

**METRO VANCOUVER REGIONAL DISTRICT
INDUSTRIAL LANDS TASK FORCE**

REGULAR MEETING

Thursday, May 10, 2018

1:00 p.m.

28th Floor Committee Room, 4730 Kingsway, Burnaby, British Columbia

A G E N D A¹

1. ADOPTION OF THE AGENDA

1.1 May 10, 2018 Regular Meeting Agenda

That the Industrial Lands Task Force adopt the agenda for its regular meeting scheduled for May 10, 2018 as circulated.

2. ADOPTION OF THE MINUTES

3. DELEGATIONS

4. INVITED PRESENTATIONS

4.1 Chris MacAulay, Vice President, Advisory & Transaction Services, CBRE

Subject: Industrial Market Overview

4.2 Geoffrey Charters, Associate, Industrial Sales and Leasing, Colliers International

Subject: Industrial User Needs and Trends

4.3 Peter Hall, Professor, Simon Fraser University

Subject: Putting Industrial Land Use in Context

5. REPORTS FROM COMMITTEE OR STAFF

5.1 Metro Vancouver 2015 Industrial Lands Inventory

Verbal Update

Designated Speaker:

Heather McNell, Director, Regional Planning and Electoral Area Services

¹ Note: Recommendation is shown under each item, where applicable.

5.2 Industrial Lands Task Force - Terms of Reference

Designated Speaker:

Heather McNell, Director, Regional Planning and Electoral Area Services

That the Industrial Lands Task Force receive for information the report titled “Industrial Lands Task Force Terms of Reference” dated April 20, 2018.

5.3 Regional Industrial Lands Strategy Scope of Work

Designated Speakers:

James Stiver, Division Manager, Growth Management and Transportation

Gord Tycho, Senior Regional Planner, Parks, Planning and Environment

That the Industrial Lands Task Force endorse the scope of work set out in the report titled “Regional Industrial Lands Strategy Scope of Work”, dated April 24, 2018.

1. INFORMATION ITEMS

2. OTHER BUSINESS

3. BUSINESS ARISING FROM DELEGATIONS

4. RESOLUTION TO CLOSE MEETING

Note: The Committee must state by resolution the basis under section 90 of the Community Charter on which the meeting is being closed. If a member wishes to add an item, the basis must be included below.

5. ADJOURNMENT/CONCLUSION

That the Industrial Lands Task Force adjourn/conclude its regular meeting of May 10 2018.

Membership:

Stewart, Richard (C) – Coquitlam

Brodie, Malcolm – Richmond

Dhaliwal, Sav – Burnaby

Gill, Tom – Surrey

Louie, Raymond - Vancouver

Penner, Darrell – Port Coquitlam

Williams, Bryce – Tsawwassen First Nation

Non-Voting Members:

Desmond, Kevin – TransLink

Litwin, Val – BC Chamber of Commerce

McMullin, Anne – Urban Development Institute

Siber, Arnold – Value Property Group

Silvester, Robin – Port of Vancouver

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To: Industrial Lands Task Force

From: Gord Tycho, Senior Regional Planner, Parks, Planning and Environment Department

Date: April 20, 2018 Meeting Date: May 10, 2018

Subject: **Industrial Lands Task Force Terms of Reference**

RECOMMENDATION

That the Industrial Lands Task Force receive for information the report titled “Industrial Lands Task Force Terms of Reference” dated April 20, 2018.

PURPOSE

To provide the Industrial Lands Task Force with the Terms of Reference, as prepared by MVRD Board Chair Greg Moore, for information and discussion.

BACKGROUND

The Regional Industrial Lands Strategy (the Strategy) will provide a vision for the future of industrial lands across Metro Vancouver to the year 2050, and actions for the various stakeholders to achieve that vision. The development of the Strategy will be a collaborative process involving a range of stakeholders with an interest in the present and future role that industrial lands play, and should play, in the region.

REGIONAL INDUSTRIAL LANDS STRATEGY TASK FORCE

Task Force Purpose and Role

The Industrial Lands Task Force (Task Force) will provide advice and recommendations to the MVRD Board on issues related to the development of the Strategy. The key actions for the Task Force are anticipated to include:

1. Engaging and considering input from stakeholders including government, business and academia in dialogue on the future of industrial lands in the region;
2. Identifying information needs and guiding the development of research to support the development of the Strategy; and
3. Reporting back to the MVRD Board with a recommended Strategy.

Task Force Membership and Meetings

The Task Force has been established as a designated Select Committee of the MVRD Board with membership appointed by the MVRD Board Chair. The appointed voting members are as follows:

- Director Richard Stewart (Task Force Chair), City of Coquitlam
- Director Sav Dhaliwal, City of Burnaby
- Director Darrell Penner, City of Port Coquitlam

- Director Malcolm Brodie, City of Richmond
- Director Tom Gill, City of Surrey
- Director Bryce Williams, Tsawwassen First Nation
- Director Raymond Louie, City of Vancouver

The Task Force is intended to include both voting and non-voting members. Voting members includes Metro Vancouver elected officials, who hold a majority of the membership of the Committee. Any member may designate an Alternate, but alternates may not vote unless they are also Metro Vancouver elected officials. Any Metro Vancouver Director will be permitted to attend meetings in an observer role.

A number of non-voting members have also been confirmed by the MVRD Board Chair. Non-voting members include other key stakeholders with regional interests in industrial lands. The appointed non-voting members to the Task Force (confirmed to date) are as follows:

- Kevin Desmond, TransLink
- Val Litwin, BC Chamber of Commerce
- Anne McMullin, Urban Development Institute
- Arnold Silber, Value Property Group
- Robin Silvester, Port of Vancouver

Note: staff are still awaiting confirmation from provincial and other invited representatives.

The Task Force is anticipated to meet bi-monthly or at the call of the Task Force Chair. A quorum of 50% plus one of the Task Force's voting membership is required to conduct Task Force business. The deadline for reporting back to the MVRD Board is December 2018, with potential for a final meeting in January 2019. Further meetings beyond would comprise newly appointed select committee at that time.

MVRD elected officials sitting on the Task Force are expected to communicate with sub-regional members and represent their views and concerns at Task Force meetings, both at the elected level and through communications with local government staff, to ensure that a broad regional representation is achieved.

Task Force Management and Support

Metro Vancouver's Director of Regional Planning and Electoral Area Services will serve as Committee Manager for the Task Force. The Task Force Committee Manager is responsible for coordinating agendas and is the principal point of contact for the Task Force members.

The Task Force Chair, Director Stewart, will be the chief spokesperson on matters of public interest within the Task Force's purview.

Technical Input and Guidance Provided by an Advisory Group

Staff will be coordinating an associated Advisory Group to provide analysis and technical support to the Task Force. The Advisory Group comprises the members and associate members of the Regional

Planning Advisory Committee, as well as representatives from agencies or organizations that are represented on the Task Force. Members of the Advisory Group may be invited to attend Task Force meetings, but may only attend closed meetings of the Task Force with the approval of the Task Force.

Consultation and Engagement with Other Stakeholders

The Strategy will be developed in collaboration with a range of stakeholders including the regional agencies described above as well as representatives from senior government, industry and academia. While the key stakeholders are represented on the Task Force and Advisory Committee, additional input will be sought from a broad range of stakeholders or other subject matter experts as appropriate through opportunities such as:

- As invited speakers at Task Force meetings;
- As participants and invited speakers at Advisory Group meetings; and
- Through other events, such as workshops, meetings, interviews or surveys.

The Task Force and Advisory Group may also seek advice and input from other existing Metro Vancouver committees, such as the Regional Administrators Advisory Committee, as needed and appropriate.

ALTERNATIVES

As this is an information report, no alternatives are provided.

FINANCIAL IMPLICATIONS

Funding for the Task Force is provided in the 2018 Board approved Regional Planning budget, which contains \$30,000 to advance the Regional Industrial Lands Strategy and \$50,000 for the Metro 2040 Industrial and Mixed Employment Policy Review. Staff will seek additional funding as necessary through the 2019 budget process.

SUMMARY

The Terms of Reference for the Industrial Lands Task Force have been prepared by Chair Greg Moore.

The key actions for the Task Force are anticipated to include stakeholder engagement, identifying information needs for decision making and reporting back to the MVRD Board with a recommended Regional Industrial Lands Strategy.

The Strategy will be developed with the guidance and support of a technical advisory group and in collaboration with a broad range of stakeholders and subject matter experts.

Attachment: Industrial Lands Task Force Terms of Reference

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Industrial Lands Task Force

Terms of Reference

The Industrial Lands Task Force is the standing committee of the Metro Vancouver Regional District (MVRD) Board responsible for developing the *Regional Industrial Lands Strategy* and for providing associated advice and recommendations.

Scope of Regional Industrial Lands Strategy

The *Regional Industrial Lands Strategy* will provide a vision for the future of industrial lands across Metro Vancouver to the year 2050, and actions for achieving that vision. The development of the *Regional Industrial Lands Strategy* will be a collaborative process involving a range of stakeholders with an interest in the present and future role that industrial lands should play in the region. A research and engagement program will support the development of the *Regional Industrial Lands Strategy* by exploring key issues that include:

- Understanding current industry sectors in Metro Vancouver (and associated operational requirements);
- Understanding variations in job types and job densities within industry;
- Understanding the changing nature of industry and implications for projected industrial land demand in the region;
- Identifying pressures to convert industrial land uses to other land uses;
- Understanding the effectiveness of current Regional Growth Strategy policies in protecting existing industrial lands; and
- Managing the interface between industrial lands and other land uses, and exploring other industrial best practices.

Task Force Responsibilities

The Task Force will provide advice and recommendations to the MVRD Board on issues related to the development of the *Regional Industrial Lands Strategy*. Key responsibilities for the Task Force include:

1. Confirming the work plan and resource requirements needed to develop the *Regional Industrial Lands Strategy*;
2. Engaging additional stakeholders in dialogue on the future of industrial lands in the region;
3. Identifying information needs and guiding the development of research to support the development of the *Regional Industrial Lands Strategy*; and
4. Reporting back to the MVRD Board with the recommended *Regional Industrial Lands Strategy*.

Task Force Membership and Meetings

The Task Force includes both voting and non-voting members. Voting members are MVRD Board Directors who have been appointed. Non-voting members will include representatives from other agencies and organizations with an interest in and knowledge of the issues surrounding industrial lands. Committee members are appointed annually by the Chair of the MVRD Board.

The Task Force will meet every two months or at the call of the Chair. A quorum of 50% plus one of the Task Force's voting members is required to conduct Task Force business. To complement regular Task Force meetings, members may be expected to attend additional events such as site tours in industrial areas or broader meetings that include additional stakeholders.

Task Force Management and Support

The Task Force Chair will be the chief spokesperson on matters of public interest within the Task Force's purview. For high profile issues the role of spokesperson rests with the MVRD Board Chair or Vice Chair. On technical matters, or in cases where an initiative is still at the staff proposal level, the Chief Administrative Officer or designated senior staff member is the appropriate spokesperson. Where necessary and practical, the MVRD Board Chair, Task Force Chair, and Chief Administrative Officer will confer to determine the most appropriate representative to speak.

The senior staff person responsible for the Regional Planning function at Metro Vancouver will serve as Committee Manager for the Task Force. The Task Force Committee Manager is responsible for coordinating agendas and is the principal point of contact for Task Force members.

Funding for the Task Force is provided under Metro Vancouver's General Government function to cover incidental costs and meeting expenses. Voting members of the Task Force will be remunerated in accordance with the *Remuneration Bylaw*. Non-voting members will not be remunerated for their participation in the Task Force.

Consultation and Engagement with Other Stakeholders

The Task Force will seek out and consider input from additional stakeholders with an interest in industrial lands. The Task Force may request staff to:

- Identify and invite speakers to Task Force meetings; and,
- Coordinate and host meetings, conduct surveys, or interview individual stakeholders to gather input from additional stakeholders and report back to the Task Force.

The Task Force may also seek advice and input from other existing Metro Vancouver committees, such as the Regional Administrators Advisory Committee or Regional Planning Advisory Committee.

To: Industrial Lands Task Force

From: Gord Tycho, Senior Regional Planner, Parks, Planning and Environment Department

Date: April 24, 2018 Meeting Date: May 10, 2018

Subject: **Regional Industrial Lands Strategy Scope of Work**

RECOMMENDATION

That the Industrial Lands Task Force endorse the scope of work set out in the report titled “Regional Industrial Lands Strategy Scope of Work”, dated April 24, 2018.

PURPOSE

To seek the Industrial Lands Task Force’s approval of a scope of work for the development of the Regional Industrial Lands Strategy.

BACKGROUND

Since *Metro Vancouver 2040: Shaping Our Future (Metro 2040)*, the regional growth strategy, was adopted in 2011, many stakeholders, including municipalities, the Port of Vancouver, industry associations, and others have expressed concerns about the limited and diminishing supply of land for industrial activities in the region, ongoing and increasing pressures to convert industrial lands to other uses, and the need to explore policy, financial, and other tools to address these challenges.

In response, the Industrial Lands Task Force (Task Force) was struck by the MVRD Board Chair with an aim to guiding the development of a Regional Industrial Lands Strategy intended to ensure sufficient industrial land to meet the needs of a growing and changing regional economy. A draft scope of work has been prepared for the Task Force’s consideration and is outlined in this report.

PROJECT CONTEXT

Industrial lands are crucial to supporting a prosperous, sustainable regional economy and to providing space to accommodate the industrial services needed in a growing region. Presently, about 23% (275,000) of the region’s jobs are accommodated on industrial lands.

Metro Vancouver’s industrial lands are used mainly for transportation/warehousing, wholesale trade, retail trade, manufacturing and professional/technical services. Many of the activities on the region’s industrial lands provide for the local day-to-day needs of the region’s population, providing locations for services like regional utilities, vehicle repair, hotel laundry services, catering companies, couriers, breweries, small scale manufacturing, and craft/artisan design space. In our port-based region, a significant amount of land is also needed for container storage, warehousing, freight forwarding, and other distribution functions that keep the region connected to Canada and the rest of the world.

Due to a constrained land base and strong demand for all types of land uses, the regional supply of industrial land is under significant pressure for conversion to residential, retail and commercial uses, all of which currently command higher market land values. Demand for industrial land is also increasing and under current levels of densification, the region is facing a shortage of industrial lands, particularly for trade enabling purposes, and this shortage is expected to worsen over the next 10 to 15 years.

New technologies and economic forces will also impact the region's existing industrial activities in ways that will likely have implications for the viability of a number of industry sectors, employment densities, site requirements, and associated overall land requirements in the coming years. In addition, given the unique services offered by industrial activities, combined with anticipated changes to employment for some industrial sectors, it is important to better define and differentiate between "employment lands" and "industrial lands".

Looking to the future, there is an increasing concern over whether the continual increases in industrial demand and pressures from other uses can be accommodated within Metro Vancouver. The lack of available lands and associated high land costs could slow job growth, discourage businesses from locating or expanding in the region, result in some firms leaving the region, and potentially result in some industries advocating for the industrial utilization of other lands. Conversely, it is recognized that negative regional impacts associated with industrial activities, such as noise, odour, transportation congestion, and GHG production may be alleviated by slower industrial growth in the Metro Vancouver region and/or encouraging some industrial growth to focus in areas outside of the Metro Vancouver region.

Project Description

The Regional Industrial Lands Strategy (the Strategy) is intended to establish a shared vision for the future of industrial lands across Metro Vancouver (and the larger region) to the year 2050, and to provide a set of recommendations to guide a broad range of stakeholder actions to achieve that vision.

The development of the Strategy will be a collaborative process involving a range of stakeholders with an interest in industrial lands and economic development, and will complement other initiatives underway across the region including Metro Vancouver's Regional Prosperity Initiative, the work of the Greater Vancouver Urban Freight Council, TransLink's Regional Goods Movement Strategy, the work of the Greater Vancouver Gateway Council, and the Gateway Transportation Collaborative Forum. The Strategy's engagement process will include a wide range of stakeholders including: elected officials, senior levels of government, regional agencies (e.g. TransLink), municipal planning and economic staff, Vancouver Fraser Port Authority, Vancouver Airport Authority, industry associations (e.g. NAIOP, UDI, Chambers of Commerce, etc.), brokerage firms, developers, academics, and others.

Identified Issue Areas

The issues facing industrial and employment lands in the region continue to garner significant interest and attention, and over the past number of months, Metro Vancouver staff have received several requests from member jurisdictions (some of whom are undertaking related work) regarding a variety

of issues they are facing related to industrial and employment lands. It is expected that the Strategy will explore those interests and more, including:

- defining industry, exploring the distinction between ‘employment’ and ‘industrial’ lands, and examining the growing interest in employment rather than industrial lands;
- understanding current industry sectors in Metro Vancouver (and associated operational requirements);
- understanding variations in job types and job densities within industry;
- understanding the changing nature of industry, changing definition of industrial activities, and implications for projected industrial land demand in the region;
- understanding the effectiveness of current policies in the region for protecting existing industrial lands;
- exploring best practices, including governance structures, land protection, land densification/intensification (with examples), land interfaces (industrial-residential), mixed-use opportunities, and land conversion assessment criteria.
- investigating interest in, and challenges with, retaining job density and job type (e.g. industrial and other employment activities) if industrial / employment sites are redeveloped; and
- exploring the implications of adding residential uses to employment lands in certain locations (e.g. near rapid transit stations), and exploring whether specific conditions should be required, such as retention of industrial/employment job density and job type, or meeting other regional objectives (e.g. affordable housing).

Project Objectives

Much work has already been undertaken to: quantify the economic value of trade enabling lands; understand the quantity and quality of industrial lands in the region; explore intensification best practices; and to identify which lands are available for development, the types of industrial activities in the region, and other land characteristics.

The Regional Industrial Lands Strategy will:

1. build a collective understanding of the challenges and issues facing industrial lands;
2. establish a vision to ensure that there are sufficient industrial lands in the region to meet the needs of a growing and evolving regional economy; and
3. recommend actions for a wide range of stakeholders to achieve that vision.

Project Phases

There are three planned phases of work for this project:



PHASE 1. The Present: Identify Trends, Inventory and Demand (May to September 2018)

This first phase of work is intended to understand and depict the current state of play for industrial lands in the region. Research in Phase 1 will be required to:

1. define “Industrial” for the purposes of the Strategy;
2. confirm work completed and underway about industrial lands across the region, and explore collaboration / integration opportunities;
3. develop an understanding of the economic value of non-trade enabling industry sectors, and determine the jobs associated with these sectors;
4. describe the qualitative value of industrial lands from a “complete communities” perspective to include both qualitative benefits/detriments and regional service/ infrastructure maintenance aspects;
5. better understand the activities on “General Industrial” lands in Metro Vancouver’s Industrial Lands Inventory, and consider defining different sector categories within “General Industrial”; and
6. explore the needs of, and challenges facing, industrial land users, and develop corresponding profiles.

It is anticipated that this work will be undertaken between May and September 2018, and presented to the Task Force for consideration at its September meeting. For the May Task Force meeting, staff have arranged to have guest speakers attend from industrial associations and academia to provide context to the issues facing industrial lands in the region.

PHASE 2. Explore Opportunities (September 2018 to February 2019)

The second phase of the project is intended to consider the changing nature (i.e. future) of industry and the anticipated qualitative impacts on employment and land demand in both the next 10 years and to 2050. Phase 2 will also explore other regional approaches and associated innovative governance, financial, and policy tools to address the challenges identified in Phase 1. Research in Phase 2 will be required to:

1. understand the changing nature of industry, drivers of change, adaptations, and higher level regional industrial sector trends, operational trends, and associated overall predictions for sector employment outlooks and land requirements; and,
2. survey / research other approaches in regions with similar geographies and major industries, and investigate their initiatives and associated best practices and tools, including examples of governance structures, partnerships, land protection, land densification/intensification, land interfaces, mixed-use opportunities, and land conversion assessment criteria.

It is anticipated that this work will be undertaken between September 2018 and January / February 2019 and will be presented to the Task Force for consideration at meetings early in 2019.

PHASE 3. Strategy Development: Considering Solutions (February to Fall 2019)

The final phase of the project is intended to consolidate the information learned in Phases 1 and 2, and to develop the Regional Industrial Lands Strategy. The Strategy will comprise a set of

recommendations applicable to the Metro Vancouver region, geared toward all the key stakeholders with an interest in industrial lands.

Phase 3 will also involve significant stakeholder engagement, including a large roundtable event to get feedback on the Strategy before it is finalized.

It is anticipated that the Phase 3 work will be undertaken between February 2019 and June 2019 and will be presented to the Task Force for consideration at meetings, dates yet to be determined, in 2019.

ALTERNATIVES

1. That the Industrial Lands Task Force endorse the scope of work set out in the report titled “Regional Industrial Lands Strategy Scope of Work” dated April 12, 2018.

2. That the Industrial Lands Task Force amend and then endorse the scope of work set out in the report titled “Regional Industrial Lands Strategy Scope of Work” dated April 12, 2018.

FINANCIAL IMPLICATIONS

Funding for the Task Force is provided in the 2018 Board approved Regional Planning budget, which contains \$30,000 to advance the Regional Industrial Lands Strategy and \$50,000 for the Metro 2040 Industrial and Mixed Employment Policy Review. Staff will seek additional funding as necessary through the 2019 budget process.

SUMMARY

The regional supply of industrial land is under significant pressure for conversion to residential, retail, commercial and other uses, and the non-industrial use of industrial lands continues to be a significant challenge. The completion of a Regional Industrial Lands Strategy will build a collective understanding of the challenges and issues facing industrial lands, provide a vision of how to ensure sufficient industrial lands meet the needs of a growing and evolving regional economy, and recommend actions for a broad range of stakeholders to achieve that vision. Through three phases of work, it is anticipated that the strategy will be completed by mid-2019.

The Strategy will be developed with guidance from the Industrial Lands Task Force and input from the Regional Planning Advisory Committee and various stakeholders. Recommendations from the Task Force will be reported back to the MVRD Board. The Regional Industrial Lands Strategy engagement process will include a wide range of stakeholders including: elected officials, senior levels of government, regional agencies (e.g. TransLink), municipal planning and economic staff, Port of Vancouver, Vancouver Airport Authority, industry associations (e.g. NAIOP, the Urban Development Institute, Chambers of Commerce, etc.), brokerage firms, developers, academics, and others.