



CITY OF RICHMOND

REPORT TO COMMITTEE

TO: Community Services Committee
FROM: David McLellan
General Manager, Urban Development

DATE: December 3, 1999
FILE: 1000-14-040

RE: Riparian Consent for Auto Wrecking Use at 17871 River Road

STAFF RECOMMENDATION

That the request to grant riparian consent for Auto Wrecking Use at 17871 River Road be denied.

David McLellan
General Manager, Urban Development

Att. 2

STAFF REPORT

ORIGIN

The City has received a request for riparian consent to utilize property at 17871 River Road for an auto wreckers yard. The parcel they intend to utilize is a filled water lot which would be leased from the North Fraser Port Authority. The City owns the waterfront parcel adjacent to the water lot, hence it would have to grant the riparian rights prior to issuance of a lease for the site.

FINDINGS OF FACT

Land Information

Lots 9 and 10, purchased by the City from MacMillan Bloedel in 1993, are in fact thin strips of land which physically run directly alongside River Road, and are about 12 to 15 feet wide. They essentially form the front forecourt of the auto wrecking business.

Lots 9 and 10 are zoned AG1 (Agricultural), and are designated Environmentally Sensitive (ESA).

MacMillan Bloedel was granted a right of way for riparian rights at the time of the City's acquisition. They have the right to use the water lot for log storage, without obtaining the City's prior consent, and without payment to the City.

Upland Owner's Consent/User Information

Dick's Auto Wrecking was paying rent to MacMillan Bloedel, plus a portion of the property taxes applicable. Shortly after the agreement was assigned to the City, it terminated. A new agreement was drawn up in 1994 (running to August 1999) for an annual rent of \$1,300.00 for use of Lot 9 and portion of Lot 10, and the Upland Owner's consent for Dick's continued use of the filled water lot was included in this amount. In addition, they were required to pay property taxes. Dick's was also required to rent the filled portion of water lot from the Port Authority.

In December 1995, Tim Frank sold his business to Paul Pappas, who retained the business name of Dick's Auto Wrecking. The City confirmed that the Upland Owner's Consent agreement could be assigned to the new owner, and would remain in force provided the required rent and property taxes were paid.

In January 1998, the annual payment to the City was not made nor were the property taxes paid. January 1999 rent and taxes were also unpaid and the City informed Paul Pappas that the agreement was terminated, and commenced action to recover the arrears through a collection agency. A Court Order to collect has now been issued, and the collection agency is attempting to find some assets.

At about the time the collection agency was pursuing the matter through Small Claims Court, staff had a meeting with Paul Pappas. He informed staff that he had a buyer for 60% of his business. The new partner would be responsible for financial matters (holding the majority of shares) and Paul would be able to pay the City and the Port Authority the money he owed from the proceeds of the partial acquisition. However, he had not informed the purchaser about the debts. The purchaser wanted an assurance that a further five year term of operation on the River Road site would be forthcoming. The owner was informed that at the present time, he did not have any legal agreement with the City, and he should let the prospective purchaser know this. About two days later, staff heard from a bailiff company that they had seized the assets at Dick's site and changed the locks. The bailiff was asking, on behalf of his principal (a new party) whether he could have an assurance for a further five year term on the site so that he could step in and continue to run the business.

Property Use Inspectors have investigated four complaints against the occupants of the site since 1997. Complaints have included pollution generated by the site (chiefly from old tires and tires in the river).

ANALYSIS

The City as part of its long term strategy of waterfront land acquisition purchased approximately one mile of waterfront on the north arm of the Fraser River in 1993 from McMillan Bloedel. It is anticipated that the City will eventually have a waterfront trail system around the entire perimeter of Lulu Island. The ownership of these lands gives the City a significant influence on the use of the adjacent waters because of the control of riparian rights.

One of the historic users of a filled water lot has requested the City's consent for a lease of the water lot at 17871 River Road in order that it can be used for an auto wrecking yard. The business lost tenure to the site for the reasons stated above and staff have indicated that they do not support the granting of the consent they seek.

The proponent has asked to be heard by committee of Council before a final determination is made with regard to the consent. The North Fraser Port Authority has also expressed an interest in this matter as indicated in their letter dated October 4, 1999 (Attachment 1).

There are many uses which can reasonably integrate a recreational trail system. I do not believe that an auto wrecking yard is one of these uses. In addition, the City has indicated in its new industrial strategy that it will support water dependent industries in appropriate areas. A waterfront location does not seem to be an important criteria with the proposed use.

FINANCIAL IMPACT

The City often obtains some consideration when consenting to assignment of riparian rights.

CONCLUSION

The proposal to consent to a lease for an auto wreckers yard is not consistent with City zoning, policy or the Official Community Plan and should be denied.

David McLellan
General Manager, Urban Development

DJM:djm

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October 4, 1999

Mr. Dave McLelland
Administrator, Urban Development
City of Richmond
City Hall
6911 No. 3 Road
Richmond, B.C.
V6Y 2C1



Dear Mr. McLelland :

**Re: Dicks Auto Body Shop - 1787 River Road (NFPA Lease No. 0601600A
Relating to Part of Lot 5957 Group N.W.D.)**

It has recently come to our attention that Dicks Auto Body Shop located at 1787 River Road has entered into receivership. We have been further informed by Absolute Bailiffs, the company dealing with Dicks Auto Body, that City of Richmond is, at this time, unwillingly to grant the riparian rights to extend the North Fraser's waterlot lease (No. 0601600A) to any new or potential businesses. This was confirmed in the September 30, 1999 letter from Christine McGilvery, Manager of Lands and Property, who indicated that the City of Richmond intends to convert the area into community use by the Parks Department.

Port North Fraser has several major concerns regarding this waterlot. Firstly, there is a limited amount of land available for water dependent industry on the North side of Lulu Island. The subject site has been used for industrial purposes for at least a quarter of a century (although its non-conforming use is acknowledged).

Secondly, over the past year we have been working closely with your staff in the development of a new land Use Plan for Port North Fraser. As you are aware, one of our key objectives is to retain water accessible land for water dependent use. As a result of the relationships forged through this planning process, the City of Richmond's Industrial Land Strategy recognizes the

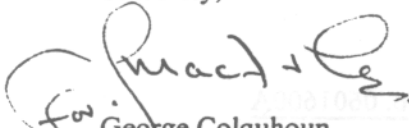
Mr. Dave McLelland
City of Richmond
October 4, 1999
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importance of water accessible land for business and has as one of its main objectives the creation of a zone exclusively for water dependent industry. In particular our staff have been working closely with Laura Tate and Ian Chang to identify candidate areas for such rezoning in the North Arm.

Lastly, we like to bring to your attention the fact that the objective of upland community use need not rule out the continuation of the waterlot for Port related activities. In fact there are many compatible interfaces of upland and waterlot land uses, including greenway trail systems around industrial nodes.

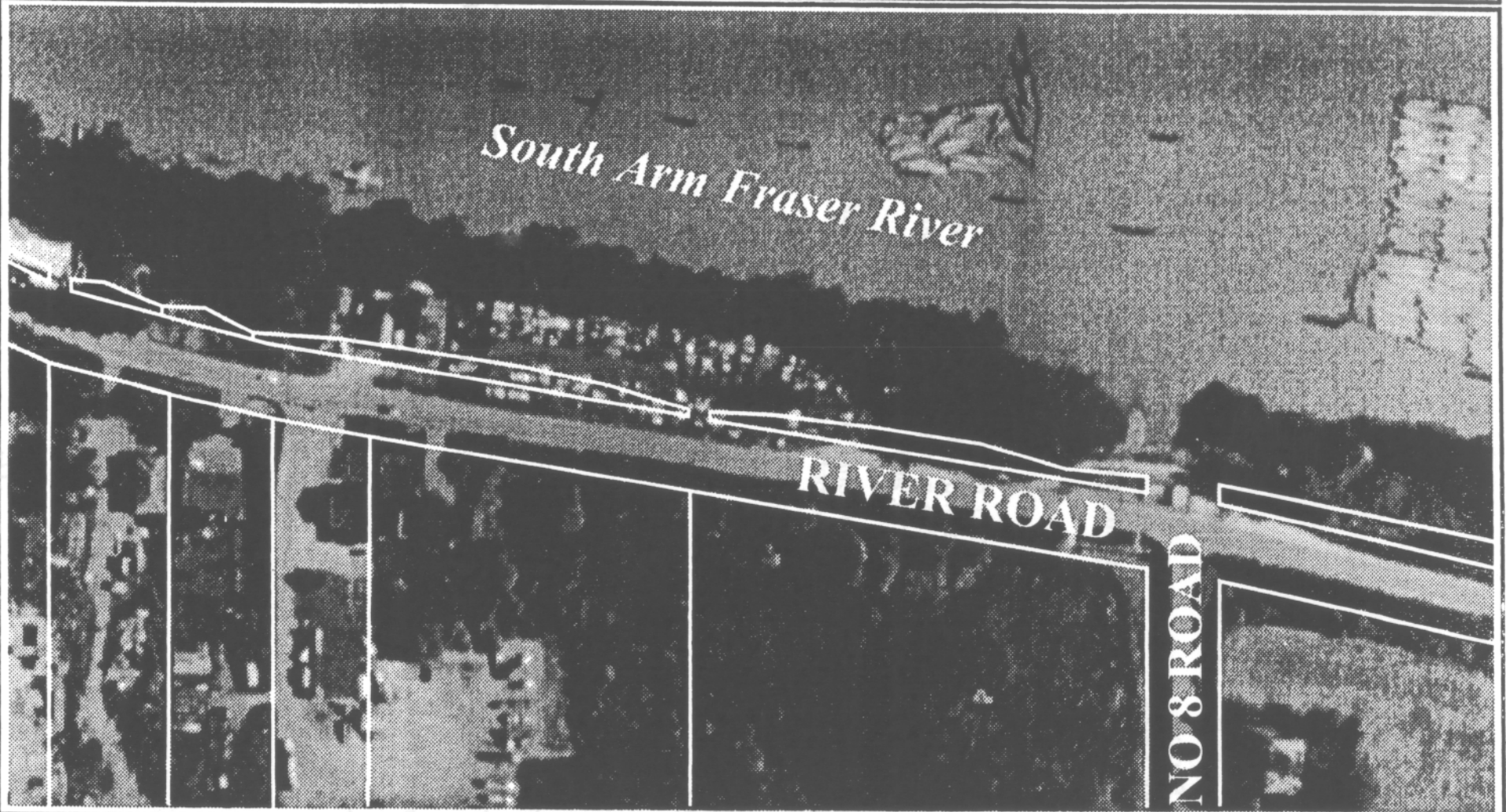
Your attention to this matter would be most appreciated. I suggest a meeting at your earliest convenience.

Sincerely,


George Colquhoun
President and CEO



City of Richmond



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17871 River Road

Original Date: 12/03/99

Revision Date:

Note: Dimensions are in METRES