



**City of Richmond**

**Report to Committee**

*To GP July 16 2012*

**To:** General Purposes Committee

**Date:** July 10, 2012

**From:** Brian Jackson, Director,  
Development Applications

**File:**

**Re:** **City Response: Vancouver Airport Authority (YVR) Proposed Russ Baker Way Shopping Mall**

**Staff Recommendation**

That, as per the report, "City Response: Vancouver Airport Authority (YVR) Proposed Russ Baker Way Shopping Mall", dated July 10, 2012, Council request the Vancouver Airport Authority Board to enter into a protocol agreement to better clarify the City's role and scope within YVR's development proposal approval process, particularly regarding non-airport related development proposals.

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Att. 9

BJJ:tc

REPORT CONCURRENCE			
ROUTED TO:	CONCURRENCE	CONCURRENCE OF ACTING GENERAL MANAGER	
Transportation Engineering	<input checked="" type="checkbox"/>		
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REVIEWED BY SMT SUBCOMMITTEE		REVIEWED BY CAO	

## Staff Report

### Origin

The Vancouver Airport Authority (YVR) has begun the detailed planning process related to its proposal for a large retail outlet mall on the property to the south of the BCIT building on Sea Island. Staff have met twice thus far with YVR representatives, the last meeting was held on Thursday, July 5, 2012. YVR representatives have stated that there will be no development applications submitted to the City of Richmond (i.e., no Rezoning application, no Development Permit, no Building Permit). The purpose of this report is to recommend that Council request the Vancouver Airport Authority Board to enter into a protocol agreement with YVR to better clarify the City's role and scope within YVR's development approval process, particularly regarding non-airport related development proposals.

### Findings Of Fact

#### General

On September 11, 2006, Council commented on YVR's draft 2027 Land Use Plan indicating that regarding:

- "Groundside Commercial" non-airport related uses (e.g., like YVR's proposed Russ Baker Way Shopping Centre), additional information be provided, a business case be required to support the development of non-airport related commercial uses, uses be allowed that are complementary to the downtown in use, form and character, and YVR undertake sound traffic management to ensure that the new uses will not adversely impact Sea Island road network and will use the Canada Line
- "Non Commercial uses" on Sea Island, the City and YVR continue to better integrate Sea Island, Middle Arm and City Centre land uses, transportation, transit servicing.

In YVR's Plan:

- "Groundside Commercial" includes designated commercial land uses without airside system access (e.g., flight kitchens, car rental service facilities, fuel storage facilities and other non-airport related, but airport-compatible commercial development activities)
- "Ground Access & Parking" includes bridges, roads, the Canada Line, public and employee parking, commercial transportation and car rental facilities.

The City also indicated that there is an excellent opportunity for both parties to better coordinate their efforts to achieve an integrated plan for the Middle Arm and the shoreline areas. An integrated plan would promote complementary and effective land uses and high quality amenities, including improved pedestrian and bicycle connections, parks, trails, and environmental quality, particularly along both sides of the Middle Arm.

On June 19, 2008 the Minister of Transport Canada approved YVR's plan titled: "YVR: Your Airport 2027: 20 year Master Plan" without any changes.

#### Proposed YVR Russ Baker Way Shopping Mall

In October, 2009, YVR first proposed a non-airport related shopping mall on Russ Baker Way.

The proposal involves:

- Site Size: 53 acres
- Mall Size: 459,600 sq. ft. (about the size of Lansdowne Mall)
- Mall Focus: The mall focus is to be a luxury designer outlet, increase the region's destination appeal for visitors and travelers, add options for local shoppers to spend in their own community and create jobs
- Mall Benefits: YVR suggests that the proposal will have a number of economic benefits including creating an estimated 1,000 new jobs, providing a new shopping and leisure destination to help keep local dollars within the local economy and boosting surrounding businesses, especially those in the tourism sector
- Timing: Site work is to commence this summer. The proposed mall is to open in phases beginning in the fall of 2014. The first phase of the development will include 97 retail stores. The scheduling for phase two of the development will be confirmed at a later date.
- New traffic signals and direct site access off Russ Baker Way and Gilbert Road (north of the Dinsmore Bridge).

On October 13, 2009, the City and YVR consultants initially discussed the proposal and City staff encouraged airport related uses on the site, a high level of transportation services (e.g. bus, pedestrian, bicycle) and an improved design.

On July 5, 2012 (the latest meeting), staff discussed the proposal and the changes that had been made from the previous meeting. YVR staff presented the proposed development schedule that will start with site preparation this summer. At this meeting, YVR staff handed out the attached site plan which shows a one storey inward-facing retail mall set back from Russ Baker Way and Gilbert Road, with a service road running about the exterior of the building (**Attachment 1**).

### **Analysis**

As this proposal is on Federal land, it is our understanding that, as a corporation of the Federal government, YVR can proceed with the proposal on its own.

City staff consider that the proposal has the following implications for Richmond:

1. **Economic Fit:** the proposal may not be the best economic fit, as airport-related uses, with less of a traffic impact, should ideally be located on the site. Over time, airport related uses may be found which would better support the Airport and not compete with the retail uses in Richmond's City Centre.
2. **Transportation and Mobility:** The proposal would generate a significant amount of non-airport related traffic over the existing road and bridge network on both Sea Island and Lulu Island, especially along Russ Baker Way and Gilbert Road. As the traffic related to airport related uses is typically less than retail uses, the proposed development is a concern due to existing limited bridge capacities. As well, YVR will need to demonstrate how transportation services (e.g., public and private shuttle buses, pedestrian, cycling) and transportation demand management (TDM) measures will be effectively provided. The City would also need to review and approve the proposed introduction of traffic signals at site access points on Russ Baker Way and Gilbert Road, as the existing traffic signals along the site frontage are owned by the City.

3. Urban Design: City staff would not recommend approval of any proposal with similar design in the City of Richmond which has a hostile exterior (service road around the entire perimeter “hidden” by fencing) and is located in a sea of parking with unknown signage requirements. Staff believe that the proposal could be improved (with a redesign of the exterior and improved landscaping to “hide” the many acres of parking facing Russ Baker Way).

While YVR appears to have the right to proceed with the proposal and to not submit any development applications to the City, staff still believe that it would be better co-ordinate City and YVR interests during YVR development proposal reviews. As such, City staff recommend that the City and YVR to enter into a protocol agreement to better manage expectations and enable constructive City comments to be made during YVR development proposal reviews, particularly for non-airport related development proposals.

There are two topics for which that YVR may require City approval in developing the property:

1. Extending the City’s water line to the development:
  - The water issue is of particular concern because, thus far, Richmond has granted YVR favourable water rates because of the airport-nature of the business. However, with a retail development that competes with other developments in Richmond, the City may want to reconsider the water rate for this new development. The General Manager, Engineering and Public Works will report on this matter separately in the coming months as this issue is discussed with YVR.
  - While YVR is proposing to service the development by extending the City’s watermain, the extension may not necessarily be City owned and the City wouldn’t necessarily charge the developer directly for ongoing service; the City would still only be charging YVR and YVR in turn would charge the developer.
2. The introduction of new traffic signals (which are owned and controlled by the City) (also see above).

These topics are being investigated and staff will report back further on these issues.

(Note: With this proposal, YVR is proposing to provide storm and sanitary services to the development from its own infrastructure).

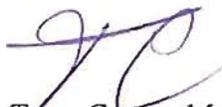
As the above arrangements will not always be the case, any protocol should address the range of methods by which all services are and may be provided.

#### **Financial Impact**

None.

**Conclusion**

YVR can develop its federal Sea Islands lands without City approval. To better co-ordinate City and YVR interests during YVR development proposal reviews, City staff recommend that Council request the Vancouver Airport Authority Board to enter into a protocol agreement to better clarify the City's role and scope within YVR's development proposal approval process, particularly non airport related development proposals.



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**Attachment 1:** YVR Proposed Russ Baker Way Shopping Mall

