently under lease to Midland Appliances until 2022 (Attachment 2). The eastern portion of the building is leased by Arrow Speed Controls.

The proposed use would not alter the established form of development in the area, nor change its primarily industrial character. The existing layout includes 2,068 m² (22,258 ft²) of warehouse space, 432 m² (4,648 ft²) of office space, and 1,490 m² (16,043 ft²) of showroom space for sales of household appliances. The showroom makes up approximately 60% of the interior ground floor space at 13651 Bridgeport Road.

If approved, the Temporary Use Permit would allow Midland Appliances to conduct sales to the general public for a maximum period of three years while they seek to find an alternative appropriately zoned property. The applicant advises that they have been actively searching for a new location for the business and that they are committed to finding another facility within three years of the date of issuance. The applicant has provided a letter indicating this intent to find another location (Attachment 4).

Industrial Lands Intensification Initiative

The Industrial Lands Intensification Initiative (ILII) is being undertaken to identify ways to preserve and enhance the City's industrial land base. The results of the ILII study and policy recommendations will be presented to Council in a separate report. At this time, staff do not anticipate further expanding the range of permitted retail uses in the City's core industrial zones (including the Light Industrial (IL) zone). Therefore, long term use of the subject site for Warehouse Sales cannot be supported at this time.

Site Access and Parking

There is vehicular access to the site provided via Viking Way and Bridgeport Road. Due to the flow of on-site traffic, angled parking stalls, and one way signage, the main access points to Midland Appliances are off of Viking Way.

City of Richmond Zoning Bylaw 8500 requires a total of 103 parking spaces with the inclusion of the warehouse sales use. The applicant has retained a transportation consultant to complete a parking study and recommend appropriate Transportation Demand Management (TDM) measures to support a reduction in the required amount of parking.

The applicant's transportation consultant has demonstrated that the on-site parking can be reconfigured to formalize 33 spaces on-site for the exclusive use of Midland Appliances. An additional 54 spaces are proposed to be provided on 2800 Viking Way (located north of the subject site) and are secured through an agreement between Midland Appliances and the owner of 2800 Viking Way, for a total of 87 parking spaces (Attachment 5).

The applicant's transportation consultant has also recommended the following TDM measures in support of their application:

- 12 2-Zone transit passes for employees.
- 11 Class 1 bicycle parking stalls, equivalent to 10 m² of bicycle storage, will be provided within the unused office space at #170-2800 Viking Way.
- 11 Class 2 bike parking spaces on the subject site, and that are shown on the site plan and parking plan noted as Attachment 2.

The City's Transportation Department has reviewed the transportation consultant's recommendations and plans and accept the proposed measures in support of this temporary use application.

Prior to issuance of a Business Licence for "Warehouse Sales" the applicant will be required to provide verification that they continue to have access to the require parking and that transit passes have been provided to employees.

To ensure that physical enhancements are made at 13651 Bridgeport Road and 2800 Viking Way, the City will collect a \$10,000.00 security as a condition of issuance. Physical enhancements will include:

- Class 1 and Class 2 bicycle parking stalls.
- 87 parking stalls with painted stall lines.
- Installation of a defined pedestrian path from the City sidewalk and on-site bicycle to the front entrance of the building.

Landscaping

Staff have conducted an on-site review of landscaping and found that the landscaping on-site is well established, in healthy condition, and in compliance with the City's current Zoning Bylaw standards.

Financial Impact

None.

Conclusion

Brook Pooni Associates has applied to the City of Richmond for a Temporary Commercial Use Permit to allow up to 1,490 m² (16,043 ft²) of space to be used for "Warehouse Sales" limited to the sale of household appliances, and the provision of 87 parking spaces, as a temporary use at 13651 Bridgeport Road, on a site zoned "Light Industrial (IL)" for a period of three years from the date of issuance.

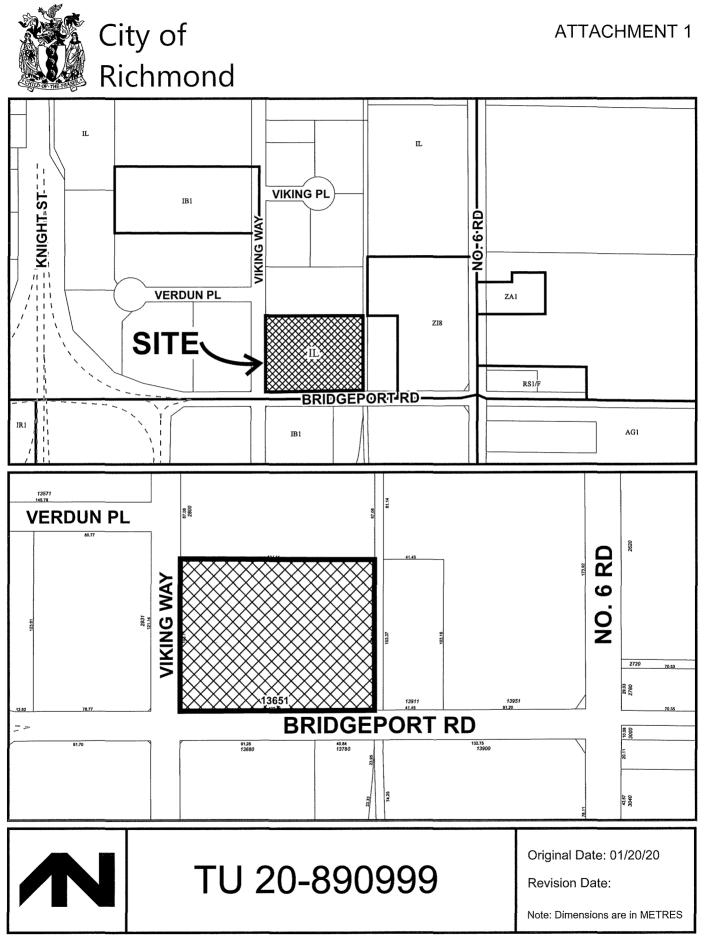
The proposed temporary use at the subject property is acceptable to staff on the basis that it is temporary in nature. Staff recommend that the attached Temporary Commercial Use Permit be issued to the applicant to allow "Warehouse Sales" limited to the sale of household appliances at 13651 Bridgeport Road for three years from the date of issuance.

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Nathan Andrews Planning Technician (604-247-4911)

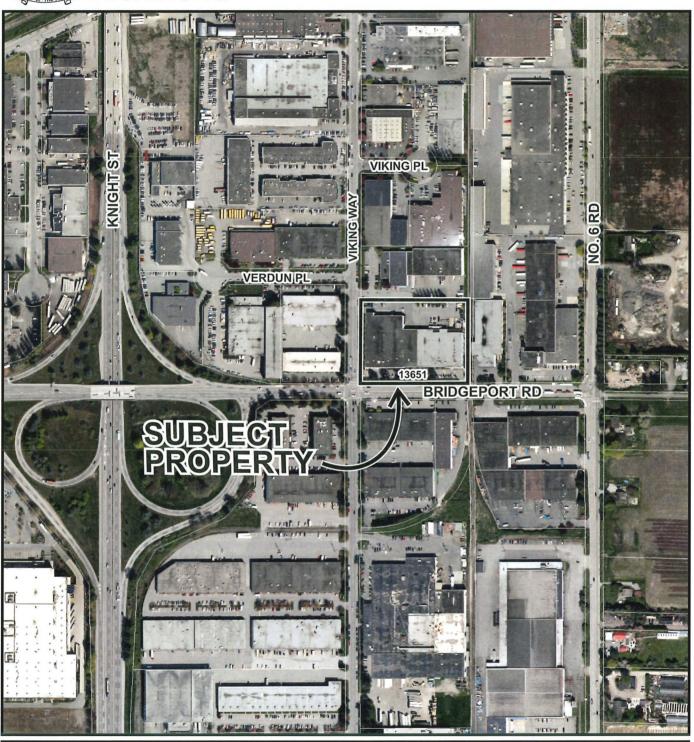
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Attachments: Attachment 1: Location Map and Survey Plan Attachment 2: Site Plan and Parking Plan Attachment 3: Development Application Data Sheet Attachment 4: Letter from the Applicant Attachment 5: Parking Agreement Letter



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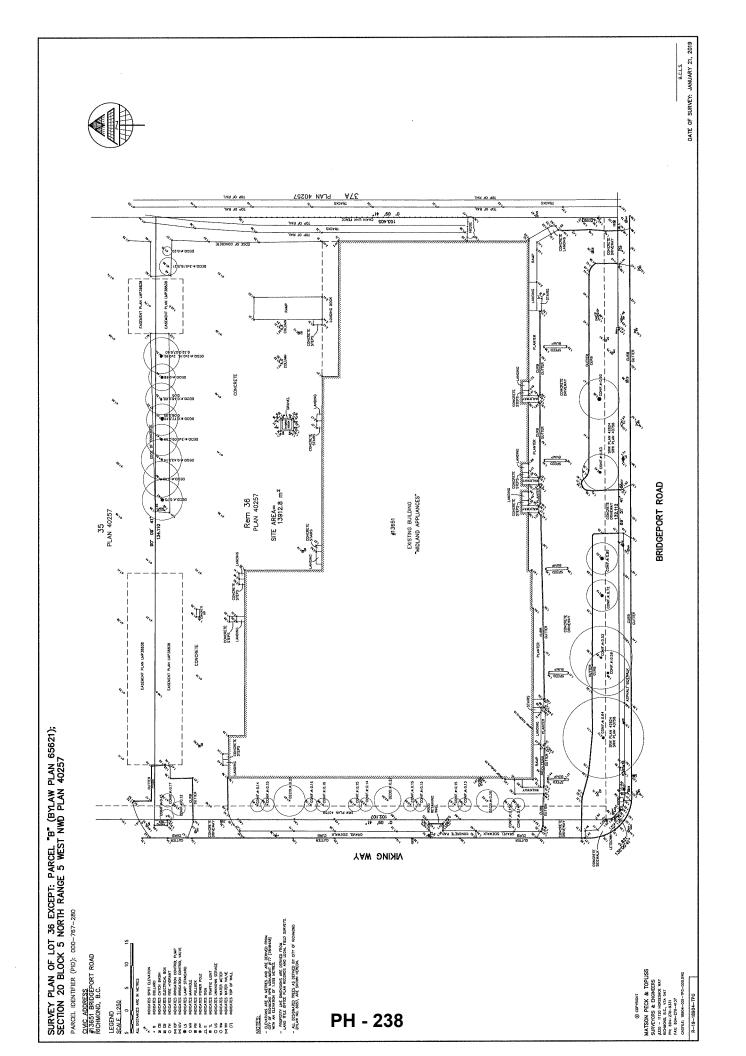


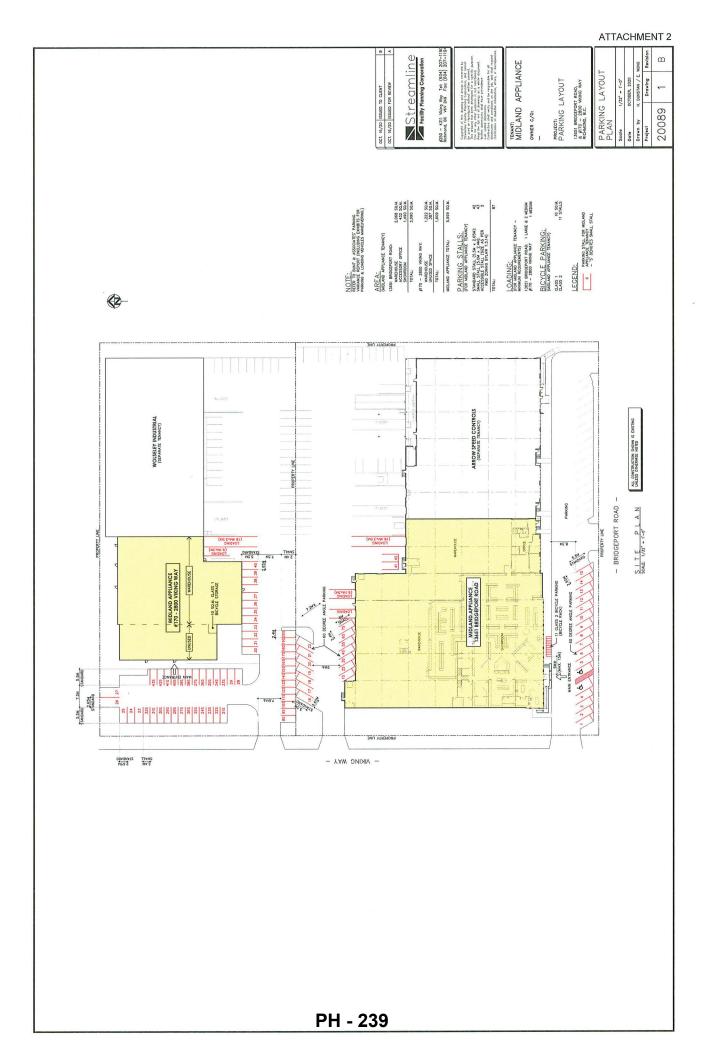
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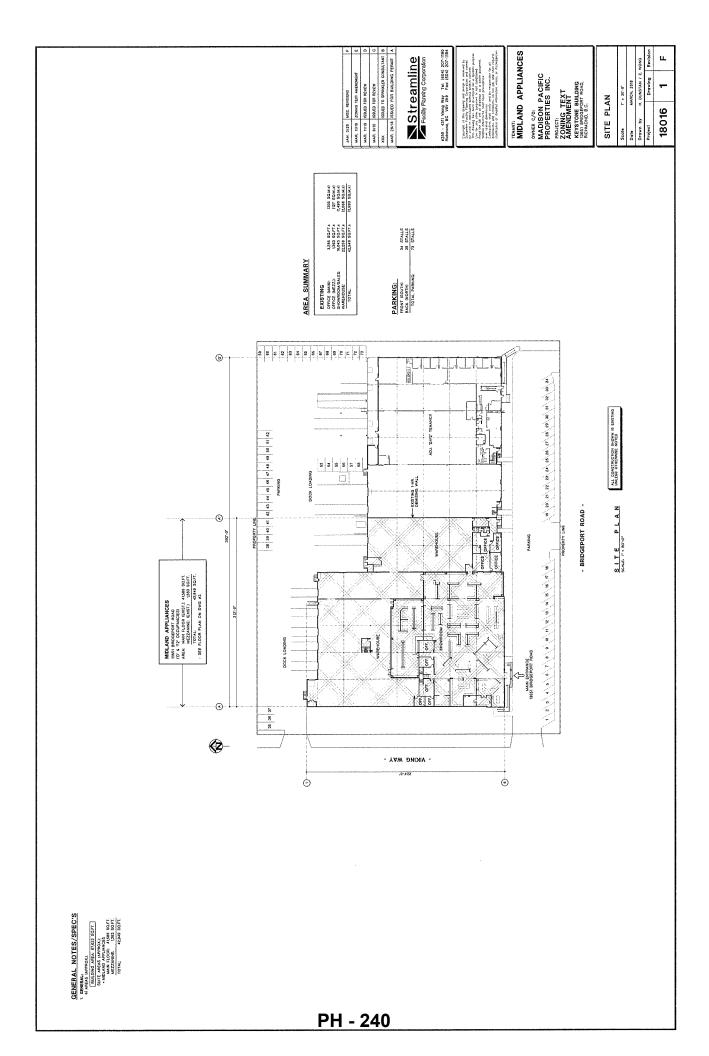
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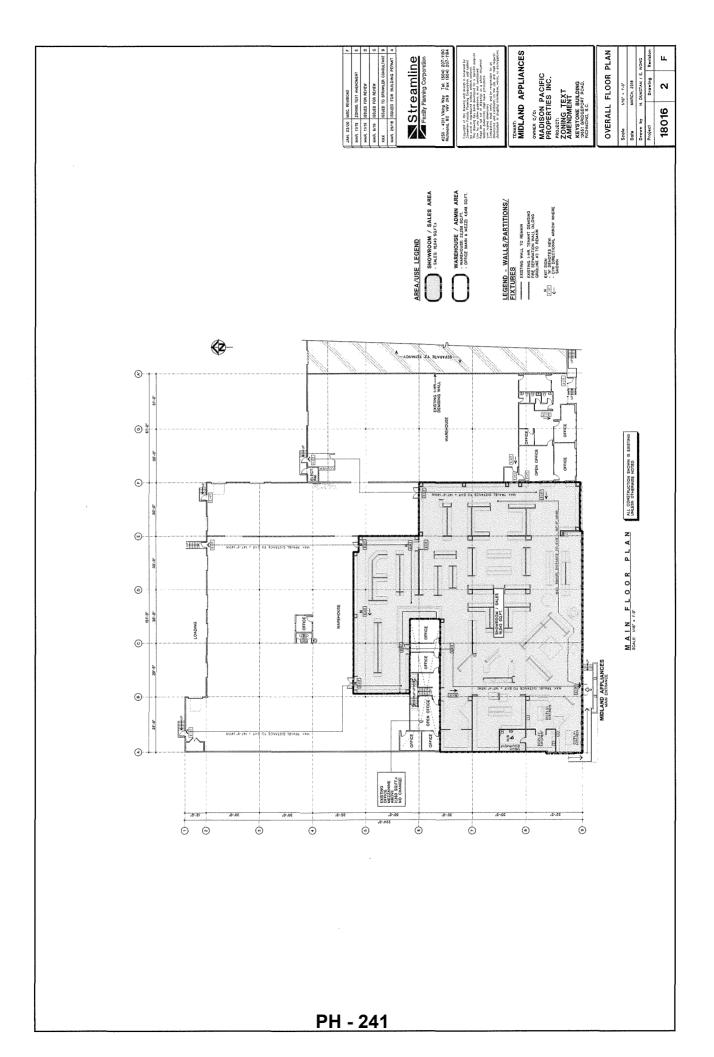
Revision Date:

Note: Dimensions are in METRES











Development Application Data Sheet

Development Applications Department

TU 20-890999

Address: 13651 Bridgeport Road

Applicant: Brook Pooni Associates

Planning Area(s): Bridgeport

	Existing	Proposed
Owner:	Vanac Development Corp.	No change
Site Size (m ²):	13,912.8 m² (149.756 sq ft, 3.44 acres)	No change
Total Building Size (m ²): Midland Portion of Building (west portion) (m ²):	6,282 sq m (67,622 sq ft) 3,990 sq m (42,949 sq ft)	No change
Land Uses:	Light Industrial	Light Industrial and Warehouse Sales limited to the sale of Household appliances only
OCP Designation:	Mixed Employment (MEMP)	No change
Bridgeport Area Plan Designation:	Industrial	No change
Zoning:	Light Industrial (IL)	No change

On Development Site	Bylaw Requirement	Proposed	Variance
Total amount of space for "Warehouse sales" at 13651 Bridgeport Rd (m ²):	Not permitted	TUP to legitimize 1,490 m ² (16,043 ft ²) of warehouse sales space	None
On-site Vehicle Parking:	103	87 (as supported by a comprehensive TDM package)	None
On-site Bicycle Parking:	Class 1: 11 Class 2: 11	Class 1: 11 Class 2: 11	None

Attachment 3



Nathan Andrews Planning & Development Division City of Richmond 6911 Number 3 Road Richmond, BC V6Y 2C1 Sent by email: <u>nandrews@richmond.ca</u>

RE: Commitment to pursuing an alternative location

Dear Mr. Andrews,

As you are aware, Midland's headquarters has been at its current Richmond location at 13651. Bridgeport Road for 12 years. We previously conducted accessory warehouse sales from our showroom at this location. In 2018 it came to our attention that we were not permitted to conduct any warehouse sales under the site's IL – Light Industrial zoning. We have since ceased all warehouse sales and are engaged solely in wholesale activities from our Richmond location. Though warehouse sales are a relatively small part of our business, the loss of this activity has created significant financial hardship for Midland.

Midland has applied for a Temporary Use Permit (TUP) to allow warehouse sales for a period of three years. We understand that a TUP maybe issued for a maximum of three years, with the potential to be renewed once, at Council's discretion, for a second period of three years.

Midland has sought—and is actively seeking—to identify another location that would permit warehouse sales. Locations meeting Midland's floorplate and operational criteria that allow warehouse sales are extremely scarce in Richmond, and in the region as a whole. We will continue to seek an alternative location during the term of the TUP and we sincerely appreciate the time that a TUP would afford us to seek another location that meets our needs, while remaining a vital, Richmond-based business.

Sincerely

Lee Methot President & CEO Midland Appliance Ltd



Nathan Andrews Planning & Development Division City of Richmond 6911 Number 3 Road Richmond, BC V6Y 2C1 Sent by email: <u>nandrews@richmond.ca</u>

RE: Commitment to maintaining adequate parking, including lease of Unit 110 – 2800 Viking Way

Dear Mr. Andrews,

Midland understands that a condition of issuance of a business license permitting warehouse sales at 13651 Bridgeport Road is the provision of adequate parking. This requires the use of surplus parking available at the adjacent site leased by Midland, at Unit 110 – 2800 Viking Way.

Midland's lease for the Bridgeport Road site expires on February 28, 2022, with the option to renew for another 5-year term. The Viking Way lease also expires February 28, 2022, with no provision for renewal currently in place. In both cases the landlords have said it is too early to start negotiations related to renewals.

Given the circumstances above, Midland commits to maintaining a lease at the Viking Way site to ensure adequate parking is provided through the duration of the Temporary Use Permit (TUP) for warehouse sales. Midland understands that if the parking is no longer available (due to lease expiration or otherwise), Midland will be required to identify alternative parking arrangements satisfactory to the City of Richmond, reduce the floor area used for warehouse sales in order to meet parking requirements, or cease warehouse sales until parking considerations are addressed.

Sincerely ee Methot

President & CEO Midland Appliance Ltd

Encl. Lease Extension for 13651 Bridgeport Road Lease - Unit 110 - 2800 Viking Way



No. TU 20-890999

To the Holder:	BROOK POONI ASSOCIATES
Property Address:	13651 BRIDGEPORT ROAD
Address:	C/O DAN WATSON BROOK POONI ASSOCIATES SUITE 200 – 1055 WEST HASTINGS STREET VANCOUVER, BC V6E 2E9

- 1. This Temporary Commercial Use Permit is issued subject to compliance with all of the Bylaws of the City applicable thereto, except as specifically varied or supplemented by this Permit.
- 2. This Temporary Commercial Use Permit applies to and only to those lands shown cross-hatched on the attached Schedule "A" and to the portion of the building shown cross-hatched on the attached Schedule "B".
- 3. The subject property may be used for the following temporary Commercial uses:

Warehouse Sales to a maximum floor area of 1,490 m² (16,043 ft²) as shown in crosshatching on the attached Schedule "B" and limited the sale of household appliances only and the provision of 87 vehicle parking spaces.

- 4. As a condition of the issuance of this Permit:
 - a) Prior to issuance of a Business Licence for warehouse sales the applicant must provide verification that they have access to 87 parking stalls; and
 - b) Prior to issuance of a Business Licence for warehouse sales the applicant must provide verification that 12 2-zone monthly transit passes are available to employees.
- 5. As a condition of the issuance of this Permit, a \$10,000.00 security must be provided to ensure the following items described in Schedule "B" are completed:
 - 11 Class 1 bicycle parking stalls, equivalent to 10 m² of bicycle storage, will be provided within the unused office space at #170-2800 Viking Way;
 - 11 Class 2 bike parking spaces will be provided on the subject site;
 - All required 87 parking stalls will have painted stall lines; and
 - Installation of a defined pedestrian path from the City sidewalk and on-site bicycle racks to the front entrance of the building.

- 6. The land described herein shall be developed generally in accordance with the terms and conditions and provisions of this Permit and any plans and specifications attached to this Permit which shall form a part hereof.
- 7. If the Holder does not commence the construction permitted by this Permit within 24 months of the date of this Permit, this Permit shall lapse and the security shall be returned in full.

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This Permit is not a Building Permit.

AUTHORIZING RESOLUTION NO. DAY OF , .

ISSUED BY THE COUNCIL THE

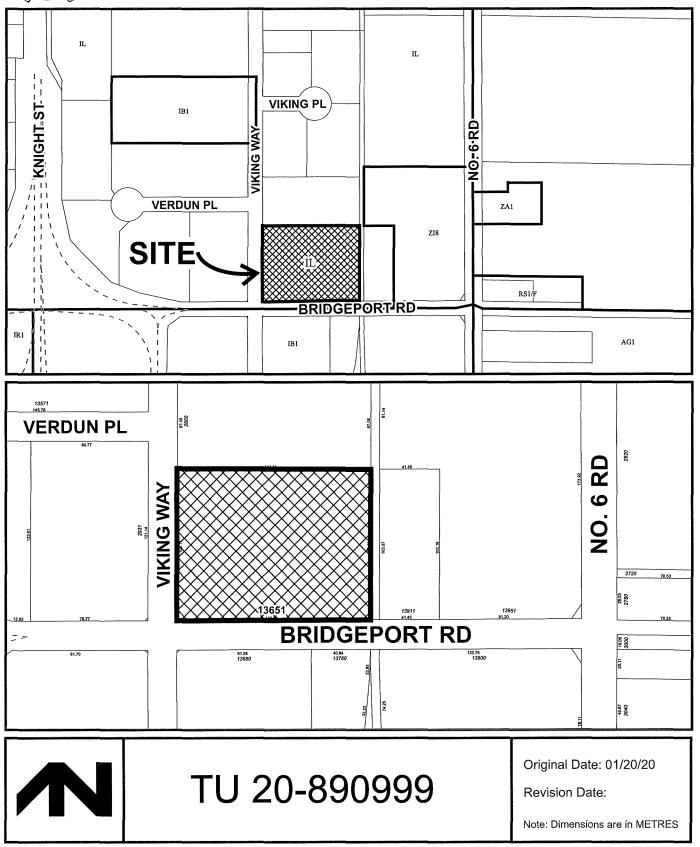
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MAYOR

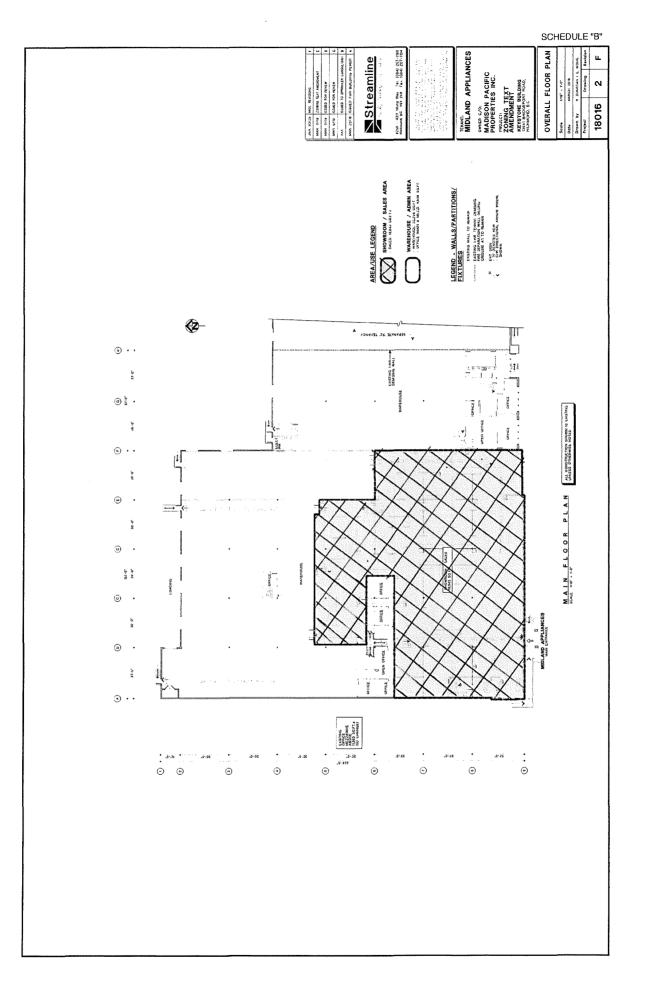
CORPORATE OFFICER



SCHEDULE "A"



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