

To: Regional and Corporate Services Committee

Date: 2020-02-13

From: Robin Beukens, Planner II

File No: 6430-25-013

Subject: Draft Metro Vancouver Regional Industrial Lands Strategy

RECOMMENDATION

THAT the Fraser Valley Regional District Board receive the draft *Metro Vancouver Regional Industrial Lands Strategy* referred to the Fraser Valley Regional District for review and comment;

AND THAT feedback include a request to Metro Vancouver to engage with Fraser Valley Regional District and municipal staff and elected officials on any recommendations that may directly impact this region or its member municipalities;

AND FURTHER THAT the Fraser Valley Regional District continue to develop an industrial lands inventory as part of the Regional Growth Strategy monitoring program.

STRATEGIC AREA(S) OF FOCUS

Foster a Strong & Diverse Economy

BACKGROUND

Metro Vancouver is facing a critical shortage of industrial land. In response to this, the Metro Vancouver Regional District (MVRD) formed an Industrial Lands Strategy Task Force. The Task Force is responsible for conducting research, consultation, and developing a Regional Industrial Lands Strategy to be provided to the Metro Vancouver Board. The Task Force includes Metro Vancouver Board Directors as voting members, and non-voting members with knowledge of industrial lands including the Port of Vancouver, TransLink, Urban Development Institute, the BC Ministry of Jobs, Trade and Technology, BC Chamber of Commerce, Agricultural Land Commission, and representatives from the industrial development community.

A draft *Metro Vancouver Regional Industrial Land Strategy* was presented to the Metro Vancouver Board of Directors at its November 29, 2019 meeting. The draft strategy has been provided to the FVRD for review and comment.

DISCUSSION

The Task Force has produced a draft *Metro Vancouver Regional Industrial Lands Strategy*. The vision of the Strategy is to “Ensure sufficient industrial lands to meet the needs of a growing and evolving regional economy to the year 2050.” The Strategy speaks to the importance of industrial lands to the regional economy, identifies the main challenges facing Metro Vancouver in providing industrial land, and provides recommendations for addressing the industrial lands shortage.

Metro Vancouver projects that demand for industrial land will remain strong and that providing sufficient industrial lands will be critical to supporting a diverse and resilient economy. Industrial lands currently make up 4% of the Metro Vancouver Region’s land base but are home to approximately 27% of the region’s jobs directly, and support more jobs indirectly.

Through the creation of the Strategy, four themes emerged for reasons for the industrial lands shortage. These include:

- A constrained land supply;
- Pressure on industrial lands;
- Site and adjacency issues; and
- A complex jurisdictional environment.

The Metro Vancouver region is geographically constrained by mountains, ocean, and an international border. There is pressure on industrial lands from conflict with adjacent uses, rising land values creating pressure to convert to non-industrial uses, and climate change as a significant portion of the region’s industrial lands are in low lying areas and subject to potential flooding. Site and adjacency challenges relate to servicing and transportation challenges for industrial sites, both in provision of adequate servicing and transportation routes, as well as conflicts with surrounding areas due to the nature of industrial lands. The complex jurisdictional environment includes multiple levels of government and individual municipalities making decisions regarding industrial lands that can affect neighbouring municipalities and agencies in the region.

To meet future industrial land needs, the draft Regional Industrial Lands Strategy includes 35 recommendations. The Strategy notes that the region is diverse and not every recommendation will apply to each area of the region; the local context must be considered. From the 35 recommendations, 10 were identified as high priority. These ten are included under four themes:

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

The top ten recommendations include:

- Stronger regional policy;

- Zoning consistency between municipalities;
- Protecting existing industrial and trade enabling lands;
- Completion of a regional land use assessment;
- Intensification of industrial lands;
- Facilitating development on vacant industrial lands;
- Coordinating industrial economic development across the region;
- Providing adequate transportation for industrial lands;
- Coordination with neighbouring regions; and
- Completing regular employment surveys to track changes and adapt to employment, land use, and built space needs over time.

At a December workshop, Metro Vancouver staff indicated that the Strategy will be forwarded to the Metro Vancouver Board for adoption in the spring.

FVRD Implications

The FVRD and member municipalities are well aware of the industrial land constraints in the lower mainland as a whole and the Fraser Valley in particular. The Fraser Valley is limited by topography and agricultural lands and is subject to the same pressures as in Metro Vancouver.

The work that has gone into the strategy and the opportunity to comment is appreciated. As the Metro Vancouver and FVRD regions are closely tied, the background research and policy discussions can help inform discussions in this region.

However, as a Metro Vancouver entity, the Task Force did not include political representation from the FVRD. FVRD and municipal staff were among other stakeholders invited to participate in a series of workshops discussing the Industrial Lands Strategy in May, September, and December 2019.

The May workshop was an initial review of policy options for addressing the industrial lands shortage and pressures on industrial lands. The September workshop focused on strategies for industrial land management and possible policy recommendations. The final workshop in December provided an opportunity to review the draft recommendations that had been presented to the Metro Vancouver Board in November. At that time FVRD staff commented that recommendations involving the FVRD will require additional engagement with the FVRD and member municipalities.

Recommendations Involving the FVRD

Most of the 35 recommendations included in the *Metro Vancouver Regional Industrial Lands Strategy* focus on the Metro Vancouver region, but a few directly impact the FVRD. The three recommendations that specifically cite the FVRD are included below:

“RECOMMENDATION 4: That the Province of BC, in consultation with local municipal governments, establish an Industrial Land Reserve for strategically located Trade-Enabling industrial lands in the Lower Mainland (Metro Vancouver and Fraser Valley Regional Districts).

- This designation would be intended to curtail industrial land conversions by providing clear land use permissions and restrictions. Criteria for lands in the Reserve would be developed in collaboration with affected jurisdictions, but would at a minimum, identified lands would feature large sites and access to existing and/or planned major infrastructure, such as navigable waterways, railroads, airports and highways.” (p.48)

FVRD Comment: Introducing an Industrial Land Reserve could have significant implications for FVRD municipalities and electoral areas. While there is value in preserving industrial lands, adding an Industrial Land Reserve would add a layer of bureaucracy to the planning approval process for development applications on industrial lands. As the FVRD Regional Growth Strategy (RGS) does not regulate land use beyond the identification of Urban Growth Boundaries, Metro Vancouver must engage FVRD municipalities on matters pertaining to land use within their respective jurisdictions.

“RECOMMENDATION 33: That the Province of BC develop a framework for economic and land use planning coordination between neighbouring regions in the broader Southwestern BC economic region to support industrial land protection by:

- providing a Lower Mainland-wide view for industrial land management, infrastructure investment and other economic development opportunities between Metro Vancouver and the Fraser Valley Regional District;” (p.57)

FVRD Comment: The FVRD needs more information as to the purpose of the framework and how it would be implemented. Member municipalities, who are responsible for land use regulation within their respective jurisdictions, must be engaged in any discussions on this matter.

“RECOMMENDATION 34: That Metro Vancouver and the Fraser Valley Regional District develop and sign a memorandum of understanding that outlines their shared priorities regarding and commitment to the effective and efficient management, protection, and development of industrial lands within the Lower Mainland.” (p.57)

FVRD Comment: The FVRD needs more information as to the purpose of the proposed memorandum of understanding between Metro Vancouver and the FVRD. The FVRD’s RGS is not a land use plan and is significantly less prescriptive than Metro Vancouver’s RGS. It is unclear what mechanisms would be used to implement such an MOU. As with the other recommendations, the FVRD and member municipalities must be directly engaged in any discussions on this matter.

General FVRD comment

The FVRD is one of the most intensively farmed areas in Canada, generating the largest annual farm receipts of any regional district in British Columbia (\$1.5 billion in 2015) resulting in expenditures in excess of \$3.1 billion a year. While agriculture isn’t the only component of this region’s economy or industrial land base, one could argue that agriculture in this region could not be the powerhouse that it is without a healthy industrial land base to support it.

The shortage of industrial land is a significant concern in the Fraser Valley based on internal needs – this region can't be expected to be a relief valve for Metro Vancouver as well. The FVRD requires an industrial land base that at the very least can meet long-term internal demand (agricultural and non-agricultural). Competing industrial demand that does not necessarily support this region's existing diverse economy, could have long-term consequences.

As part of the RGS monitoring program, the FVRD is developing an industrial land inventory, incorporating information gathered by member municipalities where available, in order to track change over time. This information will provide a basis for further discussions with the Province and Metro Vancouver.

COST

N/A

CONCLUSION

Metro Vancouver has provided the draft *Metro Vancouver Regional Industrial Lands Strategy* for the FVRD to review. FVRD staff have reviewed the document and will provide comments back to Metro Vancouver. Among other things, Metro Vancouver will be asked to more directly engage with FVRD and member municipalities on any recommendations that directly involve this region.

COMMENTS BY:

Alison Stewart, Manager of Strategic Planning: Reviewed and supported

Stacey Barker, Director of Regional Services: Reviewed and supported.

Mike Veenbaas, Director of Financial Services: No further financial comment.

Jennifer Kinneman, Acting Chief Administrative Officer: Reviewed and supported.