



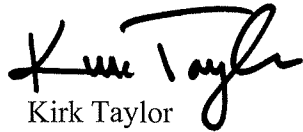
---

**To:** General Purposes Committee **Date:** November 30, 2020  
**From:** Kirk Taylor **File:** 08-4150-01/2020-Vol  
Director, Real Estate Services 01  
Barry Konkin,  
Director, Policy Planning  
**Re:** **Industrial Lands Intensification Initiative – Summary of Findings and Proposed Amendments to Richmond Official Community Plan Bylaw 9000 and Richmond Zoning Bylaw 8500**

---

**Staff Recommendation**

1. That the staff report titled “Industrial Lands Intensification Initiative – Summary of Findings and Proposed Amendments to Richmond Official Community Plan Bylaw 9000 and Richmond Zoning Bylaw 8500” dated November 30, 2020 from the Director, Real Estate Services and Director, Policy Planning be received for information.
2. That Richmond Official Community Plan Bylaw 9000, Amendment Bylaw 10180, be introduced and given first reading;
3. That Richmond Official Community Plan Bylaw 9000, Amendment Bylaw 10180, having been considered in conjunction with:
  - a. the City's Financial Plan and Capital Program; and
  - b. the Greater Vancouver Regional District Solid Waste and Liquid Waste Management Plans;is hereby found to be consistent with said program and plans, in accordance with Section 477(3)(a) of the *Local Government Act*;
4. That Richmond Official Community Plan Bylaw 9000, Amendment Bylaw 10180, having been considered in accordance with Section 475 of the *Local Government Act* and the City's Official Community Plan Bylaw Preparation Consultation Policy 5043, is found not to require further consultation;
5. That Richmond Zoning Bylaw 8500, Amendment Bylaw 10181, be introduced and given first reading; and
6. That staff review and report back in two years on the implementation of the Industrial Lands Intensification Initiative.





Kirk Taylor  
Director, Real Estate Services  
(604-276-4212)



Barry Konkin  
Director, Policy Planning  
(604-276-4139)

Att. 6

REPORT CONCURRENCE		
ROUTED To:	CONCURRENCE	CONCURRENCE OF GENERAL MANAGER
Business Licenses	<input checked="" type="checkbox"/>	 Acting GM, F&CS
Development Applications	<input checked="" type="checkbox"/>	
Engineering	<input checked="" type="checkbox"/>	
Law	<input checked="" type="checkbox"/>	
Sustainability	<input checked="" type="checkbox"/>	
Transportation	<input checked="" type="checkbox"/>	
<b>SENIOR STAFF REPORT REVIEW</b>	<b>INITIALS:</b> OS	<b>APPROVED BY CAO</b> 

**Staff Report**

**Origin**

In 2014, Council adopted the Resilient Economy Strategy which developed an action plan under the framework of Chapter 6 (Resilient Economy) in the City’s Official Community Plan. This strategy identifies the limited availability of industrial land as one of the most significant constraints to strengthening the local economy and recommends that the City explore policy options to increase Richmond’s capacity to retain and attract businesses in sectors that are fundamentally important to Richmond’s economy.

Using industrial land more intensely was identified as a key opportunity to increase Richmond’s capacity for industrial activity. Therefore, a work program was endorsed by Council in 2017 to undertake the Industrial Land Intensification Initiative (the “ILII”). This report presents the findings of the ILII, and recommends policy directions that could be implemented in order to further protect, and encourage the intensification of, industrial lands through amendments to the City’s Official Community Plan and Zoning Bylaw.

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.*

The proposed bylaw and policy amendments are detailed in this report, along with supporting analysis and rationale. They are summarized for ease of reference as follows:

**Table 1: Summary of Proposed Changes**

Zoning/OCP Amendment	Description	Rationale
Zoning Bylaw	Recognize/regulate ancillary office space for defined industrial uses.	Industrial users require some office space to support their primary facilities and operations. This provides clarity for business users and City staff.
OCP and Zoning Bylaw	Do not encourage retail sales in the I and IL zones, but allow limited retail use in the IB and IR zones as an accessory use for manufacturing businesses only, including microbreweries.	Evolving business models require integrated space where design, manufacturing, distribution, and showroom/retail activities can occur within a single building.

Zoning Bylaw	Introduce new industrial uses to reflect emerging industries such as e-commerce logistics and retail showrooms.	To recognize and help track emerging industrial uses, and reduce parking requirements for specific uses that have demonstrated reduced parking demand.
Zoning Bylaw	Reduce parking regulations for selected defined industrial uses. Include a further reduction for selected defined industrial uses in the City Centre.	Flexible parking standards will help support the shifts in the type of industrial users that may occupy an industrial property, and optimize the use of rapid transit infrastructure.
Zoning Bylaw	Increase the building site coverage from 60% to 75% for sites outside of the City Centre	To remove barriers to more intense forms of industrial development when other site requirements can be achieved.
Zoning Bylaw	Increase the maximum building height from 12 m to 16 m for sites outside of the City Centre, but maintain the 12 m maximum building height for industrial sites within 50 m of a residentially zoned lot.	The need for taller industrial buildings is driven by new forms of storage racking systems that allow vertical warehousing and increased warehouse efficiency.
OCP	Allow consideration of increasing the maximum density from 1.0 floor area ratio (FAR) to 1.5 FAR outside of the City Centre, subject to a rezoning process, provided the site is a minimum 2.5 ha in area, is close to major transportation infrastructure, is not adjacent to residential uses, and has satisfied transportation and servicing issues.	To remove barriers to more intense forms of industrial development, for example multi-level warehouses, in appropriate locations.
OCP	Introduce Development Permit guidelines for industrial buildings that are multi-storey and have an external access.	To address visual, scale and massing issues associated with large, multi-storey industrial developments.

## Analysis

### Significance of Industrial Land

A diverse business base is essential to a strong and resilient local economy; and industrial lands accommodate a wide range of business activities that support regional, provincial and national economies. These range from serving the day-to-day needs of the region's population, such as repair and servicing, to providing key functions such as storage and distribution that are critical for supply chains in all industries. Other examples of businesses that require industrial land include those in the food processing, biotechnology, film production, and manufacturing sectors.

Over one-quarter of all jobs in Metro Vancouver are accommodated on industrial land. In Richmond - which accounts for 17% of the total industrial land in the region - that share of employment is greater at 37% of the total, or approximately 44,000 jobs. This is driven by

activities related to the movement of goods and people<sup>1</sup> and Richmond's important role as a sea, rail, ground and air transportation hub.

Due to steady population and business growth and a geographically constrained supply of industrial land, the Metro Vancouver region is experiencing an acute shortage of industrial land. This is evidenced by very low vacancy rates, rising lease rates and increasing land prices. Vacancy rates for industrial space in 2020 are estimated at 1.4% in Metro Vancouver and 1.6% in Richmond with demand continuing to outpace new supply<sup>2</sup>. An industrial land demand forecast prepared by Metro Vancouver as part of the Regional Industrial Lands Strategy anticipates that the total inventory of vacant industrial land will be fully absorbed sometime between 2035 and 2047.

The Metro Vancouver study also notes that the parcels with the most viable development potential could be absorbed as soon as 2028, resulting in businesses and jobs relocating to markets outside of Metro Vancouver where industrial space is more readily available. This could limit opportunities for the retention and growth of industrial businesses as well as impede key functions of those in other sectors (i.e. tourism and retail) that rely on industrial activities in close proximity to their primary operations.

Based on the ILII and other recent research, protecting and encouraging more intense and optimized utilization of existing industrial land is imperative to help ensure medium and long term economic development, diversification and resilience in Richmond and the region.

### Industrial Policy Context

There are several City and regional policies that support the intensification of industrial lands, highlights of which are below:

- 1. The City of Richmond Official Community Plan (Bylaw 9000)**
  - Supports the development of community-wide employment lands to achieve a resilient economy; and
  - Policies encourage a periodic review of the Zoning Bylaw to simplify the list of permitted uses on employment lands and re-examine floor area ratios (FAR), building site coverage and building heights to enable densification and more intensive use of industrial lands.
- 2. The City of Richmond Employment Lands Strategy**
  - Richmond will continue to serve as a pre-eminent Asia-Pacific air, sea, land and intermodal gateway and technology hub providing a strategic range of employment uses for a resilient economy, with a high jobs-to-labour force ratio, and high paying jobs for local and regional residents.
- 3. The City of Richmond's Resilient Economy Strategy**
  - Increase Richmond's capacity to accommodate light industrial business;

---

<sup>1</sup> Richmond Resilient Economy Strategy, February 2014

<sup>2</sup> Cushman & Wakefield Vancouver Industrial Marketbeat Q3, 2020

- Strengthen Richmond's role as a gateway for goods import and export;
- Retain and support existing businesses; and
- Support economic diversity, small business opportunities and localization.

#### **4. Metro Vancouver's 2040 Regional Growth Strategy**

- Promote land development patterns that support a diverse regional economy and employment close to where people live; and
- Protect the supply of industrial land.

#### **5. Metro Vancouver Regional Industrial Lands Strategy**

- Protect remaining industrial lands;
- Intensify and optimize industrial lands;
- Bring the existing land supply to market; and
- Ensure a coordinated approach.

The Metro Vancouver Regional Industrial Lands Strategy was adopted by the Metro Vancouver Board on July 3, 2020 after two years of consultation and research. An executive summary can be found in Attachment 1.

#### Industrial Lands in Richmond

Richmond's industrial lands are designated in the Official Community Plan (OCP) land use map as either *Industrial* or *Mixed Employment*. This includes the Vancouver International Airport and the Port of Vancouver lands which are regulated federally and have separate land use plans and are not subject to City of Richmond land use regulations.

Richmond Zoning Bylaw 8500 has five (5) standard industrial zones and fifteen (15) site specific industrial zones that regulate industrial land use. A summary of these industrial zones and attributes (i.e. locations and total area) can be found in Attachment 2.

#### Richmond's Industrial Land Intensification Initiative (ILII)

The Richmond Industrial Lands Intensification Initiative (ILII), which advances the recommended actions in the Metro Vancouver Regional Industrial Lands Strategy, was undertaken to identify how the City's policies and bylaws can continue to support industrial intensification in a manner that aligns with industry's needs and the City's objectives.

In this context, industrial intensification means the redevelopment of existing industrial sites to achieve higher use density or productivity. It may also entail higher density infill (brownfield) or new greenfield development. The benefits of industrial land intensification include the ability to:

- accommodate increased economic and employment activity on a limited land base;
- respond to future technologies and advances in the industrial sector;
- ensure more efficient use of lands and resources, as well as transportation and site service infrastructure; and
- reduce the pressure to convert agricultural lands to industrial uses.

The ILII encompasses the study areas shown in Attachment 3 and was structured in two phases: Phase 1 – Research and Proposed Policy Recommendations and Phase 2 – Policy and Bylaw Amendments.

### Key Findings

Some of the key research findings through the ILII research and analysis include:

- 37% of employment (44,000 people) in the City of Richmond is generated by businesses located on industrial lands<sup>3</sup>. This land is key to maintaining a diversified and resilient economy that is both population-serving and trade-related.
- The top drivers of demand for industrial space in Richmond are: warehousing; logistics; e-commerce; manufacturing; fabrication; mixed-use commercial and office; and food production.
- None of the sub areas studied currently achieve the allowable density and building site coverage – for example, the study found that the built floor area ratio (FAR) of industrial sites range from 0.2 to 0.75, generally well below the maximum permitted FAR of 1.0, as per the Zoning Bylaw.
- With a constrained land base and strong demand for all types of land, limited industrial land supply in the region is under significant pressure for conversion to other uses (e.g. commercial).
- Outside of redevelopment to higher built densities, industry is taking action to increase output (i.e. technology adoption/automation/advanced racking systems/more shifts).
- The introduction of non-industrial land use activities in industrial areas, such as office and commercial, tends to drive up land prices, which may threaten or drive out remaining industrial activities, and create transportation and land use interface/adjacency issues.
- Some forms of industrial intensification (i.e. multi-level warehouses) are only viable when achievable rents are commensurate with land and construction values. Both rents and land values have been steadily increasing so there is increased interest in the region – and Richmond – to build multi-level warehouses.

A more detailed summary of the research findings can be found in Attachment 4. Based on these findings, the goals of the following proposed policy directions are to:

- 1) protect industrial land for industrial use;
- 2) remove barriers to more intense forms of industrial developments;
- 3) accommodate new and emerging types of industrial businesses; and
- 4) prevent non-industrial uses from eroding the viability of industrial land for industrial users.

### Policy Recommendations

The policy directions that have been identified for consideration are related to clarifying permitted industrial uses, increasing maximum building heights, reducing required parking for

---

<sup>3</sup> Based on 2018 City of Richmond Business Licence data

selected industrial uses, and encouraging more intensive industrial development on a limited industrial land base.

### **1. Permitted Uses for Industrial Zones**

Through research and consultation it was determined that industrial businesses require greater flexibility in permitted uses that accommodate new and emerging business models and that do not necessarily fit the traditional definitions of ‘heavy’ or ‘light’ industrial. Introducing new commercial uses in industrial areas, meanwhile, can create land use conflicts such as increased commuter traffic in industrial zones and additional strain on services and infrastructure that was not designed for these uses. Regionally, it can also drive up land values and out-compete industrial users in terms of the price they can pay for land or occupancy as market pressures for industrial land in urban areas generally push towards the economically highest and best uses (i.e. commercial or residential), unless regulated by land use policies.

For the purposes of the ILII, industrial intensification means more productive and efficient industrial activities on industrial lands. Office, retail and other commercial uses beyond those needed as accessory/ancillary functions for industrial businesses are not considered industrial intensification. Within this context staff recommend the following amendments to the existing industrial zones and related definitions to provide some clarification to permitted industrial uses.

Recognize/Regulate Ancillary Office Space: Through the ILII research it was determined that ancillary office use should be recognized in the definition for ‘industrial, general’ and ‘industrial, heavy’ as most industrial businesses have an office area which provides administrative functions for their specific industrial activity.

As a housekeeping amendment, staff recommend amending the definition for ‘industrial, general’ and ‘industrial, heavy’ to allow ancillary office use which would recognize that industrial users require some office space as part of their facilities and operations. This is consistent with the *Industrial* land use designation in the OCP which allows ancillary offices provided they are used to administer the industrial uses, and are not stand alone offices.

Introduce Limited Retail Use in the IB and IR Zones: The results of the ILII study indicated that greater flexibility in permitted uses on industrial land is often required to facilitate new and innovative forms of industrial activity. Evolving business models in response to e-commerce and technology are placing increasing importance on the need for integrated space where design, manufacturing, distribution, and showroom/retail activities can occur within a single building.

Other business models requiring flexibility include on-demand and custom manufacturing, where goods are manufactured to order, streamlining the supply chain, and reducing the need to store excess inventory.

A common aspect of these new business models is the ability to retail products manufactured on-site. Therefore staff recommend that in the Industrial Business Park (IB) and Industrial Retail (IR) zones only, a limit of 15% of the overall floor area, up to a maximum of 500 m<sup>2</sup> (5,382 ft<sup>2</sup>), may be used for retail sales provided the products that are being sold are *manufactured onsite*



and that retail is ancillary to manufacturing uses only. The retail sale of goods that are only warehoused would not be permitted.

Staff do not recommend introducing limited retail in the Industrial (I) or Light Industrial (IL) zones, or those areas designated *Industrial* in the OCP where policies exclude retail in order to preserve the traditional industrial nature of those areas. This is reflected in the proposed Zoning Bylaw amendment (Bylaw 10181).

In order to facilitate regulation of this new use, staff also recommend adding the following policy in Chapter 6 (Resilient Economy) of the OCP to reflect the recommended amendments to Richmond Zoning Bylaw 8500:

- do not encourage retail sales in the Industrial (I) and Light Industrial (IL) zones, but allow limited retail (e.g., 15% of the overall floor area up to a maximum of 500 m<sup>2</sup> [5,382 ft<sup>2</sup>]) for mixed employment business parks in the Industrial Business (IB) and Industrial Retail (IR) zones, or in site-specific zones which permit a mix of industrial and employment uses, provided the retail is ancillary to manufacturing uses only.**

Add 'microbrewery, winery and distillery' to the IB and IR zones: The manufacturing of alcohol products has historically been permitted in Richmond under the 'industrial, general' use found in all industrial zones. In 2015 a new use was introduced for 'microbrewery, winery and distillery':

“means a premises, licensed under the Liquor Control and Licensing Act, on which there is manufacturing of beer, ale, cider, wine or spirits for sale to business customers and shall include ancillary retail sale of these liquor products and related non-liquor products to the public within the manufacturer’s store and lounge provided that their combined floor area and any outdoor lounge patio area do not exceed the manufacturing floor area.”

This use was added to many commercial zones and has also been considered in industrial zones on a site-specific basis through the rezoning process. One business has since located in the Entertainment and Athletics (CEA) zone where the use was permitted outright, and the remainder have located in industrial areas. Two site-specific rezoning applications were approved in the IB zone and in July 2020 a third site specific rezoning application was approved to allow this use in the IR zone at 5800 Cedarbridge Way (ZT 18-815709). An additional three businesses are licensed to manufacture alcoholic beverages in the IB zone but currently do not have a retail component. Any business manufacturing or selling liquor is also required to obtain a license from the BC Liquor and Cannabis Regulation Branch (LCRB).

As this use is consistent with new business models where retail and showroom areas are ancillary components to the industrial activity, it is recommended that this use be added as outright permitted uses in the IB and IR zones. It is not recommended to be introduced in the I or IL zones for the reasons provided earlier, namely the introduction of commercial uses in industrial zones that are designated *Industrial* in the OCP introducing land use conflicts and eroding the viability of these areas for more traditional industrial users.

Introduce New Industrial Definitions: Although the existing Zoning Bylaw definitions of ‘industrial, heavy’ and ‘industrial, general’ allow a wide range of industrial uses, staff recommend introducing three specific industrial land use definitions as new types of business activities and models require consideration for ways to address the need for property uses that do not fit the traditional paradigm of ‘heavy’ or ‘light’ industrial.

The proposed new definitions recognize emerging business models and will allow better clarity for business owners as to where a proposed use is permitted. They will also enhance staff review and enforcement of non-industrial uses which may encroach into these areas. Further, these uses form the basis of the proposed reductions to parking requirements in the next section as parking studies have recently been conducted based on these specific uses.

Similar to the recommended amendments to the definitions of ‘industrial, general’ and ‘industrial, heavy’ to allow ancillary office use, staff would recommend including the recognition that industrial users require some office space as part of their facilities and operations.

**Table 2: Proposed New Industrial Uses**

Use	Definition	Proposed Zone
Industrial, manufacturing	Means the use of buildings or structures that are primarily used for the making of goods by hand or by machine. This use includes ancillary office space provided it is only used to administer the industrial use, and is not a stand-alone office space.	I and IL zone (no retail) IB and IR zone (limited accessory retail)
Industrial, warehouse	Means the use of buildings or structures for the storage and distribution of goods in large quantities by a warehouse operator, a distributor, a manufacturer or a supplier, and also includes e-commerce logistics facilities, but does not include ‘retail, general’. This use includes ancillary office space provided it is only used to administer the industrial use, and is not a stand-alone office space.	I, IL, IB and IR zones (no retail)
Retail, showroom	Means the use of buildings or structures which displays large products for retail sale, similar to warehouse sales, but does not stock the majority of the inventory on site, does not sell goods and products that are manufactured on site, and uses the majority of the floor area for product display. This use includes ancillary office space provided it is only used to administer the industrial use, and is not a stand-alone office space.	IR zone (limited retail)

Review of Existing Permitted Uses: The ILII study results recommended a review of all existing non-industrial uses currently permitted in industrial areas by zoning. Staff conducted a review of all non-industrial uses, and determined the following:

- the IB and IR zones are designed to allow a wider range of industrial and non-industrial uses (e.g., office, limited retail);
- the I and IL zones are meant to be strictly industrial zones with limited non-industrial uses that support the businesses and employees in the immediate industrial area;

- a number of non-industrial uses are permitted in the four main industrial zones – many of those non-industrial uses such as ‘restaurant’ and ‘child care’ are generally permitted to serve industrial related employees; and
- other non-industrial uses such as ‘recreation, indoor’ are historical uses that have been included in the main industrial zones to allow large floor area businesses such as gymnasiums to operate.

Staff do not recommend removing any permitted uses from the City’s existing industrial zones at this time. This issue will be reviewed as part of Metro Vancouver’s Regional Industrial Lands Strategy where one of the main goals is to collaborate with member jurisdictions and other regional agencies to develop a consistent definition of ‘industrial’ and guidelines for permitted uses. Staff will report back to Council on this initiative over the next two years.

## **2. Reduced Parking Requirements:**

Parking requirements in Richmond’s Zoning Bylaw are specified based on the actual land use occurring on a property. In the case of industrial activity, parking requirements are specified under the generalized ‘industrial, general’ and ‘industrial, heavy’ land uses.

Based on staff review of traffic demand management reports on recent development applications and feedback from stakeholders, parking requirements should be based on actual demand associated with specific industrial land uses. In many cases, the actual industrial activity that may be taking place will require fewer parking spaces than are required under the broad ‘industrial, general’ and ‘industrial, heavy’ use categories. Flexible parking standards will help support the shifts in the type of industrial users that may occupy an industrial property as market conditions and business models evolve over time.

Staff have reviewed industrial parking rates in the City’s Zoning Bylaw and recommend a number of parking reductions. The proposed reductions in Table 3 are based on data collected from parking studies conducted as part of recent development applications for similar uses, best practices from around the region, and feedback from stakeholder groups. No amendments to required on-site loading is recommended at this time.

**Table 3: Proposed Parking Reductions**

<b>Use</b>	<b>Minimum number of Parking Spaces Required</b>
Industrial, general	<u>Reduce</u> from 1 to 0.75 spaces per 100.0m <sup>2</sup> of gross leasable floor area
Industrial, manufacturing (new use)	<u>Reduce</u> from 1 to 0.75 spaces per 100.0m <sup>2</sup> of gross leasable floor area
Industrial, warehouse (new use)	<u>Reduce</u> from 1 to 0.56 spaces per 100.0m <sup>2</sup> of gross leasable floor area
Retail, showroom (new use)	<u>Reduce</u> from 3-4 to 2 spaces per 100.0m <sup>2</sup> of gross leasable floor area

Consistent with the City Centre Area Plan, a further parking reduction of 15% from the minimum parking requirements is recommended for all industrial uses in the City Centre area, with the exceptions of ‘warehouse sales’ and ‘custom indoor manufacturing’.

Transportation staff will continue to review other industrial uses as defined in Richmond Zoning Bylaw 8500, such as ‘warehouse sales, ‘custom indoor manufacturing’ and ‘industrial, heavy’, to determine if further parking reductions are recommended. These can be reviewed for potential reductions on a case by case basis to incentivise industrial use as applications are made to the City. A comprehensive parking survey is anticipated to be conducted in summer 2021, at which time further reductions to required parking for industrial uses may be considered. Any further proposed reductions to required parking rates will be presented in a future staff report.

Transportation staff will also monitor industrial sites that are stratified as there has been some issues on how parking is managed (e.g., pay parking). In cases where an existing industrial building is proposed to be stratified, staff have required shared parking for all strata units, in addition to the minimum required parking for each strata unit. For new industrial strata buildings, staff will monitor the situation to determine if additional shared parking is required. The overall issue of industrial stratification is reviewed later in this report.

### **3. Building Massing:**

Among the various conclusions of the ILII research on the space and building configuration needs of new and emerging industries, it was suggested that relaxing a range of current density and building massing limitations such as maximum permitted density, site coverage, and maximum building height in the City’s main industrial zones (I, IL, IB and IR) be considered. The findings of the ILII research suggested that these measures could prove attractive to developers considering Richmond for industrial development, and could facilitate the development of multi-storey industrial developments or larger, taller industrial buildings where increased activity can occur on the existing land base. A number of proposed measures have been identified for Council’s consideration, as described below.

*Site Coverage of Buildings:* Outside of the City Centre, the maximum site coverage of buildings is 60% of the site. In most cases, existing buildings are less than this due to functional parking and loading considerations. Consistent with OCP policies and ILII findings, staff recommend increasing the maximum site coverage of buildings to 75% of the site outside of the City Centre, and up to 90% within the City Centre. Combined with the recommended parking reductions, this would allow larger building footprints and more intense use of industrial sites. Proposed Bylaw 10180, attached to this report, has been drafted to implement these changes.

*Density (floor area ratio):* The ILII study found that the built floor area ratio (FAR) of industrial sites range from 0.2 to 0.75, generally well below the maximum permitted FAR of 1.0, as per the Zoning Bylaw.

The research indicated that FAR and building site coverage bylaw provisions do not appear to be limiting factors in the low identified building densities in Richmond. Rather, the low built floor area is likely due to a number of factors including market forces such as land values and

financial viability, the nature of dominant sectors in the local economy (e.g., goods movement), and a range of physical on-site space requirements for loading, and parking.

Industrial zones and mixed-use business park zones within the City Centre are permitted a higher maximum density of 1.2 FAR. However in established industrial areas within the City Centre, most buildings are also built at less than the maximum floor area permitted in the Zoning Bylaw.

During the stakeholder consultation, comments were provided regarding the financial implications that could result for land owners, if there was a large, “across-the-board” increase in permitted floor area. Concerns included the potential consequence of raising property values and property taxes. Industry representatives also indicated that higher floor area ratio and increased land value could result in increased pressure and speculation to develop lands for non-industrial uses. Large scale changes to permitted floor area in industrial uses would also have implications for the City’s Engineering Servicing Strategy, and the Development Cost Charge (DCC) program. Both these programs are carefully designed to ensure that servicing and DCCs are linked to the permitted land uses and density as specified in Richmond Zoning Bylaw 8500.

As a result, there are no proposed changes at this time to the maximum 1.0 FAR that is currently permitted for the City’s main industrial zones, outside of the City Centre.

However, to facilitate intensive industrial development, staff have prepared a policy that would be added to Chapter 6 (Resilient Economy) of the OCP to clearly articulate that the City is continuing to review the issue of density closely and will respond accordingly if there is a proposal for higher industrial density, subject to a successful rezoning process. The policy recognizes that a multi-level industrial building would require a large site to incorporate a properly designed ramp for trucks to transport materials to the second level. In some cases, this may be accomplished through internal elevator systems. In other cases, this would be through an external ramp system. To facilitate an external ramp for trucks, a technical assessment would be required to determine the appropriate design. As a result, staff recommend a minimum lot size of 2.5 ha (5 acres) for such a site which could be reduced if demonstrated that a smaller site could be feasible to accommodate truck and vehicle ramping along with other requirements such as building setbacks, landscaping, and truck access. Attachment 5 indicates the locations of industrial zoned properties that are 2.5 ha (5 acres) or larger.

The proposed new policy would indicate the following:

- **consider increasing density for multi-storey industrial buildings provided that the following criteria is met:**
  - **a maximum 1.5 floor area ratio provided this is for industrial uses (e.g. heavy and general industrial);**
  - **a minimum site area of 2.5 ha (5 acres) to allow efficient truck access and truck and vehicle ramping (the minimum site area may be reduced if demonstrated that a smaller site area is feasible);**
  - **the site should be located within a 1-kilometre access point to a major road network or Provincial highway to facilitate efficient vehicle and truck movement;**
  - **the site should not be located within 100m (328 ft.) of a residentially zoned lot**

- **corner lots are discouraged as any visible exterior ramping for trucks and vehicles should be from the interior side yard or rear yard; and**
- **transportation (e.g., truck access and egress) and servicing issues (e.g., water, sewer, drainage) have been addressed through the rezoning application process.**

*Building Height:* Outside of the City Centre, the maximum permitted building height in the main industrial zones is 12 m (39 ft.), and varies from 15 m (49 ft.) to 25 m (82 ft.) in the City Centre. For sites within the City Centre, Richmond Zoning Bylaw 8500 indicates that the maximum permitted building height can be increased to 25 m (82 ft.) in the IL zone and to 35 m (115 ft.) in the IB zone, through a Development Permit or a Development Variance Permit issued by Council.

A number of industry stakeholders have indicated that the maximum height restriction outside of the City Centre is outdated, and that new forms of industrial activity require higher indoor spaces, resulting in a need for buildings which exceed the 12 m (39 ft.) maximum permitted building height. Generally, the need for taller buildings is driven by new forms of storage racking systems that allow vertical warehousing and increased warehouse efficiency. To date, buildings requiring this height have only been able to proceed if a Development Variance Permit has been issued by Council. This adds time, cost and uncertainty to the process for industrial development. Recent advancement in modern industrial warehouses that incorporate technology and automation require a new standard of 11m (36 ft.) clear ceilings. This cannot be achieved within the current building height requirement as the roof structure and increased floor elevation would add additional height to the building.

Staff recommend that the maximum building height be increased to 16 m (52 ft.) for the main industrial zones outside of the City Centre as most of the recent Development Variance Permits that have been issued by Council have been on average 16 m (52 ft.) in height (Table 4). Maximum building heights would be maintained at 12 m (39 ft.) for industrial buildings that are less than 50 m (164 ft.) from a residentially zoned lot. No changes are recommended for industrial buildings within the City Centre as there is flexibility in maximum permitted building height regulations.

**Table 4: Recent Building Height Variances on Industrial Sites**

No.	Address	File No.	Height Variance	DVP Status
1	7611 No. 9 Road	2017 790824 DVP	12.0m to 15.0m	Issued
2	4693, 4720 & 4740 Vanguard Road	2018 818671 DP	12.0m to 16.15m	Issued
3	15111 Williams Road & 8011 Zylmans Way	2019 869780 DVP	12.0m to 17.4m	Issued

Staff anticipate that most building proposals that are taller than 12 m (39 ft.) will be single storey to accommodate taller storage racking systems. However, the proposed policy and regulatory framework would allow multi-storey industrial development. In most cases, a multi-storey

industrial building would require exterior truck and vehicular ramps to the second storey, and this may pose some unique design challenges. Those design challenges could be addressed through the establishment of design guidelines and a new Development Permit requirement, to address any potential negative impacts. This is discussed in the next section of this report.

#### **4. Development Permit Requirements:**

*Existing Development Permit Requirements:* Form and character design guidelines for industrial activity in the OCP apply only to industrial sites in the City Centre Area Plan (CCAP), and those industrial sites adjoining or within 30 m (98.4 ft.) to another site which is zoned or designated for residential, community institutional, park, school, conservation area, or mixed use. This results in the majority of industrial buildings requiring only a City-issued Building Permit to proceed. Staff recommend that these general regulations remain, as the current framework ensures that industrial building permits can be reviewed and issued in short order.

For those sites where a Development Permit is required to address adjacent uses (e.g., edge conditions), property owners must follow specific industrial design guidelines in the OCP. Those industrial design guidelines address circulation and parking, building scale and form, site planning and landscaping, amenities for industrial employees, and environmental controls (e.g., lighting, odour, dust, heat). Development Permits are reviewed by staff and issued by Council.

*New Development Permit Requirements:* As multi-storey industrial buildings would likely require a large concrete ramp to extend to the second level for trucks and vehicles to deliver and pick-up goods and materials, there is a need to address massing and possible impacts on adjacent land uses. These type of buildings would have visual, scale and massing issues that should be addressed through a Development Permit based on a new set of design guidelines.

To address these concerns, staff recommend that a new Development Permit area for all multi-storey industrial buildings that propose an exterior vehicular or truck access to a second storey be created in the OCP. The Development Permit guidelines would include the existing guidelines for industrial buildings adjacent to non-industrial designated properties, and also include the following new guidelines:

- corner lots would be discouraged as exterior vehicle and truck ramps should be located along the rear and interior property line, and not facing the street;
- visible exterior vehicle ramps are to be architecturally treated and shall be setback and screened by a minimum of 5 m (16 ft.) layered landscaped treatment including vertical screening while providing strategic visual access to entries and access areas;
- yard setback areas should be raised no more than 0.5 m (1.64 ft.) above adjacent public sidewalks;
- low retaining walls in front yards along the street should not be higher than 0.5 m (1.64 ft.). In yards that abut public spaces, landscaped terraces no greater than 0.5 m (1.64 ft.) in height and no less than 0.75 m (2.46 ft.) deep should be used to reach the new grade; and

- reduce physical and visual bulk and massing for building elements with height over 12 m by stepping back the portion of the building above 12 m from the street frontage.

Proposed OCP Amendment Bylaw 10180 incorporates these design guidelines and establishes a Development Permit area for all industrial sites with two or more storeys that have exterior vehicular access to upper storeys.

## **5. Sustainability Initiatives**

The City of Richmond was one of the first municipalities to adopt the Energy Step Code (ESC) requirements for new residential, and most commercial, building types. The ESC is an optional compliance path in the BC Building Code that local governments may use to incentivize or require a level of energy efficiency in new construction that goes above and beyond the requirements of the BC Building Code. Although the ESC does not yet apply to industrial building types, City staff are working with the Energy Step Code Council, which is an advisory body supporting local governments and industry, to advocate for the development of ESC targets for warehouses and industrial buildings.

In addition to working with the Energy Step Code Council, the forthcoming revised Community Energy and Emissions Plan (CEEP) will give policy direction on additional greenhouse gas reduction measures for new or renovated buildings needed to achieve 50% reduction in emissions from 2007 levels by 2030, and net zero emissions by 2050. Staff are currently collaborating with other local governments to define common electrical vehicles charging requirements for workplace and visitor parking stalls in commercial and industrial areas that could be introduced in each city's respective Zoning Bylaws. Although the scope of the ILII does not contemplate the introduction of sustainability measures for industrial sites, this will be addressed in the forthcoming CEEP report and recommendations.

## **6. City Centre Area Plan**

The City Centre Area Plan (CCAP) identifies two industrial reserves: the Bridgeport Industrial Reserve and the Aberdeen Industrial Reserve (Attachment 6) which are areas that are transitioning to a mix of industrial and other mixed employment uses (e.g., office and limited retail).

1. The Bridgeport Industrial Reserve is made up of two sub areas:
  - the area north of the Beckwith Road properties, and east of Great Canadian Way to No. 4 Road – the area is zoned Light Industrial (IL) and consists of relatively large parcels and current CCAP policy designates land for light industrial uses; and
  - the area that includes the Beckwith Road properties and properties to the south and east of Great Canadian Way to No. 4 Road – the area is designated for a mix of industrial uses, along with limited commercial and/or office uses. Some commercial uses are permitted within 50 m (164 ft.) of Bridgeport Road or Great Canadian Way. In this area where mixed-use developments are permitted, a minimum of 50% of the floor area of any building is to be used for industrial uses.



2. The Aberdeen Industrial Reserve – the area bounded by Hazelbridge Road to the west, Cambie Road to the north, Garden City Road to the east, and Leslie Road to the south – is designated in the CCAP for a mix of industrial uses, along with limited commercial and/or office uses. At least 50% of the total floor area must include permitted industrial uses.

Staff do not recommend any amendments to the City Centre Area Plan (CCAP) with respect to industrial land at this time, as the industrial reserve policies allow for greater employment intensity and building density in order to maximize the use of surrounding infrastructure and amenities. Any changes to those policies should be considered through a separate process as any amendments to industrial policies could have impacts on other aspects of the CCAP. However, the recommended amendments to parking reductions outlined in this report, and proposed changes to permitted uses within the four main industrial zones would apply to properties within the City Centre – and could further encourage more intense forms of industrial development in these areas.

## **7. Industrial Stratification**

Industrial stratification is a growing trend in Metro Vancouver where a limited land supply and high land prices, combined with sustained periods of low interest rates, have resulted in significant demand for owner-occupied strata units. The Metro Vancouver Regional Industrial Lands Strategy outlines the pros and cons of stratification of industrial, which are summarized below.

### **Pros**

- Allows smaller industrial users to have security of tenure.
- Provides stability while enabling owner-occupiers to experience capital appreciation.
- Allows developers to de-risk the development of more capital-intensive built forms, including multi-storey industrial projects.
- Can be beneficial for users seeking space in denser urban locations.

### **Cons**

- High cost may be prohibitive to smaller businesses.
- May limit flexibility of firms looking to expand into adjacent space.
- Subdivision of individual units may be problematic for larger firms seeking large, cohesive spaces.
- Poses a potential longer-term issue for redevelopment of existing space, requiring consolidation of fragmented ownership within buildings.
- Speculation for strata may price-out larger trade-oriented industrial users from being able to acquire properties.

While the stratification of industrial buildings can pose an issue for users requiring large sites by creating fragmented ownership and increasing the price, it also serves an important role in the regional economy. The Metro Vancouver Regional Industrial Lands Strategy explains that the importance of smaller lots and stratification is also “recognized in enabling small businesses to own their space, have security of tenure, and opportunity for capital appreciation.” It also

discusses the importance of ensuring the preservation of large industrial parcels for trade-oriented uses, such as logistics, warehousing and distribution of goods that “tend to require specific locations with good access to port, rail, or highway infrastructure.” At this time, Metro Vancouver does not recommend regulating the strata lot size for industrial buildings.

Although there has been an increase in the number of strata titled industrial parcels in Richmond, preliminary research findings have indicated that the majority (60%-70%) of strata industrial units are selling to owner occupiers rather than investors. Industry stakeholders have also indicated that a mix of strata and non-strata industrial contributes to a healthy mix of asset types.<sup>4</sup>

Between 2016 and 2020 there was a net addition of 1,476,373 square feet (sq. ft.) of new industrial space to Richmond’s overall inventory<sup>5</sup>. In that same time frame, City building permit records show that 677,793 sq. ft. of new strata industrial units were constructed – or 46 % of the total new floor space. Large floorplate, leasable industrial space also continues to be constructed in Richmond, including the phased 2.8 million sq. ft. Richmond Industrial Centre development by Ecowaste Industries Ltd. That is expected to create space for an additional 4,800 jobs.

An additional 244,491 sq. ft. of existing industrial space was converted to strata titled units between 2016 and 2020. As per City of Richmond Council Policy 5031 (Strata Title Conversion Applications – Commercial and Industrial), all strata title conversions for three or more proposed strata lots are required to be reviewed by Council. Issues such as building condition and upgrades, parking availability, and tenant relocation must be addressed to the satisfaction of Council.

While there are no proposed policy directions related to land tenure at this time, staff will continue to monitor trends around industrial stratification, and work with Metro Vancouver and other stakeholders to explore land use policy tools to encourage the preservation of large industrial parcels located near key trade-enabling infrastructure.

## **Consultation**

### Stakeholder Consultation

Throughout the ILII process, there was considerable stakeholder engagement. This included:

- strategic input and advice from the City’s Economic Advisory Committee (EAC) at key stages throughout the project;
- one-on-one interviews with approximately 70 individual industrial stakeholders, and organizations representing the broader business community (e.g., the Richmond Chamber of Commerce, Greater Vancouver Board of Trade);
- two stakeholder workshops during Phase 1 of the ILII process with 65 and 45 attendees respectively; and

---

<sup>4</sup> Colliers International, Metro Vancouver, The Strata Review, Q3 2019

<sup>5</sup> Cushman & Wakefield Industrial Market Reports from Q4 2015 and Q3 2020.

- ongoing dialogue and presentations throughout the project with the Urban Development Institute (UDI) Commercial Industrial Developers Sub-Committee, NAIOP Industrial Intensification Sub-Committee and Metro Vancouver staff.

At its May 23, 2019 meeting, the Economic Advisory Committee unanimously endorsed the proposed policy directions at the conclusion of Phase 1, and on March 11, 2020 provided additional feedback on the draft policy and bylaw amendments as part of Phase 2. On March 10, 2020, staff presented the proposed policy and bylaw changes to the UDI and NAIOP industrial sub-committees. Throughout the process, feedback from industry stakeholders has been consistently focussed on the following objectives:

- introducing flexibility in permitted uses;
- establishing limits on non-industrial uses;
- improving the definition of accessory uses;
- allowing more flexible parking;
- ensuring adequate transportation infrastructure to advance industrial intensification efforts; and
- maximizing the use of existing transportation, infrastructure and amenities.

#### Statutory Requirements and OCP Consultation Summary

Should Council give first reading to proposed Richmond Official Community Plan 9000, Amendment Bylaw 10180 and Richmond Zoning Bylaw 8500, Amendment Bylaw 10181, a public hearing notice will be provided as per the *Local Government Act* and will include a notification in keeping with the *Local Government Act* requirements.

Staff have reviewed the proposed Richmond Official Community Plan 9000, Amendment Bylaw 10180 with respect to the *Local Government Act* and the City's OCP Bylaw Preparation Consultation Policy 5043 requirements and do not recommend any further consultation. Table 5 clarifies this recommendations.

**Table 5: OCP Public Consultation Summary**

Stakeholder	Referral Comment
Provincial Agricultural Land Commission	No referral necessary, as they are not affected.
Richmond School District No. 38	No referral necessary, as they are not affected.
Metro Vancouver	No referral necessary, as they are not affected.
The Councils of Adjacent Municipalities	No referral necessary, as they are not affected.
First Nations (e.g., Sto:lo, Tsawwassen, Musqueam)	No referral necessary, as they are not affected.
TransLink	No referral necessary, as they are not affected.
Port Authorities (Port of Vancouver and Steveston Harbour Authority)	No referral necessary, as they are not affected.
Vancouver Airport Authority (VAA) (Federal Government Agency)	No referral necessary, as they are not affected.

Stakeholder	Referral Comment
Vancouver Coastal Health	No referral necessary, as they are not affected.
Community Groups and Neighbours	Community Groups and Neighbours will have the opportunity to comment regarding the proposed OCP amendment (and proposed Zoning Bylaws) at General Purposes or Planning Committee, Council and at a Public Hearing.
All Relevant Federal and Provincial Government Agencies	No referral necessary, as they are not affected.

### Financial Impact

None.

### Conclusion

Richmond's Industrial Land Intensification Initiative was undertaken to review the current utilization of industrial land in the City and to identify and assess opportunities for amendments to City land use policies and regulations that could help preserve industrial land for industrial uses and encourage better and more intense utilization of these limited lands. A set of bylaw amendments to both the Official Community Plan and Zoning Bylaw have been prepared which aim to:

- allow limited ancillary office space for defined industrial land uses;
- allow limited retail use in the IB and IR zones for manufacturing businesses only;
- allow 'microbrewery, winery and distillery' uses in the IB and IR zones;
- introduce new industrial uses to reflect emerging industries such as e-commerce logistics and retail showrooms;
- allow parking reductions for selected industrial uses based on recent parking studies;
- allow increases in building site coverage from 60% to 75% and building height from 12m to 16m;
- consider density increases of up to 1.5 FAR for industrial sites through the rezoning process on lots that are at least 2.5 ha (5 acres) in size and located near a major street network or Provincial highway; and
- introduce a new form and character Development Permit area for industrial development with two or more storeys with exterior vehicular access to upper storeys to minimize negative impacts to adjacent properties.

Staff will monitor implementation of the various amendments to the Official Community Plan and Zoning Bylaw, and will report back within two years. Issues affecting industrial land including new emerging industries, existing permitted non-industrial uses in the main industrial zones, the possibility of allowing further parking reductions, and industrial stratification (e.g., size of units and parking), will be included in this subsequent report.

Staff recommend that Richmond Official Community Plan Bylaw 9000, Amendment Bylaw 10180 and that Richmond Zoning Bylaw 8500, Amendment Bylaw 10181, to advance the proposed policy directions of the Industrial Land Intensification Initiative, be introduced and given first reading.

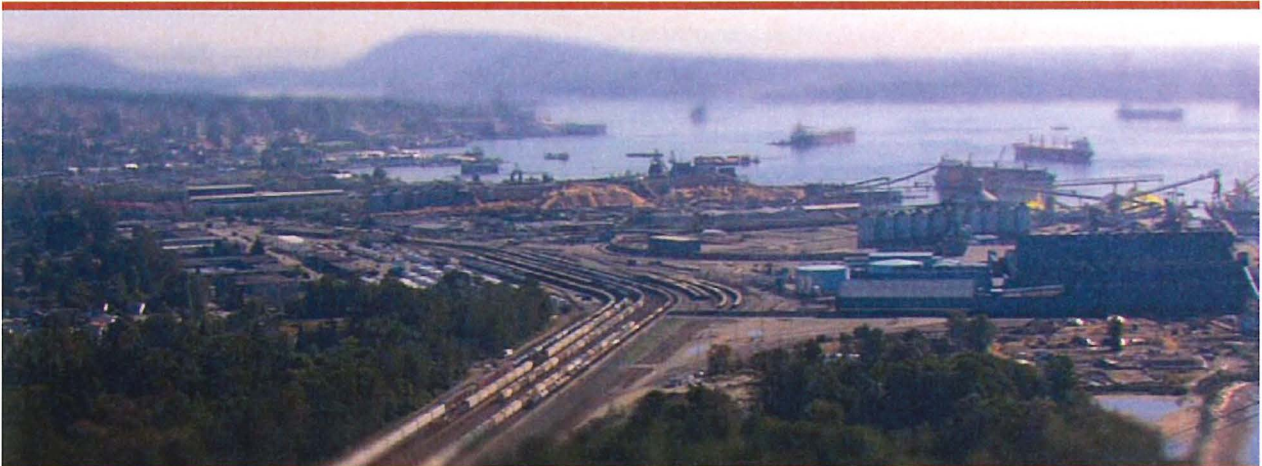


Katie Ferland  
Manager, Economic Development  
(604-247-4923)



John Hopkins  
Program Manager, Policy Planning  
(604-276-4279)

- Att. 1: Metro Vancouver Regional Industrial Lands Strategy
- 2: Richmond Industrial Land Use Policies
- 3: Map of Study Areas
- 4: Summary of ILII Research – Phase 1
- 5: Lot Size Ranges of Industrial Zones
- 6: Industrial Reserves in the City Centre Area Plan

EXECUTIVE  
SUMMARY

## Regional Industrial Lands Strategy

## KEY STATS

- Industrial lands comprise **4%** of the region's land base, and accommodate **27%** of the region's jobs.
- Industrial land prices in Metro Vancouver are amongst the **highest** in North America.
- Industrial jobs pay **10% higher** than the regional average.
- Business activity on industrial lands generate **30%** of the region's total Gross Domestic Product (GDP).

## THE CHALLENGE

The Metro Vancouver region is experiencing a critical shortage of industrial land. Continued population and employment growth in a constrained geography have contributed to the challenges facing Metro Vancouver's industrial land supply. With strong demand for industrial space, many industrial businesses are finding it increasingly difficult to find suitable space to operate in this region.

The main challenges facing Metro Vancouver's industrial lands are:

1. A Constrained Land Supply
2. Pressures on Industrial Lands
3. Site and Adjacency Issues
4. A Complex Jurisdictional Environment

## VISION

The Regional Industrial Lands Strategy, approved by the Metro Vancouver Board on July 3, 2020, seeks to:

*Ensure sufficient industrial lands to meet the needs of a growing and evolving regional economy to the year 2050.*



SERVICES AND SOLUTIONS FOR A LIVABLE REGION

---

## THE RESPONSE

In response to the challenges facing industrial lands and the interests of stakeholders in the region, Metro Vancouver, with the support of the Industrial Lands Strategy Task Force, prepared the Regional Industrial Lands Strategy. The Strategy includes **34 recommendations** with **10 priority actions**, organized around **4 Big Moves**:

### Big Move 1 - Protect Remaining Industrial Lands

Given the ongoing and projected demand for industrial land in the region, it is imperative to protect the region's remaining industrial lands and curb the threats that undermine their use for industrial activities. This means lands for trade-oriented purposes as well as for small, local serving businesses; businesses that are responding to the changing nature of industry as well as more traditional industrial activities.

### Big Move 2 - Intensify and Optimize Industrial Lands

Given the region's constrained land base, it is critical to encourage the most efficient use of the remaining land supply for all types of industrial users, to remove barriers to the intensification of industrial land, and investigate opportunities to optimize the location of certain land uses over time.

### Big Move 3 - Bring the Existing Land Supply to Market & Address Site Issues

Certain parts of the vacant industrial land supply suffer from site-specific challenges, such as limited infrastructure support, environmental concerns, and under-sized parcels. Where vacant lands have not come to the market, local municipalities may benefit from the preparation of a bring-to-market strategy. Such a strategy would identify the issues that have prevented the development of the undeveloped or under-developed industrial land, while providing a roadmap to achieve the municipality's economic goals for its remaining industrial lands.

### Big Move 4 - Ensure a Coordinated Approach

Improved cooperation and data tracking among governments and other agencies and organizations is necessary to ensure effective land management and accurate monitoring into the future. Coordination also guides future alignment of policy responses to issues as they arise across Metro Vancouver and southwestern British Columbia.



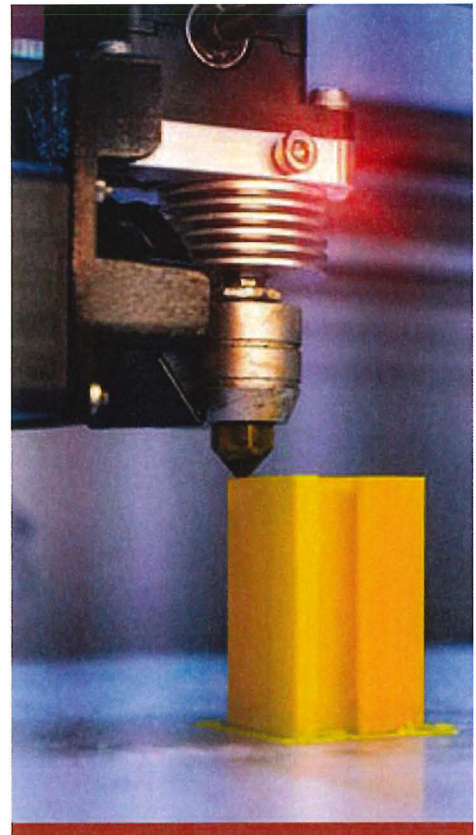
---

## PRIORITY ACTIONS

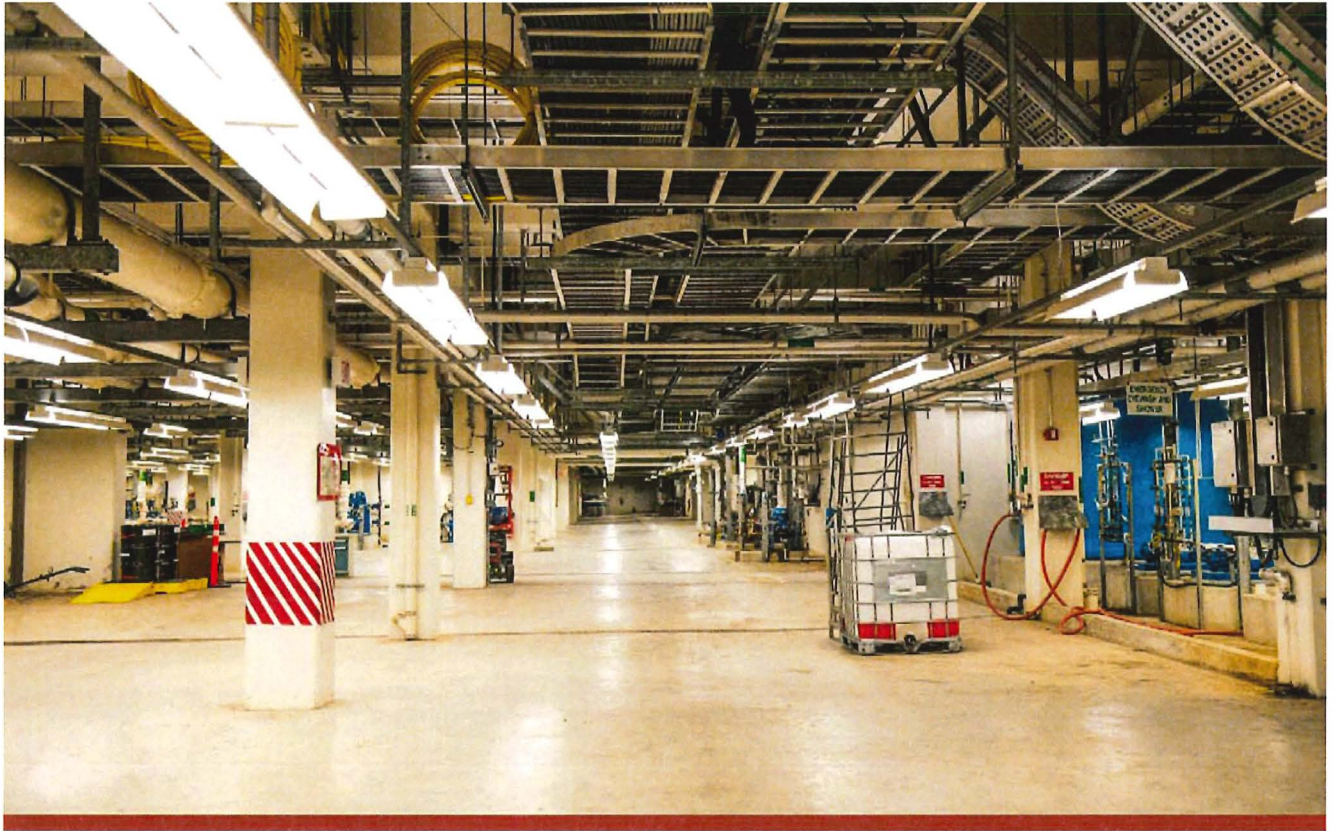
The Strategy's 10 priority actions for early implementation are:

1. **Define 'Trade-Oriented' Lands** – These large sites associated with the transportation of goods to and through the region serve a national function and are crucial to the economy. A clear, consistent and collaboratively-developed definition will support their protection.
2. **Undertake a Regional Land Use Assessment** – Proactively, in collaboration with municipalities, identify the 'best' locations for different types of land uses based on a set of criteria.
3. **Strengthen Regional Policy** – In *Metro 2040*, the regional growth strategy, explore stronger policy measures such as higher voting thresholds to amend the regional Industrial land use designation.
4. **Seek Greater Consistency in Local Government Zoning Definitions and Permitted Uses** – Collectively develop consistent definitions for permitted industrial uses on Industrial lands and seek implementation through municipal plans and bylaws.
5. **Facilitate the Intensification / Densification of Industrial Forms Where Possible** – Promote multi-level industrial buildings or other development forms, by removing regulatory barriers like zoning height and density limits to encourage a more efficient use of the limited land supply; also consider mixed-use on Mixed Employment lands near rapid transit stations.
6. **Prepare Bring-to-Market Strategies for Vacant or Under-Developed Industrial Lands** – Proactively address issues preventing the development of vacant or under-utilized industrial lands, which may have unique site challenges, such as servicing limitations, soil qualities, and ownership assembly.
7. **Ensure Transportation Connectivity** – Critical for industrial businesses, work together to coordinate investment in the transportation network, implement the Regional Goods Movement Strategy, enhance the regional truck route network, and promote efficient container drayage and transit for industrial workers.
8. **Coordinate Strategies for Economic Growth and Investment** – Profile the importance of industrial lands for the economy, and link with municipal economic development objectives and the Metro Vancouver Regional Economic Prosperity Service, to attract investment to the region.
9. **Improve Data and Monitoring** – Update the Metro Vancouver Regional Industrial Lands Inventory to have a better shared understanding of the current land uses and supply, and conduct a Regional Employment Survey.
10. **Develop a Framework for Coordination** – For cross-boundary economic and land use planning matters, work with the adjacent regional districts and the Province to advance coordinated infrastructure investments, land use planning, and economic development.

Taken together, the actions in the Regional Industrial Lands Strategy will help to ensure Metro Vancouver's industrial lands continue to provide an attractive and viable location for industrial businesses to locate, grow and prosper, while supporting the broader economy and community.







## INDUSTRIAL LANDS - FUNCTION AND DEFINITION

Industrial lands are crucial to supporting a prosperous and sustainable economy, and have important linkages with employment, transportation, and taxation matters in this region. Many activities on industrial lands provide for the day-to-day needs of Metro Vancouver's residents and businesses, and contribute to a diversified regional economy.

'Industrial' represents a wide spectrum of uses and intensities, ranging from large distribution and transportation lands, warehouses, manufacturing and processing facilities, to small local-serving production and suppliers, as well as new, emerging technology-driven businesses with integrated work spaces, which all need different types of accommodations and locations to support their operations. Many regional jobs and businesses are also connected to national / international trade through the port and airport, which require industrial lands for the handling of goods.

## ACKNOWLEDGEMENTS

Metro Vancouver would like to thank all participants who contributed to the development of the Regional Industrial Lands Strategy.

The Industrial Lands Strategy Task Force provided core input, direction and guidance. Representatives included:

Appointed elected officials from Metro Vancouver  
BC Ministry of Jobs, Trade and Technology  
Port of Vancouver  
TransLink  
BC Chamber of Commerce  
Agricultural Land Commission  
Urban Development Institute  
Beedie Group  
Value Property Group

### FOR MORE INFORMATION

[metrovancover.org](http://metrovancover.org)

(search 'Regional Industrial Lands Strategy')



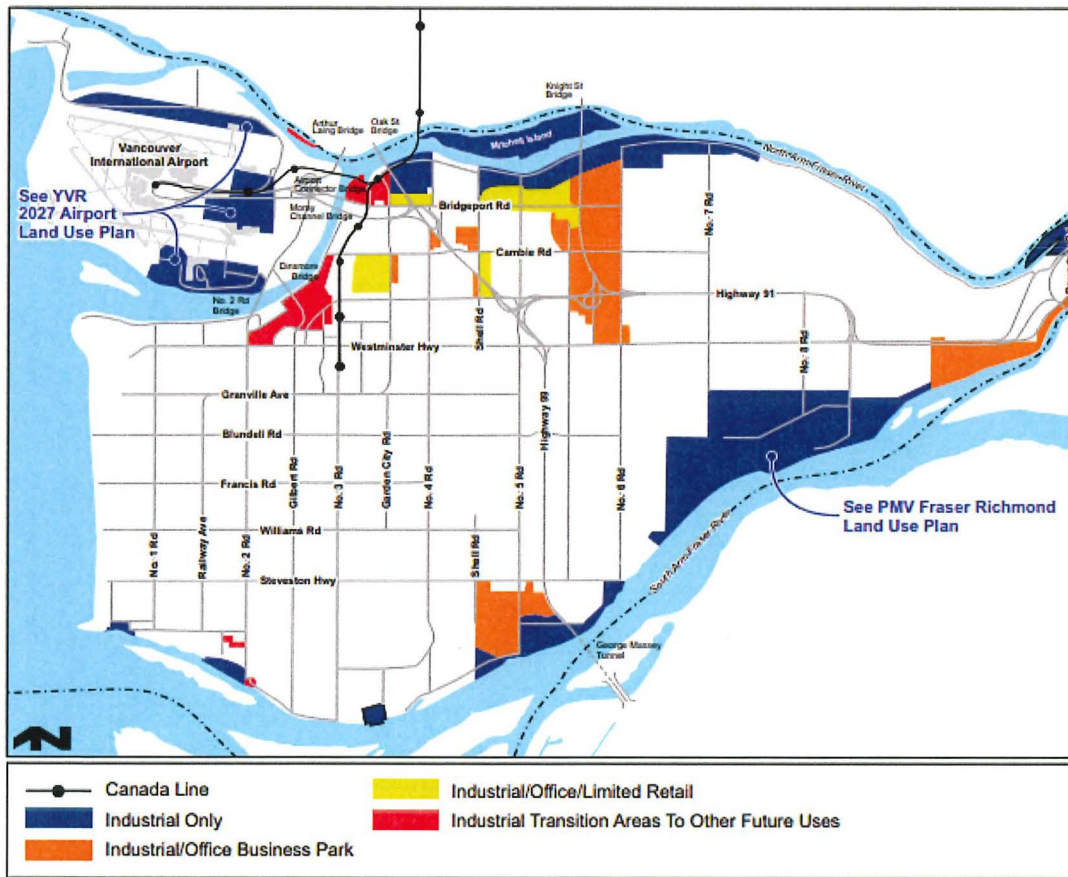
Richmond Industrial Land Use Policies and Regulations

A recurring theme in the City of Richmond’s current Official Community Plan (OCP) is to retain industrial lands and protect employment lands. Industrial land is found under the following land use designations in the OCP:

- **Industrial (includes Port of Vancouver lands):** Those areas of the City where the principal uses provide for the production, manufacturing, processing, assembling, fabrication, storing, transporting, distributing, testing, cleaning, servicing or repair of goods, materials or things. Industrial uses includes the operation of truck terminals, docks and railways, and wholesale business activities. Ancillary offices are only permitted to administer the industrial uses. *Industrial* areas exclude hazardous wastes, retail sales and residential uses, except for caretaker accommodation.
- **Mixed Employment:** Those areas of the City where the principal uses are industrial and stand-alone office development, with a limited range of support services. In certain areas, a limited range of commercial uses are permitted such as the retail sale of building and garden supplies, household furnishings, and similar warehouse goods.

The summary map below indicates the various types of industrial land in Richmond (Source: Chapter 6 [Resilient Economy] in the City’s Official Community Plan).

**Industrial Lands to 2041 Map**



## Industrial Sub-Areas

As indicated in the previous map, most of Richmond’s industrial land can be found on Mitchell Island, around the Knight Street Bridge, Bridgeport Corridor, and along the north arm of the Fraser River. Additional industrial areas are located in the Riverside area immediately south of Ironwood Shopping Centre, and the Graybar area near the Hamilton neighbourhood. There are also two industrial reserves in the City Centre area; Bridgeport Village and Aberdeen Village. There are other land use designations throughout the City that allow for a mix of industrial uses including the *Airport*, *Downtown Mixed Use*, *Limited Mixed Use*, and *Mixed Use*.

## Industrial Zones

In the Zoning Bylaw, the City has twenty (20) zones that regulate industrial land use, including standard and site-specific zones. The 5 standard zones are outlined in the table below.

Zoning District	Description	Total Area
I Industrial	<ul style="list-style-type: none"> <li>This zone provides for heavy industrial uses, as well as a broad range of general industrial uses. No retail or stand-alone office use is permitted.</li> <li>Largely applied to Mitchell Island, Fraser Lands, and selected areas in East Richmond/Hamilton.</li> </ul>	558 ha (1,379 acres). Includes Port of Vancouver lands.
IL Light Industrial	<ul style="list-style-type: none"> <li>This zone provides for a range of general industrial uses. No retail or stand-alone office use is permitted.</li> <li>Largely applied to the Bridgeport Village area, along the north arm of the Fraser River, and selected areas in Riverside/Ironwood area.</li> </ul>	462 ha (1,142 acres).
IB1/IB2 Industrial Business Park	<ul style="list-style-type: none"> <li>This zone provides for a range of general industrial uses and stand-alone office uses. No retail use is permitted. A sub-zone exists (IB2) that is used for rezoning applications in order to implement the City Centre Area Plan.</li> <li>Largely applied to East Cambie, Riverside/Ironwood, and East Richmond/Hamilton areas, and selected areas of the City Centre.</li> </ul>	329 ha (813 acres).
IR1/IR2 Industrial Retail	<ul style="list-style-type: none"> <li>This zone provides for a range of general industrial uses, stand-alone offices, and a limited range of retail uses (e.g., large household home improvement products such as appliances, carpet, and tiles). A sub-zone exists (IR2) that is used for rezoning applications in order to implement the City Centre Area Plan.</li> <li>Largely applied to the Bridgeport Road corridor, West Cambie (Shell, Cambie and Vanguard) areas, and selected areas of the City Centre.</li> </ul>	97 ha (240 acres).
IS/IS1 Industrial Storage	<ul style="list-style-type: none"> <li>This zone provides for storage and shipping uses. IS is for sites used for storage, shipping and industrial uses; IS1 is for sites used for commercial vehicle parking and storage and outdoor storage uses only.</li> </ul>	7 ha (17 acres).

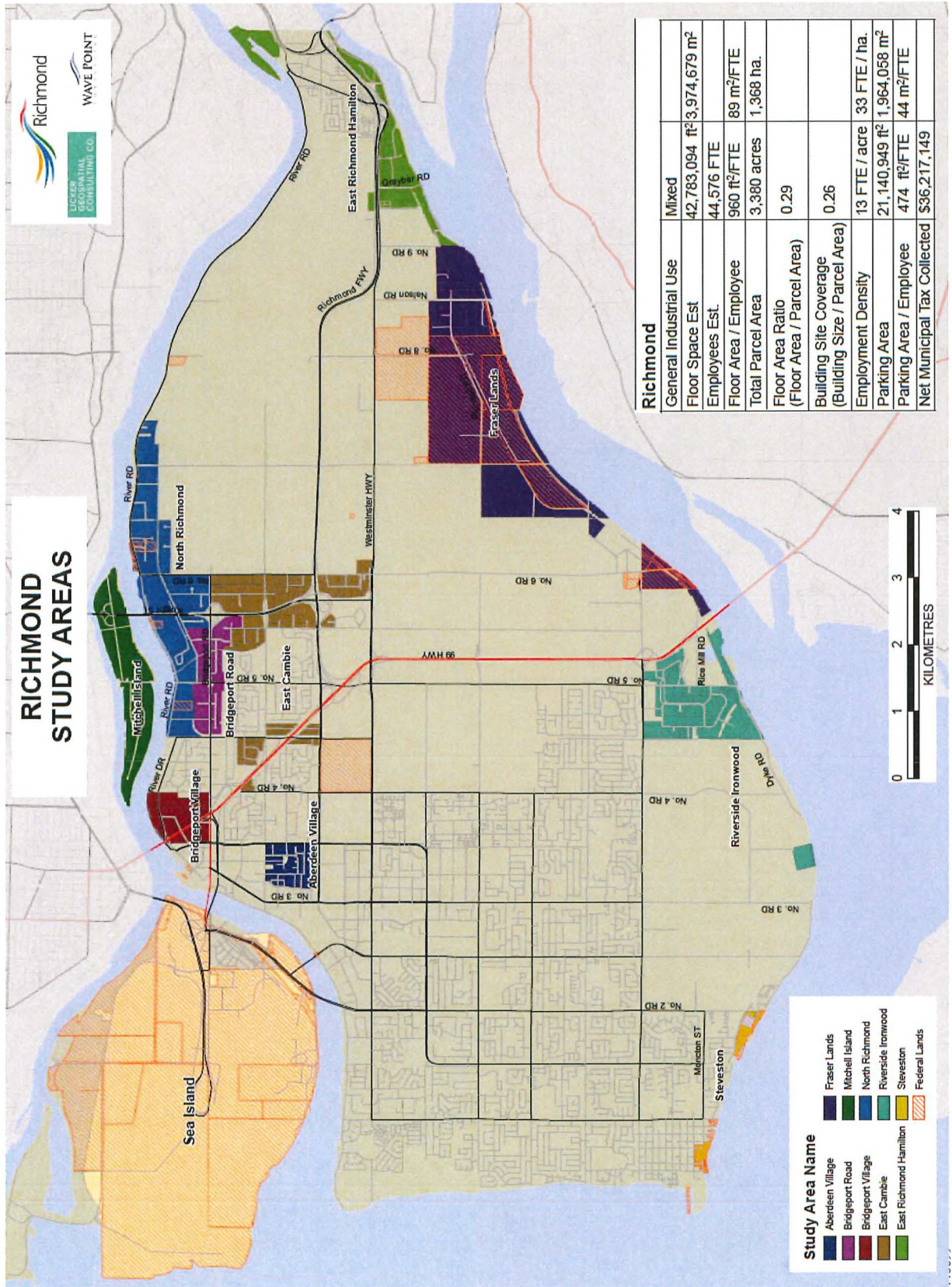
	<ul style="list-style-type: none"> <li>Largely applied to selected sites along the north arm of the Fraser River.</li> </ul>	
--	--	--

There are also fifteen (15) site specific industrial zones that allow for a range of industrial uses and in some cases a mix of industrial and non-industrial uses. This accounts for 30.6 ha (75.6 acres) of additional industrial activity. The site specific industrial zones include the following:

	Site Specific Industrial Zone	Location	Area
Z11	Industrial Limited Retail – Hamilton	Westminster Hwy	1.82 ha (4.5 ac)
Z12	Industrial Limited Retail – Aberdeen Village (City Centre)	Odlin Road & McKim Way	3.02 ha (7.5 ac)
Z13	Industrial Business Park - Crestwood Area (East Cambie)	Wireless Way	4.07 ha (10 ac)
Z14	Industrial Limited Retail - Aberdeen Village (City Centre)	Garden City Road	0.81 ha (2 ac)
Z15	Industrial Business Park and Religious Assembly - Aberdeen Village (City Centre)	Odlin Crescent	0.2 ha (0.5 ac)
Z16	Light Industrial and Banquet Hall - River Road (East Richmond)	Burdette Street	0.82 ha (2 ac)
Z17	Industrial Business Park Limited Retail - Aberdeen Village (City Centre)	Cambie Road	1.36 ha (3.4 ac)
Z18	Light Industrial Limited Office - Bridgeport Road Area	Bridgeport Road	2.13 ha (5.3 ac)
Z19	Industrial Storage - Knox Way (East Richmond)	Knox Way	1.63 ha (4 ac)
Z110	Light Industrial, Office and Hotel - Bridgeport Village (City Centre)	Jow Street	1.14 ha (2.8 ac)
Z113*	Commercial Storage - Cambie Road (City Centre)	Cambie Road	1.18 ha (2.9 ac)
Z115*	Light Industrial - River Road (Bridgeport)	River Road	0.4 ha (1 ac)
Z116*	Light Industrial - Bridgeport Road & Voyageur Way (Bridgeport)	Bridgeport Road & Voyageur Way	2.61 ha (6.4 ac)
Z117*	Industrial and Marina - Graybar Road (East Richmond)	Graybar Road	7.67 ha (18.9 ac)
Z118*	Light Industrial - Shell Road (West Cambie)	Shell Road	1.77 ha (4.4 ac)

\* Currently under Land Use Contract until 2024

Map of Study Areas



**Summary of Industrial Land Intensification Initiative Research**

The Industrial Land Intensification Initiative (ILII) study completed in 2019 examined all lands within the City’s jurisdiction that are designated for *Industrial* or *Mixed Employment* in the City’s Official Community Plan (OCP), and either industrially zoned or with industrial land use contracts. The study area encompassed 3,380 acres (1,368 hectares) grouped into ten sub-areas. A significant portion of the industrial land base in Richmond (784 acres or 23% of the study area) consists of federal land that is managed/owned by the Vancouver Airport Authority and the Port of Vancouver, and is outside the municipal policy framework and jurisdiction. These federal lands were therefore out of scope for the study, although Port lands were included in the data analysis.

The study examined all land parcels designated *Industrial* or *Mixed Employment* in the OCP, where the current zoning is:

- I Industrial
- IL Light Industrial
- IB1/IB2 Industrial Business Park
- IR1/IR2 Industrial Retail
- IS/IS1 Industrial storage
- ZI1-ZI10, ZI13, ZI15, and ZI16 Site Specific Industrial Zones

The study excluded parcels currently zoned for industrial, but not designated as *Industrial* or *Mixed Employment* in the OCP. All parcels within the two Industrial Reserve boundaries in the City Centre were included (Bridgeport and Aberdeen Village Centre).

The table below shows the total land area for each of the ten sub-areas. For some analysis (notably assessments of floor space ratios and site coverage), the total study area was reduced to parcels with a known business record and current industrial zoning. These parcels are referred to as ‘active industrial parcels’ below.

**Table 1: Profile of Ten Sub-Areas**

	Aberdeen Village	Bridgeport Road	Bridgeport Village	East Cambie	East Richmond	Fraser Lands	Mitchell Island	North Richmond	Riverside Ironwood	Steveston
Entire Parcel Area	84 acres	163 acres	130 acres	399 acres	252 acres	1215 acres	293 acres	487 acres	318 acres	39 acres
Active Industrial Parcels	17 acres	152 acres	60 acres	379 acres	192 acres	796 acres	197 acres	434 acres	283 acres	32 acres
OCP Designation	Mixed Employment	Mixed Employment	Mixed Employment & Industrial	Mixed Employment	Mixed Employment & Industrial	Industrial	Industrial	Industrial & Mixed Employment	Mixed Employment & Industrial	Industrial
Primary Zone	IB	IR	IL	IB	IB	I	I	IL	IB	IL

## Key Findings: Current Industrial Utilization

For the purposes of this analysis, the industrial land inventory, as defined by this study, comprises 3,380 acres of land, grouped into ten sub areas. Based on Light Detection and Ranging (LIDAR) interpretation, the land base is classified as follows:

- 882 acres of building footprint,
- 306 acres associated with loading,
- 465 acres for storage,
- 486 acres for parking,
- 286 acres for processing, and
- 973 acres for other/miscellaneous uses.

Approximately 362 acres of the study area lands (10.7%) were classified as being 'functionally vacant'<sup>6</sup>, including those federally owned and controlled by the Vancouver Fraser Port Authority. Some of this land has since been developed, including the western portion of Mitchell Island.

Density and intensity are both important measures of industrial utilization. Industrial land density is the amount of building on a given amount of land while industrial land intensity is the amount of activity on that land. Actual land utilization and intensification can be measured in multiple ways including labour intensity, pay levels, assessed values, site coverage, and floor area ratio. A list of density and intensity measures assessed in this study are as follows:

### Intensity:

- Employees per land area or per building (labour intensity).
- Business revenue / profit per area (value generated per unit of land or building).
- Pay of jobs (pay levels).
- Value of lands and improvements (assessed values, building-to-land ratios).

### Density:

- Building floor area ratio (building floor space divided by lot area).
- Building site coverage (building floor plate/coverage divided by lot area).
- Number of floors (different potential upper floor uses).

Table 2 shows the overall utilization of Richmond's industrial land, with more specific utilization characteristics analyzed in subsequent sections.

---

<sup>6</sup> Criteria for identifying 'functionally vacant' parcels: Building footprint < 100m<sup>2</sup> & Improvement value < \$10,000 & No employees on parcel & Not a ROW.

**Table 2: Overall Characteristics of Richmond's Industrial Land**

Floor Space Est.	42,783,094 ft <sup>2</sup>	3,974,679 m <sup>2</sup>
Employees Est.	44,576 FTE	
Floor Area / Employee	960 ft <sup>2</sup> /FTE	89 m <sup>2</sup> /FTE
Total Parcel Area	3,380 acres	1,368 ha.
Floor Area Ratio (Floor Area / Parcel Area)	0.29	
Building Site Coverage (Building Size / Parcel Area)	0.26	
Employment Density	13 FTE / acre	33 FTE/ha.
Parking Area	21,140,949 ft <sup>2</sup>	1,964,058 m <sup>2</sup>
Parking Area / Employee	474 ft <sup>2</sup> /FTE	44 m <sup>2</sup> /FTE
Net Municipal Tax Collected	\$36,217,149	

**a) Building Densities**

None of the sub-areas studied currently achieve the maximum allowable density – they have a floor area ratio (FAR) and site coverage that is well below the maximums permitted in the applicable industrial zones. This is due to functional site requirements as well as the land economics associated with more intense forms of development and redevelopment. The study showed that multi-level industrial buildings for example were not likely to be financially feasible under current market conditions; specifically, rents are not high enough to support the additional construction costs. Multi-level industrial development would only be viable if the land price were significantly lower than current market values, or some scenarios demonstrated a negative residual land value. Recent industry reports suggest this may be shifting, and there is currently a 707,000 square foot multi-level warehouse project in development in Burnaby as well as a 600,000 square foot mixed use multi-level industrial and office building proposed for South Vancouver. Richmond has recently approved a 204,000 square foot multi-level stacked warehouse building on Vanguard Road.

The maximum permitted lot coverage is 60%, except in the City Centre where it is 80% for the Light Industrial zone and 90% for the Industrial Business Park zone. The permitted base density for industrial developments is 1.0 FAR in all three districts, except in the City Centre where it is 1.2 FAR in Light Industrial and Industrial Business Park districts.

Meanwhile, the overall average building site coverage achieved city-wide is 0.26, and the overall floor area ratio is 0.29. However, building densities do vary considerably by geographic sub-area. For example, the floor area ratio is highest at 0.90 in Aberdeen Village and lowest at 0.05 in Steveston. The average construction date of industrial buildings is 1986 (32 years old), suggesting an opportunity for some older and possibly obsolete buildings to be redeveloped at higher densities, as the inventory of buildings becomes functionally obsolete.

The analysis contained in Figure 3 suggests that density provisions in Richmond's zoning bylaw are not the main limiters of industrial densification. Instead, other factors, such as the surrounding area, location, functional site requirements, market forces, values, and financial viability influence the type of industrial building and activity that is occurring on the land base. For example, multi-level industrial buildings are considerably more expensive to construct than



conventional single-level structures. Consequently, higher tenant rents would be required to support higher construction costs. In other cases, increased density is limited by regulatory and functional requirements for parking, loading, and setbacks/landscaping.

**Table 3: Sub Area FAR Analysis**

Sub-Area / Zone	Predominant Zone of Area	Average FAR	Zone Max FAR	'Gap' (Max minus Avg)	Average Site Coverage	Zone Max Site Coverage	'Gap' (Max minus Avg)
Aberdeen Village	Industrial Retail	0.84	1.20	0.36	0.54	0.90	0.36
	Industrial Business Park	1.06	1.20	0.14	0.35	0.90	0.55
Bridgeport Road	Industrial Retail	0.57	1.00	0.43	0.44	0.60	0.16
Bridgeport Village	Light Industrial	0.40	1.20	0.80	0.31	0.80	0.49
East Cambie	Industrial Business Park	0.62	1.00	0.38	0.41	0.60	0.19
East Richmond Hamilton	Industrial Business Park	0.51	1.00	0.49	0.36	0.60	0.24
	Light Industrial	0.22	1.00	0.78	0.15	0.60	0.45
Fraser Lands	Industrial (Port Lands)	0.19	1.00	0.81	0.18	0.60	0.42
Mitchell Island	Industrial	0.34	1.00	0.66	0.25	0.60	0.35
North Richmond	Light Industrial	0.48	1.00	0.52	0.39	0.60	0.21
Riverside Ironwood	Industrial Business Park	0.74	1.00	0.26	0.43	0.60	0.17
	Light Industrial	0.48	1.00	0.52	0.31	0.60	0.29
Steveston	Light Industrial (Port Lands)	0.20	1.00	0.80	0.19	0.60	0.41

**b) Employment Profile**

Of the 120,000 jobs generated by more than 13,000 businesses in Richmond, 37% of this employment – over 44,000 Full Time Equivalent (FTE) jobs – is located on industrial land. 4,460 businesses are located on 42.7 million square feet of building floor space on industrial lands. The overall employment density across industrial zones is calculated at 960 sq. ft. of building floor area per employee, and 13 employees per acre of land.

Five of the ten sub-areas studied – East Cambie, North Richmond, Riverside/Ironwood, East Richmond, and Bridgeport Road – account for over 80% of the total industrial employment. The amount of employment and employment intensity varies greatly by geographic sub-area: it is highest at 70 employees per acre in Aberdeen Village (noting it is substantially commercial), followed by East Cambie, Bridgeport Road, Riverside Ironwood, and East Richmond, and lowest at under 5 employees per acre in Fraser Lands and Steveston.

Among the City’s industrial zones, Industrial Business Park (IB) accounts for the largest share of employment, followed by Light Industrial (IL), Industrial Retail (IR), and Industrial Storage (IS). For employment intensities by zone, intensities are highest in Industrial Business Park (IB) zones and lowest in Industrial (I) zones, as detailed below.

Zone	Employment Density
Industrial Business Park (IB)	32 jobs per acre
Industrial Retail (IR)	24 jobs per acre
Light Industrial (IL)	12 jobs per acre
Industrial (I)	5 jobs per acre

The following section elaborates on the types of businesses and permitted uses in industrial zones, as well as other measures of utilization.

### **c) Permitted Uses**

Market pressures for industrial land in urban areas generally push towards the economically highest and best uses (i.e. commercial), unless regulated by government policies. Industrial intensification means more productive and efficient industrial activities on industrial lands. Office, retail and other commercial uses beyond those needed as accessory / ancillary functions for industrial businesses are not considered industrial intensification / densification. These other uses and forms may allow for greater commercial intensity and more jobs, but are not industrial uses and may have negative secondary impacts on industrial users in the area.

Although non-industrial activities (e.g. indoor recreation and animal grooming) on industrial land can sometimes meet local needs, they also affect land supply for industrial users by driving land prices and lease rates upward, which erodes the economic viability for industrial users. They can also introduce new land use conflicts such as increased commuter traffic in industrial zones and additional strain on services and infrastructure that was not designed for these uses. However, in some circumstances and locations, such as transport nodes, commercial businesses can be a complementary activity and serve as amenities to industrial land users and their employees.

In Richmond permitted uses found in the standard industrial zones were allocated into three general categories to aid in the analysis of current industrial land utilization: 'Traditional Industrial', 'Non-Traditional Industrial', and 'Non-Industrial'. In total, it was estimated that approximately 72% of the industrial building floor space, 56% of businesses and 61% of industrial jobs are in the 'Traditional Industrial' category. Many of the existing permitted uses on Richmond's industrial lands (both those that are designated *Industrial* and *Mixed Employment* in the OCP) are of a non-industrial business nature, including 24% designated as office use.

Aberdeen Village and East Cambie have significant amounts of 'Non-Industrial' jobs, while the proportion of 'Traditional Industrial' jobs is very high in Fraser Lands, Mitchell Island, and North Richmond, with relatively modest amounts of 'Non-Traditional Industrial' jobs in most of the geographies.

### **d) Real Estate Market Trends**

While the current pandemic has unfortunately prevented many people from being able to work in commercial office and retail environments, the same cannot be said in industrial buildings. Many of the most active businesses during these unprecedented times are logistics and e-commerce operations, which have been able to continue operating while respecting physical distancing guidelines.

Industrial space has been and likely will remain one of the strongest real estate asset classes coming out of COVID-19. Construction costs continue to increase based on code changes, labor and material costs as does industrial land based on its scarcity. This is countered somewhat on strata industrial and industrial development based on owner-occupier financing as well as

development financing at relatively low rates. Vacancy rates are expected to remain low even with potential COVID-19 related business failures.

Land sales values per acre pre-COVID-19 were continuing to increase and the market will determine where this goes for the balance of the year. However, even over the past few months, there have been numerous significant new and renewal lease transactions in Richmond and other markets at pre-COVID-19 market rates. This suggests that the market remains strong, even as business models change to meet new health and safety rules and market opportunities.

### Drivers of Demand

Metro Vancouver is still showing a strong industrial forecast across all asset types and market areas. There are a few notable trends driving demand for existing and new forms of industrial space. Population and business growth, the globalization of supply chains, on-demand manufacturing, e-commerce, a more localized food system and process automation are all shaping the future needs of industrial space in the region and in Richmond.

Richmond's economy is diverse and, because of significant economic assets such as the Vancouver International Airport and Port of Vancouver's Richmond Logistics Hub, serves as an international shipping gateway for both exports and imports and has a distinct competitive advantage in goods and people movement sectors such as transportation, warehousing, logistics, manufacturing, wholesale trade, and tourism - which all generate significant demand for industrial land. Many of the firms in these sectors serve not only the growing local and regional population but are engaged in North American and international trade.

The demand for mega-distribution and e-commerce logistics facilities is growing in North America and globally with the surge of online shopping. These new forms of intense industrial development seek space near population centers due to the trend in consumer demand for rapid delivery. Developers are making these types of warehouses taller to maximize space and hold more inventory. In the 1960s, warehouses averaged roughly 24 feet in ceiling height, but that average has now jumped to 36 feet and higher in many cases. Large land parcels and labour availability are needed to support this activity, both of which are constrained in Metro Vancouver.

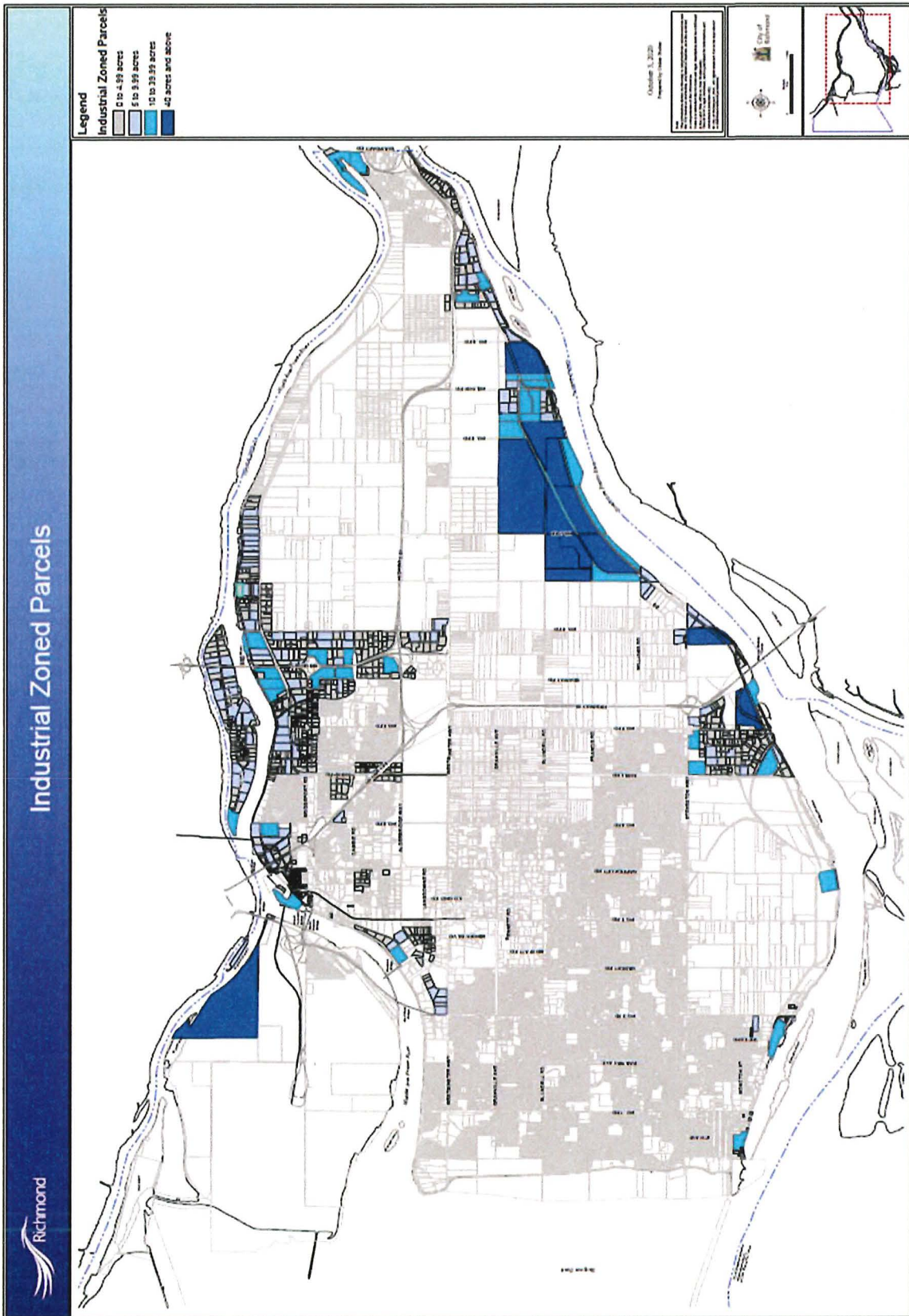
Evolving business models in response to e-commerce and technology are placing increasing importance on the need for integrated space where design, manufacturing, distribution, and showroom/retail activities can occur within a single building. Meanwhile, employment-dense users such as those in Industrial Business Park (IB) zoned locations desire space that is in urban centres close to rapid transit, restaurants and other amenities.

Multi-level buildings tailored to smaller scale industrial businesses, such as flex space with higher site coverage and expanded second floor mezzanine space, can accommodate a variety of light industrial and industrial-commercial uses, with relatively high densities and intensities.

An important finding is that significant industrial land intensification is occurring in the private sector as new industrial capital investments often leverage existing and emerging technologies to

either scale output or increase value-added production. However, modern logistics facilities require increased ceiling height, large size land parcels and effective multi-modal transportation networks to be most productive. As traditional general and light industrial land is redeveloped into these new types of industrial facilities, it may cause some businesses to relocate outside of Richmond rather than face higher occupancy costs associated with new, more intensely developed buildings.

Richmond's challenge is to ensure a balanced mix of industrial lands which accommodate both traditional light and general industrial users, as well as new forms of industrial businesses and developments.



**Industrial Reserves in the City Centre**

City of Richmond

**2.2.1 Industry**

Industry is a key component of a diverse and viable urban centre, providing services and jobs that support both downtown and broader community objectives. Industry includes:

- **processing, distribution, and repair (PDR) industries** that directly serve downtown commercial and public sector businesses and residents;
- **progressive sectors** (e.g., knowledge-based industries) that prefer urban locations that better meet the needs of their workers and help to reduce their “environmental footprints”;
- **emerging and new technologies** that can readily adapt to denser, more urban building types and ways of doing business.

**Challenge/Opportunity**

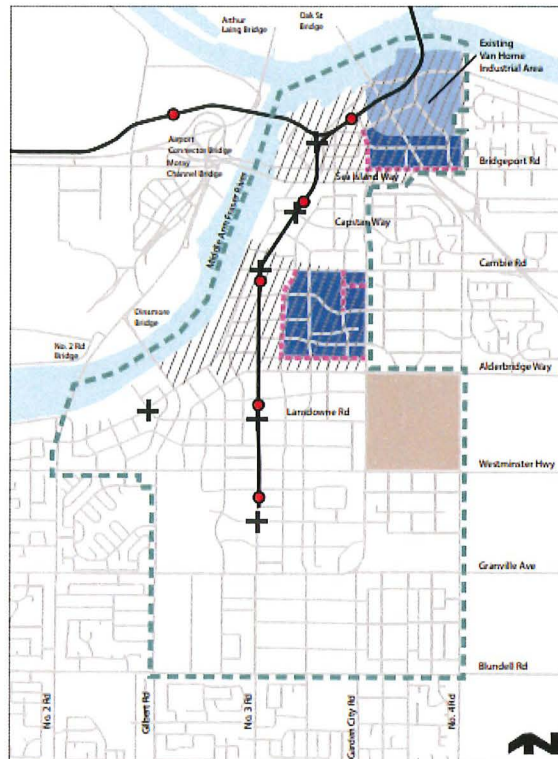
Rising land costs, spurred on by residential and commercial demand, are pricing industry out of Metro Vancouver’s urban centres; however, growing numbers of light industrial businesses and workers are becoming dissatisfied with remote, car-dependent locations and are seeking cost-effective, urban alternatives offering better proximity to amenities, transit, and housing.

**Proposed Strategy**

The establishment of a 90 ha (223 ac. est.) “Industrial Reserve” intended to supply and protect industrial lands from competing uses and support their gradual densification and adaptation to changing market conditions.

**Designated “Industrial Reserve” Areas Map**

Bylaw 8841  
2013/02/12



— City Centre Boundary	/// Housing Restricted due to Aircraft Noise, Traffic & Other Impacts
● Canada Line	
⊕ Village Centre	
■ Garden City Lands (Further Study Required)	

Area	Predominant Uses	Maximum Density Floor Area Ratio (FAR)	Approximate Richmond Zoning District Equivalents
Light Blue	Light Industry	1.2	*Light Industrial District (I2)*
Dark Blue	Light Industry & Office	1.2, provided that non-industrial uses do not exceed 50% of total floor area (excluding parking) and retail uses are limited to specified street frontages*.	*Business Park Industrial District (I3)*
Pink	Light Industry, Office & Retail	1.2, provided that non-industrial uses do not exceed 50% of total floor area (excluding parking) and retail uses are limited to specified street frontages*.	*Limited Industrial Retail District (I4)*

\* Additional density permitted under some conditions.



**Richmond Official Community Plan Bylaw 9000,  
Amendment Bylaw 10180  
(Industrial Lands Intensification Initiative)**

The Council of the City of Richmond, in open meeting assembled, enacts as follows:

1. Richmond Official Community Plan Bylaw 9000, as amended, is further amended at Section 6.1 Multi-Objective Employment Lands Policies, Objective 1: Asia-Pacific Gateway, by deleting policy l) and replacing it with the following:

“l) consider increasing density for multi-storey industrial buildings provided that the following criteria is met:

- a maximum floor area ratio of 1.5 provided this is for industrial uses (e.g. heavy and general industrial);
- a minimum site area of 2.5 ha (6.2 acres) to allow efficient truck access and truck and vehicle ramping (the minimum site area may be reduced if demonstrated that a smaller site area is feasible);
- the site should be located within a 1-kilometre access point to a major road network or Provincial highway to facilitate efficient vehicle and truck movement;
- the site should not be located within 100m (328 ft.) of a residentially zoned lot
- corner lots are discouraged as any visible exterior ramping for trucks and vehicles should be from the interior side yard or rear yard; and
- transportation (e.g., truck access and egress) and servicing issues (e.g., water, sewer, drainage) have been addressed through the rezoning application process.”

2. Richmond Official Community Plan Bylaw 9000, as amended, is further amended at Section 6.2 Objective Specific Employment Lands Policies, Objective 1: Asia-Pacific Gateway, by inserting the following policy immediately after policy r):

“s) do not encourage retail sales in the Industrial (I) and Light Industrial (IL) zones, but allow limited retail (e.g., 15% of the overall floor area up to a maximum of 500 m<sup>2</sup> [5,382 ft<sup>2</sup>]) for mixed employment business parks in the Industrial Business (IB) and Industrial Retail (IR) zones, or in site-specific zones which permit a mix of industrial and employment uses, provided the retail is ancillary to manufacturing uses only;”

3. Richmond Official Community Plan Bylaw 9000, as amended, is further amended at Section 14.0 Development Permit Guidelines, by:

a) inserting the following in Section 14.1.5 Development Permit Area Designations:

- “● all industrial sites with two or more storeys that have exterior vehicular access to upper storeys.”

b) inserting the following after h) in Section 14.6.1 Adjacent Uses (Edge Conditions):

- “● for all industrial sites that have two or more storeys with exterior vehicular access to upper storeys, they shall be located no closer than 100m of a residentially zoned site, have good access to truck routes and the Provincial highway network. Corner lots are to be discouraged as any visible exterior ramping for trucks and vehicles should be from the interior side yard setback or the rear yard setback.”

c) inserting the following after d) in Section 14.6.2 Circulation and Parking:

- “e) For industrial development with two or more storeys that have exterior vehicular access to upper storeys:
  - The number and size of access driveways to the site should be limited to minimize impact on sidewalks and the public realm.
  - Exterior ramping should be from the interior side yard setback or the rear yard setback
  - Design loading/parking areas to maximize flexibility, to adapt and to accommodate changing industrial uses and practices.”

d) inserting the following after k) in Section 14.6.3 Building Scale and Form:

- “l) For industrial development with two or more storeys that have exterior vehicular access to upper storeys:
  - Encourage vertical stacking of industry and production spaces.
  - Building height elements over 12 m in height are to be oriented with consideration of daylight and solar performance, architectural expression and impact on adjacencies.
  - Reduce physical and visual bulk and massing for building elements with height over 12 m by stepping back the portion of the building above 12 m from the street frontage.
  - Encourage architectural and facade articulation (eg. transparent views through to on-site uses and connections, building recesses, clerestory windows at upper storey, etc.).



- Visible vehicle ramps are to be architecturally treated.”

e) inserting the following after n) in Section 14.6.4. Site Planning and Landscaping:

“o) For industrial development with two or more storeys that have exterior vehicular access to upper storeys:

- Yard setback areas should be raised no more than 0.5 m (1.64 ft.) above adjacent public sidewalks; low retaining walls in front yards along the street should not be higher than 0.5 m (1.64 ft.). In yards that abut public spaces, landscaped terraces no greater than 0.5 m (1.64 ft.) in height and no less than 0.75 m (2.46 ft.) deep should be used to reach the new grade.
- Visible exterior vehicle ramps shall be setback and screened by a minimum of 5 m layered landscaped treatment including vertical screening while providing strategic visual access to entries and access areas.”

4. This Bylaw may be cited as **“Richmond Official Community Plan Bylaw 9000, Amendment Bylaw 10180”**.

FIRST READING

PUBLIC HEARING

SECOND READING

THIRD READING

ADOPTED

JAN 11 2021

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_



\_\_\_\_\_  
MAYOR

\_\_\_\_\_  
CORPORATE OFFICER



---

**Richmond Zoning Bylaw 8500  
Amendment Bylaw 10181  
(Industrial Land Intensification Initiative)**

The Council of the City of Richmond, in open meeting assembled, enacts as follows:

1. Richmond Zoning Bylaw 8500, as amended, is further amended at Section 3.4 [Use and Term Definitions] by:

- a) inserting the following definition in the correct alphabetical location:

**“Industrial, manufacturing** means the use of **buildings** or **structures** that are primarily used for the making of goods by hand or by machine. This **use** includes **ancillary** office space provided it is only used to administer the industrial **use**, and is not a stand-alone office space.

**Industrial, warehouse** means the use of **buildings** or **structures** for the storage and distribution of goods in large quantities by a warehouse operator, a distributor, a manufacturer or a supplier, and also includes e-commerce logistics facilities, but does not include **retail, general**. This **use** includes **ancillary** office space provided it is only used to administer the industrial **use**, and is not a stand-alone office space.

**Retail, showroom** means the use of **buildings** or **structures** which displays products for retail sale, similar to **warehouse sales**, but does not stock the majority of the inventory on site, does not sell goods and products that are manufactured on site, and uses the majority of the floor area for product display. This **use** includes **ancillary** office space provided it is only used to administer the industrial **use**, and is not a stand-alone office space.”

- b) deleting the definition of **‘Industrial, general’** in its entirety and replacing it with the following:

**“Industrial, general** means the processing, storage, assembly, fabrication, distribution, cleaning, servicing, repairing or testing and manufacturing of materials or equipment for institutions, industrial or commercial **businesses** for their direct **use** or for resale to individual business customers but not the general

public, where the activities are wholly enclosed within a **building** or **buildings**, and this **use** does not include other **uses** defined separately. This **use** includes **ancillary** office space provided it is only used to administer the industrial **use**, and is not a stand-alone office space.”

- c) deleting the definition of **‘Industrial, heavy’** in its entirety and replacing it with the following:

**“Industrial, heavy** means the processing, storage, distribution, cleaning, servicing, repairing or testing and manufacturing of materials or equipment for institutions, industrial or commercial **businesses** for their direct **use** or for resale to individual business customers but not the general public, and includes those **developments** which may have a significant detrimental effect on the safety, use, amenity, enjoyment of **adjacent** or nearby **sites** due to appearance, noise, odour, emission of contaminants, fire or explosive hazards, or dangerous goods such as a sawmill, planing mill, veneer and plywood plant, wood preserving plant, brewing or distilling plant, paint manufacturing plant, carpet mill, and iron or steel foundry, but does not include other **uses** that are defined separately or hazardous waste and outdoor demolition waste transfer stations. This **use** includes **ancillary** office space provided it is only used to administer the industrial **use**, and is not a stand-alone office space.”

- 2. Richmond Zoning Bylaw 8500, as amended, is further amended at Section 7.7 [Parking Spaces Required] by:

- a) inserting the following in the correct alphabetical location in Table 7.7.2.3 General Parking Requirements:

Use	Minimum number of Parking Spaces Required
<b>“Warehouse industrial</b>	0.56 spaces per 100.0m <sup>2</sup> of <b>gross leasable floor area of building</b>
<b>Retail, showroom</b>	2 spaces per 100.0m <sup>2</sup> of <b>gross leasable floor area of building”</b>

- b) deleting **‘General and Heavy Industrial’** and the associated parking requirements and replacing it with the following in the correct alphabetical location in Table 7.7.2.3 General Parking Requirements:

Use	Minimum number of Parking Spaces Required
<b>“Industrial, general</b>	0.75 spaces per 100.0m <sup>2</sup> of <b>gross leasable floor area of building</b>

<b>Industrial, heavy</b>	1 space per 100.0m <sup>2</sup> of <b>gross leasable floor area of building</b>
<b>Industrial, manufacturing</b>	0.75 spaces per 100.0m <sup>2</sup> of <b>gross leasable floor area of building</b>

3. Richmond Zoning Bylaw 8500, as amended, is further amended at Section 7.9 [Provision of Parking in City Centre] by deleting Table 7.9.5.1 General City Centre Parking Requirements and replacing it with the following:

“Table 7.9.5.1 General City Centre Parking Requirements

<b>Use</b>	<b>Zone 1</b>	<b>Zone 2</b>	<b>Zone 3</b>
<b>University Education</b>	25% reduction from the minimum parking requirements identified in Section 7.7.	20% reduction from the minimum parking requirements identified in Section 7.7	10% reduction from the minimum parking requirements identified in Section 7.7
<b>Industrial, general Industrial, manufacturing Industrial, warehouse Retail, showroom</b>	15% reduction from the minimum parking requirements identified in Section 7.7		
<b>For All Other Uses</b>	15% reduction from the minimum parking requirements identified in Section 7.7	5% reduction from the minimum parking requirements identified in Section 7.7	the minimum parking requirements identified in Section 7.7”

4. Richmond Zoning Bylaw 8500, as amended, is further amended at Section 12.1 [Industrial (I)] as follows:

- a) by adding the following permitted use under Section 12.1.2 (Permitted Uses) in the correct alphabetical location:

“● **industrial, manufacturing**”; and

“● **industrial, warehouse**”

- b) by deleting sub-section 1 under Section 12.1.5 (Permitted Lot Coverage) and replacing it with the following:

“1. The maximum **lot coverage** is 75% for **buildings.**”

- c) by deleting sub-section 1 under Section 12.1.7.1 (Permitted Heights) and replacing it with the following:
- “1. The maximum **height** for **buildings** is 16.0 m, and 12.0 m for all buildings that are less than 50.0 m from a residentially zoned **lot**.”
- d) by deleting sub-section 1, 2 and 3 under Section 12.1.8 (Subdivision Provisions/Minimum Lot Size) and replacing them with the following:
- “1. There is no minimum **lot width, lot depth, or lot area** requirement.”
5. Richmond Zoning Bylaw 8500, as amended, is further amended at Section 12.2 [Light Industrial (IL)] as follows:
- a) by adding the following permitted use under Section 12.2.2 (Permitted Uses) in the correct alphabetical location:
- “● **industrial, manufacturing**”; and
  - “● **industrial, warehouse**”
- b) by deleting sub-section 1 under Section 12.2.5 (Permitted Lot Coverage) and replacing it with the following:
- “1. The maximum **lot coverage** is 75% for **buildings**, except in the **City Centre** where the maximum **lot coverage** is 80% for **buildings**.”
- c) by deleting sub-section 1 under Section 12.2.7 (Permitted Heights) and replacing it with the following:
- “1. The maximum **height** for all **buildings** is 16.0 m, and 12.0 m for all buildings that are less than 50.0 m from a residentially zoned **lot**. Additional **building height** may be permitted through the development permit or development variance permit process to a maximum **height** for **buildings** of 35.0 m. Notwithstanding the above, any **building** within 30.0 m of the Oak Street Bridge shall not exceed a **building height** that of the bridge deck.”
- d) by deleting sub-section 1, 2 and 3 under Section 12.2.8 (Subdivision Provisions/Minimum Lot Size) and replacing it with the following:
- “1. There is no minimum **lot width, lot depth, or lot area** requirement.”
6. Richmond Zoning Bylaw 8500, as amended, is further amended at Section 12.3 [Industrial Business Park (IB)] as follows:
- a) by adding the following permitted use under Section 12.3.2 (Permitted Uses) in the correct alphabetical location:
- “● **industrial, manufacturing**”

- “● **industrial, warehouse**”; and
  - “● **microbrewery, winery and distillery**”
- b) by adding the following permitted use under Section 12.3.3 (A. Secondary Uses) in the correct alphabetical location:
- “● **retail, general**”
- c) by deleting sub-section 1 under Section 12.3.5 (Permitted Lot Coverage) and replacing it with the following:
- “1. The maximum **lot coverage** is 75% for **buildings**, except in the **City Centre** where:
    - a) the maximum **lot coverage** is 90% for **buildings**; and
    - b) the maximum **building envelope** shall not exceed 650.0 m<sup>2</sup> if the **building** has a maximum **height** of more than 25.0 m.”
- d) by deleting sub-section 1 under Section 12.3.7 (Permitted Heights) and replacing it with the following:
- “1. The maximum **height** for all **buildings** is 16.0 m, and 12.0 m for all buildings that are less than 50.0 m from a residentially zoned **lot**. Additional **building height** may be permitted through the development permit or development variance permit process to a maximum **height** for **buildings** of 35.0 m.
  - 2. Notwithstanding sub-section 12.3.7.1 above, in the **City Centre**, the maximum **height** for **buildings** is 25.0 m, however additional **building height** may be permitted through the development permit or development variance permit process to a maximum **height** for **buildings** of 35.0m.
  - 3. Notwithstanding sub-sections 12.3.7.1 and 12.3.7.2 above, within 50.0 m of Bridgeport Road the maximum **height** for **buildings** is 35.0 m.
  - 4. The maximum **height** for **accessory structures** is 20.0 m.”
- e) by deleting sub-section 1 under Section 12.3.8 (Subdivision Provisions/Minimum Lot Size) and replacing it with the following:
- “1. There is no minimum **lot width** requirement.”
- f) by inserting the following as new sub-section 12.3.11.10 and renumbering the existing sub-section 12.3.11.10 as sub-section 12.3.11.11:
- “10. The sale of products or manufactured items to the general public is a permitted **secondary use** for **industrial, manufacturing uses** only, and is

limited to 15% of the total **gross floor area**, up to a maximum **floor area** of 500m<sup>2</sup>, of the **business**.”

7. Richmond Zoning Bylaw 8500, as amended, is further amended at Section 12.4 [Industrial Retail (IR)] as follows:
- a) by adding the following permitted use under Section 12.4.2 (Permitted Uses) in the correct alphabetical location:
- “● **industrial, manufacturing**”;
  - “● **industrial, warehouse**”
  - “● **microbrewery, winery and distillery**”; and
  - “● **retail, showroom**”
- b) by deleting sub-section 1 under Section 12.4.5 (Permitted Lot Coverage) and replacing it with the following:
- “1. The maximum **lot coverage** is 75% for **buildings**, except in the **City Centre** where:
- a) the maximum **lot coverage** is 90% for **buildings**; and
  - b) the maximum **building envelope** shall not exceed 650.0 m<sup>2</sup> if the **building** has a maximum **height** of more than 25.0 m.”
- c) by deleting sub-section 1 under Section 12.4.7 (Permitted Heights) and replacing it with the following:
- “1. The maximum **height** for all **buildings** is 16.0 m, and 12.0 m for all buildings that are less than 50.0 m from a residentially zoned **lot**. Additional **building height** may be permitted through the development permit or development variance permit process to a maximum **height** for **buildings** of 35.0 m.
2. Notwithstanding sub-section 12.4.7.1, in the **City Centre**, the maximum **height** for **buildings** is 25.0 m, however additional **building height** may be permitted through the development permit or development variance permit process to a maximum **height** for **buildings** of 35.0m.
3. Notwithstanding sub-sections 12.4.7.1 and 12.4.7.2, within 50.0 m of Bridgeport Road the maximum **building height** shall be 35.0 m.
4. The maximum **height** for **accessory structures** is 20.0 m.”
- d) by inserting the following as new sub-section 12.4.11.9 and renumbering the existing sub-section 12.4.11.9 as sub-section 12.4.11.10:

“9. The sale of products or manufactured items to the general public is a permitted **secondary use** for **industrial, manufacturing uses**, and is limited to 15% of the total **gross floor area**, up to a maximum **floor area** of 500m<sup>2</sup>, of the **business**.”

8. This Bylaw may be cited as “**Richmond Zoning Bylaw 8500, Amendment Bylaw 10181**”.

FIRST READING

PUBLIC HEARING

SECOND READING

THIRD READING

ADOPTED

JAN 11 2021




---



---



---



---



---

\_\_\_\_\_  
MAYOR

\_\_\_\_\_  
CORPORATE OFFICER